

This conference committee report
was drafted and approved by the
Revisor's Office

Date _____

1.1 CONFERENCE COMMITTEE REPORT ON H. F. No. 855

1.2 A bill for an act

1.3 relating to capital improvements; authorizing spending to acquire and better
1.4 public land and buildings and other improvements of a capital nature with
1.5 certain conditions; establishing new programs and modifying existing
1.6 programs; authorizing the sale of state bonds; repealing and modifying previous
1.7 appropriations; appropriating money; amending Minnesota Statutes 2008,
1.8 sections 16A.641, subdivisions 4, 7; 16A.66, subdivision 2; 16A.86, subdivision
1.9 2, by adding a subdivision; 85.015, by adding a subdivision; 134.45, by adding
1.10 a subdivision; 135A.046, subdivision 2; 174.03, subdivision 1b; 174.88,
1.11 subdivision 2; Laws 2005, chapter 20, article 1, section 23, subdivision 16, as
1.12 amended; Laws 2006, chapter 258, sections 20, subdivision 7; 21, subdivisions
1.13 5, 6, as amended; 23, subdivision 3, as amended; Laws 2008, chapter 179,
1.14 section 3, subdivisions 12, as amended, 21, 25; proposing coding for new law in
1.15 Minnesota Statutes, chapters 16A; 84; 174; 473; repealing Minnesota Statutes
1.16 2008, sections 16A.86, subdivision 3; 116.156; 473.399, subdivision 4; Laws
1.17 2008, chapter 179, section 8, subdivision 3.

1.18 May 12, 2009
1.19 The Honorable Margaret Anderson Kelliher
1.20 Speaker of the House of Representatives

1.21 The Honorable James P. Metzen
1.22 President of the Senate

1.23 We, the undersigned conferees for H. F. No. 855 report that we have agreed upon the
1.24 items in dispute and recommend as follows:

1.25 That the Senate recede from its amendment and that H. F. No. 855 be further
1.26 amended as follows:

1.27 Delete everything after the enacting clause and insert:

1.28 "ARTICLE 1
1.29 CAPITAL IMPROVEMENTS

1.30 Section 1. CAPITAL IMPROVEMENT APPROPRIATIONS.

1.31 The sums shown in the column under "Appropriations" are appropriated from the
1.32 bond proceeds fund, or another named fund, to the state agencies or officials indicated,

2.1 to be spent for public purposes. Appropriations of bond proceeds must be spent as
 2.2 authorized by the Minnesota Constitution, article XI, section 5, paragraph (a), to acquire
 2.3 and better public land and buildings and other public improvements of a capital nature, or
 2.4 as authorized by the Minnesota Constitution, article XI, section 5, paragraphs (b) to (j), or
 2.5 article XIV. Unless otherwise specified, the appropriations in this act are available until
 2.6 the project is completed or abandoned subject to Minnesota Statutes, section 16A.642.

2.7 **SUMMARY**

2.8	<u>University of Minnesota</u>	\$	<u>51,500,000</u>
2.9	<u>Minnesota State Colleges and Universities</u>		<u>78,875,000</u>
2.10	<u>Education</u>		<u>5,780,000</u>
2.11	<u>Natural Resources</u>		<u>54,800,000</u>
2.12	<u>Board of Water and Soil Resources</u>		<u>500,000</u>
2.13	<u>Rural Finance Authority</u>		<u>35,000,000</u>
2.14	<u>Zoological Garden</u>		<u>3,000,000</u>
2.15	<u>Amateur Sports Commission</u>		<u>1,000,000</u>
2.16	<u>Military Affairs</u>		<u>3,602,000</u>
2.17	<u>Transportation</u>		<u>54,600,000</u>
2.18	<u>Metropolitan Council</u>		<u>22,600,000</u>
2.19	<u>Human Services</u>		<u>4,000,000</u>
2.20	<u>Veterans Affairs</u>		<u>2,500,000</u>
2.21	<u>Corrections</u>		<u>4,000,000</u>
2.22	<u>Employment and Economic Development</u>		<u>17,250,000</u>
2.23	<u>Housing Finance Agency</u>		<u>2,000,000</u>
2.24	<u>Minnesota Historical Society</u>		<u>2,165,000</u>
2.25	<u>Bond Sale Expenses</u>		<u>343,000</u>
2.26	<u>TOTAL</u>	\$	<u>343,515,000</u>
2.27	<u>Bond Proceeds Fund (General Fund Debt Service)</u>		<u>279,777,000</u>
2.28	<u>Bond Proceeds Fund (User Financed Debt Service)</u>		<u>47,958,000</u>
2.29	<u>Maximum Effort School Loan Fund</u>		<u>5,780,000</u>
2.30	<u>State Transportation Fund</u>		<u>10,000,000</u>

3.1		<u>APPROPRIATIONS</u>
3.2	Sec. 2. <u>UNIVERSITY OF MINNESOTA</u>	
3.3	<u>Subdivision 1. Total Appropriation</u>	<u>\$ 51,500,000</u>
3.4	<u>To the Board of Regents of the University</u>	
3.5	<u>of Minnesota for the purposes specified in</u>	
3.6	<u>this section.</u>	
3.7	<u>Subd. 2. Higher Education Asset Preservation</u>	
3.8	<u>and Replacement (HEAPR)</u>	<u>25,000,000</u>
3.9	<u>To be spent in accordance with Minnesota</u>	
3.10	<u>Statutes, section 135A.046.</u>	
3.11	<u>Subd. 3. Twin Cities Campus</u>	
3.12	<u>Bell Museum of Natural History</u>	<u>24,000,000</u>
3.13	<u>To complete design and to construct, furnish,</u>	
3.14	<u>and equip a new Bell Museum of Natural</u>	
3.15	<u>History on the St. Paul campus.</u>	
3.16	<u>National Solar Rating and Certification</u>	
3.17	<u>Laboratory</u>	<u>2,150,000</u>
3.18	<u>To design, engineer, construct, furnish,</u>	
3.19	<u>and equip a solar rating and certification</u>	
3.20	<u>laboratory in the mechanical engineering</u>	
3.21	<u>building on the Minneapolis campus. The</u>	
3.22	<u>project includes installation and upgrading</u>	
3.23	<u>of utilities for the laboratory, acquisition</u>	
3.24	<u>and installation of a testing chamber, and</u>	
3.25	<u>accreditation of the laboratory.</u>	
3.26	<u>Subd. 4. West Central Research and Outreach</u>	
3.27	<u>Center, Morris</u>	<u>350,000</u>
3.28	<u>To acquire and install at the West Central</u>	
3.29	<u>Research and Outreach Center in Morris</u>	
3.30	<u>demonstration solar thermal and photo</u>	

4.1 voltaic systems, including system monitoring
4.2 equipment.

4.3 **Sec. 3. MINNESOTA STATE COLLEGES**
4.4 **AND UNIVERSITIES**

4.5 **Subdivision 1. Total Appropriation** **\$ 78,875,000**

4.6 To the Board of Trustees of the Minnesota
4.7 State Colleges and Universities for the
4.8 purposes specified in this section.

4.9 **Subd. 2. Higher Education Asset Preservation**
4.10 **And Replacement (HEAPR)** **40,000,000**

4.11 For the purposes specified in Minnesota
4.12 Statutes, section 135A.046, including safety
4.13 and statutory compliance, building envelope
4.14 integrity, mechanical systems, and space
4.15 restoration.

4.16 **Subd. 3. Lake Superior Community and**
4.17 **Technical College**

4.18 **Health and Science Center Addition** **11,000,000**

4.19 To complete design of and to construct,
4.20 furnish, and equip an addition to the Health
4.21 and Science Center and to renovate existing
4.22 spaces.

4.23 **Subd. 4. Mesabi Range Community and**
4.24 **Technical College, Eveleth**

4.25 **Carpentry and Industrial Mechanical**
4.26 **Technology and Shops** **5,250,000**

4.27 To construct, furnish, and equip shop space
4.28 for the industrial mechanical technology
4.29 and carpentry programs. This appropriation

5.1 includes funding for renovation of existing
5.2 space for ADA compliance.

5.3 **Subd. 5. Metropolitan State University**

5.4 **Smart Classroom Center** 5,700,000

5.5 To construct, furnish, and equip renovation
5.6 of two floors of technology-enhanced
5.7 classrooms and academic offices in the power
5.8 plant building. This appropriation includes
5.9 money to demolish the power plant annex to
5.10 enable the new construction.

5.11 **Subd. 6. Minnesota State College, Southeast**

5.12 **Technical - Aviation Training Center**

5.13 Notwithstanding Minnesota Statutes, section
5.14 136F.60, subdivision 5, the net proceeds
5.15 of the sale or disposition of the Aviation
5.16 Training Center in Winona operated by
5.17 Minnesota State College - Southeast
5.18 Technical, after paying all expenses incurred
5.19 in selling the property and retiring any
5.20 remaining debt attributable to the project,
5.21 are appropriated to the board of trustees
5.22 of the Minnesota State Colleges and
5.23 Universities for use in a capital project at the
5.24 Winona campus and need not be paid to the
5.25 commissioner of finance, as would otherwise
5.26 be required by Minnesota Statutes, section
5.27 16A.695, subdivision 3.

5.28 When the sale is complete and the sale
5.29 proceeds have been applied as provided in
5.30 this subdivision, Minnesota Statutes, section
5.31 16A.695, no longer applies to the property
5.32 and the property is no longer state bond
5.33 financed property.

6.1 Subd. 7. North Hennepin Community College

6.2 Center for Business and Technology 13,300,000

6.3 To construct, furnish, and equip an addition
6.4 to the Center for Business and Technology
6.5 and to renovate the center for classrooms and
6.6 related space.

6.7 Subd. 8. Systemwide Initiatives

6.8 Classroom Renovation 3,625,000

6.9 To design, construct, furnish, and equip
6.10 renovation of classroom and academic
6.11 space. Excluding revenue from student
6.12 tuition and fees, campuses may use nonstate
6.13 money to increase the size of the projects.

6.14 This appropriation may be used only at the
6.15 following campuses: Central Lakes College,
6.16 Brainerd; Minnesota State Community
6.17 Technical College, Moorhead and Wadena;
6.18 Minnesota West Community Technical
6.19 College, Pipestone; Northland Community
6.20 Technical College, Thief River Falls; Pine
6.21 Technical College, Pine City; and Rochester
6.22 Community Technical College, Rochester.

6.23 Subd. 9. Debt Service

6.24 (a) The board shall pay the debt service on
6.25 one-third of the principal amount of state
6.26 bonds sold to finance projects authorized by
6.27 this section, except for higher education asset
6.28 preservation and replacement, and except
6.29 that, where a nonstate match is required, the
6.30 debt service is due on a principal amount
6.31 equal to one-third of the total project cost,
6.32 less the match committed before the bonds

7.1 are sold. After each sale of general obligation
7.2 bonds, the commissioner of finance shall
7.3 notify the board of the amounts assessed for
7.4 each year for the life of the bonds.

7.5 (b) The commissioner shall reduce the
7.6 board's assessment each year by one-third of
7.7 the net income from investment of general
7.8 obligation bond proceeds in proportion to the
7.9 amount of principal and interest otherwise
7.10 required to be paid by the board. The board
7.11 shall pay its resulting net assessment to the
7.12 commissioner of finance by December 1 each
7.13 year. If the board fails to make a payment
7.14 when due, the commissioner of finance
7.15 shall reduce allotments for appropriations
7.16 from the general fund otherwise available
7.17 to the board and apply the amount of the
7.18 reduction to cover the missed debt service
7.19 payment. The commissioner of finance
7.20 shall credit the payments received from the
7.21 board to the bond debt service account in
7.22 the state bond fund each December 1 before
7.23 money is transferred from the general fund
7.24 under Minnesota Statutes, section 16A.641,
7.25 subdivision 10.

7.26 **Subd. 10. Unspent Appropriations**

7.27 (a) Upon substantial completion of a project
7.28 authorized in this section and after written
7.29 notice to the commissioner of finance, the
7.30 Board of Trustees must use any money
7.31 remaining in the appropriation for that
7.32 project for HEAPR under Minnesota
7.33 Statutes, section 135A.046. The Board
7.34 of Trustees must report by February 1 of
7.35 each even-numbered year to the chairs

8.1 of the house and senate committees with
8.2 jurisdiction over capital investment and
8.3 higher education finance, and to the chairs of
8.4 the house Ways and Means Committee and
8.5 the senate Finance Committee, on how the
8.6 remaining money has been allocated or spent.

8.7 (b) The unspent portion of an appropriation
8.8 for a project in this section that is complete,
8.9 is available for higher education asset
8.10 preservation and replacement under this
8.11 subdivision, at the same campus as the
8.12 project for which the original appropriation
8.13 was made and the debt service requirement
8.14 under subdivision 9 is reduced accordingly.
8.15 Minnesota Statutes, section 16A.642, applies
8.16 from the date of the original appropriation to
8.17 the unspent amount transferred.

8.18 Sec. 4. EDUCATION

8.19 **Independent School District No. 38, Red Lake** § **5,780,000**

8.20 From the maximum effort school loan fund to
8.21 the commissioner of education for a capital
8.22 loan to Independent School District No. 38,
8.23 Red Lake, as provided in Minnesota Statutes,
8.24 sections 126C.60 to 126C.72, to design,
8.25 construct, furnish, and equip renovation of
8.26 existing facilities and construction of new
8.27 facilities.

8.28 The project paid for with this appropriation
8.29 includes a portion of the renovation and
8.30 construction identified as Phase 4 in the
8.31 review and comment performed by the
8.32 commissioner of education under the capital
8.33 loan provisions of Minnesota Statutes,

9.1 section 126C.69. This portion includes
9.2 renovation and construction of a single
9.3 kitchen and cafeteria to serve the high school
9.4 and middle school, a receiving area and dock
9.5 and adjacent drives, utilities, and grading.

9.6 Before any capital loan contract is approved
9.7 under this authorization, the district must
9.8 provide documentation acceptable to the
9.9 commissioner on how the capital loan will
9.10 be used.

9.11 **Sec. 5. NATURAL RESOURCES**

9.12 **Subdivision 1. Total Appropriation** **\$** **54,800,000**

9.13 To the commissioner of natural resources
9.14 for the purposes specified in this section.
9.15 The commissioner must allocate money
9.16 appropriated in this section so as to maximize
9.17 the use of all available federal money from
9.18 the American Recovery and Reinvestment
9.19 Act of 2009, Public Law 111-5, and any other
9.20 federal funding.

9.21 The appropriations in this section are
9.22 subject to the requirements of the natural
9.23 resources capital improvement program
9.24 under Minnesota Statutes, section 86A.12,
9.25 unless this section or the statutes referred
9.26 to in this section provide more specific
9.27 standards, criteria, or priorities for projects
9.28 than Minnesota Statutes, section 86A.12.

9.29 To the extent possible, a person conducting
9.30 prairie restoration with state money must
9.31 plant vegetation or sow seed only of ecotypes
9.32 native to Minnesota, and preferably of the
9.33 local ecotype, using a high diversity of

10.1 species originating from as close to the
10.2 restoration site as possible, and protect
10.3 existing native prairies from genetic
10.4 contamination.

10.5 **Subd. 2. Statewide Asset Preservation** 1,000,000

10.6 For the renovation of state-owned facilities
10.7 operated by the commissioner of natural
10.8 resources that can be substantially completed
10.9 in calendar year 2009, as determined by
10.10 the commissioner of natural resources,
10.11 to be spent in accordance with new
10.12 Minnesota Statutes, section 84.946,
10.13 including renovation of buildings for energy
10.14 efficiency, roof replacements, replacement
10.15 of well and water treatment systems, road
10.16 resurfacing, major culvert replacement and
10.17 erosion control, water access rehabilitation,
10.18 trail resurfacing and widening, and bridge
10.19 replacement and rehabilitation. The
10.20 commissioner may use this appropriation
10.21 to replace buildings if, considering the
10.22 embedded energy in the building, that is the
10.23 most energy-efficient and carbon-reducing
10.24 method of renovation.

10.25 **Subd. 3. Flood Hazard Mitigation Grants** 53,800,000

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

10.31 This appropriation includes money to
10.32 maximize federal funds for projects in Ada,
10.33 Breckenridge, and Roseau. Any money
10.34 remaining from this appropriation is for

- 11.1 the following projects as prioritized by the
- 11.2 commissioner based on need:
- 11.3 (a) Ada
- 11.4 (b) Agassiz Valley
- 11.5 (c) Albert Lea
- 11.6 (d) Argyle
- 11.7 (e) Austin
- 11.8 (f) Bois de Sioux Watershed District, North
- 11.9 Ottawa project
- 11.10 (g) Breckenridge
- 11.11 (h) Browns Valley
- 11.12 (i) Crookston
- 11.13 (j) Granite Falls
- 11.14 (k) Hay Creek-Norland
- 11.15 (l) Inver Grove Heights
- 11.16 (m) Manston Slough
- 11.17 (n) Moorhead
- 11.18 (o) Oakport Township
- 11.19 \$12,000,000 is for the Oakport Township
- 11.20 project.
- 11.21 (p) Red Path
- 11.22 (q) Roseau
- 11.23 (r) Shell Rock River Watershed
- 11.24 (s) Spring Brook
- 11.25 (t) Stillwater
- 11.26 (u) St. Paul
- 11.27 \$3,800,000 is for a grant to the City of St.
- 11.28 Paul to acquire land for and to predesign,
- 11.29 design, construct, furnish, and equip river

12.1 park development and redevelopment
12.2 infrastructure in National Great River Park
12.3 along the Mississippi River in St. Paul.
12.4 This appropriation is not subject to the
12.5 match requirements of Minnesota Statutes,
12.6 section 103F.161, but it is not available until
12.7 the commissioner determines that at least
12.8 \$2,500,000 is committed to the project from
12.9 nonstate sources.

12.10 (v) St. Vincent

12.11 (w) Two Rivers

12.12 (x) Any other project in a community in the
12.13 Red River basin affected by the 2009 flood

12.14 For any project listed in this subdivision
12.15 that the commissioner determines is not
12.16 ready to proceed or does not expend all the
12.17 money allocated to it, the commissioner may
12.18 allocate that project's money to a project on
12.19 the commissioner's priority list.

12.20 To the extent that the cost of a project in Ada,
12.21 Breckenridge, Browns Valley, Crookston,
12.22 Granite Falls, Moorhead, Oakport Township,
12.23 Roseau, St. Vincent, or any other community
12.24 affected by the April 2009 flooding in the
12.25 Red River basin exceeds two percent of the
12.26 median household income in the municipality
12.27 multiplied by the number of households in
12.28 the municipality, this appropriation is also
12.29 for the local share of the project.

12.30 **Sec. 6. BOARD OF WATER AND SOIL**
12.31 **RESOURCES**

12.32 **RIM Conservation Reserve** **\$** **500,000**

13.1 To the Board of Water and Soil Resources
13.2 to acquire conservation easements from
13.3 landowners to preserve, restore, create,
13.4 and enhance wetlands, restore and enhance
13.5 rivers and streams, riparian lands, and
13.6 associated uplands in order to protect
13.7 soil and water quality, support fish and
13.8 wildlife habitat, reduce flood damages,
13.9 and other public benefits. The board must
13.10 allocate money appropriated in this section
13.11 so as to maximize the use of available
13.12 federal funds. The provisions of Minnesota
13.13 Statutes, section 103F.515, apply to this
13.14 appropriation, except that the board may
13.15 establish alternative payment rates for
13.16 easements and practices to establish restored
13.17 native prairies and to protect uplands. To
13.18 the extent possible, prairie restorations
13.19 conducted with money appropriated in this
13.20 section must plant vegetation or sow seed
13.21 only of ecotypes native to Minnesota, and
13.22 preferably of the local ecotype, using a high
13.23 diversity of species originating from as
13.24 close to the restoration site as possible, and
13.25 protect existing native prairies from genetic
13.26 contamination. Of this appropriation, up to
13.27 ten percent may be used to implement the
13.28 program.

13.29 **Sec. 7. RURAL FINANCE AUTHORITY.** **\$** **35,000,000**

13.30 For the purposes set forth in the Minnesota
13.31 Constitution, article XI, section 5, paragraph
13.32 (h). To the Rural Finance Authority to
13.33 purchase participation interests in or to
13.34 make direct agricultural loans to farmers
13.35 under Minnesota Statutes, chapter 41B.

14.1 This appropriation is for the beginning
14.2 farmer program under Minnesota Statutes,
14.3 section 41B.039; the loan restructuring
14.4 program under Minnesota Statutes, section
14.5 41B.04; the seller-sponsored program under
14.6 Minnesota Statutes, section 41B.042; the
14.7 agricultural improvement loan program
14.8 under Minnesota Statutes, section 41B.043;
14.9 and the livestock expansion loan program
14.10 under Minnesota Statutes, section 41B.045.
14.11 All debt service on bond proceeds used to
14.12 finance this appropriation must be repaid
14.13 by the Rural Finance Authority under
14.14 Minnesota Statutes, section 16A.643. Loan
14.15 participations must be priced to provide full
14.16 interest and principal coverage and a reserve
14.17 for potential losses. Priority for loans must
14.18 be given first to basic beginning farmer loans,
14.19 second to seller-sponsored loans, and third to
14.20 agricultural improvement loans.

14.21 Sec. 8. **MINNESOTA ZOOLOGICAL**
14.22 **GARDEN**

14.23 **Asset Preservation and Improvement** **\$** **3,000,000**

14.24 To the Minnesota Zoological Garden
14.25 to design and construct capital asset
14.26 preservation improvements and betterments
14.27 to infrastructure and exhibits at the Minnesota
14.28 Zoo.

14.29 Sec. 9. **AMATEUR SPORTS COMMISSION**

14.30 **National Sports Center - Blaine** **\$** **1,000,000**

14.31 To the Minnesota Amateur Sports
14.32 Commission for asset preservation at the

15.1 National Sports Center in Blaine, to be spent
15.2 in accordance with Minnesota Statutes,
15.3 section 16B.307.

15.4 Sec. 10. **MILITARY AFFAIRS**

15.5 **Asset Preservation** **\$** **3,602,000**

15.6 To the adjutant general for asset preservation
15.7 improvements and betterments of a capital
15.8 nature at military affairs facilities, to be
15.9 spent in accordance with Minnesota Statutes,
15.10 section 16B.307. The adjutant general must
15.11 allocate money appropriated in this section
15.12 so as to maximize the use of all available
15.13 federal funding.

15.14 This appropriation may be used for life safety
15.15 improvements, to correct code deficiencies,
15.16 for Americans with Disabilities Act
15.17 alterations, and to improve energy efficiency
15.18 at existing National Guard Training and
15.19 Community Centers at Hastings, Hutchinson,
15.20 Red Wing, and Winona; and to match
15.21 federal stimulus money for backup heating
15.22 and electricity improvements at Bemidji,
15.23 Brainerd, Duluth, Inver Grove Heights,
15.24 Jackson, Northeast Minneapolis, Rosemount,
15.25 and St. Peter.

15.26 Sec. 11. **TRANSPORTATION**

15.27 **Subdivision 1. Total Appropriation** **\$** **54,600,000**

15.28 To the commissioner of transportation
15.29 for the purposes specified in this section.
15.30 The commissioner must allocate money
15.31 appropriated in this section so as to maximize
15.32 the use of all available federal money from

16.1 the American Recovery and Reinvestment
16.2 Act of 2009, Public Law 111-5, and any other
16.3 federal funding.

16.4 **Subd. 2. Local Bridge Replacement and**
16.5 **Rehabilitation**

10,000,000

16.6 This appropriation is from the bond proceeds
16.7 account in the state transportation fund
16.8 to match federal money and to replace
16.9 or rehabilitate local deficient bridges as
16.10 provided in Minnesota Statutes, section
16.11 174.50.

16.12 Political subdivisions may use grants made
16.13 under this subdivision to construct or
16.14 reconstruct bridges, including but not limited
16.15 to:

16.16 (1) matching federal-aid grants to construct
16.17 or reconstruct key bridges;

16.18 (2) paying the costs of preliminary
16.19 engineering and environmental studies
16.20 authorized under Minnesota Statutes, section
16.21 174.50, subdivision 6a;

16.22 (3) paying the costs to abandon an existing
16.23 bridge that is deficient and in need of
16.24 replacement, but where no replacement will
16.25 be made;

16.26 (4) paying the costs to construct a road
16.27 or street to facilitate the abandonment
16.28 of an existing bridge determined by
16.29 the commissioner to be deficient, if the
16.30 commissioner determines that construction
16.31 of the road or street is more economical than
16.32 replacement of the existing bridge; and

- 17.1 (5) paying up to \$300,000 of the cost to
17.2 construct a bridge over both a trunk highway
17.3 and rail corridor in a city of less than
17.4 5,000 population when the commissioner
17.5 determines a bridge is needed to improve
17.6 safety.
- 17.7 **Subd. 3. Rail Service Improvement** 3,000,000
- 17.8 For the rail service improvement program
17.9 to be spent for the purposes set forth
17.10 in Minnesota Statutes, section 222.50,
17.11 subdivision 7.
- 17.12 **Subd. 4. Minnesota Valley Railroad Track**
17.13 **Rehabilitation** 4,000,000
- 17.14 For a grant to the Minnesota Valley Regional
17.15 Railroad Authority to rehabilitate up to 95
17.16 miles of railroad track from Norwood-Young
17.17 America to Hanley Falls. A grant under this
17.18 subdivision is in addition to any grant, loan,
17.19 or loan guarantee for this project made by
17.20 the commissioner under Minnesota Statutes,
17.21 sections 222.46 to 222.62.
- 17.22 **Subd. 5. Intercity Passenger Rail Projects** 26,000,000
- 17.23 To implement capital improvements and
17.24 betterments for intercity passenger rail
17.25 projects as identified in the statewide freight
17.26 and passenger rail plan under Minnesota
17.27 Statutes, section 174.03, subdivision 1b,
17.28 which are determined to be eligible for
17.29 USDOT funding. Notwithstanding any
17.30 law to the contrary, a portion or phase of
17.31 an intercity passenger rail project may
17.32 be accomplished with one or more state
17.33 appropriations, and an intercity passenger rail
17.34 project need not be completed with any one

18.1	<u>appropriation. Capital improvements and</u>	
18.2	<u>betterments include preliminary engineering,</u>	
18.3	<u>design, engineering, environmental analysis</u>	
18.4	<u>and mitigation, acquisition of land and</u>	
18.5	<u>right-of-way, and construction.</u>	
18.6	<u>Subd. 6. Port Development Assistance</u>	<u>3,000,000</u>
18.7	<u>For grants under Minnesota Statutes, chapter</u>	
18.8	<u>457A. Any improvements made with the</u>	
18.9	<u>proceeds of these grants must be publicly</u>	
18.10	<u>owned.</u>	
18.11	<u>Subd. 7. Alexandria Aircraft Surveillance</u>	
18.12	<u>Facility</u>	<u>2,000,000</u>
18.13	<u>To acquire land for, and to design and</u>	
18.14	<u>construct, a surveillance tower and associated</u>	
18.15	<u>equipment, an emergency backup power</u>	
18.16	<u>system, and a structure to house equipment.</u>	
18.17	<u>Subd. 8. Bigfork Airport Runway</u>	<u>1,700,000</u>
18.18	<u>For a grant to the city of Bigfork to extend</u>	
18.19	<u>and reconstruct a runway.</u>	
18.20	<u>Subd. 9. Duluth Airport Terminal</u>	<u>4,900,000</u>
18.21	<u>For a grant to the city of Duluth to predesign,</u>	
18.22	<u>design, construct, furnish, and equip phase</u>	
18.23	<u>one of the new terminal facilities at the</u>	
18.24	<u>Duluth International Airport as that phase of</u>	
18.25	<u>the terminal facilities project is described for</u>	
18.26	<u>purposes of grant funding received from the</u>	
18.27	<u>Federal Aviation Administration.</u>	
18.28	<u>Sec. 12. METROPOLITAN COUNCIL</u>	
18.29	<u>Subdivision 1. Total Appropriation</u>	<u>\$ 22,600,000</u>
18.30	<u>To the Metropolitan Council for the purposes</u>	
18.31	<u>specified in this section.</u>	

19.1 Subd. 2. Transit Capital Improvement

19.2 Program 21,000,000

19.3 (a) To the Metropolitan Council. \$8,500,000
19.4 is for the state's share of costs for the Central
19.5 Corridor light rail line for one or more of the
19.6 following activities: preliminary engineering,
19.7 final design, property acquisition, including
19.8 improvements and betterments of a capital
19.9 nature, relocation of utilities owned by public
19.10 entities, and construction.

19.11 (b) Any remaining money from this
19.12 appropriation is to implement one or more of
19.13 the following capital improvements, which
19.14 are not listed in a ranked order of priority.
19.15 The council shall determine project priorities
19.16 after consultation with the Counties Transit
19.17 Improvement Board, and other stakeholders,
19.18 as appropriate. The council shall seek
19.19 geographic balance in the allotment of this
19.20 appropriation where possible and maximize
19.21 the use of all available federal money from
19.22 the American Recovery and Reinvestment
19.23 Act of 2009, Public Law 111-5, and any other
19.24 available federal money.

19.25 (1) Bottineau Boulevard Transit Way

19.26 For a grant to the Hennepin County Regional
19.27 Railroad Authority for environmental work
19.28 for Bottineau Transit Way corridor from the
19.29 Hiawatha light rail and Northstar intermodal
19.30 transit station in downtown Minneapolis to
19.31 the vicinity of the Target development in
19.32 northern Brooklyn Park or the Arbor Lakes
19.33 retail area in Maple Grove.

20.1 (2) Cedar Avenue Bus Rapid Transit

20.2 For a grant to the Dakota County Regional
20.3 Rail Authority to acquire real property
20.4 and construct roadway improvements for
20.5 shoulder running bus lanes on County
20.6 State-Aid Highway 23 in Apple Valley and
20.7 Lakeville for the Cedar Avenue Bus Rapid
20.8 Transit Way (BRT) in Dakota County.

20.9 (3) I-94 Corridor Transit Way

20.10 (i) For a grant to Washington County
20.11 Regional Rail Authority for environmental
20.12 work and preliminary engineering of
20.13 transportation and transit improvements,
20.14 including busways, park-and-rides, or rail
20.15 transit, in the marked Interstate Highway 94
20.16 corridor.

20.17 (ii) To acquire property and construct
20.18 transportation and transit improvements,
20.19 including busways, park-and-rides, or rail
20.20 transit, in the marked Interstate Highway 94
20.21 corridor.

20.22 (4) Red Rock Corridor Transit Way

20.23 To design, construct, and furnish
20.24 park-and-ride lots for the Red Rock
20.25 Corridor Transit Way between Hastings and
20.26 Minneapolis via St. Paul, and any extension
20.27 between Hastings and Red Wing.

20.28 (5) Riverview Corridor Transit Way

20.29 For a grant to the Ramsey County Regional
20.30 Railroad Authority for environmental work
20.31 and preliminary engineering for bus rapid

21.1 transit in the Riverview corridor between the
21.2 east side of St. Paul and the Minneapolis-St.
21.3 Paul International Airport and the Mall of
21.4 America.

21.5 (6) Robert Street Corridor Transit Way

21.6 To design and construct new passenger
21.7 shelters and a bus layover facility, including
21.8 rest rooms, break areas, and a passenger
21.9 shelter, in the Robert Street Corridor Transit
21.10 Way along or parallel to U.S. Highway
21.11 52 and Robert Street from within the city
21.12 of St. Paul to Dakota County Road 42 in
21.13 Rosemount.

21.14 (7) Rush Line Corridor Transit Way

21.15 For a grant to the Ramsey County Regional
21.16 Railroad Authority to acquire land for,
21.17 design, and construct park-and-ride or
21.18 park-and-pool lots located along the Rush
21.19 Line Corridor along I-35E/I-35 and Highway
21.20 61 from the Union Depot in downtown St.
21.21 Paul to Hinckley.

21.22 (8) Southwest Corridor Transit Way

21.23 To prepare an environmental impact
21.24 statement (EIS) and for preliminary
21.25 engineering for the Southwest Transit Way
21.26 Corridor, from the Hiawatha light rail in
21.27 downtown Minneapolis to the vicinity of the
21.28 Southwest Station transit hub in Eden Prairie.
21.29 The Metropolitan Council may grant a
21.30 portion of this appropriation to the Hennepin
21.31 County Regional Railroad Authority for the
21.32 EIS work.

22.1	<u>(9) Union Depot</u>	
22.2	<u>For a grant to the Ramsey County Regional</u>	
22.3	<u>Railroad Authority to acquire land and</u>	
22.4	<u>structures, to renovate structures, and</u>	
22.5	<u>for design, engineering, and construction</u>	
22.6	<u>to revitalize Union Depot for use as a</u>	
22.7	<u>multimodal transit center in St. Paul. The</u>	
22.8	<u>center must be designed so that it facilitates a</u>	
22.9	<u>potential future connection of high-speed rail</u>	
22.10	<u>to Minneapolis.</u>	
22.11	<u>(c) Of this amount, \$313,000 is for</u>	
22.12	<u>preliminary engineering and final design for</u>	
22.13	<u>betterments in the State Capitol area related</u>	
22.14	<u>to the Central Corridor light rail transit</u>	
22.15	<u>project. This money is not included in the</u>	
22.16	<u>Central Corridor light rail transit project</u>	
22.17	<u>budget.</u>	
22.18	Subd. 3. <u>Metropolitan Regional Parks Capital</u>	
22.19	<u>Improvements</u>	
22.20	<u>(a) Northtown Rail Yard Bridge</u>	<u>600,000</u>
22.21	<u>For a grant to the city of Minneapolis to</u>	
22.22	<u>acquire land for, and to predesign and design</u>	
22.23	<u>a bridge for, St. Anthony Parkway over the</u>	
22.24	<u>Northtown Rail Yard.</u>	
22.25	<u>(b) Veterans Victory Memorial Parkway</u>	<u>1,000,000</u>
22.26	<u>For a grant to the city of Minneapolis to</u>	
22.27	<u>better the Veterans of World War I Victory</u>	
22.28	<u>Memorial Parkway portion of the Grand</u>	
22.29	<u>Rounds Scenic Byway.</u>	
22.30	Sec. 13. <u>HUMAN SERVICES</u>	
22.31	<u>Subdivision 1. Total Appropriation</u>	<u>\$ 4,000,000</u>

23.1	<u>To the commissioner of administration, or</u>	
23.2	<u>another named agency, for the purposes</u>	
23.3	<u>specified in this section. The commissioner</u>	
23.4	<u>must allocate money appropriated in this</u>	
23.5	<u>section so as to maximize the use of all</u>	
23.6	<u>available federal funding.</u>	
23.7	<u>Subd. 2. Asset Preservation</u>	<u>2,000,000</u>
23.8	<u>For asset preservation improvements and</u>	
23.9	<u>betterments of a capital nature at Department</u>	
23.10	<u>of Human Services facilities statewide, in</u>	
23.11	<u>accordance with Minnesota Statutes, section</u>	
23.12	<u>16B.307. The commissioner may give first</u>	
23.13	<u>priority to installing a summer boiler system</u>	
23.14	<u>for the Minnesota sex offender program</u>	
23.15	<u>at Moose Lake and to making capital</u>	
23.16	<u>improvements at the St. Peter Regional</u>	
23.17	<u>Treatment Center that will increase energy</u>	
23.18	<u>efficiency and reduce operating costs.</u>	
23.19	<u>Subd. 3. Early Childhood Learning and Child</u>	
23.20	<u>Protection Facilities</u>	<u>2,000,000</u>
23.21	<u>To the commissioner of human services for</u>	
23.22	<u>grants to construct and rehabilitate facilities</u>	
23.23	<u>for programs under Minnesota Statutes,</u>	
23.24	<u>section 256E.37.</u>	
23.25	Sec. 14. <u>VETERANS AFFAIRS</u>	
23.26	<u>Subdivision 1. Total Appropriation</u>	<u>\$ 2,500,000</u>
23.27	<u>To the commissioner of administration</u>	
23.28	<u>for the purposes specified in this section.</u>	
23.29	<u>The commissioner must allocate money</u>	
23.30	<u>appropriated in this section so as to maximize</u>	
23.31	<u>the use of all available federal funding.</u>	
23.32	<u>Subd. 2. Asset Preservation</u>	<u>1,000,000</u>

24.1 For asset preservation improvements and
24.2 betterments of a capital nature at veterans
24.3 homes statewide, to be spent in accordance
24.4 with Minnesota Statutes, section 16B.307.
24.5 Of this, \$600,000 is for HVAC replacement
24.6 and foundation waterproofing in building
24.7 4 at the Minneapolis Veterans Home, and
24.8 \$350,000 is for roof replacement projects at
24.9 the Hastings Veterans Home.

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

24.11 Of this amount, up to \$500,000 is to acquire
24.12 land located in Redwood County and
24.13 northeastern Minnesota for publicly owned
24.14 veterans cemeteries, to be operated by
24.15 the commissioner of veterans affairs. The
24.16 commissioner also must seek donations of
24.17 land for the cemeteries. The balance of the
24.18 appropriation is to predesign and design
24.19 the cemeteries. Federal reimbursement of
24.20 predesign and design costs is appropriated
24.21 to the commissioner for asset preservation
24.22 of veterans homes statewide, to be spent in
24.23 accordance with Minnesota Statutes, section
24.24 16B.307.

24.25 **Sec. 15. CORRECTIONS**

24.26 **Asset Preservation** **\$ 4,000,000**

24.27 To the commissioner of administration for
24.28 improvements and betterments of a capital
24.29 nature at Minnesota correctional facilities
24.30 statewide, in accordance with Minnesota
24.31 Statutes, section 16B.307.

25.1 Sec. 16. EMPLOYMENT AND ECONOMIC
 25.2 DEVELOPMENT

25.3 Subdivision 1. Total Appropriation \$ 17,250,000

25.4 To the commissioner of employment and
 25.5 economic development or other named
 25.6 agency for the purposes specified in this
 25.7 section.

25.8 Subd. 2. Redevelopment Account 750,000

25.9 For the purposes of the redevelopment
 25.10 account in Minnesota Statutes, section
 25.11 116J.571, for a grant to St. Louis County to
 25.12 design, construct, and install public water
 25.13 and sewer and related infrastructure from the
 25.14 city of Chisholm to the regional competition
 25.15 and exhibit center notwithstanding the
 25.16 requirements of Minnesota Statutes, sections
 25.17 116J.571 to 116J.575, relating to eligible
 25.18 costs. This appropriation is not available
 25.19 until the commissioner determines that at
 25.20 least an equal amount is committed to the
 25.21 project.

25.22 Subd. 3. Mankato - Civic Center Expansion 6,500,000

25.23 For a grant to the city of Mankato for its
 25.24 Civic Center expansion, including to prepare
 25.25 a site for and to design, construct, furnish,
 25.26 and equip the Southern Minnesota Women's
 25.27 Hockey Exposition Center for use by
 25.28 Minnesota State University, Mankato. The
 25.29 Minnesota State Colleges and Universities
 25.30 may lease land on the campus of Minnesota
 25.31 State University, Mankato, to the city
 25.32 of Mankato on which to construct the
 25.33 Exposition Center.

26.1 This appropriation is not available until the
26.2 commissioner has determined that at least
26.3 an equal amount has been committed to the
26.4 project from nonstate sources.

26.5 **Subd. 4. Minneapolis - Shubert Performing**
26.6 **Arts and Education Center**

2,000,000

26.7 For a grant to the city of Minneapolis to
26.8 construct, furnish, and equip the Shubert
26.9 Theater and an associated atrium to create
26.10 the Minnesota Shubert Performing Arts and
26.11 Education Center. This appropriation is
26.12 added to the appropriation in Laws 2006,
26.13 chapter 258, section 21, subdivision 17,
26.14 paragraph (b).

26.15 **Subd. 5. Olmsted County - Steam Line**
26.16 **Extension**

5,000,000

26.17 For a grant to Olmsted County to design
26.18 and construct approximately 1.25 miles of
26.19 a new steam pipeline from the Olmsted
26.20 Waste-to-Energy Facility to the Rochester
26.21 Community and Technical College Campus,
26.22 supplying steam heat and cooling from a
26.23 renewable energy source.

26.24 This appropriation is not available until the
26.25 commissioner has determined that at least
26.26 an equal amount has been committed from
26.27 Olmsted County.

26.28 **Subd. 6. St. Cloud - Civic Center Expansion**

3,000,000

26.29 For a grant to the city of St. Cloud to acquire
26.30 land for and to design, construct, furnish,
26.31 and equip phase 1 of an expansion of the St.
26.32 Cloud Civic Center. The expansion includes
26.33 approximately 66,000 square feet of new
26.34 space and a 300-stall parking ramp. This

27.1 appropriation is added to the appropriation
27.2 in Laws 2008, chapter 179, section 21,
27.3 subdivision 14.

27.4 This appropriation is not available until the
27.5 commissioner of finance determines that at
27.6 least \$3,000,000 is committed to the project
27.7 from nonstate sources.

27.8 Sec. 17. **HOUSING FINANCE AGENCY** **\$ 2,000,000**

27.9 To the Housing Finance Agency to finance
27.10 the rehabilitation of public housing under
27.11 Minnesota Statutes, section 462A.202,
27.12 subdivision 3a. "Public housing" means
27.13 housing for low-income persons and
27.14 households financed by the federal
27.15 government and owned and operated by
27.16 cities and counties. Eligible cities and
27.17 counties must have a public housing
27.18 assessment system rating of standard or
27.19 above. The priority in Minnesota Statutes,
27.20 section 462A.202, subdivision 3a, for
27.21 projects that increase the supply of affordable
27.22 housing does not apply to this appropriation.
27.23 Priority must be given to proposals that
27.24 maximize federal or local resources to
27.25 finance the capital costs.

27.26 Sec. 18. **MINNESOTA HISTORICAL**
27.27 **SOCIETY**

27.28 **Historic Sites Asset Preservation** **\$ 2,165,000**

27.29 To the Minnesota Historical Society for
27.30 capital improvements and betterments at
27.31 state historic sites, buildings, landscaping
27.32 at historic buildings, exhibits, markers,

28.1 and monuments, to be spent in accordance
28.2 with Minnesota Statutes, section 16B.307.
28.3 Notwithstanding that section, up to \$527,000
28.4 may be used to design projects eligible for
28.5 future funding and up to \$100,000 may
28.6 be used for a grant to the city of Inver
28.7 Grove Heights to design and renovate the
28.8 west bank bridge and bridge approach to
28.9 historic Mississippi River bridge JAR 5600,
28.10 commonly known as the Rock Island Bridge,
28.11 located between Inver Grove Heights and
28.12 St. Paul Park in Dakota and Washington
28.13 Counties. The design for utilizing the bridge
28.14 infrastructure along the west bank of the
28.15 Mississippi River must require connections
28.16 with any local, regional, or state trails, and
28.17 incorporate walking trails and fishing pier
28.18 concepts, along with any park development
28.19 in the area.

28.20 The society shall determine other project
28.21 priorities as appropriate based on need.

28.22 Sec. 19. **BOND SALE EXPENSES** **\$** **343,000**

28.23 To the commissioner of finance for bond sale
28.24 expenses under Minnesota Statutes, section
28.25 16A.641, subdivision 8.

28.26 Sec. 20. **BOND SALE SCHEDULE.**

28.27 The commissioner of finance shall schedule the sale of state general obligation
28.28 bonds so that, during the biennium ending June 30, 2011, no more than \$1,085,281,000
28.29 will need to be transferred from the general fund to the state bond fund to pay principal
28.30 and interest due and to become due on outstanding state general obligation bonds. During
28.31 the biennium, before each sale of state general obligation bonds, the commissioner of
28.32 finance shall calculate the amount of debt service payments needed on bonds previously
28.33 issued and shall estimate the amount of debt service payments that will be needed on the
28.34 bonds scheduled to be sold. The commissioner shall adjust the amount of bonds scheduled

29.1 to be sold so as to remain within the limit set by this section. The amount needed to make
29.2 the debt service payments is appropriated from the general fund as provided in Minnesota
29.3 Statutes, section 16A.641.

29.4 Sec. 21. **BOND SALE AUTHORIZATION.**

29.5 Subdivision 1. **Bond proceeds fund.** To provide the money appropriated in this act
29.6 from the bond proceeds fund, the commissioner of finance shall sell and issue bonds of the
29.7 state in an amount up to \$327,735,000 in the manner, upon the terms, and with the effect
29.8 prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota
29.9 Constitution, article XI, sections 4 to 7.

29.10 Subd. 2. **Maximum effort school loan fund.** To provide the money appropriated in
29.11 this act from the maximum effort school loan fund, the commissioner of finance shall sell
29.12 and issue bonds of the state in an amount up to \$5,780,000 in the manner, upon the terms,
29.13 and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by
29.14 the Minnesota Constitution, article XI, sections 4 to 7. The proceeds of the bonds, except
29.15 accrued interest and any premium received on the sale of the bonds, must be credited to a
29.16 bond proceeds account in the maximum effort school loan fund.

29.17 Subd. 3. **Transportation fund bond proceeds account.** To provide the money
29.18 appropriated in this act from the state transportation fund, the commissioner of finance
29.19 shall sell and issue bonds of the state in an amount up to \$10,000,000 in the manner, upon
29.20 the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to
29.21 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7. The proceeds of
29.22 the bonds, except accrued interest and any premium received on the sale of the bonds,
29.23 must be credited to a bond proceeds account in the state transportation fund.

29.24 Sec. 22. Minnesota Statutes 2008, section 16A.641, is amended by adding a
29.25 subdivision to read:

29.26 Subd. 4a. **Negotiated sales; temporary authority.** Notwithstanding the public
29.27 sale requirements of subdivision 4 and section 16A.66, subdivision 2, from June 1,
29.28 2009, until June 30, 2011, the commissioner may sell bonds, including refunding bonds,
29.29 at negotiated sale.

29.30 **EFFECTIVE DATE.** This section is effective the day following final enactment
29.31 and expires July 1, 2011.

29.32 Sec. 23. Minnesota Statutes 2008, section 16A.86, subdivision 2, is amended to read:

30.1 Subd. 2. **Budget request.** A political subdivision that requests an appropriation of
30.2 state money for a local capital improvement project is encouraged to submit the request
30.3 to the commissioner of finance by July 15 of an odd-numbered year to ensure its full
30.4 consideration. The requests must be submitted in the form and with the supporting
30.5 documentation required by the commissioner of finance. All requests timely received by
30.6 the commissioner must be ~~forwarded~~ submitted to the legislature, along with ~~agency~~
30.7 requests the governor's recommendations, whether or not the governor recommends that a
30.8 request be funded, by the deadline established in section 16A.11, subdivision 1.

30.9 Sec. 24. Minnesota Statutes 2008, section 16A.86, is amended by adding a subdivision
30.10 to read:

30.11 Subd. 3a. **Information provided.** All requests for state assistance under this section
30.12 must include the following information:

30.13 (1) the name of the political subdivision that will own the capital project for which
30.14 state assistance is being requested;

30.15 (2) the public purpose of the project;

30.16 (3) the extent to which the political subdivision has or expects to provide local,
30.17 private, user financing, or other nonstate funding for the project;

30.18 (4) a list of the bondable activities that the project encompasses; examples of
30.19 bondable activities are public improvements of a capital nature for land acquisition,
30.20 predesign, design, construction, and furnishing and equipping for occupancy;

30.21 (5) whether the project will require new or additional state operating subsidies;

30.22 (6) whether the governing body of the political subdivision requesting the project
30.23 has passed a resolution in support of the project and has established priorities for all
30.24 projects within its jurisdiction for which bonding appropriations are requested when
30.25 submitting multiple requests; and

30.26 (7) if the project requires a predesign under section 16B.335, whether the predesign
30.27 has been completed at the time the capital project request is submitted, and whether
30.28 the political subdivision has submitted the project predesign to the commissioner of
30.29 administration for review and approval.

30.30 Sec. 25. **[84.946] NATURAL RESOURCES ASSET PRESERVATION AND**
30.31 **REPLACEMENT (NRAPR).**

30.32 Subdivision 1. **Purpose.** The legislature recognizes that the Department of Natural
30.33 Resources owns and operates capital assets that in number, size, and programmatic use
30.34 differ significantly from the capital assets owned and operated by other state departments

31.1 and agencies. However, the legislature recognizes the need for standards to aid in
31.2 categorizing and funding capital projects. The purpose of this section is to provide
31.3 standards for those natural resource projects that are intended to preserve and replace
31.4 existing facilities.

31.5 Subd. 2. **Standards.** (a) An appropriation for asset preservation may be used only
31.6 for a capital expenditure on a capital asset previously owned by the state, within the
31.7 meaning of generally accepted accounting principles as applied to public expenditures.
31.8 The commissioner of natural resources will consult with the commissioner of finance to
31.9 the extent necessary to ensure this and will furnish the commissioner of finance a list
31.10 of projects to be financed from the account in order of their priority. The legislature
31.11 assumes that many projects for preservation and replacement of portions of existing
31.12 capital assets will constitute betterments and capital improvements within the meaning of
31.13 the Constitution and capital expenditures under generally accepted accounting principles,
31.14 and will be financed more efficiently and economically under this section than by direct
31.15 appropriations for specific projects.

31.16 (b) An appropriation for asset preservation must not be used to acquire land or to
31.17 acquire or construct buildings or other facilities.

31.18 (c) Capital budget expenditures for natural resource asset preservation and
31.19 replacement projects must be for one or more of the following types of capital projects that
31.20 support the existing programmatic mission of the department: code compliance including
31.21 health and safety, Americans with Disabilities Act requirements, hazardous material
31.22 abatement, access improvement, or air quality improvement; building energy efficiency
31.23 improvements using current best practices; building or infrastructure repairs necessary
31.24 to preserve the interior and exterior of existing buildings; or renovation of other existing
31.25 improvements to land, including but not limited to trails and bridges.

31.26 (d) Up to ten percent of an appropriation awarded under this section may be used
31.27 for design costs for projects eligible to be funded from this account in anticipation of
31.28 future funding from the account.

31.29 Subd. 3. **Reporting priorities.** The commissioner of natural resources must
31.30 establish priorities within its natural resource asset preservation and replacement projects.
31.31 By January 15 of each year, the commissioner must submit to the commissioner of
31.32 finance and to the chairs of the house and senate committees with jurisdiction over
31.33 environment and natural resources finance and capital investment a list of the projects that
31.34 have been paid for with money from a natural resource asset preservation and replacement
31.35 appropriation during the preceding calendar year as well as a list of those priority projects

32.1 for which natural resource asset preservation and replacement appropriations will be
32.2 sought in that year's legislative session.

32.3 Sec. 26. Minnesota Statutes 2008, section 134.45, is amended by adding a subdivision
32.4 to read:

32.5 Subd. 8. **Sale of public library funded with state bond proceeds.** If the
32.6 commissioner of education and the local or regional governmental entity that owns
32.7 a public library that has been improved with state bond proceeds under this section
32.8 determines that the library is no longer usable or needed for the purposes for which the
32.9 grant of state bond funds was made, the owner of the public library may sell the property
32.10 in the manner authorized by law for the sale of other property owned by that jurisdiction
32.11 for its fair market value. The sale must be approved by the commissioner of finance.
32.12 Notwithstanding section 16A.695, subdivision 3, clause (2), the net proceeds must be
32.13 applied as follows: first, to pay the state the amount of state bond proceeds used to acquire
32.14 or better the property; and second, any remaining amount must be paid to the local or
32.15 regional governmental owner of the property sold. When the sale is complete and the sale
32.16 proceeds have been applied as provided in this subdivision, section 16A.695 no longer
32.17 applies to the property and the property is no longer state bond financed property.

32.18 **EFFECTIVE DATE.** This section is effective the day following final enactment
32.19 and applies to the sale of public library property on or after that date.

32.20 Sec. 27. Minnesota Statutes 2008, section 135A.046, subdivision 2, is amended to read:

32.21 Subd. 2. **Standards.** Capital budget expenditures for Higher Education Asset
32.22 Preservation and Replacement (HEAPR) projects must be for one or more of the
32.23 following: code compliance including health and safety, Americans with Disabilities
32.24 Act requirements, hazardous material abatement, access improvement, or air quality
32.25 improvement; building energy efficiency improvements using current best practices; or
32.26 building or infrastructure repairs necessary to preserve the interior and exterior of existing
32.27 buildings; or renewal to support the existing programmatic mission of the campuses. Up
32.28 to ten percent of an appropriation awarded under this section may be used for design
32.29 costs for projects eligible to be funded from this account in anticipation of future funding
32.30 from the account.

32.31 Sec. 28. Minnesota Statutes 2008, section 136F.98, subdivision 1, is amended to read:

32.32 Subdivision 1. **Issuance of bonds.** The Board of Trustees of the Minnesota State
32.33 Colleges and Universities or a successor may issue revenue bonds under sections 136F.90

33.1 to 136F.97 whose aggregate principal amount at any time may not exceed \$200,000,000,
33.2 and payable from the revenue appropriated to the fund established by section 136F.94,
33.3 and use the proceeds together with other public or private money that may otherwise
33.4 become available to acquire land, and to acquire, construct, complete, remodel, and equip
33.5 structures or portions thereof to be used for dormitory, residence hall, student union,
33.6 food service, parking purposes, or for any other similar revenue-producing building or
33.7 buildings of such type and character as the board finds desirable for the good and benefit
33.8 of the state colleges and universities. Before issuing the bonds or any part of them, the
33.9 board shall consult with and obtain the advisory recommendations of the chairs of the
33.10 house of representatives Ways and Means Committee and the senate Finance Committee
33.11 about the facilities to be financed by the bonds.

33.12 Sec. 29. Laws 2000, chapter 492, article 1, section 5, subdivision 10, is amended to
33.13 read:

33.14 Subd. 10. **Minnesota Planetarium** 1,000,000

33.15 For a grant to ~~the city of Minneapolis~~
33.16 Hennepin County to predesign and design
33.17 a new Minnesota planetarium located
33.18 in conjunction with the Minneapolis
33.19 downtown library, and to update the design
33.20 as necessary. Any remaining money may
33.21 be used for construction. Notwithstanding
33.22 Minnesota Statutes, section 16A.642, the
33.23 bond authorization and appropriation of bond
33.24 proceeds for this project are available until
33.25 December 31, 2012.

33.26 Sec. 30. Laws 2005, chapter 20, article 1, section 23, subdivision 16, as amended by
33.27 Laws 2008, chapter 179, section 58, is amended to read:

33.28 Subd. 16. **Minneapolis**

33.29 (a) Minnesota Planetarium 22,000,000

33.30 For a grant to Hennepin County to complete
33.31 design and to construct, furnish, and
33.32 equip a new Minnesota planetarium and

34.1 space discovery center in conjunction
34.2 with the Minneapolis downtown library.
34.3 Notwithstanding Minnesota Statutes,
34.4 section 16A.642, the bond authorization
34.5 and appropriation of bond proceeds for this
34.6 project are available until December 31,
34.7 2012.

34.8 (b) Heritage Park

34.9 Any unspent balance remaining on December
34.10 31, 2004, in the appropriation made by
34.11 Laws 2000, chapter 492, article 1, section
34.12 22, subdivision 10, for a grant to the city of
34.13 Minneapolis, may be used by the city for
34.14 improvements to the Heritage Park project.

34.15 (c) Minnesota Shubert Center 1,000,000

34.16 For a grant to the city of Minneapolis to
34.17 predesign and design and provide for related
34.18 capital costs for an associated atrium to
34.19 create the Minnesota Shubert Center.

34.20 Sec. 31. Laws 2006, chapter 258, section 7, subdivision 7, as amended by Laws 2008,
34.21 chapter 179, section 60, is amended to read:

34.22 **Subd. 7. Lake Superior safe harbors** 3,000,000

34.23 To design and construct capital improvements
34.24 to public accesses and small craft harbors on
34.25 Lake Superior in accordance with Minnesota
34.26 Statutes, sections 86A.20 to 86A.24, and in
34.27 cooperation with the United States Army
34.28 Corps of Engineers.

34.29 This appropriation may be used to develop
34.30 the harbor of refuge, public access, and
34.31 marina at Two Harbors and is added to the
34.32 appropriations in Laws 1998, chapter 404,

35.1 section 7, subdivision 24; and Laws 2000,
35.2 chapter 492, article 1, section 7, subdivision
35.3 21, as amended by Laws 2005, chapter 20,
35.4 article 1, section 42. Notwithstanding those
35.5 laws, the commissioner ~~may~~ shall proceed
35.6 with construction of the Two Harbors project
35.7 ~~by providing up to \$1,500,000 to complete~~
35.8 ~~the design specifications and environmental~~
35.9 ~~work currently underway. The commissioner~~
35.10 ~~may spend the remaining money for the~~
35.11 ~~project upon securing an agreement with the~~
35.12 ~~U.S. Army Corps of Engineers that commits~~
35.13 ~~federal expenditures of at least \$4,000,000~~
35.14 ~~to the project.~~

35.15 Sec. 32. Laws 2006, chapter 258, section 8, subdivision 2, is amended to read:

35.16 Subd. 2. **Closed Landfill Program** 10,800,000

35.17 To design and construct remedial systems
35.18 and acquire land at landfills throughout the
35.19 state in accordance with the closed landfill
35.20 program under Minnesota Statutes, section
35.21 115B.39 to 115B.42.

35.22 \$3,650,000 is to design and construct
35.23 remedial systems at the Albert Lea Landfill,
35.24 including relocating and incorporating waste
35.25 from the former Albert Lea Dump owned by
35.26 the City of Albert Lea pursuant to Minnesota
35.27 Statutes, section 115B.403, which action may
35.28 be taken by the Pollution Control Agency
35.29 notwithstanding the provisions of Minnesota
35.30 Statutes, section 115B.403, paragraphs
35.31 (a) and (b). Any money remaining after
35.32 completion of the remedial system may be
35.33 used by the city of Albert Lea to provide
35.34 sewer and water service to the site and

36.1 to replace the public park betterments
36.2 and improvements that were removed to
36.3 construct the remedial system.

36.4 Sec. 33. Laws 2006, chapter 258, section 20, subdivision 7, is amended to read:

36.5 Subd. 7. **Minnesota correctional facility -**
36.6 **Stillwater**

36.7 Segregation Unit 19,580,000

36.8 To complete design and to construct, furnish,
36.9 and equip a new 150-bed segregation unit
36.10 and reconstruct the old segregation unit.

36.11 Sec. 34. Laws 2006, chapter 258, section 21, subdivision 4, is amended to read:

36.12 Subd. 4. ~~Central Iron Range Sanitary Sewer~~
36.13 ~~District~~ **Hibbing Wastewater Treatment**
36.14 **Facilities** 2,500,000

36.15 To the Public Facilities Authority for a
36.16 grant to the ~~Central Iron Range Sanitary~~
36.17 ~~Sewer District to design, construct,~~
36.18 ~~and equip an expansion of wastewater~~
36.19 ~~treatment at Hibbing's South Wastewater~~
36.20 ~~Treatment Plant,~~ city of Hibbing for
36.21 mercury treatment facilities at the south
36.22 wastewater treatment plant, and sanitary
36.23 sewer lines to connect Hibbing, Chisholm,
36.24 and Buhl to use the upgrades at the plant
36.25 and wastewater infrastructure improvements.

36.26 This appropriation is not available until the
36.27 authority determines that at least an equal
36.28 amount is committed to the project from
36.29 nonstate sources.

36.30 Sec. 35. Laws 2006, chapter 258, section 21, subdivision 5, is amended to read:

- 37.1 Subd. 5. **Greater Minnesota Business**
- 37.2 **Development Infrastructure Grant Program** 7,750,000
- 37.3 For grants under Minnesota Statutes, section
- 37.4 116J.431.
- 37.5 \$250,000 is for a grant to Polk County to
- 37.6 build approximately one mile of ten-ton road
- 37.7 to provide access to a new proposed ethanol
- 37.8 plant outside of the city of Erskine.
- 37.9 \$1,400,000 is for a grant to the city of
- 37.10 LaCrescent for public infrastructure made
- 37.11 necessary by the reconstruction of a highway
- 37.12 and a bridge.
- 37.13 Sec. 36. Laws 2006, chapter 258, section 21, subdivision 6, as amended by Laws 2008,
- 37.14 chapter 179, section 65, is amended to read:
- 37.15 Subd. 6. **Redevelopment Account** 9,000,000
- 37.16 For purposes of the redevelopment account
- 37.17 under Minnesota Statutes, section 116J.571.
- 37.18 \$800,000 is for a grant to the city of
- 37.19 Worthington to remediate contaminated soil
- 37.20 and redevelop the site of the former Campbell
- 37.21 Soup factory. This grant is exempt from the
- 37.22 requirements of Minnesota Statutes, sections
- 37.23 116J.572 to 116J.575. Notwithstanding
- 37.24 Minnesota Statutes, section 16A.642, the
- 37.25 bond authorization and appropriation of the
- 37.26 bond proceeds for this project are available
- 37.27 until December 31, 2012.
- 37.28 \$250,000 is for a grant to the city of Winona
- 37.29 to predesign facilities for a multipurpose
- 37.30 events center and arena to be used for the
- 37.31 Shakespeare Festival, Beethoven Festival,
- 37.32 and Winona State University events. This

38.1 grant is exempt from the requirements of
38.2 Minnesota Statutes, sections 116J.572 to
38.3 116J.575.

38.4 Sec. 37. Laws 2006, chapter 258, section 23, subdivision 3, as amended by Laws 2008,
38.5 chapter 179, section 68, is amended to read:

38.6 Subd. 3. **Historic Fort Snelling Museum and**
38.7 **Visitor Center**

1,100,000

38.8 To predesign and design the historic Fort
38.9 Snelling Museum and Visitor Center and
38.10 other site improvements to revitalize historic
38.11 Fort Snelling.

38.12 Sec. 38. Laws 2008, chapter 179, section 3, subdivision 12, as amended by Laws 2008,
38.13 chapter 365, section 17, is amended to read:

38.14 Subd. 12. **Metropolitan State University**

38.15 **(a) Smart Classroom Center**

4,980,000

38.16 To construct, furnish, and equip renovation
38.17 of two floors of technology-enhanced
38.18 classrooms and academic offices in the
38.19 power plant building. This appropriation
38.20 includes money to demolish the power plant
38.21 annex to enable the new construction. *

38.22 **(The preceding text beginning "(a) Smart**
38.23 **Classroom Center" was indicated as**
38.24 **vetoed by the governor.)**

38.25 **(b) Law Enforcement Training Center**

13,900,000

38.26 To compete design of and to construct,
38.27 furnish, and equip, in cooperation with
38.28 Minneapolis Community and Technical
38.29 College, a colocated Law Enforcement
38.30 Training Center on the campus of Hennepin
38.31 Technical College in Brooklyn Park.

39.1 Excluding revenue from student tuition and
39.2 fees, the board may use up to \$2,000,000
39.3 of funds from each college or university, or
39.4 other nonstate money for the remainder of
39.5 the cost of design and construction of this
39.6 project.

39.7 Sec. 39. Laws 2008, chapter 179, section 3, subdivision 21, is amended to read:

39.8 Subd. 21. **Owatonna College and University**
39.9 **Center**

39.10 **Property Acquisition** 3,500,000

39.11 To acquire the Owatonna College and
39.12 University Center Building in Steele County,
39.13 including the purchase of adjacent vacant
39.14 land and for capital improvements to the
39.15 property.

39.16 Sec. 40. Laws 2008, chapter 179, section 3, subdivision 25, is amended to read:

39.17 Subd. 25. **St. Cloud State University**

39.18 **(a) Brown Science Hall Renovation** 14,800,000

39.19 To complete design of and to construct,
39.20 furnish, and equip a renovation of Brown
39.21 Hall for classrooms, science laboratories, and
39.22 other instructional and ancillary spaces. This
39.23 appropriation includes funding to reglaze the
39.24 existing skyway from the building and to
39.25 construct a new skyway to Centennial Hall.

39.26 This appropriation may also be used to
39.27 complete design and construction drawings
39.28 for the Science and Engineering Lab
39.29 authorized in paragraph (b) and to demolish
39.30 building number 801.

- 40.1 (b) **Science and Engineering Lab** 900,000
- 40.2 To design an integrated science and
- 40.3 engineering laboratory and student and
- 40.4 academic support building.
- 40.5 Sec. 41. Laws 2008, chapter 179, section 7, subdivision 29, is amended to read:
- 40.6 Subd. 29. **Trail Connections** 697,000
- 40.7 For matching grants under Minnesota
- 40.8 Statutes, section 85.019, subdivision 4c.
- 40.9 \$225,000 is for a grant to Clara City to design
- 40.10 and construct a walking path in Clara City.
- 40.11 \$100,000 is for a grant to the city of Mora
- 40.12 for construction of pedestrian and bicycle
- 40.13 trails, bridge restoration and renovation, and
- 40.14 other improvements of a capital nature for
- 40.15 the Spring Lake Trail, located in the city of
- 40.16 Mora.
- 40.17 \$372,000 is for a grant to ~~the city of Rockville~~
- 40.18 Stearns County to design and construct the
- 40.19 Rocori Trail from Richmond through Cold
- 40.20 Spring to Rockville, connecting with the
- 40.21 Glacial Lakes Trail, the Beaver Island Trail,
- 40.22 and the Lake Wobegon Trail.
- 40.23 For any project listed in this subdivision
- 40.24 that the commissioner determines is not
- 40.25 ready to proceed, the commissioner may
- 40.26 allocate that project's money to another trail
- 40.27 connection project in this subdivision. The
- 40.28 chairs of the house and senate committees
- 40.29 with jurisdiction over the environment and
- 40.30 natural resources and legislators from the
- 40.31 affected legislative districts must be notified
- 40.32 of any changes.

41.1 Sec. 42. Laws 2008, chapter 179, section 8, subdivision 2, is amended to read:

41.2 Subd. 2. **Albert Lea Landfill** 2,500,000

41.3 For a grant to the city of Albert Lea to
41.4 construct remedial systems at the Albert
41.5 Lea landfill. This includes relocating and
41.6 incorporating waste from the former Albert
41.7 Lea dump owned by the city of Albert
41.8 Lea under Minnesota Statutes, section
41.9 115B.403, which action may be taken by the
41.10 Pollution Control Agency notwithstanding
41.11 the provisions of Minnesota Statutes, section
41.12 115B.403, paragraphs (a) and (b).

41.13 The appropriation in this subdivision is
41.14 added to the amounts for the city of Albert
41.15 Lea landfill funding in Laws 2006, chapter
41.16 258, section 8, subdivision 2. Any money
41.17 remaining after completion of the remedial
41.18 system may be used by the city of Albert Lea
41.19 to provide sewer and water service to the site
41.20 and to replace the public park betterments
41.21 and improvements that were removed to
41.22 construct the remedial system.

41.23 Sec. 43. Laws 2008, chapter 179, section 15, subdivision 5, is amended to read:

41.24 Subd. 5. **Marshall - Minnesota Emergency**
41.25 **Response and Industry Training Center** 300,000

41.26 For a grant to the city of Marshall to
41.27 predesign Phase 2 of the Minnesota
41.28 Emergency Response and Industry Training
41.29 (MERIT) Center, including a wind energy
41.30 training area, an ethanol fuels training area,
41.31 and other training facilities, and to design,
41.32 construct, and equip the wind energy and
41.33 ethanol fuel training facilities.

42.1 This appropriation is not available until the
42.2 commissioner has determined that at least
42.3 an equal amount has been committed from
42.4 nonstate sources. The match may include
42.5 in-kind contributions.

42.6 Sec. 44. Laws 2008, chapter 179, section 21, subdivision 14, is amended to read:

42.7 Subd. 14. **St. Cloud Civic Center Expansion** 2,000,000

42.8 For a grant to the city of St. Cloud to
42.9 acquire land ~~for~~, prepare a site, demolish
42.10 existing structures, and ~~for pre-engineering,~~
42.11 engineering, to pre-engineer, engineer, and
42.12 design for an expansion of the St. Cloud
42.13 Civic Center. The expansion includes
42.14 approximately 66,000 square feet of new
42.15 space and a 300-stall parking ramp. This
42.16 appropriation is not available until the
42.17 commissioner of finance determines that at
42.18 least \$2,000,000 is committed to the project
42.19 from nonstate sources.

42.20 Sec. 45. **DEMOLITION OF ROCK ISLAND BRIDGE PROHIBITED FOR**
42.21 **TWO YEARS.**

42.22 The Department of Transportation, Dakota County, or any other public body is
42.23 prohibited from demolishing or otherwise removing all or any portion of JAR 5600,
42.24 commonly known as the Rock Island Bridge, or causing its demolition or removal.

42.25 **EFFECTIVE DATE.** This section is effective the day following final enactment
42.26 and expires two years following its effective date.

42.27 Sec. 46. **APPROPRIATIONS MADE ONLY ONCE.**

42.28 If any appropriation made in this act is also enacted finally in another act during the
42.29 2009 regular session, the appropriation must be given effect only once.

42.30 Sec. 47. **REPEALER.**

42.31 Minnesota Statutes 2008, sections 16A.86, subdivision 3; 116.156; and 473.399,
42.32 subdivision 4, and Laws 2008, chapter 179, section 8, subdivision 3, are repealed.

43.1 Sec. 48. **EFFECTIVE DATE.**

43.2 Except as otherwise provided, this article is effective the day following final
 43.3 enactment.

43.4 **ARTICLE 2**
 43.5 **DISASTER RELIEF**

43.6 Section 1. **DISASTER RELIEF APPROPRIATION SUMMARY.**

43.7 The amounts shown in this section summarize direct appropriations made in this
 43.8 article.

43.9 **SUMMARY**

43.10	<u>Public Safety</u>	\$	<u>9,180,000</u>
43.11	<u>Board of Water and Soil Resources</u>		<u>2,000,000</u>
43.12	<u>Education</u>		<u>173,000</u>
43.13	<u>Employment and Economic Development</u>		<u>200,000</u>
43.14	<u>Housing Finance</u>		<u>2,700,000</u>
43.15	<u>Revenue</u>		<u>250,000</u>
43.16	<u>Human Services</u>		<u>200,000</u>
43.17	<u>Transportation</u>		<u>2,900,000</u>
43.18	<u>Bond Sale Expenses</u>		<u>10,000</u>
43.19	<u>TOTAL</u>	\$	<u>17,613,000</u>
43.20	<u>General Fund</u>		<u>10,303,000</u>
43.21	<u>Bond Proceeds Fund</u>		<u>4,405,000</u>
43.22	<u>Trunk Highway Fund Bond Proceeds Account</u>		<u>2,705,000</u>
43.23	<u>Trunk Highway Fund</u>		<u>200,000</u>

43.24 Sec. 2. **DISASTER RELIEF APPROPRIATIONS.**

43.25 Subdivision 1. **Appropriations.** The sums shown in the column under
 43.26 "Appropriations" are appropriated from the bond proceeds fund to be spent to acquire
 43.27 and to better publicly owned land and buildings and other public improvements of a
 43.28 capital nature, and from other named funds, for relief as specified in this article from the
 43.29 flooding and storms that occurred on or after March 16, 2009, in the areas in Minnesota
 43.30 designated under presidential Declaration of an Emergency FEMA-3304-EM and
 43.31 Presidential Declaration of a Major Disaster FEMA-1830-DR, whether included in the

44.1 original declarations or added later by federal government action, referred to in this
 44.2 article as "the area included in DR-1830." The appropriations included in this article
 44.3 are available through June 30, 2011, except that appropriations of bond proceeds or for
 44.4 capital improvements are available until the project is completed or abandoned, subject to
 44.5 Minnesota Statutes, section 16A.642. The appropriations in this article are onetime.

44.6 Subd. 2. **Transfers.** If there is a shortage of money for a program funded in
 44.7 this article, for the flood hazard mitigation program under Minnesota Statutes, section
 44.8 103F.161, or in the money available for state and local match under Minnesota Statutes,
 44.9 section 12.221, unused general fund money appropriated for any other program or project
 44.10 in this article may be transferred for assistance in the disaster area, to another program
 44.11 or project funded in this article or in article 1, section 5, subdivision 3. Appropriation
 44.12 transfers must be used to cover unmet needs in a program or project under this article or
 44.13 article 1, section 5, subdivision 3. The commissioner of finance must approve all transfers
 44.14 under this section and must report each transfer to the chairs of the senate Finance
 44.15 Committee and house of representatives Ways and Means Committee.

44.16 **APPROPRIATIONS**

44.17 **Sec. 3. PUBLIC SAFETY**

44.18 **Subdivision 1. Total Appropriations** **\$ 9,180,000**

44.19 To the commissioner of public safety. The
 44.20 amounts that may be spent for each purpose
 44.21 are specified in the following subdivisions.

44.22 **Subd. 2. State Match for Individual Assistance** **26,000**

44.23 For the state match for federal disaster
 44.24 assistance to individuals under Minnesota
 44.25 Statutes, section 12.221. This appropriation
 44.26 is from the general fund.

44.27 **Subd. 3. State and Local Match** **9,154,000**

44.28 **Appropriations by Fund**

44.29 **General** **5,254,000**

44.30 **Bond Proceeds** **3,900,000**

45.1 For the state and local match for federal
45.2 disaster assistance to state agencies and other
45.3 eligible applicants under Minnesota Statutes,
45.4 section 12.221.

45.5 The appropriation from the bond proceeds
45.6 fund is available to fund 100 percent of the
45.7 state and local match obligations for publicly
45.8 owned capital improvement projects incurred
45.9 through the receipt of federal disaster
45.10 assistance.

45.11 Sec. 4. **BOARD OF WATER AND SOIL**
45.12 **RESOURCES**

45.13 **Subdivision 1. Total Appropriation** **\$ 2,000,000**

45.14 To the Board of Water and Soil Resources.
45.15 The amounts that may be spent for each
45.16 purpose are specified in the following
45.17 subdivisions.

45.18 The board may transfer appropriations within
45.19 this section and may adjust the technical
45.20 and administrative assistance portion of
45.21 the appropriation to leverage federal or
45.22 other nonstate money or to address high
45.23 priority needs identified in local water
45.24 management, emergency preparedness, or
45.25 hazard mitigation plans.

45.26 **Subd. 2. Reinvest in Minnesota (RIM)**
45.27 **Conservation Easements** **500,000**

45.28 To acquire conservation easements from
45.29 landowners on marginal lands in the area
45.30 included in DR-1830 that were damaged by
45.31 the storms and floods of March and April
45.32 2009 to restore wetlands and protect soil and
45.33 water quality and to support fish and wildlife

46.1 habitat as provided in Minnesota Statutes,
46.2 section 103F.515.

46.3 **Subd. 3. Erosion, Sediment, and Water Quality**

46.4 **Control Cost-Share Program** 1,000,000

46.5 From the general fund to install, repair, or
46.6 rehabilitate erosion and sediment control
46.7 projects in the area included in DR-1830 that
46.8 were damaged by the storms and floods of
46.9 March and April 2009 to restore and protect
46.10 soil and water quality and to support fish and
46.11 wildlife habitat.

46.12 **Subd. 4. Red River Basin Commission Grant** 500,000

46.13 (a) From the general fund for grants,
46.14 contracts, or agreements with the Red
46.15 River Basin Commission or its members
46.16 to develop, in consultation and cooperation
46.17 with all boards and commissions involved
46.18 with water management and flood prevention
46.19 and control in the Red River basin, a
46.20 comprehensive plan of action to address,
46.21 mitigate, and respond to flooding and related
46.22 water quality and land conservation issues
46.23 in the Red River watershed. The plan must
46.24 take into account previous federal, state,
46.25 provincial, regional, and local assessments
46.26 and make specific recommendations for
46.27 floodplain management goals and outcomes
46.28 for the Red River basin including structural
46.29 and nonstructural measures, wetland
46.30 restoration, water storage allocations by
46.31 major watershed, and designation of roles
46.32 and responsibilities and time frames for
46.33 implementation. The commission shall
46.34 report progress on goals and outcomes to the
46.35 legislature by January 15, 2010.

47.1 (b) Any remaining money may be used to
47.2 implement the plan. Up to five percent of
47.3 this appropriation may be used by the board
47.4 for technical and administrative oversight.

47.5 (c) This appropriation is contingent on the
47.6 state of North Dakota contributing at least
47.7 an equal amount in a grant to the Red River
47.8 Basin Commission.

47.9 **Subd. 5. Waivers Authorized**

47.10 (a) The board may waive the provisions of
47.11 Minnesota Statutes, sections 103B.3369 and
47.12 103C.501, and Minnesota Rules, chapter
47.13 8400, in the area included in DR-1830 on
47.14 land damaged by the disaster. The waiver
47.15 applies to all existing and future contracts
47.16 to address critical conservation problems
47.17 resulting from the disaster that are funded
47.18 in whole or in part with state money, to
47.19 the extent that combined federal and state
47.20 funding does not exceed 100 percent. All
47.21 existing state grant agreements in the disaster
47.22 area are extended, as provided in law.

47.23 (b) The payment maximums for
47.24 improvements to the land under Minnesota
47.25 Statutes, section 103F.515, subdivision 6,
47.26 paragraph (a), clause (1), are waived for
47.27 easements acquired in the area included in
47.28 DR-1830 on land damaged by the disaster.

47.29 **Sec. 5. EDUCATION**

47.30 **Subdivision 1. Total Appropriation** **\$** **173,000**

47.31 From the general fund to the commissioner
47.32 of education for additional costs and loss of
47.33 pupil units relating to the floods of March

48.1 and April 2009. The amounts that may be
 48.2 spent for each purpose are specified in the
 48.3 following subdivisions.

48.4 **Subd. 2. Disaster Enrollment Impact Aid** 127,000

48.5 For disaster enrollment impact aid under
 48.6 Minnesota Statutes, section 12A.06,
 48.7 subdivision 1, calculated at a rate of \$5,946
 48.8 per pupil in average daily membership lost
 48.9 during fiscal year 2009.

48.10 **Subd. 3. Disaster Relief Facilities Grants** 15,000

48.11 For disaster relief facilities grants under
 48.12 Minnesota Statutes, section 12A.06,
 48.13 subdivision 2.

48.14 **Subd. 4. Disaster Relief Operating Grants** 13,000

48.15 For disaster relief operating grants under
 48.16 Minnesota Statutes, section 12A.06,
 48.17 subdivision 3.

48.18 **Subd. 5. Pupil Transportation Grants** 18,000

48.19 For pupil transportation grants under
 48.20 Minnesota Statutes, section 12A.06,
 48.21 subdivision 4.

48.22 **Sec. 6. EMPLOYMENT AND ECONOMIC**
 48.23 **DEVELOPMENT**

48.24 **Minnesota Investment Fund** **\$** **200,000**

48.25 From the general fund to the commissioner
 48.26 of employment and economic development
 48.27 for transfer to the Minnesota investment fund
 48.28 for grants to local units of government for
 48.29 locally administered grant or loan programs
 48.30 for businesses and nonprofit organizations
 48.31 directly and adversely affected by the flood.

49.1 Assistance under this section is not limited
49.2 to businesses. Payments may be made for
49.3 property damage and cleanup.

49.4 Criteria and requirements must be locally
49.5 established with the approval of the
49.6 commissioner. For the purposes of this
49.7 appropriation, Minnesota Statutes, sections
49.8 116J.8731, subdivisions 3, 4, 5, and 7;
49.9 116J.993; 116J.994; and 116J.995, are
49.10 waived. Businesses that receive grants or
49.11 loans from this appropriation must set goals
49.12 for jobs retained and wages paid within the
49.13 area included in DR-1830.

49.14 Before any grants under this section are
49.15 awarded to a local unit of government,
49.16 the commissioner of employment and
49.17 economic development shall report to the
49.18 chairs and ranking minority members of
49.19 the senate Finance Committee and house of
49.20 representatives Ways and Means Committee
49.21 the criteria and requirements to be used by
49.22 local units of government in the grant or loan
49.23 programs they will administer.

49.24 Sec. 7. **HOUSING FINANCE**

49.25 **Economic Development and Housing**

49.26 **Challenge Program** **\$** **2,700,000**

49.27 From the general fund to the Housing
49.28 Finance Agency for transfer to the housing
49.29 development fund for the economic
49.30 development and housing challenge program
49.31 under Minnesota Statutes, section 462A.33,
49.32 for assistance in the area included in
49.33 DR-1830, Individual Assistance Declaration.

50.1 The maximum loan amount per housing
 50.2 structure is \$30,000. Within the limits of
 50.3 available appropriations, the agency may
 50.4 increase the maximum amount if the cost
 50.5 of repair or replacement of the residential
 50.6 property exceeds the total of the maximum
 50.7 loan amount and any assistance available
 50.8 from FEMA, other federal government
 50.9 agencies including the Small Business
 50.10 Administration, and private insurance and
 50.11 flood insurance benefits.

50.12 For assistance under this section, the
 50.13 requirements of Minnesota Statutes,
 50.14 section 462A.33, subdivisions 3 and 5,
 50.15 and Minnesota Rules, part 4900.3632, are
 50.16 waived.

50.17 Sec. 8. **REVENUE**

50.18 **City Flood Loss Aid** **\$** **250,000**

50.19 From the general fund to the commissioner
 50.20 of revenue to pay flood loss aid to cities
 50.21 under section 16.

50.22 Sec. 9. **HUMAN SERVICES**

50.23 **Medical Assistance Providers** **\$** **200,000**

50.24 From the general fund to the commissioner
 50.25 of human services for payments to medical
 50.26 assistance providers under Minnesota
 50.27 Statutes, section 12A.10.

50.28 Sec. 10. **TRANSPORTATION**

50.29 **Subdivision 1. Total Appropriation** **\$** **2,900,000**

51.1	<u>To the commissioner of transportation. The</u>		
51.2	<u>amounts that may be spent for each purpose</u>		
51.3	<u>are specified in the following subdivisions.</u>		
51.4	<u>Subd. 2. Infrastructure Operation and</u>		
51.5	<u>Maintenance</u>		<u>200,000</u>
51.6	<u>From the trunk highway fund.</u>		
51.7	<u>Subd. 3. State Trunk Highways and Bridges</u>		<u>2,700,000</u>
51.8	<u>From the bond proceeds account in the trunk</u>		
51.9	<u>highway fund for the reconstruction and</u>		
51.10	<u>repair of trunk highways and trunk highway</u>		
51.11	<u>bridges that are located in the area included</u>		
51.12	<u>in DR-1830 and that suffered flood-related</u>		
51.13	<u>damage in 2009.</u>		
51.14	<u>Sec. 11. NATURAL RESOURCES</u>		
51.15	<u>Any existing state grant agreement of the</u>		
51.16	<u>commissioner of natural resources in the</u>		
51.17	<u>disaster area may be extended for up to two</u>		
51.18	<u>years.</u>		
51.19	<u>Sec. 12. BOND SALE EXPENSES</u>	<u>\$</u>	<u>10,000</u>
51.20	<u>To the commissioner of finance for bond sale</u>		
51.21	<u>expenses under Minnesota Statutes, section</u>		
51.22	<u>16A.641, subdivision 8.</u>		
51.23	<u>Appropriations by Fund</u>		
51.24	<u>Bond proceeds</u>		<u>5,000</u>
51.25	<u>Trunk highway bond</u>		
51.26	<u>proceeds</u>		<u>5,000</u>
51.27	<u>Sec. 13. BOND SALE AUTHORIZATIONS.</u>		
51.28	<u>Subdivision 1. Bond proceeds fund. To provide the money appropriated in this</u>		
51.29	<u>article from the bond proceeds fund, the commissioner of finance, at the request of the</u>		
51.30	<u>commissioner of public safety, shall sell and issue bonds of the state in an amount up to</u>		

52.1 \$4,405,000 in the manner, upon the terms, and with the effect prescribed by Minnesota
52.2 Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI,
52.3 sections 4 to 7.

52.4 Subd. 2. **Trunk highway fund.** To provide the money appropriated in this article
52.5 from the bond proceeds account in the trunk highway fund, the commissioner of finance
52.6 shall sell and issue bonds of the state in an amount up to \$2,705,000 in the manner, upon
52.7 the terms, and with the effect prescribed by Minnesota Statutes, sections 167.50 to 167.52,
52.8 and by the Minnesota Constitution, article XIV, section 11, at the times and in the amount
52.9 requested by the commissioner of transportation. The proceeds of the bonds, except
52.10 accrued interest and any premium received on the sale of the bonds, must be credited to a
52.11 bond proceeds account in the trunk highway fund.

52.12 Sec. 14. Minnesota Statutes 2008, section 12A.10, is amended to read:

52.13 **12A.10 HUMAN SERVICES.**

52.14 Subdivision 1. **Costs eligible for payment.** Notwithstanding the limitations of
52.15 section 12A.01 and the requirement in section 12A.03 that all appropriations must be
52.16 used to assist with recovery, the commissioner may pay parties under contract, provider
52.17 agreement, or other arrangement with the commissioner as of the date of ~~the~~ a natural
52.18 disaster, or the date when action was taken in anticipation of a possible natural disaster
52.19 or other event that threatens the health and safety of individuals served by a program that
52.20 receives funding from medical assistance for the costs of evacuation, transportation, ~~or~~
52.21 medical ~~or~~, remedial, or personal care services provided to vulnerable residents. Costs
52.22 eligible for payment under this section are those necessary to ensure the health and
52.23 safety of medical assistance recipients during and up to 60 days following the disaster.
52.24 ~~To the extent allowed under the state's Medicaid state plan, the commissioner shall pay~~
52.25 ~~these costs from the medical assistance account.~~ Only costs that are not already paid for
52.26 by another source are eligible. The commissioner may make payments for documented
52.27 incremental costs incurred by a party, may determine an estimate of the costs at the sole
52.28 discretion of the commissioner, or may use a combination of these two methods. If after
52.29 receiving payment from the commissioner for a documented cost, the provider is able
52.30 to acquire payment from another source for that cost, the provider shall reimburse the
52.31 commissioner in the amount paid.

52.32 Subd. 2. **Payment in residential program.** In a residential program, the
52.33 commissioner shall make payment under this section based on an allocation of costs
52.34 as determined under subdivision 1 between medical assistance recipients and all other

53.1 residents. The allocation must not be done in a nursing facility. In a nursing facility the
53.2 commissioner shall pay all of the costs determined under subdivision 1.

53.3 Subd. 3. **Source of payment.** The commissioner shall pay costs under this section
53.4 using money appropriated for medical assistance and shall seek federal cost sharing to the
53.5 extent permitted under the Medicaid state plan or under waivers granted by the federal
53.6 Centers for Medicare and Medicaid Services.

53.7 Sec. 15. Minnesota Statutes 2008, section 12A.15, is amended by adding a subdivision
53.8 to read:

53.9 Subd. 3. **Waiver of Contract Approval Procedures.** State and federal disaster
53.10 assistance distributed by the commissioner of public safety is not subject to the contract
53.11 approval procedures of chapter 16A, 16B, or 16C, or any other law. The commissioner
53.12 of public safety may adopt internal procedures to administer and monitor these aids and
53.13 grants.

53.14 Sec. 16. **2009 FLOOD LOSS; CITY REPLACEMENT AID.**

53.15 Subdivision 1. **Flood net tax capacity loss.** The county assessor of each qualified
53.16 county shall compute a hypothetical city taxable net tax capacity for each city in the
53.17 county based upon market values for assessment year 2010 and the class rates that were in
53.18 effect for assessment year 2009. The amount, if any, by which the assessment year 2009
53.19 total taxable net tax capacity of the city exceeds the hypothetical taxable net tax capacity
53.20 of the city is the city's "flood net tax capacity loss." A county assessor of a qualified county
53.21 that contains a city that has a flood net tax capacity loss that exceeds five percent of its
53.22 assessment year 2009 total taxable net tax capacity shall certify the city's flood net tax
53.23 capacity loss to the commissioner of revenue by August 1, 2009.

53.24 As used in this section, a "qualified county" is a county located within the area
53.25 included in DR-1830.

53.26 Subd. 2. **Flood loss aid.** In 2010, each city with a flood net tax capacity loss equal
53.27 to or greater than five percent of its assessment year 2009 total taxable net tax capacity is
53.28 entitled to flood loss aid equal to the flood net tax capacity loss times the city's average
53.29 local tax rate for taxes payable in 2009.

53.30 Subd. 3. **Duties of commissioner.** The commissioner of revenue shall determine
53.31 each city's aid amount under this section. The commissioner shall notify each eligible city
53.32 of its flood loss aid amount by August 15, 2009. The commissioner shall make payments
53.33 to each city after July 1, and before July 20, 2010.

54.1 Subd. 4. **Optional city expenditure.** A city that receives aid under this section
54.2 may choose to expend a portion of the aid received for repair of county roads located
54.3 within the city.

54.4 Subd. 5. **Appropriation.** The amount necessary to pay the aid amounts under this
54.5 section in fiscal year 2011, for calendar year 2010, is appropriated to the commissioner of
54.6 revenue from the general fund.

54.7 Sec. 17. **EFFECTIVE DATE.**

54.8 This article is effective the day following final enactment.

54.9 **ARTICLE 3**

54.10 **HUGO TORNADO RELIEF**

54.11 Section 1. **GRANT.**

54.12 The sum of \$350,000 is appropriated from the general fund to the commissioner of
54.13 employment and economic development for a grant to the city of Hugo for the cost of
54.14 debris clearance and other disaster costs resulting from damage caused by the May 25,
54.15 2008, tornado. This is a onetime appropriation and is available until expended.

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

54.17 **ARTICLE 4**

54.18 **ST. CHARLES SCHOOL DISTRICT RELIEF**

54.19 Section 1. **DECLINING PUPIL AID; ST. CHARLES SCHOOL DISTRICT.**

54.20 For fiscal years 2010 and 2011 only, Independent School District No. 858, St.
54.21 Charles, is eligible for declining pupil unit aid equal to the lesser of \$242,000 or the
54.22 product of \$5,124 and the number of adjusted pupil units lost during that year as a result
54.23 of the April 2009 fire. Notwithstanding Minnesota Statutes, section 126C.13, the amounts
54.24 required under this section are included in the general education aid payments for the
54.25 district. The district must provide the commissioner of education documentation of the
54.26 students lost as a result of the fire."

54.27 Delete the title and insert:

54.28 "A bill for an act

54.29 relating to capital improvements; authorizing spending to acquire and better
54.30 public land and buildings and for other improvements of a capital nature
54.31 with certain conditions; establishing new programs and modifying existing
54.32 programs; authorizing the sale of state bonds; repealing and modifying previous
54.33 appropriations; providing money to match and supplement federal disaster
54.34 assistance; providing aid to local governments and individuals and for other
54.35 disaster relief for damage caused by flooding, tornado, and fire in the state;
54.36 appropriating money; amending Minnesota Statutes 2008, sections 12A.10;

55.1 12A.15, by adding a subdivision; 16A.641, by adding a subdivision; 16A.86,
55.2 subdivision 2, by adding a subdivision; 134.45, by adding a subdivision;
55.3 135A.046, subdivision 2; 136F.98, subdivision 1; Laws 2000, chapter 492,
55.4 article 1, section 5, subdivision 10; Laws 2005, chapter 20, article 1, section 23,
55.5 subdivision 16, as amended; Laws 2006, chapter 258, sections 7, subdivision 7,
55.6 as amended; 8, subdivision 2; 20, subdivision 7; 21, subdivisions 4, 5, 6, as
55.7 amended; 23, subdivision 3, as amended; Laws 2008, chapter 179, sections 3,
55.8 subdivisions 12, as amended, 21, 25; 7, subdivision 29; 8, subdivision 2; 15,
55.9 subdivision 5; 21, subdivision 14; proposing coding for new law in Minnesota
55.10 Statutes, chapter 84; repealing Minnesota Statutes 2008, sections 16A.86,
55.11 subdivision 3; 116.156; 473.399, subdivision 4; Laws 2008, chapter 179, section
55.12 8, subdivision 3."

56.1 We request the adoption of this report and repassage of the bill.

56.2 House Conferees: (Signed)

56.3
56.4 Alice Hausman Bev Scalze

56.5
56.6 Jean Wagenius Tom Rukavina

56.7
56.8 Larry Howes

56.9 Senate Conferees: (Signed)

56.10
56.11 Keith Langseth Dick Day

56.12
56.13 David Tomassoni Ann Lynch

56.14
56.15 Katie Sieben