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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-SEVENTH SESSION

H. F. No. 1752

05/21/2011 Authored by Howes, Hausman, Lanning, Scalze and Davids
The bill was read for the first time and referred to the Committee on Capital Investment
03/22/2012 Adoption of Report: Pass and re-referred to the Committee on Ways and Means
04/23/2012 Adoption of Report: Pass as Amended and Read Second Time
05/07/2012 Fiscal Calendar, Amended
Read Third Time as Amended
Passed by the House as Amended and transmitted to the Senate to include Floor Amendments
Passed by the Senate as Amended and returned to the House
The House concurred in the Senate Amendments
Repassed by the House as Amended by the Senate

1.1 A bill for an act
1.2 relating to capital improvements; authorizing spending to acquire and better
1.3 public land and buildings and for other improvements of a capital nature with
1.4 certain conditions; establishing programs; authorizing the sale and issuance of
1.5 state bonds; modifying previous appropriations; authorizing Cook County to form
1.6 a district for the construction of water facilities and provision of water service;
1.7 authorizing the commissioner of natural resources to make certain acquisitions
1.8 of land or interests in land; appropriating money; amending Minnesota Statutes
1.9 2010, sections 16A.633, by adding a subdivision; 16A.641, subdivision 9;
1.10 462A.21, by adding a subdivision; Minnesota Statutes 2011 Supplement,
1.11 sections 16A.641, subdivision 7; 16A.96, by adding a subdivision; Laws 2006,
1.12 chapter 258, sections 7, subdivision 23, as amended; 17, subdivision 3; Laws
1.13 2008, chapter 179, sections 7, subdivision 27, as amended; 17, subdivision 4; 18,
1.14 subdivision 3, as amended; 19, subdivision 4, as amended; 21, subdivision 15,
1.15 as amended; Laws 2009, chapter 93, article 1, section 12, subdivision 2; Laws
1.16 2010, chapter 189, sections 18, subdivision 5; 24, subdivision 3; Laws 2011,
1.17 First Special Session chapter 12, sections 3, subdivisions 7, 8; 14, subdivision
1.18 2; 19; 22; proposing coding for new law in Minnesota Statutes, chapters 15B;
1.19 16B; 116J; 462A; repealing Laws 2011, chapter 107, section 101; Minnesota
1.20 Rules, part 8895.0700, subpart 1.

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

1.22 Section 1. **CAPITAL IMPROVEMENT APPROPRIATIONS.**

1.23 The sums shown in the column under "Appropriations" are appropriated from the
1.24 bond proceeds fund, or another named fund, to the state agencies or officials indicated,
1.25 to be spent for public purposes. Appropriations of bond proceeds must be spent as
1.26 authorized by the Minnesota Constitution, article XI, section 5, paragraph (a), to acquire
1.27 and better public land and buildings and other public improvements of a capital nature or
1.28 as authorized by the Minnesota Constitution, article XI, section 5, paragraphs (b) to (j),
1.29 or article XIV. Unless otherwise specified, money appropriated in this act for a capital
1.30 program or project may be used to pay state agency staff costs that are attributed directly
1.31 to the capital program or project in accordance with accounting policies adopted by the

2.1 commissioner of management and budget. Unless otherwise specified, the appropriations
 2.2 in this act are available until the project is completed or abandoned subject to Minnesota
 2.3 Statutes, section 16A.642.

2.4 **SUMMARY**

2.5	<u>University of Minnesota</u>	\$	<u>64,060,000</u>
2.6	<u>Minnesota State Colleges and Universities</u>		<u>132,126,000</u>
2.7	<u>Education</u>		<u>1,000,000</u>
2.8	<u>Minnesota State Academies</u>		<u>1,000,000</u>
2.9	<u>Perpich Center for Arts Education</u>		<u>263,000</u>
2.10	<u>Natural Resources</u>		<u>46,500,000</u>
2.11	<u>Pollution Control Agency</u>		<u>2,000,000</u>
2.12	<u>Board of Water and Soil Resources</u>		<u>12,000,000</u>
2.13	<u>Agriculture</u>		<u>706,000</u>
2.14	<u>Rural Finance Authority</u>		<u>33,000,000</u>
2.15	<u>Zoological Garden</u>		<u>4,000,000</u>
2.16	<u>Administration</u>		<u>50,555,000</u>
2.17	<u>Amateur Sports</u>		<u>375,000</u>
2.18	<u>Military Affairs</u>		<u>23,500,000</u>
2.19	<u>Transportation</u>		<u>49,400,000</u>
2.20	<u>Metropolitan Council</u>		<u>12,836,000</u>
2.21	<u>Human Services</u>		<u>7,683,000</u>
2.22	<u>Veterans Affairs</u>		<u>7,416,000</u>
2.23	<u>Corrections</u>		<u>9,128,000</u>
2.24	<u>Employment and Economic Development</u>		<u>76,500,000</u>
2.25	<u>Public Facilities Authority</u>		<u>23,500,000</u>
2.26	<u>Housing Finance Agency</u>		<u>5,500,000</u>
2.27	<u>Minnesota Historical Society</u>		<u>3,250,000</u>
2.28	<u>Bond Sale Expenses</u>		<u>560,000</u>
2.29	<u>TOTAL</u>	\$	<u>566,858,000</u>
2.30	<u>Bond Proceeds Fund (General Fund Debt Service)</u>		<u>456,483,000</u>
2.31	<u>Bond Proceeds Fund (User Financed Debt Service)</u>		<u>70,375,000</u>
2.32	<u>State Transportation Fund (General Fund Debt Service)</u>		<u>40,000,000</u>

2.33 **APPROPRIATIONS**

2.34 **Sec. 2. UNIVERSITY OF MINNESOTA**

2.35 **Subdivision 1. Total Appropriation** **\$ 64,060,000**

2.36 To the Board of Regents of the University
 2.37 of Minnesota for the purposes specified in
 2.38 this section.

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

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

3.3 Subd. 3. **Twin Cities Campus**

3.4 **Combined Heat and Power Plant** 10,000,000

3.5 To predesign and design and initiate
 3.6 infrastructure improvements for the
 3.7 renovation of the Old Main Steam Plant
 3.8 facility on the Twin Cities campus.

3.9 Subd. 4. **Itasca Biological Station**

3.10 **Itasca Facility Improvements** 4,060,000

3.11 To design, construct, furnish, and equip a new
 3.12 technology-rich biological laboratory and
 3.13 classroom facility, and to design, construct,
 3.14 furnish, and equip the renovation of the
 3.15 historic Lakeside Lab and to remove obsolete
 3.16 single-function buildings at the University of
 3.17 Minnesota facility in Itasca State Park.

3.18 Subd. 5. **University Share**

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

3.26 Subd. 6. **Unspent Appropriations**

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

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

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

4.12 **Subdivision 1. Total Appropriation** **\$ 132,126,000**

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

4.16 **Subd. 2. Higher Education Asset Preservation**
 4.17 **and Replacement (HEAPR)** **20,000,000**

4.18 For the purposes specified in Minnesota
 4.19 Statutes, section 135A.046, including safety
 4.20 and statutory compliance, building envelope
 4.21 integrity, mechanical systems, and space
 4.22 restoration.

4.23 **Subd. 3. Anoka-Ramsey Community College,**
 4.24 **Coon Rapids**

4.25 **Bioscience and Allied Health Addition and**
 4.26 **Renovation** **980,000**

4.27 To complete design for the construction of a
 4.28 Bioscience and Allied Health addition and to
 4.29 design, renovate, and equip classrooms and
 4.30 related space.

4.31 **Subd. 4. Bemidji State University**

4.32 **Business Building Addition, Renovation**
 4.33 **Design, Demolition** **3,303,000**

4.34 To abate and demolish Maple Hall and
 4.35 Sanford Hall, and to complete design for the

5.1	<u>renovation of Decker Hall, Hobson Hall,</u>	
5.2	<u>and Memorial Hall into multiuse classrooms</u>	
5.3	<u>and study spaces, including replacing the</u>	
5.4	<u>HVAC system and constructing an addition</u>	
5.5	<u>to Memorial Hall for better accessibility.</u>	
5.6	<u>Subd. 5. Century College</u>	
5.7	<u>Classroom Addition</u>	<u>5,000,000</u>
5.8	<u>To complete design of and to construct,</u>	
5.9	<u>renovate, furnish, and equip classrooms and</u>	
5.10	<u>related spaces.</u>	
5.11	<u>Subd. 6. Dakota County Technical College</u>	
5.12	<u>Transportation and Emerging Technologies</u>	
5.13	<u>Lab Renovation</u>	<u>7,230,000</u>
5.14	<u>To complete design of and to renovate,</u>	
5.15	<u>furnish, and equip transportation and</u>	
5.16	<u>emerging technologies classrooms,</u>	
5.17	<u>laboratories, and related spaces.</u>	
5.18	<u>Subd. 7. Minnesota State University, Mankato</u>	<u>2,065,000</u>
5.19	<u>To design a clinical science building at</u>	
5.20	<u>Minnesota State University, Mankato.</u>	
5.21	<u>Subd. 8. Minneapolis Community and</u>	
5.22	<u>Technical College</u>	
5.23	<u>Workforce Program Renovation</u>	<u>13,389,000</u>
5.24	<u>To complete design of and to renovate,</u>	
5.25	<u>furnish, and equip instructional space,</u>	
5.26	<u>support space, and infrastructure for</u>	
5.27	<u>workforce programs.</u>	
5.28	<u>Subd. 9. North Hennepin Community College</u>	
5.29	<u>Bioscience and Health Careers Addition</u>	<u>26,292,000</u>
5.30	<u>To complete design of and to construct,</u>	
5.31	<u>furnish, and equip Bioscience and Health</u>	
5.32	<u>Careers laboratories, classrooms, and related</u>	
5.33	<u>spaces.</u>	

6.1	<u>Subd. 10. Northland Community and Technical</u>	
6.2	<u>College</u>	
6.3	<u>Aviation Maintenance Facility Expansion</u>	<u>300,000</u>
6.4	<u>To design the expansion and renovation of the</u>	
6.5	<u>aviation maintenance facilities at Northland</u>	
6.6	<u>Community and Technical College.</u>	
6.7	<u>Subd. 11. Ridgewater College, Willmar</u>	
6.8	<u>Technical Instruction Lab Renovation</u>	<u>13,851,000</u>
6.9	<u>To design, renovate, furnish, and equip</u>	
6.10	<u>classroom, student service, instructional</u>	
6.11	<u>lab, and related spaces and to demolish the</u>	
6.12	<u>Administration Building.</u>	
6.13	<u>Subd. 12. St. Cloud Technical and Community</u>	
6.14	<u>College</u>	<u>4,000,000</u>
6.15	<u>To complete the design of, and to construct,</u>	
6.16	<u>renovate, furnish, equip, and demolish space</u>	
6.17	<u>for the medium heavy truck and autobody</u>	
6.18	<u>program on the St. Cloud Technical and</u>	
6.19	<u>Community College campus.</u>	
6.20	<u>Subd. 13. St. Paul College</u>	
6.21	<u>Health and Science Alliance Center</u>	<u>1,500,000</u>
6.22	<u>To design the Health and Science Alliance</u>	
6.23	<u>Center addition and to design, renovate,</u>	
6.24	<u>furnish, and equip, existing health spaces.</u>	
6.25	<u>Subd. 14. Minnesota West Community and</u>	
6.26	<u>Technical College, Worthington</u>	
6.27	<u>Renovation and Addition</u>	<u>4,606,000</u>
6.28	<u>To renovate, furnish, and equip existing</u>	
6.29	<u>classroom and lab spaces and to design,</u>	
6.30	<u>construct, furnish, and equip a classroom,</u>	
6.31	<u>lab, and entryway addition, and replace</u>	
6.32	<u>HVAC systems.</u>	

7.1 Subd. 15. Northeast Higher Education District
7.2 - Itasca Community College

7.3 **Renovation, Addition, and Demolition** 4,549,000

7.4 To complete the design of and to renovate,
7.5 furnish, and equip existing instructional
7.6 and student services spaces, to design,
7.7 construct, furnish, and equip an addition with
7.8 multipurpose classrooms, and to demolish
7.9 Donovan Hall.

7.10 Subd. 16. Rochester Community and Technical
7.11 College

7.12 **Work Force Center Colocation** 8,746,000

7.13 To complete the design of and to construct,
7.14 furnish, and equip an addition to the
7.15 Heintz Center at Rochester Community
7.16 and Technical College and to renovate the
7.17 heating, ventilating, and air conditioning
7.18 systems. The addition will house the
7.19 Rochester Area Work Force Center. The
7.20 board of trustees must consult with the
7.21 commissioner of employment and economic
7.22 development on the design of the renovations
7.23 and addition. The board must enter into a
7.24 lease agreement with the commissioner of
7.25 employment and economic development
7.26 for use of the work force center. The
7.27 lease agreement must provide that lease
7.28 payments made by the commissioner will
7.29 pay for the college's reasonable costs in
7.30 support of the work force center and the
7.31 debt service required of the board associated
7.32 with the work force center portion of the
7.33 project. Notwithstanding the ten-year lease
7.34 limit under Minnesota Statutes, section
7.35 16B.24, subdivision 6, the commissioner

8.1 of administration may enter into a lease
 8.2 agreement of up to 20 years for the space to
 8.3 house the Rochester Area Work Force Center
 8.4 at the Rochester Community and Technical
 8.5 College.

8.6 **Subd. 17. South Central College, Faribault**

8.7 **Classroom Renovation and Addition** 13,315,000

8.8 To complete design of and to renovate,
 8.9 construct, furnish, and equip classrooms, a
 8.10 learning resource center, and related spaces,
 8.11 and laboratories.

8.12 **Subd. 18. Southwest Minnesota State**
 8.13 **University, Marshall**

8.14 **Science Lab Renovation** 500,000

8.15 To complete design for renovation of the
 8.16 Science and Math building and classroom
 8.17 spaces and an addition to the Plant Science
 8.18 building.

8.19 **Subd. 19. Science, Technology, Engineering,**
 8.20 **and Math Initiatives** 2,500,000

8.21 To design, renovate, furnish, and equip
 8.22 science laboratories at campuses statewide.
 8.23 Campuses may use internal and nonstate
 8.24 funds to increase the size of the projects. This
 8.25 appropriation may be used at the following
 8.26 campuses: Bemidji State University; Century
 8.27 College; Inver Hills Community College;
 8.28 Minnesota State Community and Technical
 8.29 College, Moorhead; Minnesota State
 8.30 University, Moorhead; Hibbing Community
 8.31 College; Itasca Community College; Mesabi
 8.32 Range Community and Technical College,
 8.33 Eveleth; and Pine Technical College.

8.34 **Subd. 20. Debt Service**

9.1 (a) The Board of Trustees shall pay the
9.2 debt service on one-third of the principal
9.3 amount of state bonds sold to finance
9.4 projects authorized by this section, except
9.5 for higher education asset preservation
9.6 and replacement, and except that, where a
9.7 nonstate match is required, the debt service is
9.8 due on a principal amount equal to one-third
9.9 of the total project cost, less the match
9.10 committed before the bonds are sold. After
9.11 each sale of general obligation bonds, the
9.12 commissioner of management and budget
9.13 shall notify the board of the amounts assessed
9.14 for each year for the life of the bonds.

9.15 (b) The commissioner of management and
9.16 budget shall reduce the board's assessment
9.17 each year by one-third of the net income
9.18 from investment of general obligation bond
9.19 proceeds in proportion to the amount of
9.20 principal and interest otherwise required to
9.21 be paid by the board. The board shall pay its
9.22 resulting net assessment to the commissioner
9.23 of management and budget by December
9.24 1 each year. If the board fails to make
9.25 a payment when due, the commissioner
9.26 of management and budget shall reduce
9.27 allotments for appropriations from the
9.28 general fund otherwise available to the board
9.29 and apply the amount of the reduction to
9.30 cover the missed debt service payment. The
9.31 commissioner of management and budget
9.32 shall credit the payments received from the
9.33 board to the bond debt service account in
9.34 the state bond fund each December 1 before
9.35 money is transferred from the general fund

10.1 under Minnesota Statutes, section 16A.641,
 10.2 subdivision 10.

10.3 **Subd. 21. Unspent Appropriations**

10.4 (a) Upon substantial completion of a
 10.5 project authorized in this section and after
 10.6 written notice to the commissioner of
 10.7 management and budget, the board must use
 10.8 any money remaining in the appropriation
 10.9 for that project for Higher Education Asset
 10.10 Preservation and Replacement (HEAPR)
 10.11 under Minnesota Statutes, section 135A.046.
 10.12 The board must report by February 1 of each
 10.13 even-numbered year to the chairs of the house
 10.14 of representatives and senate committees
 10.15 with jurisdiction over capital investments and
 10.16 higher education finance, and to the chairs
 10.17 of the house of representatives Ways and
 10.18 Means Committee and the senate Finance
 10.19 Committee, on how the remaining money
 10.20 has been allocated or spent.

10.21 (b) The unspent portion of an appropriation
 10.22 for a project in this section that is complete
 10.23 is available for Higher Education Asset
 10.24 Preservation and Replacement (HEAPR)
 10.25 under this subdivision at the same campus
 10.26 as the project for which the original
 10.27 appropriation was made, and the debt
 10.28 service requirement under subdivision 20 is
 10.29 reduced accordingly. Minnesota Statutes,
 10.30 section 16A.642, applies from the date of the
 10.31 original appropriation to the unspent amount
 10.32 transferred.

10.33 **Sec. 4. EDUCATION** **\$** **1,000,000**

11.1	<u>To the commissioner of education for library</u>		
11.2	<u>accessibility and improvement grants under</u>		
11.3	<u>Minnesota Statutes, section 134.45.</u>		
11.4	Sec. 5. <u>MINNESOTA STATE ACADEMIES</u>	<u>\$</u>	<u>1,000,000</u>
11.5	<u>To the commissioner of administration for</u>		
11.6	<u>asset preservation on both campuses of the</u>		
11.7	<u>academies, to be spent in accordance with</u>		
11.8	<u>Minnesota Statutes, section 16B.307.</u>		
11.9	Sec. 6. <u>PERPICH CENTER FOR ARTS</u>		
11.10	<u>EDUCATION</u>		
11.11	Subdivision 1. <u>Total Appropriation</u>	<u>\$</u>	<u>263,000</u>
11.12	<u>To the commissioner of administration for</u>		
11.13	<u>the purposes specified in this section.</u>		
11.14	Subd. 2. <u>Loading Dock Repair</u>		<u>64,000</u>
11.15	<u>To complete design of and repair the loading</u>		
11.16	<u>dock and dock steps.</u>		
11.17	Subd. 3. <u>Road Repair</u>		<u>99,000</u>
11.18	<u>To complete design and repair roadway.</u>		
11.19	Subd. 4. <u>Storm Drainage</u>		<u>100,000</u>
11.20	<u>To complete design of and install storm</u>		
11.21	<u>drainage on the northwest corner of campus.</u>		
11.22	Sec. 7. <u>NATURAL RESOURCES</u>		
11.23	Subdivision 1. <u>Total Appropriation</u>	<u>\$</u>	<u>46,500,000</u>
11.24	<u>To the commissioner of natural resources</u>		
11.25	<u>for the purposes specified in this section.</u>		
11.26	<u>The appropriations in this section are</u>		
11.27	<u>subject to the requirements of the natural</u>		
11.28	<u>resources capital improvement program</u>		
11.29	<u>under Minnesota Statutes, section 86A.12,</u>		
11.30	<u>unless this section or the statutes referred</u>		
11.31	<u>to in this section provide more specific</u>		

- 12.1 standards, criteria, or priorities for projects
- 12.2 than Minnesota Statutes, section 86A.12.
- 12.3 **Subd. 2. Flood Hazard Mitigation Grants** 30,000,000
- 12.4 For the state share of flood hazard
- 12.5 mitigation grants for publicly owned capital
- 12.6 improvements to prevent or alleviate flood
- 12.7 damage under Minnesota Statutes, section
- 12.8 103F.161.
- 12.9 Levee projects, to the extent practicable,
- 12.10 shall meet the state standard of three feet
- 12.11 above the 100-year flood elevation.
- 12.12 Project priorities shall be determined by the
- 12.13 commissioner as appropriate, based on need.
- 12.14 To the extent that the cost of a project
- 12.15 exceeds two percent of the median household
- 12.16 income in the municipality multiplied by the
- 12.17 number of households in the municipality,
- 12.18 this appropriation is also for the local share
- 12.19 of the project.
- 12.20 **Subd. 3. Dam Repair, Reconstruction, and**
- 12.21 **Removal** 3,000,000
- 12.22 To renovate or remove publicly owned dams.
- 12.23 The commissioner shall determine project
- 12.24 priorities as appropriate under Minnesota
- 12.25 Statutes, sections 103G.511 and 103G.515.
- 12.26 **Subd. 4. Roads and Bridges** 2,000,000
- 12.27 For the design, reconstruction, resurfacing,
- 12.28 replacement, and construction of publicly
- 12.29 owned DNR-maintained roads, culverts, and
- 12.30 bridges.
- 12.31 **Subd. 5. State Forest Land Restoration** 2,500,000
- 12.32 To increase reforestation activities to meet
- 12.33 the reforestation requirements of Minnesota
- 12.34 Statutes, section 89.002, subdivision 2,

- 13.1 including planting, seeding, site preparation,
- 13.2 and for timber stand improvement.
- 13.3 **Subd. 6. State Parks and Trails Renewal and**
- 13.4 **Development** 4,000,000
- 13.5 For renewal, modification, replacement, or
- 13.6 development of buildings and recreational
- 13.7 infrastructure in state parks, state recreation
- 13.8 areas, state trails, small craft harbors/marinas,
- 13.9 fishing pier sites, and state forests.
- 13.10 **Subd. 7. Lake Vermillion State Park** 2,000,000
- 13.11 For the development of Lake Vermillion
- 13.12 State Park, established under Minnesota
- 13.13 Statutes, section 85.012, subdivision 38a.
- 13.14 **Subd. 8. Lake Zumbro** 3,000,000
- 13.15 For a grant to Olmsted County for the
- 13.16 removal of sedimentation in Lake Zumbro,
- 13.17 including final engineering, dredging, and
- 13.18 dredged soil disposal from the sites identified
- 13.19 in the Preliminary Engineering Report
- 13.20 for Dredging Lake Zumbro. This project
- 13.21 is designed to improve the recreational
- 13.22 economy, water quality, and habitat, and
- 13.23 increase water storage capacity within the
- 13.24 lake to achieve renewable energy goals
- 13.25 by optimizing long-term hydroelectric
- 13.26 operations. This appropriation is not
- 13.27 available until the commissioner has
- 13.28 determined that at least an equal amount has
- 13.29 been committed to the project from nonstate
- 13.30 sources.
- 13.31 **Subd. 9. Unspent Appropriations**
- 13.32 The unspent portion of an appropriation,
- 13.33 but not to exceed ten percent of the
- 13.34 appropriation, for a project in this section

14.1 that is complete, other than an appropriation
 14.2 for flood hazard mitigation, upon written
 14.3 notice to the commissioner of management
 14.4 and budget, is available for asset preservation
 14.5 under Minnesota Statutes, section 84.946.
 14.6 Minnesota Statutes, section 16A.642, applies
 14.7 from the date of the original appropriation
 14.8 to the unspent amount transferred for asset
 14.9 preservation.

14.10 **Sec. 8. POLLUTION CONTROL AGENCY** **\$** **2,000,000**

14.11 To the Pollution Control Agency to design
 14.12 and construct remedial systems and acquire
 14.13 land at landfills throughout the state in
 14.14 accordance with the closed landfill program
 14.15 under Minnesota Statutes, sections 115B.39
 14.16 to 115B.42.

14.17 **Sec. 9. BOARD OF WATER AND SOIL**
 14.18 **RESOURCES**

14.19 **Subdivision 1. Total Appropriation** **\$** **12,000,000**

14.20 To the Board of Water and Soil Resources
 14.21 for the purposes specified in the following
 14.22 subdivisions.

14.23 **Subd. 2. RIM Conservation Reserve** **6,000,000**

14.24 (a) To acquire conservation easements from
 14.25 landowners to preserve, restore, create, and
 14.26 enhance wetlands; restore and enhance rivers
 14.27 and streams, riparian lands, and associated
 14.28 uplands in order to protect soil and water
 14.29 quality; support fish and wildlife habitat;
 14.30 reduce flood damage; and provide other
 14.31 public benefits. The provisions of Minnesota
 14.32 Statutes, section 103F.515, apply to this
 14.33 program. Of this appropriation, up to ten

15.1 percent may be used to implement the
 15.2 program.
 15.3 (b) The board is authorized to enter into
 15.4 new agreements and amend past agreements
 15.5 with landowners as required by Minnesota
 15.6 Statutes, section 103F.515, subdivision 5, to
 15.7 allow for restoration, including overseeding
 15.8 and harvesting of native prairie vegetation for
 15.9 use for energy production in a manner that
 15.10 does not devalue the natural habitat, water
 15.11 quality benefits, or carbon sequestration
 15.12 functions of the area enrolled in the easement.
 15.13 This shall occur after seed production and
 15.14 minimize impacts on wildlife. Of this
 15.15 appropriation, up to five percent may be used
 15.16 for restoration, including overseeding.

15.17 **Subd. 3. Wetland Replacement Due to Public**
 15.18 **Road Projects**

6,000,000

15.19 To acquire land for wetland restoration or
 15.20 preservation to replace wetlands drained
 15.21 or filled as a result of the repair or
 15.22 reconstruction, replacement, or rehabilitation
 15.23 of existing public roads as required by
 15.24 Minnesota Statutes, section 103G.222.
 15.25 The purchase price paid for acquisition
 15.26 of land, fee, or perpetual easement must
 15.27 be the fair market value as determined
 15.28 by the board. The board may enter into
 15.29 agreements with the federal government,
 15.30 other state agencies, political subdivisions,
 15.31 and nonprofit organizations or fee owners to
 15.32 acquire land and restore and create wetlands
 15.33 and to acquire existing wetland banking
 15.34 credits. Acquisition of or the conveyance
 15.35 of land may be in the name of the political
 15.36 subdivision.

16.1	Sec. 10. <u>AGRICULTURE</u>	<u>\$</u>	<u>706,000</u>
16.2	<u>To the commissioner of administration for</u>		
16.3	<u>design and installation of an emergency</u>		
16.4	<u>power system for the shared Agriculture and</u>		
16.5	<u>Health Lab Building.</u>		
16.6	Sec. 11. <u>RURAL FINANCE AUTHORITY</u>	<u>\$</u>	<u>33,000,000</u>
16.7	<u>For the purposes set forth in the Minnesota</u>		
16.8	<u>Constitution, article XI, section 5, paragraph</u>		
16.9	<u>(h), to the Rural Finance Authority to</u>		
16.10	<u>purchase participation interests in or to</u>		
16.11	<u>make direct agricultural loans to farmers</u>		
16.12	<u>under Minnesota Statutes, chapter 41B.</u>		
16.13	<u>This appropriation is for the beginning</u>		
16.14	<u>farmer program under Minnesota Statutes,</u>		
16.15	<u>section 41B.039; the loan restructuring</u>		
16.16	<u>program under Minnesota Statutes, section</u>		
16.17	<u>41B.04; the seller-sponsored program under</u>		
16.18	<u>Minnesota Statutes, section 41B.042; the</u>		
16.19	<u>agricultural improvement loan program</u>		
16.20	<u>under Minnesota Statutes, section 41B.043;</u>		
16.21	<u>and the livestock expansion loan program</u>		
16.22	<u>under Minnesota Statutes, section 41B.045.</u>		
16.23	<u>All debt service on bond proceeds used to</u>		
16.24	<u>finance this appropriation must be repaid</u>		
16.25	<u>by the Rural Finance Authority under</u>		
16.26	<u>Minnesota Statutes, section 16A.643. Loan</u>		
16.27	<u>participations must be priced to provide full</u>		
16.28	<u>interest and principal coverage and a reserve</u>		
16.29	<u>for potential losses. Priority for loans must</u>		
16.30	<u>be given first to basic beginning farmer loans,</u>		
16.31	<u>second to seller-sponsored loans, and third to</u>		
16.32	<u>agricultural improvement loans.</u>		
16.33	Sec. 12. <u>MINNESOTA ZOOLOGICAL</u>		
16.34	<u>GARDEN</u>	<u>\$</u>	<u>4,000,000</u>

17.1 To the Minnesota Zoological Garden for
 17.2 capital asset preservation and betterments to
 17.3 infrastructure and exhibits at the Minnesota
 17.4 Zoo to be spent in accordance with Minnesota
 17.5 Statutes, section 16B.307.

17.6 Sec. 13. **ADMINISTRATION**

17.7 **Subdivision 1. Total Appropriation** **\$ 50,555,000**

17.8 To the commissioner of administration for
 17.9 the purposes specified in this section.

17.10 **Subd. 2. Asset Preservation** **500,000**

17.11 For asset preservation studies and projects
 17.12 on properties managed by the commissioner.

17.13 This appropriation must be spent in
 17.14 accordance with Minnesota Statutes, section
 17.15 16B.307. This appropriation includes money
 17.16 to complete design for and to renovate or
 17.17 replace the house of representatives TV
 17.18 control room heating, ventilating, and air
 17.19 conditioning system in the Capitol building.

17.20 **Subd. 3. Capitol Restoration Appropriation** **44,000,000**

17.21 (a) This appropriation may be used for one or
 17.22 more of the following purposes:

17.23 (1) to design, construct, and equip a new
 17.24 tunnel extending from the Capitol building
 17.25 and passing under University Avenue, and
 17.26 associated improvements, in accordance
 17.27 with recommendation number 6 of the
 17.28 Comprehensive Master Plan and the
 17.29 final report of the Committee on Capitol
 17.30 Complex Security, dated April 1, 2011, with
 17.31 construction to be coordinated with light rail
 17.32 construction time frames;

18.1 (2) for predesign and design of the renovation
18.2 and restoration of the State Capitol building,
18.3 including preparation of design guidelines
18.4 and a historic structures report;
18.5 (3) for repairs to exterior stone, window
18.6 replacement, and preparation of mechanical
18.7 space in the attic of the State Capitol
18.8 building;
18.9 (4) for construction to restore and improve
18.10 the Capitol building and grounds, including
18.11 exterior stone repair and the construction
18.12 activities listed as part of sequence A
18.13 in the 2012 Comprehensive Master Plan
18.14 dated February 2012, prepared by MOCA,
18.15 including hazardous materials abatement;
18.16 and
18.17 (5) up to \$5,000,000 of this appropriation
18.18 may be used to predesign, design, conduct
18.19 hazardous materials abatement, construct,
18.20 renovate and remodel, and furnish and equip
18.21 the State Office Building, Administration
18.22 Building, Centennial Office Building, 321
18.23 Grove Street Buildings, and such other
18.24 properties located on the Capitol campus as
18.25 determined by the commissioner to meet
18.26 temporary and permanent office and other
18.27 space needs occasioned by and in furtherance
18.28 of an efficient restoration of the State Capitol
18.29 building and for the efficient and effective
18.30 function of the tenants currently located in
18.31 the Capitol building.
18.32 (b) Money appropriated under paragraph (a),
18.33 clauses (1) to (3), may be spent as of the
18.34 effective date.

19.1 (c) Money appropriated under paragraph
 19.2 (a), clauses (4) and (5), may not be spent
 19.3 unless and until the conditions in Minnesota
 19.4 Statutes, section 15B.15, have been met.

19.5 **Subd. 4. Capital Asset Preservation and**
 19.6 **Replacement Account** 1,000,000

19.7 To be spent in accordance with Minnesota
 19.8 Statutes, section 16A.632.

19.9 **Subd. 5. Hennepin County, Washburn Center**
 19.10 **for Children** 5,000,000

19.11 For a grant to Hennepin County to acquire
 19.12 and prepare a site for and to predesign,
 19.13 design, construct, furnish, and equip a new
 19.14 Washburn Center for Children that will be
 19.15 used to provide mental health services to
 19.16 children. The county is authorized to take
 19.17 actions and enter into agreements needed
 19.18 to perform the functions set forth in this
 19.19 section, and the agreements may include
 19.20 provisions and conditions that the county
 19.21 negotiates. The county may enter into a
 19.22 lease or management contract for the new
 19.23 center with a nonprofit entity. The lease or
 19.24 management contract must comply with the
 19.25 requirements of Minnesota Statutes, section
 19.26 16A.695. This appropriation is not available
 19.27 until the commissioner has determined that
 19.28 at least an equal amount has been committed
 19.29 or expended from nonstate resources.

19.30 **Subd. 6. Peace Officers Memorial** 55,000

19.31 To complete design and renovation of the
 19.32 Peace Officers Memorial on the Capitol
 19.33 grounds.

19.34 **Sec. 14. AMATEUR SPORTS** **\$ 375,000**

20.1 To the Minnesota Amateur Sports
 20.2 Commission to replace HVAC heating and
 20.3 cooling units in the Indoor Sports Hall at the
 20.4 National Sports Center in Blaine.

20.5 Sec. 15. **MILITARY AFFAIRS**

20.6 **Subdivision 1. Total Appropriation** **\$ 23,500,000**

20.7 To the adjutant general for the purposes
 20.8 specified in this section.

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

20.10 For asset preservation improvements and
 20.11 betterments of a capital nature at military
 20.12 affairs facilities statewide, to be spent in
 20.13 accordance with Minnesota Statutes, section
 20.14 16B.307.

20.15 **Subd. 3. Camp Ripley Education Center**
 20.16 **Addition** **19,500,000**

20.17 To complete the construction, furnishing, and
 20.18 equipping of an addition to the Camp Ripley
 20.19 Education Center (Building #6-76). The
 20.20 addition will include lodging, classroom, and
 20.21 dining facilities.

20.22 **Subd. 4. Unspent Appropriations**

20.23 The unspent portion of an appropriation for
 20.24 a project in this section that is complete,
 20.25 upon written notice to the commissioner of
 20.26 management and budget, is available for
 20.27 asset preservation under Minnesota Statutes,
 20.28 section 16B.307. Minnesota Statutes, section
 20.29 16A.642, applies from the date of the
 20.30 original appropriation to the unspent amount
 20.31 transferred.

20.32 Sec. 16. **TRANSPORTATION**

20.33 **Subdivision 1. Total Appropriation** **\$ 49,400,000**

21.1 This appropriation is to the commissioner of
 21.2 transportation for the purposes specified in
 21.3 this section.

21.4 **Subd. 2. Local Bridge Replacement and**
 21.5 **Rehabilitation**

30,000,000

21.6 This appropriation is from the bond proceeds
 21.7 account in the state transportation fund
 21.8 to match federal money and to replace
 21.9 or rehabilitate local deficient bridges as
 21.10 provided in Minnesota Statutes, section
 21.11 174.50. To the extent practicable, the
 21.12 commissioner shall expend the funds as
 21.13 provided under Minnesota Statutes, section
 21.14 174.50, subdivisions 6c and 7, paragraph (c).

21.15 Political subdivisions may use grants made
 21.16 under this subdivision to construct or
 21.17 reconstruct bridges, including but not limited
 21.18 to:

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

21.21 (2) paying the costs of preliminary
 21.22 engineering and environmental studies
 21.23 authorized under Minnesota Statutes, section
 21.24 174.50, subdivision 6a;

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

21.29 (4) paying the costs to construct a road
 21.30 or street to facilitate the abandonment
 21.31 of an existing bridge determined by
 21.32 the commissioner to be deficient, if the
 21.33 commissioner determines that construction
 21.34 of the road or street is more economical than
 21.35 replacement of the existing bridge.

22.1	<u>Subd. 3. Local Road Improvement Fund</u>	
22.2	<u>Grants</u>	<u>10,000,000</u>
22.3	<u>From the bond proceeds account in the state</u>	
22.4	<u>transportation fund as provided in Minnesota</u>	
22.5	<u>Statutes, section 174.50, for construction and</u>	
22.6	<u>reconstruction of local roads with statewide</u>	
22.7	<u>or regional significance under Minnesota</u>	
22.8	<u>Statutes, section 174.52, subdivision 4, or for</u>	
22.9	<u>grants to counties to assist in paying the costs</u>	
22.10	<u>of rural road safety capital improvement</u>	
22.11	<u>projects on county state-aid highways</u>	
22.12	<u>under Minnesota Statutes, section 174.52,</u>	
22.13	<u>subdivision 4a.</u>	
22.14	<u>Subd. 4. Greater Minnesota Transit</u>	<u>6,400,000</u>
22.15	<u>For capital assistance for publicly owned</u>	
22.16	<u>greater Minnesota transit systems to be used</u>	
22.17	<u>to design, construct, and equip transit capital</u>	
22.18	<u>facilities under Minnesota Statutes, section</u>	
22.19	<u>174.24, subdivision 3c.</u>	
22.20	<u>Subd. 5. Railroad Warning Devices</u>	
22.21	<u>Replacement</u>	<u>2,000,000</u>
22.22	<u>To design, construct, and equip the</u>	
22.23	<u>replacement of active highway rail grade</u>	
22.24	<u>crossing warning safety devices that have</u>	
22.25	<u>reached the end of their useful life.</u>	
22.26	<u>Subd. 6. Port Development Assistance</u>	<u>1,000,000</u>
22.27	<u>For grants under Minnesota Statutes, chapter</u>	
22.28	<u>457A, for publicly owned capital projects.</u>	
22.29	<u>Sec. 17. METROPOLITAN COUNCIL</u>	
22.30	<u>Subdivision 1. Total Appropriation</u>	<u>\$ 12,836,000</u>
22.31	<u>To the Metropolitan Council for the purposes</u>	
22.32	<u>specified in this section.</u>	
22.33	<u>Subd. 2. Metropolitan Regional Parks Capital</u>	
22.34	<u>Improvements</u>	<u>4,586,000</u>

23.1 For the cost of improvements and betterments
 23.2 of a capital nature and acquisition by the
 23.3 council and local government units of
 23.4 regional recreational open-space lands in
 23.5 accordance with the council's policy plan
 23.6 as provided in Minnesota Statutes, section
 23.7 473.147. This appropriation must not be
 23.8 used to purchase easements.

23.9 **Subd. 3. Municipal Wastewater Systems -**
 23.10 **Inflow and Infiltration Grants**

4,000,000

23.11 For grants to cities within the metropolitan
 23.12 area, as defined in Minnesota Statutes,
 23.13 section 473.121, subdivision 2, for capital
 23.14 improvements in municipal wastewater
 23.15 collection systems to reduce the amount
 23.16 of inflow and infiltration to the council's
 23.17 metropolitan sanitary sewer disposal system.
 23.18 To be eligible for a grant, a city must be
 23.19 identified by the council as a contributor of
 23.20 excessive inflow or infiltration. Grants from
 23.21 this appropriation are for up to 50 percent of
 23.22 the cost to mitigate inflow and infiltration in
 23.23 the publicly owned municipal wastewater
 23.24 collection systems. The council must
 23.25 award grants based on applications from
 23.26 eligible cities that identify eligible capital
 23.27 costs and include a timeline for inflow and
 23.28 infiltration mitigation construction, pursuant
 23.29 to guidelines established by the council.

23.30 **Subd. 4. Phillips Community Center**

1,750,000

23.31 For a grant to the Minneapolis Park and
 23.32 Recreation Board to predesign, design,
 23.33 engineer, reconstruct, renovate, furnish,
 23.34 and equip the Phillips Community Center
 23.35 indoor competitive swimming pool and to

- 24.1 predesign, design, engineer, and construct
- 24.2 an additional indoor multipurpose family
- 24.3 pool and facilities associated with an aquatic
- 24.4 center in the community center, subject to
- 24.5 Minnesota Statutes, section 16A.695.
- 24.6 This appropriation is not available until
- 24.7 the commissioner determines that at least
- 24.8 \$350,000 is committed from nonstate
- 24.9 sources.
- 24.10 **Subd. 5. Minneapolis Transportation**
- 24.11 **Interchange** 2,500,000
- 24.12 For a grant to Hennepin County or the
- 24.13 Hennepin County Regional Railroad
- 24.14 Authority for environmental analysis,
- 24.15 engineering, design, acquisition of real
- 24.16 property or interests in real property, and
- 24.17 site preparation for and construction of the
- 24.18 Minneapolis Transportation Interchange
- 24.19 Facility located in the vicinity of the
- 24.20 confluence of the Hiawatha Light Rail
- 24.21 Transit line and the Northstar Commuter Rail
- 24.22 line.
- 24.23 **Sec. 18. HUMAN SERVICES**
- 24.24 **Subdivision 1. Total Appropriation** **\$ 7,683,000**
- 24.25 To the commissioner of administration for
- 24.26 the purposes specified in this section.
- 24.27 **Subd. 2. Asset Preservation** **2,000,000**
- 24.28 For asset preservation improvements and
- 24.29 betterments of a capital nature at Department
- 24.30 of Human Services facilities statewide, to be
- 24.31 spent in accordance with Minnesota Statutes,
- 24.32 section 16B.307.
- 24.33 **Subd. 3. Maplewood - Harriet Tubman Center** **2,000,000**

25.1 For a grant to the city of Maplewood to
 25.2 design, renovate, and equip Harriet Tubman
 25.3 Center East to be used as a regional safety
 25.4 service center for domestic violence shelter,
 25.5 legal services, youth programs, mental and
 25.6 chemical health services, and community
 25.7 education.

25.8 **Subd. 4. Minnesota Security Hospital - Phase I** 3,683,000

25.9 For predesign and design of the first phase
 25.10 of a two-phase project to remodel existing
 25.11 facilities and develop new residential,
 25.12 program, activity, and ancillary facilities for
 25.13 the Minnesota Security Hospital on the upper
 25.14 campus of the St. Peter Regional Treatment
 25.15 Center.

25.16 **Sec. 19. VETERANS AFFAIRS**

25.17 **Subdivision 1. Total Appropriation** **\$ 7,416,000**

25.18 To the commissioner of administration
 25.19 for the purposes specified in this section.
 25.20 The commissioner must allocate money
 25.21 appropriated in this section so as to maximize
 25.22 the use of all available federal funding.

25.23 **Subd. 2. Asset Preservation** 3,000,000

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

25.29 **Subd. 3. Minneapolis Veterans Home Building**
 25.30 **17 South** 3,050,000

25.31 For predesign and design for demolition of
 25.32 the south wing of Building 17 and adjoining
 25.33 facilities, and designing the south wing
 25.34 of Building 17 as a new skilled nursing

26.1 building. This appropriation may also be
 26.2 used to design a new distribution service
 26.3 tunnel on the Minneapolis campus.

26.4 **Subd. 4. Minneapolis Veterans Home**
 26.5 **Centralized Pharmacy** 1,366,000

26.6 To predesign, design, remodel, and furnish
 26.7 historic Building 13 to be used as the veterans
 26.8 homes' central pharmacy.

26.9 **Sec. 20. CORRECTIONS**

26.10 **Subdivision 1. Total Appropriation** **\$ 9,128,000**

26.11 To the commissioner of administration for
 26.12 the purposes specified in this section.

26.13 **Subd. 2. Asset Preservation** 5,000,000

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

26.18 **Subd. 3. Minnesota Correctional Facility -**
 26.19 **Stillwater**

26.20 **Well and Water Treatment Facility** 3,391,000

26.21 To complete design; cap an old well; install
 26.22 a new well; replace piping between wells,
 26.23 water tower, and facility intake; replace water
 26.24 treatment equipment; and design, construct,
 26.25 furnish, and equip a new building to house
 26.26 water treatment equipment.

26.27 **Subd. 4. Northeast Regional Correctional**
 26.28 **Center (NERCC)** 737,000

26.29 For a grant to the Arrowhead Regional
 26.30 Corrections Joint Powers Board for asset
 26.31 preservation improvements and betterments
 26.32 of a capital nature at the Northeast Regional
 26.33 Correctional Center (NERCC).

27.1 **Subd. 5. Unspent Appropriations**

27.2 The unspent portion of an appropriation for
27.3 a project in this section that is complete,
27.4 upon written notice to the commissioner of
27.5 management and budget, is available for
27.6 asset preservation under Minnesota Statutes,
27.7 section 16B.307, at the same correctional
27.8 facility as the project for which the original
27.9 appropriation was made. Minnesota Statutes,
27.10 section 16A.642, applies from the date of the
27.11 original appropriation to the unspent amount
27.12 transferred.

27.13 **Sec. 21. EMPLOYMENT AND ECONOMIC**
27.14 **DEVELOPMENT**

27.15 **Subdivision 1. Total Appropriation** **\$ 76,500,000**

27.16 To the commissioner of employment and
27.17 economic development for the purposes
27.18 specified in this section.

27.19 **Subd. 2. Greater Minnesota Business**
27.20 **Development Public Infrastructure Grant**
27.21 **Program** **6,000,000**

27.22 For grants under Minnesota Statutes, section
27.23 116J.431.

27.24 This appropriation may be used for a grant
27.25 to the Lake Superior-Poplar River Water
27.26 District to acquire property interests for,
27.27 engineer, design, permit, and construct works
27.28 and systems to transport and treat water
27.29 from Lake Superior through the Poplar River
27.30 Valley to serve domestic and irrigation water
27.31 users and commercial, stock watering, and
27.32 industrial users. Notwithstanding Minnesota
27.33 Statutes, section 116J.431, a grant to the
27.34 district is not subject to any limit in grant
27.35 amount or match requirement, but a grant

- 28.1 to the district is not available until at least
 28.2 \$1,200,000 has been committed to the project
 28.3 from nonstate sources. Expenditures made
 28.4 on or after October 1, 2011, shall count
 28.5 towards the nonstate match.
- 28.6 **Subd. 3. Redevelopment Account** 3,000,000
- 28.7 For purposes of the redevelopment account
 28.8 under Minnesota Statutes, sections 116J.571
 28.9 to 116J.575.
- 28.10 **Subd. 4. Transportation Economic**
 28.11 **Development Program** 3,000,000
- 28.12 For grants under Minnesota Statutes, section
 28.13 116J.436.
- 28.14 **Subd. 5. Business Development Through**
 28.15 **Capital Project Grants** 47,500,000
- 28.16 For grants under Minnesota Statutes, section
 28.17 116J.433.
- 28.18 **Subd. 6. Austin Port Authority - Research and**
 28.19 **Technology Center** 13,500,000
- 28.20 For a grant to the Austin Port Authority to
 28.21 design and construct a new building addition
 28.22 to the Hormel Institute, including research
 28.23 labs, research technology space, and support
 28.24 offices. This appropriation is not available
 28.25 until the commissioner has determined that
 28.26 at least an equal amount has been committed
 28.27 to the project from nonstate sources.
- 28.28 **Subd. 7. Bemidji Regional Public Television**
 28.29 **Station** 3,000,000
- 28.30 For a grant to the city of Bemidji to construct,
 28.31 furnish, and equip a regional public
 28.32 television station in the city of Bemidji.
 28.33 This appropriation is not available until the
 28.34 commissioner determines that a 25 percent

29.1 match has been committed to the project
 29.2 from nonstate sources.

29.3 **Subd. 8. South St. Paul - Floodwall Extension** 500,000

29.4 For a grant to the city of South St. Paul
 29.5 for the predesign and design, including
 29.6 preliminary engineering evaluations to
 29.7 determine the environmental impact, exact
 29.8 location, and design features of a floodwall
 29.9 extension on the west shore of the Mississippi
 29.10 River from the area of Interstate Highway
 29.11 494 to the southern border of South St. Paul.
 29.12 This appropriation is not available until the
 29.13 commissioner of management and budget
 29.14 determines that at least an equal amount
 29.15 is committed to the project from nonstate
 29.16 sources.

29.17 **Sec. 22. PUBLIC FACILITIES AUTHORITY**

29.18 **Subdivision 1. Total Appropriation** **\$ 23,500,000**

29.19 To the Public Facilities Authority for the
 29.20 purposes specified in this section.

29.21 **Subd. 2. State Match for Federal Grants** 8,500,000

29.22 To match federal grants for the clean water
 29.23 revolving fund under Minnesota Statutes,
 29.24 section 446A.07, and the drinking water
 29.25 revolving fund under Minnesota Statutes,
 29.26 section 446A.081.

29.27 This appropriation must be used for qualified
 29.28 capital projects.

29.29 **Subd. 3. Wastewater Infrastructure Funding**
 29.30 **Program** 15,000,000

29.31 For grants to eligible municipalities under the
 29.32 wastewater infrastructure funding program
 29.33 under Minnesota Statutes, section 446A.072.

30.1 If a grant is made from this appropriation
 30.2 to the Central Iron Range Sanitary Sewer
 30.3 District to supplement previous wastewater
 30.4 infrastructure funding grants to design,
 30.5 construct, furnish, and equip new wastewater
 30.6 treatment facilities, lift stations, and
 30.7 forcemains, it is not subject to the limitations
 30.8 on the availability or amount of the grant in
 30.9 Minnesota Statutes, section 446A.072, but
 30.10 the grant must not exceed \$5,000,000.

30.11 Sec. 23. **HOUSING FINANCE AGENCY** **\$ 5,500,000**

30.12 To the Housing Finance Agency to finance
 30.13 the rehabilitation of public housing under
 30.14 Minnesota Statutes, section 462A.202,
 30.15 subdivision 3a. For purposes of this
 30.16 section, "public housing" means housing for
 30.17 low-income persons and households financed
 30.18 by the federal government and owned and
 30.19 operated by public housing authorities and
 30.20 agencies formed by cities and counties.
 30.21 Eligible public housing authorities must
 30.22 have a public housing assessment system
 30.23 rating of standard or above. Priority must be
 30.24 given to proposals that maximize federal or
 30.25 local resources to finance the capital costs.
 30.26 The priority in Minnesota Statutes, section
 30.27 462A.202, subdivision 3a, for projects to
 30.28 increase the supply of affordable housing and
 30.29 the restrictions of Minnesota Statutes, section
 30.30 462A.202, subdivision 7, do not apply to this
 30.31 appropriation.

30.32 Sec. 24. **MINNESOTA HISTORICAL**
 30.33 **SOCIETY**

30.34 **Subdivision 1. Total Appropriation** **\$ 3,250,000**

31.1 To the Minnesota Historical Society for the
 31.2 purposes in this section.

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

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

31.11 **Subd. 3. County and Local Preservation**
 31.12 **Grants** 750,000

31.13 To be allocated to county and local
 31.14 jurisdictions as matching money for historic
 31.15 preservation projects of a capital nature,
 31.16 as provided in Minnesota Statutes, section
 31.17 138.0525.

31.18 **Sec. 25. BOND SALE EXPENSES** **\$ 560,000**

31.19 To the commissioner of management
 31.20 and budget for bond sale expenses under
 31.21 Minnesota Statutes, section 16A.641,
 31.22 subdivision 8.

31.23 **Sec. 26. BOND SALE AUTHORIZATION.**

31.24 Subdivision 1. Bond proceeds fund. To provide the money appropriated in this act
 31.25 from the bond proceeds fund, the commissioner of management and budget shall sell and
 31.26 issue bonds of the state in an amount up to \$526,858,000 in the manner, upon the terms,
 31.27 and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and
 31.28 by the Minnesota Constitution, article XI, sections 4 to 7.

31.29 Subd. 2. Transportation fund. To provide the money appropriated in this act from
 31.30 the state transportation fund, the commissioner of management and budget shall sell and
 31.31 issue bonds of the state in an amount up to \$40,000,000 in the manner, upon the terms, and
 31.32 with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by
 31.33 the Minnesota Constitution, article XI, sections 4 to 7. The proceeds of the bonds, except

32.1 accrued interest and any premium received on the sale of the bonds, must be credited to
32.2 a bond proceeds account in the state transportation fund.

32.3 **Sec. 27. [15B.155] CAPITOL RESTORATION PROJECT.**

32.4 **Subdivision 1. Consultation and collaboration.** The commissioner shall consult
32.5 and collaborate with representatives designated by the governor, the majority leader of
32.6 the senate, the speaker of the house, the chief justice of the Minnesota Supreme Court,
32.7 the attorney general, Capitol Area and Architectural Planning Board, and the director of
32.8 the Minnesota Historical Society regarding the design and construction process for the
32.9 restoration of the Capitol building.

32.10 **Subd. 2. Changes to space allocation.** No changes shall be made to the current
32.11 amount and location of space in the Capitol building for the house of representatives,
32.12 senate, Supreme Court, and constitutional officers, unless approved as follows:

32.13 (1) for space currently allocated to the house of representatives, by the chief clerk
32.14 of the house of representatives;

32.15 (2) for space currently allocated to the senate, by the secretary of the senate;

32.16 (3) for space currently allocated to the judicial branch, by the court administrator; and

32.17 (4) for space currently allocated to the attorney general's office, by the attorney
32.18 general.

32.19 **Subd. 3. Sequencing.** Construction work shall be sequenced to maintain occupancy
32.20 in the house of representatives and senate chambers during regular legislative sessions,
32.21 unless otherwise approved by the speaker of the house and the majority leader of the
32.22 senate for respective chambers.

32.23 **Subd. 4. Duties of commissioner.** (a) By January 15, 2013, the commissioner
32.24 of administration shall submit a space recommendation report to the majority leader
32.25 of the senate, the speaker of the house, and the chairs of the legislative committees
32.26 with primary jurisdiction over the Capitol Area Architectural and Planning Board. The
32.27 space recommendation report shall identify appropriate and required functions of the
32.28 Capitol building and make recommendations to address space requirements for the
32.29 tenants currently located in the Capitol building for the effective and efficient function
32.30 of state government. In preparing the report, the commissioner shall consult with the
32.31 Capitol Preservation Commission and representatives designated by the governor, the
32.32 secretary of the senate, the chief clerk of the house of representatives, the director of the
32.33 Minnesota Historical Society, and the state court administrator. Before the appropriations
32.34 in subdivision 2, clauses (4) and (5), may be spent, the recommendations in the report

33.1 must be approved by the governor, the secretary of the senate, and the chief clerk of the
33.2 house of representatives.

33.3 (b) By July 15, 2013, the commissioner shall submit a report describing final plans
33.4 and specifications for the restoration of the Capitol building to the majority leader of the
33.5 senate, the speaker of the house, and to the chairs of the committees in the senate and
33.6 house of representatives with primary jurisdiction over the Capitol Area Architectural and
33.7 Planning Board. Before the appropriations in subdivision 2, clauses (4) and (5), may be
33.8 spent, the plans and specifications must be approved by the governor, the secretary of the
33.9 senate, and the chief clerk of the house of representatives.

33.10 (c) Notwithstanding sections 16C.05, subdivision 2, paragraph (b); and 16C.08,
33.11 subdivision 3, clause (5), the commissioner of administration may enter into consultant
33.12 and construction contracts on the Capitol restoration and repair project with a term of
33.13 up to ten years.

33.14 (d) Notwithstanding section 16B.31, subdivision 2, the commissioner of
33.15 administration may proceed with the Capitol restoration and repair project before
33.16 obtaining an appropriation to complete the entire project.

33.17 (e) On or before December 1 of each year until final completion of the restoration
33.18 project, the commissioner of administration shall submit in writing to the governor, chairs
33.19 of the senate Finance and Capital Investment Committees, and chairs of the house of
33.20 representatives Ways and Means and Capital Investment Committees the estimated annual
33.21 amount needed for the restoration project for the upcoming fiscal year. The construction
33.22 manager and the commissioner shall enter into a guaranteed maximum price contract. In
33.23 the absence of an appropriation sufficient for the continued performance of work on
33.24 an annual basis as determined by the commissioner of administration, the construction
33.25 manager shall not be bound to complete the remaining work within the guaranteed
33.26 maximum price in the contract.

33.27 (f) With the approval of the commissioner of administration, the construction
33.28 manager may bid trade work in accordance with section 16C.34, subdivision 3, before
33.29 the enactment of an appropriation sufficient to fully fund the trade work for completion
33.30 of the full project described in the Comprehensive Master Plan. The construction
33.31 manager shall enter into guaranteed maximum price contracts with subcontractors for
33.32 the trade work. In the event the legislature fails to appropriate money sufficient for the
33.33 continued performance of work on an annual basis as determined by the commissioner
33.34 of administration, the subcontractors shall not be bound to complete the remaining work
33.35 within the guaranteed maximum price in the contract. Contracts with subcontractors for
33.36 trade work under this paragraph must include terms consistent with this paragraph.

34.1 Sec. 28. Minnesota Statutes 2010, section 16A.633, is amended by adding a
34.2 subdivision to read:

34.3 Subd. 4. **Report on jobs created or retained.** By September 1 of each
34.4 odd-numbered year, the commissioner must report to legislative committees with
34.5 jurisdiction over capital investment on the jobs created or retained as a result of capital
34.6 project funding by the state, whether with state general obligation bond proceeds or other
34.7 state funding sources, during the previous biennium. Each state agency must provide the
34.8 commissioner the information necessary, and must require its capital project grantees to
34.9 provide the information necessary, for the commissioner to make the report. The report
34.10 must include, but is not limited to, the following information: the number and types of
34.11 jobs for each project, whether the jobs are new or retained, where the jobs are located,
34.12 and pay ranges of the jobs. The Board of Regents of the University of Minnesota, the
34.13 Board of Trustees of the Minnesota State Colleges and Universities, and each state agency
34.14 receiving an appropriation for a capital project shall collect and provide the information at
34.15 the time and in the manner required by the commissioner.

34.16 Sec. 29. Minnesota Statutes 2011 Supplement, section 16A.641, subdivision 7, is
34.17 amended to read:

34.18 Subd. 7. **Credit of proceeds.** (a) Proceeds of bonds issued under each law must be
34.19 credited by the commissioner to a special fund, as provided in this subdivision. For the
34.20 purpose of this subdivision, "proceeds of bonds" means and includes the principal amount
34.21 of the bonds and any premium and accrued interest received on the sale of the bonds.

34.22 (b) Accrued interest received on sale of the bonds must be credited to the state bond
34.23 fund created by the Constitution, article XI, section 7. Any premium received on the sale
34.24 of the bonds on or prior to December 1, 2012, must be credited to the state bond fund. Any
34.25 premium received on the sale of the bonds, except for refunding bonds, after December 1,
34.26 2012, must be credited to either the bond proceeds fund where it is used to reduce the par
34.27 amount of the bonds issued or the state bond fund or used to reduce the par amount of the
34.28 bond issue at the time of sale. Any premium received on the sale of the refunding bonds,
34.29 after December 1, 2012, must be used or credited in accordance with paragraph (f).

34.30 (c) Except as otherwise provided by law, proceeds of state bonds issued under the
34.31 Constitution, article XI, section 5, clause (a), must be credited to the bond proceeds fund
34.32 established by section 16A.631.

34.33 (d) Proceeds of state highway bonds must be credited to the trunk highway fund
34.34 under the Constitution, article XIV, section 6.

35.1 (e) Proceeds of bonds issued for programs of grants or loans to political subdivisions
35.2 must be credited to special accounts in the bond proceeds fund or to special funds
35.3 established by laws stating the purposes of the grants or loans, and the standards and
35.4 criteria under which an executive agency is authorized to make them.

35.5 (f) Proceeds of refunding bonds must be either: (1) credited to the state bond fund
35.6 as provided in section 16A.66, subdivision 1; or (2) in the case of premium received on
35.7 the sale of the refunding bonds, used to reduce the par amount of the bond issue at the
35.8 time of the bond sale.

35.9 (g) Proceeds of other bonds must be credited as provided in the law authorizing
35.10 their issuance.

35.11 Sec. 30. Minnesota Statutes 2010, section 16A.641, subdivision 9, is amended to read:

35.12 Subd. 9. **Special accounts; appropriation.** (a) The commissioner shall establish
35.13 separate accounts in the state bond fund for:

35.14 (1) state building bonds, and for other state bonds issued for each program of
35.15 grants to political subdivisions for a particular class of capital expenditures, to record
35.16 debt service payments and receipts of amounts appropriated from the general fund under
35.17 subdivision 10;

35.18 (2) state highway bonds, to record debt service payments, receipts of amounts
35.19 appropriated for debt service from the trunk highway fund pursuant to the Constitution,
35.20 article XIV, section 6, and additional receipts, if any, of amounts appropriated from the
35.21 general fund under subdivision 10;

35.22 (3) state bonds issued for each capital loan and for each program of capital loans
35.23 to agencies or political subdivisions, to record debt service payments, receipts of loan
35.24 repayments appropriated for debt service or reimbursement of debt service by the law
35.25 authorizing the loan or program, and any additional receipts of amounts appropriated from
35.26 the general fund under subdivision 10; and

35.27 (4) refunding bonds, as provided in section 16A.66, subdivision 1.

35.28 (b) All money credited, transferred, or appropriated to the state bond fund and all
35.29 income from the investment of that money is appropriated to the commissioner for the
35.30 payment of principal and interest on state bonds or, in the case of premium received on the
35.31 sale of refunding bonds, as provided by subdivision 7, paragraph (f).

35.32 Sec. 31. Minnesota Statutes 2011 Supplement, section 16A.96, is amended by adding a
35.33 subdivision to read:

36.1 Subd. 10. Validation. (a) Appropriation bonds issued under this section may be
36.2 validated in the manner provided by this subdivision. If comparable appropriation bonds
36.3 are judicially determined to be valid, nothing in this subdivision shall be construed to
36.4 prevent sale or delivery of any appropriation bonds or notes after entry of a judgment of
36.5 validation by the Minnesota Supreme Court as provided in this subdivision with respect
36.6 to the appropriation bonds authorized under this section.

36.7 (b) Any appropriation bonds issued under this section that are validated shall be
36.8 validated in the manner provided by this subdivision.

36.9 (c) The Minnesota Supreme Court shall have original jurisdiction to determine the
36.10 validation of appropriation bonds and all matters connected with the issuance of the bonds.

36.11 (d) The commissioner may determine the commissioner's authority to issue
36.12 appropriation bonds and the legality of all proceedings in connection with issuing bonds.
36.13 For this purpose, a complaint shall be filed by the commissioner in the Minnesota Supreme
36.14 Court against the state and the taxpayers and citizens.

36.15 (e) As a condition precedent to filing of a complaint for the validation of
36.16 appropriation bonds, the commissioner shall take action providing for the issuance of
36.17 appropriation bonds in accordance with law.

36.18 (f) The complaint shall set out the state's authority to issue appropriation bonds, the
36.19 action or proceeding authorizing the issue and its adoption, all other essential proceedings
36.20 had or taken in connection with issuing bonds, the amount of the appropriation bonds to
36.21 be issued and the maximum interest they are to bear, and all other pertinent matters.

36.22 (g) The Minnesota Supreme Court shall issue an order directed against the state and
36.23 taxpayers, citizens, and others having or claiming any right, title, or interest affected by
36.24 the issuance of appropriation bonds, or to be affected by the bonds, allowing all persons,
36.25 in general terms and without naming them, and the state through its attorney general to
36.26 appear before the Minnesota Supreme Court at a designated time and place and show
36.27 why the complaint should not be granted and the proceedings and appropriation bonds
36.28 validated. A copy of the complaint and order shall be served on the attorney general at
36.29 least 20 days before the time fixed for hearing. The attorney general shall examine the
36.30 complaint, and, if it appears or there is reason to believe that it is defective, insufficient, or
36.31 untrue, or if in the opinion of the attorney general the issuance of the appropriation bonds
36.32 in question has not been duly authorized, defense shall be made by the attorney general as
36.33 the attorney general deems appropriate.

36.34 (h) Before the date set for hearing, as directed by the Minnesota Supreme Court,
36.35 either the clerk of the Minnesota Appellate Courts or the commissioner shall publish a
36.36 copy of the order in a legal newspaper of general circulation in Ramsey County and

37.1 the state, at least once each week for two consecutive weeks, commencing with the
37.2 first publication, which shall not be less than 20 days before the date set for hearing.
37.3 By this publication, all taxpayers, citizens, and others having or claiming any right,
37.4 title, or interest in the state, are made parties defendant to the action and the Minnesota
37.5 Supreme Court has jurisdiction of them to the same extent as if named as defendants in the
37.6 complaint and personally served with process.

37.7 (i) Any taxpayer, citizen, or person interested may become a party to the action by
37.8 moving against or pleading to the complaint at or before the time set for hearing. The
37.9 Minnesota Supreme Court shall determine all questions of law and fact and make orders
37.10 that will enable it to properly try and determine the action and render a final judgment
37.11 within 30 days of the hearing with the least possible delay.

37.12 (j) If the judgment validates appropriation bonds, the judgment is forever conclusive
37.13 as to all matters adjudicated and as against all parties affected and all others having or
37.14 claiming any right, title, or interest affected by the issuance of appropriation bonds, or to
37.15 be affected in any way by issuing the bonds, and the validity of appropriation bonds or of
37.16 any revenues pledged for the payment of the bonds, or of the proceedings authorizing the
37.17 issuance of the bonds, including any remedies provided for their collection, shall never
37.18 be called in question in any court by any person or party.

37.19 (k)(1) Appropriation bonds, when validated under this section, shall have stamped
37.20 or written on the bonds, by the proper officers of the state issuing them, a statement in
37.21 substantially the following form: "This bond is one of a series of appropriation bonds,
37.22 which were validated by judgment of the Supreme Court of the State of Minnesota,
37.23 rendered on, (year)"

37.24 (2) A certified copy of the judgment or decree shall be received as evidence in any
37.25 court in this state.

37.26 **Sec. 32. [16B.323] SOLAR ENERGY IN STATE BUILDINGS.**

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

37.29 (b) "Made in Minnesota" means the manufacture in this state of:

37.30 (i) components of a solar thermal system certified by the Solar Rating and
37.31 Certification Corporation; or

37.32 (ii) solar photovoltaic modules that:

37.33 (1) are manufactured at a manufacturing facility in Minnesota that is registered and
37.34 authorized to manufacture those solar photovoltaic modules by Underwriters Laboratory,
37.35 CSA International, Intertek, or an equivalent independent testing agency;

38.1 (2) bear certification marks from Underwriters Laboratory, CSA International,
38.2 Intertek, or an equivalent independent testing agency; and

38.3 (3) meet the requirements of section 116C.7791, subdivision 3, paragraph (a),
38.4 clauses (1), (5), and (6).

38.5 For the purposes of clause (ii), "manufactured" has the meaning given in section
38.6 116C.7791, subdivision 1, paragraph (b), clauses (1) and (2).

38.7 (c) "Major renovation" means a substantial addition to an existing building, or
38.8 a substantial change to the interior configuration or the energy system of an existing
38.9 building.

38.10 (d) "Solar energy system" means solar photovoltaic modules alone or installed in
38.11 conjunction with a solar thermal system.

38.12 (e) "Solar photovoltaic module" has the meaning given in section 116C.7791,
38.13 subdivision 1, paragraph (e).

38.14 (f) "Solar thermal system" has the meaning given "qualifying solar thermal project"
38.15 in section 216B.2411, subdivision 2, paragraph (e).

38.16 (g) "State building" means a building whose construction or renovation is paid
38.17 wholly or in part by the state from the bond proceeds fund.

38.18 Subd. 2. **Solar energy system.** (a) As provided in paragraphs (b) to (e), a project
38.19 for the construction or major renovation of a state building, after the completion of a
38.20 cost-benefit analysis, may include installation of "Made in Minnesota" solar energy
38.21 systems of 40 kilowatts capacity on, adjacent, or in proximity to the state building.

38.22 (b) The capacity of a solar system must be less than 40 kilowatts to the extent
38.23 necessary to match the electrical load of the building or to the extent necessary to keep the
38.24 costs for the installation below the five percent maximum set by paragraph (c).

38.25 (c) The cost of the solar system must not exceed five percent of the appropriations
38.26 from the bond proceeds fund for the construction or renovation of the state building.
38.27 Purchase and installation of a solar thermal system may account for no more than 25
38.28 percent of the cost of a solar system installation.

38.29 (d) The commissioner may exempt a major renovation of a state building from the
38.30 requirements of this section if the commissioner finds that the structural soundness or
38.31 other physical condition of the state building to be renovated makes the installation of a
38.32 solar energy system infeasible.

38.33 (e) The commissioner may exempt appropriations for construction or major
38.34 renovation of a state building authorized before June 30, 2012, from the requirements of
38.35 this section if the commissioner determines that the installation of a solar energy system

39.1 would require the redesign of program space or major building systems, but in no event
39.2 shall more than 20 percent of the applicable projects be exempted under this paragraph.

39.3 (f) A project subject to this section is ineligible to receive a rebate for the installation
39.4 of a solar energy system under section 116C.7791 or from any utility.

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

39.6 Sec. 33. **[116J.433] BUSINESS DEVELOPMENT THROUGH CAPITAL**
39.7 **PROJECTS GRANT PROGRAM.**

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

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

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

39.14 (2) "governing body" means the city council, board of county commissioners, town
39.15 board of supervisors, board of trustees, board of regents, or other body charged with
39.16 governing a political subdivision of the state;

39.17 (3) "public infrastructure" means publicly owned physical infrastructure in this state,
39.18 including, but not limited to, wastewater collection and treatment systems, drinking water
39.19 systems, storm sewers, utility extensions, telecommunications infrastructure, streets,
39.20 roads, bridges, and parking ramps; and

39.21 (4) "eligible project" means any project for which general obligation bonds of
39.22 the state may be issued. Eligible projects must be capital projects for acquisition or
39.23 improvement of publicly owned fixed assets having a useful life of at least ten years.

39.24 Subd. 3. **Grant program established.** The commissioner shall make competitive
39.25 grants to local governmental units for eligible projects and public infrastructure required
39.26 to support an eligible project, which may include: predesign, design, acquisition of land or
39.27 buildings, construction, furnishing, and equipping a new or renovated building. The local
39.28 government unit may employ or contract with persons, firms, or corporations to perform
39.29 one or more or all of the functions of architect, engineer, or construction manager with
39.30 respect to all or any part of an eligible project and related public infrastructure. The local
39.31 government unit may deliver the eligible project and related public infrastructure through
39.32 either a design-build or construction manager at-risk method. To the extent practicable
39.33 and at the discretion of the local government unit, the local government unit may have
39.34 rights and exercise powers with respect to the acquisition, construction, use, and operation
39.35 of an eligible project, as are granted under section 473.756. No consent or approval of

40.1 another political subdivision is required for the effectiveness or the exercise by a local
40.2 government unit of the rights or powers.

40.3 Subd. 4. **Application.** (a) A local governmental unit must apply to the commissioner
40.4 for a grant under this section. At a minimum, a local governmental unit must include the
40.5 following information in its application:

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

40.8 (2) a detailed estimate, along with necessary supporting evidence, of the total costs
40.9 of the eligible project;

40.10 (3) an assessment of the potential or likely use of the site for innovative business
40.11 activities after completion of the eligible project;

40.12 (4) a timeline indicating the major milestones for the eligible project, including
40.13 anticipated completion dates;

40.14 (5) an estimate of the operating costs for the project for ten years following
40.15 completion; and

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

40.17 (b) The determination of whether to make a grant under subdivision 3 is within the
40.18 discretion of the commissioner, subject to this section.

40.19 Subd. 5. **Match.** An amount granted under this program must be matched with at
40.20 least an equal amount from nonstate sources. Any contribution to a project from nonstate
40.21 sources made before a grant award is made under this section shall count towards the
40.22 match requirement.

40.23 Subd. 6. **Priorities.** (a) If applications for grants exceed the available appropriation,
40.24 grants must be made for projects that, in the commissioner's judgment, provide the
40.25 highest return in public benefits for the public costs incurred. In making this judgment,
40.26 the commissioner shall evaluate and prioritize eligible projects on the following
40.27 characteristics:

40.28 (1) creation of new jobs, retention of existing jobs, or improvements in the quality of
40.29 existing jobs as measured by the wages, skills, or education associated with those jobs;

40.30 (2) improvement in the quality of existing jobs, based on increases in wages or
40.31 improvements in the job duties, training, or education associated with those jobs;

40.32 (3) increase in the local tax base, based on demonstrated measurable outcomes;

40.33 (4) demonstration that investment of public dollars in the project will induce private
40.34 investment;

40.35 (5) whether the project provides necessary repair or replacement of existing capital
40.36 assets;

41.1 (6) whether the project reduces operating expenses of or increases revenue from
41.2 existing capital asset, thereby offsetting at least a portion of project costs;

41.3 (7) whether the project provides health or safety benefits;

41.4 (8) the number of residents served by or who will benefit from the project;

41.5 (9) demonstration of local support;

41.6 (10) the capacity of the project to attract revenue from out of state; and

41.7 (11) objective cost benefit analysis and return on investment.

41.8 (b) The factors in paragraph (a) are not listed in a rank order of priority; rather, the
41.9 commissioner may weigh each factor, depending upon the facts and circumstances, as the
41.10 commissioner considers appropriate. In prioritizing projects, the commissioner shall make
41.11 an appropriate balance between the metropolitan area and greater Minnesota.

41.12 Subd. 7. **Sunset.** This section expires June 30, 2016.

41.13 Sec. 34. **[116J.436] TRANSPORTATION ECONOMIC DEVELOPMENT**
41.14 **INFRASTRUCTURE PROGRAM.**

41.15 Subdivision 1. **Grant program established; purpose.** The transportation economic
41.16 development infrastructure program is created to foster interagency coordination between
41.17 the Departments of Transportation and Employment and Economic Development to
41.18 finance infrastructure to create economic development opportunities, jobs, and improve all
41.19 types of transportation systems statewide.

41.20 Subd. 2. **Eligible projects.** Funds appropriated for the program must be used to
41.21 fund predesign, design, acquisition of land, construction, reconstruction, and infrastructure
41.22 improvements that will promote economic development, increase employment, and
41.23 improve transportation systems to accommodate private investment and job creation.

41.24 Subd. 3. **Trunk highway projects.** Money in the program shall not be used on
41.25 trunk highway improvements, but can be used for needed infrastructure improvements
41.26 and nontrunk highway improvements in coordination with trunk highway improvement
41.27 projects undertaken by the Department of Transportation.

41.28 Subd. 4. **Application.** The commissioners of transportation and employment and
41.29 economic development shall design an application process and selection process to
41.30 distribute funding to local units of government for publicly owned infrastructure using
41.31 criteria that take into account: job creation; increase in local tax base; level of private
41.32 investment; leverage of nonstate funds; improvement to the transportation system to serve
41.33 the project area; and appropriate geographic balance between the metropolitan area and
41.34 greater Minnesota.

42.1 Sec. 35. Minnesota Statutes 2010, section 462A.21, is amended by adding a
42.2 subdivision to read:

42.3 Subd. 33. **Housing infrastructure bonds account.** The agency may establish a
42.4 housing infrastructure bond account as a separate account within the housing development
42.5 fund. Proceeds of housing infrastructure bonds and payments made by the state under
42.6 section 462A.37 may be credited to the account. The agency may transfer the proceeds of
42.7 housing infrastructure bonds to other accounts within the housing development fund that it
42.8 determines appropriate to accomplish the purposes for which the bonds are authorized
42.9 under section 462A.37.

42.10 Sec. 36. **[462A.37] HOUSING INFRASTRUCTURE BONDS;**
42.11 **AUTHORIZATION; STANDING APPROPRIATION.**

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

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

42.15 (c) "Community land trust" means an entity that meets the requirements of section
42.16 462A.31, subdivisions 1 and 2.

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

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

42.23 (f) "Housing infrastructure bonds" means bonds issued by the agency under chapter
42.24 462A that are qualified 501(c)(3) bonds, within the meaning of Section 145(a) of the
42.25 Internal Revenue Code, or are tax-exempt bonds that are not private activity bonds, within
42.26 the meaning of Section 141(a) of the Internal Revenue Code, for the purpose of financing
42.27 or refinancing affordable housing authorized under this chapter.

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

42.29 (h) "Supportive housing" means housing that is not time-limited and provides or
42.30 coordinates with linkages to services necessary for residents to maintain housing stability
42.31 and maximize opportunities for education and employment.

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

43.1 authorized in this subdivision may be issued to fund loans, on terms and conditions the
43.2 agency deems appropriate, made for one or more of the following purposes:

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

43.5 (2) to finance the costs of the acquisition and rehabilitation of foreclosed or
43.6 abandoned housing to be used for affordable rental housing and the costs of new
43.7 construction of rental housing on abandoned or foreclosed property where the existing
43.8 structures will be demolished or removed;

43.9 (3) to finance that portion of the costs of acquisition of abandoned or foreclosed
43.10 property that is attributable to the land to be leased by community land trusts to low-
43.11 and moderate-income homebuyers; and

43.12 (4) to finance the costs of acquisition and rehabilitation of federally assisted rental
43.13 housing and for the refinancing of costs of the construction, acquisition, and rehabilitation
43.14 of federally assisted rental housing, including providing funds to refund, in whole or in
43.15 part, outstanding bonds previously issued by the agency or another governmental unit to
43.16 finance or refinance such costs.

43.17 (b) Among comparable proposals for permanent supportive housing, preference
43.18 shall be given to permanent supportive housing for individuals or families who: (1) either
43.19 have been without a permanent residence for at least 12 months or at least four times in
43.20 the last three years; or (2) are at significant risk of lacking a permanent residence for 12
43.21 months or at least four times in the last three years.

43.22 Subd. 3. **No full faith and credit.** The housing infrastructure bonds are not public
43.23 debt of the state, and the full faith and credit and taxing powers of the state are not pledged
43.24 to the payment of the housing infrastructure bonds or to any payment that the state agrees
43.25 to make under this section. The bonds must contain a conspicuous statement to that effect.

43.26 Subd. 4. **Appropriation; payment to agency or trustee.** (a) The agency must
43.27 certify annually to the commissioner of management and budget the actual amount of
43.28 annual debt service on each series of bonds issued under subdivision 2.

43.29 (b) Each July 15, beginning in 2013 and through 2035, if any housing infrastructure
43.30 bonds issued under subdivision 2 remain outstanding, the commissioner of management
43.31 and budget must transfer to the affordable housing bond account established under
43.32 section 462A.21, subdivision 33, the amount certified under paragraph (a), not to exceed
43.33 \$2,200,000 annually. The amounts necessary to make the transfers are appropriated from
43.34 the general fund to the commissioner of management and budget.

43.35 (c) The agency may pledge to the payment of the housing infrastructure bonds the
43.36 payments to be made by the state under this section.

44.1 Sec. 37. Laws 2006, chapter 258, section 7, subdivision 23, as amended by Laws 2010,
 44.2 chapter 399, section 2, is amended to read:

44.3 Subd. 23. **Trail connections** 2,010,000

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

44.6 \$500,000 is for a grant to Carlton County
 44.7 to predesign, design, and construct a
 44.8 nonmotorized pedestrian trail connection
 44.9 to the Willard Munger State Trail from the
 44.10 city of Carlton through the city of Scanlon
 44.11 continuing to the city of Cloquet, along the
 44.12 St. Louis River in Carlton County.

44.13 \$260,000 is to provide the state match for the
 44.14 cost of the Soo Line Multiuse Recreational
 44.15 Bridge project over marked Trunk Highway
 44.16 169 in Mille Lacs County.

44.17 \$175,000 is for a grant to the city of Bowlus
 44.18 in Morrison County to design, construct,
 44.19 furnish, and equip a trailhead center at the
 44.20 head of the Soo Line Recreational Trail.

44.21 \$125,000 is for a grant to Morrison
 44.22 County to predesign, design, construct,
 44.23 furnish, and equip a park-and-ride lot and
 44.24 restroom building adjacent to the Soo Line
 44.25 Recreational Trail at U.S. Highway 10.

44.26 \$950,000 is for a grant to the St. Louis
 44.27 and Lake Counties Regional Railroad
 44.28 Authority for land acquisition, engineering,
 44.29 construction, furnishing, and equipping of
 44.30 a ~~19-mile "Boundary Waters Connection"~~
 44.31 ~~of the Mesabi Trail from Bearhead State~~
 44.32 ~~Park to the International Wolf Center in~~
 44.33 ~~Ely. This appropriation is contingent upon~~
 44.34 ~~a matching contribution of \$950,000 from~~

45.1 ~~other sources, public or private~~ segment of
 45.2 the Mesabi Trail from County Road 697 in
 45.3 Breitung Township east through Vermilion
 45.4 State Park. Notwithstanding Minnesota
 45.5 Statutes, section 85.019, no local match shall
 45.6 be required for this grant. Notwithstanding
 45.7 Minnesota Statutes, section 16A.642, the
 45.8 bond authorization and appropriation of bond
 45.9 proceeds for this project are available until
 45.10 June 30, 2014.

45.11 Sec. 38. Laws 2006, chapter 258, section 17, subdivision 3, is amended to read:

45.12 Subd. 3. **Cedar Avenue Bus Rapid Transit**
 45.13 **(BRT)** 5,000,000

45.14 To the Metropolitan Council or to the council
 45.15 to grant to Dakota County, the Dakota
 45.16 County Regional Railroad Authority, or
 45.17 the Minnesota Valley Transit Authority
 45.18 for environmental studies, preliminary
 45.19 engineering, bus lane improvements, and
 45.20 transit station construction and improvements
 45.21 in the Cedar Avenue Bus Rapid Transit
 45.22 Corridor.

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

45.26 **EFFECTIVE DATE.** This section is effective retroactively from June 2, 2006.

45.27 Sec. 39. Laws 2008, chapter 179, section 7, subdivision 27, as amended by Laws 2010,
 45.28 chapter 189, section 56, and Laws 2010, chapter 399, section 4, is amended to read:

45.29 Subd. 27. **State Trail Acquisition,**
 45.30 **Rehabilitation, and Development** 15,320,000

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

- 46.1 \$970,000 is for the Chester Woods Trail
46.2 from Rochester to Dover. Notwithstanding
46.3 Minnesota Statutes, section 16A.642, the
46.4 bond authorization and appropriation of bond
46.5 proceeds for this project are available until
46.6 June 30, 2016.
- 46.7 \$700,000 is for the Casey Jones Trail.
- 46.8 \$750,000 is for the Gateway Trail, to replace
46.9 an at-grade crossing of the Gateway Trail
46.10 at Highway 120 with a grade-separated
46.11 crossing.
- 46.12 \$1,600,000 is for the Gitchi-Gami Trail
46.13 between Silver Bay and Tettegouche State
46.14 Park.
- 46.15 \$1,500,000 is for the Great River Ridge Trail
46.16 from Plainview to Elgin to Eyota.
- 46.17 \$1,500,000 is for the Heartland Trail.
- 46.18 \$500,000 is for the Mill Towns Trail from
46.19 Lake Byllesby Park to Cannon Falls.
46.20 Notwithstanding Minnesota Statutes,
46.21 section 16A.642, the bond authorization
46.22 and appropriation of bond proceeds for this
46.23 project are available until December 30,
46.24 2014.
- 46.25 \$150,000 is for the Mill Towns Trail within
46.26 the city of Faribault.
- 46.27 \$1,500,000 is for the Minnesota River
46.28 Trail from Appleton to Milan and to
46.29 the Marsh Lake Dam. Notwithstanding
46.30 Minnesota Statutes, section 16A.642, the
46.31 bond authorization and appropriation of bond
46.32 proceeds for this project are available until
46.33 December 30, 2014.

47.1 \$2,000,000 is for the Paul Bunyan Trail from
 47.2 Walker to Guthrie.

47.3 \$250,000 is for the Root River Trail from
 47.4 Preston to Forestville State Park.

47.5 \$100,000 is for the Root River Trail, the
 47.6 eastern extension.

47.7 \$250,000 is for the Root River Trail, the
 47.8 eastern extension Wagon Wheel.

47.9 \$550,000 is to connect the Stagecoach Trail
 47.10 with the Douglas Trail in Olmsted County.

47.11 Notwithstanding Minnesota Statutes,
 47.12 section 16A.642, the bond authorization
 47.13 and appropriation of bond proceeds for this
 47.14 project are available until June 30, 2014.

47.15 \$3,000,000 is to rehabilitate state trails.

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

47.25 Sec. 40. Laws 2008, chapter 179, section 17, subdivision 4, is amended to read:

47.26 Subd. 4. **Cedar Avenue Bus Rapid Transit** 4,000,000

47.27 To the Metropolitan Council or to the
 47.28 Council to grant to Dakota County, the
 47.29 Dakota County Regional Railroad Authority,
 47.30 or the Minnesota Valley Transit Authority to
 47.31 acquire land, or an interest in land, and ~~to~~ for
 47.32 design, environmental studies, preliminary
 47.33 engineering, bus lane improvements, layover

48.1 and maintenance facilities, and transit station
 48.2 construction and improvements in the Cedar
 48.3 Avenue Bus Rapid Transit corridor in Dakota
 48.4 County. This appropriation may not be spent
 48.5 for capital improvements within a trunk
 48.6 highway right-of-way. This appropriation
 48.7 is added to the appropriation in Laws 2006,
 48.8 chapter 258, section 17, subdivision 3.

48.9 **EFFECTIVE DATE.** This section is effective retroactively from April 8, 2008.

48.10 Sec. 41. Laws 2008, chapter 179, section 18, subdivision 3, as amended by Laws 2011,
 48.11 First Special Session chapter 12, section 32, is amended to read:

48.12 **Subd. 3. Systemwide Campus Redevelopment,**
 48.13 **Reuse, or Demolition**

3,400,000

48.14 To demolish surplus, nonfunctional, or
 48.15 deteriorated facilities and infrastructure
 48.16 or to renovate surplus, nonfunctional, or
 48.17 deteriorated facilities and infrastructure
 48.18 at Department of Human Services
 48.19 campuses. These projects must facilitate the
 48.20 redevelopment or reuse of these campuses
 48.21 consistent with redevelopment plan concepts
 48.22 developed and approved under Laws
 48.23 2003, First Special Session chapter 14,
 48.24 article 6, section 64, subdivision 2. If
 48.25 a surplus campus is sold or transferred
 48.26 to a local unit of government, unspent
 48.27 portions of this appropriation may be
 48.28 granted to that local unit of government
 48.29 for the purposes stated in this subdivision.
 48.30 Unspent portions of this appropriation may
 48.31 be used to design, construct, furnish, and
 48.32 equip a maintenance and storage facility to
 48.33 support the maintenance and operation of
 48.34 the Brainerd campus if the commissioner
 48.35 determines that it is less expensive than

49.1 renovating existing space. Notwithstanding
 49.2 Minnesota Statutes, section 16A.642, the
 49.3 bond authorization and appropriation of bond
 49.4 proceeds for this project are available until
 49.5 December 30, 2014.

49.6 Up to \$125,000 is for preparation and
 49.7 site development, including demolition of
 49.8 buildings and infrastructure, to implement
 49.9 the redevelopment and reuse of the Ah Gwah
 49.10 Ching Regional Treatment Center. This
 49.11 amount may be granted to Cass County for
 49.12 the purposes stated in this subdivision. If the
 49.13 campus is sold or transferred by Cass County
 49.14 to the city of Walker, unspent portions of
 49.15 this appropriation may be granted to the city
 49.16 of Walker for the purposes stated in this
 49.17 subdivision.

49.18 Sec. 42. Laws 2008, chapter 179, section 19, subdivision 4, as amended by Laws 2011,
 49.19 First Special Session chapter 12, section 34, is amended to read:

49.20 Subd. 4. **Minneapolis Veterans Home Campus**

49.21 **Building 17 HVAC Replacement** 1,155,000

49.22 To predesign, design, and construct
 49.23 improvements to heating, ventilation, air
 49.24 conditioning, and lighting systems and
 49.25 associated areas serving the south wing of
 49.26 Building 17. Any unspent funds from this
 49.27 appropriation may be used for the purposes
 49.28 provided under Laws 2010, chapter 189,
 49.29 section 19, subdivision 4, as amended by
 49.30 Laws 2010, chapter 399, section 8, and
 49.31 Laws 2011, First Special Session chapter 12,
 49.32 section 46.

50.1 Sec. 43. Laws 2008, chapter 179, section 21, subdivision 15, as amended by Laws
 50.2 2008, chapter 365, section 22, and Laws 2008, chapter 370, section 6, is amended to read:

50.3 **Subd. 15. St. Cloud State University - National**
 50.4 **Hockey Center; HEAPR** 6,500,000

50.5 To the Board of Trustees of the Minnesota
 50.6 State Colleges and Universities to predesign,
 50.7 design, construct, furnish, and equip the
 50.8 renovation of and addition to the National
 50.9 Hockey Center or for higher education asset
 50.10 preservation and replacement (HEAPR)
 50.11 pursuant to Minnesota Statutes, section
 50.12 135A.046, at St. Cloud State University or
 50.13 systemwide. The board may use university
 50.14 and nonstate money for the remainder of
 50.15 the cost of the construction of the National
 50.16 Hockey Center project. Notwithstanding
 50.17 Minnesota Statutes, section 16A.642, the
 50.18 bond authorization and appropriation of bond
 50.19 proceeds in this subdivision are available
 50.20 until June 30, 2016.

50.21 Sec. 44. Laws 2009, chapter 93, article 1, section 12, subdivision 2, is amended to read:

50.22 **Subd. 2. Transit Capital Improvement**
 50.23 **Program** 21,000,000

50.24 (a) To the Metropolitan Council. \$8,500,000
 50.25 is for the state's share of costs for the Central
 50.26 Corridor light rail line for one or more of the
 50.27 following activities: preliminary engineering,
 50.28 final design, property acquisition, including
 50.29 improvements and betterments of a capital
 50.30 nature, relocation of utilities owned by public
 50.31 entities, and construction.

50.32 (b) Any remaining money from this
 50.33 appropriation is to implement one or more of
 50.34 the following capital improvements, which
 50.35 are not listed in a ranked order of priority.

51.1 The council shall determine project priorities
51.2 after consultation with the Counties Transit
51.3 Improvement Board, and other stakeholders,
51.4 as appropriate. The council shall seek
51.5 geographic balance in the allotment of this
51.6 appropriation where possible and maximize
51.7 the use of all available federal money from
51.8 the American Recovery and Reinvestment
51.9 Act of 2009, Public Law 111-5, and any
51.10 other available federal money.

51.11 (1) Bottineau Boulevard Transit Way

51.12 For a grant to the Hennepin County Regional
51.13 Railroad Authority for environmental work
51.14 for Bottineau Transit Way corridor from the
51.15 Hiawatha light rail and Northstar intermodal
51.16 transit station in downtown Minneapolis to
51.17 the vicinity of the Target development in
51.18 northern Brooklyn Park or the Arbor Lakes
51.19 retail area in Maple Grove.

51.20 (2) Cedar Avenue Bus Rapid Transit

51.21 To the Metropolitan Council or to the council
51.22 for a grant to Dakota County, the Dakota
51.23 County Regional ~~Rail~~ Railroad Authority,
51.24 or the Minnesota Valley Transit Authority
51.25 to acquire real property ~~and construct,~~ for
51.26 preliminary engineering, and to design
51.27 and construct transit stations, layover
51.28 and maintenance facilities, and roadway
51.29 improvements for shoulder running bus lanes
51.30 on County State-Aid Highway 23 in Apple
51.31 Valley and Lakeville for the Cedar Avenue
51.32 Bus Rapid Transit Way (BRT) in Dakota
51.33 County.

51.34 (3) I-94 Corridor Transit Way

- 52.1 (i) For a grant to Washington County
52.2 Regional Rail Authority for environmental
52.3 work and preliminary engineering of
52.4 transportation and transit improvements,
52.5 including busways, park-and-rides, or rail
52.6 transit, in the marked Interstate Highway 94
52.7 corridor.
- 52.8 (ii) To acquire property and construct
52.9 transportation and transit improvements,
52.10 including busways, park-and-rides, or rail
52.11 transit, in the marked Interstate Highway 94
52.12 corridor.
- 52.13 (4) Red Rock Corridor Transit Way
- 52.14 To design, construct, and furnish
52.15 park-and-ride lots for the Red Rock
52.16 Corridor Transit Way between Hastings and
52.17 Minneapolis via St. Paul, and any extension
52.18 between Hastings and Red Wing.
- 52.19 (5) Riverview Corridor Transit Way
- 52.20 For a grant to the Ramsey County Regional
52.21 Railroad Authority for environmental work
52.22 and preliminary engineering for bus rapid
52.23 transit in the Riverview corridor between the
52.24 east side of St. Paul and the Minneapolis-St.
52.25 Paul International Airport and the Mall of
52.26 America.
- 52.27 (6) Robert Street Corridor Transit Way
- 52.28 To design and construct new passenger
52.29 shelters and a bus layover facility, including
52.30 rest rooms, break areas, and a passenger
52.31 shelter, in the Robert Street Corridor Transit
52.32 Way along or parallel to U.S. Highway
52.33 52 and Robert Street from within the city

53.1 of St. Paul to Dakota County Road 42 in
53.2 Rosemount.

53.3 (7) Rush Line Corridor Transit Way

53.4 For a grant to the Ramsey County Regional
53.5 Railroad Authority to acquire land for,
53.6 design, and construct park-and-ride or
53.7 park-and-pool lots located along the Rush
53.8 Line Corridor along I-35E/I-35 and Highway
53.9 61 from the Union Depot in downtown St.
53.10 Paul to Hinckley.

53.11 (8) Southwest Corridor Transit Way

53.12 To prepare an environmental impact
53.13 statement (EIS) and for preliminary
53.14 engineering for the Southwest Transit Way
53.15 Corridor, from the Hiawatha light rail in
53.16 downtown Minneapolis to the vicinity of the
53.17 Southwest Station transit hub in Eden Prairie.
53.18 The Metropolitan Council may grant a
53.19 portion of this appropriation to the Hennepin
53.20 County Regional Railroad Authority for the
53.21 EIS work.

53.22 (9) Union Depot

53.23 For a grant to the Ramsey County Regional
53.24 Railroad Authority to acquire land and
53.25 structures, to renovate structures, and
53.26 for design, engineering, and construction
53.27 to revitalize Union Depot for use as a
53.28 multimodal transit center in St. Paul. The
53.29 center must be designed so that it facilitates a
53.30 potential future connection of high-speed rail
53.31 to Minneapolis.

53.32 (c) Of this amount, \$313,000 is for
53.33 preliminary engineering and final design for
53.34 betterments in the State Capitol area related

54.1 to the Central Corridor light rail transit
 54.2 project. This money is not included in the
 54.3 Central Corridor light rail transit project
 54.4 budget.

54.5 **EFFECTIVE DATE.** This section is effective retroactively from May 17, 2009.

54.6 Sec. 45. Laws 2010, chapter 189, section 18, subdivision 5, is amended to read:

54.7 Subd. 5. **Minnesota Sex Offender Program**
 54.8 **Treatment Facilities - Moose Lake** 47,500,000

54.9 To complete design for and to construct,
 54.10 furnish, and equip phase 2 of the Minnesota
 54.11 sex offender treatment program at Moose
 54.12 Lake. Upon substantial completion
 54.13 of this project, the unspent portion of
 54.14 this appropriation is available for asset
 54.15 preservation projects for the Moose Lake
 54.16 campus of the Minnesota sex offender
 54.17 program, including design and construction
 54.18 of a replacement water tower, abatement
 54.19 of hazardous materials, and the demolition
 54.20 of the existing water tower serving the
 54.21 Moose Lake sex offender program and the
 54.22 Department of Corrections Moose Lake
 54.23 facility. The water tower project must
 54.24 be cost-shared with the Department of
 54.25 Corrections.

54.26 Sec. 46. Laws 2010, chapter 189, section 24, subdivision 3, is amended to read:

54.27 Subd. 3. **County and Local Preservation**
 54.28 **Grants** 1,000,000

54.29 To be allocated to county and local
 54.30 jurisdictions as matching money for historic
 54.31 preservation projects of a capital nature,
 54.32 as provided in Minnesota Statutes, section
 54.33 138.0525.

55.1 ~~\$150,000 is for a grant to the city of South St.~~
 55.2 ~~Paul to renovate the historically significant~~
 55.3 ~~1941 Navy Hangar at 310 Airport Road at~~
 55.4 ~~Fleming Field in the city to meet life safety~~
 55.5 ~~and building code requirements, subject to~~
 55.6 ~~Minnesota Statutes, section 16A.695. No~~
 55.7 ~~local match is required for this grant.~~

55.8 Sec. 47. Laws 2011, First Special Session chapter 12, section 3, subdivision 7, is
 55.9 amended to read:

55.10 Subd. 7. **Normandale Community College**

55.11 **Academic Partnership Center and Student**
 55.12 **Services**

21,984,000

55.13 To design, construct, furnish, and equip a
 55.14 new building for classrooms and offices ~~and~~
 55.15 ~~to design, construct, furnish, and equip the~~
 55.16 ~~renovation of the Student Services Building.~~

55.17 Sec. 48. Laws 2011, First Special Session chapter 12, section 3, subdivision 8, is
 55.18 amended to read:

55.19 Subd. 8. **NHED Mesabi Range Community**
 55.20 **and Technical College, Virginia**

55.21 **Iron Range Engineering Program Facilities**

3,000,000

55.22 To predesign, design, construct, furnish,
 55.23 and equip an addition to and renovation of
 55.24 existing space for the Iron Range engineering
 55.25 program, including laboratory spaces, other
 55.26 learning spaces, and improvements to the
 55.27 entrance, ~~and to acquire a privately owned~~
 55.28 ~~housing facility on the campus.~~

55.29 Sec. 49. Laws 2011, First Special Session chapter 12, section 14, subdivision 2,
 55.30 is amended to read:

55.31 Subd. 2. **Transit Capital Improvement**
 55.32 **Program**

20,000,000

56.1 To the Metropolitan Council or for the
 56.2 Council to grant to Anoka County Regional
 56.3 Railroad Authority, Dakota County, Dakota
 56.4 County Regional Railroad Authority,
 56.5 Hennepin County, Hennepin County
 56.6 Regional Railroad Authority, Minnesota
 56.7 Valley Transit Authority, Ramsey County
 56.8 Regional Railroad Authority, or Washington
 56.9 County Regional Railroad Authority to
 56.10 perform environmental studies, preliminary
 56.11 engineering, acquire property or an interest
 56.12 in property, design or construct transitway
 56.13 facilities and infrastructure, including
 56.14 roadways, for the following transitway
 56.15 projects: Northstar Ramsey station,
 56.16 Gateway (I-94 East) corridor, Minneapolis
 56.17 Interchange facility, Red Rock corridor,
 56.18 Newport park-and-ride and station, Rush
 56.19 Line corridor, Robert Street corridor, 35W
 56.20 South Bus Rapid Transit, and Cedar Avenue
 56.21 Bus Rapid Transit.

56.22 Sec. 50. Laws 2011, First Special Session chapter 12, section 19, is amended to read:

56.23 **Sec. 19. PUBLIC FACILITIES AUTHORITY** **\$ 20,000,000**

56.24 **Wastewater Infrastructure Funding Program**

56.25 To the Public Facilities Authority for
 56.26 grants to eligible municipalities under the
 56.27 wastewater infrastructure funding program
 56.28 under Minnesota Statutes, section 446A.072.

56.29 Notwithstanding the criteria and requirements
 56.30 of Minnesota Statutes, section 446A.072,
 56.31 up to \$1,000,000 of this appropriation is for
 56.32 a grant to the city of Albert Lea to design,
 56.33 construct, and equip water and sewer utilities
 56.34 in the area of Broadway Avenue and Main

57.1 Street. This project may include demolition
 57.2 of deteriorating concrete curbs, gutters,
 57.3 sidewalks, and streets above the utilities,
 57.4 and the construction costs to replace and
 57.5 rehabilitate the infrastructure.

57.6 Sec. 51. Laws 2011, First Special Session chapter 12, section 22, is amended to read:

57.7 Sec. 22. **BOND SALE SCHEDULE.**

57.8 The commissioner of management and budget shall schedule the sale of state
 57.9 general obligation bonds so that, during the biennium ending June 30, 2013, no more than
 57.10 ~~\$1,200,858,000~~ \$1,088,452,000 will need to be transferred ~~from the general fund~~ to the
 57.11 state bond fund to pay principal and interest due and to become due on outstanding state
 57.12 general obligation bonds. Of the amount transferred, \$452,708,000 is from the general
 57.13 fund and \$635,745,000 is from the tobacco settlement bond proceeds fund. During
 57.14 the biennium, before each sale of state general obligation bonds, the commissioner of
 57.15 management and budget shall calculate the amount of debt service payments needed on
 57.16 bonds previously issued and shall estimate the amount of debt service payments that will
 57.17 be needed on the bonds scheduled to be sold. The commissioner shall adjust the amount
 57.18 of bonds scheduled to be sold so as to remain within the limit set by this section. The
 57.19 amount needed to make the debt service payments is appropriated from the general fund
 57.20 as provided in Minnesota Statutes, section 16A.641.

57.21 Sec. 52. **LAKE SUPERIOR-POPLAR RIVER WATER DISTRICT.**

57.22 Subdivision 1. Establishment. The Lake Superior-Poplar River Water District is
 57.23 created as a municipal corporation, having the powers provided under Minnesota Statutes,
 57.24 chapters 110A; 429, notwithstanding any provision of chapter 110A to the contrary; and
 57.25 444. Notwithstanding any law to the contrary, the district shall not have the power to issue
 57.26 general obligation bonds. Minnesota Statutes, sections 110A.04, 110A.07, and 110A.09 to
 57.27 110A.18, shall not apply to the district or to the board created by this act.

57.28 Subd. 2. Definitions. For purposes of applying Minnesota Statutes, chapter 110A,
 57.29 to this act, "works" and "systems" shall include irrigation purposes, "court" is deemed to
 57.30 refer to the board of county commissioners; and "secretary of state" is deemed to refer to
 57.31 the county auditor.

57.32 Subd. 3. Territory included in district. The territory of the district shall include
 57.33 all lands within Sections 20, 21, 28, 29, 32, and 33 of Township 60 North, Range 3 West

58.1 of the Fourth Principal Meridian. Additional territory may be added as provided in
58.2 Minnesota Statutes, sections 110A.19 to 110A.22.

58.3 Subd. 4. **Payment of costs.** No person shall be obligated to purchase or be entitled
58.4 to receive water from the district unless that person is a party to a contract to purchase
58.5 water from the district. Excluding any initial capital investment funded by the state, all
58.6 capital and operating expenses of the district shall be paid by the users in proportion to
58.7 their use of water. The cost of distribution lines: (1) departing from the main water pipe
58.8 from Lake Superior to the domestic water treatment plant to any user; or (2) from the
58.9 water treatment plant to any user, shall be paid for by the user of the water either at the
58.10 time of installation or by user charges that allow the district to recoup the full cost of the
58.11 distribution lines and the cost of financing. Subject to this subdivision and the availability
58.12 of water under any applicable permit with a state or federal agency, any owner of land
58.13 within the district may contract with the district for the purchase of water.

58.14 Subd. 5. **Board of directors; elections.** (a) The district shall be governed by a
58.15 board of directors which shall have not less than three nor more than 13 members. The
58.16 district's initial directors shall be appointed by the Cook County Board of Commissioners,
58.17 with one director representing the domestic water users to serve for three years; up to two
58.18 directors representing the irrigation water users, one to serve for two years and one to
58.19 serve for three years; and up to two directors representing the commercial, stock watering,
58.20 and industrial users, one to serve for one year and one to serve for two years.

58.21 (b) The district's establishment shall take effect upon the Cook County Board of
58.22 Commissioners' appointment of the initial directors. The initial directors shall meet for
58.23 the purposes of organization within 30 days of their appointment. Thereafter, except
58.24 as otherwise provided in this subdivision, directors shall be elected in accordance with
58.25 Minnesota Statutes, section 110A.24, from election divisions comprised of domestic water
58.26 users; irrigation water users, and commercial, stock watering, and industrial users. Each
58.27 use classification shall be entitled to elect one director, plus one additional director if its
58.28 expected water usage for the following fiscal year exceeds ten percent of total water
58.29 usage. Each water user within each use classification shall be entitled to cast one vote for
58.30 each one percent of expected water usage for the following fiscal year. A homeowner's
58.31 association shall vote on behalf of its members if duly authorized by appropriate action by
58.32 the association's members. Prior to each election, the board of directors shall determine
58.33 the use classifications entitled to vote, the expected water use percentage of each user and
58.34 of use classification for the following fiscal year, and the number of directors each such
58.35 use classification is entitled to elect. The elections shall be conducted and supervised by
58.36 the board of directors and ratified by the Cook County Board of Commissioners.

59.1 **Subd. 6. Termination of appropriation of water from Poplar River.**

59.2 Notwithstanding any law to the contrary, 30 days after the works and systems to transport
59.3 water from Lake Superior to Lutsen Mountains Corporation's snowmaking systems first
59.4 become fully permitted and operational, the water district shall notify the commissioner of
59.5 natural resources and all permits issued by the Department of Natural Resources to Lutsen
59.6 Mountains Corporation to use or appropriate water from the Poplar River shall terminate.
59.7 For the purposes of section 54, paragraph (b), the commissioner of natural resources shall
59.8 notify the revisor of statutes in writing when the permits have been terminated.

59.9 **EFFECTIVE DATE; LOCAL APPROVAL.** This section is effective the day after
59.10 the governing body of Cook County and its chief clerical officer comply with Minnesota
59.11 Statutes, section 645.021, subdivisions 2 and 3.

59.12 **Sec. 53. ACQUISITIONS FOR CANISTEO PROJECT.**

59.13 The commissioner of natural resources shall acquire, without undue delay, the land
59.14 or interests in land that are needed to construct a conveyance system and other betterments
59.15 to accommodate the water level and outflow of water level from the Canisteo mine pit.
59.16 The commissioner may acquire the land or interests in land by eminent domain, including
59.17 use of the possession procedures under Minnesota Statutes, section 117.042.

59.18 **Sec. 54. REPEALER.**

59.19 (a) Minnesota Rules, part 8895.0700, subpart 1, is repealed.

59.20 (b) Laws 2011, chapter 107, section 101, is repealed effective the day the permits
59.21 have been terminated under section 52, subdivision 6. The commissioner of natural
59.22 resources shall notify the revisor of statutes in writing when the permits have been
59.23 terminated.

59.24 **Sec. 55. EFFECTIVE DATE.**

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

APPENDIX
Repealed Minnesota Session Laws: H1752-3

Laws 2011, chapter 107, section 101

Sec. 101. CONSUMPTIVE USE OF WATER.

Pursuant to Minnesota Statutes, section 103G.265, subdivision 3, the legislature approves of the consumptive use of water under a permit of more than 2,000,000 gallons per day average in a 30-day period in Cook County, in connection with snowmaking and potable water. Notwithstanding any other law to the contrary, the permit for the consumptive use of water approved under this section shall be issued, subject to the fees specified under Minnesota Statutes, section 103G.271, without any additional administrative process to withdraw up to 150,000,000 gallons of water annually for snowmaking and potable water purposes. The permit authorized under this section shall be suspended if the flow of the Poplar River falls below 15 cubic feet per second for more than five consecutive days. The permit authorized under this section shall be reinstated when the flow of the Poplar River resumes to 15 cubic feet per second or greater. The permit shall be for a term of five years.

APPENDIX
Repealed Minnesota Rule: H1752-3

8895.0700 STATE PARTICIPATION, LIMITATIONS.

Subpart 1. **State participation, limitations.** The state's share of project costs must not exceed 50 percent of the nonfederal share of the eligible costs to be incurred by the applicant for the project.