

A bill for an act

1.1 relating to capital investment; authorizing spending to acquire and better public
 1.2 land and buildings and other improvements of a capital nature with certain
 1.3 conditions; modifying previous appropriations; establishing new programs and
 1.4 modifying existing programs; authorizing the sale and issuance of state bonds;
 1.5 appropriating money; amending Minnesota Statutes 2014, sections 13.6905, by
 1.6 adding a subdivision; 13.7411, by adding a subdivision; 85.34, subdivision 1;
 1.7 115E.042; 160.18, by adding a subdivision; 174.52, subdivision 2; 219.015;
 1.8 299A.55; 446A.072, as amended; 446A.073, as amended; 446A.081, subdivision
 1.9 9; 446A.12, subdivision 1; 462A.37, by adding a subdivision; Minnesota
 1.10 Statutes 2015 Supplement, sections 16A.967; 162.145, subdivision 3; 462A.37,
 1.11 subdivision 5; Laws 2002, chapter 393, section 22, subdivision 6, as amended;
 1.12 Laws 2012, chapter 293, section 7, subdivision 3; Laws 2014, chapter 294,
 1.13 article 1, sections 7, subdivision 15; 17, subdivisions 6, 12; Laws 2015, First
 1.14 Special Session chapter 5, article 1, sections 10, subdivision 3; 19; proposing
 1.15 coding for new law in Minnesota Statutes, chapter 219; repealing Minnesota
 1.16 Statutes 2014, section 123A.446.
 1.17

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

ARTICLE 1

APPROPRIATIONS

1.21 Section 1. CAPITAL IMPROVEMENT APPROPRIATIONS.

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

2.1 to the capital program or project in accordance with accounting policies adopted by the
 2.2 commissioner of management and budget. Unless otherwise specified, the appropriations
 2.3 in this act are available until the project is completed or abandoned subject to Minnesota
 2.4 Statutes, section 16A.642. Unless otherwise specified in this article, money appropriated
 2.5 in this article for activities under Minnesota Statutes, sections 16B.307, 84.946, and
 2.6 135A.046, should not be used for projects that can be financed within a reasonable time
 2.7 frame under Minnesota Statutes, section 16B.322 or 16C.144. Unless otherwise specified,
 2.8 general fund appropriations in this article are onetime and are in fiscal year 2017.

2.9 **APPROPRIATIONS**

2.10 **Sec. 2. UNIVERSITY OF MINNESOTA**

2.11 **Subdivision 1. Total Appropriation** **\$ 81,567,000**

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

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

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

2.19 **Subd. 3. Chemical Sciences and Advanced**
 2.20 **Materials Science Building** **27,167,000**

2.21 To design, construct, furnish, and equip
 2.22 a new laboratory building on the Duluth
 2.23 campus, including classrooms and research
 2.24 and undergraduate instructional laboratories.

2.25 **Subd. 4. Twin Cities - Plant Growth Research**
 2.26 **Facility** **4,400,000**

2.27 To demolish the existing biological sciences
 2.28 greenhouse and to predesign, design,
 2.29 construct, furnish, and equip a greenhouse
 2.30 to support learning and research on the St.
 2.31 Paul campus.

2.32 **Subd. 5. University Share**

2.33 Except for the appropriation for HEAPR, the
 2.34 appropriations in this section are intended to

3.1 cover approximately two-thirds of the cost of
 3.2 each project. The remaining costs must be
 3.3 paid from university sources.

3.4 **Subd. 6. Unspent Appropriations**

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

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

3.23 **Subdivision 1. Total Appropriation** **\$ 107,487,000**

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

3.27 **Subd. 2. Higher Education Asset Preservation**
 3.28 **and Replacement (HEAPR)** **35,000,000**

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

3.31 **Subd. 3. Hibbing Community College** **9,958,000**

3.32 To demolish Building G and connecting
 3.33 links or portions thereof, and to construct,

- 4.1 renovate, furnish, and equip buildings, links,
 4.2 and entry spaces on the campus.
- 4.3 **Subd. 4. Minnesota State Community and**
 4.4 **Technical College**
- 4.5 **(a) Fergus Falls campus** 978,000
- 4.6 To design, renovate, furnish, and equip
 4.7 a new Center for Student and Workforce
 4.8 Success (CSWS) that integrates the Regional
 4.9 Workforce Center. The board must enter into
 4.10 a lease agreement with the commissioner of
 4.11 employment and economic development,
 4.12 or partners of the commissioner, for use of
 4.13 the workforce center subject to Minnesota
 4.14 Statutes, section 16A.695. The board must
 4.15 use nonstate money for the remainder of the
 4.16 cost of the renovation.
- 4.17 **(b) Wadena campus** 820,000
- 4.18 To design, renovate, furnish, and equip
 4.19 the relocation of the current library to
 4.20 underutilized space and converting the
 4.21 vacated space into a centralized student
 4.22 services center.
- 4.23 **Subd. 5. Northland Community and Technical**
 4.24 **College, East Grand Forks** 826,000
- 4.25 To design, renovate, furnish, and equip
 4.26 science and radiological lab space on the
 4.27 East Grand Forks campus.
- 4.28 **Subd. 6. Riverland Community College, Albert**
 4.29 **Lea** 7,427,000
- 4.30 To design, construct, furnish, and equip the
 4.31 renovation and expansion of the Trade and
 4.32 Industrial Education Center on the Albert Lea
 4.33 campus of Riverland Community College.
- 4.34 **Subd. 7. South Central College, North**
 4.35 **Mankato** 8,600,000

5.1 To design, renovate, renew, furnish, and
 5.2 equip laboratory, classroom and office spaces
 5.3 on the North Mankato campus.

5.4 **Subd. 8. St. Cloud State University** 18,572,000

5.5 To construct, renovate, furnish, and
 5.6 equip Eastman Hall for the relocation of
 5.7 consolidated student health services and
 5.8 academic programs.

5.9 **Subd. 9. Winona State University, Education**
 5.10 **Village, Phase 2** 25,306,000

5.11 To complete design, construct, renovate,
 5.12 furnish, and equip Phase 2 of the Education
 5.13 Village project, including the renovation
 5.14 of Cathedral and Wabasha Halls and
 5.15 Wabasha Rec, and remove obsolete portions
 5.16 of Wabasha Rec and the Annex building
 5.17 between Cathedral School and Wabasha Rec.

5.18 **Subd. 10. Debt Service**

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

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

6.1 (c) The commissioner of management and
6.2 budget shall reduce the board's assessment
6.3 each year by one-third of the net income
6.4 from investment of general obligation bond
6.5 proceeds in proportion to the amount of
6.6 principal and interest otherwise required to
6.7 be paid by the board. The board shall pay its
6.8 resulting net assessment to the commissioner
6.9 of management and budget by December
6.10 1 each year. If the board fails to make
6.11 a payment when due, the commissioner
6.12 of management and budget shall reduce
6.13 allotments for appropriations from the
6.14 general fund otherwise available to the board
6.15 and apply the amount of the reduction to
6.16 cover the missed debt service payment. The
6.17 commissioner of management and budget
6.18 shall credit the payments received from the
6.19 board to the bond debt service account in
6.20 the state bond fund each December 1 before
6.21 money is transferred from the general fund
6.22 under Minnesota Statutes, section 16A.641,
6.23 subdivision 10.

6.24 **Subd. 11. Unspent Appropriations**

6.25 (a) Upon substantial completion of a project
6.26 authorized in this section and after written
6.27 notice to the commissioner of management
6.28 and budget, the board must use any money
6.29 remaining in the appropriation for that
6.30 project for HEAPR under Minnesota
6.31 Statutes, section 135A.046. The Board
6.32 of Trustees must report by February 1 of
6.33 each even-numbered year to the chairs of
6.34 the house of representatives and senate
6.35 committees with jurisdiction over capital
6.36 investment and higher education finance, and

7.1 to the chairs of the house of representatives
 7.2 Ways and Means Committee and the senate
 7.3 Finance Committee, on how the remaining
 7.4 money has been allocated or spent.

7.5 (b) The unspent portion of an appropriation
 7.6 for a project in this section that is complete is
 7.7 available for HEAPR under this subdivision,
 7.8 at the same campus as the project for which
 7.9 the original appropriation was made and the
 7.10 debt service requirement under subdivision
 7.11 10 is reduced accordingly. Minnesota
 7.12 Statutes, section 16A.642, applies from the
 7.13 date of the original appropriation to the
 7.14 unspent amount transferred.

7.15 **Sec. 4. EDUCATION**

7.16 **Subdivision 1. Total Appropriation** **\$ 18,070,000**

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

7.19 **Subd. 2. Library Construction Grants** **2,000,000**

7.20 For library construction grants under
 7.21 Minnesota Statutes, section 134.45.

7.22 **Subd. 3. Red Lake - Independent School**
 7.23 **District No. 38 Facility Projects** **14,070,000**

7.24 (a) This appropriation is from the maximum
 7.25 effort school loan fund for a capital loan
 7.26 to Independent School District No. 38,
 7.27 Red Lake, as provided in Minnesota
 7.28 Statutes, sections 126C.60 to 126C.72.
 7.29 This appropriation is to complete design
 7.30 and construction of a connection structure
 7.31 between the Red Lake Early Learning
 7.32 Childhood Center and Red Lake Elementary
 7.33 School; renovations to various classrooms,
 7.34 labs, and support rooms; updating of

8.1 mechanical systems; and expansion of the
 8.2 cafeteria. Before any capital loan contract is
 8.3 approved under this subdivision, the district
 8.4 must provide documentation acceptable to
 8.5 the commissioner of education on how the
 8.6 capital loan will be used.

8.7 (b) The commissioner of administration
 8.8 may provide project management services
 8.9 to assist the Department of Education with
 8.10 oversight of the project. No money for
 8.11 construction may be distributed by the
 8.12 commissioner of education to the recipient
 8.13 school district until bids have been received
 8.14 on 100 percent of the construction documents
 8.15 and satisfactory documentation has been
 8.16 submitted to the commissioner of education
 8.17 indicating the project can be fully completed
 8.18 with money available for the project.

8.19 (c) Notwithstanding the timelines in
 8.20 Minnesota Statutes, section 126C.69,
 8.21 subdivision 11, Independent School District
 8.22 No. 38, Red Lake, must submit the question
 8.23 authorizing the borrowing of money for the
 8.24 facilities to voters of the district at the first
 8.25 general election after the effective date of
 8.26 this section.

8.27 Subd. 4. **Grand Rapids - Myles Reif Center** 500,000

8.28 From the general fund for a grant to
 8.29 Independent School District No. 318, Grand
 8.30 Rapids, to cover cost overruns for the Myles
 8.31 Reif Center for the Performing Arts project
 8.32 in Grand Rapids. This appropriation is added
 8.33 to and is for the same purposes as the project
 8.34 in Laws 2014, chapter 294, article 1, section

9.1 21, subdivision 8. This appropriation does
9.2 not require a nonstate contribution.

9.3 **Subd. 5. Olmsted County - Dyslexia Institute**
9.4 **of Minnesota** 1,500,000

9.5 For a grant to Olmsted County to acquire
9.6 land for and to predesign, design, construct,
9.7 furnish, and equip a facility in Olmsted
9.8 County to support the local, regional, and
9.9 national literacy work of the Dyslexia
9.10 Institute of Minnesota, subject to Minnesota
9.11 Statutes, section 16A.695. This appropriation
9.12 is not available until the commissioner of
9.13 management and budget determines that an
9.14 equal amount is committed from nonstate
9.15 sources.

9.16 **Sec. 5. MINNESOTA STATE ACADEMIES**

9.17 **Subdivision 1. Total Appropriation** **\$ 2,050,000**

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

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

9.21 For capital asset preservation improvements
9.22 and betterments on both campuses of the
9.23 Minnesota State Academies, to be spent in
9.24 accordance with Minnesota Statutes, section
9.25 16B.307.

9.26 **Subd. 3. Minnesota State Academies Security**
9.27 **Corridor** **50,000**

9.28 For predesign for a safety corridor on the
9.29 Minnesota State Academy for the Deaf
9.30 campus.

9.31 **Sec. 6. NATURAL RESOURCES**

9.32 **Subdivision 1. Total Appropriation** **\$ 63,211,000**

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

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

10.11 Subd. 2. **Natural Resources Asset Preservation** 25,866,000

10.12 For the renovation of state-owned facilities
10.13 and recreational assets operated by the
10.14 commissioner of natural resources to
10.15 be spent in accordance with Minnesota
10.16 Statutes, section 84.946. Notwithstanding
10.17 Minnesota Statutes, section 84.946: (1) the
10.18 commissioner may use this appropriation
10.19 to replace buildings if, considering the
10.20 embedded energy in the building, that is the
10.21 most energy-efficient and carbon-reducing
10.22 method of renovation; and (2) this
10.23 appropriation may be used for projects to
10.24 remove life safety hazards such as building
10.25 code violations or structural defects.

10.26 Subd. 3. **Flood Hazard Mitigation** 11,555,000

10.27 (a) For the state share of flood hazard
10.28 mitigation grants for publicly owned capital
10.29 improvements to prevent or alleviate flood
10.30 damage under Minnesota Statutes, section
10.31 103F.161.

10.32 (b) Levee projects, to the extent practical,
10.33 shall meet the state standard of three feet
10.34 above the 100-year flood elevation.

11.1 (c) Project priorities shall be determined by
11.2 the commissioner as appropriate and based
11.3 on need.

11.4 (d) This appropriation includes \$1,700,000
11.5 for the Cedar River Watershed District,
11.6 \$750,000 for the city of Browns Valley
11.7 project, and \$1,800,000 for the city of
11.8 Ortonville project.

11.9 (e) For any project listed in this subdivision
11.10 that the commissioner determines is not
11.11 ready to proceed or does not expend all the
11.12 money allocated to it, the commissioner may
11.13 allocate that project's money to a project on
11.14 the commissioner's priority list.

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

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

11.31 (h) Wetlands established by flood control
11.32 projects funded in this subdivision that
11.33 are not needed for replacement credit as
11.34 part of a flood damage project funded in
11.35 this subdivision, are eligible for wetland

- 12.1 replacement credit under Minnesota Statutes,
 12.2 sections 103G.222 to 103G.2243.
- 12.3 **Subd. 4. Dam Renovation, Repair, Removal** 9,000,000
- 12.4 To renovate or remove publicly owned dams.
 12.5 The commissioner shall determine project
 12.6 priorities as appropriate under Minnesota
 12.7 Statutes, sections 103G.511 and 103G.515.
- 12.8 Of this appropriation:
 12.9 \$500,000 is for emergencies on state-owned
 12.10 dams;
 12.11 \$3,600,000 is for a grant to the city of
 12.12 Lanesboro for repair of the Lanesboro dam
 12.13 and notwithstanding the match requirements
 12.14 in Minnesota Statutes, section 103G.511,
 12.15 does not require a nonstate contribution.
 12.16 This includes funding for repairs of the
 12.17 hydropower system;
 12.18 \$2,500,000 is for repairs of the Lake Bronson
 12.19 dam;
 12.20 \$500,000 is for a grant to the city of Pelican
 12.21 Rapids for engineering work for the Pelican
 12.22 Rapids dam;
 12.23 \$200,000 is for a grant to the city of Pine
 12.24 River for engineering work on the Norway
 12.25 Lake dam;
 12.26 \$200,000 is for a grant to Yellow Medicine
 12.27 County for the Canby R-6 impoundment dam;
 12.28 \$100,000 is for a grant to St. Louis County
 12.29 for the Little Stone Lake dam; and
 12.30 \$1,400,000 is for state dams at Brawner,
 12.31 West Leaf Lake, Collinwood, Grindstone
 12.32 River, and Sullivan.

13.1 If the commissioner determines that a project
 13.2 is not ready to proceed, this appropriation
 13.3 may be used for other projects on the
 13.4 commissioner's priority list.

13.5 **Subd. 5. Reforestation and Stand Improvement** 1,000,000

13.6 To provide for reforestation and stand
 13.7 improvement on state forest lands to meet
 13.8 the reforestation requirements of Minnesota
 13.9 Statutes, section 89.002, subdivision 2,
 13.10 including purchasing native seeds and native
 13.11 seedlings, planting, seeding, site preparation,
 13.12 and protection on state lands administered
 13.13 by the commissioner.

13.14 **Subd. 6. State Trail and Recreation Area**
 13.15 **Development** 11,490,000

13.16 \$2,000,000 is for acquisition and
 13.17 development of the Gitchi-Gami State Trail,
 13.18 Grand Marais to Cascade State Park, and
 13.19 through the town of Tofte.

13.20 \$2,590,000 is for the Glacial Lakes Trail, to
 13.21 complete an approximately 6-1/4 mile trail
 13.22 connection between New London and Sibley
 13.23 State Park, and repair of the bicycle trail in
 13.24 Sibley State Park.

13.25 \$3,300,000 is to design, develop, and
 13.26 complete the Heartland State Trail from
 13.27 Detroit Lakes to Frazee and, to the extent
 13.28 there is sufficient money, for work on the
 13.29 spur from Park Rapids to Itasca State Park.

13.30 \$3,600,000 is for acquisition and
 13.31 development in the Cuyuna Country State
 13.32 Recreation Area, including the Cuyuna
 13.33 Mountain Bike System.

13.34 **Subd. 7. Champlin Mill Pond** 3,300,000

14.1 For a grant to the city of Champlin to dredge
 14.2 and remove sediment and for other capital
 14.3 improvements of the Champlin Mill Pond
 14.4 necessary to improve water quality, restore
 14.5 fish habitat, and provide other public benefits.

14.6 **Subd. 8. Lake County - Prospectors ATV Trail**
 14.7 **System**

1,000,000

14.8 For a grant to Lake County for construction,
 14.9 including bridges, of the Prospectors ATV
 14.10 Trail System linking the communities of
 14.11 Ely, Babbitt, Embarrass, and Tower; Bear
 14.12 Head Lake and Lake Vermilion-Soudan
 14.13 Underground Mine State Parks; the Taconite
 14.14 State Trail; and the Lake County Regional
 14.15 ATV Trail System. This appropriation is
 14.16 not available until the commissioner of
 14.17 management and budget determines that
 14.18 an equal amount is committed from other
 14.19 sources.

14.20 **Subd. 9. Unspent Appropriations**

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

14.30 **Sec. 7. POLLUTION CONTROL AGENCY**

14.31 **Subdivision 1. Total Appropriation**

\$ 30,405,000

14.32 To the commissioner of the Pollution Control
 14.33 Agency for the purposes specified in this
 14.34 section.

15.1	<u>Subd. 2. St. Louis River Cleanup</u>	<u>12,705,000</u>
15.2	<u>To design and implement contaminated</u>	
15.3	<u>sediment management actions identified in</u>	
15.4	<u>the St. Louis River remedial action plan to</u>	
15.5	<u>restore water quality in the St. Louis River</u>	
15.6	<u>Area of Concern. The agency shall enter</u>	
15.7	<u>into partnership agreements with federal</u>	
15.8	<u>agencies, where possible, to complete this</u>	
15.9	<u>project work by December 31, 2020.</u>	
15.10	<u>Subd. 3. Closed Landfill Cleanup</u>	<u>650,000</u>
15.11	<u>To design and construct remedial systems and</u>	
15.12	<u>acquire land at closed landfills throughout the</u>	
15.13	<u>state in accordance with the closed landfill</u>	
15.14	<u>program under Minnesota Statutes, sections</u>	
15.15	<u>115B.39 to 115B.42. The agency must</u>	
15.16	<u>follow the agency priorities, which includes</u>	
15.17	<u>a construction project at the waste disposal</u>	
15.18	<u>engineering (WDE) site in Anoka County.</u>	
15.19	<u>Subd. 4. Capital Assistance Program</u>	<u>9,250,000</u>
15.20	<u>(a) For the solid waste capital assistance</u>	
15.21	<u>grant program under Minnesota Statutes,</u>	
15.22	<u>section 115A.54.</u>	
15.23	<u>(b) Of this appropriation, \$9,250,000 is for a</u>	
15.24	<u>grant to Polk County to complete a regional</u>	
15.25	<u>integrated solid waste management system.</u>	
15.26	<u>An additional renewable energy component</u>	
15.27	<u>shall not be mandated as a requirement of</u>	
15.28	<u>this project to qualify for funding under this</u>	
15.29	<u>section.</u>	
15.30	<u>Subd. 5. Redwood-Cottonwood Rivers Joint</u>	
15.31	<u>Powers - Lake Redwood Reclamation and</u>	
15.32	<u>Enhancement Project</u>	<u>7,800,000</u>
15.33	<u>For a grant to the Redwood-Cottonwood</u>	
15.34	<u>Rivers control area, a joint powers entity,</u>	

16.1 to predesign, design, construct, and equip
 16.2 the reservoir reclamation and enhancement
 16.3 of the 66-acre Lake Redwood Reservoir, to
 16.4 remove approximately 650,000 cubic yards
 16.5 of sediment and increase its depth from
 16.6 approximately 2.8 feet to approximately 20
 16.7 feet in order to secure renewable energy
 16.8 capacity of the hydroelectric dam which is
 16.9 impeded by lack of water capacity, reduce
 16.10 the flow of pollutants to the Minnesota
 16.11 River, and increase fish habitat and enhance
 16.12 recreational opportunities.

16.13 **Sec. 8. BOARD OF WATER AND SOIL**
 16.14 **RESOURCES**

16.15 **Subdivision 1. Total Appropriation** **\$ 15,000,000**

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

16.18 **Subd. 2. Reinvest in Minnesota (RIM) Reserve**
 16.19 **Program** **10,000,000**

16.20 (a) To acquire conservation easements from
 16.21 landowners to preserve, restore, create, and
 16.22 enhance wetlands and associated uplands
 16.23 of prairie and grasslands, and restore and
 16.24 enhance rivers and streams, riparian lands,
 16.25 and associated uplands of prairie and
 16.26 grasslands in order to protect soil and water
 16.27 quality, support fish and wildlife habitat,
 16.28 reduce flood damage, and provide other
 16.29 public benefits. The provisions of Minnesota
 16.30 Statutes, section 103F.515, apply to this
 16.31 program.

16.32 (b) The board shall give priority to leveraging
 16.33 federal money by enrolling targeted new
 16.34 lands or enrolling environmentally sensitive

17.1 lands that have expiring federal conservation
17.2 agreements.

17.3 (c) The board is authorized to enter into
17.4 new agreements and amend past agreements
17.5 with landowners as required by Minnesota
17.6 Statutes, section 103F.515, subdivision 5, to
17.7 allow for restoration. Of this appropriation,
17.8 up to five percent may be used for restoration
17.9 and enhancement.

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

5,000,000

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

17.35 **Sec. 9. AGRICULTURE**

18.1	<u>Subdivision 1. Total Appropriations</u>	<u>\$</u>	<u>2,824,000</u>
18.2	<u>To the commissioner of agriculture for the</u>		
18.3	<u>purposes specified in this section.</u>		
18.4	<u>Subd. 2. Agriculture Lab</u>		<u>2,218,000</u>
18.5	<u>From the general fund for equipment and</u>		
18.6	<u>instruments for the agriculture laboratory.</u>		
18.7	<u>This appropriation is available until June 30,</u>		
18.8	<u>2022.</u>		
18.9	<u>Subd. 3. AURI</u>		<u>606,000</u>
18.10	<u>From the general fund for a grant to</u>		
18.11	<u>Agricultural Utilization Research Institute</u>		
18.12	<u>(AURI) for construction of a development</u>		
18.13	<u>kitchen, sensory lab, and safety and security</u>		
18.14	<u>upgrades at AURI's Crookston facility</u>		
18.15	<u>and for communications and information</u>		
18.16	<u>technology upgrades at the Crookston,</u>		
18.17	<u>Marshall, and Waseca facilities.</u>		
18.18	<u>Sec. 10. RURAL FINANCE AUTHORITY</u>	<u>\$</u>	<u>35,000,000</u>
18.19	<u>For the purposes set forth in the Minnesota</u>		
18.20	<u>Constitution, article XI, section 5, paragraph</u>		
18.21	<u>(h), to the Rural Finance Authority to</u>		
18.22	<u>purchase participation interests in or to</u>		
18.23	<u>make direct agricultural loans to farmers</u>		
18.24	<u>under Minnesota Statutes, chapter 41B. This</u>		
18.25	<u>appropriation is from the bond proceeds</u>		
18.26	<u>account in the rural finance administration</u>		
18.27	<u>fund and is for the beginning farmer program</u>		
18.28	<u>under Minnesota Statutes, section 41B.039;</u>		
18.29	<u>the loan restructuring program under</u>		
18.30	<u>Minnesota Statutes, section 41B.04; the</u>		
18.31	<u>seller-sponsored program under Minnesota</u>		
18.32	<u>Statutes, section 41B.042; the agricultural</u>		
18.33	<u>improvement loan program under Minnesota</u>		

19.1 Statutes, section 41B.043; and the livestock
 19.2 expansion loan program under Minnesota
 19.3 Statutes, section 41B.045. All debt service
 19.4 on bond proceeds used to finance this
 19.5 appropriation must be repaid by the Rural
 19.6 Finance Authority under Minnesota Statutes,
 19.7 section 16A.643. Loan participations
 19.8 must be priced to provide full interest
 19.9 and principal coverage and a reserve for
 19.10 potential losses. Priority for loans must be
 19.11 given first to basic beginning farmer loans,
 19.12 second to seller-sponsored loans, and third to
 19.13 agricultural improvement loans.

19.14 **Sec. 11. MINNESOTA ZOOLOGICAL**
 19.15 **GARDEN**

19.16 **Subdivision 1. Total Appropriation** **\$ 4,000,000**

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

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

19.20 For capital asset preservation improvements
 19.21 and betterments to infrastructure and
 19.22 exhibits at the Minnesota Zoo, to be spent in
 19.23 accordance with Minnesota Statutes, section
 19.24 16B.307. Notwithstanding the specified
 19.25 uses of money under Minnesota Statutes,
 19.26 section 16B.307, the board may use this
 19.27 appropriation to replace buildings that are
 19.28 poor in condition, outdated, and no longer
 19.29 support the work of the Minnesota Zoo and
 19.30 to construct and renovate trails and roads on
 19.31 the Minnesota Zoo site.

19.32 **Sec. 12. ADMINISTRATION**

19.33 **Subdivision 1. Total Appropriation** **\$ 26,178,000**

20.1	<u>To the commissioner of administration for</u>	
20.2	<u>the purposes specified in this section.</u>	
20.3	<u>Subd. 2. Centennial Parking Ramp</u>	<u>10,878,000</u>
20.4	<u>(a) To complete design and for structural</u>	
20.5	<u>repairs to the Centennial parking ramp,</u>	
20.6	<u>including removal of the top deck green</u>	
20.7	<u>space to provide additional parking capacity,</u>	
20.8	<u>repairing damaged post-tension cables, and</u>	
20.9	<u>installation of a deck surface protection</u>	
20.10	<u>coating.</u>	
20.11	<u>(b) Any unexpended amount of this</u>	
20.12	<u>appropriation after completing the project</u>	
20.13	<u>in paragraph (a) may be used to design</u>	
20.14	<u>and construct a storm water retention basin</u>	
20.15	<u>adjacent to the Centennial parking ramp,</u>	
20.16	<u>if the commissioner of administration</u>	
20.17	<u>determines that the basin is feasible.</u>	
20.18	<u>Subd. 3. Capital Asset Preservation and</u>	
20.19	<u>Replacement Account</u>	<u>2,500,000</u>
20.20	<u>To be spent in accordance with Minnesota</u>	
20.21	<u>Statutes, section 16A.632.</u>	
20.22	<u>Subd. 4. Capitol Complex Monuments and</u>	
20.23	<u>Memorials</u>	<u>350,000</u>
20.24	<u>To design and complete critical repairs to the</u>	
20.25	<u>Peace Officers and Roy Wilkins Memorials</u>	
20.26	<u>located on the Capitol complex.</u>	
20.27	<u>Subd. 5. Capitol Complex - Physical Security</u>	
20.28	<u>Upgrades</u>	<u>10,500,000</u>
20.29	<u>For the design, construction, and equipping</u>	
20.30	<u>required to upgrade the physical security</u>	
20.31	<u>elements and systems for one or more of</u>	
20.32	<u>the buildings listed below, their attached</u>	
20.33	<u>tunnel systems and surrounding grounds,</u>	
20.34	<u>and parking facilities as identified in the</u>	
20.35	<u>2014 Minnesota State Capitol Complex</u>	

21.1 Physical Security Study conducted by Miller
 21.2 Dunwiddie Architecture. Work includes but
 21.3 is not limited to the installation of bollards,
 21.4 blast protection, infrastructure security screen
 21.5 walls, door access controls, emergency call
 21.6 stations, security kiosks, locking devices, and
 21.7 traffic control to the extent these funds allow.

21.8 This appropriation is for work associated
 21.9 with one or more of the following buildings:

21.10 Administration, Centennial, Judicial,
 21.11 Ag/Health Lab, Minnesota History Center,
 21.12 Minnesota History Center Loading Dock,
 21.13 Capitol Complex Power Plant and Shops,
 21.14 Stassen, State Office, and Veterans Service.

21.15 Subd. 6. **Granite Falls - Pioneer Public**
 21.16 **Television**

1,950,000

21.17 From the general fund to provide an
 21.18 equipment grant to Pioneer Public Television
 21.19 as part of the station's construction of a
 21.20 new facility in Granite Falls, Minnesota.
 21.21 The money may be used to purchase and
 21.22 install equipment necessary to the station's
 21.23 operation. This appropriation does not
 21.24 require a nonstate contribution.

21.25 Sec. 13. **MN.IT**

\$ **\$1,432,000**

21.26 To the commissioner of administration
 21.27 to predesign, design, construct, renovate,
 21.28 furnish, and equip existing state data
 21.29 center facilities at the Bureau of Criminal
 21.30 Apprehension's Maryland Avenue office
 21.31 building and at the Department of Revenue's
 21.32 Stassen Office Building for the purpose
 21.33 of decommissioning and repurposing into
 21.34 usable space.

22.1	Sec. 14. <u>MILITARY AFFAIRS</u>	<u>\$</u>	<u>2,500,000</u>
22.2	<u>To the adjutant general for asset preservation</u>		
22.3	<u>improvements and betterments of a capital</u>		
22.4	<u>nature at military affairs facilities statewide,</u>		
22.5	<u>to be spent in accordance with Minnesota</u>		
22.6	<u>Statutes, section 16B.307.</u>		
22.7	Sec. 15. <u>PUBLIC SAFETY</u>	<u>\$</u>	<u>3,521,000</u>
22.8	<u>To the adjutant general to predesign, design,</u>		
22.9	<u>construct, and equip a joint emergency</u>		
22.10	<u>railroad and pipeline emergency response</u>		
22.11	<u>training facility at Camp Ripley. The project</u>		
22.12	<u>includes construction of stations and capital</u>		
22.13	<u>infrastructure needed for mock disaster</u>		
22.14	<u>training, including infrastructure for training</u>		
22.15	<u>in hazardous materials abatement and site</u>		
22.16	<u>recovery work.</u>		
22.17	Sec. 16. <u>TRANSPORTATION</u>		
22.18	<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>272,795,000</u>
22.19	<u>To the commissioner of transportation for the</u>		
22.20	<u>purposes specified in this section.</u>		
22.21	<u>Subd. 2. Local Bridge Replacement and</u>		
22.22	<u>Rehabilitation</u>		<u>90,000,000</u>
22.23	<u>From the bond proceeds account in the state</u>		
22.24	<u>transportation fund to match federal money</u>		
22.25	<u>and to replace or rehabilitate local deficient</u>		
22.26	<u>bridges as provided in Minnesota Statutes,</u>		
22.27	<u>section 174.50.</u>		
22.28	<u>Subd. 3. Local Road Improvement Fund</u>		
22.29	<u>Grants</u>		<u>141,196,000</u>
22.30	<u>(a) From the bond proceeds account in</u>		
22.31	<u>the state transportation fund as provided</u>		
22.32	<u>in Minnesota Statutes, section 174.50, for</u>		
22.33	<u>grants under Minnesota Statutes, section</u>		

23.1 174.52, subdivision 2, for construction and
23.2 reconstruction of local roads with statewide
23.3 or regional significance under Minnesota
23.4 Statutes, section 174.52, subdivision 4, or for
23.5 grants to counties to assist in paying the costs
23.6 of rural road safety capital improvement
23.7 projects on county state-aid highways
23.8 under Minnesota Statutes, section 174.52,
23.9 subdivision 4a.

23.10 (b) Of this amount, \$9,000,000 is for a grant
23.11 to Anoka County to complete the design, land
23.12 acquisition, engineering, and construction
23.13 of County State-Aid Highway 23, known
23.14 as Lake Drive, County State-Aid Highway
23.15 54, known as West Freeway Drive, and to
23.16 Hornsby Street in the city of Columbus to
23.17 support the overall interchange project.

23.18 (c) Of this amount, \$1,000,000 is for a grant
23.19 to the town of Appleton in Swift County
23.20 for upgrades to an existing township road
23.21 to provide for a paved, ten-ton capacity
23.22 township road extending between marked
23.23 Trunk Highways 7 and 119.

23.24 (d) This appropriation includes money for a
23.25 grant to the city of Baxter for 50 percent of
23.26 total project cost for the acquisition of land
23.27 or interests in land, environmental analysis
23.28 and environmental cleanup, predesign,
23.29 design, engineering, and construction of
23.30 improvements to Cypress Drive, including
23.31 expansion to a four-lane divided urban
23.32 roadway, between Excelsior Road and
23.33 College Road.

23.34 (e) Of this amount, \$3,246,000 is for a
23.35 grant to the city of Blaine to predesign,

24.1 design, and reconstruct 105th Avenue in
24.2 the vicinity of the National Sports Center
24.3 in Blaine. The reconstruction will include
24.4 changing the street from five lanes to four
24.5 lanes with median, turn lanes, sidewalk,
24.6 trail, landscaping, lighting, and consolidation
24.7 of access driveways. This appropriation
24.8 is not available until the commissioner of
24.9 management and budget determines that at
24.10 least \$3,000,000 is committed to the project
24.11 from sources available to the city, including
24.12 municipal state aid and county turnback
24.13 funds.

24.14 (f) Of this amount, \$25,000,000 is for a grant
24.15 to Hennepin County for design, right-of-way
24.16 acquisition, engineering, and construction
24.17 of public improvements related to the
24.18 Interstate Highway 35W and Lake Street
24.19 access project and related improvements
24.20 within the Interstate Highway 35W corridor.
24.21 This appropriation is not available until
24.22 the commissioner of management and
24.23 budget determines that an amount sufficient
24.24 to complete the Interstate Highway 35W
24.25 and Lake Street access project has been
24.26 committed to the project.

24.27 (g) Of this amount, \$20,500,000 is for a grant
24.28 to Ramsey County for preliminary and final
24.29 design, environmental documentation, and
24.30 construction of the interchange of marked
24.31 Interstate Highway 694 and Rice Street in
24.32 Ramsey County.

24.33 (h) Of this amount, \$700,000 is for a grant to
24.34 Redwood County for paving Nobles Avenue
24.35 as the main access road to a new State

- 25.1 Veterans Cemetery to be located in Paxton
 25.2 Township.
- 25.3 **Subd. 4. Rail Grade Separations** 26,749,000
- 25.4 To design and construct rail safety projects at
 25.5 highway-rail grade crossings in accordance
 25.6 with Minnesota Statutes, section 219.016. Of
 25.7 this appropriation:
- 25.8 (1) \$11,987,000 is for a grant to Anoka
 25.9 County for environmental analysis, design,
 25.10 engineering, removal of an existing structure,
 25.11 and construction of a rail grade crossing
 25.12 separation at Anoka County State-Aid
 25.13 Highway 78, known as Hanson Boulevard,
 25.14 in Coon Rapids.
- 25.15 (2) \$14,762,000 is for a grant to the city
 25.16 of Red Wing for environmental analysis,
 25.17 design, engineering, removal of an existing
 25.18 structure, and construction of a rail grade
 25.19 crossing separation at Sturgeon Lake Road.
- 25.20 **Subd. 5. Railroad Warning Devices** 1,000,000
- 25.21 To design, construct, and equip new rail
 25.22 grade crossing warning safety devices at
 25.23 active highway-rail grade crossings, or to
 25.24 replace active highway-rail grade warning
 25.25 safety devices that have reached the end of
 25.26 their useful life.
- 25.27 **Subd. 6. Minnesota Valley Regional Rail**
 25.28 **Authority** 4,000,000
- 25.29 For a grant to the Minnesota Valley Regional
 25.30 Rail Authority for the rehabilitation of
 25.31 a portion of the railroad track between
 25.32 Winthrop and Hanley Falls. The grant
 25.33 under this subdivision may also be used for
 25.34 any required environmental documentation

26.1 and remediation, predesign, design, and
 26.2 rehabilitation or replacement of bridges with
 26.3 new bridges or culverts between Winthrop
 26.4 and Hanley Falls. A grant under this section
 26.5 is in addition to any grant, loan, or loan
 26.6 guarantee for this project made by the
 26.7 commissioner under Minnesota Statutes,
 26.8 sections 222.46 to 222.62. This appropriation
 26.9 is in addition to the appropriations in Laws
 26.10 2006, chapter 258, section 16, subdivision
 26.11 6; Laws 2008, chapter 179, section 16,
 26.12 subdivision 5; Laws 2009, chapter 93, article
 26.13 1, section 11, subdivision 4; Laws 2010,
 26.14 chapter 189, section 15, subdivision 5; and
 26.15 Laws 2015, First Special Session chapter 5,
 26.16 article 1, section 10, subdivision 4.

26.17 Subd. 7. **Hugo - Short Line Railway**

1,100,000

26.18 For a grant to Minnesota Commercial
 26.19 Railway for construction of repairs and
 26.20 other capital improvements to approximately
 26.21 6.5 miles of railroad track described as
 26.22 that portion of the Minnesota Commercial
 26.23 Railway main running lead, between M &
 26.24 D Junction in White Bear Lake and the end
 26.25 of the track in Hugo. This appropriation
 26.26 must be used for the purposes set forth in the
 26.27 Minnesota Constitution, article XI, section
 26.28 5, clause (i), to improve and rehabilitate
 26.29 railroad rights-of-way and other rail facilities,
 26.30 whether public or private. This appropriation
 26.31 does not require a nonstate match.

26.32 Subd. 8. **Port Development Assistance**

5,000,000

26.33 For grants under Minnesota Statutes, chapter
 26.34 457A. Any improvements made with the

27.1 proceeds of these grants must be publicly
27.2 owned.

27.3 **Subd. 9. International Falls-Koochiching**
27.4 **County Airport Commission** 3,000,000

27.5 (a) For a grant to the International
27.6 Falls-Koochiching County Airport
27.7 Commission for the following improvements
27.8 to the Falls International Airport:

27.9 (1) demolition of the existing terminal
27.10 building;

27.11 (2) rehabilitation;

27.12 (3) site preparation, including utilities and
27.13 civil work;

27.14 (4) design, construction, furnishing, and
27.15 equipping Phase II of the new terminal
27.16 building, including a Transportation Safety
27.17 Administration office, weather office,
27.18 conference room, circulation corridor, airport
27.19 administration offices, United States Customs
27.20 and Border Protection storage rooms, offices,
27.21 restrooms, passenger-processing area,
27.22 wet-hold room, interview room, search room,
27.23 precustoms and postcustoms passenger
27.24 waiting areas, and vestibule; and

27.25 (5) associated appurtenances of a capital
27.26 nature.

27.27 (b) After completion of the improvements
27.28 under paragraph (a), any unspent money
27.29 from this appropriation may be used by the
27.30 International Falls-Koochiching County
27.31 Airport Commission for a commercial
27.32 airline apron expansion project at the Falls
27.33 International Airport.

28.1 (c) This appropriation does not require a
28.2 nonstate contribution or match.

28.3 **Subd. 10. Grand Rapids Pedestrian Bridge** 750,000

28.4 For a grant to the city of Grand Rapids to
28.5 design the construction of a bridge over the
28.6 Mississippi River for pedestrian and bicycle
28.7 use to provide a safe alternative route to
28.8 the existing marked Trunk Highway 169
28.9 vehicle bridge, and to serve as a connection
28.10 to existing trail systems on each side of the
28.11 river. This appropriation is not available until
28.12 the commissioner determines that an equal
28.13 amount has been committed to the project
28.14 from nonstate sources.

28.15 **Sec. 17. METROPOLITAN COUNCIL**

28.16 **Subdivision 1. Total Appropriation** **\$ 40,350,000**

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

28.19 **Subd. 2. Metropolitan Regional Parks and**
28.20 **Trails Capital Improvements** 5,000,000

28.21 For the cost of improvements and betterments
28.22 of a capital nature and acquisition by the
28.23 council and local government units of
28.24 regional recreational open-space lands in
28.25 accordance with the council's policy plan
28.26 as provided in Minnesota Statutes, section
28.27 473.147. This appropriation must not be
28.28 used to purchase easements.

28.29 **Subd. 3. Metro Orange Line BRT** 12,100,000

28.30 Up to \$12,100,000, but an amount that
28.31 is no more than ten percent of the total
28.32 project cost, is for the Metropolitan Council,
28.33 or for the Metropolitan Council to make
28.34 grants to political subdivisions, for design,

29.1 acquisition of right-of-way, engineering, and
 29.2 construction of capital improvements along
 29.3 the I-35W corridor for completion of the
 29.4 Metro Orange Bus Rapid Transit (BRT) Line.

29.5 **Subd. 4. Mall of America Station** 8,750,000

29.6 For design and construction of improvements
 29.7 to the Mall of America Station on the
 29.8 Hiawatha Corridor light rail transit line,
 29.9 subject to Minnesota Statutes, section
 29.10 16A.695. The Metropolitan Council must
 29.11 consult with the city of Bloomington
 29.12 throughout the design and construction
 29.13 process.

29.14 **Subd. 5. Metropolitan Cities Inflow and**
 29.15 **Infiltration Grants** 2,500,000

29.16 For grants to cities within the metropolitan
 29.17 area, as defined in Minnesota Statutes,
 29.18 section 473.121, subdivision 2, for capital
 29.19 improvements in municipal wastewater
 29.20 collection systems to reduce the amount of
 29.21 inflow and infiltration to the Metropolitan
 29.22 Council's metropolitan sanitary sewer
 29.23 disposal system. Grants from this
 29.24 appropriation are for up to 50 percent of the
 29.25 cost to mitigate inflow and infiltration in
 29.26 the publicly owned municipal wastewater
 29.27 collection systems. To be eligible for a grant,
 29.28 a city must be identified by the council
 29.29 as a contributor of excessive inflow and
 29.30 infiltration in the metropolitan disposal
 29.31 system or have a measured flow rate within 20
 29.32 percent of its allowable council-determined
 29.33 inflow and infiltration limits. The council
 29.34 must award grants based on applications
 29.35 from cities that identify eligible capital

30.1 costs and include a timeline for inflow and
 30.2 infiltration mitigation construction, pursuant
 30.3 to guidelines established by the council.

30.4 **Subd. 6. St. Paul - Como Zoo** **12,000,000**

30.5 For a grant to the city of St. Paul for
 30.6 predesign, design, and engineering of Phase I
 30.7 of the renovation of seal and sea lion habitat
 30.8 at the Como Zoo. The renovated habitat
 30.9 will support the zoo education programs.
 30.10 This appropriation is not available until
 30.11 the commissioner of management and
 30.12 budget determines that at least \$1,100,000
 30.13 is committed to the project from nonstate
 30.14 sources.

30.15 **Sec. 18. HEALTH** **\$ 2,335,000**

30.16 From the general fund in fiscal year 2017 to
 30.17 the commissioner of health for equipment
 30.18 and instruments for the public health
 30.19 laboratory. Notwithstanding Minnesota
 30.20 Statutes, section 16A.642, this appropriation
 30.21 is available until June 30, 2022.

30.22 **Sec. 19. HUMAN SERVICES**

30.23 **Subdivision 1. Total Appropriation** **\$ 84,271,000**

30.24 To the commissioner of administration, or
 30.25 another named agency, for the purposes
 30.26 specified in this section.

30.27 **Subd. 2. Minnesota Security Hospital - St.**
 30.28 **Peter** **57,611,000**

30.29 To complete design, remodel, construct,
 30.30 furnish, and equip the second phase of the
 30.31 two-phase project to remodel existing and to
 30.32 develop new residential, program, activity,
 30.33 and ancillary facilities for the Minnesota

31.1 Security Hospital on the upper campus of the
 31.2 St. Peter Regional Treatment Center. This
 31.3 does not include construction of a new 48-bed
 31.4 transitional housing unit. This appropriation
 31.5 includes money to: demolish, renovate, and
 31.6 remodel existing space; construct new space;
 31.7 address fire and life safety, and other building
 31.8 code deficiencies; replace or renovate
 31.9 interior finishes; purchase furnishings,
 31.10 fixtures, and equipment; replace or renovate
 31.11 the Minnesota Security Hospital building's
 31.12 HVAC, plumbing, electrical, security, and life
 31.13 safety systems; tuck-point; replace windows
 31.14 and doors; design and abate asbestos and
 31.15 hazardous materials; and complete site work
 31.16 necessary to support the programmed use
 31.17 of the facilities on the St. Peter Regional
 31.18 Treatment Center upper campus.

31.19 **Subd. 3. Child and Adolescent Behavioral**
 31.20 **Health Services**

7,530,000

31.21 To purchase land in or near the city of
 31.22 Willmar for, and to predesign, design,
 31.23 construct, furnish, and equip, a 16-bed
 31.24 psychiatric hospital facility of approximately
 31.25 17,500 to 18,000 square feet that will house
 31.26 the Child and Adolescent Behavioral Health
 31.27 Services (CABHS) program. The facility
 31.28 shall include space for single bedrooms,
 31.29 bathing and toilets, dining, living, group and
 31.30 treatment rooms, education space, visitation,
 31.31 clinic/professional staff, operations staff,
 31.32 patient storage, operations storage, food
 31.33 preparation, HVAC/telecommunications/data
 31.34 equipment, a small area for indoor recreation,
 31.35 and a secure outdoor activity space. The
 31.36 property for the facility will provide for staff

32.1 and visitor parking, outdoor activities, and
32.2 appropriate side, front, and rear setbacks.

32.3 **Subd. 4. Anoka Metro Regional Treatment**
32.4 **Center Safety and Security Renovations**

2,250,000

32.5 To provide security upgrades of a capital
32.6 nature at the Anoka Metro Regional
32.7 Treatment Center campus, including but
32.8 not limited to control centers, electronic
32.9 monitoring and perimeter security
32.10 equipment, new or updated security fencing,
32.11 and other building security renovations. This
32.12 appropriation includes money for: predesign,
32.13 design, furnishing, fixtures, and equipment;
32.14 construction of safety and security
32.15 improvements to courtyards on residential
32.16 treatment units; securely enclosing the
32.17 nursing station on Unit G; and installing a
32.18 campus-wide closed-circuit television video
32.19 security system, a facility-wide personal
32.20 duress alarm system, a key control system,
32.21 and an electronic access control system.

32.22 **Subd. 5. Regional Medical Examiner's Facility**

2,680,000

32.23 To the commissioner of human services for
32.24 a grant to Hennepin County to design an
32.25 approximately 67,000 square foot regional,
32.26 state-of-the-art medical examiner's facility.
32.27 The facility shall: (1) provide forensic
32.28 death investigation and autopsy services
32.29 for Dakota, Hennepin, and Scott Counties
32.30 with the flexibility to accommodate future
32.31 partner counties and agencies; (2) serve as a
32.32 teaching facility for the state, on the science
32.33 of forensic pathology; and (3) be located in
32.34 the city of Bloomington as a site that best
32.35 supports access needs for the three founding

33.1 counties and reasonable scene response times
33.2 for the geographic service area.

33.3 **Subd. 6. Perspectives Family Center in St.**
33.4 **Louis Park**

600,000

33.5 From the general fund to the commissioner
33.6 of human services for a grant to Perspectives,
33.7 Inc. to predesign and design the expansion
33.8 and renovation of the existing Perspectives
33.9 Family Center facility in St. Louis Park.

33.10 The expanded and renovated facility must
33.11 be used to promote the public welfare
33.12 by providing any or all of the following
33.13 programs and services: (1) supportive
33.14 housing programs for homeless women
33.15 and their children; (2) mental and chemical
33.16 health programs; (3) employment services;
33.17 (4) academic, social skills, and nutritional
33.18 programs for homeless and at-risk children;
33.19 (5) an all-day therapeutic early childhood
33.20 development program for homeless and
33.21 at-risk children; and (6) a culturally sensitive
33.22 safe and nurturing environment for at-risk
33.23 children to meet with their nonresidential
33.24 parents. This appropriation is not available
33.25 until the commissioner of management and
33.26 budget has determined that at least an equal
33.27 amount has been expended or committed to
33.28 the project from nonstate sources. Nonstate
33.29 money spent on the project since May 1,
33.30 2015, shall be included in the determination
33.31 of nonstate commitments to the project.

33.32 **Subd. 7. The Family Partnership**

1,600,000

33.33 To the commissioner of human services
33.34 from the general fund for a grant to the
33.35 Family Partnership to predesign and design

34.1 a facility in Minneapolis to provide mental
 34.2 health, early childhood education, and other
 34.3 services to support children and families.

34.4 This appropriation is not available until at
 34.5 least an equal amount of money is committed
 34.6 from nonstate resources.

34.7 **Subd. 8. St. Paul - Dorothy Day Opportunity**
 34.8 **Center** 12,000,000

34.9 To the commissioner of human services for
 34.10 a grant to the city of St. Paul to predesign,
 34.11 design, construct, furnish, and equip an
 34.12 opportunity center to serve as an integrated
 34.13 one-stop delivery system connecting persons
 34.14 at risk of becoming homeless, and persons
 34.15 working to move up and out of homelessness,
 34.16 and to provide services that improve
 34.17 their health, income, housing stability, or
 34.18 well-being, subject to Minnesota Statutes,
 34.19 section 16A.695. This appropriation may be
 34.20 used to acquire property for these purposes.

34.21 This appropriation is not available until the
 34.22 commissioner of management and budget has
 34.23 determined that at least an equal amount has
 34.24 been committed to the project from nonstate
 34.25 sources. This appropriation is in addition to
 34.26 the appropriation in Laws 2014, chapter 294,
 34.27 article 1, section 18, subdivision 9.

34.28 **Sec. 20. VETERANS AFFAIRS** **\$ 5,000,000**

34.29 To the commissioner of administration
 34.30 for asset preservation improvements and
 34.31 betterments of a capital nature at the veterans
 34.32 homes in Minneapolis, Hastings, Fergus
 34.33 Falls, Silver Bay, and Luverne, to be spent in
 34.34 accordance with Minnesota Statutes, section
 34.35 16B.307.

35.1 **Sec. 21. CORRECTIONS**

35.2 **Subdivision 1. Total Appropriation** **\$ 40,900,000**

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

35.5 **Subd. 2. Asset Preservation** **20,000,000**

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

35.11 **Subd. 3. Minnesota Correctional Facility - St.**
35.12 **Cloud** **19,000,000**

35.13 To construct and equip a new intake unit and
35.14 a loading dock with a secure connection to
35.15 a new central warehouse at the Minnesota
35.16 Correctional Facility – St. Cloud.

35.17 **Subd. 4. Minnesota Correctional Facility -**
35.18 **Moose Lake** **1,900,000**

35.19 To design, expand, renovate, and equip the
35.20 outdated master control center to improve
35.21 security and efficiency at the Minnesota
35.22 Correctional Facility - Moose Lake. The
35.23 renovation includes updating fire alarm
35.24 panels and mechanical and electrical systems
35.25 and improving visibility of the visiting area.

35.26 **Subd. 5. Unspent Appropriations**

35.27 The unspent portion of an appropriation for
35.28 a Department of Corrections project in this
35.29 section that is complete, upon written notice
35.30 to the commissioner of management and
35.31 budget, is available for asset preservation
35.32 under Minnesota Statutes, section 16B.307.
35.33 Minnesota Statutes, section 16A.642, applies

36.1 from the date of the original appropriation to
 36.2 the unspent amount transferred.

36.3 **Sec. 22. EMPLOYMENT AND ECONOMIC**
 36.4 **DEVELOPMENT**

36.5 **Subdivision 1. Total Appropriation** **\$** **93,350,000**

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

36.9 **Subd. 2. Transportation Economic**
 36.10 **Development** **7,000,000**

36.11 For grants under Minnesota Statutes, section
 36.12 116J.436.

36.13 **Subd. 3. Greater Minnesota Business**
 36.14 **Development Public Infrastructure Grants** **12,000,000**

36.15 For grants under Minnesota Statutes, section
 36.16 116J.431.

36.17 **Subd. 4. Innovative Business Development**
 36.18 **Public Infrastructure Grants** **2,500,000**

36.19 For grants under Minnesota Statutes, section
 36.20 116J.435.

36.21 **Subd. 5. Bemidji - Regional Dental Facility** **4,500,000**

36.22 For a grant to the city of Bemidji to acquire
 36.23 land for and to predesign, design, construct,
 36.24 renovate, furnish, and equip a regional dental
 36.25 facility in Bemidji, subject to Minnesota
 36.26 Statutes, section 16A.695. This appropriation
 36.27 is not available until the commissioner of
 36.28 management and budget has determined that
 36.29 at least \$3,000,000 has been committed to
 36.30 the project from nonstate sources. The value
 36.31 of the land purchased or acquired by the city
 36.32 after January 1, 2016, for this facility shall
 36.33 count toward the nonstate match.

36.34 **Subd. 6. Duluth - Steam Plant** **15,000,000**

37.1 For a grant to the city of Duluth for one or
 37.2 more of the following: complete the design
 37.3 of and renovate, construct, furnish, and equip
 37.4 an upgrade to the municipal district heating
 37.5 facility and systems, including conversion of
 37.6 the distribution system along Superior Street
 37.7 from steam, with no condensate return, to
 37.8 closed-loop hot water, subject to Minnesota
 37.9 Statutes, section 16A.695. This appropriation
 37.10 is not available until the commissioner of
 37.11 management and budget determines that an
 37.12 amount sufficient to complete a distinct phase
 37.13 of the project converting the steam system to
 37.14 hot water is committed from nonstate sources.

37.15 Subd. 7. **Eagle's Healing Nest** 300,000

37.16 From the general fund for a grant to Eagle's
 37.17 Healing Nest in Sauk Centre.

37.18 Subd. 8. **Hennepin County - Hennepin Center**
 37.19 **for the Arts** 5,000,000

37.20 From the general fund for a grant to
 37.21 Hennepin County for improvements and
 37.22 betterments of a capital nature to renovate
 37.23 the historic Hennepin Center for the Arts.
 37.24 This appropriation is available after the
 37.25 commissioner of management and budget
 37.26 determines that \$3,000,000 has been
 37.27 committed to complete the project from
 37.28 nonstate sources.

37.29 Subd. 9. **Hermantown - Arrowhead Regional**
 37.30 **Health and Wellness Center** 8,000,000

37.31 For a grant to the city of Hermantown
 37.32 to prepare the middle school site on the
 37.33 Hermantown School District campus,
 37.34 including demolition of a portion of the
 37.35 middle school, and to design, construct a

38.1 new addition to the middle school building
 38.2 and renovate the remaining existing building,
 38.3 furnish, and equip the facility as the
 38.4 Arrowhead Regional Health and Wellness
 38.5 Center. The city may enter into lease or
 38.6 management agreements under Minnesota
 38.7 Statutes, section 16A.695, for operation of
 38.8 the center. This appropriation is not available
 38.9 until at least an equal amount is committed
 38.10 to the project from nonstate sources.

38.11 **Subd. 10. Litchfield - Phase 2 Power**
 38.12 **Generation Improvements** 3,000,000

38.13 For a grant to the city of Litchfield to
 38.14 design and construct electrical generation
 38.15 improvements in the city of Litchfield
 38.16 to expand the current standby capacity,
 38.17 including replacement of two old generators.
 38.18 This appropriation is not available until the
 38.19 commissioner of management and budget
 38.20 determines that at least an equal amount
 38.21 is committed to the project from nonstate
 38.22 sources.

38.23 **Subd. 11. Madelia** 98,000

38.24 For a grant to the city of Madelia for repair
 38.25 and replacement of a capital nature of public
 38.26 infrastructure damaged by a fire in Madelia
 38.27 in February 2016. This appropriation does
 38.28 not require a nonstate contribution.

38.29 **Subd. 12. Minneapolis - Norway House** 5,000,000

38.30 From the general fund for a grant to
 38.31 the Norway House to acquire land and
 38.32 predesign, design, construct, furnish, and
 38.33 equip a conference and event center at 913
 38.34 East Franklin Avenue and adjacent property
 38.35 in Minneapolis to celebrate the culture of

39.1 Norway and American Norwegians. This
 39.2 appropriation is not available until at least
 39.3 an equal amount is committed from nonstate
 39.4 sources. Land purchased for this expansion
 39.5 project shall count toward the nonstate match.

39.6 **Subd. 13. Minneapolis - Pioneers and Soldiers**
 39.7 **Cemetery Restoration**

1,029,000

39.8 For a grant to the city of Minneapolis to
 39.9 restore the historic steel and limestone pillar
 39.10 fence along Cedar Avenue and Lake Street,
 39.11 install a new steel fence and pillars along 21st
 39.12 Avenue South, and install a waterproofing
 39.13 system for preservation of the fence and
 39.14 pillars, at the Pioneer and Soldiers Cemetery.
 39.15 This appropriation is available after the
 39.16 commissioner of management and budget
 39.17 determines that \$394,000 is committed from
 39.18 nonstate sources.

39.19 **Subd. 14. Polk County - North Country Food**
 39.20 **Bank in Crookston**

3,000,000

39.21 For a grant to Polk County to predesign,
 39.22 design, construct, renovate, furnish, and
 39.23 equip a regional charitable food warehouse,
 39.24 distribution, and office facility in the city of
 39.25 Crookston, subject to Minnesota Statutes,
 39.26 section 16A.695. This appropriation is
 39.27 not available until the commissioner of
 39.28 management and budget determines that at
 39.29 least an equal amount has been committed to
 39.30 the project from nonstate sources. The value
 39.31 of the land purchased or acquired by the
 39.32 county after January 1, 2013, for this facility
 39.33 shall count toward the nonstate match.

39.34 **Subd. 15. Red Wing - River Town Renaissance**

4,480,000

40.1 For a grant to the city of Red Wing to
 40.2 complete removal and replacement of
 40.3 approximately 250 linear feet of the harbor
 40.4 retaining wall; to design, construct, furnish,
 40.5 and equip the renovation of the historic
 40.6 T.B. Sheldon Performing Arts Theater; and
 40.7 to design and construct transient riverboat
 40.8 docking facilities, levee wall extension, and
 40.9 levee promenade improvements at Levee
 40.10 Park. This appropriation is not available
 40.11 until the commissioner of management and
 40.12 budget determines that an amount sufficient
 40.13 to complete the project has been committed
 40.14 from nonstate sources.

40.15 Subd. 16. **St. James - Public Infrastructure** 3,443,000

40.16 For a grant to the city of St. James. Of
 40.17 this amount, \$2,193,000 is for engineering,
 40.18 right-of-way acquisition, and reconstruction
 40.19 of streets, sidewalks, storm water and
 40.20 sanitary sewer, water mains, lighting,
 40.21 utilities, and other capital improvements of
 40.22 publicly owned infrastructure required for
 40.23 the reconstruction of marked Trunk Highway
 40.24 4 in the city of St. James, and \$1,250,000
 40.25 is to replace the storm sewer drain which
 40.26 serves St. James Lake and the entire southern
 40.27 section of the City of St. James.

40.28 Subd. 17. **St. Paul - Science Museum of**
 40.29 Minnesota Building Preservation 13,000,000

40.30 For a grant to the city of St. Paul for
 40.31 predesign, design, and construction work
 40.32 to replace water-damaged elements of the
 40.33 Science Museum of Minnesota's exterior
 40.34 envelope and some resultant interior damage
 40.35 caused by latent design and construction

41.1 defects, subject to Minnesota Statutes, section
 41.2 16A.695. This appropriation is not available
 41.3 until the commissioner of management and
 41.4 budget determines that an equal amount has
 41.5 been committed to the project from nonstate
 41.6 sources. Capital costs paid by the Science
 41.7 Museum of Minnesota since January 1, 2014,
 41.8 relating to the water intrusion damage, shall
 41.9 count towards the match requirement.

41.10 **Subd. 18. St. Paul Port Authority - Minnesota**
 41.11 **Museum of American Art**

6,000,000

41.12 For a grant to the St. Paul Port Authority
 41.13 to acquire, design, construct, furnish, and
 41.14 equip improvements for the Minnesota
 41.15 Museum of American Art in the historic
 41.16 Pioneer Endicott Building renovation.
 41.17 The project shall include galleries and
 41.18 education facilities, access to the St. Paul
 41.19 skyway, museum loading, and other capital
 41.20 improvements required for a museum and
 41.21 related education facility. The St. Paul Port
 41.22 Authority may operate a museum, including
 41.23 art exhibition galleries, education facilities,
 41.24 and related access and support facilities,
 41.25 and may enter into a lease or management
 41.26 agreement, subject to Minnesota Statutes,
 41.27 section 16A.695, for the operation of
 41.28 this program. The appropriation shall be
 41.29 available upon a determination by the
 41.30 commissioner of management and budget
 41.31 that at least \$6,000,000 of nonstate funds
 41.32 have been raised for the project and there
 41.33 are sufficient funds to complete the overall
 41.34 project. Amounts expended for this project
 41.35 from nonstate sources since January 1, 2013,
 41.36 shall count toward the nonstate match.

42.1 **Sec. 23. PUBLIC FACILITIES AUTHORITY**42.2 **Subdivision 1. Total Appropriation** **\$ 143,366,000**42.3 To the Public Facilities Authority for the
42.4 purposes specified in this section.42.5 **Subd. 2. State Match for Federal Grants** **17,000,000**42.6 To match federal grants for the clean water
42.7 revolving fund under Minnesota Statutes,
42.8 section 446A.07, and the drinking water
42.9 revolving fund under Minnesota Statutes,
42.10 section 446A.081. This appropriation must
42.11 be used for qualified capital projects.42.12 **Subd. 3. Water Infrastructure Funding**
42.13 **Program** **70,000,000**42.14 (a) For grants to eligible municipalities under
42.15 the water infrastructure funding program
42.16 under Minnesota Statutes, section 446A.072.42.17 (b) \$51,500,000 is for wastewater projects
42.18 listed on the Pollution Control Agency's
42.19 project priority list in the fundable range
42.20 under the clean water revolving fund
42.21 program.42.22 (c) \$18,500,000 is for drinking water projects
42.23 listed on the commissioner of health's project
42.24 priority list in the fundable range under the
42.25 drinking water revolving fund program.42.26 (d) After all eligible projects under
42.27 paragraph (b) or (c) have been funded, the
42.28 Public Facilities Authority may transfer
42.29 any remaining, uncommitted money to
42.30 eligible projects under a program defined in
42.31 paragraph (b) or (c) based on that program's
42.32 project priority list.42.33 **Subd. 4. Point Source Implementation Grants**
42.34 **Program** **46,500,000**

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

43.6 **Subd. 5. Big Lake Area Sanitary District -**
 43.7 **Sewer System and Force Main** 1,200,000

43.8 For a grant to the Big Lake Area Sanitary
 43.9 District to construct a pressure sewer system
 43.10 and force main to convey sewage to the
 43.11 Western Lake Superior Sanitary District
 43.12 connection in the city of Cloquet. This
 43.13 appropriation is not available until the
 43.14 commissioner of management and budget
 43.15 determines that an equal amount is committed
 43.16 from nonstate sources. This appropriation
 43.17 is in addition to the appropriation in Laws
 43.18 2014, chapter 294, article 1, section 22,
 43.19 subdivision 4.

43.20 **Subd. 6. Dennison - Sewage Treatment System**
 43.21 **Improvements** 726,000

43.22 For a grant to the city of Dennison
 43.23 to predesign, design, and construct a
 43.24 new lift station and make sewage pond
 43.25 improvements. This appropriation does not
 43.26 require a nonstate contribution.

43.27 **Subd. 7. East Grand Forks Wastewater**
 43.28 **Interconnection Infrastructure** 5,300,000

43.29 For a grant to the city of East Grand
 43.30 Forks to design and construct wastewater
 43.31 infrastructure improvements interconnecting
 43.32 the wastewater system of East Grand Forks
 43.33 to the wastewater treatment system in Grand
 43.34 Forks, North Dakota. This appropriation
 43.35 may not be used for improvements outside
 43.36 the state. This appropriation is in addition

44.1 to grants under Minnesota Statutes, section
44.2 446A.072. A nonstate match is not required.

44.3 **Subd. 8. Koochiching County - Voyageurs**
44.4 **National Park Clean Water Project**

2,000,000

44.5 (a) For a grant to Koochiching County to
44.6 acquire land or interests in land, and to design,
44.7 engineer, construct, and equip sanitary
44.8 sewage systems and facilities to implement a
44.9 portion or portions of the Voyageurs National
44.10 Park clean water project comprehensive
44.11 plan. This appropriation is available after the
44.12 commissioner of management and budget
44.13 determines that \$4,500,000 is committed
44.14 from nonstate sources.

44.15 (b) This appropriation is in addition to
44.16 the appropriation in Laws 2014, chapter
44.17 294, article 1, section 22, subdivision 7.
44.18 Notwithstanding the match requirement in
44.19 Laws 2014, chapter 294, article 1, section
44.20 22, subdivision 7, the nonstate match
44.21 required for this appropriation and the 2014
44.22 appropriation for a grant to Koochiching
44.23 County is 25 percent of the state grant
44.24 amounts. Any money remaining from this
44.25 appropriation after completion of the projects
44.26 in paragraph (a) is available for grants to
44.27 Koochiching County or St. Louis County to
44.28 be used for other capital projects described
44.29 in the comprehensive plan and as determined
44.30 by the Voyageur's National Park Clean Water
44.31 Joint Powers Board.

44.32 **Subd. 9. Lilydale - Highway 13 Storm Water**
44.33 **Conveyance**

140,000

44.34 From the general fund for a grant to the city
44.35 of Lilydale to design, acquire, construct, and
44.36 install a storm water sewer and drop structure

45.1 along Trunk Highway 13 in Lilydale that
 45.2 will be large enough to effectively collect
 45.3 water from springs and storm water runoff
 45.4 from above the road and safely convey the
 45.5 water to below the bluff. The city must
 45.6 coordinate this project with the Department
 45.7 of Transportation's Trunk Highway 13
 45.8 project. The appropriation and project also
 45.9 include capital repairs and improvements
 45.10 to existing drainage structures along the
 45.11 Big Rivers Regional Trail at the base of the
 45.12 bluff. This appropriation does not require a
 45.13 nonstate contribution.

45.14 **Subd. 10. Oronoco - Wastewater Collection**
 45.15 **and Treatment Facilities**

500,000

45.16 From the general fund for a grant to the
 45.17 city of Oronoco to commission a study to
 45.18 evaluate options for solving the wastewater
 45.19 infrastructure needs for the region including
 45.20 the city of Oronoco, the city of Pine Island,
 45.21 or the city of Rochester. This appropriation
 45.22 does not require a nonstate match.

45.23 **Sec. 24. MINNESOTA HOUSING FINANCE**
 45.24 **AGENCY**

\$ 10,000,000

45.25 For transfer to the housing development
 45.26 fund to finance the costs of rehabilitation to
 45.27 preserve public housing under Minnesota
 45.28 Statutes, section 462A.202, subdivision
 45.29 3a. For purposes of this section, "public
 45.30 housing" means housing for low-income
 45.31 persons and households financed by the
 45.32 federal government and owned and operated
 45.33 by the public housing authorities and
 45.34 agencies formed by cities and counties.
 45.35 Public housing authorities receiving a public

46.1 housing assessment composite score of 80
 46.2 or above or an equivalent designation are
 46.3 eligible to receive funding. Priority must be
 46.4 given to proposals that maximize federal or
 46.5 local resources to finance the capital costs.
 46.6 The priority in Minnesota Statutes, section
 46.7 462A.202, subdivision 3a, for projects to
 46.8 increase the supply of affordable housing and
 46.9 the restrictions of Minnesota Statutes, section
 46.10 462A.202, subdivision 7, do not apply to this
 46.11 appropriation.

46.12 **Sec. 25. MINNESOTA HISTORICAL**
 46.13 **SOCIETY**

46.14 **Subdivision 1. Total Appropriation** **\$ 2,500,000**

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

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

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

46.25 **Sec. 26. BOND SALE EXPENSES** **\$ 1,070,000**

46.26 To the commissioner of management
 46.27 and budget for bond sale expenses under
 46.28 Minnesota Statutes, section 16A.641,
 46.29 subdivision 8.

46.30 **Sec. 27. BOND SALE AUTHORIZATION.**

46.31 Subdivision 1. **Bond proceeds fund.** To provide the money appropriated in this act
 46.32 from the bond proceeds fund, the commissioner of management and budget shall sell and
 46.33 issue bonds of the state in an amount up to \$823,167,000 in the manner, upon the terms,

47.1 and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and
47.2 by the Minnesota Constitution, article XI, sections 4 to 7.

47.3 Subd. 2. **Transportation fund.** To provide the money appropriated in this act from
47.4 the state transportation fund, the commissioner of management and budget shall sell and
47.5 issue bonds of the state in an amount up to \$231,196,000 in the manner, upon the terms,
47.6 and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and
47.7 by the Minnesota Constitution, article XI, sections 4 to 7.

47.8 Subd. 3. **Maximum effort school loan fund.** To provide the money appropriated
47.9 in this act from the maximum effort school loan fund, the commissioner of management
47.10 and budget shall sell and issue bonds of the state in an amount up to \$14,070,000 in the
47.11 manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections
47.12 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7.

47.13 Sec. 28. **CANCELLATIONS; BOND SALE AUTHORIZATION REDUCTIONS.**

47.14 (a) The remaining uncommitted appropriations from the bond proceeds fund in Laws
47.15 1990, chapter 610, are canceled and the bond sale authorization in Laws 1990, chapter
47.16 610, article 1, section 30, subdivision 1, as amended, is reduced by \$3,129.

47.17 (b) The remaining uncommitted appropriations from the bond proceeds fund in
47.18 Laws 1994, chapter 643, are canceled and the bond sale authorization in Laws 1994,
47.19 chapter 643, section 31, subdivision 1, as amended, is reduced by \$24,480.

47.20 (c) The remaining uncommitted appropriations from the bond proceeds fund in Laws
47.21 1997, Second Special Session chapter 2, are canceled and the bond sale authorization in
47.22 Laws 1997, Second Special Session chapter 2, section 12, as amended, is reduced by
47.23 \$96,992.

47.24 (d) The remaining uncommitted appropriations from the bond proceeds fund in
47.25 Laws 1999, chapter 240, are canceled and the bond sale authorization in Laws 1999,
47.26 chapter 240, article 1, section 13, subdivision 1, as amended, is reduced by \$212,472.

47.27 (e) The remaining uncommitted appropriations from the bond proceeds fund in Laws
47.28 2000, chapter 492, are canceled and the bond sale authorization in Laws 2000, chapter
47.29 492, article 1, section 26, subdivision 1, as amended, is reduced by \$7,933,538.

47.30 (f) The remaining uncommitted appropriations from the bond proceeds fund in Laws
47.31 2002, chapter 393, are canceled and the bond sale authorization in Laws 2002, chapter
47.32 393, section 30, subdivision 1, as amended, is reduced by \$188,471.

47.33 (g) The remaining uncommitted appropriations from the bond proceeds fund in Laws
47.34 2002, First Special Session chapter 1, are canceled and the bond sale authorization in Laws
47.35 2002, First Special Session chapter 1, section 9, subdivision 1, is reduced by \$217,959.

48.1 (h) The remaining uncommitted appropriations from the trunk highway bond
48.2 proceeds fund in Laws 2003, First Special Session chapter 19, article 3, are canceled and
48.3 the bond sale authorization in Laws 2003, First Special Session chapter 19, article 3,
48.4 section 2, is reduced by \$201,530.

48.5 (i) The remaining uncommitted appropriations from the trunk highway bond
48.6 proceeds fund in Laws 2003, First Special Session chapter 19, article 4, are canceled and
48.7 the bond sale authorization in Laws 2003, First Special Session chapter 19, article 4,
48.8 section 4, is reduced by \$326,534.

48.9 (j) The remaining uncommitted appropriations from the bond proceeds fund in Laws
48.10 2005, chapter 20, are canceled and the bond sale authorization in Laws 2005, chapter 20,
48.11 article 1, section 28, subdivision 1, as amended, is reduced by \$3,366,628.

48.12 (k) The \$700,000 appropriation from the bond proceeds fund in Laws 2011, First
48.13 Special Session chapter 12, section 13, subdivision 8, for St. Louis Park noise barriers, is
48.14 canceled and the bond sale authorization in Laws 2011, First Special Session chapter 12,
48.15 section 23, subdivision 1, is reduced by the same amount.

48.16 (l) The \$2,285,000 appropriation from the bond proceeds fund in Laws 2012,
48.17 First Special Session chapter 1, article 1, section 3, subdivision 2, to the commissioner
48.18 of public safety for disaster relief, is canceled and the bond sale authorization in Laws
48.19 2012, First Special Session chapter 1, article 1, section 16, subdivision 1, is reduced
48.20 by the same amount.

48.21 (m) \$1,380,000 of the appropriation from the bond proceeds fund in Laws 2012,
48.22 First Special Session chapter 1, article 1, section 6, to the Public Facilities Authority for
48.23 disaster relief, is canceled and the bond sale authorization in Laws 2012, First Special
48.24 Session chapter 1, article 1, section 16, subdivision 1, is reduced by the same amount.

48.25 (n) \$2,335,000 of the appropriation from the bond proceeds fund in Laws 2012, First
48.26 Special Session chapter 1, article 1, section 9, subdivision 2, to the commissioner of
48.27 natural resources for disaster relief, is canceled, and the bond sale authorization in Laws
48.28 2012, First Special Session chapter 1, article 1, section 16, subdivision 1, is reduced
48.29 by the same amount.

48.30 (o) The \$300,000 appropriation from the general fund in Laws 2015, First Special
48.31 Session chapter 5, article 1, section 14, subdivision 4, for Eagle's Healing Nest is canceled.

48.32 Sec. 29. Laws 2015, First Special Session chapter 5, article 1, section 19, is amended
48.33 to read:

48.34 Sec. 19. **BOND SALE SCHEDULE.**

49.1 The commissioner of management and budget shall schedule the sale of state
 49.2 general obligation bonds so that, during the biennium ending June 30, 2017, no more
 49.3 than ~~\$1,267,459,000~~ \$1,242,558,000 will need to be transferred from the general fund to
 49.4 the state bond fund to pay principal and interest due and to become due on outstanding
 49.5 state general obligation bonds. During the biennium, before each sale of state general
 49.6 obligation bonds, the commissioner of management and budget shall calculate the amount
 49.7 of debt service payments needed on bonds previously issued and shall estimate the amount
 49.8 of debt service payments that will be needed on the bonds scheduled to be sold. The
 49.9 commissioner shall adjust the amount of bonds scheduled to be sold so as to remain within
 49.10 the limit set by this section. The amount needed to make the debt service payments is
 49.11 appropriated from the general fund as provided in Minnesota Statutes, section 16A.641.

49.12 Sec. 30. **EFFECTIVE DATE.**

49.13 Except as otherwise provided, this article is effective the day following final
 49.14 enactment.

49.15 **ARTICLE 2**

49.16 **TRANSPORTATION FINANCE AND POLICY**

49.17 Section 1. **TRANSPORTATION CAPITAL IMPROVEMENT APPROPRIATIONS.**

49.18 (a) The sums shown in this article in the columns marked "Appropriations" are
 49.19 added to the appropriations in Laws 2015, chapter 75, article 1, to the commissioner of
 49.20 transportation, or another named agency, for the purposes specified in this article. The
 49.21 appropriations are from the general fund, or another named fund, and are available for the
 49.22 fiscal years indicated for each purpose. The figures "2016" and "2017" used in this article
 49.23 mean that the appropriations listed under them are available for the fiscal year ending June
 49.24 30, 2016, or June 30, 2017, respectively. "The first year" is fiscal year 2016. "The second
 49.25 year" is fiscal year 2017. "The biennium" is fiscal years 2016 and 2017. Unless otherwise
 49.26 specified, appropriations in this article are onetime.

49.27 (b) Appropriations of bond proceeds must be spent as authorized by the Minnesota
 49.28 Constitution, articles XI and XIV. Unless otherwise specified, money appropriated in this
 49.29 article for a capital program or project may be used to pay state agency staff costs that are
 49.30 attributed directly to the capital program or project in accordance with accounting policies
 49.31 adopted by the commissioner of management and budget. Unless otherwise specified,
 49.32 the appropriations in this article are available until the project is completed or abandoned
 49.33 subject to Minnesota Statutes, section 16A.642.

50.1	<u>APPROPRIATIONS</u>		
50.2	<u>Available for the Year</u>		
50.3	<u>Ending June 30</u>		
50.4	<u>2016</u>	<u>2017</u>	
50.5	Sec. 2. <u>DEPARTMENT OF</u>		
50.6	<u>TRANSPORTATION</u>		
50.7	<u>Subdivision 1. Total Appropriations Summary</u>	<u>\$ 20,000,000</u>	<u>\$ 487,968,000</u>
50.8	<u>Subd. 2. Corridors of Commerce</u>	<u>-0-</u>	<u>199,500,000</u>
50.9	<u>This appropriation is for the corridors</u>		
50.10	<u>of commerce program under Minnesota</u>		
50.11	<u>Statutes, section 161.088, notwithstanding</u>		
50.12	<u>any requirements of that section, for all of the</u>		
50.13	<u>following projects, in amounts as determined</u>		
50.14	<u>by the commissioner:</u>		
50.15	<u>(1) construction of marked Trunk Highway</u>		
50.16	<u>23 as a four-lane divided highway (i) from</u>		
50.17	<u>the point where marked Trunk Highway</u>		
50.18	<u>23 ceases as a four-lane divided highway</u>		
50.19	<u>near the intersection with Kandiyohi County</u>		
50.20	<u>State-Aid Highway 31, located east of New</u>		
50.21	<u>London, to the point where marked Trunk</u>		
50.22	<u>Highway 23 commences as a four-lane</u>		
50.23	<u>divided highway, located southwest of</u>		
50.24	<u>Paynesville, and (ii) from the point where</u>		
50.25	<u>marked Trunk Highway 23 ceases as a</u>		
50.26	<u>four-lane divided highway, located northeast</u>		
50.27	<u>of Paynesville, to the point where marked</u>		
50.28	<u>Trunk Highway 23 commences as a four-lane</u>		
50.29	<u>divided highway, located southwest of</u>		
50.30	<u>Richmond, provided that notwithstanding</u>		
50.31	<u>Minnesota Statutes, section 16A.28, this</u>		
50.32	<u>amount is available for seven years;</u>		
50.33	<u>(2) construction and reconstruction of</u>		
50.34	<u>marked Trunk Highway 14 as a four-lane</u>		
50.35	<u>divided highway, from the interchange with</u>		

51.1 marked Interstate Highway 35 near the
51.2 city of Owatonna to the point near the city
51.3 of Dodge Center at which marked Trunk
51.4 Highway 14 constitutes a four-lane divided
51.5 highway, located southeast of the intersection
51.6 with marked Trunk Highway 56;

51.7 (3) right-of-way acquisition and construction
51.8 of an interchange at marked Trunk Highway
51.9 212 and Carver County Road 140 in the city
51.10 of Chaska, to support the development of
51.11 approximately 400 acres of property in the
51.12 city of Chaska's comprehensive plan;

51.13 (4) to add a third travel lane in each direction
51.14 of marked U.S. Highway 10 from the
51.15 interchange with Hanson Boulevard to the
51.16 interchange with Round Lake Boulevard in
51.17 the city of Coon Rapids;

51.18 (5) to acquire land, predesign, design,
51.19 and construct an interchange with related
51.20 utilities at the intersection of marked U.S.
51.21 Highway 10, Benton County Road 79, and
51.22 Benton County State-Aid Highway 4, and
51.23 to construct frontage roads on both sides of
51.24 marked U.S. Highway 10, extending from
51.25 the intersection of marked U.S. Highway 10,
51.26 Benton County Road 79, and Benton County
51.27 State-Aid Highway 4 to 85th Street;

51.28 (6) a grant to Anoka County to complete
51.29 preliminary engineering, environmental
51.30 analysis, and final design for the improvement
51.31 of marked U.S. Highway 10 and associated
51.32 improvements; and

51.33 (7) land acquisition in conjunction with
51.34 project development for expansion of marked

- 52.1 U.S. Highway 14 to a four-lane divided
 52.2 highway between Nicollet and New Ulm.
- 52.3 **Subd. 3. Trunk Highway Projects** 62,000,000
- 52.4 This appropriation is from the bond proceeds
 52.5 account in the trunk highway fund for all
 52.6 of the projects specified in paragraphs (a)
 52.7 to (c), in amounts as determined by the
 52.8 commissioner.
- 52.9 **(a) Hennepin County - U.S. Highway 12**
- 52.10 For projects on marked U.S. Highway 12,
 52.11 including preliminary and final design,
 52.12 engineering, environmental analysis,
 52.13 right-of-way acquisition, construction, and
 52.14 reconstruction, as follows:
- 52.15 (1) realignment at the intersections with
 52.16 Hennepin County State-Aid Highway 92;
- 52.17 (2) realignment and safety improvements
 52.18 at the intersection with Hennepin County
 52.19 State-Aid Highway 90; and
- 52.20 (3) safety median improvements from the
 52.21 interchange with Wayzata Boulevard in
 52.22 Wayzata to approximately one-half mile east
 52.23 of the interchange with Hennepin County
 52.24 State-Aid Highway 6.
- 52.25 **(b) Anoka County - I-35 Interchange in**
 52.26 **Columbus**
- 52.27 For a grant to Anoka County to (1) complete
 52.28 the design, land acquisition, engineering,
 52.29 and construction of an interchange at the
 52.30 intersection of marked Interstate Highway
 52.31 35, marked Trunk Highway 97, and County
 52.32 State-Aid Highway 23; and (2) realign and
 52.33 make associated improvements to County

53.1 State-Aid Highway 54, known as West
 53.2 Freeway Drive, in the city of Columbus.

53.3 **(c) I-94/Brockton Lane Interchange**

53.4 For the I-94/Brockton Lane Interchange
 53.5 Project to construct an interchange and
 53.6 auxiliary lanes on marked Interstate Highway
 53.7 94 east of the Hennepin County State-Aid
 53.8 Highway 101 (Brockton Lane) overpass in
 53.9 the city of Dayton.

53.10 **Subd. 4. State Road Construction and other**
 53.11 **projects**

20,000,000

113,287,000

53.12 This appropriation is from the trunk highway
 53.13 fund for all of the following purposes, in
 53.14 amounts as determined by the commissioner:

53.15 (1) state road construction;

53.16 (2) State Project No. 2514-122, consisting
 53.17 of engineering and reconstruction of the
 53.18 segment of marked U.S. Highway 61 in Red
 53.19 Wing from westerly of Old West Main Street
 53.20 to easterly of Potter Street, for trunk highway
 53.21 costs in excess of the engineer's estimate and
 53.22 associated program delivery; and

53.23 (3) a grant to the city of Cambridge for
 53.24 final design, environmental analysis,
 53.25 right-of-way acquisition, land acquisition,
 53.26 corridor mapping, construction engineering,
 53.27 and construction for the improvement of
 53.28 marked Trunk Highway 95 and associated
 53.29 improvements.

53.30 **Subd. 5. Trunk Highway Bonds - Debt Service**

546,000

53.31 This appropriation is from the trunk highway
 53.32 fund for transfer to the state bond fund. If
 53.33 this appropriation is insufficient to make all
 53.34 transfers required in the year for which it is

54.1 made, the commissioner of management and
 54.2 budget shall transfer the deficiency amount
 54.3 under the statutory open appropriation,
 54.4 and notify the chairs and ranking minority
 54.5 members of the legislative committees with
 54.6 jurisdiction over transportation finance and
 54.7 the chairs of the senate Committee on Finance
 54.8 and the house of representatives Committee
 54.9 on Ways and Means of the amount of the
 54.10 deficiency. Any excess appropriation cancels
 54.11 to the trunk highway fund.

54.12 Subd. 6. State and Local Roads -0- 100,500,000

54.13 This appropriation is for all of the following
 54.14 purposes, in amounts as determined by the
 54.15 commissioner:

54.16 (1) the transportation economic development
 54.17 program under Minnesota Statutes, section
 54.18 174.12;

54.19 (2) the small cities assistance program under
 54.20 Minnesota Statutes, section 162.145;

54.21 (3) the safe routes to school program under
 54.22 Minnesota Statutes, section 174.40;

54.23 (4) the safety improvement study for the
 54.24 interchange of signed Interstate Highways
 54.25 94, 694, and 494, as provided in this article;

54.26 (5) design, engineering, environmental
 54.27 analysis, and construction of improvements
 54.28 to Cliff Road in the vicinity of marked
 54.29 Interstate Highway 35W;

54.30 (6) grants to the city of Virginia and the city
 54.31 of Virginia Public Utilities Commission to
 54.32 acquire land for and to predesign, design,
 54.33 construct, furnish, and equip relocated
 54.34 public utilities, including sanitary and storm

55.1 water sewers and water, electrical, and gas
 55.2 utilities, and to demolish and remove old
 55.3 utility infrastructure, all associated with the
 55.4 relocation of marked Trunk Highway 53,
 55.5 provided that a nonstate contribution is not
 55.6 required;

55.7 (7) for a grant to the city of Moorhead
 55.8 to construct and complete phase 1 of the
 55.9 grade separated rail crossings project in the
 55.10 vicinity of 21st Street South in the city of
 55.11 Moorhead, and for preliminary engineering
 55.12 and environmental assessment of phase 2, the
 55.13 grade separated rail crossing in the vicinity
 55.14 of 11th Street South in the city of Moorhead,
 55.15 provided that a nonstate contribution is not
 55.16 required;

55.17 (8) town roads under Minnesota Statutes,
 55.18 section 162.081;

55.19 (9) county state-aid highways under
 55.20 Minnesota Statutes, chapter 162; and

55.21 (10) municipal state-aid streets under
 55.22 Minnesota Statutes, chapter 162.

55.23 Subd. 7. Airports -0- 11,135,000

55.24 This appropriation is from the state airports
 55.25 fund for the following purposes:

55.26 (1) \$4,985,000 for a grant to the city
 55.27 of Rochester to design, rehabilitate,
 55.28 demolish, and expand portions of the
 55.29 existing passenger terminal building
 55.30 at the Rochester International Airport,
 55.31 provided that this amount also includes
 55.32 money to remodel, construct, furnish,
 55.33 and equip the existing passenger terminal
 55.34 building and associated appurtenances

56.1 to meet the United States Customs and
56.2 Border Protection and Transportation
56.3 Security Administration standards for
56.4 safety, security, and processing time to
56.5 accommodate domestic and international
56.6 flights. The capital improvements paid for
56.7 with this appropriation may be used as the
56.8 local contribution required by Minnesota
56.9 Statutes, section 360.305, subdivision 4.
56.10 This appropriation is not available until the
56.11 commissioner of management and budget has
56.12 determined that at least an equal amount has
56.13 been committed to the project from nonstate
56.14 sources. Work that may be completed with
56.15 this appropriation includes but is not limited
56.16 to (i) site preparation including utilities,
56.17 site civil work, testing, and construction
56.18 administration services, (ii) the relocation,
56.19 modification, and addition of airline ticket
56.20 counters, baggage claim devices, public
56.21 spaces, offices, restrooms, support space,
56.22 break rooms, lockers, equipment storage,
56.23 communications, hallways, building
56.24 signage, medical visitor rooms, special needs
56.25 accommodations, hold rooms, secure storage,
56.26 equipment maintenance area, and building
56.27 engineering and technology systems, (iii)
56.28 improvements needed outside the terminal
56.29 to remove, restore, and tie into adjacent
56.30 utilities, sidewalks, driveways, parking lots,
56.31 and aircraft aprons, and (iv) the construction
56.32 of covered exterior equipment storage;
56.33 (2) \$5,900,000 to provide the federal match
56.34 to design and construct runway infrastructure
56.35 at the Duluth International and Sky Harbor
56.36 Airports in accordance with Minnesota

57.1 Statutes, section 360.017. For the purposes
 57.2 of this clause, the commissioner may waive
 57.3 the requirements of Minnesota Statutes,
 57.4 section 360.305, subdivision 4, paragraph
 57.5 (b). This appropriation is for costs incurred
 57.6 after March 1, 2016, and is available until
 57.7 and must be encumbered by June 30, 2017.
 57.8 This appropriation is not available until
 57.9 the commissioner of management and
 57.10 budget determines that an equal amount is
 57.11 committed from nonstate sources; and
 57.12 (3) \$250,000 for an air transport optimization
 57.13 planning study for the St. Cloud Regional
 57.14 Airport, which must be comprehensive and
 57.15 market-based, using economic development
 57.16 and air service expertise to research, analyze,
 57.17 and develop models and strategies that
 57.18 maximize the return on investments made to
 57.19 enhance the use and impact of the St. Cloud
 57.20 Regional Airport.

57.21 Subd. 8. **Minnesota Rail Service Improvement** -0- 1,000,000

57.22 This appropriation is from the rail service
 57.23 improvement account in the special revenue
 57.24 fund to the commissioner of transportation
 57.25 for a grant to the city of Grand Rapids to fund
 57.26 rail planning studies, design, and preliminary
 57.27 engineering relating to the construction of
 57.28 a freight rail line located in the counties of
 57.29 Itasca, St. Louis, and Lake to serve local
 57.30 producers and shippers. The city of Grand
 57.31 Rapids shall collaborate with the Itasca
 57.32 Economic Development Corporation and the
 57.33 Itasca County Regional Railroad Authority
 57.34 in the activities funded with the proceeds of

58.1 this grant. This appropriation is available
 58.2 until June 30, 2019.

58.3 Sec. 3. **BOND SALE EXPENSES** **\$** **62,000**

58.4 This appropriation is from the bond proceeds
 58.5 account in the trunk highway fund to the
 58.6 commissioner of management and budget
 58.7 for bond sale expenses under Minnesota
 58.8 Statutes, sections 16A.641, subdivision 8,
 58.9 and 167.50, subdivision 4.

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

58.11 To provide the money appropriated in this act from the bond proceeds account in
 58.12 the trunk highway fund, the commissioner of management and budget shall sell and issue
 58.13 bonds of the state in an amount up to \$62,062,000 in the manner, upon the terms, and
 58.14 with the effect prescribed by Minnesota Statutes, sections 167.50 to 167.52, and by the
 58.15 Minnesota Constitution, article XIV, section 11, at the times and in the amounts requested
 58.16 by the commissioner of transportation. The proceeds of the bonds, except accrued interest
 58.17 and any premium received from the sale of the bonds, must be deposited in the bond
 58.18 proceeds account in the trunk highway fund.

58.19 Sec. 5. Minnesota Statutes 2014, section 160.18, is amended by adding a subdivision
 58.20 to read:

58.21 Subd. 4. **Appeal process.** (a) Notwithstanding chapter 14 and section 14.386,
 58.22 the commissioner shall establish a concise, expedited process through which an owner
 58.23 or occupant of property abutting a trunk highway may appeal a denial or revocation of
 58.24 an access permit. The owner or occupant must initiate an appeal no later than 30 days
 58.25 after the date the commissioner issues written notice of the denial or revocation of an
 58.26 access permit. The process must provide the owner or occupant and the Department of
 58.27 Transportation the opportunity to present information in support of their positions.

58.28 (b) The hearing must be conducted by an administrative law judge assigned by the
 58.29 chief administrative law judge. The administrative law judge shall maintain a transcript of
 58.30 the hearing and shall keep a record of all documents and data submitted at the hearing.
 58.31 Within 30 days of the conclusion of the hearing, the administrative law judge shall
 58.32 transmit to the commissioner the record of the proceedings along with a report and

59.1 recommendation based on the record made in the informal hearing. The commissioner
 59.2 shall make a written decision regarding the access permit.

59.3 (c) Section 15.99 does not apply to matters using the appeal process in this
 59.4 subdivision.

59.5 Sec. 6. Minnesota Statutes 2015 Supplement, section 162.145, subdivision 3, is
 59.6 amended to read:

59.7 Subd. 3. **Administration.** (a) Subject to funds made available by law, the
 59.8 commissioner shall allocate all funds as provided in subdivision 4 ~~and~~. By June 1 of a
 59.9 year in which aid is provided, the commissioner of transportation shall ~~notify~~ certify to the
 59.10 commissioner of revenue the amount to be paid to each eligible city.

59.11 (b) Following notification from the commissioner of transportation, the
 59.12 commissioner of revenue shall distribute the specified funds to cities in the same manner
 59.13 as local government aid under chapter 477A. An appropriation to the commissioner of
 59.14 transportation under this section is available to the commissioner of revenue for the
 59.15 purposes specified in this paragraph.

59.16 (c) Notwithstanding other law to the contrary, in order to receive distributions under
 59.17 this section, a city must conform to the standards in section 477A.017, subdivision 2. A
 59.18 city that receives funds under this section must make and preserve records necessary to
 59.19 show that the funds are spent in compliance with subdivision 4 5.

59.20 **EFFECTIVE DATE.** This section is effective for aids payable in 2016 and after.

59.21 Sec. 7. **INTERSTATE 94 WIRE ROPE SAFETY BARRIERS.**

59.22 The commissioner of transportation must install wire rope safety barriers or another
 59.23 equivalent safety device along the center median of the segment of marked Interstate
 59.24 Highway 94 between Huron Boulevard and Cretin Avenue that does not currently have a
 59.25 concrete median, wire rope safety barrier, or other equivalent safety device installed.

59.26 Sec. 8. **TRANSPARENT NOISE BARRIER.**

59.27 The commissioner of transportation must include transparent panels as part of noise
 59.28 barrier construction in the area of the interchange at marked Interstate Highway 694 and
 59.29 marked Interstate Highway 35E.

59.30 Sec. 9. **CORRIDORS OF COMMERCE PROJECT SELECTION.**

59.31 Notwithstanding the requirements of Minnesota Statutes, section 161.088,
 59.32 subdivisions 3 to 5, the commissioner of transportation must include that segment of

60.1 marked U.S. Highway 212 from Chaska to Montevideo as an eligible highway in the
 60.2 next project solicitation and selection process undertaken for the corridors of commerce
 60.3 program under that section.

60.4 Sec. 10. **INTERSTATE 94/694/494 INTERCHANGE SAFETY IMPROVEMENT**
 60.5 **STUDY.**

60.6 The commissioner of transportation must conduct a safety improvement study for
 60.7 the interchange of marked Interstate Highways 94, 694, and 494 in the cities of Woodbury
 60.8 and Oakdale. At a minimum, the study must provide specific recommendations to
 60.9 improve the safety of the interchange and include cost estimates for each recommended
 60.10 improvement. The commissioner must report the findings and recommendations of the
 60.11 study to the legislative committees having jurisdiction over transportation policy and
 60.12 finance within 180 days after the effective date of this section.

60.13 Sec. 11. **EFFECTIVE DATE.**

60.14 Except as otherwise provided, this article is effective the day following final
 60.15 enactment.

60.16 **ARTICLE 3**

60.17 **MISCELLANEOUS**

60.18 Section 1. Minnesota Statutes 2015 Supplement, section 16A.967, is amended to read:

60.19 **16A.967 LEWIS AND CLARK APPROPRIATION BONDS.**

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

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

60.24 (1) money appropriated by law from the general fund in any biennium for debt
 60.25 service due with respect to obligations described in ~~subdivision 2, paragraph (e)~~
 60.26 subdivisions 2a and 2b;

60.27 (2) proceeds of the sale of obligations described in ~~subdivision 2, paragraph (e)~~
 60.28 subdivisions 2a and 2b;

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

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

61.1 (c) "Debt service" means the amount payable in any biennium of principal, premium,
61.2 if any, and interest on appropriation bonds.

61.3 Subd. 2. **Authorization to issue appropriation bonds.** (a) Subject to the limitations
61.4 of this subdivision, the commissioner may sell and issue appropriation bonds of the state
61.5 under this section for public purposes as provided by law, ~~including, in particular, the~~
61.6 ~~financing of the land acquisition, design, engineering, and construction of facilities and~~
61.7 ~~infrastructure necessary to complete the next phase of the Lewis and Clark Regional Water~~
61.8 ~~System project, including completion of the pipeline to Magnolia, extension of the project~~
61.9 ~~to the Lincoln-Pipestone Rural Water System connection near Adrian, and engineering,~~
61.10 ~~design, and easement acquisition for the final phase of the project to Worthington. No~~
61.11 ~~bonds shall be sold until the commissioner determines that a nonstate match of at least~~
61.12 ~~\$9,000,000 is committed to this project phase. Grant agreements entered into under this~~
61.13 section must provide for reimbursement to the state from any federal money provided for
61.14 the project, consistent with the Lewis and Clark Regional Water System, Inc., agreement.

61.15 (b) The appropriation bonds may be issued and sold only after the commissioner
61.16 determines that the construction and administration for work done on the project will
61.17 comply with (1) all federal requirements and regulations associated with the Lewis and
61.18 Clark Rural Water System Act of 2000, and (2) the cooperative agreement between the
61.19 United States Department of the Interior and the Lewis and Clark Regional Water System,
61.20 Inc. Proceeds of the appropriation bonds must be credited to a special appropriation Lewis
61.21 and Clark bond proceeds fund in the state treasury. All income from investment of the
61.22 bond proceeds, as estimated by the commissioner, is appropriated to the commissioner for
61.23 the payment of principal and interest on the appropriation bonds.

61.24 ~~(e) Appropriation bonds may be sold and issued in amounts that, in the opinion of~~
61.25 ~~the commissioner, are necessary to provide sufficient money, not to exceed \$19,000,000~~
61.26 ~~net of costs of issuance, for the purposes as provided under paragraph (a), and pay debt~~
61.27 ~~service including capitalized interest, costs of issuance, costs of credit enhancement, or~~
61.28 ~~make payments under other agreements entered into under paragraph (e).~~

61.29 ~~(d)~~ (c) Appropriation bonds may be issued in one or more issues or series on the
61.30 terms and conditions the commissioner determines to be in the best interests of the
61.31 state, but the term on any series of appropriation bonds may not exceed 25 years. The
61.32 appropriation bonds of each issue and series thereof shall be dated and bear interest,
61.33 and may be includable in or excludable from the gross income of the owners for federal
61.34 income tax purposes.

61.35 ~~(e)~~ (d) At the time of, or in anticipation of, issuing the appropriation bonds, and at
61.36 any time thereafter, so long as the appropriation bonds are outstanding, the commissioner

62.1 may enter into agreements and ancillary arrangements relating to the appropriation bonds,
 62.2 including but not limited to trust indentures, grant agreements, lease or use agreements,
 62.3 operating agreements, management agreements, liquidity facilities, remarketing or
 62.4 dealer agreements, letter of credit agreements, insurance policies, guaranty agreements,
 62.5 reimbursement agreements, indexing agreements, or interest exchange agreements. Any
 62.6 payments made or received according to the agreement or ancillary arrangement shall be
 62.7 made from or deposited as provided in the agreement or ancillary arrangement. The
 62.8 determination of the commissioner included in an interest exchange agreement that the
 62.9 agreement relates to an appropriation bond shall be conclusive.

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

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

62.19 Subd. 2a. **Project authorization.** Appropriation bonds may be sold and issued in
 62.20 amounts that, in the opinion of the commissioner, are necessary to provide sufficient
 62.21 money to the Public Facilities Authority under subdivision 7, paragraph (a), not to exceed
 62.22 \$19,000,000 net of costs of issuance, for the purposes as provided under this subdivision,
 62.23 and pay debt service including capitalized interest, costs of issuance, costs of credit
 62.24 enhancement, or make payments under other agreements entered into under subdivision 2,
 62.25 paragraph (d). The bonds authorized by this subdivision are for the purposes of financing
 62.26 the land acquisition, design, engineering, and construction of facilities and infrastructure
 62.27 necessary to complete Phase 2 of the Lewis and Clark Regional Water System project,
 62.28 including completion of the pipeline to Magnolia; extension of the project to the
 62.29 Lincoln-Pipestone Rural Water System connection near Adrian; and engineering, design,
 62.30 and easement acquisition for the final phase of the project to Worthington. No bonds shall
 62.31 be sold under this subdivision until the commissioner determines that a nonstate match of
 62.32 at least \$9,000,000 is committed to this project phase. Upon completion of Phase 2, the
 62.33 unspent unencumbered portion of the appropriation in this subdivision is available for
 62.34 the purposes of subdivision 2b.

62.35 Subd. 2b. **Additional project authorization.** Appropriation bonds may be sold
 62.36 and issued in amounts that, in the opinion of the commissioner, are necessary to provide

63.1 sufficient money to the Public Facilities Authority under subdivision 7, paragraph (b),
63.2 not to exceed \$11,500,000 net of costs of issuance, for the purposes as provided under
63.3 this subdivision, and pay debt service including capitalized interest, costs of issuance,
63.4 costs of credit enhancement, or make payments under other agreements entered into
63.5 under subdivision 2, paragraph (d). The bonds authorized by this subdivision are for
63.6 the purposes of financing the land acquisition, design, engineering, and construction of
63.7 facilities and infrastructure necessary to complete Phase 3 of the Lewis and Clark Regional
63.8 Water System project, including extension of the project from the Lincoln-Pipestone
63.9 Rural Water System connection near Adrian to Worthington, construction of a reservoir
63.10 in Nobles County and a meter building in Worthington, and acquisition and installation
63.11 of a supervisory control and data acquisition (SCADA) system. No bonds shall be sold
63.12 under this subdivision until the commissioner determines that a nonstate match of at least
63.13 \$9,000,000 is committed to the final phase of the project.

63.14 Subd. 3. **Form; procedure.** (a) Appropriation bonds may be issued in the form
63.15 of bonds, notes, or other similar instruments, and in the manner provided in section
63.16 16A.672. In the event that any provision of section 16A.672 conflicts with this section,
63.17 this section shall control.

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

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

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

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

63.26 Subd. 4. **Refunding bonds.** The commissioner may issue appropriation bonds
63.27 for the purpose of refunding any appropriation bonds then outstanding, including the
63.28 payment of any redemption premiums on the bonds, any interest accrued or to accrue to
63.29 the redemption date, and costs related to the issuance and sale of the refunding bonds. The
63.30 proceeds of any refunding bonds may, in the discretion of the commissioner, be applied
63.31 to the purchase or payment at maturity of the appropriation bonds to be refunded, to the
63.32 redemption of the outstanding appropriation bonds on any redemption date, or to pay
63.33 interest on the refunding bonds and may, pending application, be placed in escrow to be
63.34 applied to the purchase, payment, retirement, or redemption. Any escrowed proceeds,
63.35 pending such use, may be invested and reinvested in obligations that are authorized
63.36 investments under section 11A.24. The income earned or realized on the investment may

64.1 also be applied to the payment of the appropriation bonds to be refunded or interest or
 64.2 premiums on the refunded appropriation bonds, or to pay interest on the refunding bonds.
 64.3 After the terms of the escrow have been fully satisfied, any balance of the proceeds and
 64.4 any investment income may be returned to the general fund or, if applicable, the special
 64.5 appropriation Lewis and Clark bond proceeds fund for use in any lawful manner. All
 64.6 refunding bonds issued under this subdivision must be prepared, executed, delivered, and
 64.7 secured by appropriations in the same manner as the appropriation bonds to be refunded.

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

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

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

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

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

64.30 Subd. 7. **Appropriation of proceeds.** (a) The proceeds of appropriation bonds
 64.31 issued under subdivision 2a and interest credited to the special appropriation Lewis and
 64.32 Clark bond proceeds fund are appropriated as follows:

64.33 (1) to the ~~commissioner~~ Public Facilities Authority for a grant to the Lewis and
 64.34 Clark Joint Powers Board for payment of capital expenses for the purposes provided by as
 64.35 specified in subdivision 2, ~~paragraph (a),~~ 2a; and

65.1 (2) to the commissioner for debt service on the bonds including capitalized interest,
 65.2 nonsalary costs of issuance of the bonds, costs of credit enhancement of the bonds and
 65.3 payments under any agreements entered into under subdivision 2, paragraph (e) (d), each
 65.4 as permitted by state and federal law, and such proceeds may be granted, loaned, or
 65.5 otherwise provided for the public purposes provided by subdivision 2, paragraph (a).

65.6 (b) The proceeds of appropriation bonds issued under subdivision 2b and interest
 65.7 credited to the special appropriation Lewis and Clark bond proceeds fund are appropriated
 65.8 as follows:

65.9 (1) to the Public Facilities Authority for a grant to the Lewis and Clark Joint Powers
 65.10 Board for payment of capital expenses as specified in subdivision 2b; and

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

65.15 **Subd. 8. Appropriation for debt service and other purposes.** (a) An amount, up
 65.16 to \$1,351,000 needed to pay principal and interest on appropriation bonds issued under
 65.17 this section subdivision 2a is appropriated each fiscal year from the general fund to the
 65.18 commissioner, subject to repeal, unallotment under section 16A.152, or cancellation,
 65.19 otherwise pursuant to subdivision 6, for deposit into the bond payments account established
 65.20 for such purpose in the special Lewis and Clark appropriation bond proceeds fund. The
 65.21 appropriation is available beginning in fiscal year 2017 and through fiscal year 2038.

65.22 (b) An amount up to \$855,000 needed to pay principal and interest on appropriation
 65.23 bonds issued under subdivision 2b is appropriated each fiscal year from the general fund to
 65.24 the commissioner, subject to repeal, unallotment under section 16A.152, or cancellation,
 65.25 otherwise pursuant to subdivision 6, for deposit into the bond payments account established
 65.26 for such purpose in the special Lewis and Clark appropriation bond proceeds fund. The
 65.27 appropriation is available beginning in fiscal year 2018 and through fiscal year 2039.

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

65.31 **Sec. 2. Minnesota Statutes 2014, section 85.34, subdivision 1, is amended to read:**

65.32 **Subdivision 1. Upper bluff; lease terms.** The commissioner of natural resources
 65.33 with the approval of the Executive Council may lease for purposes of restoration,
 65.34 preservation, historical, recreational, educational, and commercial use and development,
 65.35 that portion of Fort Snelling State Park known as the upper bluff consisting of officer's

66.1 row, area J, the polo grounds, the adjacent golf course, and all buildings and improvements
 66.2 located thereon, all lying within an area bounded by Minneapolis-St. Paul International
 66.3 Airport, Trunk Highways numbered 5 and 55, and Bloomington Road. The lease or leases
 66.4 shall be in a form approved by the attorney general and for a term of not to exceed 99
 66.5 years. The lease or leases may provide for the provision of capital improvements or other
 66.6 performance by the tenant or tenants in lieu of all or some of the payments of rent that
 66.7 would otherwise be required. Notwithstanding the continuing ownership of the upper bluff
 66.8 by the state, any lease of one or more buildings improved with state general obligation
 66.9 bond proceeds that exceeds 50 years shall be treated as a sale of the buildings for purposes
 66.10 of section 16A.695, subdivision 3. Any disposition proceeds payable to the commissioner
 66.11 upon execution of any lease relating to state bond financed buildings at the upper bluff
 66.12 shall be applied in accordance with the requirements of section 16A.695, subdivision 3,
 66.13 and used to pay, redeem, or defease state general obligation bonds issued for purposes of
 66.14 improving those buildings. Any lease revenues paid to the commissioner subsequent to
 66.15 the payment, redemption, or defeasance of state general obligation bonds shall be used
 66.16 by the commissioner as further described in this section.

66.17 Sec. 3. Minnesota Statutes 2014, section 174.52, subdivision 2, is amended to read:

66.18 Subd. 2. ~~Trunk highway corridor projects~~ **Local cost-share assistance account.**

66.19 A ~~trunk highway corridor projects~~ local cost-share assistance account is established in
 66.20 the local road improvement fund. Money in the account is annually appropriated to the
 66.21 commissioner of transportation for expenditure as specified in this section. Money in the
 66.22 account must be used as grants or loans to statutory or home rule charter cities, towns, and
 66.23 counties to assist in paying the local share of trunk highway projects that have local costs
 66.24 that are directly or partially related to the trunk highway improvement and that are not
 66.25 funded or are only partially funded with other state and federal funds. ~~The commissioner~~
 66.26 ~~shall determine the amount of the local share of costs eligible for assistance from the~~
 66.27 ~~account.~~

66.28 Sec. 4. **[219.016] HAZARDOUS MATERIALS RAIL SAFETY ACCOUNT AND**
 66.29 **GRANT PROGRAM.**

66.30 Subdivision 1. Purpose. A hazardous materials rail safety program is established for
 66.31 the purpose of reducing the risks associated with transporting hazardous material by rail.

66.32 Subd. 2. Creation of account. A hazardous materials rail safety program account is
 66.33 established in the bond proceeds fund. Money in the account may only be used for capital
 66.34 costs associated with planning, engineering, administration, and construction of public

67.1 highway-rail grade crossing improvements on rail corridors transporting crude oil and
 67.2 other hazardous materials. Improvements may include upgrades to existing protection
 67.3 systems, the closing of crossings and necessary roadwork, and reconstruction of at-grade
 67.4 crossings to full grade separations.

67.5 Subd. 3. **Grants.** The commissioner may approve grants for financial assistance to
 67.6 eligible applicants for capital costs associated with hazardous materials rail safety projects
 67.7 on public highway-rail grade crossings. Qualifying capital costs include, but are not
 67.8 limited to, upgrades to existing protection systems, the closing of crossings and necessary
 67.9 roadwork, and reconstruction of at-grade crossings to full grade separations.

67.10 Subd. 4. **Eligible applicants.** Counties, statutory or home rule charter cities, or
 67.11 towns that are responsible for establishing and maintaining public highway-rail grade
 67.12 crossings on rail corridors transporting crude oil and other hazardous materials may apply
 67.13 to the commissioner for financial assistance for the purposes in this section.

67.14 Subd. 5. **Criteria for grant award.** The commissioner shall consider the following
 67.15 criteria to evaluate applications for a grant award for a hazardous materials rail safety
 67.16 project:

67.17 (1) whether the crossing was identified as a potential candidate for grade separation
 67.18 in MnDOT's crude by rail grade crossing study (Improvements to Highway Grade
 67.19 Crossings and Rail Safety, December 2014);

67.20 (2) roadway traffic volumes and speeds;

67.21 (3) train volumes and speeds;

67.22 (4) adjacent land use;

67.23 (5) crash history;

67.24 (6) use of the crossing by emergency vehicles;

67.25 (7) use of the crossing by vehicles carrying hazardous materials;

67.26 (8) local financial contributions to the project; and

67.27 (9) private financial contributions to the project.

67.28 Sec. 5. Minnesota Statutes 2014, section 446A.072, as amended by Laws 2016, chapter
 67.29 158, article 1, section 185, is amended to read:

67.30 **446A.072 WASTEWATER WATER INFRASTRUCTURE FUNDING**
 67.31 **PROGRAM.**

67.32 Subdivision 1. **Establishment of program.** The authority will establish a
 67.33 wastewater ~~water~~ infrastructure funding program to provide supplemental assistance to
 67.34 governmental units receiving funding through the clean water revolving fund program, the
 67.35 drinking water revolving fund program, or the United States Department of Agriculture

68.1 Rural Economic and Community Development's (USDA/RECD) Water and Waste
68.2 Disposal Loans and Grants program for the predesign, design, and construction of
68.3 municipal wastewater treatment and drinking water systems, including purchase of land
68.4 and easements. The purpose of the program is to assist governmental units demonstrating
68.5 financial need to build cost-effective projects to address existing environmental or public
68.6 health problems. To implement the program, the authority shall establish a wastewater
68.7 water infrastructure fund to provide grants ~~and loans~~ for the purposes authorized under
68.8 title VI of the Federal Water Pollution Control Act and the federal Safe Drinking Water
68.9 Act. The fund shall be credited with all investment income from the fund and all
68.10 repayments of loans, grants, and penalties.

68.11 Subd. 3. **Program administration.** (a) The authority shall provide supplemental
68.12 assistance, as provided in subdivision 5a to governmental units:

68.13 (1) whose projects are listed on the Pollution Control Agency's project priority list or
68.14 the commissioner of health's project priority list;

68.15 (2) that demonstrate their projects are a cost-effective solution to an existing
68.16 environmental or public health problem; and

68.17 (3) whose projects are approved by the USDA/RECD or certified by the
68.18 commissioner of the Pollution Control Agency or the commissioner of health.

68.19 (b) For a governmental unit receiving grant funding from the USDA/RECD,
68.20 applications must be made to the USDA/RECD with additional information submitted to
68.21 the authority as required by the authority. Eligible project costs and affordability criteria
68.22 shall be determined by the USDA/RECD.

68.23 (c) For a governmental unit not receiving grant funding from the USDA/RECD,
68.24 application must be made to the authority on forms prescribed by the authority for the
68.25 clean water revolving fund program or the drinking water revolving fund program with
68.26 additional information as required by the authority. In accordance with section 116.182,
68.27 the Pollution Control Agency or the commissioner of health shall:

68.28 (1) calculate the essential project component percentage based on the portion of
68.29 project costs necessary to convey or treat the existing wastewater flows and loadings or,
68.30 for drinking water projects, to provide safe drinking water to meet existing needs, which
68.31 must be multiplied by the total project cost to determine the eligible project cost for the
68.32 program under this section; and

68.33 (2) review and certify approved projects to the authority.

68.34 (d) Each fiscal year the authority shall make funds available for projects based on
68.35 their ranking on the Pollution Control Agency's project priority list or the commissioner
68.36 of health's project priority list. The authority shall reserve funds for a project when

69.1 the applicant receives a funding commitment from the United States Department of
69.2 Agriculture Rural Development (USDA/RECD) or ~~submits plans and specifications to~~
69.3 the project is certified by the Pollution Control Agency or the commissioner of health.
69.4 Funds must be reserved in an amount based on the project cost estimate submitted to the
69.5 authority ~~prior to the appropriation of the funds and awarded based on the lesser of that~~
69.6 ~~amount or the as-bid cost~~ when the project is certified or the as-bid cost, whichever is less.

69.7 Subd. 5a. **Type and amount of assistance.** (a) For a governmental unit receiving
69.8 grant funding from the USDA/RECD, the authority may provide assistance in the form
69.9 of a grant of up to 65 percent of the eligible grant need determined by USDA/RECD. A
69.10 governmental unit may not receive a grant under this paragraph for more than ~~\$4,000,000~~
69.11 \$5,000,000 per project or ~~\$15,000~~ \$20,000 per existing connection, whichever is less,
69.12 unless specifically approved by law.

69.13 (b) For a governmental unit receiving a loan from the clean water revolving fund
69.14 under section 446A.07, the authority may provide assistance under this section in the form
69.15 of a grant if the average annual residential wastewater system cost after completion of the
69.16 project would otherwise exceed 1.4 percent of the median household income of the project
69.17 service area. In determining whether the average annual residential wastewater system
69.18 cost would exceed 1.4 percent, the authority must consider the total costs associated with
69.19 building, operating, and maintaining the wastewater system, including existing wastewater
69.20 debt service, debt service on the eligible project cost, and operation and maintenance
69.21 costs. Debt service costs for the proposed project are calculated based on the maximum
69.22 loan term permitted for the clean water revolving fund loan under section 446A.07,
69.23 subdivision 7. The amount of the grant is equal to 80 percent of the amount needed to
69.24 reduce the average annual residential wastewater system cost to 1.4 percent of median
69.25 household income in the project service area, to a maximum of ~~\$4,000,000~~ \$5,000,000 per
69.26 project or ~~\$15,000~~ \$20,000 per existing connection, whichever is less, unless specifically
69.27 approved by law. The eligible project cost is determined by multiplying the total project
69.28 costs minus any other grants by the essential project component percentage calculated
69.29 under subdivision 3, paragraph (c), clause (1). In no case may the amount of the grant
69.30 exceed 80 percent of the eligible project cost.

69.31 (c) For a governmental unit receiving a loan from the drinking water revolving
69.32 fund under section 446A.081, the authority may provide assistance under this section in
69.33 the form of a grant if the average annual residential drinking water system cost after
69.34 completion of the project would otherwise exceed 1.2 percent of the median household
69.35 income of the project service area. In determining whether the average annual residential
69.36 drinking water system cost would exceed 1.2 percent, the authority must consider the total

70.1 costs associated with building, operating, and maintaining the drinking water system,
 70.2 including existing drinking water debt service, debt service on the eligible project cost,
 70.3 and operation and maintenance costs. Debt service costs for the proposed project are
 70.4 calculated based on the maximum loan term permitted for the drinking water revolving
 70.5 fund loan under section 446A.081, subdivision 8, paragraph (c). The amount of the grant
 70.6 is equal to 80 percent of the amount needed to reduce the average annual residential
 70.7 drinking water system cost to 1.2 percent of median household income in the project
 70.8 service area, to a maximum of \$5,000,000 per project or \$20,000 per existing connection,
 70.9 whichever is less, unless specifically approved by law. The eligible project cost is
 70.10 determined by multiplying the total project costs minus any other grants by the essential
 70.11 project component percentage calculated under subdivision 3, paragraph (c), clause (1). In
 70.12 no case may the amount of the grant exceed 80 percent of the eligible project cost.

70.13 ~~(e)~~ (d) Notwithstanding the limits in paragraphs (a) ~~and~~ (b), and (c), for a
 70.14 governmental unit receiving supplemental assistance under this section after January 1,
 70.15 2002, if the authority determines that the governmental unit's construction and installation
 70.16 costs are significantly increased due to geological conditions of crystalline bedrock or karst
 70.17 areas and discharge limits that are more stringent than secondary treatment, the maximum
 70.18 award under this section shall not be more than \$25,000 per existing connection.

70.19 ~~Subd. 5b. **Special assessment deferral.** A governmental unit receiving a loan~~
 70.20 ~~under subdivision 5a that levies special assessments to repay the loan under subdivision~~
 70.21 ~~5a or section 446A.07 may defer payment of such assessments under the provisions of~~
 70.22 ~~sections 435.193 to 435.195.~~

70.23 ~~Subd. 6. **Disbursements.** Disbursements of grants or loans awarded under this~~
 70.24 ~~section by the authority to recipients must be made for eligible project costs as incurred by~~
 70.25 ~~the recipients, and must be made by the authority in accordance with the project financing~~
 70.26 ~~agreement and applicable state and federal laws and rules governing the payments.~~

70.27 ~~Subd. 7. **Loan repayments.** Notwithstanding the limitations set forth in section~~
 70.28 ~~475.54, subdivision 1, this subdivision shall govern the maturities and mandatory sinking~~
 70.29 ~~fund redemptions of the loans under this section. A governmental unit receiving a loan~~
 70.30 ~~under this section shall repay the loan in semiannual payment amounts determined by~~
 70.31 ~~the authority. The payment amount must be based on the average payments on the~~
 70.32 ~~governmental unit's clean water revolving fund loan or, if greater, the minimum amount~~
 70.33 ~~required to fully repay the loan by the maturity date. Payments must begin within one year~~
 70.34 ~~of the date of the governmental unit's final payment on the clean water revolving fund~~
 70.35 ~~loan. The final maturity date of the loan under this section must be no later than 20 years~~

71.1 ~~from the date of the first payment on the loan under this section and no later than 40 years~~
71.2 ~~from the date of the first payment on the clean water revolving fund loan.~~

71.3 Subd. 8. **Eligibility.** A governmental unit is eligible for assistance under this section
71.4 only after applying for grant funding from other sources and funding has been obtained,
71.5 rejected, or the authority has determined that the potential funding is unlikely.

71.6 Subd. 9. **Funding limitation.** Supplemental assistance may not be used to reduce
71.7 the sewer service charges of a significant ~~wastewater contributor~~ industrial user that has a
71.8 separate service charge agreement with the recipient, or a single user that has caused the
71.9 need for the project or whose current or projected ~~flow and load exceed~~ usage exceeds
71.10 one-half of the current wastewater treatment plant's or drinking water system capacity.

71.11 Subd. 11. **Report on needs.** By February 1 of each even-numbered year, the
71.12 authority, in conjunction with the Pollution Control Agency and the commissioner of
71.13 health, shall prepare a report to the Finance Division of the senate Environment and
71.14 Natural Resources Committee and the house of representatives Environment and Natural
71.15 Resources Finance Committee on wastewater and drinking water funding assistance needs
71.16 of governmental units under this section.

71.17 Subd. 12. **System replacement fund.** Each governmental unit receiving a ~~loan or~~
71.18 grant under this section shall establish a system replacement fund and shall annually
71.19 deposit a minimum of \$.50 per 1,000 gallons of flow for major rehabilitation ~~or~~ expansion,
71.20 or replacement of the treatment wastewater or drinking water system, ~~or replacement of~~
71.21 ~~the treatment system at the end of its useful life.~~ Money must remain in the account for the
71.22 life of the corresponding project loan from the authority or USDA/RECD, unless use of
71.23 the fund is approved in writing by the authority for major rehabilitation, expansion, or
71.24 replacement of the ~~treatment~~ wastewater or drinking water system. By March 1 each year
71.25 during the life of the loan, each recipient shall submit a report to the authority regarding
71.26 the amount deposited and the fund balance for the prior calendar year. A recipient is not
71.27 required to maintain a fund balance greater than the amount of the grant received. Failure
71.28 to comply with the requirements of this subdivision shall result in the authority assessing a
71.29 penalty fee to the recipient equal to one percent of the supplemental assistance amount for
71.30 each year of noncompliance. ~~Failure to make the required deposit or pay the penalty fee as~~
71.31 ~~required constitutes a default on the loan.~~

71.32 Subd. 14. **Consistency with land use plans.** A governmental unit applying for a
71.33 project in an unsewered area shall include in its application to the authority a certification
71.34 from the county in which the project is located that:

71.35 (1) the project is consistent with the county comprehensive land use plan, if the
71.36 county has adopted one;

72.1 (2) the project is consistent with the county water plan, if the county has adopted
72.2 one; and

72.3 (3) the county has adopted specific land use ordinances or controls so as to meet or
72.4 exceed the requirements of Minnesota Rules, part 7082.0050.

72.5 Sec. 6. Minnesota Statutes 2014, section 446A.073, as amended by Laws 2015, First
72.6 Special Session chapter 4, article 4, sections 127, 128, and 129, is amended to read:

72.7 **446A.073 POINT SOURCE IMPLEMENTATION GRANTS.**

72.8 Subdivision 1. **Program established.** When money is appropriated for grants
72.9 under this program, the authority shall award grants up to a maximum of ~~\$3,000,000~~
72.10 \$7,000,000 to governmental units to cover ~~up to one-half~~ 80 percent of the cost of water
72.11 infrastructure projects made necessary by:

72.12 (1) a wasteload reduction prescribed under a total maximum daily load plan required
72.13 by section 303(d) of the federal Clean Water Act, United States Code, title 33, section
72.14 1313(d);

72.15 (2) a phosphorus concentration or mass limit which requires discharging one
72.16 milligram per liter or less at permitted design flow which is incorporated into a permit
72.17 issued by the Pollution Control Agency;

72.18 (3) any other water quality-based effluent limit established under section 115.03,
72.19 subdivision 1, paragraph (e), clause (8), and incorporated into a permit issued by the
72.20 Pollution Control Agency that exceeds secondary treatment limits; or

72.21 (4) a total nitrogen concentration or mass limit of that requires discharging ten
72.22 milligrams per liter or less for a land-based treatment system at permitted design flow.

72.23 Subd. 2. **Grant application.** Application for a grant must be made to the authority
72.24 on forms prescribed by the authority ~~for the total maximum daily load grant program, with~~
72.25 ~~additional information as required by the authority,~~ including a project schedule and cost
72.26 estimate for the work necessary to comply with the ~~point source wasteload allocation~~
72.27 requirements listed in subdivision 1. The Pollution Control Agency shall:

72.28 (1) ~~in accordance with section 116.182, calculate the essential project component~~
72.29 ~~percentage, which must be multiplied by the total project cost to determine the eligible~~
72.30 ~~project cost; and~~

72.31 (2) review and certify to the authority those projects that have plans and
72.32 specifications approved under section 115.03, subdivision 1, paragraph (f).

72.33 Subd. 3. **Project priorities.** ~~When money is appropriated for grants under this~~
72.34 ~~program,~~ The authority shall accept applications under this program during the month of
72.35 July and reserve money for projects expected to proceed with construction by the end of

73.1 the fiscal year in the order listed on the Pollution Control Agency's project priority list and
73.2 in an amount based on the cost estimate submitted to the authority in the grant application
73.3 or the as-bid costs, whichever is less. Notwithstanding Minnesota Rules, chapter 7077,
73.4 the Pollution Control Agency may rank a drinking water infrastructure project on the
73.5 agency's project priority list if the project is necessary to meet an applicable requirement
73.6 in subdivision 1.

73.7 Subd. 4. **Grant approval.** The authority must make a grant for an eligible project
73.8 only after:

73.9 (1) the applicant has submitted the as-bid cost for the water infrastructure project;

73.10 (2) the Pollution Control Agency has approved the as-bid costs and certified the
73.11 grant eligible portion of the project; and

73.12 (3) the authority has determined that the additional financing necessary to complete
73.13 the project has been committed from other sources.

73.14 Subd. 5. **Grant disbursement.** Disbursement of a grant must be made for eligible
73.15 project costs as incurred by the governmental unit and in accordance with a project
73.16 financing agreement and applicable state and federal laws and rules governing the
73.17 payments.

73.18 Sec. 7. Minnesota Statutes 2014, section 446A.081, subdivision 9, is amended to read:

73.19 Subd. 9. **Other uses of fund.** (a) The drinking water revolving loan fund may be
73.20 used as provided in the act, including the following uses:

73.21 (1) to buy or refinance the debt obligations, at or below market rates, of public water
73.22 systems for drinking water systems, where the debt was incurred after the date of enactment
73.23 of the act, for the purposes of construction of the necessary improvements to comply with
73.24 the national primary drinking water regulations under the federal Safe Drinking Water Act;

73.25 (2) to purchase or guarantee insurance for local obligations to improve credit market
73.26 access or reduce interest rates;

73.27 (3) to provide a source of revenue or security for the payment of principal and
73.28 interest on revenue or general obligation bonds issued by the authority if the bond
73.29 proceeds are deposited in the fund;

73.30 (4) to provide loans or loan guarantees for similar revolving funds established by a
73.31 governmental unit or state agency;

73.32 (5) to earn interest on fund accounts;

73.33 (6) to pay the reasonable costs incurred by the authority, the Department of
73.34 Employment and Economic Development, and the Department of Health for conducting
73.35 activities as authorized and required under the act up to the limits authorized under the act;

74.1 (7) to develop and administer programs for water system supervision, source water
74.2 protection, and related programs required under the act;

74.3 (8) notwithstanding Minnesota Rules, part 7380.0280, to provide principal
74.4 forgiveness or grants to the extent permitted under the federal Safe Drinking Water Act
74.5 and other federal law, based on the criteria and requirements established for drinking
74.6 water projects under the water infrastructure funding program under section 446A.072;

74.7 (9) to provide loans, principal forgiveness or grants to the extent permitted under the
74.8 federal Safe Drinking Water Act and other federal law to address green infrastructure, water
74.9 or energy efficiency improvements, or other environmentally innovative activities; and

74.10 (10) to provide principal forgiveness, or grants for 50 percent of the project cost up
74.11 to a maximum of \$10,000 for projects needed to comply with national primary drinking
74.12 water standards for an existing community or noncommunity public water system.

74.13 ~~(b) Principal forgiveness or grants under paragraph (a), clause (8), must only be~~
74.14 ~~provided if the average annual residential drinking water system cost after completion of~~
74.15 ~~the project would otherwise exceed 1.2 percent of the median household income in the~~
74.16 ~~project service area. In determining whether the average annual residential drinking~~
74.17 ~~water system cost would exceed 1.2 percent, the authority must consider the total costs~~
74.18 ~~associated with building, operating, and maintaining the drinking water system, including~~
74.19 ~~debt service and operation and maintenance costs. Debt service costs for the proposed~~
74.20 ~~project must be calculated based on the maximum loan term permitted for the drinking~~
74.21 ~~water revolving fund loan under this section. The amount of the principal forgiveness or~~
74.22 ~~grant must be equal to 80 percent of the amount needed to reduce the average annual~~
74.23 ~~residential drinking water system cost to 1.2 percent of median household income in the~~
74.24 ~~project service area, to a maximum of \$4,000,000 or \$15,000 per connection, whichever is~~
74.25 ~~less, and not to exceed 80 percent of the total project cost.~~

74.26 ~~(e) (b)~~ Principal forgiveness or grants provided under paragraph (a), clause (9), may
74.27 not exceed 25 percent of the eligible project costs as determined by the Department of
74.28 Health for project components directly related to green infrastructure, water or energy
74.29 efficiency improvements, or other environmentally innovative activities, up to a maximum
74.30 of \$1,000,000.

74.31 ~~(d) The authority may reduce the percentage of median household income at which a~~
74.32 ~~loan term could extend to 30 years under subdivision 8, paragraph (c), and at which~~
74.33 ~~principal forgiveness or grants could be provided under paragraph (b) if it determines that~~
74.34 ~~the federal money allotted to the state cannot be fully utilized without the reduction. If it~~
74.35 ~~determines that the reduction is necessary to fully utilize the federal money, the authority~~
74.36 ~~must effect the change through its approval of the annual intended use plan.~~

75.1 Sec. 8. Minnesota Statutes 2014, section 446A.12, subdivision 1, is amended to read:

75.2 Subdivision 1. **Bonding authority.** The authority may issue negotiable bonds in a
75.3 principal amount that the authority determines necessary to provide sufficient funds for
75.4 achieving its purposes, including the making of loans and purchase of securities, the
75.5 payment of interest on bonds of the authority, the establishment of reserves to secure its
75.6 bonds, the payment of fees to a third party providing credit enhancement, and the payment
75.7 of all other expenditures of the authority incident to and necessary or convenient to carry
75.8 out its corporate purposes and powers, but not including the making of grants. Bonds of
75.9 the authority may be issued as bonds or notes or in any other form authorized by law.
75.10 The principal amount of bonds issued and outstanding under this section at any time
75.11 may not exceed ~~\$1,500,000,000~~ \$2,000,000,000, excluding bonds for which refunding
75.12 bonds or crossover refunding bonds have been issued, and excluding any bonds issued
75.13 for the credit enhanced bond program or refunding or crossover refunding bonds issued
75.14 under the program. The principal amount of bonds issued and outstanding under section
75.15 446A.087, may not exceed \$500,000,000, excluding bonds for which refunding bonds or
75.16 crossover refunding bonds have been issued.

75.17 Sec. 9. Minnesota Statutes 2014, section 462A.37, is amended by adding a subdivision
75.18 to read:

75.19 Subd. 2c. **Additional authorization.** In addition to the amount authorized in
75.20 subdivisions 2, 2a, and 2b, the agency may issue up to \$35,000,000 in housing infrastructure
75.21 bonds in one or more series to which the payments under this section may be pledged.

75.22 Sec. 10. Minnesota Statutes 2015 Supplement, section 462A.37, subdivision 5, is
75.23 amended to read:

75.24 Subd. 5. **Additional appropriation.** (a) The agency must certify annually to the
75.25 commissioner of management and budget the actual amount of annual debt service on
75.26 each series of bonds issued under subdivisions 2a ~~and~~ 2b, and 2c.

75.27 (b) Each July 15, beginning in 2015 and through 2037, if any housing infrastructure
75.28 bonds issued under subdivision 2a remain outstanding, the commissioner of management
75.29 and budget must transfer to the housing infrastructure bond account established under
75.30 section 462A.21, subdivision 33, the amount certified under paragraph (a), not to exceed
75.31 \$6,400,000 annually. The amounts necessary to make the transfers are appropriated from
75.32 the general fund to the commissioner of management and budget.

75.33 (c) Each July 15, beginning in 2017 and through 2038, if any housing infrastructure
75.34 bonds issued under subdivision 2b remain outstanding, the commissioner of management

76.1 and budget must transfer to the housing infrastructure bond account established under
 76.2 section 462A.21, subdivision 33, the amount certified under paragraph (a), not to exceed
 76.3 \$800,000 annually. The amounts necessary to make the transfers are appropriated from
 76.4 the general fund to the commissioner of management and budget.

76.5 (d) Each July 15, beginning in 2018 and through 2039, if any housing infrastructure
 76.6 bonds issued under subdivision 2c remain outstanding, the commissioner of management
 76.7 and budget must transfer to the housing infrastructure bond account established under
 76.8 section 462A.21, subdivision 33, the amount certified under paragraph (a), not to exceed
 76.9 \$2,800,000 annually. The amounts necessary to make the transfers are appropriated from
 76.10 the general fund to the commissioner of management and budget.

76.11 ~~(d)~~ (e) The agency may pledge to the payment of the housing infrastructure bonds
 76.12 the payments to be made by the state under this section.

76.13 Sec. 11. Laws 2002, chapter 393, section 22, subdivision 6, as amended by Laws 2005,
 76.14 chapter 20, article 1, section 43, and Laws 2013, chapter 136, section 10, is amended to
 76.15 read:

76.16 **Subd. 6. Fergus Falls Regional Treatment**
 76.17 **Center** 3,000,000

76.18 To design, renovate, construct, furnish,
 76.19 and equip ancillary support and program
 76.20 facilities, including improvements to basic
 76.21 infrastructure, such as sanitary and storm
 76.22 sewer and water lines, public streets,
 76.23 curb, gutter, street lights, or sidewalks, to
 76.24 make improvements for building envelope
 76.25 and structural integrity for the purposes
 76.26 of stabilizing the buildings for sale, for
 76.27 hazardous materials abatement, and for
 76.28 demolition of all or portions of surplus,
 76.29 nonfunctional, or deteriorated facilities
 76.30 and infrastructure or to renovate surplus,
 76.31 nonfunctional, or deteriorated facilities and
 76.32 infrastructure to facilitate the redevelopment
 76.33 of the Fergus Falls Regional Treatment
 76.34 Center campus. If the property is sold or
 76.35 transferred to a local unit of government, the

77.1 unspent portion of this appropriation may be
 77.2 granted to the local unit of government that
 77.3 acquires the campus for the purposes stated
 77.4 in this subdivision.

77.5 Notwithstanding Minnesota Statutes, section
 77.6 16A.642, the bond sale authorization and
 77.7 appropriation of bond proceeds in this
 77.8 subdivision are available until December 31,
 77.9 ~~2016~~ 2018.

77.10 Sec. 12. Laws 2012, chapter 293, section 7, subdivision 3, is amended to read:

77.11 Subd. 3. **Dam Repair, Reconstruction, and**
 77.12 **Removal** 3,000,000

77.13 To renovate or remove publicly owned dams.
 77.14 The commissioner shall determine project
 77.15 priorities as appropriate under Minnesota
 77.16 Statutes, sections 103G.511 and 103G.515.
 77.17 Notwithstanding the match requirements
 77.18 in Minnesota Statutes, section 103G.511,
 77.19 a grant to the city of Lanesboro does not
 77.20 require any nonstate match.

77.21 Sec. 13. Laws 2014, chapter 294, article 1, section 7, subdivision 15, is amended to read:

77.22 Subd. 15. **Grant County Trail Grant** 100,000

77.23 For a grant to Grant County for predesign,
 77.24 acquisition, ~~and~~ or improvements for a trail
 77.25 from the city of Elbow Lake to Pomme de
 77.26 Terre Lake. The commissioner of natural
 77.27 resources may allocate any amount not
 77.28 needed to complete this project to state
 77.29 trail acquisition and improvements under
 77.30 Minnesota Statutes, section 85.015.

77.31 Sec. 14. Laws 2014, chapter 294, article 1, section 17, subdivision 6, is amended to read:

78.1 **Subd. 6. Inver Grove Heights - Heritage**
 78.2 **Village Park** 2,000,000

78.3 \$1,500,000 of this appropriation is for a
 78.4 grant to the city of Inver Grove Heights
 78.5 and \$500,000 of this appropriation is for a
 78.6 grant to Dakota County. This appropriation
 78.7 is for public infrastructure improvements
 78.8 and land acquisition in and adjacent to the
 78.9 Heritage Village Park, the Mississippi River
 78.10 Trail, and the Rock Island Swing Bridge.
 78.11 These improvements will include but are
 78.12 not limited to motor vehicle access, utility
 78.13 service, stormwater treatment, and trail and
 78.14 sidewalk connections. This appropriation
 78.15 is not available until the commissioner of
 78.16 management and budget has determined that
 78.17 at least an equal amount has been committed
 78.18 to the project from nonstate sources.

78.19 Sec. 15. Laws 2014, chapter 294, article 1, section 17, subdivision 12, is amended to
 78.20 read:

78.21 **Subd. 12. West St. Paul - ~~North Urban River~~**
 78.22 **to River Regional Trail-Bridge Greenway** 2,000,000

78.23 For a grant to the city of West St. Paul to
 78.24 predesign, design, and construct a ~~pedestrian~~
 78.25 ~~bridge for the North Urban Regional Trail~~
 78.26 ~~as an overpass grade separated crossing of~~
 78.27 ~~Robert Street in the area near Wentworth~~
 78.28 ~~Avenue in West St. Paul for the River to River~~
 78.29 Regional Greenway. This appropriation may
 78.30 also be used to acquire property or purchase
 78.31 rights-of-way needed for bridge construction.
 78.32 A nonstate match is not required.

78.33 Sec. 16. Laws 2015, First Special Session chapter 5, article 1, section 10, subdivision
 78.34 3, is amended to read:

79.1 **Subd. 3. Local Road Improvement Fund**
 79.2 **Grants** 8,910,000

79.3 (a) From the bond proceeds account in
 79.4 the state transportation fund as provided
 79.5 in Minnesota Statutes, section 174.50, for
 79.6 construction and reconstruction of local
 79.7 roads with statewide or regional significance
 79.8 under Minnesota Statutes, section 174.52,
 79.9 subdivision 4, or for grants to counties to
 79.10 assist in paying the costs of rural road safety
 79.11 capital improvement projects on county
 79.12 state-aid highways under Minnesota Statutes,
 79.13 section 174.52, subdivision 4a.

79.14 (b) This appropriation includes \$850,000 for
 79.15 a grant to the city of Sandstone for predesign,
 79.16 design, engineering, and construction of a
 79.17 road extending south off of marked Trunk
 79.18 Highway 23 across from Lundorff Drive
 79.19 to the airport area, and including a bridge
 79.20 over Skunk Creek in Sandstone, in order to
 79.21 facilitate repurposing of an area of the airport
 79.22 into a business park. This appropriation
 79.23 is not available until the commissioner of
 79.24 management and budget determines that
 79.25 sufficient resources to complete the project
 79.26 are committed to it from other sources,
 79.27 including any funds made available from the
 79.28 commissioner of transportation.

79.29 (c) This appropriation includes \$3,770,000
 79.30 for a grant to Kandiyohi County for
 79.31 construction and reconstruction of local
 79.32 roads to facilitate the construction of
 79.33 highway-rail grade separations at ~~U.S.~~
 79.34 ~~Highway 12 and Minnesota Highway 40~~
 79.35 ~~as part of~~ one or more of the following

80.1 highway-rail intersections associated with
80.2 the Willmar Wye project: U.S. Highway 12,
80.3 marked Trunk Highway 40, and Kandiyohi
80.4 County State-Aid Highway 55.

80.5 **Sec. 17. NATIONAL SPORTS CENTER; LEASE.**

80.6 Notwithstanding Minnesota Statutes, sections 16A.695, 16B.24, and 240A.03,
80.7 subdivision 6, the Minnesota Amateur Sports Commission may lease for educational
80.8 purposes that portion of property described as a portion of the property acquired by the
80.9 commission pursuant to Laws 1987, chapter 400, section 8, subdivision 3, not currently
80.10 needed for amateur sports purposes to Independent School District No. 16, Spring Lake
80.11 Park. The lease shall be in a form approved by the attorney general and for a term not
80.12 to exceed 99 years. The lease may provide for the provision of capital improvements or
80.13 other performance by the tenant in lieu of all or some of the payments of rent that would
80.14 otherwise be required. Any lease revenues paid to the commission are appropriated to
80.15 the commission.

80.16 **Sec. 18. REPORT ON FUTURE OF GLENSHEEN.**

80.17 The Board of Regents of the University of Minnesota must develop a plan for the
80.18 future of Glensheen, the historic Congdon estate in Duluth, in cooperation and consultation
80.19 with the city of Duluth, the Minnesota Historical Society, and other interested parties. The
80.20 plan must address facility ownership, a multiphased asset renewal plan, programmatic
80.21 operations, and cultural interpretation. The plan must be submitted by January 16, 2017,
80.22 to the chairs and ranking minority members of the legislative committees with jurisdiction
80.23 over higher education policy and finance, and capital investment, and as provided in
80.24 Minnesota Statutes, section 3.195.

80.25 **Sec. 19. COMMISSIONER OF ADMINISTRATION REPORT - FUNDING**
80.26 **FOR ASSET PRESERVATION.**

80.27 Subdivision 1. **Report.** By November 15, 2016, the commissioner of administration
80.28 shall report to the chairs and ranking minority members of the committees in the senate
80.29 with jurisdiction over finance and capital investment and in the house of representatives
80.30 with jurisdiction over ways and means and capital investment, with recommendations for
80.31 sustainable, reliable, predictable funding for preservation of capital assets owned by
80.32 agencies.

81.1 Subd. 2. **Funding options and approaches.** The report shall assess the feasibility of
 81.2 implementing the following options and may include evaluation of other feasible options:

81.3 (1) establishing a standing appropriation from the general fund to pay a portion of
 81.4 certified asset preservation needs;

81.5 (2) establishing a standing appropriation from the bond proceeds fund, and
 81.6 authorizing the sale of general obligation bonds, to pay a portion of certified asset
 81.7 preservation needs;

81.8 (3) dedicating a specified portion of fees collected by agencies to use for asset
 81.9 preservation; and

81.10 (4) shifting asset preservation from the capital budget to the operating budget so that
 81.11 asset preservation is built into the base budget.

81.12 Evaluations should include a comparison to current law and practice.

81.13 Subd. 3. **Demolition.** The report shall evaluate whether the metrics and process
 81.14 used by each agency to recommend demolition of capital assets are comprehensive enough
 81.15 to reflect what is in the best interest of the state.

81.16 Subd. 4. **Definition.** "Agencies" as used in this section means all executive branch
 81.17 agencies, the Board of Regents of the University of Minnesota, and the Board of Trustees
 81.18 of Minnesota State Colleges and Universities.

81.19 Sec. 20. **REPEALER.**

81.20 Minnesota Statutes 2014, section 123A.446, is repealed.

81.21 Sec. 21. **EFFECTIVE DATE.**

81.22 Except as otherwise provided, this article is effective the day following final
 81.23 enactment.

81.24 **ARTICLE 4**

81.25 **RAIL TRANSPORTATION**

81.26 Section 1. Minnesota Statutes 2014, section 13.6905, is amended by adding a
 81.27 subdivision to read:

81.28 Subd. 34. **Oil and other hazardous substances transportation data.** Certain
 81.29 data on oil and other hazardous substances transportation by railroads are governed by
 81.30 section 219.925, subdivision 7.

81.31 Sec. 2. Minnesota Statutes 2014, section 13.7411, is amended by adding a subdivision
 81.32 to read:

82.1 Subd. 10. **Prevention and response plans.** Certain data on prevention and response
 82.2 plans are governed by section 115E.042, subdivision 7.

82.3 Sec. 3. Minnesota Statutes 2014, section 115E.042, is amended to read:

82.4 **115E.042 PREPAREDNESS AND RESPONSE FOR CERTAIN RAILROADS.**

82.5 Subdivision 1. **Application.** In addition to the requirements of section 115E.04,
 82.6 a person who owns or operates railroad car rolling stock transporting a unit train must
 82.7 comply with this section.

82.8 Subd. 2. **Training.** (a) Each railroad must offer training to each fire department,
 82.9 and each local organization for emergency management under section 12.25, having
 82.10 jurisdiction along the route of unit trains routes over which oil and other hazardous
 82.11 substances are transported. Initial training under this subdivision must be offered to each
 82.12 fire department by June 30, 2016, and Refresher training must be offered to each fire
 82.13 department and local organization for emergency management at least once every three
 82.14 years thereafter after initial training under this subdivision.

82.15 (b) The training must address ~~the general hazards of oil and hazardous substances,~~
 82.16 ~~techniques to assess hazards to the environment and to the safety of responders and the~~
 82.17 ~~public, factors an incident commander must consider in determining whether to attempt to~~
 82.18 ~~suppress a fire or to evacuate the public and emergency responders from an area, and other~~
 82.19 ~~strategies for initial response by local emergency responders. The training must include~~
 82.20 ~~suggested protocol or practices for local responders to safely accomplish these tasks~~
 82.21 identification of rail cars and their hazardous substance contents, responder safety issues,
 82.22 rail response tactics, public evacuation considerations, environmental contamination
 82.23 response, coordination of railroad response personnel and resources at an incident, and
 82.24 other protocols and practices for safe initial local response.

82.25 Subd. 3. **Emergency response planning; coordination.** ~~Beginning June 30, 2015,~~
 82.26 (a) Each railroad must communicate at least annually with each county or city emergency
 82.27 manager, security qualified safety representatives of railroad employees governed by the
 82.28 Railway Labor Act, and a senior fire department officer of each fire department having
 82.29 jurisdiction along the route of a unit train routes over which oil and other hazardous
 82.30 substances are transported, to:

82.31 (1) ensure coordination of emergency response activities between the railroad and
 82.32 local responders;

82.33 (2) upon request, assist emergency managers to identify and assess local rail-specific
 82.34 threats, hazards, and risks; and

83.1 (3) obtain information from emergency managers regarding specific local natural
 83.2 and technical hazards and threats in the local area that may impact rail operations or
 83.3 public safety.

83.4 (b) The coordination under paragraph (a), clauses (2) and (3), must include
 83.5 identification of increased risks and potential special responses due to high population
 83.6 concentration, critical local infrastructure, key facilities, significant venues, or sensitive
 83.7 natural environments.

83.8 (c) The commissioner of public safety shall compile and make available to railroads
 83.9 a listing of emergency managers and fire chiefs, which must include contact information.

83.10 Subd. 4. **Response capabilities; time limits.** (a) Following confirmation of a
 83.11 discharge, a railroad must deliver and deploy sufficient equipment and trained personnel
 83.12 to (1) contain and recover discharged oil or hazardous substances, and (2) to protect the
 83.13 environment and assist local public safety officials.

83.14 (b) Within 15 minutes of the arrival of local emergency responders on the scene of a
 83.15 rail incident involving oil or other hazardous substances, a railroad must assist the incident
 83.16 commander in determining the nature of hazardous substances known to have been released
 83.17 and hazardous substances transported on the train, by providing information that includes
 83.18 the chemical content of the hazardous substances, contact information for the shipper, and
 83.19 instructions for dealing with release of the material. A railroad may provide information
 83.20 through the train orders on board the train, facsimile, or electronic transmission.

83.21 (c) Within one hour of confirmation of a discharge, a railroad must provide a
 83.22 qualified company ~~employee~~ representative to advise the incident commander, help
 83.23 assess the situation, initiate railroad response actions as needed, and provide advice and
 83.24 recommendations to the incident commander regarding the response. The employee may
 83.25 be made available by telephone, and must be authorized to deploy all necessary response
 83.26 resources of the railroad.

83.27 ~~(e)~~ (d) Within three hours of confirmation of a discharge, a railroad must be capable of
 83.28 delivering monitoring equipment and a trained operator to assist in protection of responder
 83.29 and public safety. A plan to ensure delivery of monitoring equipment and an operator to a
 83.30 discharge site must be provided each year to the commissioner of public safety.

83.31 ~~(d)~~ (e) Within three hours of confirmation of a discharge, a railroad must provide (1)
 83.32 qualified personnel at a discharge site to assess the discharge and to advise the incident
 83.33 commander, and (2) resources to assist the incident commander with ongoing public
 83.34 safety and scene stabilization.

83.35 ~~(e)~~ (f) A railroad must be capable of deploying containment boom from land across
 83.36 sewer outfalls, creeks, ditches, and other places where oil or hazardous substances

84.1 may drain, in order to contain leaked material before it reaches those resources. The
84.2 arrangement to provide containment boom and staff may be made by:

- 84.3 (1) training and caching equipment with local jurisdictions;
- 84.4 (2) training and caching equipment with a fire mutual-aid group;
- 84.5 (3) means of an industry cooperative or mutual-aid group;
- 84.6 (4) deployment of a contractor;
- 84.7 (5) deployment of a response organization under state contract; or
- 84.8 (6) other dependable means acceptable to the Pollution Control Agency.

84.9 ~~(f)~~ (g) Each arrangement under paragraph ~~(e)~~ (f) must be confirmed each year. Each
84.10 arrangement must be tested by drill at least once every five years.

84.11 ~~(g)~~ (h) Within eight hours of confirmation of a discharge, a railroad must be capable
84.12 of delivering and deploying containment boom, boats, oil recovery equipment, trained
84.13 staff, and all other materials needed to provide:

84.14 (1) on-site containment and recovery of a volume of oil equal to ten percent of the
84.15 calculated worst case discharge at any location along the route; and

84.16 (2) protection of listed sensitive areas and potable water intakes within one mile of
84.17 a discharge site and within eight hours of water travel time downstream in any river
84.18 or stream that the right-of-way intersects.

84.19 ~~(h)~~ (i) Within 60 hours of confirmation of a discharge, a railroad must be capable of
84.20 delivering and deploying additional containment boom, boats, oil recovery equipment,
84.21 trained staff, and all other materials needed to provide containment and recovery of a
84.22 worst case discharge and to protect listed sensitive areas and potable water intakes at any
84.23 location along the route.

84.24 Subd. 5. ~~Railroad drills~~ **Environmental response exercises.** (a) Each railroad
84.25 must conduct ~~at least one~~ oil containment, recovery, and sensitive area protection ~~drill~~
84.26 exercises as follows: (1) at least one tabletop exercise every year; and (2) at least one
84.27 full-scale exercise every three years; Each exercise must be at a location, date, and
84.28 time and in the manner chosen by the Pollution Control Agency, and attended by safety
84.29 representatives of railroad employees governed by the Railway Labor Act.

84.30 (b) To the extent feasible, the commissioner of the Pollution Control Agency shall
84.31 coordinate each exercise with exercises required by federal agencies.

84.32 Subd. 6. **Prevention and response plans; requirements, submission.** (a) By
84.33 ~~June 30, 2015~~, A railroad shall submit the prevention and response plan ~~required under~~
84.34 ~~section 115E.04~~, ~~as necessary to comply with the requirements of this section~~, to the
84.35 commissioner of the Pollution Control Agency on a form designated by the commissioner.

85.1 (b) ~~By June 30 of~~ In every third year following a plan submission under this
 85.2 subdivision, or sooner as provided under section 115E.04, subdivision 2, a railroad must
 85.3 update and resubmit the prevention and response plan to the commissioner.

85.4 Subd. 7. **Environmental response plan data.** A prevention and response plan
 85.5 provided under this section is nonpublic data, as defined under section 13.02, subdivision 9.

85.6 Sec. 4. Minnesota Statutes 2014, section 219.015, is amended to read:

85.7 **219.015 STATE RAIL SAFETY INSPECTOR INSPECTION PROGRAM.**

85.8 Subdivision 1. **Positions established; duties.** (a) The commissioner of transportation
 85.9 shall establish three state rail safety inspector positions ~~in the Office of Freight and~~
 85.10 ~~Commercial Vehicle Operations of the Minnesota Department of Transportation. On or~~
 85.11 ~~after July 1, 2015, and~~ the commissioner may establish a fourth up to six state rail safety
 85.12 ~~inspector position~~ inspection program positions following consultation with railroad
 85.13 companies. The commissioner shall apply to and enter into agreements with the Federal
 85.14 Railroad Administration (FRA) of the United States Department of Transportation
 85.15 to participate in the federal State Rail Safety Participation Program for training and
 85.16 certification of an inspector under authority of United States Code, title 49, sections 20103,
 85.17 20105, 20106, and 20113, and Code of Federal Regulations, title 49, part 212.

85.18 (b) A state rail safety inspector ~~shall~~ may inspect mainline track, secondary
 85.19 track, and yard and industry track; inspect railroad right-of-way, including adjacent or
 85.20 intersecting drainage, culverts, bridges, overhead structures, and traffic and other public
 85.21 crossings; inspect yards and physical plants; inspect train equipment; review and enforce
 85.22 safety requirements; review maintenance and repair records; and review railroad security
 85.23 measures.

85.24 (c) A state rail safety inspector may perform, but is not limited to, the duties
 85.25 described in the federal State Rail Safety Participation Program. An inspector may train,
 85.26 be certified, and participate in any of the federal State Rail Safety Participation Program
 85.27 disciplines, including: track, signal and train control, motive power and equipment,
 85.28 operating practices compliance, hazardous materials, and highway-rail grade crossings.

85.29 (d) To the extent delegated by the Federal Railroad Administration and authorized
 85.30 by the commissioner, an inspector may issue citations for violations of this chapter, or to
 85.31 ensure railroad employee and public safety and welfare.

85.32 Subd. 2. **Railroad company assessment; account; appropriation.** (a) As provided
 85.33 in this subdivision, the commissioner shall annually assess railroad companies that are
 85.34 (1) defined as common carriers under section 218.011; (2) classified by federal law

86.1 or regulation as Class I Railroads, Class I Rail Carriers, Class II Railroads, or Class II
86.2 Carriers; and (3) operating in this state.

86.3 (b) The assessment must be ~~by a division of~~ calculated to allocate state rail
86.4 safety ~~inspector inspection~~ program costs ~~in equal proportion between~~ proportionally
86.5 among carriers based on route miles operated in Minnesota, ~~assessed in equal amounts~~
86.6 ~~for 365 days of the calendar year~~ at the time of assessment. The commissioner shall
86.7 assess include in the assessment calculation all program or additional position start-up
86.8 ~~or re-establishment costs;~~ all related costs of initiating the state rail safety inspector
86.9 inspection program, including but not limited to inspection, administration, supervision,
86.10 travel, equipment, and training; and costs of ongoing state rail inspector duties.

86.11 (c) The assessments collected under this subdivision must be deposited in a ~~special~~
86.12 ~~account in the special revenue fund, to be known as the~~ state rail safety inspection account,
86.13 which is established in the special revenue fund. The account consists of funds as provided
86.14 by this subdivision, and any other money donated, allotted, transferred, or otherwise
86.15 provided to the account. Money in the account is appropriated to the commissioner for
86.16 the establishment and ongoing responsibilities of the state rail safety ~~inspector inspection~~
86.17 program.

86.18 Subd. 3. **Work site safety coaching program.** The commissioner may exempt a
86.19 common carrier not federally classified as Class I from violations for a period of up to
86.20 two years if the common carrier applies for participation in a work site safety coaching
86.21 program, such as the "MNSharp" program administered by the Minnesota Department of
86.22 Labor and Industry, and the commissioner determines such participation to be preferred
86.23 enforcement for safety or security violations.

86.24 Subd. 4. **Appeal.** Any person aggrieved by an assessment levied under this section
86.25 may appeal within 90 days any assessment, violation, or administrative penalty to the
86.26 Office of Administrative Hearings, with further appeal and review by the district court.

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

86.28 Sec. 5. **[219.925] INCIDENT EMERGENCY RESPONSE; PREPAREDNESS**
86.29 **AND INFORMATION.**

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

86.32 (b) "Emergency manager" means the director of a local organization for emergency
86.33 management under section 12.25.

86.34 (c) "Hazardous substance" has the meaning given in Code of Federal Regulations,
86.35 title 49, section 171.8.

87.1 (d) "Incident commander" means the official who has responsibility, following
87.2 National Incident Management System guidelines, for all aspects of emergency response
87.3 operations at an incident scene, including directing and controlling resources.

87.4 (e) "Oil" has the meaning given in section 115E.01, subdivision 8.

87.5 (f) "Rail carrier" means a railroad company that is:

87.6 (1) defined as a common carrier under section 218.011;

87.7 (2) classified by federal law or regulation as Class I Railroad, Class I Rail Carrier,
87.8 Class II Railroad, Class II Carrier, Class III Railroad, or Class III Carrier; and

87.9 (3) operating in this state.

87.10 Subd. 2. **Traffic review.** Within ten business days of receiving a written request, a
87.11 rail carrier shall provide a traffic review to a requesting emergency manager or fire chief
87.12 having jurisdiction along the routes over which oil and other hazardous substances are
87.13 transported. The traffic review under this subdivision must include information on the
87.14 types and volumes of oil and other hazardous substance transported through the requester's
87.15 jurisdiction during the prior calendar year.

87.16 Subd. 3. **Emergency response planning; information sharing.** Upon written
87.17 request, a rail carrier shall provide to an emergency manager or fire chief having
87.18 jurisdiction along the routes over which oil and other hazardous substances are transported:

87.19 (1) a complete copy of prevention and response plans submitted under section
87.20 115E.042, subdivision 6; and

87.21 (2) a copy of the data and information, including risk assessment information, used
87.22 to develop the rail carrier's route analysis as required under Code of Federal Regulations,
87.23 title 49, section 172.820, or successor requirements.

87.24 Subd. 4. **Emergency response planning; coordination meetings.** (a) Within
87.25 30 days of receiving a written request, a rail carrier must be available to meet with a
87.26 requesting emergency manager or fire chief having jurisdiction along the routes over
87.27 which oil and other hazardous substances are transported, concerning emergency response
87.28 planning and coordination.

87.29 (b) At a meeting held under this subdivision, a rail carrier must provide:

87.30 (1) a review of the rail carrier's emergency response planning and capability,
87.31 including railroad response timelines and resources to provide (i) technical advice and
87.32 recommendations, (ii) trained response personnel, (iii) specialized equipment, and (iv) any
87.33 other available resources to support an incident commander who conducts a public safety
87.34 emergency response under the National Incident Management System; and

87.35 (2) inventory information on emergency response involving oil or other hazardous
87.36 substance, consisting of:

- 88.1 (i) equipment owned by the rail carrier, including equipment type and location;
 88.2 (ii) response personnel of the rail carrier, including contact information and location;
 88.3 and
 88.4 (iii) resources available to the rail carrier through contractual agreements.

88.5 Subd. 5. **Real-time emergency response information.** (a) The commissioner
 88.6 of public safety shall, through the Minnesota Fusion Center, receive and disseminate
 88.7 emergency response information as provided under section 7302 of the FAST Act of 2015,
 88.8 Public Law 114-94, and federal regulations adopted under that section.

88.9 (b) On and after July 1, 2017, all rail carriers subject to this section shall collectively
 88.10 provide to emergency responders, through an Internet-based format, the information on
 88.11 transportation of oil and other hazardous substances provided by rail carriers through a
 88.12 wireless communications device application on the effective date of this section.

88.13 Subd. 6. **Public safety response exercises.** (a) Each rail carrier must conduct one
 88.14 tabletop public safety emergency response exercise in each emergency management region
 88.15 in which the rail carrier transports oil and other hazardous substances. The exercises must
 88.16 be conducted by July 1, 2017, and July 1 every two years thereafter.

88.17 (b) Each rail carrier must conduct one full-scale exercise every four years.

88.18 (c) In a emergency management region in which more than one rail carrier operates,
 88.19 the rail carriers may conduct the exercises jointly or may alternate among rail carriers
 88.20 to conduct the exercise.

88.21 (d) To the extent feasible, the rail carriers shall coordinate the exercises among each
 88.22 other and with exercises under section 115E.042, subdivision 5.

88.23 Subd. 7. **Transportation and response planning data.** Any data provided under
 88.24 subdivisions 3 to 6 to an emergency manager, incident commander, emergency first
 88.25 responder, fire chief, or the commissioner of public safety are nonpublic data, as defined
 88.26 under section 13.02, subdivision 9.

88.27 Sec. 6. Minnesota Statutes 2014, section 299A.55, is amended to read:

88.28 **299A.55 RAILROAD AND PIPELINE SAFETY INCIDENT**
 88.29 **PREPAREDNESS; OIL AND OTHER HAZARDOUS MATERIALS SUBSTANCES.**

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

88.32 (b) "Applicable rail carrier" means a railroad company that is subject to an
 88.33 assessment under section 219.015, subdivision 2.

88.34 (c) "Hazardous substance" has the meaning given in ~~section 115B.02, subdivision 8~~
 88.35 Code of Federal Regulations, title 49, section 171.8.

89.1 (d) "Oil" has the meaning given in section 115E.01, subdivision 8.

89.2 (e) "Pipeline company" means any individual, partnership, association, or public
89.3 or private corporation who owns and operates pipeline facilities and is required to show
89.4 specific preparedness under section 115E.03, subdivision 2.

89.5 Subd. 2. **Railroad and pipeline safety incident account.** (a) A railroad and
89.6 pipeline safety incident account is created in the special revenue fund. The account
89.7 consists of funds collected under subdivision 4 and funds donated, allotted, transferred, or
89.8 otherwise provided to the account.

89.9 (b) ~~\$104,000~~ An amount necessary for environmental protection activities related to
89.10 railroad discharge preparedness under section 115E.042 is annually appropriated from the
89.11 railroad and pipeline safety incident account to the commissioner of the Pollution Control
89.12 Agency for ~~environmental protection activities related to railroad discharge preparedness~~
89.13 ~~under chapter 115E~~ those purposes.

89.14 (c) Following the appropriation in paragraph (b), the remaining money in the
89.15 account is annually appropriated to the commissioner of public safety for the purposes
89.16 specified in subdivision 3.

89.17 Subd. 3. **Allocation of funds.** (a) Subject to funding appropriated for this
89.18 subdivision, the commissioner shall provide funds for training and response preparedness
89.19 related to (1) derailments, discharge incidents, or spills involving trains carrying oil or
89.20 other hazardous substances, and (2) pipeline discharge incidents or spills involving oil
89.21 or other hazardous substances.

89.22 (b) The commissioner shall allocate available funds as follows:

89.23 (1) \$100,000 annually for emergency response teams; and

89.24 (2) the remaining amount to the Board of Firefighter Training and Education under
89.25 section 299N.02 and the Division of Homeland Security and Emergency Management.

89.26 (c) Prior to making allocations under paragraph (b), the commissioner shall consult
89.27 with the Fire Service Advisory Committee under section 299F.012, subdivision 2.

89.28 (d) The commissioner and the entities identified in paragraph (b), clause (2), shall
89.29 prioritize uses of funds based on:

89.30 (1) firefighter training needs;

89.31 (2) community risk from discharge incidents or spills;

89.32 (3) geographic balance; ~~and~~

89.33 (4) risks to the general public; and

89.34 (5) recommendations of the Fire Service Advisory Committee.

89.35 (e) The following are permissible uses of funds provided under this subdivision:

90.1 (1) training costs, which may include, but are not limited to, training curriculum,
 90.2 trainers, trainee overtime salary, other personnel overtime salary, and tuition;

90.3 (2) costs of gear and equipment related to hazardous materials readiness, response,
 90.4 and management, which may include, but are not limited to, original purchase,
 90.5 maintenance, and replacement;

90.6 (3) supplies related to the uses under clauses (1) and (2); ~~and~~

90.7 (4) emergency preparedness planning and coordination;

90.8 (5) public safety emergency response exercises under section 219.925, subdivision
 90.9 6; and

90.10 (6) public education and outreach, including but not limited to:

90.11 (i) informing and engaging the public regarding hazards of derailments and
 90.12 discharge incidents;

90.13 (ii) assisting in development of evacuation readiness;

90.14 (iii) undertaking public information campaigns; and

90.15 (iv) providing accurate information to the media on likelihood and consequences of
 90.16 derailments and discharge incidents.

90.17 (f) Notwithstanding paragraph (b), clause (2), from funds in the railroad and pipeline
 90.18 safety incident account provided for the purposes under this subdivision, the commissioner
 90.19 may retain a balance in the account for budgeting in subsequent fiscal years.

90.20 Subd. 4. **Assessments.** (a) The commissioner of public safety shall annually assess
 90.21 \$2,500,000 to railroad and pipeline companies based on the formula specified in paragraph
 90.22 (b). The commissioner shall deposit funds collected under this subdivision in the railroad
 90.23 and pipeline safety incident account under subdivision 2.

90.24 (b) The assessment for each railroad is 50 percent of the total annual assessment
 90.25 amount, divided in equal proportion between applicable rail carriers based on route miles
 90.26 operated in Minnesota. The assessment for each pipeline company is 50 percent of the
 90.27 total annual assessment amount, divided in equal proportion between companies based
 90.28 on the yearly aggregate gallons of oil and hazardous substance transported by pipeline
 90.29 in Minnesota.

90.30 (c) The assessments under this subdivision expire July 1, 2017.

90.31 **Sec. 7. REVISOR'S INSTRUCTION.**

90.32 The revisor of statutes shall recodify Minnesota Statutes, section 115E.042,
 90.33 subdivision 2, as Minnesota Statutes, section 219.925, subdivision 8, and Minnesota
 90.34 Statutes, section 115E.042, subdivision 3, as Minnesota Statutes, section 219.925,

- 91.1 subdivision 4. The revisor shall correct any cross-references made necessary by this
- 91.2 recodification.

APPENDIX
Article locations in 16-7768

ARTICLE 1	APPROPRIATIONS	Page.Ln 1.19
ARTICLE 2	TRANSPORTATION FINANCE AND POLICY	Page.Ln 49.15
ARTICLE 3	MISCELLANEOUS	Page.Ln 60.16
ARTICLE 4	RAIL TRANSPORTATION	Page.Ln 81.24