

**SENATE  
STATE OF MINNESOTA  
NINETIETH SESSION**

**S.F. No. 3563**

(SENATE AUTHORS: SENJEM)

DATE  
03/19/2018

D-PG

Introduction and first reading  
Referred to Capital Investment

OFFICIAL STATUS

1.1 A bill for an act  
1.2 relating to capital investment; modifying a prior appropriation for Civil Air Patrol  
1.3 facilities; amending Laws 2017, First Special Session chapter 3, article 1, section  
1.4 2, subdivision 2.

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

1.6 Section 1. Laws 2017, First Special Session chapter 3, article 1, section 2, subdivision 2,  
1.7 is amended to read:

1.8 Subd. 2. **Multimodal Systems**

1.9 (a) **Aeronautics**

1.10 (1) **Airport Development and Assistance** 26,001,000 16,598,000

1.11 This appropriation is from the state airports  
1.12 fund and must be spent according to  
1.13 Minnesota Statutes, section 360.305,  
1.14 subdivision 4.

1.15 Notwithstanding Minnesota Statutes, section  
1.16 16A.28, subdivision 6, this appropriation is  
1.17 available for five years after the year of the  
1.18 appropriation. If the appropriation for either  
1.19 year is insufficient, the appropriation for the  
1.20 other year is available for it.

1.21 \$6,619,000 in the first year is for a grant to  
1.22 the Duluth Airport Authority for  
1.23 improvements at the Duluth International

2.1 Airport and the Sky Harbor Airport in  
2.2 accordance with Minnesota Statutes, section  
2.3 360.017. For the purposes of this  
2.4 appropriation, the commissioner may waive  
2.5 the requirements of Minnesota Statutes,  
2.6 section 360.305, subdivision 4, paragraph (b).  
2.7 This appropriation may be used to reimburse  
2.8 the Authority for costs incurred after March  
2.9 1, 2015. This is a onetime appropriation.

2.10 \$2,334,000 in the first year is for a grant to  
2.11 the city of Rochester for improvements to the  
2.12 passenger terminal building at the Rochester  
2.13 International Airport in accordance with  
2.14 Minnesota Statutes, section 360.017. For the  
2.15 purposes of this appropriation, the  
2.16 commissioner of transportation may waive the  
2.17 requirements of Minnesota Statutes, section  
2.18 360.305, subdivision 4, paragraph (b). This  
2.19 appropriation may be used to reimburse the  
2.20 city for costs incurred after May 1, 2016. This  
2.21 is a onetime appropriation.

2.22 Notwithstanding Minnesota Statutes, section  
2.23 360.017, \$250,000 in the first year is for a  
2.24 grant to the city of St. Cloud for an air  
2.25 transport optimization planning study for the  
2.26 St. Cloud Regional Airport. The study must  
2.27 be comprehensive and market-based, using  
2.28 economic development and air service  
2.29 expertise to research, analyze, and develop  
2.30 models and strategies that maximize the return  
2.31 on investments made to enhance the use and  
2.32 impact of the St. Cloud Regional Airport. By  
2.33 January 5, 2018, the city of St. Cloud shall  
2.34 submit a report to the governor and the  
2.35 members and staff of the legislative

3.1 committees with jurisdiction over capital  
 3.2 investment, transportation, and economic  
 3.3 development with recommendations based on  
 3.4 the findings of the study. This is a onetime  
 3.5 appropriation.

3.6 If the commissioner of transportation  
 3.7 determines that a balance remains in the state  
 3.8 airports fund following the appropriations  
 3.9 made in this article and that the appropriations  
 3.10 made are insufficient for advancing airport  
 3.11 development and assistance projects, an  
 3.12 amount necessary to advance the projects, not  
 3.13 to exceed the balance in the state airports fund,  
 3.14 is appropriated in each year to the  
 3.15 commissioner and must be spent according to  
 3.16 Minnesota Statutes, section 360.305,  
 3.17 subdivision 4. Within two weeks of a  
 3.18 determination under this contingent  
 3.19 appropriation, the commissioner of  
 3.20 transportation must notify the commissioner  
 3.21 of management and budget and the chairs,  
 3.22 ranking minority members, and staff of the  
 3.23 legislative committees with jurisdiction over  
 3.24 transportation finance concerning the funds  
 3.25 appropriated. Funds appropriated under this  
 3.26 contingent appropriation do not adjust the base  
 3.27 for fiscal years 2020 and 2021.

3.28 The base is \$15,298,000 in each of fiscal years  
 3.29 2020 and 2021.

3.30	<b>(2) Aviation Support and Services</b>	6,710,000	6,854,000
3.31	Appropriations by Fund		
3.32		2018	2019
3.33	Airports	5,231,000	5,231,000
3.34	Trunk Highway	1,479,000	1,623,000
3.35	<b>(3) Civil Air Patrol</b>	3,580,000	80,000

4.1 This appropriation is from the state airports  
4.2 fund for the Civil Air Patrol.

4.3 Notwithstanding Minnesota Statutes, section  
4.4 360.017, \$3,500,000 in the ~~first~~ second year  
4.5 is for a grant to: (1) perform site selection and  
4.6 analysis; (2) purchase, renovate a portion of  
4.7 and, or construct an addition to the training  
4.8 and maintenance facility facilities. If Civil Air  
4.9 Patrol purchases an existing facility,  
4.10 pre-design requirements shall be waived. The  
4.11 facilities must be located at the South St. Paul  
4.12 airport, Minnesota airports; and to (3) furnish  
4.13 and equip the facility facilities, including  
4.14 communications equipment. Notwithstanding  
4.15 Minnesota Statutes, section 16A.28,  
4.16 subdivision 6, this appropriation is available  
4.17 for five years after the year of the  
4.18 appropriation. Notwithstanding the matching  
4.19 requirements in Minnesota Statutes, section  
4.20 360.305, subdivision 4, a nonstate contribution  
4.21 shall not be required for this appropriation.  
4.22 The provisions of Minnesota Statutes, section  
4.23 360.35, shall apply to the Civil Air Patrol. This  
4.24 is a onetime appropriation.

4.25 (b) Transit 1,416,000 18,268,000

4.26	Appropriations by Fund	
4.27	2018	2019
4.28	General 570,000	17,395,000
4.29	Trunk Highway 846,000	873,000

4.30 \$150,000 in each year is from the general fund  
4.31 for grants to transportation management  
4.32 organizations that provide services exclusively  
4.33 or primarily in the city located along the  
4.34 marked Interstate Highway 494 corridor  
4.35 having the highest population as of the

5.1 effective date of this section. The  
 5.2 commissioner must not retain any portion of  
 5.3 the funds appropriated under this section.  
 5.4 From the appropriation in each fiscal year, the  
 5.5 commissioner must make grant payments in  
 5.6 full by July 31. Permissible uses of funds  
 5.7 under this grant include administrative  
 5.8 expenses and programming and service  
 5.9 expansion, including but not limited to  
 5.10 staffing, communications, outreach and  
 5.11 education program development, and  
 5.12 operations management. This is a onetime  
 5.13 appropriation.

5.14 The base from the general fund is \$17,245,000  
 5.15 in each year for fiscal years 2020 and 2021.

5.16	<b>(c) Safe Routes to School</b>	500,000	500,000
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5.17 This appropriation is from the general fund  
 5.18 for the safe routes to school program under  
 5.19 Minnesota Statutes, section 174.40.

5.20	<b>(d) Passenger Rail</b>	500,000	500,000
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5.21 This appropriation is from the general fund  
 5.22 for passenger rail system planning, alternatives  
 5.23 analysis, environmental analysis, design, and  
 5.24 preliminary engineering under Minnesota  
 5.25 Statutes, sections 174.632 to 174.636.

5.26 **(e) Freight**

5.27	<b>Freight and Commercial Vehicle Operations</b>	8,506,000	6,578,000
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5.28 Appropriations by Fund

		2018	2019
5.29			
5.30	General	3,156,000	1,056,000
5.31	Trunk Highway	5,350,000	5,522,000

5.32 \$1,100,000 in the first year is from the general  
 5.33 fund for port development assistance grants  
 5.34 under Minnesota Statutes, chapter 457A, to

6.1 the city of Red Wing and to the Port Authority  
6.2 of Winona. Any improvements made with the  
6.3 proceeds of the grants must be publicly owned.  
6.4 This is a onetime appropriation and is  
6.5 available in the second year.

6.6 \$800,000 in each year is from the general fund  
6.7 for additional rail safety and rail service  
6.8 activities.

6.9 \$1,000,000 in the first year is from the general  
6.10 fund for a grant to the city of Grand Rapids to  
6.11 fund rail planning studies, design, and  
6.12 preliminary engineering relating to the  
6.13 construction of a freight rail line located in the  
6.14 counties of Itasca, St. Louis, and Lake to serve  
6.15 local producers and shippers. The city of  
6.16 Grand Rapids shall collaborate with the Itasca  
6.17 Economic Development Corporation and the  
6.18 Itasca County Regional Railroad Authority in  
6.19 the activities funded with the proceeds of this  
6.20 grant. This is a onetime appropriation and is  
6.21 available until June 30, 2019.