

Subject Green infrastructure funding

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## Overview

This bill creates criteria for the Public Facilities Authority (PFA) in awarding funding for green infrastructure projects with funds from the clean water revolving fund and drinking water revolving loan fund. The bill also creates a new green infrastructure grant program to be administered by the PFA, appropriates money for the program, and identifies two specific projects to be funded with a portion of the funds appropriated to the program.

## Summary

Section	Description
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1	<b>Other uses of revolving fund.</b>
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Requires the PFA to use the maximum amount of federal funds available in the clean water revolving fund for green infrastructure, water or energy efficiency improvements, or other environmentally innovative activities each fiscal year beginning in fiscal year 2023. If there is no maximum amount stated in federal law for such activities in any given fiscal year, the PFA must use no less than 20 percent of the federal funds in the clean water revolving fund for such purposes.

Effective July 1, 2022.

2	<b>Green infrastructure grant program.</b>
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Creates a new section 446A.077, which establishes a green infrastructure grant program administered by the PFA.

**Subd. 1. Establishment of program.** Requires the PFA to establish a green infrastructure grant program to provide grants for green infrastructure projects.

**Subd. 2. Definitions.** Defines the terms “green infrastructure,” “political subdivision,” and “project” for the purposes of the program.

Section	Description
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**Subd. 3. Eligibility.** Clarifies that a political subdivision is eligible to apply for and receive a grant under this section.

**Subd. 4. Application.** Requires a political subdivision to submit an application for a grant under this section. The PFA must consult with Minnesota Management and Budget on the form of the application, the content of a request for proposals to solicit applications, and any prioritization criteria the PFA intends to apply to the program.

**Subd. 5. Eligible project.** Requires that a grant be used to fund green infrastructure projects qualified to be funded with state general obligation bonds. Clarifies that general fund money appropriated to the program may be used for green infrastructure that does not meet the narrow criteria for projects funded with state general obligation bonds.

**Subd. 6. Grants.** Requires a political subdivision to pass a resolution in support of the project for which it seeks funding from the program. The PFA may prioritize projects that provide a local match of funds. A grant awarded under the program must be no less than the amount required to complete the project, less any local funds committed to the project. A green infrastructure grant is in addition to any green infrastructure funding from the clean water revolving fund or drinking water revolving loan fund.

**Subd. 7. Cancellation.** Clarifies that a grant under this section is subject to the cancellation provisions under section 16A.642.

Effective July 1, 2022.

3 **Other uses of fund.**

Requires the Public Facilities Authority (PFA) to use the maximum amount of federal funds available in the drinking water revolving loan fund for green infrastructure, water or energy efficiency improvements, or other environmentally innovative activities each fiscal year beginning in fiscal year 2023. If there is no maximum amount stated in federal law for such activities in any given fiscal year, the PFA must use no less than 20 percent of the federal funds in the drinking water revolving loan fund for such purposes.

Effective July 1, 2022.

4 **Green infrastructure program.**

Appropriates \$20,000,000 in general obligation bond proceeds and \$20,000,000 from the general fund for the newly created green infrastructure grant program under section 2.

**Section Description**

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Effective July 1, 2022.

**5 Appropriation; green infrastructure projects.**

Requires the PFA to award grants from a fiscal year 2023 appropriation for the green infrastructure grant program to the Minneapolis Park and Recreation Board for public park and water management infrastructure along Shingle, Bassett's, and Minnehaha Creeks in Minneapolis, and to Dakota County for a green infrastructure pilot project on a segment of the Mississippi River Greenway. A grant required to be awarded under this section must be no less than the amount required to complete the project, less any local funds committed to the project.

Effective July 1, 2022.



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