

## STATE OF MINNESOTA

## SECOND SPECIAL SESSION — 2020

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 SECOND DAY

SAINT PAUL, MINNESOTA, TUESDAY, JULY 14, 2020

The House of Representatives convened at 5:00 p.m. and was called to order by Laurie Halverson, Speaker pro tempore.

Prayer was offered by the Reverend Denise Dunbar-Perkins, Retired Minister, Presbyterian Church of the Twin Cities, Minnesota.

The members of the House gave the pledge of allegiance to the flag of the United States of America.

The roll was called and the following members were present:

Acomb	Dehn	Hausman	Lillie	Noor	Stephenson
Albright	Demuth	Heinrich	Lippert	Nornes	Sundin
Anderson	Dettmer	Heintzeman	Lislegard	Novotny	Swedzinski
Backer	Drazkowski	Her	Long	O'Driscoll	Tabke
Bahner	Ecklund	Hertaus	Lucero	Olson	Theis
Bahr	Edelson	Hornstein	Lueck	O'Neill	Torkelson
Baker	Elkins	Howard	Mahoney	Pelowski	Urdahl
Becker-Finn	Erickson	Huot	Mann	Persell	Vang
Bennett	Fabian	Johnson	Mariani	Petersburg	Vogel
Bernardy	Fischer	Jordan	Marquart	Pierson	Wagenius
Bierman	Franson	Jurgens	Masin	Pinto	Wazlawik
Boe	Freiberg	Kiel	McDonald	Poppe	West
Brand	Garofalo	Klevorn	Mekeland	Poston	Winkler
Cantrell	Gomez	Koegel	Miller	Pryor	Wolgamott
Carlson, A.	Green	Kotyza-Witthuhn	Moller	Quam	Xiong, J.
Carlson, L.	Grossell	Koznick	Moran	Richardson	Xiong, T.
Christensen	Gruenhagen	Kresha	Morrison	Robbins	Youakim
Clafin	Gunther	Kunesh-Podein	Munson	Runbeck	Spk. Hortman
Considine	Haley	Layman	Murphy	Sandell	
Daniels	Halverson	Lee	Nash	Sandstede	
Daudt	Hamilton	Lesch	Nelson, M.	Sauke	
Davids	Hansen	Liebling	Nelson, N.	Schomacker	
Davnie	Hassan	Lien	Neu	Scott	

A quorum was present.

Schultz was excused.

The Chief Clerk proceeded to read the Journal of the preceding day. There being no objection, further reading of the Journal was dispensed with and the Journal was approved as corrected by the Chief Clerk.

## REPORTS OF STANDING COMMITTEES AND DIVISIONS

Carlson, L., from the Committee on Ways and Means to which was referred:

H. F. No. 1, A bill for an act relating to public safety; requiring local units of government to establish law enforcement citizen oversight councils; specifying powers and duties of the councils and the responsibilities of local authorities toward them; amending arbitrator selection for peace officer grievance arbitrations; creating a process to collect and analyze data on complaints filed against peace officers; providing for a peace officer discipline report; expanding the membership of the Board of Peace Officer Standards and Training; establishing a Police-Community Relations Council to report to and advise the Peace Officer Standards and Training Board; extending the civil statute of limitations for certain actions by peace officers; tolling the civil statute of limitations during investigations of peace officers; providing for revocation of peace officer license for violating use of force policy; prohibiting warrior-style training for peace officers; prohibiting the use of certain restraints; requiring law enforcement agencies to update policies regarding the use of force; establishing a duty for peace officers to intercede when another peace officer is using unreasonable force; establishing a duty for peace officers to report excessive force incidents; requiring law enforcement agencies to adopt policies that require peace officers to intercede when another officer is using unreasonable force; providing for mandatory reporting of peace officer terminations and resignation; authorizing residency requirements for peace officers; extending reporting and use of appropriation for missing and murdered indigenous women task force; authorizing rulemaking; modifying a peace officer's authority to use deadly force; assigning prosecutorial authority for peace-officer-involved deaths to the attorney general; providing for juvenile risk assessments; establishing an independent Use of Force Investigations Unit within the Bureau of Criminal Apprehension; limiting the use of money bail for certain offenses; providing critical incident stress management services; providing for public safety peer counseling; reporting law enforcement use of force; establishing an Officer-Involved Death Review Board; establishing a Community-Led Public Safety Coordinator; establishing grants to promote community-based crisis intervention; establishing grants to promote community healing; establishing standards for crisis intervention and mental illness crisis training for peace officers; requiring the development and implementation of autism training for peace officers; restoring the civil right to vote of an individual upon release from incarceration or upon sentencing if no incarceration is imposed; requiring notice; requiring reports; classifying data; appropriating money; amending Minnesota Statutes 2018, sections 8.01; 13.43, subdivision 9, by adding a subdivision; 201.014, by adding a subdivision; 201.071, subdivision 1; 260B.176, by adding a subdivision; 388.051, subdivision 1; 415.16, subdivision 1, by adding a subdivision; 541.073, subdivision 2; 573.02, subdivision 1; 609.06, subdivision 1, by adding a subdivision; 609.066, subdivision 2, by adding a subdivision; 609.165, subdivision 1; 626.841; 626.8432, subdivision 2; 626.8452, subdivisions 1, 2, by adding a subdivision; 626.8457, subdivision 1; 626.8469; 626.89, subdivisions 2, 17; 629.53; Minnesota Statutes 2019 Supplement, section 204C.10; Laws 2019, First Special Session chapter 5, article 1, section 12, subdivision 7; article 2, section 28, subdivisions 4, 5; proposing coding for new law in Minnesota Statutes, chapters 8; 181; 201; 243; 299A; 299C; 541; 626; repealing Minnesota Statutes 2018, section 181.973.

Reported the same back with the recommendation that the bill be placed on the General Register.

The report was adopted.

Carlson, L., from the Committee on Ways and Means to which was referred:

H. F. No. 3, A bill for an act relating to capital investment; authorizing spending to acquire and better public land and buildings and for other improvements of a capital nature with certain conditions; modifying prior appropriations; establishing new programs and modifying existing programs; authorizing the sale and issuance of state bonds; appropriating money; amending Minnesota Statutes 2018, sections 16A.641, by adding a subdivision; 16B.86; 16B.87; 41B.025, by adding a subdivision; 115A.0716; 123B.53, subdivisions 1, 4; 126C.63, subdivision 8;

126C.66, subdivision 3; 126C.69, as amended; 126C.71; 134.45, subdivision 5; 137.61; 137.62, subdivision 2, by adding a subdivision; 137.63; 137.64; 363A.36, by adding a subdivision; 363A.44, subdivision 1; 462A.37, by adding a subdivision; 473.4052, subdivision 4; Minnesota Statutes 2019 Supplement, sections 16A.968, subdivision 3; 462A.37, subdivisions 2, 5; Laws 2008, chapter 179, section 18, subdivision 3, as amended; Laws 2015, First Special Session chapter 5, article 1, sections 10, subdivision 7, as amended; 13; Laws 2017, First Special Session chapter 8, article 1, sections 15, subdivisions 3, as amended, 4; 18, subdivision 3; 20, subdivision 21, as amended; Laws 2018, chapter 214, article 1, sections 2, subdivision 6; 7, subdivision 1; 21, subdivisions 1, 26, 27; 26, subdivisions 1, as amended, 2; Laws 2019, First Special Session chapter 11, article 6, section 7, subdivision 2, as amended; proposing coding for new law in Minnesota Statutes, chapters 16A; 116J; 174; repealing Minnesota Statutes 2018, sections 126C.65, subdivision 2; 126C.68, subdivisions 1, 2, 4; Minnesota Statutes 2019 Supplement, section 126C.68, subdivision 3; Minnesota Rules, part 7380.0280.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1  
GENERAL OBLIGATION BONDS

Section 1. **CAPITAL IMPROVEMENT APPROPRIATIONS.**

The sums shown in the column under "Appropriations" are appropriated from the bond proceeds fund, or another named fund, to the state agencies or officials indicated, to be spent for public purposes. Appropriations of bond proceeds must be spent as authorized by the Minnesota Constitution, article XI, section 5, clause (a), to acquire and better public land and buildings and other public improvements of a capital nature, or as authorized by the Minnesota Constitution, article XI, section 5, clauses (b) to (j), or article XIV. Unless otherwise specified, money appropriated in this act:

(1) may be used to pay state agency staff costs that are attributed directly to the capital program or project in accordance with accounting policies adopted by the commissioner of management and budget;

(2) is available until the project is completed or abandoned subject to Minnesota Statutes, section 16A.642;

(3) for activities under Minnesota Statutes, sections 16B.307, 84.946, and 135A.046, should not be used for projects that can be financed within a reasonable time frame under Minnesota Statutes, section 16B.322 or 16C.144; and

(4) is available for a grant to a political subdivision after the commissioner of management and budget determines that an amount sufficient to complete the project as described in this act has been committed to the project, as required by Minnesota Statutes, section 16A.502.

**APPROPRIATIONS**

Sec. 2. **UNIVERSITY OF MINNESOTA**

Subdivision 1. **Total Appropriation**

**\$75,381,000**

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

Subd. 2. **Higher Education Asset Preservation and Replacement (HEAPR)**

**38,495,000**

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

**Subd. 3. Twin Cities - Institute of Child Development Building** 29,200,000

To predesign, design, renovate, expand, furnish, and equip research, learning, and outreach spaces in the Institute of Child Development building on the Twin Cities campus. This project includes the demolition and replacement of the 1968 building addition.

**Subd. 4. Duluth - A.B. Anderson Hall Renovation** 4,400,000

To predesign, design, renovate, furnish, and equip campus teaching and learning spaces, including mechanical systems, in A.B. Anderson Hall on the Duluth campus.

**Subd. 5. Twin Cities - Fraser Hall Chemistry Undergraduate Teaching Laboratory** 3,286,000

To predesign and design (1) the renovation of Fraser Hall, and (2) an addition to Fraser Hall, for an undergraduate chemistry teaching laboratory facility on the Twin Cities campus. This project includes design of the demolition of obsolete portions of Fraser Hall.

**Subd. 6. University Share**

Except for the appropriations for HEAPR, the appropriations in this section are intended to cover approximately two-thirds of the cost of each project. The remaining costs must be paid from university sources.

**Subd. 7. Unspent Appropriations**

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

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

**Subdivision 1. Total Appropriation** \$82,010,000

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

**Subd. 2. Higher Education Asset Preservation and Replacement (HEAPR)** 64,103,000

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

**Subd. 3. Anoka-Ramsey Community College** 16,282,000

To design, renovate, and equip the business and nursing building at Anoka-Ramsey Community College, Coon Rapids campus.

**Subd. 4. Minneapolis Community and Technical College** 990,000

To design Phases 1 and 2 and renovate and equip Phase 1 of the Management Education Center shared with Metropolitan State University on the Minneapolis Community and Technical College campus to support baccalaureate programming expansion.

**Subd. 5. Pine Technical and Community College** 635,000

To design the renovation of the main building allied health space and an addition of the technical trade and applied learning labs at Pine Technical and Community College.

**Subd. 6. Debt Service**

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

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

(c) The commissioner of management and budget shall reduce the board's assessment each year by one-third of the net income from investment of general obligation bond proceeds in proportion to the amount of principal and interest otherwise required to be paid by the board. The board shall pay its resulting net assessment to the commissioner of management and budget by December 1 each year. If the board fails to make a payment when due, the commissioner of management and budget shall reduce allotments for appropriations from the general fund otherwise available to the board and apply the amount of the reduction to cover the missed

debt service payment. The commissioner of management and budget shall credit the payments received from the board to the bond debt service account in the state bond fund each December 1 before money is transferred from the general fund under Minnesota Statutes, section 16A.641, subdivision 10.

**Subd. 7. Unspent Appropriations**

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

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

**Sec. 4. EDUCATION**

**Subdivision 1. Total Appropriation**

**\$22,951,000**

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

**Subd. 2. Library Construction Grants**

22,951,000

For library construction grants under Minnesota Statutes, section 134.45.

**Sec. 5. MINNESOTA STATE ACADEMIES**

**Subdivision 1. Total Appropriation**

**\$6,830,000**

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

**Subd. 2. Asset Preservation**

1,000,000

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

**Subd. 3. Safety Corridor**5,830,000

To design, construct, furnish, and equip a safety corridor on the Minnesota State Academy for the Deaf campus, including but not limited to abatement of asbestos and hazardous materials, construction, and renovations necessary to establish a central point of access, a reception and visitor area, and security monitoring with connections to Smith, Quinn, and Noyes Halls. This appropriation also includes money to predesign, design, renovate, furnish, and equip Smith and Quinn Halls, including but not limited to abatement of asbestos and hazardous materials, interior space, restrooms, offices, classrooms, science labs, and technology labs.

**Sec. 6. PERPICH CENTER FOR ARTS EDUCATION****Subdivision 1. Total Appropriation**\$750,000

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

**Subd. 2. Asset Preservation**750,000

For capital asset preservation improvements and betterments at the Perpich Center for Arts Education, to be spent in accordance with Minnesota Statutes, section 16B.307.

**Sec. 7. NATURAL RESOURCES****Subdivision 1. Total Appropriation**\$96,395,000

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

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

**Subd. 2. Natural Resources Asset Preservation**25,000,000

(a) For the renovation of state-owned facilities and recreational assets operated by the commissioner of natural resources to be spent in accordance with Minnesota Statutes, section 84.946. Notwithstanding Minnesota Statutes, section 84.946, the commissioner may use this appropriation to replace buildings if, considering the embedded energy in the building, that is the most energy-efficient and carbon-reducing method of renovation.

(b) \$5,000,000 of this appropriation is for the Soudan mine shaft rehabilitation. The Soudan mine shaft rehabilitation project is exempt from using the Designer Selection Board process as defined in Minnesota Statutes, section 16B.33, and is exempt from any requirement for a minimum number of proposals as set forth in Minnesota Statutes, section 16C.33, subdivision 5, paragraph (c).

**Subd. 3. Flood Hazard Mitigation**

15,000,000

(a) 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.

(b) To the extent practical, levee projects shall meet the state standard of three feet above the 100-year flood elevation.

(c) Project priorities shall be determined by the commissioner as appropriate, based on need and consideration of available leveraging of federal, state, and local funds.

(d) This appropriation may be used for projects in the following municipalities: Afton, Austin, Browns Valley, Delano, Faribault, Golden Valley, Halstad, Hawley, Hendrum, Inver Grove Heights, Jordan, Montevideo, Moorhead, Newfolden, Nielsville, Owatonna, Round Lake Township in Jackson County, and Sioux Valley Township in Jackson County.

(e) This appropriation also may be used for projects in the following watershed districts: Bois de Sioux Watershed District, Buffalo-Red River Watershed District, Cedar River Watershed District; Southern Minnesota Rivers Basin Area II, Lower Minnesota River Watershed District, Middle Snake Tamarac Rivers Watershed District, Prior Lake-Spring Lake Watershed District, Red Lake Watershed District, Roseau River Watershed District, Shell Rock River Watershed District, Two Rivers Watershed District, Upper Minnesota River Watershed District, and Wild Rice River Watershed District.

(f) For any project listed in this subdivision that the commissioner determines is not ready to proceed, does not have the nonstate match committed, or does not expend all the money granted to it, the commissioner may allocate that project's unexpended money to a priority project on the commissioner's list.

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



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

**Subd. 4. Canisteo and Hill Annex Open-Pit Mine Groups**

2,000,000

For predesign, design, engineering, and construction of projects to mitigate the threat to property, public safety, and water quality from rising water levels at the Canisteo and Hill Annex mine complexes. The commissioner must give priority to work that addresses the most immediate risks to public safety. If the predesign, design, and engineering for the Canisteo and Hill Annex mine complexes is complete, the commissioner may use any remaining money from this appropriation only for similar work to address issues related to rising water levels in other mine complexes in the taconite assistance area. If the appropriation for these projects is not sufficient to complete them, the commissioner must use money appropriated for asset preservation under subdivision 2.

**Subd. 5. Dam Renovation, Repair, Removal**

20,000,000

(a) For design, engineering, and construction to repair, reconstruct, or remove publicly owned dams and respond to dam safety emergencies on publicly owned dams. Of this appropriation, \$18,000,000 is for the reconstruction of the Lake Bronson Dam in Lake Bronson State Park.

(b) The commissioner shall determine project priorities as appropriate under Minnesota Statutes, sections 103G.511 and 103G.515. If the commissioner determines that a project is not ready to proceed, this appropriation may be used for other projects on the commissioner's priority list.

**Subd. 6. State Park and Recreation Area Accessibility**

3,000,000

For the predesign, design, and construction of accessibility improvements at William O'Brien State Park.

**Subd. 7. Lake Vermilion-Soudan Underground Mine State Park**

5,800,000

For the predesign, design, and construction of a campground and related infrastructure at Lake Vermilion-Soudan Underground Mine State Park.

**Subd. 8. Shade Tree Program**

1,000,000

For grants to cities, counties, townships, and park and recreation boards in cities of the first class, for the removal and the planting of shade trees on public land to provide environmental benefits;

replace trees lost to forest pests, disease, or storm; or to establish a more diverse community forest better able to withstand disease and forest pests. The commissioner must give priority to grant requests to remove and replace trees with active infestations of emerald ash borer. For purposes of this appropriation, "shade tree" means a woody perennial grown primarily for aesthetic or environmental purposes with minimal to residual timber value. Any tree planted with money under this subdivision must be a climate-adapted species to Minnesota.

**Subd. 9. Forests for the Future** 1,000,000

For the forests for the future program under Minnesota Statutes, section 84.66.

**Subd. 10. Blazing Star State Trail** 1,000,000

For construction of a bridge over Albert Lea Lake and associated trail work for a trail connection of the Blazing Star Trail under Minnesota Statutes, section 85.015, subdivision 19, from Albert Lea to Hayward.

**Subd. 11. Camp Ripley; Veterans State Trail** 1,000,000

For construction of the Camp Ripley/Veterans State Trail under Minnesota Statutes, section 85.015, subdivision 28.

**Subd. 12. Heartland State Trail; Detroit Lakes to Frazee Segment** 2,000,000

For land acquisition, final engineering, and design of the proposed Heartland State Trail between its current terminus at Becker County CSAH 10 and Trunk Highway 87 in Frazee, and for the construction of a trail bridge over Becker County CSAH 10.

**Subd. 13. Heartland State Trail; Itasca State Park Connector** 2,000,000

For final engineering and design of the trail segment of the Heartland State Trail located within Itasca State Park and for the construction of a trail tunnel under Trunk Highway 71.

**Subd. 14. Lake City; Hok-Si-La Park Water and Sewer Extension** 587,000

For a grant to the city of Lake City to design, engineer, and construct a water and sewer connection from the city's sewer distribution and collection point to Hok-Si-La Park.

**Subd. 15. Lake City; Ohuta Beach Breakwater** 1,058,000

For a grant to the city of Lake City to design and construct a breakwater at Ohuta Beach in Lake City at Ohuta Park.

**Subd. 16. Mankato; Riverbank Restoration**7,200,000

For a grant to the city of Mankato to:

(1) stabilize the Minnesota River riverbank in the Land of Memories Park to reduce erosion and protect well 15;

(2) stabilize the Minnesota River riverbank to protect Mankato's riverfront, including the Minnesota River Trail trailhead, and regional Water Resource Recovery Facility; and

(3) install in-channel stream stabilization infrastructure in Indian Creek to reduce erosion and improve water quality in the Minnesota River-Mankato watershed.

**Subd. 17. Otter Tail County; Perham to Pelican Rapids Regional Trail**1,600,000

For a grant to Otter Tail County to construct the McDonald Lake segment of the Perham to Pelican Rapids Regional Trail, which goes from the intersection of County State-Aid Highway 41 and 440th Street to the intersection of County State-Aid Highway 34 and County State-Aid Highway 35.

**Subd. 18. Rochester; Cascade Park**2,500,000

For a grant to the city of Rochester to predesign, design, construct, furnish, and equip improvements of a capital nature, including a pavilion, an amphitheater, performance facilities, picnic shelters, restroom facilities, play areas, park access, and landscaping.

**Subd. 19. Scott County; McMahon Lake Flood Mitigation**600,000

For the state share of a flood hazard mitigation grant to Scott County for publicly owned capital improvements to prevent or alleviate flood damage on McMahon Lake under Minnesota Statutes, section 103F.161.

**Subd. 20. Silver Bay; Trailhead Center**1,100,000

For a grant to the city of Silver Bay to predesign, design, construct, furnish, and equip a multimodal trailhead center for the various hiking, bicycling, snowmobile, and all-terrain vehicle trails that converge in the area. The center includes separated trail access for motorized and nonmotorized users and open space for trail users, parking, a wayside rest area, and a new trailhead center building that includes lavatories and showers.

**Subd. 21. St. Louis County; Voyageur Country ATV Trail**950,000

For a grant to St. Louis County for design, right-of-way acquisition, and construction of Phase I of the Voyageur Country ATV Trail connections in the areas of Orr, Ash River, Kabetogama Township, and International Falls to the Voyageur Country ATV Trail system.

**Subd. 22. Winona; Mississippi Riverfront Trail**2,000,000

For a grant under Minnesota Statutes, section 85.019, to the city of Winona to construct a paved trail from Levee Park to Lions Park along the Mississippi River in the city of Winona.

**Subd. 23. Unspent Appropriations**

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

**Sec. 8. POLLUTION CONTROL AGENCY****Subdivision 1. Total Appropriation****\$27,146,000**

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

**Subd. 2. Clay County**7,500,000

For a grant to Clay County under the solid waste capital assistance grant program under Minnesota Statutes, section 115A.54, in order to acquire land, design, construct, renovate, and equip a new resource recovery campus consisting of a new solid waste transfer station and problem materials management facility.

**Subd. 3. Dakota and Scott Counties**2,000,000

For a capital assistance grant under Minnesota Statutes, sections 115A.54 to 115A.541, to Dakota County or Scott County to acquire land, design, construct, and equip a new regional household hazardous waste collection and recycling facility to be located at a site in Dakota County or Scott County that best supports access needs for the residents of Dakota and Scott Counties.

**Subd. 4. Pope-Douglas; Solid Waste Facility**5,000,000

For a grant to the Pope-Douglas Solid Waste Management Joint Powers Board under the solid waste capital assistance grant program under Minnesota Statutes, section 115A.54. This

appropriation may be used to design, construct, and equip a new organics composting facility in Douglas County; and to design, construct, and equip a new environmental learning center in Alexandria for problem materials recycling and disposal of household hazardous waste. This appropriation may also be used to acquire land and for demolition costs associated with the projects described in this section and is intended to replace outdated public facilities and infrastructure to serve the recycling and composting needs of Douglas, Pope, Otter Tail, Grant, Stevens, Stearns, Benton, and Sherburne Counties.

**Subd. 5. Ramsey-Washington**

7,000,000

For a grant to Ramsey County under the solid waste capital assistance grant program under Minnesota Statutes, section 115A.54, in order to design, construct, furnish, and equip the expansion of and upgrades to the Ramsey/Washington Recycling and Energy facility, jointly owned by Ramsey and Washington Counties, located on Red Rock Road in Newport. The project includes engineering and the acquisition and installation of major equipment to process organics and increase recycling of plastics, cardboard, and metals.

**Subd. 6. Brookston; Closed Landfill Cleanup**

1,330,000

To design and construct remedial systems and acquire land at closed landfills throughout the state in accordance with the closed landfill program under Minnesota Statutes, sections 115B.39 to 115B.42. The agency must follow the agency priorities, which includes a construction project at the Brookston Area Landfill.

**Subd. 7. Coon Rapids**

316,000

For a grant to the city of Coon Rapids under the solid waste capital assistance grants program in Minnesota Statutes, section 115A.54, for expanding and improving the Coon Rapids Recycling Center, including constructing, furnishing, and equipping a building for polystyrene foam processing, a cold storage building, a covered storage area, and constructing driving lanes and parking areas.

**Subd. 8. Todd County; Solid Waste Facility**

4,000,000

For a grant to Todd County under the solid waste capital assistance grants program under Minnesota Statutes, section 115A.54, to design, construct, and equip a new solid waste transfer station, and to renovate the existing transfer station and household hazardous waste facility.

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

**Subdivision 1. Total Appropriation**

**\$24,000,000**

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

**Subd. 2. Local Government Roads Wetland Replacement Program**

15,000,000

To acquire land or permanent easements and to restore, create, enhance, and preserve wetlands to replace those wetlands drained or filled as a result of the repair, reconstruction, replacement, or rehabilitation of existing public roads as required by Minnesota Statutes, section 103G.222, subdivision 1, paragraphs (l) and (m). The board may vary the priority order of Minnesota Statutes, section 103G.222, subdivision 3, paragraph (a), to implement an in-lieu fee agreement approved by the U.S. Army Corps of Engineers under section 404 of the Clean Water Act. The purchase price paid for acquisition of land or perpetual easement must be a fair market value as determined by the board. The board may enter into agreements with the federal government, other state agencies, political subdivisions, nonprofit organizations, fee title owners, or other qualified private entities to acquire wetland replacement credits in accordance with Minnesota Rules, chapter 8420.

**Subd. 3. Local Government Roads Wetland Replacement Program**

8,000,000

From the general fund to the board to administer its statutory responsibilities and acquire wetland banking credits to replace those wetlands drained or filled as a result of repairing, reconstructing, replacing, or rehabilitating existing public roads as required by Minnesota Statutes, section 103G.222, subdivision 1. Notwithstanding Minnesota Statutes, section 103G.222, subdivision 3, the board may implement the wetland replacement program when consistent with the watershed approach of section 404 of the federal Clean Water Act. The purchase price paid for acquiring wetland credits must be determined by the board. The board may enter into agreements with the federal government, other state agencies, political subdivisions, nonprofit organizations, fee title owners, or other qualified private entities to acquire wetland replacement credits in accordance with Minnesota Rules, chapter 8420. Of this appropriation, up to \$560,000 is available for the development of the required elements of an in-lieu fee wetland mitigation program in accordance with Minnesota Statutes, section 103G.2242, subdivision 3, and up to \$440,000 is available for mitigation stewardship in accordance with Minnesota Statutes, section 103B.103, subdivision 3. This appropriation is onetime.

**Subd. 4. Reinvest in Minnesota (RIM) Reserve Program**

1,000,000

To acquire conservation easements from landowners to preserve, restore, create, and enhance wetlands and associated uplands of prairie and grasslands, and to restore and enhance rivers and streams, riparian lands, and associated uplands of prairie and grasslands, in order to protect soil and water quality, support fish

and wildlife habitat, reduce flood damage, and provide other public benefits. The provisions of Minnesota Statutes, section 103F.515, apply to this program. The board shall give priority to leveraging federal money by enrolling targeted new lands or enrolling environmentally sensitive lands that have expiring federal conservation agreements. The board is authorized to enter into new agreements and amend past agreements with landowners as required by Minnesota Statutes, section 103F.515, subdivision 5, to allow for restoration. Up to five percent of this appropriation may be used for restoration and enhancement.

Sec. 10. **AGRICULTURE**

**\$20,779,000**

To the commissioner of administration to construct, renovate, and equip the Department of Agriculture/Department of Health Laboratory Building in St. Paul, including but not limited to creating a dedicated biosafety level 3 laboratory space, to meet safety, energy, and operational efficiency needs. \$779,000 of this appropriation is from the general fund for relocation expenses associated with this project.

Sec. 11. **MINNESOTA ZOOLOGICAL GARDEN**

Subdivision 1. **Total Appropriation**

**\$13,000,000**

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

Subd. 2. **Asset Preservation**

13,000,000

For capital asset preservation improvements and betterments to infrastructure and exhibits at the Minnesota Zoo, to be spent in accordance with Minnesota Statutes, section 16B.307. Notwithstanding the specified uses of money under Minnesota Statutes, section 16B.307, the board may use this appropriation to replace buildings that are in poor condition, outdated, and no longer support the work of the Minnesota Zoo and to construct and renovate trails, and roads on the Minnesota Zoo site. Notwithstanding the specified uses of money under Minnesota Statutes, section 16B.307, this appropriation may be used to design, construct, furnish, and equip the renovation of the monorail structure as an elevated pedestrian trail.

Sec. 12. **ADMINISTRATION**

Subdivision 1. **Total Appropriation**

**\$5,750,000**

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

**Subd. 2. Capital Asset Preservation and Replacement Account** 4,500,000

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

**Subd. 3. Ford Building** 170,000

To design the abatement of hazardous materials and demolition of the Ford Building and associated infrastructure located on the Capitol complex as the first phase of overall site redevelopment. This appropriation may also be used to design modifications necessary to maintain access to the Capitol complex tunnel system as well as to provide security, irrigation, and landscaping for the site.

Before beginning demolition, the commissioner must develop an executable design feature to be implemented in the interior or exterior of the building constructed on the site or incorporated into the site design. The design feature must reflect portions of the original exterior facade design, which might include design elements of the main entry way, or must incorporate a significant reuse of terra cotta ornamentation if determined to be in sufficient good condition for reuse.

**Subd. 4. Capitol Complex - Physical Security Upgrades Phase II** 980,000

To design, construct, and equip upgrades to the physical security elements and systems for one or more of the buildings listed in this subdivision, their attached tunnel systems, their surrounding grounds, and parking facilities as identified in the 2017 Minnesota State Capitol Complex Physical Security Predesign completed by Miller Dunwiddie. This appropriation includes money for work associated with one or more of the following buildings: Administration, Centennial, Judicial, Ag/Health Lab, Minnesota History Center, Capitol Complex Power Plant and Shops, Stassen, State Office, and Veterans Service.

**Subd. 5. Capitol Complex Tunnel; ADA Compliance** 100,000

To predesign capital improvements to the tunnel connecting the State Office Building with the State Capitol, necessary to bring the tunnel into compliance with the Americans with Disabilities Act (ADA).

**Sec. 13. AMATEUR SPORTS COMMISSION**

**Subdivision 1. Total Appropriation** **\$5,937,000**

To the Minnesota Amateur Sports Commission for the purposes specified in this section.



**Subd. 2. Asset Preservation**837,000

For asset preservation improvements and betterments of a capital nature at the National Sports Center in Blaine, to be spent in accordance with Minnesota Statutes, section 16B.307.

**Subd. 3. National Sports Center; Field Development and Maintenance Facility**3,000,000

For demolition of a maintenance facility and to construct and equip a new maintenance facility for the National Sports Center in Blaine.

**Subd. 4. Mighty Ducks**2,000,000

For grants to local government units under Minnesota Statutes, section 240A.09, paragraph (b), to improve indoor air quality or eliminate R-22. This appropriation shall not be used to acquire ice resurfacing or edging equipment.

**Subd. 5. Construction and Renovation of Public Skate Parks**100,000

For grants under Minnesota Statutes, section 240A.20, subdivision 2, clause (2), for design of skate parks from designers with expertise in the field of skate park design.

**Sec. 14. MILITARY AFFAIRS****Subdivision 1. Total Appropriation**\$24,545,000

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

**Subd. 2. Rosemount Readiness Center**1,000,000

To design the renovation of existing space at the Rosemount Readiness Center, including mechanical, electrical, building envelope, energy efficiency, and life safety improvements.

**Subd. 3. Fergus Falls Readiness Center**2,100,000

To design and renovate existing space at the Fergus Falls Readiness Center, including mechanical, electrical, building envelope, energy efficiency, and life safety improvements, and to construct an addition on the existing property.

**Subd. 4. Moorhead Readiness Center**5,345,000

To design and renovate existing space at the Moorhead Readiness Center, including mechanical, electrical, building envelope, energy efficiency, and life safety improvements, and to construct an addition on the existing property.

**Subd. 5. Marshall Readiness Center**3,100,000

To design and renovate existing space at the Marshall Readiness Center, including mechanical, electrical, building envelope, energy efficiency, and life safety improvements, and to construct an addition on the existing property.

**Subd. 6. Camp Ripley; Military Museum**13,000,000

To acquire land or interest in land, and to predesign, design, construct, furnish, and equip a facility outside the boundaries of Camp Ripley in Morrison County for the Minnesota Military Museum. This appropriation includes money for a visitor's center and gift shop; administrative offices; work, storage, and exhibit space; landscaping; parking; and other amenities and infrastructure for the museum. The adjutant general may enter into a lease or management agreement for the museum, subject to Minnesota Statutes, section 16A.695.

**Sec. 15. PUBLIC SAFETY****Subdivision 1. Total Appropriation****\$50,355,000**

To the commissioner of public safety or other named entity for the purposes specified in this section.

**Subd. 2. State Emergency Operations Center**29,545,000

To the commissioner of administration to acquire the site in Blaine, update the predesign, and to design, construct, furnish, and equip a new State Emergency Operations Center and Homeland Security and Emergency Management Office. This appropriation may also be used to design and complete hazardous materials abatement and demolition as needed on the acquired site.

**Subd. 3. Southern Minnesota BCA Regional Office and Laboratory**100,000

To the commissioner of administration for predesign of a new Bureau of Criminal Apprehension regional office and laboratory facility in the Mankato area.

**Subd. 4. Chisholm; Public Safety Facility**1,910,000

For a grant to the city of Chisholm to acquire land, prepare the site, predesign, and design a new public safety facility for fire protection and law enforcement.

**Subd. 5. Crystal; Police Department Expansion**4,000,000

For a grant to the city of Crystal to design, construct, furnish, and equip an expansion of the city's police department facility.

**Subd. 6. Edina; South Metro Public Safety Training Facility** 1,000,000

For a grant to the city of Edina to predesign, design, construct, expand, renovate, furnish, and equip a tactical training building at the South Metro Public Safety Training Facility to provide year-round flexible space for different training scenarios.

**Subd. 7. Maple Grove; North Metro Range** 3,500,000

For a grant to the city of Maple Grove to design, construct, furnish, and equip an expansion of the Maple Grove North Metro Range regional public safety training facility. The project includes facilities to provide law enforcement officers training in de-escalation and crisis intervention techniques.

**Subd. 8. Minneapolis; Emergency Operations Center and Fire Training Facility** 800,000

For a grant to the city of Minneapolis for predesign, design, engineering, and construction of the expansion of the Emergency Operations Center and Fire Training Facility.

**Subd. 9. Virginia; Regional Public Safety Center and Training Facility** 9,500,000

For a grant to the city of Virginia to acquire a site, demolish existing structures and prepare the site, and to predesign, design, construct, furnish, and equip a regional public safety center and training facility for the police and fire departments, emergency medical services, regional emergency services training, emergency operations, and other regional community needs.

**Sec. 16. TRANSPORTATION**

**Subdivision 1. Total Appropriation** **\$323,209,000**

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

**Subd. 2. Local Road Improvement Fund Grants** 75,000,000

From the bond proceeds account in the state transportation fund as provided in Minnesota Statutes, section 174.50, for eligible trunk highway corridor improvement projects under Minnesota Statutes, section 174.52, subdivision 2, for construction and reconstruction of local roads with statewide or regional significance under Minnesota Statutes, section 174.52, subdivision 4, or for grants to counties to assist in paying the costs of rural road safety capital improvement projects on county state-aid highways under Minnesota Statutes, section 174.52, subdivision 4a. Of this appropriation, at least \$5,000,000 is for projects on town roads.

**Subd. 3. Anoka County; East River Road**1,500,000

From the bond proceeds account in the state transportation fund as provided in Minnesota Statutes, section 174.50, for a grant to Anoka County to complete the preliminary engineering, environmental analysis, and final design of interchange construction and associated improvements to Anoka County State-Aid Highway 1, known as East River Road, at marked Trunk Highway 610 in the city of Coon Rapids.

**Subd. 4. Anoka County; Marked U.S. Highway 10/169**8,400,000

From the bond proceeds account in the state transportation fund as provided in Minnesota Statutes, section 174.50, for a grant to Anoka County for environmental analysis, preliminary engineering, and final design for the interchanges on marked U.S. Highway 10/169 at County State-Aid Highway 56 (Ramsey Boulevard) and County State-Aid Highway 57 (Sunfish Lake Boulevard) and the associated railroad grade separations, frontage roads, backage roads, and connecting local streets to support the U.S. Highway 10/169 improvements in the city of Ramsey.

**Subd. 5. Anoka County; Marked Trunk Highway 65 Interchange**1,500,000

From the bond proceeds account in the state transportation fund as provided in Minnesota Statutes, section 174.50, for a grant to Anoka County to complete preliminary engineering, environmental analysis, and final design of a grade separation and associated improvements to Anoka County State-Aid Highway 12, known as 109th Avenue, at marked Trunk Highway 65 in the city of Blaine.

**Subd. 6. Dakota County; Diffley Road**4,000,000

From the bond proceeds account in the state transportation fund as provided in Minnesota Statutes, section 174.50, for one or more grants to Dakota County, the city of Eagan, and Independent School District No. 196, Rosemount-Apple Valley-Eagan, to reconstruct Diffley Road between Lexington Avenue and Braddock Trail, and Daniel Drive at Diffley Road.

**Subd. 7. Golden Valley; Douglas Drive and Highway 55**6,500,000

From the bond proceeds account in the state transportation fund as provided in Minnesota Statutes, section 174.50, for a grant to the city of Golden Valley to construct public safety improvements at the intersection of Douglas Drive and Highway 55, including a box culvert underpass across Highway 55, a roundabout and extended frontage road south of Highway 55, retaining wall construction, underground utility relocation, sidewalk and trail connections to existing facilities, Americans with Disabilities Act-compliant facilities, and landscaping.

**Subd. 8. Maple Grove; Trunk Highway 610 Local Road Improvements** 13,000,000

From the bond proceeds account in the state transportation fund as provided in Minnesota Statutes, section 174.50, for a grant to the city of Maple Grove or Hennepin County, or both, in amounts determined by the commissioner to acquire right-of-way, predesign, design, engineer, and construct roadway connections between marked Trunk Highway 610 and I-94, and the extension to County Road 30 in Hennepin County. The project includes completion of the update of the environmental impact statement with an environmental assessment for the project.

**Subd. 9. Oak Park Heights; Realignment of 60th Street** 790,000

From the bond proceeds account in the state transportation fund as provided in Minnesota Statutes, section 174.50, for a grant to the city of Oak Park Heights to design, engineer, construct, furnish, and equip a realignment of 60th Street, lying south of State Highway 36, from Krueger Lane to a current service road east of Norell Avenue and west of Nova Scotia Avenue, including the installation of a roundabout at the intersection with Norell Avenue. This project includes off-street trails and sidewalks, and public safety improvements, utility relocations and connections, trail connections, accessibility features, and landscaping and storm water management, all in conjunction with the realignment of 60th Street.

**Subd. 10. Ramsey County; I-35E and County Road J Interchange** 1,500,000

From the bond proceeds account in the state transportation fund as provided in Minnesota Statutes, section 174.50, for a grant to Ramsey County to complete the preliminary engineering and environmental analysis for a full access interchange on County Road J at Interstate Highway 35E and associated improvements on County Road J supporting the interchange from Centerville Road to Otter Lake Road in the cities of North Oaks and Lino Lakes and White Bear Township.

**Subd. 11. Richfield; 77th Street Underpass** 6,000,000

From the bond proceeds account in the state transportation fund as provided in Minnesota Statutes, section 174.50, for a grant to the city of Richfield for the extension of 77th Street under marked Trunk Highway 77/Cedar Avenue project in the city of Richfield. This appropriation is added to the appropriation in Laws 2015, First Special Session chapter 5, article 1, section 10, subdivision 7, as amended by Laws 2017, First Special Session chapter 8, article 2, section 32.

**Subd. 12. Sartell; Local Roads**5,500,000

From the bond proceeds account in the state transportation fund as provided in Minnesota Statutes, section 174.50, for a grant to the city of Sartell for improvements to Scout Drive to 50th Avenue South. Improvements include predesign, design, engineering, acquisition of right-of-way, replacement or repair of utilities, street reconstruction, and other improvements or upgrades related to street work.

**Subd. 13. Sibley County; Scenic Byway 6 Reconstruction**14,000,000

From the bond proceeds account in the state transportation fund as provided in Minnesota Statutes, section 174.50, for a grant to Sibley County to predesign, design, engineer, acquire right-of-way for, and construct improvements to Sibley County State-Aid Highway 6, known as Scenic Byway 6, to raise the road to meet the 50-year flood level, provide for a walking and bicycling lane, and reconstruct the intersection of Scenic Byway 6 and Sibley County State-Aid Highway 5.

**Subd. 14. Scott County; Highway 13 and Yosemite Interchange**\$5,269,000

From the bond proceeds account in the state transportation fund as provided in Minnesota Statutes, section 174.50, for a grant to Scott County to acquire land, predesign, and design local road improvements, including accommodations for bicycles and pedestrians, to support a programmed interchange at the intersection of marked Trunk Highway 13 and Dakota Avenue in Savage.

**Subd. 15. Sherburne County; Zimmerman Interchange Project**2,000,000

From the bond proceeds account in the state transportation fund as provided in Minnesota Statutes, section 174.50, for a grant to Sherburne County for environmental analysis, preliminary engineering, and final design of the local road portions of the proposed interchange project at marked U.S. Highway 169 and Sherburne County State-Aid Highway 4 in Zimmerman. Any money remaining upon completion of the design process may be used to acquire right-of-way needed for the local road portions of the interchange project.

**Subd. 16. Zumbrota; Jefferson Drive**3,000,000

From the bond proceeds account in the state transportation fund as provided in Minnesota Statutes, section 174.50, for a grant to the city of Zumbrota to predesign, design, and reconstruct a segment of Jefferson Drive and the adjacent trail in the city of Zumbrota.

including a culvert extension, and replacement of or improvements to side street connections, pedestrian crossing facilities, storm sewer, drainage, sanitary sewer, and water lines.

**Subd. 17. Local Bridge Replacement and Rehabilitation** 30,000,000

From the bond proceeds account in the state transportation fund to match federal money and to replace or rehabilitate local deficient bridges as provided in Minnesota Statutes, section 174.50.

**Subd. 18. St. Paul; Third Street/Kellogg Boulevard Bridge** 52,000,000

From the bond proceeds account in the state transportation fund as provided in Minnesota Statutes, section 174.50, for a grant to the city of St. Paul to demolish and remove the existing Third Street/Kellogg Boulevard bridge over the BNSF railroad, Commercial Street, and marked Interstate Highway 94, and for acquisition of right-of-way, design, construction engineering, and construction of a replacement bridge that includes multimodal elements for bicycles, pedestrians, vehicles, and mass transit. This appropriation also may be used for any roadway approach reconstruction work identified within the project limits, including right-of-way acquisition, design, and construction engineering.

**Subd. 19. Safe Routes to School; Pedestrian and Bicycle Facilities** 3,000,000

For grants under Minnesota Statutes, section 174.40.

**Subd. 20. Rail Service Improvement** 4,000,000

For rail service improvement grants under Minnesota Statutes, section 222.50.

**Subd. 21. Port Development Assistance** 14,000,000

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

**Subd. 22. Passenger Rail** 3,000,000

(a) For intercity passenger rail implementation on Phase 1 corridors identified in the 2015 update to the state rail plan under Minnesota Statutes, section 174.03, subdivision 1b. This appropriation is only for projects that are determined to be eligible for United States Department of Transportation funding. \$1,500,000 of this appropriation is for a project issued a Finding of No Significant Impact (FONSI) by the Federal Railroad Administration on a Tier 2 project level environmental assessment.

(b) Notwithstanding any law to the contrary, a portion or phase of an intercity passenger rail project may be accomplished with one or more state appropriations, and an intercity passenger rail project need not be completed with any one appropriation. This appropriation is available for program delivery and capital improvements and betterments, including preliminary engineering, design, final engineering, environmental analysis and mitigation, acquisition of land and right-of-way, rail crossings and bridge improvements, station improvements, and railroad appurtenances.

(c) Projects may include the Northern Lights Express service between Minneapolis and St. Paul and Duluth, a second daily Amtrak train between Minneapolis and St. Paul and Chicago, and extension of the Northstar Commuter Rail service to St. Cloud.

**Subd. 23. Greater Minnesota Transit Capital Program**

2,000,000

For capital assistance for publicly owned greater Minnesota transit systems to acquire property, predesign, design, construct, furnish, and equip transit capital facilities under Minnesota Statutes, section 174.24, subdivision 3c.

**Subd. 24. International Falls-Koochiching County Airport Improvements**

1,800,000

For a grant to the International Falls-Koochiching County Airport Commission to provide for the nonfederal share of a project at International Falls Airport for land acquisition, predesign, design, and reconstruction of the runway, taxiway, and apron.

**Subd. 25. Rochester International Airport Runway and Associated Improvements**

11,400,000

(a) The following appropriations are for one or more grants to the city of Rochester for improvements to the Rochester International Airport in phases. If any of these appropriations for a specified phase is not needed to complete that phase, the unexpended and unencumbered amount may be applied to another phase of the Rochester Airport project for which an appropriation is made in this subdivision. Each appropriation for a phase is available when the commissioner of management and budget determines that an amount sufficient to complete that phase is committed to the project.

(b) \$1,025,000 is appropriated for Phase 1, to reconstruct the middle portion of runway 2/20 and to construct associated grading and drainage improvements at the Rochester International Airport.

(c) \$3,400,000 is appropriated for Phase 2, for property acquisition; site mitigation; relocation of 31st Ave. SW and County Road 30; utility and navigational aid repositioning; grading and



drainage improvements; removal of taxiways; reconstruction of the southern portion of runway 2 and runway shoulders; and installation of lighting and signage at the Rochester International Airport.

(d) \$4,100,000 is appropriated for Phase 3, to modify airport fencing; construct an extension of runway 2, taxiways, and shoulders; site preparation and grading; reconstruction of a portion of runway 2, taxiways, and shoulders; installation of lighting and signage at the Rochester International Airport; and acquire and install instrument approach improvements.

(e) \$625,000 is appropriated for Phase 4, to construct improvements to taxiway B and shoulders, to make grading and drainage improvements, and to install lighting and signage at the Rochester International Airport.

(f) \$1,025,000 is appropriated for Phase 5, to demolish and reconstruct a portion of taxiway B and shoulders; to reposition navigational aids; for grading and drainage improvements; and to install lighting and signage at the Rochester International Airport.

(g) \$1,225,000 is appropriated for Phase 6, to reconstruct taxiway and runway intersections; to remove taxiways A6, E, F, G, and a portion of runway 20; and to reconstruct taxiway D at the Rochester International Airport.

**Subd. 26. Thief River Falls; Airport**

5,500,000

For a grant to the Thief River Falls Regional Airport Authority to predesign, design, construct, furnish, and equip a new cargo hangar building to include office space, a parking area, and connection to roadway and utilities.

**Subd. 27. Rogers; Pedestrian and Bike Bridge**

2,200,000

For a grant to the city of Rogers to acquire property for and to design and construct a pedestrian and bicycle bridge over marked Interstate Highway 94 approximately one mile northwest of the interchange at marked Trunk Highway 101. This appropriation includes money for construction of a bituminous trail to connect to the existing trail system.

**Subd. 28. Shakopee; Highway 169 Pedestrian and Bicycle Overpass**

2,000,000

For a grant to the city of Shakopee to acquire land or interests in land, predesign, design, engineer, and construct a pedestrian and bicycle overpass over marked Trunk Highway 169, and establish new trail segments, to connect the Southbridge neighborhood and Quarry Lake Park.

**Subd. 29. Minnesota Valley Regional Rail Authority; Winthrop to Hanley Falls Improvements**

10,000,000

For a grant to the Minnesota Valley Regional Rail Authority to rehabilitate a portion of the railroad track between Winthrop and Hanley Falls. The grant under this subdivision may also be used for any required environmental analysis and remediation, predesign, design, and rehabilitation or replacement of bridges with new bridges or culverts between Winthrop and Hanley Falls. A grant under this subdivision is in addition to any grant, loan, or loan guarantee for this project made by the commissioner under Minnesota Statutes, sections 222.46 to 222.62. This appropriation is in addition to the appropriations under Laws 2006, chapter 258, section 16, subdivision 6; Laws 2008, chapter 179, section 16, subdivision 5; Laws 2009, chapter 93, article 1, section 11, subdivision 4; Laws 2010, chapter 189, section 15, subdivision 5; Laws 2015, First Special Session chapter 5, article 1, section 10, subdivision 4; Laws 2017, First Special Session chapter 8, article 1, section 15, subdivision 7; and Laws 2018, chapter 214, article 1, section 16, subdivision 4.

**Subd. 30. Northfield; Regional Transit Hub**

1,750,000

For a grant to the city of Northfield to acquire real property; prepare the site, including any environmental remediation; and predesign, design, construct, furnish, and equip a regional transit hub, including a pavilion, railroad quiet zone safety improvements, and trail connections.

**Subd. 31. Albert Lea; Highway 65 Flood Mitigation**

800,000

For a grant to the city of Albert Lea for preliminary design, final design, right-of-way acquisition if needed, environmental remediation, site preparation, including demolition of existing buildings and structures deemed undesirable for storm water drainage ponds, soil excavation and disposal, lining of pond, retaining walls, and storm sewer drainage systems, and construction of storm water drainage ponds and storm water drainage systems for city storm water drainage in connection with the marked U.S. Highway 65 flood mitigation project in Albert Lea. The flood mitigation project is to raise the roadway above flood levels.

**Subd. 32. Chisago County; U.S. Highway 8 Reconstruction**

8,000,000

(a) For a grant to Chisago County to predesign, design, engineer, and construct a reconstruction of marked U.S. Highway 8 from Karmel Avenue in Chisago City to Interstate 35 and pedestrian and bike trails along and crossings of this portion of U.S. Highway 8. This reconstruction may include expanding segments of U.S. Highway 8 to four lanes, constructing or reconstructing frontage

roads and backage roads, and realigning local roads to consolidate, remove, and relocate access onto and off of U.S. Highway 8. This appropriation is for the portion of the project that is eligible for use of proceeds of general obligation bonds. This appropriation is available until the project is completed or abandoned.

(b) Amounts planned by the Department of Transportation for the resurfacing of U.S. Highway 8, as reflected in MnDOT's Metro District Ten-Year Capital Highway Investment Study 2020-2029, shall instead be applied to the reconstruction of U.S. Highway 8 to supplement appropriations for that purpose from any fund in this section.

**Subd. 33. Henderson; Trunk Highway 93 to U.S. Highway 169 Reconstruction**

1,800,000

For projects eligible for general obligation bond proceeds that are associated with the reconstruction of marked Trunk Highway 93 from Henderson to marked U.S. Highway 169, to raise the roadway elevation and prevent closures due to river flooding.

**Subd. 34. Olmsted County; Trunk Highway 14 and County Road 104 Interchange Construction**

6,000,000

For general obligation bond eligible portions of a project to predesign, design, engineer, construct, furnish, and equip an interchange at marked Trunk Highway 14 and County Road 104, including a flyover at 7th Street NW, in Olmsted County, and associated infrastructure and road work to accommodate the interchange.

**Subd. 35. Washington County; Interchange at Highway 36 and County Road 15**

3,000,000

From the bond proceeds account in the state transportation fund as provided in Minnesota Statutes, section 174.50, for a grant to Washington County for engineering and property and easement acquisition, in conjunction with an interchange at marked Trunk Highway 36 and County State-Aid Highway 15, known as Manning Avenue, in Washington County.

**Subd. 36. Koochiching County; CSAH 24 Rail Grade Separation**

3,000,000

For a grant to Koochiching County to acquire land for and to predesign, design, engineer, and construct a rail grade crossing separation where County State-Aid Highway 24 crosses Canadian National railroad tracks near the cities of Ranier and International Falls.

**Subd. 37. Red Wing; Rail Grade Separation**10,000,000

From the bond proceeds account in the state transportation fund as provided in Minnesota Statutes, section 174.50, for a grant to the city of Red Wing for right-of-way acquisition, environmental analysis, design, engineering, removal of an existing structure, and construction of a rail grade crossing separation at Sturgeon Lake Road. This appropriation is in addition to the appropriation for the same purpose in Laws 2017, First Special Session chapter 8, article 1, section 15, subdivision 4.

**Sec. 17. METROPOLITAN COUNCIL****Subdivision 1. Total Appropriation****\$87,900,000**

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

**Subd. 2. Metropolitan Cities Inflow and Infiltration Grants**5,000,000

For grants to cities within the metropolitan area, as defined in Minnesota Statutes, section 473.121, subdivision 2, for capital improvements in municipal wastewater collection systems to reduce the amount of inflow and infiltration to the Metropolitan Council's metropolitan sanitary sewer disposal system. Grants from this appropriation are for up to 50 percent of the cost to mitigate inflow and infiltration in the publicly owned municipal wastewater collection systems. To be eligible for a grant, a city must be identified by the council as a contributor of excessive inflow and infiltration in the metropolitan disposal system or have a measured flow rate within 20 percent of its allowable council-determined inflow and infiltration limits. The council must award grants based on applications from cities that identify eligible capital costs and include a timeline for inflow and infiltration mitigation construction, pursuant to guidelines established by the council.

**Subd. 3. Metropolitan Regional Parks and Trails**5,000,000

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

**Subd. 4. Bus Rapid Transit Lines**55,000,000

For design, engineering, right-of-way acquisition, and construction of the B line bus rapid transit line between Minneapolis and St. Paul, and the D line bus rapid transit line between Brooklyn

Center and Bloomington. To the extent money remains after the B line and D line projects are completed, this appropriation is also for preliminary design, design, and engineering of the E line bus rapid transit from Minneapolis to Southdale Transit Center.

**Subd. 5. Carver County; Lake Waconia**

2,500,000

For a grant to Carver County to design, construct, and equip a waterfront pavilion with restrooms and a concession building, and to design, construct, and equip utility connections at Lake Waconia Regional Park.

**Subd. 6. Dakota County; Veterans Memorial Greenway**

5,000,000

For a grant to Dakota County to construct improvements for the Veterans Memorial Greenway, including memorials, a community gathering space, and a new trail connection between Lebanon Hills Regional Park and the Mississippi River.

**Subd. 7. Minneapolis Park and Recreation Board; Mississippi River Trail Connection at 26th Avenue North**

3,000,000

(a) For a grant to the Minneapolis Park and Recreation Board to design and construct a trail connection paralleling the Mississippi River between 26th Avenue North and the Minneapolis Grand Rounds at Ole Olson Park, all within Above the Falls Regional Park. This appropriation is intended to augment work being completed by the city of Minneapolis to reconstruct and create a multimodal corridor beginning at Theodore Wirth Regional Park and extending east to the Mississippi River along 26th Avenue North.

(b) All project lighting must follow the International Dark Sky Community Program guidelines, published June 2018, and follow best practices for bird-safe lighting. The height of any beacon light must comply with the Minneapolis shoreland overlay district ordinance governing height of structures. A beacon light must be off from March 15 to May 31 and August 15 to October 31 each year, and off between the hours of 11 p.m. and 6 a.m. at all other times of the year. All lighting must be shielded and use bird-safe light colors.

**Subd. 8. Ramsey County; Battle Creek Winter Recreation Area**

1,800,000

For a grant to Ramsey County for design and construction of a Nordic ski competition and winter recreation area to include a 2.5 kilometer cross-country ski trail loop, upgrades to utilities and other park infrastructure, and a marker commemorating the Olympic accomplishments of Minnesotan Jessie Diggins in Battle Creek Regional Park.

**Subd. 9. St. Paul; Como Zoo**1,000,000

For a grant to the city of St. Paul to improve and replace outdated mechanical systems and other building structural components to achieve greater energy efficiency at Como Zoo.

**Subd. 10. St. Paul; Wakan Tipi**1,000,000

For a grant to the city of St. Paul for the Wakan Tipi Center project. The city may enter into a lease or management agreement under Minnesota Statutes, section 16A.695. This appropriation is added to the appropriation for the Nature Sanctuary Visitor Center in Laws 2018, chapter 214, article 1, section 17, subdivision 6, and is for the same purposes.

**Subd. 11. Three Rivers Park District; Mississippi Gateway**5,000,000

For a grant to Three Rivers Park District to predesign, design, and engineer improvements to the Mississippi Gateway Regional Park, and to construct a canopy walkway and playground development, pedestrian trail connections, landscape restoration and enhancements, and habitat restoration.

**Subd. 12. White Bear Lake Communities; Lake Links Trail**3,600,000

For grants to complete design and construction of a multiuse paved trail and route for pedestrians, bicycles, and wheelchairs around White Bear Lake in Ramsey and Washington Counties, as follows:

(1) \$2,600,000 of this appropriation is for a grant to the city of Dellwood in Washington County to design, engineer, construct, and equip trail improvements consistent with the completed preliminary engineering along or parallel with the shore of White Bear Lake between the Mahtomedi city limits and the western line of Washington County;

(2) \$500,000 of this appropriation is for a grant to White Bear Township in Ramsey County to design, engineer, construct, and equip trail improvements along and parallel with the shore of White Bear Lake between the Washington County line and the city limits of the city of White Bear Lake, Ramsey County; and

(3) \$500,000 of this appropriation is for a grant to the city of White Bear Lake in Ramsey County to design, engineer, construct, and equip trail improvements along or parallel with the shore of White Bear Lake between the eastern city limits of White Bear Lake and Pacific Avenue.

Sec. 18. **HUMAN SERVICES**

**Subdivision 1. Total Appropriation**

**\$27,409,000**

To the commissioner of administration, or other named entity, for the purposes specified in this section.

**Subd. 2. Asset Preservation**

**8,000,000**

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

**Subd. 3. St. Peter Regional Treatment Center Campus - Phase 2**

**1,794,000**

To design the second phase of a multiphase project to develop additional residential, program, activity, and ancillary facilities for the Minnesota sex offender program on the lower campus of the St. Peter Regional Treatment Center.

**Subd. 4. Child and Adolescent Behavioral Health Services Facility**

**1,750,000**

For design, construction, and furnishing of a large motor activity and ancillary space for the Child and Adolescent Behavioral Health Hospital. The appropriation also includes money for design and construction of a small maintenance shed, courtyard interiors, a parking lot, playground equipment, and landscaping activities.

**Subd. 5. Regional Behavioral Health Crisis Facilities Grant Program**

**10,000,000**

To the commissioner of human services for regional behavioral health crisis facilities grants under Minnesota Statutes, section 245G.011.

**Subd. 6. St. Louis Park; Perspectives Family Center**

**4,500,000**

To the commissioner of human services for a grant to the city of St. Louis Park to construct, furnish, and equip the expansion and renovation of the existing Perspectives Family Center facility in St. Louis Park subject to Minnesota Statutes, section 16A.695. The expanded and renovated facility must be used to promote the public welfare by providing any or all of the following programs and services: (1) supportive housing programs for homeless women and their children; (2) mental and chemical health programs; (3) employment services; (4) academic, social skills, and nutritional programs for homeless and at-risk children; (5) an all-day therapeutic early childhood development program for homeless and at-risk children; and (6) a culturally sensitive safe and nurturing environment for at-risk children to meet with their nonresidential parents.

**Subd. 7. St. Louis County; Regional Behavioral Health Crisis Facility** 1,365,000

To the commissioner of human services for a grant to St. Louis County for a regional behavioral health crisis facility. This appropriation is in addition to and for the same purposes as the grant awarded to the county under Minnesota Statutes, section 245G.011.

Sec. 19. **VETERANS AFFAIRS**

**Subdivision 1. Total Appropriation** **\$8,450,000**

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

**Subd. 2. Asset Preservation** 8,000,000

For asset preservation improvements and betterments of a capital nature at the veterans homes in Minneapolis, Hastings, Fergus Falls, Silver Bay, and Luverne, and the Little Falls Cemetery, to be spent in accordance with Minnesota Statutes, section 16B.307.

**Subd. 3. Fergus Falls Veterans Home Greenhouse** 100,000

To design, construct, and equip a new greenhouse at the Minnesota Veterans Home in Fergus Falls.

**Subd. 4. Martin County; Veterans Memorial** 350,000

For a grant to Martin County to design and construct a memorial to those who have served in the military of the United States of America and those who have died in the line of duty.

Sec. 20. **CORRECTIONS**

**Subdivision 1. Total Appropriation** **\$44,498,000**

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

**Subd. 2. Asset Preservation** 25,000,000

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

**Subd. 3. Minnesota Correctional Facility - Willow River** 1,877,000

To design, construct, and equip a communications system to accommodate a new radio tower, a microwave system, electrical and data connectivity, and an environmentally controlled, secure structure to house the communications equipment at the Minnesota Correctional Facility - Willow River.



**Subd. 4. Minnesota Correctional Facility - Faribault**954,000

To predesign and design the construction and renovation of new and existing buildings at the Minnesota Correctional Facility - Faribault, in order to upgrade the minimum security housing unit (Dakota Building) and expand offender programming space.

**Subd. 5. Minnesota Correctional Facility - St. Cloud**800,000

To design, renovate, construct, equip, and install a new fire suppression system in Living Units A, B, and C at the Minnesota Correctional Facility - St. Cloud. This installation includes but is not limited to cells, common areas, and control areas and must comply with all applicable codes.

**Subd. 6. Minnesota Correctional Facility - Stillwater**2,600,000

To design, renovate, construct, equip, and install a fire suppression system in four living units at the Minnesota Correctional Facility - Stillwater. This installation includes but is not limited to the cells, common areas, and control areas in Buildings 3, 5, 9, and 12 and must comply with all applicable codes.

**Subd. 7. Minnesota Correctional Facility - Togo**2,600,000

To design, construct, and equip a new sewer treatment system at the Minnesota Correctional Facility - Togo. The system includes but is not limited to settling ponds, pumping stations, and other underground infrastructure improvements associated with the sewer system complying with all Pollution Control Agency and code requirements. As part of the project, the existing septic system/drain field shall be decommissioned.

**Subd. 8. Arrowhead Regional Corrections Joint Powers Board**3,250,000

For a grant to the Arrowhead Regional Corrections Joint Powers Board to renovate, remodel, and complete other capital improvements to buildings that support vocational, educational, and farm work programming and experiences at the Northeast Regional Corrections Center.

**Subd. 9. Carlton County; Regional Corrections Facility**2,000,000

For a grant to Carlton County for predesign and design of a corrections facility providing emphasis on serving as a regional facility for female offenders. This statewide demonstration project shall address current state requirements of parity in serving male and female offenders under Minnesota Statutes, section 241.70, subdivision 1, and will use the Sequential Intercept Model to improve service and system-level responses for adults with mental and substance abuse disorders in the criminal justice system.

**Subd. 10. Martin County Justice Center**2,167,000

For a grant to Martin County for site preparation, predesign, and design of a new county justice center to provide space for functions related to the county justice system, which may include the county jail, courtrooms, court offices and related purposes, offices for the sheriff and other law enforcement personnel, county and state corrections, the county attorney, dispatch, and emergency management.

**Subd. 11. Prairie Lake Youth JPB; School and Recreation Center**2,500,000

For a grant to the Prairie Lake Youth Joint Powers Board to predesign, design, construct, furnish, and equip an indoor recreation and educational building adjoining the current building for the Prairie Lakes Youth Program.

**Subd. 12. Winona County Jail**750,000

For a grant to Winona County to acquire land for a new county jail.

**Subd. 13. Unspent Appropriations**

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

**Sec. 21. EMPLOYMENT AND ECONOMIC DEVELOPMENT****Subdivision 1. Total Appropriation****\$150,241,000**

To the commissioner of employment and economic development, or other named entity, for the purposes specified in this section.

**Subd. 2. Greater Minnesota Business Development Public Infrastructure**10,000,000

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

**Subd. 3. Innovative Business Development Public Infrastructure**2,000,000

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

**Subd. 4. Transportation Economic Development Infrastructure**3,000,000

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

**Subd. 5. Workforce Center; Asset Preservation**642,000

To the commissioner of administration for asset preservation improvements and betterments of a capital nature at the South Minneapolis CareerForce location to be spent in accordance with Minnesota Statutes, section 16B.307.

**Subd. 6. Alexandria; Runestone Community Center Expansion**5,600,000

For a grant to the city of Alexandria to design, construct, furnish, and equip an expansion and renovation of the Runestone Community Center in Alexandria.

**Subd. 7. Annandale; Infrastructure Improvements**4,090,000

For a grant to the city of Annandale for predesign, design, construction, and replacement or renovation of street, storm sewer, sanitary sewer, water main, and other capital improvements that are made necessary by, or are most economically completed if performed at the same time as, road work on marked Trunk Highways 24 and 55 in the city of Annandale.

**Subd. 8. Becker; Business Park Public Infrastructure**20,500,000

For a grant to the city of Becker to acquire land, predesign, design, construct, furnish, and equip public infrastructure, including water, sanitary sewer, storm sewer and drainage systems, roads, and lighting for a business park in the city of Becker. A portion of the water infrastructure for the business park will be installed in Becker Township.

**Subd. 9. Becker County; Museum**1,850,000

For a grant to Becker County to predesign, design, construct, furnish, and equip a new county museum facility.

**Subd. 10. Champlin; Mississippi Point Park Improvements**3,450,000

For a grant to the city of Champlin to predesign, design, acquire, install, construct, furnish, and equip capital improvements in Mississippi Point Park, including an Americans with Disabilities Act (ADA) accessible boat docking system and picnic pavilion.

**Subd. 11. Chatfield; Center for the Arts**8,700,000

For a grant to the city of Chatfield economic development authority to predesign, design, renovate, construct, furnish, and equip the Chatfield Center for the Arts in the city of Chatfield, which is generally described as the renovation of the 1916 high school and the installation of a linking structure and related

improvements to serve both the 1936 auditorium building and the 1916 school building. The renovation includes interior, exterior, and amenity improvements within the high school building; improvements to the electrical, plumbing, and HVAC systems throughout the property; and general improvements to the buildings and land that are known as the Chatfield Center for the Arts, currently owned by the economic development authority.

**Subd. 12. Crookston; Colborn Property Development**

895,000

For a grant to the city of Crookston for development of the southern end of the city limits commonly known as the Colborn Property. This appropriation includes money for construction of roads and storm water infrastructure, for site preparation, and for other improvements of publicly owned infrastructure.

**Subd. 13. Deephaven; Northome Avenue Bridge**

750,000

For a grant to the city of Deephaven to predesign, design, construct, furnish, and equip a bridge to carry Northome Avenue over a pedestrian and bike trail in the city of Deephaven.

**Subd. 14. Duluth; Seawall and Surface Improvements**

13,500,000

For a grant to the city of Duluth to predesign, design, construct, furnish, and equip seawall and lakewalk infrastructure with related surface improvements, including a boardwalk and bike trails, public gathering spaces, and loading areas, along the shore of Lake Superior in the city of Duluth. This appropriation may also be used for demolition and removal of existing seawall and lakewalk structures.

**Subd. 15. Duluth; Lake Superior Zoo**

204,000

For a grant to the city of Duluth to predesign and design the renovation or replacement of the Main Building at the Lake Superior Zoo.

**Subd. 16. Ellsworth; City Hall and Public Works Shop**

1,000,000

For a grant to the city of Ellsworth to prepare the site, predesign, design, construct, furnish, and equip a city hall with a multipurpose room and a public works shop, to replace the city hall and public works buildings destroyed by fire in January 2019.

**Subd. 17. Eveleth; Buildings Renovation**

1,000,000

For a grant to the city of Eveleth to predesign, design, construct, renovate, and equip capital improvements and betterments to the city hall/police station, the Carnegie library, the fire/ambulance hall, the Hippodrome ice arena, and the city auditorium. The

improvements include renovation or replacement of HVAC systems, roof replacement, installation of carbon monoxide and nitrogen dioxide detection systems, exterior masonry restoration, and renovation of public restrooms.

**Subd. 18. Fergus Falls; Riverfront Corridor**

1,000,000

For a grant to the city of Fergus Falls for construction of a downtown riverfront corridor improvement project including an amphitheater, river market, public arts space, interactive water components, and related publicly owned infrastructure and amenities.

**Subd. 19. Grand Rapids; IRA Civic Center**

5,000,000

For a grant to the city of Grand Rapids for the design, construction, and equipping of capital improvements to the IRA Civic Center. This appropriation includes money for replacement of the truss/roof structure, replacement of the facility's existing ice-making system, and other improvements and betterments of a capital nature for health, safety, and Americans with Disabilities Act (ADA) compliance.

**Subd. 20. Hastings; City Hall**

2,000,000

For a grant to the city of Hastings for repairs, construction, and other capital improvements necessary for renovation of the historic City Hall in Hastings. This appropriation includes money for repairs of the dome and roofing, HVAC improvements, repairs to the interior walls and exterior masonry of the building, site regrading, and project management.

**Subd. 21. Hennepin County; Avivo**

1,700,000

For a grant to Hennepin County for Phase 1 of the Avivo regional career and employment center project in Minneapolis, subject to Minnesota Statutes, section 16A.695. Phase 1 includes geotechnical and environmental investigation, demolition, and site work; predesign and design of the renovation and expansion of a building; and predesign and design for the replacement of or improvements to building systems on the Avivo campus, including HVAC, mechanical, electrical, and accessibility improvements.

**Subd. 22. Hibbing; Mine View "Window to the World"**

1,300,000

For a grant to the city of Hibbing to construct the mine view "Windows to the World" facility on the Susquehanna mine dump.

**Subd. 23. Litchfield; Wellness Center**

5,000,000

(a) For a grant to the city of Litchfield to acquire land for and to predesign, design, construct, furnish, and equip a community wellness/recreation center that will include a gymnasium and

general fitness spaces, a dedicated walking section, a community room, and any locker rooms and mechanical equipment needed for future additions to the facility.

(b) This appropriation is not available until the commissioner of employment and economic development has determined that the school district and the city have entered into an agreement that addresses the city's and school district's relative contributions to the project and the operations and use of the facilities. The city may enter into a lease or management agreement with the school district.

**Subd. 24. Minneapolis; Central City Storm Tunnel** 16,000,000

For a grant to the city of Minneapolis for design and construction necessary to expand the Central City Storm Tunnel in Minneapolis.

**Subd. 25. Minneapolis; Outdoor Performance Venue** 5,000,000

(a) For a grant to the city of Minneapolis to predesign and design a new outdoor music performance venue on the Upper Harbor site along the Mississippi River in North Minneapolis. The venue will accommodate approximately 7,000 to 10,000 people in a combination of temporary seating or standing room. A portion of the venue will be designed to allow it to be enclosed for smaller events on a year-round basis.

(b) The city may operate the outdoor music venue directly or enter into a lease or management agreement with a for-profit or a nonprofit operator, subject to Minnesota Statutes, section 16A.695. The lease or management agreement must provide for a program of free use of the venue that will benefit the adjacent North Minneapolis community and that will be curated and controlled by a North Minneapolis community-based partner.

(c) The city of Minneapolis contract with the developer of the project or the lease or management agreement, or both, must identify community benefits from the development, construction, management, operation, and maintenance of the venue intended to benefit the adjacent communities, including benefits related to procurement, employment, sustainability, and other commitments from the operator of the venue.

**Subd. 26. New Ulm; German Park Amphitheater** 300,000

For a grant to the city of New Ulm for site work, including terracing and landscaping, and to design and construct capital improvements, including accessibility improvements to comply with the Americans with Disabilities Act (ADA), necessary for replacement of the amphitheater in German Park.

**Subd. 27. Orono; Big Island Park**300,000

For a grant to the city of Orono to predesign, design, construct, furnish, and equip improvements at Big Island Park, including a picnic area, trails and trail gates, restrooms, permanent seating, and interpretive panels.

**Subd. 28. Pipestone County; Dental Facility**250,000

For a grant to Pipestone County to predesign, design, construct, furnish, and equip a dental care facility in Pipestone County. This appropriation is in addition to the appropriation for the same purpose in Laws 2018, chapter 214, article 1, section 21, subdivision 18. This project is not subject to the requirements of Minnesota Statutes, section 16B.325.

**Subd. 29. Plymouth; Plymouth Creek Center**5,000,000

For a grant to the city of Plymouth to predesign, design, construct, furnish, and equip the renovation and expansion of the Plymouth Creek Center.

**Subd. 30. Proctor; Salt Shed**500,000

For a grant to the city of Proctor to predesign, design, and construct a salt shed to replace the condemned salt shed on the river front.

**Subd. 31. Roseville; Guidant John Rose OVAL**3,900,000

For a grant to the city of Roseville to predesign, design, construct, furnish, and equip the renovation of the Guidant John Rose Minnesota OVAL. The project includes the building, building systems, and facilities.

**Subd. 32. Steele County; Fairgrounds Electrical Improvements**750,000

For a grant to Steele County to construct underground electrical infrastructure at the Steele County Fairgrounds.

**Subd. 33. St. Cloud; Municipal Athletic Complex**10,000,000

For a grant to the city of St. Cloud to design, construct, furnish, and equip improvements to the municipal athletic complex to serve as a regional field sport and ice sport facility. This appropriation includes money for a locker room and training addition to the ice arena, mechanical upgrades, reconstruction of Dick Putz Field, and for renovation of Joe Faber Field to correct drainage. This appropriation may not be used to acquire and install artificial turf or to construct the west lobby.

**Subd. 34. St. Joseph; Jacob Wetterling Recreation Center**1,050,000

For a grant to the city of St. Joseph for Phase 1 of the St. Joseph Community Center project. Phase 1 is to predesign and design a recreation center as an addition to the former school building purchased by the city to be repurposed as a community center.

**Subd. 35. St. Louis County; Heritage and Arts Center**1,500,000

For a grant to St. Louis County for asset preservation of the St. Louis County Heritage and Arts Center, also known as the Depot, in Duluth. The project includes improvements to the life-safety elements of the building and to restore exterior building envelope integrity.

**Subd. 36. St. Paul; Humanities Center**750,000

For a grant to the city of St. Paul for asset preservation of the Minnesota Humanities Center's main facility, including capital improvements for building envelope, foundation, and structural integrity; and for mechanical systems upgrades, including heating, ventilation, and cooling, subject to Minnesota Statutes, section 16A.695. This appropriation is added to the appropriation in Laws 2018, chapter 214, article 1, section 21, subdivision 25.

**Subd. 37. St. Paul; Playwrights' Center**850,000

For a grant to the city of St. Paul to predesign and design the playwrights center facility in St. Paul for use as a comprehensive play development program and workshop facility.

**Subd. 38. St. Paul; Victoria Theater**1,000,000

For a grant to the city of St. Paul to acquire property located at 825 University Avenue West, and to predesign, design, construct, furnish, and equip the renovation of the historic Victoria Theater, to serve as a regional multicultural community and event center. This appropriation includes money for: demolition work; improvements to or replacement of the mechanical, electrical, plumbing, heating, ventilating, and air conditioning systems; repairs to the existing roof and exterior enclosure; site improvements; construction or renovation of interior spaces; and other improvements of a capital nature. The city of St. Paul may enter into a lease or management agreement with a nonprofit organization for this facility under Minnesota Statutes, section 16A.695.

**Subd. 39. St. Paul; Hmong Cultural Plaza, Phalen Regional Park**300,000

(a) For a grant to city of St. Paul for construction of Phase II of the Saint Paul - Changsha China Friendship Garden, at the Hmong Cultural Plaza, in Phalen Regional Park.



(b) In implementing the project, the city, or any entity with which the city contracts for implementation of the project, must hire and retain for the life of the project residents of the adjacent communities in living wage jobs, improve environmental conditions of the project site, use clean and efficient energy sources, and work with Hmong cultural leaders and artists to ensure that traditional Hmong landscaping and building practices are used to help tell the story of the Minnesota Hmong experience.

**Subd. 40. Wadena; Access Road**

1,300,000

For a grant to the city of Wadena to acquire a permanent easement for and to predesign, design, engineer, and construct an access road just northeast of 11th Street Northwest in Wadena, going from marked Trunk Highway 10 to the new hospital complex.

**Subd. 41. Western Lake Superior Sanitary District; Engine Generators**

6,750,000

For a grant to the Sanitary Board of the Western Lake Superior Sanitary District to design and construct engine generators as part of the combined heat and power system to capture and process heat and generate electricity for use at the Western Lake Superior Sanitary District wastewater treatment facilities.

**Subd. 42. Willernie; Public Infrastructure**

160,000

For a grant to the city of Willernie to replace the roof of the city hall, and, if any money is remaining, for capital improvements in conjunction with the Washington County road 12 project, including replacing and extending the sidewalk, replacement of a water main, and moving or removing a retaining wall.

**Subd. 43. Wright County; Dental Care Facility**

1,400,000

For a grant to Wright County to predesign, design, construct, furnish, and equip a dental care facility. The dental care facility will be constructed in a building constructed for this purpose by the county on the Wright County Government Center campus in the city of Buffalo. The county may enter into an agreement under Minnesota Statutes, section 16A.695, for operation of the dental clinic.

**Sec. 22. PUBLIC FACILITIES AUTHORITY**

**Subdivision 1. Total Appropriation**

**\$254,410,000**

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

**Subd. 2. State Match for Federal Grants to State Revolving Loan Programs** 25,000,000

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

**Subd. 3. Water Infrastructure Funding Program** 55,494,000

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

(b) \$33,296,000 is for wastewater projects listed on the Pollution Control Agency's project priority list in the fundable range under the clean water revolving fund program.

(c) \$22,198,000 is for drinking water projects listed on the commissioner of health's project priority list in the fundable range under the drinking water revolving fund program.

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

**Subd. 4. Point Source Implementation Grants Program** 44,553,000

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

**Subd. 5. Albertville; Wastewater Treatment System Improvements** 2,500,000

For a grant to the city of Albertville to design and construct wastewater infrastructure improvements related to nonnative species control.

**Subd. 6. Arden Hills; Water Main** 500,000

For a grant to the city of Arden Hills to install a water main extending along Lexington Avenue, from County Road E to marked Interstate Highway 694.

<p><b><u>Subd. 7. Aurora; East Range Joint Powers Board; Water System</u></b></p> <p><u>For a grant to the city of Aurora, Hoyt Lakes, or Biwabik, or the Town of White for the East Mesabi Joint Water System, to acquire land or a permanent interest in land, design, engineer, construct, furnish, and equip a comprehensive municipally owned cooperative joint drinking water system in the political subdivisions that are part of the East Range Joint Powers Board.</u></p>	<p><u>5,000,000</u></p>
<p><b><u>Subd. 8. Austin; Wastewater Treatment Plant</u></b></p> <p><u>For a grant to the city of Austin to design improvements for upgrades to the city's wastewater treatment facility.</u></p>	<p><u>7,450,000</u></p>
<p><b><u>Subd. 9. Bemidji; Water Treatment Plant</u></b></p> <p><u>For a grant to the city of Bemidji to predesign, design, construct, furnish, and equip upgrades to the city's water treatment plant including the addition of a filtration system to remove perfluoroalkyl substances from the city's drinking water.</u></p>	<p><u>10,194,000</u></p>
<p><b><u>Subd. 10. Buhl; Water Infrastructure</u></b></p> <p><u>For a grant to the city of Buhl to predesign, design, and construct wastewater, clean water, and storm sewer infrastructure in the city of Buhl.</u></p>	<p><u>1,500,000</u></p>
<p><b><u>Subd. 11. Deer River; Water and Wastewater Systems</u></b></p> <p><u>For a grant to the city of Deer River to design, engineer, and construct improvements and additions to the city's wastewater collection and treatment system, including construction of a stabilization pond, and replacement and expansion of storm sewer lines, sanitary sewer lines, and water lines in the city of Deer River.</u></p>	<p><u>4,000,000</u></p>
<p><b><u>Subd. 12. East Itasca Joint Sewer Board; Regional Wastewater System</u></b></p> <p><u>For a grant to the city of Nashwauk for preliminary and final engineering of a regional wastewater treatment system located in the city of Nashwauk to serve the communities represented by the East Itasca Joint Sewer Board and other communities.</u></p>	<p><u>750,000</u></p>
<p><b><u>Subd. 13. Floodwood; Stabilization Ponds</u></b></p> <p><u>For a grant to the city of Floodwood for predesign, design, engineering, and construction and expansion of stabilization ponds.</u></p>	<p><u>2,000,000</u></p>
<p><b><u>Subd. 14. Foley; Wastewater Infrastructure</u></b></p> <p><u>For a grant to the city of Foley to predesign, design, construct, and equip wastewater infrastructure improvements.</u></p>	<p><u>3,000,000</u></p>

<b><u>Subd. 15. Lincoln-Pipestone Rural Water System</u></b>	<b><u>5,500,000</u></b>
<u>For a grant to the Lincoln-Pipestone Rural Water System to predesign and design water source development in its service area, including new wells, a water softening treatment plant (lime softening plant), and new water distribution pipes.</u>	
<b><u>Subd. 16. Mahnomen; Water Infrastructure</u></b>	<b><u>650,000</u></b>
<u>For a grant under Minnesota Statutes, section 446A.07, to the city of Mahnomen for improvements to the city's water infrastructure. This grant is not subject to the project priority list set forth in Minnesota Statutes, section 446A.07, subdivision 4.</u>	
<b><u>Subd. 17. Mahnomen; Drinking Water Infrastructure</u></b>	<b><u>1,250,000</u></b>
<u>For a grant under Minnesota Statutes, section 446A.081, to the city of Mahnomen for the city's drinking water infrastructure. This grant is not subject to the project priority list set forth in Minnesota Statutes, section 446A.081, subdivision 5.</u>	
<b><u>Subd. 18. Melrose; Wastewater Treatment Facility</u></b>	<b><u>3,500,000</u></b>
<u>For a grant to the city of Melrose to design, construct, and equip improvements to the municipal wastewater treatment facility to expand the capacity of the facility and replace facility infrastructure and components that have reached the end of their useful life. This appropriation includes money for a new preliminary treatment system with new screening and pumping and for a new clarifier.</u>	
<b><u>Subd. 19. Mendota; Water Infrastructure</u></b>	<b><u>650,000</u></b>
<u>For a grant to the city of Mendota to predesign, design, engineer, and construct the extension of the water main throughout the city of Mendota to allow residents to connect with the Saint Paul Regional Water Services system.</u>	
<b><u>Subd. 20. Newport; Inflow and Infiltration</u></b>	<b><u>2,000,000</u></b>
<u>For a grant to the city of Newport to design and construct capital improvements to the publicly owned portions of the city's wastewater infrastructure to reduce or eliminate inflow and infiltration.</u>	
<b><u>Subd. 21. Oronoco; Regional Wastewater System Infrastructure Grant</u></b>	<b><u>24,027,000</u></b>
<u>(a) Of this amount, \$1,350,000 is for a grant to the city of Oronoco to acquire land and easements, design, and engineer a wastewater collection, conveyance, and treatment system and associated water</u>	

distribution improvements to serve the city of Oronoco and the region including the Oronoco Estates Manufactured Home Community. Any amount remaining after completion of design, engineering, and acquisition may be applied to the purposes described in subdivision 2.

(b) Of this amount, \$22,677,000 is for a grant to the city of Oronoco to construct and provide construction-related engineering for a wastewater collection, conveyance, and treatment system and associated water distribution improvements to serve the city of Oronoco and the region including the Oronoco Estates Manufactured Home Community.

**Subd. 22. Randolph; Wastewater Infrastructure**

13,000,000

For a grant to the city of Randolph to acquire land, predesign, design, construct, install, furnish, and equip a wastewater collection and treatment system, including water stabilization ponds and spray irrigation fields, in and within one-half mile of the city of Randolph.

**Subd. 23. Red Rock Rural Water System**

5,500,000

For a grant to the Red Rock Rural Water System to design, construct, furnish, and equip a new water treatment plant, a new water tower, and installation of approximately 110 miles of ten-inch through two-inch water main, and other improvements to infrastructure required for an expansion of the Red Rock Rural Water System, to be built and located in Murray and Cottonwood Counties.

**Subd. 24. Rice Lake; Sewer, Water, and Utilities Extension**

1,000,000

For a grant to the city of Rice Lake to acquire land, predesign, design, construct, furnish, and equip an extension of clean water, sanitary sewer, storm sewer, and utilities to a commercial and industrial park on North Rice Lake Road in Rice Lake.

**Subd. 25. Royalton; Clean Water and Storm Sewer Infrastructure**

900,000

For a grant to the city of Royalton to design, engineer, and construct publicly owned infrastructure in conjunction with reconstruction of marked U.S. Highway 10 in Royalton. This appropriation includes money for replacement of and upgrades to the water main and other municipal clean drinking water infrastructure and the storm sewer drainage system.

**Subd. 26. South Haven; Wells**

1,700,000

For a grant to the city of South Haven to acquire land, predesign, design, construct, furnish, and equip two new wells in Wright County.

**Subd. 27. South St. Paul; Concord Street Public Utilities**2,000,000

For a grant to the city of South St. Paul to predesign, design, construct, and install sanitary sewer, water main, and storm sewer improvements, including removal of replaced infrastructure as necessary, in the Concord Street corridor in conjunction with the reconstruction and renovation of the street.

**Subd. 28. Spring Park; City Utilities**1,500,000

For a grant to the city of Spring Park for improvements to the city's water and sewer system in the northwest area of the city on West Arm Drive.

**Subd. 29. Two Harbors; Wastewater Treatment Plant**10,750,000

For a grant to the city of Two Harbors to predesign, design, construct, furnish, and equip improvements to the wastewater treatment facility in the city of Two Harbors, including a new activated sludge biological treatment system and mercury removal improvements, new aeration basins, final clarifiers, biosolids treatment units, mercury filter backwash supply tank, operations and controls building, and associated electrical and controls equipment.

**Subd. 30. Twin Lakes Township; Water Infrastructure**7,500,000

For a grant to Twin Lakes Township for the design and construction of a water distribution system, support facilities, and related water improvements, including a water main extension from the city of Carlton, along marked Trunk Highway 210 in Carlton County.

**Subd. 31. Vernon Center; Water Infrastructure Improvements**7,984,000

For a grant to the city of Vernon Center to predesign, design, construct, furnish, and equip water infrastructure improvements, including refurbishing a water tower, and replacement of wastewater collection, water distribution systems, storm sewer system improvements, and related local road improvements.

**Subd. 32. Waldorf; Water Infrastructure Improvements**858,000

For a grant to the city of Waldorf to complete the construction of water, wastewater, street, and storm sewer improvements.

**Subd. 33. West St. Paul; Lift Stations**2,200,000

For a grant to the city of West St. Paul for upgrades to lift stations 1 and 2.

Sec. 23. **MINNESOTA HOUSING FINANCE AGENCY****\$16,000,000**

To the Minnesota Housing Finance Agency for transfer to the housing development fund to finance the costs of rehabilitation to preserve public housing under Minnesota Statutes, section 462A.202, subdivision 3a. For purposes of this section, "public housing" means housing for low-income persons and households financed by the federal government and publicly owned. Priority may be given to proposals that maximize nonstate resources to finance the capital costs and requests that prioritize health, safety, and energy improvements. The priority in Minnesota Statutes, section 462A.202, subdivision 3a, for projects to increase the supply of affordable housing and the restrictions of Minnesota Statutes, section 462A.202, subdivision 7, do not apply to this appropriation.

Sec. 24. **MINNESOTA HISTORICAL SOCIETY**Subdivision 1. **Total Appropriation****\$3,100,000**

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

Subd. 2. **Historic Sites Asset Preservation**2,350,000

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

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

For grants to county and local jurisdictions as matching money for historic preservation projects of a capital nature, as provided in Minnesota Statutes, section 138.0525.

Sec. 25. **BOND SALE EXPENSES**Subdivision 1. **Total Appropriation****\$1,363,000**

To the commissioner of management and budget for the purposes specified in this section.

Subd. 2. **Bond Proceeds Fund**1,363,000

From the bond proceeds fund for bond sale expenses under Minnesota Statutes, section 16A.641, subdivision 8.

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

Subdivision 1. **Bond proceeds fund.** To provide the money appropriated in this act from the bond proceeds fund, the commissioner of management and budget shall sell and issue bonds of the state in an amount up to \$1,120,671,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7.

Subd. 2. **Transportation fund.** To provide the money appropriated in this act from the bond proceeds account in the state transportation fund, the commissioner of management and budget shall sell and issue bonds of the state in an amount up to \$242,959,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7.

Sec. 27. **CANCELLATIONS; BOND SALE AUTHORIZATION REDUCTIONS.**

(a) The amounts of the general obligation bond proceeds appropriations and trunk highway bond proceeds appropriations listed in the cancellation report submitted to the legislature in January 2020, pursuant to Minnesota Statutes, section 16A.642, are canceled on the effective date of this section. The corresponding bond sale authorizations are reduced by the same amounts. If an appropriation in this section is canceled more than once, the cancellation must be given effect only once.

(b) The unobligated amount remaining from the appropriation in Laws 2018, chapter 214, article 1, section 21, subdivision 27, is canceled. The bond sale authorization in Laws 2018, chapter 214, article 1, section 26, subdivision 1, is reduced by the same amount.

Sec. 28. **BOND SALE SCHEDULE.**

The commissioner of management and budget shall schedule the sale of state general obligation bonds so that, during the biennium ending June 30, 2021, no more than \$1,139,311,000 will need to be transferred from the general fund to the state bond fund to pay principal and interest due and to become due on outstanding state general obligation bonds. During the biennium, before each sale of state general obligation bonds, the commissioner of management and budget shall calculate the amount of debt service payments needed on bonds previously issued and shall estimate the amount of debt service payments that will be needed on the bonds scheduled to be sold. The commissioner shall adjust the amount of bonds scheduled to be sold so as to remain within the limit set by this section. The amount needed to make the debt service payments is appropriated from the general fund as provided in Minnesota Statutes, section 16A.641.

Sec. 29. **EFFECTIVE DATE.**

This article is effective the day following final enactment.

ARTICLE 2  
TRUNK HIGHWAY BONDS

Section 1. **BOND APPROPRIATIONS.**

The sums shown in the column under "Appropriations" are appropriated from the bond proceeds account in the trunk highway fund to the state agencies or officials indicated, to be spent for public purposes. Appropriations of bond proceeds must be spent as authorized by the Minnesota Constitution, articles XI and XIV. Unless otherwise specified, money appropriated in this article for a capital program or project may be used to pay state agency staff costs that are attributed directly to the capital program or project in accordance with accounting policies adopted by the commissioner of management and budget.



**SUMMARY**

<u>Department of Transportation</u>	<u>\$300,000,000</u>
<u>Department of Management and Budget</u>	<u>300,000</u>
<b><u>TOTAL</u></b>	<b><u>\$300,300,000</u></b>

**APPROPRIATIONS**Sec. 2. **DEPARTMENT OF TRANSPORTATION**Subdivision 1. **State Road Construction** **\$84,000,000**

(a) From the bond proceeds account in the trunk highway fund for the environmental analysis, predesign, design, engineering, construction, reconstruction, and improvement of trunk highways, including design-build contracts, internal department costs associated with delivering the construction program, consultant usage to support these activities, and the cost of payments to landowners for lands acquired for highway rights-of-way. The amount under this subdivision must be allocated to maintain regional balance throughout the state. The commissioner may use up to 17 percent of this amount for program delivery.

(b) This appropriation is primarily for keeping projects in the State Transportation Improvement Program on schedule due to reduced revenues from the COVID-19 pandemic. If the appropriation is not needed for keeping projects on schedule, it is available for other trunk highway construction, reconstruction and improvement projects identified through the Capital Highway Investment Plan.

(c) Projects to construct, reconstruct, or improve trunk highways from this appropriation will follow eligible investment priorities identified in the State Highway Investment Plan, and may include pavements, bridges, culverts, flood mitigation, traveler safety, greater Minnesota mobility and Twin Cities mobility, freight, bicycle and pedestrian infrastructure, regional and community improvement priorities, interchange construction or reconstruction, and lane additions, in addition to the associated installation of safety barriers, lighting, signage, noise mitigation measures, and retaining walls.

Subd. 2. **Railroad Grade Separations** **110,000,000**

From the bond proceeds account in the trunk highway fund to construct rail safety projects at highway-railroad grade crossings in accordance with Minnesota Statutes, section 219.016.

Subd. 3. **Project Development** **25,000,000**

From the bond proceeds account in the trunk highway fund for environmental analysis, predesign, design and engineering and right-of-way acquisition for regional and community investment

priority projects on the trunk highway system identified in the State Highway Investment Plan to prepare the projects for construction and application for federal grants or other funding opportunities. In consultation with the commissioner of Minnesota Management and Budget, the commissioner of transportation is authorized to use funds from this appropriation on existing bond-eligible trunk highway projects within the State Transportation Improvement Program.

**Subd. 4. Flood Mitigation**

**23,000,000**

From the bond proceeds account in the trunk highway fund for reconstruction of a trunk highway that experiences frequent flooding in Sibley County, to raise the roadway elevation and reduce closures due to river flooding, for portions of this project that are eligible for trunk highway bond proceeds.

**Subd. 5. Facilities Capital Program**

**58,000,000**

From the bond proceeds account in the trunk highway fund for the transportation facilities capital improvement program under Minnesota Statutes, section 174.13.

**Sec. 3. BOND SALE EXPENSES**

**\$300,000**

This appropriation is to the commissioner of management and budget for bond sale expenses under Minnesota Statutes, sections 16A.641, subdivision 8, and 167.50, subdivision 4.

**Sec. 4. BOND SALE AUTHORIZATION.**

To provide the money appropriated in this article from the bond proceeds account in the trunk highway fund, the commissioner of management and budget shall sell and issue bonds of the state in an amount up to \$300,300,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 167.50 to 167.52, and by the Minnesota Constitution, article XIV, section 11, at the times and in the amounts requested by the commissioner of transportation. The proceeds of the bonds, except accrued interest and any premium received from the sale of the bonds, must be deposited in the bond proceeds account in the trunk highway fund.

**Sec. 5. [174.13] TRANSPORTATION FACILITIES CAPITAL PROGRAM.**

Subdivision 1. Establishment; accounts. (a) A transportation facilities capital program is established to prioritize among eligible projects that:

- (1) support the programmatic mission of the department;
- (2) extend the useful life of existing buildings; or
- (3) renovate or construct facilities to meet the department's current and future operational needs.

(b) Projects under the transportation facilities capital program are funded by proceeds from the sale of trunk highway bonds or from other funds appropriated for the purposes of this section.

(c) A transportation facilities capital account is established in the trunk highway fund. The account consists of all money appropriated from the trunk highway fund for the purposes of this section and any other money donated, allotted, transferred, or otherwise provided to the account by law. Money in the account is appropriated to the commissioner for the purposes specified and consistent with the standards and criteria set forth in this section.

(d) A transportation facilities capital account is established in the bond proceeds account of the trunk highway fund. The account consists of trunk highway bond proceeds appropriated to the commissioner. Money in the account may only be expended on trunk highway purposes, which includes the purposes in this section.

Subd. 2. **Standards.** Article XIV of the Minnesota Constitution states that the trunk highway fund may be used for the purposes of constructing, improving, and maintaining the trunk highway system in the state. When allocating funding under this section, the commissioner must review the projects deemed eligible under subdivision 3 and prioritize allocations using the criteria in subdivision 4. Money allocated to a specific project in an act of appropriation or other law must be allocated as provided by the law.

Subd. 3. **Eligible expenditures.** A project is eligible under this section only if it involves the construction, improvement, or maintenance of a capital building asset that is part of the state trunk highway system. These capital building assets include but are not limited to district headquarter buildings, truck stations, salt storage or other unheated storage buildings, deicing and anti-icing facilities, fuel dispensing facilities, highway rest areas, and vehicle weigh and inspection stations.

Subd. 4. **Criteria for priorities.** When prioritizing funding allocation among projects eligible under subdivision 3, the commissioner must consider:

(1) whether a project ensures the effective and efficient condition and operation of the facility;

(2) the urgency in ensuring the safe use of existing buildings;

(3) the project's total life-cycle cost;

(4) additional criteria for priorities otherwise specified in state law, statute, or rule that applies to a category listed in the act making an appropriation for the program; and

(5) any other criteria the commissioner deems necessary.

Sec. 6. **EFFECTIVE DATE.**

This article is effective the day after enactment.

### ARTICLE 3 EQUITY APPROPRIATIONS

Section 1. **CAPITAL IMPROVEMENT APPROPRIATIONS.**

The sums shown in the column under "Appropriations" are appropriated from the general fund in fiscal year 2021 to the state agencies or officials indicated, to be spent for public purposes. These are one-time appropriations. Money appropriated in this article is available until the project is completed or abandoned subject to Minnesota Statutes, section 16A.642.

**APPROPRIATIONS**Sec. 2. **AGRICULTURE**Subdivision 1. **Total Appropriation****\$2,250,000**

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

Subd. 2. **Hmong American Farmers Association**2,000,000

For a grant to the Hmong American Farmers Association to purchase approximately 155 acres in Dakota County that the association has leased since 2014, including buildings and improvements on the property.

Subd. 3. **Regenerative Alliance**250,000

(a) For a grant to the Regenerative Agriculture Alliance to predesign a poultry processing plant and an associated industrial park aimed at creating new, value-added economic opportunities for local farmers in southeastern Minnesota.

(b) By March 1, 2022, the Regenerative Agriculture Alliance in collaboration with the commissioner of agriculture, must submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over agriculture finance on the progress, development, and implementation of the poultry processing plant and industrial park design and their potential to open new market opportunities for local and emerging farmers.

Sec. 3. **METROPOLITAN COUNCIL**5,125,000

To the Metropolitan Council for a grant to the Minneapolis Park and Recreation Board to predesign, design, construct, renovate, furnish, and equip the first phase of the North Commons Improvement Project, focused on the creation of the field house component of a new recreation center building and the first phase of other community-oriented activity and meeting spaces conceptualized for the building.

Sec. 4. **HUMAN SERVICES**5,575,000

To the commissioner of human services for a grant to the Red Lake Band of Chippewa Indians to predesign, design, construct, furnish, and equip a family and child services building.

Sec. 5. **EMPLOYMENT AND ECONOMIC DEVELOPMENT**Subdivision 1. **Total Appropriation****\$17,050,000**

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

**Subd. 2. Minneapolis American Indian Center**2,600,000

For a grant to the Minneapolis American Indian Center for the same purposes and subject to the same requirements as Laws 2018, chapter 214, article 1, section 21, subdivision 17.

**Subd. 3. Indigenous Peoples Task Force, Minneapolis**2,000,000

For a grant to the Indigenous Peoples Task Force to design, construct, furnish, and equip the Mikwanedun Audisookon Center in Minneapolis.

**Subd. 4. International Institute of Minnesota**3,000,000

For a grant to the International Institute of Minnesota to remediate contaminated soil, and to construct, furnish, and equip an expansion of its facilities.

**Subd. 5. Juxtaposition Arts, Minneapolis**1,000,000

For a grant to Juxtaposition Arts in Minneapolis to acquire property adjacent to its current location to accommodate the growth in its youth art and enterprise programs and complete architectural due diligence for expansion.

**Subd. 6. Cultural Wellness Center, Minneapolis**250,000

For a grant to the Cultural Wellness Center to predesign and design the renovation of Dreamland on 38th in Minneapolis to create a workspace for African-American entrepreneurs to start and expand small businesses and to host community gatherings and events.

**Subd. 7. Baldwin Square, Minneapolis**1,000,000

For a grant to the city of Minneapolis to construct, furnish, and equip the renovation of blighted property located at 4146 Fremont Avenue North, for redevelopment as retail, restaurant, and other commercial space to be known as Baldwin Square. This appropriation includes money for roof replacement, abatement of asbestos and other hazardous materials, replacement of mechanical systems including the electrical, plumbing, and heating, ventilation and air-conditioning (HVAC), and other improvements and betterments of a capital nature.

**Subd. 8. Native American Community Clinic, Minneapolis**3,800,000

For a grant to the Native American Community Clinic in Minneapolis to purchase the building in which the clinic is located.

**Subd. 9. Northwest American Indian Center, Bemidji**2,000,000

For a grant to the Northwest Indian Community Development Center to purchase the building in which they currently operate in the city of Bemidji.

**Subd. 10. Victoria Theater, St. Paul**1,400,000

For a grant to the city of St. Paul to acquire property located at 825 University Avenue West, and to predesign, design, construct, furnish, and equip the renovation of the historic Victoria Theater, to serve as a regional multicultural community and event center. This appropriation includes money for: demolition work; improvements to or replacement of the mechanical, electrical, plumbing, heating, ventilating, and air conditioning systems; repairs to the existing roof and exterior enclosure; site improvements; construction or renovation of interior spaces; and other improvements of a capital nature.

**Sec. 6. EFFECTIVE DATE.**

This article is effective the day following final enactment.

ARTICLE 4  
APPROPRIATION BONDS

**Section 1. [16A.963] ELECTRIC VEHICLE INFRASTRUCTURE APPROPRIATION BONDS.**

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

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

(1) money appropriated by law from the general fund in any biennium for debt service due with respect to obligations described in subdivision 2, paragraph (a);

(2) proceeds of the sale of obligations described in subdivision 2, paragraph (a);

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

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

(c) "Debt service" means the amount payable in any biennium of principal, premium, if any, and interest on appropriation bonds, and the fees, charges, and expenses related to the bonds.

**Subd. 2. Authorization to issue appropriation bonds.** (a) Subject to the limitations of this subdivision, the commissioner may sell and issue appropriation bonds of the state under this section for public purposes as provided by law, including for the purposes of financing the cost of acquiring and installing electric vehicle charging infrastructure on publicly owned property. Appropriation bonds may be sold and issued in amounts that, in the opinion of the commissioner, are necessary to provide sufficient money to the commissioner of administration under

subdivision 7, not to exceed \$2,000,000 net of costs of issuance, for the purposes as provided under this subdivision, and to pay debt service including capitalized interest, costs of issuance, costs of credit enhancement, or make payments under other agreements entered into under paragraph (d).

(b) Proceeds of the appropriation bonds must be credited to a special appropriation electric vehicle infrastructure bond proceeds fund in the state treasury. All income from investment of the bond proceeds, as estimated by the commissioner, is appropriated to the commissioner for the payment of principal and interest on the appropriation bonds.

(c) Appropriation bonds may be issued in one or more issues or series on the terms and conditions the commissioner determines to be in the best interests of the state, but the term on any series of appropriation bonds may not exceed 21 years. The appropriation bonds of each issue and series thereof shall be dated and bear interest, and may be includable in or excludable from the gross income of the owners for federal income tax purposes.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Subd. 6. **No full faith and credit; state not required to make appropriations.** The appropriation bonds are not public debt of the state, and the full faith, credit, and taxing powers of the state are not pledged to the payment of the appropriation bonds or to any payment that the state agrees to make under this section. Appropriation bonds shall not be obligations paid directly, in whole or in part, from a tax of statewide application on any class of property, income, transaction, or privilege. Appropriation bonds shall be payable in each fiscal year only from amounts that the legislature may appropriate for debt service for any fiscal year, provided that nothing in this section shall be construed to require the state to appropriate money sufficient to make debt service payments with respect to the appropriation bonds in any fiscal year. Appropriation bonds shall be canceled and shall no longer be outstanding on the earlier of (1) the first day of a fiscal year for which the legislature shall not have appropriated amounts sufficient for debt service, or (2) the date of final payment of the principal of and interest on the appropriation bonds.

Subd. 7. **Appropriation of proceeds.** The proceeds of appropriation bonds issued under subdivision 2, paragraph (a), and interest credited to the special appropriation electric vehicle infrastructure bond proceeds fund are appropriated as follows:

(1) to the commissioner of administration to design, install, and equip electrical infrastructure and electric vehicle charging stations on state-owned property as specified in subdivision 2, paragraph (a); and

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

Subd. 8. **Appropriation for debt service and other purposes.** An amount needed to pay principal and interest on appropriation bonds issued under subdivision 2, paragraph (a), is appropriated each fiscal year from the general fund to the commissioner, subject to repeal, unallotment under section 16A.152, or cancellation, otherwise pursuant to subdivision 6, for deposit into the bond payments account established for such purpose in the special appropriation electric vehicle infrastructure bond proceeds fund. The appropriation is available beginning in fiscal year 2021 and remains available through fiscal year 2042.



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

**Sec. 2. [16A.964] PUBLIC TELEVISION EQUIPMENT APPROPRIATION BONDS.**

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

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

(1) money appropriated by law from the general fund in any biennium for debt service due with respect to obligations described in subdivision 2, paragraph (a);

(2) proceeds of the sale of obligations described in subdivision 2, paragraph (a);

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

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

(c) "Debt service" means the amount payable in any biennium of principal, premium, if any, and interest on appropriation bonds, and the fees, charges, and expenses related to the bonds.

(d) "Equipment" means the physical infrastructure and hardware used for the production, dissemination, interconnection, and transmission of digital media content, the useful life of which may range from seven to 40 years.

(e) "Public station" has the meaning given in section 129D.12, subdivision 2.

Subd. 2. **Authorization to issue appropriation bonds.** (a) Subject to the limitations of this subdivision, the commissioner may sell and issue appropriation bonds of the state under this section for public purposes as provided by law, including for the purposes of financing the cost of various items of capital equipment necessary to the ongoing operations of public stations. Appropriation bonds may be sold and issued in amounts that, in the opinion of the commissioner, are necessary to provide sufficient money to the commissioner of administration under subdivision 7, not to exceed \$15,000,000 net of costs of issuance, for the purposes as provided under this subdivision, and to pay debt service including capitalized interest, costs of issuance, costs of credit enhancement, or make payments under other agreements entered into under paragraph (d). Notwithstanding section 129D.155, any money repaid to the commissioner of administration upon a sale or other disposition of equipment acquired under this section shall be transferred to the commissioner and applied toward principal and interest on outstanding bonds.

(b) Proceeds of the appropriation bonds must be credited to a special appropriation public television equipment bond proceeds fund in the state treasury. All income from investment of the bond proceeds, as estimated by the commissioner, is appropriated to the commissioner for the payment of principal and interest on the appropriation bonds.

(c) Appropriation bonds may be issued in one or more issues or series on the terms and conditions the commissioner determines to be in the best interests of the state, but the term on any series of appropriation bonds may not exceed 21 years. The appropriation bonds of each issue and series thereof shall be dated and bear interest, and may be includable in or excludable from the gross income of the owners for federal income tax purposes.

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

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

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

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

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

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

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

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

Subd. 4. **Refunding bonds.** The commissioner may issue appropriation bonds for the purpose of refunding any appropriation bonds then outstanding, including the payment of any redemption premiums on the bonds, any interest accrued or to accrue to the redemption date, and costs related to the issuance and sale of the refunding bonds. The proceeds of any refunding bonds may, at the discretion of the commissioner, be applied to the purchase or payment at maturity of the appropriation bonds to be refunded, to the redemption of the outstanding appropriation bonds on any redemption date, or to pay interest on the refunding bonds and may, pending application, be placed in escrow to be applied to the purchase, payment, retirement, or redemption. Any escrowed proceeds, pending such use, may be invested and reinvested in obligations that are authorized investments under section 11A.24. The income earned or realized on the investment may also be applied to the payment of the appropriation bonds to be refunded or interest or premiums on the refunded appropriation bonds, or to pay interest on the refunding bonds. After the terms of the escrow have been fully satisfied, any balance of the proceeds and any investment income may be returned to the general fund or, if applicable, the special appropriation public television equipment bond proceeds fund for use in any lawful manner. All refunding bonds issued under this subdivision must be prepared, executed, delivered, and secured by appropriations in the same manner as the appropriation bonds to be refunded.

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

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

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

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

Subd. 6. **No full faith and credit; state not required to make appropriations.** The appropriation bonds are not public debt of the state, and the full faith, credit, and taxing powers of the state are not pledged to the payment of the appropriation bonds or to any payment that the state agrees to make under this section. Appropriation bonds shall not be obligations paid directly, in whole or in part, from a tax of statewide application on any class of property, income, transaction, or privilege. Appropriation bonds shall be payable in each fiscal year only from amounts that the legislature may appropriate for debt service for any fiscal year, provided that nothing in this section shall be construed to require the state to appropriate money sufficient to make debt service payments with respect to the appropriation bonds in any fiscal year. Appropriation bonds shall be canceled and shall no longer be outstanding on the earlier of (1) the first day of a fiscal year for which the legislature shall not have appropriated amounts sufficient for debt service, or (2) the date of final payment of the principal of and interest on the appropriation bonds.

Subd. 7. **Appropriation of proceeds.** The proceeds of appropriation bonds issued under subdivision 2, paragraph (a), and interest credited to the special appropriation public television equipment bond proceeds fund are appropriated as follows:

(1) to the commissioner of administration for equipment grants to public stations under section 129D.15 and as further specified in subdivision 2, paragraph (a), which grants must be allocated two-sevenths to Twin Cities PBS, one-seventh to KSMQ public television in Austin, one-seventh to Pioneer public television in Granite Falls, one-seventh to Lakeland PBS in Bemidji, one-seventh to Prairie Public in Fargo/Moorhead, and one-seventh to WDSE public television in Duluth; and

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

Subd. 8. **Appropriation for debt service and other purposes.** An amount needed to pay principal and interest on appropriation bonds issued under subdivision 2, paragraph (a), is appropriated each fiscal year from the general fund to the commissioner, subject to repeal, unallotment under section 16A.152, or cancellation, otherwise pursuant to subdivision 6, for deposit into the bond payments account established for such purpose in the special appropriation public television equipment bond proceeds fund. The appropriation is available beginning in fiscal year 2021 and remains available through fiscal year 2042.

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

### Sec. 3. **[16A.966] RESPONSE TO RELEASES APPROPRIATION BONDS.**

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

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

(1) money appropriated by law from the general fund in any biennium for debt service due with respect to obligations described in subdivision 2, paragraph (a);

(2) proceeds of the sale of obligations described in subdivision 2, paragraph (a);

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

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

(c) "Debt service" means the amount payable in any biennium of principal, premium, if any, and interest on appropriation bonds, and the fees, charges, and expenses related to the bonds.

**Subd. 2. Authorization to issue appropriation bonds.** (a) Subject to the limitations of this subdivision, the commissioner may sell and issue appropriation bonds of the state under this section for public purposes as provided by law, including for the purposes of financing the cost of implementing removal or remedial actions permitted under section 115B.17 and further subject to the conditions in chapter 115B to address risks to human health and the environment at contaminated sites. Appropriation bonds may be sold and issued in amounts that, in the opinion of the commissioner, are necessary to provide sufficient money to the commissioner of the Pollution Control Agency under subdivision 7, not to exceed \$30,400,000 net of costs of issuance, for the purposes as provided under this subdivision, and to pay debt service including capitalized interest, costs of issuance, costs of credit enhancement, or make payments under other agreements entered into under paragraph (d). Notwithstanding section 115B.17, subdivision 6 or 16, any money recovered in a civil action or any money received from the disposition of property acquired for a response action and financed with bonds under this section shall be transferred to the commissioner and applied toward principal and interest on outstanding bonds.

(b) Proceeds of the appropriation bonds must be credited to a special appropriation state response to releases bond proceeds fund in the state treasury. All income from investment of the bond proceeds, as estimated by the commissioner, is appropriated to the commissioner for the payment of principal and interest on the appropriation bonds.

(c) Appropriation bonds may be issued in one or more issues or series on the terms and conditions the commissioner determines to be in the best interests of the state, but the term on any series of appropriation bonds may not exceed 21 years. The appropriation bonds of each issue and series thereof shall be dated and bear interest, and may be includable in or excludable from the gross income of the owners for federal income tax purposes.

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

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

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

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

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

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

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

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

Subd. 4. **Refunding bonds.** The commissioner may issue appropriation bonds for the purpose of refunding any appropriation bonds then outstanding, including the payment of any redemption premiums on the bonds, any interest accrued or to accrue to the redemption date, and costs related to the issuance and sale of the refunding bonds. The proceeds of any refunding bonds may, at the discretion of the commissioner, be applied to the purchase or payment at maturity of the appropriation bonds to be refunded, to the redemption of the outstanding appropriation bonds on any redemption date, or to pay interest on the refunding bonds and may, pending application, be placed in escrow to be applied to the purchase, payment, retirement, or redemption. Any escrowed proceeds, pending such use, may be invested and reinvested in obligations that are authorized investments under section 11A.24. The income earned or realized on the investment may also be applied to the payment of the appropriation bonds to be refunded or interest or premiums on the refunded appropriation bonds, or to pay interest on the refunding bonds. After the terms of the escrow have been fully satisfied, any balance of the proceeds and any investment income may be returned to the general fund or, if applicable, the special appropriation state response to releases bond proceeds fund for use in any lawful manner. All refunding bonds issued under this subdivision must be prepared, executed, delivered, and secured by appropriations in the same manner as the appropriation bonds to be refunded.

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

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

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

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

Subd. 6. **No full faith and credit; state not required to make appropriations.** The appropriation bonds are not public debt of the state, and the full faith, credit, and taxing powers of the state are not pledged to the payment of the appropriation bonds or to any payment that the state agrees to make under this section. Appropriation bonds shall not be obligations paid directly, in whole or in part, from a tax of statewide application on any class of property, income, transaction, or privilege. Appropriation bonds shall be payable in each fiscal year only from amounts that the legislature may appropriate for debt service for any fiscal year, provided that nothing in this section shall be construed to require the state to appropriate money sufficient to make debt service payments with respect to

the appropriation bonds in any fiscal year. Appropriation bonds shall be canceled and shall no longer be outstanding on the earlier of (1) the first day of a fiscal year for which the legislature shall not have appropriated amounts sufficient for debt service, or (2) the date of final payment of the principal of and interest on the appropriation bonds.

Subd. 7. **Appropriation of proceeds.** The proceeds of appropriation bonds issued under subdivision 2, paragraph (a), and interest credited to the special appropriation state response to releases bond proceeds fund are appropriated as follows:

(1) to the commissioner of the Pollution Control Agency for removal and remedial actions as specified in subdivision 2, paragraph (a), at the following sites: the Esko Groundwater Contamination Superfund site; the city of Duluth Dump #1 Superfund site; the Perham Arsenic site; and the Precision Plating State Superfund site; and

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

Subd. 8. **Appropriation for debt service and other purposes.** An amount needed to pay principal and interest on appropriation bonds issued under subdivision 2, paragraph (a), is appropriated each fiscal year from the general fund to the commissioner, subject to repeal, unallotment under section 16A.152, or cancellation, otherwise pursuant to subdivision 6, for deposit into the bond payments account established for such purpose in the special appropriation state response to releases bond proceeds fund. The appropriation is available beginning in fiscal year 2021 and remains available through fiscal year 2042.

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

Sec. 4. Minnesota Statutes 2018, section 462A.37, subdivision 1, is amended to read:

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

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

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

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

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

(f) "Housing infrastructure bonds" means bonds issued by the agency under this chapter that:

(1) are qualified 501(c)(3) bonds, within the meaning of Section 145(a) of the Internal Revenue Code;

(2) finance qualified residential rental projects within the meaning of Section 142(d) of the Internal Revenue Code;

(3) finance the construction or rehabilitation of single family houses that qualify for mortgage financing within the meaning of Section 143 of the Internal Revenue Code; or

(4) are tax-exempt bonds that are not private activity bonds, within the meaning of Section 141(a) of the Internal Revenue Code, for the purpose of financing or refinancing affordable housing authorized under this chapter.

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

(h) "Senior" means a person 55 years of age or older with an annual income not greater than 50 percent of:

(1) the metropolitan area median income for persons in the metropolitan area; or

(2) the statewide median income for persons outside the metropolitan area.

(i) "Senior housing" means housing intended and operated for occupancy by at least one senior per unit with at least 80 percent of the units occupied by at least one senior per unit, and for which there is publication of, and adherence to, policies and procedures that demonstrate an intent by the owner or manager to provide housing for seniors. Senior housing may be developed in conjunction with and as a distinct portion of mixed-income senior housing developments that use a variety of public or private financing sources.

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

Sec. 5. Minnesota Statutes 2019 Supplement, section 462A.37, subdivision 2, is amended to read:

Subd. 2. **Authorization.** (a) The agency may issue up to \$30,000,000 in aggregate principal amount of housing infrastructure bonds in one or more series to which the payment made under this section may be pledged. The housing infrastructure bonds authorized in this subdivision may be issued to fund loans, or grants for the purposes of clause (4), on terms and conditions the agency deems appropriate, made for one or more of the following purposes:

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

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

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

(4) to finance the acquisition, improvement, and infrastructure of manufactured home parks under section 462A.2035, subdivision 1b;

(5) to finance the costs of acquisition, rehabilitation, adaptive reuse, or new construction of senior housing; ~~and~~

(6) to finance the costs of acquisition and rehabilitation of federally assisted rental housing and for the refinancing of costs of the construction, acquisition, and rehabilitation of federally assisted rental housing, including providing funds to refund, in whole or in part, outstanding bonds previously issued by the agency or another government unit to finance or refinance such costs;

(7) to finance costs of acquisition and construction of multifamily rental housing for households with incomes at or below 50 percent of area median income. Among comparable proposals, the agency must give priority to requests for projects that serve households at the lowest incomes; and

(8) to finance the costs of acquisition, rehabilitation, adaptive reuse, or new construction of single family housing.

(b) Among comparable proposals for permanent supportive housing, preference shall be given to permanent supportive housing for veterans and other individuals or families who:

(1) either have been without a permanent residence for at least 12 months or at least four times in the last three years; or

(2) are at significant risk of lacking a permanent residence for 12 months or at least four times in the last three years.

(c) Among comparable proposals for senior housing, the agency must give priority to requests for projects that:

(1) demonstrate a commitment to maintaining the housing financed as affordable to seniors;

(2) leverage other sources of funding to finance the project, including the use of low-income housing tax credits;

(3) provide access to services to residents and demonstrate the ability to increase physical supports and support services as residents age and experience increasing levels of disability;

(4) provide a service plan containing the elements of clause (3) reviewed by the housing authority, economic development authority, public housing authority, or community development agency that has an area of operation for the jurisdiction in which the project is located; and

(5) include households with incomes that do not exceed 30 percent of the median household income for the metropolitan area.

To the extent practicable, the agency shall balance the loans made between projects in the metropolitan area and projects outside the metropolitan area. Of the loans made to projects outside the metropolitan area, the agency shall, to the extent practicable, balance the loans made between projects in counties or cities with a population of 20,000 or less, as established by the most recent decennial census, and projects in counties or cities with populations in excess of 20,000.

Sec. 6. Minnesota Statutes 2018, section 462A.37, is amended by adding a subdivision to read:

Subd. 2g. **Additional authorization.** In addition to the amount authorized in subdivisions 2 to 2f, the agency may issue up to \$100,000,000 in housing infrastructure bonds in one or more series to which the payments under this section may be pledged.

Sec. 7. Minnesota Statutes 2019 Supplement, section 462A.37, subdivision 5, is amended to read:

Subd. 5. **Additional appropriation.** (a) The agency must certify annually to the commissioner of management and budget the actual amount of annual debt service on each series of bonds issued under ~~subdivisions 2a to 2f~~ this section.

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



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

(d) Each July 15, beginning in 2019 and through 2040, if any housing infrastructure bonds issued under subdivision 2c remain outstanding, the commissioner of management and budget must transfer to the housing infrastructure bond account established under section 462A.21, subdivision 33, the amount certified under paragraph (a), not to exceed \$2,800,000 annually. The amounts necessary to make the transfers are appropriated from the general fund to the commissioner of management and budget.

(e) Each July 15, beginning in 2020 and through 2041, if any housing infrastructure bonds issued under subdivision 2d remain outstanding, the commissioner of management and budget must transfer to the housing infrastructure bond account established under section 462A.21, subdivision 33, the amount certified under paragraph (a). The amounts necessary to make the transfers are appropriated from the general fund to the commissioner of management and budget.

(f) Each July 15, beginning in 2020 and through 2041, if any housing infrastructure bonds issued under subdivision 2e remain outstanding, the commissioner of management and budget must transfer to the housing infrastructure bond account established under section 462A.21, subdivision 33, the amount certified under paragraph (a). The amounts necessary to make the transfers are appropriated from the general fund to the commissioner of management and budget.

(g) Each July 15, beginning in 2022 and through 2043, if any housing infrastructure bonds issued under subdivision 2f remain outstanding, the commissioner of management and budget must transfer to the housing infrastructure bond account established under section 462A.21, subdivision 33, the amount certified under paragraph (a). The amounts necessary to make the transfers are appropriated from the general fund to the commissioner of management and budget.

(h) Each July 15, beginning in 2022 and through 2043, if any housing infrastructure bonds issued under subdivision 2g remain outstanding, the commissioner of management and budget must transfer to the housing infrastructure bond account established under section 462A.21, subdivision 33, the amount certified under paragraph (a). The amounts necessary to make the transfers are appropriated from the general fund to the commissioner of management and budget.

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

Sec. 8. **EFFECTIVE DATE.**

This article is effective the day following final enactment.

ARTICLE 5  
MISCELLANEOUS

Section 1. Minnesota Statutes 2018, section 16A.641, is amended by adding a subdivision to read:

Subd. 4c. **Negotiated sales authority.** Notwithstanding the public sale requirements of subdivision 4 and section 16A.66, subdivision 2, the commissioner may sell bonds, including refunding bonds, at negotiated sale.

Sec. 2. Minnesota Statutes 2019 Supplement, section 16A.968, subdivision 3, is amended to read:

Subd. 3. **Appropriation bonds authorization.** (a) Appropriation bonds may be sold and issued in amounts that, in the opinion of the commissioner, are necessary to provide sufficient funds to the commissioner of employment and economic development under subdivision 8, not to exceed \$97,720,000 net of costs of issuance, for the purposes as provided under this subdivision, and pay debt service including capitalized interest, costs of issuance, costs of credit enhancement, or make payments under other agreements entered into under subdivision 2, paragraph (d). Notwithstanding section 16A.642, this authorization is available until December 31, 2027.

(b) The bonds authorized by this subdivision are for the purposes of financing public infrastructure projects authorized and approved by the city of Duluth under sections 469.50 to 469.54. No bonds shall be sold under this subdivision until: (1) there has been a request pursuant to subdivision 2, paragraph (a); and (2) for any parking structure the requirements in section 469.54, subdivisions 2 and 3, paragraph (a), have been met. Upon certification of the required qualified expenditures under section 469.54, subdivision 3, paragraph (a), by a medical business entity, bonds may be sold for a parking structure or structures benefiting that medical business entity, notwithstanding the status of certified qualified expenditures for another medical business entity.

Sec. 3. Minnesota Statutes 2018, section 16B.86, is amended to read:

**16B.86 PRODUCTIVITY BUILDING EFFICIENCY REVOLVING LOAN ACCOUNT.**

The productivity building efficiency revolving loan account is ~~a special~~ an account in the ~~state treasury special revenue fund.~~ Money in the account is appropriated to the commissioner of administration to make loans to finance agency projects that will result in either reduced energy savings or other operating costs or increased revenues, or both, cost reductions for a state agency.

Sec. 4. Minnesota Statutes 2018, section 16B.87, is amended to read:

**16B.87 AWARD AND REPAYMENT OF PRODUCTIVITY BUILDING EFFICIENCY LOANS.**

Subdivision 1. **Committee.** The Productivity Building Efficiency Revolving Loan Committee consists of the commissioners of administration, management and budget, and ~~revenue~~ Pollution Control Agency. The commissioner of administration serves as chair of the committee. The members serve without compensation or reimbursement for expenses.

Subd. 2. **Award and terms of loans.** An agency shall apply for a loan on a form provided by the commissioner of administration. The committee shall review applications for loans and shall award a loan based upon criteria adopted by the committee. The committee shall determine the amount, interest, and other terms of the loan. The time for repayment of a loan may not exceed ~~five~~ seven years.

Subd. 3. **Repayment.** An agency receiving a loan under this section shall repay the loan according to the terms of the loan agreement. The principal and interest must be paid to the commissioner of administration who shall deposit it in the productivity building efficiency revolving loan fund account.

Sec. 5. Minnesota Statutes 2018, section 41B.025, is amended by adding a subdivision to read:

Subd. 9. **Report.** The authority shall submit quarterly reports to the governor and the legislative committees and divisions with jurisdiction over agriculture and capital investment that provide an estimate of when funding for the authority's state bond-financed loan programs is projected to be exhausted.

Sec. 6. Minnesota Statutes 2018, section 115A.0716, is amended to read:

**115A.0716 ENVIRONMENTAL ASSISTANCE GRANT AND LOAN PROGRAM PROGRAMS.**

Subdivision 1. **Environmental assistance grants.** (a) The commissioner may make grants to any person for the purpose of researching, developing, and implementing projects or practices related to collection, processing, recycling, reuse, resource recovery, source reduction, and prevention of waste, hazardous substances, toxic pollutants, and problem materials; the development or implementation of pollution prevention projects or practices; the collection, recovery, processing, purchasing, or market development of recyclable materials or compost; resource conservation; and for environmental education.

(b) In making grants under paragraph (a), the ~~agency~~ commissioner may give priority to projects or practices that have broad application in the state and are consistent with the policies established under sections 115A.02 and 115D.02.

(c) The commissioner shall adopt rules to administer the grant program.

(d) For the purposes of this section:

(1) "pollution prevention" has the meaning given it in section 115D.03;

(2) "toxic pollutant" has the meaning given it in section 115D.03; and

(3) "hazardous substance" has the meaning given it in section 115D.03.

Subd. 2. **Loans.** (a) The commissioner may make loans, or participate in loans, for capital costs or improvements related to any of the activities listed in subdivision 1.

(b) The commissioner may work with financial institutions or other financial assistance providers in participating in loans under this section. The commissioner may contract with financial institutions or other financial assistance providers for loan processing and/or administration.

(c) The commissioner may also make grants, as authorized in subdivision 1, to enable persons to receive loans from financial institutions or to reduce interest payments for those loans.

(d) In making loans, the agency may give priority to projects or practices that have broad application in the state and are consistent with the policies established under sections 115A.02 and 115D.02.

(e) The commissioner shall adopt rules to administer the loan program.

Subd. 3. **Revolving account.** All repayments of loans awarded under this section, including principal and interest, must be credited to the environmental fund. Money deposited in the fund under this section is annually appropriated to the commissioner for loans for purposes identified in subdivisions 1 and 2.

Subd. 4. **Sustainable communities and climate resiliency grants.** (a) The commissioner may make grants to local governments for the purpose of building sustainable and resilient storm water infrastructure projects to mitigate flood risks and impacts of extreme weather events. Grants awarded under this subdivision are intended to cover up to 75 percent of the eligible costs of a storm water infrastructure project and may not exceed \$4,000,000 per project.

(b) In awarding a grant under this subdivision, preference shall be given to projects that:

(1) address inadequate storm water infrastructure;

- (2) reduce incidences of community flooding during extreme weather events;
- (3) address aging and undersized storm water sewers;
- (4) reduce the impact on water treatment systems;
- (5) incorporate green infrastructure and low-impact development storm water practices; and
- (6) demonstrate nonstate financial participation in the project.

(c) For the purposes of this subdivision, "storm water infrastructure" means a publicly owned conveyance or system of conveyances including roads with drainage systems, municipal streets, catch basins, curbs, gutters, ditches, man-made channels, or storm drains designed or used for collecting or conveying storm water.

**Sec. 7. [116J.417] GREATER MINNESOTA CHILD CARE FACILITY CAPITAL GRANT PROGRAM.**

Subdivision 1. **Purpose.** The purpose of the greater Minnesota child care facility capital grant program established in this section is to keep or enhance jobs, increase the tax base, or expand or create new economic development in the area in which the grants are made, by providing facilities for the child care necessary to support workers and their families.

Subd. 2. **Creation of accounts.** Two greater Minnesota child care facility capital grant accounts are created. One account is created in the general fund and one in the bond proceeds fund. Money in the accounts is appropriated to the commissioner to make grants under this section. Money in the greater Minnesota child care facility capital grant accounts is available until encumbered or spent subject to section 16A.642.

Subd. 3. **Eligible applicant.** (a) A city, county, or school district, or a joint powers board established by two or more cities, counties, or school districts is eligible to apply for and receive a grant from either greater Minnesota child care facility capital grant account established in this section.

(b) A private child care provider licensed as a child care center or to provide in-home family child care is eligible to apply for and receive a grant from the greater Minnesota child care facility capital grant account in the general fund.

(c) An applicant must be located outside of the metropolitan area as defined in section 473.121, subdivision 2.

Subd. 4. **Local government authority.** A city, county, or school district may own a child care facility and operate a child care facility program that meets the requirements for state licensing under Minnesota Rules, chapter 9503. A city, county, or school district may enter into a lease or management agreement with one or more licensed child care providers to operate a child care program in a facility owned by the city, county, or school district. A lease or management agreement for state bond-financed property is subject to section 16A.695.

Subd. 5. **Eligible project.** (a) A grant may be used to acquire land or an interest in land, predesign, design, renovate, construct, furnish, and equip facilities in which to provide child care or for other child care facility improvements that support the purposes for which this grant program is established. Money from the account in the general fund may also be used to upgrade or expand existing nonprofit child care facilities for purposes of meeting state requirements.

(b) All projects must increase child care capacity in the community that is served by the provider and meet all state requirements for child care facilities or programs.

Subd. 6. **Grants.** (a) The commissioner shall make grants to eligible applicants to provide up to 50 percent of the capital costs of eligible child care facility capital projects. An eligible applicant receiving a grant must provide for the remainder of the costs of the project, either in cash or in kind. In-kind contributions may include the cost of project elements made before or after the grant award is made.

(b) The commissioner may also distribute money from the general fund account through a regional organization within the meaning of section 15.75 to provide grants to eligible applicants based on the manner of application and criteria established by the commissioner.

(c) If the commissioner awards a grant for less than 50 percent of the project cost, the commissioner must provide the applicant and the chairs and ranking minority members of the senate and house of representatives committees with jurisdiction over economic development finance a written explanation for awarding less than 50 percent.

Subd. 7. **Application; criteria.** The commissioner must develop forms and procedures for soliciting and reviewing applications for grants under this section. An applicant shall apply for a grant in the manner and at the times the commissioner shall determine. At a minimum, an application must include:

(1) evidence of the need for improved, expanded, or new child care facilities in the area;

(2) a description of the new or expanded facility or other improvements to be made;

(3) a description of the specific state requirements making improvements necessary, if applicable;

(4) estimated costs of the capital project and the sources of funding to complete it;

(5) estimated costs of the expanded services and the sources of funding to provide them;

(6) the applicant's analysis of the expected economic benefits to the area in which the project would be located;

(7) the feasibility study that shows the financial and operational sustainability of the project funded;

(8) the average number of children provided care by the applicant during the year prior to the application, if any, and the expected number of children that could be provided child care after the proposed project is completed; and

(9) other information that the commissioner determines is necessary or useful in evaluating the impact of the proposed project on the local economy.

Subd. 8. **Maximum grant amount.** Grants must not be awarded for more than \$500,000 per project or more than \$2,000,000 in two years to an applicant for one or more projects in the same city or county.

Subd. 9. **Cancellation of grant; return of money.** If the commissioner determines that a grantee is unable to proceed with an approved project or has not expended or obligated the grant money within five years of entering into the grant agreement with the commissioner, the commissioner shall cancel the grant and the money is available for the commissioner to make other grants under this section. Money made available to the commissioner from a canceled grant is subject to cancellation under section 16A.642 as if it had been appropriated to the program in the year in which the grant is canceled.

Sec. 8. Minnesota Statutes 2018, section 123B.53, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) For purposes of this section, the eligible debt service revenue of a district is defined as follows:

(1) the amount needed to produce between five and six percent in excess of the amount needed to meet when due the principal and interest payments on the obligations of the district for eligible projects according to subdivision 2, ~~including the amounts necessary for repayment of debt service loans, capital loans, and lease purchase payments under section 126C.40, subdivision 2, excluding long term facilities maintenance levies under section 123B.595 excluding the amounts listed in paragraph (b),~~ minus

(2) the amount of debt service excess levy reduction for that school year calculated according to the procedure established by the commissioner.

(b) The obligations in this paragraph are excluded from eligible debt service revenue:

(1) obligations under section 123B.61;

(2) the part of debt service principal and interest paid from the taconite environmental protection fund or Douglas J. Johnson economic protection trust, excluding the portion of taconite payments from the Iron Range school consolidation and cooperatively operated school account under section 298.28, subdivision 7a;

(3) ~~obligations issued under Laws 1991, chapter 265, article 5, section 18, as amended by Laws 1992, chapter 499, article 5, section 24~~ obligations for long-term facilities maintenance under section 123B.595;

(4) obligations under section 123B.62; and

(5) obligations equalized under section 123B.535.

(c) For purposes of this section, if a preexisting school district reorganized under sections 123A.35 to 123A.43, 123A.46, and 123A.48 is solely responsible for retirement of the preexisting district's bonded indebtedness, or capital loans ~~or debt service loans~~, debt service equalization aid must be computed separately for each of the preexisting districts.

(d) For purposes of this section, the adjusted net tax capacity determined according to sections 127A.48 and 273.1325 shall be adjusted to include the tax capacity of property generally exempted from ad valorem taxes under section 272.02, subdivision 64.

Sec. 9. Minnesota Statutes 2018, section 123B.53, subdivision 4, is amended to read:

Subd. 4. **Debt service equalization revenue.** (a) The debt service equalization revenue of a district equals the sum of the first tier debt service equalization revenue and the second tier debt service equalization revenue.

(b) The first tier debt service equalization revenue of a district equals the greater of zero or the eligible debt service revenue minus the amount raised by a levy of 15.74 percent times the adjusted net tax capacity of the district minus the second tier debt service equalization revenue of the district.

(c) The second tier debt service equalization revenue of a district equals the greater of zero or the eligible debt service revenue, minus the amount raised by a levy of 26.24 percent times the adjusted net tax capacity of the district.

(d) Notwithstanding paragraphs (b) and (c), for a district with a capital loan under sections 126C.60 to 126C.72, the first tier debt equalization revenue equals zero, and the second tier debt equalization revenue equals the portion of the district's eligible debt service levy under subdivision 2 in excess of the district's maximum effort debt service levy under section 126C.63, subdivision 8.

Sec. 10. Minnesota Statutes 2018, section 126C.63, subdivision 8, is amended to read:

Subd. 8. **Maximum effort debt service levy.** ~~(a)~~ "Maximum effort debt service levy" means the lesser of:

(1) a levy in whichever of the following amounts is applicable:

~~(i) in any district receiving a debt service loan for a debt service levy payable in 2002 and thereafter, or granted a capital loan after January 1, 2002, a levy in total dollar amount computed at a rate of 33.59 percent of adjusted net tax capacity for taxes payable in 2002 and thereafter; or~~

~~(ii) in any district receiving a debt service loan for a debt service levy payable in 2001 or earlier, or granted a capital loan before January 2, 2002, a levy in a total dollar amount computed at a rate of 29.39 percent of adjusted net tax capacity for taxes payable in 2002 and thereafter; or~~

~~(2) a levy in any district for which a capital loan was approved prior to August 1, 1981, a levy in a total dollar amount equal to the sum of the amount of the required debt service levy and an amount which when levied annually will in the opinion of the commissioner be sufficient to retire the remaining interest and principal on any outstanding loans from the state within 30 years of the original date when the capital loan was granted.~~

~~(b) The board in any district affected by the provisions of paragraph (a), clause (2), may elect instead to determine the amount of its levy according to the provisions of paragraph (a), clause (1). If a district's capital loan is not paid within 30 years because it elects to determine the amount of its levy according to the provisions of paragraph (a), clause (2), the liability of the district for the amount of the difference between the amount it levied under paragraph (a), clause (2), and the amount it would have levied under paragraph (a), clause (1), and for interest on the amount of that difference, must not be satisfied and discharged pursuant to Minnesota Statutes 1988, or an earlier edition of Minnesota Statutes if applicable, section 124.43, subdivision 4.~~

~~(2) the unpaid balance on the district's capital loan after deducting the amount to be paid on the district's capital loan in December of the year in which the levy is certified.~~

Sec. 11. Minnesota Statutes 2018, section 126C.66, subdivision 3, is amended to read:

Subd. 3. **Principal interest Payments.** All payments ~~of principal and interest on debt service notes or on~~ capital loan contracts, as received by the commissioner, are appropriated to the loan repayment account.

Sec. 12. Minnesota Statutes 2018, section 126C.69, as amended by Laws 2019, First Special Session chapter 10, article 3, section 40, is amended to read:

### **126C.69 CAPITAL GRANTS AND LOANS.**

Subdivision 1. **Capital grant and loan requests and uses.** Capital grants and loans are available only to qualifying districts. Capital grants and loans must not be used for the construction of swimming pools, ice arenas, athletic facilities, auditoriums, bus garages, or heating system improvements. Proceeds of the grants and loans may be used only for sites for education facilities and for acquiring, bettering, furnishing, or equipping education facilities. Contracts must be entered into within 18 months after the date on which each grant and loan is ~~granted~~ approved. For purposes of this section, "education facilities" includes space for Head Start programs and social service programs.

Subd. 2. **Capital loans grant and loan eligibility.** Beginning July 1, ~~1999~~ 2020, a district is not eligible for a capital grant and loan unless the district's estimated net debt tax rate as computed by the commissioner after debt service equalization aid would be more than 41.98 percent of adjusted net tax capacity. The estimate must assume a 20-year maturity schedule for new debt.

Subd. 3. **District request for review and comment.** A district or a joint powers district that intends to apply for a capital grant and loan must submit a proposal to the commissioner for review and comment according to section 123B.71 by July 1 of an odd-numbered year. The commissioner shall prepare a review and comment on the proposed facility, regardless of the amount of the capital expenditure required to construct the facility. In addition to the information provided under section 123B.71, subdivision 9, the commissioner shall require that predesign packages comparable to those required under section 16B.335 be prepared by the applicant school district. The predesign packages must be sufficient to define the scope, cost, and schedule of the project and must demonstrate that the project has been analyzed according to appropriate space needs standards and also consider the following criteria in determining whether to make a positive review and comment.

(a) To grant a positive review and comment the commissioner shall determine that all of the following conditions are met:

- (1) the facilities are needed for pupils for whom no adequate facilities exist or will exist;
- (2) there is evidence to indicate that the facilities will have a useful public purpose for at least the term of the bonds;
- (3) no form of cooperation with another district would provide the necessary facilities;
- (4) the facilities are comparable in size and quality to facilities recently constructed in other districts that have similar enrollments;
- (5) the facilities are comparable in size and quality to facilities recently constructed in other districts that are financed without a capital loan;
- (6) the district is projected to have adequate funds in its general operating budget to support a quality education for its students for at least the next five years;
- (7) the current facility poses a threat to the life, health, and safety of pupils, and cannot reasonably be brought into compliance with fire, health, or life safety codes;
- (8) the district has made a good faith effort, as evidenced by its maintenance expenditures, to adequately maintain the existing facility during the previous ten years and to comply with fire, health, and life safety codes and state and federal requirements for accessibility for people with disabilities;
- (9) the district has made a good faith effort to encourage integration of social service programs within the new facility;
- (10) evaluations by boards of adjacent districts have been received; and
- (11) the proposal includes a comprehensive technology plan that assures information access for the students, parents, and community.

(b) The commissioner may grant a negative review and comment if:

- (1) the state demographer has examined the population of the communities to be served by the facility and determined that the communities have not grown during the previous five years;
- (2) the state demographer determines that the economic and population bases of the communities to be served by the facility are not likely to grow or to remain at a level sufficient, during the next ten years, to ensure use of the entire facility;



(3) the need for facilities could be met within the district or adjacent districts at a comparable cost by leasing, repairing, remodeling, or sharing existing facilities or by using temporary facilities;

(4) the district plans do not include cooperation and collaboration with health and human services agencies and other political subdivisions; or

(5) if the application is for new construction, an existing facility that would meet the district's needs could be purchased at a comparable cost from any other source within the area.

**Subd. 4. Multiple district proposals; review and comment.** In addition to the requirements of subdivision 3, the commissioner may use additional requirements to determine a positive review and comment on projects that are designed to serve more than one district. These requirements may include:

(1) reducing or increasing the number of districts that plan to use the facility;

(2) location of the facility; and

(3) formation of a joint powers agreement among the participating districts.

**Subd. 5. Adjacent district comments.** The district must present the proposed project to the board of each adjacent district at a public meeting of that district. The board of an adjacent district must make a written evaluation of how the project will affect the future education and building needs of the adjacent district. The board must submit the evaluation to the applying district within 30 days of the meeting.

**Subd. 6. District application for capital grant and loan.** The school board of a district desiring a capital grant and loan shall adopt a resolution stating the amount proposed to be ~~borrowed~~ funded, the purpose for which the ~~debt is to be incurred~~ funding is requested, and an estimate of the dates when the facilities for which the ~~loan~~ funding is requested will be contracted for and completed. Applications for grants and loans must be accompanied by a copy of the adopted board resolution and copies of the adjacent district evaluations. The commissioner shall retain the evaluation as part of a permanent record of the district submitting the evaluation.

Applications must be in the form and accompanied by the additional data required by the commissioner. Applications must be received by the commissioner by September 1 of an odd-numbered year. A district must resubmit an application each odd-numbered year. Capital grant and loan applications that do not receive voter approval or are not approved in law cancel July 1 of the year following application. When an application is received, the commissioner shall obtain from the commissioner of revenue the information in the Revenue Department's official records that is required to be used in computing the debt limit of the district under section 475.53, subdivision 4.

**Subd. 7. Commissioner review; district proposals.** By November 1 of each odd-numbered year, the commissioner must review all applications for capital grants and loans that have received a positive review and comment. When reviewing applications, the commissioner must consider whether the criteria in subdivision 3 have been met. The commissioner may not approve an application if all of the required deadlines have not been met. The commissioner may either approve or reject an application for a capital grant and loan.

**Subd. 8. Commissioner recommendations.** The commissioner shall examine and consider applications for capital grants and loans that have been approved and promptly notify any district rejected of the decision.

The commissioner shall report each capital grant and loan that has been approved by the commissioner and that has received voter approval to the education committees of the legislature by January 1 of each even-numbered year. The commissioner must not report a capital grant and loan that has not received voter approval. The commissioner shall also report on the money remaining in the capital loan account and, if necessary, request that another bond issue be authorized.

Subd. 9. **Grant and loan amount limits.** (a) A grant and loan must not be recommended for approval for a district exceeding an amount computed as follows:

(1) the amount requested by the district under subdivision 6;

(2) plus the aggregate principal amount of general obligation bonds of the district outstanding on June 30 of the year following the year the application was received, not exceeding the limitation on net debt of the district in section 475.53, subdivision 4, or 637 percent of its adjusted net tax capacity as most recently determined, whichever is less;

(3) less the maximum net debt permissible for the district on December 1 of the year the application is received, under the limitation in section 475.53, subdivision 4, or 637 percent of its adjusted net tax capacity as most recently determined, whichever is less;

(4) less any amount by which the amount voted exceeds the total cost of the facilities for which the grant and loan is ~~granted~~ approved.

(b) The grant and loan may be approved in an amount computed as provided in paragraph (a), clauses (1) to (3), subject to later reduction according to paragraph (a), clause (4).

(c) The loan amount equals the lesser of the total grant and loan approved or:

(1) the product of the maximum effort tax rate times 50 times the district's most recent adjusted net tax capacity at the time the capital grant and loan is approved under subdivision 10, minus

(2) the district's capital loan balance outstanding at the time the capital grant and loan is approved under subdivision 10, minus

(3) the district's principal and interest balance outstanding for eligible bonds issued for prior capital projects at the time the capital loan and grant is approved.

(d) The grant amount equals the difference between the total grant and loan approved and the loan amount under paragraph (c).

Subd. 10. **Legislative action.** Each capital grant and loan must be approved in a law.

If the aggregate amount of the capital grants and loans exceeds the amount that is or can be made available, the commissioner shall allot the available amount among any number of qualified applicant districts, according to the commissioner's judgment and discretion, based upon the districts' respective needs.

Subd. 11. **District referendum.** After receipt of the review and comment on the project and before January 1 of the even-numbered year, the question authorizing the borrowing of money for the facilities must be submitted by the school board to the voters of the district at a regular or special election. The question submitted must state the total amount to be borrowed from all sources. Approval of a majority of those voting on the question is sufficient to authorize the issuance of the obligations on public sale in accordance with chapter 475. The face of the ballot must include the following statement: "APPROVAL OF THIS QUESTION DOES NOT GUARANTEE THAT THE SCHOOL DISTRICT WILL RECEIVE A CAPITAL GRANT AND LOAN FROM THE STATE. THE GRANT AND LOAN MUST BE APPROVED BY THE STATE LEGISLATURE AND IS DEPENDENT ON AVAILABLE FUNDING." The district must mail to the commissioner a certificate by the clerk showing the vote at the election.

Subd. 12. **Contract.** (a) Each capital grant and loan must be evidenced by a contract between the district and the state acting through the commissioner. The contract must obligate the state to reimburse the district, from the maximum effort school loan fund, for eligible capital expenses for construction of the facility for which the grant and loan is granted approved, an amount computed as provided in subdivision 9. The commissioner must receive from the district a certified resolution of the board estimating the costs of construction and reciting that contracts for construction of the facilities for which the grant and loan is granted approved have been awarded, that bonds of the district have been issued and sold or that other district funds have been set aside in the amount necessary to pay all estimated costs of construction in excess of the amount of the grant and loan, and that all work, when completed, meets or exceeds standards established in the State Building Code. The contract must obligate the district to repay the loan out of the excesses of its maximum effort debt service levy over its required debt service levy, ~~including interest at a rate equal to the weighted average annual rate payable on Minnesota state school loan bonds issued or reissued for the project.~~ Beginning July 1, 2020, no interest assessments shall be made on capital loan balances.

(b) The district must each year, as long as it is indebted to the state, levy for debt service (i) the amount of its maximum effort debt service levy or (ii) the amount of its required debt service levy, whichever is greater, ~~except as the required debt service levy may be reduced by a loan under section 126C.68.~~ The district shall remit payments to the commissioner according to section 126C.71. The actual debt service levy shall be adjusted under section 477A.09.

(c) The commissioner shall supervise the collection of outstanding accounts due the fund and may, by notice to the proper county auditor, require the maximum levy to be made as required in this subdivision. ~~Interest on capital loans must be paid on December 15 of the year after the year the loan is granted and annually in later years.~~ By September 30, the commissioner shall notify the county auditor of each county containing taxable property situated within the district of the amount of the maximum effort debt service levy of the district for that year. The county auditor or auditors shall extend upon the tax rolls an ad valorem tax upon all taxable property within the district in the aggregate amount so certified.

Subd. 13. **Loan forgiveness.** If any capital loan is not paid within 50 years after it is granted from maximum effort debt service levies in excess of required debt service levies, the liability of the district on the loan is satisfied and discharged and interest on the loan ceases.

Subd. 14. **Participation by county auditor; record of contract; payment of loan.** The district must file a copy of the capital loan contract with the county auditor of each county in which any part of the district is situated. The county auditor shall enter the capital loan, evidenced by the contract, in the auditor's bond register. The commissioner shall keep a record of each capital grant and loan ~~and~~ contract showing the name and address of the district, the date of the contract, and the amount of the grant and loan initially approved. On receipt of the resolution required in subdivision 12 and documentation of expenditures under the contract, the commissioner shall issue payments, ~~which may be dispersed in accordance with the schedule in the contract,~~ on the capital grant and loan account for the amount that may be disbursed under subdivision 1. ~~Interest on each disbursement of the capital loan amount accrues from the date on which the commissioner of management and budget issues the payment.~~

Subd. 15. **Bond sale limitations.** (a) A district having an outstanding state loan must not issue and sell any bonds on the public market, except to refund state loans, unless it agrees to make the maximum effort debt service levy in each later year at the higher rate provided in section 126C.63, subdivision 8, and unless it schedules the maturities of the bonds according to section 475.54, subdivision 2. A district that refunds bonds at a lower interest rate may continue to make the maximum effort debt service levy in each later year at the current rate provided in section 126C.63, subdivision 8, if the district can demonstrate to the commissioner's satisfaction that the district's repayments of the state loan will not be reduced below the previous year's level. The district must report each sale to the commissioner.

(b) For a capital loan issued prior to July 1, 2001, after the district's capital loan has been outstanding for 30 years, the district must not issue bonds on the public market except to refund the loan.

(c) For a capital loan issued on or after July 1, 2001, after the district's capital loan has been outstanding for 20 years, the district must not issue bonds on the public market except to refund the loan.

Sec. 13. Minnesota Statutes 2018, section 126C.71, is amended to read:

**126C.71 PAYMENT AND APPLICATIONS OF PAYMENT.**

Subdivision 1. **Payment.** (a) On November 20 of each year, each district having an outstanding capital loan or debt service loan shall compute the excess amount in the debt redemption fund. The commissioner shall prescribe the form and calculation to be used in computing the excess amount. A completed copy of this form shall be sent to the commissioner before December 1 of each year. The commissioner may recompute the excess amount and shall promptly notify the district of the recomputed amount.

~~(b)~~ On December 15 of each year, the district shall remit to the commissioner, at a minimum, an amount equal to the greater of:

(i) the excess amount in the debt redemption fund; or

(ii) the amount by which the maximum effort debt service levy exceeds the required debt service levy for that calendar year.

~~Any late payments shall be assessed an interest charge using the interest rates specified for the debt service notes and capital loan contracts.~~

~~(e)~~ ~~(b)~~ If a payment required under ~~the Maximum Effort School Aid Law~~ paragraph (a) is not made within 30 days, the commissioner may reduce any subsequent payments due the district under this chapter and chapters 120B, 122A, 123A, 123B, 124D, 125A, and 127A by the amount due, after providing written notice to the district.

Subd. 2. **Application of payments.** The commissioner shall apply payments received under ~~the Maximum Effort School Aid Law~~ and aids withheld according to subdivision 1, paragraph (b), as follows: ~~First, to payment of interest accrued on its notes, if any; second, to interest on its contracts, if any; third, toward principal of its notes, if any; and last, toward the principal of its contracts, if any. While more than one note or more than one contract is held, priority of payment of interest must be given to the one of earliest date, and after interest accrued on all notes is paid, similar priority shall be given in the application of any remaining amount to the payment of principal. In any year when the receipts from a district are not sufficient to pay the interest accrued on any of its notes or contracts, the deficiency must be added to the principal, and the commissioner shall notify the district and each county auditor concerned of the new amount of principal of the note or contract.~~

Sec. 14. Minnesota Statutes 2018, section 134.45, subdivision 5, is amended to read:

Subd. 5. **Qualification; accessibility grants.** A public library jurisdiction may apply for a grant in an amount up to ~~\$200,000~~ \$450,000 or 50 percent of the approved costs of removing architectural barriers from a building or site, whichever is less. Grants may be made only for projects in existing buildings used as a library, or to prepare another existing building for use as a library. Renovation of an existing building may include an addition to the building if the additional space is necessary to provide accessibility or if relocating public spaces to the ground level provides improved overall accessibility. Grants must not be used to pay part of the cost of meeting accessibility requirements in a new building.

Sec. 15. Minnesota Statutes 2018, section 137.61, is amended to read:

**137.61 PURPOSE.**

Sections 137.61 to 137.65 provide for a biomedical science research funding program to further the investment in biomedical science research facilities in Minnesota to benefit the state's economy, advance the biomedical technology industry, benefit human health, and facilitate research collaboration between the University of Minnesota and other private and public institutions in this state. Sections 137.61 to 137.65 also provide funding for design, land acquisition, site preparation, and preconstruction services for the new clinical research facility on the University of Minnesota's Twin Cities campus.

Sec. 16. Minnesota Statutes 2018, section 137.62, subdivision 2, is amended to read:

Subd. 2. **Biomedical science research facility.** "Biomedical science research facility" means a facility located on the campus of the University of Minnesota to be used as a research facility and laboratory for biomedical science and biomedical technology. A hospital licensed under sections 144.50 to 144.56 is not a biomedical science research facility. Biomedical science research facility includes the clinical research facility defined in this section.

Sec. 17. Minnesota Statutes 2018, section 137.62, is amended by adding a subdivision to read:

Subd. 2a. **Clinical research facility.** "Clinical research facility" means a facility located on the Twin Cities campus of the University of Minnesota to connect a broad array of clinical research units and activities from across the university, providing a consolidated home for the Clinical Translational Science Institute and related programs that support education, research, clinical training, and patient care.

Sec. 18. Minnesota Statutes 2018, section 137.63, is amended to read:

**137.63 BIOMEDICAL SCIENCE RESEARCH FACILITIES FUNDING PROGRAM.**

Subdivision 1. **Program established.** A biomedical science research facilities funding program is established to provide appropriations to the Board of Regents of the University of Minnesota for up to 75 percent of the project costs for each of four projects approved by the Board of Regents under section 137.64, other than the clinical research facility. Appropriations to the Board of Regents for the clinical research facility are for 100 percent of the project costs for design, land acquisition, site preparation, and preconstruction services.

Subd. 2. **Project requirements.** The Board of Regents of the University of Minnesota, either acting on its own or in collaboration with another private or public entity, must pay at least 25 percent of the project costs for each of four projects, other than the clinical research facility. The board must not use tuition revenue to pay for the university's share of the costs for the projects approved under section 137.64.

Sec. 19. Minnesota Statutes 2018, section 137.64, is amended to read:

**137.64 CONDITIONS FOR PAYMENTS TO UNIVERSITY.**

Subdivision 1. **Certifications.** Before the commissioner may make any payments authorized in this section to the Board of Regents for a biomedical science research facility project, the commissioner must certify that the board has, by board resolution, approved the maximum project cost for the project and complied with the requirements of section 137.63, ~~subdivision 2.~~ For each project approved by the board, the board must certify to the commissioner the amount of the annual payments of principal and interest required to service each series of bonds issued by the University of Minnesota for the project, and the actual amount of the state's annual payment to the University of Minnesota under subdivision 2. The annual payment must not exceed the amount required to pay debt service on the bonds issued to finance 75 percent of the project costs of biomedical science research facilities authorized before 2019. The annual payment may additionally be for the amount required to pay debt service on the bonds issued to finance 100 percent of the costs of the clinical research facility.

Subd. 2. **Payments.** On July 15 of each year after the certification under subdivision 1, but no earlier than July 15, 2009, and for so long thereafter as any bonds issued by the board for ~~the construction of a project, or any refunding bonds issued under subdivision 7,~~ are outstanding, the state must transfer to the board annual payments as certified under subdivision 1, up to the maximum amounts in the appropriation schedule under subdivision 3. Payments under this section are to reimburse the Board of Regents for the state's share of the project costs for the biomedical science research facility projects, provided that the principal amount of bonds issued by the University of Minnesota to pay the state's share of the costs must not exceed \$219,000,000.

Subd. 3. **Appropriations.** Annual appropriations are made from the general fund to the commissioner of management and budget for transfer to the Board of Regents, as follows:

- (1) up to \$850,000 is appropriated in fiscal year 2010;
- (2) up to \$3,650,000 is appropriated in fiscal year 2011;
- (3) up to \$7,825,000 is appropriated in fiscal year 2012;
- (4) up to \$12,100,000 is appropriated in fiscal year 2013;
- (5) up to \$14,825,000 is appropriated in fiscal year 2014; ~~and~~

(6) up to \$15,550,000 is appropriated in fiscal year 2015 and each year thereafter, ~~up to 25 years following the certification of the last project by the commissioner,~~ through fiscal year 2020; and

(7) up to \$13,930,000 is appropriated in fiscal year 2021 and each year thereafter through fiscal year 2039.

Subd. 4. **Report to legislature.** The Board of Regents must report to the committees of the legislature with responsibility for capital investment by January 15 of each even-numbered year on the biomedical science research facility projects authorized under this section. The report must at a minimum include for each project, the total cost, the number of researchers, research grants, and the amount of debt issued by the board.

Subd. 5. **Reinvestment.** The Board of Regents must, to the extent permitted under federal law and University of Minnesota policies, place a priority on reducing the state's share of project costs by dedicating a share of the proceeds from any commercialization or licensing revenues attributable to research conducted in the biomedical science facilities to reducing the appropriations needed under subdivision 3.

Subd. 6. **Services to individuals and firms.** Consistent with its mission and governing policies and the requirements for tax-exempt bonds, the university shall make available laboratory and other services on a fee-for-service basis to individuals and firms in the bioscience industry in Minnesota. The university will not assert patent rights when providing services that do not involve its innovative intellectual contributions.

Subd. 7. **Refunding of bonds; allocation of savings realized.** (a) The board may issue bonds in one or more series to refund bonds that were issued for a project before January 1, 2019, if refunding is determined by the board to be in the best interest of the university. The principal amount of bonds issued in each refunding must not exceed the amount necessary to defease the associated bonds outstanding immediately prior to refunding. The amount of the state's annual payment to the university required for the debt service on the refunded bonds, or original bonds if not yet refunded, or a combination of the two, shall be up to the maximum annual appropriation under subdivision 3 for all series.

(b) The amount of the annual appropriation under subdivision 3 that is not needed to pay the annual debt service under paragraph (a) is appropriated to the Board of Regents of the University of Minnesota to pay the annual debt service amount on bonds issued by the university to pay the costs of design, land acquisition, site preparation, and preconstruction services of the clinical research facility.

(c) In any year that the state general fund appropriation authorized in this section exceeds the amount needed to pay debt service on bonds issued by the university for purposes specified in sections 137.61 to 137.65, the excess amount is canceled to the state general fund.

**Sec. 20. [240A.20] PROMOTING CONSTRUCTION AND RENOVATION OF PUBLIC SKATE PARKS THROUGHOUT THE STATE.**

Subdivision 1. **Definition.** For purposes of this section, "skate" means wheeled, nonmotorized recreation, including skateboarding, roller blading, and roller skating, and not including cycling or biking.

Subd. 2. **Promotion of public skate parks.** The Minnesota Amateur Sports Commission shall:

(1) develop new statewide public skate parks; and

(2) provide matching grants to local units of government for public skate parks based on the criteria in this section.

Subd. 3. **Criteria for grants to local units of government for public skate parks.** (a) The commission shall administer a site selection process for the skate parks. The commission shall invite proposals from cities or counties or consortia of cities. A proposal for a skate park must include matching contributions including in-kind contributions of land, access roadways and access roadway improvements, and necessary utility services, landscaping, and parking.

(b) The location for all proposed facilities must be in areas of maximum demonstrated interest and must maximize accessibility to an arterial highway, transit, or pedestrian or bike path.

(c) To the extent possible, all proposed facilities must be dispersed equitably, must be located to maximize potential for full utilization, must accommodate noncompetitive family and community skating for all ages, and must encourage use of skate parks by a diverse population.

(d) The commission will give priority to proposals that come from more than one local government unit.

(e) The commission may also use the money to upgrade, rehabilitate, or renovate current facilities.

(f) To the extent possible, 50 percent of all grants must be awarded to communities in greater Minnesota.

(g) A grant awarded under subdivision 2, clause (2), may not exceed \$250,000 unless the grantee demonstrates that the facility will have a regional or statewide draw. A grant awarded under subdivision 2, clause (2), may be for up to \$750,000 for a skate park with regional impact. A grant awarded under subdivision 2, clause (2), may be for up to \$2,000,000 for a skate park with statewide draw.

(h) In selecting projects to be awarded grants under this section, the commission must give priority to those projects that are designed by experts in the field of skate park design and are to be constructed by professionals with experience in the construction of skate parks.

(i) To be eligible for a grant under this section, a local government must have engaged or must commit to engage youth in the planning, design, and programming for the skate park.

Subd. 4. **Technical assistance.** To the extent possible, the commission shall provide technical assistance on skate park planning, design, and operation to communities.

Subd. 5. **Agreements with local governments and cooperative purchasing agreements.** (a) The Minnesota Amateur Sports Commission may enter into agreements with local units of government and provide financial assistance in the form of grants for the construction of skate parks that, in the determination of the commission, conform to its criteria.

(b) The commission may enter into cooperative purchasing agreements under section 471.59 with local governments to purchase skate park equipment and services through state contracts. The cooperative skate park equipment purchasing revolving fund is a separate account in the state treasury. The commission may charge a fee to cover the commission's administrative expenses to government units that have joint or cooperative purchasing agreements with the state under section 471.59. The fees collected must be deposited in the revolving fund established by this subdivision. Money in the fund is appropriated to the commission to administer the programs and services covered by this subdivision.

Sec. 21. Minnesota Statutes 2018, section 363A.36, is amended by adding a subdivision to read:

Subd. 1a. **Scope of application; state capital funding.** (a) An agency or political subdivision that uses state money to pay for part or all of a capital project is subject to and must comply with the restrictions in subdivision 1, for contracts exceeding \$100,000.

(b) For the purposes of this subdivision, the following terms have the meanings given them:

(1) "agency" means a state board, commission, authority, department, or other agency of the executive branch of state government; the Minnesota Historical Society; the Minnesota State Colleges and Universities; or the University of Minnesota;

(2) "capital project" means the acquisition and betterment of land and buildings and other public improvements in the state, including acquisition of real property or an interest in real property, predesign, design, engineering, site preparation and related environmental work, renovation, construction, furnishing, and equipping;

(3) "political subdivision" means a county, home rule charter or statutory city, town, school district, metropolitan or regional agency, public corporation established in law, or other special or limited purpose district created or authorized by law; and

(4) "state money" means the proceeds of state general obligation bonds issued under article XI, section 5, clause (a), of the Minnesota Constitution.

(c) This subdivision applies to a capital project or discrete phase of a capital project for which state money has been appropriated on or after January 1, 2022.

Sec. 22. Minnesota Statutes 2018, section 363A.44, subdivision 1, is amended to read:

Subdivision 1. **Scope.** (a) No department, agency of the state, the Metropolitan Council, or an agency subject to section 473.143, subdivision 1, shall execute a contract for goods or services or an agreement for goods or services in excess of \$500,000 with a business that has 40 or more full-time employees in this state or a state where the business has its primary place of business on a single day during the prior 12 months, unless the business has an equal pay certificate or it has certified in writing that it is exempt. A certificate is valid for four years.

(b) An agency or political subdivision that uses state money to pay for part or all of a capital project is subject to and must comply with the restrictions in this section for contracts exceeding \$500,000. For purposes of this subdivision, "agency," "political subdivision," "capital project," and "state money" have the meanings given in section 363A.36, subdivision 1a. This paragraph applies to a capital project or discrete phase of a capital project for which state money has been appropriated on or after January 1, 2022.



~~(b)~~ (c) This section does not apply to a business with respect to a specific contract if the commissioner of administration determines that application of this section would cause undue hardship to the contracting entity. This section does not apply to a contract to provide goods and services to individuals under chapters 43A, 62A, 62C, 62D, 62E, 256B, 256I, 256L, and 268A, with a business that has a license, certification, registration, provider agreement, or provider enrollment contract that is prerequisite to providing those goods and services. This section does not apply to contracts entered into by the State Board of Investment for investment options under section 352.965, subdivision 4.

Sec. 23. Minnesota Statutes 2018, section 473.4052, subdivision 4, is amended to read:

Subd. 4. **Application.** The liability limits under subdivision 2 and the insurance requirements under subdivision 3 apply only for that segment of a light rail transit line or line extension in which the project formally entered the engineering phase of the Federal Transit Administration's "New Starts" capital investment grant program between August 1, 2016, and ~~December 31, 2016~~ February 1, 2017.

**EFFECTIVE DATE: APPLICATION.** This section is effective the day following final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 24. Laws 2008, chapter 179, section 18, subdivision 3, as amended by Laws 2011, First Special Session chapter 12, section 32, and Laws 2012, chapter 293, section 41, is amended to read:

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

3,400,000

(a) To demolish surplus, nonfunctional, or deteriorated facilities and infrastructure or to renovate surplus, nonfunctional, or deteriorated facilities and infrastructure at Department of Human Services campuses. These projects must facilitate the redevelopment or reuse of these campuses consistent with redevelopment plan concepts developed and approved under Laws 2003, First Special Session chapter 14, article 6, section 64, subdivision 2. If a surplus campus is sold or transferred to a local unit of government, unspent portions of this appropriation may be granted to that local unit of government for the purposes stated in this subdivision. Unspent portions of this appropriation may be used to design, construct, furnish, and equip a maintenance and storage facility to support the maintenance and operation of the Brainerd campus if the commissioner determines that it is less expensive than renovating existing space. Notwithstanding Minnesota Statutes, section 16A.642, the bond authorization and appropriation of bond proceeds for this project are available until December 30, 2014.

(b) Up to \$125,000 is for preparation and site development, including demolition of buildings and infrastructure, to implement the redevelopment and reuse of the Ah Gwah Ching Regional Treatment Center. This amount may be granted to Cass County for the purposes stated in this subdivision. If the campus is sold or transferred by Cass County to the city of Walker, unspent portions of this appropriation may be granted to the city of Walker for the purposes stated in this subdivision. Notwithstanding any

requirement in paragraph (a) or Minnesota Statutes, section 16A.695, Cass County may convey for no consideration approximately 9.4 acres of the campus of the former Ah Gwah Ching Regional Treatment Center to Independent School District No. 113, Walker Hackensack Akeley, for school purposes.

Sec. 25. Laws 2014, chapter 294, article 1, section 7, subdivision 11, as amended by Laws 2017, First Special Session chapter 8, article 2, section 26, is amended to read:

**Subd. 11. Central Minnesota Regional Parks**

500,000

~~For a grant to the city of Sartell to acquire land and develop recreation facilities at Sauk River Regional Park design, engineer, and construct a trail, including overlooks, fishing platforms, and pedestrian crossings, along the Mississippi River as part of improvements to Linear Park and Sartell Veterans Park in the city of Sartell and to acquire up to 68 acres of land located along the Sauk River near the confluence of the Mississippi to serve as part of the Central Minnesota Regional Parks and Trails.~~ Notwithstanding Minnesota Statutes, section 16A.642, the bond sale authorization and appropriation of bond proceeds for this project are available until ~~June 30, 2020~~ December 31, 2024.

Sec. 26. Laws 2015, First Special Session chapter 5, article 1, section 10, subdivision 7, as amended by Laws 2017, First Special Session chapter 8, article 2, section 32, is amended to read:

**Subd. 7. Richfield - 77th Street Underpass**

10,000,000

For a grant to the city of Richfield for right-of-way acquisition for an extension of 77th Street under marked Trunk Highway 77/Cedar Avenue in the city of Richfield to provide local and regional access between Richfield, the Minneapolis/St. Paul International Airport, the city of Bloomington, and the Mall of America. After right-of-way acquisition is completed, the city may use any remaining money appropriated in this subdivision for construction of the extension. Notwithstanding Minnesota Statutes, section 16A.642, the bond sale authorization and appropriation of bond proceeds for the project in this subdivision are available until December 31, ~~2024~~ 2024.

Sec. 27. Laws 2015, First Special Session chapter 5, article 1, section 13, is amended to read:

**Sec. 13. CORRECTIONS**

**\$1,200,000**

To the commissioner of administration for a grant to the Arrowhead Regional Corrections Joint Powers Board to demolish an existing facility and to design, construct, furnish, and equip a replacement food processing facility on the campus of the Northeast Regional Corrections Center, to meet health, safety, and security standards required for compliance with Minnesota Rules, chapter 2911. Nonstate contributions to improvements at the

center made before or after the enactment of this subdivision are considered to be a sufficient match, and no further nonstate match is required. Notwithstanding Minnesota Statutes, section 16A.642, the bond sale authorization and appropriation of bond proceeds for the project in this subdivision are available until December 31, 2024.

Sec. 28. Laws 2017, First Special Session chapter 8, article 1, section 15, subdivision 3, as amended by Laws 2018, chapter 214, article 2, section 33, is amended to read:

**Subd. 3. Local Road Improvement Fund Grants**

115,932,000

(a) From the bond proceeds account in the state transportation fund as provided in Minnesota Statutes, section 174.50, for trunk highway corridor projects under Minnesota Statutes, section 174.52, subdivision 2, for construction and reconstruction of local roads with statewide or regional significance under Minnesota Statutes, section 174.52, subdivision 4, or for grants to counties to assist in paying the costs of rural road safety capital improvement projects on county state-aid highways under Minnesota Statutes, section 174.52, subdivision 4a.

(b) Of this amount, \$9,000,000 is for a grant to Anoka County to design, acquire land for, engineer, and construct improvements to, including the realignment of County State-Aid Highway 23 (Lake Drive), County State-Aid Highway 54 (West Freeway Drive), West Freeway Drive, and to Hornsby Street in the city of Columbus to support the overall interchange project. Notwithstanding Minnesota Statutes, section 16A.642, the bond sale authorization and appropriation of bond proceeds for the project in this paragraph are available until December 31, 2024.

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

(d) Of this amount, \$25,000,000 is for a grant to Hennepin County, the city of Minneapolis, or both, for design, right-of-way acquisition, engineering, and construction of public improvements related to the Interstate Highway 35W and Lake Street access project and related improvements within the Interstate Highway 35W corridor, notwithstanding any provision of Minnesota Statutes, section 174.52, or rule to the contrary. This appropriation

is not available until the commissioner of management and budget determines that an amount sufficient to complete this portion of the Interstate Highway 35W and Lake Street access project has been committed to this portion of the project.

(e) Of this amount, \$10,500,000 is for a grant to Carver County for environmental analysis and to acquire right-of-way access, predesign, design, engineer, and construct an interchange at marked Trunk Highway 212 and Carver County Road 44 in the city of Chaska, including a new bridge and ramps, to support the development of approximately 400 acres of property in the city of Chaska's comprehensive plan.

(f) Of this amount, \$700,000 is for a grant to Redwood County for improvements to Nobles Avenue, including paving, as the main access road to a new State Veterans Cemetery to be located in Paxton Township.

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

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

(i) Of this amount, \$11,300,000 is for a grant to Hennepin County for preliminary and final design, engineering, environmental analysis, right-of-way acquisition, construction, and reconstruction of local roads related to the (1) realignment at the intersections of marked U.S. Highway 12 with Hennepin County State-Aid Highway 92; (2) realignment and safety improvements at the intersection of marked U.S. Highway 12 with Hennepin County State-Aid Highway 90; and (3) safety median improvements from the interchange with Wayzata Boulevard in Wayzata to approximately one-half mile east of the interchange of marked U.S. Highway 12 with Hennepin County State-Aid Highway 6.

(j) Of this amount, \$1,000,000 is for a grant to the city of Inver Grove Heights for preliminary design, design, engineering, and reconstruction of Broderick Boulevard between 80th Street and Concord Boulevard abutting Trunk Highway 52 and Inver Hills Community College in Inver Grove Heights. The project includes replacement or renovation of public infrastructure, including water lines, sanitary sewers, storm water sewers, and other public utilities. This appropriation does not require a nonstate contribution.

(k) Of this amount, \$2,350,000 is for a grant to McLeod County to acquire land or interests in land and to design and construct a new urban street extension of County State-Aid Highway (CSAH) 15, including railroad crossing, storm water, and drainage improvements.

(l) Of this amount, \$6,000,000 is for a grant to the city of Baxter for 50 percent of total project cost for the acquisition of land or interests in land, environmental analysis and environmental cleanup, predesign, design, engineering, and construction of improvements to Cypress Drive, including expansion to a four-lane divided urban roadway, between Excelsior Road and College Road.

Sec. 29. Laws 2017, First Special Session chapter 8, article 1, section 15, subdivision 4, is amended to read:

**Subd. 4. Rail Grade Separation on Crude Oil Rail Corridors**

71,124,000

(a) Of this amount, \$42,262,000 is for a grant to the city of Moorhead for environmental analysis, design, engineering, removal of an existing structure, and construction of a rail grade crossing separation in the vicinity of 21st Street South.

(b) \$14,100,000 is for a grant to Anoka County for environmental analysis, design, engineering, removal of an existing structure, and construction of a rail grade crossing separation at Anoka County State-Aid Highway 78, known as Hanson Boulevard, in Coon Rapids. Any unspent portion of the appropriation under this paragraph may be used by Anoka County for design costs of other rail crossings in Anoka County that are on the commissioner's rail safety priority list.

(c) Of this amount, \$14,762,000 is for a grant to the city of Red Wing for acquisition of right-of-way, environmental analysis, design, engineering, removal of an existing structure, and construction of a rail grade crossing separation at Sturgeon Lake Road. Notwithstanding Minnesota Statutes, section 16A.642, the bond sale authorization and appropriation of bond proceeds for the project in this paragraph are available until December 31, 2024.

(d) Any unspent portion of this appropriation after completion of a project in this subdivision may be used for grants in accordance with Minnesota Statutes, section 219.016.

Sec. 30. Laws 2017, First Special Session chapter 8, article 1, section 18, subdivision 3, is amended to read:

**Subd. 3. Minneapolis Veterans Home Truss Bridge Project**

7,851,000

To design, construct, renovate, and equip the historic truss bridge on the Minneapolis Veterans Home campus, including asbestos and hazardous materials abatement and associated site work.

One-half of the unspent portion of this appropriation after the project has been substantially completed, upon written notice to the commissioner of management and budget, is for asset preservation of veterans homes statewide under Minnesota Statutes, section 16B.307, and one-half is for comprehensive campus security and safety upgrades at the veterans homes statewide, including predesign and design, acquisition and installation, construction, furnishing, and equipping. Notwithstanding Minnesota Statutes, section 16A.642, the bond sale authorization and appropriation of bond proceeds in this subdivision are available until December 31, 2024.

Sec. 31. Laws 2017, First Special Session chapter 8, article 1, section 20, subdivision 21, as amended by Laws 2018, chapter 214, article 2, section 40, is amended to read:

**Subd. 21. St. Paul - Minnesota Museum of American Art**

6,000,000

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

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

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

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

Notwithstanding Minnesota Statutes, section 16A.642, the bond sale authorization and appropriation of bond proceeds for this project are available until December 31, 2024.

Sec. 32. Laws 2018, chapter 214, article 1, section 2, subdivision 6, is amended to read:

Subd. 6. **Glensheen Renewal**

4,000,000

To ~~replace the boiler and to~~ predesign, design, and renovate site structures at the Historic Glensheen Estate including but not limited to the main house; the site structures, terraces, and garden walls; and the carriage house. This appropriation is not available until the commissioner of management and budget determines that an equal amount is committed from other sources. This appropriation does not require a nonstate contribution.

Sec. 33. Laws 2018, chapter 214, article 1, section 7, subdivision 1, is amended to read:

Subdivision 1. **Total Appropriation**

~~\$ 78,669,000~~  
74,309,000

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

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

Sec. 34. Laws 2018, chapter 214, article 1, section 16, subdivision 19, is amended to read:

Subd. 19. **Hennepin County - Railroad Crossing Safety**

1,200,000

For one or more grants to Hennepin County or the affected city in the county to construct railroad crossing safety improvements in Hennepin County. Of this amount, \$350,000 is for crossings at ~~Townline Road and~~ marked County Road 19 in the city of Loretto; ~~at least \$450,000 is for crossings at marked Road 116/County Road 115 and~~ Arrowhead Drive in the city of Medina; and ~~at least \$400,000 is for crossings at East Lake Street and Barry Avenue in the city of Wayzata. Any unspent portion of this appropriation remaining after completion of a project listed in this subdivision, after written notice to the commissioner of management and budget, is available for the purposes of this subdivision.~~

Sec. 35. Laws 2018, chapter 214, article 1, section 21, subdivision 1, is amended to read:

Subdivision 1. **Total Appropriation**

~~\$ 109,344,000~~  
109,085,000

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

Sec. 36. Laws 2018, chapter 214, article 1, section 21, subdivision 18, is amended to read:

**Subd. 18. Pipestone County - Dental Facility**

500,000

For a grant to Pipestone County to predesign, design, construct, furnish, and equip a dental care facility in Pipestone County. The county may enter into an agreement under Minnesota Statutes, section 16A.695, for operation of the dental clinic. This project is not subject to the requirements of Minnesota Statutes, section 16B.325.

Sec. 37. Laws 2018, chapter 214, article 1, section 21, subdivision 26, is amended to read:

**Subd. 26. St. Paul - Minnesota Museum of American Art**

2,500,000

For a grant to the St. Paul Port Authority to acquire, design, construct, furnish, and equip the Minnesota Museum of American Art in the historic Pioneer Endicott Building. This appropriation is in addition to the amount appropriated by Laws 2017, First Special Session chapter 8, article 1, section 20, subdivision 21, and is available in accordance with the requirements of that subdivision. This appropriation may be used as needed for the costs of the project, including but not limited to secure loading dock, and art restoration and exhibit preparation areas.

Notwithstanding Minnesota Statutes, section 16A.642, the bond sale authorization and appropriation of bond proceeds for this project are available until December 31, 2024.

Sec. 38. Laws 2018, chapter 214, article 1, section 21, subdivision 28, as amended by Laws 2019, chapter 2, article 2, section 6, is amended to read:

**Subd. 28. St. Paul - Southeast Asian Language Job Training Facilities**

5,500,000

For a grant to the city of St. Paul to predesign, design, renovate, construct, furnish, and equip a bus driver and mechanics training facility on Sycamore Street in St. Paul for training drivers and mechanics through programming primarily in the Southeast Asian languages, and to predesign, design, renovate, construct, furnish, and equip a training facility on Plato Avenue in St. Paul for use as a training facility for health care, manufacturing, and information technology jobs through programming primarily in the Southeast Asian languages. Notwithstanding the primary focus as a workforce training facility described above, a portion of the Plato site may be used for colocated high school and child care facilities open to the public. A portion of both the Plato and Sycamore sites may include on-site wrap-around supportive services to assist the participants in training programs in securing housing, mental health, adult basic education, and health care enrollment and



access. This appropriation may be used to acquire property for these purposes. The city of St. Paul may enter into a lease or management agreement with a nonprofit corporation for either or both of these facilities under Minnesota Statutes, section 16A.695.

Sec. 39. Laws 2018, chapter 214, article 1, section 21, subdivision 29, is amended to read:

Subd. 29. **Wabasha - National Eagle Center and Wabasha Rivertown Resurgence Riverfront Revitalization** 8,000,000

(a) \$1,500,000 of this appropriation is for a grant to the city of Wabasha to acquire land, predesign, design, renovate, construct, furnish, and equip the renovation and expansion of the National Eagle Center in order to expand program and exhibit space, and increase aviary space for eagles, and for to design and construct improvements to the riverfront in Wabasha for infrastructure, large vessel landing areas and docks, and public access and program areas.

(b) \$2,500,000 of this appropriation is for a grant to the city of Wabasha to acquire land, design, renovate, construct, furnish, and equip the National Eagle Center in order to expand the program space, gift shop, and exhibit space, and increase aviary space for eagles. If the acquisition of land, design, renovation, construction, furnishing, and equipping of the National Eagle Center expansion of its program space, gift shop, exhibit space, and aviary space is complete, the City of Wabasha may use any remaining money from this appropriation toward the renovation of the historical buildings on Main Street.

(c) \$4,000,000 of this appropriation is for a grant to the city of Wabasha to predesign, design, construct, renovate, furnish, and equip the new auditorium, expansion of the Preston Cook Exhibit, and final renovation of the historical buildings on Main Street.

Sec. 40. Laws 2019, First Special Session chapter 11, article 6, section 7, subdivision 2, as amended by Laws 2020, chapter 116, article 6, section 17, is amended to read:

Subd. 2. **Debt service equalization aid.** For debt service equalization aid under Minnesota Statutes, section 123B.53, subdivision 6:

\$20,684,000	.....	2020
\$ <del>25,398,000</del> <u>25,380,000</u>	.....	2021

The 2020 appropriation includes \$2,292,000 for 2019 and \$18,392,000 for 2020.

The 2021 appropriation includes \$2,043,000 for 2020 and ~~\$23,355,000~~ \$23,337,000 for 2021.

Sec. 41. **RED LAKE AND NETT LAKE CAPITAL LOANS.**

(a) Notwithstanding the capital loan contracts issued to Independent School District No. 38, Red Lake, and Independent School District No. 707, Nett Lake, under Minnesota Statutes, section 126C.69, the capital loan balance outstanding for Independent School District No. 38, Red Lake, as of July 1, 2020, on the capital loan granted on April 27, 2015, is reduced to \$228,743. The capital loan balance outstanding for Independent School District No. 707, Nett Lake, as of July 1, 2020, on the capital loan granted on October 24, 2006, is reduced to \$1,261,384. The capital loan balances on these loans in excess of these amounts are forgiven.

(b) All capital loan contracts issued prior to 2015 to Independent School District No. 38, Red Lake, under Minnesota Statutes, section 126C.69, cancel as of July 1, 2020, and the capital loan balances on these loans are forgiven. The capital loan contract issued prior to 1995 to Independent School District No. 707, Nett Lake, under Minnesota Statutes, section 126C.69, cancels as of July 1, 2020, and the capital loan balance on this loan is forgiven.

(c) Maximum effort loan aid for Independent School District No. 38, Red Lake, and Independent School District No. 707, Nett Lake, is the amount the districts would have received under Minnesota Statutes, section 477A.09, based on the capital loan contracts issued under Minnesota Statutes, section 126C.69, without the loan forgiveness granted under paragraphs (a) and (b).

Sec. 42. **REPEALER.**

(a) Minnesota Statutes 2018, sections 126C.65, subdivision 2; and 126C.68, subdivisions 1, 2, and 4, are repealed.

(b) Minnesota Statutes 2019 Supplement, section 126C.68, subdivision 3, is repealed.

(c) Minnesota Statutes 2018, section 16A.633, subdivision 4, is repealed.

Sec. 43. **EFFECTIVE DATE.**

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

ARTICLE 6  
PROPERTY TAXES AND AIDS

Section 1. Minnesota Statutes 2019 Supplement, section 126C.17, subdivision 6, is amended to read:

Subd. 6. **Referendum equalization levy.** (a) A district's referendum equalization levy equals the sum of the first tier referendum equalization levy and the second tier referendum equalization levy.

(b) A district's first tier referendum equalization levy equals the district's first tier referendum equalization revenue times the lesser of (1) one ~~one~~, (2) the ratio of the district's referendum market value per resident pupil unit to ~~\$567,000~~ \$650,000, or (3) the ratio of the district's referendum market value per adjusted pupil unit to \$650,000.

(c) A district's second tier referendum equalization levy equals the district's second tier referendum equalization revenue times the lesser of (1) one ~~one~~, (2) the ratio of the district's referendum market value per resident pupil unit to ~~\$290,000~~ \$320,000, or (3) the ratio of the district's referendum market value per adjusted pupil unit to \$320,000.

**EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2022 and later.

Sec. 2. Minnesota Statutes 2018, section 272.02, is amended by adding a subdivision to read:

**Subd. 104. Certain property owned by an Indian tribe.** (a) Property is exempt that:

(1) is located in a county with a population greater than 28,000 but less than 29,000 as of the 2010 federal census;

(2) was on January 2, 2016, and is for the current assessment owned by a federally recognized Indian tribe or its instrumentality, that is located in Minnesota;

(3) was on January 2, 2016, erroneously treated as exempt under subdivision 7; and

(4) is used for the same purpose as the property was used on January 2, 2016.

(b) For assessment years 2019 and 2020, an exemption application under this subdivision must be filed with the county assessor by August 1, 2020. Property taxes paid on property exempt under this section for taxes payable in 2020 only shall be refunded by the county by September 1, 2020.

**EFFECTIVE DATE.** This section is effective retroactively from assessment year 2019.

Sec. 3. Minnesota Statutes 2018, section 273.13, subdivision 25, is amended to read:

Subd. 25. **Class 4.** (a) Class 4a is residential real estate containing four or more units and used or held for use by the owner or by the tenants or lessees of the owner as a residence for rental periods of 30 days or more, excluding property qualifying for class 4d. Class 4a also includes hospitals licensed under sections 144.50 to 144.56, other than hospitals exempt under section 272.02, and contiguous property used for hospital purposes, without regard to whether the property has been platted or subdivided. The market value of class 4a property has a classification rate of 1.25 percent.

(b) Class 4b includes:

(1) residential real estate containing less than four units, including property rented as a short-term rental property for more than 14 days in the preceding year, that does not qualify as class 4bb, other than seasonal residential recreational property;

(2) manufactured homes not classified under any other provision;

(3) a dwelling, garage, and surrounding one acre of property on a nonhomestead farm classified under subdivision 23, paragraph (b) containing two or three units; and

(4) unimproved property that is classified residential as determined under subdivision 33.

For the purposes of this paragraph, "short-term rental property" means nonhomestead residential real estate rented for periods of less than 30 consecutive days.

The market value of class 4b property has a classification rate of 1.25 percent.

(c) Class 4bb includes:

(1) nonhomestead residential real estate containing one unit, other than seasonal residential recreational property;

(2) a single family dwelling, garage, and surrounding one acre of property on a nonhomestead farm classified under subdivision 23, paragraph (b); and

(3) a condominium-type storage unit having an individual property identification number that is not used for a commercial purpose.

Class 4bb property has the same classification rates as class 1a property under subdivision 22.

Property that has been classified as seasonal residential recreational property at any time during which it has been owned by the current owner or spouse of the current owner does not qualify for class 4bb.

(d) Class 4c property includes:

(1) except as provided in subdivision 22, paragraph (c), real and personal property devoted to commercial temporary and seasonal residential occupancy for recreation purposes, for not more than 250 days in the year preceding the year of assessment. For purposes of this clause, property is devoted to a commercial purpose on a specific day if any portion of the property is used for residential occupancy, and a fee is charged for residential occupancy. Class 4c property under this clause must contain three or more rental units. A "rental unit" is defined as a cabin, condominium, townhouse, sleeping room, or individual camping site equipped with water and electrical hookups for recreational vehicles. A camping pad offered for rent by a property that otherwise qualifies for class 4c under this clause is also class 4c under this clause regardless of the term of the rental agreement, as long as the use of the camping pad does not exceed 250 days. In order for a property to be classified under this clause, either (i) the business located on the property must provide recreational activities, at least 40 percent of the annual gross lodging receipts related to the property must be from business conducted during 90 consecutive days, and either (A) at least 60 percent of all paid bookings by lodging guests during the year must be for periods of at least two consecutive nights; or (B) at least 20 percent of the annual gross receipts must be from charges for providing recreational activities, or (ii) the business must contain 20 or fewer rental units, and must be located in a township or a city with a population of 2,500 or less located outside the metropolitan area, as defined under section 473.121, subdivision 2, that contains a portion of a state trail administered by the Department of Natural Resources. For purposes of item (i)(A), a paid booking of five or more nights shall be counted as two bookings. Class 4c property also includes commercial use real property used exclusively for recreational purposes in conjunction with other class 4c property classified under this clause and devoted to temporary and seasonal residential occupancy for recreational purposes, up to a total of two acres, provided the property is not devoted to commercial recreational use for more than 250 days in the year preceding the year of assessment and is located within two miles of the class 4c property with which it is used. In order for a property to qualify for classification under this clause, the owner must submit a declaration to the assessor designating the cabins or units occupied for 250 days or less in the year preceding the year of assessment by January 15 of the assessment year. Those cabins or units and a proportionate share of the land on which they are located must be designated class 4c under this clause as otherwise provided. The remainder of the cabins or units and a proportionate share of the land on which they are located will be designated as class 3a. The owner of property desiring designation as class 4c property under this clause must provide guest registers or other records demonstrating that the units for which class 4c designation is sought were not occupied for more than 250 days in the year preceding the assessment if so requested. The portion of a property operated as a (1) restaurant, (2) bar, (3) gift shop, (4) conference center or meeting room, and (5) other nonresidential facility operated on a commercial basis not directly related to temporary and seasonal residential occupancy for recreation purposes does not qualify for class 4c. For the purposes of this paragraph, "recreational activities" means renting ice fishing houses, boats and motors, snowmobiles, downhill or cross-country ski equipment; providing marina services, launch services, or guide services; or selling bait and fishing tackle;

(2) qualified property used as a golf course if:

(i) it is open to the public on a daily fee basis. It may charge membership fees or dues, but a membership fee may not be required in order to use the property for golfing, and its green fees for golfing must be comparable to green fees typically charged by municipal courses; and

(ii) it meets the requirements of section 273.112, subdivision 3, paragraph (d).

A structure used as a clubhouse, restaurant, or place of refreshment in conjunction with the golf course is classified as class 3a property;

(3) real property up to a maximum of three acres of land owned and used by a nonprofit community service oriented organization and not used for residential purposes on either a temporary or permanent basis, provided that:

(i) the property is not used for a revenue-producing activity for more than six days in the calendar year preceding the year of assessment; or

(ii) the organization makes annual charitable contributions and donations at least equal to the property's previous year's property taxes and the property is allowed to be used for public and community meetings or events for no charge, as appropriate to the size of the facility.

For purposes of this clause:

(A) "charitable contributions and donations" has the same meaning as lawful gambling purposes under section 349.12, subdivision 25, excluding those purposes relating to the payment of taxes, assessments, fees, auditing costs, and utility payments;

(B) "property taxes" excludes the state general tax;

(C) a "nonprofit community service oriented organization" means any corporation, society, association, foundation, or institution organized and operated exclusively for charitable, religious, fraternal, civic, or educational purposes, and which is exempt from federal income taxation pursuant to section 501(c)(3), (8), (10), or (19) of the Internal Revenue Code; and

(D) "revenue-producing activities" shall include but not be limited to property or that portion of the property that is used as an on-sale intoxicating liquor or 3.2 percent malt liquor establishment licensed under chapter 340A, a restaurant open to the public, bowling alley, a retail store, gambling conducted by organizations licensed under chapter 349, an insurance business, or office or other space leased or rented to a lessee who conducts a for-profit enterprise on the premises.

Any portion of the property not qualifying under either item (i) or (ii) is class 3a. The use of the property for social events open exclusively to members and their guests for periods of less than 24 hours, when an admission is not charged nor any revenues are received by the organization shall not be considered a revenue-producing activity.

The organization shall maintain records of its charitable contributions and donations and of public meetings and events held on the property and make them available upon request any time to the assessor to ensure eligibility. An organization meeting the requirement under item (ii) must file an application by May 1 with the assessor for eligibility for the current year's assessment. The commissioner shall prescribe a uniform application form and instructions;

(4) postsecondary student housing of not more than one acre of land that is owned by a nonprofit corporation organized under chapter 317A and is used exclusively by a student cooperative, sorority, or fraternity for on-campus housing or housing located within two miles of the border of a college campus;

(5)(i) manufactured home parks as defined in section 327.14, subdivision 3, excluding manufactured home parks described in items (ii) and (iii), (ii) manufactured home parks as defined in section 327.14, subdivision 3, that are described in section 273.124, subdivision 3a, and (iii) class I manufactured home parks as defined in section 327C.01, subdivision 13;

(6) real property that is actively and exclusively devoted to indoor fitness, health, social, recreational, and related uses, is owned and operated by a not-for-profit corporation, and is located within the metropolitan area as defined in section 473.121, subdivision 2;

(7) a leased or privately owned noncommercial aircraft storage hangar not exempt under section 272.01, subdivision 2, and the land on which it is located, provided that:

(i) the land is on an airport owned or operated by a city, town, county, Metropolitan Airports Commission, or group thereof; and

(ii) the land lease, or any ordinance or signed agreement restricting the use of the leased premise, prohibits commercial activity performed at the hangar.

If a hangar classified under this clause is sold after June 30, 2000, a bill of sale must be filed by the new owner with the assessor of the county where the property is located within 60 days of the sale;

(8) a privately owned noncommercial aircraft storage hangar not exempt under section 272.01, subdivision 2, and the land on which it is located, provided that:

(i) the land abuts a public airport; and

(ii) the owner of the aircraft storage hangar provides the assessor with a signed agreement restricting the use of the premises, prohibiting commercial use or activity performed at the hangar; and

(9) residential real estate, a portion of which is used by the owner for homestead purposes, and that is also a place of lodging, if all of the following criteria are met:

(i) rooms are provided for rent to transient guests that generally stay for periods of 14 or fewer days;

(ii) meals are provided to persons who rent rooms, the cost of which is incorporated in the basic room rate;

(iii) meals are not provided to the general public except for special events on fewer than seven days in the calendar year preceding the year of the assessment; and

(iv) the owner is the operator of the property.

The market value subject to the 4c classification under this clause is limited to five rental units. Any rental units on the property in excess of five, must be valued and assessed as class 3a. The portion of the property used for purposes of a homestead by the owner must be classified as class 1a property under subdivision 22;

(10) real property up to a maximum of three acres and operated as a restaurant as defined under section 157.15, subdivision 12, provided it: (i) is located on a lake as defined under section 103G.005, subdivision 15, paragraph (a), clause (3); and (ii) is either devoted to commercial purposes for not more than 250 consecutive days, or receives at least 60 percent of its annual gross receipts from business conducted during four consecutive months. Gross receipts from the sale of alcoholic beverages must be included in determining the property's qualification under item (ii). The property's primary business must be as a restaurant and not as a bar. Gross receipts from gift shop sales located on the premises must be excluded. Owners of real property desiring 4c classification under this clause must submit an annual declaration to the assessor by February 1 of the current assessment year, based on the property's relevant information for the preceding assessment year;

(11) lakeshore and riparian property and adjacent land, not to exceed six acres, used as a marina, as defined in section 86A.20, subdivision 5, which is made accessible to the public and devoted to recreational use for marina services. The marina owner must annually provide evidence to the assessor that it provides services, including lake or river access to the public by means of an access ramp or other facility that is either located on the property of the

marina or at a publicly owned site that abuts the property of the marina. No more than 800 feet of lakeshore may be included in this classification. Buildings used in conjunction with a marina for marina services, including but not limited to buildings used to provide food and beverage services, fuel, boat repairs, or the sale of bait or fishing tackle, are classified as class 3a property; and

(12) real and personal property devoted to noncommercial temporary and seasonal residential occupancy for recreation purposes.

Class 4c property has a classification rate of 1.5 percent of market value, except that (i) each parcel of noncommercial seasonal residential recreational property under clause (12) has the same classification rates as class 4bb property, (ii) manufactured home parks assessed under clause (5), item (i), have the same classification rate as class 4b property, the market value of manufactured home parks assessed under clause (5), item (ii), have a classification rate of 0.75 percent if more than 50 percent of the lots in the park are occupied by shareholders in the cooperative corporation or association and a classification rate of one percent if 50 percent or less of the lots are so occupied, and class I manufactured home parks as defined in section 327C.01, subdivision 13, have a classification rate of 1.0 percent, (iii) commercial-use seasonal residential recreational property and marina recreational land as described in clause (11), has a classification rate of one percent for the first \$500,000 of market value, and 1.25 percent for the remaining market value, (iv) the market value of property described in clause (4) has a classification rate of one percent, (v) the market value of property described in clauses (2), (6), and (10) has a classification rate of 1.25 percent, (vi) that portion of the market value of property in clause (9) qualifying for class 4c property has a classification rate of 1.25 percent, and (vii) property qualifying for classification under clause (3) that is owned or operated by a congressionally chartered veterans organization has a classification rate of one percent. The commissioner of veterans affairs must provide a list of congressionally chartered veterans organizations to the commissioner of revenue by June 30, 2017, and by January 1, 2018, and each year thereafter.

(e) Class 4d property is qualifying low-income rental housing certified to the assessor by the Housing Finance Agency under section 273.128, subdivision 3. If only a portion of the units in the building qualify as low-income rental housing units as certified under section 273.128, subdivision 3, only the proportion of qualifying units to the total number of units in the building qualify for class 4d. The remaining portion of the building shall be classified by the assessor based upon its use. Class 4d also includes the same proportion of land as the qualifying low-income rental housing units are to the total units in the building. For all properties qualifying as class 4d, the market value determined by the assessor must be based on the normal approach to value using normal unrestricted rents.

(f) The first tier of market value of class 4d property has a classification rate of 0.75 percent. The remaining value of class 4d property has a classification rate of 0.25 percent. For the purposes of this paragraph, the "first tier of market value of class 4d property" means the market value of each housing unit up to the first tier limit. For the purposes of this paragraph, all class 4d property value must be assigned to individual housing units. The first tier limit is \$100,000 for assessment year 2014. For subsequent years, the limit is adjusted each year by the average statewide change in estimated market value of property classified as class 4a and 4d under this section for the previous assessment year, excluding valuation change due to new construction, rounded to the nearest \$1,000, provided, however, that the limit may never be less than \$100,000. Beginning with assessment year 2015, the commissioner of revenue must certify the limit for each assessment year by November 1 of the previous year.

**EFFECTIVE DATE.** Notwithstanding Minnesota Statutes, section 273.01, this section is effective beginning with assessments in 2020 and thereafter.

Sec. 4. Minnesota Statutes 2019 Supplement, section 273.13, subdivision 34, is amended to read:

Subd. 34. **Homestead of veteran with a disability or family caregiver.** (a) All or a portion of the market value of property owned by a veteran and serving as the veteran's homestead under this section is excluded in determining the property's taxable market value if the veteran has a service-connected disability of 70 percent or

more as certified by the United States Department of Veterans Affairs. To qualify for exclusion under this subdivision, the veteran must have been honorably discharged from the United States armed forces, as indicated by United States Government Form DD214 or other official military discharge papers.

(b)(1) For a disability rating of 70 percent or more, \$150,000 of market value is excluded, except as provided in clause (2); and

(2) for a total (100 percent) and permanent disability, \$300,000 of market value is excluded.

(c) If a veteran with a disability qualifying for a valuation exclusion under paragraph (b), clause (2), predeceases the veteran's spouse, and if upon the death of the veteran the spouse holds the legal or beneficial title to the homestead and permanently resides there, the exclusion shall carry over to the benefit of the veteran's spouse until such time as the spouse remarries, or sells, transfers, or otherwise disposes of the property, except as otherwise provided in paragraph (n). Qualification under this paragraph requires an application under paragraph (h), and a spouse must notify the assessor if there is a change in the spouse's marital status, ownership of the property, or use of the property as a permanent residence.

(d) If the spouse of a member of any branch or unit of the United States armed forces who dies due to a service-connected cause while serving honorably in active service, as indicated on United States Government Form DD1300 or DD2064, holds the legal or beneficial title to a homestead and permanently resides there, the spouse is entitled to the benefit described in paragraph (b), clause (2), until such time as the spouse remarries or sells, transfers, or otherwise disposes of the property, except as otherwise provided in paragraph (n).

(e) If a veteran meets the disability criteria of paragraph (a) but does not own property classified as homestead in the state of Minnesota, then the homestead of the veteran's primary family caregiver, if any, is eligible for the exclusion that the veteran would otherwise qualify for under paragraph (b).

(f) In the case of an agricultural homestead, only the portion of the property consisting of the house and garage and immediately surrounding one acre of land qualifies for the valuation exclusion under this subdivision.

(g) A property qualifying for a valuation exclusion under this subdivision is not eligible for the market value exclusion under subdivision 35, or classification under subdivision 22, paragraph (b).

(h) To qualify for a valuation exclusion under this subdivision a property owner must apply to the assessor by December 15 of the first assessment year for which the exclusion is sought. For an application received after December 15, the exclusion shall become effective for the following assessment year. Except as provided in paragraph (c), the owner of a property that has been accepted for a valuation exclusion must notify the assessor if there is a change in ownership of the property or in the use of the property as a homestead.

(i) A first-time application by a qualifying spouse for the market value exclusion under paragraph (d) must be made any time within two years of the death of the service member.

(j) For purposes of this subdivision:

(1) "active service" has the meaning given in section 190.05;

(2) "own" means that the person's name is present as an owner on the property deed;

(3) "primary family caregiver" means a person who is approved by the secretary of the United States Department of Veterans Affairs for assistance as the primary provider of personal care services for an eligible veteran under the Program of Comprehensive Assistance for Family Caregivers, codified as United States Code, title 38, section 1720G; and



(4) "veteran" has the meaning given the term in section 197.447.

(k) If a veteran dying after December 31, 2011, did not apply for or receive the exclusion under paragraph (b), clause (2), before dying, the veteran's spouse is entitled to the benefit under paragraph (b), clause (2), until the spouse remarries or sells, transfers, or otherwise disposes of the property, except as otherwise provided in paragraph (n), if:

(1) the spouse files a first-time application within two years of the death of the service member or by June 1, 2019, whichever is later;

(2) upon the death of the veteran, the spouse holds the legal or beneficial title to the homestead and permanently resides there;

(3) the veteran met the honorable discharge requirements of paragraph (a); and

(4) the United States Department of Veterans Affairs certifies that:

(i) the veteran met the total (100 percent) and permanent disability requirement under paragraph (b), clause (2); or

(ii) the spouse has been awarded dependency and indemnity compensation.

(l) The purpose of this provision of law providing a level of homestead property tax relief for veterans with a disability, their primary family caregivers, and their surviving spouses is to help ease the burdens of war for those among our state's citizens who bear those burdens most heavily.

(m) By July 1, the county veterans service officer must certify the disability rating and permanent address of each veteran receiving the benefit under paragraph (b) to the assessor.

(n) A spouse who received the benefit in paragraph (c), (d), or (k) but no longer holds the legal or beneficial title to the property may continue to receive the exclusion for a property other than the property for which the exclusion was initially granted until the spouse remarries or sells, transfers, or otherwise disposes of the property, provided that:

(1) the spouse applies under paragraph (h) for the continuation of the exclusion allowed under this paragraph;

(2) the spouse holds the legal or beneficial title to the property for which the continuation of the exclusion is sought under this paragraph, and permanently resides there;

(3) the estimated market value of the property for which the exclusion is sought under this paragraph is less than or equal to the estimated market value of the property that first received the exclusion, based on the value of each property on the date of the sale of the property that first received the exclusion; and

(4) the spouse has not previously received the benefit under this paragraph for a property other than the property for which the exclusion is sought.

**EFFECTIVE DATE.** This section is effective beginning with taxes payable in 2021.

Sec. 5. **2019 AID PENALTY FORGIVENESS; ADDITIONAL FILING REQUIRED IN 2020.**

(a) Notwithstanding Minnesota Statutes, section 477A.017, subdivision 3, the commissioner of revenue shall make a payment of \$9,280 to the city of Sargeant by August 31, 2020, to compensate the city for its 2019 aid payment under Minnesota Statutes, section 477A.013, that was withheld under Minnesota Statutes, section 477A.017, subdivision 3.

(b) The second half of the calendar year 2020 aid payment to the city under Minnesota Statutes, section 477A.013, will be withheld until the state auditor certifies to the commissioner of revenue that the city has complied with all reporting requirements under Minnesota Statutes, section 477A.017, subdivision 3, for calendar years 2018 and 2019. The commissioner of revenue must make the second payment for calendar year 2020 within one month of receiving this certification from the state auditor. If the city has not complied with all reporting requirements under Minnesota Statutes, section 477A.017, subdivision 3, for calendar years 2018 and 2019 by December 1, 2020, the city will receive no second half aid payment under Minnesota Statutes, section 477A.013, for calendar year 2020.

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

Sec. 6. **2019 AID PENALTY FORGIVENESS.**

Notwithstanding Minnesota Statutes, section 477A.017, subdivision 3, the city of Roosevelt shall receive its aid payment for calendar year 2019 under Minnesota Statutes, section 477A.013, that was withheld under Minnesota Statutes, section 477A.017, subdivision 3, provided that the state auditor certifies to the commissioner of revenue that the state auditor received the annual financial reporting form for 2018 from the city as well as all forms, including the financial statement and annual financial reporting form for calendar year 2019 by August 1, 2020. The commissioner of revenue shall make a payment of \$25,410 by August 30, 2020.

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

ARTICLE 7  
INDIVIDUAL INCOME AND CORPORATE FRANCHISE TAXES

Section 1. Minnesota Statutes 2018, section 290.0131, subdivision 10, is amended to read:

Subd. 10. **Section 179 expensing.** (a) For property placed in service in taxable years beginning before January 1, 2020, except for qualifying depreciable property, 80 percent of the amount by which the deduction allowed under the dollar limits of section 179 of the Internal Revenue Code exceeds the deduction allowable by section 179 of the Internal Revenue Code, as amended through December 31, 2003, is an addition.

(b) For purposes of this subdivision, "qualifying depreciable property" means:

(1) property for which a depreciation deduction is allowed under section 167 of the Internal Revenue Code; and

(2) property received as part of an exchange that qualifies for gain or loss recognition deferral under section 1031 of the Internal Revenue Code of 1986, as amended through December 16, 2016, but that does not qualify for gain or loss recognition deferral under section 1031 of the Internal Revenue Code of 1986, as amended through December 31, 2018.

**EFFECTIVE DATE.** This section is effective for property placed in service in taxable years beginning after December 31, 2019, except that for taxpayers with qualifying depreciable property, this section is effective retroactively and applies to the same tax periods to which section 13303 of Public Law 115-97 relates.

Sec. 2. Minnesota Statutes 2018, section 290.0132, is amended by adding a subdivision to read:

Subd. 30. **Volunteer driver reimbursement.** (a) The amount of mileage reimbursement paid by a charitable organization for work as a volunteer driver is a subtraction. The subtraction is limited to amounts paid per mile by the organization that:

(1) exceed the mileage rate for use of an automobile in rendering gratuitous services to a charitable organization under section 170(i) of the Internal Revenue Code; and

(2) do not exceed the standard mileage rate for businesses established under Code of Federal Regulations, title 26, section 1.274-5(j)(2).

(b) For the purposes of this section, "charitable organization" means an organization eligible for a charitable contribution under section 170(c) of the Internal Revenue Code.

(c) This section expires for taxable years beginning after December 31, 2029.

**EFFECTIVE DATE.** This section is effective for taxable years beginning after December 31, 2019, and before January 1, 2030.

Sec. 3. Minnesota Statutes 2018, section 290.0133, subdivision 12, is amended to read:

Subd. 12. **Section 179 expensing.** (a) For property placed in service in taxable years beginning before January 1, 2020, except for qualifying depreciable property, 80 percent of the amount by which the deduction allowed under the dollar limits of section 179 of the Internal Revenue Code exceeds the deduction allowable by section 179 of the Internal Revenue Code, as amended through December 31, 2003, is an addition.

(b) For purposes of this subdivision, "qualifying depreciable property" means:

(1) property for which a depreciation deduction is allowed under section 167 of the Internal Revenue Code; and

(2) property received as part of an exchange that qualifies for gain or loss recognition deferral under section 1031 of the Internal Revenue Code of 1986, as amended through December 16, 2016, but that does not qualify for gain or loss recognition deferral under section 1031 of the Internal Revenue Code of 1986, as amended through December 31, 2018.

**EFFECTIVE DATE.** This section is effective for property placed in service in taxable years beginning after December 31, 2019, except that for taxpayers with qualifying depreciable property, this section is effective retroactively and applies to the same tax periods to which section 13303 of Public Law 115-97 relates.

Sec. 4. Minnesota Statutes 2018, section 290.0682, subdivision 2, is amended to read:

Subd. 2. **Credit allowed; refundable; appropriation.** (a) An eligible individual is allowed a credit against the tax due under this chapter.

(b) The credit for an eligible individual equals the least of:

(1) eligible loan payments minus ten percent of an amount equal to adjusted gross income in excess of \$10,000, but in no case less than zero;

(2) the earned income for the taxable year of the eligible individual, if any;

(3) the sum of:

(i) the interest portion of eligible loan payments made during the taxable year; and

(ii) ten percent of the original loan amount of all qualified education loans of the eligible individual; or

(4) \$500.

(c) For a part-year resident, the credit must be allocated based on the percentage calculated under section 290.06, subdivision 2c, paragraph (e).

(d) In the case of a married couple, each spouse is eligible for the credit in this section.

(e) If the amount of credit which a claimant is eligible to receive under this section exceeds the claimant's tax liability under this chapter, the commissioner shall refund the excess to the claimant.

(f) An amount sufficient to pay the refunds required by this section is appropriated to the commissioner from the general fund.

**EFFECTIVE DATE.** This section is effective for taxable years beginning after December 31, 2020.

Sec. 5. Minnesota Statutes 2019 Supplement, section 290.993, is amended to read:

**290.993 SPECIAL LIMITED ADJUSTMENT.**

(a) For an individual income taxpayer subject to tax under section 290.06, subdivision 2c, or a partnership that elects to file a composite return under section 289A.08, subdivision 7, for taxable years beginning after December 31, 2017, and before January 1, 2019, the following special rules apply:

(1) an individual income taxpayer may: (i) take the standard deduction; or (ii) make an election under section 63(e) of the Internal Revenue Code to itemize, for Minnesota individual income tax purposes, regardless of the choice made on their federal return; and

(2) there is an adjustment to tax equal to the difference between the tax calculated under this chapter using the Internal Revenue Code as amended through December 16, 2016, and the tax calculated under this chapter using the Internal Revenue Code amended through December 31, 2018, before the application of credits. The end result must be zero additional tax due or refund.

(b) The adjustment in paragraph (a), clause (2), does not apply to any changes due to sections 11012, 11031, 13101, 13201, 13202, 13203, 13204, 13205, 13207, 13301, 13302, 13303, 13313, 13502, 13503, 13801, 14101, 14102, 14211 through 14215, and 14501 of Public Law 115-97; and section 40411 of Public Law 115-123.

**EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning after December 31, 2017, and before January 1, 2019.

Sec. 6. **SECTION 179 EXPENSING; SUBTRACTIONS.**

No taxpayer with qualifying depreciable property is allowed a subtraction in computing the taxpayer's net income for that qualifying depreciable property placed in service in taxable years beginning after December 31, 2017, due to the retroactive exception for qualifying depreciable property from the additions required under Minnesota Statutes, sections 290.0131, subdivision 10, and 290.0133, subdivision 12. A taxpayer who claimed a subtraction under Minnesota Statutes, section 290.0132, subdivision 14, or 290.0134, subdivision 14, for that qualifying depreciable property must recompute the taxpayer's tax in the year in which the qualifying depreciable property was placed in service and in each year a subtraction was claimed.

**EFFECTIVE DATE.** This section is effective retroactively and applies to the same tax periods to which section 13303 of Public Law 115-97 relates.

ARTICLE 8  
SALES AND USE TAXES

Section 1. Minnesota Statutes 2018, section 297A.70, subdivision 13, is amended to read:

Subd. 13. **Fund-raising sales by or for nonprofit groups.** (a) The following sales by the specified organizations for fund-raising purposes are exempt, subject to the limitations listed in paragraph (b):

(1) all sales made by a nonprofit organization that exists solely for the purpose of providing educational or social activities for young people primarily age 18 and under;

(2) all sales made by an organization that is a senior citizen group or association of groups if (i) in general it limits membership to persons age 55 or older; (ii) it is organized and operated exclusively for pleasure, recreation, and other nonprofit purposes; and (iii) no part of its net earnings inures to the benefit of any private shareholders;

(3) the sale or use of tickets or admissions to a golf tournament held in Minnesota if the beneficiary of the tournament's net proceeds qualifies as a tax-exempt organization under section 501(c)(3) of the Internal Revenue Code; and

(4) sales of candy sold for fund-raising purposes by a nonprofit organization that provides educational and social activities primarily for young people age 18 and under.

(b) The exemptions listed in paragraph (a) are limited in the following manner:

(1) the exemption under paragraph (a), clauses (1) and (2), applies only to the first \$20,000 of the gross annual receipts of the organization from fund-raising; ~~and~~

(2) the exemption under paragraph (a), clause (1), does not apply if the sales are derived from admission charges or from activities for which the money must be deposited with the school district treasurer under section 123B.49, subdivision 2, ~~or~~; and

(3) the exemption under paragraph (a), clause (1), does not apply if the sales are derived from admission charges or from activities for which the money must be recorded in the same manner as other revenues or expenditures of the school district under section 123B.49, subdivision 4, unless the following conditions are both met:

(i) the sales are made for fund-raising purposes of a club, association, or other organization of elementary or secondary school students organized for the purpose of carrying on sports activities, educational activities, or other extracurricular activities; and

(ii) the school district reserves revenue raised for extracurricular activities, as provided in section 123B.49, subdivision 4, paragraph (e), and spends the revenue raised by a particular extracurricular activity only for that extracurricular activity.

(c) Sales of tangible personal property and services are exempt if the entire proceeds, less the necessary expenses for obtaining the property or services, will be contributed to a registered combined charitable organization described in section 43A.50, to be used exclusively for charitable, religious, or educational purposes, and the registered combined charitable organization has given its written permission for the sale. Sales that occur over a period of more than 24 days per year are not exempt under this paragraph.

(d) For purposes of this subdivision, a club, association, or other organization of elementary or secondary school students organized for the purpose of carrying on sports, educational, or other extracurricular activities is a separate organization from the school district or school for purposes of applying the \$20,000 limit.

**EFFECTIVE DATE.** This section is effective for sales and purchases made after the date of final enactment.

Sec. 2. Minnesota Statutes 2019 Supplement, section 297A.71, subdivision 52, is amended to read:

Subd. 52. **Construction; certain local government facilities.** (a) Materials and supplies used in and equipment incorporated into the construction, reconstruction, upgrade, expansion, or remodeling of the following local government owned facilities are exempt:

(1) a new fire station, which includes firefighting, emergency management, public safety training, and other public safety facilities in the city of Monticello if materials, supplies, and equipment are purchased after January 31, 2019, and before January 1, 2022;

(2) a new fire station, which includes firefighting and public safety training facilities and public safety facilities, in the city of Inver Grove Heights if materials, supplies, and equipment are purchased after June 30, 2018, and before January 1, 2021;

(3) a fire station and police station, including access roads, lighting, sidewalks, and utility components, on or adjacent to the property on which the fire station or police station are located that are necessary for safe access to and use of those buildings, in the city of Minnetonka if materials, supplies, and equipment are purchased after May 23, 2019, and before January 1, ~~2021~~ 2022;

(4) the school building in Independent School District No. 414, Minneota, if materials, supplies, and equipment are purchased after January 1, 2018, and before January 1, 2021;

(5) a fire station in the city of Mendota Heights, if materials, supplies, and equipment are purchased after December 31, 2018, and before January 1, 2021; ~~and~~

(6) a Dakota County law enforcement collaboration center, also known as the Safety and Mental Health Alternative Response Training (SMART) Center, if materials, supplies, and equipment are purchased after June 30, 2019, and before July 1, 2021;

(7) a new fire station and emergency management operations center, including on-site infrastructure improvements of parking lot, road access, lighting, sidewalks, and utility components in the city of Maplewood if materials, supplies, and equipment are purchased after September 30, 2020, and before April 1, 2023;

(8) a new police station, which includes police administration, meeting, training, and short-term detention facilities in the city of Crystal, if materials, supplies, and equipment are purchased after December 31, 2020, and before January 1, 2024;

(9) a new fire station, which includes firefighting, emergency management, public safety training, and other public safety facilities in the city of Buffalo, if materials, supplies, and equipment are purchased after April 30, 2020, and before November 1, 2021;

(10) a new fire station in the city of Grand Rapids, if materials, supplies, and equipment are purchased after July 31, 2020, and before August 1, 2022;

(11) a new fire station constructed on the site of a previous fire station in the city of Bloomington, if materials, supplies, and equipment are purchased after December 31, 2020, and before January 1, 2023;

(12) a fire station in the city of St. Peter if materials, supplies, and equipment are purchased after June 30, 2020, and before March 1, 2022;

(13) demolition and replacement of the existing Fire Station No. 2 on its existing site and renovation and expansion of Fire Station No. 3, both in the city of Plymouth, if materials, supplies, and equipment are purchased after January 1, 2021, and before March 31, 2023; and

(14) a regional public safety center and training facility in the city of Virginia for fire and police departments, emergency medical services, regional emergency services training, and other regional community needs, if materials, supplies, and equipment are purchased after May 1, 2021, and before May 1, 2023.

(b) The tax must be imposed and collected as if the rate under section 297A.62, subdivision 1, applied and then refunded in the manner provided in section 297A.75.

(c) The total refund for the project listed in paragraph (a), clause (3), must not exceed \$850,000.

**EFFECTIVE DATE.** This section is effective retroactively from May 1, 2020.

Sec. 3. **STATE HIGH SCHOOL LEAGUE; FUNDING FLEXIBILITY.**

Notwithstanding Minnesota Statutes, section 128C.24, the Minnesota State High School League may reduce the transfer of sales tax savings to a nonprofit charitable foundation created for the purpose of promoting high school extracurricular activities by up to \$500,000 in total over the 2019-2020 and 2020-2021 school years. Any sales tax savings amounts not transferred must be used for operations of the Minnesota State High School League.

**EFFECTIVE DATE.** This section is effective the day following final enactment and applies retroactively to sales tax savings in the 2019-2020 and 2020-2021 school years.

ARTICLE 9  
PARTNERSHIP AUDITS

Section 1. Minnesota Statutes 2018, section 270C.445, subdivision 6, is amended to read:

Subd. 6. **Enforcement; administrative order; penalties; cease and desist.** (a) The commissioner may impose an administrative penalty of not more than \$1,000 per violation of subdivision 3 or 5, or section 270C.4451, provided that a penalty may not be imposed for any conduct for which a tax preparer penalty is imposed under section 289A.60, subdivision 13. The commissioner may terminate a tax preparer's authority to transmit returns electronically to the state, if the commissioner determines the tax preparer engaged in a pattern and practice of violating this section. Imposition of a penalty under this paragraph is subject to the contested case procedure under chapter 14. The commissioner shall collect the penalty in the same manner as the income tax. There is no right to make a claim for refund under section 289A.50 of the penalty imposed under this paragraph. Penalties imposed under this paragraph are public data.

(b) In addition to the penalty under paragraph (a), if the commissioner determines that a tax preparer has violated subdivision 3 or 5, or section 270C.4451, the commissioner may issue an administrative order to the tax preparer requiring the tax preparer to cease and desist from committing the violation. The administrative order may include an administrative penalty provided in paragraph (a).

(c) If the commissioner issues an administrative order under paragraph (b), the commissioner must send the order to the tax preparer addressed to the last known address of the tax preparer.

(d) A cease and desist order under paragraph (b) must:

(1) describe the act, conduct, or practice committed and include a reference to the law that the act, conduct, or practice violates; and

(2) provide notice that the tax preparer may request a hearing as provided in this subdivision.

(e) Within 30 days after the commissioner issues an administrative order under paragraph (b), the tax preparer may request a hearing to review the commissioner's action. The request for hearing must be made in writing and must be served on the commissioner at the address specified in the order. The hearing request must specifically state the reasons for seeking review of the order. The date on which a request for hearing is served by mail is the postmark date on the envelope in which the request for hearing is mailed.

(f) If a tax preparer does not timely request a hearing regarding an administrative order issued under paragraph (b), the order becomes a final order of the commissioner and is not subject to review by any court or agency.

(g) If a tax preparer timely requests a hearing regarding an administrative order issued under paragraph (b), the hearing must be commenced within ten days after the commissioner receives the request for a hearing.

(h) A hearing timely requested under paragraph (e) is subject to the contested case procedure under chapter 14, as modified by this subdivision. The administrative law judge must issue a report containing findings of fact, conclusions of law, and a recommended order within ten days after the completion of the hearing, the receipt of late-filed exhibits, or the submission of written arguments, whichever is later.

(i) Within five days of the date of the administrative law judge's report issued under paragraph (h), any party aggrieved by the administrative law judge's report may submit written exceptions and arguments to the commissioner. Within 15 days after receiving the administrative law judge's report, the commissioner must issue an order vacating, modifying, or making final the administrative order.

(j) The commissioner and the tax preparer requesting a hearing may by agreement lengthen any time periods prescribed in paragraphs (g) to (i).

(k) An administrative order issued under paragraph (b) is in effect until it is modified or vacated by the commissioner or an appellate court. The administrative hearing provided by paragraphs (e) to (i) and any appellate judicial review as provided in chapter 14 constitute the exclusive remedy for a tax preparer aggrieved by the order.

(l) The commissioner may impose an administrative penalty, in addition to the penalty under paragraph (a), up to \$5,000 per violation of a cease and desist order issued under paragraph (b). Imposition of a penalty under this paragraph is subject to the contested case procedure under chapter 14. Within 30 days after the commissioner imposes a penalty under this paragraph, the tax preparer assessed the penalty may request a hearing to review the penalty order. The request for hearing must be made in writing and must be served on the commissioner at the address specified in the order. The hearing request must specifically state the reasons for seeking review of the order. The cease and desist order issued under paragraph (b) is not subject to review in a proceeding to challenge the penalty order under this paragraph. The date on which a request for hearing is served by mail is the postmark date on the envelope in which the request for hearing is mailed. If the tax preparer does not timely request a hearing, the penalty order becomes a final order of the commissioner and is not subject to review by any court or agency. A penalty imposed by the commissioner under this paragraph may be collected and enforced by the commissioner as an income tax liability. There is no right to make a claim for refund under section 289A.50 of the penalty imposed under this paragraph. A penalty imposed under this paragraph is public data.

(m) If a tax preparer violates a cease and desist order issued under paragraph (b), the commissioner may terminate the tax preparer's authority to transmit returns electronically to the state. Termination under this paragraph is public data.

(n) A cease and desist order issued under paragraph (b) is public data when it is a final order.

(o) Notwithstanding any other law, the commissioner may impose a penalty or take other action under this subdivision against a tax preparer, with respect to a return, within the period to assess tax on that return as provided by ~~section~~ sections 289A.38 to 289A.382.



(p) Notwithstanding any other law, the imposition of a penalty or any other action against a tax preparer under this subdivision, other than with respect to a return, must be taken by the commissioner within five years of the violation of statute.

**EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning after December 31, 2017, except that for partnerships that make an election under Code of Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively and applies to the same tax periods to which the election relates.

Sec. 2. Minnesota Statutes 2018, section 289A.31, subdivision 1, is amended to read:

Subdivision 1. **Individual income, fiduciary income, mining company, corporate franchise, and entertainment taxes.** (a) Individual income, fiduciary income, mining company, and corporate franchise taxes, and interest and penalties, must be paid by the taxpayer upon whom the tax is imposed, except in the following cases:

(1) the tax due from a decedent for that part of the taxable year in which the decedent died during which the decedent was alive and the taxes, interest, and penalty due for the prior years must be paid by the decedent's personal representative, if any. If there is no personal representative, the taxes, interest, and penalty must be paid by the transferees, as defined in section 270C.58, subdivision 3, to the extent they receive property from the decedent;

(2) the tax due from an infant or other incompetent person must be paid by the person's guardian or other person authorized or permitted by law to act for the person;

(3) the tax due from the estate of a decedent must be paid by the estate's personal representative;

(4) the tax due from a trust, including those within the definition of a corporation, as defined in section 290.01, subdivision 4, must be paid by a trustee; and

(5) the tax due from a taxpayer whose business or property is in charge of a receiver, trustee in bankruptcy, assignee, or other conservator, must be paid by the person in charge of the business or property so far as the tax is due to the income from the business or property.

(b) Entertainment taxes are the joint and several liability of the entertainer and the entertainment entity. The payor is liable to the state for the payment of the tax required to be deducted and withheld under section 290.9201, subdivision 7, and is not liable to the entertainer for the amount of the payment.

(c) The taxes imposed under sections 289A.35, paragraph (b), 289A.382, subdivision 3, and 290.0922 on partnerships are the joint and several liability of the partnership and the general partners.

**EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning after December 31, 2017, except that for partnerships that make an election under Code of Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively and applies to the same tax periods to which the election relates.

Sec. 3. Minnesota Statutes 2018, section 289A.37, subdivision 2, is amended to read:

Subd. 2. **Erroneous refunds.** (a) Except as provided in paragraph (b), an erroneous refund occurs when the commissioner issues a payment to a person that exceeds the amount the person is entitled to receive under law. An erroneous refund is considered an underpayment of tax on the date issued.

(b) To the extent that the amount paid does not exceed the amount claimed by the taxpayer, an erroneous refund does not include the following:

(1) any amount of a refund or credit paid pursuant to a claim for refund filed by a taxpayer, including but not limited to refunds of claims made under section 290.06, subdivision 23; 290.067; 290.0671; 290.0672; 290.0674; 290.0675; 290.0677; 290.068; 290.0681; or 290.0692; or chapter 290A; or

(2) any amount paid pursuant to a claim for refund of an overpayment of tax filed by a taxpayer.

(c) The commissioner may make an assessment to recover an erroneous refund at any time within two years from the issuance of the erroneous refund. If all or part of the erroneous refund was induced by fraud or misrepresentation of a material fact, the assessment may be made at any time.

(d) Assessments of amounts that are not erroneous refunds under paragraph (b) must be conducted under ~~section~~ sections 289A.38 to 289A.382.

**EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning after December 31, 2017, except that for partnerships that make an election under Code of Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively and applies to the same tax periods to which the election relates.

Sec. 4. Minnesota Statutes 2019 Supplement, section 289A.38, subdivision 7, is amended to read:

Subd. 7. **Federal tax changes.** (a) If the amount of income, items of tax preference, deductions, or credits for any year of a taxpayer, or the wages paid by a taxpayer for any period, as reported to the Internal Revenue Service is changed or corrected by the commissioner of Internal Revenue or other officer of the United States or other competent authority, or where a renegotiation of a contract or subcontract with the United States results in a change in income, items of tax preference, deductions, credits, or withholding tax, or, in the case of estate tax, where there are adjustments to the taxable estate, the taxpayer shall report the ~~change or correction or renegotiation results~~ federal adjustments in writing to the commissioner. The federal adjustments report must be submitted within 180 days after the final determination date and must be in the form of either an amended Minnesota estate, withholding tax, corporate franchise tax, or income tax return conceding the accuracy of the federal ~~determination~~ adjustment or a letter detailing how the federal ~~determination~~ adjustment is incorrect or does not change the Minnesota tax. An amended Minnesota income tax return must be accompanied by an amended property tax refund return, if necessary. A taxpayer filing an amended federal tax return must also file a copy of the amended return with the commissioner of revenue within 180 days after filing the amended return.

(b) ~~For the purposes of paragraph (a), a change or correction includes any case where a taxpayer reaches a closing agreement or compromise with the Internal Revenue Service under section 7121 or 7122 of the Internal Revenue Code. In the case of a final federal adjustment arising from a partnership-level audit or an administrative adjustment request filed by a partnership under section 6227 of the Internal Revenue Code, a taxpayer must report adjustments as provided for under section 289A.382 and not this section.~~

**EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning after December 31, 2017, except that for partnerships that make an election under Code of Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively and applies to the same tax periods to which the election relates.

Sec. 5. Minnesota Statutes 2018, section 289A.38, subdivision 8, is amended to read:

Subd. 8. **Failure to report change or correction of federal return.** If a taxpayer fails to make a federal adjustments report as required by subdivision 7 or section 289A.382, the commissioner may recompute the tax, including a refund, based on information available to the commissioner. The tax may be recomputed within six years after the federal adjustments report should have been filed, notwithstanding any period of limitations to the contrary.

**EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning after December 31, 2017, except that for partnerships that make an election under Code of Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively and applies to the same tax periods to which the election relates.

Sec. 6. Minnesota Statutes 2018, section 289A.38, subdivision 9, is amended to read:

Subd. 9. **Report made of change or correction of federal return.** If a taxpayer is required to make a federal adjustments report under subdivision 7 or section 289A.382, and does report the change or files a copy of the amended return, the commissioner may recompute and reassess the tax due, including a refund (1) within one year after the federal adjustments report or amended return is filed with the commissioner, notwithstanding any period of limitations to the contrary, or (2) within any other applicable period stated in this section, whichever period is longer. The period provided for the carryback of any amount of loss or credit is also extended as provided in this subdivision, notwithstanding any law to the contrary. If the commissioner has completed a field audit of the taxpayer, and, but for this subdivision, the commissioner's time period to adjust the tax has expired, the additional tax due or refund is limited to only those changes that are required to be made to the return which relate to the changes made on the federal return. This subdivision does not apply to sales and use tax.

For purposes of this subdivision and section 289A.42, subdivision 2, a "field audit" is the physical presence of examiners in the taxpayer's or taxpayer's representative's office conducting an examination of the taxpayer with the intention of issuing an assessment or notice of change in tax or which results in the issuing of an assessment or notice of change in tax. The examination may include inspecting a taxpayer's place of business, tangible personal property, equipment, computer systems and facilities, pertinent books, records, papers, vouchers, computer printouts, accounts, and documents.

A taxpayer may make estimated payments to the commissioner of the tax expected to result from a pending audit by the Internal Revenue Service. The taxpayer may make estimated payments prior to the due date of the federal adjustments report without the taxpayer having to file the report with the commissioner. The commissioner must credit the estimated tax payments against any tax liability of the taxpayer ultimately found to be due to the commissioner. The estimated payments limit the accrual of further statutory interest on that amount. If the estimated tax payments exceed the final tax liability and statutory interest ultimately determined to be due, the taxpayer is entitled to a refund or credit for the excess, provided the taxpayer files a federal adjustments report or claim for refund or credit of tax, no later than one year following the final determination date.

**EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning after December 31, 2017, except that for partnerships that make an election under Code of Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively and applies to the same tax periods to which the election relates.

Sec. 7. Minnesota Statutes 2018, section 289A.38, subdivision 10, is amended to read:

Subd. 10. **Incorrect determination of federal adjusted gross income.** Notwithstanding any other provision of this chapter, if a taxpayer whose net income is determined under section 290.01, subdivision 19, omits from income an amount that will under the Internal Revenue Code extend the statute of limitations for the assessment of federal income taxes, or otherwise incorrectly determines the taxpayer's federal adjusted gross income resulting in adjustments by the Internal Revenue Service, then the period of assessment and determination of tax will be that under the Internal Revenue Code. When a change is made to federal income during the extended time provided under this subdivision, the provisions under subdivisions 7 to 9 and section 289A.382 regarding additional extensions apply.

**EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning after December 31, 2017, except that for partnerships that make an election under Code of Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively and applies to the same tax periods to which the election relates.

Sec. 8. **[289A.381] DEFINITIONS; PARTNERSHIPS; FEDERAL ADJUSTMENTS.**

Subdivision 1. **Definitions relating to federal adjustments.** Unless otherwise specified, the definitions in this section apply for the purposes of sections 289A.38, subdivisions 7 to 9, 289A.381, and 289A.382.

Subd. 2. **Administrative adjustment request.** "Administrative adjustment request" means an administrative adjustment request filed by a partnership under section 6227 of the Internal Revenue Code.

Subd. 3. **Audited partnership.** "Audited partnership" means a partnership subject to a federal adjustment resulting from a partnership-level audit.

Subd. 4. **Corporate partner.** "Corporate partner" means a partner that is subject to tax under section 290.02.

Subd. 5. **Direct partner.** "Direct partner" means a partner that holds an immediate legal ownership interest in a partnership or pass-through entity.

Subd. 6. **Exempt partner.** "Exempt partner" means a partner that is exempt from taxes on its net income under section 290.05, subdivision 1.

Subd. 7. **Federal adjustment.** "Federal adjustment" means any change in an amount calculated under the Internal Revenue Code, whether to income, gross estate, a credit, an item of preference, or any other item that is used by a taxpayer to compute a tax administered under this chapter for the reviewed year whether that change results from action by the Internal Revenue Service or other competent authority, including a partnership-level audit, or from the filing of an amended federal return, federal refund claim, or an administrative adjustment request by the taxpayer.

Subd. 8. **Federal adjustments report.** "Federal adjustments report" includes a method or form prescribed by the commissioner for use by a taxpayer to report federal adjustments, including an amended Minnesota tax return or a uniform multistate report.

Subd. 9. **Federal partnership representative.** "Federal partnership representative" means the person the partnership designates for the taxable year as the partnership's representative, or the person the Internal Revenue Service has appointed to act as the partnership representative, pursuant to section 6223(a) of the Internal Revenue Code.

Subd. 10. **Final determination date.** "Final determination date" means:

(1) for a federal adjustment arising from an audit by the Internal Revenue Service or other competent authority, the first day on which no federal adjustment arising from that audit remains to be finally determined, whether by agreement, or, if appealed or contested, by a final decision with respect to which all rights of appeal have been waived or exhausted;

(2) for a federal adjustment arising from an audit or other action by the Internal Revenue Service or other competent authority, if the taxpayer filed as a member of a combined report under section 290.17, subdivision 4, the first day on which no related federal adjustments arising from that audit remain to be finally determined as described in clause (1) for the entire combined group;

(3) for a federal adjustment arising from the filing of an amended federal return, a federal refund claim, or the filing by a partnership of an administrative adjustment request, the date on which the amended return, refund claim, or administrative adjustment request was filed; or

(4) for agreements required to be signed by the Internal Revenue Service and the taxpayer, the date on which the last party signed the agreement.

Subd. 11. **Final federal adjustment.** "Final federal adjustment" means a federal adjustment after the final determination date for that federal adjustment has passed.

Subd. 12. **Indirect partner.** "Indirect partner" means either:

(1) a partner in a partnership or pass-through entity that itself holds an immediate legal ownership interest in another partnership or pass-through entity; or

(2) a partner in a partnership or pass-through entity that holds an indirect interest in another partnership or pass-through entity through another indirect partner.

Subd. 13. **Partner.** "Partner" means a person that holds an interest directly or indirectly in a partnership or other pass-through entity.

Subd. 14. **Partnership.** "Partnership" has the meaning provided under section 7701(a)(2) of the Internal Revenue Code.

Subd. 15. **Partnership-level audit.** "Partnership-level audit" means an examination by the Internal Revenue Service at the partnership level pursuant to subtitle F, chapter 63, subchapter C, of the Internal Revenue Code, which results in federal adjustments and adjustments to partnership-related items.

Subd. 16. **Pass-through entity.** "Pass-through entity" means an entity, other than a partnership, that is not subject to the tax imposed under section 290.02. The term pass-through entity includes but is not limited to S corporations, estates, and trusts other than grantor trusts.

Subd. 17. **Resident partner.** "Resident partner" means an individual, trust, or estate partner who is a resident of Minnesota under section 290.01, subdivision 7, 7a, or 7b, for the relevant tax period.

Subd. 18. **Reviewed year.** "Reviewed year" means the taxable year of a partnership that is subject to a partnership-level audit from which federal adjustments arise.

Subd. 19. **Tiered partner.** "Tiered partner" means any partner that is a partnership or pass-through entity.

Subd. 20. **Unrelated business taxable income.** "Unrelated business taxable income" has the meaning provided under section 512 of the Internal Revenue Code.

**EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning after December 31, 2017, except that for partnerships that make an election under Code of Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively and applies to the same tax periods to which the election relates.

Sec. 9. **[289A.382] REPORTING AND PAYMENT REQUIREMENTS.**

Subdivision 1. **State partnership representative.** (a) With respect to an action required or permitted to be taken by a partnership under this section, or in a proceeding under section 270C.35 or 271.06, the state partnership representative for the reviewed year shall have the sole authority to act on behalf of the partnership, and its direct partners and indirect partners shall be bound by those actions.

(b) The state partnership representative for the reviewed year is the partnership's federal partnership representative unless the partnership, in a form and manner prescribed by the commissioner, designates another person as its state partnership representative.

**Subd. 2. Reporting and payment requirements for partnerships and tiered partners.** (a) Unless an audited partnership makes the election in subdivision 3, or for adjustments required to be reported for federal purposes pursuant to section 6225(a)(2) of the Internal Revenue Code, then, for all final federal adjustments the audited partnership must comply with paragraph (b) and each direct partner of the audited partnership, other than a tiered partner, must comply with paragraph (c).

(b) No later than 90 days after the final determination date, the audited partnership must:

(1) file a completed federal adjustments report, including all partner-level information required under section 289A.12, subdivision 3, with the commissioner;

(2) notify each of its direct partners of their distributive share of the final federal adjustments;

(3) file an amended composite report for all direct partners who were included in a composite return under section 289A.08, subdivision 7, in the reviewed year, and pay the additional amount that would have been due had the federal adjustments been reported properly as required; and

(4) file amended withholding reports for all direct partners who were or should have been subject to nonresident withholding under section 290.92, subdivision 4b, in the reviewed year, and pay the additional amount that would have been due had the federal adjustments been reported properly as required.

(c) No later than 180 days after the final determination date, each direct partner, other than a tiered partner, that is subject to a tax administered under this chapter, other than the sales tax, must:

(1) file a federal adjustments report reporting their distributive share of the adjustments reported to them under paragraph (b), clause (2); and

(2) pay any additional amount of tax due as if the final federal adjustment had been properly reported, plus any penalty and interest due under this chapter, and less any credit for related amounts paid or withheld and remitted on behalf of the direct partner under paragraph (b), clauses (3) and (4).

**Subd. 3. Election; partnership or tiered partners pay.** (a) An audited partnership may make an election under this subdivision to pay its assessment at the entity level. If an audited partnership makes an election to pay its assessment at the entity level it must:

(1) no later than 90 days after the final determination date, file a completed federal adjustments report, including the residency information for all individual, trust, and estate direct partners, and information pertaining to all other direct partners as prescribed by the commissioner, and notify the commissioner that it is making the election under this subdivision; and

(2) no later than 180 days after the final determination date, pay an amount, determined as follows, in lieu of taxes on partners:

(i) exclude from final federal adjustments the distributive share of these adjustments made to a direct exempt partner that is not unrelated business taxable income;

(ii) exclude from final federal adjustments the distributive share of these adjustments made to a direct partner that has filed a federal adjustments report and paid the applicable tax, as required under subdivision 2, for the distributive share of adjustments reported on a federal return under section 6225(c) of the Internal Revenue Code;

(iii) assign and apportion at the partnership level using sections 290.17 to 290.20 the total distributive share of the remaining final federal adjustments for the reviewed year attributed to direct corporate partners and direct exempt partners, multiply the total by the highest tax rate in section 290.06, subdivision 1, for the reviewed year, and calculate interest and penalties as applicable under this chapter;

(iv) allocate at the partnership level using section 290.17, subdivision 1, the total distributive share of all final federal adjustments attributable to individual resident direct partners for the reviewed year; multiply the total by the highest tax rate in section 290.06, subdivision 2c, for the reviewed year; and calculate interest and penalties as applicable under this chapter;

(v) assign and apportion at the partnership level using sections 290.17 to 290.20 the total distributive share of the remaining final federal adjustments attributable to nonresident individual direct partners and direct partners who are an estate or a trust for the reviewed year; multiply the total by the highest tax rate in section 290.06, subdivision 2c, for the reviewed year; and calculate interest and penalties as applicable under this chapter;

(vi) for the total distributive share of the remaining final federal adjustments reported to tiered partners:

(A) determine the amount of the adjustments that would be assigned using section 290.17, subdivision 2, paragraphs (a) to (d), excluding income or gains from intangible personal property not employed in the business of the recipient of the income or gains if the recipient of the income or gains is a resident of this state or is a resident trust or estate under section 290.17, subdivision 2, paragraph (c), or apportioned using sections 290.17, subdivision 3, 290.191, and 290.20, and then determine the portion of this amount that would be allocated to this state;

(B) determine the amount of the adjustments which are of a type which are fully sourced to the taxpayer's state of residency under section 290.17, subdivision 2, paragraph (e), and income or gains from intangible personal property not employed in the business of the recipient of the income or gains if the recipient of the income or gains is a resident of this state or is a resident trust or estate under section 290.17, subdivision 2, paragraph (c);

(C) determine the portion of the amount determined in subitem (B) that can be established to be properly allocable to nonresident indirect partners or other partners not subject to tax on the adjustments; and

(D) multiply the total of the amounts determined in subitems (A) and (B) reduced by the amount determined in subitem (C) by the highest tax rate in section 290.06, subdivision 2c, for the reviewed year, and calculate interest and penalties as applicable under this chapter; and

(vii) add the amounts determined in items (iii) to (vi), and pay all applicable taxes, penalties, and interest to the commissioner.

(b) An audited partnership may not make an election under this subdivision to report:

(1) a federal adjustment that results in unitary business income to a corporate partner required to file as a member of a combined report under section 290.17, subdivision 4; or

(2) any final federal adjustments resulting from an administrative adjustment request.

(c) An audited partnership not otherwise subject to any reporting or payment obligation to this state may not make an election under this subdivision.

Subd. 4. **Tiered partners and indirect partners.** The direct and indirect partners of an audited partnership that are tiered partners, and all of the partners of those tiered partners that are subject to tax under chapter 290 are subject to the reporting and payment requirements contained in subdivision 2 and the tiered partners are entitled to make the elections provided in subdivision 3. The tiered partners or their partners shall make required reports and payments no later than 90 days after the time for filing and furnishing of statements to tiered partners and their partners as established under section 6226 of the Internal Revenue Code.

Subd. 5. **Effects of election by partnership or tiered partner and payment of amount due.** (a) Unless the commissioner determines otherwise, an election under subdivision 3 is irrevocable.

(b) If an audited partnership or tiered partner properly reports and pays an amount determined in subdivision 3, the amount will be treated as paid in lieu of taxes owed by the partnership's direct partners and indirect partners, to the extent applicable, on the same final federal adjustments. The direct partners or indirect partners of the partnership who are not resident partners may not take any deduction or credit for this amount or claim a refund of the amount in this state.

(c) Nothing in this subdivision precludes resident direct partners from claiming a credit against taxes paid under section 290.06 on any amounts paid by the audited partnership or tiered partners on the resident partner's behalf to another state or local tax jurisdiction.

Subd. 6. **Failure of partnership or tiered partner to report or pay.** Nothing in this section prevents the commissioner from assessing direct partners or indirect partners for taxes they owe, using the best information available, in the event that, for any reason, a partnership or tiered partner fails to timely make any report or payment required by this section.

**EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning after December 31, 2017, except that for partnerships that make an election under Code of Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively and applies to the same tax periods to which the election relates.

Sec. 10. Minnesota Statutes 2018, section 289A.42, is amended to read:

**289A.42 CONSENT TO EXTEND STATUTE.**

Subdivision 1. **Extension agreement.** If before the expiration of time prescribed in sections 289A.38 to 289A.382 and 289A.40 for the assessment of tax or the filing of a claim for refund, both the commissioner and the taxpayer have consented in writing to the assessment or filing of a claim for refund after that time, the tax may be assessed or the claim for refund filed at any time before the expiration of the agreed-upon period. The period may be extended by later agreements in writing before the expiration of the period previously agreed upon. The taxpayer and the commissioner may also agree to extend the period for collection of the tax.

Subd. 2. **Federal extensions.** When a taxpayer consents to an extension of time for the assessment of federal withholding or income taxes, the period in which the commissioner may recompute the tax is also extended, notwithstanding any period of limitations to the contrary, as follows:

(1) for the periods provided in ~~section~~ sections 289A.38, subdivisions 8 and 9, and 289A.382, subdivisions 2 and 3;

(2) for six months following the expiration of the extended federal period of limitations when no change is made by the federal authority. If no change is made by the federal authority, and, but for this subdivision, the commissioner's time period to adjust the tax has expired, and if the commissioner has completed a field audit of the taxpayer, no additional changes resulting in additional tax due or a refund may be made. For purposes of this subdivision, "field audit" has the meaning given ~~it~~ in section 289A.38, subdivision 9.



**EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning after December 31, 2017, except that for partnerships that make an election under Code of Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively and applies to the same tax periods to which the election relates.

Sec. 11. Minnesota Statutes 2018, section 289A.60, subdivision 24, is amended to read:

Subd. 24. **Penalty for failure to notify of federal change.** If a person fails to report to the commissioner a change or correction of the person's federal return in the manner and time prescribed in ~~section~~ sections 289A.38, subdivision 7, and 289A.382, there must be added to the tax an amount equal to ten percent of the amount of any underpayment of Minnesota tax attributable to the federal change.

**EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning after December 31, 2017, except that for partnerships that make an election under Code of Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively and applies to the same tax periods to which the election relates.

Sec. 12. Minnesota Statutes 2018, section 290.31, subdivision 1, is amended to read:

Subdivision 1. **Partners, not partnership, subject to tax.** Except as provided under ~~section~~ sections 289A.35, paragraph (b), and 289A.382, subdivision 3, a partnership as such shall not be subject to the income tax imposed by this chapter, but is subject to the tax imposed under section 290.0922. Persons carrying on business as partners shall be liable for income tax only in their separate or individual capacities.

**EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning after December 31, 2017, except that for partnerships that make an election under Code of Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively and applies to the same tax periods to which the election relates.

Sec. 13. Minnesota Statutes 2018, section 297F.17, subdivision 6, is amended to read:

Subd. 6. **Time limit for bad debt refund.** Claims for refund must be filed with the commissioner during the one-year period beginning with the timely filing of the taxpayer's federal income tax return containing the bad debt deduction that is being claimed. Claimants under this subdivision are subject to the notice requirements of ~~section~~ sections 289A.38, subdivision 7, and 289A.382.

**EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning after December 31, 2017, except that for partnerships that make an election under Code of Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively and applies to the same tax periods to which the election relates.

Sec. 14. Minnesota Statutes 2018, section 297G.16, subdivision 7, is amended to read:

Subd. 7. **Time limit for a bad debt deduction.** Claims for refund must be filed with the commissioner within one year of the filing of the taxpayer's income tax return containing the bad debt deduction that is being claimed. Claimants under this subdivision are subject to the notice requirements of ~~section 289A.38, subdivision 7~~ sections 289A.38 to 289A.382.

**EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning after December 31, 2017, except that for partnerships that make an election under Code of Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively and applies to the same tax periods to which the election relates.

Sec. 15. Minnesota Statutes 2018, section 469.319, subdivision 4, is amended to read:

Subd. 4. **Repayment procedures.** (a) For the repayment of taxes imposed under chapter 290 or 297A or local taxes collected pursuant to section 297A.99, a business must file an amended return with the commissioner of revenue and pay any taxes required to be repaid within 30 days after becoming subject to repayment under this section. The amount required to be repaid is determined by calculating the tax for the period or periods for which repayment is required without regard to the exemptions and credits allowed under section 469.315.

(b) For the repayment of taxes imposed under chapter 297B, a business must pay any taxes required to be repaid to the motor vehicle registrar, as agent for the commissioner of revenue, within 30 days after becoming subject to repayment under this section.

(c) For the repayment of property taxes, the county auditor shall prepare a tax statement for the business, applying the applicable tax extension rates for each payable year and provide a copy to the business and to the taxpayer of record. The business must pay the taxes to the county treasurer within 30 days after receipt of the tax statement. The business or the taxpayer of record may appeal the valuation and determination of the property tax to the Tax Court within 30 days after receipt of the tax statement.

(d) The provisions of chapters 270C and 289A relating to the commissioner's authority to audit, assess, and collect the tax and to hear appeals are applicable to the repayment required under paragraphs (a) and (b). The commissioner may impose civil penalties as provided in chapter 289A, and the additional tax and penalties are subject to interest at the rate provided in section 270C.40. The additional tax shall bear interest from 30 days after becoming subject to repayment under this section until the date the tax is paid. Any penalty imposed pursuant to this section shall bear interest from the date provided in section 270C.40, subdivision 3, to the date of payment of the penalty.

(e) If a property tax is not repaid under paragraph (c), the county treasurer shall add the amount required to be repaid to the property taxes assessed against the property for payment in the year following the year in which the auditor provided the statement under paragraph (c).

(f) For determining the tax required to be repaid, a reduction of a state or local sales or use tax is deemed to have been received on the date that the good or service was purchased or first put to a taxable use. In the case of an income tax or franchise tax, including the credit payable under section 469.318, a reduction of tax is deemed to have been received for the two most recent tax years that have ended prior to the date that the business became subject to repayment under this section. In the case of a property tax, a reduction of tax is deemed to have been received for the taxes payable in the year that the business became subject to repayment under this section and for the taxes payable in the prior year.

(g) The commissioner may assess the repayment of taxes under paragraph (d) any time within two years after the business becomes subject to repayment under subdivision 1, or within any period of limitations for the assessment of tax under ~~section~~ sections 289A.38 to 289A.382, whichever period is later. The county auditor may send the statement under paragraph (c) any time within three years after the business becomes subject to repayment under subdivision 1.

(h) A business is not entitled to any income tax or franchise tax benefits, including refundable credits, for any part of the year in which the business becomes subject to repayment under this section nor for any year thereafter. Property is not exempt from tax under section 272.02, subdivision 64, for any taxes payable in the year following the year in which the property became subject to repayment under this section nor for any year thereafter. A business is not eligible for any sales tax benefits beginning with goods or services purchased or first put to a taxable use on the day that the business becomes subject to repayment under this section.

**EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning after December 31, 2017, except that for partnerships that make an election under Code of Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively and applies to the same tax periods to which the election relates.

ARTICLE 10  
MISCELLANEOUS TAX CHANGES

Section 1. Minnesota Statutes 2018, section 297E.02, subdivision 6, as amended by Laws 2020, chapter 83, article 1, section 76, is amended to read:

Subd. 6. **Combined net receipts tax.** (a) In addition to the taxes imposed under subdivision 1, a tax is imposed on the combined net receipts of the organization. As used in this section, "combined net receipts" is the sum of the organization's gross receipts from lawful gambling less gross receipts directly derived from the conduct of paper bingo, raffles, and paddlewheels, as defined in section 297E.01, subdivision 8, and less the net prizes actually paid, other than prizes actually paid for paper bingo, raffles, and paddlewheels, for the fiscal year. The combined net receipts of an organization are subject to a tax computed according to the following schedule:

If the combined net receipts for the fiscal year are:	The tax is:
Not over \$87,500	<del>nine</del> <u>eight</u> percent
Over \$87,500, but not over \$122,500	<del>\$7,875</del> <u>\$7,000</u> plus <del>48</del> <u>16</u> percent of the amount over \$87,500, but not over \$122,500
Over \$122,500, but not over \$157,500	<del>\$14,175</del> <u>\$12,600</u> plus <del>27</del> <u>24</u> percent of the amount over \$122,500, but not over \$157,500
Over \$157,500	<del>\$23,625</del> <u>\$21,000</u> plus <del>36</del> <u>32</u> percent of the amount over \$157,500

(b) Gross receipts derived from sports-themed tipboards are exempt from taxation under this section. For purposes of this paragraph, a sports-themed tipboard means a sports-themed tipboard as defined in section 349.12, subdivision 34, under which the winning numbers are determined by the numerical outcome of a professional sporting event.

**EFFECTIVE DATE.** This section is effective retroactively for games reported as played after June 30, 2020.

Sec. 2. Minnesota Statutes 2018, section 297E.021, subdivision 2, is amended to read:

Subd. 2. **Determination of revenue increase.** By March 15 of each fiscal year, the commissioner of management and budget, in consultation with the commissioner, shall determine the estimated increase in revenues received from taxes imposed under this chapter over ~~the estimated revenues under the February 2012 state budget forecast for that fiscal year. For fiscal years after fiscal year 2015, the commissioner of management and budget shall use the February 2012 state budget forecast for fiscal year 2015 as the~~ a baseline of: \$30,500,000 in fiscal years 2021 and thereafter. All calculations under this subdivision must be made net of estimated refunds of the taxes required to be paid.

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

Sec. 3. Minnesota Statutes 2018, section 349.15, subdivision 1, is amended to read:

Subdivision 1. **Expenditure restrictions, requirements, and civil penalties.** (a) Gross profits from lawful gambling may be expended only for lawful purposes or allowable expenses as authorized by the membership of the conducting organization at a monthly meeting of the organization's membership.

(b) For each 12-month period beginning July 1, a licensed organization will be evaluated by the board to determine a rating based on the percentage of annual lawful purpose expenditures, excluding those defined in section 349.12, subdivision 25, paragraph (a), clauses (8) and (18), when compared to available gross profits total allowable expenses for the same period. The rating will be used to determine the organization's profitability percent and is not a rating of the organization's lawful gambling operation. An organization will be evaluated according to the following criteria:

(1) an organization ~~that expends 50~~ with a ratio of annual lawful purpose expenditures, excluding those defined in section 349.12, subdivision 25, paragraph (a), clauses (8) and (18), to allowable expenses of 100 percent or more of gross profits on lawful purposes will receive a five-star rating;

(2) an organization ~~that expends 40~~ with a ratio of annual lawful purpose expenditures, excluding those defined in section 349.12, subdivision 25, paragraph (a), clauses (8) and (18), to allowable expenses of 80 percent or more but less than 50 100 percent of gross profits on lawful purposes will receive a four-star rating;

(3) an organization ~~that expends 30~~ with a ratio of annual lawful purpose expenditures, excluding those defined in section 349.12, subdivision 25, paragraph (a), clauses (8) and (18), to allowable expenses of 60 percent or more but less than 40 80 percent of gross profits on lawful purposes will receive a three-star rating;

(4) an organization ~~that expends 20~~ with a ratio of annual lawful purpose expenditures, excluding those defined in section 349.12, subdivision 25, paragraph (a), clauses (8) and (18), to allowable expenses of 40 percent or more but less than 30 60 percent of gross profits on lawful purposes will receive a two-star rating; ~~and~~

(5) an organization ~~that expends less than~~ with a ratio of annual lawful purpose expenditures, excluding those defined in section 349.12, subdivision 25, paragraph (a), clauses (8) and (18), to allowable expenses of 20 percent of gross profits on lawful purposes or more but less than 40 percent will receive a one-star rating; ~~and~~

(6) an organization with a ratio of annual lawful purpose expenditures, excluding those defined in section 349.12, subdivision 25, paragraph (a), clauses (8) and (18), to allowable expenses of less than 20 percent will receive a zero-star rating.

(c) An organization that fails to expend a minimum of ~~30~~ 20 percent annually of gross profits of its annual total allowable expenses on lawful purposes, or 20 percent annually for organizations that conduct lawful gambling in a location where the primary business is bingo ~~excluding those defined in section 349.12, subdivision 25, paragraph (a), clauses (8) and (18),~~ is automatically on probation effective July 1 for a period of one year. The organization must increase its rating to the required minimum or be subject to sanctions by the board. If an organization fails to meet the minimum after a one-year probation, the board may suspend the organization's license or impose a civil penalty as follows:

(1) in determining any suspension or penalty for a violation of this paragraph, the board must consider any unique factors or extraordinary circumstances that caused the organization to not meet the minimum rate of profitability. Unique factors or extraordinary circumstances include, but are not limited to, the purchase of capital assets necessary to conduct lawful gambling; road or other construction causing impaired access to the lawful gambling premises; and flood, tornado, or other catastrophe that had a direct impact on the continuing lawful gambling operation; and

(2) notwithstanding section 349.151, subdivision 4, paragraph (a), clause (10), the board may impose a civil penalty under this subdivision up to \$10,000.

**EFFECTIVE DATE.** This section is effective retroactively from July 1, 2020.

Sec. 4. Minnesota Statutes 2018, section 349.151, subdivision 4, is amended to read:

Subd. 4. **Powers and duties.** (a) The board has the following powers and duties:

- (1) to regulate lawful gambling to ensure it is conducted in the public interest;
- (2) to issue licenses to organizations and gambling managers, and to issue licenses and renewals to distributors, distributor salespersons, manufacturers, and linked bingo game providers;
- (3) to collect and deposit fees due under this chapter;
- (4) to receive reports required by this chapter and inspect all premises, records, books, and other documents of organizations, distributors, manufacturers, and linked bingo game providers to insure compliance with all applicable laws and rules;
- (5) to make rules authorized by this chapter;
- (6) to register gambling equipment and issue registration stamps;
- (7) to provide by rule for the mandatory posting by organizations conducting lawful gambling of rules of play and the odds and/or house percentage on each form of lawful gambling;
- (8) to report annually to the governor and legislature on its activities and on recommended changes in the laws governing gambling, including an annual report that provides: a tabulation of the number of compliance reviews completed; the percentage of organizations reviewed; an average of the number of months between reviews; the number, location, and organization of site inspections; and the number of allegations awaiting investigation by the board;
- (9) to report annually to the governor and legislature a financial summary for each licensed organization identifying the gross receipts, prizes paid, allowable expenses, lawful purpose expenditures including charitable contributions and all taxes and fees as per section 349.12, subdivision 25, paragraph (a), clauses (8) and (18), and the percentage of annual gross profit used for lawful purposes;
- (10) to impose civil penalties of not more than \$1,000 per violation on organizations, distributors, distributor salespersons, manufacturers, linked bingo game providers, and gambling managers for violating or failing to comply with any provision of this chapter, chapter 297E, or any rule or order of the board;
- (11) to issue premises permits to organizations licensed to conduct lawful gambling;
- (12) to delegate to the director the authority to issue or deny license and premises permit applications and renewals under criteria established by the board;
- (13) to delegate to the director the authority to approve or deny fund loss requests, contribution of gambling funds to another licensed organization, and property expenditure requests under criteria established by the board;
- (14) to suspend or revoke licenses and premises permits of organizations, distributors, distributor salespersons, manufacturers, linked bingo game providers, or gambling managers as provided in this chapter;
- (15) to approve or deny requests from licensees for:
  - (i) waivers from fee requirements as provided in section 349.16, subdivision 6; and

(ii) variances from Gambling Control Board rules under section 14.055; and

(16) to register employees of organizations licensed to conduct lawful gambling;

(17) to require fingerprints from persons determined by board rule to be subject to fingerprinting;

(18) to delegate to a compliance review group of the board the authority to investigate alleged violations, issue consent orders, and initiate contested cases on behalf of the board;

(19) to order organizations, distributors, distributor salespersons, manufacturers, linked bingo game providers, and gambling managers to take corrective actions; and

(20) to take all necessary steps to ensure the integrity of and public confidence in lawful gambling.

(b) The board, or director if authorized to act on behalf of the board, may by citation assess any organization, distributor, distributor salesperson, manufacturer, linked bingo game provider, or gambling manager a civil penalty of not more than \$1,000 per violation for a failure to comply with any provision of this chapter, chapter 297E, or any rule adopted or order issued by the board. Any organization, distributor, distributor salesperson, gambling manager, linked bingo game provider, or manufacturer assessed a civil penalty under this paragraph may request a hearing before the board. Appeals of citations imposing a civil penalty are not subject to the provisions of the Administrative Procedure Act.

(c) All penalties received by the board must be deposited in the general fund.

(d) All fees imposed by the board under sections 349.16 to 349.167 must be deposited in the state treasury and credited to a lawful gambling regulation account in the special revenue fund. Receipts in this account are available for the operations of the board up to the amount authorized in biennial appropriations from the legislature.

**EFFECTIVE DATE.** This section is effective retroactively from July 1, 2020.

Sec. 5. Minnesota Statutes 2018, section 462A.38, as amended by Laws 2019, First Special Session chapter 1, article 6, section 28, is amended to read:

**462A.38 WORKFORCE AND AFFORDABLE HOMEOWNERSHIP DEVELOPMENT PROGRAM.**

Subdivision 1. **Establishment.** A workforce and affordable homeownership development program is established to award homeownership development grants and loans to cities, tribal governments, nonprofit organizations, cooperatives created under chapter 308A or 308B, and community land trusts created for the purposes outlined in section 462A.31, subdivision 1, for development of workforce and affordable homeownership projects. The purpose of the program is to increase the supply of workforce and affordable, owner-occupied multifamily or single-family housing throughout Minnesota.

Subd. 2. **Use of funds.** (a) Grant funds and loans awarded under this program may be used for:

(1) development costs;

(2) rehabilitation;

(3) land development; and

(4) residential housing, including storm shelters and related community facilities.

(b) A project funded through ~~the grant~~ this program shall serve households that meet the income limits as provided in section 462A.33, subdivision 5, unless a project is intended for the purpose outlined in section 462A.02, subdivision 6.

Subd. 3. **Application.** The commissioner shall develop forms and procedures for soliciting and reviewing applications for grants and loans under this section. The commissioner shall consult with interested stakeholders when developing the guidelines and procedures for the program. In making grants and loans, the commissioner shall establish semiannual application deadlines in which grants and loans will be authorized from all or part of the available appropriations.

Subd. 4. **Awarding grants and loans.** Among comparable proposals, preference must be given to proposals that include contributions from nonstate resources for the greatest portion of the total development cost.

Subd. 5. **Statewide program.** The agency shall attempt to make grants and loans in approximately equal amounts to applicants outside and within the metropolitan area, as defined under section 473.121, subdivision 2.

Subd. 6. **Report.** Beginning January 15, ~~2018~~ 2021, the commissioner must annually submit a report to the chairs and ranking minority members of the senate and house of representatives committees having jurisdiction over housing and workforce development specifying the projects that received grants and loans under this section and the specific purposes for which the grant or loan funds were used.

Subd. 7. **Workforce and affordable homeownership development account.** A workforce and affordable homeownership development account is established in the housing development fund. Money in the account, including interest, is appropriated to the commissioner of the Housing Finance Agency for the purposes of this section. The amount appropriated under this section must supplement traditional sources of funding for this purpose and must not be used as a substitute or to pay debt service on bonds.

Subd. 8. **Deposits; funding amount.** (a) In fiscal years 2022 through 2031, an amount equal to \$4,000,000 of the state's portion of the proceeds derived from the mortgage registry tax imposed under section 287.035 and the deed tax under section 287.21, is appropriated from the general fund to the commissioner of the Housing Finance Agency to transfer to the workforce and affordable homeownership development account in the housing development fund. The appropriation must be made annually by September 15.

(b) All loan repayments received under this section are to be deposited into the workforce and affordable homeownership development account in the housing development fund.

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

Sec. 6. **ADMINISTRATIVE APPROPRIATION.**

\$642,000 in fiscal year 2021 is appropriated to the commissioner of revenue to administer this act. The base for this appropriation is \$571,000 in fiscal year 2022 and \$0 in fiscal year 2023.

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

ARTICLE 11  
ACCOUNT TRANSFER

Section 1. **PREMIUM SECURITY ACCOUNT TRANSFER.**

The commissioner of management and budget must transfer \$100,000,000 in fiscal year 2021 from the premium security account established in Minnesota Statutes, section 62E.25, subdivision 1, to the general fund. This is a onetime transfer.

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

Delete the title and insert:

"A bill for an act relating to public finance; providing for stimulus measures to counter the economic impact of the COVID-19 pandemic; authorizing spending to acquire and better public land and buildings and for other improvements of a capital nature with certain conditions; modifying prior appropriations; establishing new programs and modifying existing programs; authorizing the sale and issuance of state bonds; modifying provisions for property taxes, local government aids, individual and corporate franchise taxes, sales and use taxes, lawful gambling taxes, and other miscellaneous taxes and tax provisions; modifying the referendum equalization levy; providing for certain property tax classification; providing local government aid penalty forgiveness; modifying and providing for certain additions and subtractions for the individual income and corporate franchise taxes; making the student loan credit refundable; modifying sales and use tax exemptions; providing provisions related to partnership audits; modifying lawful gambling taxes; modifying the workforce and affordable homeownership development program; making other minor policy, technical, and conforming changes; making transfers; appropriating money; amending Minnesota Statutes 2018, sections 16A.641, by adding a subdivision; 16B.86; 16B.87; 41B.025, by adding a subdivision; 115A.0716; 123B.53, subdivisions 1, 4; 126C.63, subdivision 8; 126C.66, subdivision 3; 126C.69, as amended; 126C.71; 134.45, subdivision 5; 137.61; 137.62, subdivision 2, by adding a subdivision; 137.63; 137.64; 270C.445, subdivision 6; 272.02, by adding a subdivision; 273.13, subdivision 25; 289A.31, subdivision 1; 289A.37, subdivision 2; 289A.38, subdivisions 8, 9, 10; 289A.42; 289A.60, subdivision 24; 290.0131, subdivision 10; 290.0132, by adding a subdivision; 290.0133, subdivision 12; 290.0682, subdivision 2; 297A.70, subdivision 13; 297E.02, subdivision 6, as amended; 297E.021, subdivision 2; 297F.17, subdivision 6; 297G.16, subdivision 7; 349.15, subdivision 1; 349.151, subdivision 4; 363A.36, by adding a subdivision; 363A.44, subdivision 1; 462A.37, subdivision 1, by adding a subdivision; 462A.38, as amended; 469.319, subdivision 4; 473.4052, subdivision 4; Minnesota Statutes 2019 Supplement, sections 16A.968, subdivision 3; 126C.17, subdivision 6; 273.13, subdivision 34; 289A.38, subdivision 7; 290.31, subdivision 1; 290.993; 297A.71, subdivision 52; 462A.37, subdivisions 2, 5; Laws 2008, chapter 179, section 18, subdivision 3, as amended; Laws 2014, chapter 294, article 1, section 7, subdivision 11, as amended; Laws 2015, First Special Session chapter 5, article 1, sections 10, subdivision 7, as amended; 13; Laws 2017, First Special Session chapter 8, article 1, sections 15, subdivisions 3, as amended, 4; 18, subdivision 3; 20, subdivision 21, as amended; Laws 2018, chapter 214, article 1, sections 2, subdivision 6; 7, subdivision 1; 16, subdivision 19; 21, subdivisions 1, 18, 26, 28, as amended, 29; Laws 2019, First Special Session chapter 11, article 6, section 7, subdivision 2, as amended; proposing coding for new law in Minnesota Statutes, chapters 16A; 116J; 174; 240A; 289A; repealing Minnesota Statutes 2018, sections 16A.633, subdivision 4; 126C.65, subdivision 2; 126C.68, subdivisions 1, 2, 4; Minnesota Statutes 2019 Supplement, section 126C.68, subdivision 3."

With the recommendation that when so amended the bill be placed on the General Register.

The report was adopted.

Carlson, L., from the Committee on Ways and Means to which was referred:

H. F. No. 14, A bill for an act relating to public safety; appropriating money for corrections and public safety.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1  
APPROPRIATIONS

Section 1. **APPROPRIATION; PERSONAL CARE ASSISTANCE.**



\$13,066,000 in fiscal year 2021 is appropriated from the general fund to the commissioner of human services to implement the personal care assistance provisions in this act. The appropriation under this section includes federal financial participation of \$29,000 in fiscal year 2021.

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

Sec. 2. **APPROPRIATIONS; DIRECT CARE AND TREATMENT.**

(a) \$2,730,000 in fiscal year 2021 is appropriated from the general fund to the commissioner of human services for forensic services programs. This is a onetime appropriation.

(b) \$2,102,000 in fiscal year 2021 is appropriated from the general fund to the commissioner of human services for the sex offender program. This is a onetime appropriation.

(c) \$207,000 in fiscal year 2021 is appropriated from the general fund to the commissioner of human services for direct care and treatment program operations costs. This is a onetime appropriation.

(d) \$2,560,000 in fiscal year 2021 is appropriated from the general fund to the commissioner of human services for direct care and treatment mental health and substance abuse treatment services. The commissioner must transfer \$547,000 in fiscal year 2021 to the enterprise fund for the Community Addiction Recovery Enterprise program. This is a onetime appropriation.

(e) \$17,698,000 in fiscal year 2021 is appropriated from the general fund to the commissioner of human services for direct care and treatment community-based services. The commissioner must transfer \$20,582,000 in fiscal year 2021 from the general fund to the enterprise fund for Minnesota State Operated Community Services. This is a onetime appropriation.

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

Sec. 3. **APPROPRIATIONS; MFIP SUPPLEMENTAL PAYMENT.**

(a) \$13,852,000 in fiscal year 2021 is appropriated from the TANF fund to the commissioner of human services to provide a onetime cash benefit of up to \$500 for each household enrolled in the Minnesota family investment program or diversionary work program under Minnesota Statutes, chapter 256J, at the time that the cash benefit is distributed. The commissioner shall distribute these funds through existing systems and in a manner that minimizes the burden to families. This is a onetime appropriation.

(b) \$92,000 in fiscal year 2021 is appropriated from the general fund to the commissioner of human services for administrative costs associated with distributing the cash benefit in paragraph (a). This is a onetime appropriation.

(c) \$6,000 in fiscal year 2021 is appropriated from the general fund to the commissioner of human services for information technology to administer the cash benefit in paragraph (a). This is a onetime appropriation.

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

Sec. 4. **APPROPRIATIONS; VETERANS AFFAIRS.**

Subdivision 1. **Veterans Suicide Office.** \$1,000,000 in fiscal year 2021 is appropriated from the general fund to the commissioner of veterans affairs for the operation of a Veterans Suicide Office within the Department of Veterans Affairs. The Veterans Suicide Office must address the problem of veteran suicide in Minnesota. The base for this appropriation is \$650,000 in fiscal year 2022 and \$550,000 in fiscal year 2023.

Subd. 2. **Veteran homelessness.** \$2,000,000 in fiscal year 2021 is appropriated from the general fund to the commissioner of veterans affairs for the provision of housing vouchers and other services dedicated to alleviating homelessness for veterans and former service members in Minnesota.

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

Sec. 5. **APPROPRIATIONS; DEPARTMENT OF PUBLIC SAFETY.**

Subdivision 1. **Appropriations.** The appropriations in this section are to the commissioner of public safety. The amounts that may be spent for each purpose are specified in the following subdivisions.

Subd. 2. **Patrolling highways.** (a) \$7,168,000 in fiscal year 2021 is appropriated from the trunk highway fund for staff and operating costs to patrol highways.

(b) The base from the trunk highway fund for patrolling highways is \$102,452,000 in each of fiscal years 2022 and 2023.

Subd. 3. **Commercial vehicle enforcement.** (a) \$648,000 in fiscal year 2021 is appropriated from the trunk highway fund for commercial vehicle enforcement staff and operating costs.

(b) The base for commercial vehicle enforcement is \$9,686,000 in each of fiscal years 2022 and 2023.

Subd. 4. **Civil unrest costs.** \$4,637,000 in fiscal year 2021 is appropriated from the trunk highway fund for costs incurred related to the response to civil unrest in the Minneapolis-St. Paul area in May and June of 2020. Of the amount appropriated under this subdivision, \$3,772,000 is for the Department of Public Safety, and \$865,000 is for transfer to the Department of Transportation. This is a onetime appropriation

Subd. 5. **Capitol security.** (a) \$1,278,000 in fiscal year 2021 is appropriated from the general fund for capitol security staff and operating costs.

(b) The base for capitol security is \$10,528,000 in each of fiscal years 2022 and 2023.

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

Sec. 6. **APPROPRIATION; DEPARTMENT OF CORRECTIONS.**

Subdivision 1. **Total appropriation.** \$11,742,000 in fiscal year 2021 is appropriated from the general fund to the commissioner of corrections for overtime and staffing.

Subd. 2. **Correctional institutions.** Of the amount appropriated in subdivision 1, \$9,888,000 in fiscal year 2021 is for additional correctional institution compensation costs, including overtime.

Subd. 3. **Community services.** Of the amount appropriated in subdivision 1, \$1,268,000 in fiscal year 2021 is for additional community services compensation costs, including overtime.

Subd. 4. **Operations support.** Of the amount appropriated in subdivision 1, \$586,000 in fiscal year 2021 is for additional operations support compensation costs, including overtime.

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

**Sec. 7. APPROPRIATION; DEPARTMENT OF PUBLIC SAFETY; BUREAU OF CRIMINAL APPREHENSION.**

(a) \$4,482,000 in fiscal year 2021 is appropriated from the general fund to the commissioner of public safety for use by the Bureau of Criminal Apprehension in storing, tracking, and testing sexual assault examination kits; and forensic testing to combat violent crime.

(b) Of the amount appropriated in paragraph (a), \$3,096,000 in fiscal year 2021 is to pay for the testing of unrestricted sexual assault examination kits, storage of restricted kits, and the development of an informational website for sexual assault survivors to learn the status of the testing of the survivor's individual sexual assault examination kit. The base for this appropriation is \$2,067,000 in fiscal year 2022 and each year thereafter.

(c) Of the amount appropriated in paragraph (a), \$1,386,000 in fiscal year 2021 is for staffing and operating costs to provide for training, supplies, and equipment; and renovate space to enhance the capacity for forensic testing to combat violent crime. The base for this appropriation is \$844,000 in fiscal year 2022 and each year thereafter.

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

**Sec. 8. APPROPRIATION; NATURAL RESOURCES LEGAL COSTS.**

\$2,000,000 in fiscal year 2021 is appropriated from the general fund to the commissioner of natural resources for legal costs. Of this amount, up to \$1,000,000 may be transferred to the Minnesota Pollution Control Agency. This is a onetime appropriation and is available until June 30, 2023.

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

**Sec. 9. APPROPRIATION; CHILD FOSTER CARE BACKGROUND STUDY MODIFICATIONS.**

\$100,000 in fiscal year 2021 is appropriated from the general fund to the commissioner of human services to implement child foster care background study modifications. The base for this appropriation is \$115,000 in fiscal year 2022 and \$115,000 in fiscal year 2023. The appropriation under this section includes federal financial participation of \$32,000 in fiscal year 2021 and \$37,000 in fiscal years 2022 and 2023.

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

**Sec. 10. APPROPRIATION; DISCRIMINATION INVESTIGATION.**

\$750,000 in fiscal year 2021 is appropriated from the general fund to the commissioner of human rights for a civil rights investigation into discrimination by the Minneapolis Police Department. This is a onetime appropriation and is available until June 30, 2022.

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

**Sec. 11. WEIGHTS AND MEASURES; PETROLEUM TANK FUND TRANSFER.**

(a) Notwithstanding Minnesota Statutes, section 115C.08, subdivision 4, when the revenue from the fee appropriated to the commissioner of commerce under Minnesota Statutes, section 239.101, subdivision 3, is insufficient to cover the costs to perform the duties and responsibilities required under Minnesota Statutes, section 239.011, the commissioner of management and budget must transfer an amount necessary to pay for the required expenditures from the petroleum tank fund under Minnesota Statutes, section 115C.08, to the Weights and Measures Division petroleum inspection fee account under Minnesota Statutes, section 239.101, subdivision 3. The maximum aggregate amount the commissioner of management and budget may transfer under this paragraph is \$1,000,000.

(b) If money transferred under paragraph (a) during fiscal year 2021 exceeds the actual expenditures for the duties and responsibilities under Minnesota Statutes, section 239.011, during fiscal year 2021, the remaining money must be transferred back to the petroleum tank fund under Minnesota Statutes, section 115C.08, on June 30, 2021.

(c) Beginning September 1, 2020, and on the first day of each odd-numbered month thereafter, the commissioner of commerce must submit a report regarding the use of money transferred under paragraph (a) to the chairs and ranking minority members of the house of representatives and senate committees with jurisdiction over energy and commerce.

**EFFECTIVE DATE.** This section is effective the day following final enactment and expires July 1, 2021.

Sec. 12. **AGENCY BUDGET REDUCTION.**

(a) The commissioner of management and budget must reduce general fund appropriations to executive branch agencies for agency operations for the biennium ending June 30, 2021, by \$58,000,000. The commissioner of management and budget may transfer amounts that would otherwise be spent for agency operating costs, from nongeneral funds, other than those established in the state constitution or protected by federal law, to the general fund. The amount transferred to the general fund from other funds reduces the required general fund reduction in this section. Reductions to agency operating appropriations are onetime and do not reduce the appropriation base for the next biennium as defined in Minnesota Statutes, section 16A.11, subdivision 3.

(b) By August 1, 2021, the commissioner of management and budget must report to the chairs and ranking minority members of the Senate Finance Committee and the House of Representatives Ways and Means Committee regarding the amount of reductions in spending by each agency under this section.

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

ARTICLE 2  
CONFORMING POLICY CHANGES

Section 1. Minnesota Statutes 2019 Supplement, section 245A.05, is amended to read:

**245A.05 DENIAL OF APPLICATION.**

(a) The commissioner may deny a license if an applicant or controlling individual:

(1) fails to submit a substantially complete application after receiving notice from the commissioner under section 245A.04, subdivision 1;

(2) fails to comply with applicable laws or rules;

(3) knowingly withholds relevant information from or gives false or misleading information to the commissioner in connection with an application for a license or during an investigation;

(4) has a disqualification that has not been set aside under section 245C.22 and no variance has been granted;

(5) has an individual living in the household who received a background study under section 245C.03, subdivision 1, paragraph (a), clause (2), who has a disqualification that has not been set aside under section 245C.22, and no variance has been granted;

(6) is associated with an individual who received a background study under section 245C.03, subdivision 1, paragraph (a), clause (6), who may have unsupervised access to children or vulnerable adults, and who has a disqualification that has not been set aside under section 245C.22, and no variance has been granted;

(7) fails to comply with section 245A.04, subdivision 1, paragraph (f) or (g);

(8) fails to demonstrate competent knowledge as required by section 245A.04, subdivision 6;

(9) has a history of noncompliance as a license holder or controlling individual with applicable laws or rules, including but not limited to this chapter and chapters 119B and 245C; ~~or~~

(10) is prohibited from holding a license according to section 245.095-; or

(11) for family child foster care, has nondisqualifying background study information, as described in section 245C.05, subdivision 4, that reflects on the individual's ability to safely provide care to foster children.

(b) An applicant whose application has been denied by the commissioner must be given notice of the denial, which must state the reasons for the denial in plain language. Notice must be given by certified mail or personal service. The notice must state the reasons the application was denied and must inform the applicant of the right to a contested case hearing under chapter 14 and Minnesota Rules, parts 1400.8505 to 1400.8612. The applicant may appeal the denial by notifying the commissioner in writing by certified mail or personal service. If mailed, the appeal must be postmarked and sent to the commissioner within 20 calendar days after the applicant received the notice of denial. If an appeal request is made by personal service, it must be received by the commissioner within 20 calendar days after the applicant received the notice of denial. Section 245A.08 applies to hearings held to appeal the commissioner's denial of an application.

**EFFECTIVE DATE.** This section is effective July 1, 2021.

Sec. 2. Minnesota Statutes 2019 Supplement, section 245A.07, subdivision 1, is amended to read:

Subdivision 1. **Sanctions; appeals; license.** (a) In addition to making a license conditional under section 245A.06, the commissioner may suspend or revoke the license, impose a fine, or secure an injunction against the continuing operation of the program of a license holder who does not comply with applicable law or rule, or who has nondisqualifying background study information, as described in section 245C.05, subdivision 4, that reflects on the license holder's ability to safely provide care to foster children. When applying sanctions authorized under this section, the commissioner shall consider the nature, chronicity, or severity of the violation of law or rule and the effect of the violation on the health, safety, or rights of persons served by the program.

(b) If a license holder appeals the suspension or revocation of a license and the license holder continues to operate the program pending a final order on the appeal, the commissioner shall issue the license holder a temporary provisional license. Unless otherwise specified by the commissioner, variances in effect on the date of the license sanction under appeal continue under the temporary provisional license. If a license holder fails to comply with applicable law or rule while operating under a temporary provisional license, the commissioner may impose additional sanctions under this section and section 245A.06, and may terminate any prior variance. If a temporary provisional license is set to expire, a new temporary provisional license shall be issued to the license holder upon payment of any fee required under section 245A.10. The temporary provisional license shall expire on the date the final order is issued. If the license holder prevails on the appeal, a new nonprovisional license shall be issued for the remainder of the current license period.

(c) If a license holder is under investigation and the license issued under this chapter is due to expire before completion of the investigation, the program shall be issued a new license upon completion of the reapplication requirements and payment of any applicable license fee. Upon completion of the investigation, a licensing sanction may be imposed against the new license under this section, section 245A.06, or 245A.08.

(d) Failure to reapply or closure of a license issued under this chapter by the license holder prior to the completion of any investigation shall not preclude the commissioner from issuing a licensing sanction under this section or section 245A.06 at the conclusion of the investigation.

**EFFECTIVE DATE.** This section is effective July 1, 2021.

Sec. 3. Minnesota Statutes 2018, section 245A.16, is amended by adding a subdivision to read:

**Subd. 9. Licensed family child foster care.** (a) Before recommending to deny a license under section 245A.05 or revoke a license under section 245A.07 for nondisqualifying background study information received under section 245C.05, subdivision 4, paragraph (a), clause (3), for licensed family child foster care a county agency or private agency that has been designated or licensed by the commissioner must review the following:

- (1) the type of offense;
- (2) the number of offenses;
- (3) the nature of the offenses;
- (4) the age of the individual at the time of the offense;
- (5) the length of time that has elapsed since the last offense;
- (6) the relationship of the offenses and the capacity to care for a child;
- (7) evidence of rehabilitation;
- (8) information or knowledge from community members regarding the individual's capacity to provide foster care;
- (9) a statement from the study subject;
- (10) a statement from the license holder; and
- (11) other aggravating and mitigating factors.

(b) When licensing a relative to provide family child foster care, the commissioner shall also consider the importance of maintaining the child's relationship with relatives as an additional significant factor in determining whether an application will be denied.

(c) The county or private licensing agency must send a summary of the review completed according to paragraph (a), on a form developed by the commissioner, to the commissioner and include any recommendation for licensing action.

**EFFECTIVE DATE.** This section is effective July 1, 2021.

Sec. 4. Minnesota Statutes 2018, section 245C.02, is amended by adding a subdivision to read:

**Subd. 12a. Licensed family child foster care.** "Licensed family child foster care" includes providers who have submitted an application for family child foster care licensure under section 245A.04, subdivision 1. Licensed family child foster care does not include foster residence settings that meet the licensing requirements of Minnesota Rules, parts 2960.3200 to 2960.3230.

**EFFECTIVE DATE.** This section is effective July 1, 2021.

Sec. 5. Minnesota Statutes 2018, section 245C.05, subdivision 2c, is amended to read:

Subd. 2c. **Privacy notice to background study subject.** (a) Prior to initiating each background study, the entity initiating the study must provide the commissioner's privacy notice to the background study subject required under section 13.04, subdivision 2. The notice must be available through the commissioner's electronic NETStudy and NETStudy 2.0 systems and shall include the information in paragraphs (b) and (c).

(b) The background study subject shall be informed that any previous background studies that received a set-aside will be reviewed, and without further contact with the background study subject, the commissioner may notify the agency that initiated the subsequent background study:

(1) that the individual has a disqualification that has been set aside for the program or agency that initiated the study;

(2) the reason for the disqualification; and

(3) that information about the decision to set aside the disqualification will be available to the license holder upon request without the consent of the background study subject.

(c) The background study subject must also be informed that:

(1) the subject's fingerprints collected for purposes of completing the background study under this chapter must not be retained by the Department of Public Safety, Bureau of Criminal Apprehension, or by the commissioner. The Federal Bureau of Investigation will ~~only retain fingerprints of subjects with a criminal history~~ not retain background study subjects' fingerprints;

(2) effective upon implementation of NETStudy 2.0, the subject's photographic image will be retained by the commissioner, and if the subject has provided the subject's Social Security number for purposes of the background study, the photographic image will be available to prospective employers and agencies initiating background studies under this chapter to verify the identity of the subject of the background study;

(3) the commissioner's authorized fingerprint collection vendor shall, for purposes of verifying the identity of the background study subject, be able to view the identifying information entered into NETStudy 2.0 by the entity that initiated the background study, but shall not retain the subject's fingerprints, photograph, or information from NETStudy 2.0. The authorized fingerprint collection vendor shall retain no more than the subject's name and the date and time the subject's fingerprints were recorded and sent, only as necessary for auditing and billing activities;

(4) the commissioner shall provide the subject notice, as required in section 245C.17, subdivision 1, paragraph (a), when an entity initiates a background study on the individual;

(5) the subject may request in writing a report listing the entities that initiated a background study on the individual as provided in section 245C.17, subdivision 1, paragraph (b);

(6) the subject may request in writing that information used to complete the individual's background study in NETStudy 2.0 be destroyed if the requirements of section 245C.051, paragraph (a), are met; and

(7) notwithstanding clause (6), the commissioner shall destroy:

(i) the subject's photograph after a period of two years when the requirements of section 245C.051, paragraph (c), are met; and

(ii) any data collected on a subject under this chapter after a period of two years following the individual's death as provided in section 245C.051, paragraph (d).

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

Sec. 6. Minnesota Statutes 2018, section 245C.05, subdivision 2d, is amended to read:

Subd. 2d. **Fingerprint data notification.** The commissioner of human services shall notify all background study subjects under this chapter that the Department of Human Services, Department of Public Safety, and the Bureau of Criminal Apprehension do not retain fingerprint data after a background study is completed, and that the Federal Bureau of Investigation ~~only retains the fingerprints of subjects who have a criminal history~~ does not retain background study subjects' fingerprints.

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

Sec. 7. Minnesota Statutes 2019 Supplement, section 245C.05, subdivision 4, as amended by Laws 2020, First Special Session chapter 2, article 5, section 13, is amended to read:

Subd. 4. **Electronic transmission.** (a) For background studies conducted by the Department of Human Services, the commissioner shall implement a secure system for the electronic transmission of:

(1) background study information to the commissioner;

(2) background study results to the license holder;

(3) background study results and relevant underlying investigative information to counties for background studies conducted by the commissioner for child foster care, including a summary of nondisqualifying results, except as prohibited by law; and

(4) background study results to county agencies for background studies conducted by the commissioner for adult foster care and family adult day services and, upon implementation of NETStudy 2.0, family child care and legal nonlicensed child care authorized under chapter 119B.

(b) Unless the commissioner has granted a hardship variance under paragraph (c), a license holder or an applicant must use the electronic transmission system known as NETStudy or NETStudy 2.0 to submit all requests for background studies to the commissioner as required by this chapter.

(c) A license holder or applicant whose program is located in an area in which high-speed Internet is inaccessible may request the commissioner to grant a variance to the electronic transmission requirement.

(d) Section 245C.08, subdivision 3, paragraph (c), applies to results transmitted under this subdivision.

**EFFECTIVE DATE.** This section is effective July 1, 2021.

Sec. 8. Minnesota Statutes 2019 Supplement, section 245C.08, subdivision 3, is amended to read:

Subd. 3. **Arrest and investigative information.** (a) For any background study completed under this section, if the commissioner has reasonable cause to believe the information is pertinent to the disqualification of an individual, the commissioner also may review arrest and investigative information from:

(1) the Bureau of Criminal Apprehension;



- (2) the commissioners of health and human services;
- (3) a county attorney;
- (4) a county sheriff;
- (5) a county agency;
- (6) a local chief of police;
- (7) other states;
- (8) the courts;
- (9) the Federal Bureau of Investigation;
- (10) the National Criminal Records Repository; and
- (11) criminal records from other states.

(b) Except when specifically required by law, the commissioner is not required to conduct more than one review of a subject's records from the Federal Bureau of Investigation if a review of the subject's criminal history with the Federal Bureau of Investigation has already been completed by the commissioner and there has been no break in the subject's affiliation with the entity that initiated the background study.

(c) If the commissioner conducts a national criminal history record check when required by law and uses the information from the national criminal history record check to make a disqualification determination, the data obtained is private data and cannot be shared with ~~county agencies, private agencies, or~~ prospective employers of the background study subject.

(d) If the commissioner conducts a national criminal history record check when required by law and uses the information from the national criminal history record check to make a disqualification determination, the license holder or entity that submitted the study is not required to obtain a copy of the background study subject's disqualification letter under section 245C.17, subdivision 3.

**EFFECTIVE DATE.** This section is effective August 1, 2020.

Sec. 9. Minnesota Statutes 2018, section 245C.14, subdivision 1, is amended to read:

Subdivision 1. **Disqualification from direct contact.** (a) The commissioner shall disqualify an individual who is the subject of a background study from any position allowing direct contact with persons receiving services from the license holder or entity identified in section 245C.03, upon receipt of information showing, or when a background study completed under this chapter shows any of the following:

(1) a conviction of, admission to, or Alford plea to one or more crimes listed in section 245C.15, regardless of whether the conviction or admission is a felony, gross misdemeanor, or misdemeanor level crime;

(2) a preponderance of the evidence indicates the individual has committed an act or acts that meet the definition of any of the crimes listed in section 245C.15, regardless of whether the preponderance of the evidence is for a felony, gross misdemeanor, or misdemeanor level crime; or

(3) an investigation results in an administrative determination listed under section 245C.15, subdivision 4, paragraph (b).

(b) No individual who is disqualified following a background study under section 245C.03, subdivisions 1 and 2, may be retained in a position involving direct contact with persons served by a program or entity identified in section 245C.03, unless the commissioner has provided written notice under section 245C.17 stating that:

(1) the individual may remain in direct contact during the period in which the individual may request reconsideration as provided in section 245C.21, subdivision 2;

(2) the commissioner has set aside the individual's disqualification for that program or entity identified in section 245C.03, as provided in section 245C.22, subdivision 4; or

(3) the license holder has been granted a variance for the disqualified individual under section 245C.30.

(c) Notwithstanding paragraph (a), for the purposes of a background study affiliated with a licensed family child foster care provider, the commissioner shall disqualify an individual who is the subject of a background study from any position allowing direct contact with persons receiving services from the license holder or entity identified in section 245C.03, upon receipt of information showing, or when a background study completed under this chapter shows reason for disqualification under section 245C.15, subdivision 6.

**EFFECTIVE DATE.** This section is effective July 1, 2021.

Sec. 10. Minnesota Statutes 2018, section 245C.15, is amended by adding a subdivision to read:

**Subd. 6. Licensed family child foster care disqualifications.** (a) Notwithstanding subdivisions 1 to 5, for a background study affiliated with a licensed family child foster care, regardless of how much time has passed, an individual is disqualified under section 245C.14 if the individual committed an act that resulted in a felony-level conviction for: 609.185 (murder in the first degree); 609.19 (murder in the second degree); 609.195 (murder in the third degree); 609.20 (manslaughter in the first degree); 609.205 (manslaughter in the second degree); 609.2112 (criminal vehicular homicide); 609.223, subdivision 2 (assault in the third degree, past pattern of child abuse); 609.223, subdivision 3 (assault in the third degree, victim under four); a felony offense under sections 609.2242 and 609.2243 (domestic assault, spousal abuse, child abuse or neglect, or a crime against children); 609.2247 (domestic assault by strangulation); 609.25 (kidnapping); 609.255 (false imprisonment); 609.265 (abduction); 609.2661 (murder of an unborn child in the first degree); 609.2662 (murder of an unborn child in the second degree); 609.2663 (murder of an unborn child in the third degree); 609.2664 (manslaughter of an unborn child in the first degree); 609.2665 (manslaughter of an unborn child in the second degree); 609.267 (assault of an unborn child in the first degree); 609.2671 (assault of an unborn child in the second degree); 609.268 (injury or death of an unborn child in the commission of a crime); 609.324, subdivision 1 (other prohibited acts; engaging in, hiring, or agreeing to hire minor to engage in prostitution); 609.342 (criminal sexual conduct in the first degree); 609.343 (criminal sexual conduct in the second degree); 609.344 (criminal sexual conduct in the third degree); 609.345 (criminal sexual conduct in the fourth degree); 609.3451 (criminal sexual conduct in the fifth degree); 609.3453 (criminal sexual predatory conduct); 609.352 (solicitation of children to engage in sexual conduct); 609.377 (malicious punishment of a child); 609.378 (neglect or endangerment of a child); 617.246 (use of minors in sexual performance prohibited); or 617.247 (possession of pictorial representations of minors).

(b) Notwithstanding subdivisions 1 to 5, for the purposes of a background study affiliated with a licensed family foster care license, an individual is disqualified under section 245C.14, regardless of how much time has passed, if the individual:

(1) committed an action under paragraph (d) that resulted in death or involved sexual abuse;

(2) committed an act that resulted in a felony-level conviction for section 609.746 (interference with privacy);

(3) committed an act that resulted in a gross misdemeanor-level conviction for section 609.3451 (criminal sexual conduct in the fifth degree); or

(4) committed an act against or involving a minor that resulted in a felony-level conviction for: section 609.221 (assault in the first degree); 609.222 (assault in the second degree); 609.223, subdivision 1 (assault in the third degree); 609.2231 (assault in the fourth degree); or 609.224, subdivision 4 (assault in the fifth degree).

(c) Notwithstanding subdivisions 1 to 5, for a background study affiliated with a licensed family child foster care license, an individual is disqualified under section 245C.14 if:

(1) less than five years have passed since the termination of parental rights under section 260C.301, subdivision 1, paragraph (b);

(2) less than five years have passed since a felony-level conviction for: section 152.021 (controlled substance crime in the first degree); 152.022 (controlled substance crime in the second degree); 152.023 (controlled substance crime in the third degree); 152.024 (controlled substance crime in the fourth degree); 152.025 (controlled substance crime in the fifth degree); 152.0261 (importing controlled substances across state borders); 152.0262, subdivision 1, paragraph (b) (possession of substance with intent to manufacture methamphetamine); 152.027, subdivision 6, paragraph (c) (sale or possession of synthetic cannabinoids); 152.096 (conspiracies prohibited); 152.097 (simulated controlled substances); 152.136 (anhydrous ammonia; prohibited conduct; criminal penalties; civil liabilities); 152.137 (methamphetamine-related crimes involving children or vulnerable adults); 169A.24 (felony first-degree driving while impaired); 243.166 (violation of predatory offender registration requirements); 609.2113 (criminal vehicular operation; bodily harm); 609.2114 (criminal vehicular operation; unborn child); 609.228 (great bodily harm caused by distribution of drugs); 609.2325 (criminal abuse of a vulnerable adult); 609.235 (use of drugs to injure or facilitate a crime); 609.322 (solicitation, inducement, and promotion of prostitution; sex trafficking); 609.561 (arson in the first degree); 609.562 (arson in the second degree); 609.563 (arson in the third degree); 609.66, subdivision 1e (felony drive-by shooting); 609.687 (adulteration); 609.749, subdivision 3, 4, or 5 (felony-level harassment or stalking); or 609.855, subdivision 5 (shooting at or in a public transit vehicle or facility); or

(3) less than five years have passed since a felony-level conviction for an act not against or involving a minor that constitutes: section 609.221 (assault in the first degree); 609.222 (assault in the second degree); 609.223, subdivision 1 (assault in the third degree); 609.2231 (assault in the fourth degree); or 609.224, subdivision 4 (assault in the fifth degree).

(d) Notwithstanding subdivisions 1 to 5, except as provided in paragraph (a), for a background study affiliated with a licensed family child foster care license, an individual is disqualified under section 245C.14 if less than five years have passed since:

(1) a determination or disposition of the individual's failure to make required reports under section 626.556, subdivision 3, or 626.557, subdivision 3, for incidents in which the final disposition under section 626.556 or 626.557 was substantiated maltreatment and the maltreatment was recurring or serious;

(2) a determination or disposition of the individual's substantiated serious or recurring maltreatment of a minor under section 626.556, a vulnerable adult under section 626.557, or serious or recurring maltreatment in any other state, the elements of which are substantially similar to the elements of maltreatment under section 626.556 or 626.557 and meet the definition of serious maltreatment or recurring maltreatment;

(3) the termination of the individual's parental rights under section 260C.301, subdivision 1, paragraph (a); or

(4) a gross misdemeanor-level conviction for: section 609.746 (interference with privacy); 609.2242 and 609.2243 (domestic assault); 609.377 (malicious punishment of a child); or 609.378 (neglect or endangerment of a child).

**EFFECTIVE DATE.** This section is effective July 1, 2021.

Sec. 11. Minnesota Statutes 2019 Supplement, section 245C.24, subdivision 1, is amended to read:

Subdivision 1. **Minimum disqualification periods.** The disqualification periods under subdivisions 3 to ~~5~~ 6 are the minimum applicable disqualification periods. The commissioner may determine that an individual should continue to be disqualified from licensure because the individual continues to pose a risk of harm to persons served by that individual, even after the minimum disqualification period has passed.

**EFFECTIVE DATE.** This section is effective July 1, 2021.

Sec. 12. Minnesota Statutes 2019 Supplement, section 245C.24, subdivision 2, is amended to read:

Subd. 2. **Permanent bar to set aside a disqualification.** (a) Except as provided in paragraphs (b) to ~~(e)~~ (f), the commissioner may not set aside the disqualification of any individual disqualified pursuant to this chapter, regardless of how much time has passed, if the individual was disqualified for a crime or conduct listed in section 245C.15, subdivision 1.

(b) For an individual in the chemical dependency or corrections field who was disqualified for a crime or conduct listed under section 245C.15, subdivision 1, and whose disqualification was set aside prior to July 1, 2005, the commissioner must consider granting a variance pursuant to section 245C.30 for the license holder for a program dealing primarily with adults. A request for reconsideration evaluated under this paragraph must include a letter of recommendation from the license holder that was subject to the prior set-aside decision addressing the individual's quality of care to children or vulnerable adults and the circumstances of the individual's departure from that service.

(c) If an individual who requires a background study for nonemergency medical transportation services under section 245C.03, subdivision 12, was disqualified for a crime or conduct listed under section 245C.15, subdivision 1, and if more than 40 years have passed since the discharge of the sentence imposed, the commissioner may consider granting a set-aside pursuant to section 245C.22. A request for reconsideration evaluated under this paragraph must include a letter of recommendation from the employer. This paragraph does not apply to a person disqualified based on a violation of sections 243.166; 609.185 to 609.205; 609.25; 609.342 to 609.3453; 609.352; 617.23, subdivision 2, clause (1), or 3, clause (1); 617.246; or 617.247.

(d) When a licensed foster care provider adopts an individual who had received foster care services from the provider for over six months, and the adopted individual is required to receive a background study under section 245C.03, subdivision 1, paragraph (a), clause (2) or (6), the commissioner may grant a variance to the license holder under section 245C.30 to permit the adopted individual with a permanent disqualification to remain affiliated with the license holder under the conditions of the variance when the variance is recommended by the county of responsibility for each of the remaining individuals in placement in the home and the licensing agency for the home.

(e) For an individual 18 years of age or older affiliated with a licensed family child foster care program, the commissioner must not set aside the disqualification of any individual disqualified pursuant to this chapter, regardless of how much time has passed, if the individual was disqualified for a crime or conduct listed in section 245C.15, subdivision 6, paragraph (a).

(f) In connection with a license for family child foster care, the commissioner may grant a variance to the disqualification for an individual who is under 18 years of age at the time the background study is submitted.

**EFFECTIVE DATE.** This section is effective July 1, 2021.

Sec. 13. Minnesota Statutes 2019 Supplement, section 245C.24, subdivision 3, is amended to read:

Subd. 3. **Ten-year bar to set aside disqualification.** (a) The commissioner may not set aside the disqualification of an individual in connection with a license to provide family child care for children, ~~foster care for children in the provider's home,~~ or foster care or day care services for adults in the provider's home if: (1) less than

ten years has passed since the discharge of the sentence imposed, if any, for the offense; or (2) when disqualified based on a preponderance of evidence determination under section 245C.14, subdivision 1, paragraph (a), clause (2), or an admission under section 245C.14, subdivision 1, paragraph (a), clause (1), and less than ten years has passed since the individual committed the act or admitted to committing the act, whichever is later; and (3) the individual has committed a violation of any of the following offenses: sections 609.165 (felon ineligible to possess firearm); criminal vehicular homicide or criminal vehicular operation causing death under 609.2112, 609.2113, or 609.2114 (criminal vehicular homicide or injury); 609.215 (aiding suicide or aiding attempted suicide); felony violations under 609.223 or 609.2231 (assault in the third or fourth degree); 609.229 (crimes committed for benefit of a gang); 609.713 (terroristic threats); 609.235 (use of drugs to injure or to facilitate crime); 609.24 (simple robbery); 609.255 (false imprisonment); 609.562 (arson in the second degree); 609.71 (riot); 609.498, subdivision 1 or 1b (aggravated first-degree or first-degree tampering with a witness); burglary in the first or second degree under 609.582 (burglary); 609.66 (dangerous weapon); 609.665 (spring guns); 609.67 (machine guns and short-barreled shotguns); 609.749, subdivision 2 (gross misdemeanor harassment); 152.021 or 152.022 (controlled substance crime in the first or second degree); 152.023, subdivision 1, clause (3) or (4) or subdivision 2, clause (4) (controlled substance crime in the third degree); 152.024, subdivision 1, clause (2), (3), or (4) (controlled substance crime in the fourth degree); 609.224, subdivision 2, paragraph (c) (fifth-degree assault by a caregiver against a vulnerable adult); 609.23 (mistreatment of persons confined); 609.231 (mistreatment of residents or patients); 609.2325 (criminal abuse of a vulnerable adult); 609.233 (criminal neglect of a vulnerable adult); 609.2335 (financial exploitation of a vulnerable adult); 609.234 (failure to report); 609.265 (abduction); 609.2664 to 609.2665 (manslaughter of an unborn child in the first or second degree); 609.267 to 609.2672 (assault of an unborn child in the first, second, or third degree); 609.268 (injury or death of an unborn child in the commission of a crime); repeat offenses under 617.23 (indecent exposure); 617.293 (disseminating or displaying harmful material to minors); a felony-level conviction involving alcohol or drug use, a gross misdemeanor offense under 609.324, subdivision 1 (other prohibited acts); a gross misdemeanor offense under 609.378 (neglect or endangerment of a child); a gross misdemeanor offense under 609.377 (malicious punishment of a child); 609.72, subdivision 3 (disorderly conduct against a vulnerable adult); or 624.713 (certain persons not to possess firearms); or Minnesota Statutes 2012, section 609.21.

(b) The commissioner may not set aside the disqualification of an individual if less than ten years have passed since the individual's aiding and abetting, attempt, or conspiracy to commit any of the offenses listed in paragraph (a) as each of these offenses is defined in Minnesota Statutes.

(c) The commissioner may not set aside the disqualification of an individual if less than ten years have passed since the discharge of the sentence imposed for an offense in any other state or country, the elements of which are substantially similar to the elements of any of the offenses listed in paragraph (a).

**EFFECTIVE DATE.** This section is effective July 1, 2021.

Sec. 14. Minnesota Statutes 2018, section 245C.24, subdivision 4, as amended by Laws 2020, First Special Session chapter 2, article 8, section 55, is amended to read:

Subd. 4. **Seven-year bar to set aside disqualification.** The commissioner may not set aside the disqualification of an individual in connection with a license to provide family child care for children, ~~foster care for children in the provider's home~~, or foster care or day care services for adults in the provider's home if within seven years preceding the study:

(1) the individual committed an act that constitutes maltreatment of a child under sections 260E.24, subdivisions 1, 2, and 3, and 260E.30, subdivisions 1, 2, and 4, and the maltreatment resulted in substantial bodily harm as defined in section 609.02, subdivision 7a, or substantial mental or emotional harm as supported by competent psychological or psychiatric evidence; or

(2) the individual was determined under section 626.557 to be the perpetrator of a substantiated incident of maltreatment of a vulnerable adult that resulted in substantial bodily harm as defined in section 609.02, subdivision 7a, or substantial mental or emotional harm as supported by competent psychological or psychiatric evidence.

**EFFECTIVE DATE.** This section is effective July 1, 2021.

Sec. 15. Minnesota Statutes 2018, section 245C.24, is amended by adding a subdivision to read:

**Subd. 6. Five-year bar to set aside disqualification; family child foster care.** (a) The commissioner shall not set aside the disqualification of an individual 18 years of age or older in connection with a license for foster care for children in the provider's home if within five years preceding the study the individual is convicted of a felony in section 245C.15, subdivision 6, paragraph (c).

(b) In connection with a license for family child foster care, the commissioner may set aside or grant a variance to the disqualification for an individual who is under 18 years of age at the time the background study is submitted.

**EFFECTIVE DATE.** This section is effective July 1, 2021.

Sec. 16. Minnesota Statutes 2019 Supplement, section 256B.0659, subdivision 11, as amended by Laws 2020, chapter 115, article 4, section 128, is amended to read:

**Subd. 11. Personal care assistant; requirements.** (a) A personal care assistant must meet the following requirements:

(1) be at least 18 years of age with the exception of persons who are 16 or 17 years of age with these additional requirements:

(i) supervision by a qualified professional every 60 days; and

(ii) employment by only one personal care assistance provider agency responsible for compliance with current labor laws;

(2) be employed by a personal care assistance provider agency;

(3) enroll with the department as a personal care assistant after clearing a background study. Except as provided in subdivision 11a, before a personal care assistant provides services, the personal care assistance provider agency must initiate a background study on the personal care assistant under chapter 245C, and the personal care assistance provider agency must have received a notice from the commissioner that the personal care assistant is:

(i) not disqualified under section 245C.14; or

(ii) disqualified, but the personal care assistant has received a set aside of the disqualification under section 245C.22;

(4) be able to effectively communicate with the recipient and personal care assistance provider agency;

(5) be able to provide covered personal care assistance services according to the recipient's personal care assistance care plan, respond appropriately to recipient needs, and report changes in the recipient's condition to the supervising qualified professional, physician, or advanced practice registered nurse;

(6) not be a consumer of personal care assistance services;

(7) maintain daily written records including, but not limited to, time sheets under subdivision 12;

(8) effective January 1, 2010, complete standardized training as determined by the commissioner before completing enrollment. The training must be available in languages other than English and to those who need accommodations due to disabilities. Personal care assistant training must include successful completion of the

following training components: basic first aid, vulnerable adult, child maltreatment, OSHA universal precautions, basic roles and responsibilities of personal care assistants including information about assistance with lifting and transfers for recipients, emergency preparedness, orientation to positive behavioral practices, fraud issues, and completion of time sheets. Upon completion of the training components, the personal care assistant must demonstrate the competency to provide assistance to recipients;

(9) complete training and orientation on the needs of the recipient; and

(10) be limited to providing and being paid for up to ~~275~~ 310 hours per month of personal care assistance services regardless of the number of recipients being served or the number of personal care assistance provider agencies enrolled with. The number of hours worked per day shall not be disallowed by the department unless in violation of the law.

(b) A legal guardian may be a personal care assistant if the guardian is not being paid for the guardian services and meets the criteria for personal care assistants in paragraph (a).

(c) Persons who do not qualify as a personal care assistant include parents, stepparents, and legal guardians of minors; spouses; paid legal guardians of adults; family foster care providers, except as otherwise allowed in section 256B.0625, subdivision 19a; and staff of a residential setting.

(d) Personal care assistance services qualify for the enhanced rate described in subdivision 17a if the personal care assistant providing the services:

(1) provides covered services to a recipient who qualifies for 12 or more hours per day of personal care assistance services; and

(2) satisfies the current requirements of Medicare for training and competency or competency evaluation of home health aides or nursing assistants, as provided in the Code of Federal Regulations, title 42, section 483.151 or 484.36, or alternative state-approved training or competency requirements.

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

Sec. 17. Minnesota Statutes 2019 Supplement, section 256B.85, subdivision 16, is amended to read:

Subd. 16. **Support workers requirements.** (a) Support workers shall:

(1) enroll with the department as a support worker after a background study under chapter 245C has been completed and the support worker has received a notice from the commissioner that the support worker:

(i) is not disqualified under section 245C.14; or

(ii) is disqualified, but has received a set-aside of the disqualification under section 245C.22;

(2) have the ability to effectively communicate with the participant or the participant's representative;

(3) have the skills and ability to provide the services and supports according to the participant's CFSS service delivery plan and respond appropriately to the participant's needs;

(4) complete the basic standardized CFSS training as determined by the commissioner before completing enrollment. The training must be available in languages other than English and to those who need accommodations due to disabilities. CFSS support worker training must include successful completion of the following training

components: basic first aid, vulnerable adult, child maltreatment, OSHA universal precautions, basic roles and responsibilities of support workers including information about basic body mechanics, emergency preparedness, orientation to positive behavioral practices, orientation to responding to a mental health crisis, fraud issues, time cards and documentation, and an overview of person-centered planning and self-direction. Upon completion of the training components, the support worker must pass the certification test to provide assistance to participants;

(5) complete employer-directed training and orientation on the participant's individual needs;

(6) maintain the privacy and confidentiality of the participant; and

(7) not independently determine the medication dose or time for medications for the participant.

(b) The commissioner may deny or terminate a support worker's provider enrollment and provider number if the support worker:

(1) does not meet the requirements in paragraph (a);

(2) fails to provide the authorized services required by the employer;

(3) has been intoxicated by alcohol or drugs while providing authorized services to the participant or while in the participant's home;

(4) has manufactured or distributed drugs while providing authorized services to the participant or while in the participant's home; or

(5) has been excluded as a provider by the commissioner of human services, or by the United States Department of Health and Human Services, Office of Inspector General, from participation in Medicaid, Medicare, or any other federal health care program.

(c) A support worker may appeal in writing to the commissioner to contest the decision to terminate the support worker's provider enrollment and provider number.

(d) A support worker must not provide or be paid for more than ~~275~~ 310 hours of CFSS per month, regardless of the number of participants the support worker serves or the number of agency-providers or participant employers by which the support worker is employed. The department shall not disallow the number of hours per day a support worker works unless it violates other law.

(e) CFSS qualify for an enhanced rate if the support worker providing the services:

(1) provides services, within the scope of CFSS described in subdivision 7, to a participant who qualifies for 12 or more hours per day of CFSS; and

(2) satisfies the current requirements of Medicare for training and competency or competency evaluation of home health aides or nursing assistants, as provided in the Code of Federal Regulations, title 42, section 483.151 or 484.36, or alternative state-approved training or competency requirements.

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

Sec. 18. Laws 2014, chapter 211, section 13, as amended by Laws 2015, First Special Session chapter 1, article 7, section 1, Laws 2016, chapter 189, article 7, section 42, and Laws 2017, chapter 94, article 12, section 1, is amended to read:



**Sec. 13. EFFECTIVE DATE.**

Sections 1 to 3 and 6 to 11 are effective ~~July~~ January 1, 2020 ~~2022~~. Sections 4, 5, and 12 are effective July 1, 2014.

**EFFECTIVE DATE.** This section is effective the day following final enactment. Until January 1, 2022, any employee, employer, employee or employer organization, exclusive representative, or any other person or organization aggrieved by an unfair labor practice as defined in Minnesota Statutes, section 179A.13, may bring an action for injunctive relief and for damages caused by the unfair labor practice in the district court of the county in which the practice is alleged to have occurred.

**Sec. 19. GRANT AND APPROPRIATION EXTENSIONS RELATED TO COVID-19; REPORT REQUIRED.**

**Subdivision 1. General encumbrances for grants.** Notwithstanding Minnesota Statutes, sections 16A.28, subdivision 6, and 16B.98, subdivision 7, and in order to provide relief from the effects of the peacetime emergency related to the infectious disease known as COVID-19, upon approval by the commissioner of management and budget, encumbrances for grants issued by June 30, 2020, may be certified for a period of two fiscal years beyond the fiscal year in which the appropriations were scheduled to cancel.

**Subd. 2. Report.** The commissioner of management and budget must submit a report on the implementation of this section to the chairs and ranking minority members of the legislative committees with jurisdiction over finance, ways and means, and state government finance by December 31, 2020. The report must provide a list of the encumbrances that were requested for approval under subdivision 1, itemizing separately those that were approved and those that were not approved.

**EFFECTIVE DATE; APPLICABILITY.** This section is effective the day following final enactment and applies to grants encumbered on or before June 30, 2020.

**Sec. 20. TEMPORARY PERSONAL CARE ASSISTANCE COMPENSATION FOR SERVICES PROVIDED BY A PARENT OR SPOUSE.**

(a) Notwithstanding Minnesota Statutes, section 256B.0659, subdivisions 3, paragraph (a), clause (1); 11, paragraph (c); and 19, paragraph (b), clause (3), during a peacetime emergency declared by the governor under Minnesota Statutes, section 12.31, subdivision 2, for an outbreak of COVID-19, a parent, stepparent, or legal guardian of a minor who is a personal care assistance recipient or a spouse of a personal care assistance recipient may provide and be paid for providing personal care assistance services.

(b) This section expires January 31, 2021, or 60 days after the peacetime emergency declared by the governor under Minnesota Statutes, section 12.31, subdivision 2, for an outbreak of COVID-19, is terminated or rescinded by proper authority, whichever is earlier.

**EFFECTIVE DATE.** This section is effective the day following final enactment or upon federal approval, whichever is later. The commissioner of human services shall notify the revisor of statutes when federal approval is obtained.

**Sec. 21. PERSONAL CARE ASSISTANCE TEMPORARY RATE INCREASE.**

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

(b) "Commissioner" means the commissioner of human services.

(c) "Covered program" has the meaning given in Minnesota Statutes, section 256B.0711, subdivision 1, paragraph (b).

(d) "Direct support professional" means an individual employed to personally provide personal care assistance services covered by medical assistance under Minnesota Statutes, section 256B.0625, subdivisions 19a and 19c; or to personally provide medical assistance services covered under Minnesota Statutes, sections 256B.0913, 256B.092, or 256B.49, or chapter 256S. Direct support professional does not include managerial or administrative staff who do not personally provide the services described in this paragraph.

(e) "Direct support services" has the meaning given in Minnesota Statutes, section 256B.0711, subdivision 1, paragraph (c).

Subd. 2. **Temporary rates for direct support services.** (a) To respond to the infectious disease known as COVID-19, the commissioner must temporarily increase rates and enhanced rates by 13.75 percent for direct support services provided under a covered program or under Minnesota Statutes, section 256B.0659, while this section is effective.

(b) Providers that receive a rate increase under this section must:

(1) use at least 80 percent of the additional revenue to increase wages, salaries, and benefits for personal care assistants and any corresponding increase in the employer's share of FICA taxes, Medicare taxes, state and federal unemployment taxes, and workers' compensation premiums; and

(2) use any remainder of the additional revenue for activities and items necessary to support compliance with Centers for Disease Control and Prevention guidance on sanitation and personal protective equipment.

Subd. 3. **Capitation rates and directed payments.** (a) To implement the temporary rate increase under this section, managed care plans and county-based purchasing plans shall increase rates and enhanced rates by 13.75 percent for the direct support services.

(b) In combination with contract amendments instructing plans to increase reimbursement rates for direct support services, the commissioner shall adjust capitation rates paid to managed care plans and county-based purchasing plans as needed to maintain managed care plans' expected medical loss ratios.

(c) Contracts between managed care plans and providers and between county-based purchasing plans and providers must allow recovery of payments from providers if federal approval for the provisions of this subdivision is not received and the commissioner reduces capitation payments as a result. Payment recoveries must not exceed the amount equal to any decrease in rates that results from this paragraph.

Subd. 4. **Consumer-directed community supports budgets.** Lead agencies shall temporarily increase the budget for each recipient of consumer-directed community supports to reflect a 13.75 percent rate increase for direct support services.

Subd. 5. **Consumer support grants; increased maximum allowable grant.** The commissioner shall temporarily increase the maximum allowable monthly grant level for each recipient of consumer support grants to reflect a 13.75 percent rate increase for direct support services.

Subd. 6. **Distribution plans.** (a) A provider agency or individual provider that receives a rate increase under subdivision 2 shall prepare and, upon request, submit to the commissioner a distribution plan that specifies the anticipated amount and proposed uses of the additional revenue the provider will receive under subdivision 2.

(b) By October 15, 2020, the provider must post the distribution plan for a period of at least six weeks in an area of the provider's operation to which all direct support professionals have access. The provider must post with the distribution plan instructions on how to contact the commissioner if direct support professionals do not believe they have received the wage increase or benefits specified in the distribution plan. The instructions must include a mailing address, e-mail address, and telephone number that the direct support professional may use to contact the commissioner or the commissioner's representative.

Subd. 7. **Expiration.** This section expires January 31, 2021, or 60 days after the peacetime emergency declared by the governor in an executive order that relates to the infectious disease known as COVID-19 is terminated or rescinded by proper authority, whichever is earlier.

**EFFECTIVE DATE.** This section is effective the day following final enactment or upon federal approval, whichever is later. The commissioner shall notify the revisor of statutes when federal approval is obtained.

### ARTICLE 3 STATE LANDS

Section 1. Minnesota Statutes 2018, section 84.63, is amended to read:

#### **84.63 CONVEYANCE OF INTERESTS IN LANDS TO STATE ~~AND~~, FEDERAL, AND TRIBAL GOVERNMENTS.**

(a) Notwithstanding any existing law to the contrary, the commissioner of natural resources is hereby authorized on behalf of the state to convey to the United States, to a federally recognized Indian tribe, or to the state of Minnesota or any of its subdivisions, upon state-owned lands under the administration of the commissioner of natural resources, permanent or temporary easements for specified periods or otherwise for trails, highways, roads including limitation of right of access from the lands to adjacent highways and roads, flowage for development of fish and game resources, stream protection, flood control, and necessary appurtenances thereto, such conveyances to be made upon such terms and conditions including provision for reversion in the event of non-user as the commissioner of natural resources may determine.

(b) In addition to the fee for the market value of the easement, the commissioner of natural resources shall assess the applicant the following fees:

(1) an application fee of \$2,000 to cover reasonable costs for reviewing the application and preparing the easement; and

(2) a monitoring fee to cover the projected reasonable costs for monitoring the construction of the improvement for which the easement was conveyed and preparing special terms and conditions for the easement. The commissioner must give the applicant an estimate of the monitoring fee before the applicant submits the fee.

(c) The applicant shall pay these fees to the commissioner of natural resources. The commissioner shall not issue the easement until the applicant has paid in full the application fee, the monitoring fee, and the market value payment for the easement.

(d) Upon completion of construction of the improvement for which the easement was conveyed, the commissioner shall refund the unobligated balance from the monitoring fee revenue. The commissioner shall not return the application fee, even if the application is withdrawn or denied.

(e) Money received under paragraph (b) must be deposited in the land management account in the natural resources fund and is appropriated to the commissioner of natural resources to cover the reasonable costs incurred for issuing and monitoring easements.

(f) A county or joint county regional railroad authority is exempt from all fees specified under this section for trail easements on state-owned land.

Sec. 2. Minnesota Statutes 2018, section 92.502, is amended to read:

**92.502 LEASE OF TAX-FORFEITED AND STATE LANDS.**

(a) Notwithstanding section 282.04 or other law to the contrary, St. Louis County may enter a 30-year lease of tax-forfeited land for a wind energy project.

(b) The commissioner of natural resources may enter a 30-year lease of land administered by the commissioner for a wind energy project.

(c) The commissioner of natural resources may enter a 30-year lease of land administered by the commissioner for recreational trails and facilities. The commissioner may assess the lease applicant a monitoring fee to cover the projected reasonable costs of monitoring construction of the recreational trail or facility and preparing special terms and conditions of the license to ensure proper construction. The commissioner must give the applicant an estimate of the monitoring fee before the applicant is required to submit the fee. Upon completion of construction of the trail or facility, the commissioner must refund the unobligated balance from the monitoring fee revenue.

(d) Notwithstanding section 282.04 or other law to the contrary, Lake and St. Louis Counties may enter into 30-year leases of tax-forfeited land for recreational trails and facilities.

Sec. 3. **ADDITION TO STATE PARK.**

**[85.012] [Subd. 18.] Fort Snelling State Park, Dakota County.** The following areas are added to Fort Snelling State Park, Dakota County:

(1) that part of Section 28, Township 28 North, Range 23 West, Dakota County, Minnesota, bounded by the Dakota County line along the Minnesota River and the following described lines:

Beginning at the intersection of the south line of Lot 18 of Auditor's Subdivision Number 29 of Mendota, according to the plat on file in the Office of the Dakota County Recorder, with the westerly right-of-way line of the existing Sibley Memorial Highway; thence northerly along said westerly right-of-way line to the north line of said Lot 18; thence westerly along the north line of said Lot 18 to the easterly right-of-way line of the Chicago and Northwestern Railroad; thence northerly and northeasterly along said easterly right-of-way to the east line of said Section 28;

(2) that part of Section 33, Township 28 North, Range 23 West, Dakota County, Minnesota, lying westerly of the easterly right-of-way of the Chicago and Northwestern Railroad;

(3) that part of Government Lot 6 of Section 33, Township 28 North, Range 23 West, Dakota County, Minnesota, lying East of the easterly right-of-way of the Chicago and Northwestern Railroad and West of the westerly right-of-way of Sibley Memorial Highway and North of the South 752 feet of said Government Lot 6;

(4) the North 152 feet of the South 752 feet of that part of Government Lot 6 of Section 33, Township 28 North, Range 23 West, Dakota County, Minnesota, lying East of the easterly right-of-way of the Chicago and Northwestern Railroad and West of the westerly right-of-way of Sibley Memorial Highway;

(5) the North 270 feet of the South 600 feet of that part of Government Lot 6 lying between the westerly right-of-way of Sibley Memorial Highway and the easterly right-of-way of the Chicago and Northwestern Railroad in Section 33, Township 28 North, Range 23 West, Dakota County, Minnesota;

(6) that part of the South 20 rods of Government Lot 6 of Section 33, Township 28 North, Range 23 West, Dakota County, Minnesota, lying East of the easterly right-of-way of the Chicago and Northwestern Railroad and West of the westerly right-of-way of Sibley Memorial Highway, excepting therefrom that part described as follows:

Commencing at the southeast corner of said Government Lot 6; thence North 89 degrees 56 minutes 54 seconds West assumed bearing along the south line of said Government Lot 6 a distance of 260.31 feet to the point of beginning of the property to be described; thence continue North 89 degrees 56 minutes 54 seconds West a distance of 71.17 feet; thence northwesterly a distance of 37.25 feet along a nontangential curve concave to the East having a radius of 4,098.00 feet and a central angle of 00 degrees 31 minutes 15 seconds the chord of said curve bears North 23 degrees 31 minutes 27 seconds West; thence northerly a distance of 127.39 feet along a compound curve concave to the East having a radius of 2,005.98 feet and a central angle of 03 degrees 38 minutes 19 seconds; thence North 70 degrees 22 minutes 29 seconds East not tangent to said curve a distance of 65.00 feet; thence southerly a distance of 123.26 feet along a nontangential curve concave to the East having a radius of 1,940.98 feet and a central angle of 03 degrees 38 minutes 19 seconds the chord of said curve bears South 21 degrees 26 minutes 40 seconds East; thence southerly a distance of 65.42 feet to the point of beginning along a compound curve concave to the East having a radius of 4,033.00 feet and a central angle of 00 degrees 55 minutes 46 seconds;

(7) that part of Government Lot 5 of Section 33, Township 28 North, Range 23 West, Dakota County, Minnesota, lying East of the easterly right-of-way of the Chicago and Northwestern Railroad and West of the westerly right-of-way of Sibley Memorial Highway, excepting therefrom that part described as follows:

Commencing at the southeast corner of said Government Lot 5; thence North 89 degrees 56 minutes 18 seconds West assumed bearing along the south line of said Government Lot 5 a distance of 70.48 feet to the point of beginning of the property to be described; thence continue North 89 degrees 56 minutes 18 seconds West along said south line of Government Lot 5 a distance of 40.01 feet; thence North 01 degree 30 minutes 25 seconds East a distance of 6.08 feet; thence northerly a distance of 185.58 feet along a tangential curve concave to the West having a radius of 4,427.00 feet and a central angle of 02 degrees 24 minutes 07 seconds; thence South 89 degrees 06 minutes 18 seconds West not tangent to said curve a distance of 25.00 feet; thence North 00 degrees 53 minutes 42 seconds West a distance of 539.13 feet; thence northerly a distance of 103.77 feet along a tangential curve concave to the West having a radius of 1,524.65 feet and a central angle of 03 degrees 53 minutes 59 seconds; thence northerly a distance of 159.33 feet along a compound curve concave to the West having a radius of 522.45 feet and a central angle of 17 degrees 28 minutes 23 seconds; thence northwesterly a distance of 86.78 feet along a tangential curve concave to the West having a radius of 1,240.87 feet and a central angle of 04 degrees 00 minutes 25 seconds; thence North 26 degrees 16 minutes 30 seconds West tangent to said curve a distance of 92.39 feet; thence northwesterly a distance of 178.12 feet along a tangential curve concave to the East having a radius of 4,098.00 feet and a central angle of 02 degrees 29 minutes 25 seconds to a point on the north line of said Government Lot 5 which is 331.48 feet from the northeast corner thereof as measured along said north line; thence South 89 degrees 56 minutes 54 seconds East along said north line of Government Lot 5 a distance of 71.17 feet; thence southeasterly a distance of 146.53 feet along a nontangential curve concave to the East having a radius of 4,033.00 feet and a central angle of 02 degrees 04 minutes 54 seconds the chord of said curve bears South 25 degrees 14 minutes 03 seconds East; thence South 26 degrees 16 minutes 30 seconds East tangent to said curve a distance of 92.39 feet; thence southerly a distance of 91.33 feet along a tangential curve concave to the West having a radius of 1,305.87 feet and a central angle of 04 degrees 00 minutes 25 seconds; thence southerly a distance of 179.15 feet along a tangential curve concave to the West having a radius of 587.45 feet and a central angle of 17 degrees 28 minutes 23 seconds; thence southerly a distance of 108.20 feet along a compound curve concave to the West having a radius of 1,589.65 feet and a central angle of 03 degrees 53 minutes 59 seconds; thence South 00 degrees 53 minutes 42 seconds East tangent to said curve a distance of 539.13 feet; thence southerly a distance of 187.26 feet along a tangential curve concave to the West having a radius of 4,467.00 feet and a central angle of 02 degrees 24 minutes 07 seconds; thence South 01 degree 30 minutes 25 seconds West tangent to said curve a distance of 5.07 feet to the point of beginning; and

(8) that part of Government Lot 4 of Section 33, Township 28 North, Range 23 West, Dakota County, Minnesota, lying East of the easterly right-of-way of the Chicago and Northwestern Railroad and northerly of the following described line:

Commencing at the southeast corner of said Government Lot 4; thence North 89 degrees 55 minutes 42 seconds West assumed bearing along the south line of said Government Lot 4 a distance of 312.44 feet to corner B205, MNDOT Right-of-Way Plat No. 19-93, according to the recorded map thereof; thence continue North 89 degrees 55 minutes 42 seconds West along said south line of Government Lot 4 a distance of 318.00 feet to the easterly right-of-way of Chicago and Northwestern Railroad; thence northerly along said railroad right-of-way a distance of 387.97 feet along a nontangential curve concave to the West having a radius of 2,963.54 feet and a central angle of 07 degrees 30 minutes 03 seconds, the chord of said curve bears North 00 degrees 42 minutes 41 seconds East; thence North 03 degrees 02 minutes 21 seconds West tangent to said curve along said railroad right-of-way a distance of 619.45 feet to the point of beginning of the line to be described; thence North 89 degrees 35 minutes 27 seconds East a distance of 417.92 feet; thence North 18 degrees 18 minutes 58 seconds East a distance of 317.52 feet to a point on the north line of said Government Lot 4 which is 135.00 feet from the northeast corner thereof as measured along said north line and there terminating.

Sec. 4. **ADDITION TO STATE RECREATION AREA.**

**[85.013] [Subd. 12a.] Iron Range Off-Highway Vehicle Recreation Area, St. Louis County.** The following area is added to Iron Range Off-Highway Vehicle Recreation Area, St. Louis County: that part of the South Half of the Northwest Quarter of Section 15, Township 58 North, Range 17 West, St. Louis County, Minnesota, lying northerly of the following described line:

Commencing at the West quarter corner of said Section 15; thence North 01 degree 24 minutes 27 seconds West, bearing assumed, along the west line of said South Half of the Northwest Quarter a distance of 1,034.09 feet to a 3/4-inch rebar with plastic cap stamped "MN DNR LS 44974" (DM) and the point of beginning; thence South 62 degrees 44 minutes 07 seconds East 405.24 feet to a DM; thence South 82 degrees 05 minutes 24 seconds East 314.95 feet to a DM; thence South 86 degrees 18 minutes 01 second East 269.23 feet to a DM; thence North 81 degrees 41 minutes 24 seconds East 243.61 feet to a DM; thence North 71 degrees 48 minutes 05 seconds East 478.17 feet to a DM; thence North 60 degrees 53 minutes 38 seconds East 257.32 feet to a DM; thence South 09 degrees 16 minutes 07 seconds East 179.09 feet to a DM; thence South 49 degrees 16 minutes 00 seconds East 127.27 feet to a DM; thence South 50 degrees 16 minutes 11 seconds East 187.13 feet to a DM; thence South 67 degrees 11 minutes 35 seconds East 189.33 feet to a DM; thence South 67 degrees 13 minutes 16 seconds East 209.43 feet to a DM; thence South 80 degrees 39 minutes 19 seconds East 167.59 feet to a DM on the east line of said South Half of the Northwest Quarter, and there terminating.

Sec. 5. **DELETIONS FROM STATE PARKS.**

Subdivision 1. **[85.012] [Subd. 18.] Fort Snelling State Park, Dakota County.** The following areas are deleted from Fort Snelling State Park, Dakota County:

(1) all of Section 33, Township 28 North, Range 23 West of the 4th Principal Meridian lying westerly of the westerly right-of-way line of the existing Minnesota Trunk Highway No. 13, excepting the right-of-way owned by the Chicago and Northwestern railway company; and

(2) all of Section 28, Township 28 North, Range 23 West of the 4th Principal Meridian bounded by the Dakota County line along the Minnesota River and the following described lines: Beginning at the south line of said Section 28 at its intersection with the westerly right-of-way line of the existing Minnesota Trunk Highway No. 13; thence northerly along the said westerly right-of-way line of existing Minnesota Trunk Highway No. 13 to the southerly right-of-way line of existing Minnesota Trunk Highway Nos. 55 and 100; thence along the existing

southerly right-of-way line of Minnesota Trunk Highway Nos. 55 and 100 to the westerly right-of-way line owned by the Chicago and Northwestern railway company; thence northeasterly along the said westerly right-of-way line of the Chicago and Northwestern railway to the east line of said Section 28, excepting therefrom the right-of-way owned by the Chicago and Northwestern railway company.

Subd. 2. [85.012] [Subd. 60.] William O'Brien State Park, Washington County. The following areas are deleted from William O'Brien State Park, Washington County:

(1) those parts of Section 25, Township 32 North, Range 20 West, Washington County, Minnesota, described as follows:

The West two rods of the Southwest Quarter of the Northeast Quarter, the West two rods of the North two rods of the Northwest Quarter of the Southeast Quarter, and the East two rods of the Southeast Quarter of the Northwest Quarter; and

(2) the East two rods over and across the Northeast Quarter of the Northwest Quarter, excepting therefrom the North 200 feet of said Northeast Quarter of the Northwest Quarter. Also, the West 2 rods of the Northwest Quarter of the Northeast Quarter, excepting therefrom the North 266 feet of said Northwest Quarter of the Northeast Quarter. Also, the South 66 feet of the North 266 feet of that part of said Northwest Quarter of the Northeast Quarter lying southwesterly of the existing public road known as 199th Street North.

**Sec. 6. PRIVATE SALE OF SURPLUS STATE LAND; CASS COUNTY.**

(a) Notwithstanding Minnesota Statutes, sections 94.09 to 94.16, the commissioner of natural resources may sell by private sale the surplus land that is described in paragraph (c).

(b) The commissioner may make necessary changes to the legal description to correct errors and ensure accuracy.

(c) The land to be conveyed is located in Cass County and is described as: the westerly 20.00 feet of the West Half of the Northeast Quarter, Section 16, Township 139 North, Range 30 West, Cass County, Minnesota. The Grantor, its employees and agents only, reserves a perpetual easement for ingress and egress over and across the above described land.

(d) The Department of Natural Resources has determined that the land is not needed for natural resource purposes and that the state's land management interests would best be served if the land was returned to private ownership.

**Sec. 7. PRIVATE SALE OF SURPLUS STATE LAND; LAKE OF THE WOODS COUNTY.**

(a) Notwithstanding Minnesota Statutes, sections 94.09 to 94.16, the commissioner of natural resources may sell by private sale the surplus land that is described in paragraph (c).

(b) The commissioner may make necessary changes to the legal description to correct errors and ensure accuracy.

(c) The land to be conveyed is located in Lake of the Woods County and is described as: a strip of land lying in Government Lot 3, Section 5, Township 163 North, Range 34 West of the Fifth Principal Meridian, Lake of the Woods County, Minnesota; said strip of land being 33.00 feet in width lying 16.50 feet on each side of the following described centerline:

Commencing at the southeast corner of said Government Lot 3; thence North 00 degrees 09 minutes 28 seconds West, assumed bearing, along the east line of said Government Lot 3, a distance of 690 feet, more or less, to the south line of that particular tract of land deeded to the State of Minnesota according to Document No. 75286, on file and of record in the Office of the Recorder, Lake of the Woods County, Minnesota; thence South 89 degrees 50 minutes 32 seconds West, along said south line of that particular tract of land, a distance of 200.00 feet; thence South 00 degrees 09 minutes 28 seconds East, parallel with the east line of said Government Lot 3, a distance of 40.00 feet; thence South 89 degrees 50 minutes 32 seconds West, a distance of 16.50 feet to the point of beginning of the centerline to be herein described; thence South 00 degrees 09 minutes 28 seconds East, parallel with the east line of said Government Lot 3, a distance of 650.5 feet, more or less, to the south line of said Government Lot 3 and said centerline there terminating.

(d) The Department of Natural Resources has determined that the land is not needed for natural resource purposes and that the state's land management interests would best be served if the land was returned to private ownership.

Sec. 8. **PRIVATE SALE OF SURPLUS STATE LAND; ST. LOUIS COUNTY.**

(a) Notwithstanding Minnesota Statutes, sections 94.09 to 94.16, the commissioner of natural resources may convey the surplus land that is described in paragraph (c) to a local unit of government for no consideration.

(b) The commissioner may make necessary changes to the legal description to correct errors and ensure accuracy.

(c) The land to be conveyed is located in St. Louis County and is described as: that part of the Southwest Quarter of the Northwest Quarter of Section 27, Township 52 North, Range 17 West, St. Louis County, Minnesota, described as follows:

Commencing at the quarter corner between Sections 27 and 28 of said Township 52 North, Range 17 West; thence running East 624 feet; thence North 629 feet to the point of beginning; thence North 418 feet; thence East 208 feet; thence South 418 feet; thence West 208 feet to the point of beginning.

(d) The Department of Natural Resources has determined that the land is not needed for natural resource purposes and that the state's land management interests would best be served if the land were conveyed to a local unit of government.

Sec. 9. **PRIVATE SALE OF TAX-FORFEITED LANDS; ST. LOUIS COUNTY.**

(a) Notwithstanding the public sale provisions of Minnesota Statutes, chapter 282, or other law to the contrary, St. Louis County may sell by private sale the tax-forfeited lands described in paragraph (c).

(b) The conveyances must be in a form approved by the attorney general. The attorney general may make changes to the land descriptions to correct errors and ensure accuracy.

(c) The lands to be sold are located in St. Louis County and are described as:

(1) Lot 5, Block 9, including part of vacated Seafield Street adjacent, Bristol Beach 1st Division, Duluth (parcel 010-0300-01030); and

(2) that part of the Southeast Quarter of the Northwest Quarter, Township 58, Range 15, Section 5, lying northerly of the northerly right-of-way line of the town of White road running in an east-west direction connecting County Road No. 138 with State Highway No. 135 and lying westerly of the following described line: commencing



at the northeast corner of Government Lot 3; thence South 89 degrees 46 minutes 22 seconds West along the north line of Government Lot 3 558.28 feet; thence South 27 degrees 50 minutes 01 second West 102.75 feet; thence South 41 degrees 51 minutes 46 seconds West 452.29 feet; thence South 28 degrees 19 minutes 22 seconds West 422.74 feet; thence South 30 degrees 55 minutes 42 seconds West 133.79 feet; thence southwesterly 210.75 feet along a tangential curve concave to the southeast having a radius of 300 feet and a central angle of 40 degrees 15 minutes 00 seconds; thence South 09 degrees 19 minutes 19 seconds East tangent to said curve 100.30 feet, more or less, to the north line of said Southeast Quarter of the Northwest Quarter; thence North 89 degrees 09 minutes 31 seconds East along said north line 40.44 feet to the point of beginning of the line; thence South 09 degrees 19 minutes 19 seconds East 148 feet, more or less, to said right-of-way line and said line there terminating. Surface only (parcel 570-0021-00112).

(d) The county has determined that the county's land management interests would best be served if the lands were returned to private ownership.

**Sec. 10. PUBLIC SALE OF SURPLUS STATE LAND BORDERING PUBLIC WATER; WADENA COUNTY.**

(a) Notwithstanding Minnesota Statutes, section 92.45, the commissioner of natural resources may sell by public sale the surplus land bordering public water that is described in paragraph (c).

(b) The commissioner may make necessary changes to the legal description to correct errors and ensure accuracy.

(c) The land that may be sold is located in Wadena County and is described as: the Northeast Quarter of the Southwest Quarter of Section 26, Township 136 North, Range 34 West, Wadena County, Minnesota, except that part described as follows:

Beginning at the northeast corner of said Northeast Quarter of the Southwest Quarter; thence West 10 rods; thence South 8 rods; thence East 10 rods; thence North 8 rods to the point of beginning and there terminating.

(d) The land borders the Redeye River. The Department of Natural Resources has determined that the land is not needed for natural resource purposes and that the state's land management interests would best be served if the land were returned to private ownership.

**Sec. 11. EFFECTIVE DATE.**

This article is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to state government finance; establishing a supplemental state budget; appropriating money, transferring money, and reducing appropriations to support state government activities; making various policy changes to conform with the supplemental budget; authorizing the sale of surplus state lands; making conforming changes; amending Minnesota Statutes 2018, sections 84.63; 92.502; 245A.16, by adding a subdivision; 245C.02, by adding a subdivision; 245C.05, subdivisions 2c, 2d; 245C.14, subdivision 1; 245C.15, by adding a subdivision; 245C.24, subdivision 4, as amended, by adding a subdivision; Minnesota Statutes 2019 Supplement, sections 245A.05; 245A.07, subdivision 1; 245C.05, subdivision 4, as amended; 245C.08, subdivision 3; 245C.24, subdivisions 1, 2, 3; 256B.0659, subdivision 11, as amended; 256B.85, subdivision 16; Laws 2014, chapter 211, section 13, as amended."

With the recommendation that when so amended the bill be placed on the General Register.

The report was adopted.

Carlson, L., from the Committee on Ways and Means to which was referred:

H. F. No. 33, A bill for an act relating to human services; establishing retention grants for certain disability service providers; modifying customized living quality improvement grants; extending portions of a COVID-19 peacetime emergency modification to economic assistance program application requirements; appropriating money; amending Laws 2019, First Special Session chapter 9, article 4, section 28; article 14, section 2, subdivision 27; Laws 2020, First Special Session chapter 7, section 1, subdivision 2.

Reported the same back with the following amendments:

Page 5, delete section 4 and insert:

**"Sec. 4. APPROPRIATION; COVID-19-RELATED RETENTION GRANTS FOR HOME AND COMMUNITY-BASED SERVICE PROVIDERS.**

Subdivision 1. **Appropriation.** (a) \$20,305,000 in fiscal year 2021 is appropriated from the coronavirus relief fund to the commissioner of human services for retention grants to eligible providers as defined in subdivision 2 to assist providers: (1) with the costs of business interruptions caused by required closures due to the COVID-19 pandemic; and (2) to help ensure access to eligible services during or following the COVID-19 pandemic.

(b) The commissioner may use up to \$125,000 of this appropriation to administer this grant.

(c) Beginning September 30, 2020, any unencumbered appropriations may be used for disability services provider COVID-19-related public health reinvention grants.

(d) This is a onetime appropriation and is available until December 5, 2020.

Subd. 2. **Definitions.** (a) For purposes of this section, the following terms have the meanings given.

(b) "Eligible provider" means either an enrolled provider who provides either eligible services, as defined in paragraph (c), clauses (1) or (2), and meets the attestation and agreement requirements in subdivisions 5 and 6; or an agency, as defined in Minnesota Statutes, section 256B.0949, subdivision 2, paragraph (b), who provides eligible services as defined in paragraph (c), clause (3), and meets the attestation and agreement requirements in subdivisions 5 and 6.

(c) "Eligible services" means the following services:

(1) adult day services, day training and habilitation, day support services, prevocational services, and structured day services provided by the home and community-based waiver programs under Minnesota Statutes, sections 256B.0913, 256B.092, and 256B.49, and Minnesota Statutes, chapter 256S;

(2) employment exploration services, employment development services, and employment support services provided by the home and community-based waiver programs under Minnesota Statutes, sections 256B.092 and 256B.49; and

(3) early intensive developmental and behavioral interventions under Minnesota Statutes, section 256B.0949.

(d) "Fixed costs" means costs determined by the commissioner that do not fluctuate with changes in service provision. Eligible fixed costs under this section are costs similar to costs considered in the rate methodology component values under Minnesota Statutes, section 256B.4914, subdivision 5, paragraph (d), clauses (7) and (8); paragraph (e), clauses (7) and (8); paragraph (f), clauses (7) and (8); and subdivision 7, clause (11).

(e) "Total revenue from medical assistance" includes both fee-for-service revenue and revenue from managed care organizations. The commissioner shall determine each provider's total revenue from medical assistance for eligible services provided during January 2020, based on data for service claims paid as of July 1, 2020.

Subd. 3. **Allowable uses of funds.** Grantees must use funds awarded under this section for fixed costs incurred during the COVID-19 peacetime emergency associated with maintaining the provider's capacity to provide services to its clients during the COVID-19 pandemic.

Subd. 4. **Grant request.** Eligible providers must request a grant under this section no later than August 15, 2020. The commissioner shall develop an expedited request process that includes a form allowing providers to meet the requirements of subdivisions 5 and 6 in as timely a manner as possible. The commissioner shall allow the use of electronic submission of request forms and accept electronic signatures.

Subd. 5. **Attestation.** As a condition of obtaining funds under this section, an eligible provider must attest to the following on the grant request form:

(1) the intent to provide eligible services under this section through December 31, 2020;

(2) unreimbursed costs incurred on or after March 1, 2020, related to COVID-19-related business interruptions caused by required closures, reduced capacity to promote social distancing measures, or reduced demand for services;

(3) revenue losses due to the COVID-19 pandemic exceeded monthly fixed costs incurred from March 1, 2020, to June 30, 2020; and

(4) without additional funds, the provider will be unable to maintain the continuity of the services provided.

Subd. 6. **Agreement.** As a condition of obtaining funds under this section, an eligible provider must agree to the following on the grant request form:

(1) cooperate with the commissioner of human services to deliver services according to the program and service waivers and modifications issued under the commissioner's authority;

(2) maintain documentation sufficient to demonstrate the unreimbursed costs required in order to receive a grant under this section; and

(3) acknowledge that retention grants may be subject to a special recoupment under this section if a state audit performed under this section determines that the provider used awarded funds for purposes not authorized under this section.

Subd. 7. **Retention grants.** (a) No later than August 30, 2020, the commissioner shall begin issuing retention grants to eligible providers in an amount equal to 66 percent of the provider's total revenue from medical assistance for eligible services provided during January 2020.

(b) The commissioner, acting under the governor's authority under Minnesota Statutes, section 12.36, shall implement retention grants and the process of making grants under this subdivision without compliance with time-consuming procedures and formalities prescribed in law such as the following statutes and related policies: Minnesota Statutes, sections 16A.15, subdivision 3; 16B.97; 16B.98, subdivisions 5 and 7; and 16B.98, subdivision 8, the express audit clause requirement.

(c) By accepting a grant under this subdivision, the grantee attests to the conditions specified in subdivisions 5 and 6.

(d) The commissioner's determination of the grant amount determined under this subdivision is final and is not subject to appeal. This paragraph does not apply to recoupment by the commissioner under subdivision 9.

Subd. 8. **Payments for services provided.** Providers who receive grants under this section may continue to bill for services provided.

Subd. 9. **Recoupment.** (a) The commissioner may perform an audit under this section up to six years after the grant is awarded to ensure the funds are utilized solely for the purposes stated in subdivision 1.

(b) If the commissioner determines that a provider used awarded funds for purposes not authorized under this section, the commissioner shall treat any amount used for a purpose not authorized under this section as an overpayment. The commissioner shall recover any overpayment.

Subd. 10. **Expiration.** This section expires December 30, 2020, except for subdivision 9.

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

Sec. 5. **APPROPRIATION; DISABILITY SERVICES PROVIDER COVID-19-RELATED PUBLIC HEALTH GRANTS.**

Subdivision 1. **Appropriation.** (a) \$10,125,000 in fiscal year 2021 is appropriated from the coronavirus relief fund to the commissioner of human services for COVID-19-related public health grants to eligible providers under subdivision 3 who have implemented or intend to implement COVID-19-related public health measures that facilitate social distancing practices that align with the most current social distancing guidelines issued by the United States Centers for Disease Control and Prevention (CDC) and are in accordance with the federal Coronavirus Aid, Relief, and Economic Security Act, Public Law 116-136, and related guidance.

(b) The commissioner may use up to \$125,000 of this appropriation to administer this grant.

(c) This is a onetime appropriation and is available until December 30, 2020. Any unexpended balance on December 30, 2020, cancels to the coronavirus relief fund.

Subd. 2. **Purpose.** Grants under this section are established to reduce the risk of exposure to and transmission of COVID-19 to people with disabilities and staff who support them by maintaining or increasing utilization of individualized day or employment services and reducing utilization of congregate and sheltered workshop settings.

Subd. 3. **Definitions.** (a) For purposes of this section, the following terms have the meanings given.

(b) "Eligible provider" means an enrolled provider who provides eligible services and who meets the attestation and application requirements in subdivisions 5 and 6.

(c) "Eligible services" means the following services:

(1) day training and habilitation, day support services, prevocational services, and structured day services provided by the home and community-based waiver programs under Minnesota Statutes, sections 256B.092 and 256B.49; and

(2) employment exploration services, employment development services, and employment support services provided by the home and community-based waiver programs under Minnesota Statutes, sections 256B.092 and 256B.49.

Subd. 4. **Allowable uses of funds.** (a) Grants must be used to reduce the risk of exposure to and transmission of COVID-19 to people with disabilities and staff who support them by maintaining or increasing access to individualized employment services and reducing the use of congregate and sheltered workshop service settings. Funds must be used in accordance with the federal Coronavirus Aid, Relief, and Economic Security Act, Public Law 116-136, and related guidance. Funds may be used for:

(1) expenses incurred as a result of actions to facilitate compliance with COVID-19-related public health measures, such as the provision of services in settings that optimize social distancing and health and safety precautions for people with disabilities and staff who support them;

(2) expenses to facilitate and ensure the availability of individualized services to enable compliance with COVID-19 public health precautions; and

(3) other activities as determined by the commissioner that align with the purpose in subdivision 2 and are in accordance with the federal Coronavirus Aid, Relief, and Economic Security Act, Public Law 116-136, and related guidance.

Subd. 5. **Attestation.** (a) As a condition of applying for and accepting public health grants under this section, each provider must attest in writing that the provider:

(1) has or will have unreimbursed costs that are greater than or equal to grant awards under this section related to actions to facilitate compliance with COVID-19-related public health measures, such as the provision of services in settings that optimize social distancing and health and safety precautions for people with disabilities and staff who support them;

(2) agrees to return any funds determined by the commissioner to be ineligible uses according to the federal Coronavirus Aid, Relief, and Economic Security Act, Public Law 116-136, and related guidance; and

(3) will maintain documentation sufficient to demonstrate the unreimbursed costs required in order to receive a grant under this section.

Subd. 6. **Application.** (a) The commissioner, acting under the governor's authority under Minnesota Statutes, section 12.36, shall develop an expedited application process and process for issuing grants under this section notwithstanding time-consuming procedures and formalities prescribed in law such as the following statutes and related policies: Minnesota Statutes, sections 16A.15, subdivision 3; 16B.97; 16B.98, subdivisions 5 and 7; and 16B.98, subdivision 8, the express audit clause requirement. The application and related processes must be consistent with allowable uses of funds under subdivision 4. The commissioner shall allow applicants to submit applications electronically and shall accept electronic signatures.

(b) Eligible providers must apply for a grant under this section no later than November 15, 2020.

Subd. 7. **Allocation.** (a) Beginning September 30, 2020, the commissioner shall award grants under this section to eligible providers who meet the attestation and application requirements under subdivisions 5 and 6.

(b) The commissioner may make public health grants in an amount determined by the commissioner and based on each grantee's application, up to a maximum grant amount of \$200,000.

(c) Notwithstanding paragraph (b), if funds are available after all eligible providers have received a grant, the commissioner may award additional grant funds to providers who have already received the \$200,000 maximum grant amount.

(d) If applications for grants exceed the available appropriations, the commissioner shall give priority to grant applications from providers whose applications demonstrate the most need or the most robust plan to ensure people have opportunities to participate in day or employment services that are not provided in a facility or sheltered or work crew setting.

(e) The commissioner's determination of the grant amount is final and not subject to appeal. This paragraph does not apply to recoupment by the commissioner under subdivision 8.

Subd. 8. **Recoupment.** (a) The commissioner may perform an audit under this section up to six years after the grant contract expires to ensure the funds are utilized solely for the purposes stated in subdivision 4.

(b) If the commissioner determines that a provider used awarded funds for purposes not authorized under this section, the commissioner shall treat any amount used for a purpose not authorized under this section as an overpayment. The commissioner shall recover any overpayment. All money recovered by the commissioner under this subdivision must be deposited in the federal fund.

Subd. 9. **Reporting.** The commissioner shall develop a reporting process for public health grants under this section. Each provider receiving funds under this section shall report to the commissioner by March 1, 2021, with a description of how the funds were utilized. By August 1, 2021, the commissioner shall report to the legislative committees with jurisdiction over human services policy and finance the total funds allocated to providers, uses of the funds, outcomes measured, people impacted, and other measures determined by the commissioner.

Subd. 10. **Expiration.** Subdivisions 1 to 7 expire December 30, 2020, or on a date determined by the United States Department of Treasury, whichever is later. Subdivision 9 expires August 1, 2021, or on the date the commissioner submits the report required under subdivision 9, whichever is later.

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

Renumber the sections in sequence and correct the internal references

With the recommendation that when so amended the bill be placed on the General Register.

The report was adopted.

Carlson, L., from the Committee on Ways and Means to which was referred:

H. F. No. 34, A bill for an act relating to human services; extending portions of a COVID-19 peacetime emergency modification to economic assistance program application requirements; amending Laws 2020, First Special Session chapter 7, section 1, subdivision 2.

Reported the same back with the recommendation that the bill be placed on the General Register.

The report was adopted.

Carlson, L., from the Committee on Ways and Means to which was referred:

H. F. No. 35, A bill for an act relating to health care; providing a onetime payment to medical assistance dental providers to assist in covering the cost of personal protection equipment used when providing dental services to medical assistance enrollees during the COVID pandemic; appropriating money.

Reported the same back with the recommendation that the bill be placed on the General Register.

The report was adopted.

Winkler from the Committee on Rules and Legislative Administration to which was referred:

House Resolution No. 1, A House resolution declaring racism a public health crisis.

Reported the same back with the recommendation that the resolution be adopted.

The report was adopted.

## **SECOND READING OF HOUSE BILLS**

H. F. Nos. 1, 3, 14, 33, 34 and 35 were read for the second time.

## **INTRODUCTION AND FIRST READING OF HOUSE BILLS**

The following House Files were introduced:

Hassan introduced:

H. F. No. 63, A bill for an act relating to education finance; appropriating money for a grant to the African American Registry; requiring a report.

The bill was read for the first time and referred to the Education Finance Division.

Morrison introduced:

H. F. No. 64, A bill for an act relating to health insurance; establishing supply requirements for prescription contraceptives; requiring health plans to cover contraceptive methods, sterilization, and related medical services, patient education, and counseling; establishing accommodations for eligible organizations; amending Minnesota Statutes 2018, section 256B.0625, subdivision 13; proposing coding for new law in Minnesota Statutes, chapter 62Q.

The bill was read for the first time and referred to the Committee on Health and Human Services Policy.

Munson, Drazkowski and Miller introduced:

H. F. No. 65, A bill for an act relating to state government; prohibiting a legislator from being employed by or receiving compensation from certain types of businesses; proposing coding for new law in Minnesota Statutes, chapter 3.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

Munson introduced:

H. F. No. 66, A bill for an act relating to capital investment; appropriating money for water and lighting infrastructure in Madison Lake; authorizing the sale and issuance of state bonds.

The bill was read for the first time and referred to the Capital Investment Division.

Lislegard introduced:

H. F. No. 67, A bill for an act relating to energy; appropriating money for an ammonia production pilot demonstration project; appropriating money for a grant to the Mountain Iron Economic Development Authority to expand a city-owned building housing a solar panel manufacturer.

The bill was read for the first time and referred to the Energy and Climate Finance and Policy Division.

Mariani introduced:

H. F. No. 68, A bill for an act relating to capital investment; modifying an appropriation for the Southeast Asian Language Job Training Facility in St. Paul; amending Laws 2018, chapter 214, article 1, section 21, subdivision 28, as amended.

The bill was read for the first time and referred to the Jobs and Economic Development Finance Division.

Robbins introduced:

H. F. No. 69, A bill for an act relating to education; modifying requirements for reading proficiency and literacy incentive aid; requiring a report; amending Minnesota Statutes 2018, sections 120B.12, subdivisions 2a, 3, by adding subdivisions; 122A.185, subdivision 1; 124D.98, subdivisions 2, 3, as amended, by adding subdivisions; Minnesota Statutes 2019 Supplement, section 120B.12, subdivision 2, as amended; proposing coding for new law in Minnesota Statutes, chapters 120B; 122A.

The bill was read for the first time and referred to the Committee on Education Policy.

Sundin introduced:

H. F. No. 70, A bill for an act relating to workers' compensation; adopting recommendations of the 2020 Workers' Compensation Advisory Council; amending Minnesota Statutes 2018, sections 79A.02, subdivision 4; 79A.04, subdivision 2; 79A.06, subdivision 5; 79A.22, subdivision 13; 79A.24, subdivision 2; 176.011, subdivision 15, as amended; 176.102, subdivision 10; 176.111, subdivision 22; 176.135, subdivision 1; 176.185, by adding a subdivision; 176.223; Minnesota Statutes 2019 Supplement, sections 176.181, subdivision 2; 176.231, subdivisions 5, 6, 9, 9a; 176.2611, subdivision 5; 176.2612, subdivisions 1, 3; 176.275, subdivision 2; 176.285, subdivision 1; repealing Minnesota Statutes 2018, section 176.181, subdivision 6.

The bill was read for the first time and referred to the Committee on Labor.

Freiberg introduced:

H. F. No. 71, A bill for an act relating to notaries; authorizing use of video appearance for real estate document notarization during public health emergency.

The bill was read for the first time and referred to the Committee on Government Operations.



Sundin introduced:

H. F. No. 72, A bill for an act relating to agriculture; allocating future unrestricted general fund surplus dollars; appropriating money for bioincentive programs; amending Minnesota Statutes 2018, section 16A.152, subdivision 2, as amended.

The bill was read for the first time and referred to the Energy and Climate Finance and Policy Division.

Freiberg, Fischer, Becker-Finn and Lee introduced:

H. F. No. 73, A bill for an act relating to state government; creating a commission to redesign the official state flag and the official state seal; requiring a report; repealing Minnesota Statutes 2018, sections 1.135; 1.141.

The bill was read for the first time and referred to the Committee on Government Operations.

Ecklund introduced:

H. F. No. 74, A bill for an act relating to veterans; allowing for the establishment of a veterans stable housing initiative; making technical changes to the GI Bill; authorizing the provision of dental services and adult day care center programs to veterans; classifying certain data; amending Minnesota Statutes 2018, sections 197.791, subdivisions 4, 5, 5a, 5b; 198.006; proposing coding for new law in Minnesota Statutes, chapter 196.

The bill was read for the first time and referred to the Veterans and Military Affairs Finance and Policy Division.

Ecklund introduced:

H. F. No. 75, A bill for an act relating to veterans; making technical changes to the GI Bill; amending Minnesota Statutes 2018, section 197.791, subdivisions 4, 5, 5a, 5b.

The bill was read for the first time and referred to the Veterans and Military Affairs Finance and Policy Division.

Ecklund introduced:

H. F. No. 76, A bill for an act relating to veterans; authorizing the commissioner of veteran's affairs to establish veteran adult day care programs; amending Minnesota Statutes 2018, section 198.006.

The bill was read for the first time and referred to the Veterans and Military Affairs Finance and Policy Division.

Ecklund introduced:

H. F. No. 77, A bill for an act relating to veterans; authorizing the commissioner of veterans affairs to establish a veterans stable housing initiative; classifying certain homeless veterans data; authorizing data sharing; proposing coding for new law in Minnesota Statutes, chapter 196.

The bill was read for the first time and referred to the Veterans and Military Affairs Finance and Policy Division.

Ecklund introduced:

H. F. No. 78, A bill for an act relating to veterans; authorizing the provision of dental services for residents of veterans homes; amending Minnesota Statutes 2018, section 198.006.

The bill was read for the first time and referred to the Veterans and Military Affairs Finance and Policy Division.

Franson introduced:

H. F. No. 79, A bill for an act relating to state government; directing the sale of certain state property.

The bill was read for the first time and referred to the State Government Finance Division.

Novotny introduced:

H. F. No. 80, A bill for an act relating to human services; establishing temporary fixed-cost reimbursement rates for day programs and employment service providers.

The bill was read for the first time and referred to the Health and Human Services Finance Division.

Haley introduced:

H. F. No. 81, A bill for an act relating to state government; permitting the legislature to terminate any order or rule promulgated by the governor directing a response to a peacetime emergency if the emergency is continued for more than 30 days; amending Minnesota Statutes 2018, sections 12.31, subdivision 2; 12.32.

The bill was read for the first time and referred to the Committee on Government Operations.

Koznick introduced:

H. F. No. 82, A bill for an act relating to transportation; establishing reporting requirements for certain counties that impose the county transportation sales and use tax; requiring a report; amending Minnesota Statutes 2018, section 297A.993, by adding a subdivision.

The bill was read for the first time and referred to the Transportation Finance and Policy Division.

Quam introduced:

H. F. No. 83, A bill for an act relating to state government; abolishing the Public Employment Relations Board; amending Minnesota Statutes 2018, sections 179A.04, subdivision 3; 179A.051; 179A.10, subdivision 1; 179A.13; 179A.135; repealing Minnesota Statutes 2018, sections 179A.03, subdivision 2a; 179A.041; 179A.052.

The bill was read for the first time and referred to the Committee on Government Operations.

Klevorn; Wazlawik; Nelson, M.; Huot; Christensen; Pryor; Masin; Lippert; Bahner; Long; Sandell; Elkins; Fischer and Youakim introduced:

H. F. No. 84, A bill for an act relating to health; modifying electronic monitoring requirements; modifying Board of Executives for Long-Term Service and Supports fees; establishing private enforcement of certain rights; establishing a private cause of action for retaliation in certain long-term care settings; modifying infection control requirements in certain long-term care settings; modifying hospice and assisted living bills of rights; establishing consumer protections for clients receiving assisted living services; prohibiting termination of assisted living services during a peacetime emergency; establishing procedures for transfer of clients receiving certain long-term care services during a peacetime emergency; requiring the commissioner of health to establish a state plan to control SARS-CoV-2 infections in certain long-term care settings; establishing the Long-Term Care COVID-19 Task Force; changing provisions for nursing homes, home care, and assisted living; requiring a report; appropriating money; amending Minnesota Statutes 2018, sections 144.56, by adding subdivisions; 144.652, by adding a subdivision; 144A.04, by adding subdivisions; 144A.751, subdivision 1; 144G.03, by adding subdivisions; Minnesota Statutes 2019 Supplement, sections 144.6502, subdivision 3, by adding a subdivision; 144.6512, by adding subdivisions; 144A.291, subdivision 2; 144A.4798, subdivision 3, by adding subdivisions; 144G.07, by adding subdivisions; 144G.08, subdivisions 7, 9, 23, by adding a subdivision; 144G.09, subdivision 3; 144G.10, subdivision 1, by adding a subdivision; 144G.42, subdivision 9, by adding subdivisions; 144G.45, subdivisions 2, 5; 144G.91, by adding a subdivision; 144G.92, subdivision 5, by adding a subdivision; Laws 2019, chapter 60, article 1, section 46; article 5, section 2; proposing coding for new law in Minnesota Statutes, chapters 144A; 144G.

The bill was read for the first time and referred to the Long-Term Care Division.

Xiong, J.; Gomez; Mariani; Xiong, T.; Lee; Her; Vang; Kunesh-Podein; Hassan; Noor; Moran; Mann; Richardson and Becker-Finn introduced:

H. F. No. 85, A bill for an act relating to public safety; establishing a searchable database for traffic law enforcement; requiring a report; proposing coding for new law in Minnesota Statutes, chapter 169.

The bill was read for the first time and referred to the Transportation Finance and Policy Division.

Xiong, J.; Gomez; Richardson; Mann; Hassan; Kunesh-Podein; Vang and Moran introduced:

H. F. No. 86, A bill for an act relating to public safety; prohibiting law enforcement from using tear gas, chemical weapons, and kinetic energy munitions; amending Minnesota Statutes 2018, section 624.731, subdivisions 4, 6; proposing coding for new law in Minnesota Statutes, chapter 626.

The bill was read for the first time and referred to the Public Safety and Criminal Justice Reform Finance and Policy Division.

Xiong, J.; Her; Gomez; Lee and Hassan introduced:

H. F. No. 87, A bill for an act relating to public safety; requiring professional liability insurance for peace officers; establishing liability of peace officers; amending Minnesota Statutes 2018, sections 466.03, by adding a subdivision; 466.07, subdivision 1; 626.843, subdivision 1; 626.845, by adding a subdivision.

The bill was read for the first time and referred to the Public Safety and Criminal Justice Reform Finance and Policy Division.

Gomez; Xiong, J.; Mariani; Moran; Hassan; Noor; Her; Vang; Lee; Kunesh-Podein; Xiong, T.; Mann; Richardson and Becker-Finn introduced:

H. F. No. 88, A bill for an act relating to public safety; prohibiting law enforcement from using tear gas as a means to control a crowd; amending Minnesota Statutes 2018, section 624.731, subdivisions 4, 6.

The bill was read for the first time and referred to the Public Safety and Criminal Justice Reform Finance and Policy Division.

Gomez; Hornstein; Hassan; Noor; Lee; Xiong, J.; Dehn; Davnie; Long; Jordan; Wagenius; Mariani; Moran; Her; Vang; Kunesh-Podein; Xiong, T.; Mann; Richardson and Becker-Finn introduced:

H. F. No. 89, A bill for an act relating to housing; appropriating money for homeless encampment navigation centers.

The bill was read for the first time and referred to the Housing Finance and Policy Division.

Gomez; Xiong, J.; Mariani; Moran; Hassan; Noor; Her; Vang; Lee; Kunesh-Podein; Xiong, T.; Mann; Richardson and Becker-Finn introduced:

H. F. No. 90, A bill for an act relating to public safety; imposing duties on peace officers and law enforcement agencies regarding video and audio recordings of deadly force; providing for a civil remedy; proposing coding for new law in Minnesota Statutes, chapter 13.

The bill was read for the first time and referred to the Public Safety and Criminal Justice Reform Finance and Policy Division.

Morrison introduced:

H. F. No. 91, A bill for an act relating to health care; modifying certain reimbursement provisions for direct injectable drugs for certain conditions under medical assistance; amending Minnesota Statutes 2019 Supplement, section 256B.0625, subdivision 13e.

The bill was read for the first time and referred to the Health and Human Services Finance Division.

Hausman introduced:

H. F. No. 92, A bill for an act relating to housing; providing an extension for the issuance of certain housing bonds.

The bill was read for the first time and referred to the Committee on Ways and Means.

## MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Madam Speaker:

This is to notify you that the Senate is now duly organized for the 2020 Second Special Session pursuant to the Minnesota Constitution and Minnesota Statutes.

CAL R. LUDEMAN, Secretary of the Senate

Madam Speaker:

I hereby announce the adoption by the Senate of the following Senate Concurrent Resolution, herewith transmitted:

Senate Concurrent Resolution No. 1, A Senate concurrent resolution relating to Minnesota's peacetime emergency; terminating the peacetime emergency pursuant to the authority under Minnesota Statutes, section 12.31, subdivision 2, paragraph (b).

CAL R. LUDEMAN, Secretary of the Senate

The concurrent resolution was referred to the Committee on Rules and Legislative Administration.

Madam Speaker:

I hereby announce the adoption by the Senate of the following Senate Concurrent Resolution, herewith transmitted:

Senate Concurrent Resolution No. 2, A Senate concurrent resolution relating to adjournment of the Senate and House of Representatives until the public interest warrants reconvening.

CAL R. LUDEMAN, Secretary of the Senate

#### SUSPENSION OF RULES

Winkler moved that the rules be so far suspended so that Senate Concurrent Resolution No. 2 be now considered and be placed upon its adoption. The motion prevailed.

#### SENATE CONCURRENT RESOLUTION No. 2

A Senate concurrent resolution relating to adjournment of the Senate and House of Representatives until the public interest warrants reconvening.

*Be It Resolved* by the Senate of the State of Minnesota, the House of Representatives concurring:

1. Upon its adjournment on July 13, 2020, the Senate may set its next day of meeting for July 20, 2020; may stand adjourned until the day after members of the Senate and the House of Representatives are notified to assemble pursuant to section 3; or may stand adjourned until the day after members of the Senate are notified to assemble pursuant to section 4. The majority leader of the Senate may set the precise time of day members shall reassemble under this section, section 3, or section 4.

2. Upon its adjournment on July 14, 2020, the House of Representatives may set its next day of meeting for July 20, 2020; may stand adjourned until the day after members of the House of Representatives and the Senate are notified to assemble pursuant to section 3; or may stand adjourned until the day after members of the House of Representatives are notified to assemble pursuant to section 4. The speaker of the House of Representatives may set the precise time of day members shall reassemble under this section, section 3, or section 4.

3. The majority leader of the Senate and the speaker of the House of Representatives, acting jointly after providing advance notice to the minority leader of the Senate and the minority leader of the House of Representatives, shall notify the members of the Senate and the House of Representatives, respectively, to reassemble whenever the public interest, in the opinion of the majority leader of the Senate and speaker of the House of Representatives, warrants it.

4. The majority leader of the Senate, acting individually after providing advance notice to the minority leader of the Senate and the speaker of the House of Representatives, or the speaker of the House of Representatives, acting individually after providing advance notice to the minority leader of the House of Representatives and the majority leader of the Senate, shall notify the members of the Senate or members of the House of Representatives, respectively, to reassemble in a separate and solitary session as deemed necessary by either the majority leader of the Senate or the speaker of the House of Representatives.

5. By the adoption of this resolution, each house consents to adjournment of the other house, including the adjournment of the other house at a separate and solitary session under section 4, for more than three days until July 20, 2020.

Winkler moved that Senate Concurrent Resolution No. 2 be now adopted. The motion prevailed and Senate Concurrent Resolution No. 2 was adopted.

Madam Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 2, 4 and 12.

CAL R. LUDEMAN, Secretary of the Senate

### **FIRST READING OF SENATE BILLS**

S. F. No. 2, A bill for an act relating to health care; providing a onetime payment to medical assistance dental providers to assist in covering the cost of personal protection equipment used when providing dental services to medical assistance enrollees during the COVID pandemic; appropriating money.

The bill was read for the first time.

Liebling moved that S. F. No. 2 and H. F. No. 35, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 4, A bill for an act relating to motor vehicles; requiring implementation of online driver's license knowledge testing; prohibiting the practice of reserving driving exam slots for driving schools; requiring a report on the road testing backlog; appropriating money; amending Minnesota Statutes 2018, section 171.13, by adding subdivisions.

The bill was read for the first time and referred to the Transportation Finance and Policy Division.

S. F. No. 12, A bill for an act relating to human services; modifying customized living quality improvement grants; extending portions of a COVID-19 peacetime emergency modification to economic assistance program application requirements; establishing retention and public health grants; appropriating money; amending Laws 2019, First Special Session chapter 9, article 4, section 28; article 14, section 2, subdivision 27; Laws 2020, First Special Session chapter 7, section 1, subdivision 2.

The bill was read for the first time.

Cantrell moved that S. F. No. 12 and H. F. No. 33, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

## MOTIONS AND RESOLUTIONS

Mariani moved that the names of Becker-Finn, Richardson, Moller, Moran and Mann be added as authors on H. F. No. 1. The motion prevailed.

Murphy moved that the name of Lee be added as an author on H. F. No. 3. The motion prevailed.

Moran moved that the name of Richardson be added as an author on H. F. No. 4. The motion prevailed.

Richardson moved that the name of Becker-Finn be added as an author on H. F. No. 7. The motion prevailed.

Fischer moved that the name of Claflin be added as an author on H. F. No. 8. The motion prevailed.

Gomez moved that the names of Xiong, J.; Mariani; Moran; Hassan; Noor; Her; Vang; Lee; Kunesh-Podein; Xiong, T.; Mann; Richardson and Becker-Finn be added as authors on H. F. No. 9. The motion prevailed.

Lippert moved that the names of Becker-Finn and Moller be added as authors on H. F. No. 11. The motion prevailed.

Ecklund moved that the name of Masin be added as an author on H. F. No. 12. The motion prevailed.

Carlson, L., moved that the name of Moller be added as an author on H. F. No. 14. The motion prevailed.

Hansen moved that the names of Becker-Finn, Claflin, Morrison, Her and Lee be added as authors on H. F. No. 20. The motion prevailed.

Sandstede moved that the name of Lislegard be added as an author on H. F. No. 21. The motion prevailed.

Hansen moved that the names of Huot and Tabke be added as authors on H. F. No. 22. The motion prevailed.

Bernardy moved that the name of Moller be added as an author on H. F. No. 26. The motion prevailed.

Ecklund moved that the name of Masin be added as an author on H. F. No. 31. The motion prevailed.

Cantrell moved that the names of Liebling, Schultz, Moller, Freiberg and Masin be added as authors on H. F. No. 33. The motion prevailed.

Murphy moved that the name of Lee be added as an author on H. F. No. 38. The motion prevailed.

Murphy moved that the name of Lee be added as an author on H. F. No. 39. The motion prevailed.

Kresha moved that the names of Jurgens and Robbins be added as authors on H. F. No. 59. The motion prevailed.

Richardson moved that the names of Xiong, J., and Hassan be added as authors on House Resolution No. 1. The motion prevailed.

Drazkowski, Munson and Miller introduced:

House Concurrent Resolution No. 2, A House concurrent resolution relating to Minnesota's peacetime emergency; terminating the peacetime emergency pursuant to the authority granted under Minnesota Statutes, section 12.31, subdivision 2, paragraph (b).

The concurrent resolution was referred to the Committee on Rules and Legislative Administration.

#### MOTION TO SUSPEND RULES

Daudt moved that the rules of the House be so far suspended so that House Concurrent Resolution No. 1 be recalled from the Committee on Rules and Legislative Administration and be now considered and placed upon its adoption.

A roll call was requested and properly seconded.

The question was taken on the Daudt motion and the roll was called. There were 63 yeas and 70 nays as follows:

Those who voted in the affirmative were:

Albright	Dettmer	Hamilton	Lucero	Novotny	Schomacker
Anderson	Drazkowski	Heinrich	Lueck	O'Driscoll	Scott
Backer	Erickson	Heintzeman	Marquart	O'Neill	Swedzinski
Bahr	Fabian	Hertaus	McDonald	Pelowski	Theis
Baker	Franson	Johnson	Mekeland	Petersburg	Torkelson
Bennett	Garofalo	Jurgens	Miller	Pierson	Urdahl
Boe	Green	Kiel	Munson	Poston	Vogel
Daniels	Grossell	Koznick	Nash	Quam	West
Daudt	Gruenhagen	Kresha	Nelson, N.	Robbins	
Davids	Gunther	Layman	Neu	Runbeck	
Demuth	Haley	Lislegard	Nornes	Sandstede	



Those who voted in the negative were:

Acomb	Davnie	Her	Lien	Nelson, M.	Tabke
Bahner	Dehn	Hornstein	Lillie	Noor	Vang
Becker-Finn	Ecklund	Howard	Lippert	Olson	Wagenius
Bernardy	Edelson	Huot	Long	Persell	Wazlawik
Bierman	Elkins	Jordan	Mahoney	Pinto	Winkler
Brand	Fischer	Klevorn	Mann	Poppe	Wolgamott
Cantrell	Freiberg	Koegel	Mariani	Pryor	Xiong, J.
Carlson, A.	Gomez	Kotyza-Witthuhn	Masin	Richardson	Xiong, T.
Carlson, L.	Halverson	Kunesh-Podein	Moller	Sandell	Youakim
Christensen	Hansen	Lee	Moran	Sauke	Spk. Hortman
Clafin	Hassan	Lesch	Morrison	Stephenson	
Considine	Hausman	Liebling	Murphy	Sundin	

The motion did not prevail.

#### ADJOURNMENT

Winkler moved that when the House adjourns today it adjourn until Monday, July 20, 2020 or until a time and date determined pursuant to Senate Concurrent Resolution No. 2. The motion prevailed.

Winkler moved that the House adjourn. The motion prevailed, and Speaker pro tempore Halverson declared the House stands adjourned until Monday, July 20, 2020 or until a time and date determined pursuant to Senate Concurrent Resolution No. 2.

PATRICK D. MURPHY, Chief Clerk, House of Representatives

