

State of Minnesota

HOUSE OF REPRESENTATIVES

EIGHTY-SEVENTH SESSION

H. F. No. **1752**

05/21/2011 Authored by Howes, Hausman, Lanning, Scalze and Davids
The bill was read for the first time and referred to the Committee on Capital Investment
03/22/2012 Adoption of Report: Pass and re-referred to the Committee on Ways and Means
04/23/2012 Adoption of Report: Pass as Amended and Read Second Time

1.1 A bill for an act
1.2 relating to capital improvements; authorizing spending to acquire and better
1.3 public land and buildings and for other improvements of a capital nature with
1.4 certain conditions; establishing programs; authorizing the sale and issuance of
1.5 state bonds; modifying previous appropriations; authorizing Cook County to form
1.6 a district for the construction of water facilities and provision of water service;
1.7 authorizing the commissioner of natural resources to make certain acquisitions
1.8 of land or interests in land; appropriating money; amending Minnesota Statutes
1.9 2010, section 462A.21, by adding a subdivision; Laws 2006, chapter 258,
1.10 sections 7, subdivision 23, as amended; 17, subdivision 3; Laws 2008, chapter
1.11 179, sections 7, subdivision 27, as amended; 17, subdivision 4; 19, subdivision 4,
1.12 as amended; 21, subdivision 15, as amended; Laws 2009, chapter 93, article 1,
1.13 section 12, subdivision 2; Laws 2010, chapter 189, sections 18, subdivision 5; 21,
1.14 subdivision 4, as amended; 24, subdivision 3; Laws 2011, First Special Session
1.15 chapter 12, sections 3, subdivisions 7, 8; 14, subdivision 2; 19; 22; proposing
1.16 coding for new law in Minnesota Statutes, chapters 116J; 462A; repealing Laws
1.17 2011, chapter 107, section 101; Minnesota Rules, part 8895.0700, subpart 1.

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

1.19 Section 1. **CAPITAL IMPROVEMENT APPROPRIATIONS.**

1.20 The sums shown in the column under "Appropriations" are appropriated from the
1.21 bond proceeds fund, or another named fund, to the state agencies or officials indicated,
1.22 to be spend for public purposes. Appropriations of bond proceeds must be spent as
1.23 authorized by the Minnesota Constitution, article XI, section 5, paragraph (a), to acquire
1.24 and better public land and buildings and other public improvements of a capital nature or
1.25 as authorized by the Minnesota Constitution, article XI, section 5, paragraphs (b) to (j),
1.26 or article XIV. Unless otherwise specified, money appropriated in this act for a capital
1.27 program or project may be used to pay state agency staff costs that are attributed directly
1.28 to the capital program or project in accordance with accounting policies adopted by the
1.29 commissioner of management and budget. Unless otherwise specified, the appropriations

2.1 in this act are available until the project is completed or abandoned subject to Minnesota
 2.2 Statutes, section 16A.642.

2.3 **SUMMARY**

2.4	<u>University of Minnesota</u>	\$	<u>30,000,000</u>
2.5	<u>Minnesota State Colleges and Universities</u>		<u>30,000,000</u>
2.6	<u>Natural Resources</u>		<u>30,000,000</u>
2.7	<u>Administration</u>		<u>221,000,000</u>
2.8	<u>Transportation</u>		<u>102,500,000</u>
2.9	<u>Public Facilities Authority</u>		<u>20,000,000</u>
2.10	<u>Bond Sale Expenses</u>		<u>433,000</u>
2.11	<u>TOTAL</u>	\$	<u>433,933,000</u>
2.12	<u>Bond Proceeds Fund (General Fund Debt Service)</u>		<u>333,933,000</u>
2.13	<u>State Transportation Fund</u>		<u>100,000,000</u>

2.14 **APPROPRIATIONS**

2.15 **Sec. 2. UNIVERSITY OF MINNESOTA** **\$** **30,000,000**

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

2.19 **Sec. 3. MINNESOTA STATE COLLEGES**
 2.20 **AND UNIVERSITIES** **\$** **30,000,000**

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

2.25 **Sec. 4. NATURAL RESOURCES** **\$** **30,000,000**

2.26 To the commissioner of natural resources
 2.27 for the state share of flood hazard
 2.28 mitigation grants for publicly owned capital
 2.29 improvements to prevent or alleviate flood
 2.30 damage under Minnesota Statutes, section
 2.31 103F.161. Levee projects, to the extent
 2.32 practical, shall meet the state standard of
 2.33 three feet above the 100-year flood elevation.
 2.34 The commissioner shall determine project
 2.35 priorities as appropriate, based on need. To

3.1 the extent that the cost of a project exceeds
3.2 two percent of the median household income
3.3 in the municipality multiplied by the number
3.4 of households in the municipality, this
3.5 appropriation is also for the local share of the
3.6 project.

3.7 Sec. 5. ADMINISTRATION \$ 221,000,000

3.8 To the commissioner of administration to
3.9 design the repair and restoration of the State
3.10 Capitol building, including preparation of
3.11 design guidelines and a historic structures
3.12 report, to conduct hazardous materials
3.13 abatement, and to restore and improve the
3.14 Capitol building. The work is limited to that
3.15 necessary to restoring building integrity and
3.16 structural soundness. This appropriation
3.17 must not be used for furnishings or
3.18 equipment unrelated to structural integrity
3.19 and soundness. Minnesota Statutes, section
3.20 16B.35, does not apply to this section.
3.21 Construction work must be sequenced
3.22 so that the House and Senate chambers
3.23 are inaccessible during no more than
3.24 one even-numbered year session. This
3.25 appropriation is available in the following
3.26 amounts: \$60,000,000 in each fiscal year
3.27 2013 to 2015 and \$41,000,000 in fiscal
3.28 year 2016. For the purposes of Minnesota
3.29 Statutes, section 16A.642, the first day of
3.30 the fiscal year in which an amount is first
3.31 available, as provided in this paragraph, is
3.32 the date the commissioner of management
3.33 and budget shall use in place of the date of
3.34 enactment of this section.

4.1 **Sec. 6. TRANSPORTATION**

4.2 **Subdivision 1. Total Appropriation** **\$ 102,500,000**

4.3 This appropriation is to the commissioner of
 4.4 transportation for the purposes specified in
 4.5 this section.

4.6 **Subd. 2. Local Bridge Replacement and**
 4.7 **Rehabilitation** **50,000,000**

4.8 This appropriation is from the bond proceeds
 4.9 account in the state transportation fund
 4.10 to match federal money and to replace
 4.11 or rehabilitate local deficient bridges as
 4.12 provided in Minnesota Statutes, section
 4.13 174.50. To the extent practicable, the
 4.14 commissioner shall expend the funds as
 4.15 provided under Minnesota Statutes, section
 4.16 174.50, subdivisions 6c and 7, paragraph (c).

4.17 Political subdivisions may use grants made
 4.18 under this subdivision to construct or
 4.19 reconstruct bridges, including but not limited
 4.20 to:

4.21 (1) matching federal aid grants to construct
 4.22 or reconstruct key bridges;

4.23 (2) paying the costs of preliminary
 4.24 engineering and environmental studies
 4.25 authorized under Minnesota Statutes, section
 4.26 174.50, subdivision 6a;

4.27 (3) paying the costs to abandon an existing
 4.28 bridge that is deficient and in need of
 4.29 replacement, but where no replacement will
 4.30 be made; and

4.31 (4) paying the costs to construct a road
 4.32 or street to facilitate the abandonment
 4.33 of an existing bridge determined by
 4.34 the commissioner to be deficient, if the

5.1 commissioner determines that construction
5.2 of the road or street is more economical than
5.3 replacement of the existing bridge.

5.4 **Subd. 3. Local Road Improvements** **50,000,000**

5.5 Approximately one-half of the appropriation
5.6 is for construction and reconstruction of local
5.7 roads with statewide or regional significance
5.8 under Minnesota Statutes, section 174.52,
5.9 subdivision 4, and one-half is for grants to
5.10 counties to assist in paying the costs of rural
5.11 road safety capital improvement projects on
5.12 county state-aid highways under Minnesota
5.13 Statutes, section 174.52, subdivision 4a.

5.14 This appropriation is from the bond proceeds
5.15 account in the state transportation fund as
5.16 provided in Minnesota Statutes, section
5.17 174.50.

5.18 **Subd. 4. Railroad Warning Devices**
5.19 **Replacement** **2,500,000**

5.20 To design, construct, and equip the
5.21 replacement of active highway rail grade
5.22 crossing warning safety devices that have
5.23 reached the end of their useful life.

5.24 **Sec. 7. PUBLIC FACILITIES AUTHORITY** **\$ 20,000,000**

5.25 For grants to eligible municipalities under the
5.26 wastewater infrastructure funding program
5.27 under Minnesota Statutes, section 446A.072.

5.28 **Sec. 8. BOND SALE EXPENSES** **\$ 433,000**

5.29 To the commissioner of management
5.30 and budget for bond sale expenses under
5.31 Minnesota Statutes, section 16A.641,
5.32 subdivision 8.

6.1 Sec. 9. **BOND SALE AUTHORIZATION.**

6.2 Subdivision 1. **Bond proceeds fund.** To provide the money appropriated in this act
6.3 from the bond proceeds fund, the commissioner of management and budget shall sell and
6.4 issue bonds of the state in an amount up to \$333,933,000 in the manner, upon the terms,
6.5 and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and
6.6 by the Minnesota Constitution, article XI, sections 4 to 7.

6.7 Subd. 2. **Transportation fund.** To provide the money appropriated in this act from
6.8 the state transportation fund, the commissioner of management and budget shall sell and
6.9 issue bonds of the state in an amount up to \$100,000,000 in the manner, upon the terms,
6.10 and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by
6.11 the Minnesota Constitution, article XI, sections 4 to 7. The proceeds of the bonds, except
6.12 accrued interest and any premium received on the sale of the bonds, must be credited to
6.13 a bond proceeds account in the state transportation fund.

6.14 Sec. 10. **[116J.436] TRANSPORTATION ECONOMIC DEVELOPMENT**
6.15 **INFRASTRUCTURE PROGRAM.**

6.16 Subdivision 1. **Grant program established; purpose.** The transportation economic
6.17 development infrastructure program is created to foster interagency coordination between
6.18 the Departments of Transportation and Employment and Economic Development to
6.19 finance infrastructure to create economic development opportunities, jobs, and improve all
6.20 types of transportation systems statewide.

6.21 Subd. 2. **Eligible projects.** Funds appropriated for the program must be used to
6.22 fund construction, reconstruction, and infrastructure improvements that will promote
6.23 economic development, increase employment, and improve transportation systems to
6.24 accommodate private investment and job creation.

6.25 Subd. 3. **Trunk highway projects.** Money in the program shall not be used on
6.26 trunk highway improvements, but can be used for needed infrastructure improvements
6.27 and nontrunk highway improvements in coordination with trunk highway improvement
6.28 projects undertaken by the Department of Transportation.

6.29 Subd. 4. **Application.** The commissioners of transportation and employment and
6.30 economic development shall design an application process and selection process to
6.31 distribute funding to local units of government for publicly owned infrastructure using
6.32 criteria that take into account: job creation; increase in local tax base; level of private
6.33 investment; leverage of nonstate funds; improvement to the transportation system to serve

7.1 the project area; and appropriate geographic balance between the metropolitan area and
7.2 greater Minnesota.

7.3 Sec. 11. Minnesota Statutes 2010, section 462A.21, is amended by adding a
7.4 subdivision to read:

7.5 Subd. 33. **Housing infrastructure bonds account.** The agency may establish a
7.6 housing infrastructure bond account as a separate account within the housing development
7.7 fund. Proceeds of housing infrastructure bonds and payments made by the state under
7.8 section 462A.37 may be credited to the account. The agency may transfer the proceeds of
7.9 housing infrastructure bonds to other accounts within the housing development fund that it
7.10 determines appropriate to accomplish the purposes for which the bonds are authorized
7.11 under section 462A.37.

7.12 Sec. 12. **[462A.37] HOUSING INFRASTRUCTURE BONDS;**
7.13 **AUTHORIZATION; STANDING APPROPRIATION.**

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

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

7.17 (c) "Community land trust" means an entity that meets the requirements of section
7.18 462A.31, subdivisions 1 and 2.

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

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

7.25 (f) "Housing infrastructure bonds" means bonds issued by the agency under chapter
7.26 462A that are qualified 501(c)(3) bonds, within the meaning of Section 145(a) of the
7.27 Internal Revenue Code, or are tax-exempt bonds that are not private activity bonds, within
7.28 the meaning of Section 141(a) of the Internal Revenue Code, for the purpose of financing
7.29 or refinancing affordable housing authorized under this chapter.

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

7.31 (h) "Supportive housing" means housing that is not time-limited and provides or
7.32 coordinates with linkages to services necessary for residents to maintain housing stability
7.33 and maximize opportunities for education and employment.

8.1 Subd. 2. **Authorization.** (a) The agency may issue up to \$10,000,000 in aggregate
8.2 principal amount of housing infrastructure bonds in one or more series to which the
8.3 payment made under this section may be pledged. The housing infrastructure bonds
8.4 authorized in this subdivision may be issued to fund loans, on terms and conditions the
8.5 agency deems appropriate, made for one or more of the following purposes:

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

8.8 (2) to finance the costs of the acquisition and rehabilitation of foreclosed or
8.9 abandoned housing to be used for affordable rental housing and the costs of new
8.10 construction of rental housing on abandoned or foreclosed property where the existing
8.11 structures will be demolished or removed;

8.12 (3) to finance that portion of the costs of acquisition of abandoned or foreclosed
8.13 property that is attributable to the land to be leased by community land trusts to low-
8.14 and moderate-income homebuyers; and

8.15 (4) to finance the costs of acquisition and rehabilitation of federally assisted rental
8.16 housing and for the refinancing of costs of the construction, acquisition, and rehabilitation
8.17 of federally assisted rental housing, including providing funds to refund, in whole or in
8.18 part, outstanding bonds previously issued by the agency or another governmental unit to
8.19 finance or refinance such costs.

8.20 (b) Among comparable proposals for permanent supportive housing, preference
8.21 shall be given to permanent supportive housing for individuals or families who: (1) either
8.22 have been without a permanent residence for at least 12 months or at least four times in
8.23 the last three years; or (2) are at significant risk of lacking a permanent residence for 12
8.24 months or at least four times in the last three years.

8.25 Subd. 3. **No full faith and credit.** The housing infrastructure bonds are not public
8.26 debt of the state, and the full faith and credit and taxing powers of the state are not pledged
8.27 to the payment of the housing infrastructure bonds or to any payment that the state agrees
8.28 to make under this section. The bonds must contain a conspicuous statement to that effect.

8.29 Subd. 4. **Appropriation; payment to agency or trustee.** (a) The agency must
8.30 certify annually to the commissioner of management and budget the actual amount of
8.31 annual debt service on each series of bonds issued under subdivision 2.

8.32 (b) Each July 15, beginning in 2013 and through 2035, if any housing infrastructure
8.33 bonds issued under subdivision 2 remain outstanding, the commissioner of management
8.34 and budget must transfer to the affordable housing bond account established under section
8.35 462A.21, subdivision 33, the amount certified under paragraph (a), not to exceed \$740,000

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

9.3 (c) The agency may pledge to the payment of the housing infrastructure bonds the
9.4 payments to be made by the state under this section.

9.5 Sec. 13. Laws 2006, chapter 258, section 7, subdivision 23, as amended by Laws 2010,
9.6 chapter 399, section 2, is amended to read:

9.7 Subd. 23. **Trail connections** 2,010,000

9.8 For matching grants under Minnesota
9.9 Statutes, section 85.019, subdivision 4c.

9.10 \$500,000 is for a grant to Carlton County
9.11 to predesign, design, and construct a
9.12 nonmotorized pedestrian trail connection
9.13 to the Willard Munger State Trail from the
9.14 city of Carlton through the city of Scanlon
9.15 continuing to the city of Cloquet, along the
9.16 St. Louis River in Carlton County.

9.17 \$260,000 is to provide the state match for the
9.18 cost of the Soo Line Multiuse Recreational
9.19 Bridge project over marked Trunk Highway
9.20 169 in Mille Lacs County.

9.21 \$175,000 is for a grant to the city of Bowlus
9.22 in Morrison County to design, construct,
9.23 furnish, and equip a trailhead center at the
9.24 head of the Soo Line Recreational Trail.

9.25 \$125,000 is for a grant to Morrison
9.26 County to predesign, design, construct,
9.27 furnish, and equip a park-and-ride lot and
9.28 restroom building adjacent to the Soo Line
9.29 Recreational Trail at U.S. Highway 10.

9.30 \$950,000 is for a grant to the St. Louis
9.31 and Lake Counties Regional Railroad
9.32 Authority for land acquisition, engineering,
9.33 construction, furnishing, and equipping of

10.1 a ~~19-mile "Boundary Waters Connection"~~
 10.2 ~~of the Mesabi Trail from Bearhead State~~
 10.3 ~~Park to the International Wolf Center in~~
 10.4 ~~Ely. This appropriation is contingent upon~~
 10.5 ~~a matching contribution of \$950,000 from~~
 10.6 ~~other sources, public or private. segment of~~
 10.7 the Mesabi Trail from County Road 697 in
 10.8 Breitung Township east through Vermilion
 10.9 State Park. Notwithstanding Minnesota
 10.10 Statutes, section 85.019, no local match shall
 10.11 be required for this grant. Notwithstanding
 10.12 Minnesota Statutes, section 16A.642, the
 10.13 bond authorization and appropriation of bond
 10.14 proceeds for this project are available until
 10.15 June 30, 2014.

10.16 Sec. 14. Laws 2006, chapter 258, section 17, subdivision 3, is amended to read:

10.17 Subd. 3. **Cedar Avenue Bus Rapid Transit**
 10.18 **(BRT)** 5,000,000

10.19 To the Metropolitan Council or for a
 10.20 grant to Dakota County for environmental
 10.21 studies, preliminary engineering, bus
 10.22 lane improvements, and transit station
 10.23 construction and improvements in the Cedar
 10.24 Avenue Bus Rapid Transit Corridor.

10.25 This appropriation may not be spent for
 10.26 capital improvements within a trunk highway
 10.27 right-of-way.

10.28 Sec. 15. Laws 2008, chapter 179, section 7, subdivision 27, as amended by Laws 2010,
 10.29 chapter 189, section 56, and Laws 2010, chapter 399, section 4, is amended to read:

10.30 Subd. 27. **State Trail Acquisition,**
 10.31 **Rehabilitation, and Development** 15,320,000

10.32 To acquire land for and to construct and
 10.33 renovate state trails under Minnesota
 10.34 Statutes, section 85.015.

- 11.1 \$970,000 is for the Chester Woods Trail
11.2 from Rochester to Dover. Notwithstanding
11.3 Minnesota Statutes, section 16A.642, the
11.4 bond authorization and appropriation of bond
11.5 proceeds for this project are available until
11.6 June 30, 2016.
- 11.7 \$700,000 is for the Casey Jones Trail.
- 11.8 \$750,000 is for the Gateway Trail, to replace
11.9 an at-grade crossing of the Gateway Trail
11.10 at Highway 120 with a grade-separated
11.11 crossing.
- 11.12 \$1,600,000 is for the Gitchi-Gami Trail
11.13 between Silver Bay and Tettegouche State
11.14 Park.
- 11.15 \$1,500,000 is for the Great River Ridge Trail
11.16 from Plainview to Elgin to Eyota.
- 11.17 \$1,500,000 is for the Heartland Trail.
- 11.18 \$500,000 is for the Mill Towns Trail from
11.19 Lake Byllesby Park to Cannon Falls.
- 11.20 \$150,000 is for the Mill Towns Trail within
11.21 the city of Faribault.
- 11.22 \$1,500,000 is for the Minnesota River
11.23 Trail from Appleton to Milan and to
11.24 the Marsh Lake Dam. Notwithstanding
11.25 Minnesota Statutes, section 16A.642, the
11.26 bond authorization and appropriation of bond
11.27 proceeds for this project are available until
11.28 December 30, 2014.
- 11.29 \$2,000,000 is for the Paul Bunyan Trail from
11.30 Walker to Guthrie.
- 11.31 \$250,000 is for the Root River Trail from
11.32 Preston to Forestville State Park.

12.1 \$100,000 is for the Root River Trail, the
 12.2 eastern extension.

12.3 \$250,000 is for the Root River Trail, the
 12.4 eastern extension Wagon Wheel.

12.5 \$550,000 is to connect the Stagecoach Trail
 12.6 with the Douglas Trail in Olmsted County.

12.7 \$3,000,000 is to rehabilitate state trails.

12.8 For any project listed in this subdivision that
 12.9 the commissioner determines is not ready to
 12.10 proceed, the commissioner may allocate that
 12.11 project's money to another state trail project
 12.12 in this subdivision. The chairs of the house
 12.13 and senate committees with jurisdiction
 12.14 over environment and natural resources
 12.15 and legislators from the affected legislative
 12.16 districts must be notified of any changes.

12.17 Sec. 16. Laws 2008, chapter 179, section 17, subdivision 4, is amended to read:

12.18 Subd. 4. **Cedar Avenue Bus Rapid Transit** 4,000,000

12.19 To the Metropolitan Council or to the
 12.20 Council to grant to Dakota County, the
 12.21 Dakota County Regional Railroad Authority,
 12.22 or the Minnesota Valley Transit Authority to
 12.23 acquire land, or an interest in land, and to for
 12.24 design, environmental studies, preliminary
 12.25 engineering, bus lane improvements, layover
 12.26 and maintenance facilities, and transit station
 12.27 construction and improvements in the Cedar
 12.28 Avenue Bus Rapid Transit corridor in Dakota
 12.29 County. This appropriation may not be spent
 12.30 for capital improvements within a trunk
 12.31 highway right-of-way. This appropriation
 12.32 is added to the appropriation in Laws 2006,
 12.33 chapter 258, section 17, subdivision 3.

13.1 Sec. 17. Laws 2008, chapter 179, section 19, subdivision 4, as amended by Laws 2011,
 13.2 First Special Session chapter 12, section 34, is amended to read:

13.3 Subd. 4. **Minneapolis Veterans Home Campus**

13.4 **Building 17 HVAC Replacement** 1,155,000

13.5 To predesign, design, and construct
 13.6 improvements to heating, ventilation, air
 13.7 conditioning, and lighting systems and
 13.8 associated areas serving the south wing of
 13.9 Building 17. Any unspent funds from this
 13.10 appropriation may be used for the purposes
 13.11 provided under Laws 2010, chapter 189,
 13.12 section 19, subdivision 4, as amended by
 13.13 Laws 2010, chapter 399, section 8, and
 13.14 Laws 2011, First Special Session chapter 12,
 13.15 section 46.

13.16 Sec. 18. Laws 2008, chapter 179, section 21, subdivision 15, as amended by Laws
 13.17 2008, chapter 365, section 22, and Laws 2008, chapter 370, section 6, is amended to read:

13.18 Subd. 15. **St. Cloud State University - National**
 13.19 **Hockey Center; HEAPR** 6,500,000

13.20 To the Board of Trustees of the Minnesota
 13.21 State Colleges and Universities to predesign,
 13.22 design, construct, furnish, and equip the
 13.23 renovation of and addition to the National
 13.24 Hockey Center or for higher education asset
 13.25 preservation and replacement (HEAPR)
 13.26 pursuant to Minnesota Statutes, section
 13.27 135A.046, at St. Cloud State University or
 13.28 systemwide. The board may use university
 13.29 and nonstate money for the remainder of
 13.30 the cost of the construction of the National
 13.31 Hockey Center project. Notwithstanding
 13.32 Minnesota Statutes, section 16A.642, the
 13.33 bond authorization and appropriation of bond

14.1 proceeds in this subdivision are available
 14.2 until June 30, 2016.

14.3 Sec. 19. Laws 2009, chapter 93, article 1, section 12, subdivision 2, is amended to read:

14.4 **Subd. 2. Transit Capital Improvement**
 14.5 **Program** 21,000,000

14.6 (a) To the Metropolitan Council. \$8,500,000
 14.7 is for the state's share of costs for the Central
 14.8 Corridor light rail line for one or more of the
 14.9 following activities: preliminary engineering,
 14.10 final design, property acquisition, including
 14.11 improvements and betterments of a capital
 14.12 nature, relocation of utilities owned by public
 14.13 entities, and construction.

14.14 (b) Any remaining money from this
 14.15 appropriation is to implement one or more of
 14.16 the following capital improvements, which
 14.17 are not listed in a ranked order of priority.
 14.18 The council shall determine project priorities
 14.19 after consultation with the Counties Transit
 14.20 Improvement Board, and other stakeholders,
 14.21 as appropriate. The council shall seek
 14.22 geographic balance in the allotment of this
 14.23 appropriation where possible and maximize
 14.24 the use of all available federal money from
 14.25 the American Recovery and Reinvestment
 14.26 Act of 2009, Public Law 111-5, and any
 14.27 other available federal money.

14.28 (1) Bottineau Boulevard Transit Way
 14.29 For a grant to the Hennepin County Regional
 14.30 Railroad Authority for environmental work
 14.31 for Bottineau Transit Way corridor from the
 14.32 Hiawatha light rail and Northstar intermodal
 14.33 transit station in downtown Minneapolis to
 14.34 the vicinity of the Target development in

- 15.1 northern Brooklyn Park or the Arbor Lakes
15.2 retail area in Maple Grove.
- 15.3 (2) Cedar Avenue Bus Rapid Transit
- 15.4 To the Metropolitan Council or to the
15.5 Council for a grant to Dakota County, the
15.6 Dakota County Regional ~~Rail~~ Railroad
15.7 Authority, or the Minnesota Valley Transit
15.8 Authority to acquire real property ~~and~~
15.9 ~~construct~~, for preliminary engineering, and to
15.10 design and construct transit stations, layover
15.11 and maintenance facilities, and roadway
15.12 improvements for shoulder running bus lanes
15.13 on County State-Aid Highway 23 in Apple
15.14 Valley and Lakeville for the Cedar Avenue
15.15 Bus Rapid Transit Way (BRT) in Dakota
15.16 County.
- 15.17 (3) I-94 Corridor Transit Way
- 15.18 (i) For a grant to Washington County
15.19 Regional Rail Authority for environmental
15.20 work and preliminary engineering of
15.21 transportation and transit improvements,
15.22 including busways, park-and-rides, or rail
15.23 transit, in the marked Interstate Highway 94
15.24 corridor.
- 15.25 (ii) To acquire property and construct
15.26 transportation and transit improvements,
15.27 including busways, park-and-rides, or rail
15.28 transit, in the marked Interstate Highway 94
15.29 corridor.
- 15.30 (4) Red Rock Corridor Transit Way
- 15.31 To design, construct, and furnish
15.32 park-and-ride lots for the Red Rock
15.33 Corridor Transit Way between Hastings and

- 16.1 Minneapolis via St. Paul, and any extension
16.2 between Hastings and Red Wing.
16.3 (5) Riverview Corridor Transit Way
- 16.4 For a grant to the Ramsey County Regional
16.5 Railroad Authority for environmental work
16.6 and preliminary engineering for bus rapid
16.7 transit in the Riverview corridor between the
16.8 east side of St. Paul and the Minneapolis-St.
16.9 Paul International Airport and the Mall of
16.10 America.
16.11 (6) Robert Street Corridor Transit Way
- 16.12 To design and construct new passenger
16.13 shelters and a bus layover facility, including
16.14 rest rooms, break areas, and a passenger
16.15 shelter, in the Robert Street Corridor Transit
16.16 Way along or parallel to U.S. Highway
16.17 52 and Robert Street from within the city
16.18 of St. Paul to Dakota County Road 42 in
16.19 Rosemount.
16.20 (7) Rush Line Corridor Transit Way
- 16.21 For a grant to the Ramsey County Regional
16.22 Railroad Authority to acquire land for,
16.23 design, and construct park-and-ride or
16.24 park-and-pool lots located along the Rush
16.25 Line Corridor along I-35E/I-35 and Highway
16.26 61 from the Union Depot in downtown St.
16.27 Paul to Hinckley.
16.28 (8) Southwest Corridor Transit Way
- 16.29 To prepare an environmental impact
16.30 statement (EIS) and for preliminary
16.31 engineering for the Southwest Transit Way
16.32 Corridor, from the Hiawatha light rail in
16.33 downtown Minneapolis to the vicinity of the
16.34 Southwest Station transit hub in Eden Prairie.

17.1 The Metropolitan Council may grant a
 17.2 portion of this appropriation to the Hennepin
 17.3 County Regional Railroad Authority for the
 17.4 EIS work.

17.5 (9) Union Depot

17.6 For a grant to the Ramsey County Regional
 17.7 Railroad Authority to acquire land and
 17.8 structures, to renovate structures, and
 17.9 for design, engineering, and construction
 17.10 to revitalize Union Depot for use as a
 17.11 multimodal transit center in St. Paul. The
 17.12 center must be designed so that it facilitates a
 17.13 potential future connection of high-speed rail
 17.14 to Minneapolis.

17.15 (c) Of this amount, \$313,000 is for
 17.16 preliminary engineering and final design for
 17.17 betterments in the State Capitol area related
 17.18 to the Central Corridor light rail transit
 17.19 project. This money is not included in the
 17.20 Central Corridor light rail transit project
 17.21 budget.

17.22 Sec. 20. Laws 2010, chapter 189, section 18, subdivision 5, is amended to read:

17.23	Subd. 5. Minnesota Sex Offender Program	
17.24	Treatment Facilities - Moose Lake	47,500,000

17.25 To complete design for and to construct,
 17.26 furnish, and equip phase 2 of the Minnesota
 17.27 sex offender treatment program at Moose
 17.28 Lake. Upon substantial completion
 17.29 of this project, the unspent portion of
 17.30 this appropriation is available for asset
 17.31 preservation projects for the Moose Lake
 17.32 campus of the Minnesota sex offender
 17.33 program, including design and construction
 17.34 of a replacement water tower, abatement

18.1 of hazardous materials, and the demolition
 18.2 of the existing water tower serving the
 18.3 Moose Lake sex offender program and the
 18.4 Department of Corrections Moose Lake
 18.5 facility. The water tower project must
 18.6 be cost-shared with the Department of
 18.7 Corrections.

18.8 Sec. 21. Laws 2010, chapter 189, section 21, subdivision 4, as amended by Laws 2010,
 18.9 chapter 399, section 9, is amended to read:

18.10 Subd. 4. **Redevelopment Account** 5,000,000

18.11 For purposes of the redevelopment account
 18.12 under Minnesota Statutes, sections 116J.571
 18.13 to 116J.575.

18.14 \$2,000,000 is for a grant to the city of Lake
 18.15 Elmo. \$1,000,000 must be used to design
 18.16 and construct an expansion of the city's water
 18.17 pumping, storage, and distribution system
 18.18 to provide approximately 1,000 additional
 18.19 service hookups and replace a city well lost
 18.20 to contamination by perfluorochemicals
 18.21 (PFC's). \$1,000,000 must be used to
 18.22 design and construct the extension of a
 18.23 16-inch sanitary sewer force main from
 18.24 the Metropolitan Council interceptor on
 18.25 Interstate Highway 94 to 30th Street to
 18.26 the proposed southern edge of the Lake
 18.27 Elmo Village area. This appropriation is
 18.28 not available until the commissioner has
 18.29 determined that at least an equal amount has
 18.30 been committed to the project from nonstate
 18.31 sources.

18.32 To the extent funds are available, up to
 18.33 \$500,000 is for a grant to the city of Norwood
 18.34 Young America for public infrastructure

19.1 improvements, expansion, and upgrades to
 19.2 the city wastewater collection and treatment
 19.3 system related to the location of a food
 19.4 manufacturing and processing facility within
 19.5 the city. This appropriation is not available
 19.6 until the commissioner has determined that
 19.7 at least an equal amount has been committed
 19.8 to the project from nonstate sources, and that
 19.9 the food manufacturer/processor has entered
 19.10 into an agreement to locate a facility in the
 19.11 city.

19.12 Notwithstanding Minnesota Statutes,
 19.13 section 16A.642, grant number
 19.14 RDGP-06-0007-0-FY07, awarded in
 19.15 September 2006 to the city of Tower from an
 19.16 appropriation to the redevelopment account
 19.17 in Laws 2005, chapter 20, article 1, section
 19.18 23, subdivision 11, is available until June
 19.19 30, 2013.

19.20 Sec. 22. Laws 2010, chapter 189, section 24, subdivision 3, is amended to read:

19.21 **Subd. 3. County and Local Preservation**
 19.22 **Grants** 1,000,000

19.23 To be allocated to county and local
 19.24 jurisdictions as matching money for historic
 19.25 preservation projects of a capital nature,
 19.26 as provided in Minnesota Statutes, section
 19.27 138.0525.

19.28 ~~\$150,000 is for a grant to the city of South St.~~
 19.29 ~~Paul to renovate the historically significant~~
 19.30 ~~1941 Navy Hangar at 310 Airport Road at~~
 19.31 ~~Fleming Field in the city to meet life safety~~
 19.32 ~~and building code requirements, subject to~~
 19.33 ~~Minnesota Statutes, section 16A.695. No~~
 19.34 ~~local match is required for this grant.~~

20.1 Sec. 23. Laws 2011, First Special Session chapter 12, section 3, subdivision 7, is
 20.2 amended to read:

20.3 Subd. 7. **Normandale Community College**
 20.4 **Academic Partnership Center and Student**
 20.5 **Services**

21,984,000

20.6 To design, construct, furnish, and equip a
 20.7 new building for classrooms and offices ~~and~~
 20.8 ~~to design, construct, furnish, and equip the~~
 20.9 ~~renovation of the Student Services Building.~~

20.10 Sec. 24. Laws 2011, First Special Session chapter 12, section 3, subdivision 8, is
 20.11 amended to read:

20.12 Subd. 8. **NHED Mesabi Range Community**
 20.13 **and Technical College, Virginia**
 20.14 **Iron Range Engineering Program Facilities**

3,000,000

20.15 To predesign, design, construct, furnish,
 20.16 and equip an addition to and renovation of
 20.17 existing space for the Iron Range engineering
 20.18 program, including laboratory spaces, other
 20.19 learning spaces, and improvements to the
 20.20 entrance, ~~and to acquire a privately owned~~
 20.21 ~~housing facility on the campus.~~

20.22 Sec. 25. Laws 2011, First Special Session chapter 12, section 14, subdivision 2,
 20.23 is amended to read:

20.24 Subd. 2. **Transit Capital Improvement**
 20.25 **Program**

20,000,000

20.26 To the Metropolitan Council or for the
 20.27 Council to grant to Anoka County Regional
 20.28 Railroad Authority, Dakota County, Dakota
 20.29 County Regional Railroad Authority,
 20.30 Hennepin County, Hennepin County
 20.31 Regional Railroad Authority, Minnesota
 20.32 Valley Transit Authority, Ramsey County
 20.33 Regional Railroad Authority, or Washington

21.1 County Regional Railroad Authority to
 21.2 perform environmental studies, preliminary
 21.3 engineering, acquire property or an interest
 21.4 in property, design or construct transitway
 21.5 facilities and infrastructure, including
 21.6 roadways, for the following transitway
 21.7 projects: Northstar Ramsey station,
 21.8 Gateway (I-94 East) corridor, Minneapolis
 21.9 Interchange facility, Red Rock corridor,
 21.10 Newport park-and-ride and station, Rush
 21.11 Line corridor, Robert Street corridor, 35W
 21.12 South Bus Rapid Transit, and Cedar Avenue
 21.13 Bus Rapid Transit.

21.14 Sec. 26. Laws 2011, First Special Session chapter 12, section 19, is amended to read:

21.15 **Sec. 19. PUBLIC FACILITIES AUTHORITY** **\$ 20,000,000**

21.16 **Wastewater Infrastructure Funding Program**

21.17 To the Public Facilities Authority for
 21.18 grants to eligible municipalities under the
 21.19 wastewater infrastructure funding program
 21.20 under Minnesota Statutes, section 446A.072.

21.21 Notwithstanding the criteria and requirements
 21.22 of Minnesota Statutes, section 446A.072,
 21.23 up to \$1,000,000 of this appropriation is for
 21.24 a grant to the city of Albert Lea to design,
 21.25 construct, and equip water and sewer utilities
 21.26 in the area of Broadway Avenue and Main
 21.27 Street. This project may include demolition
 21.28 of deteriorating concrete curbs, gutters,
 21.29 sidewalks, and streets above the utilities,
 21.30 and the construction costs to replace and
 21.31 rehabilitate the infrastructure.

21.32 Sec. 27. Laws 2011, First Special Session chapter 12, section 22, is amended to read:

21.33 **Sec. 22. BOND SALE SCHEDULE.**

22.1 The commissioner of management and budget shall schedule the sale of state
22.2 general obligation bonds so that, during the biennium ending June 30, 2013, no more than
22.3 ~~\$1,200,858,000~~ \$1,088,452,000 will need to be transferred ~~from the general fund~~ to the
22.4 state bond fund to pay principal and interest due and to become due on outstanding state
22.5 general obligation bonds. Of the amount transferred, \$452,708,000 is from the general
22.6 fund and \$635,744,000 is from the tobacco settlement bond proceeds fund. During
22.7 the biennium, before each sale of state general obligation bonds, the commissioner of
22.8 management and budget shall calculate the amount of debt service payments needed on
22.9 bonds previously issued and shall estimate the amount of debt service payments that will
22.10 be needed on the bonds scheduled to be sold. The commissioner shall adjust the amount
22.11 of bonds scheduled to be sold so as to remain within the limit set by this section. The
22.12 amount needed to make the debt service payments is appropriated from the general fund
22.13 as provided in Minnesota Statutes, section 16A.641.

22.14 Sec. 28. **LAKE SUPERIOR-POPLAR RIVER WATER DISTRICT.**

22.15 Subdivision 1. **Establishment.** The Lake Superior-Poplar River Water District is
22.16 created as a municipal corporation, having the powers provided under Minnesota Statutes,
22.17 chapters 110A; 429, notwithstanding any provision of chapter 110A to the contrary; and
22.18 444. Notwithstanding any law to the contrary, the district shall not have the power to issue
22.19 general obligation bonds. Minnesota Statutes, sections 110A.04, 110A.07, and 110A.09 to
22.20 110A.18, shall not apply to the district or to the board created by this act.

22.21 Subd. 2. **Definitions.** For purposes of applying Minnesota Statutes, chapter 110A,
22.22 to this act, "works" and "systems" shall include irrigation purposes, "court" is deemed to
22.23 refer to the board of county commissioners; and "secretary of state" is deemed to refer to
22.24 the county auditor.

22.25 Subd. 3. **Territory included in district.** The territory of the district shall include
22.26 all lands within Sections 20, 21, 28, 29, 32, and 33 of Township 60 North, Range 3 West
22.27 of the Fourth Principal Meridian. Additional territory may be added as provided in
22.28 Minnesota Statutes, sections 110A.19 to 110A.22.

22.29 Subd. 4. **Payment of costs.** No person shall be obligated to purchase or be entitled
22.30 to receive water from the district unless that person is a party to a contract to purchase
22.31 water from the district. Excluding any initial capital investment funded by the state, all
22.32 capital and operating expenses of the district shall be paid by the users in proportion to
22.33 their use of water. The cost of distribution lines: (1) departing from the main water pipe
22.34 from Lake Superior to the domestic water treatment plant to any user; or (2) from the
22.35 water treatment plant to any user, shall be paid for by the user of the water either at the

23.1 time of installation or by user charges that allow the district to recoup the full cost of the
23.2 distribution lines and the cost of financing. Subject to this subdivision and the availability
23.3 of water under any applicable permit with a state or federal agency, any owner of land
23.4 within the district may contract with the district for the purchase of water.

23.5 Subd. 5. **Board of directors; elections.** (a) The district shall be governed by a
23.6 board of directors which shall have not less than three nor more than 13 members. The
23.7 district's initial directors shall be appointed by the Cook County Board of Commissioners,
23.8 with one director representing the domestic water users to serve for three years; up to two
23.9 directors representing the irrigation water users, one to serve for two years and one to
23.10 serve for three years; and up to two directors representing the commercial, stock watering,
23.11 and industrial users, one to serve for one year and one to serve for two years.

23.12 (b) The district's establishment shall take effect upon the Cook County Board of
23.13 Commissioners' appointment of the initial directors. The initial directors shall meet for
23.14 the purposes of organization within 30 days of their appointment. Thereafter, except
23.15 as otherwise provided in this subdivision, directors shall be elected in accordance with
23.16 Minnesota Statutes, section 110A.24, from election divisions comprised of domestic water
23.17 users; irrigation water users, and commercial, stock watering, and industrial users. Each
23.18 use classification shall be entitled to elect one director, plus one additional director if its
23.19 expected water usage for the following fiscal year exceeds ten percent of total water
23.20 usage. Each water user within each use classification shall be entitled to cast one vote for
23.21 each one percent of expected water usage for the following fiscal year. A homeowner's
23.22 association shall vote on behalf of its members if duly authorized by appropriate action by
23.23 the association's members. Prior to each election, the board of directors shall determine
23.24 the use classifications entitled to vote, the expected water use percentage of each user and
23.25 of use classification for the following fiscal year, and the number of directors each such
23.26 use classification is entitled to elect. The elections shall be conducted and supervised by
23.27 the board of directors and ratified by the Cook County Board of Commissioners.

23.28 Subd. 6. **Termination of appropriation of water from Poplar River.**
23.29 Notwithstanding any law to the contrary, 30 days after the works and systems to transport
23.30 water from Lake Superior to Lutsen Mountains Corporation's snowmaking systems first
23.31 become fully permitted and operational, the water district shall notify the commissioner of
23.32 natural resources and all permits issued by the Department of Natural Resources to Lutsen
23.33 Mountains Corporation to use or appropriate water from the Poplar River shall terminate.
23.34 For the purposes of section 30, paragraph (b), the commissioner of natural resources shall
23.35 notify the revisor of statutes in writing when the permits have been terminated.

24.1 **EFFECTIVE DATE; LOCAL APPROVAL.** This section is effective the day after
24.2 the governing body of Cook County and its chief clerical officer comply with Minnesota
24.3 Statutes, section 645.021, subdivisions 2 and 3.

24.4 Sec. 29. **ACQUISITIONS FOR CANISTEO PROJECT.**

24.5 The commissioner of natural resources shall acquire, without undue delay, the land
24.6 or interests in land that are needed to construct a conveyance system and other betterments
24.7 to accommodate the water level and outflow of water level from the Canisteo mine pit.
24.8 The commissioner may acquire the land or interests in land by eminent domain, including
24.9 use of the possession procedures under Minnesota Statutes, section 117.042.

24.10 Sec. 30. **REPEALER.**

24.11 (a) Minnesota Rules, part 8895.0700, subpart 1, is repealed.

24.12 (b) Laws 2011, chapter 107, section 101, is repealed effective the day the permits
24.13 have been terminated under section 28, subdivision 6. The commissioner of natural
24.14 resources shall notify the revisor of statutes in writing when the permits have been
24.15 terminated.

24.16 Sec. 31. **EFFECTIVE DATE.**

24.17 Except as otherwise provided, this act is effective the day following final enactment.

APPENDIX
Repealed Minnesota Session Laws: H1752-1

Laws 2011, chapter 107, section 101

Sec. 101. CONSUMPTIVE USE OF WATER.

Pursuant to Minnesota Statutes, section 103G.265, subdivision 3, the legislature approves of the consumptive use of water under a permit of more than 2,000,000 gallons per day average in a 30-day period in Cook County, in connection with snowmaking and potable water. Notwithstanding any other law to the contrary, the permit for the consumptive use of water approved under this section shall be issued, subject to the fees specified under Minnesota Statutes, section 103G.271, without any additional administrative process to withdraw up to 150,000,000 gallons of water annually for snowmaking and potable water purposes. The permit authorized under this section shall be suspended if the flow of the Poplar River falls below 15 cubic feet per second for more than five consecutive days. The permit authorized under this section shall be reinstated when the flow of the Poplar River resumes to 15 cubic feet per second or greater. The permit shall be for a term of five years.

APPENDIX
Repealed Minnesota Rule: H1752-1

8895.0700 STATE PARTICIPATION, LIMITATIONS.

Subpart 1. **State participation, limitations.** The state's share of project costs must not exceed 50 percent of the nonfederal share of the eligible costs to be incurred by the applicant for the project.