

SENATE  
STATE OF MINNESOTA  
NINETIETH SESSION

S.F. No. 210

(SENATE AUTHORS: SENJEM, Pappas, Ingebrigtsen, Dahms and Eken)

DATE	D-PG	OFFICIAL STATUS
01/19/2017	359	Introduction and first reading Referred to Capital Investment
01/30/2017	431a	Comm report: To pass as amended and re-refer to Finance Rule 21, referred to Rules and Administration
02/02/2017	460	Comm report: Amend previous comm report Re-referred to Transportation Finance and Policy
02/22/2017	719a	Comm report: To pass as amended and re-refer to Finance
03/08/2017	1159a	Comm report: To pass as amended
	1180	Second reading
	6107	Rule 47, returned to Finance See First Special Session, HF5

1.1 A bill for an act

1.2 relating to capital investment; authorizing spending to acquire and better public

1.3 land and buildings and other improvements of a capital nature with certain

1.4 conditions; modifying previous appropriations; establishing new programs and

1.5 modifying existing programs; authorizing the sale and issuance of state bonds;

1.6 appropriating money; amending Minnesota Statutes 2016, sections 13.6905, by

1.7 adding a subdivision; 13.7411, by adding a subdivision; 16A.967; 85.34,

1.8 subdivision 1; 115E.042; 160.18, by adding a subdivision; 162.145, subdivision

1.9 3; 174.52, subdivision 2; 219.015; 299A.55; 446A.072; 446A.073; 446A.081,

1.10 subdivision 9; 446A.12, subdivision 1; 462A.37, subdivision 5, by adding a

1.11 subdivision; Laws 2012, chapter 293, section 7, subdivision 3; Laws 2014, chapter

1.12 294, article 1, sections 7, subdivision 15; 17, subdivisions 6, 12; Laws 2015, First

1.13 Special Session chapter 5, article 1, section 10, subdivision 3; proposing coding

1.14 for new law in Minnesota Statutes, chapter 219; repealing Minnesota Statutes

1.15 2016, section 123A.446.

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

1.17 ARTICLE 1

1.18 APPROPRIATIONS

1.19 Section 1. CAPITAL IMPROVEMENT APPROPRIATIONS.

1.20 The sums shown in the column under "Appropriations" are appropriated from the bond

1.21 proceeds fund, or another named fund, to the state agencies or officials indicated, to be

1.22 spent for public purposes. Appropriations of bond proceeds must be spent as authorized by

1.23 the Minnesota Constitution, article XI, section 5, paragraph (a), to acquire and better public

1.24 land and buildings and other public improvements of a capital nature, or as authorized by

1.25 the Minnesota Constitution, article XI, section 5, paragraphs (b) to (j), or article XIV. Unless

1.26 otherwise specified, money appropriated in this article for a capital program or project may

1.27 be used to pay state agency staff costs that are attributed directly to the capital program or

1.28 project in accordance with accounting policies adopted by the commissioner of management

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

2.8 APPROPRIATIONS

2.9 Sec. 2. UNIVERSITY OF MINNESOTA

2.10 Subdivision 1. Total Appropriation \$ 81,567,000

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

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

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

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

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

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

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

2.31 Subd. 5. University Share

2.32 Except for the appropriation for HEAPR, the  
 2.33 appropriations in this section are intended to  
 2.34 cover approximately two-thirds of the cost of

3.1 each project. The remaining costs must be paid  
 3.2 from university sources.

3.3 **Subd. 6. Unspent Appropriations**

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

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

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

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

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

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

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

3.31 To demolish Building G and connecting links  
 3.32 or portions thereof, and to construct, renovate,  
 3.33 furnish, and equip buildings, links, and entry  
 3.34 spaces on the campus.

4.1	<b><u>Subd. 4. Minnesota State Community and</u></b>	
4.2	<b><u>Technical College</u></b>	
4.3	<b><u>(a) Fergus Falls campus</u></b>	<b><u>978,000</u></b>
4.4	<u>To design, renovate, furnish, and equip a new</u>	
4.5	<u>Center for Student and Workforce Success</u>	
4.6	<u>(CSWS) that integrates the Regional</u>	
4.7	<u>Workforce Center. The board must enter into</u>	
4.8	<u>a lease agreement with the commissioner of</u>	
4.9	<u>employment and economic development, or</u>	
4.10	<u>partners of the commissioner, for use of the</u>	
4.11	<u>workforce center subject to Minnesota</u>	
4.12	<u>Statutes, section 16A.695. The board must use</u>	
4.13	<u>nonstate money for the remainder of the cost</u>	
4.14	<u>of the renovation.</u>	
4.15	<b><u>(b) Wadena campus</u></b>	<b><u>820,000</u></b>
4.16	<u>To design, renovate, furnish, and equip the</u>	
4.17	<u>relocation of the current library to</u>	
4.18	<u>underutilized space and converting the vacated</u>	
4.19	<u>space into a centralized student services center.</u>	
4.20	<b><u>Subd. 5. Northland Community and Technical</u></b>	
4.21	<b><u>College, East Grand Forks</u></b>	<b><u>826,000</u></b>
4.22	<u>To design, renovate, furnish, and equip science</u>	
4.23	<u>and radiological lab space on the East Grand</u>	
4.24	<u>Forks campus.</u>	
4.25	<b><u>Subd. 6. Riverland Community College, Albert</u></b>	
4.26	<b><u>Lea</u></b>	<b><u>7,427,000</u></b>
4.27	<u>To design, construct, furnish, and equip the</u>	
4.28	<u>renovation and expansion of the Trade and</u>	
4.29	<u>Industrial Education Center on the Albert Lea</u>	
4.30	<u>campus of Riverland Community College.</u>	
4.31	<b><u>Subd. 7. South Central College, North Mankato</u></b>	<b><u>8,600,000</u></b>
4.32	<u>To design, renovate, renew, furnish, and equip</u>	
4.33	<u>laboratory, classroom and office spaces on the</u>	
4.34	<u>North Mankato campus.</u>	
4.35	<b><u>Subd. 8. St. Cloud State University</u></b>	<b><u>18,572,000</u></b>

5.1 To construct, renovate, furnish, and equip  
 5.2 Eastman Hall for the relocation of  
 5.3 consolidated student health services and  
 5.4 academic programs.

5.5 **Subd. 9. Winona State University, Education**  
 5.6 **Village, Phase 2**

25,306,000

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

5.14 **Subd. 10. Debt Service**

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

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

5.30 (c) The commissioner of management and  
 5.31 budget shall reduce the board's assessment  
 5.32 each year by one-third of the net income from  
 5.33 investment of general obligation bond  
 5.34 proceeds in proportion to the amount of  
 5.35 principal and interest otherwise required to be

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

6.17 **Subd. 11. Unspent Appropriations**

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

6.34 (b) The unspent portion of an appropriation  
6.35 for a project in this section that is complete is

7.1 available for HEAPR under this subdivision,  
 7.2 at the same campus as the project for which  
 7.3 the original appropriation was made and the  
 7.4 debt service requirement under subdivision  
 7.5 10 is reduced accordingly. Minnesota Statutes,  
 7.6 section 16A.642, applies from the date of the  
 7.7 original appropriation to the unspent amount  
 7.8 transferred.

7.9 **Sec. 4. EDUCATION**

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

7.11 To the commissioner of education for the  
 7.12 purposes specified in this section.

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

7.14 For library construction grants under  
 7.15 Minnesota Statutes, section 134.45.

7.16 **Subd. 3. Red Lake - Independent School District**  
 7.17 **No. 38 Facility Projects** **14,070,000**

7.18 (a) This appropriation is from the maximum  
 7.19 effort school loan fund for a capital loan to  
 7.20 Independent School District No. 38, Red Lake,  
 7.21 as provided in Minnesota Statutes, sections  
 7.22 126C.60 to 126C.72. This appropriation is to  
 7.23 complete design and construction of a  
 7.24 connection structure between the Red Lake  
 7.25 Early Learning Childhood Center and Red  
 7.26 Lake Elementary School; renovations to  
 7.27 various classrooms, labs, and support rooms;  
 7.28 updating of mechanical systems; and  
 7.29 expansion of the cafeteria. Before any capital  
 7.30 loan contract is approved under this  
 7.31 subdivision, the district must provide  
 7.32 documentation acceptable to the commissioner  
 7.33 of education on how the capital loan will be  
 7.34 used.

8.1 (b) The commissioner of administration may  
 8.2 provide project management services to assist  
 8.3 the Department of Education with oversight  
 8.4 of the project. No money for construction may  
 8.5 be distributed by the commissioner of  
 8.6 education to the recipient school district until  
 8.7 bids have been received on 100 percent of the  
 8.8 construction documents and satisfactory  
 8.9 documentation has been submitted to the  
 8.10 commissioner of education indicating the  
 8.11 project can be fully completed with money  
 8.12 available for the project.

8.13 (c) Notwithstanding the timelines in Minnesota  
 8.14 Statutes, section 126C.69, subdivision 11,  
 8.15 Independent School District No. 38, Red Lake,  
 8.16 must submit the question authorizing the  
 8.17 borrowing of money for the facilities to voters  
 8.18 of the district at the first general election after  
 8.19 the effective date of this section.

8.20 Subd. 4. **Grand Rapids - Myles Reif Center** 500,000

8.21 From the general fund for a grant to  
 8.22 Independent School District No. 318, Grand  
 8.23 Rapids, to cover cost overruns for the Myles  
 8.24 Reif Center for the Performing Arts project in  
 8.25 Grand Rapids. This appropriation is added to  
 8.26 and is for the same purposes as the project in  
 8.27 Laws 2014, chapter 294, article 1, section 21,  
 8.28 subdivision 8. This appropriation does not  
 8.29 require a nonstate contribution.

8.30 Subd. 5. **Olmsted County - Dyslexia Institute of**  
 8.31 Minnesota 1,500,000

8.32 For a grant to Olmsted County to acquire land  
 8.33 for and to predesign, design, construct, furnish,  
 8.34 and equip a facility in Olmsted County to  
 8.35 support the local, regional, and national



9.1 literacy work of the Dyslexia Institute of  
 9.2 Minnesota, subject to Minnesota Statutes,  
 9.3 section 16A.695. This appropriation is not  
 9.4 available until the commissioner of  
 9.5 management and budget determines that an  
 9.6 equal amount is committed from nonstate  
 9.7 sources.

9.8 **Sec. 5. MINNESOTA STATE ACADEMIES**

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

9.10 To the commissioner of administration for the  
 9.11 purposes specified in this section.

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

9.13 For capital asset preservation improvements  
 9.14 and betterments on both campuses of the  
 9.15 Minnesota State Academies, to be spent in  
 9.16 accordance with Minnesota Statutes, section  
 9.17 16B.307.

9.18 **Subd. 3. Security Corridor** **50,000**

9.19 For predesign for a safety corridor on the  
 9.20 Minnesota State Academy for the Deaf  
 9.21 campus.

9.22 **Sec. 6. NATURAL RESOURCES**

9.23 **Subdivision 1. Total Appropriation** **\$ 63,211,000**

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

9.26 (b) The appropriations in this section are  
 9.27 subject to the requirements of the natural  
 9.28 resources capital improvement program under  
 9.29 Minnesota Statutes, section 86A.12, unless  
 9.30 this section or the statutes referred to in this  
 9.31 section provide more specific standards,

10.1 criteria, or priorities for projects than

10.2 Minnesota Statutes, section 86A.12.

10.3 **Subd. 2. Natural Resources Asset Preservation**

25,866,000

10.4 For the renovation of state-owned facilities

10.5 and recreational assets operated by the

10.6 commissioner of natural resources to be spent

10.7 in accordance with Minnesota Statutes, section

10.8 84.946. Notwithstanding Minnesota Statutes,

10.9 section 84.946: (1) the commissioner may use

10.10 this appropriation to replace buildings if,

10.11 considering the embedded energy in the

10.12 building, that is the most energy-efficient and

10.13 carbon-reducing method of renovation; and

10.14 (2) this appropriation may be used for projects

10.15 to remove life safety hazards such as building

10.16 code violations or structural defects.

10.17 **Subd. 3. Flood Hazard Mitigation**

11,555,000

10.18 (a) For the state share of flood hazard

10.19 mitigation grants for publicly owned capital

10.20 improvements to prevent or alleviate flood

10.21 damage under Minnesota Statutes, section

10.22 103F.161.

10.23 (b) Levee projects, to the extent practical, shall

10.24 meet the state standard of three feet above the

10.25 100-year flood elevation.

10.26 (c) Project priorities shall be determined by

10.27 the commissioner as appropriate and based on

10.28 need.

10.29 (d) This appropriation includes \$1,700,000 for

10.30 the Cedar River Watershed District, \$750,000

10.31 for the city of Browns Valley project, and

10.32 \$1,800,000 for the city of Ortonville project.

10.33 (e) For any project listed in this subdivision

10.34 that the commissioner determines is not ready

11.1 to proceed or does not expend all the money  
 11.2 allocated to it, the commissioner may allocate  
 11.3 that project's money to a project on the  
 11.4 commissioner's priority list.

11.5 (f) To the extent that the cost of a project  
 11.6 exceeds two percent of the median household  
 11.7 income in a municipality or township  
 11.8 multiplied by the number of households in the  
 11.9 municipality or township, this appropriation  
 11.10 is also for the local share of the project.

11.11 (g) To the extent practicable and consistent  
 11.12 with the project, recipients of appropriations  
 11.13 for flood damage reduction projects in this  
 11.14 subdivision shall create wetlands that are  
 11.15 eligible for wetland replacement credit to  
 11.16 replace wetlands drained or filled as a result  
 11.17 of repair, reconstruction, replacement, or  
 11.18 rehabilitation of an existing public road under  
 11.19 Minnesota Statutes, section 103G.222,  
 11.20 subdivision 1, paragraphs (l) and (m).

11.21 (h) Wetlands established by flood control  
 11.22 projects funded in this subdivision that are not  
 11.23 needed for replacement credit as part of a  
 11.24 flood damage project funded in this  
 11.25 subdivision, are eligible for wetland  
 11.26 replacement credit under Minnesota Statutes,  
 11.27 sections 103G.222 to 103G.2243.

11.28 **Subd. 4. Dam Renovation, Repair, Removal**

9,000,000

11.29 For design, engineering, and construction to  
 11.30 repair, reconstruct, or remove dams and  
 11.31 respond to dam safety emergencies. The  
 11.32 commissioner shall determine project priorities  
 11.33 as appropriate under Minnesota Statutes,  
 11.34 sections 103G.511 and 103G.515. Of this  
 11.35 appropriation:

- 12.1 \$500,000 is for emergencies on state-owned  
 12.2 dams;
- 12.3 \$3,600,000 is for a grant to the city of  
 12.4 Lanesboro for repair of the Lanesboro dam  
 12.5 and notwithstanding the match requirements  
 12.6 in Minnesota Statutes, section 103G.511, does  
 12.7 not require a nonstate contribution. This  
 12.8 includes funding for repairs of the hydropower  
 12.9 system;
- 12.10 \$2,500,000 is for repairs of the Lake Bronson  
 12.11 dam;
- 12.12 \$500,000 is for a grant to the city of Pelican  
 12.13 Rapids for engineering work for the Pelican  
 12.14 Rapids dam;
- 12.15 \$200,000 is for a grant to the city of Pine  
 12.16 River for engineering work on the Norway  
 12.17 Lake dam;
- 12.18 \$200,000 is for a grant to Yellow Medicine  
 12.19 County for the Canby R-6 impoundment dam;
- 12.20 \$100,000 is for a grant to St. Louis County for  
 12.21 the Little Stone Lake dam; and
- 12.22 \$1,400,000 is for state dams at Brawner, West  
 12.23 Leaf Lake, Collinwood, Grindstone River, and  
 12.24 Sullivan.
- 12.25 If the commissioner determines that a project  
 12.26 is not ready to proceed, this appropriation may  
 12.27 be used for other projects on the  
 12.28 commissioner's priority list.
- 12.29 **Subd. 5. Reforestation and Stand Improvement**
- 12.30 To provide for reforestation and stand  
 12.31 improvement on state forest lands to meet the  
 12.32 reforestation requirements of Minnesota  
 12.33 Statutes, section 89.002, subdivision 2,

1,000,000

13.1 including purchasing native seeds and native  
 13.2 seedlings, planting, seeding, site preparation,  
 13.3 and protection on state lands administered by  
 13.4 the commissioner.

13.5 **Subd. 6. State Trail and Recreation Area**  
 13.6 **Development**

11,490,000

13.7 \$2,000,000 is for acquisition and development  
 13.8 of the Gitchi-Gami State Trail, Grand Marais  
 13.9 to Cascade State Park, and through the town  
 13.10 of Tofte.

13.11 \$2,590,000 is for the Glacial Lakes Trail, to  
 13.12 complete an approximately 6-1/4 mile trail  
 13.13 connection between New London and Sibley  
 13.14 State Park, and repair of the bicycle trail in  
 13.15 Sibley State Park.

13.16 \$3,300,000 is to design, develop, and complete  
 13.17 the Heartland State Trail from Detroit Lakes  
 13.18 to Frazee and, to the extent there is sufficient  
 13.19 money, for work on the spur from Park Rapids  
 13.20 to Itasca State Park.

13.21 \$3,600,000 is for acquisition and development  
 13.22 in the Cuyuna Country State Recreation Area,  
 13.23 including the Cuyuna Mountain Bike System.

13.24 **Subd. 7. Champlin - Mill Pond**

3,300,000

13.25 For a grant to the city of Champlin to dredge  
 13.26 and remove sediment and for other capital  
 13.27 improvements of the Champlin Mill Pond  
 13.28 necessary to improve water quality, restore  
 13.29 fish habitat, and provide other public benefits.

13.30 **Subd. 8. Lake County - Prospectors ATV Trail**  
 13.31 **System**

1,000,000

13.32 For a grant to Lake County for construction,  
 13.33 including bridges, of the Prospectors ATV  
 13.34 Trail System linking the communities of Ely,

14.1 Babbitt, Embarrass, and Tower; Bear Head  
 14.2 Lake and Lake Vermilion-Soudan  
 14.3 Underground Mine State Parks; the Taconite  
 14.4 State Trail; and the Lake County Regional  
 14.5 ATV Trail System. This appropriation is not  
 14.6 available until the commissioner of  
 14.7 management and budget determines that an  
 14.8 equal amount is committed from other sources.

14.9 **Subd. 9. Unspent Appropriations**

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

14.19 **Sec. 7. POLLUTION CONTROL AGENCY**

14.20 **Subdivision 1. Total Appropriation** **\$** **30,405,000**

14.21 To the commissioner of the Pollution Control  
 14.22 Agency for the purposes specified in this  
 14.23 section.

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

14.25 To design and implement contaminated  
 14.26 sediment management actions identified in  
 14.27 the St. Louis River remedial action plan to  
 14.28 restore water quality in the St. Louis River  
 14.29 Area of Concern. The agency shall enter into  
 14.30 partnership agreements with federal agencies,  
 14.31 where possible, to complete this project work  
 14.32 by December 31, 2020.

14.33 **Subd. 3. Closed Landfill Cleanup** **650,000**

15.1 To design and construct remedial systems and  
 15.2 acquire land at closed landfills throughout the  
 15.3 state in accordance with the closed landfill  
 15.4 program under Minnesota Statutes, sections  
 15.5 115B.39 to 115B.42. The agency must follow  
 15.6 the agency priorities, which includes a  
 15.7 construction project at the waste disposal  
 15.8 engineering (WDE) site in Anoka County.

15.9 **Subd. 4. Capital Assistance Program**

9,250,000

15.10 (a) For the solid waste capital assistance grant  
 15.11 program under Minnesota Statutes, section  
 15.12 115A.54.

15.13 (b) Of this appropriation, \$9,250,000 is for a  
 15.14 grant to Polk County to complete a regional  
 15.15 integrated solid waste management system.  
 15.16 An additional renewable energy component  
 15.17 shall not be mandated as a requirement of this  
 15.18 project to qualify for funding under this  
 15.19 section.

15.20 **Subd. 5. Redwood-Cottonwood Rivers Joint**  
 15.21 **Powers - Lake Redwood Reclamation and**  
 15.22 **Enhancement Project**

7,800,000

15.23 For a grant to the Redwood-Cottonwood  
 15.24 Rivers control area, a joint powers entity, to  
 15.25 predesign, design, construct, and equip the  
 15.26 reservoir reclamation and enhancement of the  
 15.27 66-acre Lake Redwood Reservoir, to remove  
 15.28 approximately 650,000 cubic yards of  
 15.29 sediment and increase its depth from  
 15.30 approximately 2.8 feet to approximately 20  
 15.31 feet in order to secure renewable energy  
 15.32 capacity of the hydroelectric dam which is  
 15.33 impeded by lack of water capacity, reduce the  
 15.34 flow of pollutants to the Minnesota River, and  
 15.35 increase fish habitat and enhance recreational  
 15.36 opportunities.

16.1 **Sec. 8. BOARD OF WATER AND SOIL**  
 16.2 **RESOURCES**

16.3 **Subdivision 1. Total Appropriation** **\$ 15,000,000**

16.4 To the Board of Water and Soil Resources for  
 16.5 the purposes specified in this section.

16.6 **Subd. 2. Reinvest in Minnesota (RIM) Reserve**  
 16.7 **Program** **10,000,000**

16.8 (a) To acquire conservation easements from  
 16.9 landowners to preserve, restore, create, and  
 16.10 enhance wetlands and associated uplands of  
 16.11 prairie and grasslands, and restore and enhance  
 16.12 rivers and streams, riparian lands, and  
 16.13 associated uplands of prairie and grasslands  
 16.14 in order to protect soil and water quality,  
 16.15 support fish and wildlife habitat, reduce flood  
 16.16 damage, and provide other public benefits.

16.17 The provisions of Minnesota Statutes, section  
 16.18 103F.515, apply to this program.

16.19 (b) The board shall give priority to leveraging  
 16.20 federal money by enrolling targeted new lands  
 16.21 or enrolling environmentally sensitive lands  
 16.22 that have expiring federal conservation  
 16.23 agreements.

16.24 (c) The board is authorized to enter into new  
 16.25 agreements and amend past agreements with  
 16.26 landowners as required by Minnesota Statutes,  
 16.27 section 103F.515, subdivision 5, to allow for  
 16.28 restoration. Of this appropriation, up to five  
 16.29 percent may be used for restoration and  
 16.30 enhancement.

16.31 **Subd. 3. Local Government Roads Wetland**  
 16.32 **Replacement Program** **5,000,000**

16.33 To acquire land or permanent easements and  
 16.34 to restore, create, enhance, and preserve  
 16.35 wetlands to replace those wetlands drained or



17.1 filled as a result of the repair, reconstruction,  
 17.2 replacement, or rehabilitation of existing  
 17.3 public roads as required by Minnesota  
 17.4 Statutes, section 103G.222, subdivision 1,  
 17.5 paragraphs (l) and (m). The board may vary  
 17.6 the priority order of Minnesota Statutes,  
 17.7 section 103G.222, subdivision 3, paragraph  
 17.8 (a), to implement an in-lieu fee agreement  
 17.9 approved by the U.S. Army Corps of  
 17.10 Engineers under section 404 of the Clean  
 17.11 Water Act. The purchase price paid for  
 17.12 acquisition of land or perpetual easement must  
 17.13 be a fair market value as determined by the  
 17.14 board. The board may enter into agreements  
 17.15 with the federal government, other state  
 17.16 agencies, political subdivisions, nonprofit  
 17.17 organizations, fee title owners, or other  
 17.18 qualified private entities to acquire wetland  
 17.19 replacement credits in accordance with  
 17.20 Minnesota Rules, chapter 8420.

17.21 **Sec. 9. AGRICULTURE**

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

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

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

17.26 From the general fund for equipment and  
 17.27 instruments for the agriculture laboratory. This  
 17.28 appropriation is available until June 30, 2022.

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

17.30 From the general fund for a grant to  
 17.31 Agricultural Utilization Research Institute  
 17.32 (AURI) for construction of a development  
 17.33 kitchen, sensory lab, and safety and security  
 17.34 upgrades at AURI's Marshall facility and for

18.1 communications and information technology  
 18.2 upgrades at the Crookston, Marshall, and  
 18.3 Waseca facilities.

18.4 **Sec. 10. MINNESOTA ZOOLOGICAL**  
 18.5 **GARDEN**

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

18.7 To the Minnesota Zoological Garden Board  
 18.8 for the purposes specified in this section.

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

18.10 For capital asset preservation improvements  
 18.11 and betterments to infrastructure and exhibits  
 18.12 at the Minnesota Zoo, to be spent in  
 18.13 accordance with Minnesota Statutes, section  
 18.14 16B.307. Notwithstanding the specified uses  
 18.15 of money under Minnesota Statutes, section  
 18.16 16B.307, the board may use this appropriation  
 18.17 to replace buildings that are poor in condition,  
 18.18 outdated, and no longer support the work of  
 18.19 the Minnesota Zoo and to construct and  
 18.20 renovate trails and roads on the Minnesota  
 18.21 Zoo site.

18.22 **Sec. 11. ADMINISTRATION**

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

18.24 To the commissioner of administration for the  
 18.25 purposes specified in this section.

18.26 **Subd. 2. Centennial Parking Ramp** **10,878,000**

18.27 (a) To complete design and for structural  
 18.28 repairs to the Centennial parking ramp,  
 18.29 including removal of the top deck green space  
 18.30 to provide additional parking capacity,  
 18.31 repairing damaged post-tension cables, and  
 18.32 installation of a deck surface protection  
 18.33 coating.

- 19.1 (b) Any unexpended amount of this  
 19.2 appropriation after completing the project in  
 19.3 paragraph (a) may be used to design and  
 19.4 construct a storm water retention basin  
 19.5 adjacent to the Centennial parking ramp, if the  
 19.6 commissioner of administration determines  
 19.7 that the basin is feasible.
- 19.8 **Subd. 3. Capital Asset Preservation and**  
 19.9 **Replacement Account** 2,500,000
- 19.10 To be spent in accordance with Minnesota  
 19.11 Statutes, section 16A.632.
- 19.12 **Subd. 4. Capitol Complex Monuments and**  
 19.13 **Memorials** 350,000
- 19.14 To design and complete critical repairs to the  
 19.15 Peace Officers and Roy Wilkins Memorials  
 19.16 located on the Capitol complex.
- 19.17 **Subd. 5. Capitol Complex - Physical Security**  
 19.18 **Upgrades** 10,500,000
- 19.19 For the design, construction, and equipping  
 19.20 required to upgrade the physical security  
 19.21 elements and systems for one or more of the  
 19.22 buildings listed below, their attached tunnel  
 19.23 systems and surrounding grounds, and parking  
 19.24 facilities as identified in the 2014 Minnesota  
 19.25 State Capitol Complex Physical Security Study  
 19.26 conducted by Miller Dunwiddie Architecture.
- 19.27 Work includes but is not limited to the  
 19.28 installation of bollards, blast protection,  
 19.29 infrastructure security screen walls, door  
 19.30 access controls, emergency call stations,  
 19.31 security kiosks, locking devices, and traffic  
 19.32 control to the extent these funds allow. This  
 19.33 appropriation is for work associated with one  
 19.34 or more of the following buildings:
- 19.35 Administration, Centennial, Judicial,  
 19.36 Ag/Health Lab, Minnesota History Center,

- 20.1 Minnesota History Center Loading Dock,  
 20.2 Capitol Complex Power Plant and Shops,  
 20.3 Stassen, State Office, and Veterans Service.
- 20.4 **Subd. 6. Granite Falls - Pioneer Public Television** **1,950,000**
- 20.5 From the general fund to provide an equipment  
 20.6 grant to Pioneer Public Television as part of  
 20.7 the station's construction of a new facility in  
 20.8 Granite Falls, Minnesota. The money may be  
 20.9 used to purchase and install equipment  
 20.10 necessary to the station's operation. This  
 20.11 appropriation does not require a nonstate  
 20.12 contribution.
- 20.13 **Sec. 12. MN.IT** **\$** **\$1,432,000**
- 20.14 To the commissioner of administration to  
 20.15 predesign, design, construct, renovate, furnish,  
 20.16 and equip existing state data center facilities  
 20.17 at the Bureau of Criminal Apprehension's  
 20.18 Maryland Avenue office building and at the  
 20.19 Department of Revenue's Stassen Office  
 20.20 Building for the purpose of decommissioning  
 20.21 and repurposing into usable space.
- 20.22 **Sec. 13. MILITARY AFFAIRS** **\$** **2,500,000**
- 20.23 To the adjutant general for asset preservation  
 20.24 improvements and betterments of a capital  
 20.25 nature at military affairs facilities statewide,  
 20.26 to be spent in accordance with Minnesota  
 20.27 Statutes, section 16B.307.
- 20.28 **Sec. 14. PUBLIC SAFETY** **\$** **3,521,000**
- 20.29 To the adjutant general to predesign, design,  
 20.30 construct, and equip a joint emergency railroad  
 20.31 and pipeline emergency response training  
 20.32 facility at Camp Ripley. The project includes

- 21.1 construction of stations and capital
- 21.2 infrastructure needed for mock disaster
- 21.3 training, including infrastructure for training
- 21.4 in hazardous materials abatement and site
- 21.5 recovery work.
- 21.6 Sec. 15. **TRANSPORTATION**
- 21.7 **Subdivision 1. Total Appropriation** **\$ 272,795,000**
- 21.8 To the commissioner of transportation for the
- 21.9 purposes specified in this section.
- 21.10 **Subd. 2. Local Bridge Replacement and**
- 21.11 **Rehabilitation** **90,000,000**
- 21.12 From the bond proceeds account in the state
- 21.13 transportation fund to match federal money
- 21.14 and to replace or rehabilitate local deficient
- 21.15 bridges as provided in Minnesota Statutes,
- 21.16 section 174.50.
- 21.17 **Subd. 3. Local Road Improvement Fund Grants** **141,196,000**
- 21.18 (a) From the bond proceeds account in the
- 21.19 state transportation fund as provided in
- 21.20 Minnesota Statutes, section 174.50, for grants
- 21.21 under Minnesota Statutes, section 174.52,
- 21.22 subdivision 2, for construction and
- 21.23 reconstruction of local roads with statewide
- 21.24 or regional significance under Minnesota
- 21.25 Statutes, section 174.52, subdivision 4, or for
- 21.26 grants to counties to assist in paying the costs
- 21.27 of rural road safety capital improvement
- 21.28 projects on county state-aid highways under
- 21.29 Minnesota Statutes, section 174.52,
- 21.30 subdivision 4a.
- 21.31 (b) Of this amount, \$9,000,000 is for a grant
- 21.32 to Anoka County to complete the design, land
- 21.33 acquisition, engineering, and construction of
- 21.34 County State-Aid Highway 23, known as Lake

22.1 Drive, County State-Aid Highway 54, known  
22.2 as West Freeway Drive, and to Hornsby Street  
22.3 in the city of Columbus to support the overall  
22.4 interchange project.

22.5 (c) Of this amount, \$1,000,000 is for a grant  
22.6 to the town of Appleton in Swift County for  
22.7 upgrades to an existing township road to  
22.8 provide for a paved, ten-ton capacity township  
22.9 road extending between marked Trunk  
22.10 Highways 7 and 119.

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

22.20 (e) Of this amount, \$3,246,000 is for a grant  
22.21 to the city of Blaine to predesign, design, and  
22.22 reconstruct 105th Avenue in the vicinity of  
22.23 the National Sports Center in Blaine. The  
22.24 reconstruction will include changing the street  
22.25 from five lanes to four lanes with median, turn  
22.26 lanes, sidewalk, trail, landscaping, lighting,  
22.27 and consolidation of access driveways. This  
22.28 appropriation is not available until the  
22.29 commissioner of management and budget  
22.30 determines that at least \$3,000,000 is  
22.31 committed to the project from sources  
22.32 available to the city, including municipal state  
22.33 aid and county turnback funds.

22.34 (f) Of this amount, \$25,000,000 is for a grant  
22.35 to Hennepin County for design, right-of-way

23.1 acquisition, engineering, and construction of  
 23.2 public improvements related to the Interstate  
 23.3 Highway 35W and Lake Street access project  
 23.4 and related improvements within the Interstate  
 23.5 Highway 35W corridor. This appropriation is  
 23.6 not available until the commissioner of  
 23.7 management and budget determines that an  
 23.8 amount sufficient to complete the Interstate  
 23.9 Highway 35W and Lake Street access project  
 23.10 has been committed to the project.

23.11 (g) Of this amount, \$20,500,000 is for a grant  
 23.12 to Ramsey County for preliminary and final  
 23.13 design, right-of-way acquisition, engineering,  
 23.14 contract administration, and construction of  
 23.15 public improvements related to the  
 23.16 construction of the interchange of marked  
 23.17 Interstate Highway 694 and Rice Street,  
 23.18 Ramsey County State-Aid Highway 49, in  
 23.19 Ramsey County.

23.20 (h) Of this amount, \$700,000 is for a grant to  
 23.21 Redwood County for paving Nobles Avenue  
 23.22 as the main access road to a new State  
 23.23 Veterans Cemetery to be located in Paxton  
 23.24 Township.

23.25 **Subd. 4. Rail Grade Separations** 26,749,000

23.26 To design and construct rail safety projects at  
 23.27 highway-rail grade crossings in accordance  
 23.28 with Minnesota Statutes, section 219.016. Of  
 23.29 this appropriation:

23.30 (1) \$11,987,000 is for a grant to Anoka County  
 23.31 for environmental analysis, design,  
 23.32 engineering, removal of an existing structure,  
 23.33 and construction of a rail grade crossing  
 23.34 separation at Anoka County State-Aid

24.1 Highway 78, known as Hanson Boulevard, in  
 24.2 Coon Rapids.

24.3 (2) \$14,762,000 is for a grant to the city of  
 24.4 Red Wing for environmental analysis, design,  
 24.5 engineering, removal of an existing structure,  
 24.6 and construction of a rail grade crossing  
 24.7 separation at Sturgeon Lake Road.

24.8 Subd. 5. **Railroad Warning Devices** 1,000,000

24.9 To design, construct, and equip new rail grade  
 24.10 crossing warning safety devices at active  
 24.11 highway-rail grade crossings, or to replace  
 24.12 active highway-rail grade warning safety  
 24.13 devices that have reached the end of their  
 24.14 useful life.

24.15 Subd. 6. **Minnesota Valley Regional Rail**  
 24.16 **Authority** 4,000,000

24.17 For a grant to the Minnesota Valley Regional  
 24.18 Rail Authority for the rehabilitation of a  
 24.19 portion of the railroad track between Winthrop  
 24.20 and Hanley Falls. The grant under this  
 24.21 subdivision may also be used for any required  
 24.22 environmental documentation and  
 24.23 remediation, predesign, design, and  
 24.24 rehabilitation or replacement of bridges with  
 24.25 new bridges or culverts between Winthrop and  
 24.26 Hanley Falls. A grant under this section is in  
 24.27 addition to any grant, loan, or loan guarantee  
 24.28 for this project made by the commissioner  
 24.29 under Minnesota Statutes, sections 222.46 to  
 24.30 222.62. This appropriation is in addition to  
 24.31 the appropriations in Laws 2006, chapter 258,  
 24.32 section 16, subdivision 6; Laws 2008, chapter  
 24.33 179, section 16, subdivision 5; Laws 2009,  
 24.34 chapter 93, article 1, section 11, subdivision  
 24.35 4; Laws 2010, chapter 189, section 15,



- 25.1 subdivision 5; and Laws 2015, First Special  
 25.2 Session chapter 5, article 1, section 10,  
 25.3 subdivision 4.
- 25.4 **Subd. 7. Hugo - Short Line Railway** 1,100,000
- 25.5 For a grant to Minnesota Commercial Railway  
 25.6 for construction of repairs and other capital  
 25.7 improvements to approximately 6.5 miles of  
 25.8 railroad track described as that portion of the  
 25.9 Minnesota Commercial Railway main running  
 25.10 lead, between M & D Junction in White Bear  
 25.11 Lake and the end of the track in Hugo. This  
 25.12 appropriation must be used for the purposes  
 25.13 set forth in the Minnesota Constitution, article  
 25.14 XI, section 5, clause (i), to improve and  
 25.15 rehabilitate railroad rights-of-way and other  
 25.16 rail facilities, whether public or private. This  
 25.17 appropriation does not require a nonstate  
 25.18 match.
- 25.19 **Subd. 8. Port Development Assistance** 5,000,000
- 25.20 For grants under Minnesota Statutes, chapter  
 25.21 457A. Any improvements made with the  
 25.22 proceeds of these grants must be publicly  
 25.23 owned.
- 25.24 **Subd. 9. International Falls-Koochiching County**  
 25.25 **Airport Commission** 3,000,000
- 25.26 (a) For a grant to the International  
 25.27 Falls-Koochiching County Airport  
 25.28 Commission for the following improvements  
 25.29 to the Falls International Airport:
- 25.30 (1) demolition of the existing terminal  
 25.31 building;
- 25.32 (2) rehabilitation;
- 25.33 (3) site preparation, including utilities and civil  
 25.34 work;

26.1 (4) design, construction, furnishing, and  
 26.2 equipping Phase II of the new terminal  
 26.3 building, including a Transportation Safety  
 26.4 Administration office, weather office,  
 26.5 conference room, circulation corridor, airport  
 26.6 administration offices, United States Customs  
 26.7 and Border Protection storage rooms, offices,  
 26.8 restrooms, passenger-processing area,  
 26.9 wet-hold room, interview room, search room,  
 26.10 precustoms and postcustoms passenger waiting  
 26.11 areas, and vestibule; and

26.12 (5) associated appurtenances of a capital  
 26.13 nature.

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

26.21 (c) This appropriation does not require a  
 26.22 nonstate contribution or match.

26.23 **Subd. 10. Grand Rapids - Pedestrian Bridge** 750,000

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

27.1	Sec. 16. <u>METROPOLITAN COUNCIL</u>		
27.2	<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>40,350,000</u>
27.3	<u>To the Metropolitan Council for the purposes</u>		
27.4	<u>specified in this section.</u>		
27.5	<u>Subd. 2. Metropolitan Regional Parks and Trails</u>		
27.6	<u>Capital Improvements</u>		<u>5,000,000</u>
27.7	<u>For the cost of improvements and betterments</u>		
27.8	<u>of a capital nature and acquisition by the</u>		
27.9	<u>council and local government units of regional</u>		
27.10	<u>recreational open-space lands in accordance</u>		
27.11	<u>with the council's policy plan as provided in</u>		
27.12	<u>Minnesota Statutes, section 473.147. This</u>		
27.13	<u>appropriation must not be used to purchase</u>		
27.14	<u>easements.</u>		
27.15	<u>Subd. 3. Metro Orange Line BRT</u>		<u>12,100,000</u>
27.16	<u>Up to \$12,100,000, but an amount that is no</u>		
27.17	<u>more than ten percent of the total project cost,</u>		
27.18	<u>is for the Metropolitan Council, or for the</u>		
27.19	<u>Metropolitan Council to make grants to</u>		
27.20	<u>political subdivisions, for design, acquisition</u>		
27.21	<u>of right-of-way, engineering, and construction</u>		
27.22	<u>of capital improvements along the I-35W</u>		
27.23	<u>corridor for completion of the Metro Orange</u>		
27.24	<u>Bus Rapid Transit (BRT) Line.</u>		
27.25	<u>Subd. 4. Mall of America Station</u>		<u>8,750,000</u>
27.26	<u>For design and construction of improvements</u>		
27.27	<u>to the Mall of America Station on the</u>		
27.28	<u>Hiawatha Corridor light rail transit line,</u>		
27.29	<u>subject to Minnesota Statutes, section</u>		
27.30	<u>16A.695. The Metropolitan Council must</u>		
27.31	<u>consult with the city of Bloomington</u>		
27.32	<u>throughout the design and construction</u>		
27.33	<u>process.</u>		
27.34	<u>Subd. 5. Metropolitan Cities Inflow and</u>		
27.35	<u>Infiltration Grants</u>		<u>2,500,000</u>

- 28.1 For grants to cities within the metropolitan  
 28.2 area, as defined in Minnesota Statutes, section  
 28.3 473.121, 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 disposal  
 28.8 system. Grants from this appropriation are for  
 28.9 up to 50 percent of the cost to mitigate inflow  
 28.10 and infiltration in the publicly owned  
 28.11 municipal wastewater collection systems. To  
 28.12 be eligible for a grant, a city must be identified  
 28.13 by the council as a contributor of excessive  
 28.14 inflow and infiltration in the metropolitan  
 28.15 disposal system or have a measured flow rate  
 28.16 within 20 percent of its allowable  
 28.17 council-determined inflow and infiltration  
 28.18 limits. The council must award grants based  
 28.19 on applications from cities that identify  
 28.20 eligible capital costs and include a timeline  
 28.21 for inflow and infiltration mitigation  
 28.22 construction, pursuant to guidelines  
 28.23 established by the council.
- 28.24 **Subd. 6. St. Paul - Como Zoo** 12,000,000
- 28.25 For a grant to the city of St. Paul for predesign,  
 28.26 design, and engineering of Phase I of the  
 28.27 renovation of seal and sea lion habitat at the  
 28.28 Como Zoo. The renovated habitat will support  
 28.29 the zoo education programs. This  
 28.30 appropriation is not available until the  
 28.31 commissioner of management and budget  
 28.32 determines that at least \$1,100,000 is  
 28.33 committed to the project from nonstate  
 28.34 sources.
- 28.35 **Sec. 17. HEALTH** **\$ 2,335,000**

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

29.7 Sec. 18. **HUMAN SERVICES**

29.8 **Subdivision 1. Total Appropriation** **\$ 84,271,000**

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. Peter** **57,611,000**

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

- 30.1 Peter Regional Treatment Center upper  
 30.2 campus.
- 30.3 **Subd. 3. Child and Adolescent Behavioral Health**  
 30.4 **Services** 7,530,000
- 30.5 To purchase land in or near the city of Willmar  
 30.6 for, and to predesign, design, construct,  
 30.7 furnish, and equip, a 16-bed psychiatric  
 30.8 hospital facility of approximately 17,500 to  
 30.9 18,000 square feet that will house the Child  
 30.10 and Adolescent Behavioral Health Services  
 30.11 (CABHS) program. The facility shall include  
 30.12 space for single bedrooms, bathing and toilets,  
 30.13 dining, living, group and treatment rooms,  
 30.14 education space, visitation, clinic/professional  
 30.15 staff, operations staff, patient storage,  
 30.16 operations storage, food preparation,  
 30.17 HVAC/telecommunications/data equipment,  
 30.18 a small area for indoor recreation, and a secure  
 30.19 outdoor activity space. The property for the  
 30.20 facility will provide for staff and visitor  
 30.21 parking, outdoor activities, and appropriate  
 30.22 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 Treatment  
 30.27 Center campus, including but not limited to  
 30.28 control centers, electronic monitoring and  
 30.29 perimeter security equipment, new or updated  
 30.30 security fencing, and other building security  
 30.31 renovations. This appropriation includes  
 30.32 money for: predesign, design, furnishing,  
 30.33 fixtures, and equipment; construction of safety  
 30.34 and security improvements to courtyards on  
 30.35 residential treatment units; securely enclosing  
 30.36 the nursing station on Unit G; and installing

31.1 a campus-wide closed-circuit television video  
 31.2 security system, a facility-wide personal  
 31.3 duress alarm system, a key control system,  
 31.4 and an electronic access control system.

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

31.6 To the commissioner of human services for a  
 31.7 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 death  
 31.11 investigation and autopsy services for Dakota,  
 31.12 Hennepin, and Scott Counties with the  
 31.13 flexibility to accommodate future partner  
 31.14 counties and agencies; (2) serve as a teaching  
 31.15 facility for the state, on the science of forensic  
 31.16 pathology; and (3) be sited on property located  
 31.17 at 14300 County Road 62 in Minnetonka.

31.18 **Subd. 6. Perspectives Family Center - St. Louis**  
 31.19 **Park** 600,000

31.20 From the general fund to the commissioner of  
 31.21 human services for a grant to Perspectives,  
 31.22 Inc. to predesign and design the expansion and  
 31.23 renovation of the existing Perspectives Family  
 31.24 Center facility in St. Louis Park. The expanded  
 31.25 and renovated facility must be used to promote  
 31.26 the public welfare by providing any or all of  
 31.27 the following programs and services: (1)  
 31.28 supportive housing programs for homeless  
 31.29 women and their children; (2) mental and  
 31.30 chemical health programs; (3) employment  
 31.31 services; (4) academic, social skills, and  
 31.32 nutritional programs for homeless and at-risk  
 31.33 children; (5) an all-day therapeutic early  
 31.34 childhood development program for homeless  
 31.35 and at-risk children; and (6) a culturally

32.1 sensitive safe and nurturing environment for  
 32.2 at-risk children to meet with their  
 32.3 nonresidential parents. This appropriation is  
 32.4 not available until the commissioner of  
 32.5 management and budget has determined that  
 32.6 at least an equal amount has been expended  
 32.7 or committed to the project from nonstate  
 32.8 sources. Nonstate money spent on the project  
 32.9 since May 1, 2015, shall be included in the  
 32.10 determination of nonstate commitments to the  
 32.11 project.

32.12 **Subd. 7. The Family Partnership**

1,600,000

32.13 To the commissioner of human services from  
 32.14 the general fund for a grant to the Family  
 32.15 Partnership to predesign and design a facility  
 32.16 in Minneapolis to provide mental health, early  
 32.17 childhood education, and other services to  
 32.18 support children and families. This  
 32.19 appropriation is not available until at least an  
 32.20 equal amount of money is committed from  
 32.21 nonstate resources.

32.22 **Subd. 8. St. Paul - Dorothy Day Opportunity**  
 32.23 **Center**

12,000,000

32.24 To the commissioner of human services for a  
 32.25 grant to the city of St. Paul to predesign,  
 32.26 design, construct, furnish, and equip an  
 32.27 opportunity center to serve as an integrated  
 32.28 one-stop delivery system connecting persons  
 32.29 at risk of becoming homeless, and persons  
 32.30 working to move up and out of homelessness,  
 32.31 and to provide services that improve their  
 32.32 health, income, housing stability, or  
 32.33 well-being, subject to Minnesota Statutes,  
 32.34 section 16A.695. This appropriation may be  
 32.35 used to acquire property for these purposes.



33.1 This appropriation is not available until the  
 33.2 commissioner of management and budget has  
 33.3 determined that at least an equal amount has  
 33.4 been committed to the project from nonstate  
 33.5 sources. This appropriation is in addition to  
 33.6 the appropriation in Laws 2014, chapter 294,  
 33.7 article 1, section 18, subdivision 9.

33.8 **Sec. 19. VETERANS AFFAIRS** **\$** **5,000,000**

33.9 To the commissioner of administration for  
 33.10 asset preservation improvements and  
 33.11 betterments of a capital nature at the veterans  
 33.12 homes in Minneapolis, Hastings, Fergus Falls,  
 33.13 Silver Bay, and Luverne, to be spent in  
 33.14 accordance with Minnesota Statutes, section  
 33.15 16B.307.

33.16 **Sec. 20. CORRECTIONS**

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

33.18 To the commissioner of administration for the  
 33.19 purposes specified in this section.

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

33.21 For asset preservation improvements and  
 33.22 betterments of a capital nature at Minnesota  
 33.23 correctional facilities statewide, to be spent in  
 33.24 accordance with Minnesota Statutes, section  
 33.25 16B.307.

33.26 **Subd. 3. Minnesota Correctional Facility - St.**  
 33.27 **Cloud** **19,000,000**

33.28 To construct and equip a new intake unit and  
 33.29 a loading dock with a secure connection to a  
 33.30 new central warehouse at the Minnesota  
 33.31 Correctional Facility – St. Cloud.

33.32 **Subd. 4. Minnesota Correctional Facility - Moose**  
 33.33 **Lake** **1,900,000**

34.1 To design, expand, renovate, and equip the  
 34.2 outdated master control center to improve  
 34.3 security and efficiency at the Minnesota  
 34.4 Correctional Facility - Moose Lake. The  
 34.5 renovation includes updating fire alarm panels  
 34.6 and mechanical and electrical systems and  
 34.7 improving visibility of the visiting area.

34.8 **Subd. 5. Unspent Appropriations**

34.9 The unspent portion of an appropriation for a  
 34.10 Department of Corrections project in this  
 34.11 section that is complete, upon written notice  
 34.12 to the commissioner of management and  
 34.13 budget, is available for asset preservation  
 34.14 under Minnesota Statutes, section 16B.307.  
 34.15 Minnesota Statutes, section 16A.642, applies  
 34.16 from the date of the original appropriation to  
 34.17 the unspent amount transferred.

34.18 **Sec. 21. EMPLOYMENT AND ECONOMIC**  
 34.19 **DEVELOPMENT**

34.20 **Subdivision 1. Total Appropriation** **\$ 93,350,000**

34.21 To the commissioner of employment and  
 34.22 economic development for the purposes  
 34.23 specified in this section.

34.24 **Subd. 2. Transportation Economic Development** **7,000,000**

34.25 For grants under Minnesota Statutes, section  
 34.26 116J.436.

34.27 **Subd. 3. Greater Minnesota Business**  
 34.28 **Development Public Infrastructure Grants** **12,000,000**

34.29 For grants under Minnesota Statutes, section  
 34.30 116J.431.

34.31 **Subd. 4. Innovative Business Development Public**  
 34.32 **Infrastructure Grants** **2,500,000**

34.33 For grants under Minnesota Statutes, section  
 34.34 116J.435.

- 35.1 Subd. 5. **Duluth - Steam Plant** 15,000,000
- 35.2 From the general fund for a grant to the city
- 35.3 of Duluth for one or more of the following:
- 35.4 complete the design of and renovate, construct,
- 35.5 furnish, and equip an upgrade to the municipal
- 35.6 district heating facility and systems, including
- 35.7 conversion of the distribution system along
- 35.8 Superior Street from steam, with no
- 35.9 condensate return, to closed-loop hot water.
- 35.10 This appropriation is not available until the
- 35.11 commissioner of management and budget
- 35.12 determines that an amount sufficient to
- 35.13 complete a distinct phase of the project
- 35.14 converting the steam system to hot water is
- 35.15 committed from nonstate sources.
- 35.16 Subd. 6. **Eagle's Healing Nest** 300,000
- 35.17 From the general fund for a grant to Eagle's
- 35.18 Healing Nest in Sauk Centre.
- 35.19 Subd. 7. **Hennepin County - Hennepin Center**
- 35.20 **for the Arts** 5,000,000
- 35.21 From the general fund for a grant to Hennepin
- 35.22 County for improvements and betterments of
- 35.23 a capital nature to renovate the historic
- 35.24 Hennepin Center for the Arts. This
- 35.25 appropriation is available after the
- 35.26 commissioner of management and budget
- 35.27 determines that \$3,000,000 has been
- 35.28 committed to complete the project from
- 35.29 nonstate sources.
- 35.30 Subd. 8. **Hermantown - Arrowhead Regional**
- 35.31 **Health and Wellness Center** 8,000,000
- 35.32 For a grant to the city of Hermantown to
- 35.33 prepare the middle school site on the
- 35.34 Hermantown School District campus,
- 35.35 including demolition of a portion of the middle

36.1 school, and to design, construct a new addition  
 36.2 to the middle school building and renovate the  
 36.3 remaining existing building, furnish, and equip  
 36.4 the facility as the Arrowhead Regional Health  
 36.5 and Wellness Center. The city may enter into  
 36.6 lease or management agreements under  
 36.7 Minnesota Statutes, section 16A.695, for  
 36.8 operation of the center. This appropriation is  
 36.9 not available until at least an equal amount is  
 36.10 committed to the project from nonstate  
 36.11 sources.

36.12 **Subd. 9. Litchfield - Phase 2 Power Generation**  
 36.13 **Improvements**

3,000,000

36.14 For a grant to the city of Litchfield to design  
 36.15 and construct electrical generation  
 36.16 improvements in the city of Litchfield to  
 36.17 expand the current standby capacity, including  
 36.18 replacement of two old generators. This  
 36.19 appropriation is not available until the  
 36.20 commissioner of management and budget  
 36.21 determines that at least an equal amount is  
 36.22 committed to the project from nonstate  
 36.23 sources.

36.24 **Subd. 10. Madelia**

98,000

36.25 For a grant to the city of Madelia for repair  
 36.26 and replacement of a capital nature of public  
 36.27 infrastructure damaged by a fire in Madelia  
 36.28 in February 2016. This appropriation does not  
 36.29 require a nonstate contribution.

36.30 **Subd. 11. Minneapolis - Norway House**

5,000,000

36.31 From the general fund for a grant to the  
 36.32 Norway House to acquire land and predesign,  
 36.33 design, construct, furnish, and equip a  
 36.34 conference and event center at 913 East  
 36.35 Franklin Avenue and adjacent property in

37.1 Minneapolis to celebrate the culture of  
 37.2 Norway and American Norwegians. This  
 37.3 appropriation is not available until at least an  
 37.4 equal amount is committed from nonstate  
 37.5 sources. Land purchased for this expansion  
 37.6 project shall count toward the nonstate match.

37.7 **Subd. 12. Minneapolis - Pioneers and Soldiers**  
 37.8 **Cemetery Restoration**

1,029,000

37.9 For a grant to the city of Minneapolis to  
 37.10 restore the historic steel and limestone pillar  
 37.11 fence along Cedar Avenue and Lake Street,  
 37.12 install a new steel fence and pillars along 21st  
 37.13 Avenue South, and install a waterproofing  
 37.14 system for preservation of the fence and  
 37.15 pillars, at the Pioneer and Soldiers Cemetery.  
 37.16 This appropriation is available after the  
 37.17 commissioner of management and budget  
 37.18 determines that \$394,000 is committed from  
 37.19 nonstate sources.

37.20 **Subd. 13. Polk County - North Country Food**  
 37.21 **Bank in Crookston**

3,000,000

37.22 For a grant to Polk County to predesign,  
 37.23 design, construct, renovate, furnish, and equip  
 37.24 a regional charitable food warehouse,  
 37.25 distribution, and office facility in the city of  
 37.26 Crookston, subject to Minnesota Statutes,  
 37.27 section 16A.695. This appropriation is not  
 37.28 available until the commissioner of  
 37.29 management and budget determines that at  
 37.30 least an equal amount has been committed to  
 37.31 the project from nonstate sources. The value  
 37.32 of the land purchased or acquired by the  
 37.33 county after January 1, 2013, for this facility  
 37.34 shall count toward the nonstate match.

37.35 **Subd. 14. Red Wing - River Town Renaissance**

4,480,000

38.1 For a grant to the city of Red Wing to  
 38.2 complete removal and replacement of  
 38.3 approximately 250 linear feet of the harbor  
 38.4 retaining wall; to design, construct, furnish,  
 38.5 and equip the renovation of the historic T.B.  
 38.6 Sheldon Performing Arts Theater; and to  
 38.7 design and construct transient riverboat  
 38.8 docking facilities, levee wall extension, and  
 38.9 levee promenade improvements at Levee Park.  
 38.10 This appropriation is not available until the  
 38.11 commissioner of management and budget  
 38.12 determines that an amount sufficient to  
 38.13 complete the project has been committed from  
 38.14 nonstate sources.

38.15 **Subd. 15. St. James - Public Infrastructure**

3,443,000

38.16 For a grant to the city of St. James. Of this  
 38.17 amount, \$2,193,000 is for engineering,  
 38.18 right-of-way acquisition, and reconstruction  
 38.19 of streets, sidewalks, storm water and sanitary  
 38.20 sewer, water mains, lighting, utilities, and  
 38.21 other capital improvements of publicly owned  
 38.22 infrastructure required for the reconstruction  
 38.23 of marked Trunk Highway 4 in the city of St.  
 38.24 James, and \$1,250,000 is to replace the storm  
 38.25 sewer drain which serves St. James Lake and  
 38.26 the entire southern section of the City of St.  
 38.27 James.

38.28 **Subd. 16. St. Paul - Science Museum of**  
 38.29 **Minnesota Building Preservation**

13,000,000

38.30 For a grant to the city of St. Paul for predesign,  
 38.31 design, and construction work to replace  
 38.32 water-damaged elements of the Science  
 38.33 Museum of Minnesota's exterior envelope and  
 38.34 some resultant interior damage caused by  
 38.35 latent design and construction defects, subject

39.1 to Minnesota Statutes, section 16A.695. This  
 39.2 appropriation is not available until the  
 39.3 commissioner of management and budget  
 39.4 determines that an equal amount has been  
 39.5 committed to the project from nonstate  
 39.6 sources. Capital costs paid by the Science  
 39.7 Museum of Minnesota since January 1, 2014,  
 39.8 relating to the water intrusion damage, shall  
 39.9 count towards the match requirement.

39.10 **Subd. 17. St. Paul - Minnesota Museum of**  
 39.11 **American Art**

6,000,000

39.12 For a grant to the St. Paul Port Authority to  
 39.13 design, construct, furnish, and equip new  
 39.14 museum galleries and an art study facility for  
 39.15 the Minnesota Museum of American Art. This  
 39.16 facility provides space to celebrate the legacy  
 39.17 of Minnesota art and artists and is part of the  
 39.18 restoration of the historic Pioneer Endicott  
 39.19 Building, and a part of a multiphase project,  
 39.20 of which only the museum galleries and art  
 39.21 study facility constructed with this  
 39.22 appropriation shall be state bond financed  
 39.23 property subject to Minnesota Statutes, section  
 39.24 16A.695. This appropriation is not available  
 39.25 until the commissioner of management and  
 39.26 budget has determined that:

39.27 (1) at least an amount equal to this  
 39.28 appropriation has been committed or  
 39.29 previously expended for design, construction,  
 39.30 and furnishing of the adjacent Minnesota  
 39.31 Museum of American Art Center for  
 39.32 Creativity facilities, which are not subject to  
 39.33 Minnesota Statutes, section 16A.695, with  
 39.34 funds from nonstate sources; and

40.1 (2) sufficient other state and nonstate funds  
 40.2 are available, if funds beyond this  
 40.3 appropriation are required, to complete the  
 40.4 museum galleries and art study facility.

40.5 Funds invested in the Minnesota Museum of  
 40.6 American Art Center for Creativity facilities  
 40.7 by an investor receiving an assignment of state  
 40.8 historic tax credits as provided in Minnesota  
 40.9 Statutes, section 290.0681, are nonstate funds  
 40.10 for purposes of this requirement. Only  
 40.11 expenditures made after January 1, 2012, shall  
 40.12 qualify for the required match. Due to the  
 40.13 integrated nature of the overall development,  
 40.14 public bidding shall not be required.

40.15 **Sec. 22. PUBLIC FACILITIES AUTHORITY**

40.16 **Subdivision 1. Total Appropriation** **\$ 143,366,000**

40.17 To the Public Facilities Authority for the  
 40.18 purposes specified in this section. The Public  
 40.19 Facilities Authority may use the funds in this  
 40.20 section or other available funds to amend  
 40.21 project financing agreements awarded after  
 40.22 July 1, 2016, based on program changes in  
 40.23 article 3, sections 5 and 6.

40.24 **Subd. 2. State Match for Federal Grants** **17,000,000**

40.25 To match federal grants for the clean water  
 40.26 revolving fund under Minnesota Statutes,  
 40.27 section 446A.07, and the drinking water  
 40.28 revolving fund under Minnesota Statutes,  
 40.29 section 446A.081. This appropriation must be  
 40.30 used for qualified capital projects.

40.31 **Subd. 3. Water Infrastructure Funding Program** **70,000,000**



41.1 (a) For grants to eligible municipalities under  
 41.2 the water infrastructure funding program under  
 41.3 Minnesota Statutes, section 446A.072.

41.4 (b) \$51,500,000 is for wastewater projects  
 41.5 listed on the Pollution Control Agency's  
 41.6 project priority list in the fundable range under  
 41.7 the clean water revolving fund program.

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

41.12 (d) After all eligible projects under paragraph  
 41.13 (b) or (c) have been funded, the Public  
 41.14 Facilities Authority may transfer any  
 41.15 remaining, uncommitted money to eligible  
 41.16 projects under a program defined in paragraph  
 41.17 (b) or (c) based on that program's project  
 41.18 priority list.

41.19 **Subd. 4. Point Source Implementation Grants**  
 41.20 **Program**

46,500,000

41.21 For grants to eligible municipalities under the  
 41.22 point source implementation grants program  
 41.23 under Minnesota Statutes, section 446A.073.  
 41.24 This appropriation must be used for qualified  
 41.25 capital projects.

41.26 **Subd. 5. Big Lake Area Sanitary District - Sewer**  
 41.27 **System and Force Main**

1,200,000

41.28 For a grant to the Big Lake Area Sanitary  
 41.29 District to construct a pressure sewer system  
 41.30 and force main to convey sewage to the  
 41.31 Western Lake Superior Sanitary District  
 41.32 connection in the city of Cloquet. This  
 41.33 appropriation is not available until the  
 41.34 commissioner of management and budget  
 41.35 determines that an equal amount is committed

42.1 from nonstate sources. This appropriation is  
 42.2 in addition to the appropriation in Laws 2014,  
 42.3 chapter 294, article 1, section 22, subdivision  
 42.4 4.

42.5 **Subd. 6. Dennison - Sewage Treatment System**  
 42.6 **Improvements**

726,000

42.7 For a grant to the city of Dennison to  
 42.8 predesign, design, and construct a new lift  
 42.9 station and make sewage pond improvements.  
 42.10 This appropriation does not require a nonstate  
 42.11 contribution.

42.12 **Subd. 7. East Grand Forks - Wastewater**  
 42.13 **Interconnection Infrastructure**

5,300,000

42.14 For a grant to the city of East Grand Forks to  
 42.15 design and construct wastewater infrastructure  
 42.16 improvements interconnecting the wastewater  
 42.17 system of East Grand Forks to the wastewater  
 42.18 treatment system in Grand Forks, North  
 42.19 Dakota. This appropriation may not be used  
 42.20 for improvements outside the state. This  
 42.21 appropriation is in addition to grants under  
 42.22 Minnesota Statutes, section 446A.072. A  
 42.23 nonstate match is not required.

42.24 **Subd. 8. Koochiching County - Voyageurs**  
 42.25 **National Park Clean Water Project**

2,000,000

42.26 (a) For a grant to Koochiching County to  
 42.27 acquire land or interests in land, and to design,  
 42.28 engineer, construct, and equip sanitary sewage  
 42.29 systems and facilities to implement a portion  
 42.30 or portions of the Voyageurs National Park  
 42.31 clean water project comprehensive plan. This  
 42.32 appropriation is available after the  
 42.33 commissioner of management and budget  
 42.34 determines that \$4,500,000 is committed from  
 42.35 nonstate sources.

43.1 (b) This appropriation is in addition to the  
 43.2 appropriation in Laws 2014, chapter 294,  
 43.3 article 1, section 22, subdivision 7.

43.4 Notwithstanding the match requirement in  
 43.5 Laws 2014, chapter 294, article 1, section 22,  
 43.6 subdivision 7, the nonstate match required for  
 43.7 this appropriation and the 2014 appropriation  
 43.8 for a grant to Koochiching County is 25  
 43.9 percent of the state grant amounts. Any money  
 43.10 remaining from this appropriation after  
 43.11 completion of the projects in paragraph (a) is  
 43.12 available for grants to Koochiching County  
 43.13 or St. Louis County to be used for other capital  
 43.14 projects described in the comprehensive plan  
 43.15 and as determined by the Voyageur's National  
 43.16 Park Clean Water Joint Powers Board.

43.17 Subd. 9. **Lilydale - Highway 13 Storm Water**  
 43.18 **Conveyance**

140,000

43.19 From the general fund for a grant to the city  
 43.20 of Lilydale to design, acquire, construct, and  
 43.21 install a storm water sewer and drop structure  
 43.22 along Trunk Highway 13 in Lilydale that will  
 43.23 be large enough to effectively collect water  
 43.24 from springs and storm water runoff from  
 43.25 above the road and safely convey the water to  
 43.26 below the bluff. The city must coordinate this  
 43.27 project with the Department of  
 43.28 Transportation's Trunk Highway 13 project.  
 43.29 The appropriation and project also include  
 43.30 capital repairs and improvements to existing  
 43.31 drainage structures along the Big Rivers  
 43.32 Regional Trail at the base of the bluff. This  
 43.33 appropriation does not require a nonstate  
 43.34 contribution.

43.35 Subd. 10. **Oronoco - Wastewater Collection and**  
 43.36 **Treatment Facilities**

500,000

44.1 From the general fund for a grant to the city  
 44.2 of Oronoco to commission a study to evaluate  
 44.3 options for solving the wastewater  
 44.4 infrastructure needs for the region including  
 44.5 the city of Oronoco, the city of Pine Island, or  
 44.6 the city of Rochester. This appropriation does  
 44.7 not require a nonstate match.

44.8 **Sec. 23. MINNESOTA HOUSING FINANCE**  
 44.9 **AGENCY**

**\$ 10,000,000**

44.10 For transfer to the housing development fund  
 44.11 to finance the costs of rehabilitation to  
 44.12 preserve public housing under Minnesota  
 44.13 Statutes, section 462A.202, subdivision 3a.  
 44.14 For purposes of this section, "public housing"  
 44.15 means housing for low-income persons and  
 44.16 households financed by the federal  
 44.17 government and owned and operated by the  
 44.18 public housing authorities and agencies formed  
 44.19 by cities and counties. Public housing  
 44.20 authorities receiving a public housing  
 44.21 assessment composite score of 80 or above or  
 44.22 an equivalent designation are eligible to  
 44.23 receive funding. Priority must be given to  
 44.24 proposals that maximize federal or local  
 44.25 resources to finance the capital costs. The  
 44.26 priority in Minnesota Statutes, section  
 44.27 462A.202, subdivision 3a, for projects to  
 44.28 increase the supply of affordable housing and  
 44.29 the restrictions of Minnesota Statutes, section  
 44.30 462A.202, subdivision 7, do not apply to this  
 44.31 appropriation.

44.32 **Sec. 24. MINNESOTA HISTORICAL**  
 44.33 **SOCIETY**

44.34 **Subdivision 1. Total Appropriation**

**\$ 2,500,000**

45.1 To the Minnesota Historical Society for the  
 45.2 purposes specified in this section.

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

45.4 For capital improvements and betterments at  
 45.5 state historic sites, buildings, landscaping at  
 45.6 historic buildings, exhibits, markers, and  
 45.7 monuments, to be spent in accordance with  
 45.8 Minnesota Statutes, section 16B.307. The  
 45.9 society shall determine project priorities as  
 45.10 appropriate based on need.

45.11 **Sec. 25. BOND SALE EXPENSES** **\$** **1,013,000**

45.12 To the commissioner of management and  
 45.13 budget for bond sale expenses under  
 45.14 Minnesota Statutes, section 16A.641,  
 45.15 subdivision 8.

45.16 **Sec. 26. BOND SALE AUTHORIZATION.**

45.17 Subdivision 1. **Bond proceeds fund.** To provide the money appropriated in this act from  
 45.18 the bond proceeds fund, the commissioner of management and budget shall sell and issue  
 45.19 bonds of the state in an amount up to \$768,610,000 in the manner, upon the terms, and with  
 45.20 the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the  
 45.21 Minnesota Constitution, article XI, sections 4 to 7.

45.22 Subd. 2. **Transportation fund.** To provide the money appropriated in this act from the  
 45.23 state transportation fund, the commissioner of management and budget shall sell and issue  
 45.24 bonds of the state in an amount up to \$231,196,000 in the manner, upon the terms, and with  
 45.25 the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the  
 45.26 Minnesota Constitution, article XI, sections 4 to 7.

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

46.1 Sec. 27. **BOND SALE SCHEDULE.**

46.2 The commissioner of management and budget shall schedule the sale of state general  
46.3 obligation bonds so that, during the biennium ending June 30, 2019, no more than  
46.4 \$1,154,294,000 will need to be transferred from the general fund to the state bond fund to  
46.5 pay principal and interest due and to become due on outstanding state general obligation  
46.6 bonds. During the biennium, before each sale of state general obligation bonds, the  
46.7 commissioner of management and budget shall calculate the amount of debt service payments  
46.8 needed on bonds previously issued and shall estimate the amount of debt service payments  
46.9 that will be needed on the bonds scheduled to be sold. The commissioner shall adjust the  
46.10 amount of bonds scheduled to be sold so as to remain within the limit set by this section.  
46.11 The amount needed to make the debt service payments is appropriated from the general  
46.12 fund as provided in Minnesota Statutes, section 16A.641.

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

46.14 (a) The remaining uncommitted appropriations from the bond proceeds fund in Laws  
46.15 1990, chapter 610, are canceled and the bond sale authorization in Laws 1990, chapter 610,  
46.16 article 1, section 30, subdivision 1, as amended, is reduced by \$3,129.

46.17 (b) The remaining uncommitted appropriations from the bond proceeds fund in Laws  
46.18 1994, chapter 643, are canceled and the bond sale authorization in Laws 1994, chapter 643,  
46.19 section 31, subdivision 1, as amended, is reduced by \$24,480.

46.20 (c) The remaining uncommitted appropriations from the bond proceeds fund in Laws  
46.21 1997, Second Special Session chapter 2, are canceled and the bond sale authorization in  
46.22 Laws 1997, Second Special Session chapter 2, section 12, as amended, is reduced by \$96,992.

46.23 (d) The remaining uncommitted appropriations from the bond proceeds fund in Laws  
46.24 1999, chapter 240, are canceled and the bond sale authorization in Laws 1999, chapter 240,  
46.25 article 1, section 13, subdivision 1, as amended, is reduced by \$212,472.

46.26 (e) The remaining uncommitted appropriations from the bond proceeds fund in Laws  
46.27 2000, chapter 492, are canceled and the bond sale authorization in Laws 2000, chapter 492,  
46.28 article 1, section 26, subdivision 1, as amended, is reduced by \$7,933,538.

46.29 (f) The remaining uncommitted appropriations from the bond proceeds fund in Laws  
46.30 2002, chapter 393, are canceled and the bond sale authorization in Laws 2002, chapter 393,  
46.31 section 30, subdivision 1, as amended, is reduced by \$188,471.

47.1 (g) The remaining uncommitted appropriations from the bond proceeds fund in Laws  
47.2 2002, First Special Session chapter 1, are canceled and the bond sale authorization in Laws  
47.3 2002, First Special Session chapter 1, section 9, subdivision 1, is reduced by \$217,959.

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

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

47.12 (j) The remaining uncommitted appropriations from the bond proceeds fund in Laws  
47.13 2005, chapter 20, are canceled and the bond sale authorization in Laws 2005, chapter 20,  
47.14 article 1, section 28, subdivision 1, as amended, is reduced by \$3,366,628.

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

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

47.23 (m) \$1,380,000 of the appropriation from the bond proceeds fund in Laws 2012, First  
47.24 Special Session chapter 1, article 1, section 6, to the Public Facilities Authority for disaster  
47.25 relief, is canceled and the bond sale authorization in Laws 2012, First Special Session chapter  
47.26 1, article 1, section 16, subdivision 1, is reduced by the same amount.

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

47.29 **Sec. 29. EFFECTIVE DATE.**

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

48.1 **ARTICLE 2**

48.2 **TRANSPORTATION FINANCE AND POLICY**

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

48.4 (a) The sums shown in this article in the columns marked "Appropriations" are added  
 48.5 to the appropriations in Laws 2015, chapter 75, article 1, to the commissioner of  
 48.6 transportation, or another named agency, for the purposes specified in this article. The  
 48.7 appropriations are from the general fund, or another named fund. Unless otherwise specified,  
 48.8 general fund appropriations in this article are onetime, and are in fiscal year 2017.

48.9 (b) Appropriations of bond proceeds must be spent as authorized by the Minnesota  
 48.10 Constitution, articles XI and XIV. Unless otherwise specified, money appropriated in this  
 48.11 article for a capital program or project may be used to pay state agency staff costs that are  
 48.12 attributed directly to the capital program or project in accordance with accounting policies  
 48.13 adopted by the commissioner of management and budget. Unless otherwise specified, the  
 48.14 appropriations in this article are available until the project is completed or abandoned subject  
 48.15 to Minnesota Statutes, section 16A.642.

48.16 **APPROPRIATIONS**

48.17 **Sec. 2. TOTAL TRUNK HIGHWAY BOND**  
 48.18 **APPROPRIATION**

48.19 **Subdivision 1. Total Appropriation** **\$ 197,000,000**

48.20 The appropriation in this section is from the  
 48.21 bond proceeds account in the trunk highway  
 48.22 fund and may be used by the commissioner  
 48.23 only for purposes specified in this section.

48.24 **Subd. 2. Trunk Highway 23 Construction**

48.25 For construction of marked Trunk Highway  
 48.26 23 as a four-lane divided highway (i) from the  
 48.27 point where marked Trunk Highway 23 ceases  
 48.28 as a four-lane divided highway near the  
 48.29 intersection with Kandiyohi County State-Aid  
 48.30 Highway 31, located east of New London, to  
 48.31 the point where marked Trunk Highway 23  
 48.32 commences as a four-lane divided highway,  
 48.33 located southwest of Paynesville, and (ii) from



49.1 the point where marked Trunk Highway 23  
49.2 ceases as a four-lane divided highway, located  
49.3 northeast of Paynesville, to the point where  
49.4 marked Trunk Highway 23 commences as a  
49.5 four-lane divided highway, located southwest  
49.6 of Richmond, provided that notwithstanding  
49.7 Minnesota Statutes, section 16A.28, this  
49.8 amount is available for seven years.

49.9 **Subd. 3. Trunk Highway 14**

49.10 For right-of-way acquisition, design,  
49.11 engineering, and environmental analysis of  
49.12 marked U.S. Highway 14 as a four-lane  
49.13 divided highway from the interchange with  
49.14 County Road 43 in Steele County to the west  
49.15 junction with marked Trunk Highway 56 in  
49.16 Dodge County.

49.17 **Subd. 4. U.S. Highway 10**

49.18 For a third travel lane in each direction of  
49.19 marked U.S. Highway 10 from the interchange  
49.20 with Hanson Boulevard to the interchange  
49.21 with Round Lake Boulevard in the city of  
49.22 Coon Rapids.

49.23 **Subd. 5. Hennepin County - U.S. Highway 12**

49.24 For projects on marked U.S. Highway 12,  
49.25 including preliminary and final design,  
49.26 engineering, environmental analysis,  
49.27 right-of-way acquisition, construction, and  
49.28 reconstruction, as follows:

49.29 (1) realignment at the intersections with  
49.30 Hennepin County State-Aid Highway 92;  
49.31 (2) realignment and safety improvements at  
49.32 the intersection with Hennepin County  
49.33 State-Aid Highway 90; and

50.1 (3) safety median improvements from the  
 50.2 interchange with Wayzata Boulevard in  
 50.3 Wayzata to approximately one-half mile east  
 50.4 of the interchange with Hennepin County  
 50.5 State-Aid Highway 6.

50.6 **Subd. 6. Anoka County - I-35 Interchange in**  
 50.7 **Columbus**

50.8 For a grant to Anoka County to (1) complete  
 50.9 the design, land acquisition, engineering, and  
 50.10 construction of an interchange at the  
 50.11 intersection of marked Interstate Highway 35,  
 50.12 marked Trunk Highway 97, and County  
 50.13 State-Aid Highway 23; and (2) realign and  
 50.14 make associated improvements to County  
 50.15 State-Aid Highway 54, known as West  
 50.16 Freeway Drive, in the city of Columbus.

50.17 **Subd. 7. I-94/Brockton Lane Interchange**

50.18 For construction of an interchange and  
 50.19 auxiliary lanes on marked Interstate Highway  
 50.20 94 east of the Hennepin County State-Aid  
 50.21 Highway 101 (Brockton Lane) overpass in the  
 50.22 city of Dayton.

50.23 **Sec. 3. TOTAL TRUNK HIGHWAY FUND**  
 50.24 **APPROPRIATION**

50.25 **Subdivision 1. Total Appropriation** **\$ 132,089,000**

50.26 The appropriations in this section are from the  
 50.27 trunk highway fund and may be used by the  
 50.28 commissioner only for purposes specified in  
 50.29 this section.

50.30 **Subd. 2. Highway Projects** **132,089,000**

50.31 **(a) State Road Construction**

50.32 **(b) U.S. Highway 61 in Red Wing: for State**  
 50.33 **Project No. 2514-122, consisting of**  
 50.34 **engineering and reconstruction of the segment**

51.1 of marked U.S. Highway 61 in Red Wing from  
 51.2 westerly of Old West Main Street to easterly  
 51.3 of Potter Street, for trunk highway costs in  
 51.4 excess of the engineer's estimate and  
 51.5 associated program delivery.

51.6 **(c) Trunk Highway 95 in Cambridge:** for a  
 51.7 grant to the city of Cambridge for final design,  
 51.8 environmental analysis, right-of-way  
 51.9 acquisition, land acquisition, corridor  
 51.10 mapping, construction engineering, and  
 51.11 construction for the improvement of marked  
 51.12 Trunk Highway 95 and associated  
 51.13 improvements. This appropriation is available  
 51.14 until June 30, 2020.

51.15 **Sec. 4. TOTAL GENERAL FUND**  
 51.16 **APPROPRIATION**

51.17 **Subdivision 1. Total Appropriation** **\$ 166,500,000**

51.18 The appropriations in this section are from the  
 51.19 general fund and may be used by the  
 51.20 commissioner only for the purposes specified  
 51.21 in this section.

51.22 **Subd. 2. Highway Projects** **123,900,000**

51.23 **(a) U.S. Highway 212 Interchange in**  
 51.24 **Chaska:** for right-of-way acquisition and  
 51.25 construction of an interchange at marked  
 51.26 Trunk Highway 212 and Carver County Road  
 51.27 44 in the city of Chaska, to support the  
 51.28 development of approximately 400 acres of  
 51.29 property in the city of Chaska's comprehensive  
 51.30 plan.

51.31 **(b) U.S. Highway 10 near Watab:** for land  
 51.32 acquisition, predesign, design, and  
 51.33 construction of an interchange with related  
 51.34 utilities at the intersection of marked U.S.

52.1 Highway 10, Benton County Road 79, and  
 52.2 Benton County State-Aid Highway 4, and to  
 52.3 construct frontage roads on both sides of  
 52.4 marked U.S. Highway 10, extending from the  
 52.5 intersection of marked U.S. Highway 10,  
 52.6 Benton County Road 79, and Benton County  
 52.7 State-Aid Highway 4 to 85th Street.

52.8 **(c) Planning for Interchange on U.S.**  
 52.9 **Highway 10:** for a grant to Anoka County to  
 52.10 complete preliminary engineering,  
 52.11 environmental analysis, and final design for  
 52.12 the improvement of marked U.S. Highway 10  
 52.13 and associated improvements.

52.14 **(d) U.S. Highway 14:** for right-of-way  
 52.15 acquisition, design, engineering, and  
 52.16 environmental analysis of marked U.S.  
 52.17 Highway 14 as a four-lane divided highway  
 52.18 from the interchange with County Road 21  
 52.19 and marked Trunk Highway 15 east of New  
 52.20 Ulm to the intersection with 471st Avenue  
 52.21 west of Nicollet.

52.22 **(e) Cliff Road Near I-35W:** for design,  
 52.23 engineering, environmental analysis, and  
 52.24 construction of improvements to Cliff Road  
 52.25 in the vicinity of marked Interstate Highway  
 52.26 35W.

52.27 **(f) City of Virginia; Trunk Highway 53**  
 52.28 **Utility Relocation:** for grants to the city of  
 52.29 Virginia and the city of Virginia Public  
 52.30 Utilities Commission to acquire land for and  
 52.31 to predesign, design, construct, furnish, and  
 52.32 equip relocated public utilities, including  
 52.33 sanitary and storm water sewers and water,  
 52.34 electrical, and gas utilities, and to demolish  
 52.35 and remove old utility infrastructure, all

- 53.1 associated with the relocation of marked Trunk  
 53.2 Highway 53, provided that a nonstate  
 53.3 contribution is not required.
- 53.4 **(g) Moorhead Grade-Separated Rail**  
 53.5 **Crossings:** for a grant to the city of Moorhead  
 53.6 to construct and complete the grade-separated  
 53.7 rail crossing project in the vicinity of 21st  
 53.8 Street South in the city of Moorhead, and for  
 53.9 preliminary engineering and environmental  
 53.10 assessment for the grade-separated rail  
 53.11 crossing in the vicinity of 11th Street South  
 53.12 in the city of Moorhead, provided that a  
 53.13 nonstate contribution is not required.
- 53.14 **Subd. 3. Transportation Economic Development** 5,000,000
- 53.15 For the transportation economic development  
 53.16 program under Minnesota Statutes, section  
 53.17 174.12.
- 53.18 **Subd. 4. Small Cities Assistance** 12,500,000
- 53.19 For transfer to the small cities assistance  
 53.20 account in the special revenue fund under  
 53.21 Minnesota Statutes, section 162.145.
- 53.22 **Subd. 5. Safe Routes to School** 6,000,000
- 53.23 For transfer to the safe routes to school  
 53.24 account in the general fund under Minnesota  
 53.25 Statutes, section 174.40, subdivision 3,  
 53.26 paragraph (b).
- 53.27 **Subd. 6. Interchange Safety Improvement Study** 300,000
- 53.28 For the safety improvement study for the  
 53.29 interchange of signed Interstate Highways 94,  
 53.30 694, and 494, as provided in this article.
- 53.31 **Subd. 7. Town Roads** 4,000,000

54.1	<u>For transfer to the town road account in the</u>	
54.2	<u>county state-aid highway fund under</u>	
54.3	<u>Minnesota Statutes, section 162.081.</u>	
54.4	<b><u>Subd. 8. County State-Aid Highways</u></b>	<b><u>11,248,000</u></b>
54.5	<u>For transfer to the county state-aid highway</u>	
54.6	<u>fund for apportionment and allocation as</u>	
54.7	<u>provided under Minnesota Statutes, chapter</u>	
54.8	<u>162.</u>	
54.9	<b><u>Subd. 9. Municipal State-Aid Streets</u></b>	<b><u>3,552,000</u></b>
54.10	<u>For transfer to the municipal state-aid street</u>	
54.11	<u>fund for apportionment as provided under</u>	
54.12	<u>Minnesota Statutes, chapter 162.</u>	
54.13	<b><u>Sec. 5. AIRPORTS</u></b>	<b><u>8,484,000</u></b>
54.14	<u>This appropriation is from the state airports</u>	
54.15	<u>fund for the following purposes:</u>	
54.16	<u>(1) \$2,334,000 for a grant to the city of</u>	
54.17	<u>Rochester to design, rehabilitate, demolish,</u>	
54.18	<u>and expand portions of the existing passenger</u>	
54.19	<u>terminal building at the Rochester</u>	
54.20	<u>International Airport, provided that this</u>	
54.21	<u>amount also includes money to remodel,</u>	
54.22	<u>construct, furnish, and equip the existing</u>	
54.23	<u>passenger terminal building and associated</u>	
54.24	<u>appurtenances to meet the United States</u>	
54.25	<u>Customs and Border Protection and</u>	
54.26	<u>Transportation Security Administration</u>	
54.27	<u>standards for safety, security, and processing</u>	
54.28	<u>time to accommodate domestic and</u>	
54.29	<u>international flights. The capital improvements</u>	
54.30	<u>paid for with this appropriation may be used</u>	
54.31	<u>as the local contribution required by</u>	
54.32	<u>Minnesota Statutes, section 360.305,</u>	
54.33	<u>subdivision 4. This appropriation may be used</u>	
54.34	<u>to reimburse the city for costs incurred after</u>	

55.1 May 1, 2016. This appropriation is not  
55.2 available until the commissioner of  
55.3 management and budget has determined that  
55.4 at least an equal amount has been committed  
55.5 to the project from nonstate sources. Work  
55.6 that may be completed with this appropriation  
55.7 includes but is not limited to (i) site  
55.8 preparation including utilities, site civil work,  
55.9 testing, and construction administration  
55.10 services, (ii) the relocation, modification, and  
55.11 addition of airline ticket counters, baggage  
55.12 claim devices, public spaces, offices,  
55.13 restrooms, support space, break rooms,  
55.14 lockers, equipment storage, communications,  
55.15 hallways, building signage, medical visitor  
55.16 rooms, special needs accommodations, hold  
55.17 rooms, secure storage, equipment maintenance  
55.18 area, and building engineering and technology  
55.19 systems, (iii) improvements needed outside  
55.20 the terminal to remove, restore, and tie into  
55.21 adjacent utilities, sidewalks, driveways,  
55.22 parking lots, and aircraft aprons, and (iv) the  
55.23 construction of covered exterior equipment  
55.24 storage;  
55.25 (2) \$5,900,000 to provide the federal match  
55.26 to design and construct runway infrastructure  
55.27 at the Duluth International and Sky Harbor  
55.28 Airports in accordance with Minnesota  
55.29 Statutes, section 360.017. For the purposes of  
55.30 this clause, the commissioner may waive the  
55.31 requirements of Minnesota Statutes, section  
55.32 360.305, subdivision 4, paragraph (b). This  
55.33 appropriation is for costs incurred after March  
55.34 1, 2016, and is available until and must be  
55.35 encumbered by June 30, 2017. This  
55.36 appropriation is not available until the

56.1 commissioner of management and budget  
 56.2 determines that an equal amount is committed  
 56.3 from nonstate sources; and  
 56.4 (3) \$250,000 for an air transport optimization  
 56.5 planning study for the St. Cloud Regional  
 56.6 Airport, which must be comprehensive and  
 56.7 market-based, using economic development  
 56.8 and air service expertise to research, analyze,  
 56.9 and develop models and strategies that  
 56.10 maximize the return on investments made to  
 56.11 enhance the use and impact of the St. Cloud  
 56.12 Regional Airport.

56.13 **Sec. 6. MINNESOTA RAIL SERVICE**  
 56.14 **IMPROVEMENT**

**\$**      **1,000,000**

56.15 This appropriation is from the rail service  
 56.16 improvement account in the special revenue  
 56.17 fund to the commissioner of transportation for  
 56.18 a grant to the city of Grand Rapids to fund rail  
 56.19 planning studies, design, and preliminary  
 56.20 engineering relating to the construction of a  
 56.21 freight rail line located in the counties of  
 56.22 Itasca, St. Louis, and Lake to serve local  
 56.23 producers and shippers. The city of Grand  
 56.24 Rapids shall collaborate with the Itasca  
 56.25 Economic Development Corporation and the  
 56.26 Itasca County Regional Railroad Authority in  
 56.27 the activities funded with the proceeds of this  
 56.28 grant. This appropriation is available until June  
 56.29 30, 2019.

56.30 **Sec. 7. BOND SALE EXPENSES**

**\$**      **197,000**

56.31 This appropriation is from the bond proceeds  
 56.32 account in the trunk highway fund to the  
 56.33 commissioner of management and budget for  
 56.34 bond sale expenses under Minnesota Statutes,



57.1 sections 16A.641, subdivision 8, and 167.50,  
57.2 subdivision 4.

57.3 Sec. 8. **TRUNK HIGHWAY BONDS; DEBT SERVICE.**

57.4 \$1,434,000 in fiscal year 2018 and \$9,968,000 in fiscal year 2019 are appropriated from  
57.5 the trunk highway fund for transfer to the state bond fund. If this appropriation is insufficient  
57.6 to make all transfers required in the year for which it is made, the commissioner of  
57.7 management and budget shall transfer the deficiency amount under the statutory open  
57.8 appropriation, and notify the chairs and ranking minority members of the legislative  
57.9 committees with jurisdiction over transportation finance and the chairs of the senate  
57.10 Committee on Finance and the house of representatives Committee on Ways and Means of  
57.11 the amount of the deficiency. Any excess appropriation cancels to the trunk highway fund.

57.12 Sec. 9. **BOND SALE AUTHORIZATION.**

57.13 To provide the money appropriated in this act from the bond proceeds account in the  
57.14 trunk highway fund, the commissioner of management and budget shall sell and issue bonds  
57.15 of the state in an amount up to \$197,197,000 in the manner, upon the terms, and with the  
57.16 effect prescribed by Minnesota Statutes, sections 167.50 to 167.52, and by the Minnesota  
57.17 Constitution, article XIV, section 11, at the times and in the amounts requested by the  
57.18 commissioner of transportation. The proceeds of the bonds, except accrued interest and any  
57.19 premium received from the sale of the bonds, must be deposited in the bond proceeds account  
57.20 in the trunk highway fund.

57.21 Sec. 10. Minnesota Statutes 2016, section 160.18, is amended by adding a subdivision to  
57.22 read:

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

57.30 (b) The hearing must be conducted by an administrative law judge assigned by the chief  
57.31 administrative law judge. The administrative law judge shall maintain a transcript of the  
57.32 hearing and shall keep a record of all documents and data submitted at the hearing. Within

58.1 30 days of the conclusion of the hearing, the administrative law judge shall transmit to the  
 58.2 commissioner the record of the proceedings along with a report and recommendation based  
 58.3 on the record made in the informal hearing. The commissioner shall make a written decision  
 58.4 regarding the access permit.

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

58.6 Sec. 11. Minnesota Statutes 2016, section 162.145, subdivision 3, is amended to read:

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

58.11 (b) Following notification from the commissioner of transportation, the commissioner  
 58.12 of revenue shall distribute the specified funds to cities in the same manner as local  
 58.13 government aid under chapter 477A. An appropriation to the commissioner of transportation  
 58.14 under this section is available to the commissioner of revenue for the purposes specified in  
 58.15 this paragraph.

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

58.20 **EFFECTIVE DATE.** This section is effective for aids payable in 2016 and after.

58.21 Sec. 12. **INTERSTATE 94 WIRE ROPE SAFETY BARRIERS.**

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

58.26 Sec. 13. **TRANSPARENT NOISE BARRIER.**

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

59.1 Sec. 14. **CORRIDORS OF COMMERCE PROJECT SELECTION.**

59.2 Notwithstanding the requirements of Minnesota Statutes, section 161.088, subdivisions  
 59.3 3 to 5, the commissioner of transportation must include that segment of marked U.S. Highway  
 59.4 212 from Chaska to Montevideo as an eligible highway in the next project solicitation and  
 59.5 selection process undertaken for the corridors of commerce program under that section.

59.6 Sec. 15. **INTERSTATE 94/694/494 INTERCHANGE SAFETY IMPROVEMENT**  
 59.7 **STUDY.**

59.8 The commissioner of transportation must conduct a safety improvement study for the  
 59.9 interchange of marked Interstate Highways 94, 694, and 494 in the cities of Woodbury and  
 59.10 Oakdale. At a minimum, the study must provide specific recommendations to improve the  
 59.11 safety of the interchange and include cost estimates for each recommended improvement.  
 59.12 The commissioner must report the findings and recommendations of the study to the  
 59.13 legislative committees having jurisdiction over transportation policy and finance within 180  
 59.14 days after the effective date of this section.

59.15 Sec. 16. **EFFECTIVE DATE.**

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

59.17 **ARTICLE 3**

59.18 **MISCELLANEOUS**

59.19 Section 1. Minnesota Statutes 2016, section 16A.967, is amended to read:

59.20 **16A.967 LEWIS AND CLARK APPROPRIATION BONDS.**

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

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

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

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

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

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

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

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

60.16 (b) The appropriation bonds may be issued and sold only after the commissioner  
60.17 determines that the construction and administration for work done on the project will comply  
60.18 with (1) all federal requirements and regulations associated with the Lewis and Clark Rural  
60.19 Water System Act of 2000, and (2) the cooperative agreement between the United States  
60.20 Department of the Interior and the Lewis and Clark Regional Water System, Inc. Proceeds  
60.21 of the appropriation bonds must be credited to a special appropriation Lewis and Clark bond  
60.22 proceeds fund in the state treasury. All income from investment of the bond proceeds, as  
60.23 estimated by the commissioner, is appropriated to the commissioner for the payment of  
60.24 principal and interest on the appropriation bonds.

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

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

61.1 ~~(e)~~ (d) At the time of, or in anticipation of, issuing the appropriation bonds, and at any  
 61.2 time thereafter, so long as the appropriation bonds are outstanding, the commissioner may  
 61.3 enter into agreements and ancillary arrangements relating to the appropriation bonds,  
 61.4 including but not limited to trust indentures, grant agreements, lease or use agreements,  
 61.5 operating agreements, management agreements, liquidity facilities, remarketing or dealer  
 61.6 agreements, letter of credit agreements, insurance policies, guaranty agreements,  
 61.7 reimbursement agreements, indexing agreements, or interest exchange agreements. Any  
 61.8 payments made or received according to the agreement or ancillary arrangement shall be  
 61.9 made from or deposited as provided in the agreement or ancillary arrangement. The  
 61.10 determination of the commissioner included in an interest exchange agreement that the  
 61.11 agreement relates to an appropriation bond shall be conclusive.

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

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

61.21 Subd. 2a. **Project authorization.** Appropriation bonds may be sold and issued in amounts  
 61.22 that, in the opinion of the commissioner, are necessary to provide sufficient money to the  
 61.23 Public Facilities Authority under subdivision 7, paragraph (a), not to exceed \$19,000,000  
 61.24 net of costs of issuance, for the purposes as provided under this subdivision, and pay debt  
 61.25 service including capitalized interest, costs of issuance, costs of credit enhancement, or  
 61.26 make payments under other agreements entered into under subdivision 2, paragraph (d).  
 61.27 The bonds authorized by this subdivision are for the purposes of financing the land  
 61.28 acquisition, design, engineering, and construction of facilities and infrastructure necessary  
 61.29 to complete Phase 2 of the Lewis and Clark Regional Water System project, including  
 61.30 completion of the pipeline to Magnolia; extension of the project to the Lincoln-Pipestone  
 61.31 Rural Water System connection near Adrian; and engineering, design, and easement  
 61.32 acquisition for the final phase of the project to Worthington. No bonds shall be sold under  
 61.33 this subdivision until the commissioner determines that a nonstate match of at least  
 61.34 \$9,000,000 is committed to this project phase. Upon completion of Phase 2, the unspent

62.1 unencumbered portion of the appropriation in this subdivision is available for the purposes  
62.2 of subdivision 2b.

62.3 Subd. 2b. **Additional project authorization.** Appropriation bonds may be sold and  
62.4 issued in amounts that, in the opinion of the commissioner, are necessary to provide sufficient  
62.5 money to the Public Facilities Authority under subdivision 7, paragraph (b), not to exceed  
62.6 \$11,500,000 net of costs of issuance, for the purposes as provided under this subdivision,  
62.7 and pay debt service including capitalized interest, costs of issuance, costs of credit  
62.8 enhancement, or make payments under other agreements entered into under subdivision 2,  
62.9 paragraph (d). The bonds authorized by this subdivision are for the purposes of financing  
62.10 the land acquisition, design, engineering, and construction of facilities and infrastructure  
62.11 necessary to complete Phase 3 of the Lewis and Clark Regional Water System project,  
62.12 including extension of the project from the Lincoln-Pipestone Rural Water System connection  
62.13 near Adrian to Worthington, construction of a reservoir in Nobles County and a meter  
62.14 building in Worthington, and acquisition and installation of a supervisory control and data  
62.15 acquisition (SCADA) system. No bonds shall be sold under this subdivision until the  
62.16 commissioner determines that a nonstate match of at least \$9,000,000 is committed to the  
62.17 final phase of the project.

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

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

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

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

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

62.30 Subd. 4. **Refunding bonds.** The commissioner may issue appropriation bonds for the  
62.31 purpose of refunding any appropriation bonds then outstanding, including the payment of  
62.32 any redemption premiums on the bonds, any interest accrued or to accrue to the redemption  
62.33 date, and costs related to the issuance and sale of the refunding bonds. The proceeds of any  
62.34 refunding bonds may, in the discretion of the commissioner, be applied to the purchase or

63.1 payment at maturity of the appropriation bonds to be refunded, to the redemption of the  
63.2 outstanding appropriation bonds on any redemption date, or to pay interest on the refunding  
63.3 bonds and may, pending application, be placed in escrow to be applied to the purchase,  
63.4 payment, retirement, or redemption. Any escrowed proceeds, pending such use, may be  
63.5 invested and reinvested in obligations that are authorized investments under section 11A.24.  
63.6 The income earned or realized on the investment may also be applied to the payment of the  
63.7 appropriation bonds to be refunded or interest or premiums on the refunded appropriation  
63.8 bonds, or to pay interest on the refunding bonds. After the terms of the escrow have been  
63.9 fully satisfied, any balance of the proceeds and any investment income may be returned to  
63.10 the general fund or, if applicable, the special appropriation Lewis and Clark bond proceeds  
63.11 fund for use in any lawful manner. All refunding bonds issued under this subdivision must  
63.12 be prepared, executed, delivered, and secured by appropriations in the same manner as the  
63.13 appropriation bonds to be refunded.

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

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

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

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

63.23       Subd. 6. **No full faith and credit; state not required to make appropriations.** The  
63.24 appropriation bonds are not public debt of the state, and the full faith, credit, and taxing  
63.25 powers of the state are not pledged to the payment of the appropriation bonds or to any  
63.26 payment that the state agrees to make under this section. Appropriation bonds shall not be  
63.27 obligations paid directly, in whole or in part, from a tax of statewide application on any  
63.28 class of property, income, transaction, or privilege. Appropriation bonds shall be payable  
63.29 in each fiscal year only from amounts that the legislature may appropriate for debt service  
63.30 for any fiscal year, provided that nothing in this section shall be construed to require the  
63.31 state to appropriate money sufficient to make debt service payments with respect to the  
63.32 appropriation bonds in any fiscal year. Appropriation bonds shall be canceled and shall no  
63.33 longer be outstanding on the earlier of (1) the first day of a fiscal year for which the

64.1 legislature shall not have appropriated amounts sufficient for debt service, or (2) the date  
64.2 of final payment of the principal of and interest on the appropriation bonds.

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

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

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

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

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

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

64.22 Subd. 8. **Appropriation for debt service and other purposes.** (a) An amount, up to  
64.23 \$1,351,000 needed to pay principal and interest on appropriation bonds issued under this  
64.24 section subdivision 2a is appropriated each fiscal year from the general fund to the  
64.25 commissioner, subject to repeal, unallotment under section 16A.152, or cancellation,  
64.26 otherwise pursuant to subdivision 6, for deposit into the bond payments account established  
64.27 for such purpose in the special Lewis and Clark appropriation bond proceeds fund. The  
64.28 appropriation is available beginning in fiscal year 2017 and through fiscal year 2038.

64.29 (b) An amount up to \$855,000 needed to pay principal and interest on appropriation  
64.30 bonds issued under subdivision 2b is appropriated each fiscal year from the general fund  
64.31 to the commissioner, subject to repeal, unallotment under section 16A.152, or cancellation,  
64.32 otherwise pursuant to subdivision 6, for deposit into the bond payments account established



65.1 for such purpose in the special Lewis and Clark appropriation bond proceeds fund. The  
 65.2 appropriation is available beginning in fiscal year 2018 and through fiscal year 2039.

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

65.6 Sec. 2. Minnesota Statutes 2016, section 85.34, subdivision 1, is amended to read:

65.7 Subdivision 1. **Upper bluff; lease terms.** The commissioner of natural resources with  
 65.8 the approval of the Executive Council may lease for purposes of restoration, preservation,  
 65.9 historical, recreational, educational, and commercial use and development, that portion of  
 65.10 Fort Snelling State Park known as the upper bluff consisting of officer's row, area J, the  
 65.11 polo grounds, the adjacent golf course, and all buildings and improvements located thereon,  
 65.12 all lying within an area bounded by Minneapolis-St. Paul International Airport, Trunk  
 65.13 Highways numbered 5 and 55, and Bloomington Road. The lease or leases shall be in a  
 65.14 form approved by the attorney general and for a term of not to exceed 99 years. The lease  
 65.15 or leases may provide for the provision of capital improvements or other performance by  
 65.16 the tenant or tenants in lieu of all or some of the payments of rent that would otherwise be  
 65.17 required. Notwithstanding the continuing ownership of the upper bluff by the state, any  
 65.18 lease of one or more buildings improved with state general obligation bond proceeds that  
 65.19 exceeds 50 years shall be treated as a sale of the buildings for purposes of section 16A.695,  
 65.20 subdivision 3. Any disposition proceeds payable to the commissioner upon execution of  
 65.21 any lease relating to state bond financed buildings at the upper bluff shall be applied in  
 65.22 accordance with the requirements of section 16A.695, subdivision 3, and used to pay,  
 65.23 redeem, or defease state general obligation bonds issued for purposes of improving those  
 65.24 buildings. Any lease revenues paid to the commissioner subsequent to the payment,  
 65.25 redemption, or defeasance of state general obligation bonds shall be used by the commissioner  
 65.26 as further described in this section.

65.27 Sec. 3. Minnesota Statutes 2016, section 174.52, subdivision 2, is amended to read:

65.28 Subd. 2. ~~Trunk highway corridor projects~~ **Local cost-share assistance account.** A  
 65.29 ~~trunk highway corridor projects~~ local cost-share assistance account is established in the  
 65.30 local road improvement fund. Money in the account is annually appropriated to the  
 65.31 commissioner of transportation for expenditure as specified in this section. Money in the  
 65.32 account must be used as grants or loans to statutory or home rule charter cities, towns, and  
 65.33 counties to assist in paying the local share of trunk highway projects that have local costs

66.1 that are directly or partially related to the trunk highway improvement and that are not  
 66.2 funded or are only partially funded with other state and federal funds. ~~The commissioner~~  
 66.3 ~~shall determine the amount of the local share of costs eligible for assistance from the account.~~

66.4 Sec. 4. [219.016] HAZARDOUS MATERIALS RAIL SAFETY ACCOUNT AND  
 66.5 GRANT PROGRAM.

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

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

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

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

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

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

66.29 (2) roadway traffic volumes and speeds;

66.30 (3) train volumes and speeds;

66.31 (4) adjacent land use;

66.32 (5) crash history;

- 67.1 (6) use of the crossing by emergency vehicles;
- 67.2 (7) use of the crossing by vehicles carrying hazardous materials;
- 67.3 (8) local financial contributions to the project; and
- 67.4 (9) private financial contributions to the project.

67.5 Sec. 5. Minnesota Statutes 2016, section 446A.072, is amended to read:

67.6 **446A.072 ~~WASTEWATER~~ WATER INFRASTRUCTURE FUNDING PROGRAM.**

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

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

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

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

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

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

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

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

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

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

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

68.27 (b) For a governmental unit receiving a loan from the clean water revolving fund under  
68.28 section 446A.07, the authority may provide assistance under this section in the form of a  
68.29 grant if the average annual residential wastewater system cost after completion of the project  
68.30 would otherwise exceed 1.4 percent of the median household income of the project service  
68.31 area. In determining whether the average annual residential wastewater system cost would  
68.32 exceed 1.4 percent, the authority must consider the total costs associated with building,  
68.33 operating, and maintaining the wastewater system, including existing wastewater debt  
68.34 service, debt service on the eligible project cost, and operation and maintenance costs. Debt

69.1 service costs for the proposed project are calculated based on the maximum loan term  
 69.2 permitted for the clean water revolving fund loan under section 446A.07, subdivision 7.  
 69.3 The amount of the grant is equal to 80 percent of the amount needed to reduce the average  
 69.4 annual residential wastewater system cost to 1.4 percent of median household income in  
 69.5 the project service area, to a maximum of ~~\$4,000,000~~ \$5,000,000 per project or ~~\$15,000~~  
 69.6 \$20,000 per existing connection, whichever is less, unless specifically approved by law.  
 69.7 The eligible project cost is determined by multiplying the total project costs minus any other  
 69.8 grants by the essential project component percentage calculated under subdivision 3,  
 69.9 paragraph (c), clause (1). In no case may the amount of the grant exceed 80 percent of the  
 69.10 eligible project cost.

69.11 (c) For a governmental unit receiving a loan from the drinking water revolving fund  
 69.12 under section 446A.081, the authority may provide assistance under this section in the form  
 69.13 of a grant if the average annual residential drinking water system cost after completion of  
 69.14 the project would otherwise exceed 1.2 percent of the median household income of the  
 69.15 project service area. In determining whether the average annual residential drinking water  
 69.16 system cost would exceed 1.2 percent, the authority must consider the total costs associated  
 69.17 with building, operating, and maintaining the drinking water system, including existing  
 69.18 drinking water debt service, debt service on the eligible project cost, and operation and  
 69.19 maintenance costs. Debt service costs for the proposed project are calculated based on the  
 69.20 maximum loan term permitted for the drinking water revolving fund loan under section  
 69.21 446A.081, subdivision 8, paragraph (c). The amount of the grant is equal to 80 percent of  
 69.22 the amount needed to reduce the average annual residential drinking water system cost to  
 69.23 1.2 percent of median household income in the project service area, to a maximum of  
 69.24 \$5,000,000 per project or \$20,000 per existing connection, whichever is less, unless  
 69.25 specifically approved by law. The eligible project cost is determined by multiplying the  
 69.26 total project costs minus any other grants by the essential project component percentage  
 69.27 calculated under subdivision 3, paragraph (c), clause (1). In no case may the amount of the  
 69.28 grant exceed 80 percent of the eligible project cost.

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

70.1 ~~Subd. 5b. **Special assessment deferral.** A governmental unit receiving a loan under~~  
 70.2 ~~subdivision 5a that levies special assessments to repay the loan under subdivision 5a or~~  
 70.3 ~~section 446A.07 may defer payment of such assessments under the provisions of sections~~  
 70.4 ~~435.193 to 435.195.~~

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

70.9 ~~Subd. 7. **Loan repayments.** Notwithstanding the limitations set forth in section 475.54,~~  
 70.10 ~~subdivision 1, this subdivision shall govern the maturities and mandatory sinking fund~~  
 70.11 ~~redemptions of the loans under this section. A governmental unit receiving a loan under~~  
 70.12 ~~this section shall repay the loan in semiannual payment amounts determined by the authority.~~  
 70.13 ~~The payment amount must be based on the average payments on the governmental unit's~~  
 70.14 ~~clean water revolving fund loan or, if greater, the minimum amount required to fully repay~~  
 70.15 ~~the loan by the maturity date. Payments must begin within one year of the date of the~~  
 70.16 ~~governmental unit's final payment on the clean water revolving fund loan. The final maturity~~  
 70.17 ~~date of the loan under this section must be no later than 20 years from the date of the first~~  
 70.18 ~~payment on the loan under this section and no later than 40 years from the date of the first~~  
 70.19 ~~payment on the clean water revolving fund loan.~~

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

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

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

71.1 Subd. 12. **System replacement fund.** Each governmental unit receiving a ~~loan or~~ grant  
 71.2 under this section shall establish a system replacement fund and shall annually deposit a  
 71.3 minimum of \$.50 per 1,000 gallons of flow for major rehabilitation ~~or~~, expansion, or  
 71.4 replacement of the treatment wastewater or drinking water system, ~~or replacement of the~~  
 71.5 ~~treatment system at the end of its useful life.~~ Money must remain in the account for the life  
 71.6 of the corresponding project loan from the authority or USDA/RECD, unless use of the  
 71.7 fund is approved in writing by the authority for major rehabilitation, expansion, or  
 71.8 replacement of the ~~treatment~~ wastewater or drinking water system. By March 1 each year  
 71.9 during the life of the loan, each recipient shall submit a report to the authority regarding the  
 71.10 amount deposited and the fund balance for the prior calendar year. A recipient is not required  
 71.11 to maintain a fund balance greater than the amount of the grant received. Failure to comply  
 71.12 with the requirements of this subdivision shall result in the authority assessing a penalty  
 71.13 fee to the recipient equal to one percent of the supplemental assistance amount for each  
 71.14 year of noncompliance. ~~Failure to make the required deposit or pay the penalty fee as~~  
 71.15 ~~required constitutes a default on the loan.~~

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

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

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

71.23 (3) the county has adopted specific land use ordinances or controls so as to meet or  
 71.24 exceed the requirements of Minnesota Rules, part 7082.0050.

71.25 Sec. 6. Minnesota Statutes 2016, section 446A.073, is amended to read:

71.26 **446A.073 POINT SOURCE IMPLEMENTATION GRANTS.**

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

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

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

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

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

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

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

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

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

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

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

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

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



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

73.4 Sec. 7. Minnesota Statutes 2016, section 446A.081, subdivision 9, is amended to read:

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

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

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

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

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

73.18 (5) to earn interest on fund accounts;

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

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

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

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

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

74.4 ~~(b) Principal forgiveness or grants under paragraph (a), clause (8), must only be provided~~  
 74.5 ~~if the average annual residential drinking water system cost after completion of the project~~  
 74.6 ~~would otherwise exceed 1.2 percent of the median household income in the project service~~  
 74.7 ~~area. In determining whether the average annual residential drinking water system cost~~  
 74.8 ~~would exceed 1.2 percent, the authority must consider the total costs associated with building,~~  
 74.9 ~~operating, and maintaining the drinking water system, including debt service and operation~~  
 74.10 ~~and maintenance costs. Debt service costs for the proposed project must be calculated based~~  
 74.11 ~~on the maximum loan term permitted for the drinking water revolving fund loan under this~~  
 74.12 ~~section. The amount of the principal forgiveness or grant must be equal to 80 percent of the~~  
 74.13 ~~amount needed to reduce the average annual residential drinking water system cost to 1.2~~  
 74.14 ~~percent of median household income in the project service area, to a maximum of \$4,000,000~~  
 74.15 ~~or \$15,000 per connection, whichever is less, and not to exceed 80 percent of the total project~~  
 74.16 ~~cost.~~

74.17 ~~(e)~~ (b) Principal forgiveness or grants provided under paragraph (a), clause (9), may not  
 74.18 exceed 25 percent of the eligible project costs as determined by the Department of Health  
 74.19 for project components directly related to green infrastructure, water or energy efficiency  
 74.20 improvements, or other environmentally innovative activities, up to a maximum of  
 74.21 \$1,000,000.

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

74.28 Sec. 8. Minnesota Statutes 2016, section 446A.12, subdivision 1, is amended to read:

74.29 Subdivision 1. **Bonding authority.** The authority may issue negotiable bonds in a  
 74.30 principal amount that the authority determines necessary to provide sufficient funds for  
 74.31 achieving its purposes, including the making of loans and purchase of securities, the payment  
 74.32 of interest on bonds of the authority, the establishment of reserves to secure its bonds, the  
 74.33 payment of fees to a third party providing credit enhancement, and the payment of all other  
 74.34 expenditures of the authority incident to and necessary or convenient to carry out its corporate

75.1 purposes and powers, but not including the making of grants. Bonds of the authority may  
 75.2 be issued as bonds or notes or in any other form authorized by law. The principal amount  
 75.3 of bonds issued and outstanding under this section at any time may not exceed  
 75.4 ~~\$1,500,000,000~~ \$2,000,000,000, excluding bonds for which refunding bonds or crossover  
 75.5 refunding bonds have been issued, and excluding any bonds issued for the credit enhanced  
 75.6 bond program or refunding or crossover refunding bonds issued under the program. The  
 75.7 principal amount of bonds issued and outstanding under section 446A.087, may not exceed  
 75.8 \$500,000,000, excluding bonds for which refunding bonds or crossover refunding bonds  
 75.9 have been issued.

75.10 Sec. 9. Minnesota Statutes 2016, section 462A.37, is amended by adding a subdivision to  
 75.11 read:

75.12 Subd. 2c. **Additional authorization.** In addition to the amount authorized in subdivisions  
 75.13 2, 2a, and 2b, the agency may issue up to \$35,000,000 in housing infrastructure bonds in  
 75.14 one or more series to which the payments under this section may be pledged.

75.15 Sec. 10. Minnesota Statutes 2016, section 462A.37, subdivision 5, is amended to read:

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

75.19 (b) Each July 15, beginning in 2015 and through 2037, if any housing infrastructure  
 75.20 bonds issued under subdivision 2a remain outstanding, the commissioner of management  
 75.21 and budget must transfer to the housing infrastructure bond account established under section  
 75.22 462A.21, subdivision 33, the amount certified under paragraph (a), not to exceed \$6,400,000  
 75.23 annually. The amounts necessary to make the transfers are appropriated from the general  
 75.24 fund to the commissioner of management and budget.

75.25 (c) Each July 15, beginning in 2017 and through 2038, if any housing infrastructure  
 75.26 bonds issued under subdivision 2b remain outstanding, the commissioner of management  
 75.27 and budget must transfer to the housing infrastructure bond account established under section  
 75.28 462A.21, subdivision 33, the amount certified under paragraph (a), not to exceed \$800,000  
 75.29 annually. The amounts necessary to make the transfers are appropriated from the general  
 75.30 fund to the commissioner of management and budget.

75.31 (d) Each July 15, beginning in 2018 and through 2039, if any housing infrastructure  
 75.32 bonds issued under subdivision 2c remain outstanding, the commissioner of management  
 75.33 and budget must transfer to the housing infrastructure bond account established under section

76.1 462A.21, subdivision 33, the amount certified under paragraph (a), not to exceed \$2,800,000  
 76.2 annually. The amounts necessary to make the transfers are appropriated from the general  
 76.3 fund to the commissioner of management and budget.

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

76.6 Sec. 11. Laws 2012, chapter 293, section 7, subdivision 3, is amended to read:

76.7 **Subd. 3. Dam Repair, Reconstruction, and**  
 76.8 **Removal** 3,000,000

76.9 To renovate or remove publicly owned dams.

76.10 The commissioner shall determine project

76.11 priorities as appropriate under Minnesota

76.12 Statutes, sections 103G.511 and 103G.515.

76.13 Notwithstanding the match requirements in

76.14 Minnesota Statutes, section 103G.511, a grant

76.15 to the city of Lanesboro does not require any

76.16 nonstate match.

76.17 Sec. 12. Laws 2014, chapter 294, article 1, section 7, subdivision 15, is amended to read:

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

76.19 For a grant to Grant County for predesign,

76.20 acquisition, ~~and~~ or improvements for a trail

76.21 from the city of Elbow Lake to Pomme de

76.22 Terre Lake. The commissioner of natural

76.23 resources may allocate any amount not needed

76.24 to complete this project to state trail

76.25 acquisition and improvements under

76.26 Minnesota Statutes, section 85.015.

76.27 Sec. 13. Laws 2014, chapter 294, article 1, section 17, subdivision 6, is amended to read:

76.28 **Subd. 6. Inver Grove Heights - Heritage Village**  
 76.29 **Park** 2,000,000

76.30 \$1,500,000 of this appropriation is for a grant

76.31 to the city of Inver Grove Heights and

76.32 \$500,000 of this appropriation is for a grant

76.33 to Dakota County. This appropriation is for

77.1 public infrastructure improvements and land  
 77.2 acquisition in and adjacent to the Heritage  
 77.3 Village Park, the Mississippi River Trail, and  
 77.4 the Rock Island Swing Bridge. These  
 77.5 improvements will include but are not limited  
 77.6 to motor vehicle access, utility service,  
 77.7 stormwater treatment, and trail and sidewalk  
 77.8 connections. This appropriation is not  
 77.9 available until the commissioner of  
 77.10 management and budget has determined that  
 77.11 at least an equal amount has been committed  
 77.12 to the project from nonstate sources.

77.13 Sec. 14. Laws 2014, chapter 294, article 1, section 17, subdivision 12, is amended to read:

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

77.16 For a grant to the city of West St. Paul to  
 77.17 predesign, design, and construct a ~~pedestrian~~  
 77.18 ~~bridge for the North Urban Regional Trail as~~  
 77.19 ~~an overpass~~ grade separated crossing of Robert  
 77.20 Street in the area near Wentworth Avenue in  
 77.21 West St. Paul for the River to River Regional  
 77.22 Greenway. This appropriation may also be  
 77.23 used to acquire property or purchase  
 77.24 rights-of-way needed for ~~bridge~~ construction.  
 77.25 A nonstate match is not required.

77.26 Sec. 15. Laws 2015, First Special Session chapter 5, article 1, section 10, subdivision 3,  
 77.27 is amended to read:

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

77.29 (a) From the bond proceeds account in the  
 77.30 state transportation fund as provided in  
 77.31 Minnesota Statutes, section 174.50, for  
 77.32 construction and reconstruction of local roads  
 77.33 with statewide or regional significance under  
 77.34 Minnesota Statutes, section 174.52,

78.1 subdivision 4, or for grants to counties to assist  
 78.2 in paying the costs of rural road safety capital  
 78.3 improvement projects on county state-aid  
 78.4 highways under Minnesota Statutes, section  
 78.5 174.52, subdivision 4a.

78.6 (b) This appropriation includes \$850,000 for  
 78.7 a grant to the city of Sandstone for predesign,  
 78.8 design, engineering, and construction of a road  
 78.9 extending south off of marked Trunk Highway  
 78.10 23 across from Lundorff Drive to the airport  
 78.11 area, and including a bridge over Skunk Creek  
 78.12 in Sandstone, in order to facilitate repurposing  
 78.13 of an area of the airport into a business park.  
 78.14 This appropriation is not available until the  
 78.15 commissioner of management and budget  
 78.16 determines that sufficient resources to  
 78.17 complete the project are committed to it from  
 78.18 other sources, including any funds made  
 78.19 available from the commissioner of  
 78.20 transportation.

78.21 (c) This appropriation includes \$3,770,000 for  
 78.22 a grant to Kandiyohi County for construction  
 78.23 and reconstruction of local roads to facilitate  
 78.24 the construction of highway-rail grade  
 78.25 separations at U.S. Highway 12 and Minnesota  
 78.26 Highway 40 as part of one or more of the  
 78.27 following highway-rail intersections associated  
 78.28 with the Willmar Wye project: U.S. Highway  
 78.29 12, marked Trunk Highway 40, and Kandiyohi  
 78.30 County State-Aid Highway 55.

78.31 Sec. 16. **NATIONAL SPORTS CENTER; LEASE.**

78.32 Notwithstanding Minnesota Statutes, sections 16A.695, 16B.24, and 240A.03, subdivision  
 78.33 6, the Minnesota Amateur Sports Commission may lease for educational purposes that  
 78.34 portion of property described as a portion of the property acquired by the commission

79.1 pursuant to Laws 1987, chapter 400, section 8, subdivision 3, not currently needed for  
 79.2 amateur sports purposes to Independent School District No. 16, Spring Lake Park. The lease  
 79.3 shall be in a form approved by the attorney general and for a term not to exceed 99 years.  
 79.4 The lease may provide for the provision of capital improvements or other performance by  
 79.5 the tenant in lieu of all or some of the payments of rent that would otherwise be required.  
 79.6 Any lease revenues paid to the commission are appropriated to the commission.

79.7 Sec. 17. **COMMISSIONER OF ADMINISTRATION REPORT - FUNDING FOR**  
 79.8 **ASSET PRESERVATION.**

79.9 Subdivision 1. **Report.** By November 15, 2017, the commissioner of administration  
 79.10 shall report to the chairs and ranking minority members of the committees in the senate  
 79.11 with jurisdiction over finance and capital investment and in the house of representatives  
 79.12 with jurisdiction over ways and means and capital investment, with recommendations for  
 79.13 sustainable, reliable, predictable funding for preservation of capital assets owned by agencies.

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

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

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

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

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

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

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

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

80.1 Sec. 18. **REAUTHORIZATION OF APPROPRIATION.**

80.2 Pursuant to Minnesota Statutes, section 16A.642, subdivision 1, paragraph (b), the  
 80.3 unencumbered and unobligated balance of the bond authorization and appropriation of bond  
 80.4 proceeds in Laws 2006, chapter 258, section 18, subdivision 6, as amended by Laws 2013,  
 80.5 chapter 136, section 13, estimated to be \$1,991,456.32, is reauthorized.

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

80.7 Sec. 19. **REPEALER.**

80.8 Minnesota Statutes 2016, section 123A.446, is repealed.

80.9 Sec. 20. **EFFECTIVE DATE.**

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

80.11 **ARTICLE 4**80.12 **RAIL TRANSPORTATION**

80.13 Section 1. Minnesota Statutes 2016, section 13.6905, is amended by adding a subdivision  
 80.14 to read:

80.15 Subd. 34. **Oil and other hazardous substances transportation data.** Certain data on  
 80.16 oil and other hazardous substances transportation by railroads are governed by section  
 80.17 219.925, subdivision 7.

80.18 Sec. 2. Minnesota Statutes 2016, section 13.7411, is amended by adding a subdivision to  
 80.19 read:

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

80.22 Sec. 3. Minnesota Statutes 2016, section 115E.042, is amended to read:

80.23 **115E.042 PREPAREDNESS AND RESPONSE FOR CERTAIN RAILROADS.**

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

80.27 Subd. 2. **Training.** (a) Each railroad must offer training to each fire department, and  
 80.28 each local organization for emergency management under section 12.25, having jurisdiction



81.1 along the ~~route of unit trains~~ routes over which oil and other hazardous substances are  
 81.2 transported. ~~Initial training under this subdivision must be offered to each fire department~~  
 81.3 ~~by June 30, 2016, and Refresher training must be offered to each fire department and local~~  
 81.4 organization for emergency management at least once every three years thereafter after  
 81.5 initial training under this subdivision.

81.6 (b) The training must address ~~the general hazards of oil and hazardous substances,~~  
 81.7 ~~techniques to assess hazards to the environment and to the safety of responders and the~~  
 81.8 ~~public, factors an incident commander must consider in determining whether to attempt to~~  
 81.9 ~~suppress a fire or to evacuate the public and emergency responders from an area, and other~~  
 81.10 ~~strategies for initial response by local emergency responders. The training must include~~  
 81.11 ~~suggested protocol or practices for local responders to safely accomplish these tasks.~~  
 81.12 identification of rail cars and their hazardous substance contents, responder safety issues,  
 81.13 rail response tactics, public evacuation considerations, environmental contamination response,  
 81.14 coordination of railroad response personnel and resources at an incident, and other protocols  
 81.15 and practices for safe initial local response.

81.16 Subd. 3. **Emergency response planning; coordination.** ~~Beginning June 30, 2015,~~ (a)  
 81.17 Each railroad must communicate at least annually with each ~~county or city~~ emergency  
 81.18 manager, security qualified safety representatives of railroad employees governed by the  
 81.19 Railway Labor Act, and a senior fire department officer of each fire department having  
 81.20 jurisdiction along the ~~route of a unit train~~ routes over which oil and other hazardous  
 81.21 substances are transported, to:

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

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

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

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

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

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

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

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

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

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

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

82.29 (1) training and caching equipment with local jurisdictions;

82.30 (2) training and caching equipment with a fire mutual-aid group;

82.31 (3) means of an industry cooperative or mutual-aid group;

82.32 (4) deployment of a contractor;

82.33 (5) deployment of a response organization under state contract; or

83.1 (6) other dependable means acceptable to the Pollution Control Agency.

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

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

83.7 (1) on-site containment and recovery of a volume of oil equal to ten percent of the  
83.8 calculated worst case discharge at any location along the route; and

83.9 (2) protection of listed sensitive areas and potable water intakes within one mile of a  
83.10 discharge site and within eight hours of water travel time downstream in any river or stream  
83.11 that the right-of-way intersects.

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

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

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

83.25 Subd. 6. Prevention and response plans; requirements, submission. (a) ~~By June 30,~~  
83.26 ~~2015,~~ A railroad shall submit the prevention and response plan ~~required under section~~  
83.27 ~~115E.04, as necessary to comply with the requirements of this section,~~ to the commissioner  
83.28 of the Pollution Control Agency on a form designated by the commissioner.

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

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

84.1 Sec. 4. Minnesota Statutes 2016, section 219.015, is amended to read:

84.2 **219.015 STATE RAIL SAFETY ~~INSPECTOR~~ INSPECTION PROGRAM.**

84.3 Subdivision 1. **Positions established; duties.** (a) The commissioner of transportation  
 84.4 shall establish three state rail safety inspector positions ~~in the Office of Freight and~~  
 84.5 ~~Commercial Vehicle Operations of the Minnesota Department of Transportation. On or~~  
 84.6 ~~after July 1, 2015,~~ and the commissioner may establish a ~~fourth~~ up to six state rail safety  
 84.7 ~~inspector position~~ inspection program positions following consultation with railroad  
 84.8 companies. The commissioner shall apply to and enter into agreements with the Federal  
 84.9 Railroad Administration (FRA) of the United States Department of Transportation to  
 84.10 participate in the federal State Rail Safety Participation Program for training and certification  
 84.11 of an inspector under authority of United States Code, title 49, sections 20103, 20105,  
 84.12 20106, and 20113, and Code of Federal Regulations, title 49, part 212.

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

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

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

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

84.31 (b) The assessment must be ~~by a division of~~ calculated to allocate state rail safety  
 84.32 ~~inspector~~ inspection program costs in equal proportion between proportionally among  
 84.33 carriers based on route miles operated in Minnesota, ~~assessed in equal amounts for 365 days~~  
 84.34 ~~of the calendar year~~ at the time of assessment. The commissioner shall ~~assess~~ include in the

85.1 assessment calculation all program or additional position start-up or re-establishment costs;  
 85.2 all related costs of initiating the state rail safety inspector inspection program, including but  
 85.3 not limited to inspection, administration, supervision, travel, equipment, and training; and  
 85.4 costs of ongoing state rail inspector duties.

85.5 (c) The assessments collected under this subdivision must be deposited in a ~~special~~  
 85.6 ~~account in the special revenue fund, to be known as the~~ state rail safety inspection account,  
 85.7 which is established in the special revenue fund. The account consists of funds as provided  
 85.8 by this subdivision, and any other money donated, allotted, transferred, or otherwise provided  
 85.9 to the account. Money in the account is appropriated to the commissioner for the  
 85.10 establishment and ongoing responsibilities of the state rail safety ~~inspector~~ inspection  
 85.11 program.

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

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

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

85.22 Sec. 5. **[219.925] INCIDENT EMERGENCY RESPONSE; PREPAREDNESS AND**  
 85.23 **INFORMATION.**

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

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

85.28 (c) "Hazardous substance" has the meaning given in Code of Federal Regulations, title  
 85.29 49, section 171.8.

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

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

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

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

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

86.6 (3) operating in this state.

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

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

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

86.18 (2) a copy of the data and information, including risk assessment information, used to  
86.19 develop the rail carrier's route analysis as required under Code of Federal Regulations, title  
86.20 49, section 172.820, or successor requirements.

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

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

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

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

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

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

87.5 and

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

87.7 Subd. 5. **Real-time emergency response information.** (a) The commissioner of public  
 87.8 safety shall, through the Minnesota Fusion Center, receive and disseminate emergency  
 87.9 response information as provided under section 7302 of the FAST Act of 2015, Public Law  
 87.10 114-94, and federal regulations adopted under that section.

87.11 (b) On and after July 1, 2018, all rail carriers subject to this section shall collectively  
 87.12 provide to emergency responders, through an Internet-based format, the information on  
 87.13 transportation of oil and other hazardous substances provided by rail carriers through a  
 87.14 wireless communications device application on the effective date of this section.

87.15 Subd. 6. **Public safety response exercises.** (a) Each rail carrier must conduct one tabletop  
 87.16 public safety emergency response exercise in each emergency management region in which  
 87.17 the rail carrier transports oil and other hazardous substances. The exercises must be conducted  
 87.18 by July 1, 2018, and July 1 every two years thereafter.

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

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

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

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

87.29 Sec. 6. Minnesota Statutes 2016, section 299A.55, is amended to read:

87.30 **299A.55 RAILROAD AND PIPELINE SAFETY INCIDENT PREPAREDNESS;**  
 87.31 **OIL AND OTHER HAZARDOUS MATERIALS SUBSTANCES.**

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

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

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

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

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

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

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

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

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

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

88.29 (1) \$100,000 annually for emergency response teams; and

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



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

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

89.5 (1) firefighter training needs;

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

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

89.8 (4) risks to the general public; and

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

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

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

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

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

89.17 (4) emergency preparedness planning and coordination;

89.18 (5) public safety emergency response exercises under section 219.925, subdivision 6;

89.19 and

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

89.21 (i) informing and engaging the public regarding hazards of derailments and discharge  
 89.22 incidents;

89.23 (ii) assisting in development of evacuation readiness;

89.24 (iii) undertaking public information campaigns; and

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

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

90.1 Subd. 4. **Assessments.** (a) The commissioner of public safety shall annually assess  
90.2 \$2,500,000 to railroad and pipeline companies based on the formula specified in paragraph  
90.3 (b). The commissioner shall deposit funds collected under this subdivision in the railroad  
90.4 and pipeline ~~safety~~ incident account under subdivision 2.

90.5 (b) The assessment for each railroad is 50 percent of the total annual assessment amount,  
90.6 divided in equal proportion between applicable rail carriers based on route miles operated  
90.7 in Minnesota. The assessment for each pipeline company is 50 percent of the total annual  
90.8 assessment amount, divided in equal proportion between companies based on the yearly  
90.9 aggregate gallons of oil and hazardous substance transported by pipeline in Minnesota.

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

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

90.12 The revisor of statutes shall recodify Minnesota Statutes, section 115E.042, subdivision  
90.13 2, as Minnesota Statutes, section 219.925, subdivision 8, and Minnesota Statutes, section  
90.14 115E.042, subdivision 3, as Minnesota Statutes, section 219.925, subdivision 4. The revisor  
90.15 shall correct any cross-references made necessary by this recodification.

APPENDIX  
Article locations in SF0210-3

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ARTICLE 2	TRANSPORTATION FINANCE AND POLICY.....	Page.Ln 48.1
ARTICLE 3	MISCELLANEOUS.....	Page.Ln 59.17
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APPENDIX  
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No active language found for: 123A.446