

**SENATE**  
**STATE OF MINNESOTA**  
**EIGHTY-EIGHTH LEGISLATURE**

**S.F. No. 1632**

(SENATE AUTHORS: METZEN and Carlson)

DATE	D-PG	OFFICIAL STATUS
04/26/2013	3105	Introduction and first reading Referred to Finance

1.1 A bill for an act  
 1.2 relating to capital investment; establishing the Host Community Economic  
 1.3 Development grant program; appropriating money; authorizing the sale and  
 1.4 issuance of state bonds; proposing coding for new law in Minnesota Statutes,  
 1.5 chapter 116J.

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

1.7 Section 1. **[116J.548] HOST COMMUNITY ECONOMIC DEVELOPMENT.**

1.8 Subdivision 1. **Creation of account.** A host community economic development  
 1.9 account is established in the bond proceeds fund. Money in this account may only be  
 1.10 spent for capital costs of an eligible project.

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

1.12 (1) "Capital costs" means expenditures for the acquisition and betterment of public  
 1.13 lands and buildings, and for other publicly owned improvements of a capital nature.  
 1.14 Capital costs also include expenditures for predesign, design, engineering, and similar  
 1.15 activities for specifically identified eligible projects.

1.16 (2) "Eligible project" means a development or redevelopment project that will  
 1.17 generate economic development within a host community.

1.18 (3) "Economic development" means job creation, an increase in the tax base, the  
 1.19 capacity of the eligible project to attract private investment, and other objective criteria  
 1.20 established by the commissioner that demonstrate a public benefit to the host community.

1.21 (4) "Host community" means a city located within the seven-county metropolitan  
 1.22 area, as defined in section 473.121, subdivision 2, that is the site of a waste disposal  
 1.23 facility that meets the standards in section 473.849, that accepts unprocessed mixed  
 1.24 municipal solid waste generated in the metropolitan area.

2.1 Subd. 3. **Application.** Host communities may apply for a grant under this section  
2.2 on a form and in a manner prescribed by the commissioner. In awarding grants under  
2.3 this section, the commissioner shall give priority to eligible projects that, based on a  
2.4 cost-benefit analysis, provide the highest return on public investment. The commissioner  
2.5 must allocate available money between host communities as evenly as practicable.

2.6 Subd. 4. **No match required.** Notwithstanding section 16A.86, or any other law  
2.7 to the contrary, the state share of a project covered by this section is intended to cover  
2.8 100 percent of the total cost of the project.

2.9 Subd. 5. **Rules.** The commissioner shall adopt rules to implement and administer  
2.10 the grant program under this section.

2.11 Subd. 6. **Report.** The commissioner must report to committees of the legislature  
2.12 with jurisdiction over capital investment and economic development by February 15 of  
2.13 each year on grants awarded under this section.

2.14 Sec. 2. **APPROPRIATION.**

2.15 \$..... is appropriated from the bond proceeds fund to the commissioner of  
2.16 employment and economic development for host community economic development  
2.17 under Minnesota Statutes, section 116J.548.

2.18 Sec. 3. **BOND SALE.**

2.19 To provide the money appropriated in section 2 from the bond proceeds fund, the  
2.20 commissioner of management and budget shall sell and issue bonds of the state in the  
2.21 amount up to \$..... in the manner, upon the terms, and with the effect prescribed by  
2.22 Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution,  
2.23 article XI, sections 4 to 7.

2.24 Sec. 4. **EFFECTIVE DATE.**

2.25 This act is effective the day following final enactment.