

CHAPTER 258—H.F.No. 2959

An act relating to capital improvements; authorizing spending to acquire and better public land and buildings and other improvements of a capital nature with certain conditions; establishing new programs and modifying existing programs; authorizing the sale of state bonds; appropriating money; amending Minnesota Statutes 2004, sections 16A.11, subdivision 1; 16A.86, subdivisions 2, 4; 85.015, by adding a subdivision; 136F.98, subdivision 1; 222.49; 446A.12, subdivision 1; Minnesota Statutes 2005 Supplement, sections 85.019, subdivision 2; 245.036; Laws 2000, chapter 492, article 1, section 7, subdivision 21, as amended; Laws 2002, chapter 393, section 19, subdivision 2; Laws 2005, chapter 20, article 1, sections 5, subdivision 2; 7, subdivision 14; 10, subdivision 2; 19, subdivision 6; 20, subdivisions 2, 3, 4; 23, subdivisions 3, 12, as amended; 27; Laws 2005, chapter 152, article 1, section 39, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 16B; 86A; 116J; 241.

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

Section 1. **CAPITAL IMPROVEMENT APPROPRIATIONS.**

The sums shown in the column under "APPROPRIATIONS" are appropriated from the bond proceeds fund, or another named fund, to the state agencies or officials indicated, to be spent for public purposes. Appropriations of bond proceeds must be spent as authorized by the Minnesota Constitution, article XI, section 5, paragraph (a), to acquire and better public land and buildings and other public improvements of the capital nature, or as authorized by the Minnesota Constitution, article XI, section 5, paragraphs (b) to (j), or article XIV. Unless otherwise specified, the appropriations in this act are available until the project is completed or abandoned subject to Minnesota Statutes, section 16A.642.

SUMMARY

<u>UNIVERSITY OF MINNESOTA</u>	<u>\$</u>	<u>115,733,000</u>
<u>MINNESOTA STATE COLLEGES AND UNIVERSITIES</u>		<u>191,430,000</u>
<u>EDUCATION</u>		<u>17,200,000</u>
<u>MINNESOTA STATE ACADEMIES</u>		<u>2,534,000</u>
<u>PERPICH CENTER FOR ARTS EDUCATION</u>		<u>1,051,000</u>
<u>NATURAL RESOURCES</u>		<u>100,704,000</u>
<u>POLLUTION CONTROL AGENCY</u>		<u>17,300,000</u>
<u>BOARD OF WATER AND SOIL RESOURCES</u>		<u>7,900,000</u>
<u>AGRICULTURE</u>		<u>1,500,000</u>
<u>ZOOLOGICAL GARDEN</u>		<u>15,000,000</u>
<u>ADMINISTRATION</u>		<u>9,250,000</u>
<u>CAPITOL AREA ARCHITECTURAL AND PLANNING BOARD</u>		<u>2,400,000</u>

<u>MILITARY AFFAIRS</u>	<u>7,579,000</u>
<u>PUBLIC SAFETY</u>	<u>1,000,000</u>
<u>TRANSPORTATION</u>	<u>143,000,000</u>
<u>METROPOLITAN COUNCIL</u>	<u>55,962,000</u>
<u>HUMAN SERVICES</u>	<u>58,321,000</u>
<u>VETERANS HOMES BOARD</u>	<u>12,090,000</u>
<u>CORRECTIONS</u>	<u>61,065,000</u>
<u>EMPLOYMENT AND ECONOMIC DEVELOPMENT</u>	<u>160,642,000</u>
<u>HOUSING FINANCE AGENCY</u>	<u>19,500,000</u>
<u>MINNESOTA HISTORICAL SOCIETY</u>	<u>5,672,000</u>
<u>BOND SALE EXPENSES</u>	<u>948,000</u>
<u>CANCELLATIONS</u>	<u>(7,800,000)</u>
<u>TOTAL</u>	<u>\$ 999,980,000</u>
<u>Bond Proceeds Fund (General Fund Debt Service)</u>	<u>874,737,000</u>
<u>Bond Proceeds Fund (User Financed Debt Service)</u>	<u>50,343,000</u>
<u>Maximum Effort School Loan Fund</u>	<u>10,700,000</u>
<u>State Transportation Fund</u>	<u>71,000,000</u>
<u>General Fund</u>	<u>1,000,000</u>
<u>Bond Proceeds Cancellations</u>	<u>(7,800,000)</u>

APPROPRIATIONS

\$

Sec. 2. UNIVERSITY OF MINNESOTA

Subdivision 1. To the Board of Regents of the University of Minnesota for the purposes specified in this section 115,733,000

Subd. 2. **Higher education asset preservation and replacement (HEAPR)** 30,000,000

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

Subd. 3. **Duluth Campus**

Labovitz School of Business 15,333,000

To construct, furnish, and equip a new building for the Labovitz School of Business and Economics to include classrooms, offices, teaching laboratories, student services, administrative support services, and utility upgrades.

Subd. 4. **Twin Cities Campus**

(a) Carlson School of Management 26,600,000

To design and construct a new facility to include classrooms, teaching laboratories, student services, administrative support services, and office space for the Department of Economics.

(b) Medical Biosciences Building Phase 1 and utility upgrade 40,000,000

To design and construct a new medical biosciences building to include research laboratories, lab support facilities, faculty offices, and support services. Necessary utility upgrades are included.

Subd. 5. **University Research Centers**

(a) Cedar Creek Natural History Area, East Bethel 500,000

To design, construct, furnish, and equip new housing for students and faculty, including visiting faculty and researchers.

(b) Cloquet Forestry Center Classroom Addition

500,000

To design, construct, furnish, and equip an addition to the administration building for offices, expanded classrooms, and educational support services. Included are HVAC upgrades.

(c) West Regional Outreach Center, Morris

2,500,000

To construct, furnish, and equip a facility for the wind energy to hydrogen to anhydrous ammonia pilot project

Subd. 6. Willmar, Minnesota Poultry Testing Laboratory

300,000

For a grant to the Minnesota Poultry Testing Laboratory in Willmar to design, construct, furnish, and equip the renovation of the laboratory to substantially improve the laboratory's efficiency and ability to meeting testing requirements and effectively serve its expanding client base.

Subd. 7. Dakota County Technical College Land Use

The Board of Regents of the University of Minnesota is requested to continue the lease of 105 acres at the Dakota County Technical College for the period ending June 30, 2008, at the annual rate of \$54,000.

Subd. 8. University Share

Except for Higher Education Asset Preservation and Replacement (HEAPR) under subdivision 2, and the appropriation under subdivision 6, the appropriations in this section are intended to cover approximately two-thirds of the cost of each project. The remaining costs must be paid from university sources.

Subd. 9. Unspent Appropriations

Upon substantial completion of a project authorized in this section and after written notice to the commissioner of finance, the Board of Regents must use any money remaining in the appropriation for that project for HEAPR under Minnesota Statutes, section 135A.046. The Board of Regents must report by

February 1 of each even-numbered year to the chairs of the house and senate committees with jurisdiction over capital investments and higher education finance, and to the chairs of the house Ways and Means Committee and the senate Finance Committee, on how the remaining money has been allocated or spent.

Sec. 3. MINNESOTA STATE COLLEGES AND UNIVERSITIES

Subdivision 1. To the Board of Trustees of the Minnesota State Colleges and Universities for the purposes specified in this section

191,430,000

Subd. 2. Higher education asset preservation and replacement

40,000,000

This appropriation is for the purposes specified in Minnesota Statutes, section 135A.046.

Subd. 3. Alexandria Technical College

Law Enforcement Center

400,000

To design a new Law Enforcement Center and related classroom renovation.

Subd. 4. Bemidji State University

Sattgast Hall

700,000

To design an addition to and renovation of Sattgast Science Hall and to abate hazardous materials.

Subd. 5. Century College

Science Instruction and Learning Resource Center

19,900,000

To construct, furnish, and equip a new science instruction and learning resource center building on the east campus in Phase 1.

Subd. 6. Fond du Lac Tribal and Community College

Library and Cultural Center

12,390,000

To construct, furnish, and equip an addition and a renovation for a library and learning resource

center, and an addition for law enforcement, nursing education, cultural center, and related spaces.

Subd. 7. Inver Hills Community College

Fine Arts Building 700,000

To design a classroom addition to and renovation of the Fine Arts building.

Subd. 8. Lake Superior Community and Technical College

Health and Science Center 420,000

To design a two-phased project to construct a health and science center addition and to renovate existing spaces.

Subd. 9. Metropolitan State University

(a) Smart Classroom Center 300,000

To design two floors of technology-enhanced classrooms and academic offices above the power plant.

(b) Law Enforcement Center 350,000

To design, in cooperation with Minneapolis Community and Technical College, a joint law enforcement skills training facility for all metro area public higher education institutions, to be located on the campus of Hennepin Technical College in Brooklyn Park.

Subd. 10. Minneapolis Community and Technical College

Science and Allied Health Training Center 18,874,000

To complete the design of and to renovate, furnish, and equip spaces for science, nursing, and allied healthcare programs to include classrooms, laboratories, and ancillary spaces, in cooperation

with Metropolitan State University. To renovate, furnish, and equip science laboratories in Kopp Hall for general classroom instruction.

Subd. 11. Minnesota State College - Southeast Technical College, Red Wing

Learning Resource Center and Student Services 4,855,000

To complete design and to renovate, furnish, and equip spaces for a library, learning resource center, information technology, student services and commons, bookstore, administration, music instrument repair, and allied health classrooms and laboratories, and to construct an entryway addition.

Subd. 12. Minnesota State University Mankato

Trafton Hall, Phase 1 32,900,000

To construct, furnish, and equip an addition to Trafton Hall for classrooms, science laboratories, and related offices, and to construct, furnish, and equip renovations to Trafton Hall North in Phase 1 to consolidate all engineering departments. University funds may be added to this appropriation up to a total project cost of \$33,250,000.

Subd. 13. Minnesota State University, Moorhead

(a) Lommen Hall 300,000

To design the renovation of Lommen Hall and design construction of an addition to the basement.

(b) MacLean Hall renovation 9,680,000

To renovate, furnish, and equip MacLean Hall for classrooms, laboratories, and related offices, and construct a new stairwell.

Subd. 14. Normandale Community College

Fine Arts Building 5,125,000

To design, construct, furnish, and equip an addition to the Fine Arts Building and the renovation of the Fine Arts Building to provide classrooms, laboratories, and, in cooperation with Minnesota State University,

Mankato, a teacher preparation department. The project will also design an addition to the Health and Wellness Building and renovation of the building.

Subd. 15. North Hennepin Community College

Center for Business and Technology

350,000

To design a Business and Technology Building addition and the renovation of the Career and Continuing Education Building.

Subd. 16. Northland Community and Technical College, East Grand Forks

Nursing, Health Care, and Learning Resources Center

300,000

To design a nursing addition and renovation of spaces for allied health laboratories, library, learning resource center, student commons, bookstore, classrooms, ancillary spaces, and boiler system expansion.

Subd. 17. Northeast Higher Education District, Mesabi Range Community and Technical College, Eveleth

Technical Laboratory Building

300,000

To design shop space to house the Industrial Mechanical Technology and Carpentry programs, renovate existing space for restrooms that comply with the Americans with Disabilities Act, and replace the boiler, piping, and ventilation.

Subd. 18. St. Cloud State University

(a) Robert A. Wick Science Building

14,000,000

To design, construct, furnish, and equip an addition to and renovation of the Robert A. Wick Science Building for classrooms, science laboratories, and related offices in Phase 1.

(b) Riverview Hall Renovation

4,500,000

To design, renovate, furnish, and equip Riverview Hall for general and technology-enhanced classrooms and ancillary spaces.

Subd. 19. St. Paul College

Transportation and Applied Technology Laboratories and Shops

3,000,000

To design renovation of classrooms, the transportation and applied technology and trades laboratories on the ground floor, to design construction of an expansion of the truck mechanics shop, and to design and construct the replacement of the campus electrical distribution system in Phase 1.

Subd. 20. Southwest Minnesota State University

Science and Hotel and Restaurant Laboratories

300,000

To design renovation of laboratories in the Science and Technology Building, laboratories and a classroom in the Science and Math Building, and hotel and restaurant industries teaching laboratories in the Individualized Learning Center.

Subd. 21. Winona State University

(a) Maxwell Hall renovation

11,186,000

To design, renovate, furnish, and equip Maxwell Hall for classrooms, offices, a National Child Protection Center and related spaces and to design, renovate, furnish, and equip vacated spaces in Somsen, Phelps, and Gildemeister Halls.

(b) Memorial Hall Design

400,000

To design an addition to Memorial Hall and renovation of vacated spaces at Gildemeister Hall. The board may use nonstate funds for the remainder of the cost of the design up to a total cost of \$785,000.

Subd. 22. Systemwide Initiatives

(a) Demolition

1,660,000

To demolish obsolete buildings or portions of buildings on campuses statewide. This appropriation

may be used at the following campuses: Minnesota West Community and Technical College, Canby; Riverland Community College, Austin; Southwest Minnesota State University; St. Cloud State University; and Winona State University.

(b) Science labs and workforce initiatives

5,140,000

To renovate, furnish, and equip teaching laboratories and classrooms for science and applied technology at campuses statewide. Campuses may use nonstate funds to increase the size of the projects. This appropriation may be used at the following campuses: Central Lakes College, Brainerd; Minnesota State College, Southeast Technical, Winona; Minnesota State Community and Technical College, Moorhead and Detroit Lakes; Minnesota West Community and Technical College, Granite Falls; Northland Community and Technical College, Thief River Falls; Northwest Technical College, Bemidji, Pine Technical College; Riverland Community College, Austin; and South Central College, Faribault.

(c) Property Acquisition

3,400,000

To acquire real property adjacent to the state college and university campuses or within the boundaries of the campus master plan. This appropriation may be used at St. Cloud Technical College.

Subd. 23. Debt service

(a) The board shall pay the debt service on one-third of the principal amount of state bonds sold to finance projects authorized by this section, except for higher education asset preservation and replacement and the design of Memorial Hall at Winona State University, except that, where a nonstate match is required, the debt service is due on a principal amount equal to one-third of the total project cost, less the match committed before the bonds are sold. After each sale of general obligation bonds, the commissioner of finance shall notify the board of the amounts assessed for each year for the life of the bonds.

(b) The commissioner shall reduce the board's assessment each year by one-third of the net income from investment of general obligation bond proceeds in proportion to the amount of principal and interest otherwise required to be paid by the board. The board shall pay its resulting net assessment to the

commissioner of finance by December 1 each year. If the board fails to make a payment when due, the commissioner of finance shall reduce allotments for appropriations from the general fund otherwise available to the board and apply the amount of the reduction to cover the missed debt service payment. The commissioner of finance shall credit the payments received from the board to the bond debt service account in the state bond fund each December 1 before money is transferred from the general fund under Minnesota Statutes, section 16A.641, subdivision 10.

Subd. 24. Unspent Appropriations

(a) Upon substantial completion of a project authorized in this section and after written notice to the commissioner of finance, the Board of Trustees must use any money remaining in the appropriation for that project for HEAPR under Minnesota Statutes, section 135A.046. The Board of Trustees must report by February 1 of each even-numbered year to the chairs of the house and senate committees with jurisdiction over capital investments and higher education finance, and to the chairs of the house Ways and Means Committee and the senate Finance Committee, on how the remaining money has been allocated or spent.

(b) The unspent portion of an appropriation for a project in this section that is complete, is available for higher education asset preservation and replacement under this subdivision, at the same campus as the project for which the original appropriation was made and the debt service requirement under subdivision 23 is reduced accordingly. Minnesota Statutes, section 16A.642, applies from the date of the original appropriation to the unspent amount transferred.

Sec. 4. MINNESOTA DEPARTMENT OF EDUCATION

17,200,000

Subdivision 1. To the commissioner of education for the purposes specified in this section.

Subd. 2. Independent School District No. 707, Nett Lake

10,700,000

This appropriation is from the maximum effort school loan fund for a capital loan to Independent School District No. 707, Nett Lake, as provided in

Minnesota Statutes, sections 126C.60 to 126C.72, to design, construct, furnish, and equip renovation of the elementary school and construction of a new facility to house Head Start, day care, youth programs, a community medical clinic, and K-6 education. The commissioner and Independent School District No. 707, Nett Lake, shall report to the legislature by January 10, 2007, on the progress of the capital loan.

Subd. 3. Library improvement grants

1,000,000

For library improvement grants under Minnesota Statutes, section 134.45, subdivision 5b.

Subd. 4. MacPhail Music Center

5,000,000

(a) For a grant to the city of Minneapolis to predesign, design, construct, furnish, and equip a new facility for the MacPhail Center for Music. The city of Minneapolis may enter into a lease or management agreement to operate the center, subject to Minnesota Statutes, section 16A.695. This appropriation is not available until the commissioner has determined that not less than \$15,000,000 has been committed to the MacPhail Center for Music from nonstate sources, and that the available money is sufficient to complete a functional facility. Money secured before the effective date of this section may count toward the required commitment of nonstate sources, provided it is used for qualified capital expenditures. Any land acquisition costs paid by MacPhail Center for Music qualify as capital expenditures.

(b) The city of Minneapolis may provide money to predesign, design, construct, furnish, and equip a center for music education, including classrooms and a recital hall in the city of Minneapolis, to provide a facility for education of students, music therapy programs for persons with disabilities, music teacher training opportunities, curriculum and program development, and to provide the programming in public and private schools and in partnership with other organizations throughout the state.

Subd. 5. Early Childhood Learning and Child Protection Facilities

500,000

To the commissioner of human services for grants to rehabilitate facilities for programs under Minnesota Statutes, section 119A.45, except that a grant may not exceed \$75,000 per program and \$200,000 per facility.

Sec. 5. **MINNESOTA STATE ACADEMIES**

Subdivision 1. To the commissioner of administration for the purposes specified in this section 2,534,000

Subd. 2. **Asset preservation** 2,509,000

For asset preservation on both campuses of the academies, to be spent in accordance with Minnesota Statutes, section 16B.307.

Subd. 3. **Frechette Hall** 25,000

To begin to design the renovation of Frechette Hall, including a new electrical system, new HVAC system, new windows, plumbing upgrades, removal of the fireplace and sunken seating in the commons area, addition of recreational space for students to utilize during inclement weather, and repair of the Scout Cabin.

Sec. 6. **PERPICH CENTER FOR ARTS EDUCATION** 1,051,000

To the commissioner of administration for campus asset preservation at the Perpich Center for Arts Education, including sewer line replacement, air conditioning, reroofing of the east half of the main school building, and sidewalk and paving improvements, to be spent in accordance with Minnesota Statutes, section 16B.307.

Sec. 7. **NATURAL RESOURCES**

Subdivision 1. To the commissioner of natural resources for the purposes specified in this section 100,704,000

The appropriations in this section are subject to the requirements of the natural resources capital improvement program set forth in new Minnesota Statutes, section 86A.12, unless this section or the statutes referred to in this section provide more specific standards, criteria, or priorities for projects than section 86A.12.

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

For the renovation of state-owned facilities operated by the commissioner of natural resources, to be

spent in accordance with Minnesota Statutes, section 16B.307. The commissioner may use this appropriation to replace buildings if that is the most cost-effective method of renovation.

The unspent portion of an appropriation, but not to exceed ten percent of the appropriation, for a project in this section that is complete, other than an appropriation for flood hazard mitigation, is available for asset preservation. Minnesota Statutes, section 16A.642, applies from the date of the original appropriation to the unspent amount transferred.

Subd. 3. Flood Hazard Mitigation Grants

25,000,000

For the state share of flood hazard mitigation grants for publicly owned capital improvements to prevent or alleviate flood damage under Minnesota Statutes, section 103F.161.

The commissioner shall determine project priorities as appropriate, based on need.

This appropriation includes money for the following projects:

(a) Austin

(b) Albert Lea

(c) Crookston

(d) Canisteo Mine

(e) Delano

(f) East Grand Forks

(g) Golden Valley

(h) Grand Marais Creek

(i) Granite Falls

(j) Inver Grove Heights

(k) Manston Slough

(l) Oakport Township

(m) Riverton Township

(n) Shell Rock Watershed District

(o) St. Vincent

(p) Wild Rice River Watershed District

For any project listed in this subdivision that the commissioner determines is not ready to proceed or

does not expend all the money allocated to it, the commissioner may allocate that project's money to a project on the commissioner's priority list.

To the extent that the cost of a project in Ada, Breckenridge, Crookston, Dawson, East Grand Forks, Granite Falls, Montevideo, Oakport Township, Roseau, St. Vincent, or Warren exceeds two percent of the median household income in the municipality multiplied by the number of households in the municipality, this appropriation is also for the local share of the project. The local share for the St. Vincent dike may not exceed \$30,000.

Subd. 4. Dam renovation and removal

2,250,000

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

\$250,000 is for a grant to the city of Kenyon for the Kenyon embankment removal project.

Notwithstanding Minnesota Statutes, section 16A.69, subdivision 2, upon the award of final contracts for the completion of a project listed in this subdivision, the commissioner may transfer the unencumbered balance in the project account to any other dam renovation or removal project on the commissioner's priority list.

Subd. 5. Stream protection and restoration

2,000,000

For the design and construction of the following stream protection and restoration projects: the Red Lake River, Otter Tail Power dam upstream of Crookston; Otter Tail River, Lake Breckinridge dam; Red River of the North, Christine, and Hickson dams; West Branch of the Lac Qui Parle River, Dawson; Des Moines River, city of Jackson dam; South Fork Crow River, Hutchinson dam; and Red River of the North, \$25,000 for riverbank protection and restoration within the city of Oslo.

Subd. 6. Water access acquisition, betterment, and fishing piers

3,000,000

For public water access acquisition, construction, and renovation projects of a capital nature on lakes and

rivers, including water access through the provision of fishing piers and shoreline access under Minnesota Statutes, section 86A.05, subdivision 9.

Subd. 7. Lake Superior safe harbors

3,000,000

To design and construct capital improvements to public accesses and small craft harbors on Lake Superior in accordance with Minnesota Statutes, sections 86A.20 to 86A.24, and in cooperation with the United States Army Corps of Engineers.

This appropriation may be used to develop the harbor of refuge and marina at Two Harbors and is added to the appropriations in Laws 1998, chapter 404, section 7, subdivision 24; and Laws 2000, chapter 492, article 1, section 7, subdivision 21, as amended by Laws 2005, chapter 20, article 1, section 42. Notwithstanding those laws, the commissioner may proceed with the Two Harbors project upon securing an agreement with the U.S. Army Corps of Engineers that commits federal expenditures of at least \$4,000,000 to the project.

Subd. 8. Fisheries acquisition and improvement

2,000,000

To acquire land and interests in land for aquatic management areas and to make public improvements and betterments of a capital nature to aquatic management areas established under Minnesota Statutes, section 86A.05, subdivision 14.

Subd. 9. Fish hatchery improvements

1,000,000

For improvements of a capital nature to renovate fish culture facilities at hatcheries owned by the state and operated by the commissioner of natural resources under Minnesota Statutes, section 97A.045, subdivision 1.

Subd. 10. RIM - wildlife area land acquisition and improvement

14,000,000

To acquire land for wildlife management area purposes and for improvements of a capital nature to develop, protect, or improve habitat and facilities on wildlife management areas under Minnesota Statutes, section 86A.05, subdivision 8.

Subd. 11. Water control structures

1,000,000

To rehabilitate or replace water control structures used to manage shallow lakes and wetlands for waterfowl habitat on wildlife management areas under Minnesota Statutes, section 86A.05, subdivision 8.

Subd. 12. Native prairie bank easements and development

1,000,000

To acquire native prairie bank easements under Minnesota Statutes, section 84.96, and to develop and restore certain tracts of prairie bank lands for which the easement is permanent.

Subd. 13. Scientific and natural area acquisition and development

2,000,000

To acquire land for scientific and natural areas and for protection and improvements of a capital nature to scientific and natural areas under Minnesota Statutes, sections 84.033 and 86A.05, subdivision 5.

Subd. 14. State forest land acquisition

1,000,000

To acquire private lands from willing sellers within the boundaries of state forests established under Minnesota Statutes, section 89.021.

Subd. 15. Large scale forest land and Forest Legacy conservation easements

7,000,000

To acquire conservation easements as described under Minnesota Statutes, chapter 84C, on private forest lands and within Forest Legacy Areas established under United States Code, title 16, section 2103c. The conservation easements must guarantee public access, including hunting and fishing. Expenditure of money from this appropriation within a Forest Legacy Area must be matched by \$2 of nonstate money for each \$1 of state money.

Subd. 16. State forest land reforestation

4,000,000

To increase reforestation activities to meet the reforestation requirements of Minnesota Statutes, section 89.002, subdivision 2, including planting, seeding, site preparation, and purchasing tree seeds and seedlings.

Subd. 17. State park and recreation area acquisition

3,000,000

To acquire from willing sellers private lands within state parks established under Minnesota Statutes, section 85.012, and state recreation areas established under Minnesota Statutes, section 85.013.

Subd. 18. State park infrastructure rehabilitation and natural resource restoration

3,000,000

For infrastructure rehabilitation and natural resource restoration projects within state parks established under Minnesota Statutes, section 85.012, and state recreation areas established under Minnesota Statutes, section 85.013.

\$25,000 is for electrical hookups at Monson Lake State Park.

Subd. 19. State park building construction and rehabilitation

3,000,000

To construct and to renovate buildings in state parks and state recreation areas in accordance with a master plan required under Minnesota Statutes, section 86A.09.

\$1,500,000 is to construct a visitor center at Grand Portage State Park. The unexpended balance from the appropriation in Laws 2005, chapter 20, article 1, section 7, subdivision 22, to predesign and design the center may be added to this appropriation.

Subd. 20. State park camper cabins

2,000,000

To construct camper cabins and upgrade infrastructure for the cabins in state parks under Minnesota Statutes, section 85.012, and state recreation areas under Minnesota Statutes, section 85.013.

\$150,000 is for camper cabins at Glacial Lakes State Park and \$150,000 is for camper cabins at Sibley State Park.

Subd. 21. State trail acquisition and development

10,811,000

To acquire land for and to construct and renovate state trails under Minnesota Statutes, section 85.015.

\$750,000 is for the Blufflands Trail: \$350,000 is for the Chester Woods segment; \$300,000 is for the segment from Preston to Forestville; and \$100,000 is for the Root River segment.

\$500,000 is for the Casey Jones Trail.

\$400,000 is for the Cuyuna Lakes Trail.

\$750,000 is for the Gateway Trail.

\$1,185,000 is for the Gitchi-Gami Trail.

\$1,000,000 is for the Glacial Lakes Trail from New London to Paynesville. Money not needed for that segment may be used for the segment from Paynesville to Richmond.

\$500,000 is for the Goodhue Pioneer Trail.

\$250,000 is for the Heartland Trail from Park Rapids to Detroit Lakes.

\$1,000,000 is for the Mill Towns Trail.

\$226,000 is for the Minnesota River Trail from Big Stone National Wildlife Refuge to the city of Ortonville.

\$1,500,000 is for the Paul Bunyan Trail.

\$750,000 is for the Shooting Star Trail.

\$2,000,000 is for the rehabilitation of state trails.

For any project listed in this subdivision that the commissioner determines is not ready to proceed, the commissioner may allocate that project's money to another state trail project identified in this subdivision. The chairs of the house and senate committees with jurisdiction over environment and natural resources and legislators from the affected legislative districts must be notified of any changes.

Subd. 22. **Regional trails**

1,133,000

For matching grants under Minnesota Statutes, section 85.019, subdivision 4b.

\$648,000 is for the Agassiz Recreational ATV Trail.

\$485,000 is for a grant to the Central Minnesota Regional Parks and Trails Coordination Board to design, engineer, and construct 6.3 miles of trail and two parking areas along the Mississippi River in Sherburne County, to be known as Xcel Energy Great River Woodland Trail.

Subd. 23. **Trail connections**

2,010,000

For matching grants under Minnesota Statutes, section 85.019, subdivision 4c.

\$500,000 is for a grant to Carlton County to predesign, design, and construct a nonmotorized pedestrian trail connection to the Willard Munger State Trail from the city of Carlton through the city of Scanlon continuing to the city of Cloquet, along the St. Louis River in Carlton County.

\$260,000 is to provide the state match for the cost of the Soo Line Multiuse Recreational Bridge project over marked Trunk Highway 169 in Mille Lacs County.

\$175,000 is for a grant to the city of Bowlus in Morrison County to design, construct, furnish, and equip a trailhead center at the head of the Soo Line Recreational Trail.

\$125,000 is for a grant to Morrison County to predesign, design, construct, furnish, and equip a park-and-ride lot and restroom building adjacent to the Soo Line Recreational Trail at U.S. Highway 10.

\$950,000 is for a grant to the St. Louis and Lake Counties Regional Railroad Authority for land acquisition, engineering, construction, furnishing, and equipping of a 19-mile "Boundary Waters Connection" of the Mesabi Trail from Bearhead State Park to the International Wolf Center in Ely. This appropriation is contingent upon a matching contribution of \$950,000 from other sources, public or private.

Subd. 24. Metro greenways and natural areas

500,000

To provide grants to local units of government for acquisition or betterment of greenways and natural areas in the metro region and portions of the surrounding counties and to acquire greenways and natural areas in the metro region and portions of the surrounding counties through the purchase of conservation easements or fee titles. The commissioner shall determine the project priorities and shall consult with representatives of local units of government, nonprofit organizations, and other interested parties.

Subd. 25. Local initiative grants

2,000,000

(1) For grants to units of government to acquire and better parks and outdoor recreation areas under Minnesota Statutes, section 85.019, subdivision 2; and

(2) for grants to units of government to acquire and better natural and scenic areas under Minnesota Statutes, section 85.019, subdivision 4a.

Subd. 26. Forest Roads and Bridges

1,000,000

For reconstruction, resurfacing, replacement, and construction of state forest roads and bridges under Minnesota Statutes, section 89.002.

Subd. 27. Prairie Wetlands ELC

2,000,000

For a grant under Minnesota Statutes, section 84.0875, to the city of Fergus Falls to predesign, design, construct, furnish, and equip the expansion of the Prairie Wetlands Environmental Learning Center.

Sec. 8. POLLUTION CONTROL AGENCY

Subdivision 1. To the Pollution Control Agency for the purposes specified in this section

17,300,000

Subd. 2. Closed Landfill Program

10,800,000

To design and construct remedial systems and acquire land at landfills throughout the state in accordance with the closed landfill program under Minnesota Statutes, section 115B.39 to 115B.42.

\$3,650,000 is to design and construct remedial systems at the Albert Lea Landfill, including relocating and incorporating waste from the former Albert Lea Dump owned by the City of Albert Lea pursuant to Minnesota Statutes, section 115B.403, which action may be taken by the Pollution Control Agency notwithstanding the provisions of Minnesota Statutes, section 115B.403, paragraphs (a) and (b).

Subd. 3. Capital Assistance Program

4,000,000

For the solid waste capital assistance grants program under Minnesota Statutes, section 115A.54.

Subd. 4. Koochiching RECAP

2,500,000

For a grant to Koochiching County to prepare a site for and to design, construct, and equip a plasma torch gasification facility that converts municipal solid waste into energy and slag, reducing the need to dispose of the waste in a landfill.

This appropriation is not available until the commissioner has determined that at least an equal amount has been committed to the project from nonstate sources.

Sec. 9. BOARD OF WATER AND SOIL RESOURCES

Subdivision 1. To the Board of Water and Soil Resources for the purposes specified in this section

7,900,000

Subd. 2. Wetland replacement due to public road projects

4,200,000

\$700,000 is from the general fund to administer the program.

To acquire land for wetlands or restore wetlands to be used to replace wetlands drained or filled as a result of the repair, maintenance, or rehabilitation of existing public roads as required by Minnesota Statutes, section 103G.222, subdivision 1, paragraphs (k) and (l).

The purchase price paid for acquisition of land, fee, or perpetual easement must be the fair market value as determined by the board. The board may enter into agreements with the federal government, other state agencies, political subdivisions, and nonprofit organizations or fee owners to acquire land and restore and create wetlands and to acquire existing wetland banking credits. Acquisition of or the conveyance of land may be in the name of the political subdivision.

Subd. 3. Streambank, Lakeshore Erosion Control

1,000,000

For grants to soil and water conservation districts for streambank, stream channel, lakeshore, and roadside protection and restoration projects through the state cost-share program under Minnesota Statutes, section 103C.501.

Subd. 4. Minnesota River Area II

500,000

For grants to assist local governments in Area II of the Minnesota River Basin to acquire, design, and construct floodwater retention systems. The grants are not available until the board determines that \$1 has been committed to the project from nonstate sources for every \$3 of state grant.

<u>Subd. 5. Grass Lake</u>	<u>2,200,000</u>
<u>To acquire conservation easements, reroute County Ditch 23A, construct water control structures, and plant vegetation in order to restore the Grass Lake prairie wetland basin adjacent to the city of Willmar in Kandiyohi County.</u>	
<u>Sec. 10. AGRICULTURE</u>	<u>1,500,000</u>
<u>To the commissioner of administration to construct, furnish, and equip a biosafety level 3 agriculture laboratory in the Agriculture and Health Joint Laboratory facility in St. Paul.</u>	
<u>Sec. 11. MINNESOTA ZOOLOGICAL GARDEN</u>	
<u>Subdivision 1. To the Minnesota Zoological Garden for the purposes in this section.</u>	<u>15,000,000</u>
<u>Subd. 2. Asset Preservation</u>	<u>7,500,000</u>
<u>For capital asset preservation improvements and betterments, to be spent in accordance with Minnesota Statutes, section 16B.307.</u>	
<u>Subd. 3. Master Plan</u>	<u>7,500,000</u>
<u>For implementation of the 2001 Minnesota Zoological Garden Facilities and Business Master Plan.</u>	
<u>Sec. 12. ADMINISTRATION</u>	
<u>Subdivision 1. To the commissioner of administration for the purposes specified in this section</u>	<u>9,250,000</u>
<u>Subd. 2. Capital Asset Preservation and Replacement Account (CAPRA)</u>	<u>4,000,000</u>
<u>To be spent in accordance with Minnesota Statutes, section 16A.632.</u>	
<u>Subd. 3. Asset Preservation</u>	<u>5,000,000</u>
<u>For asset preservation projects in properties managed by the commissioner. This appropriation must be</u>	

spent in accordance with Minnesota Statutes, section 16B.307.

\$150,000 is to restore and renovate the Minnesota Peace Officers Memorial on the Capitol grounds in St. Paul.

Subd. 4. **Workers Memorial** 100,000

To design and construct a workers memorial on the Capitol grounds in St. Paul.

Subd. 5. **Hmong Veterans Statue** 150,000

To complete design and construction of a statue in the capitol area to honor the Hmong veterans of the war in Laos who were allied with American forces during the Vietnam War, pursuant to Laws 2003, chapter 69.

Sec. 13. CAPITOL AREA ARCHITECTURAL AND PLANNING BOARD

Capitol Building 2,400,000

To the commissioner of administration to renovate the dome of the Capitol and continue design work to restore the Capitol Building.

The appropriation in this section may not be spent on any project that affects space under the control of the senate without the approval of the secretary of the senate nor on any project that affects space under the control of the house of representatives without the approval of the chief sergeant-at-arms of the house.

Sec. 14. MILITARY AFFAIRS 7,579,000

Subdivision 1. To the adjutant general for the purposes specified in this section

Subd. 2. **Asset preservation** 4,000,000

For asset preservation improvements and betterments of a capital nature at military affairs facilities statewide, to be spent in accordance with Minnesota Statutes, section 16B.307.

Subd. 3. **Facility life safety improvements** 1,000,000

For life safety improvements and to correct code deficiencies at military affairs facilities statewide, to be spent in accordance with Minnesota Statutes, section 16B.307.

Subd. 4. Lead abatement and range conversion

1,029,000

For lead abatement and to design, construct, furnish, and equip the current indoor firing ranges in ten National Guard Training and Community Centers for storage space, classrooms, and office space. This appropriation may be used at Training and Community Centers located in the cities of: Albert Lea, Bloomington, Brainerd, Duluth, Jackson, Montevideo, Moorhead, Rochester, Rosemount, and St. Peter.

Subd. 5. Facility ADA compliance

1,400,000

For Americans with Disabilities Act (ADA) alterations to existing National Guard Training and Community Centers in locations throughout the state, to be spent in accordance with Minnesota Statutes, section 16B.307.

Subd. 6. Starbase Minnesota

150,000

For predesign and design of a new facility for the Starbase Minnesota program, subject to Minnesota Statutes, section 16A.695.

Sec. 15. PUBLIC SAFETY

Scott County Public Safety Training Center

1,000,000

To the commissioner of public safety for a grant to Scott County to design, construct, furnish, and equip a regional public safety training center.

Sec. 16. TRANSPORTATION

Subdivision 1. To the commissioner of transportation for the purposes specified in this section

143,000,000

Subd. 2. Local bridge replacement and rehabilitation

55,000,000

This appropriation is from the bond proceeds account in the state transportation fund as provided in Minnesota Statutes, section 174.50, to match federal

money and to replace or rehabilitate local deficient bridges.

Political subdivisions may use grants made under this section to construct or reconstruct bridges, including:

(1) matching federal-aid grants to construct or reconstruct key bridges;

(2) paying the costs of preliminary engineering and environmental studies authorized under Minnesota Statutes, section 174.50, subdivision 6a;

(3) paying the costs to abandon an existing bridge that is deficient and in need of replacement, but where no replacement will be made; and

(4) paying the costs to construct a road or street to facilitate the abandonment of an existing bridge determined by the commissioner to be deficient, if the commissioner determines that construction of the road or street is more cost efficient than the replacement of the existing bridge.

\$2,500,000 is for a grant to Hennepin County to design replacement of the Lowry Avenue bridge carrying County State-Aid Highway 153 across the Mississippi River in Minneapolis.

Subd. 3. Local Road Improvement Program

16,000,000

This appropriation is from the bond proceeds account in the state transportation fund as provided in Minnesota Statutes, section 174.50.

\$7,650,000 is for construction and reconstruction of local roads with statewide or regional significance under Minnesota Statutes, section 174.52, subdivision 4. Of this amount, \$500,000 is for county state-aid highway 46 between Interstate 35 and Interstate 90 in Freeborn County.

\$7,650,000 is for grants to counties to assist in paying the costs of capital improvement projects on county state-aid highways under Minnesota Statutes, section 174.52, subdivision 4a, but not to the county of Anoka, Carver, Chisago, Dakota, Hennepin, Ramsey, Scott, or Washington.

\$700,000 is for a grant to the city of Staples in Todd County to predesign, design, and construct a highway overpass over U.S. Highway 10 and the Burlington Northern Santa Fe Railroad tracks in Staples.

Subd. 4. Northstar Commuter Rail60,000,000

(a) To acquire land, or an interest in land, and to design, construct, furnish, and equip the Northstar commuter rail line serving Big Lake to downtown Minneapolis and to acquire land, or an interest in land, and to design, construct, furnish, and equip the extension of the Hiawatha light rail transit line from its terminus in downtown Minneapolis to a new terminus near Fifth Avenue North adjacent to the proposed downtown Minneapolis commuter rail station.

(b) This appropriation is added to the appropriation in Laws 2005, chapter 20, article 1, section 18, subdivision 5.

(c) This appropriation is not available until a full-funding grant agreement has been executed with the Federal Transit Administration.

(d) If the Northstar commuter rail line is extended from Big Lake to the St. Cloud area, regional rail authority members of the Northstar Corridor Development Authority who did not fund a portion of the share of capital costs from Minneapolis to Big Lake shall contribute an amount for the extension equal to the amount they would have contributed for their proportional share of the entire line from Minneapolis to the St. Cloud area.

Subd. 5. Northeast Minnesota rail initiative1,300,000

For a grant to St. Louis County to renovate the St. Louis County Heritage and Arts Center (the Duluth Depot) and to match federal money for preliminary engineering, environmental studies, and construction of the rail line, railway stations, park-and-ride lots, and other railroad appurtenances necessary to facilitate the return of intercity and commuter/passenger rail service within Duluth and the Duluth/Twin Cities rail corridor.

Subd. 6. Rail Service Improvement3,700,000

For the rail service improvement program, to be spent for the purposes set forth in Minnesota Statutes, section 222.50, subdivision 7.

(a) \$700,000 is for a grant to the McLeod County Railroad Authority to acquire land for and to design and construct a railroad switching yard facility in

Glencoe. This appropriation is not available until the commissioner determines that funds sufficient to complete the project are committed to the project from nonstate sources.

(b) \$1,000,000 is for a grant to the Minnesota Valley Regional Rail Authority to rehabilitate up to 33 miles of railroad track from Gibbon to Norwood-Young America. The commissioner may not make the grant until the commissioner has determined that the authority has obtained a commitment for at least \$495,000 in federal funds for the project. A grant under this paragraph is in addition to any grant, loan, or loan guarantee for this project made by the commissioner under Minnesota Statutes, sections 222.46 to 222.62.

Subd. 7. Port Development Assistance

3,000,000

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

Subd. 8. Greater Minnesota Transit

2,000,000

For capital assistance for greater Minnesota transit systems to be used for transit capital facilities under Minnesota Statutes, section 174.24, subdivision 3c. Money from this appropriation may be used to pay up to 80 percent of the nonfederal share of these facilities.

Subd. 9. St. Cloud Regional Airport

2,000,000

For a grant to the city of St. Cloud to acquire land adjacent to the St. Cloud Regional Airport.

Sec. 17. METROPOLITAN COUNCIL

Subdivision 1. To the Metropolitan Council for the purposes specified in this section

55,962,000

Subd. 2. I-35W Bus Rapid Transit (BRT)

3,300,000

For design, preliminary engineering, and construction of passenger facilities for a Bus Rapid Transit station at 46th Street and Interstate 35W.

Subd. 3. Cedar Avenue Bus Rapid Transit (BRT)

5,000,000

For environmental studies, preliminary engineering, bus lane improvements, and transit station construction and improvements in the Cedar Avenue Bus Rapid Transit Corridor.

This appropriation may not be spent for capital improvements within a trunk highway right-of-way.

Subd. 4. Central corridor transit way

7,800,000

To conduct environmental studies, complete preliminary engineering, and design the Central corridor transit way between downtown Minneapolis and downtown St. Paul.

This appropriation may not be spent for capital improvements within a trunk highway right-of-way.

This appropriation is not available until the commissioner of finance has determined that, by September 1, 2006, the Metropolitan Council, the Ramsey County Regional Rail Authority, and the Hennepin County Regional Rail Authority have entered into a memorandum of understanding that specifies future expected funding shares for operating and capital for the Central Corridor Transit Way. The agreement must require that the named agencies be responsible for at least one-third of the state and local match to federal new-start capital funding.

Subd. 5. Red Rock corridor transit way

500,000

For preliminary engineering and environmental review of the Red Rock corridor transit way between Hastings and Minneapolis via St. Paul.

Subd. 6. Robert Street corridor transit way

500,000

For environmental studies and preliminary engineering of bus rapid transit or light rail transit for the Robert Street corridor transit way along a corridor on or parallel to U.S. Highway 52 and Robert Street from within the city of St. Paul to Dakota County Road 42 in Rosemount.

Subd. 7. Union Depot

3,500,000

For a grant to the Ramsey County Regional Railroad Authority to acquire land and structures, to renovate structures, and for design, engineering, and environmental work to revitalize Union Depot for use as a multimodal transit center in St. Paul.

Subd. 8. Metropolitan Regional Parks Capital Improvements35,362,000

For the cost of improvements and betterments of a capital nature and acquisition by the council and local government units of regional recreational open-space lands in accordance with the council's policy plan as provided in Minnesota Statutes, section 473.147. Priority must be given to park rehabilitation and land acquisition projects.

\$300,000 is for a grant to the city of Bloomington to renovate the old Cedar Avenue bridge to serve as a hiking and bicycling trail connection.

\$6,000,000 is to acquire land for the Empire Wetlands Wildlife Area and Regional Park in Dakota County.

\$1,800,000 is for a grant to the city of Minneapolis to complete construction of the Cedar Lake Trail.

\$3,500,000 is for a grant to the Minneapolis Park and Recreation Board to design, construct, furnish, and equip a new cultural and community center in the East Phillips neighborhood in Minneapolis.

\$250,000 is for a grant to the Minneapolis Park and Recreation Board to predesign completion of the Grand Rounds National Scenic Byway by providing a link between northeast Minneapolis on Stinson Avenue and Southeast Minneapolis at East River Road.

\$2,500,000 is for a grant to the Minneapolis Park and Recreation Board to mitigate flooding at Lake of the Isles in the city of Minneapolis. The grant must be used for shoreline stabilization and restoration, dredging, wetland replacement, and other infrastructure improvements necessary to deal with the 1997 flood damage and to prevent future flooding.

\$321,000 is for a grant to Ramsey County to construct a bicycle and pedestrian trail on the north side of Lower Afton Road between Century Avenue and McKnight Road in the city of Maplewood. This appropriation is not available until the commissioner has determined that at least an equal amount has been committed from nonstate sources.

\$9,000,000 is for a grant to the city of St. Paul to predesign, design, construct, furnish, equip, and redevelop infrastructure at the Como Zoo.

\$2,500,000 is for a grant to the city of St. Paul to acquire land for and to predesign, design, construct, furnish, and equip river park development and redevelopment infrastructure in National Great River Park along the Mississippi River in St. Paul.

\$2,000,000 is for a grant to the city of South St. Paul for the closure, capping, and remediation of approximately 80 acres of the Port Crosby construction and demolition debris landfill in South St. Paul, as the fifth phase of converting the land into parkland, and to restore approximately 80 acres of riverfront land along the Mississippi River.

\$191,000 is for a grant to the city of White Bear Lake to construct the Lake Avenue Regional Trail connecting Highway 96 Regional Trail with Ramsey Beach.

Sec. 18. **HUMAN SERVICES**

Subdivision 1. To the commissioner of administration for the purposes specified in this section

58,321,000

Subd. 2. **Asset preservation and facility design**

3,000,000

For asset preservation improvements and betterments of a capital nature at Department of Human Services facilities statewide, to be spent in accordance with Minnesota Statutes, section 16B.307. Notwithstanding section 16B.307, subdivision 1, paragraph (d), any portion of this appropriation may also be used to design the second phase of additional residential, program, and ancillary service capacity for the Minnesota sex offender treatment program at Moose Lake.

Subd. 3. **Moose Lake Sex Offender Treatment - Phase 1**

41,321,000

To design, construct, furnish, and equip the first of two phases of additional residential, program, and ancillary service capacity for the Minnesota sex offender treatment program at Moose Lake to accommodate 400 additional patients.

Subd. 4. **St. Peter Regional Treatment Center Program and Activity Building**

2,500,000

To design, construct, furnish, and equip a new program and activity building on the lower campus

of the St. Peter Regional Treatment Center for individuals committed as sexual psychopathic personalities, sexually dangerous persons, mentally ill, or mentally ill and dangerous.

Subd. 5. Statewide Security Upgrades

5,000,000

To provide security upgrades of a capital nature at Department of Human Services campuses, including but not limited to: security fencing, control centers, electronic monitoring and perimeter security equipment, electrical distribution systems, and building security renovations. This appropriation may be used at the St. Peter, Moose Lake, and Anoka campuses, and at the METO campus in Cambridge.

Subd. 6. Systemwide Redevelopment, Reuse, or Demolition

5,000,000

To demolish surplus, nonfunctional, or deteriorated facilities and infrastructure or to renovate surplus, nonfunctional, or deteriorated facilities and infrastructure at Department of Human Services campuses that the commissioner of administration is authorized to convey to a local unit of government under Laws 2005, chapter 20, article 1, section 46, or other law. These projects must facilitate the redevelopment or reuse of these campuses and must be implemented consistent with the comprehensive redevelopment plans developed and approved under Laws 2003, First Special Session chapter 14, article 6, section 64, subdivision 2, unless expressly provided otherwise. If a surplus campus is sold or transferred to a local unit of government, unspent portions of this appropriation may be granted to that local unit of government for the purposes stated in this subdivision.

Subd. 7. Systemwide Roof Renovation and Replacement

1,500,000

For renovation and replacement of roofs at Department of Human Services facilities statewide, to be spent in accordance with Minnesota Statutes, section 16B.307.

Sec. 19. VETERANS HOMES BOARD

Subdivision 1. To the commissioner of administration for the purposes specified in this section

12,090,000

Subd. 2. Asset Preservation6,000,000

For asset preservation improvements and betterments of a capital nature at veterans homes statewide, to be spent in accordance with Minnesota Statutes, section 16B.307.

Subd. 3. Fergus Falls Veterans Home637,000

To design a 21-bed special care unit to treat individuals with Alzheimer's disease or dementia.

Subd. 4. Hastings Veterans Home Supportive Housing700,000

To design 30 units of permanent supportive housing for veterans with disabilities.

The Minnesota Veterans Homes Board and the Minnesota Housing Finance Agency must work together cooperatively on the development of a viable permanent supportive housing project to serve only veterans on the campus of the Hastings home.

Subd. 5. Luverne Veterans Home599,000

To complete the design, construction, furnishing, and equipping of an addition to the nursing care facility, to be used as an Alzheimer's and dementia program, dining, and wander area.

Subd. 6. Minneapolis Veterans Home**Emergency Power**2,457,000

To upgrade the emergency power system to make it code compliant and add emergency power outlets to Building 17.

Federal money received by the Minnesota Veterans Homes Board of Directors as reimbursement for 65 percent of this state capital expenditure must be credited to the debt service account in the state bond fund.

Subd. 7. Silver Bay Veterans Home**Master Plan Renovation**1,697,000

For the state share of the cost to design, construct, furnish, and equip an addition to and renovation of the nursing care facility.

Sec. 20. **CORRECTIONS**

Subdivision 1. To the commissioner of administration for the purposes specified in this section

61,065,000

Subd. 2. **Asset Preservation**

5,000,000

For improvements and betterments of a capital nature at Minnesota correctional facilities statewide, in accordance with Minnesota Statutes, section 16B.307.

Subd. 3. **Minnesota Correctional Facility - Faribault**

Phase 2

27,993,000

To design, construct, furnish, and equip an expansion at the Minnesota Correctional Facility - Faribault, to include, but not be limited to, one new 416-bed, double-bunked, wet-celled lockable living unit; renovation of an existing living unit into a long-term care housing unit; additional programming space; and demolition of one vacated unit.

Subd. 4. **Minnesota correctional facility - Lino Lakes**

Medical services

2,494,000

To design, construct, furnish, and equip the renovation of the southeast portion of the B building to provide consolidated health, dental, and psychological services to offenders at the facility.

Subd. 5. **Minnesota Correctional Facility - Red Wing**

Vocational Education Building

623,000

To design a new vocational education building with a combined classroom and shop complex.

Subd. 6. **Minnesota correctional facility - Shakopee**

Bed Expansion

5,375,000

To design, construct, furnish, and equip an addition to accommodate 92 beds.

Subd. 7. Minnesota correctional facility - Stillwater

Segregation Unit 19,580,000

To complete design and to construct, furnish, and equip a 150-bed segregation unit.

Sec. 21. EMPLOYMENT AND ECONOMIC DEVELOPMENT

Subdivision 1. To the commissioner of employment and economic development or other named agency for the purposes specified in this section

160,642,000

Subd. 2. State match for federal grants

38,800,000

(a) To the Public Facilities Authority:

(1) to match federal grants for the water pollution control revolving fund under Minnesota Statutes, section 446A.07; and

(2) to match federal grants for the drinking water revolving fund under Minnesota Statutes, section 446A.081.

(b) The expenditure and allocation of state matching money between funds described in paragraph (a), clauses (1) and (2), must ensure that the matching funds required for the drinking water revolving fund are available to match the 2007 and 2008 federal grants, with the balance to be made available to the water pollution control revolving fund.

(c) This appropriation must be used for qualified capital projects.

Subd. 3. Wastewater infrastructure funding program

23,300,000

(a) To the Public Facilities Authority for the purposes specified in this subdivision. \$20,000,000 of this appropriation is for grants and loans to eligible municipalities under the wastewater infrastructure program established in Minnesota Statutes, section 446A.072.

To the greatest practical extent, the authority must use the appropriation for projects on the 2006 project priority list in priority order by qualified applicants that submit plans and specifications to the Pollution Control Agency or receive a funding commitment from USDA Rural Economic and Community

Development by June 30, 2007, or for projects on the 2007 project priority list in priority order by qualified applicants that submit plans and specifications to the Pollution Control Agency or have received a funding commitment from USDA Rural Economic and Community Development by December 31, 2007.

\$300,000 of this appropriation is from the general fund to implement the wastewater infrastructure program.

(b) The grants listed in this paragraph are not subject to the 2006 or 2007 project priority list nor to the limitations on grant amounts set forth in Minnesota Statutes, section 446A.072, subdivision 5a.

Up to \$6,500,000 is for corrective action on systems build since 2000 with federal USDA Rural and Economic and Community Development money or Small Cities Development Program grant money that are problematic or failing for the cities of Big Fork, Darfur, Donaldson, Nerstrand, Palisade, Spring Hill, Strandquist, Tamarack, and Wolf Lake. A grant must not exceed the amount of federal money used in the project unless, upon consultation with the Pollution Control Agency, the consulting engineers, and other reliable technical experts, the authority determines the best course of action to correct the problem would exceed that amount and that other grant funding is not available.

Up to \$500,000 is for the cities of Dunnell, Dumont, Henriette, Lewisville, McGrath, and Ostrander to cover necessary and appropriate costs over and above the money appropriated in Laws 2005, chapter 20, article 1, section 23, subdivision 3, paragraph (b).

(c) \$3,000,000 of the appropriation in this subdivision is for a grant to the city of Askov to acquire land for, and to design, construct, furnish, and equip a new wastewater treatment facility and sewer and water extensions in the city of Askov.

(d) \$1,500,000 of the appropriation in this subdivision is for a grant to Lake Township in Roseau County to design, construct, furnish, and equip a wastewater treatment plant at Springsteel.

Subd. 4. Central Iron Range Sanitary Sewer District Treatment Facilities

2,500,000

To the Public Facilities Authority for a grant to the Central Iron Range Sanitary Sewer District to design,

construct, and equip an expansion of wastewater treatment at Hibbing's South Wastewater Treatment Plant, mercury treatment facilities at the plant, and sanitary sewer lines to connect Hibbing, Chisholm, and Buhl to use the upgrades at the plant.

Subd. 5. Greater Minnesota Business Development Infrastructure Grant Program

7,750,000

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

\$250,000 is for a grant to Polk County to build approximately one mile of ten-ton road to provide access to a new ethanol plant outside of the city of Erskine.

\$1,400,000 is for a grant to the city of LaCrescent for public infrastructure made necessary by the reconstruction of a highway and a bridge.

Subd. 6. Redevelopment Account

9,000,000

For purposes of the redevelopment account under Minnesota Statutes, section 116J.571.

\$800,000 is for a grant to the city of Worthington to remediate contaminated soil and redevelop the site of the former Campbell Soup factory.

\$250,000 is for a grant to the city of Winona to predesign facilities for the Shakespeare Festival as part of the riverfront redevelopment plan. This grant is exempt from the requirements of Minnesota Statutes, sections 116J.572 to 116J.575.

Subd. 7. Bioscience business development public infrastructure grant program

10,000,000

For grants under new Minnesota Statutes, section 116J.435.

Up to \$8,000,000 is for a grant to the city of Rochester.

\$2,000,000 is for grants to political subdivisions to predesign, design, construct, furnish, and equip publicly owned infrastructure required to support bioscience development in Minnesota outside of the counties of Anoka, Carver, Dakota, Hennepin, Olmsted, Ramsey, Scott, and Washington.

Subd. 8. Workforce Center Renovations

600,000

For renovation of the Workforce Center in North Minneapolis. Renovations include exterior sheathing, mold remediation, electrical service upgrades, window replacement, overhead sprinklers, alley drainage, ADA compliance costs, and other costs necessary to remediate water damage.

Subd. 9. **Total Maximum Daily Load (TMDL) Grants** 5,000,000

To the Public Facilities Authority for total maximum daily load grants under Minnesota Statutes, section 446A.073.

Subd. 10. **Clean Water Legacy** 3,310,000

To the Public Facilities Authority for the purposes specified in this subdivision.

(a) \$2,310,000 is for the phosphorus reduction grant program for grants under Minnesota Statutes, section 446A.074. A grant must not exceed \$500,000 per project.

(b) \$1,000,000 is for the small community wastewater treatment fund for loans and grants under Minnesota Statutes, section 446A.075.

Subd. 11. **Bemidji Regional Events Center** 3,000,000

For a grant to the city of Bemidji to predesign, design, and acquire and prepare a site for a regional event center.

Subd. 12. **Burnsville - water treatment facility** 2,500,000

To the Public Facilities Authority for a grant to the city of Burnsville to design, construct, furnish, and equip a water treatment facility that will provide an additional potable water source for the city of Burnsville using water from the Burnsville quarry.

This appropriation is added to the appropriation in Laws 2005, chapter 20, article 1, section 23, subdivision 6, and is subject to the same conditions.

Subd. 13. **Duluth**

Lake Superior Zoo 600,000

For a grant to the city of Duluth to predesign, design, construct, furnish, and equip renovations to the Polar Shores exhibit.

This appropriation is not available until the commissioner has determined that at least \$200,000 has been committed from nonstate sources.

Subd. 14. Itasca County - infrastructure

12,000,000

For a grant to Itasca County for public infrastructure needed to support a steel plant in Itasca County or an innovative energy project in Itasca County under Minnesota Statutes, section 216B.1694, that uses clean energy technology as defined in Minnesota Statutes, section 216B.1693, or both. Grant money may be used by Itasca County to acquire right-of-way and mitigate loss of wetlands and runoff of storm water, to predesign, design, construct, and equip roads and rail lines, and, in cooperation with municipal public utilities, to predesign, design, construct, and equip natural gas pipelines, electric infrastructure, water supply systems, and wastewater collection and treatment systems.

Up to \$4,000,000 of this appropriation may be spent before the full financing for either project has been closed.

Subd. 15. Lewis and Clark Rural Water System, Inc.

3,282,000

To the Public Facilities Authority for grants to the city of Luverne, city of Worthington Public Utilities, Lincoln-Pipestone rural water system, and Rock County rural water system to acquire land, predesign, design, construct, furnish, and equip one or more water transmission and storage facilities to accommodate the connection with the Lewis and Clark Rural Water System, Inc. that will serve southwestern Minnesota.

The grants must be awarded to projects approved by the Lewis and Clark Joint Powers Board.

This appropriation is available to the extent that each \$1 of state money is matched by at least \$1 of local money paid to the Lewis and Clark Rural Water System, Inc. to reimburse the system for costs incurred on eligible projects.

Subd. 16. Little Falls - Zoo

400,000

For a grant to the city of Little Falls in Morrison County to design and construct capital improvements at the Little Falls Zoo.

Subd. 17. Minneapolis**(a) Lowry Avenue Corridor**5,000,000

For a grant to Hennepin County for Phase II capital improvements to the Lowry Avenue corridor from Theodore Wirth Parkway to Girard Avenue in Minneapolis.

(b) Shubert Performing Arts and Education Center11,000,000

For a grant to the city of Minneapolis to construct, furnish, and equip the Shubert Theater and an associated atrium to create the Minnesota Shubert Performing Arts and Education Center.

The city of Minneapolis may establish and maintain a performing arts and education center for the purposes of public arts education and dance, music, and other performances. The city may exercise the powers granted in Minnesota Statutes, section 471.191, to acquire and better facilities for a performing arts and education center. Performing arts and education facilities that have been acquired or bettered in whole or in part with the proceeds of state bonds must be owned or leased by the city, but may be leased to or managed by a nonprofit organization to carry out the purposes of the performing arts and education program established by the city. The lease or management agreement must comply with the requirements of Minnesota Statutes, section 16A.695.

This appropriation is not available until the commissioner has determined that at least an equal amount has been committed from nonstate sources.

Subd. 18. Mountain Iron - Energy Park500,000

For a grant to the city of Mountain Iron to prepare a site for and construct access roads and utilities for a sustainable and renewable energy industrial park to be located in the city of Mountain Iron.

Subd. 19. Redwood-Cottonwood Rivers Control Area1,600,000

To the Public Facilities Authority for a grant to the Redwood-Cottonwood Rivers Control Area, a joint powers entity, to predesign, design, construct, and equip the reservoir reclamation and enhancement of the 66-acre Lake Redwood Reservoir to increase its depth from 2.8 feet to 15 feet to remove 650,000

cubic yards of sediment, to attain compliance with both turbidity and fecal coliform impairments for the project area, and to secure renewable energy capacity of the hydroelectric dam, which is impeded by lack of water capacity.

The appropriation is not available until the authority determines that an equal amount has been committed to the project from nonstate sources. The nonstate portion will provide low interest loans to remediate or replace 173 noncompliant septic systems that are imminent health threats and provide technical assistance to reduce phosphorus loading to the Redwood River to assist total maximum daily load (TMDL) compliance of the low-dissolved oxygen impairment on the lower Minnesota River.

Subd. 20 Roseville - John Rose Minnesota Oval

500,000

For a grant to the city of Roseville to predesign, design, construct, furnish, and equip the renovation of the John Rose Minnesota Oval.

Subd. 21. St. Paul

(a) Asian Pacific Cultural Center

400,000

For a grant to the city of St. Paul to design an Asian Pacific Cultural center, subject to Minnesota Statutes, section 16A.695. This appropriation is not available until the commissioner has determined that at least an equal amount has been committed from nonstate sources.

(b) Ordway Center for the Performing Arts

7,500,000

For a grant to the city of St. Paul to design, construct, furnish, and equip the renovation of the Ordway Center for the Performing Arts. The city of St. Paul may operate a performing arts center and may enter into a lease or management agreement for the center, subject to Minnesota Statutes, section 16A.695.

Subd. 22. Southwest Regional Event Center

11,000,000

To the Board of Trustees of the Minnesota State Colleges and Universities to design, construct, furnish, and equip a multipurpose regional event center at Southwest Minnesota State University.

This appropriation is not available until the board determines that at least \$5,000,000 has been committed to the project from private, nongovernmental sources.

Subd. 23. Virginia - Regional Medical Center Helipad 600,000

For a grant to the city of Virginia to design, construct, furnish, and equip an access elevator and helipad to be located on the roof of the Virginia Regional Medical Center.

Subd. 24. Willmar - Rice Memorial Hospital Dental Clinic 500,000

For a grant to the city of Willmar to construct a dental clinic at the Rice Memorial Hospital in Willmar. The clinic is to be operated collaboratively with the University of Minnesota School of Dentistry to provide dental care to underserved patients and an opportunity for students to practice in a rural setting.

Sec. 22. HOUSING FINANCE AGENCY

Subdivision 1. To the Housing Finance Agency for the purposes specified in this section 19,500,000

Subd. 2. Transitional housing 2,000,000

For loans or grants for publicly owned temporary or transitional housing under Minnesota Statutes, section 462A.201, subdivision 2. If money appropriated under this subdivision has not been selected for commitment by the Housing Finance Agency within 18 months after the effective date of this section, after written notice to the commissioner of finance, the agency may allocate the uncommitted money to loans and grants for publicly owned permanent rental housing under subdivision 3 and Minnesota Statutes, section 462A.202, subdivision 3a. Minnesota Statutes, section 16A.642, applies to the amounts transferred from the date of the original appropriation.

Subd. 3. Supportive Housing for Long-term Homeless 17,500,000

For loans and grants for publicly owned permanent rental housing under Minnesota Statutes, section 462A.202, subdivision 3a, for persons who either have been without a permanent residence for at least 12 months or on at least four occasions in the last

three years, or who are at significant risk of lacking a permanent residence for at least 12 months or on at least four occasions in the last three years. The housing must provide or coordinate with linkages to services necessary for residents to maintain housing stability and maximize opportunities for education and employment.

Preference among comparable proposals must be given to proposals that (1) colocate housing and services accessible to the general public as well as to the residents, and (2) provide housing affordable to a range of household income levels.

Sec. 23. **MINNESOTA HISTORICAL SOCIETY**

Subdivision 1. To the Minnesota Historical Society for the purposes specified in this section

5,672,000

Subd. 2. **Historic sites asset preservation**

3,000,000

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

Subd. 3. **Historic Fort Snelling Museum**

1,100,000

To design the restoration and renovation of the 1904 Cavalry Barracks Building for the historic Fort Snelling Museum.

Subd. 4. **County and local preservation grants**

1,000,000

To be allocated to county and local jurisdictions as matching money for historic preservation projects of a capital nature, as provided in Minnesota Statutes, section 138.93. Grant recipients must be public entities and must match state funds on at least an equal basis. The facilities must be publicly owned.

\$100,000 is for a grant to the city of Maplewood to complete restoration of the Bruentrup Farm in Maplewood. This appropriation is not available until the commissioner of finance has determined that at least an equal amount has been committed from nonstate sources.

Subd. 5. History Center visitor services 572,000

For security upgrades and facility renovations in the library and for electrical infrastructure upgrades.

Sec. 24. BOND SALE EXPENSES 948,000

To the commissioner of finance for bond sale expenses under Minnesota Statutes, section 16A.641, subdivision 8.

Sec. 25. BOND SALE AUTHORIZATION.

Subdivision 1. **Bond proceeds fund.** To provide the money appropriated in this act from the bond proceeds fund, the commissioner of finance shall sell and issue bonds of the state in an amount up to \$925,080,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7.

Subd. 2. **Maximum effort school loan fund.** To provide the money appropriated in this act from the maximum effort school loan fund, the commissioner of finance shall sell and issue bonds of the state in an amount up to \$10,700,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7. The proceeds of the bonds, except accrued interest and any premium received on the sale of the bonds, must be credited to a bond proceeds account in the maximum effort school loan fund.

Subd. 3. **Transportation fund bond proceeds account.** To provide the money appropriated in this act from the state transportation fund, the commissioner of finance shall sell and issue bonds of the state in an amount up to \$71,000,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7. The proceeds of the bonds, except accrued interest and any premium received on the sale of the bonds, must be credited to a bond proceeds account in the state transportation fund.

Sec. 26. CANCELLATION.

The \$7,800,000 appropriation in Laws 2002, chapter 280, section 3, to the Metropolitan Council to design and construct bus garages, is canceled. The bond sale authorization in Laws 2002, chapter 280, section 4, is reduced by \$7,800,000.

Sec. 27. Minnesota Statutes 2004, section 16A.11, subdivision 1, is amended to read:

Subdivision 1. **When.** The governor shall submit a three-part budget to the legislature. Parts one and two, the budget message and detailed operating budget, must be submitted by the fourth Tuesday in January in each odd-numbered year. However, in a year following the election of a governor who had not been governor the previous year, parts one and two must be submitted by the third Tuesday in February. Part three, the detailed recommendations as to capital expenditure, must be submitted as follows: agency capital budget requests by July ~~1~~ 15 of each odd-numbered year, and governor's recommendations by January 15 of each even-numbered year. Detailed recommendations as to information technology expenditure must be submitted as part of the detailed operating budget. Information technology recommendations must include projects to be funded during the next biennium and planning estimates for an additional two bienniums. Information technology recommendations must specify purposes of the funding such as infrastructure, hardware, software, or training.

Sec. 28. Minnesota Statutes 2004, section 16A.86, subdivision 2, is amended to read:

Subd. 2. **Budget request.** A political subdivision that requests an appropriation of state money for a local capital improvement project is encouraged to submit ~~a preliminary~~ the request to the commissioner of finance by ~~June~~ July 15 of an odd-numbered year to ensure its full consideration. ~~The final request must be submitted by November 1.~~ The requests must be submitted in the form and with the supporting documentation required by the commissioner of finance. All requests timely received by the commissioner must be forwarded to the legislature, along with agency requests, by the deadline established in section 16A.11, subdivision 1.

Sec. 29. Minnesota Statutes 2004, section 16A.86, subdivision 4, is amended to read:

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

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

(c) Nothing in this section prevents the governor from recommending, or the legislature from considering or funding, projects that do not meet the ~~deadlines~~ deadline in subdivision 2 or the criteria in this subdivision or subdivision 3 when the governor or the legislature determines that there is a compelling reason for the recommendation or funding.

Sec. 30. **[16B.307] ASSET PRESERVATION APPROPRIATIONS.**

Subdivision 1. **Standards.** Article XI, section 5, clause (a), of the Constitution requires that state general obligation bonds be issued to finance only the acquisition or betterment of public land, buildings, and other public improvements of a capital nature. Money appropriated for asset preservation, whether from state bond proceeds or from other revenue, is subject to the following additional limitations:

(a) An appropriation for asset preservation may not be used to acquire new land nor to acquire or construct new buildings, additions to buildings, or major new improvements.

(b) An appropriation for asset preservation may be used only for a capital expenditure on a capital asset previously owned by the state, within the meaning of generally accepted accounting principles as applied to public expenditures. The commissioner of administration will consult with the commissioner of finance to the extent necessary to ensure this and will furnish the commissioner of finance a list of projects to be financed from the account in order of their priority. The legislature assumes that many projects for preservation and replacement of portions of existing capital assets will constitute betterments and capital improvements within the meaning of the Constitution and capital expenditures under generally accepted accounting principles, and will be financed more efficiently and economically under this section than by direct appropriations for specific projects.

(c) Categories of projects considered likely to be most needed and appropriate for asset preservation appropriations are the following:

(1) projects to remove life safety hazards, like building code violations or structural defects. Notwithstanding paragraph (a), a project in this category may include an addition to an existing building if it is a required component of the hazard removal project;

(2) projects to eliminate or contain hazardous substances like asbestos or lead paint;

(3) major projects to replace or repair roofs, windows, tuckpointing, mechanical or electrical systems, utility infrastructure, tunnels, site renovations necessary to support building use, and structural components necessary to preserve the exterior and interior of existing buildings; and

(4) projects to renovate parking structures.

(d) Up to ten percent of an appropriation subject to this section may be used for design costs for projects eligible to be funded under this section in anticipation of future asset preservation appropriations.

Subd. 2. **Report.** By January 15 of each year, the commissioner of an agency that has received an appropriation for asset preservation shall submit to the commissioner of finance, the chairs of the legislative committees or divisions that currently oversee the appropriations to the agency, and to the chairs of the senate and house of representatives Capital Investment Committees, a list of the projects that have been funded with money under this program during the preceding calendar year, as well as a list of those priority asset preservation projects for which state bond proceeds fund appropriations will be sought during that year's legislative session.

Sec. 31. Minnesota Statutes 2004, section 85.015, is amended by adding a subdivision to read:

Subd. 25. **Great River Ridge Trail, Wabasha and Olmsted Counties.** (a) The trail shall originate in the city of Plainview in Wabasha County and extend southwesterly through the city of Elgin in Wabasha County and the town of Viola in Olmsted County to the Chester Woods Trail in Olmsted County.

(b) The commissioner of natural resources shall enter an agreement with the Wabasha County Regional Rail Authority to maintain and develop the Great River Ridge Trail as a state trail.

EFFECTIVE DATE. This section is effective the day after the governing body of the Wabasha County Regional Rail Authority and its chief clerical officer timely complete their compliance with Minnesota Statutes, section 645.021, subdivisions 2 and 3.

Sec. 32. Minnesota Statutes 2005 Supplement, section 85.019, subdivision 2, is amended to read:

Subd. 2. **Parks and outdoor recreation areas.** (a) The commissioner shall administer a program to provide grants to units of government for up to 50 percent of the costs of acquisition and betterment of public land and improvements needed for parks and other outdoor recreation areas and facilities, including costs to create veterans memorial gardens and parks.

(b) For units of government outside the metropolitan area as defined in section 473.121, subdivision 2, the local match required for a grant to acquire or better a regional park or regional outdoor recreation area is \$2 of nonstate money for each \$3 of state money.

Sec. 33. **[86A.12] NATURAL RESOURCES CAPITAL IMPROVEMENT PROGRAM.**

Subdivision 1. **Establishment.** A natural resources capital improvement program is established to prioritize among eligible public projects to be funded from state bond proceeds appropriated to the commissioner and distinctly specified for the purposes of the program established in this section and in accordance with the standards and criteria set forth in this section.

Subd. 2. **Purposes.** The purpose of the natural resources capital improvement program is to improve the management and conservation of the natural resources of the state, including recreational, scientific and natural areas, and wild game and fish, through the acquisition and betterment of public lands, buildings, and improvements of a capital nature.

Subd. 3. **Program standards.** Article XI, section 5, clause (a), of the Constitution provides that state general obligation bonds may be issued to finance the acquisition or betterment, including preservation, of

public land, buildings, and improvements of a capital nature and to provide money to be appropriated or loaned to any agency or political subdivision of the state for those purposes. Article XI, section 5, clause (f), of the Constitution further provides that state general obligation bonds may be issued to finance the promotion of forestation and prevention and abatement of forest fires, including the compulsory clearing and improving of public and private wild lands. In interpreting these provisions and applying them to the purpose of the program established in this section, the following standards are adopted for determining the priority among eligible natural resources projects to be funded under the program:

(a) A project will be an expenditure eligible under this program only when it is a capital expenditure on a capital asset owned or to be owned by the state or a political subdivision of the state within the meaning of accepted accounting principles as applied to public expenditures. The legislature assumes that some provisions for the management and conservation of the natural resources of the state constituting acquisition or betterment of land, buildings, or capital improvements within the meaning of the Constitution will be sensitive to timing and circumstances and require discretion of the commissioner based on currently available facts and circumstances, particularly projects related to the mitigation of natural disasters and the acquisition of lands as they become available, and so these projects will be financed more efficiently and economically under the program than by separate appropriations for each project.

(b) The commissioner will review potential eligible projects, will make initial allocations among types of eligible projects within each category enumerated in the act making an appropriation for the program, will determine priorities within each category, and will allocate money as specified in the appropriation act and in priority order within each category until the available appropriation for the category has been committed.

Subd. 4. **Criteria for priorities.** (a) The following criteria must be considered:

- (1) expansion of the natural resources of the state for the enjoyment and use of the public;
- (2) urgency in providing for the conservation of the natural resources of the state, including protection of threatened and endangered species and waters;
- (3) necessity in ensuring the safety of the public; and
- (4) additional criteria for priorities otherwise specified in state law, statute, rule, or regulation applicable to a category listed in the act making an appropriation for the program.

(b) Criteria can be stated only in general terms, since it is a purpose of the program to improve the allocation of limited amounts of available funds by enlisting the knowledge and experience of the Department of Natural Resources in determining relative needs as they develop.

(c) The criteria in paragraph (a) are not listed in a rank order of priority.

(d) Economy is also to be determined and may even reinforce a decision based on other criteria, if the project would forestall a larger future capital expenditure or would reduce operating expense.

(e) Absolute cost must also be considered. It may be too high to warrant funding except by an additional appropriation, or so high as to warrant a recommendation to abandon the project. It may be so low as to permit payment out of the department's operating budget.

Subd. 5. **Report.** By January 15 of each year, the commissioner of natural resources shall submit to the commissioner of finance, the chairs of the legislative committees or divisions that currently oversee the appropriations to the Department of Natural Resources, and to the chairs of the senate and the house of representatives Capital Investment Committees, a list of the projects that have been funded with money under this program during the preceding calendar year, as well as a list of those priority projects for which state bond proceeds fund appropriations will be sought under this program during that year's legislative session.

Sec. 34. **[116J.435] BIOSCIENCE BUSINESS DEVELOPMENT PUBLIC INFRASTRUCTURE GRANT PROGRAM.**

Subdivision 1. **Creation of account.** A bioscience business development public infrastructure account is created in the bond proceeds fund. Money in the account may only be used for capital costs of public infrastructure for eligible bioscience business development projects.

Subd. 2. **Definitions.** For purposes of this section:

(1) "local governmental unit" means a county, city, town, special district, or other political subdivision or public corporation;

(2) "governing body" means the council, board of commissioners, board of trustees, or other body charged with governing a local governmental unit;

(3) "public infrastructure" means publicly owned physical infrastructure in this state, including, but not limited to, wastewater collection and treatment systems, drinking water systems, storm sewers, utility extensions, telecommunications infrastructure, streets, roads, bridges, parking ramps, facilities that support basic science and clinical research, and research infrastructure; and

(4) "eligible project" means a bioscience business development capital improvement project in this state, including: manufacturing; technology; warehousing and distribution; research and development; bioscience business incubator; agricultural bioprocessing; or industrial, office, or research park development that would be used by a bioscience-based business.

Subd. 3. **Grant program established.** (a) The commissioner shall make competitive grants to local governmental units to acquire and prepare land on which public infrastructure required to support an eligible project will be located, including demolition of structures and remediation of any hazardous conditions on the land, or to predesign, design, acquire, construct, furnish, and equip public infrastructure required to support an eligible project. The local governmental unit receiving a grant must provide for the remainder of the public infrastructure costs.

(b) The amount of a grant may not exceed the lesser of the cost of the public infrastructure or 50 percent of the sum of the cost of the public infrastructure plus the cost of the completed eligible project.

(c) The purpose of the program is to keep or enhance jobs in the area, increase the tax base, or to expand or create new economic development through the growth of new bioscience businesses and organizations.

Subd. 4. **Application.** (a) The commissioner must develop forms and procedures for soliciting and reviewing applications for grants under this section. At a minimum, a local governmental unit must include the following information in its application:

(1) a resolution of its governing body certifying that the money required to be supplied by the local governmental unit to complete the public infrastructure is available and committed;

(2) a detailed estimate, along with necessary supporting evidence, of the total development costs for the public infrastructure and eligible project;

(3) an assessment of the potential or likely use of the site for bioscience activities after completion of the public infrastructure and eligible project;

(4) a timeline indicating the major milestones of the public infrastructure and eligible project and their anticipated completion dates;

(5) a commitment from the governing body to repay the grant if the milestones are not realized by the completion date identified in clause (4); and

(6) any additional information or material the commissioner prescribes.

(b) The determination of whether to make a grant under subdivision 3 is within the discretion of the commissioner, subject to this section. The commissioner's decisions and application of the priorities are not subject to judicial review, except for abuse of discretion.

Subd. 5. **Priorities.** (a) If applications for grants exceed the available appropriations, grants must be made for public infrastructure that, in the commissioner's judgment, provides the highest return in public benefits for the public costs incurred. "Public benefits" include job creation, environmental benefits to the state and region, efficient use of public transportation, efficient use of existing infrastructure, provision of affordable housing, multiuse development that constitutes community rebuilding rather than single-use development, crime reduction, blight reduction, community stabilization, and property tax base maintenance or improvement. In making this judgment, the commissioner shall give priority to eligible projects with one or more of the following characteristics:

(1) the potential of the local government unit to attract viable bioscience businesses;

(2) proximity to public transit if located in a metropolitan county, as defined in section 473.121, subdivision 4;

(3) multijurisdictional eligible projects that take into account the need for affordable housing, transportation, and environmental impact;

(4) the eligible project is not relocating substantially the same operation from another location in the state, unless the commissioner determines the eligible project cannot be reasonably accommodated within the local governmental unit in which the business is currently located, or the business would otherwise relocate to another state or country; and

(5) the number of jobs that will be created.

(b) The factors in paragraph (a) are not listed in a rank order of priority; rather, the commissioner may weigh each factor, depending upon the facts and circumstances, as the commissioner considers appropriate.

Subd. 6. **Cancellation of grant.** If a grant is awarded to a local governmental unit and funds are not encumbered for the grant within four years after the award date, the grant must be canceled.

Subd. 7. **Repayment of grant.** If an eligible project supported by public infrastructure funded with a grant awarded under this section is not occupied by a bioscience business in accordance with the grant application under subdivision 4 within five years after the date of the last grant payment, the grant recipient must repay the amount of the grant received. The commissioner must deposit all money received under this subdivision into the state treasury and credit it to the debt service account in the state bond fund.

Sec. 35. Minnesota Statutes 2004, section 136F.98, subdivision 1, is amended to read:

Subdivision 1. **Issuance of bonds.** The Board of Trustees of the Minnesota State Colleges and Universities or a successor may issue revenue bonds under sections 136F.90 to 136F.97 whose aggregate principal amount at any time may not exceed ~~\$100,000,000~~, \$150,000,000 and payable from the revenue appropriated to the fund established by section 136F.94, and use the proceeds together with other public or private money that may otherwise become available to acquire land, and to acquire, construct, complete, remodel, and equip structures or portions thereof to be used for dormitory, residence hall, student union, food service, ~~and related~~ parking purposes ~~at~~, or for any other similar revenue-producing building or buildings of such type and character as the board finds desirable for the good and benefit of the state universities. Before issuing the bonds or any part of them, the board shall consult with and obtain the advisory recommendations of the chairs of the house Ways and Means Committee and the senate Finance Committee about the facilities to be financed by the bonds.

Sec. 36. Minnesota Statutes 2004, section 222.49, is amended to read:

222.49 RAIL SERVICE IMPROVEMENT ACCOUNT; APPROPRIATION.

The rail service improvement account is created in the special revenue fund in the state treasury. The commissioner shall deposit in this account all money appropriated to or received by the department for the purpose of rail service improvement, ~~including~~ excluding bond proceeds as authorized by article XI, section 5, clause (i) of the Minnesota Constitution. All money so deposited is appropriated to the department for expenditure for rail service improvement in accordance with applicable state and federal law. This appropriation shall not lapse but shall be available until the purpose for which it was appropriated has been accomplished. No money appropriated to the department for the purposes of administering the rail service improvement program shall be deposited in the rail service improvement account nor shall such administrative costs be paid from the account.

Sec. 37. **241.0222 CONTRACTS WITH NEWLY CONSTRUCTED JAIL FACILITIES THAT PROVIDE ACCESS TO CHEMICAL DEPENDENCY TREATMENT PROGRAMS.**

Notwithstanding any law to the contrary, the commissioner is expressly authorized to enter into contracts, up to five years in duration, with a county or group of counties to house inmates committed to the custody of the commissioner in newly constructed county or regional jail facilities that provide inmates access to chemical dependency treatment programs licensed by the Department of Human Services. A contract entered into under this section may contain an option to renew the contract for a term of up to five years.

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

Sec. 38. Minnesota Statutes 2005 Supplement, section 245.036, is amended to read:

245.036 LEASES FOR STATE-OPERATED, COMMUNITY-BASED PROGRAMS.

(a) Notwithstanding section 16B.24, subdivision 6, paragraph (a), or any other law to the contrary, the commissioner of administration may lease land or other premises to provide state-operated, community-based programs authorized by sections 246.014, paragraph (a), 252.50, 253.018, and 253.28 for a term of 20 years or less, with a ten-year or less option to renew, subject to cancellation upon 30 days' notice by the state for any reason, except rental of other land or premises for the same use.

(b) The commissioner of administration may also lease land or premises from political subdivisions of the state to provide state-operated, community-based programs authorized by sections 246.014, paragraph (a), 252.50, 253.018, and 253.28 for a term of 20 years or less, with a ten-year or less option to renew. A lease under this paragraph may be canceled only due to the lack of a legislative appropriation for the program.

Sec. 39. Minnesota Statutes 2004, section 446A.12, subdivision 1, is amended to read:

Subdivision 1. **Bonding authority.** The authority may issue negotiable bonds in a principal amount that the authority determines necessary to provide sufficient funds for achieving its purposes, including the making of loans and purchase of securities, the payment of interest on bonds of the authority, the establishment of reserves to secure its bonds, the payment of fees to a third party providing credit enhancement, and the payment of all other expenditures of the authority incident to and necessary or convenient to carry out its corporate purposes and powers, but not including the making of grants. Bonds of the authority may be issued as bonds or notes or in any other form authorized by law. The principal amount of bonds issued and outstanding under this section at any time may not exceed ~~\$1,250,000,000~~ \$1,500,000,000, excluding bonds for which refunding bonds or crossover refunding bonds have been issued.

Sec. 40. Laws 2000, chapter 492, article 1, section 7, subdivision 21, as amended by Laws 2005, chapter 20, article 1, section 42, is amended to read:

Subd. 21. **Harbor of Refuge at Two Harbors** 1,000,000

To develop the harbor of refuge and marina at Two Harbors, including public access improvements, marina slips, parking facilities, utilities, a fuel dock, and an administration building.

This appropriation is not available until the commissioner has determined that at least \$500,000 has been committed from federal sources. Notwithstanding Minnesota Statutes, section 16A.642, this appropriation and its corresponding bond authorization do not cancel until ~~June 30, 2006~~ December 31, 2009.

Sec. 41. Laws 2002, chapter 393, section 19, subdivision 2, is amended to read:

Subd. 2. **Northwest Busway** 20,000,000

To design and construct a busway in the northwest metropolitan area between downtown Minneapolis and Rogers. This appropriation is contingent on \$12,000,000 from Hennepin county and \$5,000,000 from the metropolitan council for the project. Total funding from all sources may be used for roadway design, reconstruction, acquisition of land and right-of-way, and to design, construct, furnish, and equip transit stations and park and rides. Design-build under new Minnesota Statutes, sections 383B.158 to 383B.1586, may be used for implementing this project. Notwithstanding Minnesota Statutes, section 16A.642, this appropriation and its corresponding bond authorization do not cancel until December 31, 2010.

Sec. 42. Laws 2005, chapter 20, article 1, section 5, subdivision 2, is amended to read:

Subd. 2. **Independent School District No. 38 - Red Lake** 18,000,000

This appropriation is from the maximum effort school loan fund for a capital loan to Independent School District No. 38, Red Lake, as provided in Minnesota Statutes, sections 126C.60 to 126C.72, to design, construct, renovate, furnish, and equip a new middle school and the existing high school. The commissioner and Independent School District

No. 38, Red Lake, shall report to the legislature by January 10, 2006, on the progress of the capital loan.

The unexpended balance from the appropriation in Laws 2002, chapter 393, section 5, subdivision 2, to design, construct, renovate, furnish, equip, and for health and safety capital improvements to school facilities may be added to this appropriation.

Sec. 43. Laws 2005, chapter 20, article 1, section 7, subdivision 14, is amended to read:

Subd. 14. State Trail Development

7,910,000

To acquire land for and to develop and rehabilitate state trails as specified in Minnesota Statutes, section 85.015.

\$1,500,000 is for the Blazing Star Trail.

\$435,000 is for a segment of the Blufflands Trail, from Preston to Forestville.

\$200,000 is for a segment of the Blufflands Trail, from Chester Woods County Park to the city limits of Rochester in Olmsted County, primarily for nonmotorized riding and hiking.

\$400,000 is for the Douglas Trail.

\$400,000 is for the Gateway Trail.

\$725,000 is for the Gitchi Gami Trail.

\$500,000 is for the Glacial Lakes Trail.

\$200,000 is for the Goodhue Pioneer Trail.

\$300,000 is for the Heartland Trail.

\$300,000 is for the Mill Towns Trail.

\$100,000 is for the Minnesota River Trail.

\$2,400,000 is for the Paul Bunyan Trail: ~~\$1,500,000~~

\$320,000 is for an extension across Excelsior Road in the city of Baxter to connect with the Oberstar Tunnel and may be used to match federal money for the trail; \$900,000 is to acquire right-of-way in the city of Bemidji and to rehabilitate the trail.

\$450,000 is for the Shooting Star Trail.

Sec. 44. Laws 2005, chapter 20, article 1, section 10, subdivision 2, is amended to read:

Subd. 2. RIM and CREP Conservation Easements

23,000,000

This appropriation is to acquire conservation easements from landowners on marginal lands to protect soil and water quality and to support fish and wildlife habitat as provided in Minnesota Statutes, ~~section 103F.515~~ sections 103F.501 to 103F.535.

\$3,000,000 is to implement the program.

Sec. 45. Laws 2005, chapter 20, article 1, section 19, subdivision 6, is amended to read:

Subd. 6. Metropolitan Regional Parks Capital Improvements

14,664,000

This appropriation must be used to pay the cost of improvements and betterments of a capital nature and acquisition by the council and local government units of regional recreational open-space lands in accordance with the council's policy plan as provided in Minnesota Statutes, section 473.147. Priority should be given to park rehabilitation and land acquisition projects.

For purposes of Minnesota Statutes, section 473.351, Columbia Parkway, Ridgeway Parkway, and Stinson Boulevard are considered to be part of the metropolitan regional recreation open space system.

\$100,000 is for a grant to Ramsey and Washington Counties, or either of them as jointly agreed, to prepare engineering design documents for the development of a trail adjacent to marked Trunk Highway 120 from its intersection with Joy Road to its intersection with 20th Street in the city of North St. Paul, ~~adjacent to marked Trunk Highway 96 from its intersection with marked Trunk Highway 61 to its intersection with marked Trunk Highway 244, and adjacent to marked Trunk Highway 244 from its intersection with marked Trunk Highway 96 to and including its intersection with Washington County Road 12~~ to be known as the Silver Lake Trail. The design must be consistent with the recommendations of the Lake Links Trail Network Master Plan prepared for Ramsey and Washington Counties.

\$388,000 is for a grant to the city of St. Paul for park and trail improvements in the Desnoyer Park area, above the Meeker Island lock historic site.

\$4,676,000 is for a grant to the city of St. Paul to design and construct river's edge improvements at Raspberry Island and Upper Landing and develop a public park on Raspberry Island. Of this amount,

~~\$676,000~~ \$56,000 is the local match for an Upper Landing federal TEA-21 grant.

\$2,500,000 is for a grant to the city of South St. Paul for the closure, capping, and remediation of approximately 80 acres of the Port Crosby construction and demolition debris landfill in South St. Paul, as the fourth phase of converting the land into parkland, and to restore approximately 80 acres of riverfront land along the Mississippi River.

Sec. 46. Laws 2005, chapter 20, article 1, section 20, subdivision 2, is amended to read:

Subd. 2. State-Operated Services Forensics Programs 3,259,000

To design new facilities to be constructed on the campus of the ~~St. Peter~~ Peter Moose Lake Regional Treatment Center for individuals committed as sexual psychopathic personalities, sexually dangerous persons, mentally ill, or mentally ill and dangerous.

Sec. 47. Laws 2005, chapter 20, article 1, section 20, subdivision 3, is amended to read:

Subd. 3. Systemwide Redevelopment, Reuse, or Demolition 17,600,000

To demolish or improve surplus, nonfunctional, or deteriorated facilities and infrastructure at Department of Human Services campuses statewide.

(a) Up to \$8,600,000 may be used to predesign, design, construct, furnish, and equip renovation of existing space or construction of new space for skilled nursing home capacity for forensic treatment programs operated by state-operated services on the campus of St. Peter Regional Treatment Center.

(b) \$4,000,000 may be used to prepare and develop a site, including demolition of buildings and infrastructure, to implement the redevelopment and reuse of the Ah-Gwah-Ching Regional Treatment Center campus. If the property is sold or transferred to a local unit of government, the unspent portion of this appropriation may be granted to the local unit of government that acquires the campus for the purposes stated in this subdivision.

Up to \$400,000 may be used for a grant to the city of Walker to connect the water reservoir to the city.

(c) \$1,000,000 may be used to renovate one or more buildings for chemical dependency treatment specializing in methamphetamine addiction, and

demolish buildings, on the Willmar Regional Treatment Center campus. If the property is sold or transferred to a local unit of government, the unspent portion of this appropriation may be granted to the local unit of government that acquires the campus for the purposes stated in this subdivision.

(d) Up to \$2,210,000 may be spent by the commissioner of finance to retire municipal bonds issued by the city of Fergus Falls and to retire interfund loans incurred by the city of Fergus Falls in connection with the waste incinerator and steam heating facility at the Fergus Falls Regional Treatment Center. \$447,610 of unexpended nonsalary money from state-operated services may be transferred as a grant to the city of Fergus Falls to retire interfund loans incurred by the city of Fergus Falls in connection with the waste incinerator and steam heating facility at the Fergus Falls Regional Treatment Center. This money is only available upon satisfactory completion of implementation of the final master plan agreement, as approved by the Department of Administration, the Department of Human Services, and the city of Fergus Falls.

(e) Up to \$400,000 may be used for a grant to the city of Fergus Falls to demolish the city's waste-to-energy incineration plant located on the grounds of the Fergus Falls Regional Treatment Center.

(f) The provisions, terms, and conditions of any grant made by the director of the Office of Environmental Assistance under Minnesota Statutes, chapter 115A, to the city of Fergus Falls for the waste incinerator steam heating facility that supports the Fergus Falls Regional Treatment Center and that may come into effect as a result of the incinerator and facility being closed, are hereby waived.

Sec. 48. Laws 2005, chapter 20, article 1, section 20, subdivision 4, is amended to read:

Subd. 4. Willmar Regional Treatment Center Retrofit

900,000

To demolish buildings, predesign, design, renovate, construct, furnish, and equip buildings at the Willmar Regional Treatment Center for reuse, and renovate campus support buildings and campus infrastructure, including tunnels. These projects are to develop the Willmar Regional Treatment Center campus for health care, mental health care, chemical dependency treatment, housing, and other public purposes and must be implemented consistent with

the recommendations in the final Willmar Regional Treatment Center Master Plan and Reuse Study prepared and approved under Laws 2003, First Special Session chapter 14, article 6, section 64, subdivision 2, unless expressly provided otherwise. If the Willmar Regional Treatment Center property is sold or transferred to a local unit of government, the unspent portion of this appropriation may be granted to the local unit of government that acquires the campus ~~for the purposes stated in this subdivision to design, construct, furnish, and equip a maintenance facility.~~

Sec. 49. Laws 2005, chapter 20, article 1, section 23, subdivision 3, is amended to read:

Subd. 3. Wastewater Infrastructure Funding Program

29,900,000

(a) To the Public Facilities Authority for the purposes specified in this subdivision. \$29,300,000 of this appropriation is for grants and loans to eligible municipalities under the wastewater infrastructure program established in Minnesota Statutes, section 446A.072.

To the greatest practical extent, the authority must use the appropriation for projects on the 2005 project priority list in priority order to qualified applicants that submit plans and specifications to the Pollution Control Agency or receive a funding commitment from USDA Rural Economic and Community Development before December 1, 2006.

\$600,000 of this appropriation is to implement the wastewater infrastructure program.

(b) The grants listed in this paragraph are not subject to the 2005 project priority list nor to the limitations on grant amounts set forth in Minnesota Statutes, section 446A.072, subdivision 5a.

\$1,500,000 is for a grant to the city of Aurora to reconstruct its wastewater treatment plant, damaged in an explosion May 5, 2004.

\$1,700,000 is for a grant to the Central Iron Range Sanitary Sewer District Authority to predesign and design the necessary facilities to collect, treat, and dispose of sewage in the district, including a pump-storage facility and a wind-energy facility.

Up to \$5,000,000 may be used as grants to the cities of Dunnell, Dumont, Henriette, Lewisville,

McGrath, and Ostrander to undertake corrective action on systems built since 2001 with federal money from USDA Rural Economic and Community Development. A grant must not exceed the amount of federal money used in the construction of systems that incorporated sand filter treatment, fixed activated sludge treatment, or mechanical package plant treatment technologies.

\$4,950,000 is for a grant to the city of Duluth for design and construction of sanitary sewer overflow storage facilities at selected locations in the city of Duluth. This appropriation is available when matched by \$1 of money secured or provided by the city of Duluth for each \$1 of state money.

\$1,700,000 is for a grant to the city of Eagle Bend to predesign, design, construct, furnish, and equip a wastewater collection and treatment system.

\$1,500,000 is for a grant to the city of Two Harbors to retire loans, whether interfund or otherwise, incurred to acquire land for, design, construct, furnish, and equip a 2,500,000 gallon equalization basin and a chlorine-contact tank of at least 100,000 gallon capacity, adjacent to the city's wastewater treatment plant. The equalization basin is required under the city's National Pollution Discharge Elimination System permit. This appropriation is not available until the commissioner of finance determines that \$325,000 has been committed to the project from nonstate sources.

\$1,550,000 for a grant to the city of Bayport for the Middle St. Croix River Watershed Management Organization to complete the sewer system extending from Minnesota Department of Natural Resources pond 82-310P (the prison pond) in Bayport through the Stillwater prison grounds to the St. Croix River.

\$2,000,000 is to the commissioner of employment and economic development for a grant to the city of New Brighton ~~to relocate a sanitary sewer interceptor~~ for sanitary sewer and storm water improvements in the Northwest Quadrant to allow for redevelopment of that area.

Sec. 50. Laws 2005, chapter 20, article 1, section 23, subdivision 12, as amended by Laws 2006, chapter 171, section 2, is amended to read:

Subd. 12. Bioscience Development

18,500,000

For grants to political subdivisions to predesign, design, acquire, construct, furnish, and equip publicly owned infrastructure required to support bioscience development in this state.

\$2,500,000 is for a grant to the city of Worthington.

\$14,000,000 cumulatively is for grants to the counties of Ramsey and Anoka for public improvements to the portion of County Road J located within each county. This amount may be used to repay loans the proceeds of which were used for the public improvement. The grants to the individual counties shall be in amounts proportionate to the individual counties' costs associated with the public improvements.

\$2,000,000 is for bioscience business development public infrastructure grants under new Minnesota Statutes, section 116J.435.

Sec. 51. Laws 2005, chapter 20, article 1, section 27, is amended to read:

Sec. 27. **BOND SALE SCHEDULE**

The commissioner of finance shall schedule the sale of state general obligation bonds so that, during the biennium ending June 30, 2007, no more than ~~\$780,536,000~~ \$763,706,000 will need to be transferred from the general fund to the state bond fund to pay principal and interest due and to become due on outstanding state general obligation bonds. During the biennium, before each sale of state general obligation bonds, the commissioner of finance shall calculate the amount of debt service payments needed on bonds previously issued and shall estimate the amount of debt service payments that will be needed on the bonds scheduled to be sold. The commissioner shall adjust the amount of bonds scheduled to be sold so as to remain within the limit set by this section. The amount needed to make the debt service payments is appropriated from the general fund as provided in Minnesota Statutes, section 16A.641.

Sec. 52. Laws 2005, chapter 152, article 1, section 39, subdivision 1, is amended to read:

Subdivision 1. **Issuance; purpose.** Notwithstanding any provision of Minnesota Statutes, chapter 298, to the contrary, the commissioner of Iron Range resources and rehabilitation ~~may~~ shall issue revenue bonds in a principal amount of \$15,000,000, plus an amount sufficient to pay costs of issuance, in one or more series, and thereafter may issue bonds to refund those bonds. The proceeds of the bonds must be used to pay the costs of issuance and to make grants to school districts located in the taconite tax relief

area defined in Minnesota Statutes, section 273.134, or the taconite assistance area defined in Minnesota Statutes, section 273.1341, to be used by the school districts to pay for health, safety, and maintenance improvements ~~but only if the school district has levied the maximum amount allowable under law for those purposes.~~

Sec. 53. **OUTDOOR LIGHTING PURCHASE.**

All purchasing of outdoor lighting fixtures using funds appropriated under this act must give consideration to maximizing energy conservation and savings, reducing glare, minimizing light pollution, and preserving the natural night environment.

Sec. 54. **FERGUS FALLS INCINERATOR; CONVEYANCE OF EQUIPMENT.**

Notwithstanding any law, administrative rule, commissioner's order, or agreement to the contrary, the city of Fergus Falls may convey to the city of Perham, for nominal consideration, all or part of the air pollution equipment, including the building and related equipment, that is currently located at the Fergus Falls incinerator. The conveyance shall be in a form approved by the attorney general and must be used for public purposes. The city of Perham is responsible for the costs of dismantling, transporting, and reassembling the equipment in Perham, as part of the expansion of the Perham resource recovery facility.

Sec. 55. **EFFECTIVE DATE.**

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

Presented to the governor May 22, 2006

Signed by the governor June 1, 2006, 9:03 a.m.