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State of Minnesota

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HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. 337

- 01/25/2021 Authored by Lee, Frazier, Freiberg, Berg, Agbaje and others
The bill was read for the first time and referred to the Committee on Capital Investment
- 04/19/2021 Adoption of Report: Amended and re-referred to the Committee on Ways and Means
- 05/14/2021 Adoption of Report: Placed on the General Register as Amended
Read for the Second Time
- 05/17/2021 Pursuant to Rule 4.20, returned to the Committee on Ways and Means

1.1 A bill for an act

1.2 relating to capital investment; authorizing spending to acquire and better public

1.3 land and buildings and other improvements of a capital nature with certain

1.4 conditions; authorizing the issuance of state bonds; establishing and modifying

1.5 state programs; modifying prior appropriations; requiring a study and report;

1.6 appropriating money; amending Minnesota Statutes 2020, sections 16A.967,

1.7 subdivisions 7, 8; 16B.24, subdivision 5; 16B.325, subdivision 2; 462A.37,

1.8 subdivisions 1, 2, 5, by adding a subdivision; 469.53; Laws 2009, chapter 93,

1.9 article 1, section 14, subdivision 3, as amended; Laws 2014, chapter 294, article

1.10 1, sections 21, subdivisions 21, 23, as amended; 22, subdivision 5, as amended;

1.11 Laws 2017, First Special Session chapter 8, article 1, sections 7, subdivision 2;

1.12 15, subdivision 3, as amended; 20, subdivisions 8, 14, 15; Laws 2018, chapter

1.13 214, article 1, sections 16, subdivision 2, as amended; 17, subdivision 6; 18,

1.14 subdivisions 3, 4; 21, subdivision 16; 22, subdivision 6; Laws 2019, chapter 2,

1.15 article 1, section 2, subdivision 5; Laws 2020, Fifth Special Session chapter 3,

1.16 article 1, sections 7, subdivisions 3, 18; 13, subdivision 5; 16, subdivisions 5, 7,

1.17 15, 36; 20, subdivisions 5, 7; 21, subdivisions 14, 20, 23, 37, 44, 47; 22,

1.18 subdivisions 6, 8, 18, 19, 21, 23, 28, 30, 33; article 2, section 2, subdivisions 2, 4;

1.19 proposing coding for new law in Minnesota Statutes, chapters 16A; 16B; repealing

1.20 Minnesota Statutes 2020, sections 16A.93; 16A.94; 16A.96; 16A.967, subdivision

1.21 2b.

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

1.23 **ARTICLE 1**

1.24 **APPROPRIATIONS**

1.25 Section 1. **CAPITAL IMPROVEMENT APPROPRIATIONS.**

1.26 The sums shown in the column under "Appropriations" are appropriated from the bond

1.27 proceeds fund, or another named fund, to the state agencies or officials indicated, to be

1.28 spent for public purposes. Appropriations of bond proceeds must be spent as authorized by

1.29 the Minnesota Constitution, article XI, section 5, clause (a), to acquire and better public

1.30 land and buildings and other public improvements of a capital nature, or as authorized by

2.1 the Minnesota Constitution, article XI, section 5, clauses (b) to (j), or article XIV. Unless
 2.2 otherwise specified, money appropriated in this act:

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

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

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

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

2.14 **APPROPRIATIONS**

2.15 **Sec. 2. UNIVERSITY OF MINNESOTA** **\$ 32,000,000**

2.16 To the Board of Regents of the University of
 2.17 Minnesota, to be spent in accordance with
 2.18 Minnesota Statutes, section 135A.046.

2.19 **Sec. 3. MINNESOTA STATE COLLEGES AND** **\$ 32,000,000**
 2.20 **UNIVERSITIES**

2.21 To the Board of Trustees of the Minnesota
 2.22 State Colleges and Universities, to be spent in
 2.23 accordance with Minnesota Statutes, section
 2.24 135A.046.

2.25 **Sec. 4. EDUCATION** **\$ 3,150,000**

2.26 To the commissioner of education for library
 2.27 construction grants under Minnesota Statutes,
 2.28 section 134.45.

2.29 **Sec. 5. MINNESOTA STATE ACADEMIES** **\$ 1,224,000**

2.30 To the commissioner of administration for
 2.31 capital asset preservation improvements and
 2.32 betterments on both campuses of the

3.1 Minnesota State Academies, to be spent in
 3.2 accordance with Minnesota Statutes, section
 3.3 16B.307.

3.4 **Sec. 6. PERPICH CENTER FOR ARTS**
 3.5 **EDUCATION** **\$** **1,500,000**

3.6 To the commissioner of administration for
 3.7 capital asset preservation improvements and
 3.8 betterments at the Perpich Center for Arts
 3.9 Education, to be spent in accordance with
 3.10 Minnesota Statutes, section 16B.307.

3.11 **Sec. 7. NATURAL RESOURCES**

3.12 **Subdivision 1. Total Appropriation** **\$** **53,650,000**

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

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

3.23 (c) The unspent portion of an appropriation
 3.24 for a project in this section, upon written
 3.25 notice to the commissioner of management
 3.26 and budget, is available for asset preservation
 3.27 under Minnesota Statutes, section 84.946.
 3.28 Minnesota Statutes, section 16A.642, applies
 3.29 from the date of the original appropriation to
 3.30 the unspent amount transferred.

3.31 **Subd. 2. Natural Resources Asset Preservation** **27,000,000**

3.32 For the renovation of state-owned facilities
 3.33 and recreational assets operated by the
 3.34 commissioner of natural resources to be spent

4.1 in accordance with Minnesota Statutes, section
 4.2 84.946. Notwithstanding Minnesota Statutes,
 4.3 section 84.946, the commissioner may use this
 4.4 appropriation to replace buildings if,
 4.5 considering the embedded energy in the
 4.6 building, that is the most energy-efficient and
 4.7 carbon-reducing method of renovation.

4.8 **Subd. 3. Flood Hazard Mitigation** 2,000,000

4.9 (a) For the state share of flood hazard
 4.10 mitigation grants for publicly owned capital
 4.11 improvements to prevent or alleviate flood
 4.12 damage under Minnesota Statutes, section
 4.13 103F.161.

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

4.17 (c) The commissioner shall give priority to
 4.18 the city of Moorhead to continue flood
 4.19 mitigation and acquisition of flood-prone
 4.20 properties to address the North Moorhead
 4.21 Project (Oakport area) and gaps in city-wide
 4.22 protection consistent with and compatible to
 4.23 the Fargo-Moorhead Diversion.

4.24 (d) This appropriation may be used to alleviate
 4.25 high water on landlocked basins.

4.26 (e) To the extent practicable and consistent
 4.27 with the project, recipients of appropriations
 4.28 for flood control projects in this subdivision
 4.29 shall create wetlands that are eligible for
 4.30 wetland replacement credit to replace wetlands
 4.31 drained or filled as the result of repair,
 4.32 reconstruction, replacement, or rehabilitation
 4.33 of an existing public road under Minnesota

5.1 Statutes, section 103G.222, subdivision 1,
 5.2 paragraphs (l) and (m).
 5.3 (f) To the extent that the cost of a project
 5.4 exceeds two percent of the median household
 5.5 income in a municipality or township
 5.6 multiplied by the number of households in the
 5.7 municipality or township, this appropriation
 5.8 is also for the local share of the project.

5.9 **Subd. 4. State Forest Nursery Facilities** 3,600,000

5.10 To predesign, design, renovate, and construct
 5.11 improvements to the state forest nursery
 5.12 facilities at Badoura. The project includes
 5.13 renovation and improvements to the seed
 5.14 extractor and cooler storage, construction of
 5.15 a new cooler storage facility, and energy
 5.16 efficient upgrades to all heating, ventilating,
 5.17 and cooling systems.

5.18 **Subd. 5. Reforestation** 5,000,000

5.19 For reforestation and stand improvement on
 5.20 state forest lands to meet the reforestation
 5.21 requirements of Minnesota Statutes, section
 5.22 89.002, subdivision 2, including purchasing
 5.23 native seeds and native seedlings, planting,
 5.24 seeding, site preparation, and protection on
 5.25 state lands administered by the commissioner.

5.26 **Subd. 6. Scientific and Natural Areas** 4,000,000

5.27 To acquire land for scientific and natural areas
 5.28 and to make improvements of a capital nature
 5.29 to scientific and natural areas under Minnesota
 5.30 Statutes, sections 84.033 and 86A.05,
 5.31 subdivision 5.

6.1	<u>Subd. 7. State Trails</u>	<u>4,800,000</u>
6.2	<u>To renovate paved and unpaved state trails</u>	
6.3	<u>established under Minnesota Statutes, section</u>	
6.4	<u>85.015, according to the commissioner's</u>	
6.5	<u>priorities and as provided in Minnesota</u>	
6.6	<u>Statutes, section 84.946.</u>	
6.7	<u>Subd. 8. Acquisition and Betterment of</u>	
6.8	<u>Buildings</u>	<u>7,000,000</u>
6.9	<u>For acquisition, design, and construction to</u>	
6.10	<u>improve existing facilities or to replace</u>	
6.11	<u>existing facilities that no longer meet the</u>	
6.12	<u>business needs of the department.</u>	
6.13	<u>Subd. 9. Upper Sioux Agency State Park Bond</u>	
6.14	<u>Defeasance</u>	<u>250,000</u>
6.15	<u>From the general fund in fiscal year 2022 to</u>	
6.16	<u>the commissioner of management and budget</u>	
6.17	<u>to prepay and defease any outstanding state</u>	
6.18	<u>general obligation bonds used for</u>	
6.19	<u>improvements and betterments at Upper Sioux</u>	
6.20	<u>Agency State Park, including Minnesota</u>	
6.21	<u>Historical Society property located within the</u>	
6.22	<u>park's boundaries, and other associated</u>	
6.23	<u>financing costs. This amount may be</u>	
6.24	<u>deposited, invested, and applied to accomplish</u>	
6.25	<u>the purposes of this section as provided in</u>	
6.26	<u>Minnesota Statutes, section 475.67,</u>	
6.27	<u>subdivisions 5 to 10 and 13. Upon the</u>	
6.28	<u>prepayment and defeasance of all associated</u>	
6.29	<u>debt on the real property and improvements,</u>	
6.30	<u>all conditions set forth in Minnesota Statutes,</u>	
6.31	<u>section 16A.695, subdivision 3, shall be</u>	
6.32	<u>deemed to have been satisfied and the real</u>	
6.33	<u>property and improvements shall no longer</u>	
6.34	<u>constitute state bond financed property under</u>	
6.35	<u>Minnesota Statutes, section 16A.695.</u>	

7.1 **Sec. 8. BOARD OF WATER AND SOIL**
 7.2 **RESOURCES** **\$ 14,307,000**

7.3 To the Board of Water and Soil Resources to
 7.4 acquire conservation easements from
 7.5 landowners to preserve, restore, create, and
 7.6 enhance wetlands and associated uplands of
 7.7 prairie and grasslands, and to restore and
 7.8 enhance rivers and streams, riparian lands, and
 7.9 associated uplands of prairie and grasslands,
 7.10 in order to protect soil and water quality,
 7.11 support fish and wildlife habitat, reduce flood
 7.12 damage, and provide other public benefits.

7.13 The provisions of Minnesota Statutes, section
 7.14 103F.515, apply to this program. The board
 7.15 shall give priority to leveraging federal money
 7.16 by enrolling targeted new lands or enrolling
 7.17 environmentally sensitive lands that have
 7.18 expiring federal conservation agreements. The
 7.19 board is authorized to enter into new
 7.20 agreements and amend past agreements with
 7.21 landowners as required by Minnesota Statutes,
 7.22 section 103F.515, subdivision 5, to allow for
 7.23 restoration. Up to five percent of this
 7.24 appropriation may be used for restoration and
 7.25 enhancement.

7.26 **Sec. 9. MINNESOTA ZOOLOGICAL**
 7.27 **GARDEN**

7.28 **Subdivision 1. Total Appropriation** **\$ 12,500,000**

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

7.31 **Subd. 2. Animal Hospital Renovation** **5,000,000**

7.32 To design, renovate, construct, furnish, and
 7.33 equip the animal hospital at the Minnesota
 7.34 Zoological Garden.

8.1	<u>Subd. 3. Reopen the Nocturnal Trail</u>	<u>4,000,000</u>
8.2	<u>To design, renovate, construct, furnish, and</u>	
8.3	<u>equip the closed portion of the Nocturnal Trail.</u>	
8.4	<u>Subd. 4. Asset Preservation</u>	<u>3,500,000</u>
8.5	<u>For capital asset preservation improvements</u>	
8.6	<u>and betterments to infrastructure and exhibits</u>	
8.7	<u>at the Minnesota Zoological Garden, to be</u>	
8.8	<u>spent in accordance with Minnesota Statutes,</u>	
8.9	<u>section 16B.307. Notwithstanding the</u>	
8.10	<u>specified uses of money under Minnesota</u>	
8.11	<u>Statutes, section 16B.307, the board may use</u>	
8.12	<u>this appropriation to replace buildings that are</u>	
8.13	<u>in poor condition, outdated, and no longer</u>	
8.14	<u>support the work of the Minnesota Zoological</u>	
8.15	<u>Garden site.</u>	
8.16	Sec. 10. <u>ADMINISTRATION</u>	
8.17	<u>Subdivision 1. Total Appropriation</u>	<u>\$ 51,133,000</u>
8.18	<u>To the commissioner of administration for the</u>	
8.19	<u>purposes specified in this section.</u>	
8.20	<u>Subd. 2. Capital Asset Preservation and</u>	
8.21	<u>Replacement Account</u>	<u>3,133,000</u>
8.22	<u>To be spent in accordance with Minnesota</u>	
8.23	<u>Statutes, section 16A.632.</u>	
8.24	<u>Subd. 3. Capitol Complex - Physical Security</u>	
8.25	<u>Upgrades Phase II</u>	<u>43,000,000</u>
8.26	<u>For the continuation of the design,</u>	
8.27	<u>construction, and equipping required to</u>	
8.28	<u>upgrade the physical security elements and</u>	
8.29	<u>systems for the Capitol Mall and the buildings</u>	
8.30	<u>listed in this subdivision, their attached tunnel</u>	
8.31	<u>systems, their surrounding grounds, and</u>	
8.32	<u>parking facilities as identified in the 2017</u>	
8.33	<u>Minnesota State Capitol Complex Physical</u>	
8.34	<u>Security Predesign completed by Miller</u>	

9.1 Dunwiddie and an updated assessment to be
 9.2 completed in 2021. Work includes but is not
 9.3 limited to the installation of bollards, blast
 9.4 protection, infrastructure security screen walls,
 9.5 door access controls, emergency call stations,
 9.6 surveillance systems, security kiosks, locking
 9.7 devices, and traffic and crowd control devices.

9.8 This appropriation includes money for work
 9.9 associated with the following buildings:
 9.10 Administration, Ag/Health Lab, Bureau of
 9.11 Criminal Apprehension, Capitol, Centennial,
 9.12 Governor's Residence, Judicial Center,
 9.13 Minnesota History Center, Capitol Complex
 9.14 Power Plant and Shops, Stassen, State Office,
 9.15 and Veterans Service. \$12,000,000 of this
 9.16 appropriation is from the general fund in fiscal
 9.17 year 2022 to be used at the Andersen,
 9.18 Freeman, Minnesota Senate, Retirement
 9.19 Systems, and Transportation buildings for the
 9.20 purposes described in this subdivision.

9.21 **Subd. 4. State Buildings; Solar Energy**
 9.22 **Generation Improvements** 5,000,000

9.23 To provide funds to state agencies for solar
 9.24 energy generation improvements under article
 9.25 4, section 5.

9.26 **Sec. 11. AMATEUR SPORTS COMMISSION** \$ 3,500,000

9.27 To the Minnesota Amateur Sports
 9.28 Commission for grants to local governments
 9.29 under Minnesota Statutes, section 240A.09,
 9.30 paragraph (b), to improve indoor air quality
 9.31 or eliminate R-22. This appropriation shall not
 9.32 be used to acquire ice resurfacing or edging
 9.33 equipment. The commission may prioritize
 9.34 grants to projects in environmental justice
 9.35 areas of concern. For the purposes of this

10.1 section, "environmental justice area of
 10.2 concern" means one or more census blocks in
 10.3 Minnesota in which, based on the most recent
 10.4 data published by the United States Census
 10.5 Bureau:
 10.6 (1) 40 percent or more of the population is
 10.7 nonwhite;
 10.8 (2) 35 percent or more of the households have
 10.9 an income at or below 200 percent of the
 10.10 federal poverty level; or
 10.11 (3) 40 percent or more of the population over
 10.12 the age of five have limited English
 10.13 proficiency.

10.14 **Sec. 12. TRANSPORTATION**

10.15 **Subdivision 1. Total Appropriation** **\$ 77,500,000**

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

10.18 **Subd. 2. Local Road Improvement Fund Grants** **10,000,000**

10.19 From the bond proceeds account in the state
 10.20 transportation fund as provided in Minnesota
 10.21 Statutes, section 174.50, for eligible trunk
 10.22 highway corridor improvement projects under
 10.23 Minnesota Statutes, section 174.52,
 10.24 subdivision 2, for construction and
 10.25 reconstruction of local roads with statewide
 10.26 or regional significance under Minnesota
 10.27 Statutes, section 174.52, subdivision 4, or for
 10.28 grants to counties to assist in paying the costs
 10.29 of rural road safety capital improvement
 10.30 projects on county state-aid highways under
 10.31 Minnesota Statutes, section 174.52,
 10.32 subdivision 4a. Of this appropriation, at least
 10.33 \$1,000,000 is for projects on town roads.

11.1	<u>Subd. 3. Local Bridge Replacement and</u>	
11.2	<u>Rehabilitation</u>	<u>30,000,000</u>
11.3	<u>(a) From the bond proceeds account in the</u>	
11.4	<u>state transportation fund to match federal</u>	
11.5	<u>money and to replace or rehabilitate local</u>	
11.6	<u>deficient bridges as provided in Minnesota</u>	
11.7	<u>Statutes, section 174.50.</u>	
11.8	<u>(b) \$3,500,000 of this appropriation is for a</u>	
11.9	<u>grant to Washington County to predesign,</u>	
11.10	<u>design, engineer, construct, and equip the</u>	
11.11	<u>reconstruction of the 4th Street Bridge over</u>	
11.12	<u>marked Interstate Highway 694 in the city of</u>	
11.13	<u>Oakdale.</u>	
11.14	<u>Subd. 4. Safe Routes to School</u>	<u>8,000,000</u>
11.15	<u>For grants under Minnesota Statutes, section</u>	
11.16	<u>174.40.</u>	
11.17	<u>Subd. 5. Port Development Assistance</u>	<u>4,000,000</u>
11.18	<u>For grants under Minnesota Statutes, chapter</u>	
11.19	<u>457A. Any improvements made with the</u>	
11.20	<u>proceeds of these grants must be publicly</u>	
11.21	<u>owned. This appropriation shall be evenly</u>	
11.22	<u>distributed to ports in the following cities:</u>	
11.23	<u>(1) Duluth;</u>	
11.24	<u>(2) Red Wing;</u>	
11.25	<u>(3) St. Paul; and</u>	
11.26	<u>(4) Winona.</u>	
11.27	<u>Subd. 6. Passenger Rail</u>	<u>25,500,000</u>
11.28	<u>(a) For intercity passenger rail projects on</u>	
11.29	<u>phase I corridors as identified in the 2015</u>	
11.30	<u>update to the state rail plan under Minnesota</u>	
11.31	<u>Statutes, section 174.03, subdivision 1b. This</u>	
11.32	<u>appropriation may only be used for projects</u>	
11.33	<u>that have received environmental approval.</u>	

12.1 (b) This appropriation is for expenditure by
 12.2 the commissioner and is available for: program
 12.3 delivery, design, preliminary, and final
 12.4 engineering; environmental analysis and
 12.5 mitigation; acquisition of land and
 12.6 right-of-way; and construction.

12.7 **Sec. 13. METROPOLITAN COUNCIL**

12.8 **Subdivision 1. Total Appropriation** **\$ 68,700,000**

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

12.11 **Subd. 2. Metropolitan Cities Inflow and**
 12.12 **Infiltration Grants** **15,000,000**

12.13 (a) For grants to cities within the metropolitan
 12.14 area, as defined in Minnesota Statutes, section
 12.15 473.121, subdivision 2, for capital
 12.16 improvements in municipal wastewater
 12.17 collection systems to reduce the amount of
 12.18 inflow and infiltration to the Metropolitan
 12.19 Council's metropolitan sanitary sewer disposal
 12.20 system. Grants from this appropriation are for
 12.21 up to 50 percent of the cost to mitigate inflow
 12.22 and infiltration in the publicly owned
 12.23 municipal wastewater collection systems. To
 12.24 be eligible for a grant, a city must be identified
 12.25 by the council as a contributor of excessive
 12.26 inflow and infiltration in the metropolitan
 12.27 disposal system or have a measured flow rate
 12.28 within 20 percent of its allowable
 12.29 council-determined inflow and infiltration
 12.30 limits. The council must award grants based
 12.31 on applications from cities that identify
 12.32 eligible capital costs and include a timeline
 12.33 for inflow and infiltration mitigation
 12.34 construction, pursuant to guidelines
 12.35 established by the council.

13.1 (b) The council may prioritize grants to
 13.2 projects in environmental justice areas of
 13.3 concern. For the purposes of this subdivision,
 13.4 "environmental justice area of concern" means
 13.5 one or more census blocks in Minnesota in
 13.6 which, based on the most recent data published
 13.7 by the United States Census Bureau:

13.8 (1) 40 percent or more of the population is
 13.9 nonwhite;

13.10 (2) 35 percent or more of the households have
 13.11 an income at or below 200 percent of the
 13.12 federal poverty level; or

13.13 (3) 40 percent or more of the population over
 13.14 the age of five have limited English
 13.15 proficiency.

13.16 **Subd. 3. Metropolitan Regional Parks and Trails**

11,500,000

13.17 (a) For the cost of improvements and
 13.18 betterments of a capital nature and acquisition
 13.19 by the council and local government units of
 13.20 regional recreational open-space lands in
 13.21 accordance with the council's policy plan as
 13.22 provided in Minnesota Statutes, section
 13.23 473.147. This appropriation must not be used
 13.24 to purchase easements.

13.25 (b) \$4,000,000 of this appropriation is for
 13.26 right-of-way acquisition and for predesign,
 13.27 design, engineering, and construction of
 13.28 pedestrian safety related improvements
 13.29 including grade-separated crossings of
 13.30 railroads and multilane highways, for the
 13.31 purpose of completing a segment of a regional
 13.32 greenway that:

13.33 (1) is within the Mississippi National River
 13.34 and Recreation Area;

- 14.1 (2) is located in an industrial area;
- 14.2 (3) is crossed by a skewed rail line at greater
- 14.3 than a 30 degree angle; and
- 14.4 (4) is 2-1/2 miles in length.
- 14.5 **Subd. 4. Bus Rapid Transit Lines** 40,000,000
- 14.6 For environmental analysis, design,
- 14.7 engineering, right-of-way acquisition, and
- 14.8 construction of the E line bus rapid transit
- 14.9 project from Minneapolis to Southdale Transit
- 14.10 Center.
- 14.11 **Subd. 5. Electric Transit Vehicle Charging**
- 14.12 **Infrastructure** 1,000,000
- 14.13 From the general fund for the purpose of
- 14.14 financing the cost of acquiring and installing
- 14.15 electric transit vehicle charging infrastructure
- 14.16 on council-owned property. For the purposes
- 14.17 of this subdivision, "electric transit vehicle
- 14.18 charging infrastructure" means on-route
- 14.19 charging stations and charging stations in
- 14.20 garage facilities for buses, coaches, and
- 14.21 paratransit vehicles owned by the Metropolitan
- 14.22 Council.
- 14.23 **Subd. 6. St. Paul; Como Zoo** 1,200,000
- 14.24 For a grant to the city of St. Paul for repairs
- 14.25 and replacements of a capital nature for
- 14.26 updated energy efficient animal habitats and
- 14.27 operating systems and expanded visitor
- 14.28 accessibility at Como Zoo.
- 14.29 **Sec. 14. HUMAN SERVICES**
- 14.30 **Subdivision 1. Total Appropriation** **\$ 21,063,000**
- 14.31 To the commissioner of administration or
- 14.32 other named entity for the purposes of this
- 14.33 section.

15.1	<u>Subd. 2. Asset Preservation</u>	<u>2,213,000</u>
15.2	<u>For asset preservation improvements and</u>	
15.3	<u>betterments of a capital nature at Department</u>	
15.4	<u>of Human Services facilities statewide, to be</u>	
15.5	<u>spent in accordance with Minnesota Statutes,</u>	
15.6	<u>section 16B.307.</u>	
15.7	<u>Subd. 3. St. Peter Regional Treatment Center</u>	
15.8	<u>Campus - Phase 2</u>	<u>8,850,000</u>
15.9	<u>To design, renovate, construct, furnish, and</u>	
15.10	<u>equip the second phase of a multiphase project</u>	
15.11	<u>to develop additional residential, program,</u>	
15.12	<u>activity, and ancillary facilities for the</u>	
15.13	<u>Minnesota sex offender program on the lower</u>	
15.14	<u>campus of the St. Peter Regional Treatment</u>	
15.15	<u>Center. This appropriation includes money to</u>	
15.16	<u>design, renovate, construct, furnish, and equip</u>	
15.17	<u>the west, south, and north wings of the Sunrise</u>	
15.18	<u>Building. This appropriation also includes</u>	
15.19	<u>money to: replace or renovate HVAC,</u>	
15.20	<u>plumbing, electrical, security, and life safety</u>	
15.21	<u>systems; address fire and life safety, and other</u>	
15.22	<u>building code deficiencies; replace windows</u>	
15.23	<u>and doors; tuck-point exterior building</u>	
15.24	<u>envelopes; reconfigure and remodel space;</u>	
15.25	<u>design and abate asbestos and other hazardous</u>	
15.26	<u>materials; remove or demolish nonfunctioning</u>	
15.27	<u>building components; and complete site work</u>	
15.28	<u>necessary to support the programmed use of</u>	
15.29	<u>the building.</u>	
15.30	<u>Subd. 4. Early Childhood Learning Facilities</u>	<u>10,000,000</u>
15.31	<u>To the commissioner of human services for</u>	
15.32	<u>grants under Minnesota Statutes, section</u>	
15.33	<u>256E.37, to construct and rehabilitate early</u>	
15.34	<u>childhood learning facilities. Notwithstanding</u>	
15.35	<u>the limitations and requirements for</u>	

16.1 geographic distribution in Minnesota Statutes,
 16.2 section 256E.37, the commissioner of human
 16.3 services may distribute grants to facilities
 16.4 located in any county.

16.5 **Sec. 15. VETERANS AFFAIRS**

16.6 **Subdivision 1. Total Appropriation** **\$ 8,500,000**

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

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

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

16.16 **Subd. 3. New State Veterans Cemetery** **4,500,000**

16.17 To design, construct, furnish, and equip a new
 16.18 State Veterans Cemetery in Redwood County.

16.19 **Sec. 16. CORRECTIONS**

16.20 **Subdivision 1. Total Appropriation** **\$ 9,120,000**

16.21 For the purposes specified in this section.

16.22 **Subd. 2. Asset Preservation** **8,445,000**

16.23 To the commissioner of administration for
 16.24 asset preservation improvements and
 16.25 betterments of a capital nature at Minnesota
 16.26 correctional facilities statewide, to be spent in
 16.27 accordance with Minnesota Statutes, section
 16.28 16B.307.

16.29 **Subd. 3. Regional and County Jails Study and**
 16.30 **Report** **675,000**

16.31 From the general fund to the commissioner of
 16.32 corrections for the costs of completing the

17.1 study and report required in article 4. This
 17.2 appropriation is onetime and is available until
 17.3 June 30, 2022.

17.4 **Sec. 17. EMPLOYMENT AND ECONOMIC**
 17.5 **DEVELOPMENT**

17.6 **Subdivision 1. Total Appropriation** **\$ 6,200,000**

17.7 To the commissioner of employment and
 17.8 economic development for the purposes of
 17.9 this section.

17.10 **Subd. 2. Greater Minnesota Child Care Facility**
 17.11 **Program** **5,000,000**

17.12 For the greater Minnesota child care facility
 17.13 capital grant program under Minnesota
 17.14 Statutes, section 116J.417.

17.15 **Subd. 3. Lake Superior Zoo** **1,200,000**

17.16 For a grant to the city of Duluth for
 17.17 improvements of a capital nature at the Lake
 17.18 Superior Zoo, including major projects to
 17.19 preserve or replace mechanical or electrical
 17.20 systems, utility infrastructure, and site
 17.21 renovations to support ongoing operations,
 17.22 including energy conservation improvements.

17.23 **Sec. 18. PUBLIC FACILITIES AUTHORITY**

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

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

17.27 **Subd. 2. Water Infrastructure Funding Program** **15,000,000**

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

17.31 (b) \$7,500,000 is for wastewater projects listed
 17.32 on the Pollution Control Agency's project

18.1 priority list in the fundable range under the
 18.2 clean water revolving fund program.

18.3 (c) \$7,500,000 is for drinking water projects
 18.4 listed on the commissioner of health's project
 18.5 priority list in the fundable range under the
 18.6 drinking water revolving fund program.

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

18.14 **Sec. 19. MINNESOTA HOUSING FINANCE**
 18.15 **AGENCY**

\$ 100,000,000

18.16 To the commissioner of the Minnesota
 18.17 Housing Finance Agency for transfer to the
 18.18 housing development fund to finance the costs
 18.19 of rehabilitation to preserve public housing
 18.20 under Minnesota Statutes, section 462A.202,
 18.21 subdivision 3a. For purposes of this section,
 18.22 "public housing" means housing for
 18.23 low-income persons and households financed
 18.24 by the federal government and owned and
 18.25 operated by the public housing authorities and
 18.26 agencies formed by cities and counties.
 18.27 Priority must be given to proposals that
 18.28 maximize federal or local resources to finance
 18.29 the capital costs. The priority in Minnesota
 18.30 Statutes, section 462A.202, subdivision 3a,
 18.31 for projects to increase the supply of
 18.32 affordable housing and the restrictions of
 18.33 Minnesota Statutes, section 462A.202,
 18.34 subdivision 7, do not apply to this
 18.35 appropriation.

19.1 **Sec. 20. MINNESOTA HISTORICAL**
 19.2 **SOCIETY** **\$** **2,375,000**

19.3 To the Minnesota Historical Society for capital
 19.4 improvements and betterments at state historic
 19.5 sites, buildings, landscaping at historic
 19.6 buildings, exhibits, markers, and monuments,
 19.7 to be spent in accordance with Minnesota
 19.8 Statutes, section 16B.307. The society shall
 19.9 determine project priorities as appropriate
 19.10 based on need.

19.11 **Sec. 21. BOND SALE EXPENSES** **\$** **503,000**

19.12 To the commissioner of management and
 19.13 budget from the bond proceeds fund for bond
 19.14 sale expenses under Minnesota Statutes,
 19.15 section 16A.641, subdivision 8.

19.16 **Sec. 22. BOND SALE AUTHORIZATION.**

19.17 Subdivision 1. **Bond proceeds fund.** To provide the money appropriated in this act from
 19.18 the bond proceeds fund, the commissioner of management and budget shall sell and issue
 19.19 bonds of the state in an amount up to \$460,000,000 in the manner, upon the terms, and with
 19.20 the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the
 19.21 Minnesota Constitution, article XI, sections 4 to 7.

19.22 Subd. 2. **Transportation fund.** To provide the money appropriated in this act from the
 19.23 bond proceeds account in the state transportation fund, the commissioner of management
 19.24 and budget shall sell and issue bonds of the state in an amount up to \$40,000,000 in the
 19.25 manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections
 19.26 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7.

19.27 **Sec. 23. BOND SALE SCHEDULE.**

19.28 The commissioner of management and budget shall schedule the sale of state general
 19.29 obligation bonds so that, during the biennium ending June 30, 2023, no more than
 19.30 \$1,286,432,000 will need to be transferred from the general fund to the state bond fund to
 19.31 pay principal and interest due and to become due on outstanding state general obligation
 19.32 bonds. During the biennium, before each sale of state general obligation bonds, the
 19.33 commissioner of management and budget shall calculate the amount of debt service payments

20.1 needed on bonds previously issued and shall estimate the amount of debt service payments
20.2 that will be needed on the bonds scheduled to be sold. The commissioner shall adjust the
20.3 amount of bonds scheduled to be sold so as to remain within the limit set by this section.
20.4 The amount needed to make the debt service payments is appropriated from the general
20.5 fund as provided in Minnesota Statutes, section 16A.641.

20.6 Sec. 24. **APPROPRIATIONS TO ONLY COUNT ONCE.**

20.7 If an appropriation in this act is enacted more than once in the 2021 legislative session,
20.8 the appropriation must be given effect only once.

20.9 Sec. 25. **EFFECTIVE DATE.**

20.10 This article is effective the day following final enactment.

20.11 **ARTICLE 2**

20.12 **APPROPRIATION AND HOUSING INFRASTRUCTURE BONDS**

20.13 Section 1. **PURPOSE.**

20.14 The financing provided by Minnesota Statutes, section 16A.962, is for the public purpose
20.15 of redeveloping the areas in Minneapolis and St. Paul damaged in May and June of 2020,
20.16 by civil unrest which led to severe damage or destruction to small businesses, private
20.17 property, and public property in Minneapolis and St. Paul. The public purpose of the
20.18 redevelopment is to create or retain jobs, preserve the tax base and support enterprise
20.19 development and wealth creation for persons adversely affected by long-standing structural
20.20 racial discrimination and poverty and prevent displacement of small businesses owned by
20.21 people of color and indigenous people.

20.22 Sec. 2. **[16A.962] REDEVELOPMENT APPROPRIATION BONDS.**

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

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

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

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

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

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

21.2 (c) "City" means Minneapolis or St. Paul, or an agency of Minneapolis or St. Paul.

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

21.6 (e) "Eligible area" means an area in Minneapolis or St. Paul adversely affected by civil
21.7 unrest during the events leading up to and surrounding the peacetime emergency declared
21.8 in Emergency Executive Order 20-64.

21.9 (f) "Redevelopment" may include the acquisition of real property; site preparation;
21.10 predesign, design, engineering, repair, or renovation of facilities damaged during the civil
21.11 unrest and construction of buildings, infrastructure, and related site amenities, including
21.12 energy conservation improvements as defined in section 216B.241, subdivision 1, paragraph
21.13 (e); landscaping; street-scaping; land-banking for future development or redevelopment; or
21.14 financing any of these activities taken on by a private party pursuant to an agreement with
21.15 the city. Redevelopment does not include project costs eligible for compensation or assistance
21.16 available through insurance policies or from other organizations or government agencies.

21.17 Subd. 2. **Authorization to issue appropriation bonds.** (a) Subject to the limitations of
21.18 this subdivision, the commissioner may sell and issue appropriation bonds of the state under
21.19 this section for public purposes as provided by law, including for the purposes of capitalizing
21.20 an account in the city of Minneapolis' commercial property development fund and an account
21.21 in the St. Paul housing and redevelopment authority's funds to pay for redevelopment in
21.22 the eligible areas. Appropriation bonds may be sold and issued in amounts that, in the
21.23 opinion of the commissioner, are necessary to provide sufficient money to the commissioner
21.24 of employment and economic development under subdivision 7, not to exceed \$300,000,000
21.25 net of costs of issuance, for the purposes as provided under this subdivision; to pay debt
21.26 service including capitalized interest, costs of issuance, and costs of credit enhancement;
21.27 or to make payments under other agreements entered into under paragraph (d).

21.28 (b) Proceeds of the appropriation bonds must be credited to a special appropriation
21.29 redevelopment bond proceeds fund in the state treasury. All income from investment of the
21.30 bond proceeds is appropriated to the commissioner for the payment of principal and interest
21.31 on the appropriation bonds.

21.32 (c) Appropriation bonds may be issued in one or more issues or series on the terms and
21.33 conditions the commissioner determines to be in the best interests of the state, but the term
21.34 on any series of appropriation bonds may not exceed 21 years. The appropriation bonds of

22.1 each issue and series thereof shall be dated and bear interest from the date of issuance, and
22.2 may be includable in or excludable from the gross income of the owners for federal income
22.3 tax purposes.

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

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

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

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

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

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

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

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

23.3 Subd. 4. **Refunding bonds.** The commissioner may issue appropriation bonds for the
23.4 purpose of refunding any appropriation bonds issued under subdivision 2 then outstanding,
23.5 including the payment of any redemption premiums on the bonds, any interest accrued or
23.6 to accrue to the redemption date, and costs related to the issuance and sale of the refunding
23.7 bonds. The proceeds of any refunding bonds may, at the discretion of the commissioner,
23.8 be applied to the purchase or payment at maturity of the appropriation bonds to be refunded,
23.9 to the redemption of the outstanding appropriation bonds on any redemption date, or to pay
23.10 interest on the refunding bonds and may, pending application, be placed in escrow to be
23.11 applied to the purchase, payment, retirement, or redemption. Any escrowed proceeds,
23.12 pending such use, may be invested and reinvested in obligations that are authorized
23.13 investments under section 11A.24. The income earned or realized on the investment may
23.14 also be applied to the payment of the appropriation bonds to be refunded or interest or
23.15 premiums on the refunded appropriation bonds, or to pay interest on the refunding bonds.
23.16 After the terms of the escrow have been fully satisfied, any balance of the proceeds and any
23.17 investment income may be returned to the general fund or, if applicable, the special
23.18 appropriation redevelopment bond proceeds fund for use in any lawful manner. All refunding
23.19 bonds issued under this subdivision must be prepared, executed, delivered, and secured by
23.20 appropriations in the same manner as the appropriation bonds to be refunded.

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

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

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

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

23.30 Subd. 6. **No full faith and credit; state not required to make appropriations.** The
23.31 appropriation bonds are not public debt of the state, and the full faith, credit, and taxing
23.32 powers of the state are not pledged to the payment of the appropriation bonds or to any
23.33 payment that the state agrees to make under this section. Appropriation bonds shall not be
23.34 obligations paid directly, in whole or in part, from a tax of statewide application on any

24.1 class of property, income, transaction, or privilege. Appropriation bonds shall be payable
24.2 in each fiscal year only from amounts that the legislature may appropriate for debt service
24.3 for any fiscal year, provided that nothing in this section shall be construed to require the
24.4 state to appropriate money sufficient to make debt service payments with respect to the
24.5 appropriation bonds in any fiscal year. Appropriation bonds shall be canceled and shall no
24.6 longer be outstanding on the earlier of (1) the first day of a fiscal year for which the
24.7 legislature shall not have appropriated amounts sufficient for debt service, or (2) the date
24.8 of final payment of the principal of and interest on the appropriation bonds.

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

24.12 (1) to the commissioner of employment and economic development for a grant of
24.13 \$200,000,000 to the city of Minneapolis and a grant of \$100,000,000 to the Saint Paul
24.14 Housing and Redevelopment Authority, and as further specified in subdivision 2, paragraph
24.15 (a); and

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

24.20 Subd. 8. **Appropriation for debt service and other purposes.** An amount needed to
24.21 pay principal and interest on appropriation bonds issued under subdivision 2, paragraph (a),
24.22 is appropriated each fiscal year from the general fund to the commissioner, subject to repeal,
24.23 unallotment under section 16A.152, or cancellation, otherwise pursuant to subdivision 6,
24.24 for deposit into the bond payments account established for such purpose in the special
24.25 appropriation redevelopment bond proceeds fund. The appropriation is available beginning
24.26 in fiscal year 2022 and remains available through fiscal year 2043.

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

24.30 Subd. 10. **Grant requirements.** In addition to any other terms in a grant agreement with
24.31 the commissioner of employment and economic development, a grant of special appropriation
24.32 redevelopment bonds proceeds must:

24.33 (1) require the city to segregate the grant money in a separate account;

25.1 (2) require the payment to the state, for deposit into the bond payments account
25.2 established for such purpose in the special appropriation redevelopment bond proceeds
25.3 fund, the proceeds of the sale of any property financed with a grant under this section in an
25.4 amount up to the amount of the grant, if the sale of the property occurs during the term of
25.5 the grant agreement, except that a sale of a property to a qualified person as determined by
25.6 the grant recipient's program or project funding criteria is exempt from the requirements of
25.7 this clause;

25.8 (3) require each grant recipient in subdivision 7, to enhance economic opportunities for
25.9 long-term residents, to prioritize businesses owned or operated by a minority person as
25.10 defined in section 116M.14, and to prioritize the retention and rebuilding of impacted
25.11 businesses and infrastructure in the eligible area;

25.12 (4) require that all new and substantially reconstructed buildings receiving grant funds,
25.13 which includes projects encompassing at least 10,000 square feet or no less than the
25.14 replacement of the mechanical, ventilation, or cooling system of a building or a building
25.15 section, meet the building performance standards described in section 216B.241, subdivision
25.16 9; and

25.17 (5) beginning on December 1, 2022, and each year thereafter until all grant funds have
25.18 been expended, require an annual report to the commissioner of employment and economic
25.19 development from each grant recipient on the expenditures made from the accounts funded
25.20 with a grant made under this section in the form that the commissioner prescribes and include
25.21 any documentation of and supporting information regarding the expenditures that the
25.22 commissioner requires. This report must include any measures of success toward achieving
25.23 the goals and standards outlined in clauses (3) and (4).

25.24 Subd. 11. **Audit.** The commissioner of employment and economic development must
25.25 review the report of expenditures made by the cities.

25.26 Subd. 12. **Prevailing wage requirement.** During the construction, installation,
25.27 remodeling, and repair of any project funded by bonds sold under this section, laborers and
25.28 mechanics at the site must be paid the prevailing wage rate as defined in section 177.42,
25.29 subdivision 6, and the project is subject to the requirements of sections 177.30 and 177.41
25.30 to 177.44.

25.31 Subd. 13. **Zoning exemption.** (a) A property financed with a grant under this section is
25.32 exempt from minimum height and minimum floor area ratio standards through June 30,
25.33 2025, provided that a proposed redevelopment on a property that conformed to such standards
25.34 on May 1, 2020, is subject to all other applicable zoning standards.

26.1 (b) Notwithstanding section 462.357, subdivision 1e, or municipal ordinance, a property
26.2 financed with a grant under this section may apply through June 30, 2025, for a building
26.3 permit to reconstruct a nonconforming use or nonconforming structure that is comparable
26.4 to a use or structure that existed on the property on May 1, 2020.

26.5 (c) A property subject to the zoning and building permit exemptions in this subdivision
26.6 is exempt from public hearing processes to obtain approval unless the request expands a
26.7 nonconforming use. The city may impose reasonable conditions upon a zoning or building
26.8 permit to mitigate any newly created impact on adjacent property.

26.9 Subd. 14. **Report to the legislature.** By December 31, 2023, and every December 31
26.10 thereafter, the commissioner of employment and economic development must submit a
26.11 report as required under section 3.195 that details the use of money under this section,
26.12 including any measures of success toward achieving the goals under subdivision 10, clause
26.13 (3). A copy of this report must also be sent to the chairs and ranking minority members of
26.14 the committees of the house of representatives and the senate having jurisdiction over
26.15 economic development and capital investment.

26.16 Sec. 3. **[16A.9691] EMERGENCY SHELTER FACILITY APPROPRIATION**
26.17 **BONDS.**

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

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

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

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

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

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

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

26.30 (d) "Eligible applicant" means a statutory or home rule charter city, county, Tribal
26.31 government, not-for-profit corporation under section 501(c)(3) of the Internal Revenue
26.32 Code, or housing and redevelopment authority established under section 469.003.

27.1 (e) "Emergency shelter facility" or "facility" means a facility for the purpose of providing
27.2 a safe, sanitary, accessible, and suitable emergency shelter for individuals and families
27.3 experiencing homelessness.

27.4 Subd. 2. Authorization to issue appropriation bonds. (a) Subject to the limitations of
27.5 this subdivision, the commissioner may sell and issue appropriation bonds of the state under
27.6 this section for public purposes, as provided by law, including for the purpose of funding
27.7 grants to eligible applicants for the acquisition of property, site preparation, including
27.8 demolition, predesign, design, construction, renovation, furnishing, and equipping of
27.9 emergency shelter facilities. Appropriation bonds may be sold and issued in amounts that,
27.10 in the opinion of the commissioner, are necessary to provide sufficient money to the
27.11 commissioner of human services under subdivision 7, not to exceed \$50,000,000 net of
27.12 costs of issuance, for the purposes as provided under this subdivision; to pay debt service
27.13 including capitalized interest, costs of issuance, and costs of credit enhancement; or to make
27.14 payments under other agreements entered into under paragraph (d).

27.15 (b) Proceeds of the appropriation bonds must be credited to a special appropriation
27.16 emergency shelter facility bond proceeds fund in the state treasury. All income from
27.17 investment of the bond proceeds is appropriated to the commissioner for the payment of
27.18 principal and interest on the appropriation bonds.

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

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

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

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

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

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

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

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

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

28.21 Subd. 4. **Refunding bonds.** The commissioner may issue appropriation bonds for the
28.22 purpose of refunding any appropriation bonds issued under subdivision 2 then outstanding,
28.23 including the payment of any redemption premiums on the bonds, any interest accrued or
28.24 to accrue to the redemption date, and costs related to the issuance and sale of the refunding
28.25 bonds. The proceeds of any refunding bonds may, at the discretion of the commissioner,
28.26 be applied to the purchase or payment at maturity of the appropriation bonds to be refunded,
28.27 to the redemption of the outstanding appropriation bonds on any redemption date, or to pay
28.28 interest on the refunding bonds and may, pending application, be placed in escrow to be
28.29 applied to the purchase, payment, retirement, or redemption. Any escrowed proceeds,
28.30 pending such use, may be invested and reinvested in obligations that are authorized
28.31 investments under section 11A.24. The income earned or realized on the investment may
28.32 also be applied to the payment of the appropriation bonds to be refunded or interest or
28.33 premiums on the refunded appropriation bonds, or to pay interest on the refunding bonds.
28.34 After the terms of the escrow have been fully satisfied, any balance of the proceeds and any

29.1 investment income may be returned to the general fund or, if applicable, the special
29.2 appropriation emergency shelter facility bond proceeds fund for use in any lawful manner.
29.3 All refunding bonds issued under this subdivision must be prepared, executed, delivered,
29.4 and secured by appropriations in the same manner as the appropriation bonds to be refunded.

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

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

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

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

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

29.27 Subd. 7. **Appropriation of proceeds.** The proceeds of appropriation bonds issued under
29.28 subdivision 2, paragraph (a), and interest credited to the special appropriation emergency
29.29 shelter facility bond proceeds fund are appropriated as follows:

29.30 (1) to the commissioner of human services for grants for the acquisition of property, site
29.31 preparation, including demolition, predesign, design, construction, renovation, furnishing,
29.32 and equipping of emergency shelter facilities in accordance with subdivision 8;

30.1 (2) to the commissioner of human services for a \$10,000,000 grant to Simpson Housing
30.2 Services, a not-for-profit corporation under section 501(c)(3) of the Internal Revenue Code,
30.3 to construct and renovate an emergency shelter facility in the city of Minneapolis,
30.4 notwithstanding clause (1) and subdivision 8; and

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

30.9 Subd. 8. **Project criteria.** (a) The commissioner of human services shall prioritize grants
30.10 under subdivision 7, clause (1), for projects that improve or expand emergency shelter
30.11 facility options by:

30.12 (1) adding additional emergency shelter facilities by renovating existing facilities not
30.13 currently operating as emergency shelter facilities;

30.14 (2) adding additional emergency shelter facility beds by renovating existing emergency
30.15 shelter facilities, including major projects that address accumulation of deferred maintenance,
30.16 or repair or replacement of mechanical, electrical, and safety systems and components in
30.17 danger of failure;

30.18 (3) adding additional emergency shelter facility beds through acquisition and construction
30.19 of new emergency shelter facilities; and

30.20 (4) improving the safety, sanitation, accessibility, and habitability of existing emergency
30.21 shelter facilities, including major projects that address accumulation of deferred maintenance,
30.22 or repair or replacement of mechanical, electrical, and safety systems and components in
30.23 danger of failure.

30.24 (b) A grant under subdivision 7, clause (1), may be used to pay for 100 percent of total
30.25 project capital expenditures, or a specified project phase, up to \$10,000,000 per project.

30.26 (c) All projects funded with a grant under subdivision 7, clause (1), must meet all
30.27 applicable state and local building codes at the time of project completion.

30.28 (d) The commissioner of human services may use a competitive request for proposal
30.29 process to identify potential projects and eligible applicants on a statewide basis.

30.30 Subd. 9. **Grant requirements.** In addition to any other terms in a grant agreement with
30.31 the commissioner of human services, a grant of special appropriation emergency shelter
30.32 facility bond proceeds must require the payment to the state, for deposit in the bond proceeds
30.33 account established for such purpose in the special appropriation emergency shelter facility

31.1 bond proceeds fund, the proceeds of the sale of any property financed with a grant under
 31.2 this section in any amount up to the amount of the grant, if the sale of the property occurs
 31.3 during the term of the grant agreement.

31.4 Subd. 10. **Appropriation for debt service and other purposes.** An amount needed to
 31.5 pay principal and interest on appropriation bonds issued under subdivision 2, paragraph (a),
 31.6 is appropriated each fiscal year from the general fund to the commissioner, subject to repeal,
 31.7 unallotment under section 16A.152, or cancellation, otherwise pursuant to subdivision 6,
 31.8 for deposit into the bond payments account established for such purpose in the special
 31.9 appropriation emergency shelter facility bond proceeds fund. The appropriation is available
 31.10 beginning in fiscal year 2024 and remains available through fiscal year 2045.

31.11 Subd. 11. **Waiver of immunity.** The waiver of immunity by the state provided for by
 31.12 section 3.751, subdivision 1, shall be applicable to the appropriation bonds and any ancillary
 31.13 contracts to which the commissioner is a party.

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

31.15 Sec. 4. Minnesota Statutes 2020, section 462A.37, subdivision 1, is amended to read:

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

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

31.19 (c) "Community land trust" means an entity that meets the requirements of section
 31.20 462A.31, subdivisions 1 and 2.

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

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

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

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

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

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

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

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

32.7 (h) "Naturally occurring affordable housing" or "NOAH" means multiunit rental housing
32.8 where the majority of the units are affordable to individuals and families with incomes at
32.9 or below 60 percent of the area median income, that otherwise does not receive place-based
32.10 state or federal governmental subsidies.

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

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

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

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

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

32.24 Sec. 5. Minnesota Statutes 2020, section 462A.37, subdivision 2, is amended to read:

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

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

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

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

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

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

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

33.16 (7) to finance the costs of acquisition, rehabilitation, adaptive reuse, or new construction
33.17 of single-family housing;

33.18 (8) to finance the costs of acquisition, rehabilitation, adaptive reuse, or new construction
33.19 of multifamily rental housing for households with incomes at or below 50 percent of the
33.20 area median income. Among comparable proposals, the agency shall give priority to requests
33.21 for projects that serve households at the lowest incomes; and

33.22 (9) to finance the costs of acquisition and rehabilitation of naturally occurring affordable
33.23 housing in order to preserve a long-term source of affordable housing.

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

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

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

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

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

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

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

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

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

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

34.19 Sec. 6. Minnesota Statutes 2020, section 462A.37, is amended by adding a subdivision to
34.20 read:

34.21 Subd. 2h. **Additional authorization.** In addition to the amount authorized in subdivisions
34.22 2 to 2g, the agency may issue up to \$150,000,000 in housing infrastructure bonds in one or
34.23 more series to which the payments under this section may be pledged.

34.24 Sec. 7. Minnesota Statutes 2020, section 462A.37, subdivision 5, is amended to read:

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

34.28 (b) Each July 15, beginning in 2015 and through 2037, if any housing infrastructure
34.29 bonds issued under subdivision 2a remain outstanding, the commissioner of management
34.30 and budget must transfer to the housing infrastructure bond account established under section
34.31 462A.21, subdivision 33, the amount certified under paragraph (a), not to exceed \$6,400,000

35.1 annually. The amounts necessary to make the transfers are appropriated from the general
35.2 fund to the commissioner of management and budget.

35.3 (c) Each July 15, beginning in 2017 and through 2038, if any housing infrastructure
35.4 bonds issued under subdivision 2b remain outstanding, the commissioner of management
35.5 and budget must transfer to the housing infrastructure bond account established under section
35.6 462A.21, subdivision 33, the amount certified under paragraph (a), not to exceed \$800,000
35.7 annually. The amounts necessary to make the transfers are appropriated from the general
35.8 fund to the commissioner of management and budget.

35.9 (d) Each July 15, beginning in 2019 and through 2040, if any housing infrastructure
35.10 bonds issued under subdivision 2c remain outstanding, the commissioner of management
35.11 and budget must transfer to the housing infrastructure bond account established under section
35.12 462A.21, subdivision 33, the amount certified under paragraph (a), not to exceed \$2,800,000
35.13 annually. The amounts necessary to make the transfers are appropriated from the general
35.14 fund to the commissioner of management and budget.

35.15 (e) Each July 15, beginning in 2020 and through 2041, if any housing infrastructure
35.16 bonds issued under subdivision 2d remain outstanding, the commissioner of management
35.17 and budget must transfer to the housing infrastructure bond account established under section
35.18 462A.21, subdivision 33, the amount certified under paragraph (a). The amounts necessary
35.19 to make the transfers are appropriated from the general fund to the commissioner of
35.20 management and budget.

35.21 (f) Each July 15, beginning in 2020 and through 2041, if any housing infrastructure
35.22 bonds issued under subdivision 2e remain outstanding, the commissioner of management
35.23 and budget must transfer to the housing infrastructure bond account established under section
35.24 462A.21, subdivision 33, the amount certified under paragraph (a). The amounts necessary
35.25 to make the transfers are appropriated from the general fund to the commissioner of
35.26 management and budget.

35.27 (g) Each July 15, beginning in 2022 and through 2043, if any housing infrastructure
35.28 bonds issued under subdivision 2f remain outstanding, the commissioner of management
35.29 and budget must transfer to the housing infrastructure bond account established under section
35.30 462A.21, subdivision 33, the amount certified under paragraph (a). The amounts necessary
35.31 to make the transfers are appropriated from the general fund to the commissioner of
35.32 management and budget.

35.33 (h) Each July 15, beginning in 2022 and through 2043, if any housing infrastructure
35.34 bonds issued under subdivision 2g remain outstanding, the commissioner of management

36.1 and budget must transfer to the housing infrastructure bond account established under section
 36.2 462A.21, subdivision 33, the amount certified under paragraph (a). The amounts necessary
 36.3 to make the transfers are appropriated from the general fund to the commissioner of
 36.4 management and budget.

36.5 (i) Each July 15, beginning in 2023 and through 2044, if any housing infrastructure
 36.6 bonds issued under subdivision 2h remain outstanding, the commissioner of management
 36.7 and budget must transfer to the housing infrastructure bond account established under section
 36.8 462A.21, subdivision 33, the amount certified under paragraph (a). The amounts necessary
 36.9 to make the transfers are appropriated from the general fund to the commissioner of
 36.10 management and budget.

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

36.13 **Sec. 8. EFFECTIVE DATE.**

36.14 This article is effective the day following final enactment.

36.15 **ARTICLE 3**
 36.16 **EQUITY APPROPRIATIONS**

36.17 **Section 1. CAPITAL IMPROVEMENT APPROPRIATIONS.**

36.18 The sums shown in the column under "Appropriations" are appropriated from the general
 36.19 fund in fiscal year 2022 to the state agencies or entities indicated, to be spent for public
 36.20 purposes. The appropriations in this article are onetime and are available until the project
 36.21 is completed or abandoned subject to Minnesota Statutes, section 16A.642.

36.22 **APPROPRIATIONS**

36.23 **Sec. 2. METROPOLITAN COUNCIL** **\$ 1,200,000**

36.24 To the Metropolitan Council for a grant to the
 36.25 city of St. Paul for the Wakan Tipi Center
 36.26 project. This appropriation is in addition to
 36.27 the appropriation for the Nature Sanctuary
 36.28 Visitor Center in Laws 2018, chapter 214,
 36.29 article 1, section 17, subdivision 6, and the
 36.30 appropriation for the Wakan Tipi Center
 36.31 project in Laws 2020, Fifth Special Session

37.1 chapter 3, article 1, section 17, subdivision 11,
 37.2 and is for the same purposes.

37.3 **Sec. 3. EMPLOYMENT AND ECONOMIC**
 37.4 **DEVELOPMENT**

37.5 **Subdivision 1. Total Appropriation** **\$ 13,789,000**

37.6 To the commissioner of employment and
 37.7 economic development for the purposes of
 37.8 this section.

37.9 **Subd. 2. African Economic Development**
 37.10 **Solutions** **1,000,000**

37.11 For a grant to African Economic Development
 37.12 Solutions to rehabilitate property that supports
 37.13 business incubation and workforce
 37.14 development and technical assistance to
 37.15 support new and existing African immigrant
 37.16 entrepreneurs aimed at addressing pervasive
 37.17 economic inequities.

37.18 **Subd. 3. 30,000 Feet; Black Arts Center** **1,500,000**

37.19 For a grant to 30,000 Feet, a nonprofit
 37.20 organization, to acquire property, design,
 37.21 construct, renovate, furnish, and equip a Black
 37.22 Arts Center to increase the number of African
 37.23 American youth and families served through
 37.24 culturally responsive arts and technology
 37.25 education, social-emotional learning, and
 37.26 African American history and culture.

37.27 **Subd. 4. Latino Economic Development Center** **950,000**

37.28 For a grant to the Latino Economic
 37.29 Development Center for replacement of
 37.30 mechanical systems, construction or
 37.31 renovation of interior spaces, and other
 37.32 improvements of a capital nature to the
 37.33 building that will operate as a small business

- 38.1 incubator on Payne Avenue and serve other
 38.2 community uses.
- 38.3 **Subd. 5. East Side Freedom Library** 300,000
- 38.4 For a grant to the city of St. Paul for
 38.5 improvements of a capital nature at the
 38.6 Carnegie Library, formerly known as the
 38.7 Arlington Hills Public Library, including
 38.8 projects to restore exterior masonry and repair
 38.9 windows, doors, and louvers.
- 38.10 **Subd. 6. Food Relief Organizations** 1,200,000
- 38.11 For grants to Minnesota food relief
 38.12 organizations for infrastructure needs and
 38.13 improvements of a capital nature. Of this
 38.14 amount:
- 38.15 (1) \$300,000 is for Keystone Community
 38.16 Services capital improvements at a new
 38.17 community food site in Ramsey County;
- 38.18 (2) \$300,000 is for Southern Anoka
 38.19 Community Assistance for capital
 38.20 improvements at a new food shelf;
- 38.21 (3) \$300,000 is for 360 Communities for
 38.22 capital improvements at a new resource center
 38.23 and food shelf in Dakota County; and
- 38.24 (4) \$300,000 is for Community Pathways of
 38.25 Steele County for capital improvements at the
 38.26 current food shelf location.
- 38.27 **Subd. 7. Funny Asian Women Kollektive Arts**
 38.28 **Center** 1,000,000
- 38.29 For a grant to Funny Asian Women Kollektive
 38.30 for the acquisition of property, predesign,
 38.31 design, site preparation, preconstruction
 38.32 services, and renovation of an arts center in
 38.33 the city of St. Paul.

39.1	<u>Subd. 8. Leech Lake Band of Ojibwe Veterans</u>	
39.2	<u>Building</u>	<u>2,000,000</u>
39.3	<u>For a grant to the Tribal council of the Leech</u>	
39.4	<u>Lake Band of Ojibwe for demolition of an</u>	
39.5	<u>existing structure and predesign, design, site</u>	
39.6	<u>preparation, and preconstruction services for</u>	
39.7	<u>a new veterans building.</u>	
39.8	<u>Subd. 9. Mercado Central</u>	<u>850,000</u>
39.9	<u>For a grant to Mercado Central, LLC, to</u>	
39.10	<u>design and construct a parking lot, roof</u>	
39.11	<u>replacement, and interior repairs of a capital</u>	
39.12	<u>nature to the marketplace facility in the city</u>	
39.13	<u>of Minneapolis.</u>	
39.14	<u>Subd. 10. Native American Community Clinic</u>	<u>1,000,000</u>
39.15	<u>For a grant to the Native American</u>	
39.16	<u>Community Clinic in the city of Minneapolis</u>	
39.17	<u>for predesign, design, renovation, and</u>	
39.18	<u>construction of the building in which the clinic</u>	
39.19	<u>is located.</u>	
39.20	<u>Subd. 11. Minneapolis Regional Apprenticeship</u>	
39.21	<u>Training Center</u>	<u>789,000</u>
39.22	<u>For a grant to Northgate Development, LLC,</u>	
39.23	<u>to renovate, equip, and furnish a former state</u>	
39.24	<u>workforce center building for a regional</u>	
39.25	<u>apprenticeship training center in the city of</u>	
39.26	<u>Minneapolis to provide skills training to</u>	
39.27	<u>students and young adults in emerging</u>	
39.28	<u>energy-related and utility careers. This</u>	
39.29	<u>appropriation includes money for financing</u>	
39.30	<u>of energy efficient upgrades and renewable</u>	
39.31	<u>energy investments in the property.</u>	

40.1 **Subd. 12. Meat Processing Businesses in a**
 40.2 **Redevelopment Area** 1,000,000

40.3 For a grant to the South St. Paul Economic
 40.4 Development Authority to design one or more
 40.5 USDA-grade food processing facilities in a
 40.6 new or expanded industrial park to replace
 40.7 existing food processing facilities currently
 40.8 located within the Hardman Triangle
 40.9 Redevelopment Area aimed at creating new,
 40.10 value-added economic opportunities for
 40.11 Minnesotans of Southeast Asian descent. This
 40.12 appropriation includes, but is not limited to,
 40.13 architectural and structural design of new food
 40.14 processing facilities; civil engineering of storm
 40.15 water, wastewater, and other utility
 40.16 infrastructure systems to service new food
 40.17 processing facilities; engineering, design, and
 40.18 development of specifications for machinery
 40.19 and equipment customarily used in the food
 40.20 processing industry; and site design for the
 40.21 new food processing facilities.

40.22 **Subd. 13. Youth Mental Health and Wellness**
 40.23 **Community Center** 1,200,000

40.24 (a) The following appropriations are for one
 40.25 or more grants to 846s.org, a 501(c)(3)
 40.26 nonprofit organization, for a youth mental
 40.27 health and wellness community center to
 40.28 address community youth mental health
 40.29 concerns and offer academic, career, and
 40.30 entrepreneurial programming for local youth
 40.31 and their families. If any of these
 40.32 appropriations for a specified phase is not
 40.33 needed to complete that phase, the unexpended
 40.34 and unencumbered amount may be applied to
 40.35 another phase of the project for which an
 40.36 appropriation is made in this subdivision. Each

41.1 appropriation for a phase is available when
 41.2 the commissioner of management and budget
 41.3 determines that an amount sufficient to
 41.4 complete that phase is committed to the
 41.5 project.

41.6 (b) \$500,000 is appropriated for Phase 1, for
 41.7 property acquisition for the youth mental
 41.8 health and wellness community center.

41.9 (c) \$700,000 is appropriated for Phase 2, for
 41.10 site preparation for the youth mental health
 41.11 and wellness community center.

41.12 (d) Minority business enterprises, as defined
 41.13 under Minnesota Statutes, section 116M.14,
 41.14 subdivision 5, may be prioritized for awards
 41.15 of contracts for the purpose of this project.

41.16 **Subd. 14. New American Center for Health**
 41.17 **Workforce Development**

1,000,000

41.18 For a grant to the New American Center for
 41.19 Health Workforce Development to renovate
 41.20 the existing building located at 2220 Riverside
 41.21 Avenue in Minneapolis to provide
 41.22 programming and increase immigrant access
 41.23 to information, services, and resources, and
 41.24 establish, expand, and sustain a public health
 41.25 workforce.

41.26 **Sec. 4. EFFECTIVE DATE.**

41.27 This article is effective the day following final enactment.

ARTICLE 4

MISCELLANEOUS

Section 1. Minnesota Statutes 2020, section 16A.967, subdivision 7, is amended to read:

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

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

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

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

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

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

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

Sec. 2. Minnesota Statutes 2020, section 16A.967, subdivision 8, is amended to read:

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

~~(b) An amount up to \$265,000 needed to pay principal and interest on appropriation bonds issued under subdivision 2b is appropriated each fiscal year from the general fund to the commissioner, subject to repeal, unallotment under section 16A.152, or cancellation,~~

43.1 ~~otherwise pursuant to subdivision 6, for deposit into the bond payments account established~~
43.2 ~~for such purpose in the special Lewis and Clark appropriation bond proceeds fund. The~~
43.3 ~~appropriation is available beginning in fiscal year 2018 and through fiscal year 2039.~~

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

43.5 Sec. 3. Minnesota Statutes 2020, section 16B.24, subdivision 5, is amended to read:

43.6 **Subd. 5. Renting out state property. (a) Authority.** The commissioner may rent out
43.7 state property, real or personal, that is not needed for public use, if the rental is not otherwise
43.8 provided for or prohibited by law. The property may not be rented out for more than five
43.9 years at a time without the approval of the State Executive Council and may never be rented
43.10 out for more than 25 years. A rental agreement may provide that the state will reimburse a
43.11 tenant for a portion of capital improvements that the tenant makes to state real property if
43.12 the state does not permit the tenant to renew the lease at the end of the rental agreement.

43.13 **(b) Restrictions.** Paragraph (a) does not apply to state trust fund lands, other state lands
43.14 under the jurisdiction of the Department of Natural Resources, lands forfeited for delinquent
43.15 taxes, or lands acquired under section 298.22.

43.16 **(c) Rental of living accommodations.** The commissioner shall establish rental rates for
43.17 all living accommodations provided by the state for its employees. Money collected as rent
43.18 by state agencies pursuant to this paragraph must be deposited in the state treasury and
43.19 credited to the general fund.

43.20 **(d) Lease of space in certain state buildings to state agencies.** The commissioner may
43.21 lease portions of the state-owned buildings under the custodial control of the commissioner
43.22 to state agencies ~~and~~ the court administrator on behalf of the judicial branch of state
43.23 government, the house of representatives, and the senate, and charge rent on the basis of
43.24 space occupied. Any space leased by the commissioner must adequately meet the expected
43.25 health, life safety, and security needs of the lessee. Notwithstanding any law to the contrary,
43.26 all money collected as rent pursuant to the terms of this section shall be deposited in the
43.27 state treasury. Money collected as rent to recover the bond interest costs of a building funded
43.28 from the state bond proceeds fund shall be credited to the general fund. Money collected
43.29 as rent to recover the depreciation costs of a building funded from the state bond proceeds
43.30 fund and money collected as rent to recover capital expenditures from capital asset
43.31 preservation and replacement appropriations and statewide building access appropriations
43.32 shall be credited to a segregated asset preservation and replacement account in a special
43.33 revenue fund. Fifty percent of the money credited to the account each fiscal year must be
43.34 transferred to the general fund. Money collected as rent from a legislative branch lessee

44.1 must be credited to a segregated facilities account designated for that lessee, and amounts
44.2 credited to each account are appropriated to the commissioner of administration to finance
44.3 capital expenditures that address identified critical health, life safety, and security needs of
44.4 the facilities occupied by that lessee. The remaining money in the account is appropriated
44.5 to the commissioner to be expended for asset preservation projects as determined by the
44.6 commissioner. Money collected as rent to recover the depreciation and interest costs of a
44.7 building built with other state dedicated funds shall be credited to the dedicated fund which
44.8 funded the original acquisition or construction. All other money received shall be credited
44.9 to the general services revolving fund.

44.10 (e) **Lease of space in Andersen and Freeman buildings.** The commissioner may lease
44.11 space in the Elmer L. Andersen and Orville L. Freeman buildings to state agencies and
44.12 charge rent on the basis of space occupied. Money collected as rent under this paragraph
44.13 to fund future building repairs must be credited to a segregated account for each building
44.14 in the special revenue fund and is appropriated to the commissioner to make the repairs.
44.15 When the state acquires title to each building, the account for that building must be abolished
44.16 and any balance remaining in the account must be transferred to the appropriate asset
44.17 preservation and replacement account created under paragraph (d).

44.18 **Sec. 4. [16B.2406] CAPITOL AREA BUILDING SECURITY ACCOUNT.**

44.19 Subdivision 1. Account established; appropriation and use of funds. (a) A Capitol
44.20 Area Building Security Account is established in the special revenue fund. The commissioner
44.21 of management and budget shall deposit the proceeds from the lease revenue bonds or
44.22 certificates of participation received under subdivision 2 to the account.

44.23 (b) Funds in the account are appropriated to the commissioner of administration for
44.24 capital expenditures that address identified critical health, life safety, and security needs of
44.25 buildings located on the State Capitol complex. The funds may be used for predesign, design,
44.26 and construction activities necessary to address the identified needs. The commissioner may
44.27 not authorize construction of the final project design, or of any proposed changes to that
44.28 design, without the approval of a building's primary tenant.

44.29 Subd. 2. Lease-purchase agreement authorization. The commissioner of administration
44.30 may enter into a long-term lease-purchase agreement for a term of up to 25 years, for
44.31 activities authorized by subdivision 1 for which appropriations are available. The
44.32 commissioner of management and budget may issue lease revenue bonds or certificates of
44.33 participation associated with the lease-purchase agreement. The lease-purchase agreement
44.34 must not be terminated, except for nonappropriation of money. The lease-purchase agreement

45.1 must provide the state with a unilateral right to purchase the leased equipment or premises
45.2 at specified times for specified amounts. The lease-purchase agreement is exempt from
45.3 section 16B.24, subdivisions 6 and 6a.

45.4 Subd. 3. **Schedule of activities; legislative report.** (a) Consistent with existing
45.5 requirements of law related to construction and improvement of state buildings, the
45.6 commissioner must take steps to ensure that improvements to address identified critical
45.7 needs for which appropriations are available are completed in a timely manner.

45.8 (b) The commissioner must submit a report to the speaker of the house, the president of
45.9 the senate, and the minority leaders of the house of representatives and senate no later than
45.10 January 1, 2022, detailing the estimated costs, along with the expected timeline for design,
45.11 construction, and completion of necessary work to address identified needs.

45.12 Sec. 5. **[16B.324] STATE BUILDINGS; SOLAR ENERGY GENERATION**
45.13 **ACCOUNT.**

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

45.16 (b) "Solar energy generation improvement" means the predesign, design, acquisition,
45.17 construction, or installation of a solar energy system for a state building that:

45.18 (1) is incorporated into the building or is a permanent fixture;

45.19 (2) has a useful life of more than ten years; and

45.20 (3) is designed to result in a demand-side net reduction in energy use by the state
45.21 building's electrical, heating, ventilating, air-conditioning, or hot water systems, which
45.22 extends the life or enhances the value of the state building.

45.23 (c) "State agency" means an agency in the executive branch of state government, but
45.24 does not include constitutional officers.

45.25 (d) "State building" means a building owned by the state of Minnesota.

45.26 Subd. 2. **Establishment.** A state building solar energy generation account is established
45.27 in the bond proceeds fund to provide funds to state agencies for the purpose of implementing
45.28 solar energy generation improvements at state buildings.

45.29 Subd. 3. **Account management.** The commissioner shall manage and administer the
45.30 state building solar energy generation account through an office established to manage
45.31 environmental sustainability measures for state property.

46.1 Subd. 4. **Applications.** A state agency applying for solar energy generation improvement
 46.2 funds must submit an application to the commissioner on a form, in the manner, and at the
 46.3 time prescribed by the commissioner. An applicant must supply the following information:

46.4 (1) the total estimated cost of the solar energy generation improvements and the amount
 46.5 sought;

46.6 (2) a description of the solar energy generation improvements;

46.7 (3) a detailed budget for the project, including all sources and uses of money;

46.8 (4) calculations sufficient to demonstrate the expected energy and monetary savings that
 46.9 will result from construction and installation of the solar energy generation improvements;

46.10 (5) information demonstrating that extended life or increased value of the state building
 46.11 will result from construction and installation of the solar energy generation improvements;
 46.12 and

46.13 (6) any additional information requested by the commissioner.

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

46.15 Sec. 6. Minnesota Statutes 2020, section 16B.325, subdivision 2, is amended to read:

46.16 Subd. 2. **Lowest possible cost; energy conservation.** The guidelines must:

46.17 (1) focus on achieving the lowest possible lifetime cost, considering both construction
 46.18 and operating costs, for new buildings and major renovations, and;

46.19 (2) allow for ~~changes in the guidelines~~ revisions that encourage continual energy
 46.20 conservation improvements in new buildings and major renovations. ~~The guidelines shall;~~

46.21 (3) define "major renovations" for purposes of this section. ~~The definition may not allow~~
 46.22 "major renovations" to encompass not less than 10,000 square feet or to encompass not less
 46.23 than the replacement of the mechanical, ventilation, or cooling system of ~~the~~ a building or
 46.24 a building section of the building. ~~The design guidelines must;~~

46.25 (4) establish sustainability guidelines that include air quality and lighting standards and
 46.26 that create and maintain a healthy environment and facilitate productivity improvements;

46.27 (5) establish resiliency guidelines to encourage design that allows buildings to adapt to
 46.28 and accommodate projected climate-related changes reflected in both acute events and
 46.29 chronic trends, including but not limited to changes in temperature and precipitation levels;

46.30 (6) specify ways to reduce material costs; and ~~must~~

47.1 (7) consider the long-term operating costs of the building, including the use of renewable
 47.2 energy sources and distributed electric energy generation that uses a renewable source or
 47.3 natural gas or a fuel that is as clean or cleaner than natural gas.

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

47.5 Sec. 7. Minnesota Statutes 2020, section 469.53, is amended to read:

47.6 **469.53 REGIONAL EXCHANGE DISTRICT PUBLIC INFRASTRUCTURE**
 47.7 **PROJECTS.**

47.8 (a) The following projects shall be eligible for state appropriation support payments
 47.9 upon approval by the Duluth City Council. Costs may be reimbursed for eligible projects
 47.10 that begin construction prior to September 30, 2020, but in no case may the total state
 47.11 payment per project exceed the amount established in this section. Eligible projects include:

47.12 (1) ~~two levels of expansion~~ replace a skywalk connected to an existing medical district
 47.13 parking ramp and skywalk replacement in an amount not to exceed ~~\$13,010,000~~ \$2,100,000,
 47.14 including any land acquisition;

47.15 (2) a ramp with up to 1,400 new parking stalls and a skywalk to serve medical entity
 47.16 west in an amount not to exceed ~~\$36,400,000~~ \$37,900,000, including any land acquisition;

47.17 (3) extension of 6th Avenue East from 2nd Street to 1st Street in an amount not to exceed
 47.18 ~~\$5,900,000~~ \$6,650,000, including any land acquisition;

47.19 (4) demolition of existing hospital structure for site reuse, to accomplish the purposes
 47.20 in section 469.51, subdivision 2, in an amount not to exceed ~~\$10,000,000~~ \$11,829,000;

47.21 (5) roadway, utility, and site improvements and capacity upgrades to support medical
 47.22 entity west hospital construction in an amount not to exceed ~~\$11,410,000~~ \$18,250,000;

47.23 (6) district energy connections, capacity enhancement, and a pressure pump station, and
 47.24 district energy utility improvements outside of the district reasonably necessary and
 47.25 advantageous to serve developments within the district in an amount not to exceed
 47.26 \$7,000,000; and

47.27 (7) a ramp with up to 400 new parking stalls to serve medical entity east in an amount
 47.28 not to exceed \$14,000,000.

47.29 (b) Upon notice to the commissioner of employment and economic development, any
 47.30 unexpended amount for the projects described in paragraph (a), clauses (1) to (4), may fund
 47.31 the project in paragraph (a), clause (5). The unexpended amounts applied to the project in
 47.32 paragraph (a), clause (5), count toward the state payment limit for the project. The Duluth

48.1 City Council must submit a written plan to the commissioner of employment and economic
 48.2 development to use unexpended funds in the manner under this paragraph.

48.3 ~~(b)~~ (c) For any public infrastructure project that will not be let by the city for which state
 48.4 support is sought, the project must proceed and comply with any state and local contracting
 48.5 requirements otherwise applicable to the city had the city let the project. The city shall have
 48.6 the right to inspect, upon reasonable notice, the construction contracts and related
 48.7 documentation for any public infrastructure project for which state support is sought.

48.8 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
 48.9 city of Duluth and its chief clerical officer timely comply with Minnesota Statutes, section
 48.10 645.021, subdivisions 2 and 3.

48.11 Sec. 8. Laws 2009, chapter 93, article 1, section 14, subdivision 3, as amended by Laws
 48.12 2011, First Special Session chapter 12, section 37, and Laws 2018, chapter 214, article 2,
 48.13 section 23, is amended to read:

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

48.15 Of this amount, up to \$500,000 is to acquire
 48.16 land located in southeastern, southwestern,
 48.17 and northeastern Minnesota for publicly
 48.18 owned veterans cemeteries, to be operated by
 48.19 the commissioner of veterans affairs. The
 48.20 commissioner also must seek donations of
 48.21 land for the cemeteries. The balance of the
 48.22 appropriation is to ~~pre~~design ~~and~~, design,
 48.23 construct, and equip the cemeteries. Federal
 48.24 reimbursement of design, construction, and
 48.25 equipping costs for each cemetery must be
 48.26 deposited in the state treasury and is
 48.27 appropriated to the commissioner of veterans
 48.28 affairs to design, construct, and equip the
 48.29 remaining cemeteries. Following completion
 48.30 ~~of design~~ of the legislatively authorized
 48.31 Minnesota state veterans cemeteries in
 48.32 Redwood, St. Louis, and Fillmore Counties,
 48.33 final federal reimbursement of ~~pre~~design ~~and~~,
 48.34 design, construction, and equipping costs is

49.1 appropriated to the commissioner for asset
 49.2 preservation of veterans homes statewide, to
 49.3 be spent in accordance with Minnesota
 49.4 Statutes, section 16B.307. Federal
 49.5 reimbursement may be sought for each
 49.6 cemetery and must be spent to acquire land
 49.7 for, to predesign ~~and~~, design, construct, and
 49.8 equip additional cemeteries, or for asset
 49.9 preservation as provided in this subdivision.
 49.10 Notwithstanding Minnesota Statutes, section
 49.11 16A.642, the bond sale authorization and
 49.12 appropriation of bond proceeds for this project
 49.13 are available until December 31, ~~2022~~ 2024.

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

49.15 Sec. 9. Laws 2014, chapter 294, article 1, section 21, subdivision 21, is amended to read:

49.16 **Subd. 21. Thief River Falls Airport - Public**
 49.17 **Infrastructure**

650,000

49.18 For a grant to the Thief River Falls Airport
 49.19 Authority to predesign, design, engineer, and
 49.20 construct infrastructure to transfer wastewater
 49.21 from the Thief River Falls Regional Airport
 49.22 to the city wastewater collection and treatment
 49.23 system, and to eliminate the airport wastewater
 49.24 treatment pond located on airport property.
 49.25 ~~This appropriation is not available until the~~
 49.26 ~~commissioner of management and budget has~~
 49.27 ~~determined that at least \$153,360 has been~~
 49.28 ~~committed to the~~ At least 20 percent of the
 49.29 total cost of the project must be committed
 49.30 from nonstate sources.

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

50.1 Sec. 10. Laws 2014, chapter 294, article 1, section 21, subdivision 23, as amended by
 50.2 Laws 2015, First Special Session chapter 5, article 3, section 23, is amended to read:

50.3 **Subd. 23. Virginia - Highway 53 Utilities**
 50.4 **Relocation**

19,500,000

50.5 (a) \$500,000 of this appropriation is for a grant
 50.6 to the city of Virginia Public Utilities
 50.7 Commission to acquire land, predesign,
 50.8 design, construct, furnish, and equip an
 50.9 electrical substation along or within six miles
 50.10 of the relocated U.S. Highway 53 in Virginia
 50.11 as part of relocating the electrical utilities. This
 50.12 appropriation fully funds the project described
 50.13 in this paragraph and meets the requirements
 50.14 in Minnesota Statutes, section 16A.502, that
 50.15 the project be fully funded. This appropriation
 50.16 does not require a nonstate match.

50.17 (b) \$19,000,000 of this appropriation is for:

50.18 (1) a grant to the city of Virginia Public
 50.19 Utilities Commission to acquire land,
 50.20 predesign, design, construct, furnish, and
 50.21 equip relocated water, electrical, and gas
 50.22 utilities along or within six miles of the
 50.23 relocated U.S. Highway 53 in Virginia,
 50.24 Eveleth, Gilbert, and Fayal Township;

50.25 (2) a grant to the city of Virginia to acquire
 50.26 land, predesign, construct, furnish, and equip
 50.27 relocated storm water and sanitary sewer along
 50.28 or within six miles of the relocated U.S.
 50.29 Highway 53 in Virginia, Eveleth, Gilbert, and
 50.30 Fayal Township; ~~and~~

50.31 (3) a grant to the St. Louis and Lake Counties
 50.32 Regional Railroad Authority to acquire land,
 50.33 predesign, design, construct, furnish, and
 50.34 equip trails to handle bicycles, pedestrians,

51.1 snowmobiles, and ATVs along or within six
 51.2 miles of the relocated U.S. Highway 53 in
 51.3 Virginia, Eveleth, Gilbert, and Fayal
 51.4 Township. This appropriation does not require
 51.5 a nonstate match; and
 51.6 (4) any amount of this appropriation that is
 51.7 unspent after substantial completion of the
 51.8 work described in clauses (1), (2), and (3),
 51.9 may be used for a grant to the St. Louis and
 51.10 Lake Counties Regional Railroad for
 51.11 construction of a segment of the Mesabi Trail
 51.12 extending from the eastern end of the Mesabi
 51.13 Trail in Biwabik at the intersection of marked
 51.14 Trunk Highway 135 and St. Louis County
 51.15 Road 20 to the intersection of County Road
 51.16 20 and First Street South in the city of
 51.17 McKinley. Notwithstanding Minnesota
 51.18 Statutes, section 16A.642, the bond sale
 51.19 authorization and appropriation of bond sale
 51.20 proceeds for this project are available until
 51.21 December 31, 2022.

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

51.23 Sec. 11. Laws 2014, chapter 294, article 1, section 22, subdivision 5, as amended by Laws
 51.24 2018, chapter 214, article 2, section 27, is amended to read:

51.25 **Subd. 5. City of Rice Lake - Water Main**
 51.26 **Replacement and Extension** 1,168,000

51.27 For a grant to the city of Rice Lake to design
 51.28 and construct a replacement water main and
 51.29 related public infrastructure on East Calvary
 51.30 Road and Kolstad, Austin, Milwaukee,
 51.31 Mather, and Chicago Avenues in the city of
 51.32 Rice Lake. ~~This appropriation is not available~~
 51.33 ~~until the commissioner of management and~~
 51.34 ~~budget determines that at least an equal~~

52.1 ~~amount is committed to the project from~~
 52.2 ~~nonstate sources.~~ Any amount remaining after
 52.3 completion of the project may be used to
 52.4 predesign, design, construct, furnish, and
 52.5 equip a municipal utility extension from
 52.6 Howard Gnesen Road to Martin Road in the
 52.7 city of Rice Lake. This appropriation is
 52.8 available until December 31, ~~2020~~ 2022.

52.9 **EFFECTIVE DATE.** This section is effective the day following final enactment, except
 52.10 that the extension of time for availability of the appropriation is effective retroactively from
 52.11 December 30, 2020.

52.12 Sec. 12. Laws 2017, First Special Session chapter 8, article 1, section 7, subdivision 2, is
 52.13 amended to read:

52.14 **Subd. 2. St. Louis River Cleanup** 25,410,000

52.15 To design and implement contaminated
 52.16 sediment management actions identified in
 52.17 the St. Louis River remedial action plan to
 52.18 restore water quality in the St. Louis River
 52.19 Area of Concern. Notwithstanding Minnesota
 52.20 Statutes, section 16A.642, the bond
 52.21 authorization and appropriation of bond
 52.22 proceeds for this project are available until
 52.23 December 31, 2023.

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

52.25 Sec. 13. Laws 2017, First Special Session chapter 8, article 1, section 15, subdivision 3,
 52.26 as amended by Laws 2018, chapter 214, article 2, section 33, and Laws 2020, Fifth Special
 52.27 Session chapter 3, article 5, section 24, is amended to read:

52.28 **Subd. 3. Local Road Improvement Fund Grants** 115,932,000

52.29 (a) From the bond proceeds account in the
 52.30 state transportation fund as provided in
 52.31 Minnesota Statutes, section 174.50, for trunk
 52.32 highway corridor projects under Minnesota

53.1 Statutes, section 174.52, subdivision 2, for
53.2 construction and reconstruction of local roads
53.3 with statewide or regional significance under
53.4 Minnesota Statutes, section 174.52,
53.5 subdivision 4, or for grants to counties to assist
53.6 in paying the costs of rural road safety capital
53.7 improvement projects on county state-aid
53.8 highways under Minnesota Statutes, section
53.9 174.52, subdivision 4a.

53.10 (b) Of this amount, \$9,000,000 is for a grant
53.11 to Anoka County to design, acquire land for,
53.12 engineer, and construct improvements to,
53.13 including the realignment of County State-Aid
53.14 Highway 23 (Lake Drive), County State-Aid
53.15 Highway 54 (West Freeway Drive), West
53.16 Freeway Drive, and to Hornsby Street in the
53.17 city of Columbus to support the overall
53.18 interchange project. Notwithstanding
53.19 Minnesota Statutes, section 16A.642, the bond
53.20 sale authorization and appropriation of bond
53.21 proceeds for the project in this paragraph are
53.22 available until December 31, 2024.

53.23 (c) Of this amount, \$3,246,000 is for a grant
53.24 to the city of Blaine to predesign, design, and
53.25 reconstruct 105th Avenue in the vicinity of
53.26 the National Sports Center in Blaine. The
53.27 reconstruction will include changing the street
53.28 from five lanes to four lanes with median, turn
53.29 lanes, sidewalk, trail, landscaping, lighting,
53.30 and consolidation of access driveways. This
53.31 appropriation is not available until the
53.32 commissioner of management and budget
53.33 determines that at least \$3,000,000 is
53.34 committed to the project from sources

54.1 available to the city, including municipal state
54.2 aid and county turnback funds.

54.3 (d) Of this amount, \$25,000,000 is for a grant
54.4 to Hennepin County, the city of Minneapolis,
54.5 or both, for design, right-of-way acquisition,
54.6 engineering, and construction of public
54.7 improvements related to the Interstate
54.8 Highway 35W and Lake Street access project
54.9 and related improvements within the Interstate
54.10 Highway 35W corridor, notwithstanding any
54.11 provision of Minnesota Statutes, section
54.12 174.52, or rule to the contrary. This
54.13 appropriation is not available until the
54.14 commissioner of management and budget
54.15 determines that an amount sufficient to
54.16 complete this portion of the Interstate
54.17 Highway 35W and Lake Street access project
54.18 has been committed to this portion of the
54.19 project.

54.20 (e) Of this amount, \$10,500,000 is for a grant
54.21 to Carver County for environmental analysis
54.22 and to acquire right-of-way access, predesign,
54.23 design, engineer, and construct an interchange
54.24 at marked Trunk Highway 212 and Carver
54.25 County Road 44 in the city of Chaska,
54.26 including a new bridge and ramps, to support
54.27 the development of approximately 400 acres
54.28 of property in the city of Chaska's
54.29 comprehensive plan.

54.30 (f) Of this amount, \$700,000 is for a grant to
54.31 Redwood County for improvements to Nobles
54.32 Avenue, including paving, as the main access
54.33 road to a new State Veterans Cemetery to be
54.34 located in Paxton Township.

55.1 (g) Of this amount, \$1,000,000 is for a grant
55.2 to ~~the town of Appleton in~~ Swift County for
55.3 ~~upgrades to an existing township road to~~
55.4 ~~provide for a paved, ten-ton capacity township~~
55.5 ~~road extending between marked Trunk~~
55.6 ~~Highways 7 and 119~~ preliminary and final
55.7 design, engineering, and reconstruction of a
55.8 segment of County State-Aid Highway 6
55.9 between marked Trunk Highway 7 and County
55.10 State-Aid Highway 17 to provide for a ten-ton
55.11 paved roadway. Notwithstanding Minnesota
55.12 Statutes, section 16A.642, the bond sale
55.13 authorization and appropriation of bond
55.14 proceeds for this project are available until
55.15 December 31, 2025.

55.16 (h) Of this amount, \$20,500,000 is for a grant
55.17 to Ramsey County for preliminary and final
55.18 design, right-of-way acquisition, engineering,
55.19 contract administration, and construction of
55.20 public improvements related to the
55.21 construction of the interchange of marked
55.22 Interstate Highway 694 and Rice Street,
55.23 Ramsey County State-Aid Highway 49, in
55.24 Ramsey County.

55.25 (i) Of this amount, \$11,300,000 is for a grant
55.26 to Hennepin County for preliminary and final
55.27 design, engineering, environmental analysis,
55.28 right-of-way acquisition, construction, and
55.29 reconstruction of local roads related to the (1)
55.30 realignment at the intersections of marked U.S.
55.31 Highway 12 with Hennepin County State-Aid
55.32 Highway 92; (2) realignment and safety
55.33 improvements at the intersection of marked
55.34 U.S. Highway 12 with Hennepin County
55.35 State-Aid Highway 90; and (3) safety median

56.1 improvements from the interchange with
56.2 Wayzata Boulevard in Wayzata to
56.3 approximately one-half mile east of the
56.4 interchange of marked U.S. Highway 12 with
56.5 Hennepin County State-Aid Highway 6.

56.6 (j) Of this amount, \$1,000,000 is for a grant
56.7 to the city of Inver Grove Heights for
56.8 preliminary design, design, engineering, and
56.9 reconstruction of Broderick Boulevard
56.10 between 80th Street and Concord Boulevard
56.11 abutting Trunk Highway 52 and Inver Hills
56.12 Community College in Inver Grove Heights.
56.13 The project includes replacement or renovation
56.14 of public infrastructure, including water lines,
56.15 sanitary sewers, storm water sewers, and other
56.16 public utilities. This appropriation does not
56.17 require a nonstate contribution.

56.18 (k) Of this amount, \$2,350,000 is for a grant
56.19 to McLeod County to acquire land or interests
56.20 in land and to design and construct a new
56.21 urban street extension of County State-Aid
56.22 Highway (CSAH) 15, including railroad
56.23 crossing, storm water, and drainage
56.24 improvements.

56.25 (l) Of this amount, \$6,000,000 is for a grant
56.26 to the city of Baxter for 50 percent of total
56.27 project cost for the acquisition of land or
56.28 interests in land, environmental analysis and
56.29 environmental cleanup, predesign, design,
56.30 engineering, and construction of improvements
56.31 to Cypress Drive, including expansion to a
56.32 four-lane divided urban roadway, between
56.33 Excelsior Road and College Road.

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

57.1 Sec. 14. Laws 2017, First Special Session chapter 8, article 1, section 20, subdivision 8,
 57.2 is amended to read:

57.3 **Subd. 8. Eagle Bend High School** 1,500,000

57.4 For a grant to ~~Independent School District No.~~
 57.5 ~~786, Bertha-Hewitt, or other independent~~
 57.6 ~~school district to which that portion of the~~
 57.7 ~~territory of former Independent School District~~
 57.8 ~~No. 2759, Eagle Valley, containing the city~~
 57.9 ~~of Eagle Bend school is attached by action of~~
 57.10 ~~the Todd County Board, to predesign, design,~~
 57.11 ~~prepare, and develop~~ renovate the Eagle Bend
 57.12 High School building site, ~~including~~
 57.13 ~~demolition of buildings and infrastructure, to~~
 57.14 remove life safety hazards ~~and~~ to facilitate the
 57.15 redevelopment and reuse of the site and
 57.16 buildings. The city may contract or partner
 57.17 with a third party to manage the renovation
 57.18 and to operate the renovated housing project
 57.19 subject to Minnesota Statutes, section
 57.20 16A.695. This appropriation does not require
 57.21 a nonstate contribution. Notwithstanding
 57.22 Minnesota Statutes, section 16A.642, the bond
 57.23 authorization and appropriation of bond
 57.24 proceeds for this project are available until
 57.25 December 31, 2024.

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

57.27 Sec. 15. Laws 2017, First Special Session chapter 8, article 1, section 20, subdivision 14,
 57.28 is amended to read:

57.29 **Subd. 14. Minneapolis - Pioneers and Soldiers**
 57.30 **Cemetery Restoration** 1,029,000

57.31 For a grant to the city of Minneapolis to
 57.32 restore the historic steel and limestone pillar
 57.33 fence along Cedar Avenue and Lake Street,
 57.34 ~~install a new steel fence and pillars along 21st~~

58.1 ~~Avenue South~~, and install a waterproofing
 58.2 system for preservation of the fence and
 58.3 pillars, at the Pioneer and Soldiers Cemetery.
 58.4 This appropriation does not require a nonstate
 58.5 contribution.

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

58.7 Sec. 16. Laws 2017, First Special Session chapter 8, article 1, section 20, subdivision 15,
 58.8 is amended to read:

58.9 Subd. 15. **Minneapolis - Norway House** 5,000,000

58.10 For a grant to the city of Minneapolis to
 58.11 acquire land and predesign, design, construct,
 58.12 furnish, and equip a conference and event
 58.13 center at 913 East Franklin Avenue and
 58.14 adjacent property in Minneapolis to celebrate
 58.15 the culture of Norway and American
 58.16 Norwegians, subject to Minnesota Statutes,
 58.17 section 16A.695. This appropriation is not
 58.18 available until the commissioner of
 58.19 management and budget determines that an
 58.20 amount sufficient to complete the project is
 58.21 committed from nonstate sources. This
 58.22 appropriation is available until December 31,
 58.23 2026.

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

58.25 Sec. 17. Laws 2018, chapter 214, article 1, section 16, subdivision 2, as amended by Laws
 58.26 2019, chapter 2, article 2, section 2, is amended to read:

58.27 Subd. 2. **Local Road Improvement Fund Grants** 78,600,000

58.28 (a) From the bond proceeds account in the
 58.29 state transportation fund as provided in
 58.30 Minnesota Statutes, section 174.50, for trunk
 58.31 highway corridor projects under Minnesota
 58.32 Statutes, section 174.52, subdivision 2, for

59.1 construction and reconstruction of local roads
59.2 with statewide or regional significance under
59.3 Minnesota Statutes, section 174.52,
59.4 subdivision 4, or for grants to counties to assist
59.5 in paying the costs of rural road safety capital
59.6 improvement projects on county state-aid
59.7 highways under Minnesota Statutes, section
59.8 174.52, subdivision 4a.

59.9 (b) Of this amount, \$13,500,000 is for a grant
59.10 to the city of Dayton for design, engineering,
59.11 environmental analysis, property and easement
59.12 acquisition, construction, and reconstruction
59.13 of local roads in conjunction with an
59.14 interchange on marked Interstate Highway 94
59.15 near Hennepin County State-Aid Highway
59.16 101, known as Brockton Lane, in Dayton.

59.17 (c) Of this amount, \$6,100,000 is for ~~a grant~~
59.18 one or more grants to Dakota County, the city
59.19 of Inver Grove Heights, or both to predesign,
59.20 design, engineer, acquire right-of-way
59.21 property and temporary and permanent
59.22 easements, inspect, and construct or
59.23 reconstruct: (1) realignment of Dakota County
59.24 State-Aid Highway 63, known as Argenta
59.25 Trail, in Inver Grove Heights, from northerly
59.26 of its intersection with Amana Trail to the
59.27 anticipated future alignment of 65th Street,
59.28 then west to the existing Argenta Trail
59.29 alignment, and in anticipation of the
59.30 development of an interchange of Argenta
59.31 Trail and marked Interstate Highway 494; and
59.32 (2) expansion from two lanes to four lanes of
59.33 Dakota County State-Aid Highway 26, known
59.34 as 70th Street West, in Inver Grove Heights,
59.35 from the border with Eagan through the

60.1 intersection with Argenta Trail as realigned,
 60.2 to the intersection of Highway 26 with Trunk
 60.3 Highway 3, known as Robert Street.

60.4 (d) Of this amount, \$9,000,000 is for a grant
 60.5 to Carver County following a jurisdictional
 60.6 transfer to Carver County of the affected
 60.7 segment of marked Trunk Highway 101. The
 60.8 appropriation may be used for design,
 60.9 right-of-way acquisition, engineering, and
 60.10 reconstruction of the segment transferred to
 60.11 the county that is between Pioneer Trail and
 60.12 Flying Cloud Drive, including grade
 60.13 separation of a multipurpose pedestrian and
 60.14 bicycle trail from the segment for the
 60.15 Minnesota River Bluffs Regional Trail and a
 60.16 regional trail along marked Trunk Highway
 60.17 101.

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

60.19 Sec. 18. Laws 2018, chapter 214, article 1, section 17, subdivision 6, is amended to read:

60.20	Subd. 6. St. Paul - Nature Sanctuary Visitor	
60.21	Center	3,000,000

60.22 For a grant to the city of St. Paul to predesign,
 60.23 design, construct, furnish, and equip a visitor
 60.24 and interpretive center in the Bruce Vento
 60.25 Nature Sanctuary in St. Paul for programs that
 60.26 the city determines meet regional and city park
 60.27 purpose requirements. The city may enter into
 60.28 a lease or management agreement under
 60.29 Minnesota Statutes, section 16A.695, to
 60.30 operate the programs in the center.
 60.31 Notwithstanding Minnesota Statutes, section
 60.32 16A.642, the bond sale authorization and
 60.33 appropriation of bond proceeds for the project

61.1 in this subdivision are available until
 61.2 December 31, 2024.

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

61.4 Sec. 19. Laws 2018, chapter 214, article 1, section 18, subdivision 3, is amended to read:

61.5 **Subd. 3. St. Peter Regional Treatment Center**
 61.6 **Campus - Dietary Building HVAC and Electrical**
 61.7 **Replacement** 2,200,000

61.8 To predesign, design, engineer, and renovate
 61.9 the mechanical and electrical systems in the
 61.10 Dietary Building on the St. Peter Regional
 61.11 Treatment Center campus, including: the
 61.12 upgrade, replacement, and improvement of
 61.13 existing heating and ventilation equipment;
 61.14 installation of air-conditioning equipment;
 61.15 replacement of the building's outdated and
 61.16 undersized electrical system; design and
 61.17 abatement of asbestos and hazardous
 61.18 materials; and structural, site, and utility work
 61.19 necessary to support the project.

61.20 Upon substantial completion of this project,
 61.21 any unspent portion of this appropriation
 61.22 remaining, after written notice to the
 61.23 commissioner of management and budget, is
 61.24 available for asset preservation under
 61.25 Minnesota Statutes, section 16B.307.

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

61.27 Sec. 20. Laws 2018, chapter 214, article 1, section 18, subdivision 4, is amended to read:

61.28 **Subd. 4. Anoka Metro Regional Treatment**
 61.29 **Center - Roof and HVAC Replacement** 6,550,000

61.30 To predesign, design, engineer, construct, and
 61.31 equip improvements on the Anoka Metro
 61.32 Regional Treatment Center campus, including
 61.33 but not limited to design and abatement of

62.1 asbestos and hazardous materials, replacement
 62.2 of roofs on residential units, installation of
 62.3 metal wall cladding on the mechanical
 62.4 penthouses, installation of new heating,
 62.5 ventilation, and air conditioning systems, fire
 62.6 sprinkler systems, electrical lighting systems
 62.7 in the Miller Building, and installation of a
 62.8 new heating system in the warehouse building.

62.9 Upon substantial completion of this project,
 62.10 any unspent portion of this appropriation
 62.11 remaining, after written notice to the
 62.12 commissioner of management and budget, is
 62.13 available for asset preservation under
 62.14 Minnesota Statutes, section 16B.307.
 62.15 Notwithstanding Minnesota Statutes, section
 62.16 16.642, the bond sale authorization and
 62.17 appropriation of bond proceeds in this
 62.18 subdivision are available until December 31,
 62.19 2023.

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

62.21 Sec. 21. Laws 2018, chapter 214, article 1, section 21, subdivision 16, is amended to read:

62.22 Subd. 16. **Minneapolis - Upper Harbor Terminal**
 62.23 **Redevelopment**

15,000,000

62.24 For a grant to the city of Minneapolis, the
 62.25 Minneapolis Park and Recreation Board, or
 62.26 both, for predesign, design, and construction
 62.27 work for site preparation and for park and
 62.28 public infrastructure improvements to support
 62.29 an initial phase of redevelopment of the Upper
 62.30 Harbor Terminal on the Mississippi River; a
 62.31 site that was rendered inoperable for barging
 62.32 by the federal closure of the Upper St.
 62.33 Anthony Falls Lock. Notwithstanding
 62.34 Minnesota Statutes, section 16A.642, the bond

63.1 sale authorization and appropriation of bond
 63.2 proceeds in this subdivision are available until
 63.3 December 31, 2024.

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

63.5 Sec. 22. Laws 2018, chapter 214, article 1, section 22, subdivision 6, is amended to read:

63.6 **Subd. 6. Aurora; Hoyt Lakes; Biwabik; and**
 63.7 **White Township - Drinking Water System** 2,500,000

63.8 For a grant to the city of Aurora to acquire
 63.9 land, acquire a long-term lease, or a permanent
 63.10 interest in land, design, engineer, construct,
 63.11 furnish, and equip a comprehensive
 63.12 municipally owned cooperative joint drinking
 63.13 water system ~~in~~ for the cities city of Aurora,
 63.14 ~~Hoyt Lakes, and Biwabik, and White~~
 63.15 ~~Township, including a water intake and~~
 63.16 ~~treatment plant located in White Township~~
 63.17 and the Town of White and designed for the
 63.18 future use of other cities, including Biwabik
 63.19 and Hoyt Lakes. Notwithstanding Minnesota
 63.20 Statutes, section 16A.642, the bond sale
 63.21 authorization and appropriation of bond
 63.22 proceeds for this project are available until
 63.23 December 31, 2024.

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

63.25 Sec. 23. Laws 2019, chapter 2, article 1, section 2, subdivision 5, is amended to read:

63.26 **Subd. 5. South St. Paul - Seidl's Lake** 781,000

63.27 For a grant to the city of South St. Paul for
 63.28 capital improvements to improve the water
 63.29 quality of Seidl's Lake. The capital
 63.30 improvements include design, engineering,
 63.31 construction, and equipping of a storm water
 63.32 lift station to discharge excess storm water
 63.33 into the city of South St. Paul's storm sewer

64.1 system to minimize the fluctuating water
 64.2 levels of the lake. This project may be
 64.3 implemented jointly by the cities of South St.
 64.4 Paul, Inver Grove Heights, and West St. Paul.
 64.5 Notwithstanding Minnesota Statutes, section
 64.6 16A.642, the bond sale authorization and
 64.7 appropriation of bond proceeds for the project
 64.8 in this subdivision are available until
 64.9 December 31, 2024.

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

64.11 Sec. 24. Laws 2020, Fifth Special Session chapter 3, article 1, section 7, subdivision 3, is
 64.12 amended to read:

64.13 **Subd. 3. Flood Hazard Mitigation** 17,000,000

64.14 (a) For the state share of flood hazard
 64.15 mitigation grants for publicly owned capital
 64.16 improvements to prevent or alleviate flood
 64.17 damage under Minnesota Statutes, section
 64.18 103F.161.

64.19 (b) To the extent practical, levee projects shall
 64.20 meet the state standard of three feet above the
 64.21 100-year flood elevation.

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

64.26 (d) This appropriation may be used for projects
 64.27 in the following municipalities: Afton, Austin,
 64.28 Breckenridge, Browns Valley, Carver, Delano,
 64.29 Faribault, Golden Valley, Halstad, Hawley,
 64.30 Hendrum, Inver Grove Heights, Jordan,
 64.31 Montevideo, Moorhead, Newfolden,
 64.32 Nielsville, Owatonna, Round Lake Township

- 65.1 in Jackson County, Sioux Valley Township
65.2 in Jackson County, and Waseca.
- 65.3 (e) This appropriation also may be used for
65.4 projects in the following watershed districts:
65.5 Bois de Sioux Watershed District, Buffalo-Red
65.6 River Watershed District, Cedar River
65.7 Watershed District; Lower Minnesota River
65.8 Watershed District, Middle Snake Tamarac
65.9 Rivers Watershed District, Prior Lake-Spring
65.10 Lake Watershed District, Red Lake Watershed
65.11 District, Roseau River Watershed District,
65.12 Shell Rock River Watershed District, Two
65.13 Rivers Watershed District, Upper Minnesota
65.14 River Watershed District, and Wild Rice River
65.15 Watershed District.
- 65.16 (f) This appropriation may also be used for a
65.17 project in the Southern Minnesota Rivers
65.18 Basin Area II.
- 65.19 (g) For any project listed in this subdivision
65.20 that the commissioner determines is not ready
65.21 to proceed, does not have the nonstate match
65.22 committed, or does not expend all the money
65.23 granted to it, the commissioner may allocate
65.24 that project's unexpended money to a priority
65.25 project on the commissioner's list.
- 65.26 (h) Notwithstanding paragraph (c), \$2,000,000
65.27 of this appropriation is for flood hazard
65.28 mitigation for the Toelle Coulee in ~~the city of~~
65.29 Browns Valley Traverse County.
- 65.30 (i) To the extent practicable and consistent
65.31 with the project, recipients of appropriations
65.32 for flood control projects in this subdivision
65.33 shall create wetlands that are eligible for
65.34 wetland replacement credit to replace wetlands

66.1 drained or filled as the result of repair,
 66.2 reconstruction, replacement, or rehabilitation
 66.3 of an existing public road under Minnesota
 66.4 Statutes, section 103G.222, subdivision 1,
 66.5 paragraphs (l) and (m).

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

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

66.13 Sec. 25. Laws 2020, Fifth Special Session chapter 3, article 1, section 7, subdivision 18,
 66.14 is amended to read:

66.15 Subd. 18. **Lake City; Ohuta Beach Breakwater** 1,058,000

66.16 For a grant to the city of Lake City to design,
 66.17 engineer, and construct a breakwater at Ohuta
 66.18 Beach in Lake City at Ohuta Park.

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

66.20 Sec. 26. Laws 2020, Fifth Special Session chapter 3, article 1, section 13, subdivision 5,
 66.21 is amended to read:

66.22 Subd. 5. **Construction and Renovation of Public**
 66.23 **Skate Parks** 250,000

66.24 For grants under Minnesota Statutes, section
 66.25 240A.20, subdivision 2, clause (2), ~~for design~~
 66.26 ~~of~~ to predesign, design, construct, furnish, and
 66.27 equip skate parks from. Design work must be
 66.28 by designers with expertise in the field of skate
 66.29 park design. Construction must be of a skate
 66.30 park designed by designers with expertise in
 66.31 the field of skate park design.

66.32 **EFFECTIVE DATE.** This section is effective retroactively from October 21, 2020.

67.1 Sec. 27. Laws 2020, Fifth Special Session chapter 3, article 1, section 16, subdivision 5,
 67.2 is amended to read:

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

67.5 From the bond proceeds account in the state
 67.6 transportation fund as provided in Minnesota
 67.7 Statutes, section 174.50, for a grant to Anoka
 67.8 County to complete environmental analysis
 67.9 of local road intersections and associated
 67.10 improvements along marked Trunk Highway
 67.11 65 from north of 93rd Avenue to north of
 67.12 117th Avenue, preliminary engineering,
 67.13 environmental analysis, and final design of a
 67.14 grade separation and associated improvements
 67.15 to Anoka County State-Aid Highway 12,
 67.16 known as 109th Avenue, at marked Trunk
 67.17 Highway 65 in the city of Blaine.

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

67.19 Sec. 28. Laws 2020, Fifth Special Session chapter 3, article 1, section 16, subdivision 7,
 67.20 is amended to read:

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

67.23 From the bond proceeds account in the state
 67.24 transportation fund as provided in Minnesota
 67.25 Statutes, section 174.50, for a grant to the city
 67.26 of Golden Valley to ~~construct~~ perform
 67.27 preliminary and final design engineering,
 67.28 environmental analysis, acquisition of
 67.29 permanent easements and right-of-way,
 67.30 reconstruction, and construction engineering
 67.31 of local roads related to construction of public
 67.32 safety improvements at, and within a 600 foot
 67.33 radius of, the intersection of Douglas Drive
 67.34 and Highway 55, including a box culvert

68.1 underpass across Highway 55, a roundabout
 68.2 and extended frontage road south of Highway
 68.3 55, retaining wall construction, underground
 68.4 utility relocation, sidewalk and trail
 68.5 connections to existing facilities, Americans
 68.6 with Disabilities Act-compliant facilities, and
 68.7 landscaping.

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

68.9 Sec. 29. Laws 2020, Fifth Special Session chapter 3, article 1, section 16, subdivision 15,
 68.10 is amended to read:

68.11 Subd. 15. **Scott County; Highway 13 Interchange**
 68.12 **at Marked Intersections of Dakota and Yosemite**
 68.13 **Interchange Avenues** \$5,269,000

68.14 From the bond proceeds account in the state
 68.15 transportation fund as provided in Minnesota
 68.16 Statutes, section 174.50, ~~for a grant to Scott~~
 68.17 ~~County for~~ to design, provide construction
 68.18 engineering, and ~~construction of~~ construct
 68.19 local road improvements, including
 68.20 accommodations for bicycles and pedestrians
 68.21 and public utility relocations, to support a
 68.22 programmed interchange at the intersection
 68.23 of marked Trunk Highway 13 ~~and~~ at Dakota
 68.24 ~~Avenue~~ and Yosemite Avenues in Savage.

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

68.26 Sec. 30. Laws 2020, Fifth Special Session chapter 3, article 1, section 16, subdivision 36,
 68.27 is amended to read:

68.28 Subd. 36. **Olmsted County; Trunk Highway 14**
 68.29 **and County Road 104 Interchange Construction** 6,000,000

68.30 For a grant to Olmsted County for the county's
 68.31 share of general obligation bond eligible
 68.32 portions of a project to conduct environmental
 68.33 analysis, predesign, design, and engineer;
 68.34 ~~construct, furnish, and equip~~ an interchange

69.1 at marked Trunk Highway 14 and County
 69.2 Road 104, including a flyover at 7th Street
 69.3 NW, in ~~Olmsted~~ Olmsted County, and
 69.4 associated infrastructure and road work to
 69.5 accommodate the interchange. Any amount
 69.6 remaining after substantial completion of
 69.7 environmental analysis, predesign, design, and
 69.8 engineering work may be applied to the
 69.9 county's share to acquire right-of-way for, and
 69.10 to construct, furnish, and equip, this
 69.11 interchange and associated infrastructure and
 69.12 road work to accommodate the interchange.

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

69.14 Sec. 31. Laws 2020, Fifth Special Session chapter 3, article 1, section 20, subdivision 5,
 69.15 is amended to read:

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

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

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

69.26 Sec. 32. Laws 2020, Fifth Special Session chapter 3, article 1, section 20, subdivision 7,
 69.27 is amended to read:

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

69.29 To design, construct, and equip a new sewer
 69.30 treatment system at the Minnesota
 69.31 Correctional Facility - Togo. The system
 69.32 includes but is not limited to settling ponds,
 69.33 pumping stations, and other underground

70.1 infrastructure improvements associated with
 70.2 the sewer system complying with all Pollution
 70.3 Control Agency and code requirements. As
 70.4 part of the project, the existing septic
 70.5 system/drain field shall be decommissioned.
 70.6 Notwithstanding Minnesota Statutes, section
 70.7 16B.24, subdivision 6, the commissioner of
 70.8 administration may enter into a lease and
 70.9 subsequent lease amendments with a term
 70.10 sufficient to be at least 125 percent of the
 70.11 useful life of any improvements to be
 70.12 constructed on the Minnesota Correctional
 70.13 Facility - Togo site.

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

70.15 Sec. 33. Laws 2020, Fifth Special Session chapter 3, article 1, section 21, subdivision 14,
 70.16 is amended to read:

70.17 **Subd. 14. Crookston; Colborn Property**
 70.18 **Development** 895,000

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

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

70.28 Sec. 34. Laws 2020, Fifth Special Session chapter 3, article 1, section 21, subdivision 20,
 70.29 is amended to read:

70.30 **Subd. 20. Fergus Falls; Riverfront Corridor** 1,750,000

70.31 For a grant to the city of Fergus Falls for
 70.32 construction of a downtown riverfront corridor
 70.33 improvement project including an

71.1 ~~amphitheater,~~ a river market, public arts space,
 71.2 interactive water components, and related
 71.3 publicly owned infrastructure and amenities.

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

71.5 Sec. 35. Laws 2020, Fifth Special Session chapter 3, article 1, section 21, subdivision 23,
 71.6 is amended to read:

71.7 **Subd. 23. Hennepin County; Avivo** 1,700,000

71.8 For a grant to Hennepin County for Phase 1
 71.9 of the Avivo regional career and employment
 71.10 center project in Minneapolis, subject to
 71.11 Minnesota Statutes, section 16A.695. Phase
 71.12 1 includes geotechnical and environmental
 71.13 investigation, ~~demolition, and site work;~~
 71.14 predesign and design of the renovation and
 71.15 expansion of a building; and predesign and
 71.16 design for the replacement of or improvements
 71.17 to building systems on the Avivo campus,
 71.18 including HVAC, mechanical, electrical, and
 71.19 accessibility improvements. Upon substantial
 71.20 completion of Phase I, any unspent portion of
 71.21 this appropriation remaining, after written
 71.22 notice to the commissioner of management
 71.23 and budget, is available for renovation or
 71.24 construction.

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

71.26 Sec. 36. Laws 2020, Fifth Special Session chapter 3, article 1, section 21, subdivision 37,
 71.27 is amended to read:

71.28 **Subd. 37. St. Joseph; Jacob Wetterling**
 71.29 **Recreation Center** 4,000,000

71.30 For a grant to the city of St. Joseph to
 71.31 predesign, design, construct, furnish, and
 71.32 equip a recreation center ~~as an addition to the~~
 71.33 ~~former school building purchased by the city~~

72.1 ~~to be repurposed as a~~ adjacent to and
 72.2 connected to the city's new community center.
 72.3 The city may enter into a lease or management
 72.4 agreement for operation of recreation
 72.5 programs, subject to Minnesota Statutes,
 72.6 section 16A.695.

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

72.8 Sec. 37. Laws 2020, Fifth Special Session chapter 3, article 1, section 21, subdivision 44,
 72.9 is amended to read:

72.10 Subd. 44. **Wadena; Access Road** 1,300,000

72.11 For ~~a grant~~ one or more grants ~~to the city of~~
 72.12 Wadena County, Otter Tail County, or both,
 72.13 to acquire a permanent easement for and to
 72.14 predesign, design, engineer, and construct an
 72.15 access road just northeast of 11th Street
 72.16 Northwest in Wadena, going from marked
 72.17 Trunk Highway 10 to the new hospital
 72.18 complex.

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

72.20 Sec. 38. Laws 2020, Fifth Special Session chapter 3, article 1, section 21, subdivision 47,
 72.21 is amended to read:

72.22 Subd. 47. **Willernie; ~~Public Infrastructure~~**
 72.23 **Maintenance Building** 160,000

72.24 For a grant to the city of Willernie to ~~replae~~
 72.25 ~~the roof of the city hall, and, if any money is~~
 72.26 ~~remaining, for capital improvements in~~
 72.27 ~~conjunction with the Washington County road~~
 72.28 ~~12 project, including replaeing and extending~~
 72.29 ~~the sidewalk, replacement of a water main,~~
 72.30 ~~and moving or removing a retaining wall~~
 72.31 demolish a maintenance building and to
 72.32 design, engineer, construct, and equip a new
 72.33 maintenance building.

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

73.2 Sec. 39. Laws 2020, Fifth Special Session chapter 3, article 1, section 22, subdivision 6,
73.3 is amended to read:

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

73.5 For a grant to the city of Arden Hills to acquire
73.6 permanent easements for and to engineer and
73.7 install a water main extending along Lexington
73.8 Avenue, from County Road E to marked
73.9 Interstate Highway 694.

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

73.11 Sec. 40. Laws 2020, Fifth Special Session chapter 3, article 1, section 22, subdivision 8,
73.12 is amended to read:

73.13 **Subd. 8. Austin; Wastewater Treatment Plant** 7,450,000

73.14 For a grant to the city of Austin to design and
73.15 engineer improvements for upgrades to the
73.16 city's wastewater treatment facility. Amounts
73.17 remaining after substantial completion of this
73.18 project may be used to construct the
73.19 wastewater treatment facility.

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

73.21 Sec. 41. Laws 2020, Fifth Special Session chapter 3, article 1, section 22, subdivision 18,
73.22 is amended to read:

73.23 **Subd. 18. Mahnomen; Water Infrastructure** 650,000

73.24 For a grant ~~under Minnesota Statutes, section~~
73.25 ~~446A.07,~~ to the city of Mahnomen ~~for to~~
73.26 construct improvements to the city's ~~water~~
73.27 wastewater infrastructure. ~~This grant is not~~
73.28 ~~subject to the project priority list set forth in~~
73.29 ~~Minnesota Statutes, section 446A.07,~~
73.30 ~~subdivision 4.~~

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

74.1 Sec. 42. Laws 2020, Fifth Special Session chapter 3, article 1, section 22, subdivision 19,
74.2 is amended to read:

74.3 **Subd. 19. Mahnomen; Drinking Water**
74.4 **Infrastructure** 1,250,000

74.5 For a grant ~~under Minnesota Statutes, section~~
74.6 ~~446A.081~~, to the city of Mahnomen ~~for to~~
74.7 construct improvements to the city's drinking
74.8 water infrastructure. This grant is not subject
74.9 to the project priority list set forth in
74.10 ~~Minnesota Statutes, section 446A.081,~~
74.11 ~~subdivision 5.~~

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

74.13 Sec. 43. Laws 2020, Fifth Special Session chapter 3, article 1, section 22, subdivision 21,
74.14 is amended to read:

74.15 **Subd. 21. Mendota; Water Infrastructure** 650,000

74.16 For a grant to the city of Mendota to
74.17 predesign, design, engineer, and construct ~~the~~
74.18 ~~extension of~~ improvements to the water main
74.19 ~~throughout the city of Mendota to allow~~
74.20 ~~residents to connect with the Saint Paul~~
74.21 ~~Regional Water Services~~ distribution system.

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

74.23 Sec. 44. Laws 2020, Fifth Special Session chapter 3, article 1, section 22, subdivision 23,
74.24 is amended to read:

74.25 **Subd. 23. Oronoco; Regional Wastewater System**
74.26 **Infrastructure Grant** 24,027,000

74.27 (a) Of this amount, \$1,350,000 is for a grant
74.28 to the city of Oronoco to acquire land and
74.29 easements, design, and engineer a wastewater
74.30 collection, conveyance, and treatment system
74.31 and associated water distribution
74.32 improvements to serve the city of Oronoco
74.33 and the region including the Oronoco Estates

75.1 Manufactured Home Community. Any amount
 75.2 remaining after completion of design,
 75.3 engineering, and acquisition may be applied
 75.4 to the purposes described in ~~subdivision 2~~
 75.5 paragraph (b).

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

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

75.15 Sec. 45. Laws 2020, Fifth Special Session chapter 3, article 1, section 22, subdivision 28,
 75.16 is amended to read:

75.17 Subd. 28. **South Haven; Wells** 1,700,000

75.18 For a grant to the city of South Haven to
 75.19 acquire land, predesign, design, construct,
 75.20 furnish, and equip two new wells, including
 75.21 a well house, water main, and other related
 75.22 drinking water improvements, in Wright
 75.23 County.

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

75.25 Sec. 46. Laws 2020, Fifth Special Session chapter 3, article 1, section 22, subdivision 30,
 75.26 is amended to read:

75.27 Subd. 30. **Spring Park; City Utilities** 1,500,000

75.28 For a grant to the city of Spring Park for
 75.29 improvements to the city's water and sewer
 75.30 system and the adjacent roadway West Arm
 75.31 Drive West in the northwest area of the city
 75.32 ~~on West Arm Drive.~~

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

76.2 Sec. 47. Laws 2020, Fifth Special Session chapter 3, article 1, section 22, subdivision 33,
76.3 is amended to read:

76.4 Subd. 33. **Vernon Center; Water Infrastructure**
76.5 **Improvements** 7,984,000

76.6 For a grant to the city of Vernon Center to
76.7 predesign, design, construct, furnish, and
76.8 equip water ~~infrastructure improvements,~~
76.9 ~~including refurbishing a water tower,~~ and
76.10 ~~replacement of wastewater collection~~
76.11 ~~treatment facilities,~~ water distribution systems,
76.12 ~~storm sanitary sewer system improvements~~
76.13 ~~and storm water collection systems,~~ and
76.14 related local road improvements.

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

76.16 Sec. 48. Laws 2020, Fifth Special Session chapter 3, article 2, section 2, subdivision 2, is
76.17 amended to read:

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

76.19 From the bond proceeds account in the trunk
76.20 highway fund ~~to construct~~ for environmental
76.21 analysis, predesign, design and engineering,
76.22 and construction of rail safety projects at trunk
76.23 highway-railroad grade crossings in
76.24 ~~accordance with Minnesota Statutes, section~~
76.25 ~~219.016~~ as identified in the Department of
76.26 Transportation's crude by rail grade crossing
76.27 study (Improvements to Highway Grade
76.28 Crossings and Rail Safety, December 2014
76.29 and revised in 2019).

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

77.1 Sec. 49. Laws 2020, Fifth Special Session chapter 3, article 2, section 2, subdivision 4, is
77.2 amended to read:

77.3 **Subd. 4. Flood Mitigation** **23,000,000**

77.4 From the bond proceeds account in the trunk
77.5 highway fund for environmental analysis,
77.6 predesign, design, engineering, and
77.7 reconstruction of trunk highways that
77.8 experience frequent flooding in Sibley County
77.9 and Le Sueur County, to modify the elevation
77.10 of the roadways and reduce closures due to
77.11 river flooding, for portions of the projects that
77.12 are eligible for trunk highway bond proceeds.

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

77.14 Sec. 50. **REGIONAL AND COUNTY JAILS; STUDY AND REPORT.**

77.15 Subdivision 1. **Study.** The commissioner of corrections must study and make
77.16 recommendations on the consolidation or merger of county jails and alternatives to
77.17 incarceration for persons experiencing mental health disorders. The commissioner must
77.18 engage and solicit feedback from citizens who live in communities served by facilities that
77.19 may be impacted by the commissioner's recommendations for the consolidation or merger
77.20 of jails. The commissioner must consult with the following individuals on the study and
77.21 recommendations:

77.22 (1) county sheriffs;

77.23 (2) county and city attorneys that prosecute offenders;

77.24 (3) chief law enforcement officers;

77.25 (4) county boards, administrators of county jail facilities, and county human service
77.26 directors in counties implementing co-response models for certain law enforcement or other
77.27 first responders; and

77.28 (5) district court administrators.

77.29 Each party receiving a request for information from the commissioner under this section
77.30 shall provide the requested information in a timely manner. If a party fails to provide the
77.31 requested information within 30 days of the date the information is due, the party must

78.1 submit a written explanation to the commissioner as to why the information was not timely
78.2 submitted and the date by which the information will be provided.

78.3 Subd. 2. Report. The commissioner of corrections must file a report with the chairs and
78.4 ranking minority members of the senate and house of representatives committees and
78.5 divisions with jurisdiction over public safety and capital investment on the study and
78.6 recommendations under subdivision 1 on or before December 1, 2022. This is a onetime
78.7 report. The report must, at a minimum, provide the following information:

78.8 (1) the daily average number of offenders incarcerated in each county jail facility:

78.9 (i) that are in pretrial detention;

78.10 (ii) that cannot afford to pay bail;

78.11 (iii) for failure to pay fines and fees;

78.12 (iv) for offenses that stem from controlled substance addiction or mental health disorders;

78.13 (v) for nonfelony offenses;

78.14 (vi) that are detained pursuant to contracts with other authorities; and

78.15 (vii) for supervised release and probation violations;

78.16 (2) the actual cost of building a new jail facility, purchasing another facility, or repairing
78.17 a current facility;

78.18 (3) the age of current jail facilities;

78.19 (4) county population totals and trends;

78.20 (5) county crime rates and trends;

78.21 (6) the proximity of current jails to courthouses, probation services, social services,
78.22 treatment providers, and work-release employment opportunities;

78.23 (7) specific recommendations for alternatives to jails for mental health disorders;

78.24 (8) specific recommendations on the consolidation or merger of county jail facilities
78.25 and operations, including:

78.26 (i) where consolidated facilities should be located;

78.27 (ii) which counties are best suited for consolidation;

78.28 (iii) the projected costs of construction, renovation, or purchase of the facility; and

78.29 (iv) the projected cost of operating the facility; and

79.1 (9) a list of the parties that did not timely submit information pursuant to the request for
79.2 information in subdivision 1.

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

79.4 Sec. 51. **HOUSING POOL BONDING AUTHORITY APPLICATION DEPOSIT**
79.5 **REFUND.**

79.6 Notwithstanding Minnesota Statutes, sections 474A.061, subdivisions 1a, paragraph (a),
79.7 and 7; and 474A.21, due to the unique circumstances of the COVID-19 pandemic, issuers
79.8 that returned all of their allocation of bonding authority from the 2020 housing pool, shall
79.9 receive a refund of the amount of the application deposit submitted with the issuer's 2020
79.10 housing pool application, less any amount previously refunded. Any application deposit
79.11 money that has not yet been transferred under Minnesota Statutes, section 474A.21, as of
79.12 the date of final enactment that is connected to full returns of bonding authority from the
79.13 2020 housing pool is not required to be deposited in the fund under Minnesota Statutes,
79.14 section 462A.201; and the department may instead retain that money in the separate account
79.15 in the general fund under Minnesota Statutes, section 474A.21. The amount necessary to
79.16 refund the application deposits under this section is appropriated to the department from
79.17 the separate account in the general fund under Minnesota Statutes, section 474A.21. For
79.18 purposes of this section, "department" means the Department of Management and Budget.

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

79.20 Sec. 52. **STATE PARKING ACCOUNT.**

79.21 Notwithstanding Laws 2013, chapter 136, section 3, subdivision 5, and Minnesota
79.22 Statutes, section 16A.643, for fiscal year 2022, the state parking account is not required to
79.23 make the transfer to the state bond fund mandated by Laws 2013, chapter 136, section 3,
79.24 subdivision 5. The application of this section shall not otherwise affect the schedule of
79.25 amounts assessed under Minnesota Statutes, section 16A.643, for the related capital project
79.26 for the remaining life of the bonds.

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

79.28 Sec. 53. **REPEALER.**

79.29 Minnesota Statutes 2020, sections 16A.93; 16A.94; 16A.96; and 16A.967, subdivision
79.30 2b, are repealed.

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

16A.93 MINNESOTA PAY-FOR-PERFORMANCE ACT.

Sections 16A.93 to 16A.96 may be cited as the "Minnesota Pay-for-Performance Act of 2011."

16A.94 PAY-FOR-PERFORMANCE PROGRAM.

Subdivision 1. **Pilot program established.** The commissioner shall implement a pilot program to demonstrate the feasibility and desirability of using state appropriation bonds to pay for certain services based on performance and outcomes for the people served.

Subd. 2. **Oversight committee.** (a) The commissioner shall appoint an oversight committee to:

- (1) identify criteria to select one or more services to be included in the pilot program;
- (2) identify the conditions of performance and desired outcomes for the people served by each service selected;
- (3) identify criteria to evaluate whether a service has met the performance conditions; and
- (4) provide any other advice or assistance requested by the commissioner.

(b) The oversight committee must include the commissioners of the Departments of Human Services, Employment and Economic Development, and Administration, or their designees; a representative of a nonprofit organization with experience in performance contracting; and any other person or organization that the commissioner determines would be of assistance in developing and implementing the pilot program.

Subd. 3. **Contracts.** The commissioner and the commissioner of the agency with a service to be provided through the pilot program may enter into a pay-for-performance contract with a provider that meets the criteria identified by the oversight committee. The contract must specify the service to be provided, the time frame in which it is to be provided, the outcome required for payment, and any other terms deemed necessary or convenient for implementation of the pilot program. The commissioner shall pay a provider that has met the terms and conditions of a contract with money appropriated to the commissioner from the special appropriation bond proceeds account established in section 16A.96. At a minimum, before the commissioner pays a provider, the commissioner must determine that the provider has met the return on investment criteria in subdivision 4.

Subd. 4. **Return on investment calculation.** The commissioner, in consultation with the oversight committee, must establish the method and data required for calculating the state's return on investment. The data at a minimum must include:

- (1) state income taxes and any other revenues collected in the year after the service was provided that would not have been collected without the service; and
- (2) costs avoided by the state by providing the service.

Prior to entering into a contract under subdivision 3, the commissioner in consultation with the oversight committee must determine that the services provided under the contract will yield a positive return on investment for the state that will cover the estimated state costs in financing and administering the pilot program through documented increased state tax revenue or cost avoidance.

Subd. 5. **Report to governor and legislature.** The commissioner must report to the governor and legislative committees with jurisdiction over capital investment, finance, and ways and means, and the services included in the pilot program, by January 15 of each year following a year in which the pilot program is operating. The report must describe and discuss the criteria for selection and evaluation of services to be provided through the program, the net benefits to the state of the program, the state's return on investment, the cost of the services provided by other means in the most recent past, the time frame for payment for the services, and the timing and costs for sale and issuance of the bonds authorized in section 16A.96.

16A.96 MINNESOTA PAY-FOR-PERFORMANCE PROGRAM; APPROPRIATION BONDS.

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

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

- (1) money appropriated by law in any biennium for debt service due with respect to obligations described in subdivision 2, paragraph (b);

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

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

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

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

Subd. 2. **Authority.** (a) Subject to the limitations of this subdivision, the commissioner of management and budget may sell and issue appropriation bonds of the state under this section for the purposes of the Minnesota pay-for-performance program established in sections 16A.93 to 16A.96. Proceeds of the bonds must be credited to a special appropriation bond proceeds account in the state treasury. Net income from investment of the proceeds, as estimated by the commissioner, must be credited to the special appropriation bond proceeds account.

(b) Appropriation bonds may be sold and issued in amounts that, in the opinion of the commissioner, are necessary to provide sufficient funds for achieving the purposes authorized as provided under paragraph (a), and pay debt service, pay costs of issuance, make deposits to reserve funds, pay the costs of credit enhancement, or make payments under other agreements entered into under paragraph (d); provided, however, that bonds issued and unpaid shall not exceed \$10,000,000 in principal amount, excluding refunding bonds sold and issued under subdivision 4. The commissioner may sell and issue bonds only in an amount that the commissioner determines will result in principal and interest payments less than the amount of savings to be generated through pay-for-performance contracts under section 16A.94. For programs achieving savings under a pay-for-performance contract, the commissioner must reduce general fund appropriations by at least the amount of principal and interest payments on bonds issued under this section.

(c) Appropriation bonds may be issued in one or more series on the terms and conditions the commissioner determines to be in the best interests of the state, but the term on any series of bonds may not exceed 20 years.

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

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

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

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

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

Subd. 4. **Refunding bonds.** The commissioner from time to time may issue appropriation bonds for the purpose of refunding any appropriation bonds then outstanding, including the payment of any redemption premiums on the bonds, any interest accrued or to accrue to the redemption date, and costs related to the issuance and sale of the refunding bonds. The proceeds of any refunding bonds may, in the discretion of the commissioner, be applied to the purchase or payment at maturity of the appropriation bonds to be refunded, to the redemption of the outstanding bonds on any redemption date, or to pay interest on the refunding bonds and may, pending application, be placed in escrow to be applied to the purchase, payment, retirement, or redemption. Any escrowed proceeds, pending such use, may be invested and reinvested in obligations that are authorized investments under section 11A.24. The income earned or realized on the investment may also be applied to the payment of the bonds to be refunded or interest or premiums on the refunded bonds, or to pay interest on the refunding bonds. After the terms of the escrow have been fully satisfied, any balance

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of the proceeds and any investment income may be returned to the general fund or, if applicable, the appropriation bond proceeds account for use in any lawful manner. All refunding bonds issued under this subdivision must be prepared, executed, delivered, and secured by appropriations in the same manner as the bonds to be refunded.

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

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

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

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

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

Subd. 7. **Appropriation of proceeds.** The proceeds of appropriation bonds and interest credited to the special appropriation bond proceeds account are appropriated to the commissioner for payment of contract obligations under the pay-for-performance program, as permitted by state and federal law, reasonable administrative costs of the program that are directly attributable to the program, issuance costs, and nonsalary expenses incurred in conjunction with the sale of the appropriation bonds.

Subd. 8. **Appropriation for debt service.** The amount needed to pay principal and interest on appropriation bonds issued under this section is appropriated each year to the commissioner from the general fund subject to the repeal, unallotment under section 16A.152, or cancellation otherwise pursuant to subdivision 6.

Subd. 9. **Administrative costs.** The commissioner may accept donations from private sources to defray administrative costs under this section. Amounts received are appropriated to the commissioner.

Subd. 10. **Validation.** (a) Appropriation bonds issued under this section may be validated in the manner provided by this subdivision. If comparable appropriation bonds are judicially determined to be valid, nothing in this subdivision shall be construed to prevent sale or delivery of any appropriation bonds or notes after entry of a judgment of validation by the Minnesota Supreme Court as provided in this subdivision with respect to the appropriation bonds authorized under this section.

(b) Any appropriation bonds issued under this section that are validated shall be validated in the manner provided by this subdivision.

(c) The Minnesota Supreme Court shall have original jurisdiction to determine the validation of appropriation bonds and all matters connected with the issuance of the bonds.

(d) The commissioner may determine the commissioner's authority to issue appropriation bonds and the legality of all proceedings in connection with issuing bonds. For this purpose, a complaint shall be filed by the commissioner in the Minnesota Supreme Court against the state and the taxpayers and citizens.

(e) As a condition precedent to filing of a complaint for the validation of appropriation bonds, the commissioner shall take action providing for the issuance of appropriation bonds in accordance with law.

(f) The complaint shall set out the state's authority to issue appropriation bonds, the action or proceeding authorizing the issue and its adoption, all other essential proceedings had or taken in

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connection with issuing bonds, the amount of the appropriation bonds to be issued and the maximum interest they are to bear, and all other pertinent matters.

(g) The Minnesota Supreme Court shall issue an order directed against the state and taxpayers, citizens, and others having or claiming any right, title, or interest affected by the issuance of appropriation bonds, or to be affected by the bonds, allowing all persons, in general terms and without naming them, and the state through its attorney general to appear before the Minnesota Supreme Court at a designated time and place and show why the complaint should not be granted and the proceedings and appropriation bonds validated. A copy of the complaint and order shall be served on the attorney general at least 20 days before the time fixed for hearing. The attorney general shall examine the complaint, and, if it appears or there is reason to believe that it is defective, insufficient, or untrue, or if in the opinion of the attorney general the issuance of the appropriation bonds in question has not been duly authorized, defense shall be made by the attorney general as the attorney general deems appropriate.

(h) Before the date set for hearing, as directed by the Minnesota Supreme Court, either the clerk of the Minnesota Appellate Courts or the commissioner shall publish a copy of the order in a legal newspaper of general circulation in Ramsey County and the state, at least once each week for two consecutive weeks, commencing with the first publication, which shall not be less than 20 days before the date set for hearing. By this publication, all taxpayers, citizens, and others having or claiming any right, title, or interest in the state, are made parties defendant to the action and the Minnesota Supreme Court has jurisdiction of them to the same extent as if named as defendants in the complaint and personally served with process.

(i) Any taxpayer, citizen, or person interested may become a party to the action by moving against or pleading to the complaint at or before the time set for hearing. The Minnesota Supreme Court shall determine all questions of law and fact and make orders that will enable it to properly try and determine the action and render a final judgment within 30 days of the hearing with the least possible delay.

(j) If the judgment validates appropriation bonds, the judgment is forever conclusive as to all matters adjudicated and as against all parties affected and all others having or claiming any right, title, or interest affected by the issuance of appropriation bonds, or to be affected in any way by issuing the bonds, and the validity of appropriation bonds or of any revenues pledged for the payment of the bonds, or of the proceedings authorizing the issuance of the bonds, including any remedies provided for their collection, shall never be called in question in any court by any person or party.

(k)(1) Appropriation bonds, when validated under this section, shall have stamped or written on the bonds, by the proper officers of the state issuing them, a statement in substantially the following form: "This bond is one of a series of appropriation bonds, which were validated by judgment of the Supreme Court of the State of Minnesota, rendered on, (year)"

(2) A certified copy of the judgment or decree shall be received as evidence in any court in this state.

16A.967 LEWIS AND CLARK APPROPRIATION BONDS.

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