

SENATE  
STATE OF MINNESOTA  
EIGHTY-SEVENTH LEGISLATURE

S.F. No. 187

(SENATE AUTHORS: SENJEM and Nelson)

DATE	D-PG	OFFICIAL STATUS
02/02/2011	156	Introduction and first reading Referred to Capital Investment
05/13/2011	2027a 2035 3599	Comm report: To pass as amended Second reading Rule 47, returned to Capital Investment See HF23, Sec. 26-29, 31, 33-34, 37-40, 42, 44, 46-48 (First Special Session)

A bill for an act  
relating to capital improvements; modifying previous appropriations; adding  
an option for the use of bond premiums; specifying a prioritized location for  
one veterans cemetery; amending Minnesota Statutes 2010, sections 16A.641,  
subdivision 7; 16A.642, subdivision 2; Laws 2006, chapter 258, sections 7,  
subdivision 3, as amended; 9, subdivision 5; 16, subdivision 6; Laws 2008,  
chapter 179, sections 15, subdivision 8; 18, subdivision 6, as amended; 19,  
subdivision 4; Laws 2009, chapter 93, article 1, section 14, subdivision 3;  
Laws 2010, chapter 189, sections 6, subdivisions 2, 4; 7, subdivision 20; 14,  
subdivision 3; 19, subdivision 4; Laws 2010, chapter 333, article 2, section 23;  
Laws 2010, Second Special Session chapter 1, article 1, section 9, subdivision 5.

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

Section 1. Minnesota Statutes 2010, section 16A.641, subdivision 7, is amended to  
read:

Subd. 7. **Credit of proceeds.** (a) Proceeds of bonds issued under each law must be  
credited by the commissioner to a special fund, as provided in this subdivision.

(b) ~~Accrued interest and any premium~~ received on sale of the bonds must be credited  
to the state bond fund created by the Constitution, article XI, section 7. Any premium  
received on the sale of the bonds on or prior to December 1, 2012, must be credited to  
the state bond fund. Any premium received on the sale of the bonds after December 1,  
2012, must be credited to either the bond proceeds fund where it is used to reduce the par  
amount of the bonds issued or the state bond fund.

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

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

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

(f) Proceeds of refunding bonds must be credited to the state bond fund as provided in section 16A.66, subdivision 1.

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

Sec. 2. Minnesota Statutes 2010, section 16A.642, subdivision 2, is amended to read:

Subd. 2. **Cancellation.** (a) If the commissioner determines that the purposes for which general obligation bonds of the state have been issued or for which general fund monies were appropriated are accomplished or abandoned, after consultation with the affected agencies, and there is a remaining authorization or appropriation for a specific project of \$500 or less, the commissioner may cancel the remaining authorization or appropriation for that project.

(b) If a premium received on the sale of bonds is credited to the bond proceeds fund, pursuant to section 16A.641, subdivision 7, paragraph (b), the corresponding bond authorization to which the premium is attributable must be reduced accordingly by the commissioner.

(c) The commissioner must notify the chairs of the senate Finance Committee and the house of representatives Capital Investment Committee of any bond authorizations or general fund appropriations canceled under this subdivision.

Sec. 3. Laws 2006, chapter 258, section 7, subdivision 3, as amended by Laws 2007, chapter 122, section 4, and Laws 2008, chapter 179, section 59, is amended to read:

Subd. 3. **Flood Hazard Mitigation Grants** 25,000,000

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

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

3.1 This appropriation includes money for the  
3.2 following projects:

3.3 (a) Austin

3.4 (b) Albert Lea

3.5 (c) Browns Valley

3.6 (d) Crookston

3.7 (e) Canisteo Mine

3.8 (f) Delano

3.9 (g) East Grand Forks

3.10 (h) Golden Valley

3.11 (i) Grand Marais Creek

3.12 (j) Granite Falls

3.13 (k) Inver Grove Heights

3.14 (l) Manston Slough

3.15 (m) Oakport Township

3.16 (n) Riverton Township

3.17 (o) Roseau

3.18 (p) Shell Rock Watershed District

3.19 (q) St. Vincent

3.20 (r) Wild Rice River Watershed District

3.21 For any project listed in this subdivision  
3.22 that the commissioner determines is not  
3.23 ready to proceed or does not expend all the  
3.24 money allocated to it, the commissioner may  
3.25 allocate that project's money to a project on  
3.26 the commissioner's priority list.

3.27 To the extent that the cost of a project in Ada,  
3.28 Breckenridge, Browns Valley, Crookston,  
3.29 Dawson, East Grand Forks, Granite Falls,  
3.30 Montevideo, Oakport Township, Roseau,  
3.31 St. Vincent, or Warren exceeds two percent

4.1 of the median household income in the  
4.2 municipality multiplied by the number  
4.3 of households in the municipality, this  
4.4 appropriation is also for the local share of the  
4.5 project. The local share for the St. Vincent  
4.6 dike may not exceed \$30,000.

4.7 Notwithstanding Minnesota Statutes, section  
4.8 16A.642, this appropriation is available until  
4.9 December 31, 2011.

4.10 Sec. 4. Laws 2006, chapter 258, section 9, subdivision 5, is amended to read:

4.11 Subd. 5. **Grass Lake** 2,200,000

4.12 To acquire conservation easements, reroute  
4.13 County Ditch 23A, construct water control  
4.14 structures, and plant vegetation in order  
4.15 to restore the Grass Lake prairie wetland  
4.16 basin adjacent to the city of Willmar  
4.17 in Kandiyohi County. Notwithstanding  
4.18 Minnesota Statutes, section 16A.642, the  
4.19 bond authorization and appropriation of bond  
4.20 proceeds for this project are available until  
4.21 December 31, 2012.

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

4.23 Sec. 5. Laws 2006, chapter 258, section 16, subdivision 6, is amended to read:

4.24 Subd. 6. **Rail Service Improvement** 3,700,000

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

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

5.1 This appropriation is not available until  
5.2 the commissioner determines that funds  
5.3 sufficient to complete the project are  
5.4 committed to the project from nonstate  
5.5 sources.

5.6 Notwithstanding Minnesota Statutes,  
5.7 section 16A.642, this appropriation and  
5.8 its corresponding bond authorization is  
5.9 available until December 31, 2014.

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

5.23 Sec. 6. Laws 2008, chapter 179, section 15, subdivision 8, is amended to read:

5.24	Subd. 8. <b>Southeastern Minnesota Regional</b>	<del>3,655,000</del>
5.25	<b>Public Safety Training Center</b>	<u>2,955,000</u>

5.26 Notwithstanding any law to the contrary, for  
5.27 a grant to Olmsted County to acquire land for,  
5.28 and to design, construct, furnish, and equip  
5.29 the Southeastern Minnesota Regional Public  
5.30 Safety Training Center in Olmsted County.  
5.31 The facility must include, but is not limited  
5.32 to, a live burn training simulator, a driving  
5.33 range, and a weapons training facility.

6.1 This appropriation or any portion of it is not  
6.2 available until when the commissioner has  
6.3 determined that at least an equal amount  
6.4 has been committed it has been matched,  
6.5 dollar-for-dollar, from nonstate sources.

6.6 **EFFECTIVE DATE.** This section is effective retroactively from December 27,  
6.7 2007.

6.8 Sec. 7. Laws 2008, chapter 179, section 18, subdivision 6, as amended by Laws 2010,  
6.9 chapter 399, section 5, subdivision 6, is amended to read:

6.10 Subd. 6. **Hennepin County Medical Center** 820,000

6.11 For a grant to Hennepin County to predesign,  
6.12 design, construct, furnish, and equip ~~an~~  
6.13 ~~outpatient clinic and a~~ health education  
6.14 facility at Hennepin County Medical  
6.15 Center ~~that includes teaching clinics and an~~  
6.16 ~~education center.~~

6.17 Sec. 8. Laws 2008, chapter 179, section 19, subdivision 4, is amended to read:

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

6.19 3,955,000  
6.20 **Building 17 HVAC Replacement** 1,655,000

6.21 ~~To replace the sections of the campus-wide~~  
6.22 ~~heating, ventilation, and air conditioning~~  
6.23 ~~system that serve Building 17~~ To predesign,  
6.24 design, and replace heating, ventilation, and  
6.25 air conditioning systems serving the south  
6.26 wing of Building 17.

6.27 Sec. 9. Laws 2009, chapter 93, article 1, section 14, subdivision 3, is amended to read:

6.28 Subd. 3. **Veterans Cemeteries** 1,500,000

6.29 Of this amount, up to \$500,000 is  
6.30 to acquire land located in ~~Redwood~~  
6.31 ~~County~~ southeastern, southwestern, and

7.1 northeastern Minnesota for publicly owned  
7.2 veterans cemeteries, to be operated by  
7.3 the commissioner of veterans affairs. The  
7.4 commissioner also must seek donations of  
7.5 land for the cemeteries. The balance of the  
7.6 appropriation is to predesign and design  
7.7 the cemeteries. Federal reimbursement of  
7.8 design costs for each cemetery must be  
7.9 deposited in the state treasury and credited to  
7.10 a special account and is appropriated to the  
7.11 commissioner of veterans affairs to design the  
7.12 remaining cemeteries. Following completion  
7.13 of all legislatively authorized Minnesota  
7.14 state veterans cemeteries, final federal  
7.15 reimbursement of predesign and design costs  
7.16 is appropriated to the commissioner for asset  
7.17 preservation of veterans homes statewide,  
7.18 to be spent in accordance with Minnesota  
7.19 Statutes, section 16B.307.

7.20 Sec. 10. Laws 2010, chapter 189, section 6, subdivision 2, is amended to read:

7.21 Subd. 2. **Alpha Building Demolition** ~~755,000~~ 265,500

7.22 To demolish the Alpha Building.

7.23 Sec. 11. Laws 2010, chapter 189, section 6, subdivision 4, is amended to read:

7.24 Subd. 4. **Storage and Maintenance Building** ~~129,000~~ 618,500

7.25 To design, construct, and equip a storage  
7.26 and maintenance building on the site of the  
7.27 demolished Alpha Building.

7.28 Sec. 12. Laws 2010, chapter 189, section 7, subdivision 20, is amended to read:

7.29 Subd. 20. **St. Mathias Trail Paving - Fort**  
7.30 **Ripley** 50,000

8.1 For a grant to the ~~city of Fort Ripley~~ township  
8.2 of St. Mathias to pave a trail in St. Mathias  
8.3 Park.

8.4 Sec. 13. Laws 2010, chapter 189, section 14, subdivision 3, is amended to read:

8.5 Subd. 3. **State Emergency Operations Center** 2,250,000

8.6 To the commissioner of administration to  
8.7 predesign and design a new state emergency  
8.8 operations center in Arden Hills.

8.9 The commissioner of administration must  
8.10 consult with the commissioner of public  
8.11 safety in the predesign and design. This  
8.12 appropriation is not available until the  
8.13 commissioner has reported to the chairs and  
8.14 ranking minority members of the house of  
8.15 representatives and senate committees with  
8.16 jurisdiction over public safety policy and  
8.17 finance, capital investment, finance, and  
8.18 ways and means, how the Arden Hills site  
8.19 will be adequately accessible in the event  
8.20 of a disaster that adversely affects major  
8.21 transportation corridors.

8.22 Notwithstanding Minnesota Statutes, section  
8.23 16B.31, subdivision 5, the commissioner  
8.24 of administration, at the request of the  
8.25 commissioner of public safety, may acquire  
8.26 land, utility and road easements, and any  
8.27 other necessary right of access or use from  
8.28 the federal government or other applicable  
8.29 parties for the state emergency operations  
8.30 center proposed to be located in Arden Hills.

8.31 Sec. 14. Laws 2010, chapter 189, section 19, subdivision 4, is amended to read:

8.32 ~~9,450,000~~  
8.33 Subd. 4. **Minneapolis Veterans Home** 11,750,000



9.1 ~~To remodel building 16 to accommodate~~  
9.2 ~~a domiciliary program, demolish the north~~  
9.3 ~~wing of building 17, and design, construct,~~  
9.4 ~~furnish, and equip up to a 72-bed single~~  
9.5 ~~occupancy person-centered nursing care~~  
9.6 ~~building, including site improvements and~~  
9.7 ~~amenities for building and program support~~  
9.8 To predesign, design, construct, furnish,  
9.9 and equip the renovation of Building 16  
9.10 to accommodate a domiciliary program,  
9.11 demolish the north wing of Building 17,  
9.12 predesign a new Building 17, and design,  
9.13 construct, furnish, and equip the north  
9.14 wing of the new Building 17, including site  
9.15 improvements and amenities for building  
9.16 and program support.

9.17 Sec. 15. Laws 2010, chapter 333, article 2, section 23, is amended to read:

9.18 Sec. 23. **PLANNING NEW VETERANS CEMETERIES.**

9.19 (a) The commissioner of veterans affairs shall determine a suitable site and plan for  
9.20 three new state veterans cemeteries, one to be located in northeastern Minnesota, one to  
9.21 be located in southeastern Minnesota, and one to be located in southwestern Minnesota.  
9.22 In determining the site for a cemetery, the commissioner shall consider available public  
9.23 land options and shall seek proposals for donated land from interested counties, local  
9.24 communities, civic organizations, veterans service organizations, and individuals.

9.25 (b) For determining the veterans cemetery site in southeastern Minnesota, the  
9.26 commissioner shall give priority consideration to land owned and proposed for donation  
9.27 by the county of Fillmore.

9.28 (c) The commissioner's planning process for a state veterans cemetery must include,  
9.29 at a minimum, the following actions:

- 9.30 (1) determining the need for the cemetery;  
9.31 (2) investigating the availability of suitable land for the cemetery;  
9.32 (3) assessment of impacts of the cemetery;  
9.33 (4) encouragement of support from veteran service organizations and local  
9.34 governments; and

10.1 (5) preparation and submission of a preapplication for a grant from the United States  
10.2 Department of Veterans Affairs for commitment of funding for establishing the cemetery.

10.3 (d) By January 15, 2011, the commissioner shall report to the chair and ranking  
10.4 minority member of the house of representatives and senate committees having  
10.5 responsibility for veterans affairs with a report of the commissioner's progress in  
10.6 implementing this section.

10.7 Sec. 16. Laws 2010, Second Special Session chapter 1, article 1, section 9, subdivision  
10.8 5, is amended to read:

10.9 Subd. 5. **Dam Renovation and Removal** \$ 1,000,000

10.10 To provide cost share for the renovation  
10.11 or removal of publicly owned dams and  
10.12 for publicly owned streambed restoration  
10.13 adjacent thereto in the DR-1941 area under  
10.14 Minnesota Statutes, sections 103G.511 and  
10.15 103G.515.

10.16 Sec. 17. **2008 AUTHORIZATION REDUCED.**

10.17 The bond sale authorization in Laws 2008, chapter 179, section 15, subdivision 8,  
10.18 is reduced by \$700,000.

10.19 Sec. 18. **EFFECTIVE DATE.**

10.20 Section 16 is effective the day following final enactment.