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State of Minnesota

HOUSE OF REPRESENTATIVES

SECOND SPECIAL SESSION

H. F. No. **3**

07/13/2020 Authored by Murphy, Lee, Bernardy, Sandell, Carlson, L., and others
The bill was read for the first time and referred to the Committee on Ways and Means
07/14/2020 Adoption of Report: Placed on the General Register as Amended
Read for the Second Time
07/20/2020 Calendar for the Day, Amended
Read Third Time as Amended
07/21/2020 Bill was not passed as amended three-fifths majority required

1.1 A bill for an act

1.2 relating to public finance; providing for stimulus measures to counter the economic
1.3 impact of the COVID-19 pandemic; authorizing spending to acquire and better
1.4 public land and buildings and for other improvements of a capital nature with
1.5 certain conditions; modifying prior appropriations; establishing new programs and
1.6 modifying existing programs; authorizing the sale and issuance of state bonds;
1.7 modifying provisions for property taxes, local government aids, individual and
1.8 corporate franchise taxes, sales and use taxes, lawful gambling taxes, and other
1.9 miscellaneous taxes and tax provisions; modifying the referendum equalization
1.10 levy; providing for certain property tax classification; providing local government
1.11 aid penalty forgiveness; modifying and providing for certain additions and
1.12 subtractions for the individual income and corporate franchise taxes; making the
1.13 student loan credit refundable; modifying sales and use tax exemptions; providing
1.14 provisions related to partnership audits; modifying lawful gambling taxes;
1.15 modifying the workforce and affordable homeownership development program;
1.16 making other minor policy, technical, and conforming changes; making transfers;
1.17 appropriating money; amending Minnesota Statutes 2018, sections 16A.641, by
1.18 adding a subdivision; 16B.86; 16B.87; 41B.025, by adding a subdivision;
1.19 115A.0716; 123B.53, subdivisions 1, 4; 126C.63, subdivision 8; 126C.66,
1.20 subdivision 3; 126C.69, as amended; 126C.71; 134.45, subdivision 5; 137.61;
1.21 137.62, subdivision 2, by adding a subdivision; 137.63; 137.64; 270C.445,
1.22 subdivision 6; 272.02, by adding a subdivision; 273.13, subdivision 25; 289A.31,
1.23 subdivision 1; 289A.37, subdivision 2; 289A.38, subdivisions 8, 9, 10; 289A.42;
1.24 289A.60, subdivision 24; 290.0131, subdivision 10; 290.0132, by adding a
1.25 subdivision; 290.0133, subdivision 12; 290.0682, subdivision 2; 297A.70,
1.26 subdivision 13; 297E.02, subdivision 6, as amended; 297E.021, subdivision 2;
1.27 297F.17, subdivision 6; 297G.16, subdivision 7; 349.15, subdivision 1; 349.151,
1.28 subdivision 4; 363A.36, by adding a subdivision; 363A.44, subdivision 1; 462A.37,
1.29 subdivision 1, by adding a subdivision; 462A.38, as amended; 469.319, subdivision
1.30 4; 473.4052, subdivision 4; Minnesota Statutes 2019 Supplement, sections 16A.968,
1.31 subdivision 3; 126C.17, subdivision 6; 273.13, subdivision 34; 289A.38, subdivision
1.32 7; 290.31, subdivision 1; 290.993; 297A.71, subdivision 52; 462A.37, subdivisions
1.33 2, 5; Laws 2008, chapter 179, section 18, subdivision 3, as amended; Laws 2014,
1.34 chapter 294, article 1, section 7, subdivision 11, as amended; Laws 2015, First
1.35 Special Session chapter 5, article 1, sections 10, subdivision 7, as amended; 13;
1.36 Laws 2017, First Special Session chapter 8, article 1, sections 15, subdivisions 3,
1.37 as amended, 4; 18, subdivision 3; 20, subdivision 21, as amended; Laws 2018,
1.38 chapter 214, article 1, sections 2, subdivision 6; 7, subdivision 1; 16, subdivision

2.1 19; 21, subdivisions 1, 18, 26, 28, as amended, 29; Laws 2019, First Special Session
 2.2 chapter 11, article 6, section 7, subdivision 2, as amended; proposing coding for
 2.3 new law in Minnesota Statutes, chapters 16A; 116J; 174; 240A; 289A; repealing
 2.4 Minnesota Statutes 2018, sections 16A.633, subdivision 4; 126C.65, subdivision
 2.5 2; 126C.68, subdivisions 1, 2, 4; Minnesota Statutes 2019 Supplement, section
 2.6 126C.68, subdivision 3.

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

2.8 **ARTICLE 1**

2.9 **GENERAL OBLIGATION BONDS**

2.10 Section 1. **CAPITAL IMPROVEMENT APPROPRIATIONS.**

2.11 The sums shown in the column under "Appropriations" are appropriated from the bond
 2.12 proceeds fund, or another named fund, to the state agencies or officials indicated, to be
 2.13 spent for public purposes. Appropriations of bond proceeds must be spent as authorized by
 2.14 the Minnesota Constitution, article XI, section 5, clause (a), to acquire and better public
 2.15 land and buildings and other public improvements of a capital nature, or as authorized by
 2.16 the Minnesota Constitution, article XI, section 5, clauses (b) to (j), or article XIV. Unless
 2.17 otherwise specified, money appropriated in this act:

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

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

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

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

2.29 **APPROPRIATIONS**

2.30 Sec. 2. **UNIVERSITY OF MINNESOTA**

2.31 **Subdivision 1. Total Appropriation** **§ 85,381,000**

2.32 To the Board of Regents of the University of
 2.33 Minnesota for the purposes specified in this
 2.34 section.

- 3.1 **Subd. 2. Higher Education Asset Preservation**
 3.2 **and Replacement (HEAPR)** 48,495,000
- 3.3 To be spent in accordance with Minnesota
 3.4 Statutes, section 135A.046.
- 3.5 **Subd. 3. Twin Cities - Institute of Child**
 3.6 **Development Building** 29,200,000
- 3.7 To predesign, design, renovate, expand,
 3.8 furnish, and equip research, learning, and
 3.9 outreach spaces in the Institute of Child
 3.10 Development building on the Twin Cities
 3.11 campus. This project includes the demolition
 3.12 and replacement of the 1968 building addition.
- 3.13 **Subd. 4. Duluth - A.B. Anderson Hall**
 3.14 **Renovation** 4,400,000
- 3.15 To predesign, design, renovate, furnish, and
 3.16 equip campus teaching and learning spaces,
 3.17 including mechanical systems, in A.B.
 3.18 Anderson Hall on the Duluth campus.
- 3.19 **Subd. 5. Twin Cities - Fraser Hall Chemistry**
 3.20 **Undergraduate Teaching Laboratory** 3,286,000
- 3.21 To predesign and design (1) the renovation of
 3.22 Fraser Hall, and (2) an addition to Fraser Hall,
 3.23 for an undergraduate chemistry teaching
 3.24 laboratory facility on the Twin Cities campus.
 3.25 This project includes design of the demolition
 3.26 of obsolete portions of Fraser Hall.
- 3.27 **Subd. 6. University Share**
- 3.28 Except for the appropriations for HEAPR, the
 3.29 appropriations in this section are intended to
 3.30 cover approximately two-thirds of the cost of
 3.31 each project. The remaining costs must be paid
 3.32 from university sources.
- 3.33 **Subd. 7. Unspent Appropriations**

4.1 Upon substantial completion of a project
 4.2 authorized in this section and after written
 4.3 notice to the commissioner of management
 4.4 and budget, the Board of Regents must use
 4.5 any money remaining in the appropriation for
 4.6 that project for HEAPR under Minnesota
 4.7 Statutes, section 135A.046. The Board of
 4.8 Regents must report by February 1 of each
 4.9 even-numbered year to the chairs of the house
 4.10 of representatives and senate committees with
 4.11 jurisdiction over capital investment and higher
 4.12 education finance, and to the chairs of the
 4.13 house of representatives Ways and Means
 4.14 Committee and the senate Finance Committee,
 4.15 on how the remaining money has been
 4.16 allocated or spent.

4.17 **Sec. 3. MINNESOTA STATE COLLEGES AND**
 4.18 **UNIVERSITIES**

4.19 **Subdivision 1. Total Appropriation** **\$ 92,010,000**

4.20 To the Board of Trustees of the Minnesota
 4.21 State Colleges and Universities for the
 4.22 purposes specified in this section.

4.23 **Subd. 2. Higher Education Asset Preservation**
 4.24 **and Replacement (HEAPR)** **74,103,000**

4.25 To be spent in accordance with Minnesota
 4.26 Statutes, section 135A.046.

4.27 **Subd. 3. Anoka-Ramsey Community College** **16,282,000**

4.28 To design, renovate, and equip the business
 4.29 and nursing building at Anoka-Ramsey
 4.30 Community College, Coon Rapids campus.

4.31 **Subd. 4. Minneapolis Community and Technical**
 4.32 **College** **990,000**

4.33 To design phases 1 and 2 of the Management
 4.34 Education Center shared with Metropolitan

5.1 State University on the Minneapolis
 5.2 Community and Technical College campus to
 5.3 support baccalaureate programming
 5.4 expansion.

5.5 **Subd. 5. Pine Technical and Community College** 635,000

5.6 To design the renovation of the main building
 5.7 allied health space and an addition of the
 5.8 technical trade and applied learning labs at
 5.9 Pine Technical and Community College.

5.10 **Subd. 6. Debt Service**

5.11 (a) Except as provided in paragraph (b), the
 5.12 Board of Trustees shall pay the debt service
 5.13 on one-third of the principal amount of state
 5.14 bonds sold to finance projects authorized by
 5.15 this section. After each sale of general
 5.16 obligation bonds, the commissioner of
 5.17 management and budget shall notify the board
 5.18 of the amounts assessed for each year for the
 5.19 life of the bonds.

5.20 (b) The board need not pay debt service on
 5.21 bonds sold to finance HEAPR. Where a
 5.22 nonstate match is required, the debt service is
 5.23 due on a principal amount equal to one-third
 5.24 of the total project cost, less the match
 5.25 committed before the bonds are sold.

5.26 (c) The commissioner of management and
 5.27 budget shall reduce the board's assessment
 5.28 each year by one-third of the net income from
 5.29 investment of general obligation bond
 5.30 proceeds in proportion to the amount of
 5.31 principal and interest otherwise required to be
 5.32 paid by the board. The board shall pay its
 5.33 resulting net assessment to the commissioner
 5.34 of management and budget by December 1

6.1 each year. If the board fails to make a payment
6.2 when due, the commissioner of management
6.3 and budget shall reduce allotments for
6.4 appropriations from the general fund otherwise
6.5 available to the board and apply the amount
6.6 of the reduction to cover the missed debt
6.7 service payment. The commissioner of
6.8 management and budget shall credit the
6.9 payments received from the board to the bond
6.10 debt service account in the state bond fund
6.11 each December 1 before money is transferred
6.12 from the general fund under Minnesota
6.13 Statutes, section 16A.641, subdivision 10.

6.14 **Subd. 7. Unspent Appropriations**

6.15 (a) Upon substantial completion of a project
6.16 authorized in this section and after written
6.17 notice to the commissioner of management
6.18 and budget, the board must use any money
6.19 remaining in the appropriation for that project
6.20 for HEAPR under Minnesota Statutes, section
6.21 135A.046. The Board of Trustees must report
6.22 by February 1 of each even-numbered year to
6.23 the chairs of the house of representatives and
6.24 senate committees with jurisdiction over
6.25 capital investment and higher education
6.26 finance and to the chairs of the house of
6.27 representatives Ways and Means Committee
6.28 and the senate Finance Committee, on how
6.29 the remaining money has been allocated or
6.30 spent.

6.31 (b) The unspent portion of an appropriation
6.32 for a project in this section that is complete is
6.33 available for HEAPR under this subdivision,
6.34 at the same campus as the project for which
6.35 the original appropriation was made and the

7.1 debt service requirement under this section is
 7.2 reduced accordingly. Minnesota Statutes,
 7.3 section 16A.642, applies from the date of the
 7.4 original appropriation to the unspent amount
 7.5 transferred.

7.6 **Sec. 4. EDUCATION**

7.7 **Subdivision 1. Total Appropriation** **\$ 2,951,000**

7.8 To the commissioner of education for the
 7.9 purposes specified in this section.

7.10 **Subd. 2. Library Construction Grants** **2,951,000**

7.11 For library construction grants under
 7.12 Minnesota Statutes, section 134.45.

7.13 **Sec. 5. MINNESOTA STATE ACADEMIES**

7.14 **Subdivision 1. Total Appropriation** **\$ 6,830,000**

7.15 To the commissioner of administration for the
 7.16 purposes specified in this section.

7.17 **Subd. 2. Asset Preservation** **1,000,000**

7.18 For capital asset preservation improvements
 7.19 and betterments on both campuses of the
 7.20 Minnesota State Academies, to be spent in
 7.21 accordance with Minnesota Statutes, section
 7.22 16B.307.

7.23 **Subd. 3. Safety Corridor** **5,830,000**

7.24 To design, construct, furnish, and equip a
 7.25 safety corridor on the Minnesota State
 7.26 Academy for the Deaf campus, including but
 7.27 not limited to abatement of asbestos and
 7.28 hazardous materials, construction, and
 7.29 renovations necessary to establish a central
 7.30 point of access, a reception and visitor area,
 7.31 and security monitoring with connections to
 7.32 Smith, Quinn, and Noyes Halls. This

8.1 appropriation also includes money to
 8.2 predesign, design, renovate, furnish, and equip
 8.3 Smith and Quinn Halls, including but not
 8.4 limited to abatement of asbestos and hazardous
 8.5 materials, interior space, restrooms, offices,
 8.6 classrooms, science labs, and technology labs.

8.7 **Sec. 6. PERPICH CENTER FOR ARTS**
 8.8 **EDUCATION**

8.9 **Subdivision 1. Total Appropriation** **\$ 750,000**

8.10 To the commissioner of administration for the
 8.11 purposes specified in this section.

8.12 **Subd. 2. Asset Preservation** **750,000**

8.13 For capital asset preservation improvements
 8.14 and betterments at the Perpich Center for Arts
 8.15 Education, to be spent in accordance with
 8.16 Minnesota Statutes, section 16B.307.

8.17 **Sec. 7. NATURAL RESOURCES**

8.18 **Subdivision 1. Total Appropriation** **\$ 96,395,000**

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

8.21 (b) The appropriations in this section are
 8.22 subject to the requirements of the natural
 8.23 resources capital improvement program under
 8.24 Minnesota Statutes, section 86A.12, unless
 8.25 this section or the statutes referred to in this
 8.26 section provide more specific standards,
 8.27 criteria, or priorities for projects than
 8.28 Minnesota Statutes, section 86A.12.

8.29 **Subd. 2. Natural Resources Asset Preservation** **25,000,000**

8.30 (a) For the renovation of state-owned facilities
 8.31 and recreational assets operated by the
 8.32 commissioner of natural resources to be spent
 8.33 in accordance with Minnesota Statutes, section

9.1 84.946. Notwithstanding Minnesota Statutes,
 9.2 section 84.946, the commissioner may use this
 9.3 appropriation to replace buildings if,
 9.4 considering the embedded energy in the
 9.5 building, that is the most energy-efficient and
 9.6 carbon-reducing method of renovation.

9.7 (b) \$5,000,000 of this appropriation is for the
 9.8 Soudan mine shaft rehabilitation. The Soudan
 9.9 mine shaft rehabilitation project is exempt
 9.10 from using the Designer Selection Board
 9.11 process as defined in Minnesota Statutes,
 9.12 section 16B.33, and is exempt from any
 9.13 requirement for a minimum number of
 9.14 proposals as set forth in Minnesota Statutes,
 9.15 section 16C.33, subdivision 5, paragraph (c).

9.16 **Subd. 3. Flood Hazard Mitigation** 15,000,000

9.17 (a) For the state share of flood hazard
 9.18 mitigation grants for publicly owned capital
 9.19 improvements to prevent or alleviate flood
 9.20 damage under Minnesota Statutes, section
 9.21 103F.161.

9.22 (b) To the extent practical, levee projects shall
 9.23 meet the state standard of three feet above the
 9.24 100-year flood elevation.

9.25 (c) Project priorities shall be determined by
 9.26 the commissioner as appropriate, based on
 9.27 need and consideration of available leveraging
 9.28 of federal, state, and local funds.

9.29 (d) This appropriation may be used for projects
 9.30 in the following municipalities: Afton, Austin,
 9.31 Breckenridge, Browns Valley, Carver, Delano,
 9.32 Faribault, Golden Valley, Halstad, Hawley,
 9.33 Hendrum, Inver Grove Heights, Jordan,
 9.34 Montevideo, Moorhead, Newfolden,

10.1 Nielsen, Owatonna, Round Lake Township
10.2 in Jackson County, Sioux Valley Township
10.3 in Jackson County, and Waseca.

10.4 (e) This appropriation also may be used for
10.5 projects in the following watershed districts:
10.6 Bois de Sioux Watershed District, Buffalo-Red
10.7 River Watershed District, Cedar River
10.8 Watershed District; Southern Minnesota
10.9 Rivers Basin Area II, Lower Minnesota River
10.10 Watershed District, Middle Snake Tamarac
10.11 Rivers Watershed District, Prior Lake-Spring
10.12 Lake Watershed District, Red Lake Watershed
10.13 District, Roseau River Watershed District,
10.14 Shell Rock River Watershed District, Two
10.15 Rivers Watershed District, Upper Minnesota
10.16 River Watershed District, and Wild Rice River
10.17 Watershed District.

10.18 (f) For any project listed in this subdivision
10.19 that the commissioner determines is not ready
10.20 to proceed, does not have the nonstate match
10.21 committed, or does not expend all the money
10.22 granted to it, the commissioner may allocate
10.23 that project's unexpended money to a priority
10.24 project on the commissioner's list.

10.25 (g) To the extent practicable and consistent
10.26 with the project, recipients of appropriations
10.27 for flood control projects in this subdivision
10.28 shall create wetlands that are eligible for
10.29 wetland replacement credit to replace wetlands
10.30 drained or filled as the result of repair,
10.31 reconstruction, replacement, or rehabilitation
10.32 of an existing public road under Minnesota
10.33 Statutes, section 103G.222, subdivision 1,
10.34 paragraphs (l) and (m).

11.1 (h) To the extent that the cost of a project
 11.2 exceeds two percent of the median household
 11.3 income in a municipality or township
 11.4 multiplied by the number of households in the
 11.5 municipality or township, this appropriation
 11.6 is also for the local share of the project.

11.7 **Subd. 4. Canisteo and Hill Annex Open-Pit Mine**
 11.8 **Groups**

2,000,000

11.9 (a) For predesign, design, and engineering of
 11.10 projects to mitigate the threat to property,
 11.11 public safety, and water quality from rising
 11.12 water levels at the Canisteo and Hill Annex
 11.13 mine complexes. The commissioner must give
 11.14 priority to work that addresses the most
 11.15 immediate risks to public safety. If the
 11.16 predesign, design, and engineering for the
 11.17 Canisteo and Hill Annex mine complexes is
 11.18 complete, the commissioner may use any
 11.19 remaining money from this appropriation to
 11.20 construct mitigation measures at the Canisteo
 11.21 or Hill Annex mine complex.

11.22 (b) The commissioner, in cooperation with the
 11.23 Department of Iron Range Resources and
 11.24 Rehabilitation, Western Mesabi Mine Planning
 11.25 Board, and Itasca County, shall provide a
 11.26 status report on this project to the chairs and
 11.27 ranking minority members of the legislative
 11.28 committees with jurisdiction over capital
 11.29 investment and environment and natural
 11.30 resources finance by October 1, 2020,
 11.31 February 15, 2021, April 15, 2021, July 1,
 11.32 2021, and September 1, 2021. This report must
 11.33 include but is not limited to recommendations
 11.34 on lease ownership and costs, the findings of
 11.35 the pit wall stability study, final engineering,

- 12.1 and design work, including cost estimates to
- 12.2 complete the outlet and recommendations on
- 12.3 ownership, operations, and maintenance of
- 12.4 the constructed outlet.

- 12.5 **Subd. 5. Dam Renovation, Repair, Removal** 20,000,000
- 12.6 (a) For design, engineering, and construction
- 12.7 to repair, reconstruct, or remove publicly
- 12.8 owned dams and respond to dam safety
- 12.9 emergencies on publicly owned dams. Of this
- 12.10 appropriation, \$18,000,000 is for the
- 12.11 reconstruction of the Lake Bronson Dam in
- 12.12 Lake Bronson State Park.
- 12.13 (b) The commissioner shall determine project
- 12.14 priorities as appropriate under Minnesota
- 12.15 Statutes, sections 103G.511 and 103G.515. If
- 12.16 the commissioner determines that a project is
- 12.17 not ready to proceed, this appropriation may
- 12.18 be used for other projects on the
- 12.19 commissioner's priority list.

- 12.20 **Subd. 6. State Park and Recreation Area**
- 12.21 **Accessibility** 3,000,000
- 12.22 For the predesign, design, and construction of
- 12.23 accessibility improvements at William O'Brien
- 12.24 State Park.

- 12.25 **Subd. 7. Lake Vermilion-Soudan Underground**
- 12.26 **Mine State Park** 5,800,000
- 12.27 For the predesign, design, and construction of
- 12.28 a campground and related infrastructure at
- 12.29 Lake Vermilion-Soudan Underground Mine
- 12.30 State Park.

- 12.31 **Subd. 8. Shade Tree Program** 1,000,000
- 12.32 For grants to cities, counties, townships, and
- 12.33 park and recreation boards in cities of the first
- 12.34 class, for the removal and the planting of shade

- 13.1 trees on public land to provide environmental
- 13.2 benefits; replace trees lost to forest pests,
- 13.3 disease, or storm; or to establish a more
- 13.4 diverse community forest better able to
- 13.5 withstand disease and forest pests. The
- 13.6 commissioner must give priority to grant
- 13.7 requests to remove and replace trees with
- 13.8 active infestations of emerald ash borer. For
- 13.9 purposes of this appropriation, "shade tree"
- 13.10 means a woody perennial grown primarily for
- 13.11 aesthetic or environmental purposes with
- 13.12 minimal to residual timber value. Any tree
- 13.13 planted with money under this subdivision
- 13.14 must be a climate-adapted species to
- 13.15 Minnesota.

- 13.16 **Subd. 9. Forests for the Future** 1,000,000
- 13.17 For the acquisition of lands for the forests for
- 13.18 the future program under Minnesota Statutes,
- 13.19 section 84.66.

- 13.20 **Subd. 10. Blazing Star State Trail** 1,000,000
- 13.21 For engineering of all phases, and wetland and
- 13.22 public waters mitigation for the Blazing Star
- 13.23 Trail, under Minnesota Statutes, section
- 13.24 85.015, subdivision 19, between the
- 13.25 communities of Albert Lea and Hayward,
- 13.26 connecting both communities to Myre-Big
- 13.27 Island State Park.

- 13.28 **Subd. 11. Camp Ripley; Veterans State Trail** 1,000,000
- 13.29 For construction of the Camp Ripley/Veterans
- 13.30 State Trail under Minnesota Statutes, section
- 13.31 85.015, subdivision 28.

- 13.32 **Subd. 12. Heartland State Trail; Detroit Lakes**
- 13.33 **to Frazee Segment** 2,000,000

- 14.1 For land acquisition, final engineering, and
- 14.2 design of the proposed Heartland State Trail
- 14.3 between its current terminus at Becker County
- 14.4 CSAH 10 and Trunk Highway 87 in Frazee,
- 14.5 and for the construction of a trail bridge over
- 14.6 Becker County CSAH 10.

- 14.7 **Subd. 13. Heartland State Trail; Itasca State**
- 14.8 **Park Connector** 2,000,000

- 14.9 For final engineering and design of the trail
- 14.10 segment of the Heartland State Trail located
- 14.11 within Itasca State Park and for the
- 14.12 construction of a trail tunnel under Trunk
- 14.13 Highway 71.

- 14.14 **Subd. 14. Lake City; Hok-Si-La Park Water and**
- 14.15 **Sewer Extension** 587,000

- 14.16 For a grant to the city of Lake City to design,
- 14.17 engineer, and construct a water and sewer
- 14.18 connection from the city's sewer distribution
- 14.19 and collection point to Hok-Si-La Park.

- 14.20 **Subd. 15. Lake City; Ohuta Beach Breakwater** 1,058,000

- 14.21 For a grant to the city of Lake City to design
- 14.22 and construct a breakwater at Ohuta Beach in
- 14.23 Lake City at Ohuta Park.

- 14.24 **Subd. 16. Mankato; Riverbank Restoration** 7,200,000

- 14.25 For a grant to the city of Mankato to:
- 14.26 (1) stabilize the Minnesota River riverbank in
- 14.27 the Land of Memories Park to reduce erosion
- 14.28 and protect well 15;

- 14.29 (2) stabilize the Minnesota River riverbank to
- 14.30 protect Mankato's riverfront, including the
- 14.31 Minnesota River Trail trailhead, and regional
- 14.32 Water Resource Recovery Facility; and

- 15.1 (3) install in-channel stream stabilization
- 15.2 infrastructure in Indian Creek to reduce
- 15.3 erosion and improve water quality in the
- 15.4 Minnesota River-Mankato watershed.

- 15.5 **Subd. 17. Otter Tail County; Perham to Pelican**
- 15.6 **Rapids Regional Trail** 1,600,000

- 15.7 For a grant to Otter Tail County to construct
- 15.8 the McDonald Lake segment of the Perham
- 15.9 to Pelican Rapids Regional Trail, which goes
- 15.10 from the intersection of County State-Aid
- 15.11 Highway 41 and 440th Street to the
- 15.12 intersection of County State-Aid Highway 34
- 15.13 and County State-Aid Highway 35.

- 15.14 **Subd. 18. Rochester; Cascade Park** 2,500,000

- 15.15 For a grant to the city of Rochester to
- 15.16 predesign, design, construct, furnish, and
- 15.17 equip improvements of a capital nature,
- 15.18 including a pavilion, an amphitheater,
- 15.19 performance facilities, picnic shelters,
- 15.20 restroom facilities, play areas, park access,
- 15.21 and landscaping.

- 15.22 **Subd. 19. Scott County; McMahon Lake Flood**
- 15.23 **Mitigation** 600,000

- 15.24 For the state share of a flood hazard mitigation
- 15.25 grant to Scott County for publicly owned
- 15.26 capital improvements to prevent or alleviate
- 15.27 flood damage on McMahon Lake under
- 15.28 Minnesota Statutes, section 103F.161.

- 15.29 **Subd. 20. Silver Bay; Trailhead Center** 1,100,000

- 15.30 For a grant to the city of Silver Bay to
- 15.31 predesign, design, construct, furnish, and
- 15.32 equip a multimodal trailhead center for the
- 15.33 various hiking, bicycling, snowmobile, and
- 15.34 all-terrain vehicle trails that converge in the

16.1 area. The center includes separated trail access
 16.2 for motorized and nonmotorized users and
 16.3 open space for trail users, parking, a wayside
 16.4 rest area, and a new trailhead center building
 16.5 that includes lavatories and showers.

16.6 **Subd. 21. St. Louis County; Voyageur Country**
 16.7 **ATV Trail** 950,000

16.8 For a grant to St. Louis County for design,
 16.9 right-of-way acquisition, and construction of
 16.10 Phase I of the Voyageur Country ATV Trail
 16.11 connections in the areas of Orr, Ash River,
 16.12 Kabetogama Township, and International Falls
 16.13 to the Voyageur Country ATV Trail system.

16.14 **Subd. 22. Winona; Mississippi Riverfront Trail** 2,000,000

16.15 For a grant under Minnesota Statutes, section
 16.16 85.019, to the city of Winona to construct a
 16.17 paved trail from Levee Park to Lions Park
 16.18 along the Mississippi River in the city of
 16.19 Winona.

16.20 **Subd. 23. Unspent Appropriations**

16.21 The unspent portion of an appropriation for a
 16.22 project in this section that is complete, upon
 16.23 written notice to the commissioner of
 16.24 management and budget, is available for asset
 16.25 preservation under Minnesota Statutes, section
 16.26 84.946. Minnesota Statutes, section 16A.642,
 16.27 applies from the date of the original
 16.28 appropriation to the unspent amount
 16.29 transferred.

16.30 **Sec. 8. POLLUTION CONTROL AGENCY**

16.31 **Subdivision 1. Total Appropriation** **\$ 27,146,000**

16.32 To the Pollution Control Agency for the
 16.33 purposes specified in this section.

17.1	<u>Subd. 2. Clay County</u>	<u>7,500,000</u>
17.2	<u>For a grant to Clay County under the solid</u>	
17.3	<u>waste capital assistance grant program under</u>	
17.4	<u>Minnesota Statutes, section 115A.54, in order</u>	
17.5	<u>to acquire land, design, construct, renovate,</u>	
17.6	<u>and equip a new resource recovery campus</u>	
17.7	<u>consisting of a new solid waste transfer station</u>	
17.8	<u>and problem materials management facility.</u>	
17.9	<u>Subd. 3. Dakota and Scott Counties</u>	<u>2,000,000</u>
17.10	<u>For a capital assistance grant under Minnesota</u>	
17.11	<u>Statutes, sections 115A.54 to 115A.541, to</u>	
17.12	<u>Dakota County or Scott County to acquire</u>	
17.13	<u>land, design, and engineer a new regional</u>	
17.14	<u>household hazardous waste collection and</u>	
17.15	<u>recycling facility to be located at a site in</u>	
17.16	<u>Dakota County or Scott County that best</u>	
17.17	<u>supports access needs for the residents of</u>	
17.18	<u>Dakota and Scott Counties. This is phase 1 of</u>	
17.19	<u>the project.</u>	
17.20	<u>Subd. 4. Pope-Douglas; Solid Waste Facility</u>	<u>5,000,000</u>
17.21	<u>For a grant to the Pope-Douglas Solid Waste</u>	
17.22	<u>Management Joint Powers Board under the</u>	
17.23	<u>solid waste capital assistance grant program</u>	
17.24	<u>under Minnesota Statutes, section 115A.54.</u>	
17.25	<u>This appropriation may be used to design,</u>	
17.26	<u>construct, and equip a new organics</u>	
17.27	<u>composting facility in Douglas County; and</u>	
17.28	<u>to design, construct, and equip a new</u>	
17.29	<u>environmental learning center in Alexandria</u>	
17.30	<u>for problem materials recycling and disposal</u>	
17.31	<u>of household hazardous waste. This</u>	
17.32	<u>appropriation may also be used to acquire land</u>	
17.33	<u>and for demolition costs associated with the</u>	
17.34	<u>projects described in this section and is</u>	
17.35	<u>intended to replace outdated public facilities</u>	

18.1 and infrastructure to serve the recycling and
 18.2 composting needs of Douglas, Pope, Otter
 18.3 Tail, Grant, Stevens, Stearns, Benton, and
 18.4 Sherburne Counties. This is phase 1 of the
 18.5 project.

18.6 **Subd. 5. Ramsey-Washington** 7,000,000

18.7 For a grant to Ramsey County under the solid
 18.8 waste capital assistance grant program under
 18.9 Minnesota Statutes, section 115A.54, in order
 18.10 to design, construct, furnish, and equip the
 18.11 expansion of and upgrades to the
 18.12 Ramsey/Washington Recycling and Energy
 18.13 facility, jointly owned by Ramsey and
 18.14 Washington Counties, located on Red Rock
 18.15 Road in Newport. The project includes
 18.16 engineering and the acquisition and installation
 18.17 of major equipment to process organics and
 18.18 increase recycling of plastics, cardboard, and
 18.19 metals.

18.20 **Subd. 6. Brookston; Closed Landfill Cleanup** 1,330,000

18.21 To design and construct remedial systems and
 18.22 acquire land at closed landfills throughout the
 18.23 state in accordance with the closed landfill
 18.24 program under Minnesota Statutes, sections
 18.25 115B.39 to 115B.42. The agency must follow
 18.26 the agency priorities, which includes a
 18.27 construction project at the Brookston Area
 18.28 Landfill.

18.29 **Subd. 7. Coon Rapids** 316,000

18.30 For a grant to the city of Coon Rapids under
 18.31 the solid waste capital assistance grants
 18.32 program in Minnesota Statutes, section
 18.33 115A.54, for expanding and improving the
 18.34 Coon Rapids Recycling Center, including

19.1 constructing, furnishing, and equipping a
 19.2 building for polystyrene foam processing, a
 19.3 cold storage building, a covered storage area,
 19.4 and constructing driving lanes and parking
 19.5 areas.

19.6 **Subd. 8. Todd County; Solid Waste Facility** **4,000,000**

19.7 For a grant to Todd County under the solid
 19.8 waste capital assistance grants program under
 19.9 Minnesota Statutes, section 115A.54, to
 19.10 design, construct, and equip a new solid waste
 19.11 transfer station and household hazardous waste
 19.12 facility.

19.13 **Sec. 9. BOARD OF WATER AND SOIL**
 19.14 **RESOURCES**

19.15 **Subdivision 1. Total Appropriation** **\$ 24,000,000**

19.16 To the Board of Water and Soil Resources for
 19.17 the purposes specified in this section.

19.18 **Subd. 2. Local Government Roads Wetland**
 19.19 **Replacement Program** **15,000,000**

19.20 To acquire land or permanent easements and
 19.21 to restore, create, enhance, and preserve
 19.22 wetlands to replace those wetlands drained or
 19.23 filled as a result of the repair, reconstruction,
 19.24 replacement, or rehabilitation of existing
 19.25 public roads as required by Minnesota
 19.26 Statutes, section 103G.222, subdivision 1,
 19.27 paragraphs (l) and (m). The board may vary
 19.28 the priority order of Minnesota Statutes,
 19.29 section 103G.222, subdivision 3, paragraph
 19.30 (a), to implement an in-lieu fee agreement
 19.31 approved by the U.S. Army Corps of
 19.32 Engineers under section 404 of the Clean
 19.33 Water Act. The purchase price paid for
 19.34 acquisition of land or perpetual easement must
 19.35 be a fair market value as determined by the

20.1 board. The board may enter into agreements
 20.2 with the federal government, other state
 20.3 agencies, political subdivisions, nonprofit
 20.4 organizations, fee title owners, or other
 20.5 qualified private entities to acquire wetland
 20.6 replacement credits in accordance with
 20.7 Minnesota Rules, chapter 8420.

20.8 **Subd. 3. Local Government Roads Wetland**
 20.9 **Replacement Program**

8,000,000

20.10 From the general fund to the board to
 20.11 administer its statutory responsibilities and
 20.12 acquire wetland banking credits to replace
 20.13 those wetlands drained or filled as a result of
 20.14 repairing, reconstructing, replacing, or
 20.15 rehabilitating existing public roads as required
 20.16 by Minnesota Statutes, section 103G.222,
 20.17 subdivision 1. Notwithstanding Minnesota
 20.18 Statutes, section 103G.222, subdivision 3, the
 20.19 board may implement the wetland replacement
 20.20 program when consistent with the watershed
 20.21 approach of section 404 of the federal Clean
 20.22 Water Act. The purchase price paid for
 20.23 acquiring wetland credits must be determined
 20.24 by the board. The board may enter into
 20.25 agreements with the federal government, other
 20.26 state agencies, political subdivisions, nonprofit
 20.27 organizations, fee title owners, or other
 20.28 qualified private entities to acquire wetland
 20.29 replacement credits in accordance with
 20.30 Minnesota Rules, chapter 8420. Of this
 20.31 appropriation, up to \$560,000 is available for
 20.32 the development of the required elements of
 20.33 an in-lieu fee wetland mitigation program in
 20.34 accordance with Minnesota Statutes, section
 20.35 103G.2242, subdivision 3, and up to \$440,000
 20.36 is available for mitigation stewardship in

21.1 accordance with Minnesota Statutes, section
 21.2 103B.103, subdivision 3. This appropriation
 21.3 is onetime.

21.4 **Subd. 4. Reinvest in Minnesota (RIM) Reserve**
 21.5 **Program**

1,000,000

21.6 To acquire conservation easements from
 21.7 landowners to preserve, restore, create, and
 21.8 enhance wetlands and associated uplands of
 21.9 prairie and grasslands, and to restore and
 21.10 enhance rivers and streams, riparian lands, and
 21.11 associated uplands of prairie and grasslands,
 21.12 in order to protect soil and water quality,
 21.13 support fish and wildlife habitat, reduce flood
 21.14 damage, and provide other public benefits.
 21.15 The provisions of Minnesota Statutes, section
 21.16 103F.515, apply to this program. The board
 21.17 shall give priority to leveraging federal money
 21.18 by enrolling targeted new lands or enrolling
 21.19 environmentally sensitive lands that have
 21.20 expiring federal conservation agreements. The
 21.21 board is authorized to enter into new
 21.22 agreements and amend past agreements with
 21.23 landowners as required by Minnesota Statutes,
 21.24 section 103F.515, subdivision 5, to allow for
 21.25 restoration. Up to five percent of this
 21.26 appropriation may be used for restoration and
 21.27 enhancement.

21.28 **Sec. 10. AGRICULTURE**

§ 20,779,000

21.29 To the commissioner of administration to
 21.30 construct, renovate, and equip the Department
 21.31 of Agriculture/Department of Health
 21.32 Laboratory Building in St. Paul, including but
 21.33 not limited to creating a dedicated biosafety
 21.34 level 3 laboratory space, to meet safety,
 21.35 energy, and operational efficiency needs.

22.1 \$779,000 of this appropriation is from the
 22.2 general fund for relocation expenses associated
 22.3 with this project.

22.4 **Sec. 11. MINNESOTA ZOOLOGICAL**
 22.5 **GARDEN**

22.6 **Subdivision 1. Total Appropriation** **\$ 13,000,000**

22.7 To the Minnesota Zoological Garden Board
 22.8 for the purposes specified in this section.

22.9 **Subd. 2. Asset Preservation** **13,000,000**

22.10 For capital asset preservation improvements
 22.11 and betterments to infrastructure and exhibits
 22.12 at the Minnesota Zoo, to be spent in
 22.13 accordance with Minnesota Statutes, section
 22.14 16B.307. Notwithstanding the specified uses
 22.15 of money under Minnesota Statutes, section
 22.16 16B.307, the board may use this appropriation
 22.17 to replace buildings that are in poor condition,
 22.18 outdated, and no longer support the work of
 22.19 the Minnesota Zoo and to construct and
 22.20 renovate trails, and roads on the Minnesota
 22.21 Zoo site. Notwithstanding the specified uses
 22.22 of money under Minnesota Statutes, section
 22.23 16B.307, this appropriation may be used to
 22.24 design, construct, furnish, and equip the
 22.25 renovation of the monorail structure as an
 22.26 elevated pedestrian trail.

22.27 **Sec. 12. ADMINISTRATION**

22.28 **Subdivision 1. Total Appropriation** **\$ 5,750,000**

22.29 To the commissioner of administration for the
 22.30 purposes specified in this section.

22.31 **Subd. 2. Capital Asset Preservation and**
 22.32 **Replacement Account** **4,500,000**

22.33 To be spent in accordance with Minnesota
 22.34 Statutes, section 16A.632.

- 23.1 **Subd. 3. Ford Building** 170,000
- 23.2 To design the abatement of hazardous
- 23.3 materials and demolition of the Ford Building
- 23.4 and associated infrastructure located on the
- 23.5 Capitol complex as the first phase of overall
- 23.6 site redevelopment. This appropriation may
- 23.7 also be used to design modifications necessary
- 23.8 to maintain access to the Capitol complex
- 23.9 tunnel system as well as to provide security,
- 23.10 irrigation, and landscaping for the site.
- 23.11 Before beginning demolition, the
- 23.12 commissioner must develop an executable
- 23.13 design feature to be implemented in the
- 23.14 interior or exterior of the building constructed
- 23.15 on the site or incorporated into the site design.
- 23.16 The design feature must reflect portions of the
- 23.17 original exterior facade design, which might
- 23.18 include design elements of the main entry way,
- 23.19 or must incorporate a significant reuse of terra
- 23.20 cotta ornamentation if determined to be in
- 23.21 sufficient good condition for reuse.
- 23.22 **Subd. 4. Capitol Complex - Physical Security**
- 23.23 **Upgrades Phase II** 980,000
- 23.24 To design, construct, and equip upgrades to
- 23.25 the physical security elements and systems for
- 23.26 one or more of the buildings listed in this
- 23.27 subdivision, their attached tunnel systems,
- 23.28 their surrounding grounds, and parking
- 23.29 facilities as identified in the 2017 Minnesota
- 23.30 State Capitol Complex Physical Security
- 23.31 Predesign completed by Miller Dunwiddie.
- 23.32 This appropriation includes money for work
- 23.33 associated with one or more of the following
- 23.34 buildings: Administration, Centennial,
- 23.35 Judicial, Ag/Health Lab, Minnesota History

24.1	<u>Center, Capitol Complex Power Plant and</u>		
24.2	<u>Shops, Stassen, State Office, and Veterans</u>		
24.3	<u>Service.</u>		
24.4	<u>Subd. 5. Capitol Complex Tunnel; ADA</u>		
24.5	<u>Compliance</u>		<u>100,000</u>
24.6	<u>To predesign capital improvements to the</u>		
24.7	<u>tunnel connecting the State Office Building</u>		
24.8	<u>with the State Capitol, necessary to bring the</u>		
24.9	<u>tunnel into compliance with the Americans</u>		
24.10	<u>with Disabilities Act (ADA).</u>		
24.11	<u>Sec. 13. AMATEUR SPORTS COMMISSION</u>		
24.12	<u>Subdivision 1. Total Appropriation</u>	\$	<u>5,937,000</u>
24.13	<u>To the Minnesota Amateur Sports</u>		
24.14	<u>Commission for the purposes specified in this</u>		
24.15	<u>section.</u>		
24.16	<u>Subd. 2. Asset Preservation</u>		<u>837,000</u>
24.17	<u>For asset preservation improvements and</u>		
24.18	<u>betterments of a capital nature at the National</u>		
24.19	<u>Sports Center in Blaine, to be spent in</u>		
24.20	<u>accordance with Minnesota Statutes, section</u>		
24.21	<u>16B.307.</u>		
24.22	<u>Subd. 3. National Sports Center; Field</u>		
24.23	<u>Development and Maintenance Facility</u>		<u>3,000,000</u>
24.24	<u>For demolition of a maintenance facility and</u>		
24.25	<u>to construct and equip a new maintenance</u>		
24.26	<u>facility for the National Sports Center in</u>		
24.27	<u>Blaine.</u>		
24.28	<u>Subd. 4. Mighty Ducks</u>		<u>2,000,000</u>
24.29	<u>For grants to local government units under</u>		
24.30	<u>Minnesota Statutes, section 240A.09,</u>		
24.31	<u>paragraph (b), to improve indoor air quality</u>		
24.32	<u>or eliminate R-22. This appropriation shall not</u>		

25.1	<u>be used to acquire ice resurfacing or edging</u>		
25.2	<u>equipment.</u>		
25.3	<u>Subd. 5. Construction and Renovation of Public</u>		
25.4	<u>Skate Parks</u>		<u>100,000</u>
25.5	<u>For grants under Minnesota Statutes, section</u>		
25.6	<u>240A.20, subdivision 2, clause (2), for design</u>		
25.7	<u>of skate parks from designers with expertise</u>		
25.8	<u>in the field of skate park design.</u>		
25.9	Sec. 14. <u>MILITARY AFFAIRS</u>		
25.10	<u>Subdivision 1. Total Appropriation</u>	\$	<u>24,545,000</u>
25.11	<u>To the adjutant general for the purposes</u>		
25.12	<u>specified in this section.</u>		
25.13	<u>Subd. 2. Rosemount Readiness Center</u>		<u>1,000,000</u>
25.14	<u>To design the renovation of existing space at</u>		
25.15	<u>the Rosemount Readiness Center, including</u>		
25.16	<u>mechanical, electrical, building envelope,</u>		
25.17	<u>energy efficiency, and life safety</u>		
25.18	<u>improvements.</u>		
25.19	<u>Subd. 3. Fergus Falls Readiness Center</u>		<u>2,100,000</u>
25.20	<u>To design and renovate existing space at the</u>		
25.21	<u>Fergus Falls Readiness Center, including</u>		
25.22	<u>mechanical, electrical, building envelope,</u>		
25.23	<u>energy efficiency, and life safety</u>		
25.24	<u>improvements, and to construct an addition</u>		
25.25	<u>on the existing property.</u>		
25.26	<u>Subd. 4. Moorhead Readiness Center</u>		<u>5,345,000</u>
25.27	<u>To design and renovate existing space at the</u>		
25.28	<u>Moorhead Readiness Center, including</u>		
25.29	<u>mechanical, electrical, building envelope,</u>		
25.30	<u>energy efficiency, and life safety</u>		
25.31	<u>improvements, and to construct an addition</u>		
25.32	<u>on the existing property.</u>		

26.1	<u>Subd. 5. Marshall Readiness Center</u>	<u>3,100,000</u>
26.2	<u>To design and renovate existing space at the</u>	
26.3	<u>Marshall Readiness Center, including</u>	
26.4	<u>mechanical, electrical, building envelope,</u>	
26.5	<u>energy efficiency, and life safety</u>	
26.6	<u>improvements, and to construct an addition</u>	
26.7	<u>on the existing property.</u>	
26.8	<u>Subd. 6. Camp Ripley; Military Museum</u>	<u>13,000,000</u>
26.9	<u>To acquire land or interest in land, and to</u>	
26.10	<u>predesign, design, construct, furnish, and</u>	
26.11	<u>equip a facility outside the boundaries of</u>	
26.12	<u>Camp Ripley in Morrison County for the</u>	
26.13	<u>Minnesota Military Museum. This</u>	
26.14	<u>appropriation includes money for a visitor's</u>	
26.15	<u>center and gift shop; administrative offices;</u>	
26.16	<u>work, storage, and exhibit space; landscaping;</u>	
26.17	<u>parking; and other amenities and infrastructure</u>	
26.18	<u>for the museum. The adjutant general may</u>	
26.19	<u>enter into a lease or management agreement</u>	
26.20	<u>for the museum, subject to Minnesota Statutes,</u>	
26.21	<u>section 16A.695.</u>	
26.22	<u>Sec. 15. PUBLIC SAFETY</u>	
26.23	<u>Subdivision 1. Total Appropriation</u>	<u>\$ 50,355,000</u>
26.24	<u>To the commissioner of public safety or other</u>	
26.25	<u>named entity for the purposes specified in this</u>	
26.26	<u>section.</u>	
26.27	<u>Subd. 2. State Emergency Operations Center</u>	<u>29,545,000</u>
26.28	<u>To the commissioner of administration to</u>	
26.29	<u>acquire a site, update the predesign, and to</u>	
26.30	<u>design, construct, furnish, and equip a new</u>	
26.31	<u>State Emergency Operations Center and</u>	
26.32	<u>Homeland Security and Emergency</u>	
26.33	<u>Management Office. This appropriation may</u>	
26.34	<u>also be used to design and complete hazardous</u>	

27.1	<u>materials abatement and demolition as needed</u>	
27.2	<u>on the acquired site.</u>	
27.3	<u>Subd. 3. Southern Minnesota BCA Regional</u>	
27.4	<u>Office and Laboratory</u>	<u>100,000</u>
27.5	<u>To the commissioner of administration for</u>	
27.6	<u>predesign of a new Bureau of Criminal</u>	
27.7	<u>Apprehension regional office and laboratory</u>	
27.8	<u>facility in the Mankato area.</u>	
27.9	<u>Subd. 4. Chisholm; Public Safety Facility</u>	<u>1,910,000</u>
27.10	<u>For a grant to the city of Chisholm to construct</u>	
27.11	<u>a new public safety facility for fire protection</u>	
27.12	<u>and law enforcement.</u>	
27.13	<u>Subd. 5. Crystal; Police Department Expansion</u>	<u>4,000,000</u>
27.14	<u>For a grant to the city of Crystal to design,</u>	
27.15	<u>construct, furnish, and equip an expansion of</u>	
27.16	<u>the city's police department facility.</u>	
27.17	<u>Subd. 6. Edina; South Metro Public Safety</u>	
27.18	<u>Training Facility</u>	<u>1,000,000</u>
27.19	<u>For a grant to the city of Edina to predesign,</u>	
27.20	<u>design, construct, expand, renovate, furnish,</u>	
27.21	<u>and equip a tactical training building at the</u>	
27.22	<u>South Metro Public Safety Training Facility</u>	
27.23	<u>to provide year-round flexible space for</u>	
27.24	<u>different training scenarios.</u>	
27.25	<u>Subd. 7. Maple Grove; North Metro Range</u>	<u>3,500,000</u>
27.26	<u>For a grant to the city of Maple Grove to</u>	
27.27	<u>design, construct, furnish, and equip an</u>	
27.28	<u>expansion of the Maple Grove North Metro</u>	
27.29	<u>Range regional public safety training facility.</u>	
27.30	<u>The project includes facilities to provide law</u>	
27.31	<u>enforcement officers training in de-escalation</u>	
27.32	<u>and crisis intervention techniques.</u>	
27.33	<u>Subd. 8. Minneapolis; Emergency Operations</u>	
27.34	<u>Center and Fire Training Facility</u>	<u>800,000</u>

28.1 For a grant to the city of Minneapolis for
 28.2 predesign, design, engineering, and
 28.3 construction of the expansion of the
 28.4 Emergency Operations Center and Fire
 28.5 Training Facility.

28.6 **Subd. 9. Virginia; Regional Public Safety Center**
 28.7 **and Training Facility** 9,500,000

28.8 For a grant to the city of Virginia to acquire a
 28.9 site, demolish existing structures and prepare
 28.10 the site, and to predesign, design, construct,
 28.11 furnish, and equip a regional public safety
 28.12 center and training facility for the police and
 28.13 fire departments, emergency medical services,
 28.14 regional emergency services training,
 28.15 emergency operations, and other regional
 28.16 community needs.

28.17 **Sec. 16. TRANSPORTATION**

28.18 **Subdivision 1. Total Appropriation** **\$ 323,209,000**

28.19 To the commissioner of transportation for the
 28.20 purposes specified in this section.

28.21 **Subd. 2. Local Road Improvement Fund Grants** **75,000,000**

28.22 From the bond proceeds account in the state
 28.23 transportation fund as provided in Minnesota
 28.24 Statutes, section 174.50, for eligible trunk
 28.25 highway corridor improvement projects under
 28.26 Minnesota Statutes, section 174.52,
 28.27 subdivision 2, for construction and
 28.28 reconstruction of local roads with statewide
 28.29 or regional significance under Minnesota
 28.30 Statutes, section 174.52, subdivision 4, or for
 28.31 grants to counties to assist in paying the costs
 28.32 of rural road safety capital improvement
 28.33 projects on county state-aid highways under
 28.34 Minnesota Statutes, section 174.52,

29.1 subdivision 4a. Of this appropriation, at least
 29.2 \$5,000,000 is for projects on town roads.

29.3 **Subd. 3. Anoka County; East River Road** 1,500,000

29.4 From the bond proceeds account in the state
 29.5 transportation fund as provided in Minnesota
 29.6 Statutes, section 174.50, for a grant to Anoka
 29.7 County to complete the preliminary
 29.8 engineering, environmental analysis, and final
 29.9 design of interchange construction and
 29.10 associated improvements to Anoka County
 29.11 State-Aid Highway 1, known as East River
 29.12 Road, at marked Trunk Highway 610 in the
 29.13 city of Coon Rapids.

29.14 **Subd. 4. Anoka County; Marked U.S. Highway**
 29.15 **10/169** 8,400,000

29.16 From the bond proceeds account in the state
 29.17 transportation fund as provided in Minnesota
 29.18 Statutes, section 174.50, for a grant to Anoka
 29.19 County for environmental analysis,
 29.20 preliminary engineering, and final design for
 29.21 the interchanges on marked U.S. Highway
 29.22 10/169 at County State-Aid Highway 56
 29.23 (Ramsey Boulevard) and County State-Aid
 29.24 Highway 57 (Sunfish Lake Boulevard) and
 29.25 the associated railroad grade separations,
 29.26 frontage roads, backage roads, and connecting
 29.27 local streets to support the U.S. Highway
 29.28 10/169 improvements in the city of Ramsey.

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

29.31 From the bond proceeds account in the state
 29.32 transportation fund as provided in Minnesota
 29.33 Statutes, section 174.50, for a grant to Anoka
 29.34 County to complete preliminary engineering,
 29.35 environmental analysis, and final design of a

30.1 grade separation and associated improvements
 30.2 to Anoka County State-Aid Highway 12,
 30.3 known as 109th Avenue, at marked Trunk
 30.4 Highway 65 in the city of Blaine.

30.5 **Subd. 6. Dakota County; Diffley Road** 4,000,000

30.6 From the bond proceeds account in the state
 30.7 transportation fund as provided in Minnesota
 30.8 Statutes, section 174.50, for one or more
 30.9 grants to Dakota County, the city of Eagan,
 30.10 and Independent School District No. 196,
 30.11 Rosemount-Apple Valley-Eagan, to
 30.12 reconstruct Diffley Road between Lexington
 30.13 Avenue and Braddock Trail, and Daniel Drive
 30.14 at Diffley Road.

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

30.17 From the bond proceeds account in the state
 30.18 transportation fund as provided in Minnesota
 30.19 Statutes, section 174.50, for a grant to the city
 30.20 of Golden Valley to construct public safety
 30.21 improvements at the intersection of Douglas
 30.22 Drive and Highway 55, including a box culvert
 30.23 underpass across Highway 55, a roundabout
 30.24 and extended frontage road south of Highway
 30.25 55, retaining wall construction, underground
 30.26 utility relocation, sidewalk and trail
 30.27 connections to existing facilities, Americans
 30.28 with Disabilities Act-compliant facilities, and
 30.29 landscaping.

30.30 **Subd. 8. Maple Grove; Trunk Highway 610**
 30.31 **Local Road Improvements** 13,000,000

30.32 From the bond proceeds account in the state
 30.33 transportation fund as provided in Minnesota
 30.34 Statutes, section 174.50, for a grant to the city
 30.35 of Maple Grove or Hennepin County, or both,

31.1 in amounts determined by the commissioner
 31.2 to acquire right-of-way, predesign, design,
 31.3 engineer, and construct roadway connections
 31.4 between marked Trunk Highway 610 and I-94,
 31.5 and the extension to County Road 30 in
 31.6 Hennepin County. The project includes
 31.7 completion of the update of the environmental
 31.8 impact statement with an environmental
 31.9 assessment for the project.

31.10 **Subd. 9. Oak Park Heights; Realignment of 60th**
 31.11 **Street**

790,000

31.12 From the bond proceeds account in the state
 31.13 transportation fund as provided in Minnesota
 31.14 Statutes, section 174.50, for a grant to the city
 31.15 of Oak Park Heights to design, engineer,
 31.16 construct, furnish, and equip a realignment of
 31.17 60th Street, lying south of State Highway 36,
 31.18 from Krueger Lane to a current service road
 31.19 east of Norell Avenue and west of Nova Scotia
 31.20 Avenue, including the installation of a
 31.21 roundabout at the intersection with Norell
 31.22 Avenue. This project includes off-street trails
 31.23 and sidewalks, and public safety
 31.24 improvements, utility relocations and
 31.25 connections, trail connections, accessibility
 31.26 features, and landscaping and storm water
 31.27 management, all in conjunction with the
 31.28 realignment of 60th Street.

31.29 **Subd. 10. Ramsey County; I-35E and County**
 31.30 **Road J Interchange**

1,500,000

31.31 From the bond proceeds account in the state
 31.32 transportation fund as provided in Minnesota
 31.33 Statutes, section 174.50, for a grant to Ramsey
 31.34 County to complete the preliminary
 31.35 engineering and environmental analysis for a
 31.36 full access interchange on County Road J at

32.1 Interstate Highway 35E and associated
 32.2 improvements on County Road J supporting
 32.3 the interchange from Centerville Road to Otter
 32.4 Lake Road in the cities of North Oaks and
 32.5 Lino Lakes and White Bear Township.

32.6 **Subd. 11. Richfield; 77th Street Underpass** 6,000,000

32.7 From the bond proceeds account in the state
 32.8 transportation fund as provided in Minnesota
 32.9 Statutes, section 174.50, for a grant to the city
 32.10 of Richfield for the extension of 77th Street
 32.11 under marked Trunk Highway 77/Cedar
 32.12 Avenue project in the city of Richfield. This
 32.13 appropriation is added to the appropriation in
 32.14 Laws 2015, First Special Session chapter 5,
 32.15 article 1, section 10, subdivision 7, as amended
 32.16 by Laws 2017, First Special Session chapter
 32.17 8, article 2, section 32.

32.18 **Subd. 12. Sartell; Local Roads** 5,500,000

32.19 From the bond proceeds account in the state
 32.20 transportation fund as provided in Minnesota
 32.21 Statutes, section 174.50, for a grant to the city
 32.22 of Sartell for improvements to Scout Drive to
 32.23 connect Scout Drive to Dehler Drive, and 19th
 32.24 Street South to Scout Drive. Improvements
 32.25 include predesign, design, engineering,
 32.26 acquisition of right-of-way, replacement or
 32.27 repair of utilities, street reconstruction, and
 32.28 other improvements or upgrades related to
 32.29 street work.

32.30 **Subd. 13. Sibley County; Scenic Byway 6**
 32.31 **Reconstruction** 14,000,000

32.32 From the bond proceeds account in the state
 32.33 transportation fund as provided in Minnesota
 32.34 Statutes, section 174.50, for a grant to Sibley
 32.35 County to predesign, design, engineer, acquire

33.1 right-of-way for, and construct improvements
 33.2 to Sibley County State-Aid Highway 6, known
 33.3 as Scenic Byway 6, to raise the road to meet
 33.4 the 50-year flood level, provide for a walking
 33.5 and bicycling lane, and reconstruct the
 33.6 intersection of Scenic Byway 6 and Sibley
 33.7 County State-Aid Highway 5.

33.8 **Subd. 14. Scott County; Highway 13 and**
 33.9 **Yosemite Interchange**

\$5,269,000

33.10 From the bond proceeds account in the state
 33.11 transportation fund as provided in Minnesota
 33.12 Statutes, section 174.50, for a grant to Scott
 33.13 County to acquire land, predesign, and design
 33.14 local road improvements, including
 33.15 accommodations for bicycles and pedestrians,
 33.16 to support a programmed interchange at the
 33.17 intersection of marked Trunk Highway 13 and
 33.18 Dakota Avenue in Savage.

33.19 **Subd. 15. Sherburne County; Zimmerman**
 33.20 **Interchange Project**

2,000,000

33.21 From the bond proceeds account in the state
 33.22 transportation fund as provided in Minnesota
 33.23 Statutes, section 174.50, for a grant to
 33.24 Sherburne County for environmental analysis,
 33.25 preliminary engineering, and final design of
 33.26 the local road portions of the proposed
 33.27 interchange project at marked U.S. Highway
 33.28 169 and Sherburne County State-Aid Highway
 33.29 4 in Zimmerman. Any money remaining upon
 33.30 completion of the design process may be used
 33.31 to acquire right-of-way needed for the local
 33.32 road portions of the interchange project.

33.33 **Subd. 16. Zumbrota; Jefferson Drive**

3,000,000

33.34 From the bond proceeds account in the state
 33.35 transportation fund as provided in Minnesota

34.1 Statutes, section 174.50, for a grant to the city
 34.2 of Zumbrota to predesign, design, and
 34.3 reconstruct a segment of Jefferson Drive and
 34.4 the adjacent trail in the city of Zumbrota,
 34.5 including a culvert extension, and replacement
 34.6 of or improvements to side street connections,
 34.7 pedestrian crossing facilities, storm sewer,
 34.8 drainage, sanitary sewer, and water lines.

34.9 **Subd. 17. Local Bridge Replacement and**
 34.10 **Rehabilitation**

30,000,000

34.11 From the bond proceeds account in the state
 34.12 transportation fund to match federal money
 34.13 and to replace or rehabilitate local deficient
 34.14 bridges as provided in Minnesota Statutes,
 34.15 section 174.50.

34.16 **Subd. 18. St. Paul; Third Street/Kellogg**
 34.17 **Boulevard Bridge**

52,000,000

34.18 From the bond proceeds account in the state
 34.19 transportation fund as provided in Minnesota
 34.20 Statutes, section 174.50, for a grant to the city
 34.21 of St. Paul to demolish and remove the
 34.22 existing Third Street/Kellogg Boulevard
 34.23 bridge over the BNSF railroad, Commercial
 34.24 Street, and marked Interstate Highway 94, and
 34.25 for acquisition of right-of-way, design,
 34.26 construction engineering, and construction of
 34.27 a replacement bridge that includes multimodal
 34.28 elements for bicycles, pedestrians, vehicles,
 34.29 and mass transit. This appropriation also may
 34.30 be used for any roadway approach
 34.31 reconstruction work identified within the
 34.32 project limits, including right-of-way
 34.33 acquisition, design, and construction
 34.34 engineering.

35.1	<u>Subd. 19. Safe Routes to School; Pedestrian and</u>	
35.2	<u>Bicycle Facilities</u>	<u>3,000,000</u>
35.3	<u>For grants under Minnesota Statutes, section</u>	
35.4	<u>174.40.</u>	
35.5	<u>Subd. 20. Rail Service Improvement</u>	<u>4,000,000</u>
35.6	<u>For rail service improvement grants under</u>	
35.7	<u>Minnesota Statutes, section 222.50.</u>	
35.8	<u>Subd. 21. Port Development Assistance</u>	<u>14,000,000</u>
35.9	<u>For grants under Minnesota Statutes, chapter</u>	
35.10	<u>457A. Any improvements made with the</u>	
35.11	<u>proceeds of these grants must be publicly</u>	
35.12	<u>owned.</u>	
35.13	<u>Subd. 22. Passenger Rail</u>	<u>3,000,000</u>
35.14	<u>(a) For intercity passenger rail implementation</u>	
35.15	<u>on Phase 1 corridors identified in the 2015</u>	
35.16	<u>update to the state rail plan under Minnesota</u>	
35.17	<u>Statutes, section 174.03, subdivision 1b. This</u>	
35.18	<u>appropriation is only for projects that are</u>	
35.19	<u>determined to be eligible for United States</u>	
35.20	<u>Department of Transportation funding.</u>	
35.21	<u>\$1,500,000 of this appropriation is for a</u>	
35.22	<u>project issued a Finding of No Significant</u>	
35.23	<u>Impact (FONSI) by the Federal Railroad</u>	
35.24	<u>Administration on a Tier 2 project level</u>	
35.25	<u>environmental assessment.</u>	
35.26	<u>(b) Notwithstanding any law to the contrary,</u>	
35.27	<u>a portion or phase of an intercity passenger</u>	
35.28	<u>rail project may be accomplished with one or</u>	
35.29	<u>more state appropriations, and an intercity</u>	
35.30	<u>passenger rail project need not be completed</u>	
35.31	<u>with any one appropriation. This appropriation</u>	
35.32	<u>is available for program delivery and capital</u>	
35.33	<u>improvements and betterments, including</u>	
35.34	<u>preliminary engineering, design, final</u>	

36.1 engineering, environmental analysis and
 36.2 mitigation, acquisition of land and
 36.3 right-of-way, rail crossings and bridge
 36.4 improvements, station improvements, and
 36.5 railroad appurtenances.

36.6 (c) Projects may include the Northern Lights
 36.7 Express service between Minneapolis and St.
 36.8 Paul and Duluth, a second daily Amtrak train
 36.9 between Minneapolis and St. Paul and
 36.10 Chicago, and extension of the Northstar
 36.11 Commuter Rail service to St. Cloud.

36.12 **Subd. 23. Greater Minnesota Transit Capital**
 36.13 **Program**

2,000,000

36.14 For capital assistance for publicly owned
 36.15 greater Minnesota transit systems to acquire
 36.16 property, predesign, design, construct, furnish,
 36.17 and equip transit capital facilities under
 36.18 Minnesota Statutes, section 174.24,
 36.19 subdivision 3c.

36.20 **Subd. 24. International Falls-Koochiching**
 36.21 **County Airport Improvements**

1,800,000

36.22 For a grant to the International
 36.23 Falls-Koochiching County Airport
 36.24 Commission to provide for the nonfederal
 36.25 share of a project at International Falls Airport
 36.26 for land acquisition, predesign, design, and
 36.27 reconstruction of the runway, taxiway, and
 36.28 apron.

36.29 **Subd. 25. Rochester International Airport**
 36.30 **Runway and Associated Improvements**

11,400,000

36.31 (a) The following appropriations are for one
 36.32 or more grants to the city of Rochester for
 36.33 improvements to the Rochester International
 36.34 Airport in phases. If any of these
 36.35 appropriations for a specified phase is not

37.1 needed to complete that phase, the unexpended
37.2 and unencumbered amount may be applied to
37.3 another phase of the Rochester Airport project
37.4 for which an appropriation is made in this
37.5 subdivision. Each appropriation for a phase is
37.6 available when the commissioner of
37.7 management and budget determines that an
37.8 amount sufficient to complete that phase is
37.9 committed to the project.

37.10 (b) \$1,025,000 is appropriated for Phase 1, to
37.11 reconstruct the middle portion of runway 2/20
37.12 and to construct associated grading and
37.13 drainage improvements at the Rochester
37.14 International Airport.

37.15 (c) \$3,400,000 is appropriated for Phase 2, for
37.16 property acquisition; site mitigation; relocation
37.17 of 31st Ave. SW and County Road 30; utility
37.18 and navigational aid repositioning; grading
37.19 and drainage improvements; removal of
37.20 taxiways; reconstruction of the southern
37.21 portion of runway 2 and runway shoulders;
37.22 and installation of lighting and signage at the
37.23 Rochester International Airport.

37.24 (d) \$4,100,000 is appropriated for Phase 3, to
37.25 modify airport fencing; construct an extension
37.26 of runway 2, taxiways, and shoulders; site
37.27 preparation and grading; reconstruction of a
37.28 portion of runway 2, taxiways, and shoulders;
37.29 installation of lighting and signage at the
37.30 Rochester International Airport; and acquire
37.31 and install instrument approach improvements.

37.32 (e) \$625,000 is appropriated for Phase 4, to
37.33 construct improvements to taxiway B and
37.34 shoulders, to make grading and drainage

38.1 improvements, and to install lighting and
 38.2 signage at the Rochester International Airport.

38.3 (f) \$1,025,000 is appropriated for Phase 5, to
 38.4 demolish and reconstruct a portion of taxiway
 38.5 B and shoulders; to reposition navigational
 38.6 aids; for grading and drainage improvements;
 38.7 and to install lighting and signage at the
 38.8 Rochester International Airport.

38.9 (g) \$1,225,000 is appropriated for Phase 6, to
 38.10 reconstruct taxiway and runway intersections;
 38.11 to remove taxiways A6, E, F, G, and a portion
 38.12 of runway 20; and to reconstruct taxiway D
 38.13 at the Rochester International Airport.

38.14 **Subd. 26. Thief River Falls; Airport** 5,500,000

38.15 For a grant to the Thief River Falls Regional
 38.16 Airport Authority to predesign, design,
 38.17 construct, furnish, and equip a new cargo
 38.18 hangar building to include office space, a
 38.19 parking area, and connection to roadway and
 38.20 utilities.

38.21 **Subd. 27. Rogers; Pedestrian and Bike Bridge** 2,200,000

38.22 For a grant to the city of Rogers to acquire
 38.23 property for and to design and construct a
 38.24 pedestrian and bicycle bridge over marked
 38.25 Interstate Highway 94 approximately one mile
 38.26 northwest of the interchange at marked Trunk
 38.27 Highway 101. This appropriation includes
 38.28 money for construction of a bituminous trail
 38.29 to connect to the existing trail system.

38.30 **Subd. 28. Shakopee; Highway 169 Pedestrian**
 38.31 **and Bicycle Overpass** 2,000,000

38.32 For a grant to the city of Shakopee to acquire
 38.33 land or interests in land, predesign, design,
 38.34 engineer, and construct a pedestrian and

39.1 bicycle overpass over marked Trunk Highway
 39.2 169, and establish new trail segments, to
 39.3 connect the Southbridge neighborhood and
 39.4 Quarry Lake Park.

39.5 **Subd. 29. Minnesota Valley Regional Rail**
 39.6 **Authority; Winthrop to Hanley Falls**
 39.7 **Improvements**

10,000,000

39.8 For a grant to the Minnesota Valley Regional
 39.9 Rail Authority to rehabilitate a portion of the
 39.10 railroad track between Winthrop and Hanley
 39.11 Falls. The grant under this subdivision may
 39.12 also be used for any required environmental
 39.13 analysis and remediation, predesign, design,
 39.14 and rehabilitation or replacement of bridges
 39.15 with new bridges or culverts between
 39.16 Winthrop and Hanley Falls. A grant under this
 39.17 subdivision is in addition to any grant, loan,
 39.18 or loan guarantee for this project made by the
 39.19 commissioner under Minnesota Statutes,
 39.20 sections 222.46 to 222.62. This appropriation
 39.21 is in addition to the appropriations under Laws
 39.22 2006, chapter 258, section 16, subdivision 6;
 39.23 Laws 2008, chapter 179, section 16,
 39.24 subdivision 5; Laws 2009, chapter 93, article
 39.25 1, section 11, subdivision 4; Laws 2010,
 39.26 chapter 189, section 15, subdivision 5; Laws
 39.27 2015, First Special Session chapter 5, article
 39.28 1, section 10, subdivision 4; Laws 2017, First
 39.29 Special Session chapter 8, article 1, section
 39.30 15, subdivision 7; and Laws 2018, chapter
 39.31 214, article 1, section 16, subdivision 4.

39.32 **Subd. 30. Northfield; Regional Transit Hub**

1,750,000

39.33 For a grant to the city of Northfield to acquire
 39.34 real property; prepare the site, including any
 39.35 environmental remediation; and predesign,
 39.36 design, construct, furnish, and equip a regional

40.1 transit hub, including a pavilion, railroad quiet
 40.2 zone safety improvements, and trail
 40.3 connections.

40.4 **Subd. 31. Albert Lea; Highway 65 Flood**
 40.5 **Mitigation**

800,000

40.6 For a grant to the city of Albert Lea for
 40.7 preliminary design, final design, right-of-way
 40.8 acquisition if needed, environmental
 40.9 remediation, site preparation, including
 40.10 demolition of existing buildings and structures
 40.11 deemed undesirable for storm water drainage
 40.12 ponds, soil excavation and disposal, lining of
 40.13 pond, retaining walls, and storm sewer
 40.14 drainage systems, and construction of storm
 40.15 water drainage ponds and storm water
 40.16 drainage systems for city storm water drainage
 40.17 in connection with the marked U.S. Highway
 40.18 65 flood mitigation project in Albert Lea. The
 40.19 flood mitigation project is to raise the roadway
 40.20 above flood levels.

40.21 **Subd. 32. Chisago County; U.S. Highway 8**
 40.22 **Reconstruction**

8,000,000

40.23 (a) For a grant to Chisago County to
 40.24 predesign, design, engineer, and construct a
 40.25 reconstruction of marked U.S. Highway 8
 40.26 from Karmel Avenue in Chisago City to
 40.27 Interstate 35 and pedestrian and bike trails
 40.28 along and crossings of this portion of U.S.
 40.29 Highway 8. This reconstruction may include
 40.30 expanding segments of U.S. Highway 8 to
 40.31 four lanes, constructing or reconstructing
 40.32 frontage roads and backage roads, and
 40.33 realigning local roads to consolidate, remove,
 40.34 and relocate access onto and off of U.S.
 40.35 Highway 8. This appropriation is for the
 40.36 portion of the project that is eligible for use

41.1 of proceeds of general obligation bonds. This
 41.2 appropriation is available until the project is
 41.3 completed or abandoned.

41.4 (b) Amounts planned by the Department of
 41.5 Transportation for the resurfacing of U.S.
 41.6 Highway 8, as reflected in MnDOT's Metro
 41.7 District Ten-Year Capital Highway Investment
 41.8 Study 2020-2029, shall instead be applied to
 41.9 the reconstruction of U.S. Highway 8 to
 41.10 supplement appropriations for that purpose
 41.11 from any fund in this section.

41.12 **Subd. 33. Henderson; Trunk Highway 93 to U.S.**
 41.13 **Highway 169 Reconstruction** 1,800,000

41.14 For projects eligible for general obligation
 41.15 bond proceeds that are associated with the
 41.16 reconstruction of marked Trunk Highway 93
 41.17 from Henderson to marked U.S. Highway 169,
 41.18 to raise the roadway elevation and prevent
 41.19 closures due to river flooding.

41.20 **Subd. 34. Olmsted County; Trunk Highway 14**
 41.21 **and County Road 104 Interchange Construction** 6,000,000

41.22 For general obligation bond eligible portions
 41.23 of a project to predesign, design, engineer,
 41.24 construct, furnish, and equip an interchange
 41.25 at marked Trunk Highway 14 and County
 41.26 Road 104, including a flyover at 7th Street
 41.27 NW, in Olmstead County, and associated
 41.28 infrastructure and road work to accommodate
 41.29 the interchange.

41.30 **Subd. 35. Washington County; Interchange at**
 41.31 **Highway 36 and County Road 15** 3,000,000

41.32 From the bond proceeds account in the state
 41.33 transportation fund as provided in Minnesota
 41.34 Statutes, section 174.50, for a grant to
 41.35 Washington County for engineering and

- 42.1 property and easement acquisition, in
- 42.2 conjunction with an interchange at marked
- 42.3 Trunk Highway 36 and County State-Aid
- 42.4 Highway 15, known as Manning Avenue, in
- 42.5 Washington County.

- 42.6 **Subd. 36. Koochiching County; CSAH 24 Rail**
- 42.7 **Grade Separation** 3,000,000

- 42.8 For a grant to Koochiching County to acquire
- 42.9 land for and to predesign, design, engineer,
- 42.10 and construct a rail grade crossing separation
- 42.11 where County State-Aid Highway 24 crosses
- 42.12 Canadian National railroad tracks near the
- 42.13 cities of Ranier and International Falls.

- 42.14 **Subd. 37. Red Wing; Rail Grade Separation** 10,000,000

- 42.15 From the bond proceeds account in the state
- 42.16 transportation fund as provided in Minnesota
- 42.17 Statutes, section 174.50, for a grant to the city
- 42.18 of Red Wing for right-of-way acquisition,
- 42.19 environmental analysis, design, engineering,
- 42.20 removal of an existing structure, and
- 42.21 construction of a rail grade crossing separation
- 42.22 at Sturgeon Lake Road. This appropriation is
- 42.23 in addition to the appropriation for the same
- 42.24 purpose in Laws 2017, First Special Session
- 42.25 chapter 8, article 1, section 15, subdivision 4.

- 42.26 **Sec. 17. METROPOLITAN COUNCIL**

- 42.27 **Subdivision 1. Total Appropriation** **\$ 87,900,000**

- 42.28 To the Metropolitan Council for the purposes
- 42.29 specified in this section.

- 42.30 **Subd. 2. Metropolitan Cities Inflow and**
- 42.31 **Infiltration Grants** 5,000,000

- 42.32 For grants to cities within the metropolitan
- 42.33 area, as defined in Minnesota Statutes, section
- 42.34 473.121, subdivision 2, for capital

43.1 improvements in municipal wastewater
 43.2 collection systems to reduce the amount of
 43.3 inflow and infiltration to the Metropolitan
 43.4 Council's metropolitan sanitary sewer disposal
 43.5 system. Grants from this appropriation are for
 43.6 up to 50 percent of the cost to mitigate inflow
 43.7 and infiltration in the publicly owned
 43.8 municipal wastewater collection systems. To
 43.9 be eligible for a grant, a city must be identified
 43.10 by the council as a contributor of excessive
 43.11 inflow and infiltration in the metropolitan
 43.12 disposal system or have a measured flow rate
 43.13 within 20 percent of its allowable
 43.14 council-determined inflow and infiltration
 43.15 limits. The council must award grants based
 43.16 on applications from cities that identify
 43.17 eligible capital costs and include a timeline
 43.18 for inflow and infiltration mitigation
 43.19 construction, pursuant to guidelines
 43.20 established by the council.

43.21 **Subd. 3. Metropolitan Regional Parks and Trails** 5,000,000

43.22 For the cost of improvements and betterments
 43.23 of a capital nature and acquisition by the
 43.24 council and local government units of regional
 43.25 recreational open-space lands in accordance
 43.26 with the council's policy plan as provided in
 43.27 Minnesota Statutes, section 473.147. This
 43.28 appropriation must not be used to purchase
 43.29 easements.

43.30 **Subd. 4. Bus Rapid Transit Lines** 55,000,000

43.31 For design, engineering, right-of-way
 43.32 acquisition, and construction of the B line bus
 43.33 rapid transit line between Minneapolis and St.
 43.34 Paul, and the D line bus rapid transit line
 43.35 between Brooklyn Center and Bloomington.

44.1 To the extent money remains after the B line
 44.2 and D line projects are completed, this
 44.3 appropriation is also for preliminary design,
 44.4 design, and engineering of the E line bus rapid
 44.5 transit from Minneapolis to Southdale Transit
 44.6 Center.

44.7 **Subd. 5. Carver County; Lake Waconia** 2,500,000

44.8 For a grant to Carver County to design,
 44.9 construct, and equip a waterfront pavilion with
 44.10 restrooms and a concession building, and to
 44.11 design, construct, and equip utility connections
 44.12 at Lake Waconia Regional Park.

44.13 **Subd. 6. Dakota County; Veterans Memorial**
 44.14 **Greenway** 5,000,000

44.15 For a grant to Dakota County to construct
 44.16 improvements for the Veterans Memorial
 44.17 Greenway, including memorials, a community
 44.18 gathering space, and a new trail connection
 44.19 between Lebanon Hills Regional Park and the
 44.20 Mississippi River.

44.21 **Subd. 7. Minneapolis Park and Recreation**
 44.22 **Board; Mississippi River Trail Connection at**
 44.23 **26th Avenue North** 3,000,000

44.24 (a) For a grant to the Minneapolis Park and
 44.25 Recreation Board to design and construct a
 44.26 trail connection paralleling the Mississippi
 44.27 River between 26th Avenue North and the
 44.28 Minneapolis Grand Rounds at Ole Olson Park,
 44.29 all within Above the Falls Regional Park. This
 44.30 appropriation is intended to augment work
 44.31 being completed by the city of Minneapolis
 44.32 to reconstruct and create a multimodal corridor
 44.33 beginning at Theodore Wirth Regional Park
 44.34 and extending east to the Mississippi River
 44.35 along 26th Avenue North.

45.1 (b) All project lighting must follow the
 45.2 International Dark Sky Community Program
 45.3 guidelines, published June 2018, and follow
 45.4 best practices for bird-safe lighting. The height
 45.5 of any beacon light must comply with the
 45.6 Minneapolis shoreland overlay district
 45.7 ordinance governing height of structures. A
 45.8 beacon light must be off from March 15 to
 45.9 May 31 and August 15 to October 31 each
 45.10 year, and off between the hours of 11 p.m. and
 45.11 6 a.m. at all other times of the year. All
 45.12 lighting must be shielded and use bird-safe
 45.13 light colors.

45.14 **Subd. 8. Ramsey County; Battle Creek Winter**
 45.15 **Recreation Area**

1,800,000

45.16 For a grant to Ramsey County to design,
 45.17 construct, furnish, and equip a maintenance
 45.18 building for the Nordic ski competition and
 45.19 winter recreation area, including related
 45.20 earthwork and landscaping, and for a marker
 45.21 commemorating the Olympic
 45.22 accomplishments of Minnesotan Jessie
 45.23 Diggins, in Battle Creek Regional Park.

45.24 **Subd. 9. St. Paul; Como Zoo**

1,000,000

45.25 For a grant to the city of St. Paul to improve
 45.26 and replace outdated mechanical systems and
 45.27 other building structural components to
 45.28 achieve greater energy efficiency at Como
 45.29 Zoo.

45.30 **Subd. 10. St. Paul; Wakan Tipi**

1,000,000

45.31 For a grant to the city of St. Paul for the
 45.32 Wakan Tipi Center project. The city may enter
 45.33 into a lease or management agreement under
 45.34 Minnesota Statutes, section 16A.695. This
 45.35 appropriation is added to the appropriation for

46.1 the Nature Sanctuary Visitor Center in Laws
 46.2 2018, chapter 214, article 1, section 17,
 46.3 subdivision 6, and is for the same purposes.

46.4 **Subd. 11. Three Rivers Park District; Mississippi**
 46.5 **Gateway** 5,000,000

46.6 For a grant to Three Rivers Park District to
 46.7 predesign, design, and engineer improvements
 46.8 to the Mississippi Gateway Regional Park,
 46.9 and to construct a canopy walkway and
 46.10 playground development, pedestrian trail
 46.11 connections, landscape restoration and
 46.12 enhancements, and habitat restoration.

46.13 **Subd. 12. White Bear Lake Communities; Lake**
 46.14 **Links Trail** 3,600,000

46.15 For grants to complete design and construction
 46.16 of a multiuse paved trail and route for
 46.17 pedestrians, bicycles, and wheelchairs around
 46.18 White Bear Lake in Ramsey and Washington
 46.19 Counties, as follows:

46.20 (1) \$2,600,000 of this appropriation is for a
 46.21 grant to the city of Dellwood in Washington
 46.22 County to design, engineer, construct, and
 46.23 equip trail improvements consistent with the
 46.24 completed preliminary engineering along or
 46.25 parallel with the shore of White Bear Lake
 46.26 between the Mahtomedi city limits and the
 46.27 western line of Washington County;

46.28 (2) \$500,000 of this appropriation is for a
 46.29 grant to White Bear Township in Ramsey
 46.30 County to design, engineer, construct, and
 46.31 equip trail improvements along and parallel
 46.32 with the shore of White Bear Lake between
 46.33 the Washington County line and the city limits
 46.34 of the city of White Bear Lake, Ramsey
 46.35 County; and

47.1 (3) \$500,000 of this appropriation is for a
 47.2 grant to the city of White Bear Lake in
 47.3 Ramsey County to design, engineer, construct,
 47.4 and equip trail improvements along or parallel
 47.5 with the shore of White Bear Lake between
 47.6 the eastern city limits of White Bear Lake and
 47.7 Pacific Avenue.

47.8 Sec. 18. **HUMAN SERVICES**

47.9 **Subdivision 1. Total Appropriation** **\$ 27,409,000**

47.10 To the commissioner of administration, or
 47.11 other named entity, for the purposes specified
 47.12 in this section.

47.13 **Subd. 2. Asset Preservation** **8,000,000**

47.14 For asset preservation improvements and
 47.15 betterments of a capital nature at Department
 47.16 of Human Services facilities statewide, to be
 47.17 spent in accordance with Minnesota Statutes,
 47.18 section 16B.307.

47.19 **Subd. 3. St. Peter Regional Treatment Center**
 47.20 **Campus - Phase 2** **1,794,000**

47.21 To design the second phase of a multiphase
 47.22 project to develop additional residential,
 47.23 program, activity, and ancillary facilities for
 47.24 the Minnesota sex offender program on the
 47.25 lower campus of the St. Peter Regional
 47.26 Treatment Center.

47.27 **Subd. 4. Child and Adolescent Behavioral Health**
 47.28 **Services Facility** **1,750,000**

47.29 For design, construction, and furnishing of a
 47.30 large motor activity and ancillary space for
 47.31 the Child and Adolescent Behavioral Health
 47.32 Hospital. The appropriation also includes
 47.33 money for design and construction of a small
 47.34 maintenance shed, courtyard interiors, a

48.1 parking lot, playground equipment, and
 48.2 landscaping activities.

48.3 **Subd. 5. Regional Behavioral Health Crisis**
 48.4 **Facilities Grant Program**

10,000,000

48.5 To the commissioner of human services for
 48.6 regional behavioral health crisis facilities
 48.7 grants under Minnesota Statutes, section
 48.8 245G.011.

48.9 **Subd. 6. St. Louis Park; Perspectives Family**
 48.10 **Center**

4,500,000

48.11 To the commissioner of human services for a
 48.12 grant to the city of St. Louis Park to construct,
 48.13 furnish, and equip the expansion and
 48.14 renovation of the existing Perspectives Family
 48.15 Center facility in St. Louis Park subject to
 48.16 Minnesota Statutes, section 16A.695. The
 48.17 expanded and renovated facility must be used
 48.18 to promote the public welfare by providing
 48.19 any or all of the following programs and
 48.20 services: (1) supportive housing programs for
 48.21 homeless women and their children; (2) mental
 48.22 and chemical health programs; (3)
 48.23 employment services; (4) academic, social
 48.24 skills, and nutritional programs for homeless
 48.25 and at-risk children; (5) an all-day therapeutic
 48.26 early childhood development program for
 48.27 homeless and at-risk children; and (6) a
 48.28 culturally sensitive safe and nurturing
 48.29 environment for at-risk children to meet with
 48.30 their nonresidential parents.

48.31 **Subd. 7. St. Louis County; Regional Behavioral**
 48.32 **Health Crisis Facility**

1,365,000

48.33 To the commissioner of human services for a
 48.34 grant to St. Louis County for a regional
 48.35 behavioral health crisis facility. This

49.1 appropriation is in addition to and for the same
 49.2 purposes as the grant awarded to the county
 49.3 under Minnesota Statutes, section 245G.011.

49.4 **Sec. 19. VETERANS AFFAIRS**

49.5 **Subdivision 1. Total Appropriation** **\$ 8,450,000**

49.6 To the commissioner of administration for the
 49.7 purposes specified in this section.

49.8 **Subd. 2. Asset Preservation** **8,000,000**

49.9 For asset preservation improvements and
 49.10 betterments of a capital nature at the veterans
 49.11 homes in Minneapolis, Hastings, Fergus Falls,
 49.12 Silver Bay, and Luverne, and the Little Falls
 49.13 Cemetery, to be spent in accordance with
 49.14 Minnesota Statutes, section 16B.307.

49.15 **Subd. 3. Fergus Falls Veterans Home**
 49.16 **Greenhouse** **100,000**

49.17 To design, construct, and equip a new
 49.18 greenhouse at the Minnesota Veterans Home
 49.19 in Fergus Falls.

49.20 **Subd. 4. Martin County; Veterans Memorial** **350,000**

49.21 For a grant to Martin County to design and
 49.22 construct a memorial to those who have served
 49.23 in the military of the United States of America
 49.24 and those who have died in the line of duty.

49.25 **Sec. 20. CORRECTIONS**

49.26 **Subdivision 1. Total Appropriation** **\$ 44,498,000**

49.27 To the commissioner of administration for the
 49.28 purposes specified in this section.

49.29 **Subd. 2. Asset Preservation** **25,000,000**

49.30 For asset preservation improvements and
 49.31 betterments of a capital nature at Minnesota
 49.32 correctional facilities statewide, to be spent in

50.1	<u>accordance with Minnesota Statutes, section</u>	
50.2	<u>16B.307.</u>	
50.3	<u>Subd. 3. Minnesota Correctional Facility -</u>	
50.4	<u>Willow River</u>	<u>1,877,000</u>
50.5	<u>To design, construct, and equip a</u>	
50.6	<u>communications system to accommodate a</u>	
50.7	<u>new radio tower, a microwave system,</u>	
50.8	<u>electrical and data connectivity, and an</u>	
50.9	<u>environmentally controlled, secure structure</u>	
50.10	<u>to house the communications equipment at the</u>	
50.11	<u>Minnesota Correctional Facility - Willow</u>	
50.12	<u>River.</u>	
50.13	<u>Subd. 4. Minnesota Correctional Facility -</u>	
50.14	<u>Faribault</u>	<u>954,000</u>
50.15	<u>To predesign and design the construction and</u>	
50.16	<u>renovation of new and existing buildings at</u>	
50.17	<u>the Minnesota Correctional Facility -</u>	
50.18	<u>Faribault, in order to upgrade the minimum</u>	
50.19	<u>security housing unit (Dakota Building) and</u>	
50.20	<u>expand offender programming space.</u>	
50.21	<u>Subd. 5. Minnesota Correctional Facility - St.</u>	
50.22	<u>Cloud</u>	<u>800,000</u>
50.23	<u>To design, renovate, construct, equip, and</u>	
50.24	<u>install a new fire suppression system in Living</u>	
50.25	<u>Units A, B, and C at the Minnesota</u>	
50.26	<u>Correctional Facility - St. Cloud. This</u>	
50.27	<u>installation includes but is not limited to cells,</u>	
50.28	<u>common areas, and control areas and must</u>	
50.29	<u>comply with all applicable codes.</u>	
50.30	<u>Subd. 6. Minnesota Correctional Facility -</u>	
50.31	<u>Stillwater</u>	<u>2,600,000</u>
50.32	<u>To design, renovate, construct, equip, and</u>	
50.33	<u>install a fire suppression system in four living</u>	
50.34	<u>units at the Minnesota Correctional Facility -</u>	
50.35	<u>Stillwater. This installation includes but is not</u>	

- 51.1 limited to the cells, common areas, and control
- 51.2 areas in Buildings 3, 5, 9, and 12 and must
- 51.3 comply with all applicable codes.
- 51.4 **Subd. 7. Minnesota Correctional Facility - Togo** 2,600,000
- 51.5 To design, construct, and equip a new sewer
- 51.6 treatment system at the Minnesota
- 51.7 Correctional Facility - Togo. The system
- 51.8 includes but is not limited to settling ponds,
- 51.9 pumping stations, and other underground
- 51.10 infrastructure improvements associated with
- 51.11 the sewer system complying with all Pollution
- 51.12 Control Agency and code requirements. As
- 51.13 part of the project, the existing septic
- 51.14 system/drain field shall be decommissioned.
- 51.15 **Subd. 8. Arrowhead Regional Corrections Joint**
- 51.16 **Powers Board** 3,250,000
- 51.17 For a grant to the Arrowhead Regional
- 51.18 Corrections Joint Powers Board to renovate,
- 51.19 remodel, and complete other capital
- 51.20 improvements to buildings that support
- 51.21 vocational, educational, and farm work
- 51.22 programming and experiences at the Northeast
- 51.23 Regional Corrections Center.
- 51.24 **Subd. 9. Carlton County; Regional Corrections**
- 51.25 **Facility** 2,000,000
- 51.26 For a grant to Carlton County for predesign
- 51.27 and design of a corrections facility providing
- 51.28 emphasis on serving as a regional facility for
- 51.29 female offenders. This statewide
- 51.30 demonstration project shall address current
- 51.31 state requirements of parity in serving male
- 51.32 and female offenders under Minnesota
- 51.33 Statutes, section 241.70, subdivision 1, and
- 51.34 will use the Sequential Intercept Model to
- 51.35 improve service and system-level responses

- 52.1 for adults with mental and substance abuse
- 52.2 disorders in the criminal justice system.
- 52.3 **Subd. 10. Martin County Justice Center** 2,167,000
- 52.4 For a grant to Martin County for site
- 52.5 preparation, predesign, and design of a new
- 52.6 county justice center to provide space for
- 52.7 functions related to the county justice system,
- 52.8 which may include the county jail, courtrooms,
- 52.9 court offices and related purposes, offices for
- 52.10 the sheriff and other law enforcement
- 52.11 personnel, county and state corrections, the
- 52.12 county attorney, dispatch, and emergency
- 52.13 management.
- 52.14 **Subd. 11. Prairie Lake Youth JPB; School and**
- 52.15 **Recreation Center** 2,500,000
- 52.16 For a grant to the Prairie Lake Youth Joint
- 52.17 Powers Board to predesign, design, construct,
- 52.18 furnish, and equip an indoor recreation and
- 52.19 educational building adjoining the current
- 52.20 building for the Prairie Lakes Youth Program.
- 52.21 **Subd. 12. Winona County Jail** 750,000
- 52.22 For a grant to Winona County to acquire land
- 52.23 for a new county jail.
- 52.24 **Subd. 13. Unspent Appropriations**
- 52.25 The unspent portion of an appropriation for a
- 52.26 Department of Corrections project in this
- 52.27 section that is complete, upon written notice
- 52.28 to the commissioner of management and
- 52.29 budget, is available for asset preservation
- 52.30 under Minnesota Statutes, section 16B.307.
- 52.31 Minnesota Statutes, section 16A.642, applies
- 52.32 from the date of the original appropriation to
- 52.33 the unspent amount transferred.

53.1	Sec. 21. <u>EMPLOYMENT AND ECONOMIC</u>	
53.2	<u>DEVELOPMENT</u>	
53.3	<u>Subdivision 1. Total Appropriation</u>	\$ <u>150,241,000</u>
53.4	<u>To the commissioner of employment and</u>	
53.5	<u>economic development, or other named entity,</u>	
53.6	<u>for the purposes specified in this section.</u>	
53.7	<u>Subd. 2. Greater Minnesota Business</u>	
53.8	<u>Development Public Infrastructure</u>	<u>10,000,000</u>
53.9	<u>For grants under Minnesota Statutes, section</u>	
53.10	<u>116J.431.</u>	
53.11	<u>Subd. 3. Innovative Business Development Public</u>	
53.12	<u>Infrastructure</u>	<u>2,000,000</u>
53.13	<u>For grants under Minnesota Statutes, section</u>	
53.14	<u>116J.435.</u>	
53.15	<u>Subd. 4. Transportation Economic Development</u>	
53.16	<u>Infrastructure</u>	<u>3,000,000</u>
53.17	<u>For grants under Minnesota Statutes, section</u>	
53.18	<u>116J.436.</u>	
53.19	<u>Subd. 5. Workforce Center; Asset Preservation</u>	<u>642,000</u>
53.20	<u>To the commissioner of administration for</u>	
53.21	<u>asset preservation improvements and</u>	
53.22	<u>betterments of a capital nature at the South</u>	
53.23	<u>Minneapolis CareerForce location to be spent</u>	
53.24	<u>in accordance with Minnesota Statutes, section</u>	
53.25	<u>16B.307.</u>	
53.26	<u>Subd. 6. Alexandria; Runestone Community</u>	
53.27	<u>Center Expansion</u>	<u>5,600,000</u>
53.28	<u>For a grant to the city of Alexandria to design,</u>	
53.29	<u>construct, furnish, and equip an expansion and</u>	
53.30	<u>renovation of the Runestone Community</u>	
53.31	<u>Center in Alexandria.</u>	

54.1	<u>Subd. 7. Annandale; Infrastructure</u>	
54.2	<u>Improvements</u>	<u>4,090,000</u>
54.3	<u>For a grant to the city of Annandale for</u>	
54.4	<u>predesign, design, construction, and</u>	
54.5	<u>replacement or renovation of street, storm</u>	
54.6	<u>sewer, sanitary sewer, water main, and other</u>	
54.7	<u>capital improvements that are made necessary</u>	
54.8	<u>by, or are most economically completed if</u>	
54.9	<u>performed at the same time as, road work on</u>	
54.10	<u>marked Trunk Highways 24 and 55 in the city</u>	
54.11	<u>of Annandale.</u>	
54.12	<u>Subd. 8. Becker; Business Park Public</u>	
54.13	<u>Infrastructure</u>	<u>20,500,000</u>
54.14	<u>For a grant to the city of Becker to acquire</u>	
54.15	<u>land, predesign, design, construct, furnish, and</u>	
54.16	<u>equip public infrastructure, including water,</u>	
54.17	<u>sanitary sewer, storm sewer and drainage</u>	
54.18	<u>systems, roads, and lighting for a business</u>	
54.19	<u>park in the city of Becker. A portion of the</u>	
54.20	<u>water infrastructure for the business park will</u>	
54.21	<u>be installed in Becker Township.</u>	
54.22	<u>Subd. 9. Becker County; Museum</u>	<u>1,850,000</u>
54.23	<u>For a grant to Becker County to predesign,</u>	
54.24	<u>design, construct, furnish, and equip a new</u>	
54.25	<u>county museum facility.</u>	
54.26	<u>Subd. 10. Champlin; Mississippi Point Park</u>	
54.27	<u>Improvements</u>	<u>3,450,000</u>
54.28	<u>For a grant to the city of Champlin to</u>	
54.29	<u>predesign, design, acquire, install, construct,</u>	
54.30	<u>furnish, and equip capital improvements in</u>	
54.31	<u>Mississippi Point Park, including an</u>	
54.32	<u>Americans with Disabilities Act (ADA)</u>	
54.33	<u>accessible boat docking system and picnic</u>	
54.34	<u>pavilion.</u>	

55.1	<u>Subd. 11. Chatfield; Center for the Arts</u>	<u>8,700,000</u>
55.2	<u>For a grant to the city of Chatfield economic</u>	
55.3	<u>development authority to predesign, design,</u>	
55.4	<u>renovate, construct, furnish, and equip the</u>	
55.5	<u>Chatfield Center for the Arts in the city of</u>	
55.6	<u>Chatfield, which is generally described as the</u>	
55.7	<u>renovation of the 1916 high school and the</u>	
55.8	<u>installation of a linking structure and related</u>	
55.9	<u>improvements to serve both the 1936</u>	
55.10	<u>auditorium building and the 1916 school</u>	
55.11	<u>building. The renovation includes interior,</u>	
55.12	<u>exterior, and amenity improvements within</u>	
55.13	<u>the high school building; improvements to the</u>	
55.14	<u>electrical, plumbing, and HVAC systems</u>	
55.15	<u>throughout the property; and general</u>	
55.16	<u>improvements to the buildings and land that</u>	
55.17	<u>are known as the Chatfield Center for the Arts,</u>	
55.18	<u>currently owned by the economic development</u>	
55.19	<u>authority.</u>	
55.20	<u>Subd. 12. Crookston; Colborn Property</u>	
55.21	<u>Development</u>	<u>895,000</u>
55.22	<u>For a grant to the city of Crookston for</u>	
55.23	<u>development of the southern end of the city</u>	
55.24	<u>limits commonly known as the Colborn</u>	
55.25	<u>Property. This appropriation includes money</u>	
55.26	<u>for construction of roads and storm water</u>	
55.27	<u>infrastructure, for site preparation, and for</u>	
55.28	<u>other improvements of publicly owned</u>	
55.29	<u>infrastructure.</u>	
55.30	<u>Subd. 13. Deephaven; Northome Avenue Bridge</u>	<u>750,000</u>
55.31	<u>For a grant to the city of Deephaven to</u>	
55.32	<u>predesign, design, construct, furnish, and</u>	
55.33	<u>equip a bridge to carry Northome Avenue over</u>	
55.34	<u>a pedestrian and bike trail in the city of</u>	
55.35	<u>Deephaven.</u>	

56.1	<u>Subd. 14. Duluth; Seawall and Surface</u>	
56.2	<u>Improvements</u>	<u>13,500,000</u>
56.3	<u>For a grant to the city of Duluth to predesign,</u>	
56.4	<u>design, construct, furnish, and equip seawall</u>	
56.5	<u>and lakewalk infrastructure with related</u>	
56.6	<u>surface improvements, including a boardwalk</u>	
56.7	<u>and bike trails, public gathering spaces, and</u>	
56.8	<u>loading areas, along the shore of Lake</u>	
56.9	<u>Superior in the city of Duluth. This</u>	
56.10	<u>appropriation may also be used for demolition</u>	
56.11	<u>and removal of existing seawall and lakewalk</u>	
56.12	<u>structures.</u>	
56.13	<u>Subd. 15. Duluth; Lake Superior Zoo</u>	<u>204,000</u>
56.14	<u>For a grant to the city of Duluth to predesign</u>	
56.15	<u>and design the renovation or replacement of</u>	
56.16	<u>the Main Building at the Lake Superior Zoo.</u>	
56.17	<u>Subd. 16. Ellsworth; City Hall and Public Works</u>	
56.18	<u>Shop</u>	<u>1,000,000</u>
56.19	<u>For a grant to the city of Ellsworth to prepare</u>	
56.20	<u>the site, predesign, design, construct, furnish,</u>	
56.21	<u>and equip a city hall with a multipurpose room</u>	
56.22	<u>and a public works shop, to replace the city</u>	
56.23	<u>hall and public works buildings destroyed by</u>	
56.24	<u>fire in January 2019.</u>	
56.25	<u>Subd. 17. Eveleth; Buildings Renovation</u>	<u>1,000,000</u>
56.26	<u>For a grant to the city of Eveleth to predesign,</u>	
56.27	<u>design, construct, renovate, and equip capital</u>	
56.28	<u>improvements and betterments to the city</u>	
56.29	<u>hall/police station, the Carnegie library, the</u>	
56.30	<u>fire/ambulance hall, the Hippodrome ice arena,</u>	
56.31	<u>and the city auditorium. The improvements</u>	
56.32	<u>include renovation or replacement of HVAC</u>	
56.33	<u>systems, roof replacement, installation of</u>	
56.34	<u>carbon monoxide and nitrogen dioxide</u>	
56.35	<u>detection systems, exterior masonry</u>	

- 57.1 restoration, and renovation of public
- 57.2 restrooms.
- 57.3 **Subd. 18. Fergus Falls; Riverfront Corridor** 1,000,000
- 57.4 For a grant to the city of Fergus Falls for
- 57.5 construction of a downtown riverfront corridor
- 57.6 improvement project including an
- 57.7 amphitheater, river market, public arts space,
- 57.8 interactive water components, and related
- 57.9 publicly owned infrastructure and amenities.
- 57.10 **Subd. 19. Grand Rapids; IRA Civic Center** 5,000,000
- 57.11 For a grant to the city of Grand Rapids for the
- 57.12 design, construction, and equipping of capital
- 57.13 improvements to the IRA Civic Center. This
- 57.14 appropriation includes money for replacement
- 57.15 of the truss/roof structure, replacement of the
- 57.16 facility's existing ice-making system, and other
- 57.17 improvements and betterments of a capital
- 57.18 nature for health, safety, and Americans with
- 57.19 Disabilities Act (ADA) compliance.
- 57.20 **Subd. 20. Hastings; City Hall** 2,000,000
- 57.21 For a grant to the city of Hastings for repairs,
- 57.22 construction, and other capital improvements
- 57.23 necessary for renovation of the historic City
- 57.24 Hall in Hastings. This appropriation includes
- 57.25 money for repairs of the dome and roofing,
- 57.26 HVAC improvements, repairs to the interior
- 57.27 walls and exterior masonry of the building,
- 57.28 site regrading, and project management.
- 57.29 **Subd. 21. Hennepin County; Avivo** 1,700,000
- 57.30 For a grant to Hennepin County for Phase 1
- 57.31 of the Avivo regional career and employment
- 57.32 center project in Minneapolis, subject to
- 57.33 Minnesota Statutes, section 16A.695. Phase
- 57.34 1 includes geotechnical and environmental

58.1 investigation, demolition, and site work;
 58.2 predesign and design of the renovation and
 58.3 expansion of a building; and predesign and
 58.4 design for the replacement of or improvements
 58.5 to building systems on the Avivo campus,
 58.6 including HVAC, mechanical, electrical, and
 58.7 accessibility improvements.

58.8 **Subd. 22. Hibbing; Mine View "Window to the**
 58.9 **World"**

1,300,000

58.10 For a grant to the city of Hibbing to construct
 58.11 the mine view "Windows to the World"
 58.12 facility on the Susquehanna mine dump.

58.13 **Subd. 23. Litchfield; Wellness Center**

5,000,000

58.14 (a) For a grant to the city of Litchfield to
 58.15 acquire land for and to predesign, design,
 58.16 construct, furnish, and equip a community
 58.17 wellness/recreation center that will include a
 58.18 gymnasium and general fitness spaces, a
 58.19 dedicated walking section, a community room,
 58.20 and any locker rooms and mechanical
 58.21 equipment needed for future additions to the
 58.22 facility.

58.23 (b) This appropriation is not available until
 58.24 the commissioner of employment and
 58.25 economic development has determined that
 58.26 the school district and the city have entered
 58.27 into an agreement that addresses the city's and
 58.28 school district's relative contributions to the
 58.29 project and the operations and use of the
 58.30 facilities. The city may enter into a lease or
 58.31 management agreement with the school
 58.32 district.

58.33 **Subd. 24. Minneapolis; Central City Storm**
 58.34 **Tunnel**

8,500,000

59.1 For a grant to the city of Minneapolis for
 59.2 design and construction necessary to expand
 59.3 the Central City Storm Tunnel in Minneapolis.

59.4 **Subd. 25. Minneapolis; Outdoor Performance**
 59.5 **Venue**

12,500,000

59.6 (a) For a grant to the city of Minneapolis to
 59.7 predesign, design, construct, furnish, and
 59.8 equip a new outdoor music performance venue
 59.9 on the Upper Harbor site along the Mississippi
 59.10 River in North Minneapolis. The venue will
 59.11 accommodate approximately 7,000 to 10,000
 59.12 people in a combination of temporary seating
 59.13 or standing room. A portion of the venue will
 59.14 be designed to allow it to be enclosed for
 59.15 smaller events on a year-round basis.

59.16 (b) The city may operate the outdoor music
 59.17 venue directly or enter into a lease or
 59.18 management agreement with a for-profit or a
 59.19 nonprofit operator, subject to Minnesota
 59.20 Statutes, section 16A.695. The lease or
 59.21 management agreement must provide for a
 59.22 program of free use of the venue that will
 59.23 benefit the adjacent North Minneapolis
 59.24 community and that will be curated and
 59.25 controlled by a North Minneapolis
 59.26 community-based partner.

59.27 (c) The city of Minneapolis contract with the
 59.28 developer of the project or the lease or
 59.29 management agreement, or both, must identify
 59.30 community benefits from the development,
 59.31 construction, management, operation, and
 59.32 maintenance of the venue intended to benefit
 59.33 the adjacent communities, including benefits
 59.34 related to procurement, employment,

60.1	<u>sustainability, and other commitments from</u>	
60.2	<u>the operator of the venue.</u>	
60.3	<u>Subd. 26. New Ulm; German Park</u>	
60.4	<u>Amphitheater</u>	<u>300,000</u>
60.5	<u>For a grant to the city of New Ulm to design,</u>	
60.6	<u>acquire, install, furnish, and equip a capital</u>	
60.7	<u>improvement permanent shade structure</u>	
60.8	<u>system for the German Park amphitheater,</u>	
60.9	<u>compliant with the Americans with Disabilities</u>	
60.10	<u>Act.</u>	
60.11	<u>Subd. 27. Orono; Big Island Park</u>	<u>300,000</u>
60.12	<u>For a grant to the city of Orono to predesign,</u>	
60.13	<u>design, construct, furnish, and equip</u>	
60.14	<u>improvements at Big Island Park, including a</u>	
60.15	<u>picnic area, trails and trail gates, restrooms,</u>	
60.16	<u>permanent seating, and interpretive panels.</u>	
60.17	<u>Subd. 28. Pipestone County; Dental Facility</u>	<u>250,000</u>
60.18	<u>For a grant to Pipestone County to predesign,</u>	
60.19	<u>design, construct, furnish, and equip a dental</u>	
60.20	<u>care facility in Pipestone County. This</u>	
60.21	<u>appropriation is in addition to the</u>	
60.22	<u>appropriation for the same purpose in Laws</u>	
60.23	<u>2018, chapter 214, article 1, section 21,</u>	
60.24	<u>subdivision 18. This project is not subject to</u>	
60.25	<u>the requirements of Minnesota Statutes,</u>	
60.26	<u>section 16B.325.</u>	
60.27	<u>Subd. 29. Plymouth; Plymouth Creek Center</u>	<u>5,000,000</u>
60.28	<u>For a grant to the city of Plymouth to</u>	
60.29	<u>predesign, design, construct, furnish, and</u>	
60.30	<u>equip the renovation and expansion of the</u>	
60.31	<u>Plymouth Creek Center.</u>	
60.32	<u>Subd. 30. Proctor; Salt Shed</u>	<u>500,000</u>

- 61.1 For a grant to the city of Proctor to predesign,
- 61.2 design, and construct a salt shed to replace the
- 61.3 condemned salt shed on the river front.
- 61.4 **Subd. 31. Roseville; Guidant John Rose OVAL** 3,900,000
- 61.5 For a grant to the city of Roseville to
- 61.6 predesign, design, construct, furnish, and
- 61.7 equip the renovation of the Guidant John Rose
- 61.8 Minnesota OVAL. The project includes the
- 61.9 building, building systems, and facilities.
- 61.10 **Subd. 32. Steele County; Fairgrounds Electrical**
- 61.11 **Improvements** 750,000
- 61.12 For a grant to Steele County to construct
- 61.13 underground electrical infrastructure at the
- 61.14 Steele County Fairgrounds.
- 61.15 **Subd. 33. St. Cloud; Municipal Athletic**
- 61.16 **Complex** 10,000,000
- 61.17 For a grant to the city of St. Cloud to design,
- 61.18 construct, furnish, and equip improvements
- 61.19 to the municipal athletic complex to serve as
- 61.20 a regional sport facility. This appropriation
- 61.21 includes money to renovate and expand the
- 61.22 Municipal Athletic Facility, to demolish the
- 61.23 grandstand at Dick Putz field, and to design,
- 61.24 construct, furnish and equip a new grandstand
- 61.25 at Dick Putz Field. This appropriation may
- 61.26 not be used to acquire and install artificial turf
- 61.27 or to construct the west lobby.
- 61.28 **Subd. 34. St. Joseph; Jacob Wetterling**
- 61.29 **Recreation Center** 1,050,000
- 61.30 For a grant to the city of St. Joseph for Phase
- 61.31 1 of the St. Joseph Community Center project.
- 61.32 Phase 1 is to predesign and design a recreation
- 61.33 center as an addition to the former school
- 61.34 building purchased by the city to be
- 61.35 repurposed as a community center.

62.1	<u>Subd. 35. St. Louis County; Heritage and Arts</u>	
62.2	<u>Center</u>	<u>1,500,000</u>
62.3	<u>For a grant to St. Louis County for asset</u>	
62.4	<u>preservation of the St. Louis County Heritage</u>	
62.5	<u>and Arts Center, also known as the Depot, in</u>	
62.6	<u>Duluth. The project includes improvements</u>	
62.7	<u>to the life-safety elements of the building and</u>	
62.8	<u>to restore exterior building envelope integrity.</u>	
62.9	<u>Subd. 36. St. Paul; Humanities Center</u>	<u>750,000</u>
62.10	<u>For a grant to the city of St. Paul for asset</u>	
62.11	<u>preservation of the Minnesota Humanities</u>	
62.12	<u>Center's main facility, including capital</u>	
62.13	<u>improvements for building envelope,</u>	
62.14	<u>foundation, and structural integrity; and for</u>	
62.15	<u>mechanical systems upgrades, including</u>	
62.16	<u>heating, ventilation, and cooling, subject to</u>	
62.17	<u>Minnesota Statutes, section 16A.695. This</u>	
62.18	<u>appropriation is added to the appropriation in</u>	
62.19	<u>Laws 2018, chapter 214, article 1, section 21,</u>	
62.20	<u>subdivision 25.</u>	
62.21	<u>Subd. 37. St. Paul; Playwrights' Center</u>	<u>850,000</u>
62.22	<u>For a grant to the city of St. Paul to predesign</u>	
62.23	<u>and design the playwrights center facility in</u>	
62.24	<u>St. Paul for use as a comprehensive play</u>	
62.25	<u>development program and workshop facility.</u>	
62.26	<u>Subd. 38. St. Paul; Victoria Theater</u>	<u>1,000,000</u>
62.27	<u>For a grant to the city of St. Paul to acquire</u>	
62.28	<u>property located at 825 University Avenue</u>	
62.29	<u>West, and to predesign, design, construct,</u>	
62.30	<u>furnish, and equip the renovation of the</u>	
62.31	<u>historic Victoria Theater, to serve as a regional</u>	
62.32	<u>multicultural community and event center.</u>	
62.33	<u>This appropriation includes money for:</u>	
62.34	<u>demolition work; improvements to or</u>	

63.1 replacement of the mechanical, electrical,
 63.2 plumbing, heating, ventilating, and air
 63.3 conditioning systems; repairs to the existing
 63.4 roof and exterior enclosure; site
 63.5 improvements; construction or renovation of
 63.6 interior spaces; and other improvements of a
 63.7 capital nature. The city of St. Paul may enter
 63.8 into a lease or management agreement with a
 63.9 nonprofit organization for this facility under
 63.10 Minnesota Statutes, section 16A.695.

63.11 **Subd. 39. St. Paul; Hmong Cultural Plaza,**
 63.12 **Phalen Regional Park** 300,000

63.13 (a) For a grant to city of St. Paul for
 63.14 construction of Phase II of the Saint Paul -
 63.15 Changsha China Friendship Garden, at the
 63.16 Hmong Cultural Plaza, in Phalen Regional
 63.17 Park.

63.18 (b) In implementing the project, the city, or
 63.19 any entity with which the city contracts for
 63.20 implementation of the project, must hire and
 63.21 retain for the life of the project residents of
 63.22 the adjacent communities in living wage jobs,
 63.23 improve environmental conditions of the
 63.24 project site, use clean and efficient energy
 63.25 sources, and work with Hmong cultural leaders
 63.26 and artists to ensure that traditional Hmong
 63.27 landscaping and building practices are used
 63.28 to help tell the story of the Minnesota Hmong
 63.29 experience.

63.30 **Subd. 40. Wadena; Access Road** 1,300,000

63.31 For a grant to the city of Wadena to acquire a
 63.32 permanent easement for and to predesign,
 63.33 design, engineer, and construct an access road
 63.34 just northeast of 11th Street Northwest in

64.1 Wadena, going from marked Trunk Highway
 64.2 10 to the new hospital complex.

64.3 **Subd. 41. Western Lake Superior Sanitary**
 64.4 **District; Engine Generators** 6,750,000

64.5 For a grant to the Sanitary Board of the
 64.6 Western Lake Superior Sanitary District to
 64.7 design and construct engine generators as part
 64.8 of the combined heat and power system to
 64.9 capture and process heat and generate
 64.10 electricity for use at the Western Lake
 64.11 Superior Sanitary District wastewater
 64.12 treatment facilities.

64.13 **Subd. 42. Willernie; Public Infrastructure** 160,000

64.14 For a grant to the city of Willernie to replace
 64.15 the roof of the city hall, and, if any money is
 64.16 remaining, for capital improvements in
 64.17 conjunction with the Washington County road
 64.18 12 project, including replacing and extending
 64.19 the sidewalk, replacement of a water main,
 64.20 and moving or removing a retaining wall.

64.21 **Subd. 43. Wright County; Dental Care Facility** 1,400,000

64.22 For a grant to Wright County to predesign,
 64.23 design, construct, furnish, and equip a dental
 64.24 care facility. The dental care facility will be
 64.25 constructed in a building constructed for this
 64.26 purpose by the county on the Wright County
 64.27 Government Center campus in the city of
 64.28 Buffalo. The county may enter into an
 64.29 agreement under Minnesota Statutes, section
 64.30 16A.695, for operation of the dental clinic.

64.31 **Sec. 22. PUBLIC FACILITIES AUTHORITY**

64.32 **Subdivision 1. Total Appropriation** **\$ 254,410,000**

64.33 To the Public Facilities Authority for the
 64.34 purposes specified in this section.

65.1	<u>Subd. 2. State Match for Federal Grants to State</u>	
65.2	<u>Revolving Loan Programs</u>	<u>25,000,000</u>
65.3	<u>To match federal capitalization grants for the</u>	
65.4	<u>clean water revolving fund under Minnesota</u>	
65.5	<u>Statutes, section 446A.07, and the drinking</u>	
65.6	<u>water revolving fund under Minnesota</u>	
65.7	<u>Statutes, section 446A.081. This appropriation</u>	
65.8	<u>must be used for qualified capital projects.</u>	
65.9	<u>Subd. 3. Water Infrastructure Funding Program</u>	<u>55,494,000</u>
65.10	<u>(a) For grants to eligible municipalities under</u>	
65.11	<u>the water infrastructure funding program under</u>	
65.12	<u>Minnesota Statutes, section 446A.072.</u>	
65.13	<u>(b) \$33,296,000 is for wastewater projects</u>	
65.14	<u>listed on the Pollution Control Agency's</u>	
65.15	<u>project priority list in the fundable range under</u>	
65.16	<u>the clean water revolving fund program.</u>	
65.17	<u>(c) \$22,198,000 is for drinking water projects</u>	
65.18	<u>listed on the commissioner of health's project</u>	
65.19	<u>priority list in the fundable range under the</u>	
65.20	<u>drinking water revolving fund program.</u>	
65.21	<u>(d) After all eligible projects under paragraph</u>	
65.22	<u>(b) or (c) have been funded in a fiscal year,</u>	
65.23	<u>the Public Facilities Authority may transfer</u>	
65.24	<u>any remaining, uncommitted money to eligible</u>	
65.25	<u>projects under a program defined in paragraph</u>	
65.26	<u>(b) or (c) based on that program's project</u>	
65.27	<u>priority list.</u>	
65.28	<u>Subd. 4. Point Source Implementation Grants</u>	
65.29	<u>Program</u>	<u>44,553,000</u>
65.30	<u>For grants to eligible municipalities under the</u>	
65.31	<u>point source implementation grants program</u>	
65.32	<u>under Minnesota Statutes, section 446A.073.</u>	
65.33	<u>This appropriation must be used for qualified</u>	
65.34	<u>capital projects.</u>	

66.1	<u>Subd. 5. Albertville; Wastewater Treatment</u>	
66.2	<u>System Improvements</u>	<u>2,500,000</u>
66.3	<u>For a grant to the city of Albertville to design</u>	
66.4	<u>and construct wastewater infrastructure</u>	
66.5	<u>improvements related to nonnative species</u>	
66.6	<u>control.</u>	
66.7	<u>Subd. 6. Arden Hills; Water Main</u>	<u>500,000</u>
66.8	<u>For a grant to the city of Arden Hills to install</u>	
66.9	<u>a water main extending along Lexington</u>	
66.10	<u>Avenue, from County Road E to marked</u>	
66.11	<u>Interstate Highway 694.</u>	
66.12	<u>Subd. 7. Aurora; East Range Joint Powers</u>	
66.13	<u>Board; Water System</u>	<u>5,000,000</u>
66.14	<u>For a grant to the city of Aurora, Hoyt Lakes,</u>	
66.15	<u>or Biwabik, or the Town of White for the East</u>	
66.16	<u>Mesabi Joint Water System, to acquire land</u>	
66.17	<u>or a permanent interest in land, design,</u>	
66.18	<u>engineer, construct, furnish, and equip a</u>	
66.19	<u>comprehensive municipally owned cooperative</u>	
66.20	<u>joint drinking water system in the political</u>	
66.21	<u>subdivisions that are part of the East Range</u>	
66.22	<u>Joint Powers Board.</u>	
66.23	<u>Subd. 8. Austin; Wastewater Treatment Plant</u>	<u>7,450,000</u>
66.24	<u>For a grant to the city of Austin to design and</u>	
66.25	<u>engineer improvements for upgrades to the</u>	
66.26	<u>city's wastewater treatment facility.</u>	
66.27	<u>Subd. 9. Bemidji; Water Treatment Plant</u>	<u>10,194,000</u>
66.28	<u>For a grant to the city of Bemidji to predesign,</u>	
66.29	<u>design, construct, furnish, and equip upgrades</u>	
66.30	<u>to the city's water treatment plant including</u>	
66.31	<u>the addition of a filtration system to remove</u>	
66.32	<u>perfluoroalkyl substances from the city's</u>	
66.33	<u>drinking water.</u>	

67.1	<u>Subd. 10. Buhl; Water Infrastructure</u>	<u>1,500,000</u>
67.2	<u>For a grant to the city of Buhl to predesign,</u>	
67.3	<u>design, and construct wastewater, clean water,</u>	
67.4	<u>and storm sewer infrastructure in the city of</u>	
67.5	<u>Buhl.</u>	
67.6	<u>Subd. 11. Deer River; Water and Wastewater</u>	
67.7	<u>Systems</u>	<u>4,000,000</u>
67.8	<u>For a grant to the city of Deer River to design,</u>	
67.9	<u>engineer, and construct improvements and</u>	
67.10	<u>additions to the city's wastewater collection</u>	
67.11	<u>and treatment system, including construction</u>	
67.12	<u>of a stabilization pond, and replacement and</u>	
67.13	<u>expansion of storm sewer lines, sanitary sewer</u>	
67.14	<u>lines, and water lines in the city of Deer River.</u>	
67.15	<u>Subd. 12. East Itasca Joint Sewer Board;</u>	
67.16	<u>Regional Wastewater System</u>	<u>750,000</u>
67.17	<u>For a grant to the city of Nashwauk for</u>	
67.18	<u>preliminary and final engineering of a regional</u>	
67.19	<u>wastewater treatment system located in the</u>	
67.20	<u>city of Nashwauk to serve the communities</u>	
67.21	<u>represented by the East Itasca Joint Sewer</u>	
67.22	<u>Board and other communities.</u>	
67.23	<u>Subd. 13. Floodwood; Stabilization Ponds</u>	<u>2,000,000</u>
67.24	<u>For a grant to the city of Floodwood for</u>	
67.25	<u>predesign, design, engineering, and</u>	
67.26	<u>construction and expansion of stabilization</u>	
67.27	<u>ponds.</u>	
67.28	<u>Subd. 14. Foley; Wastewater Infrastructure</u>	<u>3,000,000</u>
67.29	<u>For a grant to the city of Foley to predesign,</u>	
67.30	<u>design, construct, and equip wastewater</u>	
67.31	<u>infrastructure improvements, which may also</u>	
67.32	<u>include acquisition of real property needed for</u>	
67.33	<u>the wastewater infrastructure improvements.</u>	

68.1	<u>Subd. 15. Lincoln-Pipestone Rural Water</u>	
68.2	<u>System</u>	<u>5,500,000</u>
68.3	<u>For a grant to the Lincoln-Pipestone Rural</u>	
68.4	<u>Water System to predesign and design water</u>	
68.5	<u>source development in its service area,</u>	
68.6	<u>including new wells, a water softening</u>	
68.7	<u>treatment plant (lime softening plant), and new</u>	
68.8	<u>water distribution pipes.</u>	
68.9	<u>Subd. 16. Mahnomen; Water Infrastructure</u>	<u>650,000</u>
68.10	<u>For a grant under Minnesota Statutes, section</u>	
68.11	<u>446A.07, to the city of Mahnomen for</u>	
68.12	<u>improvements to the city's water infrastructure.</u>	
68.13	<u>This grant is not subject to the project priority</u>	
68.14	<u>list set forth in Minnesota Statutes, section</u>	
68.15	<u>446A.07, subdivision 4.</u>	
68.16	<u>Subd. 17. Mahnomen; Drinking Water</u>	
68.17	<u>Infrastructure</u>	<u>1,250,000</u>
68.18	<u>For a grant under Minnesota Statutes, section</u>	
68.19	<u>446A.081, to the city of Mahnomen for the</u>	
68.20	<u>city's drinking water infrastructure. This grant</u>	
68.21	<u>is not subject to the project priority list set</u>	
68.22	<u>forth in Minnesota Statutes, section 446A.081,</u>	
68.23	<u>subdivision 5.</u>	
68.24	<u>Subd. 18. Melrose; Wastewater Treatment</u>	
68.25	<u>Facility</u>	<u>3,500,000</u>
68.26	<u>For a grant to the city of Melrose to design,</u>	
68.27	<u>construct, and equip improvements to the</u>	
68.28	<u>municipal wastewater treatment facility to</u>	
68.29	<u>expand the capacity of the facility and replace</u>	
68.30	<u>facility infrastructure and components that</u>	
68.31	<u>have reached the end of their useful life. This</u>	
68.32	<u>appropriation includes money for a new</u>	
68.33	<u>preliminary treatment system with new</u>	
68.34	<u>screening and pumping and for a new clarifier.</u>	
68.35	<u>Subd. 19. Mendota; Water Infrastructure</u>	<u>650,000</u>

69.1 For a grant to the city of Mendota to
 69.2 predesign, design, engineer, and construct the
 69.3 extension of the water main throughout the
 69.4 city of Mendota to allow residents to connect
 69.5 with the Saint Paul Regional Water Services
 69.6 system.

69.7 **Subd. 20. Newport; Inflow and Infiltration** 2,000,000

69.8 For a grant to the city of Newport to design
 69.9 and construct capital improvements to the
 69.10 publicly owned portions of the city's
 69.11 wastewater infrastructure to reduce or
 69.12 eliminate inflow and infiltration.

69.13 **Subd. 21. Oronoco; Regional Wastewater System**
 69.14 **Infrastructure Grant** 24,027,000

69.15 (a) Of this amount, \$1,350,000 is for a grant
 69.16 to the city of Oronoco to acquire land and
 69.17 easements, design, and engineer a wastewater
 69.18 collection, conveyance, and treatment system
 69.19 and associated water distribution
 69.20 improvements to serve the city of Oronoco
 69.21 and the region including the Oronoco Estates
 69.22 Manufactured Home Community. Any amount
 69.23 remaining after completion of design,
 69.24 engineering, and acquisition may be applied
 69.25 to the purposes described in subdivision 2.

69.26 (b) Of this amount, \$22,677,000 is for a grant
 69.27 to the city of Oronoco to construct and provide
 69.28 construction-related engineering for a
 69.29 wastewater collection, conveyance, and
 69.30 treatment system and associated water
 69.31 distribution improvements to serve the city of
 69.32 Oronoco and the region including the Oronoco
 69.33 Estates Manufactured Home Community.

69.34 **Subd. 22. Randolph; Wastewater Infrastructure** 13,000,000

70.1 For a grant to the city of Randolph to acquire
 70.2 land, predesign, environmental review, design,
 70.3 construct, install, furnish, and equip a
 70.4 wastewater collection system and treatment
 70.5 system, including wastewater stabilization
 70.6 ponds and spray irrigation fields, in and within
 70.7 one and one-half miles of the city of Randolph.

70.8 **Subd. 23. Red Rock Rural Water System** 5,500,000

70.9 For a grant to the Red Rock Rural Water
 70.10 System to design, construct, furnish, and equip
 70.11 a new water treatment plant, a new water
 70.12 tower, and installation of approximately 110
 70.13 miles of ten-inch through two-inch water main,
 70.14 and other improvements to infrastructure
 70.15 required for an expansion of the Red Rock
 70.16 Rural Water System, to be built and located
 70.17 in Murray and Cottonwood Counties.

70.18 **Subd. 24. Rice Lake; Sewer, Water, and Utilities**
 70.19 **Extension** 1,000,000

70.20 For a grant to the city of Rice Lake to acquire
 70.21 land, predesign, design, construct, furnish, and
 70.22 equip an extension of clean water, sanitary
 70.23 sewer, storm sewer, and utilities to a
 70.24 commercial and industrial park on North Rice
 70.25 Lake Road in Rice Lake.

70.26 **Subd. 25. Royalton; Clean Water and Storm**
 70.27 **Sewer Infrastructure** 900,000

70.28 For a grant to the city of Royalton to design,
 70.29 engineer, and construct publicly owned
 70.30 infrastructure in conjunction with
 70.31 reconstruction of marked U.S. Highway 10 in
 70.32 Royalton. This appropriation includes money
 70.33 for replacement of and upgrades to the water
 70.34 main and other municipal clean drinking water

71.1	<u>infrastructure and the storm sewer drainage</u>	
71.2	<u>system.</u>	
71.3	<u>Subd. 26. South Haven; Wells</u>	<u>1,700,000</u>
71.4	<u>For a grant to the city of South Haven to</u>	
71.5	<u>acquire land, predesign, design, construct,</u>	
71.6	<u>furnish, and equip two new wells in Wright</u>	
71.7	<u>County.</u>	
71.8	<u>Subd. 27. South St. Paul; Concord Street Public</u>	
71.9	<u>Utilities</u>	<u>2,000,000</u>
71.10	<u>For a grant to the city of South St. Paul to</u>	
71.11	<u>predesign, design, construct, and install</u>	
71.12	<u>sanitary sewer, water main, and storm sewer</u>	
71.13	<u>improvements, including removal of replaced</u>	
71.14	<u>infrastructure as necessary, in the Concord</u>	
71.15	<u>Street corridor in conjunction with the</u>	
71.16	<u>reconstruction and renovation of the street.</u>	
71.17	<u>Subd. 28. Spring Park; City Utilities</u>	<u>1,500,000</u>
71.18	<u>For a grant to the city of Spring Park for</u>	
71.19	<u>improvements to the city's water and sewer</u>	
71.20	<u>system in the northwest area of the city on</u>	
71.21	<u>West Arm Drive.</u>	
71.22	<u>Subd. 29. Two Harbors; Wastewater Treatment</u>	
71.23	<u>Plant</u>	<u>10,750,000</u>
71.24	<u>For a grant to the city of Two Harbors to</u>	
71.25	<u>predesign, design, construct, furnish, and</u>	
71.26	<u>equip improvements to the wastewater</u>	
71.27	<u>treatment facility in the city of Two Harbors,</u>	
71.28	<u>including a new activated sludge biological</u>	
71.29	<u>treatment system and mercury removal</u>	
71.30	<u>improvements, new aeration basins, final</u>	
71.31	<u>clarifiers, biosolids treatment units, mercury</u>	
71.32	<u>filter backwash supply tank, operations and</u>	
71.33	<u>controls building, and associated electrical and</u>	
71.34	<u>controls equipment.</u>	

72.1	<u>Subd. 30. Twin Lakes Township; Water</u>		
72.2	<u>Infrastructure</u>		<u>7,500,000</u>
72.3	<u>For a grant to Twin Lakes Township for the</u>		
72.4	<u>design and construction of a water distribution</u>		
72.5	<u>system, support facilities, and related water</u>		
72.6	<u>improvements, including a water main</u>		
72.7	<u>extension from the city of Carlton, along</u>		
72.8	<u>marked Trunk Highway 210 in Carlton</u>		
72.9	<u>County.</u>		
72.10	<u>Subd. 31. Vernon Center; Water Infrastructure</u>		
72.11	<u>Improvements</u>		<u>7,984,000</u>
72.12	<u>For a grant to the city of Vernon Center to</u>		
72.13	<u>predesign, design, construct, furnish, and</u>		
72.14	<u>equip water infrastructure improvements,</u>		
72.15	<u>including refurbishing a water tower, and</u>		
72.16	<u>replacement of wastewater collection, water</u>		
72.17	<u>distribution systems, storm sewer system</u>		
72.18	<u>improvements, and related local road</u>		
72.19	<u>improvements.</u>		
72.20	<u>Subd. 32. Waldorf; Water Infrastructure</u>		
72.21	<u>Improvements</u>		<u>858,000</u>
72.22	<u>For a grant to the city of Waldorf to complete</u>		
72.23	<u>the construction of water, wastewater, street,</u>		
72.24	<u>and storm sewer improvements.</u>		
72.25	<u>Subd. 33. West St. Paul; Lift Stations</u>		<u>2,200,000</u>
72.26	<u>For a grant to the city of West St. Paul for</u>		
72.27	<u>upgrades to lift stations 1 and 2.</u>		
72.28	<u>Sec. 23. MINNESOTA HOUSING FINANCE</u>		
72.29	<u>AGENCY</u>	<u>\$</u>	<u>16,000,000</u>
72.30	<u>To the Minnesota Housing Finance Agency</u>		
72.31	<u>for transfer to the housing development fund</u>		
72.32	<u>to finance the costs of rehabilitation to</u>		
72.33	<u>preserve public housing under Minnesota</u>		
72.34	<u>Statutes, section 462A.202, subdivision 3a.</u>		
72.35	<u>For purposes of this section, "public housing"</u>		

73.1 means housing for low-income persons and
 73.2 households financed by the federal
 73.3 government and publicly owned. Priority may
 73.4 be given to proposals that maximize nonstate
 73.5 resources to finance the capital costs and
 73.6 requests that prioritize health, safety, and
 73.7 energy improvements. The priority in
 73.8 Minnesota Statutes, section 462A.202,
 73.9 subdivision 3a, for projects to increase the
 73.10 supply of affordable housing and the
 73.11 restrictions of Minnesota Statutes, section
 73.12 462A.202, subdivision 7, do not apply to this
 73.13 appropriation.

73.14 **Sec. 24. MINNESOTA HISTORICAL**
 73.15 **SOCIETY**

73.16 **Subdivision 1. Total Appropriation** **\$ 3,100,000**

73.17 To the Minnesota Historical Society for the
 73.18 purposes specified in this section.

73.19 **Subd. 2. Historic Sites Asset Preservation** **2,350,000**

73.20 For capital improvements and betterments at
 73.21 state historic sites, buildings, landscaping at
 73.22 historic buildings, exhibits, markers, and
 73.23 monuments, to be spent in accordance with
 73.24 Minnesota Statutes, section 16B.307. The
 73.25 society shall determine project priorities as
 73.26 appropriate based on need.

73.27 **Subd. 3. County and Local Preservation Grants** **750,000**

73.28 For grants to county and local jurisdictions as
 73.29 matching money for historic preservation
 73.30 projects of a capital nature, as provided in
 73.31 Minnesota Statutes, section 138.0525.

73.32 **Sec. 25. BOND SALE EXPENSES**

73.33 **Subdivision 1. Total Appropriation** **\$ 1,363,000**

74.1 To the commissioner of management and
 74.2 budget for the purposes specified in this
 74.3 section.

74.4 **Subd. 2. Bond Proceeds Fund** 1,363,000

74.5 From the bond proceeds fund for bond sale
 74.6 expenses under Minnesota Statutes, section
 74.7 16A.641, subdivision 8.

74.8 **Sec. 26. BOND SALE AUTHORIZATION.**

74.9 Subdivision 1. Bond proceeds fund. To provide the money appropriated in this act from
 74.10 the bond proceeds fund, the commissioner of management and budget shall sell and issue
 74.11 bonds of the state in an amount up to \$1,120,671,000 in the manner, upon the terms, and
 74.12 with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the
 74.13 Minnesota Constitution, article XI, sections 4 to 7.

74.14 Subd. 2. Transportation fund. To provide the money appropriated in this act from the
 74.15 bond proceeds account in the state transportation fund, the commissioner of management
 74.16 and budget shall sell and issue bonds of the state in an amount up to \$242,959,000 in the
 74.17 manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections
 74.18 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7.

74.19 **Sec. 27. CANCELLATIONS; BOND SALE AUTHORIZATION REDUCTIONS.**

74.20 (a) The amounts of the general obligation bond proceeds appropriations and trunk
 74.21 highway bond proceeds appropriations listed in the cancellation report submitted to the
 74.22 legislature in January 2020, pursuant to Minnesota Statutes, section 16A.642, are canceled
 74.23 on the effective date of this section. The corresponding bond sale authorizations are reduced
 74.24 by the same amounts. If an appropriation in this section is canceled more than once, the
 74.25 cancellation must be given effect only once.

74.26 (b) The unobligated amount remaining from the appropriation in Laws 2018, chapter
 74.27 214, article 1, section 21, subdivision 27, is canceled. The bond sale authorization in Laws
 74.28 2018, chapter 214, article 1, section 26, subdivision 1, is reduced by the same amount.

74.29 **Sec. 28. BOND SALE SCHEDULE.**

74.30 The commissioner of management and budget shall schedule the sale of state general
 74.31 obligation bonds so that, during the biennium ending June 30, 2021, no more than

75.1 \$1,139,311,000 will need to be transferred from the general fund to the state bond fund to
 75.2 pay principal and interest due and to become due on outstanding state general obligation
 75.3 bonds. During the biennium, before each sale of state general obligation bonds, the
 75.4 commissioner of management and budget shall calculate the amount of debt service payments
 75.5 needed on bonds previously issued and shall estimate the amount of debt service payments
 75.6 that will be needed on the bonds scheduled to be sold. The commissioner shall adjust the
 75.7 amount of bonds scheduled to be sold so as to remain within the limit set by this section.
 75.8 The amount needed to make the debt service payments is appropriated from the general
 75.9 fund as provided in Minnesota Statutes, section 16A.641.

75.10 Sec. 29. **EFFECTIVE DATE.**

75.11 This article is effective the day following final enactment.

75.12 **ARTICLE 2**
 75.13 **TRUNK HIGHWAY BONDS**

75.14 Section 1. **BOND APPROPRIATIONS.**

75.15 The sums shown in the column under "Appropriations" are appropriated from the bond
 75.16 proceeds account in the trunk highway fund to the state agencies or officials indicated, to
 75.17 be spent for public purposes. Appropriations of bond proceeds must be spent as authorized
 75.18 by the Minnesota Constitution, articles XI and XIV. Unless otherwise specified, money
 75.19 appropriated in this article for a capital program or project may be used to pay state agency
 75.20 staff costs that are attributed directly to the capital program or project in accordance with
 75.21 accounting policies adopted by the commissioner of management and budget.

75.22 **SUMMARY**

75.23	<u>Department of Transportation</u>	<u>\$ 300,000,000</u>
75.24	<u>Department of Management and Budget</u>	<u>300,000</u>
75.25	<u>TOTAL</u>	<u>\$ 300,300,000</u>

75.26 **APPROPRIATIONS**

75.27 **Sec. 2. DEPARTMENT OF**
 75.28 **TRANSPORTATION**

75.29 **Subdivision 1. State Road Construction** **\$ 84,000,000**

75.30 (a) From the bond proceeds account in the
 75.31 trunk highway fund for the environmental
 75.32 analysis, predesign, design, engineering,

76.1 construction, reconstruction, and improvement
76.2 of trunk highways, including design-build
76.3 contracts, internal department costs associated
76.4 with delivering the construction program,
76.5 consultant usage to support these activities,
76.6 and the cost of payments to landowners for
76.7 lands acquired for highway rights-of-way. The
76.8 amount under this subdivision must be
76.9 allocated to maintain regional balance
76.10 throughout the state. The commissioner may
76.11 use up to 17 percent of this amount for
76.12 program delivery.

76.13 (b) This appropriation is primarily for keeping
76.14 projects in the State Transportation
76.15 Improvement Program on schedule due to
76.16 reduced revenues from the COVID-19
76.17 pandemic. If the appropriation is not needed
76.18 for keeping projects on schedule, it is available
76.19 for other trunk highway construction,
76.20 reconstruction and improvement projects
76.21 identified through the Capital Highway
76.22 Investment Plan.

76.23 (c) Projects to construct, reconstruct, or
76.24 improve trunk highways from this
76.25 appropriation will follow eligible investment
76.26 priorities identified in the State Highway
76.27 Investment Plan, and may include pavements,
76.28 bridges, culverts, flood mitigation, traveler
76.29 safety, greater Minnesota mobility and Twin
76.30 Cities mobility, freight, bicycle and pedestrian
76.31 infrastructure, regional and community
76.32 investment priorities, interchange construction
76.33 or reconstruction, and lane additions, in
76.34 addition to the associated installation of safety

- 77.1 barriers, lighting, signage, noise mitigation
- 77.2 measures, and retaining walls.
- 77.3 **Subd. 2. Railroad Grade Separations** **110,000,000**
- 77.4 From the bond proceeds account in the trunk
- 77.5 highway fund to construct rail safety projects
- 77.6 at highway-railroad grade crossings in
- 77.7 accordance with Minnesota Statutes, section
- 77.8 219.016.
- 77.9 **Subd. 3. Project Development** **25,000,000**
- 77.10 From the bond proceeds account in the trunk
- 77.11 highway fund for environmental analysis,
- 77.12 predesign, design and engineering and
- 77.13 right-of-way acquisition for regional and
- 77.14 community investment priority projects on the
- 77.15 trunk highway system identified in the State
- 77.16 Highway Investment Plan to prepare the
- 77.17 projects for construction and application for
- 77.18 federal grants or other funding opportunities.
- 77.19 In consultation with the commissioner of
- 77.20 Minnesota Management and Budget, the
- 77.21 commissioner of transportation is authorized
- 77.22 to use funds from this appropriation on
- 77.23 existing bond-eligible trunk highway projects
- 77.24 within the State Transportation Improvement
- 77.25 Program.
- 77.26 **Subd. 4. Flood Mitigation** **23,000,000**
- 77.27 From the bond proceeds account in the trunk
- 77.28 highway fund for reconstruction of trunk
- 77.29 highways that experience frequent flooding
- 77.30 in Sibley County and Le Sueur County, to
- 77.31 modify the elevation of the roadways and
- 77.32 reduce closures due to river flooding, for
- 77.33 portions of the projects that are eligible for
- 77.34 trunk highway bond proceeds.

78.1 **Subd. 5. Facilities Capital Program** **58,000,000**

78.2 From the bond proceeds account in the trunk
 78.3 highway fund for the transportation facilities
 78.4 capital improvement program under Minnesota
 78.5 Statutes, section 174.13.

78.6 **Sec. 3. BOND SALE EXPENSES** **\$ 300,000**

78.7 This appropriation is to the commissioner of
 78.8 management and budget for bond sale
 78.9 expenses under Minnesota Statutes, sections
 78.10 16A.641, subdivision 8, and 167.50,
 78.11 subdivision 4.

78.12 **Sec. 4. BOND SALE AUTHORIZATION.**

78.13 To provide the money appropriated in this article from the bond proceeds account in the
 78.14 trunk highway fund, the commissioner of management and budget shall sell and issue bonds
 78.15 of the state in an amount up to \$300,300,000 in the manner, upon the terms, and with the
 78.16 effect prescribed by Minnesota Statutes, sections 167.50 to 167.52, and by the Minnesota
 78.17 Constitution, article XIV, section 11, at the times and in the amounts requested by the
 78.18 commissioner of transportation. The proceeds of the bonds, except accrued interest and any
 78.19 premium received from the sale of the bonds, must be deposited in the bond proceeds account
 78.20 in the trunk highway fund.

78.21 **Sec. 5. [174.13] TRANSPORTATION FACILITIES CAPITAL PROGRAM.**

78.22 Subdivision 1. Establishment; accounts. (a) A transportation facilities capital program
 78.23 is established to prioritize among eligible projects that:

78.24 (1) support the programmatic mission of the department;

78.25 (2) extend the useful life of existing buildings; or

78.26 (3) renovate or construct facilities to meet the department's current and future operational
 78.27 needs.

78.28 (b) Projects under the transportation facilities capital program are funded by proceeds
 78.29 from the sale of trunk highway bonds or from other funds appropriated for the purposes of
 78.30 this section.

78.31 (c) A transportation facilities capital account is established in the trunk highway fund.

78.32 The account consists of all money appropriated from the trunk highway fund for the purposes

79.1 of this section and any other money donated, allotted, transferred, or otherwise provided to
79.2 the account by law. Money in the account is appropriated to the commissioner for the
79.3 purposes specified and consistent with the standards and criteria set forth in this section.

79.4 (d) A transportation facilities capital account is established in the bond proceeds account
79.5 of the trunk highway fund. The account consists of trunk highway bond proceeds appropriated
79.6 to the commissioner. Money in the account may only be expended on trunk highway
79.7 purposes, which includes the purposes in this section.

79.8 Subd. 2. **Standards.** Article XIV of the Minnesota Constitution states that the trunk
79.9 highway fund may be used for the purposes of constructing, improving, and maintaining
79.10 the trunk highway system in the state. When allocating funding under this section, the
79.11 commissioner must review the projects deemed eligible under subdivision 3 and prioritize
79.12 allocations using the criteria in subdivision 4. Money allocated to a specific project in an
79.13 act of appropriation or other law must be allocated as provided by the law.

79.14 Subd. 3. **Eligible expenditures.** A project is eligible under this section only if it involves
79.15 the construction, improvement, or maintenance of a capital building asset that is part of the
79.16 state trunk highway system. These capital building assets include but are not limited to
79.17 district headquarter buildings, truck stations, salt storage or other unheated storage buildings,
79.18 deicing and anti-icing facilities, fuel dispensing facilities, highway rest areas, and vehicle
79.19 weigh and inspection stations.

79.20 Subd. 4. **Criteria for priorities.** When prioritizing funding allocation among projects
79.21 eligible under subdivision 3, the commissioner must consider:

79.22 (1) whether a project ensures the effective and efficient condition and operation of the
79.23 facility;

79.24 (2) the urgency in ensuring the safe use of existing buildings;

79.25 (3) the project's total life-cycle cost;

79.26 (4) additional criteria for priorities otherwise specified in state law, statute, or rule that
79.27 applies to a category listed in the act making an appropriation for the program; and

79.28 (5) any other criteria the commissioner deems necessary.

79.29 Sec. 6. **EFFECTIVE DATE.**

79.30 This article is effective the day after enactment.

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ARTICLE 3

EQUITY APPROPRIATIONS

Section 1. **CAPITAL IMPROVEMENT APPROPRIATIONS.**

The sums shown in the column under "Appropriations" are appropriated from the general fund in fiscal year 2021 to the state agencies or officials indicated, to be spent for public purposes. These are one-time appropriations. Money appropriated in this article is available until the project is completed or abandoned subject to Minnesota Statutes, section 16A.642.

APPROPRIATIONS

Sec. 2. **AGRICULTURE**

Subdivision 1. Total Appropriation **\$ 2,250,000**

To the commissioner of agriculture for the purposes specified in this section.

Subd. 2. Hmong American Farmers Association **2,000,000**

For a grant to the Hmong American Farmers Association to purchase approximately 155 acres in Dakota County that the association has leased since 2014, including buildings and improvements on the property.

Subd. 3. Regenerative Alliance **250,000**

(a) For a grant to the Regenerative Agriculture Alliance to predesign a poultry processing plant and an associated industrial park aimed at creating new, value-added economic opportunities for local farmers in southeastern Minnesota.

(b) By March 1, 2022, the Regenerative Agriculture Alliance in collaboration with the commissioner of agriculture, must submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over agriculture finance on the progress, development, and implementation of the poultry processing plant and industrial

81.1	<u>park design and their potential to open new</u>		
81.2	<u>market opportunities for local and emerging</u>		
81.3	<u>farmers.</u>		
81.4	Sec. 3. <u>METROPOLITAN COUNCIL</u>		<u>5,125,000</u>
81.5	<u>To the Metropolitan Council for a grant to the</u>		
81.6	<u>Minneapolis Park and Recreation Board to</u>		
81.7	<u>predesign, design, construct, renovate, furnish,</u>		
81.8	<u>and equip the first phase of the North</u>		
81.9	<u>Commons Improvement Project, focused on</u>		
81.10	<u>the creation of the field house component of</u>		
81.11	<u>a new recreation center building and the first</u>		
81.12	<u>phase of other community-oriented activity</u>		
81.13	<u>and meeting spaces conceptualized for the</u>		
81.14	<u>building.</u>		
81.15	Sec. 4. <u>HUMAN SERVICES</u>		<u>5,575,000</u>
81.16	<u>To the commissioner of human services for a</u>		
81.17	<u>grant to the Red Lake Band of Chippewa</u>		
81.18	<u>Indians to predesign, design, construct,</u>		
81.19	<u>furnish, and equip a family and child services</u>		
81.20	<u>building.</u>		
81.21	Sec. 5. <u>EMPLOYMENT AND ECONOMIC</u>		
81.22	<u>DEVELOPMENT</u>		
81.23	Subdivision 1. <u>Total Appropriation</u>	<u>\$</u>	<u>17,050,000</u>
81.24	<u>To the commissioner of employment and</u>		
81.25	<u>economic development for the purposes</u>		
81.26	<u>specified in this section.</u>		
81.27	Subd. 2. <u>Minneapolis American Indian Center</u>		<u>2,600,000</u>
81.28	<u>For a grant to the Minneapolis American</u>		
81.29	<u>Indian Center for the same purposes and</u>		
81.30	<u>subject to the same requirements as Laws</u>		
81.31	<u>2018, chapter 214, article 1, section 21,</u>		
81.32	<u>subdivision 17.</u>		
81.33	Subd. 3. <u>Indigenous Peoples Task Force,</u>		
81.34	<u>Minneapolis</u>		<u>2,000,000</u>

- 82.1 For a grant to the Indigenous Peoples Task
- 82.2 Force to design, construct, furnish, and equip
- 82.3 the Mikwanedun Audisookon Center in
- 82.4 Minneapolis.
- 82.5 **Subd. 4. International Institute of Minnesota** 3,000,000
- 82.6 For a grant to the International Institute of
- 82.7 Minnesota to remediate contaminated soil, and
- 82.8 to construct, furnish, and equip an expansion
- 82.9 of its facilities.
- 82.10 **Subd. 5. Juxtaposition Arts, Minneapolis** 1,000,000
- 82.11 For a grant to Juxtaposition Arts in
- 82.12 Minneapolis to acquire property adjacent to
- 82.13 its current location to accommodate the growth
- 82.14 in its youth art and enterprise programs and
- 82.15 complete architectural due diligence for
- 82.16 expansion.
- 82.17 **Subd. 6. Cultural Wellness Center, Minneapolis** 250,000
- 82.18 For a grant to the Cultural Wellness Center to
- 82.19 predesign and design the renovation of
- 82.20 Dreamland on 38th in Minneapolis to create
- 82.21 a workspace for African-American
- 82.22 entrepreneurs to start and expand small
- 82.23 businesses and to host community gatherings
- 82.24 and events.
- 82.25 **Subd. 7. Baldwin Square, Minneapolis** 1,000,000
- 82.26 For a grant to the city of Minneapolis to
- 82.27 construct, furnish, and equip the renovation
- 82.28 of blighted property located at 4146 Fremont
- 82.29 Avenue North, for redevelopment as retail,
- 82.30 restaurant, and other commercial space to be
- 82.31 known as Baldwin Square. This appropriation
- 82.32 includes money for roof replacement,
- 82.33 abatement of asbestos and other hazardous
- 82.34 materials, replacement of mechanical systems

83.1 including the electrical, plumbing, and heating,
 83.2 ventilation and air-conditioning (HVAC), and
 83.3 other improvements and betterments of a
 83.4 capital nature.

83.5 **Subd. 8. Native American Community Clinic,**
 83.6 **Minneapolis** 3,800,000

83.7 For a grant to the Native American
 83.8 Community Clinic in Minneapolis to purchase
 83.9 the building in which the clinic is located.

83.10 **Subd. 9. Northwest American Indian Center,**
 83.11 **Bemidji** 2,000,000

83.12 For a grant to the Northwest Indian
 83.13 Community Development Center to purchase
 83.14 the building in which they currently operate
 83.15 in the city of Bemidji.

83.16 **Subd. 10. Victoria Theater, St. Paul** 1,400,000

83.17 For a grant to the city of St. Paul to acquire
 83.18 property located at 825 University Avenue
 83.19 West, and to predesign, design, construct,
 83.20 furnish, and equip the renovation of the
 83.21 historic Victoria Theater, to serve as a regional
 83.22 multicultural community and event center.

83.23 This appropriation includes money for:
 83.24 demolition work; improvements to or
 83.25 replacement of the mechanical, electrical,
 83.26 plumbing, heating, ventilating, and air
 83.27 conditioning systems; repairs to the existing
 83.28 roof and exterior enclosure; site
 83.29 improvements; construction or renovation of
 83.30 interior spaces; and other improvements of a
 83.31 capital nature.

83.32 **Sec. 6. EFFECTIVE DATE.**

83.33 This article is effective the day following final enactment.

ARTICLE 4

APPROPRIATION BONDS

Section 1. [16A.963] ELECTRIC VEHICLE INFRASTRUCTURE APPROPRIATION BONDS.

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

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

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

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

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

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

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

Subd. 2. Authorization to issue appropriation bonds. (a) Subject to the limitations of this subdivision, the commissioner may sell and issue appropriation bonds of the state under this section for public purposes as provided by law, including for the purposes of financing the cost of acquiring and installing electric vehicle charging infrastructure on publicly owned property. Appropriation bonds may be sold and issued in amounts that, in the opinion of the commissioner, are necessary to provide sufficient money to the commissioner of administration under subdivision 7, not to exceed \$2,000,000 net of costs of issuance, for the purposes as provided under this subdivision, and to pay debt service including capitalized interest, costs of issuance, costs of credit enhancement, or make payments under other agreements entered into under paragraph (d).

(b) Proceeds of the appropriation bonds must be credited to a special appropriation electric vehicle infrastructure bond proceeds fund in the state treasury. All income from investment of the bond proceeds, as estimated by the commissioner, is appropriated to the commissioner for the payment of principal and interest on the appropriation bonds.

(c) Appropriation bonds may be issued in one or more issues or series on the terms and conditions the commissioner determines to be in the best interests of the state, but the term

85.1 on any series of appropriation bonds may not exceed 21 years. The appropriation bonds of
85.2 each issue and series thereof shall be dated and bear interest, and may be includable in or
85.3 excludable from the gross income of the owners for federal income tax purposes.

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

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

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

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

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

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

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

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

86.3 Subd. 4. **Refunding bonds.** The commissioner may issue appropriation bonds for the
86.4 purpose of refunding any appropriation bonds then outstanding, including the payment of
86.5 any redemption premiums on the bonds, any interest accrued or to accrue to the redemption
86.6 date, and costs related to the issuance and sale of the refunding bonds. The proceeds of any
86.7 refunding bonds may, at the discretion of the commissioner, be applied to the purchase or
86.8 payment at maturity of the appropriation bonds to be refunded, to the redemption of the
86.9 outstanding appropriation bonds on any redemption date, or to pay interest on the refunding
86.10 bonds and may, pending application, be placed in escrow to be applied to the purchase,
86.11 payment, retirement, or redemption. Any escrowed proceeds, pending such use, may be
86.12 invested and reinvested in obligations that are authorized investments under section 11A.24.
86.13 The income earned or realized on the investment may also be applied to the payment of the
86.14 appropriation bonds to be refunded or interest or premiums on the refunded appropriation
86.15 bonds, or to pay interest on the refunding bonds. After the terms of the escrow have been
86.16 fully satisfied, any balance of the proceeds and any investment income may be returned to
86.17 the general fund or, if applicable, the special appropriation electric vehicle infrastructure
86.18 bond proceeds fund for use in any lawful manner. All refunding bonds issued under this
86.19 subdivision must be prepared, executed, delivered, and secured by appropriations in the
86.20 same manner as the appropriation bonds to be refunded.

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

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

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

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

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

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

87.9 Subd. 7. **Appropriation of proceeds.** The proceeds of appropriation bonds issued under
87.10 subdivision 2, paragraph (a), and interest credited to the special appropriation electric vehicle
87.11 infrastructure bond proceeds fund are appropriated as follows:

87.12 (1) to the commissioner of administration to design, install, and equip electrical
87.13 infrastructure and electric vehicle charging stations on state-owned property as specified in
87.14 subdivision 2, paragraph (a); and

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

87.19 Subd. 8. **Appropriation for debt service and other purposes.** An amount needed to
87.20 pay principal and interest on appropriation bonds issued under subdivision 2, paragraph (a),
87.21 is appropriated each fiscal year from the general fund to the commissioner, subject to repeal,
87.22 unallotment under section 16A.152, or cancellation, otherwise pursuant to subdivision 6,
87.23 for deposit into the bond payments account established for such purpose in the special
87.24 appropriation electric vehicle infrastructure bond proceeds fund. The appropriation is
87.25 available beginning in fiscal year 2021 and remains available through fiscal year 2042.

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

87.29 Sec. 2. **[16A.964] PUBLIC TELEVISION EQUIPMENT APPROPRIATION BONDS.**

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

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

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

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

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

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

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

88.10 (d) "Equipment" means the physical infrastructure and hardware used for the production,
88.11 dissemination, interconnection, and transmission of digital media content, the useful life of
88.12 which may range from seven to 40 years.

88.13 (e) "Public station" has the meaning given in section 129D.12, subdivision 2.

88.14 **Subd. 2. Authorization to issue appropriation bonds.** (a) Subject to the limitations of
88.15 this subdivision, the commissioner may sell and issue appropriation bonds of the state under
88.16 this section for public purposes as provided by law, including for the purposes of financing
88.17 the cost of various items of capital equipment necessary to the ongoing operations of public
88.18 stations. Appropriation bonds may be sold and issued in amounts that, in the opinion of the
88.19 commissioner, are necessary to provide sufficient money to the commissioner of
88.20 administration under subdivision 7, not to exceed \$15,000,000 net of costs of issuance, for
88.21 the purposes as provided under this subdivision, and to pay debt service including capitalized
88.22 interest, costs of issuance, costs of credit enhancement, or make payments under other
88.23 agreements entered into under paragraph (d). Notwithstanding section 129D.155, any money
88.24 repaid to the commissioner of administration upon a sale or other disposition of equipment
88.25 acquired under this section shall be transferred to the commissioner and applied toward
88.26 principal and interest on outstanding bonds.

88.27 (b) Proceeds of the appropriation bonds must be credited to a special appropriation public
88.28 television equipment bond proceeds fund in the state treasury. All income from investment
88.29 of the bond proceeds, as estimated by the commissioner, is appropriated to the commissioner
88.30 for the payment of principal and interest on the appropriation bonds.

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

89.1 each issue and series thereof shall be dated and bear interest, and may be includable in or
89.2 excludable from the gross income of the owners for federal income tax purposes.

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

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

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

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

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

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

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

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

90.3 Subd. 4. **Refunding bonds.** The commissioner may issue appropriation bonds for the
90.4 purpose of refunding any appropriation bonds then outstanding, including the payment of
90.5 any redemption premiums on the bonds, any interest accrued or to accrue to the redemption
90.6 date, and costs related to the issuance and sale of the refunding bonds. The proceeds of any
90.7 refunding bonds may, at the discretion of the commissioner, be applied to the purchase or
90.8 payment at maturity of the appropriation bonds to be refunded, to the redemption of the
90.9 outstanding appropriation bonds on any redemption date, or to pay interest on the refunding
90.10 bonds and may, pending application, be placed in escrow to be applied to the purchase,
90.11 payment, retirement, or redemption. Any escrowed proceeds, pending such use, may be
90.12 invested and reinvested in obligations that are authorized investments under section 11A.24.
90.13 The income earned or realized on the investment may also be applied to the payment of the
90.14 appropriation bonds to be refunded or interest or premiums on the refunded appropriation
90.15 bonds, or to pay interest on the refunding bonds. After the terms of the escrow have been
90.16 fully satisfied, any balance of the proceeds and any investment income may be returned to
90.17 the general fund or, if applicable, the special appropriation public television equipment
90.18 bond proceeds fund for use in any lawful manner. All refunding bonds issued under this
90.19 subdivision must be prepared, executed, delivered, and secured by appropriations in the
90.20 same manner as the appropriation bonds to be refunded.

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

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

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

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

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

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

91.9 Subd. 7. **Appropriation of proceeds.** The proceeds of appropriation bonds issued under
91.10 subdivision 2, paragraph (a), and interest credited to the special appropriation public
91.11 television equipment bond proceeds fund are appropriated as follows:

91.12 (1) to the commissioner of administration for equipment grants to public stations under
91.13 section 129D.15 and as further specified in subdivision 2, paragraph (a), which grants must
91.14 be allocated two-sevenths to Twin Cities PBS, one-seventh to KSMQ public television in
91.15 Austin, one-seventh to Pioneer public television in Granite Falls, one-seventh to Lakeland
91.16 PBS in Bemidji, one-seventh to Prairie Public in Fargo/Moorhead, and one-seventh to
91.17 WDSE public television in Duluth; and

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

91.22 Subd. 8. **Appropriation for debt service and other purposes.** An amount needed to
91.23 pay principal and interest on appropriation bonds issued under subdivision 2, paragraph (a),
91.24 is appropriated each fiscal year from the general fund to the commissioner, subject to repeal,
91.25 unallotment under section 16A.152, or cancellation, otherwise pursuant to subdivision 6,
91.26 for deposit into the bond payments account established for such purpose in the special
91.27 appropriation public television equipment bond proceeds fund. The appropriation is available
91.28 beginning in fiscal year 2021 and remains available through fiscal year 2042.

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

91.32 Sec. 3. **[16A.966] RESPONSE TO RELEASES APPROPRIATION BONDS.**

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

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

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

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

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

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

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

92.12 Subd. 2. **Authorization to issue appropriation bonds.** (a) Subject to the limitations of
92.13 this subdivision, the commissioner may sell and issue appropriation bonds of the state under
92.14 this section for public purposes as provided by law, including for the purposes of financing
92.15 the cost of implementing removal or remedial actions permitted under section 115B.17 and
92.16 further subject to the conditions in chapter 115B to address risks to human health and the
92.17 environment at contaminated sites. Appropriation bonds may be sold and issued in amounts
92.18 that, in the opinion of the commissioner, are necessary to provide sufficient money to the
92.19 commissioner of the Pollution Control Agency under subdivision 7, not to exceed
92.20 \$30,400,000 net of costs of issuance, for the purposes as provided under this subdivision,
92.21 and to pay debt service including capitalized interest, costs of issuance, costs of credit
92.22 enhancement, or make payments under other agreements entered into under paragraph (d).
92.23 Notwithstanding section 115B.17, subdivision 6 or 16, any money recovered in a civil action
92.24 or any money received from the disposition of property acquired for a response action and
92.25 financed with bonds under this section shall be transferred to the commissioner and applied
92.26 toward principal and interest on outstanding bonds.

92.27 (b) Proceeds of the appropriation bonds must be credited to a special appropriation state
92.28 response to releases bond proceeds fund in the state treasury. All income from investment
92.29 of the bond proceeds, as estimated by the commissioner, is appropriated to the commissioner
92.30 for the payment of principal and interest on the appropriation bonds.

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

93.1 each issue and series thereof shall be dated and bear interest, and may be includable in or
93.2 excludable from the gross income of the owners for federal income tax purposes.

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

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

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

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

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

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

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

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

94.3 Subd. 4. **Refunding bonds.** The commissioner may issue appropriation bonds for the
94.4 purpose of refunding any appropriation bonds then outstanding, including the payment of
94.5 any redemption premiums on the bonds, any interest accrued or to accrue to the redemption
94.6 date, and costs related to the issuance and sale of the refunding bonds. The proceeds of any
94.7 refunding bonds may, at the discretion of the commissioner, be applied to the purchase or
94.8 payment at maturity of the appropriation bonds to be refunded, to the redemption of the
94.9 outstanding appropriation bonds on any redemption date, or to pay interest on the refunding
94.10 bonds and may, pending application, be placed in escrow to be applied to the purchase,
94.11 payment, retirement, or redemption. Any escrowed proceeds, pending such use, may be
94.12 invested and reinvested in obligations that are authorized investments under section 11A.24.
94.13 The income earned or realized on the investment may also be applied to the payment of the
94.14 appropriation bonds to be refunded or interest or premiums on the refunded appropriation
94.15 bonds, or to pay interest on the refunding bonds. After the terms of the escrow have been
94.16 fully satisfied, any balance of the proceeds and any investment income may be returned to
94.17 the general fund or, if applicable, the special appropriation state response to releases bond
94.18 proceeds fund for use in any lawful manner. All refunding bonds issued under this subdivision
94.19 must be prepared, executed, delivered, and secured by appropriations in the same manner
94.20 as the appropriation bonds to be refunded.

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

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

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

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

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

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

95.9 Subd. 7. **Appropriation of proceeds.** The proceeds of appropriation bonds issued under
95.10 subdivision 2, paragraph (a), and interest credited to the special appropriation state response
95.11 to releases bond proceeds fund are appropriated as follows:

95.12 (1) to the commissioner of the Pollution Control Agency for removal and remedial
95.13 actions as specified in subdivision 2, paragraph (a), at the following sites: the Esko
95.14 Groundwater Contamination Superfund site; the city of Duluth Dump #1 Superfund site;
95.15 the Perham Arsenic site; and the Precision Plating State Superfund site; and

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

95.20 Subd. 8. **Appropriation for debt service and other purposes.** An amount needed to
95.21 pay principal and interest on appropriation bonds issued under subdivision 2, paragraph (a),
95.22 is appropriated each fiscal year from the general fund to the commissioner, subject to repeal,
95.23 unallotment under section 16A.152, or cancellation, otherwise pursuant to subdivision 6,
95.24 for deposit into the bond payments account established for such purpose in the special
95.25 appropriation state response to releases bond proceeds fund. The appropriation is available
95.26 beginning in fiscal year 2021 and remains available through fiscal year 2042.

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

95.30 Sec. 4. Minnesota Statutes 2018, section 462A.37, subdivision 1, is amended to read:

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

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

96.1 (c) "Community land trust" means an entity that meets the requirements of section
96.2 462A.31, subdivisions 1 and 2.

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

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

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

96.11 (1) are qualified 501(c)(3) bonds, within the meaning of Section 145(a) of the Internal
96.12 Revenue Code;

96.13 (2) finance qualified residential rental projects within the meaning of Section 142(d) of
96.14 the Internal Revenue Code;

96.15 (3) finance the construction or rehabilitation of single family houses that qualify for
96.16 mortgage financing within the meaning of Section 143 of the Internal Revenue Code; or

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

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

96.21 (h) "Senior" means a person 55 years of age or older with an annual income not greater
96.22 than 50 percent of:

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

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

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

97.1 (j) "Supportive housing" means housing that is not time-limited and provides or
97.2 coordinates with linkages to services necessary for residents to maintain housing stability
97.3 and maximize opportunities for education and employment.

97.4 Sec. 5. Minnesota Statutes 2019 Supplement, section 462A.37, subdivision 2, is amended
97.5 to read:

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

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

97.14 (2) to finance the costs of the acquisition and rehabilitation of foreclosed or abandoned
97.15 housing to be used for affordable rental housing and the costs of new construction of rental
97.16 housing on abandoned or foreclosed property where the existing structures will be demolished
97.17 or removed;

97.18 (3) to finance that portion of the costs of acquisition of property that is attributable to
97.19 the land to be leased by community land trusts to low- and moderate-income homebuyers;

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

97.22 (5) to finance the costs of acquisition, rehabilitation, adaptive reuse, or new construction
97.23 of senior housing; ~~and~~

97.24 (6) to finance the costs of acquisition and rehabilitation of federally assisted rental
97.25 housing and for the refinancing of costs of the construction, acquisition, and rehabilitation
97.26 of federally assisted rental housing, including providing funds to refund, in whole or in part,
97.27 outstanding bonds previously issued by the agency or another government unit to finance
97.28 or refinance such costs;

97.29 (7) to finance costs of acquisition and construction of multifamily rental housing for
97.30 households with incomes at or below 50 percent of area median income. Among comparable
97.31 proposals, the agency must give priority to requests for projects that serve households at
97.32 the lowest incomes; and

98.1 (8) to finance the costs of acquisition, rehabilitation, adaptive reuse, or new construction
98.2 of single family housing.

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

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

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

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

98.12 (1) demonstrate a commitment to maintaining the housing financed as affordable to
98.13 seniors;

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

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

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

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

98.24 To the extent practicable, the agency shall balance the loans made between projects in the
98.25 metropolitan area and projects outside the metropolitan area. Of the loans made to projects
98.26 outside the metropolitan area, the agency shall, to the extent practicable, balance the loans
98.27 made between projects in counties or cities with a population of 20,000 or less, as established
98.28 by the most recent decennial census, and projects in counties or cities with populations in
98.29 excess of 20,000.

99.1 Sec. 6. Minnesota Statutes 2018, section 462A.37, is amended by adding a subdivision to
99.2 read:

99.3 Subd. 2g. **Additional authorization.** In addition to the amount authorized in subdivisions
99.4 2 to 2f, the agency may issue up to \$100,000,000 in housing infrastructure bonds in one or
99.5 more series to which the payments under this section may be pledged.

99.6 Sec. 7. Minnesota Statutes 2019 Supplement, section 462A.37, subdivision 5, is amended
99.7 to read:

99.8 Subd. 5. **Additional appropriation.** (a) The agency must certify annually to the
99.9 commissioner of management and budget the actual amount of annual debt service on each
99.10 series of bonds issued under ~~subdivisions 2a to 2f~~ this section.

99.11 (b) Each July 15, beginning in 2015 and through 2037, if any housing infrastructure
99.12 bonds issued under subdivision 2a remain outstanding, the commissioner of management
99.13 and budget must transfer to the housing infrastructure bond account established under section
99.14 462A.21, subdivision 33, the amount certified under paragraph (a), not to exceed \$6,400,000
99.15 annually. The amounts necessary to make the transfers are appropriated from the general
99.16 fund to the commissioner of management and budget.

99.17 (c) Each July 15, beginning in 2017 and through 2038, if any housing infrastructure
99.18 bonds issued under subdivision 2b remain outstanding, the commissioner of management
99.19 and budget must transfer to the housing infrastructure bond account established under section
99.20 462A.21, subdivision 33, the amount certified under paragraph (a), not to exceed \$800,000
99.21 annually. The amounts necessary to make the transfers are appropriated from the general
99.22 fund to the commissioner of management and budget.

99.23 (d) Each July 15, beginning in 2019 and through 2040, if any housing infrastructure
99.24 bonds issued under subdivision 2c remain outstanding, the commissioner of management
99.25 and budget must transfer to the housing infrastructure bond account established under section
99.26 462A.21, subdivision 33, the amount certified under paragraph (a), not to exceed \$2,800,000
99.27 annually. The amounts necessary to make the transfers are appropriated from the general
99.28 fund to the commissioner of management and budget.

99.29 (e) Each July 15, beginning in 2020 and through 2041, if any housing infrastructure
99.30 bonds issued under subdivision 2d remain outstanding, the commissioner of management
99.31 and budget must transfer to the housing infrastructure bond account established under section
99.32 462A.21, subdivision 33, the amount certified under paragraph (a). The amounts necessary

100.1 to make the transfers are appropriated from the general fund to the commissioner of
100.2 management and budget.

100.3 (f) Each July 15, beginning in 2020 and through 2041, if any housing infrastructure
100.4 bonds issued under subdivision 2e remain outstanding, the commissioner of management
100.5 and budget must transfer to the housing infrastructure bond account established under section
100.6 462A.21, subdivision 33, the amount certified under paragraph (a). The amounts necessary
100.7 to make the transfers are appropriated from the general fund to the commissioner of
100.8 management and budget.

100.9 (g) Each July 15, beginning in 2022 and through 2043, if any housing infrastructure
100.10 bonds issued under subdivision 2f remain outstanding, the commissioner of management
100.11 and budget must transfer to the housing infrastructure bond account established under section
100.12 462A.21, subdivision 33, the amount certified under paragraph (a). The amounts necessary
100.13 to make the transfers are appropriated from the general fund to the commissioner of
100.14 management and budget.

100.15 (h) Each July 15, beginning in 2022 and through 2043, if any housing infrastructure
100.16 bonds issued under subdivision 2g remain outstanding, the commissioner of management
100.17 and budget must transfer to the housing infrastructure bond account established under section
100.18 462A.21, subdivision 33, the amount certified under paragraph (a). The amounts necessary
100.19 to make the transfers are appropriated from the general fund to the commissioner of
100.20 management and budget.

100.21 (i) The agency may pledge to the payment of the housing infrastructure bonds the
100.22 payments to be made by the state under this section.

100.23 Sec. 8. **EFFECTIVE DATE.**

100.24 This article is effective the day following final enactment.

100.25 **ARTICLE 5**

100.26 **MISCELLANEOUS**

100.27 Section 1. Minnesota Statutes 2018, section 16A.641, is amended by adding a subdivision
100.28 to read:

100.29 Subd. 4c. **Negotiated sales authority.** Notwithstanding the public sale requirements of
100.30 subdivision 4 and section 16A.66, subdivision 2, the commissioner may sell bonds, including
100.31 refunding bonds, at negotiated sale.

101.1 Sec. 2. Minnesota Statutes 2019 Supplement, section 16A.968, subdivision 3, is amended
101.2 to read:

101.3 Subd. 3. **Appropriation bonds authorization.** (a) Appropriation bonds may be sold
101.4 and issued in amounts that, in the opinion of the commissioner, are necessary to provide
101.5 sufficient funds to the commissioner of employment and economic development under
101.6 subdivision 8, not to exceed \$97,720,000 net of costs of issuance, for the purposes as
101.7 provided under this subdivision, and pay debt service including capitalized interest, costs
101.8 of issuance, costs of credit enhancement, or make payments under other agreements entered
101.9 into under subdivision 2, paragraph (d). Notwithstanding section 16A.642, this authorization
101.10 is available until December 31, 2027.

101.11 (b) The bonds authorized by this subdivision are for the purposes of financing public
101.12 infrastructure projects authorized and approved by the city of Duluth under sections 469.50
101.13 to 469.54. No bonds shall be sold under this subdivision until: (1) there has been a request
101.14 pursuant to subdivision 2, paragraph (a); and (2) for any parking structure the requirements
101.15 in section 469.54, subdivisions 2 and 3, paragraph (a), have been met. Upon certification
101.16 of the required qualified expenditures under section 469.54, subdivision 3, paragraph (a),
101.17 by a medical business entity, bonds may be sold for a parking structure or structures
101.18 benefiting that medical business entity, notwithstanding the status of certified qualified
101.19 expenditures for another medical business entity.

101.20 Sec. 3. Minnesota Statutes 2018, section 16B.86, is amended to read:

101.21 **16B.86 PRODUCTIVITY BUILDING EFFICIENCY REVOLVING LOAN**
101.22 **ACCOUNT.**

101.23 The ~~productivity building efficiency revolving loan account is a special an~~ account in
101.24 ~~the state treasury special revenue fund.~~ Money in the account is appropriated to the
101.25 commissioner of administration to make loans to finance agency projects that will result in
101.26 either ~~reduced energy savings or other operating costs or increased revenues, or both,~~ cost
101.27 reductions for a state agency.

101.28 Sec. 4. Minnesota Statutes 2018, section 16B.87, is amended to read:

101.29 **16B.87 AWARD AND REPAYMENT OF PRODUCTIVITY BUILDING**
101.30 **EFFICIENCY LOANS.**

101.31 Subdivision 1. **Committee.** The Productivity Building Efficiency Revolving Loan
101.32 Committee consists of the commissioners of administration, management and budget, and

102.1 ~~revenue~~ Pollution Control Agency. The commissioner of administration serves as chair of
102.2 the committee. The members serve without compensation or reimbursement for expenses.

102.3 Subd. 2. **Award and terms of loans.** An agency shall apply for a loan on a form provided
102.4 by the commissioner of administration. The committee shall review applications for loans
102.5 and shall award a loan based upon criteria adopted by the committee. The committee shall
102.6 determine the amount, interest, and other terms of the loan. The time for repayment of a
102.7 loan may not exceed ~~five~~ seven years.

102.8 Subd. 3. **Repayment.** An agency receiving a loan under this section shall repay the loan
102.9 according to the terms of the loan agreement. The principal and interest must be paid to the
102.10 commissioner of administration who shall deposit it in the ~~productivity~~ building efficiency
102.11 revolving loan fund account.

102.12 Sec. 5. Minnesota Statutes 2018, section 41B.025, is amended by adding a subdivision to
102.13 read:

102.14 Subd. 9. **Report.** The authority shall submit quarterly reports to the governor and the
102.15 legislative committees and divisions with jurisdiction over agriculture and capital investment
102.16 that provide an estimate of when funding for the authority's state bond-financed loan
102.17 programs is projected to be exhausted.

102.18 Sec. 6. Minnesota Statutes 2018, section 115A.0716, is amended to read:

102.19 **115A.0716 ENVIRONMENTAL ASSISTANCE GRANT AND LOAN PROGRAM**
102.20 **PROGRAMS.**

102.21 Subdivision 1. **Environmental assistance grants.** (a) The commissioner may make
102.22 grants to any person for the purpose of researching, developing, and implementing projects
102.23 or practices related to collection, processing, recycling, reuse, resource recovery, source
102.24 reduction, and prevention of waste, hazardous substances, toxic pollutants, and problem
102.25 materials; the development or implementation of pollution prevention projects or practices;
102.26 the collection, recovery, processing, purchasing, or market development of recyclable
102.27 materials or compost; resource conservation; and for environmental education.

102.28 (b) In making grants under paragraph (a), the ~~agency~~ commissioner may give priority
102.29 to projects or practices that have broad application in the state and are consistent with the
102.30 policies established under sections 115A.02 and 115D.02.

102.31 (c) The commissioner shall adopt rules to administer the grant program.

102.32 (d) For the purposes of this section:

103.1 (1) "pollution prevention" has the meaning given it in section 115D.03;

103.2 (2) "toxic pollutant" has the meaning given it in section 115D.03; and

103.3 (3) "hazardous substance" has the meaning given it in section 115D.03.

103.4 Subd. 2. **Loans.** (a) The commissioner may make loans, or participate in loans, for capital
103.5 costs or improvements related to any of the activities listed in subdivision 1.

103.6 (b) The commissioner may work with financial institutions or other financial assistance
103.7 providers in participating in loans under this section. The commissioner may contract with
103.8 financial institutions or other financial assistance providers for loan processing and/or
103.9 administration.

103.10 (c) The commissioner may also make grants, as authorized in subdivision 1, to enable
103.11 persons to receive loans from financial institutions or to reduce interest payments for those
103.12 loans.

103.13 (d) In making loans, the agency may give priority to projects or practices that have broad
103.14 application in the state and are consistent with the policies established under sections 115A.02
103.15 and 115D.02.

103.16 (e) The commissioner shall adopt rules to administer the loan program.

103.17 Subd. 3. **Revolving account.** All repayments of loans awarded under this section,
103.18 including principal and interest, must be credited to the environmental fund. Money deposited
103.19 in the fund under this section is annually appropriated to the commissioner for loans for
103.20 purposes identified in subdivisions 1 and 2.

103.21 Subd. 4. **Sustainable communities and climate resiliency grants.** (a) The commissioner
103.22 may make grants to local governments for the purpose of building sustainable and resilient
103.23 storm water infrastructure projects to mitigate flood risks and impacts of extreme weather
103.24 events. Grants awarded under this subdivision are intended to cover up to 75 percent of the
103.25 eligible costs of a storm water infrastructure project and may not exceed \$4,000,000 per
103.26 project.

103.27 (b) In awarding a grant under this subdivision, preference shall be given to projects that:

103.28 (1) address inadequate storm water infrastructure;

103.29 (2) reduce incidences of community flooding during extreme weather events;

103.30 (3) address aging and undersized storm water sewers;

103.31 (4) reduce the impact on water treatment systems;

104.1 (5) incorporate green infrastructure and low-impact development storm water practices;
104.2 and

104.3 (6) demonstrate nonstate financial participation in the project.

104.4 (c) For the purposes of this subdivision, "storm water infrastructure" means a publicly
104.5 owned conveyance or system of conveyances including roads with drainage systems,
104.6 municipal streets, catch basins, curbs, gutters, ditches, man-made channels, or storm drains
104.7 designed or used for collecting or conveying storm water.

104.8 **Sec. 7. [116J.417] GREATER MINNESOTA CHILD CARE FACILITY CAPITAL**
104.9 **GRANT PROGRAM.**

104.10 Subdivision 1. **Purpose.** The purpose of the greater Minnesota child care facility capital
104.11 grant program established in this section is to keep or enhance jobs, increase the tax base,
104.12 or expand or create new economic development in the area in which the grants are made,
104.13 by providing facilities for the child care necessary to support workers and their families.

104.14 Subd. 2. **Creation of accounts.** Two greater Minnesota child care facility capital grant
104.15 accounts are created. One account is created in the special revenue fund and one in the bond
104.16 proceeds fund. Money in the accounts is appropriated to the commissioner to make grants
104.17 under this section. Money in the greater Minnesota child care facility capital grant accounts
104.18 is available until encumbered or spent subject to section 16A.642.

104.19 Subd. 3. **Eligible applicant.** (a) A city, county, or school district, or a joint powers board
104.20 established by two or more cities, counties, or school districts is eligible to apply for and
104.21 receive a grant from either greater Minnesota child care facility capital grant account
104.22 established in this section.

104.23 (b) A private child care provider licensed as a child care center or to provide in-home
104.24 family child care is eligible to apply for and receive a grant from the greater Minnesota
104.25 child care facility capital grant account in the general fund.

104.26 (c) An applicant must be located outside of the metropolitan area as defined in section
104.27 473.121, subdivision 2.

104.28 Subd. 4. **Local government authority.** A city, county, or school district may own a
104.29 child care facility and operate a child care facility program that meets the requirements for
104.30 state licensing under Minnesota Rules, chapter 9503. A city, county, or school district may
104.31 enter into a lease or management agreement with one or more licensed child care providers
104.32 to operate a child care program in a facility owned by the city, county, or school district. A

105.1 lease or management agreement for state bond-financed property is subject to section
105.2 16A.695.

105.3 Subd. 5. **Eligible project.** (a) A grant may be used to acquire land or an interest in land,
105.4 predesign, design, renovate, construct, furnish, and equip facilities in which to provide child
105.5 care or for other child care facility improvements that support the purposes for which this
105.6 grant program is established. Money from the account in the general fund may also be used
105.7 to upgrade or expand existing nonprofit child care facilities for purposes of meeting state
105.8 requirements.

105.9 (b) All projects must increase child care capacity in the community that is served by the
105.10 provider and meet all state requirements for child care facilities or programs.

105.11 Subd. 6. **Grants.** (a) The commissioner shall make grants to eligible applicants to provide
105.12 up to 50 percent of the capital costs of eligible child care facility capital projects. An eligible
105.13 applicant receiving a grant must provide for the remainder of the costs of the project, either
105.14 in cash or in kind. In-kind contributions may include the cost of project elements made
105.15 before or after the grant award is made.

105.16 (b) The commissioner may also distribute money from the general fund account through
105.17 a regional organization within the meaning of section 15.75 to provide grants to eligible
105.18 applicants based on the manner of application and criteria established by the commissioner.

105.19 (c) If the commissioner awards a grant for less than 50 percent of the project cost, the
105.20 commissioner must provide the applicant and the chairs and ranking minority members of
105.21 the senate and house of representatives committees with jurisdiction over economic
105.22 development finance a written explanation for awarding less than 50 percent.

105.23 Subd. 7. **Application; criteria.** The commissioner must develop forms and procedures
105.24 for soliciting and reviewing applications for grants under this section. An applicant shall
105.25 apply for a grant in the manner and at the times the commissioner shall determine. At a
105.26 minimum, an application must include:

105.27 (1) evidence of the need for improved, expanded, or new child care facilities in the area;

105.28 (2) a description of the new or expanded facility or other improvements to be made;

105.29 (3) a description of the specific state requirements making improvements necessary, if
105.30 applicable;

105.31 (4) estimated costs of the capital project and the sources of funding to complete it;

105.32 (5) estimated costs of the expanded services and the sources of funding to provide them;

106.1 (6) the applicant's analysis of the expected economic benefits to the area in which the
106.2 project would be located;

106.3 (7) the feasibility study that shows the financial and operational sustainability of the
106.4 project funded;

106.5 (8) the average number of children provided care by the applicant during the year prior
106.6 to the application, if any, and the expected number of children that could be provided child
106.7 care after the proposed project is completed; and

106.8 (9) other information that the commissioner determines is necessary or useful in
106.9 evaluating the impact of the proposed project on the local economy.

106.10 Subd. 8. **Maximum grant amount.** Grants must not be awarded for more than \$500,000
106.11 per project or more than \$2,000,000 in two years to an applicant for one or more projects
106.12 in the same city or county.

106.13 Subd. 9. **Cancellation of grant; return of money.** If the commissioner determines that
106.14 a grantee is unable to proceed with an approved project or has not expended or obligated
106.15 the grant money within five years of entering into the grant agreement with the commissioner,
106.16 the commissioner shall cancel the grant and the money is available for the commissioner
106.17 to make other grants under this section. Money made available to the commissioner from
106.18 a canceled grant is subject to cancellation under section 16A.642 as if it had been appropriated
106.19 to the program in the year in which the grant is canceled.

106.20 Sec. 8. Minnesota Statutes 2018, section 123B.53, subdivision 1, is amended to read:

106.21 Subdivision 1. **Definitions.** (a) For purposes of this section, the eligible debt service
106.22 revenue of a district is defined as follows:

106.23 (1) the amount needed to produce between five and six percent in excess of the amount
106.24 needed to meet when due the principal and interest payments on the obligations of the district
106.25 for eligible projects according to subdivision 2, ~~including the amounts necessary for~~
106.26 ~~repayment of debt service loans, capital loans, and lease purchase payments under section~~
106.27 ~~126C.40, subdivision 2, excluding long-term facilities maintenance levies under section~~
106.28 ~~123B.595~~ excluding the amounts listed in paragraph (b), minus

106.29 (2) the amount of debt service excess levy reduction for that school year calculated
106.30 according to the procedure established by the commissioner.

106.31 (b) The obligations in this paragraph are excluded from eligible debt service revenue:

106.32 (1) obligations under section 123B.61;

107.1 (2) the part of debt service principal and interest paid from the taconite environmental
107.2 protection fund or Douglas J. Johnson economic protection trust, excluding the portion of
107.3 taconite payments from the Iron Range school consolidation and cooperatively operated
107.4 school account under section 298.28, subdivision 7a;

107.5 (3) ~~obligations issued under Laws 1991, chapter 265, article 5, section 18, as amended~~
107.6 ~~by Laws 1992, chapter 499, article 5, section 24~~ obligations for long-term facilities
107.7 maintenance under section 123B.595;

107.8 (4) obligations under section 123B.62; and

107.9 (5) obligations equalized under section 123B.535.

107.10 (c) For purposes of this section, if a preexisting school district reorganized under sections
107.11 123A.35 to 123A.43, 123A.46, and 123A.48 is solely responsible for retirement of the
107.12 preexisting district's bonded indebtedness, or capital loans ~~or debt service loans~~, debt service
107.13 equalization aid must be computed separately for each of the preexisting districts.

107.14 (d) For purposes of this section, the adjusted net tax capacity determined according to
107.15 sections 127A.48 and 273.1325 shall be adjusted to include the tax capacity of property
107.16 generally exempted from ad valorem taxes under section 272.02, subdivision 64.

107.17 Sec. 9. Minnesota Statutes 2018, section 123B.53, subdivision 4, is amended to read:

107.18 Subd. 4. **Debt service equalization revenue.** (a) The debt service equalization revenue
107.19 of a district equals the sum of the first tier debt service equalization revenue and the second
107.20 tier debt service equalization revenue.

107.21 (b) The first tier debt service equalization revenue of a district equals the greater of zero
107.22 or the eligible debt service revenue minus the amount raised by a levy of 15.74 percent
107.23 times the adjusted net tax capacity of the district minus the second tier debt service
107.24 equalization revenue of the district.

107.25 (c) The second tier debt service equalization revenue of a district equals the greater of
107.26 zero or the eligible debt service revenue, minus the amount raised by a levy of 26.24 percent
107.27 times the adjusted net tax capacity of the district.

107.28 (d) Notwithstanding paragraphs (b) and (c), for a district with a capital loan under sections
107.29 126C.60 to 126C.72, the first tier debt equalization revenue equals zero, and the second tier
107.30 debt equalization revenue equals the portion of the district's eligible debt service levy under
107.31 subdivision 2 in excess of the district's maximum effort debt service levy under section
107.32 126C.63, subdivision 8.

108.1 Sec. 10. Minnesota Statutes 2018, section 126C.63, subdivision 8, is amended to read:

108.2 Subd. 8. **Maximum effort debt service levy.** ~~(a)~~ "Maximum effort debt service levy"
108.3 means the lesser of:

108.4 (1) a levy in whichever of the following amounts is applicable:

108.5 ~~(i) in any district receiving a debt service loan for a debt service levy payable in 2002~~
108.6 ~~and thereafter, or granted a capital loan after January 1, 2002, a levy in total dollar amount~~
108.7 ~~computed at a rate of 33.59 percent of adjusted net tax capacity for taxes payable in 2002~~
108.8 ~~and thereafter; or~~

108.9 ~~(ii) in any district receiving a debt service loan for a debt service levy payable in 2001~~
108.10 ~~or earlier, or granted a capital loan before January 2, 2002, a levy in a total dollar amount~~
108.11 ~~computed at a rate of 29.39 percent of adjusted net tax capacity for taxes payable in 2002~~
108.12 ~~and thereafter; or~~

108.13 ~~(2) a levy in any district for which a capital loan was approved prior to August 1, 1981,~~
108.14 ~~a levy in a total dollar amount equal to the sum of the amount of the required debt service~~
108.15 ~~levy and an amount which when levied annually will in the opinion of the commissioner~~
108.16 ~~be sufficient to retire the remaining interest and principal on any outstanding loans from~~
108.17 ~~the state within 30 years of the original date when the capital loan was granted.~~

108.18 ~~(b) The board in any district affected by the provisions of paragraph (a), clause (2), may~~
108.19 ~~elect instead to determine the amount of its levy according to the provisions of paragraph~~
108.20 ~~(a), clause (1). If a district's capital loan is not paid within 30 years because it elects to~~
108.21 ~~determine the amount of its levy according to the provisions of paragraph (a), clause (2),~~
108.22 ~~the liability of the district for the amount of the difference between the amount it levied~~
108.23 ~~under paragraph (a), clause (2), and the amount it would have levied under paragraph (a),~~
108.24 ~~clause (1), and for interest on the amount of that difference, must not be satisfied and~~
108.25 ~~discharged pursuant to Minnesota Statutes 1988, or an earlier edition of Minnesota Statutes~~
108.26 ~~if applicable, section 124.43, subdivision 4.~~

108.27 (2) the unpaid balance on the district's capital loan after deducting the amount to be paid
108.28 on the district's capital loan in December of the year in which the levy is certified.

108.29 Sec. 11. Minnesota Statutes 2018, section 126C.66, subdivision 3, is amended to read:

108.30 Subd. 3. **Principal interest Payments.** All payments of principal and interest on debt
108.31 service notes or on capital loan contracts, as received by the commissioner, are appropriated
108.32 to the loan repayment account.

109.1 Sec. 12. Minnesota Statutes 2018, section 126C.69, as amended by Laws 2019, First
109.2 Special Session chapter 10, article 3, section 40, is amended to read:

109.3 **126C.69 CAPITAL GRANTS AND LOANS.**

109.4 Subdivision 1. **Capital grant and loan requests and uses.** Capital grants and loans are
109.5 available only to qualifying districts. Capital grants and loans must not be used for the
109.6 construction of swimming pools, ice arenas, athletic facilities, auditoriums, bus garages, or
109.7 heating system improvements. Proceeds of the grants and loans may be used only for sites
109.8 for education facilities and for acquiring, bettering, furnishing, or equipping education
109.9 facilities. Contracts must be entered into within 18 months after the date on which each
109.10 grant and loan is ~~granted~~ approved. For purposes of this section, "education facilities"
109.11 includes space for Head Start programs and social service programs.

109.12 Subd. 2. **Capital ~~loans~~ grant and loan eligibility.** Beginning July 1, ~~1999~~ 2020, a
109.13 district is not eligible for a capital grant and loan unless the district's estimated net debt tax
109.14 rate as computed by the commissioner after debt service equalization aid would be more
109.15 than 41.98 percent of adjusted net tax capacity. The estimate must assume a 20-year maturity
109.16 schedule for new debt.

109.17 Subd. 3. **District request for review and comment.** A district or a joint powers district
109.18 that intends to apply for a capital grant and loan must submit a proposal to the commissioner
109.19 for review and comment according to section 123B.71 by July 1 of an odd-numbered year.
109.20 The commissioner shall prepare a review and comment on the proposed facility, regardless
109.21 of the amount of the capital expenditure required to construct the facility. In addition to the
109.22 information provided under section 123B.71, subdivision 9, the commissioner shall require
109.23 that predesign packages comparable to those required under section 16B.335 be prepared
109.24 by the applicant school district. The predesign packages must be sufficient to define the
109.25 scope, cost, and schedule of the project and must demonstrate that the project has been
109.26 analyzed according to appropriate space needs standards and also consider the following
109.27 criteria in determining whether to make a positive review and comment.

109.28 (a) To grant a positive review and comment the commissioner shall determine that all
109.29 of the following conditions are met:

109.30 (1) the facilities are needed for pupils for whom no adequate facilities exist or will exist;

109.31 (2) there is evidence to indicate that the facilities will have a useful public purpose for
109.32 at least the term of the bonds;

109.33 (3) no form of cooperation with another district would provide the necessary facilities;

110.1 (4) the facilities are comparable in size and quality to facilities recently constructed in
110.2 other districts that have similar enrollments;

110.3 (5) the facilities are comparable in size and quality to facilities recently constructed in
110.4 other districts that are financed without a capital loan;

110.5 (6) the district is projected to have adequate funds in its general operating budget to
110.6 support a quality education for its students for at least the next five years;

110.7 (7) the current facility poses a threat to the life, health, and safety of pupils, and cannot
110.8 reasonably be brought into compliance with fire, health, or life safety codes;

110.9 (8) the district has made a good faith effort, as evidenced by its maintenance expenditures,
110.10 to adequately maintain the existing facility during the previous ten years and to comply
110.11 with fire, health, and life safety codes and state and federal requirements for accessibility
110.12 for people with disabilities;

110.13 (9) the district has made a good faith effort to encourage integration of social service
110.14 programs within the new facility;

110.15 (10) evaluations by boards of adjacent districts have been received; and

110.16 (11) the proposal includes a comprehensive technology plan that assures information
110.17 access for the students, parents, and community.

110.18 (b) The commissioner may grant a negative review and comment if:

110.19 (1) the state demographer has examined the population of the communities to be served
110.20 by the facility and determined that the communities have not grown during the previous
110.21 five years;

110.22 (2) the state demographer determines that the economic and population bases of the
110.23 communities to be served by the facility are not likely to grow or to remain at a level
110.24 sufficient, during the next ten years, to ensure use of the entire facility;

110.25 (3) the need for facilities could be met within the district or adjacent districts at a
110.26 comparable cost by leasing, repairing, remodeling, or sharing existing facilities or by using
110.27 temporary facilities;

110.28 (4) the district plans do not include cooperation and collaboration with health and human
110.29 services agencies and other political subdivisions; or

110.30 (5) if the application is for new construction, an existing facility that would meet the
110.31 district's needs could be purchased at a comparable cost from any other source within the
110.32 area.

111.1 Subd. 4. **Multiple district proposals; review and comment.** In addition to the
111.2 requirements of subdivision 3, the commissioner may use additional requirements to
111.3 determine a positive review and comment on projects that are designed to serve more than
111.4 one district. These requirements may include:

111.5 (1) reducing or increasing the number of districts that plan to use the facility;

111.6 (2) location of the facility; and

111.7 (3) formation of a joint powers agreement among the participating districts.

111.8 Subd. 5. **Adjacent district comments.** The district must present the proposed project
111.9 to the board of each adjacent district at a public meeting of that district. The board of an
111.10 adjacent district must make a written evaluation of how the project will affect the future
111.11 education and building needs of the adjacent district. The board must submit the evaluation
111.12 to the applying district within 30 days of the meeting.

111.13 Subd. 6. **District application for capital grant and loan.** The school board of a district
111.14 desiring a capital grant and loan shall adopt a resolution stating the amount proposed to be
111.15 ~~borrowed~~ funded, the purpose for which the ~~debt is to be incurred~~ funding is requested, and
111.16 an estimate of the dates when the facilities for which the ~~loan~~ funding is requested will be
111.17 contracted for and completed. Applications for grants and loans must be accompanied by
111.18 a copy of the adopted board resolution and copies of the adjacent district evaluations. The
111.19 commissioner shall retain the evaluation as part of a permanent record of the district
111.20 submitting the evaluation.

111.21 Applications must be in the form and accompanied by the additional data required by
111.22 the commissioner. Applications must be received by the commissioner by September 1 of
111.23 an odd-numbered year. A district must resubmit an application each odd-numbered year.
111.24 Capital grant and loan applications that do not receive voter approval or are not approved
111.25 in law cancel July 1 of the year following application. When an application is received, the
111.26 commissioner shall obtain from the commissioner of revenue the information in the Revenue
111.27 Department's official records that is required to be used in computing the debt limit of the
111.28 district under section 475.53, subdivision 4.

111.29 Subd. 7. **Commissioner review; district proposals.** By November 1 of each
111.30 odd-numbered year, the commissioner must review all applications for capital grants and
111.31 loans that have received a positive review and comment. When reviewing applications, the
111.32 commissioner must consider whether the criteria in subdivision 3 have been met. The
111.33 commissioner may not approve an application if all of the required deadlines have not been

112.1 met. The commissioner may either approve or reject an application for a capital grant and
112.2 loan.

112.3 Subd. 8. **Commissioner recommendations.** The commissioner shall examine and
112.4 consider applications for capital grants and loans that have been approved and promptly
112.5 notify any district rejected of the decision.

112.6 The commissioner shall report each capital grant and loan that has been approved by
112.7 the commissioner and that has received voter approval to the education committees of the
112.8 legislature by January 1 of each even-numbered year. The commissioner must not report a
112.9 capital grant and loan that has not received voter approval. The commissioner shall also
112.10 report on the money remaining in the capital loan account and, if necessary, request that
112.11 another bond issue be authorized.

112.12 Subd. 9. **Grant and loan amount limits.** (a) A grant and loan must not be recommended
112.13 for approval for a district exceeding an amount computed as follows:

112.14 (1) the amount requested by the district under subdivision 6;

112.15 (2) plus the aggregate principal amount of general obligation bonds of the district
112.16 outstanding on June 30 of the year following the year the application was received, not
112.17 exceeding the limitation on net debt of the district in section 475.53, subdivision 4, or 637
112.18 percent of its adjusted net tax capacity as most recently determined, whichever is less;

112.19 (3) less the maximum net debt permissible for the district on December 1 of the year
112.20 the application is received, under the limitation in section 475.53, subdivision 4, or 637
112.21 percent of its adjusted net tax capacity as most recently determined, whichever is less;

112.22 (4) less any amount by which the amount voted exceeds the total cost of the facilities
112.23 for which the grant and loan is ~~granted~~ approved.

112.24 (b) The grant and loan may be approved in an amount computed as provided in paragraph
112.25 (a), clauses (1) to (3), subject to later reduction according to paragraph (a), clause (4).

112.26 (c) The loan amount equals the lesser of the total grant and loan approved or:

112.27 (1) the product of the maximum effort tax rate times 50 times the district's most recent
112.28 adjusted net tax capacity at the time the capital grant and loan is approved under subdivision
112.29 10, minus

112.30 (2) the district's capital loan balance outstanding at the time the capital grant and loan
112.31 is approved under subdivision 10, minus

113.1 (3) the district's principal and interest balance outstanding for eligible bonds issued for
 113.2 prior capital projects at the time the capital loan and grant is approved.

113.3 (d) The grant amount equals the difference between the total grant and loan approved
 113.4 and the loan amount under paragraph (c).

113.5 Subd. 10. **Legislative action.** Each capital grant and loan must be approved in a law.

113.6 If the aggregate amount of the capital grants and loans exceeds the amount that is or can
 113.7 be made available, the commissioner shall allot the available amount among any number
 113.8 of qualified applicant districts, according to the commissioner's judgment and discretion,
 113.9 based upon the districts' respective needs.

113.10 Subd. 11. **District referendum.** After receipt of the review and comment on the project
 113.11 and before January 1 of the even-numbered year, the question authorizing the borrowing
 113.12 of money for the facilities must be submitted by the school board to the voters of the district
 113.13 at a regular or special election. The question submitted must state the total amount to be
 113.14 borrowed from all sources. Approval of a majority of those voting on the question is sufficient
 113.15 to authorize the issuance of the obligations on public sale in accordance with chapter 475.
 113.16 The face of the ballot must include the following statement: "APPROVAL OF THIS
 113.17 QUESTION DOES NOT GUARANTEE THAT THE SCHOOL DISTRICT WILL
 113.18 RECEIVE A CAPITAL GRANT AND LOAN FROM THE STATE. THE GRANT AND
 113.19 LOAN MUST BE APPROVED BY THE STATE LEGISLATURE AND IS DEPENDENT
 113.20 ON AVAILABLE FUNDING." The district must mail to the commissioner a certificate by
 113.21 the clerk showing the vote at the election.

113.22 Subd. 12. **Contract.** (a) Each capital grant and loan must be evidenced by a contract
 113.23 between the district and the state acting through the commissioner. The contract must
 113.24 obligate the state to reimburse the district, from the maximum effort school loan fund, for
 113.25 eligible capital expenses for construction of the facility for which the grant and loan is
 113.26 ~~granted~~ approved, an amount computed as provided in subdivision 9. The commissioner
 113.27 must receive from the district a certified resolution of the board estimating the costs of
 113.28 construction and reciting that contracts for construction of the facilities for which the grant
 113.29 and loan is ~~granted~~ approved have been awarded, that bonds of the district have been issued
 113.30 and sold or that other district funds have been set aside in the amount necessary to pay all
 113.31 estimated costs of construction in excess of the amount of the grant and loan, and that all
 113.32 work, when completed, meets or exceeds standards established in the State Building Code.
 113.33 The contract must obligate the district to repay the loan out of the excesses of its maximum
 113.34 effort debt service levy over its required debt service levy, ~~including interest at a rate equal~~

114.1 ~~to the weighted average annual rate payable on Minnesota state school loan bonds issued~~
114.2 ~~or reissued for the project. Beginning July 1, 2020, no interest assessments shall be made~~
114.3 ~~on capital loan balances.~~

114.4 (b) The district must each year, as long as it is indebted to the state, levy for debt service
114.5 (i) the amount of its maximum effort debt service levy or (ii) the amount of its required debt
114.6 service levy, whichever is greater, ~~except as the required debt service levy may be reduced~~
114.7 ~~by a loan under section 126C.68.~~ The district shall remit payments to the commissioner
114.8 according to section 126C.71. The actual debt service levy shall be adjusted under section
114.9 477A.09.

114.10 (c) The commissioner shall supervise the collection of outstanding accounts due the
114.11 fund and may, by notice to the proper county auditor, require the maximum levy to be made
114.12 as required in this subdivision. ~~Interest on capital loans must be paid on December 15 of~~
114.13 ~~the year after the year the loan is granted and annually in later years.~~ By September 30, the
114.14 commissioner shall notify the county auditor of each county containing taxable property
114.15 situated within the district of the amount of the maximum effort debt service levy of the
114.16 district for that year. The county auditor or auditors shall extend upon the tax rolls an ad
114.17 valorem tax upon all taxable property within the district in the aggregate amount so certified.

114.18 Subd. 13. **Loan forgiveness.** If any capital loan is not paid within 50 years after it is
114.19 granted from maximum effort debt service levies in excess of required debt service levies,
114.20 the liability of the district on the loan is satisfied and discharged and interest on the loan
114.21 ceases.

114.22 Subd. 14. **Participation by county auditor; record of contract; payment of loan.** The
114.23 district must file a copy of the capital loan contract with the county auditor of each county
114.24 in which any part of the district is situated. The county auditor shall enter the capital loan,
114.25 evidenced by the contract, in the auditor's bond register. The commissioner shall keep a
114.26 record of each capital grant and loan and contract showing the name and address of the
114.27 district, the date of the contract, and the amount of the grant and loan initially approved.
114.28 On receipt of the resolution required in subdivision 12 and documentation of expenditures
114.29 under the contract, the commissioner shall issue payments, ~~which may be dispersed in~~
114.30 ~~accordance with the schedule in the contract~~, on the capital grant and loan account for the
114.31 amount that may be disbursed under subdivision 1. ~~Interest on each disbursement of the~~
114.32 ~~capital loan amount accrues from the date on which the commissioner of management and~~
114.33 ~~budget issues the payment.~~

115.1 Subd. 15. **Bond sale limitations.** (a) A district having an outstanding state loan must
115.2 not issue and sell any bonds on the public market, except to refund state loans, unless it
115.3 agrees to make the maximum effort debt service levy in each later year at the higher rate
115.4 provided in section 126C.63, subdivision 8, and unless it schedules the maturities of the
115.5 bonds according to section 475.54, subdivision 2. A district that refunds bonds at a lower
115.6 interest rate may continue to make the maximum effort debt service levy in each later year
115.7 at the current rate provided in section 126C.63, subdivision 8, if the district can demonstrate
115.8 to the commissioner's satisfaction that the district's repayments of the state loan will not be
115.9 reduced below the previous year's level. The district must report each sale to the
115.10 commissioner.

115.11 (b) For a capital loan issued prior to July 1, 2001, after the district's capital loan has been
115.12 outstanding for 30 years, the district must not issue bonds on the public market except to
115.13 refund the loan.

115.14 (c) For a capital loan issued on or after July 1, 2001, after the district's capital loan has
115.15 been outstanding for 20 years, the district must not issue bonds on the public market except
115.16 to refund the loan.

115.17 Sec. 13. Minnesota Statutes 2018, section 126C.71, is amended to read:

115.18 **126C.71 PAYMENT AND APPLICATIONS OF PAYMENT.**

115.19 Subdivision 1. **Payment.** (a) On November 20 of each year, each district having an
115.20 outstanding capital loan or debt service loan shall compute the excess amount in the debt
115.21 redemption fund. The commissioner shall prescribe the form and calculation to be used in
115.22 computing the excess amount. A completed copy of this form shall be sent to the
115.23 commissioner before December 1 of each year. The commissioner may recompute the
115.24 excess amount and shall promptly notify the district of the recomputed amount.

115.25 ~~(b)~~ On December 15 of each year, the district shall remit to the commissioner, at a
115.26 minimum, an amount equal to the greater of:

115.27 (i) the excess amount in the debt redemption fund; or

115.28 (ii) the amount by which the maximum effort debt service levy exceeds the required
115.29 debt service levy for that calendar year.

115.30 ~~Any late payments shall be assessed an interest charge using the interest rates specified for~~
115.31 ~~the debt service notes and capital loan contracts.~~

116.1 (e) ~~(b)~~ If a payment required under ~~the Maximum Effort School Aid Law~~ paragraph (a)
116.2 is not made within 30 days, the commissioner may reduce any subsequent payments due
116.3 the district under this chapter and chapters 120B, 122A, 123A, 123B, 124D, 125A, and
116.4 127A by the amount due, after providing written notice to the district.

116.5 Subd. 2. **Application of payments.** The commissioner shall apply payments received
116.6 under ~~the Maximum Effort School Aid Law and aids withheld according to subdivision 1;~~
116.7 ~~paragraph (b), as follows: First, to payment of interest accrued on its notes, if any; second,~~
116.8 ~~to interest on its contracts, if any; third, toward principal of its notes, if any; and last, toward~~
116.9 the principal of its contracts, if any. While more than ~~one note or more than~~ one contract is
116.10 held, priority of payment ~~of interest~~ must be given to the one of earliest date, ~~and after~~
116.11 ~~interest accrued on all notes is paid, similar priority shall be given in the application of any~~
116.12 ~~remaining amount to the payment of principal. In any year when the receipts from a district~~
116.13 ~~are not sufficient to pay the interest accrued on any of its notes or contracts, the deficiency~~
116.14 ~~must be added to the principal, and the commissioner shall notify the district and each county~~
116.15 ~~auditor concerned of the new amount of principal of the note or contract.~~

116.16 Sec. 14. Minnesota Statutes 2018, section 134.45, subdivision 5, is amended to read:

116.17 Subd. 5. **Qualification; accessibility grants.** A public library jurisdiction may apply
116.18 for a grant in an amount up to ~~\$200,000~~ \$450,000 or 50 percent of the approved costs of
116.19 removing architectural barriers from a building or site, whichever is less. Grants may be
116.20 made only for projects in existing buildings used as a library, or to prepare another existing
116.21 building for use as a library. Renovation of an existing building may include an addition to
116.22 the building if the additional space is necessary to provide accessibility or if relocating
116.23 public spaces to the ground level provides improved overall accessibility. Grants must not
116.24 be used to pay part of the cost of meeting accessibility requirements in a new building.

116.25 Sec. 15. Minnesota Statutes 2018, section 137.61, is amended to read:

116.26 **137.61 PURPOSE.**

116.27 Sections 137.61 to 137.65 provide for a biomedical science research funding program
116.28 to further the investment in biomedical science research facilities in Minnesota to benefit
116.29 the state's economy, advance the biomedical technology industry, benefit human health,
116.30 and facilitate research collaboration between the University of Minnesota and other private
116.31 and public institutions in this state. Sections 137.61 to 137.65 also provide funding for
116.32 design, land acquisition, site preparation, and preconstruction services for the new clinical
116.33 research facility on the University of Minnesota's Twin Cities campus.

117.1 Sec. 16. Minnesota Statutes 2018, section 137.62, subdivision 2, is amended to read:

117.2 Subd. 2. **Biomedical science research facility.** "Biomedical science research facility"
117.3 means a facility located on the campus of the University of Minnesota to be used as a
117.4 research facility and laboratory for biomedical science and biomedical technology. A hospital
117.5 licensed under sections 144.50 to 144.56 is not a biomedical science research facility.
117.6 Biomedical science research facility includes the clinical research facility defined in this
117.7 section.

117.8 Sec. 17. Minnesota Statutes 2018, section 137.62, is amended by adding a subdivision to
117.9 read:

117.10 Subd. 2a. **Clinical research facility.** "Clinical research facility" means a facility located
117.11 on the Twin Cities campus of the University of Minnesota to connect a broad array of clinical
117.12 research units and activities from across the university, providing a consolidated home for
117.13 the Clinical Translational Science Institute and related programs that support education,
117.14 research, clinical training, and patient care.

117.15 Sec. 18. Minnesota Statutes 2018, section 137.63, is amended to read:

117.16 **137.63 BIOMEDICAL SCIENCE RESEARCH FACILITIES FUNDING**
117.17 **PROGRAM.**

117.18 Subdivision 1. **Program established.** A biomedical science research facilities funding
117.19 program is established to provide appropriations to the Board of Regents of the University
117.20 of Minnesota for up to 75 percent of the project costs for each of four projects approved by
117.21 the Board of Regents under section 137.64, other than the clinical research facility.
117.22 Appropriations to the Board of Regents for the clinical research facility are for 100 percent
117.23 of the project costs for design, land acquisition, site preparation, and preconstruction services.

117.24 Subd. 2. **Project requirements.** The Board of Regents of the University of Minnesota,
117.25 either acting on its own or in collaboration with another private or public entity, must pay
117.26 at least 25 percent of the project costs for each of four projects, other than the clinical
117.27 research facility. The board must not use tuition revenue to pay for the university's share
117.28 of the costs for the projects approved under section 137.64.

118.1 Sec. 19. Minnesota Statutes 2018, section 137.64, is amended to read:

118.2 **137.64 CONDITIONS FOR PAYMENTS TO UNIVERSITY.**

118.3 Subdivision 1. **Certifications.** Before the commissioner may make any payments
118.4 authorized in this section to the Board of Regents for a biomedical science research facility
118.5 project, the commissioner must certify that the board has, by board resolution, approved
118.6 the maximum project cost for the project and complied with the requirements of section
118.7 137.63, ~~subdivision 2~~. For each project approved by the board, the board must certify to the
118.8 commissioner the amount of the annual payments of principal and interest required to service
118.9 each series of bonds issued by the University of Minnesota for the project, and the actual
118.10 amount of the state's annual payment to the University of Minnesota under subdivision 2.
118.11 The annual payment must not exceed the amount required to pay debt service on the bonds
118.12 issued to finance 75 percent of the project costs of biomedical science research facilities
118.13 authorized before 2019. The annual payment may additionally be for the amount required
118.14 to pay debt service on the bonds issued to finance 100 percent of the costs of the clinical
118.15 research facility.

118.16 Subd. 2. **Payments.** On July 15 of each year after the certification under subdivision 1,
118.17 but no earlier than July 15, 2009, and for so long thereafter as any bonds issued by the board
118.18 ~~for the construction of a project, or any refunding bonds issued under subdivision 7, are~~
118.19 outstanding, the state must transfer to the board annual payments as certified under
118.20 subdivision 1, up to the maximum amounts in the appropriation schedule under subdivision
118.21 3. Payments under this section are to reimburse the Board of Regents for the state's share
118.22 of the project costs for the biomedical science research facility projects, provided that the
118.23 principal amount of bonds issued by the University of Minnesota to pay the state's share of
118.24 the costs must not exceed \$219,000,000.

118.25 Subd. 3. **Appropriations.** Annual appropriations are made from the general fund to the
118.26 commissioner of management and budget for transfer to the Board of Regents, as follows:

118.27 (1) up to \$850,000 is appropriated in fiscal year 2010;

118.28 (2) up to \$3,650,000 is appropriated in fiscal year 2011;

118.29 (3) up to \$7,825,000 is appropriated in fiscal year 2012;

118.30 (4) up to \$12,100,000 is appropriated in fiscal year 2013;

118.31 (5) up to \$14,825,000 is appropriated in fiscal year 2014; ~~and~~

119.1 (6) up to \$15,550,000 is appropriated in fiscal year 2015 and each year thereafter, ~~up to~~
119.2 ~~25 years following the certification of the last project by the commissioner.~~ through fiscal
119.3 year 2020; and

119.4 (7) up to \$13,930,000 is appropriated in fiscal year 2021 and each year thereafter through
119.5 fiscal year 2039.

119.6 Subd. 4. **Report to legislature.** The Board of Regents must report to the committees of
119.7 the legislature with responsibility for capital investment by January 15 of each even-numbered
119.8 year on the biomedical science research facility projects authorized under this section. The
119.9 report must at a minimum include for each project, the total cost, the number of researchers,
119.10 research grants, and the amount of debt issued by the board.

119.11 Subd. 5. **Reinvestment.** The Board of Regents must, to the extent permitted under federal
119.12 law and University of Minnesota policies, place a priority on reducing the state's share of
119.13 project costs by dedicating a share of the proceeds from any commercialization or licensing
119.14 revenues attributable to research conducted in the biomedical science facilities to reducing
119.15 the appropriations needed under subdivision 3.

119.16 Subd. 6. **Services to individuals and firms.** Consistent with its mission and governing
119.17 policies and the requirements for tax-exempt bonds, the university shall make available
119.18 laboratory and other services on a fee-for-service basis to individuals and firms in the
119.19 bioscience industry in Minnesota. The university will not assert patent rights when providing
119.20 services that do not involve its innovative intellectual contributions.

119.21 Subd. 7. **Refunding of bonds; allocation of savings realized.** (a) The board may issue
119.22 bonds in one or more series to refund bonds that were issued for a project before January
119.23 1, 2019, if refunding is determined by the board to be in the best interest of the university.
119.24 The principal amount of bonds issued in each refunding must not exceed the amount
119.25 necessary to defease the associated bonds outstanding immediately prior to refunding. The
119.26 amount of the state's annual payment to the university required for the debt service on the
119.27 refunded bonds, or original bonds if not yet refunded, or a combination of the two, shall be
119.28 up to the maximum annual appropriation under subdivision 3 for all series.

119.29 (b) The amount of the annual appropriation under subdivision 3 that is not needed to
119.30 pay the annual debt service under paragraph (a) is appropriated to the Board of Regents of
119.31 the University of Minnesota to pay the annual debt service amount on bonds issued by the
119.32 university to pay the costs of design, land acquisition, site preparation, and preconstruction
119.33 services of the clinical research facility.

120.1 (c) In any year that the state general fund appropriation authorized in this section exceeds
120.2 the amount needed to pay debt service on bonds issued by the university for purposes
120.3 specified in sections 137.61 to 137.65, the excess amount is canceled to the state general
120.4 fund.

120.5 Sec. 20. [240A.20] PROMOTING CONSTRUCTION AND RENOVATION OF
120.6 PUBLIC SKATE PARKS THROUGHOUT THE STATE.

120.7 Subdivision 1. **Definition.** For purposes of this section, "skate" means wheeled,
120.8 nonmotorized recreation, including skateboarding, roller blading, and roller skating, and
120.9 not including cycling or biking.

120.10 Subd. 2. **Promotion of public skate parks.** The Minnesota Amateur Sports Commission
120.11 shall:

120.12 (1) develop new statewide public skate parks; and

120.13 (2) provide matching grants to local units of government for public skate parks based
120.14 on the criteria in this section.

120.15 Subd. 3. **Criteria for grants to local units of government for public skate parks.** (a)
120.16 The commission shall administer a site selection process for the skate parks. The commission
120.17 shall invite proposals from cities or counties or consortia of cities. A proposal for a skate
120.18 park must include matching contributions including in-kind contributions of land, access
120.19 roadways and access roadway improvements, and necessary utility services, landscaping,
120.20 and parking.

120.21 (b) The location for all proposed facilities must be in areas of maximum demonstrated
120.22 interest and must maximize accessibility to an arterial highway, transit, or pedestrian or
120.23 bike path.

120.24 (c) To the extent possible, all proposed facilities must be dispersed equitably, must be
120.25 located to maximize potential for full utilization, must accommodate noncompetitive family
120.26 and community skating for all ages, and must encourage use of skate parks by a diverse
120.27 population.

120.28 (d) The commission will give priority to proposals that come from more than one local
120.29 government unit.

120.30 (e) The commission may also use the money to upgrade, rehabilitate, or renovate current
120.31 facilities.

121.1 (f) To the extent possible, 50 percent of all grants must be awarded to communities in
121.2 greater Minnesota.

121.3 (g) A grant awarded under subdivision 2, clause (2), may not exceed \$250,000 unless
121.4 the grantee demonstrates that the facility will have a regional or statewide draw. A grant
121.5 awarded under subdivision 2, clause (2), may be for up to \$750,000 for a skate park with
121.6 regional impact. A grant awarded under subdivision 2, clause (2), may be for up to
121.7 \$2,000,000 for a skate park with statewide draw.

121.8 (h) In selecting projects to be awarded grants under this section, the commission must
121.9 give priority to those projects that are designed by experts in the field of skate park design
121.10 and are to be constructed by professionals with experience in the construction of skate parks.

121.11 (i) To be eligible for a grant under this section, a local government must have engaged
121.12 or must commit to engage youth in the planning, design, and programming for the skate
121.13 park.

121.14 Subd. 4. **Technical assistance.** To the extent possible, the commission shall provide
121.15 technical assistance on skate park planning, design, and operation to communities.

121.16 Subd. 5. **Agreements with local governments and cooperative purchasing**
121.17 agreements. (a) The Minnesota Amateur Sports Commission may enter into agreements
121.18 with local units of government and provide financial assistance in the form of grants for the
121.19 construction of skate parks that, in the determination of the commission, conform to its
121.20 criteria.

121.21 (b) The commission may enter into cooperative purchasing agreements under section
121.22 471.59 with local governments to purchase skate park equipment and services through state
121.23 contracts. The cooperative skate park equipment purchasing revolving fund is a separate
121.24 account in the state treasury. The commission may charge a fee to cover the commission's
121.25 administrative expenses to government units that have joint or cooperative purchasing
121.26 agreements with the state under section 471.59. The fees collected must be deposited in the
121.27 revolving fund established by this subdivision. Money in the fund is appropriated to the
121.28 commission to administer the programs and services covered by this subdivision.

121.29 Sec. 21. Minnesota Statutes 2018, section 363A.36, is amended by adding a subdivision
121.30 to read:

121.31 Subd. 1a. **Scope of application; state capital funding.** (a) An agency or political
121.32 subdivision that uses state money to pay for part or all of a capital project is subject to and
121.33 must comply with the restrictions in subdivision 1, for contracts exceeding \$100,000.

122.1 (b) For the purposes of this subdivision, the following terms have the meanings given
 122.2 them:

122.3 (1) "agency" means a state board, commission, authority, department, or other agency
 122.4 of the executive branch of state government; the Minnesota Historical Society; the Minnesota
 122.5 State Colleges and Universities; or the University of Minnesota;

122.6 (2) "capital project" means the acquisition and betterment of land and buildings and
 122.7 other public improvements in the state, including acquisition of real property or an interest
 122.8 in real property, predesign, design, engineering, site preparation and related environmental
 122.9 work, renovation, construction, furnishing, and equipping;

122.10 (3) "political subdivision" means a county, home rule charter or statutory city, town,
 122.11 school district, metropolitan or regional agency, public corporation established in law, or
 122.12 other special or limited purpose district created or authorized by law; and

122.13 (4) "state money" means the proceeds of state general obligation bonds issued under
 122.14 article XI, section 5, clause (a), of the Minnesota Constitution.

122.15 (c) This subdivision applies to a capital project or discrete phase of a capital project for
 122.16 which state money has been appropriated on or after January 1, 2022.

122.17 Sec. 22. Minnesota Statutes 2018, section 363A.44, subdivision 1, is amended to read:

122.18 Subdivision 1. **Scope.** (a) No department, agency of the state, the Metropolitan Council,
 122.19 or an agency subject to section 473.143, subdivision 1, shall execute a contract for goods
 122.20 or services or an agreement for goods or services in excess of \$500,000 with a business that
 122.21 has 40 or more full-time employees in this state or a state where the business has its primary
 122.22 place of business on a single day during the prior 12 months, unless the business has an
 122.23 equal pay certificate or it has certified in writing that it is exempt. A certificate is valid for
 122.24 four years.

122.25 (b) An agency or political subdivision that uses state money to pay for part or all of a
 122.26 capital project is subject to and must comply with the restrictions in this section for contracts
 122.27 exceeding \$500,000. For purposes of this subdivision, "agency," "political subdivision,"
 122.28 "capital project," and "state money" have the meanings given in section 363A.36, subdivision
 122.29 1a. This paragraph applies to a capital project or discrete phase of a capital project for which
 122.30 state money has been appropriated on or after January 1, 2022.

122.31 ~~(b)~~ (c) This section does not apply to a business with respect to a specific contract if the
 122.32 commissioner of administration determines that application of this section would cause
 122.33 undue hardship to the contracting entity. This section does not apply to a contract to provide

123.1 goods and services to individuals under chapters 43A, 62A, 62C, 62D, 62E, 256B, 256I,
 123.2 256L, and 268A, with a business that has a license, certification, registration, provider
 123.3 agreement, or provider enrollment contract that is prerequisite to providing those goods and
 123.4 services. This section does not apply to contracts entered into by the State Board of
 123.5 Investment for investment options under section 352.965, subdivision 4.

123.6 Sec. 23. Minnesota Statutes 2018, section 473.4052, subdivision 4, is amended to read:

123.7 Subd. 4. **Application.** The liability limits under subdivision 2 and the insurance
 123.8 requirements under subdivision 3 apply only for that segment of a light rail transit line or
 123.9 line extension in which the project formally entered the engineering phase of the Federal
 123.10 Transit Administration's "New Starts" capital investment grant program between August 1,
 123.11 2016, and ~~December 31, 2016~~ February 1, 2017.

123.12 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
 123.13 final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,
 123.14 Scott, and Washington.

123.15 Sec. 24. Laws 2008, chapter 179, section 18, subdivision 3, as amended by Laws 2011,
 123.16 First Special Session chapter 12, section 32, and Laws 2012, chapter 293, section 41, is
 123.17 amended to read:

123.18 Subd. 3. **Systemwide Campus Redevelopment,**
 123.19 **Reuse, or Demolition** 3,400,000

123.20 (a) To demolish surplus, nonfunctional, or
 123.21 deteriorated facilities and infrastructure or to
 123.22 renovate surplus, nonfunctional, or
 123.23 deteriorated facilities and infrastructure at
 123.24 Department of Human Services campuses.
 123.25 These projects must facilitate the
 123.26 redevelopment or reuse of these campuses
 123.27 consistent with redevelopment plan concepts
 123.28 developed and approved under Laws 2003,
 123.29 First Special Session chapter 14, article 6,
 123.30 section 64, subdivision 2. If a surplus campus
 123.31 is sold or transferred to a local unit of
 123.32 government, unspent portions of this
 123.33 appropriation may be granted to that local unit

124.1 of government for the purposes stated in this
124.2 subdivision. Unspent portions of this
124.3 appropriation may be used to design,
124.4 construct, furnish, and equip a maintenance
124.5 and storage facility to support the maintenance
124.6 and operation of the Brainerd campus if the
124.7 commissioner determines that it is less
124.8 expensive than renovating existing space.
124.9 Notwithstanding Minnesota Statutes, section
124.10 16A.642, the bond authorization and
124.11 appropriation of bond proceeds for this project
124.12 are available until December 30, 2014.

124.13 (b) Up to \$125,000 is for preparation and site
124.14 development, including demolition of
124.15 buildings and infrastructure, to implement the
124.16 redevelopment and reuse of the Ah Gwah
124.17 Ching Regional Treatment Center. This
124.18 amount may be granted to Cass County for
124.19 the purposes stated in this subdivision. If the
124.20 campus is sold or transferred by Cass County
124.21 to the city of Walker, unspent portions of this
124.22 appropriation may be granted to the city of
124.23 Walker for the purposes stated in this
124.24 subdivision. Notwithstanding any requirement
124.25 in paragraph (a) or Minnesota Statutes, section
124.26 16A.695, Cass County may convey for no
124.27 consideration approximately 9.4 acres of the
124.28 campus of the former Ah Gwah Ching
124.29 Regional Treatment Center to Independent
124.30 School District No. 113, Walker Hackensack
124.31 Akeley, for school purposes.

124.32 Sec. 25. Laws 2014, chapter 294, article 1, section 7, subdivision 11, as amended by Laws
124.33 2017, First Special Session chapter 8, article 2, section 26, is amended to read:

124.34 Subd. 11. **Central Minnesota Regional Parks**

500,000

125.1 For a grant to the city of Sartell to ~~acquire land~~
 125.2 ~~and develop recreation facilities at Sauk River~~
 125.3 ~~Regional Park~~ design, engineer, and construct
 125.4 a trail, including overlooks, fishing platforms,
 125.5 and pedestrian crossings, along the Mississippi
 125.6 River as part of improvements to Linear Park
 125.7 and Sartell Veterans Park in the city of Sartell
 125.8 ~~and to acquire up to 68 acres of land located~~
 125.9 ~~along the Sauk River near the confluence of~~
 125.10 ~~the Mississippi to serve as part of the Central~~
 125.11 ~~Minnesota Regional Parks and Trails.~~
 125.12 Notwithstanding Minnesota Statutes, section
 125.13 16A.642, the bond sale authorization and
 125.14 appropriation of bond proceeds for this project
 125.15 are available until ~~June 30, 2020~~ December
 125.16 31, 2024.

125.17 Sec. 26. Laws 2015, First Special Session chapter 5, article 1, section 10, subdivision 7,
 125.18 as amended by Laws 2017, First Special Session chapter 8, article 2, section 32, is amended
 125.19 to read:

125.20 **Subd. 7. Richfield - 77th Street Underpass** 10,000,000

125.21 For a grant to the city of Richfield for
 125.22 right-of-way acquisition for an extension of
 125.23 77th Street under marked Trunk Highway
 125.24 77/Cedar Avenue in the city of Richfield to
 125.25 provide local and regional access between
 125.26 Richfield, the Minneapolis/St. Paul
 125.27 International Airport, the city of Bloomington,
 125.28 and the Mall of America. After right-of-way
 125.29 acquisition is completed, the city may use any
 125.30 remaining money appropriated in this
 125.31 subdivision for construction of the extension.
 125.32 Notwithstanding Minnesota Statutes, section
 125.33 16A.642, the bond sale authorization and
 125.34 appropriation of bond proceeds for the project

126.1 in this subdivision are available until
 126.2 December 31, ~~2021~~ 2024.

126.3 Sec. 27. Laws 2015, First Special Session chapter 5, article 1, section 13, is amended to
 126.4 read:

126.5 **Sec. 13. CORRECTIONS** **\$ 1,200,000**

126.6 To the commissioner of administration for a
 126.7 grant to the Arrowhead Regional Corrections
 126.8 Joint Powers Board to demolish an existing
 126.9 facility and to design, construct, furnish, and
 126.10 equip a replacement food processing facility
 126.11 on the campus of the Northeast Regional
 126.12 Corrections Center, to meet health, safety, and
 126.13 security standards required for compliance
 126.14 with Minnesota Rules, chapter 2911. Nonstate
 126.15 contributions to improvements at the center
 126.16 made before or after the enactment of this
 126.17 subdivision are considered to be a sufficient
 126.18 match, and no further nonstate match is
 126.19 required. Notwithstanding Minnesota Statutes,
 126.20 section 16A.642, the bond sale authorization
 126.21 and appropriation of bond proceeds for the
 126.22 project in this subdivision are available until
 126.23 December 31, 2024.

126.24 Sec. 28. Laws 2017, First Special Session chapter 8, article 1, section 15, subdivision 3,
 126.25 as amended by Laws 2018, chapter 214, article 2, section 33, is amended to read:

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

126.27 (a) From the bond proceeds account in the
 126.28 state transportation fund as provided in
 126.29 Minnesota Statutes, section 174.50, for trunk
 126.30 highway corridor projects under Minnesota
 126.31 Statutes, section 174.52, subdivision 2, for
 126.32 construction and reconstruction of local roads
 126.33 with statewide or regional significance under

127.1 Minnesota Statutes, section 174.52,
127.2 subdivision 4, or for grants to counties to assist
127.3 in paying the costs of rural road safety capital
127.4 improvement projects on county state-aid
127.5 highways under Minnesota Statutes, section
127.6 174.52, subdivision 4a.

127.7 (b) Of this amount, \$9,000,000 is for a grant
127.8 to Anoka County to design, acquire land for,
127.9 engineer, and construct improvements to,
127.10 including the realignment of County State-Aid
127.11 Highway 23 (Lake Drive), County State-Aid
127.12 Highway 54 (West Freeway Drive), West
127.13 Freeway Drive, and to Hornsby Street in the
127.14 city of Columbus to support the overall
127.15 interchange project. Notwithstanding
127.16 Minnesota Statutes, section 16A.642, the bond
127.17 sale authorization and appropriation of bond
127.18 proceeds for the project in this paragraph are
127.19 available until December 31, 2024.

127.20 (c) Of this amount, \$3,246,000 is for a grant
127.21 to the city of Blaine to predesign, design, and
127.22 reconstruct 105th Avenue in the vicinity of
127.23 the National Sports Center in Blaine. The
127.24 reconstruction will include changing the street
127.25 from five lanes to four lanes with median, turn
127.26 lanes, sidewalk, trail, landscaping, lighting,
127.27 and consolidation of access driveways. This
127.28 appropriation is not available until the
127.29 commissioner of management and budget
127.30 determines that at least \$3,000,000 is
127.31 committed to the project from sources
127.32 available to the city, including municipal state
127.33 aid and county turnback funds.

127.34 (d) Of this amount, \$25,000,000 is for a grant
127.35 to Hennepin County, the city of Minneapolis,

128.1 or both, for design, right-of-way acquisition,
128.2 engineering, and construction of public
128.3 improvements related to the Interstate
128.4 Highway 35W and Lake Street access project
128.5 and related improvements within the Interstate
128.6 Highway 35W corridor, notwithstanding any
128.7 provision of Minnesota Statutes, section
128.8 174.52, or rule to the contrary. This
128.9 appropriation is not available until the
128.10 commissioner of management and budget
128.11 determines that an amount sufficient to
128.12 complete this portion of the Interstate
128.13 Highway 35W and Lake Street access project
128.14 has been committed to this portion of the
128.15 project.

128.16 (e) Of this amount, \$10,500,000 is for a grant
128.17 to Carver County for environmental analysis
128.18 and to acquire right-of-way access, predesign,
128.19 design, engineer, and construct an interchange
128.20 at marked Trunk Highway 212 and Carver
128.21 County Road 44 in the city of Chaska,
128.22 including a new bridge and ramps, to support
128.23 the development of approximately 400 acres
128.24 of property in the city of Chaska's
128.25 comprehensive plan.

128.26 (f) Of this amount, \$700,000 is for a grant to
128.27 Redwood County for improvements to Nobles
128.28 Avenue, including paving, as the main access
128.29 road to a new State Veterans Cemetery to be
128.30 located in Paxton Township.

128.31 (g) Of this amount, \$1,000,000 is for a grant
128.32 to the town of Appleton in Swift County for
128.33 upgrades to an existing township road to
128.34 provide for a paved, ten-ton capacity township

129.1 road extending between marked Trunk
129.2 Highways 7 and 119.

129.3 (h) Of this amount, \$20,500,000 is for a grant
129.4 to Ramsey County for preliminary and final
129.5 design, right-of-way acquisition, engineering,
129.6 contract administration, and construction of
129.7 public improvements related to the
129.8 construction of the interchange of marked
129.9 Interstate Highway 694 and Rice Street,
129.10 Ramsey County State-Aid Highway 49, in
129.11 Ramsey County.

129.12 (i) Of this amount, \$11,300,000 is for a grant
129.13 to Hennepin County for preliminary and final
129.14 design, engineering, environmental analysis,
129.15 right-of-way acquisition, construction, and
129.16 reconstruction of local roads related to the (1)
129.17 realignment at the intersections of marked U.S.
129.18 Highway 12 with Hennepin County State-Aid
129.19 Highway 92; (2) realignment and safety
129.20 improvements at the intersection of marked
129.21 U.S. Highway 12 with Hennepin County
129.22 State-Aid Highway 90; and (3) safety median
129.23 improvements from the interchange with
129.24 Wayzata Boulevard in Wayzata to
129.25 approximately one-half mile east of the
129.26 interchange of marked U.S. Highway 12 with
129.27 Hennepin County State-Aid Highway 6.

129.28 (j) Of this amount, \$1,000,000 is for a grant
129.29 to the city of Inver Grove Heights for
129.30 preliminary design, design, engineering, and
129.31 reconstruction of Broderick Boulevard
129.32 between 80th Street and Concord Boulevard
129.33 abutting Trunk Highway 52 and Inver Hills
129.34 Community College in Inver Grove Heights.
129.35 The project includes replacement or renovation

130.1 of public infrastructure, including water lines,
 130.2 sanitary sewers, storm water sewers, and other
 130.3 public utilities. This appropriation does not
 130.4 require a nonstate contribution.

130.5 (k) Of this amount, \$2,350,000 is for a grant
 130.6 to McLeod County to acquire land or interests
 130.7 in land and to design and construct a new
 130.8 urban street extension of County State-Aid
 130.9 Highway (CSAH) 15, including railroad
 130.10 crossing, storm water, and drainage
 130.11 improvements.

130.12 (l) Of this amount, \$6,000,000 is for a grant
 130.13 to the city of Baxter for 50 percent of total
 130.14 project cost for the acquisition of land or
 130.15 interests in land, environmental analysis and
 130.16 environmental cleanup, predesign, design,
 130.17 engineering, and construction of improvements
 130.18 to Cypress Drive, including expansion to a
 130.19 four-lane divided urban roadway, between
 130.20 Excelsior Road and College Road.

130.21 Sec. 29. Laws 2017, First Special Session chapter 8, article 1, section 15, subdivision 4,
 130.22 is amended to read:

130.23 **Subd. 4. Rail Grade Separation on Crude Oil**
 130.24 **Rail Corridors**

71,124,000

130.25 (a) Of this amount, \$42,262,000 is for a grant
 130.26 to the city of Moorhead for environmental
 130.27 analysis, design, engineering, removal of an
 130.28 existing structure, and construction of a rail
 130.29 grade crossing separation in the vicinity of
 130.30 21st Street South.

130.31 (b) \$14,100,000 is for a grant to Anoka County
 130.32 for environmental analysis, design,
 130.33 engineering, removal of an existing structure,
 130.34 and construction of a rail grade crossing

131.1 separation at Anoka County State-Aid
 131.2 Highway 78, known as Hanson Boulevard, in
 131.3 Coon Rapids. Any unspent portion of the
 131.4 appropriation under this paragraph may be
 131.5 used by Anoka County for design costs of
 131.6 other rail crossings in Anoka County that are
 131.7 on the commissioner's rail safety priority list.

131.8 (c) Of this amount, \$14,762,000 is for a grant
 131.9 to the city of Red Wing for acquisition of
 131.10 right-of-way, environmental analysis, design,
 131.11 engineering, removal of an existing structure,
 131.12 and construction of a rail grade crossing
 131.13 separation at Sturgeon Lake Road.
 131.14 Notwithstanding Minnesota Statutes, section
 131.15 16A.642, the bond sale authorization and
 131.16 appropriation of bond proceeds for the project
 131.17 in this paragraph are available until December
 131.18 31, 2024.

131.19 (d) Any unspent portion of this appropriation
 131.20 after completion of a project in this
 131.21 subdivision may be used for grants in
 131.22 accordance with Minnesota Statutes, section
 131.23 219.016.

131.24 Sec. 30. Laws 2017, First Special Session chapter 8, article 1, section 18, subdivision 3,
 131.25 is amended to read:

131.26 **Subd. 3. Minneapolis Veterans Home Truss**
 131.27 **Bridge Project** 7,851,000

131.28 To design, construct, renovate, and equip the
 131.29 historic truss bridge on the Minneapolis
 131.30 Veterans Home campus, including asbestos
 131.31 and hazardous materials abatement and
 131.32 associated site work. One-half of the unspent
 131.33 portion of this appropriation after the project
 131.34 has been substantially completed, upon written

132.1 notice to the commissioner of management
 132.2 and budget, is for asset preservation of
 132.3 veterans homes statewide under Minnesota
 132.4 Statutes, section 16B.307, and one-half is for
 132.5 comprehensive campus security and safety
 132.6 upgrades at the veterans homes statewide,
 132.7 including predesign and design, acquisition
 132.8 and installation, construction, furnishing, and
 132.9 equipping. Notwithstanding Minnesota
 132.10 Statutes, section 16A.642, the bond sale
 132.11 authorization and appropriation of bond
 132.12 proceeds in this subdivision are available until
 132.13 December 31, 2024.

132.14 Sec. 31. Laws 2017, First Special Session chapter 8, article 1, section 20, subdivision 21,
 132.15 as amended by Laws 2018, chapter 214, article 2, section 40, is amended to read:

132.16 **Subd. 21. St. Paul - Minnesota Museum of**
 132.17 **American Art** 6,000,000

132.18 For a grant to the St. Paul Port Authority to
 132.19 acquire, design, construct, furnish, and equip
 132.20 new museum galleries and an art study facility
 132.21 for the Minnesota Museum of American Art.
 132.22 This facility provides space to celebrate the
 132.23 legacy of Minnesota art and artists and is part
 132.24 of the restoration of the historic Pioneer
 132.25 Endicott Building, and a part of a multiphase
 132.26 project, of which only the museum galleries
 132.27 and art study facility constructed with this
 132.28 appropriation shall be state bond financed
 132.29 property subject to Minnesota Statutes, section
 132.30 16A.695. This appropriation is not available
 132.31 until the commissioner of management and
 132.32 budget has determined that:

132.33 (1) at least an amount equal to this
 132.34 appropriation has been committed or
 132.35 previously expended for design, construction,

133.1 and furnishing of the adjacent Minnesota
 133.2 Museum of American Art Center for
 133.3 Creativity facilities, which are not subject to
 133.4 Minnesota Statutes, section 16A.695, with
 133.5 funds from nonstate sources; and
 133.6 (2) sufficient other state and nonstate funds
 133.7 are available, if funds beyond this
 133.8 appropriation are required, to complete the
 133.9 museum galleries and art study facility.

133.10 ~~Funds invested in the Minnesota Museum of~~
 133.11 ~~American Art Center for Creativity facilities~~
 133.12 ~~by an investor receiving an assignment of state~~
 133.13 ~~historic tax credits as provided in Minnesota~~
 133.14 ~~Statutes, section 290.0681, are nonstate funds~~
 133.15 ~~for purposes of this requirement. Only~~
 133.16 expenditures made after January 1, 2012, shall
 133.17 qualify for the required match. Due to the
 133.18 integrated nature of the overall development,
 133.19 public bidding shall not be required.

133.20 Notwithstanding Minnesota Statutes, section
 133.21 16A.642, the bond sale authorization and
 133.22 appropriation of bond proceeds for this project
 133.23 are available until December 31, 2024.

133.24 Sec. 32. Laws 2018, chapter 214, article 1, section 2, subdivision 6, is amended to read:

133.25 **Subd. 6. Glensheen Renewal** 4,000,000

133.26 To replace the boiler and to predesign, design,
 133.27 and renovate site structures at the Historic
 133.28 Glensheen Estate including but not limited to
 133.29 the main house; the site structures, terraces,
 133.30 and garden walls; and the carriage house. This
 133.31 appropriation is not available until the
 133.32 commissioner of management and budget
 133.33 determines that an equal amount is committed

134.1 ~~from other sources.~~ This appropriation does
 134.2 not require a nonstate contribution.

134.3 Sec. 33. Laws 2018, chapter 214, article 1, section 7, subdivision 1, is amended to read:

134.4		78,669,000
134.5	Subdivision 1. Total Appropriation	\$ <u>74,309,000</u>

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

134.8 (b) The appropriations in this section are
 134.9 subject to the requirements of the natural
 134.10 resources capital improvement program under
 134.11 Minnesota Statutes, section 86A.12, unless
 134.12 this section or the statutes referred to in this
 134.13 section provide more specific standards,
 134.14 criteria, or priorities for projects than
 134.15 Minnesota Statutes, section 86A.12.

134.16 Sec. 34. Laws 2018, chapter 214, article 1, section 16, subdivision 19, is amended to read:

134.17	Subd. 19. Hennepin County - Railroad Crossing	
134.18	Safety	1,200,000

134.19 For one or more grants to Hennepin County
 134.20 or the affected city in the county to construct
 134.21 railroad crossing safety improvements in
 134.22 Hennepin County. Of this amount, \$350,000
 134.23 is for crossings at ~~Townline Road~~ and marked
 134.24 County Road 19 in the city of Loretto; at least
 134.25 \$450,000 is for crossings at ~~marked Road~~
 134.26 ~~116/County Road 115~~ and Arrowhead Drive
 134.27 in the city of Medina; and at least \$400,000 is
 134.28 for crossings at East Lake Street and Barry
 134.29 Avenue in the city of Wayzata. Any unspent
 134.30 portion of this appropriation remaining after
 134.31 completion of a project listed in this
 134.32 subdivision, after written notice to the
 134.33 commissioner of management and budget, is
 134.34 available for the purposes of this subdivision.

135.1 Sec. 35. Laws 2018, chapter 214, article 1, section 21, subdivision 1, is amended to read:

135.2 ~~109,344,000~~
 135.3 Subdivision 1. **Total Appropriation** \$ 109,085,000

135.4 To the commissioner of employment and
 135.5 economic development for the purposes
 135.6 specified in this section.

135.7 Sec. 36. Laws 2018, chapter 214, article 1, section 21, subdivision 18, is amended to read:

135.8 Subd. 18. **Pipestone County - Dental Facility** 500,000

135.9 For a grant to Pipestone County to predesign,
 135.10 design, construct, furnish, and equip a dental
 135.11 care facility in Pipestone County. The county
 135.12 may enter into an agreement under Minnesota
 135.13 Statutes, section 16A.695, for operation of the
 135.14 dental clinic. This project is not subject to the
 135.15 requirements of Minnesota Statutes, section
 135.16 16B.325.

135.17 Sec. 37. Laws 2018, chapter 214, article 1, section 21, subdivision 26, is amended to read:

135.18 Subd. 26. **St. Paul - Minnesota Museum of**
 135.19 **American Art** 2,500,000

135.20 For a grant to the St. Paul Port Authority to
 135.21 acquire, design, construct, furnish, and equip
 135.22 the Minnesota Museum of American Art in
 135.23 the historic Pioneer Endicott Building. This
 135.24 appropriation is in addition to the amount
 135.25 appropriated by Laws 2017, First Special
 135.26 Session chapter 8, article 1, section 20,
 135.27 subdivision 21, and is available in accordance
 135.28 with the requirements of that subdivision. This
 135.29 appropriation may be used as needed for the
 135.30 costs of the project, including but not limited
 135.31 to secure loading dock, and art restoration and
 135.32 exhibit preparation areas.

136.1 Notwithstanding Minnesota Statutes, section
 136.2 16A.642, the bond sale authorization and
 136.3 appropriation of bond proceeds for this project
 136.4 are available until December 31, 2024.

136.5 Sec. 38. Laws 2018, chapter 214, article 1, section 21, subdivision 28, as amended by
 136.6 Laws 2019, chapter 2, article 2, section 6, is amended to read:

136.7 **Subd. 28. St. Paul - Southeast Asian Language**
 136.8 **Job Training Facilities** 5,500,000

136.9 For a grant to the city of St. Paul to predesign,
 136.10 design, renovate, construct, furnish, and equip
 136.11 a bus driver and mechanics training facility
 136.12 on Sycamore Street in St. Paul for training
 136.13 drivers and mechanics through programming
 136.14 primarily in the Southeast Asian languages,
 136.15 and to predesign, design, renovate, construct,
 136.16 furnish, and equip a training facility on Plato
 136.17 Avenue in St. Paul for use as a training facility
 136.18 for health care, manufacturing, and
 136.19 information technology jobs through
 136.20 programming primarily in the Southeast Asian
 136.21 languages. Notwithstanding the primary focus
 136.22 as a workforce training facility described
 136.23 above, a portion of the Plato site may be used
 136.24 for colocated high school and child care
 136.25 facilities open to the public. A portion of both
 136.26 the Plato and Sycamore sites may include
 136.27 on-site wrap-around supportive services to
 136.28 assist the participants in training programs in
 136.29 securing housing, mental health, adult basic
 136.30 education, and health care enrollment and
 136.31 access. This appropriation may be used to
 136.32 acquire property for these purposes. The city
 136.33 of St. Paul may enter into a lease or
 136.34 management agreement with a nonprofit

137.1 corporation for either or both of these facilities
 137.2 under Minnesota Statutes, section 16A.695.

137.3 Sec. 39. Laws 2018, chapter 214, article 1, section 21, subdivision 29, is amended to read:

137.4 Subd. 29. **Wabasha - National Eagle Center and**
 137.5 **Wabasha ~~Rivertown Resurgence~~ Riverfront**
 137.6 **Revitalization**

8,000,000

137.7 (a) \$1,500,000 of this appropriation is for a
 137.8 grant to the city of Wabasha to ~~acquire land,~~
 137.9 predesign, ~~design, renovate, construct, furnish,~~
 137.10 ~~and equip~~ the renovation and expansion of the
 137.11 National Eagle Center in order to expand
 137.12 program and exhibit space, and increase aviary
 137.13 space for eagles, and ~~for~~ to design and
 137.14 construct improvements to the riverfront in
 137.15 Wabasha for infrastructure, large vessel
 137.16 landing areas and docks, and public access
 137.17 and program areas.

137.18 (b) \$2,500,000 of this appropriation is for a
 137.19 grant to the city of Wabasha to acquire land,
 137.20 design, renovate, construct, furnish, and equip
 137.21 the National Eagle Center in order to expand
 137.22 the program space, gift shop, and exhibit
 137.23 space, and increase aviary space for eagles. If
 137.24 the acquisition of land, design, renovation,
 137.25 construction, furnishing, and equipping of the
 137.26 National Eagle Center expansion of its
 137.27 program space, gift shop, exhibit space, and
 137.28 aviary space is complete, the City of Wabasha
 137.29 may use any remaining money from this
 137.30 appropriation toward the renovation of the
 137.31 historical buildings on Main Street.

137.32 (c) \$4,000,000 of this appropriation is for a
 137.33 grant to the city of Wabasha to predesign,
 137.34 design, construct, renovate, furnish, and equip
 137.35 the new auditorium, expansion of the Preston

138.1 Cook Exhibit, and final renovation of the
 138.2 historical buildings on Main Street.

138.3 Sec. 40. Laws 2019, First Special Session chapter 11, article 6, section 7, subdivision 2,
 138.4 as amended by Laws 2020, chapter 116, article 6, section 17, is amended to read:

138.5 Subd. 2. **Debt service equalization aid.** For debt service equalization aid under
 138.6 Minnesota Statutes, section 123B.53, subdivision 6:

138.7 \$ 20,684,000 2020

138.8 ~~25,398,000~~

138.9 \$ 25,380,000 2021

138.10 The 2020 appropriation includes \$2,292,000 for 2019 and \$18,392,000 for 2020.

138.11 The 2021 appropriation includes \$2,043,000 for 2020 and ~~\$23,355,000~~ \$23,337,000 for
 138.12 2021.

138.13 Sec. 41. **RED LAKE AND NETT LAKE CAPITAL LOANS.**

138.14 (a) Notwithstanding the capital loan contracts issued to Independent School District No.
 138.15 38, Red Lake, and Independent School District No. 707, Nett Lake, under Minnesota Statutes,
 138.16 section 126C.69, the capital loan balance outstanding for Independent School District No.
 138.17 38, Red Lake, as of July 1, 2020, on the capital loan granted on April 27, 2015, is reduced
 138.18 to \$228,743. The capital loan balance outstanding for Independent School District No. 707,
 138.19 Nett Lake, as of July 1, 2020, on the capital loan granted on October 24, 2006, is reduced
 138.20 to \$1,261,384. The capital loan balances on these loans in excess of these amounts are
 138.21 forgiven.

138.22 (b) All capital loan contracts issued prior to 2015 to Independent School District No.
 138.23 38, Red Lake, under Minnesota Statutes, section 126C.69, cancel as of July 1, 2020, and
 138.24 the capital loan balances on these loans are forgiven. The capital loan contract issued prior
 138.25 to 1995 to Independent School District No. 707, Nett Lake, under Minnesota Statutes,
 138.26 section 126C.69, cancels as of July 1, 2020, and the capital loan balance on this loan is
 138.27 forgiven.

138.28 (c) Maximum effort loan aid for Independent School District No. 38, Red Lake, and
 138.29 Independent School District No. 707, Nett Lake, is the amount the districts would have
 138.30 received under Minnesota Statutes, section 477A.09, based on the capital loan contracts
 138.31 issued under Minnesota Statutes, section 126C.69, without the loan forgiveness granted
 138.32 under paragraphs (a) and (b).

139.1 (d) Notwithstanding any law to the contrary, the maximum effort capital loan authorized
139.2 in 2018 for Independent School District No. 38, Red Lake, must be repaid as a capital grant
139.3 and loan according to the provisions of section 12.

139.4 Sec. 42. **LAKE VERMILION-SOUDAN UNDERGROUND MINE STATE PARK;**
139.5 **SECONDARY UNIT DESIGNATION.**

139.6 The commissioner of natural resources must manage the area within the statutory
139.7 boundary of Lake Vermilion-Soudan Underground Mine State Park that is located south of
139.8 State Highway 169 as a secondary unit within the state park, as authorized in Minnesota
139.9 Statutes, section 86A.08. The secondary unit is designated a state recreation area and must
139.10 be managed in a manner consistent with Minnesota Statutes, section 86A.05, subdivision
139.11 3. Within the secondary unit, in addition to other activities authorized in Lake
139.12 Vermilion-Soudan Underground Mine State Park, the commissioner must permit ingress
139.13 and egress on designated routes by off-highway vehicles, as defined in Minnesota Statutes,
139.14 section 84.771, into campgrounds and overnight facilities developed south of State Highway
139.15 169.

139.16 Sec. 43. **REPEALER.**

139.17 (a) Minnesota Statutes 2018, sections 126C.65, subdivision 2; and 126C.68, subdivisions
139.18 1, 2, and 4, are repealed.

139.19 (b) Minnesota Statutes 2019 Supplement, section 126C.68, subdivision 3, is repealed.

139.20 (c) Minnesota Statutes 2018, section 16A.633, subdivision 4, is repealed.

139.21 Sec. 44. **EFFECTIVE DATE.**

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

139.23 **ARTICLE 6**

139.24 **PROPERTY TAXES AND AIDS**

139.25 Section 1. Minnesota Statutes 2019 Supplement, section 126C.17, subdivision 6, is amended
139.26 to read:

139.27 Subd. 6. **Referendum equalization levy.** (a) A district's referendum equalization levy
139.28 equals the sum of the first tier referendum equalization levy and the second tier referendum
139.29 equalization levy.

140.1 (b) A district's first tier referendum equalization levy equals the district's first tier
140.2 referendum equalization revenue times the lesser of (1) one ¢, (2) the ratio of the district's
140.3 referendum market value per resident pupil unit to ~~\$567,000~~ \$650,000, or (3) the ratio of
140.4 the district's referendum market value per adjusted pupil unit to \$650,000.

140.5 (c) A district's second tier referendum equalization levy equals the district's second tier
140.6 referendum equalization revenue times the lesser of (1) one ¢, (2) the ratio of the district's
140.7 referendum market value per resident pupil unit to ~~\$290,000~~ \$320,000, or (3) the ratio of
140.8 the district's referendum market value per adjusted pupil unit to \$320,000.

140.9 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2022 and later.

140.10 Sec. 2. Minnesota Statutes 2018, section 272.02, is amended by adding a subdivision to
140.11 read:

140.12 **Subd. 104. Certain property owned by an Indian tribe.** (a) Property is exempt that:

140.13 (1) is located in a county with a population greater than 28,000 but less than 29,000 as
140.14 of the 2010 federal census;

140.15 (2) was on January 2, 2016, and is for the current assessment owned by a federally
140.16 recognized Indian tribe or its instrumentality, that is located in Minnesota;

140.17 (3) was on January 2, 2016, erroneously treated as exempt under subdivision 7; and

140.18 (4) is used for the same purpose as the property was used on January 2, 2016.

140.19 (b) For assessment years 2019 and 2020, an exemption application under this subdivision
140.20 must be filed with the county assessor by August 1, 2020. Property taxes paid on property
140.21 exempt under this section for taxes payable in 2020 only shall be refunded by the county
140.22 by September 1, 2020.

140.23 **EFFECTIVE DATE.** This section is effective retroactively from assessment year 2019.

140.24 Sec. 3. Minnesota Statutes 2018, section 272.38, subdivision 1, is amended to read:

140.25 Subdivision 1. **Taxes to be first paid.** (a) No structures, standing timber, minerals, sand,
140.26 gravel, peat, subsoil, or topsoil shall be removed from any tract of land until all the taxes
140.27 assessed against such tract and due and payable shall have been fully paid and discharged.
140.28 When the commissioner of management and budget or the county auditor has reason to
140.29 believe that any such structure, timber, minerals, sand, gravel, peat, subsoil, or topsoil will
140.30 be removed from such tract before such taxes shall have been paid, either may direct the
140.31 county attorney to bring suit in the name of the state to enjoin any and all persons from

141.1 removing such structure, timber, minerals, sand, gravel, peat, subsoil, or topsoil therefrom
141.2 until such taxes are paid. No bond shall be required of plaintiff in such suit.

141.3 (b) If the county auditor determines that the removal of a structure is in the public interest,
141.4 including the health, safety, and well-being of the surrounding area, and that removal will
141.5 not impair the collection of property taxes, the county auditor may waive the requirements
141.6 of this subdivision.

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

141.8 Sec. 4. Minnesota Statutes 2018, section 273.13, subdivision 25, is amended to read:

141.9 Subd. 25. **Class 4.** (a) Class 4a is residential real estate containing four or more units
141.10 and used or held for use by the owner or by the tenants or lessees of the owner as a residence
141.11 for rental periods of 30 days or more, excluding property qualifying for class 4d. Class 4a
141.12 also includes hospitals licensed under sections 144.50 to 144.56, other than hospitals exempt
141.13 under section 272.02, and contiguous property used for hospital purposes, without regard
141.14 to whether the property has been platted or subdivided. The market value of class 4a property
141.15 has a classification rate of 1.25 percent.

141.16 (b) Class 4b includes:

141.17 (1) residential real estate containing less than four units, including property rented as a
141.18 short-term rental property for more than 14 days in the preceding year, that does not qualify
141.19 as class 4bb, other than seasonal residential recreational property;

141.20 (2) manufactured homes not classified under any other provision;

141.21 (3) a dwelling, garage, and surrounding one acre of property on a nonhomestead farm
141.22 classified under subdivision 23, paragraph (b) containing two or three units; and

141.23 (4) unimproved property that is classified residential as determined under subdivision
141.24 33.

141.25 For the purposes of this paragraph, "short-term rental property" means nonhomestead
141.26 residential real estate rented for periods of less than 30 consecutive days.

141.27 The market value of class 4b property has a classification rate of 1.25 percent.

141.28 (c) Class 4bb includes:

141.29 (1) nonhomestead residential real estate containing one unit, other than seasonal
141.30 residential recreational property;

142.1 (2) a single family dwelling, garage, and surrounding one acre of property on a
142.2 nonhomestead farm classified under subdivision 23, paragraph (b); and

142.3 (3) a condominium-type storage unit having an individual property identification number
142.4 that is not used for a commercial purpose.

142.5 Class 4bb property has the same classification rates as class 1a property under subdivision
142.6 22.

142.7 Property that has been classified as seasonal residential recreational property at any time
142.8 during which it has been owned by the current owner or spouse of the current owner does
142.9 not qualify for class 4bb.

142.10 (d) Class 4c property includes:

142.11 (1) except as provided in subdivision 22, paragraph (c), real and personal property
142.12 devoted to commercial temporary and seasonal residential occupancy for recreation purposes,
142.13 for not more than 250 days in the year preceding the year of assessment. For purposes of
142.14 this clause, property is devoted to a commercial purpose on a specific day if any portion of
142.15 the property is used for residential occupancy, and a fee is charged for residential occupancy.
142.16 Class 4c property under this clause must contain three or more rental units. A "rental unit"
142.17 is defined as a cabin, condominium, townhouse, sleeping room, or individual camping site
142.18 equipped with water and electrical hookups for recreational vehicles. A camping pad offered
142.19 for rent by a property that otherwise qualifies for class 4c under this clause is also class 4c
142.20 under this clause regardless of the term of the rental agreement, as long as the use of the
142.21 camping pad does not exceed 250 days. In order for a property to be classified under this
142.22 clause, either (i) the business located on the property must provide recreational activities,
142.23 at least 40 percent of the annual gross lodging receipts related to the property must be from
142.24 business conducted during 90 consecutive days, and either (A) at least 60 percent of all paid
142.25 bookings by lodging guests during the year must be for periods of at least two consecutive
142.26 nights; or (B) at least 20 percent of the annual gross receipts must be from charges for
142.27 providing recreational activities, or (ii) the business must contain 20 or fewer rental units,
142.28 and must be located in a township or a city with a population of 2,500 or less located outside
142.29 the metropolitan area, as defined under section 473.121, subdivision 2, that contains a portion
142.30 of a state trail administered by the Department of Natural Resources. For purposes of item
142.31 (i)(A), a paid booking of five or more nights shall be counted as two bookings. Class 4c
142.32 property also includes commercial use real property used exclusively for recreational
142.33 purposes in conjunction with other class 4c property classified under this clause and devoted
142.34 to temporary and seasonal residential occupancy for recreational purposes, up to a total of

143.1 two acres, provided the property is not devoted to commercial recreational use for more
143.2 than 250 days in the year preceding the year of assessment and is located within two miles
143.3 of the class 4c property with which it is used. In order for a property to qualify for
143.4 classification under this clause, the owner must submit a declaration to the assessor
143.5 designating the cabins or units occupied for 250 days or less in the year preceding the year
143.6 of assessment by January 15 of the assessment year. Those cabins or units and a proportionate
143.7 share of the land on which they are located must be designated class 4c under this clause
143.8 as otherwise provided. The remainder of the cabins or units and a proportionate share of
143.9 the land on which they are located will be designated as class 3a. The owner of property
143.10 desiring designation as class 4c property under this clause must provide guest registers or
143.11 other records demonstrating that the units for which class 4c designation is sought were not
143.12 occupied for more than 250 days in the year preceding the assessment if so requested. The
143.13 portion of a property operated as a (1) restaurant, (2) bar, (3) gift shop, (4) conference center
143.14 or meeting room, and (5) other nonresidential facility operated on a commercial basis not
143.15 directly related to temporary and seasonal residential occupancy for recreation purposes
143.16 does not qualify for class 4c. For the purposes of this paragraph, "recreational activities"
143.17 means renting ice fishing houses, boats and motors, snowmobiles, downhill or cross-country
143.18 ski equipment; providing marina services, launch services, or guide services; or selling bait
143.19 and fishing tackle;

143.20 (2) qualified property used as a golf course if:

143.21 (i) it is open to the public on a daily fee basis. It may charge membership fees or dues,
143.22 but a membership fee may not be required in order to use the property for golfing, and its
143.23 green fees for golfing must be comparable to green fees typically charged by municipal
143.24 courses; and

143.25 (ii) it meets the requirements of section 273.112, subdivision 3, paragraph (d).

143.26 A structure used as a clubhouse, restaurant, or place of refreshment in conjunction with
143.27 the golf course is classified as class 3a property;

143.28 (3) real property up to a maximum of three acres of land owned and used by a nonprofit
143.29 community service oriented organization and not used for residential purposes on either a
143.30 temporary or permanent basis, provided that:

143.31 (i) the property is not used for a revenue-producing activity for more than six days in
143.32 the calendar year preceding the year of assessment; or

143.33 (ii) the organization makes annual charitable contributions and donations at least equal
143.34 to the property's previous year's property taxes and the property is allowed to be used for

144.1 public and community meetings or events for no charge, as appropriate to the size of the
144.2 facility.

144.3 For purposes of this clause:

144.4 (A) "charitable contributions and donations" has the same meaning as lawful gambling
144.5 purposes under section 349.12, subdivision 25, excluding those purposes relating to the
144.6 payment of taxes, assessments, fees, auditing costs, and utility payments;

144.7 (B) "property taxes" excludes the state general tax;

144.8 (C) a "nonprofit community service oriented organization" means any corporation,
144.9 society, association, foundation, or institution organized and operated exclusively for
144.10 charitable, religious, fraternal, civic, or educational purposes, and which is exempt from
144.11 federal income taxation pursuant to section 501(c)(3), (8), (10), or (19) of the Internal
144.12 Revenue Code; and

144.13 (D) "revenue-producing activities" shall include but not be limited to property or that
144.14 portion of the property that is used as an on-sale intoxicating liquor or 3.2 percent malt
144.15 liquor establishment licensed under chapter 340A, a restaurant open to the public, bowling
144.16 alley, a retail store, gambling conducted by organizations licensed under chapter 349, an
144.17 insurance business, or office or other space leased or rented to a lessee who conducts a
144.18 for-profit enterprise on the premises.

144.19 Any portion of the property not qualifying under either item (i) or (ii) is class 3a. The
144.20 use of the property for social events open exclusively to members and their guests for periods
144.21 of less than 24 hours, when an admission is not charged nor any revenues are received by
144.22 the organization shall not be considered a revenue-producing activity.

144.23 The organization shall maintain records of its charitable contributions and donations
144.24 and of public meetings and events held on the property and make them available upon
144.25 request any time to the assessor to ensure eligibility. An organization meeting the requirement
144.26 under item (ii) must file an application by May 1 with the assessor for eligibility for the
144.27 current year's assessment. The commissioner shall prescribe a uniform application form
144.28 and instructions;

144.29 (4) postsecondary student housing of not more than one acre of land that is owned by a
144.30 nonprofit corporation organized under chapter 317A and is used exclusively by a student
144.31 cooperative, sorority, or fraternity for on-campus housing or housing located within two
144.32 miles of the border of a college campus;

145.1 (5)(i) manufactured home parks as defined in section 327.14, subdivision 3, excluding
145.2 manufactured home parks described in items (ii) and (iii), (ii) manufactured home parks as
145.3 defined in section 327.14, subdivision 3, that are described in section 273.124, subdivision
145.4 3a, and (iii) class I manufactured home parks as defined in section 327C.01, subdivision
145.5 13;

145.6 (6) real property that is actively and exclusively devoted to indoor fitness, health, social,
145.7 recreational, and related uses, is owned and operated by a not-for-profit corporation, and is
145.8 located within the metropolitan area as defined in section 473.121, subdivision 2;

145.9 (7) a leased or privately owned noncommercial aircraft storage hangar not exempt under
145.10 section 272.01, subdivision 2, and the land on which it is located, provided that:

145.11 (i) the land is on an airport owned or operated by a city, town, county, Metropolitan
145.12 Airports Commission, or group thereof; and

145.13 (ii) the land lease, or any ordinance or signed agreement restricting the use of the leased
145.14 premise, prohibits commercial activity performed at the hangar.

145.15 If a hangar classified under this clause is sold after June 30, 2000, a bill of sale must be
145.16 filed by the new owner with the assessor of the county where the property is located within
145.17 60 days of the sale;

145.18 (8) a privately owned noncommercial aircraft storage hangar not exempt under section
145.19 272.01, subdivision 2, and the land on which it is located, provided that:

145.20 (i) the land abuts a public airport; and

145.21 (ii) the owner of the aircraft storage hangar provides the assessor with a signed agreement
145.22 restricting the use of the premises, prohibiting commercial use or activity performed at the
145.23 hangar; and

145.24 (9) residential real estate, a portion of which is used by the owner for homestead purposes,
145.25 and that is also a place of lodging, if all of the following criteria are met:

145.26 (i) rooms are provided for rent to transient guests that generally stay for periods of 14
145.27 or fewer days;

145.28 (ii) meals are provided to persons who rent rooms, the cost of which is incorporated in
145.29 the basic room rate;

145.30 (iii) meals are not provided to the general public except for special events on fewer than
145.31 seven days in the calendar year preceding the year of the assessment; and

145.32 (iv) the owner is the operator of the property.

146.1 The market value subject to the 4c classification under this clause is limited to five rental
146.2 units. Any rental units on the property in excess of five, must be valued and assessed as
146.3 class 3a. The portion of the property used for purposes of a homestead by the owner must
146.4 be classified as class 1a property under subdivision 22;

146.5 (10) real property up to a maximum of three acres and operated as a restaurant as defined
146.6 under section 157.15, subdivision 12, provided it: (i) is located on a lake as defined under
146.7 section 103G.005, subdivision 15, paragraph (a), clause (3); and (ii) is either devoted to
146.8 commercial purposes for not more than 250 consecutive days, or receives at least 60 percent
146.9 of its annual gross receipts from business conducted during four consecutive months. Gross
146.10 receipts from the sale of alcoholic beverages must be included in determining the property's
146.11 qualification under item (ii). The property's primary business must be as a restaurant and
146.12 not as a bar. Gross receipts from gift shop sales located on the premises must be excluded.
146.13 Owners of real property desiring 4c classification under this clause must submit an annual
146.14 declaration to the assessor by February 1 of the current assessment year, based on the
146.15 property's relevant information for the preceding assessment year;

146.16 (11) lakeshore and riparian property and adjacent land, not to exceed six acres, used as
146.17 a marina, as defined in section 86A.20, subdivision 5, which is made accessible to the public
146.18 and devoted to recreational use for marina services. The marina owner must annually provide
146.19 evidence to the assessor that it provides services, including lake or river access to the public
146.20 by means of an access ramp or other facility that is either located on the property of the
146.21 marina or at a publicly owned site that abuts the property of the marina. No more than 800
146.22 feet of lakeshore may be included in this classification. Buildings used in conjunction with
146.23 a marina for marina services, including but not limited to buildings used to provide food
146.24 and beverage services, fuel, boat repairs, or the sale of bait or fishing tackle, are classified
146.25 as class 3a property; and

146.26 (12) real and personal property devoted to noncommercial temporary and seasonal
146.27 residential occupancy for recreation purposes.

146.28 Class 4c property has a classification rate of 1.5 percent of market value, except that (i)
146.29 each parcel of noncommercial seasonal residential recreational property under clause (12)
146.30 has the same classification rates as class 4bb property, (ii) manufactured home parks assessed
146.31 under clause (5), item (i), have the same classification rate as class 4b property, the market
146.32 value of manufactured home parks assessed under clause (5), item (ii), have a classification
146.33 rate of 0.75 percent if more than 50 percent of the lots in the park are occupied by
146.34 shareholders in the cooperative corporation or association and a classification rate of one
146.35 percent if 50 percent or less of the lots are so occupied, and class I manufactured home

147.1 parks as defined in section 327C.01, subdivision 13, have a classification rate of 1.0 percent,
147.2 (iii) commercial-use seasonal residential recreational property and marina recreational land
147.3 as described in clause (11), has a classification rate of one percent for the first \$500,000 of
147.4 market value, and 1.25 percent for the remaining market value, (iv) the market value of
147.5 property described in clause (4) has a classification rate of one percent, (v) the market value
147.6 of property described in clauses (2), (6), and (10) has a classification rate of 1.25 percent,
147.7 (vi) that portion of the market value of property in clause (9) qualifying for class 4c property
147.8 has a classification rate of 1.25 percent, and (vii) property qualifying for classification under
147.9 clause (3) that is owned or operated by a congressionally chartered veterans organization
147.10 has a classification rate of one percent. The commissioner of veterans affairs must provide
147.11 a list of congressionally chartered veterans organizations to the commissioner of revenue
147.12 by June 30, 2017, and by January 1, 2018, and each year thereafter.

147.13 (e) Class 4d property is qualifying low-income rental housing certified to the assessor
147.14 by the Housing Finance Agency under section 273.128, subdivision 3. If only a portion of
147.15 the units in the building qualify as low-income rental housing units as certified under section
147.16 273.128, subdivision 3, only the proportion of qualifying units to the total number of units
147.17 in the building qualify for class 4d. The remaining portion of the building shall be classified
147.18 by the assessor based upon its use. Class 4d also includes the same proportion of land as
147.19 the qualifying low-income rental housing units are to the total units in the building. For all
147.20 properties qualifying as class 4d, the market value determined by the assessor must be based
147.21 on the normal approach to value using normal unrestricted rents.

147.22 (f) The first tier of market value of class 4d property has a classification rate of 0.75
147.23 percent. The remaining value of class 4d property has a classification rate of 0.25 percent.
147.24 For the purposes of this paragraph, the "first tier of market value of class 4d property" means
147.25 the market value of each housing unit up to the first tier limit. For the purposes of this
147.26 paragraph, all class 4d property value must be assigned to individual housing units. The
147.27 first tier limit is \$100,000 for assessment year 2014. For subsequent years, the limit is
147.28 adjusted each year by the average statewide change in estimated market value of property
147.29 classified as class 4a and 4d under this section for the previous assessment year, excluding
147.30 valuation change due to new construction, rounded to the nearest \$1,000, provided, however,
147.31 that the limit may never be less than \$100,000. Beginning with assessment year 2015, the
147.32 commissioner of revenue must certify the limit for each assessment year by November 1
147.33 of the previous year.

147.34 **EFFECTIVE DATE.** Notwithstanding Minnesota Statutes, section 273.01, this section
147.35 is effective beginning with assessments in 2020 and thereafter.

148.1 Sec. 5. Minnesota Statutes 2019 Supplement, section 273.13, subdivision 34, is amended
148.2 to read:

148.3 Subd. 34. **Homestead of veteran with a disability or family caregiver.** (a) All or a
148.4 portion of the market value of property owned by a veteran and serving as the veteran's
148.5 homestead under this section is excluded in determining the property's taxable market value
148.6 if the veteran has a service-connected disability of 70 percent or more as certified by the
148.7 United States Department of Veterans Affairs. To qualify for exclusion under this subdivision,
148.8 the veteran must have been honorably discharged from the United States armed forces, as
148.9 indicated by United States Government Form DD214 or other official military discharge
148.10 papers.

148.11 (b)(1) For a disability rating of 70 percent or more, \$150,000 of market value is excluded,
148.12 except as provided in clause (2); and

148.13 (2) for a total (100 percent) and permanent disability, \$300,000 of market value is
148.14 excluded.

148.15 (c) If a veteran with a disability qualifying for a valuation exclusion under paragraph
148.16 (b), clause (2), predeceases the veteran's spouse, and if upon the death of the veteran the
148.17 spouse holds the legal or beneficial title to the homestead and permanently resides there,
148.18 the exclusion shall carry over to the benefit of the veteran's spouse until such time as the
148.19 spouse remarries, or sells, transfers, or otherwise disposes of the property, except as otherwise
148.20 provided in paragraph (n). Qualification under this paragraph requires an application under
148.21 paragraph (h), and a spouse must notify the assessor if there is a change in the spouse's
148.22 marital status, ownership of the property, or use of the property as a permanent residence.

148.23 (d) If the spouse of a member of any branch or unit of the United States armed forces
148.24 who dies due to a service-connected cause while serving honorably in active service, as
148.25 indicated on United States Government Form DD1300 or DD2064, holds the legal or
148.26 beneficial title to a homestead and permanently resides there, the spouse is entitled to the
148.27 benefit described in paragraph (b), clause (2), until such time as the spouse remarries or
148.28 sells, transfers, or otherwise disposes of the property, except as otherwise provided in
148.29 paragraph (n).

148.30 (e) If a veteran meets the disability criteria of paragraph (a) but does not own property
148.31 classified as homestead in the state of Minnesota, then the homestead of the veteran's primary
148.32 family caregiver, if any, is eligible for the exclusion that the veteran would otherwise qualify
148.33 for under paragraph (b).

149.1 (f) In the case of an agricultural homestead, only the portion of the property consisting
149.2 of the house and garage and immediately surrounding one acre of land qualifies for the
149.3 valuation exclusion under this subdivision.

149.4 (g) A property qualifying for a valuation exclusion under this subdivision is not eligible
149.5 for the market value exclusion under subdivision 35, or classification under subdivision 22,
149.6 paragraph (b).

149.7 (h) To qualify for a valuation exclusion under this subdivision a property owner must
149.8 apply to the assessor by December 15 of the first assessment year for which the exclusion
149.9 is sought. For an application received after December 15, the exclusion shall become effective
149.10 for the following assessment year. Except as provided in paragraph (c), the owner of a
149.11 property that has been accepted for a valuation exclusion must notify the assessor if there
149.12 is a change in ownership of the property or in the use of the property as a homestead.

149.13 (i) A first-time application by a qualifying spouse for the market value exclusion under
149.14 paragraph (d) must be made any time within two years of the death of the service member.

149.15 (j) For purposes of this subdivision:

149.16 (1) "active service" has the meaning given in section 190.05;

149.17 (2) "own" means that the person's name is present as an owner on the property deed;

149.18 (3) "primary family caregiver" means a person who is approved by the secretary of the
149.19 United States Department of Veterans Affairs for assistance as the primary provider of
149.20 personal care services for an eligible veteran under the Program of Comprehensive Assistance
149.21 for Family Caregivers, codified as United States Code, title 38, section 1720G; and

149.22 (4) "veteran" has the meaning given the term in section 197.447.

149.23 (k) If a veteran dying after December 31, 2011, did not apply for or receive the exclusion
149.24 under paragraph (b), clause (2), before dying, the veteran's spouse is entitled to the benefit
149.25 under paragraph (b), clause (2), until the spouse remarries or sells, transfers, or otherwise
149.26 disposes of the property, except as otherwise provided in paragraph (n), if:

149.27 (1) the spouse files a first-time application within two years of the death of the service
149.28 member or by June 1, 2019, whichever is later;

149.29 (2) upon the death of the veteran, the spouse holds the legal or beneficial title to the
149.30 homestead and permanently resides there;

149.31 (3) the veteran met the honorable discharge requirements of paragraph (a); and

149.32 (4) the United States Department of Veterans Affairs certifies that:

150.1 (i) the veteran met the total (100 percent) and permanent disability requirement under
150.2 paragraph (b), clause (2); or

150.3 (ii) the spouse has been awarded dependency and indemnity compensation.

150.4 (l) The purpose of this provision of law providing a level of homestead property tax
150.5 relief for veterans with a disability, their primary family caregivers, and their surviving
150.6 spouses is to help ease the burdens of war for those among our state's citizens who bear
150.7 those burdens most heavily.

150.8 (m) By July 1, the county veterans service officer must certify the disability rating and
150.9 permanent address of each veteran receiving the benefit under paragraph (b) to the assessor.

150.10 (n) A spouse who received the benefit in paragraph (c), (d), or (k) but no longer holds
150.11 the legal or beneficial title to the property may continue to receive the exclusion for a
150.12 property other than the property for which the exclusion was initially granted until the spouse
150.13 remarries or sells, transfers, or otherwise disposes of the property, provided that:

150.14 (1) the spouse applies under paragraph (h) for the continuation of the exclusion allowed
150.15 under this paragraph;

150.16 (2) the spouse holds the legal or beneficial title to the property for which the continuation
150.17 of the exclusion is sought under this paragraph, and permanently resides there;

150.18 (3) the estimated market value of the property for which the exclusion is sought under
150.19 this paragraph is less than or equal to the estimated market value of the property that first
150.20 received the exclusion, based on the value of each property on the date of the sale of the
150.21 property that first received the exclusion; and

150.22 (4) the spouse has not previously received the benefit under this paragraph for a property
150.23 other than the property for which the exclusion is sought.

150.24 **EFFECTIVE DATE.** This section is effective beginning with taxes payable in 2021.

150.25 **Sec. 6. 2019 AID PENALTY FORGIVENESS; ADDITIONAL FILING REQUIRED**
150.26 **IN 2020.**

150.27 (a) Notwithstanding Minnesota Statutes, section 477A.017, subdivision 3, the
150.28 commissioner of revenue shall make a payment of \$9,280 to the city of Sargeant by August
150.29 31, 2020, to compensate the city for its 2019 aid payment under Minnesota Statutes, section
150.30 477A.013, that was withheld under Minnesota Statutes, section 477A.017, subdivision 3.

150.31 (b) The second half of the calendar year 2020 aid payment to the city under Minnesota
150.32 Statutes, section 477A.013, will be withheld until the state auditor certifies to the

151.1 commissioner of revenue that the city has complied with all reporting requirements under
151.2 Minnesota Statutes, section 477A.017, subdivision 3, for calendar years 2018 and 2019.
151.3 The commissioner of revenue must make the second payment for calendar year 2020 within
151.4 one month of receiving this certification from the state auditor. If the city has not complied
151.5 with all reporting requirements under Minnesota Statutes, section 477A.017, subdivision
151.6 3, for calendar years 2018 and 2019 by December 1, 2020, the city will receive no second
151.7 half aid payment under Minnesota Statutes, section 477A.013, for calendar year 2020.

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

151.9 Sec. 7. **2019 AID PENALTY FORGIVENESS.**

151.10 Notwithstanding Minnesota Statutes, section 477A.017, subdivision 3, the city of
151.11 Roosevelt shall receive its aid payment for calendar year 2019 under Minnesota Statutes,
151.12 section 477A.013, that was withheld under Minnesota Statutes, section 477A.017, subdivision
151.13 3, provided that the state auditor certifies to the commissioner of revenue that the state
151.14 auditor received the annual financial reporting form for 2018 from the city as well as all
151.15 forms, including the financial statement and annual financial reporting form for calendar
151.16 year 2019 by August 1, 2020. The commissioner of revenue shall make a payment of \$25,410
151.17 by August 30, 2020.

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

151.19 Sec. 8. **SCHOOL BUILDING EFFICIENCIES; DULUTH SCHOOL DISTRICT.**

151.20 Subdivision 1. **Plan.** (a) Independent School District No. 709, Duluth, must develop a
151.21 plan to sell Historic Old Central High School to another party. The plan must document the
151.22 current operating costs of the facility, the expected maintenance costs for the facility over
151.23 the next 20 years, and describe the alternatives for the programs and staff currently located
151.24 at Historic Old Central High School.

151.25 (b) The plan must also document potential building projects, which may include:

151.26 (1) constructing or acquiring new administrative space;

151.27 (2) adding transportation maintenance and bus storage facilities;

151.28 (3) improving roads and infrastructure; and

151.29 (4) preparing sites for building or demolishing the Duluth Central High School facility
151.30 constructed in 1971.

152.1 (c) The plan must be submitted by the school board to the commissioner of education
152.2 after the hearing required in subdivision 2.

152.3 (d) The commissioner must examine the plan, and if the commissioner concludes that
152.4 the plan will yield financial, student, and staff efficiencies for the district, approve the plan.

152.5 Subd. 2. **Public hearing.** At least 30 days prior to submitting the projects listed in the
152.6 plan developed under subdivision 1 for review and comment, the school board must hold
152.7 a public hearing on the plan and the building projects. The school board must allow public
152.8 testimony on the proposal.

152.9 Subd. 3. **Review and comment.** The district must submit the projects included in the
152.10 plan to the commissioner of education for review and comment under Minnesota Statutes,
152.11 section 123B.71.

152.12 Subd. 4. **Bond authorization.** (a) Independent School District No. 709, Duluth, may
152.13 issue general obligation bonds in an amount not to exceed \$31,500,000 under this section
152.14 to finance the school facility plan approved by the district and the commissioner of education
152.15 under subdivision 1. The district must comply with Minnesota Statutes, chapter 475, except
152.16 Minnesota Statutes, sections 475.58 and 475.59. The authority to issue bonds under this
152.17 section is in addition to any other bonding authority granted to the district.

152.18 (b) At least 20 days before the issuance of bonds or the final certification of levies under
152.19 this section, the district must publish notice of the intended projects, the amount of the bonds
152.20 to be issued, and the total amount of the district's debt.

152.21 (c) The debt service required by the bonds issued is debt service revenue under Minnesota
152.22 Statutes, section 123B.53.

152.23 Subd. 5. **Long-term facilities maintenance revenue.** The commissioner of education
152.24 must ensure that the district's long-term facilities maintenance plan under Minnesota Statutes,
152.25 section 123B.595, reflects the savings outlined in the plan developed in subdivision 1.

152.26 Subd. 6. **Report.** On February 15 of each even-numbered year, Independent School
152.27 District No. 709, Duluth, must submit a report on the outcomes and efficiencies achieved
152.28 under this section to the commissioner of education and to the chairs and ranking minority
152.29 members of the legislative committees having jurisdiction over education finance.

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

153.1

ARTICLE 7

153.2

INDIVIDUAL INCOME AND CORPORATE FRANCHISE TAXES

153.3 Section 1. Minnesota Statutes 2018, section 290.0131, subdivision 10, is amended to read:

153.4 Subd. 10. **Section 179 expensing.** (a) For property placed in service in taxable years
153.5 beginning before January 1, 2020, except for qualifying depreciable property, 80 percent
153.6 of the amount by which the deduction allowed under the dollar limits of section 179 of the
153.7 Internal Revenue Code exceeds the deduction allowable by section 179 of the Internal
153.8 Revenue Code, as amended through December 31, 2003, is an addition.

153.9 (b) For purposes of this subdivision, "qualifying depreciable property" means:

153.10 (1) property for which a depreciation deduction is allowed under section 167 of the
153.11 Internal Revenue Code; and

153.12 (2) property received as part of an exchange that qualifies for gain or loss recognition
153.13 deferral under section 1031 of the Internal Revenue Code of 1986, as amended through
153.14 December 16, 2016, but that does not qualify for gain or loss recognition deferral under
153.15 section 1031 of the Internal Revenue Code of 1986, as amended through December 31,
153.16 2018.

153.17 **EFFECTIVE DATE.** This section is effective for property placed in service in taxable
153.18 years beginning after December 31, 2019, except that for taxpayers with qualifying
153.19 depreciable property, this section is effective retroactively and applies to the same tax periods
153.20 to which section 13303 of Public Law 115-97 relates.

153.21 Sec. 2. Minnesota Statutes 2018, section 290.0132, is amended by adding a subdivision
153.22 to read:

153.23 Subd. 30. **Volunteer driver reimbursement.** (a) The amount of mileage reimbursement
153.24 paid by a charitable organization for work as a volunteer driver is a subtraction. The
153.25 subtraction is limited to amounts paid per mile by the organization that:

153.26 (1) exceed the mileage rate for use of an automobile in rendering gratuitous services to
153.27 a charitable organization under section 170(i) of the Internal Revenue Code; and

153.28 (2) do not exceed the standard mileage rate for businesses established under Code of
153.29 Federal Regulations, title 26, section 1.274-5(j)(2).

153.30 (b) For the purposes of this section, "charitable organization" means an organization
153.31 eligible for a charitable contribution under section 170(c) of the Internal Revenue Code.

154.1 (c) This section expires for taxable years beginning after December 31, 2029.

154.2 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December
154.3 31, 2019, and before January 1, 2030.

154.4 Sec. 3. Minnesota Statutes 2018, section 290.0133, subdivision 12, is amended to read:

154.5 Subd. 12. **Section 179 expensing.** (a) For property placed in service in taxable years
154.6 beginning before January 1, 2020, except for qualifying depreciable property, 80 percent
154.7 of the amount by which the deduction allowed under the dollar limits of section 179 of the
154.8 Internal Revenue Code exceeds the deduction allowable by section 179 of the Internal
154.9 Revenue Code, as amended through December 31, 2003, is an addition.

154.10 (b) For purposes of this subdivision, "qualifying depreciable property" means:

154.11 (1) property for which a depreciation deduction is allowed under section 167 of the
154.12 Internal Revenue Code; and

154.13 (2) property received as part of an exchange that qualifies for gain or loss recognition
154.14 deferral under section 1031 of the Internal Revenue Code of 1986, as amended through
154.15 December 16, 2016, but that does not qualify for gain or loss recognition deferral under
154.16 section 1031 of the Internal Revenue Code of 1986, as amended through December 31,
154.17 2018.

154.18 **EFFECTIVE DATE.** This section is effective for property placed in service in taxable
154.19 years beginning after December 31, 2019, except that for taxpayers with qualifying
154.20 depreciable property, this section is effective retroactively and applies to the same tax periods
154.21 to which section 13303 of Public Law 115-97 relates.

154.22 Sec. 4. Minnesota Statutes 2018, section 290.0682, subdivision 2, is amended to read:

154.23 Subd. 2. **Credit allowed; refundable; appropriation.** (a) An eligible individual is
154.24 allowed a credit against the tax due under this chapter.

154.25 (b) The credit for an eligible individual equals the least of:

154.26 (1) eligible loan payments minus ten percent of an amount equal to adjusted gross income
154.27 in excess of \$10,000, but in no case less than zero;

154.28 (2) the earned income for the taxable year of the eligible individual, if any;

154.29 (3) the sum of:

154.30 (i) the interest portion of eligible loan payments made during the taxable year; and

155.1 (ii) ten percent of the original loan amount of all qualified education loans of the eligible
155.2 individual; or

155.3 (4) \$500.

155.4 (c) For a part-year resident, the credit must be allocated based on the percentage calculated
155.5 under section 290.06, subdivision 2c, paragraph (e).

155.6 (d) In the case of a married couple, each spouse is eligible for the credit in this section.

155.7 (e) If the amount of credit which a claimant is eligible to receive under this section
155.8 exceeds the claimant's tax liability under this chapter, the commissioner shall refund the
155.9 excess to the claimant.

155.10 (f) An amount sufficient to pay the refunds required by this section is appropriated to
155.11 the commissioner from the general fund.

155.12 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December
155.13 31, 2020.

155.14 Sec. 5. Minnesota Statutes 2019 Supplement, section 290.993, is amended to read:

155.15 **290.993 SPECIAL LIMITED ADJUSTMENT.**

155.16 (a) For an individual income taxpayer subject to tax under section 290.06, subdivision
155.17 2c, or a partnership that elects to file a composite return under section 289A.08, subdivision
155.18 7, for taxable years beginning after December 31, 2017, and before January 1, 2019, the
155.19 following special rules apply:

155.20 (1) an individual income taxpayer may: (i) take the standard deduction; or (ii) make an
155.21 election under section 63(e) of the Internal Revenue Code to itemize, for Minnesota individual
155.22 income tax purposes, regardless of the choice made on their federal return; and

155.23 (2) there is an adjustment to tax equal to the difference between the tax calculated under
155.24 this chapter using the Internal Revenue Code as amended through December 16, 2016, and
155.25 the tax calculated under this chapter using the Internal Revenue Code amended through
155.26 December 31, 2018, before the application of credits. The end result must be zero additional
155.27 tax due or refund.

155.28 (b) The adjustment in paragraph (a), clause (2), does not apply to any changes due to
155.29 sections 11012, 11031, 13101, 13201, 13202, 13203, 13204, 13205, 13207, 13301, 13302,
155.30 13303, 13313, 13502, 13503, 13801, 14101, 14102, 14211 through 14215, and 14501 of
155.31 Public Law 115-97; and section 40411 of Public Law 115-123.

156.1 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning
156.2 after December 31, 2017, and before January 1, 2019.

156.3 Sec. 6. **SECTION 179 EXPENSING; SUBTRACTIONS.**

156.4 No taxpayer with qualifying depreciable property is allowed a subtraction in computing
156.5 the taxpayer's net income for that qualifying depreciable property placed in service in taxable
156.6 years beginning after December 31, 2017, due to the retroactive exception for qualifying
156.7 depreciable property from the additions required under Minnesota Statutes, sections 290.0131,
156.8 subdivision 10, and 290.0133, subdivision 12. A taxpayer who claimed a subtraction under
156.9 Minnesota Statutes, section 290.0132, subdivision 14, or 290.0134, subdivision 14, for that
156.10 qualifying depreciable property must recompute the taxpayer's tax in the year in which the
156.11 qualifying depreciable property was placed in service and in each year a subtraction was
156.12 claimed.

156.13 **EFFECTIVE DATE.** This section is effective retroactively and applies to the same tax
156.14 periods to which section 13303 of Public Law 115-97 relates.

156.15 **ARTICLE 8**

156.16 **SALES AND USE TAXES**

156.17 Section 1. Minnesota Statutes 2018, section 297A.70, subdivision 13, is amended to read:

156.18 Subd. 13. **Fund-raising sales by or for nonprofit groups.** (a) The following sales by
156.19 the specified organizations for fund-raising purposes are exempt, subject to the limitations
156.20 listed in paragraph (b):

156.21 (1) all sales made by a nonprofit organization that exists solely for the purpose of
156.22 providing educational or social activities for young people primarily age 18 and under;

156.23 (2) all sales made by an organization that is a senior citizen group or association of
156.24 groups if (i) in general it limits membership to persons age 55 or older; (ii) it is organized
156.25 and operated exclusively for pleasure, recreation, and other nonprofit purposes; and (iii) no
156.26 part of its net earnings inures to the benefit of any private shareholders;

156.27 (3) the sale or use of tickets or admissions to a golf tournament held in Minnesota if the
156.28 beneficiary of the tournament's net proceeds qualifies as a tax-exempt organization under
156.29 section 501(c)(3) of the Internal Revenue Code; and

156.30 (4) sales of candy sold for fund-raising purposes by a nonprofit organization that provides
156.31 educational and social activities primarily for young people age 18 and under.

157.1 (b) The exemptions listed in paragraph (a) are limited in the following manner:

157.2 (1) the exemption under paragraph (a), clauses (1) and (2), applies only to the first
157.3 \$20,000 of the gross annual receipts of the organization from fund-raising; ~~and~~

157.4 (2) the exemption under paragraph (a), clause (1), does not apply if the sales are derived
157.5 from admission charges or from activities for which the money must be deposited with the
157.6 school district treasurer under section 123B.49, subdivision 2, ~~or~~; and

157.7 (3) the exemption under paragraph (a), clause (1), does not apply if the sales are derived
157.8 from admission charges or from activities for which the money must be recorded in the
157.9 same manner as other revenues or expenditures of the school district under section 123B.49,
157.10 subdivision 4-, unless the following conditions are both met:

157.11 (i) the sales are made for fund-raising purposes of a club, association, or other
157.12 organization of elementary or secondary school students organized for the purpose of
157.13 carrying on sports activities, educational activities, or other extracurricular activities; and

157.14 (ii) the school district reserves revenue raised for extracurricular activities, as provided
157.15 in section 123B.49, subdivision 4, paragraph (e), and spends the revenue raised by a particular
157.16 extracurricular activity only for that extracurricular activity.

157.17 (c) Sales of tangible personal property and services are exempt if the entire proceeds,
157.18 less the necessary expenses for obtaining the property or services, will be contributed to a
157.19 registered combined charitable organization described in section 43A.50, to be used
157.20 exclusively for charitable, religious, or educational purposes, and the registered combined
157.21 charitable organization has given its written permission for the sale. Sales that occur over
157.22 a period of more than 24 days per year are not exempt under this paragraph.

157.23 (d) For purposes of this subdivision, a club, association, or other organization of
157.24 elementary or secondary school students organized for the purpose of carrying on sports,
157.25 educational, or other extracurricular activities is a separate organization from the school
157.26 district or school for purposes of applying the \$20,000 limit.

157.27 **EFFECTIVE DATE.** This section is effective for sales and purchases made after the
157.28 date of final enactment.

158.1 Sec. 2. Minnesota Statutes 2019 Supplement, section 297A.71, subdivision 52, is amended
158.2 to read:

158.3 Subd. 52. **Construction; certain local government facilities.** (a) Materials and supplies
158.4 used in and equipment incorporated into the construction, reconstruction, upgrade, expansion,
158.5 or remodeling of the following local government owned facilities are exempt:

158.6 (1) a new fire station, which includes firefighting, emergency management, public safety
158.7 training, and other public safety facilities in the city of Monticello if materials, supplies,
158.8 and equipment are purchased after January 31, 2019, and before January 1, 2022;

158.9 (2) a new fire station, which includes firefighting and public safety training facilities
158.10 and public safety facilities, in the city of Inver Grove Heights if materials, supplies, and
158.11 equipment are purchased after June 30, 2018, and before January 1, 2021;

158.12 (3) a fire station and police station, including access roads, lighting, sidewalks, and
158.13 utility components, on or adjacent to the property on which the fire station or police station
158.14 are located that are necessary for safe access to and use of those buildings, in the city of
158.15 Minnetonka if materials, supplies, and equipment are purchased after May 23, 2019, and
158.16 before January 1, ~~2021~~ 2022;

158.17 (4) the school building in Independent School District No. 414, Minneota, if materials,
158.18 supplies, and equipment are purchased after January 1, 2018, and before January 1, 2021;

158.19 (5) a fire station in the city of Mendota Heights, if materials, supplies, and equipment
158.20 are purchased after December 31, 2018, and before January 1, 2021; ~~and~~

158.21 (6) a Dakota County law enforcement collaboration center, also known as the Safety
158.22 and Mental Health Alternative Response Training (SMART) Center, if materials, supplies,
158.23 and equipment are purchased after June 30, 2019, and before July 1, 2021;

158.24 (7) a new fire station and emergency management operations center, including on-site
158.25 infrastructure improvements of parking lot, road access, lighting, sidewalks, and utility
158.26 components in the city of Maplewood if materials, supplies, and equipment are purchased
158.27 after September 30, 2020, and before April 1, 2023;

158.28 (8) a new police station, which includes police administration, meeting, training, and
158.29 short-term detention facilities in the city of Crystal, if materials, supplies, and equipment
158.30 are purchased after December 31, 2020, and before January 1, 2024;

158.31 (9) a new fire station, which includes firefighting, emergency management, public safety
158.32 training, and other public safety facilities in the city of Buffalo, if materials, supplies, and
158.33 equipment are purchased after April 30, 2020, and before November 1, 2021;

159.1 (10) a new fire station in the city of Grand Rapids, if materials, supplies, and equipment
159.2 are purchased after July 31, 2020, and before August 1, 2022;

159.3 (11) a new fire station constructed on the site of a previous fire station in the city of
159.4 Bloomington, if materials, supplies, and equipment are purchased after December 31, 2020,
159.5 and before January 1, 2023;

159.6 (12) a fire station in the city of St. Peter if materials, supplies, and equipment are
159.7 purchased after June 30, 2020, and before March 1, 2022;

159.8 (13) demolition and replacement of the existing Fire Station No. 2 on its existing site
159.9 and renovation and expansion of Fire Station No. 3, both in the city of Plymouth, if materials,
159.10 supplies, and equipment are purchased after January 1, 2021, and before March 31, 2023;
159.11 and

159.12 (14) a regional public safety center and training facility in the city of Virginia for fire
159.13 and police departments, emergency medical services, regional emergency services training,
159.14 and other regional community needs, if materials, supplies, and equipment are purchased
159.15 after May 1, 2021, and before May 1, 2023.

159.16 (b) The tax must be imposed and collected as if the rate under section 297A.62,
159.17 subdivision 1, applied and then refunded in the manner provided in section 297A.75.

159.18 (c) The total refund for the project listed in paragraph (a), clause (3), must not exceed
159.19 \$850,000.

159.20 **EFFECTIVE DATE.** This section is effective retroactively from May 1, 2020.

159.21 **Sec. 3. STATE HIGH SCHOOL LEAGUE; FUNDING FLEXIBILITY.**

159.22 Notwithstanding Minnesota Statutes, section 128C.24, the Minnesota State High School
159.23 League may reduce the transfer of sales tax savings to a nonprofit charitable foundation
159.24 created for the purpose of promoting high school extracurricular activities by up to \$500,000
159.25 in total over the 2019-2020 and 2020-2021 school years. Any sales tax savings amounts
159.26 not transferred must be used for operations of the Minnesota State High School League.

159.27 **EFFECTIVE DATE.** This section is effective the day following final enactment and
159.28 applies retroactively to sales tax savings in the 2019-2020 and 2020-2021 school years.

160.1

ARTICLE 9

160.2

PARTNERSHIP AUDITS

160.3 Section 1. Minnesota Statutes 2018, section 270C.445, subdivision 6, is amended to read:

160.4 Subd. 6. **Enforcement; administrative order; penalties; cease and desist.** (a) The
160.5 commissioner may impose an administrative penalty of not more than \$1,000 per violation
160.6 of subdivision 3 or 5, or section 270C.4451, provided that a penalty may not be imposed
160.7 for any conduct for which a tax preparer penalty is imposed under section 289A.60,
160.8 subdivision 13. The commissioner may terminate a tax preparer's authority to transmit
160.9 returns electronically to the state, if the commissioner determines the tax preparer engaged
160.10 in a pattern and practice of violating this section. Imposition of a penalty under this paragraph
160.11 is subject to the contested case procedure under chapter 14. The commissioner shall collect
160.12 the penalty in the same manner as the income tax. There is no right to make a claim for
160.13 refund under section 289A.50 of the penalty imposed under this paragraph. Penalties imposed
160.14 under this paragraph are public data.

160.15 (b) In addition to the penalty under paragraph (a), if the commissioner determines that
160.16 a tax preparer has violated subdivision 3 or 5, or section 270C.4451, the commissioner may
160.17 issue an administrative order to the tax preparer requiring the tax preparer to cease and
160.18 desist from committing the violation. The administrative order may include an administrative
160.19 penalty provided in paragraph (a).

160.20 (c) If the commissioner issues an administrative order under paragraph (b), the
160.21 commissioner must send the order to the tax preparer addressed to the last known address
160.22 of the tax preparer.

160.23 (d) A cease and desist order under paragraph (b) must:

160.24 (1) describe the act, conduct, or practice committed and include a reference to the law
160.25 that the act, conduct, or practice violates; and

160.26 (2) provide notice that the tax preparer may request a hearing as provided in this
160.27 subdivision.

160.28 (e) Within 30 days after the commissioner issues an administrative order under paragraph
160.29 (b), the tax preparer may request a hearing to review the commissioner's action. The request
160.30 for hearing must be made in writing and must be served on the commissioner at the address
160.31 specified in the order. The hearing request must specifically state the reasons for seeking
160.32 review of the order. The date on which a request for hearing is served by mail is the postmark
160.33 date on the envelope in which the request for hearing is mailed.

161.1 (f) If a tax preparer does not timely request a hearing regarding an administrative order
161.2 issued under paragraph (b), the order becomes a final order of the commissioner and is not
161.3 subject to review by any court or agency.

161.4 (g) If a tax preparer timely requests a hearing regarding an administrative order issued
161.5 under paragraph (b), the hearing must be commenced within ten days after the commissioner
161.6 receives the request for a hearing.

161.7 (h) A hearing timely requested under paragraph (e) is subject to the contested case
161.8 procedure under chapter 14, as modified by this subdivision. The administrative law judge
161.9 must issue a report containing findings of fact, conclusions of law, and a recommended
161.10 order within ten days after the completion of the hearing, the receipt of late-filed exhibits,
161.11 or the submission of written arguments, whichever is later.

161.12 (i) Within five days of the date of the administrative law judge's report issued under
161.13 paragraph (h), any party aggrieved by the administrative law judge's report may submit
161.14 written exceptions and arguments to the commissioner. Within 15 days after receiving the
161.15 administrative law judge's report, the commissioner must issue an order vacating, modifying,
161.16 or making final the administrative order.

161.17 (j) The commissioner and the tax preparer requesting a hearing may by agreement
161.18 lengthen any time periods prescribed in paragraphs (g) to (i).

161.19 (k) An administrative order issued under paragraph (b) is in effect until it is modified
161.20 or vacated by the commissioner or an appellate court. The administrative hearing provided
161.21 by paragraphs (e) to (i) and any appellate judicial review as provided in chapter 14 constitute
161.22 the exclusive remedy for a tax preparer aggrieved by the order.

161.23 (l) The commissioner may impose an administrative penalty, in addition to the penalty
161.24 under paragraph (a), up to \$5,000 per violation of a cease and desist order issued under
161.25 paragraph (b). Imposition of a penalty under this paragraph is subject to the contested case
161.26 procedure under chapter 14. Within 30 days after the commissioner imposes a penalty under
161.27 this paragraph, the tax preparer assessed the penalty may request a hearing to review the
161.28 penalty order. The request for hearing must be made in writing and must be served on the
161.29 commissioner at the address specified in the order. The hearing request must specifically
161.30 state the reasons for seeking review of the order. The cease and desist order issued under
161.31 paragraph (b) is not subject to review in a proceeding to challenge the penalty order under
161.32 this paragraph. The date on which a request for hearing is served by mail is the postmark
161.33 date on the envelope in which the request for hearing is mailed. If the tax preparer does not
161.34 timely request a hearing, the penalty order becomes a final order of the commissioner and

162.1 is not subject to review by any court or agency. A penalty imposed by the commissioner
162.2 under this paragraph may be collected and enforced by the commissioner as an income tax
162.3 liability. There is no right to make a claim for refund under section 289A.50 of the penalty
162.4 imposed under this paragraph. A penalty imposed under this paragraph is public data.

162.5 (m) If a tax preparer violates a cease and desist order issued under paragraph (b), the
162.6 commissioner may terminate the tax preparer's authority to transmit returns electronically
162.7 to the state. Termination under this paragraph is public data.

162.8 (n) A cease and desist order issued under paragraph (b) is public data when it is a final
162.9 order.

162.10 (o) Notwithstanding any other law, the commissioner may impose a penalty or take other
162.11 action under this subdivision against a tax preparer, with respect to a return, within the
162.12 period to assess tax on that return as provided by ~~section~~ sections 289A.38 to 289A.382.

162.13 (p) Notwithstanding any other law, the imposition of a penalty or any other action against
162.14 a tax preparer under this subdivision, other than with respect to a return, must be taken by
162.15 the commissioner within five years of the violation of statute.

162.16 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning
162.17 after December 31, 2017, except that for partnerships that make an election under Code of
162.18 Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively
162.19 and applies to the same tax periods to which the election relates.

162.20 Sec. 2. Minnesota Statutes 2018, section 289A.31, subdivision 1, is amended to read:

162.21 Subdivision 1. **Individual income, fiduciary income, mining company, corporate**
162.22 **franchise, and entertainment taxes.** (a) Individual income, fiduciary income, mining
162.23 company, and corporate franchise taxes, and interest and penalties, must be paid by the
162.24 taxpayer upon whom the tax is imposed, except in the following cases:

162.25 (1) the tax due from a decedent for that part of the taxable year in which the decedent
162.26 died during which the decedent was alive and the taxes, interest, and penalty due for the
162.27 prior years must be paid by the decedent's personal representative, if any. If there is no
162.28 personal representative, the taxes, interest, and penalty must be paid by the transferees, as
162.29 defined in section 270C.58, subdivision 3, to the extent they receive property from the
162.30 decedent;

162.31 (2) the tax due from an infant or other incompetent person must be paid by the person's
162.32 guardian or other person authorized or permitted by law to act for the person;

163.1 (3) the tax due from the estate of a decedent must be paid by the estate's personal
163.2 representative;

163.3 (4) the tax due from a trust, including those within the definition of a corporation, as
163.4 defined in section 290.01, subdivision 4, must be paid by a trustee; and

163.5 (5) the tax due from a taxpayer whose business or property is in charge of a receiver,
163.6 trustee in bankruptcy, assignee, or other conservator, must be paid by the person in charge
163.7 of the business or property so far as the tax is due to the income from the business or property.

163.8 (b) Entertainment taxes are the joint and several liability of the entertainer and the
163.9 entertainment entity. The payor is liable to the state for the payment of the tax required to
163.10 be deducted and withheld under section 290.9201, subdivision 7, and is not liable to the
163.11 entertainer for the amount of the payment.

163.12 (c) The taxes imposed under sections 289A.35, paragraph (b), 289A.382, subdivision
163.13 3, and 290.0922 on partnerships are the joint and several liability of the partnership and the
163.14 general partners.

163.15 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning
163.16 after December 31, 2017, except that for partnerships that make an election under Code of
163.17 Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively
163.18 and applies to the same tax periods to which the election relates.

163.19 Sec. 3. Minnesota Statutes 2018, section 289A.37, subdivision 2, is amended to read:

163.20 Subd. 2. **Erroneous refunds.** (a) Except as provided in paragraph (b), an erroneous
163.21 refund occurs when the commissioner issues a payment to a person that exceeds the amount
163.22 the person is entitled to receive under law. An erroneous refund is considered an
163.23 underpayment of tax on the date issued.

163.24 (b) To the extent that the amount paid does not exceed the amount claimed by the
163.25 taxpayer, an erroneous refund does not include the following:

163.26 (1) any amount of a refund or credit paid pursuant to a claim for refund filed by a
163.27 taxpayer, including but not limited to refunds of claims made under section 290.06,
163.28 subdivision 23; 290.067; 290.0671; 290.0672; 290.0674; 290.0675; 290.0677; 290.068;
163.29 290.0681; or 290.0692; or chapter 290A; or

163.30 (2) any amount paid pursuant to a claim for refund of an overpayment of tax filed by a
163.31 taxpayer.

164.1 (c) The commissioner may make an assessment to recover an erroneous refund at any
164.2 time within two years from the issuance of the erroneous refund. If all or part of the erroneous
164.3 refund was induced by fraud or misrepresentation of a material fact, the assessment may
164.4 be made at any time.

164.5 (d) Assessments of amounts that are not erroneous refunds under paragraph (b) must be
164.6 conducted under ~~section~~ sections 289A.38 to 289A.382.

164.7 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning
164.8 after December 31, 2017, except that for partnerships that make an election under Code of
164.9 Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively
164.10 and applies to the same tax periods to which the election relates.

164.11 Sec. 4. Minnesota Statutes 2019 Supplement, section 289A.38, subdivision 7, is amended
164.12 to read:

164.13 Subd. 7. **Federal tax changes.** (a) If the amount of income, items of tax preference,
164.14 deductions, or credits for any year of a taxpayer, or the wages paid by a taxpayer for any
164.15 period, as reported to the Internal Revenue Service is changed or corrected by the
164.16 commissioner of Internal Revenue or other officer of the United States or other competent
164.17 authority, or where a renegotiation of a contract or subcontract with the United States results
164.18 in a change in income, items of tax preference, deductions, credits, or withholding tax, or,
164.19 in the case of estate tax, where there are adjustments to the taxable estate, the taxpayer shall
164.20 report the ~~change or correction or renegotiation results~~ federal adjustments in writing to the
164.21 commissioner. The federal adjustments report must be submitted within 180 days after the
164.22 final determination date and must be in the form of either an amended Minnesota estate,
164.23 withholding tax, corporate franchise tax, or income tax return conceding the accuracy of
164.24 the federal ~~determination~~ adjustment or a letter detailing how the federal ~~determination~~
164.25 adjustment is incorrect or does not change the Minnesota tax. An amended Minnesota
164.26 income tax return must be accompanied by an amended property tax refund return, if
164.27 necessary. A taxpayer filing an amended federal tax return must also file a copy of the
164.28 amended return with the commissioner of revenue within 180 days after filing the amended
164.29 return.

164.30 (b) ~~For the purposes of paragraph (a), a change or correction includes any case where a~~
164.31 ~~taxpayer reaches a closing agreement or compromise with the Internal Revenue Service~~
164.32 ~~under section 7121 or 7122 of the Internal Revenue Code.~~ In the case of a final federal
164.33 adjustment arising from a partnership-level audit or an administrative adjustment request

165.1 filed by a partnership under section 6227 of the Internal Revenue Code, a taxpayer must
165.2 report adjustments as provided for under section 289A.382 and not this section.

165.3 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning
165.4 after December 31, 2017, except that for partnerships that make an election under Code of
165.5 Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively
165.6 and applies to the same tax periods to which the election relates.

165.7 Sec. 5. Minnesota Statutes 2018, section 289A.38, subdivision 8, is amended to read:

165.8 Subd. 8. **Failure to report change or correction of federal return.** If a taxpayer fails
165.9 to make a federal adjustments report as required by subdivision 7 or section 289A.382, the
165.10 commissioner may recompute the tax, including a refund, based on information available
165.11 to the commissioner. The tax may be recomputed within six years after the federal
165.12 adjustments report should have been filed, notwithstanding any period of limitations to the
165.13 contrary.

165.14 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning
165.15 after December 31, 2017, except that for partnerships that make an election under Code of
165.16 Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively
165.17 and applies to the same tax periods to which the election relates.

165.18 Sec. 6. Minnesota Statutes 2018, section 289A.38, subdivision 9, is amended to read:

165.19 Subd. 9. **Report made of change or correction of federal return.** If a taxpayer is
165.20 required to make a federal adjustments report under subdivision 7 or section 289A.382, and
165.21 does report the change or files a copy of the amended return, the commissioner may
165.22 recompute and reassess the tax due, including a refund (1) within one year after the federal
165.23 adjustments report or amended return is filed with the commissioner, notwithstanding any
165.24 period of limitations to the contrary, or (2) within any other applicable period stated in this
165.25 section, whichever period is longer. The period provided for the carryback of any amount
165.26 of loss or credit is also extended as provided in this subdivision, notwithstanding any law
165.27 to the contrary. If the commissioner has completed a field audit of the taxpayer, and, but
165.28 for this subdivision, the commissioner's time period to adjust the tax has expired, the
165.29 additional tax due or refund is limited to only those changes that are required to be made
165.30 to the return which relate to the changes made on the federal return. This subdivision does
165.31 not apply to sales and use tax.

165.32 For purposes of this subdivision and section 289A.42, subdivision 2, a "field audit" is
165.33 the physical presence of examiners in the taxpayer's or taxpayer's representative's office

166.1 conducting an examination of the taxpayer with the intention of issuing an assessment or
166.2 notice of change in tax or which results in the issuing of an assessment or notice of change
166.3 in tax. The examination may include inspecting a taxpayer's place of business, tangible
166.4 personal property, equipment, computer systems and facilities, pertinent books, records,
166.5 papers, vouchers, computer printouts, accounts, and documents.

166.6 A taxpayer may make estimated payments to the commissioner of the tax expected to
166.7 result from a pending audit by the Internal Revenue Service. The taxpayer may make
166.8 estimated payments prior to the due date of the federal adjustments report without the
166.9 taxpayer having to file the report with the commissioner. The commissioner must credit the
166.10 estimated tax payments against any tax liability of the taxpayer ultimately found to be due
166.11 to the commissioner. The estimated payments limit the accrual of further statutory interest
166.12 on that amount. If the estimated tax payments exceed the final tax liability and statutory
166.13 interest ultimately determined to be due, the taxpayer is entitled to a refund or credit for the
166.14 excess, provided the taxpayer files a federal adjustments report or claim for refund or credit
166.15 of tax, no later than one year following the final determination date.

166.16 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning
166.17 after December 31, 2017, except that for partnerships that make an election under Code of
166.18 Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively
166.19 and applies to the same tax periods to which the election relates.

166.20 Sec. 7. Minnesota Statutes 2018, section 289A.38, subdivision 10, is amended to read:

166.21 Subd. 10. **Incorrect determination of federal adjusted gross income.** Notwithstanding
166.22 any other provision of this chapter, if a taxpayer whose net income is determined under
166.23 section 290.01, subdivision 19, omits from income an amount that will under the Internal
166.24 Revenue Code extend the statute of limitations for the assessment of federal income taxes,
166.25 or otherwise incorrectly determines the taxpayer's federal adjusted gross income resulting
166.26 in adjustments by the Internal Revenue Service, then the period of assessment and
166.27 determination of tax will be that under the Internal Revenue Code. When a change is made
166.28 to federal income during the extended time provided under this subdivision, the provisions
166.29 under subdivisions 7 to 9 and section 289A.382 regarding additional extensions apply.

166.30 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning
166.31 after December 31, 2017, except that for partnerships that make an election under Code of
166.32 Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively
166.33 and applies to the same tax periods to which the election relates.

167.1 Sec. 8. **[289A.381] DEFINITIONS; PARTNERSHIPS; FEDERAL ADJUSTMENTS.**

167.2 **Subdivision 1. Definitions relating to federal adjustments.** Unless otherwise specified,
167.3 the definitions in this section apply for the purposes of sections 289A.38, subdivisions 7 to
167.4 9, 289A.381, and 289A.382.

167.5 **Subd. 2. Administrative adjustment request.** "Administrative adjustment request"
167.6 means an administrative adjustment request filed by a partnership under section 6227 of
167.7 the Internal Revenue Code.

167.8 **Subd. 3. Audited partnership.** "Audited partnership" means a partnership subject to a
167.9 federal adjustment resulting from a partnership-level audit.

167.10 **Subd. 4. Corporate partner.** "Corporate partner" means a partner that is subject to tax
167.11 under section 290.02.

167.12 **Subd. 5. Direct partner.** "Direct partner" means a partner that holds an immediate legal
167.13 ownership interest in a partnership or pass-through entity.

167.14 **Subd. 6. Exempt partner.** "Exempt partner" means a partner that is exempt from taxes
167.15 on its net income under section 290.05, subdivision 1.

167.16 **Subd. 7. Federal adjustment.** "Federal adjustment" means any change in an amount
167.17 calculated under the Internal Revenue Code, whether to income, gross estate, a credit, an
167.18 item of preference, or any other item that is used by a taxpayer to compute a tax administered
167.19 under this chapter for the reviewed year whether that change results from action by the
167.20 Internal Revenue Service or other competent authority, including a partnership-level audit,
167.21 or from the filing of an amended federal return, federal refund claim, or an administrative
167.22 adjustment request by the taxpayer.

167.23 **Subd. 8. Federal adjustments report.** "Federal adjustments report" includes a method
167.24 or form prescribed by the commissioner for use by a taxpayer to report federal adjustments,
167.25 including an amended Minnesota tax return or a uniform multistate report.

167.26 **Subd. 9. Federal partnership representative.** "Federal partnership representative"
167.27 means the person the partnership designates for the taxable year as the partnership's
167.28 representative, or the person the Internal Revenue Service has appointed to act as the
167.29 partnership representative, pursuant to section 6223(a) of the Internal Revenue Code.

167.30 **Subd. 10. Final determination date.** "Final determination date" means:

167.31 (1) for a federal adjustment arising from an audit by the Internal Revenue Service or
167.32 other competent authority, the first day on which no federal adjustment arising from that

168.1 audit remains to be finally determined, whether by agreement, or, if appealed or contested,
168.2 by a final decision with respect to which all rights of appeal have been waived or exhausted;

168.3 (2) for a federal adjustment arising from an audit or other action by the Internal Revenue
168.4 Service or other competent authority, if the taxpayer filed as a member of a combined report
168.5 under section 290.17, subdivision 4, the first day on which no related federal adjustments
168.6 arising from that audit remain to be finally determined as described in clause (1) for the
168.7 entire combined group;

168.8 (3) for a federal adjustment arising from the filing of an amended federal return, a federal
168.9 refund claim, or the filing by a partnership of an administrative adjustment request, the date
168.10 on which the amended return, refund claim, or administrative adjustment request was filed;
168.11 or

168.12 (4) for agreements required to be signed by the Internal Revenue Service and the taxpayer,
168.13 the date on which the last party signed the agreement.

168.14 Subd. 11. **Final federal adjustment.** "Final federal adjustment" means a federal
168.15 adjustment after the final determination date for that federal adjustment has passed.

168.16 Subd. 12. **Indirect partner.** "Indirect partner" means either:

168.17 (1) a partner in a partnership or pass-through entity that itself holds an immediate legal
168.18 ownership interest in another partnership or pass-through entity; or

168.19 (2) a partner in a partnership or pass-through entity that holds an indirect interest in
168.20 another partnership or pass-through entity through another indirect partner.

168.21 Subd. 13. **Partner.** "Partner" means a person that holds an interest directly or indirectly
168.22 in a partnership or other pass-through entity.

168.23 Subd. 14. **Partnership.** "Partnership" has the meaning provided under section 7701(a)(2)
168.24 of the Internal Revenue Code.

168.25 Subd. 15. **Partnership-level audit.** "Partnership-level audit" means an examination by
168.26 the Internal Revenue Service at the partnership level pursuant to subtitle F, chapter 63,
168.27 subchapter C, of the Internal Revenue Code, which results in federal adjustments and
168.28 adjustments to partnership-related items.

168.29 Subd. 16. **Pass-through entity.** "Pass-through entity" means an entity, other than a
168.30 partnership, that is not subject to the tax imposed under section 290.02. The term pass-through
168.31 entity includes but is not limited to S corporations, estates, and trusts other than grantor
168.32 trusts.

169.1 Subd. 17. **Resident partner.** "Resident partner" means an individual, trust, or estate
169.2 partner who is a resident of Minnesota under section 290.01, subdivision 7, 7a, or 7b, for
169.3 the relevant tax period.

169.4 Subd. 18. **Reviewed year.** "Reviewed year" means the taxable year of a partnership that
169.5 is subject to a partnership-level audit from which federal adjustments arise.

169.6 Subd. 19. **Tiered partner.** "Tiered partner" means any partner that is a partnership or
169.7 pass-through entity.

169.8 Subd. 20. **Unrelated business taxable income.** "Unrelated business taxable income"
169.9 has the meaning provided under section 512 of the Internal Revenue Code.

169.10 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning
169.11 after December 31, 2017, except that for partnerships that make an election under Code of
169.12 Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively
169.13 and applies to the same tax periods to which the election relates.

169.14 Sec. 9. **[289A.382] REPORTING AND PAYMENT REQUIREMENTS.**

169.15 Subdivision 1. **State partnership representative.** (a) With respect to an action required
169.16 or permitted to be taken by a partnership under this section, or in a proceeding under section
169.17 270C.35 or 271.06, the state partnership representative for the reviewed year shall have the
169.18 sole authority to act on behalf of the partnership, and its direct partners and indirect partners
169.19 shall be bound by those actions.

169.20 (b) The state partnership representative for the reviewed year is the partnership's federal
169.21 partnership representative unless the partnership, in a form and manner prescribed by the
169.22 commissioner, designates another person as its state partnership representative.

169.23 Subd. 2. **Reporting and payment requirements for partnerships and tiered**
169.24 **partners.** (a) Unless an audited partnership makes the election in subdivision 3, or for
169.25 adjustments required to be reported for federal purposes pursuant to section 6225(a)(2) of
169.26 the Internal Revenue Code, then, for all final federal adjustments the audited partnership
169.27 must comply with paragraph (b) and each direct partner of the audited partnership, other
169.28 than a tiered partner, must comply with paragraph (c).

169.29 (b) No later than 90 days after the final determination date, the audited partnership must:

169.30 (1) file a completed federal adjustments report, including all partner-level information
169.31 required under section 289A.12, subdivision 3, with the commissioner;

170.1 (2) notify each of its direct partners of their distributive share of the final federal
170.2 adjustments;

170.3 (3) file an amended composite report for all direct partners who were included in a
170.4 composite return under section 289A.08, subdivision 7, in the reviewed year, and pay the
170.5 additional amount that would have been due had the federal adjustments been reported
170.6 properly as required; and

170.7 (4) file amended withholding reports for all direct partners who were or should have
170.8 been subject to nonresident withholding under section 290.92, subdivision 4b, in the reviewed
170.9 year, and pay the additional amount that would have been due had the federal adjustments
170.10 been reported properly as required.

170.11 (c) No later than 180 days after the final determination date, each direct partner, other
170.12 than a tiered partner, that is subject to a tax administered under this chapter, other than the
170.13 sales tax, must:

170.14 (1) file a federal adjustments report reporting their distributive share of the adjustments
170.15 reported to them under paragraph (b), clause (2); and

170.16 (2) pay any additional amount of tax due as if the final federal adjustment had been
170.17 properly reported, plus any penalty and interest due under this chapter, and less any credit
170.18 for related amounts paid or withheld and remitted on behalf of the direct partner under
170.19 paragraph (b), clauses (3) and (4).

170.20 Subd. 3. **Election; partnership or tiered partners pay.** (a) An audited partnership may
170.21 make an election under this subdivision to pay its assessment at the entity level. If an audited
170.22 partnership makes an election to pay its assessment at the entity level it must:

170.23 (1) no later than 90 days after the final determination date, file a completed federal
170.24 adjustments report, including the residency information for all individual, trust, and estate
170.25 direct partners, and information pertaining to all other direct partners as prescribed by the
170.26 commissioner, and notify the commissioner that it is making the election under this
170.27 subdivision; and

170.28 (2) no later than 180 days after the final determination date, pay an amount, determined
170.29 as follows, in lieu of taxes on partners:

170.30 (i) exclude from final federal adjustments the distributive share of these adjustments
170.31 made to a direct exempt partner that is not unrelated business taxable income;

170.32 (ii) exclude from final federal adjustments the distributive share of these adjustments
170.33 made to a direct partner that has filed a federal adjustments report and paid the applicable

171.1 tax, as required under subdivision 2, for the distributive share of adjustments reported on a
171.2 federal return under section 6225(c) of the Internal Revenue Code;

171.3 (iii) assign and apportion at the partnership level using sections 290.17 to 290.20 the
171.4 total distributive share of the remaining final federal adjustments for the reviewed year
171.5 attributed to direct corporate partners and direct exempt partners, multiply the total by the
171.6 highest tax rate in section 290.06, subdivision 1, for the reviewed year, and calculate interest
171.7 and penalties as applicable under this chapter;

171.8 (iv) allocate at the partnership level using section 290.17, subdivision 1, the total
171.9 distributive share of all final federal adjustments attributable to individual resident direct
171.10 partners for the reviewed year; multiply the total by the highest tax rate in section 290.06,
171.11 subdivision 2c, for the reviewed year; and calculate interest and penalties as applicable
171.12 under this chapter;

171.13 (v) assign and apportion at the partnership level using sections 290.17 to 290.20 the total
171.14 distributive share of the remaining final federal adjustments attributable to nonresident
171.15 individual direct partners and direct partners who are an estate or a trust for the reviewed
171.16 year; multiply the total by the highest tax rate in section 290.06, subdivision 2c, for the
171.17 reviewed year; and calculate interest and penalties as applicable under this chapter;

171.18 (vi) for the total distributive share of the remaining final federal adjustments reported
171.19 to tiered partners:

171.20 (A) determine the amount of the adjustments that would be assigned using section 290.17,
171.21 subdivision 2, paragraphs (a) to (d), excluding income or gains from intangible personal
171.22 property not employed in the business of the recipient of the income or gains if the recipient
171.23 of the income or gains is a resident of this state or is a resident trust or estate under section
171.24 290.17, subdivision 2, paragraph (c), or apportioned using sections 290.17, subdivision 3,
171.25 290.191, and 290.20, and then determine the portion of this amount that would be allocated
171.26 to this state;

171.27 (B) determine the amount of the adjustments which are of a type which are fully sourced
171.28 to the taxpayer's state of residency under section 290.17, subdivision 2, paragraph (e), and
171.29 income or gains from intangible personal property not employed in the business of the
171.30 recipient of the income or gains if the recipient of the income or gains is a resident of this
171.31 state or is a resident trust or estate under section 290.17, subdivision 2, paragraph (c);

171.32 (C) determine the portion of the amount determined in subitem (B) that can be established
171.33 to be properly allocable to nonresident indirect partners or other partners not subject to tax
171.34 on the adjustments; and

172.1 (D) multiply the total of the amounts determined in subitems (A) and (B) reduced by
172.2 the amount determined in subitem (C) by the highest tax rate in section 290.06, subdivision
172.3 2c, for the reviewed year, and calculate interest and penalties as applicable under this chapter;
172.4 and

172.5 (vii) add the amounts determined in items (iii) to (vi), and pay all applicable taxes,
172.6 penalties, and interest to the commissioner.

172.7 (b) An audited partnership may not make an election under this subdivision to report:

172.8 (1) a federal adjustment that results in unitary business income to a corporate partner
172.9 required to file as a member of a combined report under section 290.17, subdivision 4; or

172.10 (2) any final federal adjustments resulting from an administrative adjustment request.

172.11 (c) An audited partnership not otherwise subject to any reporting or payment obligation
172.12 to this state may not make an election under this subdivision.

172.13 Subd. 4. Tiered partners and indirect partners. The direct and indirect partners of an
172.14 audited partnership that are tiered partners, and all of the partners of those tiered partners
172.15 that are subject to tax under chapter 290 are subject to the reporting and payment
172.16 requirements contained in subdivision 2 and the tiered partners are entitled to make the
172.17 elections provided in subdivision 3. The tiered partners or their partners shall make required
172.18 reports and payments no later than 90 days after the time for filing and furnishing of
172.19 statements to tiered partners and their partners as established under section 6226 of the
172.20 Internal Revenue Code.

172.21 Subd. 5. Effects of election by partnership or tiered partner and payment of amount
172.22 due. (a) Unless the commissioner determines otherwise, an election under subdivision 3 is
172.23 irrevocable.

172.24 (b) If an audited partnership or tiered partner properly reports and pays an amount
172.25 determined in subdivision 3, the amount will be treated as paid in lieu of taxes owed by the
172.26 partnership's direct partners and indirect partners, to the extent applicable, on the same final
172.27 federal adjustments. The direct partners or indirect partners of the partnership who are not
172.28 resident partners may not take any deduction or credit for this amount or claim a refund of
172.29 the amount in this state.

172.30 (c) Nothing in this subdivision precludes resident direct partners from claiming a credit
172.31 against taxes paid under section 290.06 on any amounts paid by the audited partnership or
172.32 tiered partners on the resident partner's behalf to another state or local tax jurisdiction.

173.1 Subd. 6. Failure of partnership or tiered partner to report or pay. Nothing in this
173.2 section prevents the commissioner from assessing direct partners or indirect partners for
173.3 taxes they owe, using the best information available, in the event that, for any reason, a
173.4 partnership or tiered partner fails to timely make any report or payment required by this
173.5 section.

173.6 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning
173.7 after December 31, 2017, except that for partnerships that make an election under Code of
173.8 Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively
173.9 and applies to the same tax periods to which the election relates.

173.10 Sec. 10. Minnesota Statutes 2018, section 289A.42, is amended to read:

173.11 **289A.42 CONSENT TO EXTEND STATUTE.**

173.12 Subdivision 1. **Extension agreement.** If before the expiration of time prescribed in
173.13 sections 289A.38 to 289A.382 and 289A.40 for the assessment of tax or the filing of a claim
173.14 for refund, both the commissioner and the taxpayer have consented in writing to the
173.15 assessment or filing of a claim for refund after that time, the tax may be assessed or the
173.16 claim for refund filed at any time before the expiration of the agreed-upon period. The
173.17 period may be extended by later agreements in writing before the expiration of the period
173.18 previously agreed upon. The taxpayer and the commissioner may also agree to extend the
173.19 period for collection of the tax.

173.20 Subd. 2. **Federal extensions.** When a taxpayer consents to an extension of time for the
173.21 assessment of federal withholding or income taxes, the period in which the commissioner
173.22 may recompute the tax is also extended, notwithstanding any period of limitations to the
173.23 contrary, as follows:

173.24 (1) for the periods provided in ~~section~~ sections 289A.38, subdivisions 8 and 9, and
173.25 289A.382, subdivisions 2 and 3;

173.26 (2) for six months following the expiration of the extended federal period of limitations
173.27 when no change is made by the federal authority. If no change is made by the federal
173.28 authority, and, but for this subdivision, the commissioner's time period to adjust the tax has
173.29 expired, and if the commissioner has completed a field audit of the taxpayer, no additional
173.30 changes resulting in additional tax due or a refund may be made. For purposes of this
173.31 subdivision, "field audit" has the meaning given ~~it~~ in section 289A.38, subdivision 9.

173.32 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning
173.33 after December 31, 2017, except that for partnerships that make an election under Code of

174.1 Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively
174.2 and applies to the same tax periods to which the election relates.

174.3 Sec. 11. Minnesota Statutes 2018, section 289A.60, subdivision 24, is amended to read:

174.4 Subd. 24. **Penalty for failure to notify of federal change.** If a person fails to report to
174.5 the commissioner a change or correction of the person's federal return in the manner and
174.6 time prescribed in ~~section~~ sections 289A.38, subdivision 7, and 289A.382, there must be
174.7 added to the tax an amount equal to ten percent of the amount of any underpayment of
174.8 Minnesota tax attributable to the federal change.

174.9 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning
174.10 after December 31, 2017, except that for partnerships that make an election under Code of
174.11 Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively
174.12 and applies to the same tax periods to which the election relates.

174.13 Sec. 12. Minnesota Statutes 2018, section 290.31, subdivision 1, is amended to read:

174.14 Subdivision 1. **Partners, not partnership, subject to tax.** Except as provided under
174.15 ~~section~~ sections 289A.35, paragraph (b), and 289A.382, subdivision 3, a partnership as such
174.16 shall not be subject to the income tax imposed by this chapter, but is subject to the tax
174.17 imposed under section 290.0922. Persons carrying on business as partners shall be liable
174.18 for income tax only in their separate or individual capacities.

174.19 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning
174.20 after December 31, 2017, except that for partnerships that make an election under Code of
174.21 Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively
174.22 and applies to the same tax periods to which the election relates.

174.23 Sec. 13. Minnesota Statutes 2018, section 297F.17, subdivision 6, is amended to read:

174.24 Subd. 6. **Time limit for bad debt refund.** Claims for refund must be filed with the
174.25 commissioner during the one-year period beginning with the timely filing of the taxpayer's
174.26 federal income tax return containing the bad debt deduction that is being claimed. Claimants
174.27 under this subdivision are subject to the notice requirements of ~~section~~ sections 289A.38,
174.28 subdivision 7, and 289A.382.

174.29 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning
174.30 after December 31, 2017, except that for partnerships that make an election under Code of
174.31 Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively
174.32 and applies to the same tax periods to which the election relates.

175.1 Sec. 14. Minnesota Statutes 2018, section 297G.16, subdivision 7, is amended to read:

175.2 Subd. 7. **Time limit for a bad debt deduction.** Claims for refund must be filed with
175.3 the commissioner within one year of the filing of the taxpayer's income tax return containing
175.4 the bad debt deduction that is being claimed. Claimants under this subdivision are subject
175.5 to the notice requirements of ~~section 289A.38, subdivision 7~~ sections 289A.38 to 289A.382.

175.6 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning
175.7 after December 31, 2017, except that for partnerships that make an election under Code of
175.8 Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively
175.9 and applies to the same tax periods to which the election relates.

175.10 Sec. 15. Minnesota Statutes 2018, section 469.319, subdivision 4, is amended to read:

175.11 Subd. 4. **Repayment procedures.** (a) For the repayment of taxes imposed under chapter
175.12 290 or 297A or local taxes collected pursuant to section 297A.99, a business must file an
175.13 amended return with the commissioner of revenue and pay any taxes required to be repaid
175.14 within 30 days after becoming subject to repayment under this section. The amount required
175.15 to be repaid is determined by calculating the tax for the period or periods for which repayment
175.16 is required without regard to the exemptions and credits allowed under section 469.315.

175.17 (b) For the repayment of taxes imposed under chapter 297B, a business must pay any
175.18 taxes required to be repaid to the motor vehicle registrar, as agent for the commissioner of
175.19 revenue, within 30 days after becoming subject to repayment under this section.

175.20 (c) For the repayment of property taxes, the county auditor shall prepare a tax statement
175.21 for the business, applying the applicable tax extension rates for each payable year and
175.22 provide a copy to the business and to the taxpayer of record. The business must pay the
175.23 taxes to the county treasurer within 30 days after receipt of the tax statement. The business
175.24 or the taxpayer of record may appeal the valuation and determination of the property tax to
175.25 the Tax Court within 30 days after receipt of the tax statement.

175.26 (d) The provisions of chapters 270C and 289A relating to the commissioner's authority
175.27 to audit, assess, and collect the tax and to hear appeals are applicable to the repayment
175.28 required under paragraphs (a) and (b). The commissioner may impose civil penalties as
175.29 provided in chapter 289A, and the additional tax and penalties are subject to interest at the
175.30 rate provided in section 270C.40. The additional tax shall bear interest from 30 days after
175.31 becoming subject to repayment under this section until the date the tax is paid. Any penalty
175.32 imposed pursuant to this section shall bear interest from the date provided in section 270C.40,
175.33 subdivision 3, to the date of payment of the penalty.

176.1 (e) If a property tax is not repaid under paragraph (c), the county treasurer shall add the
176.2 amount required to be repaid to the property taxes assessed against the property for payment
176.3 in the year following the year in which the auditor provided the statement under paragraph
176.4 (c).

176.5 (f) For determining the tax required to be repaid, a reduction of a state or local sales or
176.6 use tax is deemed to have been received on the date that the good or service was purchased
176.7 or first put to a taxable use. In the case of an income tax or franchise tax, including the credit
176.8 payable under section 469.318, a reduction of tax is deemed to have been received for the
176.9 two most recent tax years that have ended prior to the date that the business became subject
176.10 to repayment under this section. In the case of a property tax, a reduction of tax is deemed
176.11 to have been received for the taxes payable in the year that the business became subject to
176.12 repayment under this section and for the taxes payable in the prior year.

176.13 (g) The commissioner may assess the repayment of taxes under paragraph (d) any time
176.14 within two years after the business becomes subject to repayment under subdivision 1, or
176.15 within any period of limitations for the assessment of tax under ~~section~~ sections 289A.38
176.16 to 289A.382, whichever period is later. The county auditor may send the statement under
176.17 paragraph (c) any time within three years after the business becomes subject to repayment
176.18 under subdivision 1.

176.19 (h) A business is not entitled to any income tax or franchise tax benefits, including
176.20 refundable credits, for any part of the year in which the business becomes subject to
176.21 repayment under this section nor for any year thereafter. Property is not exempt from tax
176.22 under section 272.02, subdivision 64, for any taxes payable in the year following the year
176.23 in which the property became subject to repayment under this section nor for any year
176.24 thereafter. A business is not eligible for any sales tax benefits beginning with goods or
176.25 services purchased or first put to a taxable use on the day that the business becomes subject
176.26 to repayment under this section.

176.27 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning
176.28 after December 31, 2017, except that for partnerships that make an election under Code of
176.29 Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively
176.30 and applies to the same tax periods to which the election relates.

177.1

ARTICLE 10

177.2

MISCELLANEOUS TAX CHANGES

177.3 Section 1. Minnesota Statutes 2018, section 297E.02, subdivision 6, as amended by Laws
 177.4 2020, chapter 83, article 1, section 76, is amended to read:

177.5 Subd. 6. **Combined net receipts tax.** (a) In addition to the taxes imposed under
 177.6 subdivision 1, a tax is imposed on the combined net receipts of the organization. As used
 177.7 in this section, "combined net receipts" is the sum of the organization's gross receipts from
 177.8 lawful gambling less gross receipts directly derived from the conduct of paper bingo, raffles,
 177.9 and paddlewheels, as defined in section 297E.01, subdivision 8, and less the net prizes
 177.10 actually paid, other than prizes actually paid for paper bingo, raffles, and paddlewheels, for
 177.11 the fiscal year. The combined net receipts of an organization are subject to a tax computed
 177.12 according to the following schedule:

177.13	If the combined net receipts	The tax is:
177.14	for the fiscal year are:	
177.15	Not over \$87,500	nine <u>eight</u> percent
177.16	Over \$87,500, but not over	\$7,875 <u>\$7,000</u> plus 18 <u>16</u> percent of
177.17	\$122,500	the amount over \$87,500, but not over
177.18		\$122,500
177.19	Over \$122,500, but not	\$14,175 <u>\$12,600</u> plus 27 <u>24</u> percent
177.20	over \$157,500	of the amount over \$122,500, but not
177.21		over \$157,500
177.22	Over \$157,500	\$23,625 <u>\$21,000</u> plus 36 <u>32</u> percent
177.23		of the amount over \$157,500

177.24 (b) Gross receipts derived from sports-themed tipboards are exempt from taxation under
 177.25 this section. For purposes of this paragraph, a sports-themed tipboard means a sports-themed
 177.26 tipboard as defined in section 349.12, subdivision 34, under which the winning numbers
 177.27 are determined by the numerical outcome of a professional sporting event.

177.28 **EFFECTIVE DATE.** This section is effective retroactively for games reported as played
 177.29 after June 30, 2020.

177.30 Sec. 2. Minnesota Statutes 2018, section 297E.021, subdivision 2, is amended to read:

177.31 Subd. 2. **Determination of revenue increase.** By March 15 of each fiscal year, the
 177.32 commissioner of management and budget, in consultation with the commissioner, shall
 177.33 determine the estimated increase in revenues received from taxes imposed under this chapter
 177.34 ~~over the estimated revenues under the February 2012 state budget forecast for that fiscal~~
 177.35 ~~year. For fiscal years after fiscal year 2015, the commissioner of management and budget~~
 177.36 ~~shall use the February 2012 state budget forecast for fiscal year 2015 as the~~ a baseline of:

178.1 \$30,500,000 in fiscal years 2021 and thereafter. All calculations under this subdivision must
178.2 be made net of estimated refunds of the taxes required to be paid.

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

178.4 Sec. 3. Minnesota Statutes 2018, section 349.15, subdivision 1, is amended to read:

178.5 Subdivision 1. **Expenditure restrictions, requirements, and civil penalties.** (a) Gross
178.6 profits from lawful gambling may be expended only for lawful purposes or allowable
178.7 expenses as authorized by the membership of the conducting organization at a monthly
178.8 meeting of the organization's membership.

178.9 (b) For each 12-month period beginning July 1, a licensed organization will be evaluated
178.10 by the board to determine a rating based on the percentage of annual lawful purpose
178.11 expenditures, excluding those defined in section 349.12, subdivision 25, paragraph (a),
178.12 clauses (8) and (18), when compared to ~~available gross profits~~ total allowable expenses for
178.13 the same period. The rating will be used to determine the organization's profitability percent
178.14 and is not a rating of the organization's lawful gambling operation. An organization will be
178.15 evaluated according to the following criteria:

178.16 (1) an organization ~~that expends 50~~ with a ratio of annual lawful purpose expenditures,
178.17 excluding those defined in section 349.12, subdivision 25, paragraph (a), clauses (8) and
178.18 (18), to allowable expenses of 100 percent or more of ~~gross profits on lawful purposes~~ will
178.19 receive a five-star rating;

178.20 (2) an organization ~~that expends 40~~ with a ratio of annual lawful purpose expenditures,
178.21 excluding those defined in section 349.12, subdivision 25, paragraph (a), clauses (8) and
178.22 (18), to allowable expenses of 80 percent or more but less than 50 ~~100~~ percent of ~~gross~~
178.23 ~~profits on lawful purposes~~ will receive a four-star rating;

178.24 (3) an organization ~~that expends 30~~ with a ratio of annual lawful purpose expenditures,
178.25 excluding those defined in section 349.12, subdivision 25, paragraph (a), clauses (8) and
178.26 (18), to allowable expenses of 60 percent or more but less than 40 ~~80~~ percent of ~~gross profits~~
178.27 ~~on lawful purposes~~ will receive a three-star rating;

178.28 (4) an organization ~~that expends 20~~ with a ratio of annual lawful purpose expenditures,
178.29 excluding those defined in section 349.12, subdivision 25, paragraph (a), clauses (8) and
178.30 (18), to allowable expenses of 40 percent or more but less than 30 ~~60~~ percent of ~~gross profits~~
178.31 ~~on lawful purposes~~ will receive a two-star rating; and

178.32 (5) an organization ~~that expends less than~~ with a ratio of annual lawful purpose
178.33 expenditures, excluding those defined in section 349.12, subdivision 25, paragraph (a),

179.1 clauses (8) and (18), to allowable expenses of 20 percent of gross profits on lawful purposes
179.2 or more but less than 40 percent will receive a one-star rating; and

179.3 (6) an organization with a ratio of annual lawful purpose expenditures, excluding those
179.4 defined in section 349.12, subdivision 25, paragraph (a), clauses (8) and (18), to allowable
179.5 expenses of less than 20 percent will receive a zero-star rating.

179.6 (c) An organization that fails to expend a minimum of ~~30~~ 20 percent ~~annually of gross~~
179.7 ~~profits~~ of its annual total allowable expenses on lawful purposes, ~~or 20 percent annually for~~
179.8 ~~organizations that conduct lawful gambling in a location where the primary business is~~
179.9 ~~bingo~~ excluding those defined in section 349.12, subdivision 25, paragraph (a), clauses (8)
179.10 and (18), is automatically on probation effective July 1 for a period of one year. The
179.11 organization must increase its rating to the required minimum or be subject to sanctions by
179.12 the board. If an organization fails to meet the minimum after a one-year probation, the board
179.13 may suspend the organization's license or impose a civil penalty as follows:

179.14 (1) in determining any suspension or penalty for a violation of this paragraph, the board
179.15 must consider any unique factors or extraordinary circumstances that caused the organization
179.16 to not meet the minimum rate of profitability. Unique factors or extraordinary circumstances
179.17 include, but are not limited to, the purchase of capital assets necessary to conduct lawful
179.18 gambling; road or other construction causing impaired access to the lawful gambling
179.19 premises; and flood, tornado, or other catastrophe that had a direct impact on the continuing
179.20 lawful gambling operation; and

179.21 (2) notwithstanding section 349.151, subdivision 4, paragraph (a), clause (10), the board
179.22 may impose a civil penalty under this subdivision up to \$10,000.

179.23 **EFFECTIVE DATE.** This section is effective retroactively from July 1, 2020.

179.24 Sec. 4. Minnesota Statutes 2018, section 349.151, subdivision 4, is amended to read:

179.25 Subd. 4. **Powers and duties.** (a) The board has the following powers and duties:

179.26 (1) to regulate lawful gambling to ensure it is conducted in the public interest;

179.27 (2) to issue licenses to organizations and gambling managers, and to issue licenses and
179.28 renewals to distributors, distributor salespersons, manufacturers, and linked bingo game
179.29 providers;

179.30 (3) to collect and deposit fees due under this chapter;

180.1 (4) to receive reports required by this chapter and inspect all premises, records, books,
180.2 and other documents of organizations, distributors, manufacturers, and linked bingo game
180.3 providers to insure compliance with all applicable laws and rules;

180.4 (5) to make rules authorized by this chapter;

180.5 (6) to register gambling equipment and issue registration stamps;

180.6 (7) to provide by rule for the mandatory posting by organizations conducting lawful
180.7 gambling of rules of play and the odds and/or house percentage on each form of lawful
180.8 gambling;

180.9 (8) to report annually to the governor and legislature on its activities and on recommended
180.10 changes in the laws governing gambling, including an annual report that provides: a tabulation
180.11 of the number of compliance reviews completed; the percentage of organizations reviewed;
180.12 an average of the number of months between reviews; the number, location, and organization
180.13 of site inspections; and the number of allegations awaiting investigation by the board;

180.14 (9) to report annually to the governor and legislature a financial summary for each
180.15 licensed organization identifying the gross receipts, prizes paid, allowable expenses, lawful
180.16 purpose expenditures including charitable contributions and all taxes and fees as per section
180.17 349.12, subdivision 25, paragraph (a), clauses (8) and (18), and the percentage of annual
180.18 gross profit used for lawful purposes;

180.19 (10) to impose civil penalties of not more than \$1,000 per violation on organizations,
180.20 distributors, distributor salespersons, manufacturers, linked bingo game providers, and
180.21 gambling managers for violating or failing to comply with any provision of this chapter,
180.22 chapter 297E, or any rule or order of the board;

180.23 (11) to issue premises permits to organizations licensed to conduct lawful gambling;

180.24 (12) to delegate to the director the authority to issue or deny license and premises permit
180.25 applications and renewals under criteria established by the board;

180.26 (13) to delegate to the director the authority to approve or deny fund loss requests,
180.27 contribution of gambling funds to another licensed organization, and property expenditure
180.28 requests under criteria established by the board;

180.29 (14) to suspend or revoke licenses and premises permits of organizations, distributors,
180.30 distributor salespersons, manufacturers, linked bingo game providers, or gambling managers
180.31 as provided in this chapter;

180.32 (15) to approve or deny requests from licensees for:

181.1 (i) waivers from fee requirements as provided in section 349.16, subdivision 6; and
181.2 (ii) variances from Gambling Control Board rules under section 14.055; and
181.3 (16) to register employees of organizations licensed to conduct lawful gambling;
181.4 (17) to require fingerprints from persons determined by board rule to be subject to
181.5 fingerprinting;
181.6 (18) to delegate to a compliance review group of the board the authority to investigate
181.7 alleged violations, issue consent orders, and initiate contested cases on behalf of the board;
181.8 (19) to order organizations, distributors, distributor salespersons, manufacturers, linked
181.9 bingo game providers, and gambling managers to take corrective actions; and
181.10 (20) to take all necessary steps to ensure the integrity of and public confidence in lawful
181.11 gambling.

181.12 (b) The board, or director if authorized to act on behalf of the board, may by citation
181.13 assess any organization, distributor, distributor salesperson, manufacturer, linked bingo
181.14 game provider, or gambling manager a civil penalty of not more than \$1,000 per violation
181.15 for a failure to comply with any provision of this chapter, chapter 297E, or any rule adopted
181.16 or order issued by the board. Any organization, distributor, distributor salesperson, gambling
181.17 manager, linked bingo game provider, or manufacturer assessed a civil penalty under this
181.18 paragraph may request a hearing before the board. Appeals of citations imposing a civil
181.19 penalty are not subject to the provisions of the Administrative Procedure Act.

181.20 (c) All penalties received by the board must be deposited in the general fund.

181.21 (d) All fees imposed by the board under sections 349.16 to 349.167 must be deposited
181.22 in the state treasury and credited to a lawful gambling regulation account in the special
181.23 revenue fund. Receipts in this account are available for the operations of the board up to
181.24 the amount authorized in biennial appropriations from the legislature.

181.25 **EFFECTIVE DATE.** This section is effective retroactively from July 1, 2020.

181.26 Sec. 5. Minnesota Statutes 2018, section 462A.38, as amended by Laws 2019, First Special
181.27 Session chapter 1, article 6, section 28, is amended to read:

181.28 **462A.38 WORKFORCE AND AFFORDABLE HOMEOWNERSHIP**
181.29 **DEVELOPMENT PROGRAM.**

181.30 Subdivision 1. **Establishment.** A workforce and affordable homeownership development
181.31 program is established to award homeownership development grants and loans to cities,

182.1 tribal governments, nonprofit organizations, cooperatives created under chapter 308A or
182.2 308B, and community land trusts created for the purposes outlined in section 462A.31,
182.3 subdivision 1, for development of workforce and affordable homeownership projects. The
182.4 purpose of the program is to increase the supply of workforce and affordable, owner-occupied
182.5 multifamily or single-family housing throughout Minnesota.

182.6 Subd. 2. **Use of funds.** (a) Grant funds and loans awarded under this program may be
182.7 used for:

182.8 (1) development costs;

182.9 (2) rehabilitation;

182.10 (3) land development; and

182.11 (4) residential housing, including storm shelters and related community facilities.

182.12 (b) A project funded through ~~the grant~~ this program shall serve households that meet
182.13 the income limits as provided in section 462A.33, subdivision 5, unless a project is intended
182.14 for the purpose outlined in section 462A.02, subdivision 6.

182.15 Subd. 3. **Application.** The commissioner shall develop forms and procedures for soliciting
182.16 and reviewing applications for grants and loans under this section. The commissioner shall
182.17 consult with interested stakeholders when developing the guidelines and procedures for the
182.18 program. In making grants and loans, the commissioner shall establish semiannual application
182.19 deadlines in which grants and loans will be authorized from all or part of the available
182.20 appropriations.

182.21 Subd. 4. **Awarding grants and loans.** Among comparable proposals, preference must
182.22 be given to proposals that include contributions from nonstate resources for the greatest
182.23 portion of the total development cost.

182.24 Subd. 5. **Statewide program.** The agency shall attempt to make grants and loans in
182.25 approximately equal amounts to applicants outside and within the metropolitan area, as
182.26 defined under section 473.121, subdivision 2.

182.27 Subd. 6. **Report.** Beginning January 15, ~~2018~~ 2021, the commissioner must annually
182.28 submit a report to the chairs and ranking minority members of the senate and house of
182.29 representatives committees having jurisdiction over housing and workforce development
182.30 specifying the projects that received grants and loans under this section and the specific
182.31 purposes for which the grant or loan funds were used.

183.1 Subd. 7. **Workforce and affordable homeownership development account.** A
183.2 workforce and affordable homeownership development account is established in the housing
183.3 development fund. Money in the account, including interest, is appropriated to the
183.4 commissioner of the Housing Finance Agency for the purposes of this section. The amount
183.5 appropriated under this section must supplement traditional sources of funding for this
183.6 purpose and must not be used as a substitute or to pay debt service on bonds.

183.7 Subd. 8. **Deposits; funding amount.** (a) In fiscal years 2022 through 2031, an amount
183.8 equal to \$4,000,000 of the state's portion of the proceeds derived from the mortgage registry
183.9 tax imposed under section 287.035 and the deed tax under section 287.21, is appropriated
183.10 from the general fund to the commissioner of the Housing Finance Agency to transfer to
183.11 the workforce and affordable homeownership development account in the housing
183.12 development fund. The appropriation must be made annually by September 15.

183.13 (b) All loan repayments received under this section are to be deposited into the workforce
183.14 and affordable homeownership development account in the housing development fund.

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

183.16 Sec. 6. **ADMINISTRATIVE APPROPRIATION.**

183.17 \$642,000 in fiscal year 2021 is appropriated to the commissioner of revenue to administer
183.18 this article. The base for this appropriation is \$571,000 in fiscal year 2022 and \$0 in fiscal
183.19 year 2023.

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

183.21 **ARTICLE 11**

183.22 **ACCOUNT TRANSFER**

183.23 Section 1. **PREMIUM SECURITY ACCOUNT TRANSFER.**

183.24 The commissioner of management and budget must transfer \$100,000,000 in fiscal year
183.25 2021 from the premium security account established in Minnesota Statutes, section 62E.25,
183.26 subdivision 1, to the general fund. This is a onetime transfer.

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

16A.633 CAPITAL FUNDING; MAINTAINING DATA AND REPORTING.

Subd. 4. **Report on jobs created or retained.** By September 1 of each odd-numbered year, the commissioner must report to legislative committees with jurisdiction over capital investment on the jobs created or retained as a result of capital project funding by the state, whether with state general obligation bond proceeds or other state funding sources, during the previous biennium. Each state agency must provide the commissioner the information necessary, and must require its capital project grantees to provide the information necessary, for the commissioner to make the report. The report must include, but is not limited to, the following information: the number and types of jobs for each project, whether the jobs are new or retained, where the jobs are located, and pay ranges of the jobs. The Board of Regents of the University of Minnesota, the Board of Trustees of the Minnesota State Colleges and Universities, and each state agency receiving an appropriation for a capital project shall collect and provide the information at the time and in the manner required by the commissioner. This subdivision does not apply to Department of Transportation state-aid projects valued less than \$5,000,000.

126C.65 FUND ESTABLISHED; DIVISION INTO ACCOUNTS.

Subd. 2. **Debt service loan account.** A debt service loan account must be maintained out of which loans under section 126C.68 must be made. All money appropriated to the fund by section 126C.66 shall be paid into this account initially.

126C.68 DEBT SERVICE LOANS.

Subdivision 1. **Qualification; application; award; interest.** Any district in which the required levy for debt service in any year will exceed its maximum effort debt service levy by ten percent or by \$5,000, whichever is less, is qualified for a debt service loan hereunder in an amount not exceeding the amount applied for, and not exceeding one percent of the net debt of the district, and not exceeding the difference between the required and the maximum effort debt service levy in that year. Applications must be filed with the commissioner in each calendar year up to and including July 1. The commissioner shall determine whether the applicant is entitled to a loan and the amount thereof, and on or before October 1 shall certify to each applicant district the amount granted and its due date. The commissioner shall notify the county auditor of each county in which the district is located that the amount certified is available and appropriated for payment of principal and interest on its outstanding bonds. The auditors shall reduce by that amount the taxes otherwise leviable as the district's debt service levy on the tax rolls for that year. Each debt service loan shall bear interest from its date at a rate equal to the average annual rate payable on Minnesota state school loan bonds most recently issued prior to the disbursement of the loan to the district, but in no event less than 3-1/2 percent per annum on the principal amount from time to time remaining unpaid. Interest is payable on December 15 of the year following that in which the loan is received and annually thereafter.

Subd. 2. **Note.** Each debt service loan must be evidenced by a note executed on behalf of the district by the signatures of its chair or vice-chair and the school district clerk. The note must be dated November 1 of the year in which executed, and must state its principal amount, interest rate, and that it is payable at the commissioner's office. The note must have printed thereon, or the commissioner shall attach thereto, a grill for entry of the date and amount of each payment and allocations of each payment to accrued interest or principal. The note must also include a certificate to be executed by the county auditor of each county in which any portion of the district is situated, prior to the delivery of the note, stating that the county auditor has entered the debt service loan evidenced thereby in the auditor's bond register. The notes must be delivered to the commissioner not later than November 15 of the year in which executed. The commissioner shall cause a record to be made and preserved showing the obligor district and the date and principal amount of each note.

Subd. 3. **Payment.** The commissioner shall issue to each district whose note has been so received a payment on the debt service loan account of the maximum effort school loan fund, payable on presentation to the commissioner of management and budget out of any money in such account. The payment shall be issued by the commissioner in sufficient time to coincide with the next date on which the district is obligated to make principal or interest payments on its bonded debt in the ensuing year. Interest must accrue from the date such payment is issued. The proceeds thereof must be used by the district to pay principal or interest on its bonded debt falling due in the ensuing year.

Subd. 4. **Levy.** Each district receiving a debt service loan shall levy for debt service in that year and each year thereafter, until all its debts to the fund are paid, (a) the amount of its maximum effort debt service levy, or (b) the amount of its required debt service levy less the amount of any debt

APPENDIX
Repealed Minnesota Statutes: 202-H0003-2

service loan in that year, whichever is greater. The district shall remit payments to the commissioner according to section 126C.71. By September 30, the commissioner shall notify the county auditor of each county containing taxable property situated within the school district of the amount of the maximum effort debt service levy of the district for that year, and said county auditor or auditors shall extend upon the tax rolls an ad valorem tax upon all taxable property within the district in the aggregate amount so certified.