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State of Minnesota

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

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.86,
1.7 subdivision 2; 16B.325, subdivision 2; 462A.37, subdivisions 1, 2, 5, by adding
1.8 a subdivision; 469.53; Laws 2009, chapter 93, article 1, section 14, subdivision 3,
1.9 as amended; Laws 2014, chapter 294, article 1, sections 21, subdivisions 21, 23,
1.10 as amended; 22, subdivision 5, as amended; Laws 2017, First Special Session
1.11 chapter 8, article 1, sections 7, subdivision 2; 15, subdivision 3, as amended; 20,
1.12 subdivision 14; Laws 2018, chapter 214, article 1, sections 16, subdivision 2, as
1.13 amended; 17, subdivision 6; 18, subdivisions 3, 4; 21, subdivision 16; 22,
1.14 subdivision 6; Laws 2019, chapter 2, article 1, section 2, subdivision 5; Laws 2020,
1.15 Fifth Special Session chapter 3, article 1, sections 7, subdivisions 3, 18; 13,
1.16 subdivision 5; 16, subdivisions 5, 7, 15, 16, 36; 20, subdivision 5; 21, subdivisions
1.17 14, 20, 23, 37, 44, 47; 22, subdivisions 6, 8, 18, 19, 21, 23, 28, 30, 33; article 2,
1.18 section 2, subdivisions 2, 4; proposing coding for new law in Minnesota Statutes,
1.19 chapters 16A; 16B; repealing Minnesota Statutes 2020, sections 16A.93; 16A.94;
1.20 16A.96.

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

1.22 ARTICLE 1
1.23 APPROPRIATIONS

1.24 Section 1. CAPITAL IMPROVEMENT APPROPRIATIONS.

1.25 The sums shown in the column under "Appropriations" are appropriated from the bond
1.26 proceeds fund, or another named fund, to the state agencies or officials indicated, to be
1.27 spent for public purposes. Appropriations of bond proceeds must be spent as authorized by
1.28 the Minnesota Constitution, article XI, section 5, clause (a), to acquire and better public
1.29 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**
 2.20 **UNIVERSITIES** **\$ 32,000,000**

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.

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| 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.

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| 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 | <u>Sec. 10. 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** 5,000,000

9.23 To provide funds to state agencies for solar
 9.24 energy generation improvements under article
 9.25 4, section 2.

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.

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| 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 asset
- 14.25 preservation improvements and betterments
- 14.26 of a capital nature to infrastructure and
- 14.27 exhibits at Como Zoo.
- 14.28 **Sec. 14. HUMAN SERVICES**
- 14.29 **Subdivision 1. Total Appropriation** **\$ 21,063,000**
- 14.30 To the commissioner of administration or
- 14.31 other named entity for the purposes of this
- 14.32 section.

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| 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 December 31, 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 asset
 17.17 preservation at the Lake Superior Zoo.

17.18 **Sec. 18. PUBLIC FACILITIES AUTHORITY**

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

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

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

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

17.26 (b) \$7,500,000 is for wastewater projects listed
 17.27 on the Pollution Control Agency's project
 17.28 priority list in the fundable range under the
 17.29 clean water revolving fund program.

17.30 (c) \$7,500,000 is for drinking water projects
 17.31 listed on the commissioner of health's project

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

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

18.10 **Sec. 19. MINNESOTA HOUSING FINANCE**
 18.11 **AGENCY**

\$ 100,000,000

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

18.32 **Sec. 20. MINNESOTA HISTORICAL**
 18.33 **SOCIETY**

\$ 2,375,000

18.34 To the Minnesota Historical Society for capital
 18.35 improvements and betterments at state historic

19.1 sites, buildings, landscaping at historic
 19.2 buildings, exhibits, markers, and monuments,
 19.3 to be spent in accordance with Minnesota
 19.4 Statutes, section 16B.307. The society shall
 19.5 determine project priorities as appropriate
 19.6 based on need.

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

19.8 To the commissioner of management and
 19.9 budget from the bond proceeds fund for bond
 19.10 sale expenses under Minnesota Statutes,
 19.11 section 16A.641, subdivision 8.

19.12 Sec. 22. **BOND SALE AUTHORIZATION.**

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

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

19.23 Sec. 23. **BOND SALE SCHEDULE.**

19.24 The commissioner of management and budget shall schedule the sale of state general
 19.25 obligation bonds so that, during the biennium ending June 30, 2023, no more than
 19.26 \$1,286,432,000 will need to be transferred from the general fund to the state bond fund to
 19.27 pay principal and interest due and to become due on outstanding state general obligation
 19.28 bonds. During the biennium, before each sale of state general obligation bonds, the
 19.29 commissioner of management and budget shall calculate the amount of debt service payments
 19.30 needed on bonds previously issued and shall estimate the amount of debt service payments
 19.31 that will be needed on the bonds scheduled to be sold. The commissioner shall adjust the
 19.32 amount of bonds scheduled to be sold so as to remain within the limit set by this section.

20.1 The amount needed to make the debt service payments is appropriated from the general
 20.2 fund as provided in Minnesota Statutes, section 16A.641.

20.3 Sec. 24. **EFFECTIVE DATE.**

20.4 This article is effective the day following final enactment.

20.5 **ARTICLE 2**
 20.6 **APPROPRIATION AND HOUSING INFRASTRUCTURE BONDS**

20.7 Section 1. **PURPOSE.**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

21.33 (d) At the time of, or in anticipation of, issuing the appropriation bonds, and at any time
21.34 thereafter so long as the appropriation bonds are outstanding, the commissioner may enter

22.1 into agreements and ancillary arrangements relating to the appropriation bonds, including
22.2 but not limited to trust indentures, grant agreements, lease or use agreements, operating
22.3 agreements, management agreements, liquidity facilities, remarketing or dealer agreements,
22.4 letter of credit agreements, insurance policies, guaranty agreements, reimbursement
22.5 agreements, indexing agreements, or interest exchange agreements. Any payments made
22.6 or received according to the agreement or ancillary arrangement shall be made from or
22.7 deposited as provided in the agreement or ancillary arrangement. The determination of the
22.8 commissioner, included in an interest exchange agreement, that the agreement relates to an
22.9 appropriation bond, shall be conclusive.

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

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

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

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

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

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

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

22.30 Subd. 4. **Refunding bonds.** The commissioner may issue appropriation bonds for the
22.31 purpose of refunding any appropriation bonds issued under subdivision 2 then outstanding,
22.32 including the payment of any redemption premiums on the bonds, any interest accrued or
22.33 to accrue to the redemption date, and costs related to the issuance and sale of the refunding

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

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

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

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

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

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

24.1 legislature shall not have appropriated amounts sufficient for debt service, or (2) the date
24.2 of final payment of the principal of and interest on the appropriation bonds.

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

24.6 (1) to the commissioner of employment and economic development for a grant of
24.7 \$200,000,000 to the city of Minneapolis and a grant of \$100,000,000 to the Saint Paul
24.8 Housing and Redevelopment Authority, and as further specified in subdivision 2, paragraph
24.9 (a); and

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

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

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

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

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

24.28 (2) require the payment to the state, for deposit into the bond payments account
24.29 established for such purpose in the special appropriation redevelopment bond proceeds
24.30 fund, the proceeds of the sale of any property financed with a grant under this section in an
24.31 amount up to the amount of the grant, if the sale of the property occurs during the term of
24.32 the grant agreement, except that a sale of a property to a qualified person as determined by

25.1 the grant recipient's program or project funding criteria is exempt from the requirements of
25.2 this clause;

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

25.7 (4) require that all new and substantially reconstructed buildings receiving grant funds,
25.8 which includes projects encompassing at least 10,000 square feet or no less than the
25.9 replacement of the mechanical, ventilation, or cooling system of a building or a building
25.10 section, meet the building performance standards described in section 216B.241, subdivision
25.11 9; and

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

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

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

25.26 Subd. 13. **Zoning exemption.** (a) A property financed with a grant under this section is
25.27 exempt from minimum height and minimum floor area ratio standards through June 30,
25.28 2025, provided that a proposed redevelopment on a property that conformed to such standards
25.29 on May 1, 2020, is subject to all other applicable zoning standards.

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

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

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

26.12 Sec. 3. Minnesota Statutes 2020, section 462A.37, subdivision 1, is amended to read:

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

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

26.16 (c) "Community land trust" means an entity that meets the requirements of section
26.17 462A.31, subdivisions 1 and 2.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

27.22 Sec. 4. Minnesota Statutes 2020, section 462A.37, subdivision 2, is amended to read:

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

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

27.31 (2) to finance the costs of the acquisition and rehabilitation of foreclosed or abandoned
 27.32 housing to be used for affordable rental housing and the costs of new construction of rental

28.1 housing on abandoned or foreclosed property where the existing structures will be demolished
28.2 or removed;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

29.17 Sec. 5. Minnesota Statutes 2020, section 462A.37, is amended by adding a subdivision to
29.18 read:

29.19 Subd. 2h. **Additional authorization.** In addition to the amount authorized in subdivisions
29.20 2 to 2g, the agency may issue up to \$150,000,000 in housing infrastructure bonds in one or
29.21 more series to which the payments under this section may be pledged.

29.22 Sec. 6. Minnesota Statutes 2020, section 462A.37, subdivision 5, is amended to read:

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

29.26 (b) Each July 15, beginning in 2015 and through 2037, if any housing infrastructure
29.27 bonds issued under subdivision 2a remain outstanding, the commissioner of management
29.28 and budget must transfer to the housing infrastructure bond account established under section
29.29 462A.21, subdivision 33, the amount certified under paragraph (a), not to exceed \$6,400,000
29.30 annually. The amounts necessary to make the transfers are appropriated from the general
29.31 fund to the commissioner of management and budget.

30.1 (c) Each July 15, beginning in 2017 and through 2038, if any housing infrastructure
30.2 bonds issued under subdivision 2b remain outstanding, the commissioner of management
30.3 and budget must transfer to the housing infrastructure bond account established under section
30.4 462A.21, subdivision 33, the amount certified under paragraph (a), not to exceed \$800,000
30.5 annually. The amounts necessary to make the transfers are appropriated from the general
30.6 fund to the commissioner of management and budget.

30.7 (d) Each July 15, beginning in 2019 and through 2040, if any housing infrastructure
30.8 bonds issued under subdivision 2c remain outstanding, the commissioner of management
30.9 and budget must transfer to the housing infrastructure bond account established under section
30.10 462A.21, subdivision 33, the amount certified under paragraph (a), not to exceed \$2,800,000
30.11 annually. The amounts necessary to make the transfers are appropriated from the general
30.12 fund to the commissioner of management and budget.

30.13 (e) Each July 15, beginning in 2020 and through 2041, if any housing infrastructure
30.14 bonds issued under subdivision 2d remain outstanding, the commissioner of management
30.15 and budget must transfer to the housing infrastructure bond account established under section
30.16 462A.21, subdivision 33, the amount certified under paragraph (a). The amounts necessary
30.17 to make the transfers are appropriated from the general fund to the commissioner of
30.18 management and budget.

30.19 (f) Each July 15, beginning in 2020 and through 2041, if any housing infrastructure
30.20 bonds issued under subdivision 2e remain outstanding, the commissioner of management
30.21 and budget must transfer to the housing infrastructure bond account established under section
30.22 462A.21, subdivision 33, the amount certified under paragraph (a). The amounts necessary
30.23 to make the transfers are appropriated from the general fund to the commissioner of
30.24 management and budget.

30.25 (g) Each July 15, beginning in 2022 and through 2043, if any housing infrastructure
30.26 bonds issued under subdivision 2f remain outstanding, the commissioner of management
30.27 and budget must transfer to the housing infrastructure bond account established under section
30.28 462A.21, subdivision 33, the amount certified under paragraph (a). The amounts necessary
30.29 to make the transfers are appropriated from the general fund to the commissioner of
30.30 management and budget.

30.31 (h) Each July 15, beginning in 2022 and through 2043, if any housing infrastructure
30.32 bonds issued under subdivision 2g remain outstanding, the commissioner of management
30.33 and budget must transfer to the housing infrastructure bond account established under section
30.34 462A.21, subdivision 33, the amount certified under paragraph (a). The amounts necessary

31.1 to make the transfers are appropriated from the general fund to the commissioner of
31.2 management and budget.

31.3 (i) Each July 15, beginning in 2023 and through 2044, if any housing infrastructure
31.4 bonds issued under subdivision 2h remain outstanding, the commissioner of management
31.5 and budget must transfer to the housing infrastructure bond account established under section
31.6 462A.21, subdivision 33, the amount certified under paragraph (a). The amounts necessary
31.7 to make the transfers are appropriated from the general fund to the commissioner of
31.8 management and budget.

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

31.11 **Sec. 7. HOUSING INFRASTRUCTURE BONDS; SHELTER FACILITIES.**

31.12 Subdivision 1. **Definition.** For the purposes of this section, "shelter facility" means a
31.13 facility having a primary purpose to provide a temporary shelter for the homeless in general,
31.14 or for a specific homeless population, and does not require occupants to sign leases or
31.15 occupancy agreements.

31.16 Subd. 2. **Authorized use.** In fiscal year 2022 only, housing infrastructure bonds under
31.17 Minnesota Statutes, section 462A.37, may be issued to finance the costs of acquisition,
31.18 rehabilitation, adaptive reuse, and new construction of shelter facilities in accordance with
31.19 this section.

31.20 Subd. 3. **Additional authorization.** In addition to the amount authorized in Minnesota
31.21 Statutes, section 462A.37, subdivisions 2 to 2h, the Minnesota Housing Finance Agency
31.22 may issue up to \$50,000,000 in housing infrastructure bonds in one or more series to which
31.23 the payments under this section must be pledged for shelter facilities. \$10,000,000 of this
31.24 authorization must fund one or more grants to Simpson Housing Services, a not-for-profit
31.25 corporation under section 501(c)(3) of the Internal Revenue Code, to construct and renovate
31.26 shelter facilities in the city of Minneapolis.

31.27 Subd. 4. **Debt service.** Each July 15, beginning in 2023 and through 2044, if any housing
31.28 infrastructure bonds issued under this section remain outstanding, the commissioner of
31.29 management and budget must transfer to the housing infrastructure bond account established
31.30 under Minnesota Statutes, section 462A.21, subdivision 33, the amount certified under
31.31 Minnesota Statutes, section 462A.37, subdivision 5, paragraph (a). The amounts necessary
31.32 to make the transfers are appropriated from the general fund to the commissioner of
31.33 management and budget.

32.1 **Sec. 8. EFFECTIVE DATE.**

32.2 This article is effective the day following final enactment.

32.3 **ARTICLE 3**
 32.4 **EQUITY APPROPRIATIONS**

32.5 **Section 1. CAPITAL IMPROVEMENT APPROPRIATIONS.**

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

APPROPRIATIONS

32.10
 32.11 **Sec. 2. METROPOLITAN COUNCIL** **\$ 1,200,000**

32.12 To the Metropolitan Council for a grant to the
 32.13 city of St. Paul for the Wakan Tipi Center
 32.14 project. This appropriation is in addition to
 32.15 the appropriation for the Nature Sanctuary
 32.16 Visitor Center in Laws 2018, chapter 214,
 32.17 article 1, section 17, subdivision 6, and the
 32.18 appropriation for the Wakan Tipi Center
 32.19 project in Laws 2020, Fifth Special Session
 32.20 chapter 3, article 1, section 17, subdivision 11,
 32.21 and is for the same purposes.

32.22 **Sec. 3. EMPLOYMENT AND ECONOMIC**
 32.23 **DEVELOPMENT**

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

32.25 To the commissioner of employment and
 32.26 economic development for the purposes of
 32.27 this section.

32.28 **Subd. 2. African Economic Development**
 32.29 **Solutions** **1,000,000**

32.30 For a grant to African Economic Development
 32.31 Solutions to rehabilitate property that supports
 32.32 business incubation and workforce
 32.33 development and technical assistance to

- 33.1 support new and existing African immigrant
 33.2 entrepreneurs aimed at addressing pervasive
 33.3 economic inequities.
- 33.4 **Subd. 3. 30,000 Feet; Black Arts Center** 1,500,000
- 33.5 For a grant to 30,000 Feet, a nonprofit
 33.6 organization, to acquire property, design,
 33.7 construct, renovate, furnish, and equip a Black
 33.8 Arts Center to increase the number of African
 33.9 American youth and families served through
 33.10 culturally responsive arts and technology
 33.11 education, social-emotional learning, and
 33.12 African American history and culture.
- 33.13 **Subd. 4. Latino Economic Development Center** 950,000
- 33.14 For a grant to the Latino Economic
 33.15 Development Center for replacement of
 33.16 mechanical systems, construction or
 33.17 renovation of interior spaces, and other
 33.18 improvements of a capital nature to the
 33.19 building that will operate as a small business
 33.20 incubator on Payne Avenue and serve other
 33.21 community uses.
- 33.22 **Subd. 5. East Side Freedom Library** 300,000
- 33.23 For a grant to the city of St. Paul for asset
 33.24 preservation at the Carnegie Library, formerly
 33.25 known as the Arlington Hills Public Library.
- 33.26 **Subd. 6. Food Relief Organizations** 1,200,000
- 33.27 For grants to Minnesota food relief
 33.28 organizations for infrastructure needs and
 33.29 improvements of a capital nature. Of this
 33.30 amount:
- 33.31 (1) \$300,000 is for Keystone Community
 33.32 Services capital improvements at a new
 33.33 community food site in Ramsey County;

- 34.1 (2) \$300,000 is for Southern Anoka
- 34.2 Community Assistance for capital
- 34.3 improvements at a new food shelf;
- 34.4 (3) \$300,000 is for 360 Communities for
- 34.5 capital improvements at a new resource center
- 34.6 and food shelf in Dakota County; and
- 34.7 (4) \$300,000 is for Community Pathways of
- 34.8 Steele County for capital improvements at the
- 34.9 current food shelf location.

- 34.10 **Subd. 7. Funny Asian Women Kollektive Arts**
- 34.11 **Center** 1,000,000
- 34.12 For a grant to Funny Asian Women Kollektive
- 34.13 for the acquisition of property, predesign,
- 34.14 design, site preparation, preconstruction
- 34.15 services, and renovation of an arts center in
- 34.16 the city of St. Paul.

- 34.17 **Subd. 8. Leech Lake Band of Ojibwe Veterans**
- 34.18 **Building** 2,000,000
- 34.19 For a grant to the Tribal council of the Leech
- 34.20 Lake Band of Ojibwe for demolition of an
- 34.21 existing structure and predesign, design, site
- 34.22 preparation, and preconstruction services for
- 34.23 a new veterans building.

- 34.24 **Subd. 9. Mercado Central** 850,000
- 34.25 For a grant to Mercado Central, LLC, to
- 34.26 design and construct a parking lot, roof
- 34.27 replacement, and interior repairs of a capital
- 34.28 nature to the marketplace facility in the city
- 34.29 of Minneapolis.

- 34.30 **Subd. 10. Native American Community Clinic** 1,000,000
- 34.31 For a grant to the Native American
- 34.32 Community Clinic in the city of Minneapolis
- 34.33 for predesign, design, renovation, and

35.1 construction of the building in which the clinic
 35.2 is located.

35.3 **Subd. 11. Minneapolis Regional Apprenticeship**
 35.4 **Training Center** 789,000

35.5 For a grant to Northgate Development, LLC,
 35.6 to renovate, equip, and furnish a former state
 35.7 workforce center building for a regional
 35.8 apprenticeship training center in the city of
 35.9 Minneapolis to provide skills training to
 35.10 students and young adults in emerging
 35.11 energy-related and utility careers. This
 35.12 appropriation includes money for financing
 35.13 of energy efficient upgrades and renewable
 35.14 energy investments in the property.

35.15 **Subd. 12. Meat Processing Businesses in a**
 35.16 **Redevelopment Area** 1,000,000

35.17 For a grant to the South St. Paul Economic
 35.18 Development Authority to design one or more
 35.19 USDA-grade food processing facilities in a
 35.20 new or expanded industrial park to replace
 35.21 existing food processing facilities currently
 35.22 located within the Hardman Triangle
 35.23 Redevelopment Area aimed at creating new,
 35.24 value-added economic opportunities for
 35.25 Minnesotans of Southeast Asian descent. This
 35.26 appropriation includes, but is not limited to,
 35.27 architectural and structural design of new food
 35.28 processing facilities; civil engineering of storm
 35.29 water, wastewater, and other utility
 35.30 infrastructure systems to service new food
 35.31 processing facilities; engineering, design, and
 35.32 development of specifications for machinery
 35.33 and equipment customarily used in the food
 35.34 processing industry; and site design for the
 35.35 new food processing facilities.

36.1 Subd. 13. Youth Mental Health and Wellness
 36.2 Community Center

1,200,000

36.3 (a) The following appropriations are for one
 36.4 or more grants to 846s.org, a 501(c)(3)
 36.5 nonprofit organization, for a youth mental
 36.6 health and wellness community center to
 36.7 address community youth mental health
 36.8 concerns and offer academic, career, and
 36.9 entrepreneurial programming for local youth
 36.10 and their families. If any of these
 36.11 appropriations for a specified phase is not
 36.12 needed to complete that phase, the unexpended
 36.13 and unencumbered amount may be applied to
 36.14 another phase of the project for which an
 36.15 appropriation is made in this subdivision. Each
 36.16 appropriation for a phase is available when
 36.17 the commissioner of management and budget
 36.18 determines that an amount sufficient to
 36.19 complete that phase is committed to the
 36.20 project.

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

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

36.27 (d) Minority business enterprises, as defined
 36.28 under Minnesota Statutes, section 116M.14,
 36.29 subdivision 5, may be prioritized for awards
 36.30 of contracts for the purpose of this project.

36.31 Subd. 14. New American Center for Health
 36.32 Workforce Development

1,000,000

36.33 For a grant to the New American Center for
 36.34 Health Workforce Development to renovate
 36.35 the existing building located at 2220 Riverside

37.1 Avenue in Minneapolis to provide
 37.2 programming and increase immigrant access
 37.3 to information, services, and resources, and
 37.4 establish, expand, and sustain a public health
 37.5 workforce.

37.6 Sec. 4. **EFFECTIVE DATE.**

37.7 This article is effective the day following final enactment.

37.8 **ARTICLE 4**
 37.9 **MISCELLANEOUS**

37.10 Section 1. Minnesota Statutes 2020, section 16A.86, subdivision 2, is amended to read:

37.11 Subd. 2. **Budget request.** (a) Except as provided in paragraph (b), a political subdivision
 37.12 that requests an appropriation of state money for a local capital improvement project is
 37.13 encouraged to submit the request to the commissioner of management and budget by July
 37.14 15 of an odd-numbered year to ensure its full consideration. The requests must be submitted
 37.15 in the form and with the supporting documentation required by the commissioner of
 37.16 management and budget. All requests timely received by the commissioner must be submitted
 37.17 to the legislature, along with the governor's recommendations, whether or not the governor
 37.18 recommends that a request be funded, by the deadline established in section 16A.11,
 37.19 subdivision 1.

37.20 (b) The commissioner, in consultation with the commissioner of corrections, must
 37.21 evaluate the need of any capital improvement project that requests an appropriation of state
 37.22 money to construct a jail facility or for capital improvements to expand the number of
 37.23 incarcerated offenders at an existing jail facility. The commissioner shall use the regional
 37.24 and county jails report submitted to the legislature on or before December 1, 2022, by the
 37.25 commissioner of corrections to inform the evaluation. The commissioner must submit all
 37.26 evaluations under this paragraph as part of the submission to the legislature under paragraph
 37.27 (a).

37.28 **EFFECTIVE DATE.** This section is effective January 1, 2023.

37.29 Sec. 2. **[16B.324] STATE BUILDINGS; SOLAR ENERGY GENERATION FUND.**

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

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

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

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

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

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

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

38.11 Subd. 2. **Establishment.** A state building solar energy generation fund is established to
38.12 provide funds to state agencies for the purpose of implementing solar energy generation
38.13 improvements at state buildings.

38.14 Subd. 3. **Fund management.** The commissioner shall manage and administer the state
38.15 building solar energy generation fund through an office established to manage environmental
38.16 sustainability measures for state property.

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

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

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

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

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

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

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

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

39.1 Sec. 3. Minnesota Statutes 2020, section 16B.325, subdivision 2, is amended to read:

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

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

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

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

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

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

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

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

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

39.21 Sec. 4. Minnesota Statutes 2020, section 469.53, is amended to read:

39.22 **469.53 REGIONAL EXCHANGE DISTRICT PUBLIC INFRASTRUCTURE**
 39.23 **PROJECTS.**

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

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

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

40.3 (3) extension of 6th Avenue East from 2nd Street to 1st Street in an amount not to exceed
 40.4 ~~\$5,900,000~~ \$6,650,000, including any land acquisition;

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

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

40.9 (6) district energy connections, capacity enhancement, ~~and a pressure pump station, and~~
 40.10 district energy utility improvements outside of the district reasonably necessary and
 40.11 advantageous to serve developments within the district in an amount not to exceed
 40.12 \$7,000,000; and

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

40.15 (b) Upon notice to the commissioner of employment and economic development, any
 40.16 unexpended amount for the projects described in paragraph (a), clauses (1) to (4), may fund
 40.17 the project in paragraph (a), clause (5). The unexpended amounts applied to the project in
 40.18 paragraph (a), clause (5), count toward the state payment limit for the project. The Duluth
 40.19 City Council must submit a written plan to the commissioner of employment and economic
 40.20 development to use unexpended funds in the manner under this paragraph.

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

40.26 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
 40.27 city of Duluth and its chief clerical officer timely comply with Minnesota Statutes, section
 40.28 645.021, subdivisions 2 and 3.

40.29 Sec. 5. Laws 2009, chapter 93, article 1, section 14, subdivision 3, as amended by Laws
 40.30 2011, First Special Session chapter 12, section 37, and Laws 2018, chapter 214, article 2,
 40.31 section 23, is amended to read:

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

41.1 Of this amount, up to \$500,000 is to acquire
41.2 land located in southeastern, southwestern,
41.3 and northeastern Minnesota for publicly
41.4 owned veterans cemeteries, to be operated by
41.5 the commissioner of veterans affairs. The
41.6 commissioner also must seek donations of
41.7 land for the cemeteries. The balance of the
41.8 appropriation is to ~~predesign and~~ design,
41.9 construct, and equip the cemeteries. Federal
41.10 reimbursement of design, construction, and
41.11 equipping costs for each cemetery must be
41.12 deposited in the state treasury and is
41.13 appropriated to the commissioner of veterans
41.14 affairs to design, construct, and equip the
41.15 remaining cemeteries. Following completion
41.16 ~~of design~~ of the legislatively authorized
41.17 Minnesota state veterans cemeteries in
41.18 Redwood, St. Louis, and Fillmore Counties,
41.19 final federal reimbursement of ~~predesign and~~
41.20 design, construction, and equipping costs is
41.21 appropriated to the commissioner for asset
41.22 preservation of veterans homes statewide, to
41.23 be spent in accordance with Minnesota
41.24 Statutes, section 16B.307. Federal
41.25 reimbursement may be sought for each
41.26 cemetery and must be spent to acquire land
41.27 for, to ~~predesign and~~ design, construct, and
41.28 equip additional cemeteries, or for asset
41.29 preservation as provided in this subdivision.
41.30 Notwithstanding Minnesota Statutes, section
41.31 16A.642, the bond sale authorization and
41.32 appropriation of bond proceeds for this project
41.33 are available until December 31, ~~2022~~ 2024.

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

42.1 Sec. 6. Laws 2014, chapter 294, article 1, section 21, subdivision 21, is amended to read:

42.2 Subd. 21. **Thief River Falls Airport - Public**
 42.3 **Infrastructure** 650,000

42.4 For a grant to the Thief River Falls Airport
 42.5 Authority to predesign, design, engineer, and
 42.6 construct infrastructure to transfer wastewater
 42.7 from the Thief River Falls Regional Airport
 42.8 to the city wastewater collection and treatment
 42.9 system, and to eliminate the airport wastewater
 42.10 treatment pond located on airport property.

42.11 ~~This appropriation is not available until the~~
 42.12 ~~commissioner of management and budget has~~
 42.13 ~~determined that at least \$153,360 has been~~
 42.14 ~~committed to the~~ At least 20 percent of the
 42.15 total cost of the project must be committed
 42.16 from nonstate sources.

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

42.18 Sec. 7. Laws 2014, chapter 294, article 1, section 21, subdivision 23, as amended by Laws
 42.19 2015, First Special Session chapter 5, article 3, section 23, is amended to read:

42.20 Subd. 23. **Virginia - Highway 53 Utilities**
 42.21 **Relocation** 19,500,000

42.22 (a) \$500,000 of this appropriation is for a grant
 42.23 to the city of Virginia Public Utilities
 42.24 Commission to acquire land, predesign,
 42.25 design, construct, furnish, and equip an
 42.26 electrical substation along or within six miles
 42.27 of the relocated U.S. Highway 53 in Virginia
 42.28 as part of relocating the electrical utilities. This
 42.29 appropriation fully funds the project described
 42.30 in this paragraph and meets the requirements
 42.31 in Minnesota Statutes, section 16A.502, that
 42.32 the project be fully funded. This appropriation
 42.33 does not require a nonstate match.

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

- 43.1 (1) a grant to the city of Virginia Public
43.2 Utilities Commission to acquire land,
43.3 predesign, design, construct, furnish, and
43.4 equip relocated water, electrical, and gas
43.5 utilities along or within six miles of the
43.6 relocated U.S. Highway 53 in Virginia,
43.7 Eveleth, Gilbert, and Fayal Township;
- 43.8 (2) a grant to the city of Virginia to acquire
43.9 land, predesign, construct, furnish, and equip
43.10 relocated storm water and sanitary sewer along
43.11 or within six miles of the relocated U.S.
43.12 Highway 53 in Virginia, Eveleth, Gilbert, and
43.13 Fayal Township; ~~and~~
- 43.14 (3) a grant to the St. Louis and Lake Counties
43.15 Regional Railroad Authority to acquire land,
43.16 predesign, design, construct, furnish, and
43.17 equip trails to handle bicycles, pedestrians,
43.18 snowmobiles, and ATVs along or within six
43.19 miles of the relocated U.S. Highway 53 in
43.20 Virginia, Eveleth, Gilbert, and Fayal
43.21 Township. This appropriation does not require
43.22 a nonstate match; and
- 43.23 (4) any amount of this appropriation that is
43.24 unspent after substantial completion of the
43.25 work described in clauses (1), (2), and (3),
43.26 may be used for a grant to the St. Louis and
43.27 Lake Counties Regional Railroad for
43.28 construction of a segment of the Mesabi Trail
43.29 extending from the eastern end of the Mesabi
43.30 Trail in Biwabik at the intersection of State
43.31 Highway 135 and St. Louis County Road 20
43.32 to the intersection of County Road 20 and First
43.33 Street South in the city of McKinley.
43.34 Notwithstanding Minnesota Statutes, section
43.35 16A.642, the bond sale authorization and

44.1 appropriation of bond sale proceeds for this
 44.2 project are available until December 31, 2022.

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

44.4 Sec. 8. Laws 2014, chapter 294, article 1, section 22, subdivision 5, as amended by Laws
 44.5 2018, chapter 214, article 2, section 27, is amended to read:

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

44.8 For a grant to the city of Rice Lake to design
 44.9 and construct a replacement water main and
 44.10 related public infrastructure on East Calvary
 44.11 Road and Kolstad, Austin, Milwaukee,
 44.12 Mather, and Chicago Avenues in the city of
 44.13 Rice Lake. ~~This appropriation is not available~~
 44.14 ~~until the commissioner of management and~~
 44.15 ~~budget determines that at least an equal~~
 44.16 ~~amount is committed to the project from~~
 44.17 ~~nonstate sources.~~ Any amount remaining after
 44.18 completion of the project may be used to
 44.19 predesign, design, construct, furnish, and
 44.20 equip a municipal utility extension from
 44.21 Howard Gnesen Road to Martin Road in the
 44.22 city of Rice Lake. This appropriation is
 44.23 available until December 31, ~~2020~~ 2022.

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

44.27 Sec. 9. Laws 2017, First Special Session chapter 8, article 1, section 7, subdivision 2, is
 44.28 amended to read:

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

44.30 To design and implement contaminated
 44.31 sediment management actions identified in
 44.32 the St. Louis River remedial action plan to
 44.33 restore water quality in the St. Louis River

45.1 Area of Concern. Notwithstanding Minnesota
 45.2 Statutes, section 16A.642, the bond
 45.3 authorization and appropriation of bond
 45.4 proceeds for this project are available until
 45.5 December 31, 2023.

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

45.7 Sec. 10. Laws 2017, First Special Session chapter 8, article 1, section 15, subdivision 3,
 45.8 as amended by Laws 2018, chapter 214, article 2, section 33, and Laws 2020, Fifth Special
 45.9 Session chapter 3, article 5, section 24, is amended to read:

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

45.11 (a) From the bond proceeds account in the
 45.12 state transportation fund as provided in
 45.13 Minnesota Statutes, section 174.50, for trunk
 45.14 highway corridor projects under Minnesota
 45.15 Statutes, section 174.52, subdivision 2, for
 45.16 construction and reconstruction of local roads
 45.17 with statewide or regional significance under
 45.18 Minnesota Statutes, section 174.52,
 45.19 subdivision 4, or for grants to counties to assist
 45.20 in paying the costs of rural road safety capital
 45.21 improvement projects on county state-aid
 45.22 highways under Minnesota Statutes, section
 45.23 174.52, subdivision 4a.

45.24 (b) Of this amount, \$9,000,000 is for a grant
 45.25 to Anoka County to design, acquire land for,
 45.26 engineer, and construct improvements to,
 45.27 including the realignment of County State-Aid
 45.28 Highway 23 (Lake Drive), County State-Aid
 45.29 Highway 54 (West Freeway Drive), West
 45.30 Freeway Drive, and to Hornsby Street in the
 45.31 city of Columbus to support the overall
 45.32 interchange project. Notwithstanding
 45.33 Minnesota Statutes, section 16A.642, the bond
 45.34 sale authorization and appropriation of bond

46.1 proceeds for the project in this paragraph are
46.2 available until December 31, 2024.

46.3 (c) Of this amount, \$3,246,000 is for a grant
46.4 to the city of Blaine to predesign, design, and
46.5 reconstruct 105th Avenue in the vicinity of
46.6 the National Sports Center in Blaine. The
46.7 reconstruction will include changing the street
46.8 from five lanes to four lanes with median, turn
46.9 lanes, sidewalk, trail, landscaping, lighting,
46.10 and consolidation of access driveways. This
46.11 appropriation is not available until the
46.12 commissioner of management and budget
46.13 determines that at least \$3,000,000 is
46.14 committed to the project from sources
46.15 available to the city, including municipal state
46.16 aid and county turnback funds.

46.17 (d) Of this amount, \$25,000,000 is for a grant
46.18 to Hennepin County, the city of Minneapolis,
46.19 or both, for design, right-of-way acquisition,
46.20 engineering, and construction of public
46.21 improvements related to the Interstate
46.22 Highway 35W and Lake Street access project
46.23 and related improvements within the Interstate
46.24 Highway 35W corridor, notwithstanding any
46.25 provision of Minnesota Statutes, section
46.26 174.52, or rule to the contrary. This
46.27 appropriation is not available until the
46.28 commissioner of management and budget
46.29 determines that an amount sufficient to
46.30 complete this portion of the Interstate
46.31 Highway 35W and Lake Street access project
46.32 has been committed to this portion of the
46.33 project.

46.34 (e) Of this amount, \$10,500,000 is for a grant
46.35 to Carver County for environmental analysis

47.1 and to acquire right-of-way access, predesign,
47.2 design, engineer, and construct an interchange
47.3 at marked Trunk Highway 212 and Carver
47.4 County Road 44 in the city of Chaska,
47.5 including a new bridge and ramps, to support
47.6 the development of approximately 400 acres
47.7 of property in the city of Chaska's
47.8 comprehensive plan.

47.9 (f) Of this amount, \$700,000 is for a grant to
47.10 Redwood County for improvements to Nobles
47.11 Avenue, including paving, as the main access
47.12 road to a new State Veterans Cemetery to be
47.13 located in Paxton Township.

47.14 (g) Of this amount, \$1,000,000 is for a grant
47.15 to ~~the town of Appleton in~~ Swift County for
47.16 ~~upgrades to an existing township road to~~
47.17 ~~provide for a paved, ten-ton capacity township~~
47.18 ~~road extending between marked Trunk~~
47.19 ~~Highways 7 and 119~~ preliminary and final
47.20 design, engineering, and reconstruction of a
47.21 segment of County State-Aid Highway 6
47.22 between marked Trunk Highway 7 and County
47.23 State-Aid Highway 17 to provide for a ten-ton
47.24 paved roadway. Notwithstanding Minnesota
47.25 Statutes, section 16A.642, the bond sale
47.26 authorization and appropriation of bond
47.27 proceeds for this project are available until
47.28 December 31, 2025.

47.29 (h) Of this amount, \$20,500,000 is for a grant
47.30 to Ramsey County for preliminary and final
47.31 design, right-of-way acquisition, engineering,
47.32 contract administration, and construction of
47.33 public improvements related to the
47.34 construction of the interchange of marked
47.35 Interstate Highway 694 and Rice Street,

48.1 Ramsey County State-Aid Highway 49, in
48.2 Ramsey County.

48.3 (i) Of this amount, \$11,300,000 is for a grant
48.4 to Hennepin County for preliminary and final
48.5 design, engineering, environmental analysis,
48.6 right-of-way acquisition, construction, and
48.7 reconstruction of local roads related to the (1)
48.8 realignment at the intersections of marked U.S.
48.9 Highway 12 with Hennepin County State-Aid
48.10 Highway 92; (2) realignment and safety
48.11 improvements at the intersection of marked
48.12 U.S. Highway 12 with Hennepin County
48.13 State-Aid Highway 90; and (3) safety median
48.14 improvements from the interchange with
48.15 Wayzata Boulevard in Wayzata to
48.16 approximately one-half mile east of the
48.17 interchange of marked U.S. Highway 12 with
48.18 Hennepin County State-Aid Highway 6.

48.19 (j) Of this amount, \$1,000,000 is for a grant
48.20 to the city of Inver Grove Heights for
48.21 preliminary design, design, engineering, and
48.22 reconstruction of Broderick Boulevard
48.23 between 80th Street and Concord Boulevard
48.24 abutting Trunk Highway 52 and Inver Hills
48.25 Community College in Inver Grove Heights.
48.26 The project includes replacement or renovation
48.27 of public infrastructure, including water lines,
48.28 sanitary sewers, storm water sewers, and other
48.29 public utilities. This appropriation does not
48.30 require a nonstate contribution.

48.31 (k) Of this amount, \$2,350,000 is for a grant
48.32 to McLeod County to acquire land or interests
48.33 in land and to design and construct a new
48.34 urban street extension of County State-Aid
48.35 Highway (CSAH) 15, including railroad

49.1 crossing, storm water, and drainage
 49.2 improvements.

49.3 (l) Of this amount, \$6,000,000 is for a grant
 49.4 to the city of Baxter for 50 percent of total
 49.5 project cost for the acquisition of land or
 49.6 interests in land, environmental analysis and
 49.7 environmental cleanup, predesign, design,
 49.8 engineering, and construction of improvements
 49.9 to Cypress Drive, including expansion to a
 49.10 four-lane divided urban roadway, between
 49.11 Excelsior Road and College Road.

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

49.13 Sec. 11. Laws 2017, First Special Session chapter 8, article 1, section 20, subdivision 14,
 49.14 is amended to read:

49.15 Subd. 14. **Minneapolis - Pioneers and Soldiers**
 49.16 **Cemetery Restoration** 1,029,000

49.17 For a grant to the city of Minneapolis to
 49.18 restore the historic steel and limestone pillar
 49.19 fence along Cedar Avenue and Lake Street,
 49.20 ~~install a new steel fence and pillars along 21st~~
 49.21 ~~Avenue South,~~ and install a waterproofing
 49.22 system for preservation of the fence and
 49.23 pillars, at the Pioneer and Soldiers Cemetery.
 49.24 This appropriation does not require a nonstate
 49.25 contribution.

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

49.27 Sec. 12. Laws 2018, chapter 214, article 1, section 16, subdivision 2, as amended by Laws
 49.28 2019, chapter 2, article 2, section 2, is amended to read:

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

49.30 (a) From the bond proceeds account in the
 49.31 state transportation fund as provided in
 49.32 Minnesota Statutes, section 174.50, for trunk
 49.33 highway corridor projects under Minnesota

50.1 Statutes, section 174.52, subdivision 2, for
50.2 construction and reconstruction of local roads
50.3 with statewide or regional significance under
50.4 Minnesota Statutes, section 174.52,
50.5 subdivision 4, or for grants to counties to assist
50.6 in paying the costs of rural road safety capital
50.7 improvement projects on county state-aid
50.8 highways under Minnesota Statutes, section
50.9 174.52, subdivision 4a.

50.10 (b) Of this amount, \$13,500,000 is for a grant
50.11 to the city of Dayton for design, engineering,
50.12 environmental analysis, property and easement
50.13 acquisition, construction, and reconstruction
50.14 of local roads in conjunction with an
50.15 interchange on marked Interstate Highway 94
50.16 near Hennepin County State-Aid Highway
50.17 101, known as Brockton Lane, in Dayton.

50.18 (c) Of this amount, \$6,100,000 is for ~~a grant~~
50.19 one or more grants to Dakota County, the city
50.20 of Inver Grove Heights, or both to predesign,
50.21 design, engineer, acquire right-of-way
50.22 property and temporary and permanent
50.23 easements, inspect, and construct or
50.24 reconstruct: (1) realignment of Dakota County
50.25 State-Aid Highway 63, known as Argenta
50.26 Trail, in Inver Grove Heights, from northerly
50.27 of its intersection with Amana Trail to the
50.28 anticipated future alignment of 65th Street,
50.29 then west to the existing Argenta Trail
50.30 alignment, and in anticipation of the
50.31 development of an interchange of Argenta
50.32 Trail and marked Interstate Highway 494; and
50.33 (2) expansion from two lanes to four lanes of
50.34 Dakota County State-Aid Highway 26, known
50.35 as 70th Street West, in Inver Grove Heights,

51.1 from the border with Eagan through the
 51.2 intersection with Argenta Trail as realigned,
 51.3 to the intersection of Highway 26 with Trunk
 51.4 Highway 3, known as Robert Street.

51.5 (d) Of this amount, \$9,000,000 is for a grant
 51.6 to Carver County following a jurisdictional
 51.7 transfer to Carver County of the affected
 51.8 segment of marked Trunk Highway 101. The
 51.9 appropriation may be used for design,
 51.10 right-of-way acquisition, engineering, and
 51.11 reconstruction of the segment transferred to
 51.12 the county that is between Pioneer Trail and
 51.13 Flying Cloud Drive, including grade
 51.14 separation of a multipurpose pedestrian and
 51.15 bicycle trail from the segment for the
 51.16 Minnesota River Bluffs Regional Trail and a
 51.17 regional trail along marked Trunk Highway
 51.18 101.

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

51.20 Sec. 13. Laws 2018, chapter 214, article 1, section 17, subdivision 6, is amended to read:

| | | |
|-------|---|-----------|
| 51.21 | Subd. 6. St. Paul - Nature Sanctuary Visitor | |
| 51.22 | Center | 3,000,000 |

51.23 For a grant to the city of St. Paul to predesign,
 51.24 design, construct, furnish, and equip a visitor
 51.25 and interpretive center in the Bruce Vento
 51.26 Nature Sanctuary in St. Paul for programs that
 51.27 the city determines meet regional and city park
 51.28 purpose requirements. The city may enter into
 51.29 a lease or management agreement under
 51.30 Minnesota Statutes, section 16A.695, to
 51.31 operate the programs in the center.

51.32 Notwithstanding Minnesota Statutes, section
 51.33 16A.642, the bond sale authorization and
 51.34 appropriation of bond proceeds for the project

52.1 in this subdivision are available until
 52.2 December 31, 2024.

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

52.4 Sec. 14. Laws 2018, chapter 214, article 1, section 18, subdivision 3, is amended to read:

52.5 Subd. 3. **St. Peter Regional Treatment Center**
 52.6 **Campus - Dietary Building HVAC and Electrical**
 52.7 **Replacement** 2,200,000

52.8 To predesign, design, engineer, and renovate
 52.9 the mechanical and electrical systems in the
 52.10 Dietary Building on the St. Peter Regional
 52.11 Treatment Center campus, including: the
 52.12 upgrade, replacement, and improvement of
 52.13 existing heating and ventilation equipment;
 52.14 installation of air-conditioning equipment;
 52.15 replacement of the building's outdated and
 52.16 undersized electrical system; design and
 52.17 abatement of asbestos and hazardous
 52.18 materials; and structural, site, and utility work
 52.19 necessary to support the project.

52.20 Upon substantial completion of this project,
 52.21 any unspent portion of this appropriation
 52.22 remaining, after written notice to the
 52.23 commissioner of management and budget, is
 52.24 available for asset preservation under
 52.25 Minnesota Statutes, section 16B.307.

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

52.27 Sec. 15. Laws 2018, chapter 214, article 1, section 18, subdivision 4, is amended to read:

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

52.30 To predesign, design, engineer, construct, and
 52.31 equip improvements on the Anoka Metro
 52.32 Regional Treatment Center campus, including
 52.33 but not limited to design and abatement of

53.1 asbestos and hazardous materials, replacement
 53.2 of roofs on residential units, installation of
 53.3 metal wall cladding on the mechanical
 53.4 penthouses, installation of new heating,
 53.5 ventilation, and air conditioning systems, fire
 53.6 sprinkler systems, electrical lighting systems
 53.7 in the Miller Building, and installation of a
 53.8 new heating system in the warehouse building.

53.9 Upon substantial completion of this project,
 53.10 any unspent portion of this appropriation
 53.11 remaining, after written notice to the
 53.12 commissioner of management and budget, is
 53.13 available for asset preservation under
 53.14 Minnesota Statutes, section 16B.307.
 53.15 Notwithstanding Minnesota Statutes, section
 53.16 16.642, the bond sale authorization and
 53.17 appropriation of bond proceeds in this
 53.18 subdivision are available until December 31,
 53.19 2023.

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

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

53.22 Subd. 16. **Minneapolis - Upper Harbor Terminal**
 53.23 **Redevelopment**

15,000,000

53.24 For a grant to the city of Minneapolis, the
 53.25 Minneapolis Park and Recreation Board, or
 53.26 both, for predesign, design, and construction
 53.27 work for site preparation and for park and
 53.28 public infrastructure improvements to support
 53.29 an initial phase of redevelopment of the Upper
 53.30 Harbor Terminal on the Mississippi River; a
 53.31 site that was rendered inoperable for barging
 53.32 by the federal closure of the Upper St.
 53.33 Anthony Falls Lock. Notwithstanding
 53.34 Minnesota Statutes, section 16A.642, the bond

54.1 sale authorization and appropriation of bond
 54.2 proceeds in this subdivision are available until
 54.3 December 31, 2024.

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

54.5 Sec. 17. Laws 2018, chapter 214, article 1, section 22, subdivision 6, is amended to read:

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

54.8 For a grant to the city of Aurora to acquire
 54.9 land, acquire a long-term lease, or a permanent
 54.10 interest in land, design, engineer, construct,
 54.11 furnish, and equip a comprehensive
 54.12 municipally owned cooperative joint drinking
 54.13 water system ~~in~~ for the cities city of Aurora,
 54.14 ~~Hoyt Lakes, and Biwabik, and White~~
 54.15 ~~Township, including a water intake and~~
 54.16 ~~treatment plant located in White Township~~
 54.17 and the Town of White and designed for the
 54.18 future use of other cities, including Biwabik
 54.19 and Hoyt Lakes. Notwithstanding Minnesota
 54.20 Statutes, section 16A.642, the bond sale
 54.21 authorization and appropriation of bond
 54.22 proceeds for this project are available until
 54.23 December 31, 2024.

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

54.25 Sec. 18. Laws 2019, chapter 2, article 1, section 2, subdivision 5, is amended to read:

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

54.27 For a grant to the city of South St. Paul for
 54.28 capital improvements to improve the water
 54.29 quality of Seidl's Lake. The capital
 54.30 improvements include design, engineering,
 54.31 construction, and equipping of a storm water
 54.32 lift station to discharge excess storm water
 54.33 into the city of South St. Paul's storm sewer

55.1 system to minimize the fluctuating water
 55.2 levels of the lake. This project may be
 55.3 implemented jointly by the cities of South St.
 55.4 Paul, Inver Grove Heights, and West St. Paul.
 55.5 Notwithstanding Minnesota Statutes, section
 55.6 16A.642, the bond sale authorization and
 55.7 appropriation of bond proceeds for the project
 55.8 in this subdivision are available until
 55.9 December 31, 2024.

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

55.11 Sec. 19. Laws 2020, Fifth Special Session chapter 3, article 1, section 7, subdivision 3, is
 55.12 amended to read:

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

55.14 (a) For the state share of flood hazard
 55.15 mitigation grants for publicly owned capital
 55.16 improvements to prevent or alleviate flood
 55.17 damage under Minnesota Statutes, section
 55.18 103F.161.

55.19 (b) To the extent practical, levee projects shall
 55.20 meet the state standard of three feet above the
 55.21 100-year flood elevation.

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

55.26 (d) This appropriation may be used for projects
 55.27 in the following municipalities: Afton, Austin,
 55.28 Breckenridge, Browns Valley, Carver, Delano,
 55.29 Faribault, Golden Valley, Halstad, Hawley,
 55.30 Hendrum, Inver Grove Heights, Jordan,
 55.31 Montevideo, Moorhead, Newfolden,
 55.32 Nielsville, Owatonna, Round Lake Township

- 56.1 in Jackson County, Sioux Valley Township
56.2 in Jackson County, and Waseca.
- 56.3 (e) This appropriation also may be used for
56.4 projects in the following watershed districts:
56.5 Bois de Sioux Watershed District, Buffalo-Red
56.6 River Watershed District, Cedar River
56.7 Watershed District; Lower Minnesota River
56.8 Watershed District, Middle Snake Tamarac
56.9 Rivers Watershed District, Prior Lake-Spring
56.10 Lake Watershed District, Red Lake Watershed
56.11 District, Roseau River Watershed District,
56.12 Shell Rock River Watershed District, Two
56.13 Rivers Watershed District, Upper Minnesota
56.14 River Watershed District, and Wild Rice River
56.15 Watershed District.
- 56.16 (f) This appropriation may also be used for a
56.17 project in the Southern Minnesota Rivers
56.18 Basin Area II.
- 56.19 (g) For any project listed in this subdivision
56.20 that the commissioner determines is not ready
56.21 to proceed, does not have the nonstate match
56.22 committed, or does not expend all the money
56.23 granted to it, the commissioner may allocate
56.24 that project's unexpended money to a priority
56.25 project on the commissioner's list.
- 56.26 (h) Notwithstanding paragraph (c), \$2,000,000
56.27 of this appropriation is for flood hazard
56.28 mitigation for the Toelle Coulee in ~~the city of~~
56.29 ~~Browns Valley~~ Traverse County.
- 56.30 (i) To the extent practicable and consistent
56.31 with the project, recipients of appropriations
56.32 for flood control projects in this subdivision
56.33 shall create wetlands that are eligible for
56.34 wetland replacement credit to replace wetlands

57.1 drained or filled as the result of repair,
 57.2 reconstruction, replacement, or rehabilitation
 57.3 of an existing public road under Minnesota
 57.4 Statutes, section 103G.222, subdivision 1,
 57.5 paragraphs (l) and (m).

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

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

57.13 Sec. 20. Laws 2020, Fifth Special Session chapter 3, article 1, section 7, subdivision 18,
 57.14 is amended to read:

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

57.16 For a grant to the city of Lake City to design,
 57.17 engineer, and construct a breakwater at Ohuta
 57.18 Beach in Lake City at Ohuta Park.

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

57.20 Sec. 21. Laws 2020, Fifth Special Session chapter 3, article 1, section 13, subdivision 5,
 57.21 is amended to read:

57.22 **Subd. 5. Construction and Renovation of Public**
 57.23 **Skate Parks** 250,000

57.24 For grants under Minnesota Statutes, section
 57.25 240A.20, subdivision 2, clause (2), ~~for design~~
 57.26 ~~of~~ to predesign, design, construct, furnish, and
 57.27 equip skate parks from. Design work must be
 57.28 by designers with expertise in the field of skate
 57.29 park design. Construction must be of a skate
 57.30 park designed by designers with expertise in
 57.31 the field of skate park design.

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

58.1 Sec. 22. Laws 2020, Fifth Special Session chapter 3, article 1, section 16, subdivision 5,
58.2 is amended to read:

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

58.5 From the bond proceeds account in the state
58.6 transportation fund as provided in Minnesota
58.7 Statutes, section 174.50, for a grant to Anoka
58.8 County to complete environmental analysis
58.9 of local road intersections and associated
58.10 improvements along marked Trunk Highway
58.11 65 from north of 93rd Avenue to north of
58.12 117th Avenue, preliminary engineering,
58.13 environmental analysis, and final design of a
58.14 grade separation and associated improvements
58.15 to Anoka County State-Aid Highway 12,
58.16 known as 109th Avenue, at marked Trunk
58.17 Highway 65 in the city of Blaine.

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

58.19 Sec. 23. Laws 2020, Fifth Special Session chapter 3, article 1, section 16, subdivision 7,
58.20 is amended to read:

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

58.23 From the bond proceeds account in the state
58.24 transportation fund as provided in Minnesota
58.25 Statutes, section 174.50, for a grant to the city
58.26 of Golden Valley to ~~construct~~ perform
58.27 preliminary and final design engineering,
58.28 environmental analysis, acquisition of
58.29 permanent easements and right-of-way,
58.30 reconstruction, and construction engineering
58.31 of local roads related to construction of public
58.32 safety improvements at, and within a 600 foot
58.33 radius of, the intersection of Douglas Drive
58.34 and Highway 55, including a box culvert

59.1 underpass across Highway 55, a roundabout
 59.2 and extended frontage road south of Highway
 59.3 55, retaining wall construction, underground
 59.4 utility relocation, sidewalk and trail
 59.5 connections to existing facilities, Americans
 59.6 with Disabilities Act-compliant facilities, and
 59.7 landscaping.

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

59.9 Sec. 24. Laws 2020, Fifth Special Session chapter 3, article 1, section 16, subdivision 15,
 59.10 is amended to read:

59.11 Subd. 15. ~~Scott County; Highway 13 Interchange~~
 59.12 ~~at Marked Intersections of Dakota and Yosemite~~
 59.13 ~~Interchange Avenues~~ \$5,269,000

59.14 From the bond proceeds account in the state
 59.15 transportation fund as provided in Minnesota
 59.16 Statutes, section 174.50, ~~for a grant to Scott~~
 59.17 ~~County for~~ to design, provide construction
 59.18 engineering, and ~~construction of construct~~
 59.19 local road improvements, including
 59.20 accommodations for bicycles and pedestrians
 59.21 and public utility relocations, to support a
 59.22 programmed interchange at the intersection
 59.23 of marked Trunk Highway 13 ~~and~~ at Dakota
 59.24 ~~Avenue~~ and Yosemite Avenues in Savage.

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

59.26 Sec. 25. Laws 2020, Fifth Special Session chapter 3, article 1, section 16, subdivision 16,
 59.27 is amended to read:

59.28 Subd. 16. ~~Sherburne County; Zimmerman~~
 59.29 ~~Interchange Project~~ 2,000,000

59.30 From the bond proceeds account in the state
 59.31 transportation fund as provided in Minnesota
 59.32 Statutes, section 174.50, for a grant to
 59.33 Sherburne County for environmental analysis,
 59.34 preliminary engineering, and final design of

60.1 ~~the local road portions~~ of the proposed
 60.2 interchange project and local road portions at
 60.3 marked U.S. Highway 169 and Sherburne
 60.4 County State-Aid Highway 4 in Zimmerman.
 60.5 Any money remaining upon completion of the
 60.6 design process may be used to acquire
 60.7 right-of-way needed for the local road portions
 60.8 of the interchange project.

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

60.10 Sec. 26. Laws 2020, Fifth Special Session chapter 3, article 1, section 16, subdivision 36,
 60.11 is amended to read:

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

60.14 For a grant to Olmsted County for the county's
 60.15 share of general obligation bond eligible
 60.16 portions of a project to conduct environmental
 60.17 analysis, predesign, design, and engineer;
 60.18 ~~construct, furnish, and equip~~ an interchange
 60.19 at marked Trunk Highway 14 and County
 60.20 Road 104, including a flyover at 7th Street
 60.21 NW, in ~~Olmsted~~ Olmsted County, and
 60.22 associated infrastructure and road work to
 60.23 accommodate the interchange. Any amount
 60.24 remaining after substantial completion of
 60.25 environmental analysis, predesign, design, and
 60.26 engineering work may be applied to the
 60.27 county's share to acquire right-of-way for, and
 60.28 to construct, furnish, and equip, this
 60.29 interchange and associated infrastructure and
 60.30 road work to accommodate the interchange.

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

61.1 Sec. 27. Laws 2020, Fifth Special Session chapter 3, article 1, section 20, subdivision 5,
 61.2 is amended to read:

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

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

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

61.13 Sec. 28. Laws 2020, Fifth Special Session chapter 3, article 1, section 21, subdivision 14,
 61.14 is amended to read:

61.15 Subd. 14. **Crookston; Colborn Property**
 61.16 **Development** 895,000

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

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

61.26 Sec. 29. Laws 2020, Fifth Special Session chapter 3, article 1, section 21, subdivision 20,
 61.27 is amended to read:

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

61.29 For a grant to the city of Fergus Falls for
 61.30 construction of a downtown riverfront corridor
 61.31 improvement project including ~~an~~
 61.32 ~~amphitheater~~, a river market, public arts space,

62.1 interactive water components, and related
 62.2 publicly owned infrastructure and amenities.

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

62.4 Sec. 30. Laws 2020, Fifth Special Session chapter 3, article 1, section 21, subdivision 23,
 62.5 is amended to read:

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

62.7 For a grant to Hennepin County for Phase 1
 62.8 of the Avivo regional career and employment
 62.9 center project in Minneapolis, subject to
 62.10 Minnesota Statutes, section 16A.695. Phase
 62.11 1 includes geotechnical and environmental
 62.12 investigation, ~~demolition, and site work;~~
 62.13 predesign and design of the renovation and
 62.14 expansion of a building; and predesign and
 62.15 design for the replacement of or improvements
 62.16 to building systems on the Avivo campus,
 62.17 including HVAC, mechanical, electrical, and
 62.18 accessibility improvements. Upon substantial
 62.19 completion of Phase I, any unspent portion of
 62.20 this appropriation remaining, after written
 62.21 notice to the commissioner of management
 62.22 and budget, is available for renovation or
 62.23 construction.

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

62.25 Sec. 31. Laws 2020, Fifth Special Session chapter 3, article 1, section 21, subdivision 37,
 62.26 is amended to read:

62.27 **Subd. 37. St. Joseph; Jacob Wetterling**
 62.28 **Recreation Center** 4,000,000

62.29 For a grant to the city of St. Joseph to
 62.30 predesign, design, construct, furnish, and
 62.31 equip a recreation center ~~as an addition to the~~
 62.32 ~~former school building purchased by the city~~
 62.33 ~~to be repurposed as a~~ adjacent to and

63.1 connected to the city's new community center.
 63.2 The city may enter into a lease or management
 63.3 agreement for operation of recreation
 63.4 programs, subject to Minnesota Statutes,
 63.5 section 16A.695.

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

63.7 Sec. 32. Laws 2020, Fifth Special Session chapter 3, article 1, section 21, subdivision 44,
 63.8 is amended to read:

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

63.10 For ~~a grant~~ one or more grants to the city of
 63.11 Wadena County, Otter Tail County, or both,
 63.12 to acquire a permanent easement for and to
 63.13 predesign, design, engineer, and construct an
 63.14 access road just northeast of 11th Street
 63.15 Northwest in Wadena, going from marked
 63.16 Trunk Highway 10 to the new hospital
 63.17 complex.

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

63.19 Sec. 33. Laws 2020, Fifth Special Session chapter 3, article 1, section 21, subdivision 47,
 63.20 is amended to read:

63.21 **Subd. 47. Willernie; ~~Public Infrastructure~~**
 63.22 **Maintenance Building** 160,000

63.23 For a grant to the city of Willernie to ~~replae~~
 63.24 ~~the roof of the city hall, and, if any money is~~
 63.25 ~~remaining, for capital improvements in~~
 63.26 ~~conjunction with the Washington County road~~
 63.27 ~~12 project, including replacing and extending~~
 63.28 ~~the sidewalk, replacement of a water main,~~
 63.29 ~~and moving or removing a retaining wall~~
 63.30 demolish a maintenance building and to
 63.31 design, engineer, construct, and equip a new
 63.32 maintenance building.

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

64.1 Sec. 34. Laws 2020, Fifth Special Session chapter 3, article 1, section 22, subdivision 6,
 64.2 is amended to read:

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

64.4 For a grant to the city of Arden Hills to acquire
 64.5 permanent easements for and to engineer and
 64.6 install a water main extending along Lexington
 64.7 Avenue, from County Road E to marked
 64.8 Interstate Highway 694.

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

64.10 Sec. 35. Laws 2020, Fifth Special Session chapter 3, article 1, section 22, subdivision 8,
 64.11 is amended to read:

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

64.13 For a grant to the city of Austin ~~to~~ for
 64.14 predesign, design, and engineer engineering
 64.15 improvements for upgrades to the city's
 64.16 wastewater treatment facility. Any balance of
 64.17 funds may be utilized for the construction of
 64.18 the wastewater treatment facility in subsequent
 64.19 phases.

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

64.21 Sec. 36. Laws 2020, Fifth Special Session chapter 3, article 1, section 22, subdivision 18,
 64.22 is amended to read:

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

64.24 For a grant ~~under Minnesota Statutes, section~~
 64.25 ~~446A.07,~~ to the city of Mahnomen ~~for~~ to
 64.26 construct improvements to the city's ~~water~~
 64.27 wastewater infrastructure. ~~This grant is not~~
 64.28 ~~subject to the project priority list set forth in~~
 64.29 ~~Minnesota Statutes, section 446A.07,~~
 64.30 ~~subdivision 4.~~

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

65.1 Sec. 37. Laws 2020, Fifth Special Session chapter 3, article 1, section 22, subdivision 19,
 65.2 is amended to read:

65.3 **Subd. 19. Mahnomen; Drinking Water**
 65.4 **Infrastructure** 1,250,000

65.5 For a grant ~~under Minnesota Statutes, section~~
 65.6 ~~446A.081~~, to the city of Mahnomen ~~for to~~
 65.7 construct improvements to the city's drinking
 65.8 water infrastructure. This grant is not subject
 65.9 to the project priority list set forth in
 65.10 ~~Minnesota Statutes, section 446A.081,~~
 65.11 ~~subdivision 5.~~

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

65.13 Sec. 38. Laws 2020, Fifth Special Session chapter 3, article 1, section 22, subdivision 21,
 65.14 is amended to read:

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

65.16 For a grant to the city of Mendota to
 65.17 predesign, design, engineer, and construct ~~the~~
 65.18 ~~extension of~~ improvements to the water main
 65.19 ~~throughout the city of Mendota to allow~~
 65.20 ~~residents to connect with the Saint Paul~~
 65.21 ~~Regional Water Services~~ distribution system.

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

65.23 Sec. 39. Laws 2020, Fifth Special Session chapter 3, article 1, section 22, subdivision 23,
 65.24 is amended to read:

65.25 **Subd. 23. Oronoco; Regional Wastewater System**
 65.26 **Infrastructure Grant** 24,027,000

65.27 (a) Of this amount, \$1,350,000 is for a grant
 65.28 to the city of Oronoco to acquire land and
 65.29 easements, design, and engineer a wastewater
 65.30 collection, conveyance, and treatment system
 65.31 and associated water distribution
 65.32 improvements to serve the city of Oronoco
 65.33 and the region including the Oronoco Estates

66.1 Manufactured Home Community. Any amount
 66.2 remaining after completion of design,
 66.3 engineering, and acquisition may be applied
 66.4 to the purposes described in ~~subdivision 2~~
 66.5 paragraph (b).

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

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

66.15 Sec. 40. Laws 2020, Fifth Special Session chapter 3, article 1, section 22, subdivision 28,
 66.16 is amended to read:

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

66.18 For a grant to the city of South Haven to
 66.19 acquire land, predesign, design, construct,
 66.20 furnish, and equip two new wells, including
 66.21 a well house, water main, and other related
 66.22 drinking water improvements, in Wright
 66.23 County.

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

66.25 Sec. 41. Laws 2020, Fifth Special Session chapter 3, article 1, section 22, subdivision 30,
 66.26 is amended to read:

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

66.28 For a grant to the city of Spring Park for
 66.29 improvements to the city's water and sewer
 66.30 system and the adjacent roadway West Arm
 66.31 Drive West in the northwest area of the city
 66.32 ~~on West Arm Drive~~.

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

67.2 Sec. 42. Laws 2020, Fifth Special Session chapter 3, article 1, section 22, subdivision 33,
67.3 is amended to read:

67.4 Subd. 33. **Vernon Center; Water Infrastructure**
67.5 **Improvements** 7,984,000

67.6 For a grant to the city of Vernon Center to
67.7 predesign, design, construct, furnish, and
67.8 equip water ~~infrastructure improvements,~~
67.9 ~~including refurbishing a water tower,~~ and
67.10 ~~replacement of wastewater collection~~
67.11 ~~treatment facilities,~~ water distribution systems,
67.12 ~~storm sanitary sewer system improvements~~
67.13 ~~and storm water collection systems,~~ and
67.14 related local road improvements.

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

67.16 Sec. 43. Laws 2020, Fifth Special Session chapter 3, article 2, section 2, subdivision 2, is
67.17 amended to read:

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

67.19 From the bond proceeds account in the trunk
67.20 highway fund ~~to construct~~ for environmental
67.21 analysis, predesign, design and engineering,
67.22 and construction of rail safety projects at trunk
67.23 highway-railroad grade crossings in
67.24 ~~accordance with Minnesota Statutes, section~~
67.25 ~~219.016~~ as identified in the Department of
67.26 Transportation's crude by rail grade crossing
67.27 study (Improvements to Highway Grade
67.28 Crossings and Rail Safety, December 2014
67.29 and revised in 2019).

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

68.1 Sec. 44. Laws 2020, Fifth Special Session chapter 3, article 2, section 2, subdivision 4, is
68.2 amended to read:

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

68.4 From the bond proceeds account in the trunk
68.5 highway fund for environmental analysis,
68.6 predesign, design, engineering, and
68.7 reconstruction of trunk highways that
68.8 experience frequent flooding in Sibley County
68.9 and Le Sueur County, to modify the elevation
68.10 of the roadways and reduce closures due to
68.11 river flooding, for portions of the projects that
68.12 are eligible for trunk highway bond proceeds.

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

68.14 Sec. 45. **REGIONAL AND COUNTY JAILS; STUDY AND REPORT.**

68.15 Subdivision 1. **Study.** The commissioner of corrections must study and make
68.16 recommendations on the consolidation or merger of county jails and alternatives to
68.17 incarceration for persons experiencing mental health disorders. The commissioner must
68.18 engage and solicit feedback from citizens who live in communities served by facilities that
68.19 may be impacted by the commissioner's recommendations for the consolidation or merger
68.20 of jails. The commissioner must consult with the following individuals on the study and
68.21 recommendations:

68.22 (1) county sheriffs;

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

68.24 (3) chief law enforcement officers;

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

68.28 (5) district court administrators.

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

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

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

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

69.9 (i) that are in pretrial detention;

69.10 (ii) that cannot afford to pay bail;

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

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

69.13 (v) for nonfelony offenses;

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

69.15 (vii) for supervised release and probation violations;

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

69.18 (3) the age of current jail facilities;

69.19 (4) county population totals and trends;

69.20 (5) county crime rates and trends;

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

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

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

69.26 (i) where consolidated facilities should be located;

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

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

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

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

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

70.4 Sec. 46. **HOUSING POOL BONDING AUTHORITY APPLICATION DEPOSIT**
70.5 **REFUND.**

70.6 Notwithstanding Minnesota Statutes, sections 474A.061, subdivisions 1a, paragraph (a),
70.7 and 7; and 474A.21, due to the unique circumstances of the COVID-19 pandemic, issuers
70.8 that returned all of their allocation of bonding authority from the 2020 housing pool, shall
70.9 receive a refund of the amount of the application deposit submitted with the issuer's 2020
70.10 housing pool application, less any amount previously refunded. Any application deposit
70.11 money that has not yet been transferred under Minnesota Statutes, section 474A.21, as of
70.12 the date of final enactment that is connected to full returns of bonding authority from the
70.13 2020 housing pool is not required to be deposited in the fund under Minnesota Statutes,
70.14 section 462A.201; and the department may instead retain that money in the separate account
70.15 in the general fund under Minnesota Statutes, section 474A.21. The amount necessary to
70.16 refund the application deposits under this section is appropriated to the department from
70.17 the separate account in the general fund under Minnesota Statutes, section 474A.21. For
70.18 purposes of this section, "department" means the Department of Management and Budget.

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

70.20 Sec. 47. **STATE PARKING ACCOUNT.**

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

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

70.28 Sec. 48. **REPEALER.**

70.29 Minnesota Statutes 2020, sections 16A.93; 16A.94; and 16A.96, are repealed.

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.