

1.1 Freiberg and Quam from the Committee on Elections Finance and Government Operations  
1.2 to which was referred:

1.3 H. F. No. 2418, A bill for an act relating to capital investment; requiring local  
1.4 governments to establish replacement accounts to maintain and replace capital projects that  
1.5 receive state funding; proposing coding for new law in Minnesota Statutes, chapter 16A.

1.6 Reported the same back with the following amendments:

1.7 Delete everything after the enacting clause and insert:

1.8 "Section 1. **[16A.865] CAPITAL PROJECT PLANS.**

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

1.11 (b) "Capital project" means improvements or betterments of a capital nature subject to  
1.12 section 16A.642, 16A.695, or 16A.86.

1.13 (c) "Grantee" means a grantee that receives a direct appropriation or grant from an  
1.14 appropriation of state money for a capital project on or after July 1, 2025. Grantee does not  
1.15 include a state agency or state official.

1.16 (d) "Preservation" means improvements and betterments of a capital nature consistent  
1.17 with those described in section 16B.307, subdivision 1, paragraph (d).

1.18 Subd. 2. **Capital project plan required.** A grantee must establish a capital project plan  
1.19 for major rehabilitation, expansion, or preservation of all capital projects, including safety  
1.20 and security, maintenance and utility costs, availability of repair parts and materials,  
1.21 sustainability, and any other criteria the grantee deems relevant.

1.22 Subd. 3. **Certification of plan.** (a) A grantee must certify to the commissioner that the  
1.23 grantee has established or updated a capital project plan, and is in compliance with the  
1.24 capital project plan, in accordance with this section. The certification must be made in the  
1.25 time, form, and manner prescribed by the commissioner.

2.1 (b) The commissioner may require a grantee to provide additional documentation or  
2.2 information about a capital project plan to verify a certification made under this subdivision.

2.3 **EFFECTIVE DATE.** This section is effective for capital projects funded through state  
2.4 capital project grant agreements entered into on or after July 1, 2025."

2.5 Amend the title as follows:

2.6 Page 1, line 2, delete "replacement" and insert "capital project plans;"

2.7 Page 1, delete line 3

2.8 With the recommendation that when so amended the bill be re-referred to the Committee  
2.9 on Capital Investment.

2.10 This Committee action taken March 26, 2025

2.11 ..... Co-Chair

2.12 ..... Co-Chair