

1.1 A bill for an act

1.2 relating to public finance; authorizing spending to acquire and better public land
1.3 and buildings and for other improvements of a capital nature with certain conditions;
1.4 modifying prior appropriations; establishing new programs and modifying existing
1.5 programs; authorizing the sale and issuance of state bonds; modifying provisions
1.6 for property taxes, local government aids, individual and corporate franchise taxes,
1.7 sales and use taxes, lawful gambling taxes, and other miscellaneous taxes and tax
1.8 provisions; modifying the referendum equalization levy; providing for certain
1.9 property tax classification; providing local government aid penalty forgiveness;
1.10 modifying and providing for certain additions and subtractions for the individual
1.11 income and corporate franchise taxes; making the student loan credit refundable;
1.12 modifying sales and use tax exemptions; providing provisions related to partnership
1.13 audits; modifying lawful gambling taxes; modifying the workforce and affordable
1.14 homeownership development program; making other minor policy, technical, and
1.15 conforming changes; appropriating money; amending Minnesota Statutes 2018,
1.16 sections 16A.641, by adding a subdivision; 41B.025, by adding a subdivision;
1.17 123B.53, subdivisions 1, 4; 126C.63, subdivision 8; 126C.66, subdivision 3;
1.18 126C.69, as amended; 126C.71; 134.45, subdivision 5; 137.61; 137.62, subdivision
1.19 2, by adding a subdivision; 137.63; 137.64; 270C.445, subdivision 6; 272.02, by
1.20 adding a subdivision; 273.13, subdivision 25; 289A.31, subdivision 1; 289A.37,
1.21 subdivision 2; 289A.38, subdivisions 8, 9, 10; 289A.42; 289A.60, subdivision 24;
1.22 290.0131, subdivision 10; 290.0132, by adding a subdivision; 290.0133, subdivision
1.23 12; 290.0682, subdivision 2; 297A.70, subdivision 13; 297E.02, subdivision 6, as
1.24 amended; 297E.021, subdivision 2; 297F.17, subdivision 6; 297G.16, subdivision
1.25 7; 349.15, subdivision 1; 349.151, subdivision 4; 462A.37, subdivision 1, by adding
1.26 a subdivision; 462A.38, as amended; 469.319, subdivision 4; Minnesota Statutes
1.27 2019 Supplement, sections 16A.968, subdivision 3; 126C.17, subdivision 6; 273.13,
1.28 subdivision 34; 289A.38, subdivision 7; 290.31, subdivision 1; 290.993; 297A.71,
1.29 subdivision 52; 462A.37, subdivisions 2, 5; Laws 2008, chapter 179, section 18,
1.30 subdivision 3, as amended; Laws 2014, chapter 294, article 1, section 7, subdivision
1.31 11, as amended; Laws 2015, First Special Session chapter 5, article 1, sections 10,
1.32 subdivision 7, as amended; 13; Laws 2017, First Special Session chapter 8, article
1.33 1, sections 15, subdivisions 3, as amended, 4; 18, subdivision 3; 20, subdivision
1.34 21, as amended; Laws 2018, chapter 214, article 1, sections 2, subdivision 6; 7,
1.35 subdivision 1; 16, subdivision 19; 21, subdivisions 1, 18, 26, 29; Laws 2019, First
1.36 Special Session chapter 11, article 6, section 7, subdivision 2, as amended;
1.37 proposing coding for new law in Minnesota Statutes, chapters 16A; 116J; 174;
1.38 240A; 289A; repealing Minnesota Statutes 2018, sections 16A.633, subdivision

2.1 4; 126C.65, subdivision 2; 126C.68, subdivisions 1, 2, 4; Minnesota Statutes 2019
2.2 Supplement, section 126C.68, subdivision 3.

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

2.4 **ARTICLE 1**

2.5 **GENERAL OBLIGATION BONDS**

2.6 Section 1. **CAPITAL IMPROVEMENT APPROPRIATIONS.**

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

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

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

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

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

2.25 **APPROPRIATIONS**

2.26 **Sec. 2. UNIVERSITY OF MINNESOTA**

2.27 **Subdivision 1. Total Appropriation** **\$ 85,381,000**

2.28 To the Board of Regents of the University of
2.29 Minnesota for the purposes specified in this
2.30 section.

2.31 **Subd. 2. Higher Education Asset Preservation**
2.32 **and Replacement (HEAPR)** **38,495,000**

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

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

4.14 **Sec. 3. MINNESOTA STATE COLLEGES AND**
 4.15 **UNIVERSITIES**

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

4.17 To the Board of Trustees of the Minnesota
 4.18 State Colleges and Universities for the
 4.19 purposes specified in this section.

4.20 **Subd. 2. Higher Education Asset Preservation**
 4.21 **and Replacement (HEAPR)** **46,347,000**

4.22 To be spent in accordance with Minnesota
 4.23 Statutes, section 135A.046.

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

4.25 To design, renovate, and equip the business
 4.26 and nursing building at Anoka-Ramsey
 4.27 Community College, Coon Rapids campus.

4.28 **Subd. 4. Minneapolis Community and Technical**
 4.29 **College** **990,000**

4.30 To design phases 1 and 2 of the Management
 4.31 Education Center shared with Metropolitan
 4.32 State University on the Minneapolis
 4.33 Community and Technical College campus to

5.1 support baccalaureate programming
 5.2 expansion.

5.3 **Subd. 5. Normandale Community College** 26,634,000

5.4 To design, renovate, and equip Phase 2 of the
 5.5 College Services building at Normandale
 5.6 Community College.

5.7 **Subd. 6. Pine Technical and Community College** 635,000

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

5.12 **Subd. 7. Debt Service**

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

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

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

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

6.16 **Subd. 8. Unspent Appropriations**

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

6.33 (b) The unspent portion of an appropriation
 6.34 for a project in this section that is complete is
 6.35 available for HEAPR under this subdivision,

7.1 at the same campus as the project for which
 7.2 the original appropriation was made and the
 7.3 debt service requirement under this section is
 7.4 reduced accordingly. Minnesota Statutes,
 7.5 section 16A.642, applies from the date of the
 7.6 original appropriation to the unspent amount
 7.7 transferred.

7.8 **Sec. 4. EDUCATION**

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

7.10 To the commissioner of education for the
 7.11 purposes specified in this section.

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

7.13 For library construction grants under
 7.14 Minnesota Statutes, section 134.45.

7.15 **Subd. 3. Dassel-Cokato School District; Athletic**
 7.16 **Facility** **1,000,000**

7.17 For a grant to Independent School District No.
 7.18 466, Dassel-Cokato, to construct and install
 7.19 the new floor in the recreation center.

7.20 **Sec. 5. MINNESOTA STATE ACADEMIES**

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

7.22 To the commissioner of administration for the
 7.23 purposes specified in this section.

7.24 **Subd. 2. Asset Preservation** **3,150,000**

7.25 For capital asset preservation improvements
 7.26 and betterments on both campuses of the
 7.27 Minnesota State Academies, to be spent in
 7.28 accordance with Minnesota Statutes, section
 7.29 16B.307.

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

7.31 To design, construct, furnish, and equip a
 7.32 safety corridor on the Minnesota State

8.1 Academy for the Deaf campus, including but
 8.2 not limited to abatement of asbestos and
 8.3 hazardous materials, construction, and
 8.4 renovations necessary to establish a central
 8.5 point of access, a reception and visitor area,
 8.6 and security monitoring with connections to
 8.7 Smith, Quinn, and Noyes Halls. This
 8.8 appropriation also includes money to
 8.9 predesign, design, renovate, furnish, and equip
 8.10 Smith and Quinn Halls, including but not
 8.11 limited to abatement of asbestos and hazardous
 8.12 materials, interior space, restrooms, offices,
 8.13 classrooms, science labs, and technology labs.

8.14 **Sec. 6. PERPICH CENTER FOR ARTS**
 8.15 **EDUCATION**

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

8.17 To the commissioner of administration for the
 8.18 purposes specified in this section.

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

8.20 For capital asset preservation improvements
 8.21 and betterments at the Perpich Center for Arts
 8.22 Education, to be spent in accordance with
 8.23 Minnesota Statutes, section 16B.307.

8.24 **Sec. 7. NATURAL RESOURCES**

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

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

8.28 (b) The appropriations in this section are
 8.29 subject to the requirements of the natural
 8.30 resources capital improvement program under
 8.31 Minnesota Statutes, section 86A.12, unless
 8.32 this section or the statutes referred to in this
 8.33 section provide more specific standards,

9.1 criteria, or priorities for projects than

9.2 Minnesota Statutes, section 86A.12.

9.3 **Subd. 2. Natural Resources Asset Preservation**

20,000,000

9.4 (a) For the renovation of state-owned facilities

9.5 and recreational assets operated by the

9.6 commissioner of natural resources to be spent

9.7 in accordance with Minnesota Statutes, section

9.8 84.946. Notwithstanding Minnesota Statutes,

9.9 section 84.946, the commissioner may use this

9.10 appropriation to replace buildings if,

9.11 considering the embedded energy in the

9.12 building, that is the most energy-efficient and

9.13 carbon-reducing method of renovation. At

9.14 least 60 days before encumbering any of this

9.15 appropriation to replace a building, the

9.16 commissioner must report to the chairs and

9.17 ranking minority members of the committees

9.18 in the senate and the house of representatives

9.19 with jurisdiction over capital investment of

9.20 the intention to use this appropriation for a

9.21 building replacement, including identifying

9.22 the building to be replaced, the age of the

9.23 building, the cost to renovate the building, the

9.24 cost to replace the building, and the

9.25 commissioner's rationale for replacing the

9.26 building.

9.27 (b) \$5,000,000 of this appropriation is for the

9.28 Soudan mine shaft rehabilitation. The Soudan

9.29 mine shaft rehabilitation project is exempt

9.30 from using the Designer Selection Board

9.31 process as defined in Minnesota Statutes,

9.32 section 16B.33, and is exempt from any

9.33 requirement for a minimum number of

9.34 proposals as set forth in Minnesota Statutes,

9.35 section 16C.33, subdivision 5, paragraph (c).

- 10.1 **Subd. 3. Flood Hazard Mitigation** 17,000,000
- 10.2 (a) For the state share of flood hazard
- 10.3 mitigation grants for publicly owned capital
- 10.4 improvements to prevent or alleviate flood
- 10.5 damage under Minnesota Statutes, section
- 10.6 103F.161.
- 10.7 (b) To the extent practical, levee projects shall
- 10.8 meet the state standard of three feet above the
- 10.9 100-year flood elevation.
- 10.10 (c) Project priorities shall be determined by
- 10.11 the commissioner as appropriate, based on
- 10.12 need and consideration of available leveraging
- 10.13 of federal, state, and local funds.
- 10.14 (d) This appropriation may be used for projects
- 10.15 in the following municipalities: Afton, Austin,
- 10.16 Breckenridge, Browns Valley, Carver, Delano,
- 10.17 Faribault, Golden Valley, Halstad, Hawley,
- 10.18 Hendrum, Inver Grove Heights, Jordan,
- 10.19 Montevideo, Moorhead, Newfolden,
- 10.20 Nielsen, Owatonna, Round Lake Township
- 10.21 in Jackson County, Sioux Valley Township
- 10.22 in Jackson County, and Waseca.
- 10.23 (e) This appropriation also may be used for
- 10.24 projects in the following watershed districts:
- 10.25 Bois de Sioux Watershed District, Buffalo-Red
- 10.26 River Watershed District, Cedar River
- 10.27 Watershed District; Lower Minnesota River
- 10.28 Watershed District, Middle Snake Tamarac
- 10.29 Rivers Watershed District, Prior Lake-Spring
- 10.30 Lake Watershed District, Red Lake Watershed
- 10.31 District, Roseau River Watershed District,
- 10.32 Shell Rock River Watershed District, Two
- 10.33 Rivers Watershed District, Upper Minnesota

11.1 River Watershed District, and Wild Rice River
 11.2 Watershed District.

11.3 (f) This appropriation may also be used for a
 11.4 project in the Southern Minnesota Rivers
 11.5 Basin Area II.

11.6 (g) For any project listed in this subdivision
 11.7 that the commissioner determines is not ready
 11.8 to proceed, does not have the nonstate match
 11.9 committed, or does not expend all the money
 11.10 granted to it, the commissioner may allocate
 11.11 that project's unexpended money to a priority
 11.12 project on the commissioner's list.

11.13 (h) Notwithstanding paragraph (c), \$2,000,000
 11.14 of this appropriation is for flood hazard
 11.15 mitigation for the Toelle Coulee in the city of
 11.16 Browns Valley.

11.17 (i) To the extent practicable and consistent
 11.18 with the project, recipients of appropriations
 11.19 for flood control projects in this subdivision
 11.20 shall create wetlands that are eligible for
 11.21 wetland replacement credit to replace wetlands
 11.22 drained or filled as the result of repair,
 11.23 reconstruction, replacement, or rehabilitation
 11.24 of an existing public road under Minnesota
 11.25 Statutes, section 103G.222, subdivision 1,
 11.26 paragraphs (l) and (m).

11.27 (j) To the extent that the cost of a project
 11.28 exceeds two percent of the median household
 11.29 income in a municipality or township
 11.30 multiplied by the number of households in the
 11.31 municipality or township, this appropriation
 11.32 is also for the local share of the project.

11.33 **Subd. 4. Canisteo and Hill Annex Open-Pit Mine**
 11.34 **Groups**

2,000,000

12.1 (a) For predesign, design, and engineering of
 12.2 projects to mitigate the threat to property,
 12.3 public safety, and water quality from rising
 12.4 water levels at the Canisteo and Hill Annex
 12.5 mine complexes. The commissioner must give
 12.6 priority to work that addresses the most
 12.7 immediate risks to public safety. If the
 12.8 predesign, design, and engineering for the
 12.9 Canisteo and Hill Annex mine complexes is
 12.10 complete, the commissioner may use any
 12.11 remaining money from this appropriation to
 12.12 construct mitigation measures at the Canisteo
 12.13 or Hill Annex mine complex.

12.14 (b) The commissioner, in cooperation with the
 12.15 Department of Iron Range Resources and
 12.16 Rehabilitation, Western Mesabi Mine Planning
 12.17 Board, and Itasca County, shall provide a
 12.18 status report on this project to the chairs and
 12.19 ranking minority members of the legislative
 12.20 committees with jurisdiction over capital
 12.21 investment and environment and natural
 12.22 resources finance by February 15, 2021, April
 12.23 15, 2021, July 1, 2021, and September 1, 2021.
 12.24 This report must include but is not limited to
 12.25 recommendations on lease ownership and
 12.26 costs, the findings of the pit wall stability
 12.27 study, final engineering, and design work,
 12.28 including cost estimates to complete the outlet
 12.29 and recommendations on ownership,
 12.30 operations, and maintenance of the constructed
 12.31 outlet.

12.32 **Subd. 5. Dam Renovation, Repair, Removal**

20,000,000

12.33 (a) For design, engineering, and construction
 12.34 to repair, reconstruct, or remove publicly
 12.35 owned dams and respond to dam safety

13.1 emergencies on publicly owned dams. Of this
 13.2 appropriation, at least \$18,000,000 is for the
 13.3 reconstruction of the Lake Bronson Dam in
 13.4 Lake Bronson State Park.

13.5 (b) The commissioner shall determine project
 13.6 priorities as appropriate under Minnesota
 13.7 Statutes, sections 103G.511 and 103G.515. If
 13.8 the commissioner determines that a project is
 13.9 not ready to proceed, this appropriation may
 13.10 be used for other projects on the
 13.11 commissioner's priority list.

13.12 **Subd. 6. State Park and Recreation Area**
 13.13 **Accessibility** 3,000,000

13.14 For the predesign, design, and construction of
 13.15 accessibility improvements at William O'Brien
 13.16 State Park.

13.17 **Subd. 7. Lake Vermilion-Soudan Underground**
 13.18 **Mine State Park** 5,800,000

13.19 For the predesign, design, and construction of
 13.20 a campground and related infrastructure at
 13.21 Lake Vermilion-Soudan Underground Mine
 13.22 State Park.

13.23 **Subd. 8. Shade Tree Program** 1,000,000

13.24 For grants to cities, counties, townships, and
 13.25 park and recreation boards in cities of the first
 13.26 class, for the removal and the planting of shade
 13.27 trees on public land to provide environmental
 13.28 benefits; replace trees lost to forest pests,
 13.29 disease, or storm; or to establish a more
 13.30 diverse community forest better able to
 13.31 withstand disease and forest pests. The
 13.32 commissioner must give priority to grant
 13.33 requests to remove and replace trees with
 13.34 active infestations of emerald ash borer. For
 13.35 purposes of this appropriation, "shade tree"

- 14.1 means a woody perennial grown primarily for
 14.2 aesthetic or environmental purposes with
 14.3 minimal to residual timber value. Any tree
 14.4 planted with money under this subdivision
 14.5 must be a climate-adapted species to
 14.6 Minnesota.
- 14.7 **Subd. 9. Forests for the Future** 1,000,000
- 14.8 For the acquisition of lands for the forests for
 14.9 the future program under Minnesota Statutes,
 14.10 section 84.66.
- 14.11 **Subd. 10. Blazing Star State Trail** 1,740,000
- 14.12 To complete the segment of the Blazing Star
 14.13 Trail, established under Minnesota Statutes,
 14.14 section 85.015, subdivision 19, between the
 14.15 cities of Albert Lea and Hayward, connecting
 14.16 both cities to Myre-Big Island State Park.
- 14.17 **Subd. 11. Camp Ripley; Veterans State Trail** 1,000,000
- 14.18 For construction of the Camp Ripley/Veterans
 14.19 State Trail under Minnesota Statutes, section
 14.20 85.015, subdivision 28.
- 14.21 **Subd. 12. Ely; Regional Trailhead Development** 1,500,000
- 14.22 For a grant to the city of Ely to complete
 14.23 predesign, design, construction, furnishing,
 14.24 and equipping the trailhead facility with
 14.25 parking, visitor information, and restrooms
 14.26 for trail users on the west end of the city near
 14.27 marked Trunk Highway 169.
- 14.28 **Subd. 13. Heartland State Trail; Detroit Lakes**
 14.29 **to Frazee Segment** 2,000,000
- 14.30 For land acquisition, final engineering, and
 14.31 design of the proposed Heartland State Trail
 14.32 between its current terminus at Becker County
 14.33 CSAH 10 and Trunk Highway 87 in Frazee,

- 15.1 and for the construction of a trail bridge over
 15.2 Becker County CSAH 10.
- 15.3 **Subd. 14. Heartland State Trail; Itasca State**
 15.4 **Park Connector** 2,000,000
- 15.5 For final engineering and design of the trail
 15.6 segment of the Heartland State Trail located
 15.7 within Itasca State Park and for the
 15.8 construction of a trail tunnel under Trunk
 15.9 Highway 71.
- 15.10 **Subd. 15. Dakota County; Lake Byllesby Dam**
 15.11 **Improvements** 6,000,000
- 15.12 For a grant to Dakota County under Minnesota
 15.13 Statutes, sections 103G.511 and 103G.515, to
 15.14 design and construct capital improvements to
 15.15 the hydroelectric generating facility, including
 15.16 replacement of obsolete turbines, at the
 15.17 Byllesby Dam, located on the Cannon River.
- 15.18 The commissioner of natural resources shall
 15.19 report to legislature as provided in Minnesota
 15.20 Statutes, section 3.195, and to the chairs and
 15.21 ranking minority members of the house and
 15.22 senate committees with jurisdiction over
 15.23 capital investment, environment and natural
 15.24 resources finance and policy, and energy on
 15.25 the amount and use of the renovated dam's
 15.26 electricity generated, any revenue raised from
 15.27 the sale of the electricity generated, how the
 15.28 revenue is expended, and any other benefits.
- 15.29 The first report is due on October 1, 2021, and
 15.30 a second report is due October 1, 2023.
- 15.31 **Subd. 16. Hutchinson; Campbell and Otter**
 15.32 **Lakes Restoration** 3,100,000
- 15.33 For a grant to the city of Hutchinson to
 15.34 predesign, design, engineer, and construct
 15.35 capital improvements and betterments of Otter

16.1 Lake, Campbell Lake, the South Fork Crow
 16.2 River, and other tributaries to the lakes in
 16.3 order to improve water quality, increase the
 16.4 areas for recreational activities, and restore
 16.5 fish and wildlife habitat. The project includes
 16.6 stream and shoreline restoration and the
 16.7 installation of a forebay at the mouth of the
 16.8 lake basin to collect from the river sediment
 16.9 originating from outside the city before it
 16.10 enters the lakes and to allow for periodic
 16.11 removal of the sediment collected.

16.12 **Subd. 17. Lake City; Hok-Si-La Park Water and**
 16.13 **Sewer Extension**

587,000

16.14 For a grant to the city of Lake City to design,
 16.15 engineer, and construct a water and sewer
 16.16 connection from the city's sewer distribution
 16.17 and collection point to Hok-Si-La Park.

16.18 **Subd. 18. Lake City; Ohuta Beach Breakwater**

1,058,000

16.19 For a grant to the city of Lake City to design
 16.20 and construct a breakwater at Ohuta Beach in
 16.21 Lake City at Ohuta Park.

16.22 **Subd. 19. Lakeville; Orchard Lake**
 16.23 **Improvement**

260,000

16.24 For a grant to the city of Lakeville for capital
 16.25 improvements to reduce erosion and improve
 16.26 water quality in Orchard Lake. The capital
 16.27 improvements include installation of shoreline
 16.28 stabilization and dredging and removing
 16.29 sediment for a storm water retention basin.

16.30 **Subd. 20. Mankato; Riverbank Restoration**

7,200,000

16.31 For a grant to the city of Mankato to:
 16.32 (1) stabilize the Minnesota River riverbank in
 16.33 the Land of Memories Park to reduce erosion
 16.34 and protect well 15;

- 17.1 (2) stabilize the Minnesota River riverbank to
 17.2 protect Mankato's riverfront, including the
 17.3 Minnesota River Trail trailhead, and regional
 17.4 Water Resource Recovery Facility; and
- 17.5 (3) install in-channel stream stabilization
 17.6 infrastructure in Indian Creek to reduce
 17.7 erosion and improve water quality in the
 17.8 Minnesota River-Mankato watershed.
- 17.9 **Subd. 21. Otter Tail County; Regional Trail** 375,000
- 17.10 For a grant to Otter Tail County for the
 17.11 predesign and design of the Perham to Pelican
 17.12 Rapids Regional Trail segment located within
 17.13 Maplewood State Park.
- 17.14 **Subd. 22. Pine County; Oberstar Trail** 650,000
- 17.15 For a grant to Pine County under Minnesota
 17.16 Statutes, section 85.019, subdivision 4c, to
 17.17 construct a 1.9-mile segment of the Oberstar
 17.18 Trail.
- 17.19 **Subd. 23. Rochester; Cascade Park** 2,500,000
- 17.20 For a grant to the city of Rochester to
 17.21 predesign, design, construct, furnish, and
 17.22 equip improvements of a capital nature,
 17.23 including a pavilion, an amphitheater,
 17.24 performance facilities, picnic shelters,
 17.25 restroom facilities, play areas, park access,
 17.26 and landscaping.
- 17.27 **Subd. 24. Scott County; McMahon Lake Flood**
 17.28 **Mitigation** 600,000
- 17.29 For the state share of a flood hazard mitigation
 17.30 grant to Scott County for publicly owned
 17.31 capital improvements to prevent or alleviate
 17.32 flood damage on McMahon Lake under
 17.33 Minnesota Statutes, section 103F.161.

- 18.1 **Subd. 25. Silver Bay; Trailhead Center** 1,100,000
- 18.2 For a grant to the city of Silver Bay to
- 18.3 predesign, design, construct, furnish, and
- 18.4 equip a multimodal trailhead center for the
- 18.5 various hiking, bicycling, snowmobile, and
- 18.6 all-terrain vehicle trails that converge in the
- 18.7 area. The center includes separated trail access
- 18.8 for motorized and nonmotorized users and
- 18.9 open space for trail users, parking, a wayside
- 18.10 rest area, and a new trailhead center building
- 18.11 that includes lavatories and showers.
- 18.12 **Subd. 26. St. Louis County; Voyageur Country**
- 18.13 **ATV Trail** 950,000
- 18.14 For a grant to St. Louis County for design,
- 18.15 right-of-way acquisition, and construction of
- 18.16 Phase I of the Voyageur Country ATV Trail
- 18.17 connections in the areas of Orr, Ash River,
- 18.18 Kabetogama Township, and International Falls
- 18.19 to the Voyageur Country ATV Trail system.
- 18.20 **Subd. 27. Winona; Mississippi Riverfront Trail** 2,000,000
- 18.21 For a grant under Minnesota Statutes, section
- 18.22 85.019, to the city of Winona to construct a
- 18.23 paved trail from Levee Park to Lions Park
- 18.24 along the Mississippi River in the city of
- 18.25 Winona.
- 18.26 **Subd. 28. Unspent Appropriations**
- 18.27 The unspent portion of an appropriation for a
- 18.28 project in this section that is complete, upon
- 18.29 written notice to the commissioner of
- 18.30 management and budget, is available for asset
- 18.31 preservation under Minnesota Statutes, section
- 18.32 84.946. Minnesota Statutes, section 16A.642,
- 18.33 applies from the date of the original

19.1 appropriation to the unspent amount

19.2 transferred.

19.3 **Sec. 8. POLLUTION CONTROL AGENCY**

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

19.5 To the Pollution Control Agency for the

19.6 purposes specified in this section.

19.7 **Subd. 2. Clay County** **7,500,000**

19.8 For a grant to Clay County under the solid

19.9 waste capital assistance grant program under

19.10 Minnesota Statutes, section 115A.54, in order

19.11 to acquire land, design, construct, renovate,

19.12 and equip a new resource recovery campus

19.13 consisting of a new solid waste transfer station

19.14 and problem materials management facility.

19.15 **Subd. 3. Dakota and Scott Counties** **2,000,000**

19.16 For a capital assistance grant under Minnesota

19.17 Statutes, sections 115A.54 to 115A.541, to

19.18 Dakota County or Scott County to acquire

19.19 land, design, and engineer a new regional

19.20 household hazardous waste collection and

19.21 recycling facility to be located at a site in

19.22 Dakota County or Scott County that best

19.23 supports access needs for the residents of

19.24 Dakota and Scott Counties. This is phase 1 of

19.25 the project.

19.26 **Subd. 4. Pope-Douglas; Solid Waste Facility** **5,000,000**

19.27 For a grant to the Pope-Douglas Solid Waste

19.28 Management Joint Powers Board under the

19.29 solid waste capital assistance grant program

19.30 under Minnesota Statutes, section 115A.54.

19.31 This appropriation may be used to design,

19.32 construct, and equip a new organics

19.33 composting facility in Douglas County; and

20.1 to design, construct, and equip a new
 20.2 environmental learning center in Alexandria
 20.3 for problem materials recycling and disposal
 20.4 of household hazardous waste. This
 20.5 appropriation may also be used to acquire land
 20.6 and for demolition costs associated with the
 20.7 projects described in this section and is
 20.8 intended to replace outdated public facilities
 20.9 and infrastructure to serve the recycling and
 20.10 composting needs of Douglas, Pope, Otter
 20.11 Tail, Grant, Stevens, Stearns, Benton, and
 20.12 Sherburne Counties. This is phase 1 of the
 20.13 project.

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

20.15 For a grant to Ramsey County under the solid
 20.16 waste capital assistance grant program under
 20.17 Minnesota Statutes, section 115A.54, in order
 20.18 to design, construct, furnish, and equip the
 20.19 expansion of and upgrades to the
 20.20 Ramsey/Washington Recycling and Energy
 20.21 facility, jointly owned by Ramsey and
 20.22 Washington Counties, located on Red Rock
 20.23 Road in Newport. The project includes
 20.24 engineering and the acquisition and installation
 20.25 of major equipment to process organics and
 20.26 increase recycling of plastics, cardboard, and
 20.27 metals.

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

20.29 To design and construct remedial systems and
 20.30 acquire land at closed landfills throughout the
 20.31 state in accordance with the closed landfill
 20.32 program under Minnesota Statutes, sections
 20.33 115B.39 to 115B.42. The agency must follow
 20.34 the agency priorities, which includes a

21.1	<u>construction project at the Brookston Area</u>		
21.2	<u>Landfill.</u>		
21.3	<u>Subd. 7. Coon Rapids</u>		<u>316,000</u>
21.4	<u>For a grant to the city of Coon Rapids under</u>		
21.5	<u>the solid waste capital assistance grants</u>		
21.6	<u>program in Minnesota Statutes, section</u>		
21.7	<u>115A.54, for expanding and improving the</u>		
21.8	<u>Coon Rapids Recycling Center, including</u>		
21.9	<u>constructing, furnishing, and equipping a</u>		
21.10	<u>building for polystyrene foam processing, a</u>		
21.11	<u>cold storage building, a covered storage area,</u>		
21.12	<u>and constructing driving lanes and parking</u>		
21.13	<u>areas.</u>		
21.14	<u>Subd. 8. Todd County; Solid Waste Facility</u>		<u>4,000,000</u>
21.15	<u>For a grant to Todd County under the solid</u>		
21.16	<u>waste capital assistance grants program under</u>		
21.17	<u>Minnesota Statutes, section 115A.54, to</u>		
21.18	<u>design, construct, and equip a new solid waste</u>		
21.19	<u>transfer station and household hazardous waste</u>		
21.20	<u>facility.</u>		
21.21	<u>Sec. 9. BOARD OF WATER AND SOIL</u>		
21.22	<u>RESOURCES</u>		
21.23	<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>24,000,000</u>
21.24	<u>To the Board of Water and Soil Resources for</u>		
21.25	<u>the purposes specified in this section.</u>		
21.26	<u>Subd. 2. Local Government Roads Wetland</u>		
21.27	<u>Replacement Program</u>		<u>15,000,000</u>
21.28	<u>To acquire land or permanent easements and</u>		
21.29	<u>to restore, create, enhance, and preserve</u>		
21.30	<u>wetlands to replace those wetlands drained or</u>		
21.31	<u>filled as a result of the repair, reconstruction,</u>		
21.32	<u>replacement, or rehabilitation of existing</u>		
21.33	<u>public roads as required by Minnesota</u>		
21.34	<u>Statutes, section 103G.222, subdivision 1,</u>		

22.1 paragraphs (l) and (m). The board may vary
 22.2 the priority order of Minnesota Statutes,
 22.3 section 103G.222, subdivision 3, paragraph
 22.4 (a), to implement an in-lieu fee agreement
 22.5 approved by the U.S. Army Corps of
 22.6 Engineers under section 404 of the Clean
 22.7 Water Act. The purchase price paid for
 22.8 acquisition of land or perpetual easement must
 22.9 be a fair market value as determined by the
 22.10 board. The board may enter into agreements
 22.11 with the federal government, other state
 22.12 agencies, political subdivisions, nonprofit
 22.13 organizations, fee title owners, or other
 22.14 qualified private entities to acquire wetland
 22.15 replacement credits in accordance with
 22.16 Minnesota Rules, chapter 8420.

22.17 **Subd. 3. Local Government Roads Wetland**
 22.18 **Replacement Program**

8,000,000

22.19 From the general fund to the board to
 22.20 administer its statutory responsibilities and
 22.21 acquire wetland banking credits to replace
 22.22 those wetlands drained or filled as a result of
 22.23 repairing, reconstructing, replacing, or
 22.24 rehabilitating existing public roads as required
 22.25 by Minnesota Statutes, section 103G.222,
 22.26 subdivision 1. Notwithstanding Minnesota
 22.27 Statutes, section 103G.222, subdivision 3, the
 22.28 board may implement the wetland replacement
 22.29 program when consistent with the watershed
 22.30 approach of section 404 of the federal Clean
 22.31 Water Act. The purchase price paid for
 22.32 acquiring wetland credits must be determined
 22.33 by the board. The board may enter into
 22.34 agreements with the federal government, other
 22.35 state agencies, political subdivisions, nonprofit
 22.36 organizations, fee title owners, or other

23.1 qualified private entities to acquire wetland
 23.2 replacement credits in accordance with
 23.3 Minnesota Rules, chapter 8420. Of this
 23.4 appropriation, up to \$560,000 is available for
 23.5 the development of the required elements of
 23.6 an in-lieu fee wetland mitigation program in
 23.7 accordance with Minnesota Statutes, section
 23.8 103G.2242, subdivision 3, and up to \$440,000
 23.9 is available for mitigation stewardship in
 23.10 accordance with Minnesota Statutes, section
 23.11 103B.103, subdivision 3. This appropriation
 23.12 is onetime.

23.13 **Subd. 4. Reinvest in Minnesota (RIM) Reserve**
 23.14 **Program**

1,000,000

23.15 To acquire conservation easements from
 23.16 landowners to preserve, restore, create, and
 23.17 enhance wetlands and associated uplands of
 23.18 prairie and grasslands, and to restore and
 23.19 enhance rivers and streams, riparian lands, and
 23.20 associated uplands of prairie and grasslands,
 23.21 in order to protect soil and water quality,
 23.22 support fish and wildlife habitat, reduce flood
 23.23 damage, and provide other public benefits.
 23.24 The provisions of Minnesota Statutes, section
 23.25 103F.515, apply to this program. The board
 23.26 shall give priority to leveraging federal money
 23.27 by enrolling targeted new lands or enrolling
 23.28 environmentally sensitive lands that have
 23.29 expiring federal conservation agreements. The
 23.30 board is authorized to enter into new
 23.31 agreements and amend past agreements with
 23.32 landowners as required by Minnesota Statutes,
 23.33 section 103F.515, subdivision 5, to allow for
 23.34 restoration. Up to five percent of this
 23.35 appropriation may be used for restoration and
 23.36 enhancement.

- 24.1 **Sec. 10. AGRICULTURE** **\$ 20,779,000**
- 24.2 To the commissioner of administration to
- 24.3 construct, renovate, and equip the Department
- 24.4 of Agriculture/Department of Health
- 24.5 Laboratory Building in St. Paul, including but
- 24.6 not limited to creating a dedicated biosafety
- 24.7 level 3 laboratory space, to meet safety,
- 24.8 energy, and operational efficiency needs.
- 24.9 \$779,000 of this appropriation is from the
- 24.10 general fund for relocation expenses associated
- 24.11 with this project.
- 24.12 **Sec. 11. MINNESOTA ZOOLOGICAL**
- 24.13 **GARDEN**
- 24.14 **Subdivision 1. Total Appropriation** **\$ 13,000,000**
- 24.15 To the Minnesota Zoological Garden Board
- 24.16 for the purposes specified in this section.
- 24.17 **Subd. 2. Asset Preservation** **13,000,000**
- 24.18 For capital asset preservation improvements
- 24.19 and betterments to infrastructure and exhibits
- 24.20 at the Minnesota Zoo, to be spent in
- 24.21 accordance with Minnesota Statutes, section
- 24.22 16B.307. Notwithstanding the specified uses
- 24.23 of money under Minnesota Statutes, section
- 24.24 16B.307, the board may use this appropriation
- 24.25 to replace buildings that are in poor condition,
- 24.26 outdated, and no longer support the work of
- 24.27 the Minnesota Zoo and to construct and
- 24.28 renovate trails, and roads on the Minnesota
- 24.29 Zoo site. Notwithstanding the specified uses
- 24.30 of money under Minnesota Statutes, section
- 24.31 16B.307, this appropriation may be used to
- 24.32 design, construct, furnish, and equip the
- 24.33 renovation of the monorail structure as an
- 24.34 elevated pedestrian trail.

25.1 **Sec. 12. ADMINISTRATION**25.2 **Subdivision 1. Total Appropriation** **\$ 5,750,000**25.3 To the commissioner of administration for the
25.4 purposes specified in this section.25.5 **Subd. 2. Capital Asset Preservation and**
25.6 **Replacement Account** **4,500,000**25.7 To be spent in accordance with Minnesota
25.8 Statutes, section 16A.632.25.9 **Subd. 3. Ford Building** **170,000**25.10 To design the abatement of hazardous
25.11 materials and demolition of the Ford Building
25.12 and associated infrastructure located on the
25.13 Capitol complex as the first phase of overall
25.14 site redevelopment. This appropriation may
25.15 also be used to design modifications necessary
25.16 to maintain access to the Capitol complex
25.17 tunnel system as well as to provide security,
25.18 irrigation, and landscaping for the site.25.19 Before beginning demolition, the
25.20 commissioner must develop an executable
25.21 design feature to be implemented in the
25.22 interior or exterior of the building constructed
25.23 on the site or incorporated into the site design.
25.24 The design feature must reflect portions of the
25.25 original exterior facade design, which might
25.26 include design elements of the main entry way,
25.27 or must incorporate a significant reuse of terra
25.28 cotta ornamentation if determined to be in
25.29 sufficient good condition for reuse.25.30 **Subd. 4. Capitol Complex Tunnel; ADA**
25.31 **Compliance** **100,000**25.32 To predesign capital improvements to the
25.33 tunnel connecting the State Office Building
25.34 with the State Capitol, necessary to bring the

- 26.1 tunnel into compliance with the Americans
 26.2 with Disabilities Act (ADA).
- 26.3 **Sec. 13. AMATEUR SPORTS COMMISSION**
- 26.4 **Subdivision 1. Total Appropriation** **\$ 5,937,000**
- 26.5 To the Minnesota Amateur Sports
 26.6 Commission for the purposes specified in this
 26.7 section.
- 26.8 **Subd. 2. Asset Preservation** **837,000**
- 26.9 For asset preservation improvements and
 26.10 betterments of a capital nature at the National
 26.11 Sports Center in Blaine, to be spent in
 26.12 accordance with Minnesota Statutes, section
 26.13 16B.307.
- 26.14 **Subd. 3. National Sports Center; Field**
 26.15 **Development and Maintenance Facility** **3,000,000**
- 26.16 For demolition of a maintenance facility and
 26.17 to construct and equip a new maintenance
 26.18 facility for the National Sports Center in
 26.19 Blaine.
- 26.20 **Subd. 4. Mighty Ducks** **2,000,000**
- 26.21 For grants to local government units under
 26.22 Minnesota Statutes, section 240A.09,
 26.23 paragraph (b), to improve indoor air quality
 26.24 or eliminate R-22. This appropriation shall not
 26.25 be used to acquire ice resurfacing or edging
 26.26 equipment.
- 26.27 **Subd. 5. Construction and Renovation of Public**
 26.28 **Skate Parks** **250,000**
- 26.29 For grants under Minnesota Statutes, section
 26.30 240A.20, subdivision 2, clause (2), for design
 26.31 of skate parks from designers with expertise
 26.32 in the field of skate park design.
- 26.33 **Sec. 14. MILITARY AFFAIRS**

27.1	<u>Subdivision 1. Total Appropriation</u>	<u>\$ 24,545,000</u>
27.2	<u>To the adjutant general for the purposes</u>	
27.3	<u>specified in this section.</u>	
27.4	<u>Subd. 2. Rosemount Readiness Center</u>	<u>1,000,000</u>
27.5	<u>To design the renovation of existing space at</u>	
27.6	<u>the Rosemount Readiness Center, including</u>	
27.7	<u>mechanical, electrical, building envelope,</u>	
27.8	<u>energy efficiency, and life safety</u>	
27.9	<u>improvements.</u>	
27.10	<u>Subd. 3. Fergus Falls Readiness Center</u>	<u>2,100,000</u>
27.11	<u>To design and renovate existing space at the</u>	
27.12	<u>Fergus Falls Readiness Center, including</u>	
27.13	<u>mechanical, electrical, building envelope,</u>	
27.14	<u>energy efficiency, and life safety</u>	
27.15	<u>improvements, and to construct an addition</u>	
27.16	<u>on the existing property.</u>	
27.17	<u>Subd. 4. Moorhead Readiness Center</u>	<u>5,345,000</u>
27.18	<u>To design and renovate existing space at the</u>	
27.19	<u>Moorhead Readiness Center, including</u>	
27.20	<u>mechanical, electrical, building envelope,</u>	
27.21	<u>energy efficiency, and life safety</u>	
27.22	<u>improvements, and to construct an addition</u>	
27.23	<u>on the existing property.</u>	
27.24	<u>Subd. 5. Marshall Readiness Center</u>	<u>3,100,000</u>
27.25	<u>To design and renovate existing space at the</u>	
27.26	<u>Marshall Readiness Center, including</u>	
27.27	<u>mechanical, electrical, building envelope,</u>	
27.28	<u>energy efficiency, and life safety</u>	
27.29	<u>improvements, and to construct an addition</u>	
27.30	<u>on the existing property.</u>	
27.31	<u>Subd. 6. Camp Ripley; Military Museum</u>	<u>13,000,000</u>
27.32	<u>To acquire land or interest in land, and to</u>	
27.33	<u>predesign, design, construct, furnish, and</u>	

28.1 equip a facility outside the boundaries of
 28.2 Camp Ripley in Morrison County for the
 28.3 Minnesota Military Museum. This
 28.4 appropriation includes money for a visitor's
 28.5 center and gift shop; administrative offices;
 28.6 work, storage, and exhibit space; landscaping;
 28.7 parking; and other amenities and infrastructure
 28.8 for the museum. The adjutant general may
 28.9 enter into a lease or management agreement
 28.10 for the museum, subject to Minnesota Statutes,
 28.11 section 16A.695.

28.12 **Sec. 15. PUBLIC SAFETY**

28.13 **Subdivision 1. Total Appropriation** **\$ 50,355,000**

28.14 To the commissioner of public safety or other
 28.15 named entity for the purposes specified in this
 28.16 section.

28.17 **Subd. 2. State Emergency Operations Center** **29,545,000**

28.18 To the commissioner of administration to
 28.19 acquire a site, update the predesign, and to
 28.20 design, construct, furnish, and equip a new
 28.21 State Emergency Operations Center and
 28.22 Homeland Security and Emergency
 28.23 Management Office. This appropriation may
 28.24 also be used to design and complete hazardous
 28.25 materials abatement and demolition as needed
 28.26 on the acquired site.

28.27 **Subd. 3. Southern Minnesota BCA Regional**
 28.28 **Office and Laboratory** **100,000**

28.29 To the commissioner of administration for
 28.30 predesign of a new Bureau of Criminal
 28.31 Apprehension regional office and laboratory
 28.32 facility in the Mankato area.

29.1	<u>Subd. 4. Chisholm; Public Safety Facility</u>	<u>1,910,000</u>
29.2	<u>For a grant to the city of Chisholm to construct</u>	
29.3	<u>a new public safety facility for fire protection</u>	
29.4	<u>and law enforcement.</u>	
29.5	<u>Subd. 5. Crystal; Police Department Expansion</u>	<u>4,000,000</u>
29.6	<u>For a grant to the city of Crystal to design,</u>	
29.7	<u>construct, furnish, and equip an expansion of</u>	
29.8	<u>the city's police department facility.</u>	
29.9	<u>Subd. 6. Edina; South Metro Public Safety</u>	
29.10	<u>Training Facility</u>	<u>1,000,000</u>
29.11	<u>For a grant to the city of Edina to predesign,</u>	
29.12	<u>design, construct, expand, renovate, furnish,</u>	
29.13	<u>and equip a tactical training building at the</u>	
29.14	<u>South Metro Public Safety Training Facility</u>	
29.15	<u>to provide year-round flexible space for</u>	
29.16	<u>different training scenarios.</u>	
29.17	<u>Subd. 7. Maple Grove; North Metro Range</u>	<u>3,500,000</u>
29.18	<u>For a grant to the city of Maple Grove to</u>	
29.19	<u>design, construct, furnish, and equip an</u>	
29.20	<u>expansion of the Maple Grove North Metro</u>	
29.21	<u>Range regional public safety training facility.</u>	
29.22	<u>The project includes facilities to provide law</u>	
29.23	<u>enforcement officers training in de-escalation</u>	
29.24	<u>and crisis intervention techniques.</u>	
29.25	<u>Subd. 8. Minneapolis; Emergency Operations</u>	
29.26	<u>Center and Fire Training Facility</u>	<u>800,000</u>
29.27	<u>For a grant to the city of Minneapolis for</u>	
29.28	<u>predesign, design, engineering, and</u>	
29.29	<u>construction of the expansion of the</u>	
29.30	<u>Emergency Operations Center and Fire</u>	
29.31	<u>Training Facility.</u>	

30.1	<u>Subd. 9. Virginia; Regional Public Safety Center</u>		
30.2	<u>and Training Facility</u>		<u>9,500,000</u>
30.3	<u>For a grant to the city of Virginia to acquire a</u>		
30.4	<u>site, demolish existing structures and prepare</u>		
30.5	<u>the site, and to predesign, design, construct,</u>		
30.6	<u>furnish, and equip a regional public safety</u>		
30.7	<u>center and training facility for the police and</u>		
30.8	<u>fire departments, emergency medical services,</u>		
30.9	<u>regional emergency services training,</u>		
30.10	<u>emergency operations, and other regional</u>		
30.11	<u>community needs.</u>		
30.12	Sec. 16. <u>TRANSPORTATION</u>		
30.13	<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>323,209,000</u>
30.14	<u>To the commissioner of transportation for the</u>		
30.15	<u>purposes specified in this section.</u>		
30.16	<u>Subd. 2. Local Road Improvement Fund Grants</u>		<u>75,000,000</u>
30.17	<u>From the bond proceeds account in the state</u>		
30.18	<u>transportation fund as provided in Minnesota</u>		
30.19	<u>Statutes, section 174.50, for eligible trunk</u>		
30.20	<u>highway corridor improvement projects under</u>		
30.21	<u>Minnesota Statutes, section 174.52,</u>		
30.22	<u>subdivision 2, for construction and</u>		
30.23	<u>reconstruction of local roads with statewide</u>		
30.24	<u>or regional significance under Minnesota</u>		
30.25	<u>Statutes, section 174.52, subdivision 4, or for</u>		
30.26	<u>grants to counties to assist in paying the costs</u>		
30.27	<u>of rural road safety capital improvement</u>		
30.28	<u>projects on county state-aid highways under</u>		
30.29	<u>Minnesota Statutes, section 174.52,</u>		
30.30	<u>subdivision 4a. Of this appropriation, at least</u>		
30.31	<u>\$5,000,000 is for projects on town roads.</u>		
30.32	<u>Subd. 3. Anoka County; East River Road</u>		<u>1,500,000</u>
30.33	<u>From the bond proceeds account in the state</u>		
30.34	<u>transportation fund as provided in Minnesota</u>		

31.1	<u>Statutes, section 174.50, for a grant to Anoka</u>	
31.2	<u>County to complete the preliminary</u>	
31.3	<u>engineering, environmental analysis, and final</u>	
31.4	<u>design of interchange construction and</u>	
31.5	<u>associated improvements to Anoka County</u>	
31.6	<u>State-Aid Highway 1, known as East River</u>	
31.7	<u>Road, at marked Trunk Highway 610 in the</u>	
31.8	<u>city of Coon Rapids.</u>	
31.9	<u>Subd. 4. Anoka County; Marked U.S. Highway</u>	
31.10	<u>10/169</u>	<u>8,400,000</u>
31.11	<u>From the bond proceeds account in the state</u>	
31.12	<u>transportation fund as provided in Minnesota</u>	
31.13	<u>Statutes, section 174.50, for a grant to Anoka</u>	
31.14	<u>County for environmental analysis,</u>	
31.15	<u>preliminary engineering, and final design for</u>	
31.16	<u>the interchanges on marked U.S. Highway</u>	
31.17	<u>10/169 at County State-Aid Highway 56</u>	
31.18	<u>(Ramsey Boulevard) and County State-Aid</u>	
31.19	<u>Highway 57 (Sunfish Lake Boulevard) and</u>	
31.20	<u>the associated railroad grade separations,</u>	
31.21	<u>frontage roads, backage roads, and connecting</u>	
31.22	<u>local streets to support the U.S. Highway</u>	
31.23	<u>10/169 improvements in the city of Ramsey.</u>	
31.24	<u>Subd. 5. Anoka County; Marked Trunk</u>	
31.25	<u>Highway 65 Interchange</u>	<u>1,500,000</u>
31.26	<u>From the bond proceeds account in the state</u>	
31.27	<u>transportation fund as provided in Minnesota</u>	
31.28	<u>Statutes, section 174.50, for a grant to Anoka</u>	
31.29	<u>County to complete preliminary engineering,</u>	
31.30	<u>environmental analysis, and final design of a</u>	
31.31	<u>grade separation and associated improvements</u>	
31.32	<u>to Anoka County State-Aid Highway 12,</u>	
31.33	<u>known as 109th Avenue, at marked Trunk</u>	
31.34	<u>Highway 65 in the city of Blaine.</u>	
31.35	<u>Subd. 6. Dakota County; Diffley Road</u>	<u>4,000,000</u>

32.1 From the bond proceeds account in the state
 32.2 transportation fund as provided in Minnesota
 32.3 Statutes, section 174.50, for one or more
 32.4 grants to Dakota County, the city of Eagan,
 32.5 and Independent School District No. 196,
 32.6 Rosemount-Apple Valley-Eagan, to
 32.7 reconstruct Diffley Road between Lexington
 32.8 Avenue and Braddock Trail, and Daniel Drive
 32.9 at Diffley Road.

32.10 **Subd. 7. Golden Valley; Douglas Drive and**
 32.11 **Highway 55**

6,500,000

32.12 From the bond proceeds account in the state
 32.13 transportation fund as provided in Minnesota
 32.14 Statutes, section 174.50, for a grant to the city
 32.15 of Golden Valley to construct public safety
 32.16 improvements at the intersection of Douglas
 32.17 Drive and Highway 55, including a box culvert
 32.18 underpass across Highway 55, a roundabout
 32.19 and extended frontage road south of Highway
 32.20 55, retaining wall construction, underground
 32.21 utility relocation, sidewalk and trail
 32.22 connections to existing facilities, Americans
 32.23 with Disabilities Act-compliant facilities, and
 32.24 landscaping.

32.25 **Subd. 8. Maple Grove; Trunk Highway 610**
 32.26 **Local Road Improvements**

13,000,000

32.27 From the bond proceeds account in the state
 32.28 transportation fund as provided in Minnesota
 32.29 Statutes, section 174.50, for a grant to the city
 32.30 of Maple Grove or Hennepin County, or both,
 32.31 in amounts determined by the commissioner
 32.32 to acquire right-of-way, predesign, design,
 32.33 engineer, and construct roadway connections
 32.34 between marked Trunk Highway 610 and I-94,
 32.35 and the extension to County Road 30 in
 32.36 Hennepin County. The project includes

33.1 completion of the update of the environmental
 33.2 impact statement with an environmental
 33.3 assessment for the project.

33.4 **Subd. 9. McLeod County; CSAH 15** 1,000,000

33.5 From the bond proceeds account in the state
 33.6 transportation fund as provided in Minnesota
 33.7 Statutes, section 174.50, for a grant to McLeod
 33.8 County to acquire land or interests in land and
 33.9 to design and construct a new urban street
 33.10 extension of County State-Aid Highway
 33.11 (CSAH) 15, including railroad crossing, storm
 33.12 water, and drainage improvements. This
 33.13 appropriation is added to and is for the same
 33.14 purpose as the appropriation in Laws 2017,
 33.15 First Special Session chapter 8, article 1,
 33.16 section 15, subdivision 3, paragraph (k), as
 33.17 amended by Laws 2018, chapter 214, article
 33.18 2, section 33.

33.19 **Subd. 10. Oak Park Heights; Realignment of**
 33.20 **60th Street** 790,000

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 the city
 33.24 of Oak Park Heights to design, engineer,
 33.25 construct, furnish, and equip a realignment of
 33.26 60th Street, lying south of State Highway 36,
 33.27 from Krueger Lane to a current service road
 33.28 east of Norell Avenue and west of Nova Scotia
 33.29 Avenue, including the installation of a
 33.30 roundabout at the intersection with Norell
 33.31 Avenue. This project includes off-street trails
 33.32 and sidewalks, and public safety
 33.33 improvements, utility relocations and
 33.34 connections, trail connections, accessibility
 33.35 features, and landscaping and storm water

34.1 management, all in conjunction with the
 34.2 realignment of 60th Street.

34.3 **Subd. 11. Ramsey County; I-35E and County**
 34.4 **Road J Interchange**

1,500,000

34.5 From the bond proceeds account in the state
 34.6 transportation fund as provided in Minnesota
 34.7 Statutes, section 174.50, for a grant to Ramsey
 34.8 County to complete the preliminary
 34.9 engineering and environmental analysis for a
 34.10 full access interchange on County Road J at
 34.11 Interstate Highway 35E and associated
 34.12 improvements on County Road J supporting
 34.13 the interchange from Centerville Road to Otter
 34.14 Lake Road in the cities of North Oaks and
 34.15 Lino Lakes and White Bear Township.

34.16 **Subd. 12. Richfield; 77th Street Underpass**

6,000,000

34.17 From the bond proceeds account in the state
 34.18 transportation fund as provided in Minnesota
 34.19 Statutes, section 174.50, for a grant to the city
 34.20 of Richfield for the extension of 77th Street
 34.21 under marked Trunk Highway 77/Cedar
 34.22 Avenue project in the city of Richfield. This
 34.23 appropriation is added to the appropriation in
 34.24 Laws 2015, First Special Session chapter 5,
 34.25 article 1, section 10, subdivision 7, as amended
 34.26 by Laws 2017, First Special Session chapter
 34.27 8, article 2, section 32.

34.28 **Subd. 13. Sartell; Local Roads**

5,500,000

34.29 From the bond proceeds account in the state
 34.30 transportation fund as provided in Minnesota
 34.31 Statutes, section 174.50, for a grant to the city
 34.32 of Sartell for improvements to Scout Drive to
 34.33 connect Scout Drive to Dehler Drive, and 19th
 34.34 Street South to Scout Drive. Improvements
 34.35 include predesign, design, engineering,

35.1 acquisition of right-of-way, replacement or
 35.2 repair of utilities, street reconstruction, and
 35.3 other improvements or upgrades related to
 35.4 street work.

35.5 **Subd. 14. Sibley County; Scenic Byway 6**
 35.6 **Reconstruction**

14,000,000

35.7 From the bond proceeds account in the state
 35.8 transportation fund as provided in Minnesota
 35.9 Statutes, section 174.50, for a grant to Sibley
 35.10 County to predesign, design, engineer, acquire
 35.11 right-of-way for, and construct improvements
 35.12 to Sibley County State-Aid Highway 6, known
 35.13 as Scenic Byway 6, to raise the road to meet
 35.14 the 50-year flood level, provide for a walking
 35.15 and bicycling lane, and reconstruct the
 35.16 intersection of Scenic Byway 6 and Sibley
 35.17 County State-Aid Highway 5.

35.18 **Subd. 15. Scott County; Highway 13 and**
 35.19 **Yosemite Interchange**

\$5,269,000

35.20 From the bond proceeds account in the state
 35.21 transportation fund as provided in Minnesota
 35.22 Statutes, section 174.50, for a grant to Scott
 35.23 County for design, construction engineering,
 35.24 and construction of local road improvements,
 35.25 including accommodations for bicycles and
 35.26 pedestrians, to support a programmed
 35.27 interchange at the intersection of marked
 35.28 Trunk Highway 13 and Dakota Avenue in
 35.29 Savage.

35.30 **Subd. 16. Sherburne County; Zimmerman**
 35.31 **Interchange Project**

2,000,000

35.32 From the bond proceeds account in the state
 35.33 transportation fund as provided in Minnesota
 35.34 Statutes, section 174.50, for a grant to
 35.35 Sherburne County for environmental analysis,

36.1 preliminary engineering, and final design of
 36.2 the local road portions of the proposed
 36.3 interchange project at marked U.S. Highway
 36.4 169 and Sherburne County State-Aid Highway
 36.5 4 in Zimmerman. Any money remaining upon
 36.6 completion of the design process may be used
 36.7 to acquire right-of-way needed for the local
 36.8 road portions of the interchange project.

36.9 **Subd. 17. Zumbrota; Jefferson Drive** 3,000,000

36.10 From the bond proceeds account in the state
 36.11 transportation fund as provided in Minnesota
 36.12 Statutes, section 174.50, for a grant to the city
 36.13 of Zumbrota to predesign, design, and
 36.14 reconstruct a segment of Jefferson Drive and
 36.15 the adjacent trail in the city of Zumbrota,
 36.16 including a culvert extension, and replacement
 36.17 of or improvements to side street connections,
 36.18 pedestrian crossing facilities, storm sewer,
 36.19 drainage, sanitary sewer, and water lines.

36.20 **Subd. 18. Local Bridge Replacement and**
 36.21 **Rehabilitation** 30,000,000

36.22 From the bond proceeds account in the state
 36.23 transportation fund to match federal money
 36.24 and to replace or rehabilitate local deficient
 36.25 bridges as provided in Minnesota Statutes,
 36.26 section 174.50.

36.27 **Subd. 19. St. Paul; Third Street/Kellogg**
 36.28 **Boulevard Bridge** 52,000,000

36.29 From the bond proceeds account in the state
 36.30 transportation fund as provided in Minnesota
 36.31 Statutes, section 174.50, for a grant to the city
 36.32 of St. Paul to demolish and remove the
 36.33 existing Third Street/Kellogg Boulevard
 36.34 bridge over the BNSF railroad, Commercial
 36.35 Street, and marked Interstate Highway 94, and

- 37.1 for acquisition of right-of-way, design,
 37.2 construction engineering, and construction of
 37.3 a replacement bridge that includes multimodal
 37.4 elements for bicycles, pedestrians, vehicles,
 37.5 and mass transit. This appropriation also may
 37.6 be used for any roadway approach
 37.7 reconstruction work identified within the
 37.8 project limits, including right-of-way
 37.9 acquisition, design, and construction
 37.10 engineering.
- 37.11 **Subd. 20. Safe Routes to School; Pedestrian and**
 37.12 **Bicycle Facilities** 3,000,000
- 37.13 For grants under Minnesota Statutes, section
 37.14 174.40.
- 37.15 **Subd. 21. Rail Service Improvement** 4,000,000
- 37.16 For rail service improvement grants under
 37.17 Minnesota Statutes, section 222.50.
- 37.18 **Subd. 22. Port Development Assistance** 14,000,000
- 37.19 For grants under Minnesota Statutes, chapter
 37.20 457A. Any improvements made with the
 37.21 proceeds of these grants must be publicly
 37.22 owned.
- 37.23 **Subd. 23. Greater Minnesota Transit Capital**
 37.24 **Program** 2,000,000
- 37.25 For capital assistance for publicly owned
 37.26 greater Minnesota transit systems to acquire
 37.27 property, predesign, design, construct, furnish,
 37.28 and equip transit capital facilities under
 37.29 Minnesota Statutes, section 174.24,
 37.30 subdivision 3c.
- 37.31 **Subd. 24. International Falls-Koochiching**
 37.32 **County Airport Improvements** 1,800,000
- 37.33 For a grant to the International
 37.34 Falls-Koochiching County Airport

38.1 Commission to provide for the nonfederal
 38.2 share of a project at International Falls Airport
 38.3 for land acquisition, predesign, design, and
 38.4 reconstruction of the runway, taxiway, and
 38.5 apron.

38.6 **Subd. 25. Rochester International Airport**
 38.7 **Runway and Associated Improvements** 11,400,000

38.8 (a) The following appropriations are for one
 38.9 or more grants to the city of Rochester for
 38.10 improvements to the Rochester International
 38.11 Airport. If any of these appropriations for a
 38.12 specified phase is not needed to complete that
 38.13 phase, the unexpended and unencumbered
 38.14 amount may be applied to another phase of
 38.15 the Rochester Airport project for which an
 38.16 appropriation is made in this subdivision. Each
 38.17 appropriation for a phase is available when
 38.18 the commissioner of management and budget
 38.19 determines that an amount sufficient to
 38.20 complete that phase is committed to the
 38.21 project.

38.22 (b) \$2,900,000 is appropriated for Phase 2, for
 38.23 property acquisition; site mitigation; petroleum
 38.24 pipeline relocation and all associated predesign
 38.25 and design at the Rochester International
 38.26 Airport.

38.27 (c) \$460,000 is appropriated for Phase 3, for
 38.28 relocation of 31st Ave. SW and 90th Street;
 38.29 utility relocation; grading and drainage
 38.30 improvements; to modify airport fencing and
 38.31 all associated predesign and design at the
 38.32 Rochester International Airport.

38.33 (d) \$1,000,000 is appropriated for Phase 4, for
 38.34 removal of taxiways; reconstruction of the
 38.35 southern portion of Runway 2 and adjacent

- 39.1 Taxiway B including paved shoulders;
 39.2 installation of lighting and signage and all
 39.3 associated predesign and design at the
 39.4 Rochester International Airport.
- 39.5 (e) \$1,270,000 is appropriated for Phase 5, to
 39.6 modify airport fencing; construct an extension
 39.7 of Runway 2 and Taxiway B including paved
 39.8 shoulders; construct paved shoulders on the
 39.9 remaining portion of Runway 2 located south
 39.10 of the runway-runway intersection; acquisition
 39.11 and installation of navigational aids;
 39.12 installation of lighting and signage and all
 39.13 associated predesign and design at the
 39.14 Rochester International Airport.
- 39.15 (f) \$3,670,000 is appropriated for Phase 6, to
 39.16 demolish and reconstruct a portion of Taxiway
 39.17 B including paved shoulders; to reposition
 39.18 navigational aids; acquire and install
 39.19 instrument approach improvements; for
 39.20 grading and drainage improvements;
 39.21 installation of lighting and signage and all
 39.22 associated predesign and design at the
 39.23 Rochester International Airport.
- 39.24 (g) \$2,100,000 is appropriated for Phase 7, to
 39.25 reconstruct taxiway and runway intersections;
 39.26 to remove Taxiways A6, E, F, G and a portion
 39.27 of Runway 20; to reconstruct Taxiway D; for
 39.28 grading and drainage improvements;
 39.29 installation of lighting and signage and all
 39.30 associated predesign and design at the
 39.31 Rochester International Airport.
- 39.32 **Subd. 26. Thief River Falls; Airport**
- 39.33 For a grant to the Thief River Falls Regional
 39.34 Airport Authority to predesign, design,

5,500,000

- 40.1 construct, furnish, and equip a new cargo
 40.2 hangar building to include office space, a
 40.3 parking area, and connection to roadway and
 40.4 utilities.
- 40.5 **Subd. 27. Hastings; Pedestrian and Bicycle**
 40.6 **Bridge** 1,500,000
- 40.7 For a grant to the city of Hastings to predesign,
 40.8 design, and construct a separated trail bridge
 40.9 for pedestrian and bicycle users along the
 40.10 marked Trunk Highway 316 corridor in the
 40.11 city.
- 40.12 **Subd. 28. Rogers; Pedestrian and Bike Bridge** 2,200,000
- 40.13 For a grant to the city of Rogers to acquire
 40.14 property for and to design and construct a
 40.15 pedestrian and bicycle bridge over marked
 40.16 Interstate Highway 94 approximately one mile
 40.17 northwest of the interchange at marked Trunk
 40.18 Highway 101. This appropriation includes
 40.19 money for construction of a bituminous trail
 40.20 to connect to the existing trail system.
- 40.21 **Subd. 29. Shakopee; Highway 169 Pedestrian**
 40.22 **and Bicycle Overpass** 2,000,000
- 40.23 For a grant to the city of Shakopee to acquire
 40.24 land or interests in land, predesign, design,
 40.25 engineer, and construct a pedestrian and
 40.26 bicycle overpass over marked Trunk Highway
 40.27 169, and establish new trail segments, to
 40.28 connect the Southbridge neighborhood and
 40.29 Quarry Lake Park.
- 40.30 **Subd. 30. Minnesota Valley Regional Rail**
 40.31 **Authority; Winthrop to Hanley Falls**
 40.32 **Improvements** 10,000,000
- 40.33 For a grant to the Minnesota Valley Regional
 40.34 Rail Authority to rehabilitate a portion of the
 40.35 railroad track between Winthrop and Hanley

41.1 Falls. The grant under this subdivision may
 41.2 also be used for any required environmental
 41.3 analysis and remediation, predesign, design,
 41.4 and rehabilitation or replacement of bridges
 41.5 with new bridges or culverts between
 41.6 Winthrop and Hanley Falls. A grant under this
 41.7 subdivision is in addition to any grant, loan,
 41.8 or loan guarantee for this project made by the
 41.9 commissioner under Minnesota Statutes,
 41.10 sections 222.46 to 222.62. This appropriation
 41.11 is in addition to the appropriations under Laws
 41.12 2006, chapter 258, section 16, subdivision 6;
 41.13 Laws 2008, chapter 179, section 16,
 41.14 subdivision 5; Laws 2009, chapter 93, article
 41.15 1, section 11, subdivision 4; Laws 2010,
 41.16 chapter 189, section 15, subdivision 5; Laws
 41.17 2015, First Special Session chapter 5, article
 41.18 1, section 10, subdivision 4; Laws 2017, First
 41.19 Special Session chapter 8, article 1, section
 41.20 15, subdivision 7; and Laws 2018, chapter
 41.21 214, article 1, section 16, subdivision 4.

41.22 **Subd. 31. Northfield; Regional Transit Hub**

1,750,000

41.23 For a grant to the city of Northfield to acquire
 41.24 real property; prepare the site, including any
 41.25 environmental remediation; and predesign,
 41.26 design, construct, furnish, and equip a regional
 41.27 transit hub, including a pavilion, railroad quiet
 41.28 zone safety improvements, and trail
 41.29 connections.

41.30 **Subd. 32. Albert Lea; Highway 65 Flood**
 41.31 **Mitigation**

2,682,000

41.32 For a grant to the city of Albert Lea for
 41.33 preliminary design, final design, right-of-way
 41.34 acquisition if needed, environmental
 41.35 remediation, site preparation, including

42.1 demolition of existing buildings and structures
 42.2 deemed undesirable for storm water drainage
 42.3 ponds, soil excavation and disposal, lining of
 42.4 pond, retaining walls, and storm sewer
 42.5 drainage systems, and construction of storm
 42.6 water drainage ponds and storm water
 42.7 drainage systems for city storm water drainage
 42.8 in connection with the marked U.S. Highway
 42.9 65 flood mitigation project in Albert Lea. The
 42.10 flood mitigation project is to raise the roadway
 42.11 above flood levels.

42.12 Subd. 33. **Chisago County; U.S. Highway 8**
 42.13 **Reconstruction**

8,000,000

42.14 (a) For a grant to Chisago County to
 42.15 predesign, design, engineer, and construct a
 42.16 reconstruction of marked U.S. Highway 8
 42.17 from Karmel Avenue in Chisago City to
 42.18 Interstate 35 and pedestrian and bike trails
 42.19 along and crossings of this portion of U.S.
 42.20 Highway 8. This reconstruction may include
 42.21 expanding segments of U.S. Highway 8 to
 42.22 four lanes, constructing or reconstructing
 42.23 frontage roads and backage roads, and
 42.24 realigning local roads to consolidate, remove,
 42.25 and relocate access onto and off of U.S.
 42.26 Highway 8. This appropriation is for the
 42.27 portion of the project that is eligible for use
 42.28 of proceeds of general obligation bonds. This
 42.29 appropriation is available until the project is
 42.30 completed or abandoned.

42.31 (b) Amounts planned by the Department of
 42.32 Transportation for the resurfacing of U.S.
 42.33 Highway 8, as reflected in MnDOT's Metro
 42.34 District Ten-Year Capital Highway Investment
 42.35 Study 2020-2029, shall instead be applied to

- 43.1 the reconstruction of U.S. Highway 8 to
 43.2 supplement appropriations for that purpose
 43.3 from any fund in this section.
- 43.4 **Subd. 34. Henderson; Trunk Highway 93 to U.S.**
 43.5 **Highway 169 Reconstruction** 1,800,000
- 43.6 For projects eligible for general obligation
 43.7 bond proceeds that are associated with the
 43.8 reconstruction of marked Trunk Highway 93
 43.9 from Henderson to marked U.S. Highway 169,
 43.10 to raise the roadway elevation and prevent
 43.11 closures due to river flooding.
- 43.12 **Subd. 35. Olmsted County; Trunk Highway 14**
 43.13 **and County Road 104 Interchange Construction** 6,000,000
- 43.14 For general obligation bond eligible portions
 43.15 of a project to predesign, design, engineer,
 43.16 construct, furnish, and equip an interchange
 43.17 at marked Trunk Highway 14 and County
 43.18 Road 104, including a flyover at 7th Street
 43.19 NW, in Olmstead County, and associated
 43.20 infrastructure and road work to accommodate
 43.21 the interchange.
- 43.22 **Subd. 36. Washington County; Interchange at**
 43.23 **Highway 36 and County Road 15** 3,000,000
- 43.24 From the bond proceeds account in the state
 43.25 transportation fund as provided in Minnesota
 43.26 Statutes, section 174.50, for a grant to
 43.27 Washington County for engineering and
 43.28 property and easement acquisition, in
 43.29 conjunction with an interchange at marked
 43.30 Trunk Highway 36 and County State-Aid
 43.31 Highway 15, known as Manning Avenue, in
 43.32 Washington County.

44.1	<u>Subd. 37. Koochiching County; CSAH 24 Rail</u>		
44.2	<u>Grade Separation</u>		<u>3,000,000</u>
44.3	<u>For a grant to Koochiching County to acquire</u>		
44.4	<u>land for and to predesign, design, engineer,</u>		
44.5	<u>and construct a rail grade crossing separation</u>		
44.6	<u>where County State-Aid Highway 24 crosses</u>		
44.7	<u>Canadian National railroad tracks near the</u>		
44.8	<u>cities of Ranier and International Falls.</u>		
44.9	<u>Subd. 38. Red Wing; Rail Grade Separation</u>		<u>10,000,000</u>
44.10	<u>From the bond proceeds account in the state</u>		
44.11	<u>transportation fund as provided in Minnesota</u>		
44.12	<u>Statutes, section 174.50, for a grant to the city</u>		
44.13	<u>of Red Wing for right-of-way acquisition,</u>		
44.14	<u>environmental analysis, design, engineering,</u>		
44.15	<u>removal of an existing structure, and</u>		
44.16	<u>construction of a rail grade crossing separation</u>		
44.17	<u>at Sturgeon Lake Road. This appropriation is</u>		
44.18	<u>in addition to the appropriation for the same</u>		
44.19	<u>purpose in Laws 2017, First Special Session</u>		
44.20	<u>chapter 8, article 1, section 15, subdivision 4.</u>		
44.21	<u>Sec. 17. METROPOLITAN COUNCIL</u>		
44.22	<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>87,900,000</u>
44.23	<u>To the Metropolitan Council for the purposes</u>		
44.24	<u>specified in this section.</u>		
44.25	<u>Subd. 2. Metropolitan Cities Inflow and</u>		
44.26	<u>Infiltration Grants</u>		<u>5,000,000</u>
44.27	<u>For grants to cities within the metropolitan</u>		
44.28	<u>area, as defined in Minnesota Statutes, section</u>		
44.29	<u>473.121, subdivision 2, for capital</u>		
44.30	<u>improvements in municipal wastewater</u>		
44.31	<u>collection systems to reduce the amount of</u>		
44.32	<u>inflow and infiltration to the Metropolitan</u>		
44.33	<u>Council's metropolitan sanitary sewer disposal</u>		
44.34	<u>system. Grants from this appropriation are for</u>		

45.1 up to 50 percent of the cost to mitigate inflow
 45.2 and infiltration in the publicly owned
 45.3 municipal wastewater collection systems. To
 45.4 be eligible for a grant, a city must be identified
 45.5 by the council as a contributor of excessive
 45.6 inflow and infiltration in the metropolitan
 45.7 disposal system or have a measured flow rate
 45.8 within 20 percent of its allowable
 45.9 council-determined inflow and infiltration
 45.10 limits. The council must award grants based
 45.11 on applications from cities that identify
 45.12 eligible capital costs and include a timeline
 45.13 for inflow and infiltration mitigation
 45.14 construction, pursuant to guidelines
 45.15 established by the council.

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

45.17 For the cost of improvements and betterments
 45.18 of a capital nature and acquisition by the
 45.19 council and local government units of regional
 45.20 recreational open-space lands in accordance
 45.21 with the council's policy plan as provided in
 45.22 Minnesota Statutes, section 473.147. This
 45.23 appropriation must not be used to purchase
 45.24 easements.

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

45.26 For design, engineering, right-of-way
 45.27 acquisition, and construction of the B line bus
 45.28 rapid transit line between Minneapolis and St.
 45.29 Paul, and the D line bus rapid transit line
 45.30 between Brooklyn Center and Bloomington.
 45.31 To the extent money remains after the B line
 45.32 and D line projects are completed, this
 45.33 appropriation is also for preliminary design,
 45.34 design, and engineering of the E line bus rapid

- 46.1 transit from Minneapolis to Southdale Transit
 46.2 Center.
- 46.3 **Subd. 5. Anoka County; Rice Creek North**
 46.4 **Regional Trail** 500,000
- 46.5 For a grant to Anoka County to construct one
 46.6 or more multiuse trails in Circle Pines and
 46.7 Lino Lakes that are within, or generally
 46.8 parallel to and within, the Rice Creek North
 46.9 Regional Trail corridor. The trails include
 46.10 bridges, separated trails, elevated walkways,
 46.11 or paved pathways.
- 46.12 **Subd. 6. Carver County; Lake Waconia** 2,500,000
- 46.13 For a grant to Carver County to design,
 46.14 construct, and equip a waterfront pavilion with
 46.15 restrooms and a concession building, and to
 46.16 design, construct, and equip utility connections
 46.17 at Lake Waconia Regional Park.
- 46.18 **Subd. 7. Dakota County; Veterans Memorial**
 46.19 **Greenway** 5,000,000
- 46.20 For a grant to Dakota County to construct
 46.21 improvements for the Veterans Memorial
 46.22 Greenway, including memorials, a community
 46.23 gathering space, and a new trail connection
 46.24 between Lebanon Hills Regional Park and the
 46.25 Mississippi River.
- 46.26 **Subd. 8. Minneapolis Park and Recreation**
 46.27 **Board; Mississippi River Trail Connection at**
 46.28 **26th Avenue North** 3,000,000
- 46.29 (a) For a grant to the Minneapolis Park and
 46.30 Recreation Board to design and construct a
 46.31 trail connection paralleling the Mississippi
 46.32 River between 26th Avenue North and the
 46.33 Minneapolis Grand Rounds at Ole Olson Park,
 46.34 all within Above the Falls Regional Park. This
 46.35 appropriation is intended to augment work

47.1 being completed by the city of Minneapolis
 47.2 to reconstruct and create a multimodal corridor
 47.3 beginning at Theodore Wirth Regional Park
 47.4 and extending east to the Mississippi River
 47.5 along 26th Avenue North.

47.6 (b) All project lighting must follow the
 47.7 International Dark Sky Community Program
 47.8 guidelines, published June 2018, and follow
 47.9 best practices for bird-safe lighting. The height
 47.10 of any beacon light must comply with the
 47.11 Minneapolis shoreland overlay district
 47.12 ordinance governing height of structures. A
 47.13 beacon light must be off from March 15 to
 47.14 May 31 and August 15 to October 31 each
 47.15 year, and off between the hours of 11 p.m. and
 47.16 6 a.m. at all other times of the year. All
 47.17 lighting must be shielded and use bird-safe
 47.18 light colors.

47.19 **Subd. 9. Ramsey County; Battle Creek Winter**
 47.20 **Recreation Area**

1,800,000

47.21 For a grant to Ramsey County to design,
 47.22 construct, furnish, and equip a maintenance
 47.23 building for the Nordic ski competition and
 47.24 winter recreation area, including related
 47.25 earthwork and landscaping, and for a marker
 47.26 commemorating the Olympic
 47.27 accomplishments of Minnesotan Jessie
 47.28 Diggins, in Battle Creek Regional Park.

47.29 **Subd. 10. St. Paul; Como Zoo**

1,000,000

47.30 For a grant to the city of St. Paul to improve
 47.31 and replace outdated mechanical systems and
 47.32 other building structural components to
 47.33 achieve greater energy efficiency at Como
 47.34 Zoo.

47.35 **Subd. 11. St. Paul; Wakan Tipi**

1,000,000

48.1 For a grant to the city of St. Paul for the
 48.2 Wakan Tipi Center project. The city may enter
 48.3 into a lease or management agreement under
 48.4 Minnesota Statutes, section 16A.695. This
 48.5 appropriation is added to the appropriation for
 48.6 the Nature Sanctuary Visitor Center in Laws
 48.7 2018, chapter 214, article 1, section 17,
 48.8 subdivision 6, and is for the same purposes.

48.9 **Subd. 12. Three Rivers Park District; Mississippi**
 48.10 **Gateway**

5,000,000

48.11 For a grant to Three Rivers Park District to
 48.12 predesign, design, and engineer improvements
 48.13 to the Mississippi Gateway Regional Park,
 48.14 and to construct a canopy walkway and
 48.15 playground development, pedestrian trail
 48.16 connections, landscape restoration and
 48.17 enhancements, and habitat restoration.

48.18 **Subd. 13. White Bear Lake Communities; Lake**
 48.19 **Links Trail**

3,600,000

48.20 For grants to complete design and construction
 48.21 of a multiuse paved trail and route for
 48.22 pedestrians, bicycles, and wheelchairs around
 48.23 White Bear Lake in Ramsey and Washington
 48.24 Counties, as follows:

48.25 (1) \$2,600,000 of this appropriation is for a
 48.26 grant to the city of Dellwood in Washington
 48.27 County to design, engineer, construct, and
 48.28 equip trail improvements consistent with the
 48.29 completed preliminary engineering along or
 48.30 parallel with the shore of White Bear Lake
 48.31 between the Mahtomedi city limits and the
 48.32 western line of Washington County;

48.33 (2) \$500,000 of this appropriation is for a
 48.34 grant to White Bear Township in Ramsey
 48.35 County to design, engineer, construct, and

49.1 equip trail improvements along and parallel
 49.2 with the shore of White Bear Lake between
 49.3 the Washington County line and the city limits
 49.4 of the city of White Bear Lake, Ramsey
 49.5 County; and

49.6 (3) \$500,000 of this appropriation is for a
 49.7 grant to the city of White Bear Lake in
 49.8 Ramsey County to design, engineer, construct,
 49.9 and equip trail improvements along or parallel
 49.10 with the shore of White Bear Lake between
 49.11 the eastern city limits of White Bear Lake and
 49.12 Pacific Avenue.

49.13 **Sec. 18. HUMAN SERVICES**

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

49.15 To the commissioner of administration, or
 49.16 other named entity, for the purposes specified
 49.17 in this section.

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

49.19 For asset preservation improvements and
 49.20 betterments of a capital nature at Department
 49.21 of Human Services facilities statewide, to be
 49.22 spent in accordance with Minnesota Statutes,
 49.23 section 16B.307.

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

49.26 To design the second phase of a multiphase
 49.27 project to develop additional residential,
 49.28 program, activity, and ancillary facilities for
 49.29 the Minnesota sex offender program on the
 49.30 lower campus of the St. Peter Regional
 49.31 Treatment Center.

49.32 **Subd. 4. Child and Adolescent Behavioral Health**
 49.33 **Services Facility** **1,750,000**

50.1 For design, construction, and furnishing of a
 50.2 large motor activity and ancillary space for
 50.3 the Child and Adolescent Behavioral Health
 50.4 Hospital. The appropriation also includes
 50.5 money for design and construction of a small
 50.6 maintenance shed, courtyard interiors, a
 50.7 parking lot, playground equipment, and
 50.8 landscaping activities.

50.9 **Subd. 5. Regional Behavioral Health Crisis**
 50.10 **Facilities Grant Program**

10,000,000

50.11 To the commissioner of human services for
 50.12 regional behavioral health crisis facilities
 50.13 grants under Minnesota Statutes, section
 50.14 245G.011.

50.15 **Subd. 6. St. Louis Park; Perspectives Family**
 50.16 **Center**

4,500,000

50.17 To the commissioner of human services for a
 50.18 grant to the city of St. Louis Park to construct,
 50.19 furnish, and equip the expansion and
 50.20 renovation of the existing Perspectives Family
 50.21 Center facility in St. Louis Park subject to
 50.22 Minnesota Statutes, section 16A.695. The
 50.23 expanded and renovated facility must be used
 50.24 to promote the public welfare by providing
 50.25 any or all of the following programs and
 50.26 services: (1) supportive housing programs for
 50.27 homeless women and their children; (2) mental
 50.28 and chemical health programs; (3)
 50.29 employment services; (4) academic, social
 50.30 skills, and nutritional programs for homeless
 50.31 and at-risk children; (5) an all-day therapeutic
 50.32 early childhood development program for
 50.33 homeless and at-risk children; and (6) a
 50.34 culturally sensitive safe and nurturing
 50.35 environment for at-risk children to meet with
 50.36 their nonresidential parents.

51.1	<u>Subd. 7. St. Louis County; Regional Behavioral</u>		
51.2	<u>Health Crisis Facility</u>		<u>1,365,000</u>
51.3	<u>To the commissioner of human services for a</u>		
51.4	<u>grant to St. Louis County for a regional</u>		
51.5	<u>behavioral health crisis facility. This</u>		
51.6	<u>appropriation is in addition to and for the same</u>		
51.7	<u>purposes as the grant awarded to the county</u>		
51.8	<u>under Minnesota Statutes, section 245G.011.</u>		
51.9	Sec. 19. <u>VETERANS AFFAIRS</u>		
51.10	<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>8,450,000</u>
51.11	<u>To the commissioner of administration for the</u>		
51.12	<u>purposes specified in this section.</u>		
51.13	<u>Subd. 2. Asset Preservation</u>		<u>6,300,000</u>
51.14	<u>For asset preservation improvements and</u>		
51.15	<u>betterments of a capital nature at the veterans</u>		
51.16	<u>homes in Minneapolis, Hastings, Fergus Falls,</u>		
51.17	<u>Silver Bay, and Luverne, and the Little Falls</u>		
51.18	<u>Cemetery, to be spent in accordance with</u>		
51.19	<u>Minnesota Statutes, section 16B.307.</u>		
51.20	<u>Subd. 3. Fergus Falls Veterans Home</u>		
51.21	<u>Greenhouse</u>		<u>100,000</u>
51.22	<u>To design, construct, and equip a new</u>		
51.23	<u>greenhouse at the Minnesota Veterans Home</u>		
51.24	<u>in Fergus Falls.</u>		
51.25	<u>Subd. 4. Martin County; Veterans Memorial</u>		<u>350,000</u>
51.26	<u>For a grant to Martin County to design and</u>		
51.27	<u>construct a memorial to those who have served</u>		
51.28	<u>in the military of the United States of America</u>		
51.29	<u>and those who have died in the line of duty.</u>		
51.30	Sec. 20. <u>CORRECTIONS</u>		
51.31	<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>44,498,000</u>
51.32	<u>To the commissioner of administration for the</u>		
51.33	<u>purposes specified in this section.</u>		

52.1	<u>Subd. 2. Asset Preservation</u>	<u>25,000,000</u>
52.2	<u>For asset preservation improvements and</u>	
52.3	<u>betterments of a capital nature at Minnesota</u>	
52.4	<u>correctional facilities statewide, to be spent in</u>	
52.5	<u>accordance with Minnesota Statutes, section</u>	
52.6	<u>16B.307.</u>	
52.7	<u>Subd. 3. Minnesota Correctional Facility -</u>	
52.8	<u>Willow River</u>	<u>1,877,000</u>
52.9	<u>To design, construct, and equip a</u>	
52.10	<u>communications system to accommodate a</u>	
52.11	<u>new radio tower, a microwave system,</u>	
52.12	<u>electrical and data connectivity, and an</u>	
52.13	<u>environmentally controlled, secure structure</u>	
52.14	<u>to house the communications equipment at the</u>	
52.15	<u>Minnesota Correctional Facility - Willow</u>	
52.16	<u>River.</u>	
52.17	<u>Subd. 4. Minnesota Correctional Facility -</u>	
52.18	<u>Faribault</u>	<u>954,000</u>
52.19	<u>To predesign and design the construction and</u>	
52.20	<u>renovation of new and existing buildings at</u>	
52.21	<u>the Minnesota Correctional Facility -</u>	
52.22	<u>Faribault, in order to upgrade the minimum</u>	
52.23	<u>security housing unit (Dakota Building) and</u>	
52.24	<u>expand offender programming space.</u>	
52.25	<u>Subd. 5. Minnesota Correctional Facility - St.</u>	
52.26	<u>Cloud</u>	<u>800,000</u>
52.27	<u>To design, renovate, construct, equip, and</u>	
52.28	<u>install a new fire suppression system in Living</u>	
52.29	<u>Units A, B, and C at the Minnesota</u>	
52.30	<u>Correctional Facility - St. Cloud. This</u>	
52.31	<u>installation includes but is not limited to cells,</u>	
52.32	<u>common areas, and control areas and must</u>	
52.33	<u>comply with all applicable codes.</u>	

53.1	<u>Subd. 6. Minnesota Correctional Facility -</u>	
53.2	<u>Stillwater</u>	<u>2,600,000</u>
53.3	<u>To design, renovate, construct, equip, and</u>	
53.4	<u>install a fire suppression system in four living</u>	
53.5	<u>units at the Minnesota Correctional Facility -</u>	
53.6	<u>Stillwater. This installation includes but is not</u>	
53.7	<u>limited to the cells, common areas, and control</u>	
53.8	<u>areas in Buildings 3, 5, 9, and 12 and must</u>	
53.9	<u>comply with all applicable codes.</u>	
53.10	<u>Subd. 7. Minnesota Correctional Facility - Togo</u>	<u>2,600,000</u>
53.11	<u>To design, construct, and equip a new sewer</u>	
53.12	<u>treatment system at the Minnesota</u>	
53.13	<u>Correctional Facility - Togo. The system</u>	
53.14	<u>includes but is not limited to settling ponds,</u>	
53.15	<u>pumping stations, and other underground</u>	
53.16	<u>infrastructure improvements associated with</u>	
53.17	<u>the sewer system complying with all Pollution</u>	
53.18	<u>Control Agency and code requirements. As</u>	
53.19	<u>part of the project, the existing septic</u>	
53.20	<u>system/drain field shall be decommissioned.</u>	
53.21	<u>Subd. 8. Arrowhead Regional Corrections Joint</u>	
53.22	<u>Powers Board</u>	<u>3,250,000</u>
53.23	<u>For a grant to the Arrowhead Regional</u>	
53.24	<u>Corrections Joint Powers Board to renovate,</u>	
53.25	<u>remodel, and complete other capital</u>	
53.26	<u>improvements to buildings that support</u>	
53.27	<u>vocational, educational, and farm work</u>	
53.28	<u>programming and experiences at the Northeast</u>	
53.29	<u>Regional Corrections Center.</u>	
53.30	<u>Subd. 9. Carlton County; Regional Corrections</u>	
53.31	<u>Facility</u>	<u>2,000,000</u>
53.32	<u>For a grant to Carlton County for predesign</u>	
53.33	<u>and design of a corrections facility providing</u>	
53.34	<u>emphasis on serving as a regional facility for</u>	
53.35	<u>female offenders. This statewide</u>	

- 54.1 demonstration project shall address current
 54.2 state requirements of parity in serving male
 54.3 and female offenders under Minnesota
 54.4 Statutes, section 241.70, subdivision 1, and
 54.5 will use the Sequential Intercept Model to
 54.6 improve service and system-level responses
 54.7 for adults with mental and substance abuse
 54.8 disorders in the criminal justice system.
- 54.9 **Subd. 10. Martin County Justice Center** 2,167,000
- 54.10 For a grant to Martin County for site
 54.11 preparation, predesign, and design of a new
 54.12 county justice center to provide space for
 54.13 functions related to the county justice system,
 54.14 which may include the county jail, courtrooms,
 54.15 court offices and related purposes, offices for
 54.16 the sheriff and other law enforcement
 54.17 personnel, county and state corrections, the
 54.18 county attorney, dispatch, and emergency
 54.19 management.
- 54.20 **Subd. 11. Prairie Lake Youth JPB; School and**
 54.21 **Recreation Center** 2,500,000
- 54.22 For a grant to the Prairie Lake Youth Joint
 54.23 Powers Board to predesign, design, construct,
 54.24 furnish, and equip an indoor recreation and
 54.25 educational building adjoining the current
 54.26 building for the Prairie Lakes Youth Program.
- 54.27 **Subd. 12. Winona County Jail** 750,000
- 54.28 For a grant to Winona County to acquire land
 54.29 for a new county jail.
- 54.30 **Subd. 13. Unspent Appropriations**
- 54.31 The unspent portion of an appropriation for a
 54.32 Department of Corrections project in this
 54.33 section that is complete, upon written notice
 54.34 to the commissioner of management and

55.1 budget, is available for asset preservation
 55.2 under Minnesota Statutes, section 16B.307.
 55.3 Minnesota Statutes, section 16A.642, applies
 55.4 from the date of the original appropriation to
 55.5 the unspent amount transferred.

55.6 **Sec. 21. EMPLOYMENT AND ECONOMIC**
 55.7 **DEVELOPMENT**

55.8 **Subdivision 1. Total Appropriation** **\$ 150,241,000**

55.9 To the commissioner of employment and
 55.10 economic development, or other named entity,
 55.11 for the purposes specified in this section.

55.12 **Subd. 2. Greater Minnesota Business**
 55.13 **Development Public Infrastructure** **8,200,000**

55.14 For grants under Minnesota Statutes, section
 55.15 116J.431.

55.16 **Subd. 3. Innovative Business Development Public**
 55.17 **Infrastructure** **1,900,000**

55.18 For grants under Minnesota Statutes, section
 55.19 116J.435.

55.20 **Subd. 4. Transportation Economic Development**
 55.21 **Infrastructure** **2,900,000**

55.22 For grants under Minnesota Statutes, section
 55.23 116J.436.

55.24 **Subd. 5. Minneapolis Community and Technical**
 55.25 **College** **450,000**

55.26 For a transfer to the Board of Trustees of the
 55.27 Minnesota State Colleges and Universities to
 55.28 predesign and design the renovation of space
 55.29 on the Minneapolis Community and Technical
 55.30 College campus for a manufacturing and
 55.31 trades education and training program, and to
 55.32 construct the renovation of the front office and
 55.33 technology center spaces for the program. The
 55.34 program is to provide high school and
 55.35 postsecondary degrees or certification in

- 56.1 manufacturing and the trades. The board of
 56.2 trustees may enter into a lease or management
 56.3 agreement for operation of the program, under
 56.4 Minnesota Statutes, section 16A.695.
- 56.5 **Subd. 6. Workforce Center; Asset Preservation** 642,000
- 56.6 To the commissioner of administration for
 56.7 asset preservation improvements and
 56.8 betterments of a capital nature at the South
 56.9 Minneapolis CareerForce location to be spent
 56.10 in accordance with Minnesota Statutes, section
 56.11 16B.307.
- 56.12 **Subd. 7. Alexandria; Runestone Community**
 56.13 **Center Expansion** 5,600,000
- 56.14 For a grant to the city of Alexandria to design,
 56.15 construct, furnish, and equip an expansion and
 56.16 renovation of the Runestone Community
 56.17 Center in Alexandria.
- 56.18 **Subd. 8. Annandale; Infrastructure**
 56.19 **Improvements** 4,090,000
- 56.20 For a grant to the city of Annandale for
 56.21 predesign, design, construction, and
 56.22 replacement or renovation of street, storm
 56.23 sewer, sanitary sewer, water main, and other
 56.24 capital improvements that are made necessary
 56.25 by, or are most economically completed if
 56.26 performed at the same time as, road work on
 56.27 marked Trunk Highways 24 and 55 in the city
 56.28 of Annandale.
- 56.29 **Subd. 9. Becker; Business Park Public**
 56.30 **Infrastructure** 20,500,000
- 56.31 For a grant to the city of Becker to acquire
 56.32 land, predesign, design, construct, furnish, and
 56.33 equip public infrastructure, including water,
 56.34 sanitary sewer, storm sewer and drainage
 56.35 systems, roads, and lighting for a business

- 57.1 park in the city of Becker. A portion of the
 57.2 water infrastructure for the business park will
 57.3 be installed in Becker Township.
- 57.4 **Subd. 10. Becker County; Museum** **1,850,000**
- 57.5 For a grant to Becker County to predesign,
 57.6 design, construct, furnish, and equip a new
 57.7 county museum facility.
- 57.8 **Subd. 11. Champlin: Mississippi Point Park**
 57.9 **Improvements** **3,450,000**
- 57.10 For a grant to the city of Champlin to
 57.11 predesign, design, acquire, install, construct,
 57.12 furnish, and equip capital improvements in
 57.13 Mississippi Point Park, including an
 57.14 Americans with Disabilities Act (ADA)
 57.15 accessible boat docking system and picnic
 57.16 pavilion.
- 57.17 **Subd. 12. Chatfield; Center for the Arts** **8,700,000**
- 57.18 For a grant to the city of Chatfield economic
 57.19 development authority to predesign, design,
 57.20 renovate, construct, furnish, and equip the
 57.21 Chatfield Center for the Arts in the city of
 57.22 Chatfield, which is generally described as the
 57.23 renovation of the 1916 high school and the
 57.24 installation of a linking structure and related
 57.25 improvements to serve both the 1936
 57.26 auditorium building and the 1916 school
 57.27 building. The renovation includes interior,
 57.28 exterior, and amenity improvements within
 57.29 the high school building; improvements to the
 57.30 electrical, plumbing, and HVAC systems
 57.31 throughout the property; and general
 57.32 improvements to the buildings and land that
 57.33 are known as the Chatfield Center for the Arts,
 57.34 currently owned by the economic development
 57.35 authority.

58.1	<u>Subd. 13. Cohasset; Mississippi Riverfront</u>	
58.2	<u>Development</u>	<u>1,200,000</u>
58.3	<u>For a grant to the city of Cohasset to prepare</u>	
58.4	<u>the site for, predesign, design, and construct</u>	
58.5	<u>a road, utilities, green space, and a marina on</u>	
58.6	<u>Mississippi riverfront property in the city.</u>	
58.7	<u>Subd. 14. Crookston; Colborn Property</u>	
58.8	<u>Development</u>	<u>895,000</u>
58.9	<u>For a grant to the city of Crookston for</u>	
58.10	<u>development of the southern end of the city</u>	
58.11	<u>limits commonly known as the Colborn</u>	
58.12	<u>Property. This appropriation includes money</u>	
58.13	<u>for construction of roads and storm water</u>	
58.14	<u>infrastructure, for site preparation, and for</u>	
58.15	<u>other improvements of publicly owned</u>	
58.16	<u>infrastructure.</u>	
58.17	<u>Subd. 15. Deephaven; Northome Avenue Bridge</u>	<u>750,000</u>
58.18	<u>For a grant to the city of Deephaven to</u>	
58.19	<u>predesign, design, construct, furnish, and</u>	
58.20	<u>equip a bridge to carry Northome Avenue over</u>	
58.21	<u>a pedestrian and bike trail in the city of</u>	
58.22	<u>Deephaven.</u>	
58.23	<u>Subd. 16. Duluth; Seawall and Surface</u>	
58.24	<u>Improvements</u>	<u>13,500,000</u>
58.25	<u>For a grant to the city of Duluth to predesign,</u>	
58.26	<u>design, construct, furnish, and equip seawall</u>	
58.27	<u>and lakewalk infrastructure with related</u>	
58.28	<u>surface improvements, including a boardwalk</u>	
58.29	<u>and bike trails, public gathering spaces, and</u>	
58.30	<u>loading areas, along the shore of Lake</u>	
58.31	<u>Superior in the city of Duluth. This</u>	
58.32	<u>appropriation may also be used for demolition</u>	
58.33	<u>and removal of existing seawall and lakewalk</u>	
58.34	<u>structures.</u>	
58.35	<u>Subd. 17. Duluth; Lake Superior Zoo</u>	<u>204,000</u>

- 59.1 For a grant to the city of Duluth to predesign
 59.2 and design the renovation or replacement of
 59.3 the Main Building at the Lake Superior Zoo.
- 59.4 **Subd. 18. Ellsworth; City Hall and Public Works**
 59.5 **Shop** 1,000,000
- 59.6 For a grant to the city of Ellsworth to prepare
 59.7 the site, predesign, design, construct, furnish,
 59.8 and equip a city hall with a multipurpose room
 59.9 and a public works shop, to replace the city
 59.10 hall and public works buildings destroyed by
 59.11 fire in January 2019.
- 59.12 **Subd. 19. Eveleth; Buildings Renovation** 1,000,000
- 59.13 For a grant to the city of Eveleth to predesign,
 59.14 design, construct, renovate, and equip capital
 59.15 improvements and betterments to the city
 59.16 hall/police station, the Carnegie library, the
 59.17 fire/ambulance hall, the Hippodrome ice arena,
 59.18 and the city auditorium. The improvements
 59.19 include renovation or replacement of HVAC
 59.20 systems, roof replacement, installation of
 59.21 carbon monoxide and nitrogen dioxide
 59.22 detection systems, exterior masonry
 59.23 restoration, and renovation of public
 59.24 restrooms.
- 59.25 **Subd. 20. Fergus Falls; Riverfront Corridor** 1,750,000
- 59.26 For a grant to the city of Fergus Falls for
 59.27 construction of a downtown riverfront corridor
 59.28 improvement project including an
 59.29 amphitheater, river market, public arts space,
 59.30 interactive water components, and related
 59.31 publicly owned infrastructure and amenities.
- 59.32 **Subd. 21. Grand Rapids; IRA Civic Center** 5,000,000
- 59.33 For a grant to the city of Grand Rapids for the
 59.34 design, construction, and equipping of capital

60.1 improvements to the IRA Civic Center. This
 60.2 appropriation includes money for replacement
 60.3 of the truss/roof structure, replacement of the
 60.4 facility's existing ice-making system, and other
 60.5 improvements and betterments of a capital
 60.6 nature for health, safety, and Americans with
 60.7 Disabilities Act (ADA) compliance.

60.8 **Subd. 22. Hastings; City Hall** 2,000,000

60.9 For a grant to the city of Hastings for repairs,
 60.10 construction, and other capital improvements
 60.11 necessary for renovation of the historic City
 60.12 Hall in Hastings. This appropriation includes
 60.13 money for repairs of the dome and roofing,
 60.14 HVAC improvements, repairs to the interior
 60.15 walls and exterior masonry of the building,
 60.16 site regrading, and project management.

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

60.18 For a grant to Hennepin County for Phase 1
 60.19 of the Avivo regional career and employment
 60.20 center project in Minneapolis, subject to
 60.21 Minnesota Statutes, section 16A.695. Phase
 60.22 1 includes geotechnical and environmental
 60.23 investigation, demolition, and site work;
 60.24 predesign and design of the renovation and
 60.25 expansion of a building; and predesign and
 60.26 design for the replacement of or improvements
 60.27 to building systems on the Avivo campus,
 60.28 including HVAC, mechanical, electrical, and
 60.29 accessibility improvements.

60.30 **Subd. 24. Hibbing; Mine View "Window to the**
 60.31 **World"** 1,300,000

60.32 For a grant to the city of Hibbing to construct
 60.33 the mine view "Windows to the World"
 60.34 facility on the Susquehanna mine dump.

- 61.1 **Subd. 25. Litchfield; Wellness Center** 5,000,000
- 61.2 (a) For a grant to the city of Litchfield to
- 61.3 acquire land for and to predesign, design,
- 61.4 construct, furnish, and equip a community
- 61.5 wellness/recreation center that will include a
- 61.6 gymnasium and general fitness spaces, a
- 61.7 dedicated walking section, a community room,
- 61.8 and any locker rooms and mechanical
- 61.9 equipment needed for future additions to the
- 61.10 facility.
- 61.11 (b) This appropriation is not available until
- 61.12 the commissioner of employment and
- 61.13 economic development has determined that
- 61.14 the school district and the city have entered
- 61.15 into an agreement that addresses the city's and
- 61.16 school district's relative contributions to the
- 61.17 project and the operations and use of the
- 61.18 facilities. The city may enter into a lease or
- 61.19 management agreement with the school
- 61.20 district.
- 61.21 **Subd. 26. Minneapolis; Central City Storm**
- 61.22 **Tunnel** 8,500,000
- 61.23 For a grant to the city of Minneapolis for
- 61.24 design and construction necessary to expand
- 61.25 the Central City Storm Tunnel in Minneapolis.
- 61.26 **Subd. 27. Minneapolis; Outdoor Performance**
- 61.27 **Venue** 12,500,000
- 61.28 (a) For a grant to the city of Minneapolis to
- 61.29 predesign, design, construct, furnish, and
- 61.30 equip a new outdoor music performance venue
- 61.31 on the Upper Harbor site along the Mississippi
- 61.32 River in North Minneapolis. The venue will
- 61.33 accommodate approximately 7,000 to 10,000
- 61.34 people in a combination of temporary seating
- 61.35 or standing room. A portion of the venue will

62.1 be designed to allow it to be enclosed for
 62.2 smaller events on a year-round basis.

62.3 (b) The city may operate the outdoor music
 62.4 venue directly or enter into a lease or
 62.5 management agreement with a for-profit or a
 62.6 nonprofit operator, subject to Minnesota
 62.7 Statutes, section 16A.695. The lease or
 62.8 management agreement must provide for a
 62.9 program of free use of the venue that will
 62.10 benefit the adjacent North Minneapolis
 62.11 community and that will be curated and
 62.12 controlled by a North Minneapolis
 62.13 community-based partner.

62.14 (c) The city of Minneapolis contract with the
 62.15 developer of the project or the lease or
 62.16 management agreement, or both, must identify
 62.17 community benefits from the development,
 62.18 construction, management, operation, and
 62.19 maintenance of the venue intended to benefit
 62.20 the adjacent communities, including benefits
 62.21 related to procurement, employment,
 62.22 sustainability, and other commitments from
 62.23 the operator of the venue.

62.24 **Subd. 28. New Ulm; German Park**
 62.25 **Amphitheater**

300,000

62.26 For a grant to the city of New Ulm to design,
 62.27 acquire, install, furnish, and equip a capital
 62.28 improvement permanent shade structure
 62.29 system for the German Park amphitheater,
 62.30 compliant with the Americans with Disabilities
 62.31 Act.

62.32 **Subd. 29. North Mankato; Caswell Park**
 62.33 **Improvements**

2,000,000

62.34 For a grant to the city of North Mankato to
 62.35 predesign, design, construct, furnish, and

- 63.1 equip improvements and renovations to
 63.2 existing facilities at the Caswell Regional
 63.3 Sporting Complex.
- 63.4 **Subd. 30. Orono; Big Island Park** 300,000
- 63.5 For a grant to the city of Orono to predesign,
 63.6 design, construct, furnish, and equip
 63.7 improvements at Big Island Park, including a
 63.8 picnic area, trails and trail gates, restrooms,
 63.9 permanent seating, and interpretive panels.
- 63.10 **Subd. 31. Pipestone County; Dental Facility** 250,000
- 63.11 For a grant to Pipestone County to predesign,
 63.12 design, construct, furnish, and equip a dental
 63.13 care facility in Pipestone County. This
 63.14 appropriation is in addition to the
 63.15 appropriation for the same purpose in Laws
 63.16 2018, chapter 214, article 1, section 21,
 63.17 subdivision 18. This project is not subject to
 63.18 the requirements of Minnesota Statutes,
 63.19 section 16B.325.
- 63.20 **Subd. 32. Plymouth; Plymouth Creek Center** 5,000,000
- 63.21 For a grant to the city of Plymouth to
 63.22 predesign, design, construct, furnish, and
 63.23 equip the renovation and expansion of the
 63.24 Plymouth Creek Center.
- 63.25 **Subd. 33. Proctor; Salt Shed** 500,000
- 63.26 For a grant to the city of Proctor to predesign,
 63.27 design, and construct a salt shed to replace the
 63.28 condemned salt shed on the river front.
- 63.29 **Subd. 34. Roseville; Guidant John Rose OVAL** 3,900,000
- 63.30 For a grant to the city of Roseville to
 63.31 predesign, design, construct, furnish, and
 63.32 equip the renovation of the Guidant John Rose

- 64.1 Minnesota OVAL. The project includes the
 64.2 building, building systems, and facilities.
- 64.3 **Subd. 35. Steele County; Fairgrounds Electrical**
 64.4 **Improvements** 750,000
- 64.5 For a grant to Steele County to construct
 64.6 underground electrical infrastructure at the
 64.7 Steele County Fairgrounds.
- 64.8 **Subd. 36. St. Cloud; Municipal Athletic**
 64.9 **Complex** 10,000,000
- 64.10 For a grant to the city of St. Cloud to design,
 64.11 construct, furnish, and equip improvements
 64.12 to the municipal athletic complex to serve as
 64.13 a regional sport facility. This appropriation
 64.14 includes money to renovate and expand the
 64.15 Municipal Athletic Facility, to demolish the
 64.16 grandstand at Dick Putz field, and to design,
 64.17 construct, furnish and equip a new grandstand
 64.18 at Dick Putz Field. This appropriation may
 64.19 not be used to acquire and install artificial turf
 64.20 or to construct the west lobby.
- 64.21 **Subd. 37. St. Joseph; Jacob Wetterling**
 64.22 **Recreation Center** 4,000,000
- 64.23 For a grant to the city of St. Joseph to design,
 64.24 construct, furnish, and equip a recreation
 64.25 center as an addition to the former school
 64.26 building purchased by the city to be
 64.27 repurposed as a community center.
- 64.28 **Subd. 38. St. Louis County; Heritage and Arts**
 64.29 **Center** 1,500,000
- 64.30 For a grant to St. Louis County for asset
 64.31 preservation of the St. Louis County Heritage
 64.32 and Arts Center, also known as the Depot, in
 64.33 Duluth. The project includes improvements
 64.34 to the life-safety elements of the building and
 64.35 to restore exterior building envelope integrity.

65.1	<u>Subd. 39. St. Paul; Humanities Center</u>	<u>750,000</u>
65.2	<u>For a grant to the city of St. Paul for asset</u>	
65.3	<u>preservation of the Minnesota Humanities</u>	
65.4	<u>Center's main facility, including capital</u>	
65.5	<u>improvements for building envelope,</u>	
65.6	<u>foundation, and structural integrity; and for</u>	
65.7	<u>mechanical systems upgrades, including</u>	
65.8	<u>heating, ventilation, and cooling, subject to</u>	
65.9	<u>Minnesota Statutes, section 16A.695. This</u>	
65.10	<u>appropriation is added to the appropriation in</u>	
65.11	<u>Laws 2018, chapter 214, article 1, section 21,</u>	
65.12	<u>subdivision 25.</u>	
65.13	<u>Subd. 40. St. Paul; Playwrights' Center</u>	<u>850,000</u>
65.14	<u>For a grant to the city of St. Paul to predesign</u>	
65.15	<u>and design the playwrights center facility in</u>	
65.16	<u>St. Paul for use as a comprehensive play</u>	
65.17	<u>development program and workshop facility.</u>	
65.18	<u>Subd. 41. St. Paul; Victoria Theater</u>	<u>1,000,000</u>
65.19	<u>For a grant to the city of St. Paul to acquire</u>	
65.20	<u>property located at 825 University Avenue</u>	
65.21	<u>West, and to predesign, design, construct,</u>	
65.22	<u>furnish, and equip the renovation of the</u>	
65.23	<u>historic Victoria Theater, to serve as a regional</u>	
65.24	<u>multicultural community and event center.</u>	
65.25	<u>This appropriation includes money for:</u>	
65.26	<u>demolition work; improvements to or</u>	
65.27	<u>replacement of the mechanical, electrical,</u>	
65.28	<u>plumbing, heating, ventilating, and air</u>	
65.29	<u>conditioning systems; repairs to the existing</u>	
65.30	<u>roof and exterior enclosure; site</u>	
65.31	<u>improvements; construction or renovation of</u>	
65.32	<u>interior spaces; and other improvements of a</u>	
65.33	<u>capital nature. The city of St. Paul may enter</u>	
65.34	<u>into a lease or management agreement with a</u>	

- 66.1 nonprofit organization for this facility under
 66.2 Minnesota Statutes, section 16A.695.
- 66.3 **Subd. 42. St. Paul; Hmong Cultural Plaza,**
 66.4 **Phalen Regional Park** 500,000
- 66.5 (a) For a grant to city of St. Paul for
 66.6 construction of Phase II of the Saint Paul -
 66.7 Changsha China Friendship Garden, at the
 66.8 Hmong Cultural Plaza, in Phalen Regional
 66.9 Park.
- 66.10 (b) In implementing the project, the city, or
 66.11 any entity with which the city contracts for
 66.12 implementation of the project, must hire and
 66.13 retain for the life of the project residents of
 66.14 the adjacent communities in living wage jobs,
 66.15 improve environmental conditions of the
 66.16 project site, use clean and efficient energy
 66.17 sources, and work with Hmong cultural leaders
 66.18 and artists to ensure that traditional Hmong
 66.19 landscaping and building practices are used
 66.20 to help tell the story of the Minnesota Hmong
 66.21 experience.
- 66.22 **Subd. 43. Wadena; Access Road** 1,300,000
- 66.23 For a grant to the city of Wadena to acquire a
 66.24 permanent easement for and to predesign,
 66.25 design, engineer, and construct an access road
 66.26 just northeast of 11th Street Northwest in
 66.27 Wadena, going from marked Trunk Highway
 66.28 10 to the new hospital complex.
- 66.29 **Subd. 44. Wayzata; Lake Effect Boardwalk** 4,000,000
- 66.30 For a grant to the city of Wayzata to design
 66.31 and construct a boardwalk and restore the lake
 66.32 edge on Lake Minnetonka in downtown
 66.33 Wayzata as a part of the Lake Effect Project.

67.1	<u>Subd. 45. Western Lake Superior Sanitary</u>	
67.2	<u>District; Engine Generators</u>	<u>6,750,000</u>
67.3	<u>For a grant to the Sanitary Board of the</u>	
67.4	<u>Western Lake Superior Sanitary District to</u>	
67.5	<u>design and construct engine generators as part</u>	
67.6	<u>of the combined heat and power system to</u>	
67.7	<u>capture and process heat and generate</u>	
67.8	<u>electricity for use at the Western Lake</u>	
67.9	<u>Superior Sanitary District wastewater</u>	
67.10	<u>treatment facilities.</u>	
67.11	<u>Subd. 46. Willernie; Public Infrastructure</u>	<u>160,000</u>
67.12	<u>For a grant to the city of Willernie to replace</u>	
67.13	<u>the roof of the city hall, and, if any money is</u>	
67.14	<u>remaining, for capital improvements in</u>	
67.15	<u>conjunction with the Washington County road</u>	
67.16	<u>12 project, including replacing and extending</u>	
67.17	<u>the sidewalk, replacement of a water main,</u>	
67.18	<u>and moving or removing a retaining wall.</u>	
67.19	<u>Subd. 47. Wright County; Dental Care Facility</u>	<u>1,400,000</u>
67.20	<u>For a grant to Wright County to predesign,</u>	
67.21	<u>design, construct, furnish, and equip a dental</u>	
67.22	<u>care facility. The dental care facility will be</u>	
67.23	<u>constructed in a building constructed for this</u>	
67.24	<u>purpose by the county on the Wright County</u>	
67.25	<u>Government Center campus in the city of</u>	
67.26	<u>Buffalo. The county may enter into an</u>	
67.27	<u>agreement under Minnesota Statutes, section</u>	
67.28	<u>16A.695, for operation of the dental clinic.</u>	
67.29	<u>Sec. 22. PUBLIC FACILITIES AUTHORITY</u>	
67.30	<u>Subdivision 1. Total Appropriation</u>	<u>\$ 254,410,000</u>
67.31	<u>To the Public Facilities Authority for the</u>	
67.32	<u>purposes specified in this section.</u>	

68.1	<u>Subd. 2. State Match for Federal Grants to State</u>	
68.2	<u>Revolving Loan Programs</u>	<u>25,000,000</u>
68.3	<u>To match federal capitalization grants for the</u>	
68.4	<u>clean water revolving fund under Minnesota</u>	
68.5	<u>Statutes, section 446A.07, and the drinking</u>	
68.6	<u>water revolving fund under Minnesota</u>	
68.7	<u>Statutes, section 446A.081. This appropriation</u>	
68.8	<u>must be used for qualified capital projects.</u>	
68.9	<u>Subd. 3. Water Infrastructure Funding Program</u>	<u>55,494,000</u>
68.10	<u>(a) For grants to eligible municipalities under</u>	
68.11	<u>the water infrastructure funding program under</u>	
68.12	<u>Minnesota Statutes, section 446A.072.</u>	
68.13	<u>(b) \$33,296,000 is for wastewater projects</u>	
68.14	<u>listed on the Pollution Control Agency's</u>	
68.15	<u>project priority list in the fundable range under</u>	
68.16	<u>the clean water revolving fund program.</u>	
68.17	<u>(c) \$22,198,000 is for drinking water projects</u>	
68.18	<u>listed on the commissioner of health's project</u>	
68.19	<u>priority list in the fundable range under the</u>	
68.20	<u>drinking water revolving fund program.</u>	
68.21	<u>(d) After all eligible projects under paragraph</u>	
68.22	<u>(b) or (c) have been funded in a fiscal year,</u>	
68.23	<u>the Public Facilities Authority may transfer</u>	
68.24	<u>any remaining, uncommitted money to eligible</u>	
68.25	<u>projects under a program defined in paragraph</u>	
68.26	<u>(b) or (c) based on that program's project</u>	
68.27	<u>priority list.</u>	
68.28	<u>Subd. 4. Point Source Implementation Grants</u>	
68.29	<u>Program</u>	<u>44,553,000</u>
68.30	<u>For grants to eligible municipalities under the</u>	
68.31	<u>point source implementation grants program</u>	
68.32	<u>under Minnesota Statutes, section 446A.073.</u>	
68.33	<u>This appropriation must be used for qualified</u>	
68.34	<u>capital projects.</u>	

69.1	<u>Subd. 5. Albertville; Wastewater Treatment</u>	
69.2	<u>System Improvements</u>	<u>2,500,000</u>
69.3	<u>For a grant to the city of Albertville to design</u>	
69.4	<u>and construct wastewater infrastructure</u>	
69.5	<u>improvements related to nonnative species</u>	
69.6	<u>control.</u>	
69.7	<u>Subd. 6. Arden Hills; Water Main</u>	<u>500,000</u>
69.8	<u>For a grant to the city of Arden Hills to install</u>	
69.9	<u>a water main extending along Lexington</u>	
69.10	<u>Avenue, from County Road E to marked</u>	
69.11	<u>Interstate Highway 694.</u>	
69.12	<u>Subd. 7. Aurora; East Range Joint Powers</u>	
69.13	<u>Board; Water System</u>	<u>5,000,000</u>
69.14	<u>For a grant to the city of Aurora, Hoyt Lakes,</u>	
69.15	<u>or Biwabik, or the Town of White for the East</u>	
69.16	<u>Mesabi Joint Water System, to acquire land</u>	
69.17	<u>or a permanent interest in land, design,</u>	
69.18	<u>engineer, construct, furnish, and equip a</u>	
69.19	<u>comprehensive municipally owned cooperative</u>	
69.20	<u>joint drinking water system in the political</u>	
69.21	<u>subdivisions that are part of the East Range</u>	
69.22	<u>Joint Powers Board.</u>	
69.23	<u>Subd. 8. Austin; Wastewater Treatment Plant</u>	<u>7,450,000</u>
69.24	<u>For a grant to the city of Austin to design and</u>	
69.25	<u>engineer improvements for upgrades to the</u>	
69.26	<u>city's wastewater treatment facility.</u>	
69.27	<u>Subd. 9. Bemidji; Water Treatment Plant</u>	<u>10,194,000</u>
69.28	<u>For a grant to the city of Bemidji to predesign,</u>	
69.29	<u>design, engineer, construct, furnish, and equip</u>	
69.30	<u>phase 2 of the project to upgrade the city's</u>	
69.31	<u>water treatment plant including the addition</u>	
69.32	<u>of a filtration system to remove perfluoroalkyl</u>	
69.33	<u>substances from the city's drinking water.</u>	

70.1	<u>Subd. 10. Buhl; Water Infrastructure</u>	<u>1,500,000</u>
70.2	<u>For a grant to the city of Buhl to predesign,</u>	
70.3	<u>design, and construct wastewater, clean water,</u>	
70.4	<u>and storm sewer infrastructure in the city of</u>	
70.5	<u>Buhl.</u>	
70.6	<u>Subd. 11. Caledonia; Wastewater Treatment</u>	
70.7	<u>Plant</u>	<u>7,000,000</u>
70.8	<u>For a grant to the city of Caledonia to</u>	
70.9	<u>construct and equip a new wastewater</u>	
70.10	<u>treatment facility.</u>	
70.11	<u>Subd. 12. Chisago; Sanitary Sewer System</u>	
70.12	<u>Expansion</u>	<u>1,700,000</u>
70.13	<u>For a grant to the city of Chisago to predesign,</u>	
70.14	<u>design, construct, and equip its sanitary sewer</u>	
70.15	<u>system expansion.</u>	
70.16	<u>Subd. 13. Deer River; Water and Wastewater</u>	
70.17	<u>Systems</u>	<u>4,000,000</u>
70.18	<u>For a grant to the city of Deer River to design,</u>	
70.19	<u>engineer, and construct improvements and</u>	
70.20	<u>additions to the city's wastewater collection</u>	
70.21	<u>and treatment system, including construction</u>	
70.22	<u>of a stabilization pond, and replacement and</u>	
70.23	<u>expansion of storm sewer lines, sanitary sewer</u>	
70.24	<u>lines, and water lines in the city of Deer River.</u>	
70.25	<u>Subd. 14. East Itasca Joint Sewer Board;</u>	
70.26	<u>Regional Wastewater System</u>	<u>750,000</u>
70.27	<u>For a grant to the city of Nashwauk for</u>	
70.28	<u>preliminary and final engineering of a regional</u>	
70.29	<u>wastewater treatment system located in the</u>	
70.30	<u>city of Nashwauk to serve the communities</u>	
70.31	<u>represented by the East Itasca Joint Sewer</u>	
70.32	<u>Board and other communities.</u>	
70.33	<u>Subd. 15. Floodwood; Stabilization Ponds</u>	<u>2,000,000</u>

- 71.1 For a grant to the city of Floodwood for
 71.2 predesign, design, engineering, and
 71.3 construction and expansion of stabilization
 71.4 ponds.
- 71.5 **Subd. 16. Foley; Wastewater Infrastructure** 8,000,000
- 71.6 For a grant to the city of Foley to predesign,
 71.7 design, construct, and equip wastewater
 71.8 infrastructure improvements, which may also
 71.9 include acquisition of real property needed for
 71.10 the wastewater infrastructure improvements.
- 71.11 **Subd. 17. Lincoln-Pipestone Rural Water**
 71.12 **System** 5,750,000
- 71.13 For a grant to the Lincoln-Pipestone Rural
 71.14 Water System to predesign and design water
 71.15 source development in its service area,
 71.16 including new wells, a water softening
 71.17 treatment plant (lime softening plant), and new
 71.18 water distribution pipes.
- 71.19 **Subd. 18. Mahnomen; Water Infrastructure** 650,000
- 71.20 For a grant under Minnesota Statutes, section
 71.21 446A.07, to the city of Mahnomen for
 71.22 improvements to the city's water infrastructure.
 71.23 This grant is not subject to the project priority
 71.24 list set forth in Minnesota Statutes, section
 71.25 446A.07, subdivision 4.
- 71.26 **Subd. 19. Mahnomen; Drinking Water**
 71.27 **Infrastructure** 1,250,000
- 71.28 For a grant under Minnesota Statutes, section
 71.29 446A.081, to the city of Mahnomen for the
 71.30 city's drinking water infrastructure. This grant
 71.31 is not subject to the project priority list set
 71.32 forth in Minnesota Statutes, section 446A.081,
 71.33 subdivision 5.

72.1	<u>Subd. 20. Melrose; Wastewater Treatment</u>	
72.2	<u>Facility</u>	<u>3,500,000</u>
72.3	<u>For a grant to the city of Melrose to design,</u>	
72.4	<u>construct, and equip improvements to the</u>	
72.5	<u>municipal wastewater treatment facility to</u>	
72.6	<u>expand the capacity of the facility and replace</u>	
72.7	<u>facility infrastructure and components that</u>	
72.8	<u>have reached the end of their useful life. This</u>	
72.9	<u>appropriation includes money for a new</u>	
72.10	<u>preliminary treatment system with new</u>	
72.11	<u>screening and pumping and for a new clarifier.</u>	
72.12	<u>Subd. 21. Mendota; Water Infrastructure</u>	<u>650,000</u>
72.13	<u>For a grant to the city of Mendota to</u>	
72.14	<u>predesign, design, engineer, and construct the</u>	
72.15	<u>extension of the water main throughout the</u>	
72.16	<u>city of Mendota to allow residents to connect</u>	
72.17	<u>with the Saint Paul Regional Water Services</u>	
72.18	<u>system.</u>	
72.19	<u>Subd. 22. Newport; Inflow and Infiltration</u>	<u>2,000,000</u>
72.20	<u>For a grant to the city of Newport to design</u>	
72.21	<u>and construct capital improvements to the</u>	
72.22	<u>publicly owned portions of the city's</u>	
72.23	<u>wastewater infrastructure to reduce or</u>	
72.24	<u>eliminate inflow and infiltration.</u>	
72.25	<u>Subd. 23. Oronoco; Regional Wastewater System</u>	
72.26	<u>Infrastructure Grant</u>	<u>24,027,000</u>
72.27	<u>(a) Of this amount, \$1,350,000 is for a grant</u>	
72.28	<u>to the city of Oronoco to acquire land and</u>	
72.29	<u>easements, design, and engineer a wastewater</u>	
72.30	<u>collection, conveyance, and treatment system</u>	
72.31	<u>and associated water distribution</u>	
72.32	<u>improvements to serve the city of Oronoco</u>	
72.33	<u>and the region including the Oronoco Estates</u>	
72.34	<u>Manufactured Home Community. Any amount</u>	
72.35	<u>remaining after completion of design,</u>	

- 73.1 engineering, and acquisition may be applied
 73.2 to the purposes described in subdivision 2.
- 73.3 (b) Of this amount, \$22,677,000 is for a grant
 73.4 to the city of Oronoco to construct and provide
 73.5 construction-related engineering for a
 73.6 wastewater collection, conveyance, and
 73.7 treatment system and associated water
 73.8 distribution improvements to serve the city of
 73.9 Oronoco and the region including the Oronoco
 73.10 Estates Manufactured Home Community.
- 73.11 **Subd. 24. Randolph; Wastewater Infrastructure** 13,000,000
- 73.12 For a grant to the city of Randolph to acquire
 73.13 land, predesign, environmental review, design,
 73.14 construct, install, furnish, and equip a
 73.15 wastewater collection system and treatment
 73.16 system, including wastewater stabilization
 73.17 ponds and spray irrigation fields, in and within
 73.18 one and one-half miles of the city of Randolph.
- 73.19 **Subd. 25. Red Rock Rural Water System** 5,500,000
- 73.20 For a grant to the Red Rock Rural Water
 73.21 System to design, construct, furnish, and equip
 73.22 a new water treatment plant, a new water
 73.23 tower, and installation of approximately 110
 73.24 miles of ten-inch through two-inch water main,
 73.25 and other improvements to infrastructure
 73.26 required for an expansion of the Red Rock
 73.27 Rural Water System, to be built and located
 73.28 in Murray and Cottonwood Counties.
- 73.29 **Subd. 26. Rice Lake; Sewer, Water, and Utilities**
 73.30 **Extension** 1,000,000
- 73.31 For a grant to the city of Rice Lake to acquire
 73.32 land, predesign, design, construct, furnish, and
 73.33 equip an extension of clean water, sanitary
 73.34 sewer, storm sewer, and utilities to a

74.1	<u>commercial and industrial park on North Rice</u>	
74.2	<u>Lake Road in Rice Lake.</u>	
74.3	<u>Subd. 27. Royalton; Clean Water and Storm</u>	
74.4	<u>Sewer Infrastructure</u>	<u>900,000</u>
74.5	<u>For a grant to the city of Royalton to design,</u>	
74.6	<u>engineer, and construct publicly owned</u>	
74.7	<u>infrastructure in conjunction with</u>	
74.8	<u>reconstruction of marked U.S. Highway 10 in</u>	
74.9	<u>Royalton. This appropriation includes money</u>	
74.10	<u>for replacement of and upgrades to the water</u>	
74.11	<u>main and other municipal clean drinking water</u>	
74.12	<u>infrastructure and the storm sewer drainage</u>	
74.13	<u>system.</u>	
74.14	<u>Subd. 28. South Haven; Wells</u>	<u>1,700,000</u>
74.15	<u>For a grant to the city of South Haven to</u>	
74.16	<u>acquire land, predesign, design, construct,</u>	
74.17	<u>furnish, and equip two new wells in Wright</u>	
74.18	<u>County.</u>	
74.19	<u>Subd. 29. South St. Paul; Concord Street Public</u>	
74.20	<u>Utilities</u>	<u>2,000,000</u>
74.21	<u>For a grant to the city of South St. Paul to</u>	
74.22	<u>predesign, design, construct, and install</u>	
74.23	<u>sanitary sewer, water main, and storm sewer</u>	
74.24	<u>improvements, including removal of replaced</u>	
74.25	<u>infrastructure as necessary, in the Concord</u>	
74.26	<u>Street corridor in conjunction with the</u>	
74.27	<u>reconstruction and renovation of the street.</u>	
74.28	<u>Subd. 30. Spring Park; City Utilities</u>	<u>1,500,000</u>
74.29	<u>For a grant to the city of Spring Park for</u>	
74.30	<u>improvements to the city's water and sewer</u>	
74.31	<u>system in the northwest area of the city on</u>	
74.32	<u>West Arm Drive.</u>	
74.33	<u>Subd. 31. Two Harbors; Wastewater Treatment</u>	
74.34	<u>Plant</u>	<u>11,500,000</u>

75.1 For a grant to the city of Two Harbors to
 75.2 predesign, design, construct, furnish, and
 75.3 equip improvements to the wastewater
 75.4 treatment facility in the city of Two Harbors,
 75.5 including a new activated sludge biological
 75.6 treatment system and mercury removal
 75.7 improvements, new aeration basins, final
 75.8 clarifiers, biosolids treatment units, mercury
 75.9 filter backwash supply tank, operations and
 75.10 controls building, and associated electrical and
 75.11 controls equipment.

75.12 **Subd. 32. Twin Lakes Township; Water**
 75.13 **Infrastructure**

7,500,000

75.14 For a grant to Twin Lakes Township for the
 75.15 design and construction of a water distribution
 75.16 system, support facilities, and related water
 75.17 improvements, including a water main
 75.18 extension from the city of Carlton, along
 75.19 marked Trunk Highway 210 in Carlton
 75.20 County.

75.21 **Subd. 33. Vernon Center; Water Infrastructure**
 75.22 **Improvements**

7,984,000

75.23 For a grant to the city of Vernon Center to
 75.24 predesign, design, construct, furnish, and
 75.25 equip water infrastructure improvements,
 75.26 including refurbishing a water tower, and
 75.27 replacement of wastewater collection, water
 75.28 distribution systems, storm sewer system
 75.29 improvements, and related local road
 75.30 improvements.

75.31 **Subd. 34. Waldorf; Water Infrastructure**
 75.32 **Improvements**

858,000

75.33 For a grant to the city of Waldorf to complete
 75.34 the construction of water, wastewater, street,
 75.35 and storm sewer improvements.

76.1	<u>Subd. 35. West St. Paul; Lift Stations</u>	<u>2,200,000</u>
76.2	<u>For a grant to the city of West St. Paul for</u>	
76.3	<u>upgrades to lift stations 1 and 2.</u>	
76.4	<u>Sec. 23. MINNESOTA HOUSING FINANCE</u>	
76.5	<u>AGENCY</u>	<u>\$ 16,000,000</u>
76.6	<u>To the Minnesota Housing Finance Agency</u>	
76.7	<u>for transfer to the housing development fund</u>	
76.8	<u>to finance the costs of rehabilitation to</u>	
76.9	<u>preserve public housing under Minnesota</u>	
76.10	<u>Statutes, section 462A.202, subdivision 3a.</u>	
76.11	<u>For purposes of this section, "public housing"</u>	
76.12	<u>means housing for low-income persons and</u>	
76.13	<u>households financed by the federal</u>	
76.14	<u>government and publicly owned. Priority may</u>	
76.15	<u>be given to proposals that maximize nonstate</u>	
76.16	<u>resources to finance the capital costs and</u>	
76.17	<u>requests that prioritize health, safety, and</u>	
76.18	<u>energy improvements. The priority in</u>	
76.19	<u>Minnesota Statutes, section 462A.202,</u>	
76.20	<u>subdivision 3a, for projects to increase the</u>	
76.21	<u>supply of affordable housing and the</u>	
76.22	<u>restrictions of Minnesota Statutes, section</u>	
76.23	<u>462A.202, subdivision 7, do not apply to this</u>	
76.24	<u>appropriation.</u>	
76.25	<u>Sec. 24. MINNESOTA HISTORICAL</u>	
76.26	<u>SOCIETY</u>	
76.27	<u>Subdivision 1. Total Appropriation</u>	<u>\$ 3,100,000</u>
76.28	<u>To the Minnesota Historical Society for the</u>	
76.29	<u>purposes specified in this section.</u>	
76.30	<u>Subd. 2. Historic Sites Asset Preservation</u>	<u>2,350,000</u>
76.31	<u>For capital improvements and betterments at</u>	
76.32	<u>state historic sites, buildings, landscaping at</u>	
76.33	<u>historic buildings, exhibits, markers, and</u>	
76.34	<u>monuments, to be spent in accordance with</u>	

77.1 Minnesota Statutes, section 16B.307. The
 77.2 society shall determine project priorities as
 77.3 appropriate based on need.

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

77.5 For grants to county and local jurisdictions as
 77.6 matching money for historic preservation
 77.7 projects of a capital nature, as provided in
 77.8 Minnesota Statutes, section 138.0525.

77.9 **Sec. 25. BOND SALE EXPENSES**

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

77.11 To the commissioner of management and
 77.12 budget for the purposes specified in this
 77.13 section.

77.14 **Subd. 2. Bond Sale Expenses** 1,393,000

77.15 From the bond proceeds fund for bond sale
 77.16 expenses under Minnesota Statutes, section
 77.17 16A.641, subdivision 8.

77.18 **Sec. 26. BOND SALE AUTHORIZATION.**

77.19 Subdivision 1. Bond proceeds fund. To provide the money appropriated in this act from
 77.20 the bond proceeds fund, the commissioner of management and budget shall sell and issue
 77.21 bonds of the state in an amount up to \$1,146,356,000 in the manner, upon the terms, and
 77.22 with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the
 77.23 Minnesota Constitution, article XI, sections 4 to 7.

77.24 Subd. 2. Transportation fund. To provide the money appropriated in this act from the
 77.25 bond proceeds account in the state transportation fund, the commissioner of management
 77.26 and budget shall sell and issue bonds of the state in an amount up to \$243,959,000 in the
 77.27 manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections
 77.28 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7.

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

77.30 (a) The amounts of the general obligation bond proceeds appropriations and trunk
 77.31 highway bond proceeds appropriations listed in the cancellation report submitted to the

78.1 legislature in January 2020, pursuant to Minnesota Statutes, section 16A.642, are canceled
 78.2 on the effective date of this section. The corresponding bond sale authorizations are reduced
 78.3 by the same amounts. If an appropriation in this section is canceled more than once, the
 78.4 cancellation must be given effect only once.

78.5 (b) The unobligated amount remaining from the appropriation in Laws 2018, chapter
 78.6 214, article 1, section 21, subdivision 27, is canceled. The bond sale authorization in Laws
 78.7 2018, chapter 214, article 1, section 26, subdivision 1, is reduced by the same amount.

78.8 **Sec. 28. BOND SALE SCHEDULE.**

78.9 The commissioner of management and budget shall schedule the sale of state general
 78.10 obligation bonds so that, during the biennium ending June 30, 2021, no more than
 78.11 \$1,139,589,000 will need to be transferred from the general fund to the state bond fund to
 78.12 pay principal and interest due and to become due on outstanding state general obligation
 78.13 bonds. During the biennium, before each sale of state general obligation bonds, the
 78.14 commissioner of management and budget shall calculate the amount of debt service payments
 78.15 needed on bonds previously issued and shall estimate the amount of debt service payments
 78.16 that will be needed on the bonds scheduled to be sold. The commissioner shall adjust the
 78.17 amount of bonds scheduled to be sold so as to remain within the limit set by this section.
 78.18 The amount needed to make the debt service payments is appropriated from the general
 78.19 fund as provided in Minnesota Statutes, section 16A.641.

78.20 **Sec. 29. EFFECTIVE DATE.**

78.21 This article is effective the day following final enactment.

78.22 **ARTICLE 2**

78.23 **TRUNK HIGHWAY BONDS**

78.24 **Section 1. BOND APPROPRIATIONS.**

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

79.1	<u>SUMMARY</u>		
79.2	<u>Department of Transportation</u>	<u>\$</u>	<u>300,000,000</u>
79.3	<u>Department of Management and Budget</u>		<u>300,000</u>
79.4	<u>TOTAL</u>	<u>\$</u>	<u>300,300,000</u>

79.5 **APPROPRIATIONS**

79.6 **Sec. 2. DEPARTMENT OF**
 79.7 **TRANSPORTATION**

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

79.9 (a) From the bond proceeds account in the
 79.10 trunk highway fund for the environmental
 79.11 analysis, predesign, design, engineering,
 79.12 construction, reconstruction, and improvement
 79.13 of trunk highways, including design-build
 79.14 contracts, internal department costs associated
 79.15 with delivering the construction program,
 79.16 consultant usage to support these activities,
 79.17 and the cost of payments to landowners for
 79.18 lands acquired for highway rights-of-way. The
 79.19 amount under this subdivision must be
 79.20 allocated to maintain regional balance
 79.21 throughout the state. The commissioner may
 79.22 use up to 17 percent of this amount for
 79.23 program delivery.

79.24 (b) This appropriation is primarily for keeping
 79.25 projects in the State Transportation
 79.26 Improvement Program on schedule due to
 79.27 reduced revenues from the COVID-19
 79.28 pandemic. If the appropriation is not needed
 79.29 for keeping projects on schedule, it is available
 79.30 for other trunk highway construction,
 79.31 reconstruction and improvement projects
 79.32 identified through the Capital Highway
 79.33 Investment Plan.

79.34 (c) Projects to construct, reconstruct, or
 79.35 improve trunk highways from this

80.1 appropriation will follow eligible investment
 80.2 priorities identified in the State Highway
 80.3 Investment Plan, and may include pavements,
 80.4 bridges, culverts, flood mitigation, traveler
 80.5 safety, greater Minnesota mobility and Twin
 80.6 Cities mobility, freight, bicycle and pedestrian
 80.7 infrastructure, regional and community
 80.8 investment priorities, interchange construction
 80.9 or reconstruction, and lane additions, in
 80.10 addition to the associated installation of safety
 80.11 barriers, lighting, signage, noise mitigation
 80.12 measures, and retaining walls.

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

80.14 From the bond proceeds account in the trunk
 80.15 highway fund to construct rail safety projects
 80.16 at highway-railroad grade crossings in
 80.17 accordance with Minnesota Statutes, section
 80.18 219.016.

80.19 **Subd. 3. Project Development** **25,000,000**

80.20 From the bond proceeds account in the trunk
 80.21 highway fund for environmental analysis,
 80.22 predesign, design and engineering and
 80.23 right-of-way acquisition for regional and
 80.24 community investment priority projects on the
 80.25 trunk highway system identified in the State
 80.26 Highway Investment Plan to prepare the
 80.27 projects for construction and application for
 80.28 federal grants or other funding opportunities.
 80.29 In consultation with the commissioner of
 80.30 Minnesota Management and Budget, the
 80.31 commissioner of transportation is authorized
 80.32 to use funds from this appropriation on
 80.33 existing bond-eligible trunk highway projects
 80.34 within the State Transportation Improvement
 80.35 Program.

- 81.1 **Subd. 4. Flood Mitigation** **23,000,000**
- 81.2 From the bond proceeds account in the trunk
- 81.3 highway fund for reconstruction of trunk
- 81.4 highways that experience frequent flooding
- 81.5 in Sibley County and Le Sueur County, to
- 81.6 modify the elevation of the roadways and
- 81.7 reduce closures due to river flooding, for
- 81.8 portions of the projects that are eligible for
- 81.9 trunk highway bond proceeds.
- 81.10 **Subd. 5. Facilities Capital Program** **58,000,000**
- 81.11 From the bond proceeds account in the trunk
- 81.12 highway fund for the transportation facilities
- 81.13 capital improvement program under Minnesota
- 81.14 Statutes, section 174.13.
- 81.15 **Sec. 3. BOND SALE EXPENSES** **\$ 300,000**
- 81.16 This appropriation is to the commissioner of
- 81.17 management and budget for bond sale
- 81.18 expenses under Minnesota Statutes, sections
- 81.19 16A.641, subdivision 8, and 167.50,
- 81.20 subdivision 4.
- 81.21 **Sec. 4. BOND SALE AUTHORIZATION.**
- 81.22 To provide the money appropriated in this article from the bond proceeds account in the
- 81.23 trunk highway fund, the commissioner of management and budget shall sell and issue bonds
- 81.24 of the state in an amount up to \$300,300,000 in the manner, upon the terms, and with the
- 81.25 effect prescribed by Minnesota Statutes, sections 167.50 to 167.52, and by the Minnesota
- 81.26 Constitution, article XIV, section 11, at the times and in the amounts requested by the
- 81.27 commissioner of transportation. The proceeds of the bonds, except accrued interest and any
- 81.28 premium received from the sale of the bonds, must be deposited in the bond proceeds account
- 81.29 in the trunk highway fund.
- 81.30 **Sec. 5. [174.13] TRANSPORTATION FACILITIES CAPITAL PROGRAM.**
- 81.31 Subdivision 1. Establishment; accounts. (a) A transportation facilities capital program
- 81.32 is established to prioritize among eligible projects that:

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

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

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

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

82.8 (c) A transportation facilities capital account is established in the trunk highway fund.
82.9 The account consists of all money appropriated from the trunk highway fund for the purposes
82.10 of this section and any other money donated, allotted, transferred, or otherwise provided to
82.11 the account by law. Money in the account is appropriated to the commissioner for the
82.12 purposes specified and consistent with the standards and criteria set forth in this section.

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

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

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

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

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

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

- 83.1 (3) the project's total life-cycle cost;
- 83.2 (4) additional criteria for priorities otherwise specified in state law, statute, or rule that
- 83.3 applies to a category listed in the act making an appropriation for the program; and
- 83.4 (5) any other criteria the commissioner deems necessary.

83.5 Sec. 6. **EFFECTIVE DATE.**

83.6 This article is effective the day after enactment.

83.7 **ARTICLE 3**

83.8 **EQUITY APPROPRIATIONS**

83.9 Section 1. **CAPITAL IMPROVEMENT APPROPRIATIONS.**

83.10 The sums shown in the column under "Appropriations" are appropriated from the general

83.11 fund in fiscal year 2021 to the state agencies or officials indicated, to be spent for public

83.12 purposes. These are one-time appropriations. Money appropriated in this article is available

83.13 until the project is completed or abandoned subject to Minnesota Statutes, section 16A.642.

83.14 **APPROPRIATIONS**

83.15 Sec. 2. **AGRICULTURE**

83.16 <u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>2,250,000</u>
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83.17 To the commissioner of agriculture for the

83.18 purposes specified in this section.

83.19 <u>Subd. 2. Hmong American Farmers Association</u>		<u>2,000,000</u>
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83.20 For a grant to the Hmong American Farmers

83.21 Association to purchase approximately 155

83.22 acres in Dakota County that the association

83.23 has leased since 2014, including buildings and

83.24 improvements on the property.

83.25 <u>Subd. 3. Regenerative Alliance</u>		<u>250,000</u>
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83.26 (a) For a grant to the Regenerative Agriculture

83.27 Alliance to predesign a poultry processing

83.28 plant and an associated industrial park aimed

83.29 at creating new, value-added economic

83.30 opportunities for local farmers in southeastern

83.31 Minnesota.

84.1 (b) By March 1, 2022, the Regenerative
 84.2 Agriculture Alliance in collaboration with the
 84.3 commissioner of agriculture, must submit a
 84.4 report to the chairs and ranking minority
 84.5 members of the legislative committees with
 84.6 jurisdiction over agriculture finance on the
 84.7 progress, development, and implementation
 84.8 of the poultry processing plant and industrial
 84.9 park design and their potential to open new
 84.10 market opportunities for local and emerging
 84.11 farmers.

84.12 **Sec. 3. METROPOLITAN COUNCIL** **5,125,000**

84.13 To the Metropolitan Council for a grant to the
 84.14 Minneapolis Park and Recreation Board to
 84.15 predesign, design, construct, renovate, furnish,
 84.16 and equip the first phase of the North
 84.17 Commons Improvement Project, focused on
 84.18 the creation of the field house component of
 84.19 a new recreation center building and the first
 84.20 phase of other community-oriented activity
 84.21 and meeting spaces conceptualized for the
 84.22 building.

84.23 **Sec. 4. HUMAN SERVICES** **5,575,000**

84.24 To the commissioner of human services for a
 84.25 grant to the Red Lake Band of Chippewa
 84.26 Indians to predesign, design, construct,
 84.27 furnish, and equip a family and child services
 84.28 building.

84.29 **Sec. 5. EMPLOYMENT AND ECONOMIC**
 84.30 **DEVELOPMENT**

84.31 **Subdivision 1. Total Appropriation** **\$ 17,050,000**

84.32 To the commissioner of employment and
 84.33 economic development for the purposes
 84.34 specified in this section.

85.1	<u>Subd. 2. Minneapolis American Indian Center</u>	<u>2,600,000</u>
85.2	<u>For a grant to the Minneapolis American</u>	
85.3	<u>Indian Center for the same purposes and</u>	
85.4	<u>subject to the same requirements as Laws</u>	
85.5	<u>2018, chapter 214, article 1, section 21,</u>	
85.6	<u>subdivision 17.</u>	
85.7	<u>Subd. 3. Indigenous Peoples Task Force,</u>	
85.8	<u>Minneapolis</u>	<u>2,000,000</u>
85.9	<u>For a grant to the Indigenous Peoples Task</u>	
85.10	<u>Force to design, construct, furnish, and equip</u>	
85.11	<u>the Mikwanedun Audisookon Center in</u>	
85.12	<u>Minneapolis.</u>	
85.13	<u>Subd. 4. International Institute of Minnesota</u>	<u>3,000,000</u>
85.14	<u>For a grant to the International Institute of</u>	
85.15	<u>Minnesota to remediate contaminated soil, and</u>	
85.16	<u>to construct, furnish, and equip an expansion</u>	
85.17	<u>of its facilities.</u>	
85.18	<u>Subd. 5. Juxtaposition Arts, Minneapolis</u>	<u>1,000,000</u>
85.19	<u>For a grant to Juxtaposition Arts in</u>	
85.20	<u>Minneapolis to acquire property adjacent to</u>	
85.21	<u>its current location to accommodate the growth</u>	
85.22	<u>in its youth art and enterprise programs and</u>	
85.23	<u>complete architectural due diligence for</u>	
85.24	<u>expansion.</u>	
85.25	<u>Subd. 6. Cultural Wellness Center, Minneapolis</u>	<u>250,000</u>
85.26	<u>For a grant to the Cultural Wellness Center to</u>	
85.27	<u>predesign and design the renovation of</u>	
85.28	<u>Dreamland on 38th in Minneapolis to create</u>	
85.29	<u>a workspace for African-American</u>	
85.30	<u>entrepreneurs to start and expand small</u>	
85.31	<u>businesses and to host community gatherings</u>	
85.32	<u>and events.</u>	
85.33	<u>Subd. 7. Baldwin Square, Minneapolis</u>	<u>1,000,000</u>

86.1 For a grant to the city of Minneapolis to
 86.2 construct, furnish, and equip the renovation
 86.3 of blighted property located at 4146 Fremont
 86.4 Avenue North, for redevelopment as retail,
 86.5 restaurant, and other commercial space to be
 86.6 known as Baldwin Square. This appropriation
 86.7 includes money for roof replacement,
 86.8 abatement of asbestos and other hazardous
 86.9 materials, replacement of mechanical systems
 86.10 including the electrical, plumbing, and heating,
 86.11 ventilation and air-conditioning (HVAC), and
 86.12 other improvements and betterments of a
 86.13 capital nature.

86.14 Subd. 8. **Native American Community Clinic,**
 86.15 **Minneapolis**

3,800,000

86.16 For a grant to the Native American
 86.17 Community Clinic in Minneapolis to purchase
 86.18 the building in which the clinic is located.

86.19 Subd. 9. **Northwest American Indian Center,**
 86.20 **Bemidji**

2,000,000

86.21 For a grant to the Northwest Indian
 86.22 Community Development Center to purchase
 86.23 the building in which they currently operate
 86.24 in the city of Bemidji.

86.25 Subd. 10. **Victoria Theater, St. Paul**

1,400,000

86.26 For a grant to the city of St. Paul to acquire
 86.27 property located at 825 University Avenue
 86.28 West, and to predesign, design, construct,
 86.29 furnish, and equip the renovation of the
 86.30 historic Victoria Theater, to serve as a regional
 86.31 multicultural community and event center.
 86.32 This appropriation includes money for:
 86.33 demolition work; improvements to or
 86.34 replacement of the mechanical, electrical,
 86.35 plumbing, heating, ventilating, and air

87.1 conditioning systems; repairs to the existing
 87.2 roof and exterior enclosure; site
 87.3 improvements; construction or renovation of
 87.4 interior spaces; and other improvements of a
 87.5 capital nature.

87.6 Sec. 6. **EFFECTIVE DATE.**

87.7 This article is effective the day following final enactment.

87.8 **ARTICLE 4**
 87.9 **APPROPRIATION BONDS**

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

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

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

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

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

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

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

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

87.24 Subd. 2. **Authorization to issue appropriation bonds.** (a) Subject to the limitations of
 87.25 this subdivision, the commissioner may sell and issue appropriation bonds of the state under
 87.26 this section for public purposes as provided by law, including for the purposes of financing
 87.27 the cost of acquiring and installing electric vehicle charging infrastructure on publicly owned
 87.28 property. Appropriation bonds may be sold and issued in amounts that, in the opinion of
 87.29 the commissioner, are necessary to provide sufficient money to the commissioner of
 87.30 administration under subdivision 7, not to exceed \$2,000,000 net of costs of issuance, for
 87.31 the purposes as provided under this subdivision, and to pay debt service including capitalized

88.1 interest, costs of issuance, costs of credit enhancement, or make payments under other
88.2 agreements entered into under paragraph (d).

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

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

88.12 (d) At the time of, or in anticipation of, issuing the appropriation bonds, and at any time
88.13 thereafter, so long as the appropriation bonds are outstanding, the commissioner may enter
88.14 into agreements and ancillary arrangements relating to the appropriation bonds, including
88.15 but not limited to trust indentures, grant agreements, lease or use agreements, operating
88.16 agreements, management agreements, liquidity facilities, remarketing or dealer agreements,
88.17 letter of credit agreements, insurance policies, guaranty agreements, reimbursement
88.18 agreements, indexing agreements, or interest exchange agreements. Any payments made
88.19 or received according to the agreement or ancillary arrangement shall be made from or
88.20 deposited as provided in the agreement or ancillary arrangement. The determination of the
88.21 commissioner, included in an interest exchange agreement, that the agreement relates to an
88.22 appropriation bond, shall be conclusive.

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

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

88.32 Subd. 3. **Form; procedure.** (a) Appropriation bonds may be issued in the form of bonds,
88.33 notes, or other similar instruments, and in the manner provided in section 16A.672. In the

89.1 event that any provision of section 16A.672 conflicts with this section, this section shall
89.2 control.

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

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

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

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

89.11 Subd. 4. **Refunding bonds.** The commissioner may issue appropriation bonds for the
89.12 purpose of refunding any appropriation bonds then outstanding, including the payment of
89.13 any redemption premiums on the bonds, any interest accrued or to accrue to the redemption
89.14 date, and costs related to the issuance and sale of the refunding bonds. The proceeds of any
89.15 refunding bonds may, at the discretion of the commissioner, be applied to the purchase or
89.16 payment at maturity of the appropriation bonds to be refunded, to the redemption of the
89.17 outstanding appropriation bonds on any redemption date, or to pay interest on the refunding
89.18 bonds and may, pending application, be placed in escrow to be applied to the purchase,
89.19 payment, retirement, or redemption. Any escrowed proceeds, pending such use, may be
89.20 invested and reinvested in obligations that are authorized investments under section 11A.24.
89.21 The income earned or realized on the investment may also be applied to the payment of the
89.22 appropriation bonds to be refunded or interest or premiums on the refunded appropriation
89.23 bonds, or to pay interest on the refunding bonds. After the terms of the escrow have been
89.24 fully satisfied, any balance of the proceeds and any investment income may be returned to
89.25 the general fund or, if applicable, the special appropriation electric vehicle infrastructure
89.26 bond proceeds fund for use in any lawful manner. All refunding bonds issued under this
89.27 subdivision must be prepared, executed, delivered, and secured by appropriations in the
89.28 same manner as the appropriation bonds to be refunded.

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

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

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

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

90.5 **Subd. 6. No full faith and credit; state not required to make appropriations.** The
 90.6 appropriation bonds are not public debt of the state, and the full faith, credit, and taxing
 90.7 powers of the state are not pledged to the payment of the appropriation bonds or to any
 90.8 payment that the state agrees to make under this section. Appropriation bonds shall not be
 90.9 obligations paid directly, in whole or in part, from a tax of statewide application on any
 90.10 class of property, income, transaction, or privilege. Appropriation bonds shall be payable
 90.11 in each fiscal year only from amounts that the legislature may appropriate for debt service
 90.12 for any fiscal year, provided that nothing in this section shall be construed to require the
 90.13 state to appropriate money sufficient to make debt service payments with respect to the
 90.14 appropriation bonds in any fiscal year. Appropriation bonds shall be canceled and shall no
 90.15 longer be outstanding on the earlier of (1) the first day of a fiscal year for which the
 90.16 legislature shall not have appropriated amounts sufficient for debt service, or (2) the date
 90.17 of final payment of the principal of and interest on the appropriation bonds.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

91.21 Subd. 2. **Authorization to issue appropriation bonds.** (a) Subject to the limitations of
 91.22 this subdivision, the commissioner may sell and issue appropriation bonds of the state under
 91.23 this section for public purposes as provided by law, including for the purposes of financing
 91.24 the cost of various items of capital equipment necessary to the ongoing operations of public
 91.25 stations. Appropriation bonds may be sold and issued in amounts that, in the opinion of the
 91.26 commissioner, are necessary to provide sufficient money to the commissioner of
 91.27 administration under subdivision 7, not to exceed \$15,000,000 net of costs of issuance, for
 91.28 the purposes as provided under this subdivision, and to pay debt service including capitalized
 91.29 interest, costs of issuance, costs of credit enhancement, or make payments under other
 91.30 agreements entered into under paragraph (d). Notwithstanding section 129D.155, any money
 91.31 repaid to the commissioner of administration upon a sale or other disposition of equipment

92.1 acquired under this section shall be transferred to the commissioner and applied toward
92.2 principal and interest on outstanding bonds.

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

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

92.12 (d) At the time of, or in anticipation of, issuing the appropriation bonds, and at any time
92.13 thereafter, so long as the appropriation bonds are outstanding, the commissioner may enter
92.14 into agreements and ancillary arrangements relating to the appropriation bonds, including
92.15 but not limited to trust indentures, grant agreements, lease or use agreements, operating
92.16 agreements, management agreements, liquidity facilities, remarketing or dealer agreements,
92.17 letter of credit agreements, insurance policies, guaranty agreements, reimbursement
92.18 agreements, indexing agreements, or interest exchange agreements. Any payments made
92.19 or received according to the agreement or ancillary arrangement shall be made from or
92.20 deposited as provided in the agreement or ancillary arrangement. The determination of the
92.21 commissioner, included in an interest exchange agreement, that the agreement relates to an
92.22 appropriation bond, shall be conclusive.

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

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

92.32 Subd. 3. **Form; procedure.** (a) Appropriation bonds may be issued in the form of bonds,
92.33 notes, or other similar instruments, and in the manner provided in section 16A.672. In the

93.1 event that any provision of section 16A.672 conflicts with this section, this section shall
93.2 control.

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

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

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

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

93.11 Subd. 4. **Refunding bonds.** The commissioner may issue appropriation bonds for the
93.12 purpose of refunding any appropriation bonds then outstanding, including the payment of
93.13 any redemption premiums on the bonds, any interest accrued or to accrue to the redemption
93.14 date, and costs related to the issuance and sale of the refunding bonds. The proceeds of any
93.15 refunding bonds may, at the discretion of the commissioner, be applied to the purchase or
93.16 payment at maturity of the appropriation bonds to be refunded, to the redemption of the
93.17 outstanding appropriation bonds on any redemption date, or to pay interest on the refunding
93.18 bonds and may, pending application, be placed in escrow to be applied to the purchase,
93.19 payment, retirement, or redemption. Any escrowed proceeds, pending such use, may be
93.20 invested and reinvested in obligations that are authorized investments under section 11A.24.
93.21 The income earned or realized on the investment may also be applied to the payment of the
93.22 appropriation bonds to be refunded or interest or premiums on the refunded appropriation
93.23 bonds, or to pay interest on the refunding bonds. After the terms of the escrow have been
93.24 fully satisfied, any balance of the proceeds and any investment income may be returned to
93.25 the general fund or, if applicable, the special appropriation public television equipment
93.26 bond proceeds fund for use in any lawful manner. All refunding bonds issued under this
93.27 subdivision must be prepared, executed, delivered, and secured by appropriations in the
93.28 same manner as the appropriation bonds to be refunded.

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

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

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

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

94.5 **Subd. 6. No full faith and credit; state not required to make appropriations.** The
 94.6 appropriation bonds are not public debt of the state, and the full faith, credit, and taxing
 94.7 powers of the state are not pledged to the payment of the appropriation bonds or to any
 94.8 payment that the state agrees to make under this section. Appropriation bonds shall not be
 94.9 obligations paid directly, in whole or in part, from a tax of statewide application on any
 94.10 class of property, income, transaction, or privilege. Appropriation bonds shall be payable
 94.11 in each fiscal year only from amounts that the legislature may appropriate for debt service
 94.12 for any fiscal year, provided that nothing in this section shall be construed to require the
 94.13 state to appropriate money sufficient to make debt service payments with respect to the
 94.14 appropriation bonds in any fiscal year. Appropriation bonds shall be canceled and shall no
 94.15 longer be outstanding on the earlier of (1) the first day of a fiscal year for which the
 94.16 legislature shall not have appropriated amounts sufficient for debt service, or (2) the date
 94.17 of final payment of the principal of and interest on the appropriation bonds.

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

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

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

94.31 **Subd. 8. Appropriation for debt service and other purposes.** An amount needed to
 94.32 pay principal and interest on appropriation bonds issued under subdivision 2, paragraph (a),
 94.33 is appropriated each fiscal year from the general fund to the commissioner, subject to repeal,
 94.34 unallotment under section 16A.152, or cancellation, otherwise pursuant to subdivision 6,

95.1 for deposit into the bond payments account established for such purpose in the special
 95.2 appropriation public television equipment bond proceeds fund. The appropriation is available
 95.3 beginning in fiscal year 2021 and remains available through fiscal year 2042.

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

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

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

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

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

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

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

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

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

95.20 Subd. 2. **Authorization to issue appropriation bonds.** (a) Subject to the limitations of
 95.21 this subdivision, the commissioner may sell and issue appropriation bonds of the state under
 95.22 this section for public purposes as provided by law, including for the purposes of financing
 95.23 the cost of implementing removal or remedial actions permitted under section 115B.17 and
 95.24 further subject to the conditions in chapter 115B to address risks to human health and the
 95.25 environment at contaminated sites. Appropriation bonds may be sold and issued in amounts
 95.26 that, in the opinion of the commissioner, are necessary to provide sufficient money to the
 95.27 commissioner of the Pollution Control Agency under subdivision 7, not to exceed
 95.28 \$30,400,000 net of costs of issuance, for the purposes as provided under this subdivision,
 95.29 and to pay debt service including capitalized interest, costs of issuance, costs of credit
 95.30 enhancement, or make payments under other agreements entered into under paragraph (d).
 95.31 Notwithstanding section 115B.17, subdivision 6 or 16, any money recovered in a civil action
 95.32 or any money received from the disposition of property acquired for a response action and

96.1 financed with bonds under this section shall be transferred to the commissioner and applied
96.2 toward principal and interest on outstanding bonds.

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

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

96.12 (d) At the time of, or in anticipation of, issuing the appropriation bonds, and at any time
96.13 thereafter, so long as the appropriation bonds are outstanding, the commissioner may enter
96.14 into agreements and ancillary arrangements relating to the appropriation bonds, including
96.15 but not limited to trust indentures, grant agreements, lease or use agreements, operating
96.16 agreements, management agreements, liquidity facilities, remarketing or dealer agreements,
96.17 letter of credit agreements, insurance policies, guaranty agreements, reimbursement
96.18 agreements, indexing agreements, or interest exchange agreements. Any payments made
96.19 or received according to the agreement or ancillary arrangement shall be made from or
96.20 deposited as provided in the agreement or ancillary arrangement. The determination of the
96.21 commissioner included in an interest exchange agreement that the agreement relates to an
96.22 appropriation bond shall be conclusive.

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

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

96.32 Subd. 3. **Form; procedure.** (a) Appropriation bonds may be issued in the form of bonds,
96.33 notes, or other similar instruments, and in the manner provided in section 16A.672. In the

97.1 event that any provision of section 16A.672 conflicts with this section, this section shall
97.2 control.

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

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

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

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

97.11 Subd. 4. **Refunding bonds.** The commissioner may issue appropriation bonds for the
97.12 purpose of refunding any appropriation bonds then outstanding, including the payment of
97.13 any redemption premiums on the bonds, any interest accrued or to accrue to the redemption
97.14 date, and costs related to the issuance and sale of the refunding bonds. The proceeds of any
97.15 refunding bonds may, at the discretion of the commissioner, be applied to the purchase or
97.16 payment at maturity of the appropriation bonds to be refunded, to the redemption of the
97.17 outstanding appropriation bonds on any redemption date, or to pay interest on the refunding
97.18 bonds and may, pending application, be placed in escrow to be applied to the purchase,
97.19 payment, retirement, or redemption. Any escrowed proceeds, pending such use, may be
97.20 invested and reinvested in obligations that are authorized investments under section 11A.24.
97.21 The income earned or realized on the investment may also be applied to the payment of the
97.22 appropriation bonds to be refunded or interest or premiums on the refunded appropriation
97.23 bonds, or to pay interest on the refunding bonds. After the terms of the escrow have been
97.24 fully satisfied, any balance of the proceeds and any investment income may be returned to
97.25 the general fund or, if applicable, the special appropriation state response to releases bond
97.26 proceeds fund for use in any lawful manner. All refunding bonds issued under this subdivision
97.27 must be prepared, executed, delivered, and secured by appropriations in the same manner
97.28 as the appropriation bonds to be refunded.

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

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

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

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

98.5 Subd. 6. **No full faith and credit; state not required to make appropriations.** The
98.6 appropriation bonds are not public debt of the state, and the full faith, credit, and taxing
98.7 powers of the state are not pledged to the payment of the appropriation bonds or to any
98.8 payment that the state agrees to make under this section. Appropriation bonds shall not be
98.9 obligations paid directly, in whole or in part, from a tax of statewide application on any
98.10 class of property, income, transaction, or privilege. Appropriation bonds shall be payable
98.11 in each fiscal year only from amounts that the legislature may appropriate for debt service
98.12 for any fiscal year, provided that nothing in this section shall be construed to require the
98.13 state to appropriate money sufficient to make debt service payments with respect to the
98.14 appropriation bonds in any fiscal year. Appropriation bonds shall be canceled and shall no
98.15 longer be outstanding on the earlier of (1) the first day of a fiscal year for which the
98.16 legislature shall not have appropriated amounts sufficient for debt service, or (2) the date
98.17 of final payment of the principal of and interest on the appropriation bonds.

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

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

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

98.29 Subd. 8. **Appropriation for debt service and other purposes.** An amount needed to
98.30 pay principal and interest on appropriation bonds issued under subdivision 2, paragraph (a),
98.31 is appropriated each fiscal year from the general fund to the commissioner, subject to repeal,
98.32 unallotment under section 16A.152, or cancellation, otherwise pursuant to subdivision 6,
98.33 for deposit into the bond payments account established for such purpose in the special

99.1 appropriation state response to releases bond proceeds fund. The appropriation is available
 99.2 beginning in fiscal year 2021 and remains available through fiscal year 2042.

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

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

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

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

99.10 (c) "Community land trust" means an entity that meets the requirements of section
 99.11 462A.31, subdivisions 1 and 2.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

100.22 (2) to finance the costs of the acquisition and rehabilitation of foreclosed or abandoned
 100.23 housing to be used for affordable rental housing and the costs of new construction of rental
 100.24 housing on abandoned or foreclosed property where the existing structures will be demolished
 100.25 or removed;

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

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

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

101.1 (6) to finance the costs of acquisition and rehabilitation of federally assisted rental
 101.2 housing and for the refinancing of costs of the construction, acquisition, and rehabilitation
 101.3 of federally assisted rental housing, including providing funds to refund, in whole or in part,
 101.4 outstanding bonds previously issued by the agency or another government unit to finance
 101.5 or refinance such costs; and

101.6 (7) to finance the costs of acquisition, rehabilitation, adaptive reuse, or new construction
 101.7 of single family housing.

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

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

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

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

101.17 (1) demonstrate a commitment to maintaining the housing financed as affordable to
 101.18 seniors;

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

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

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

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

101.29 To the extent practicable, the agency shall balance the loans made between projects in the
 101.30 metropolitan area and projects outside the metropolitan area. Of the loans made to projects
 101.31 outside the metropolitan area, the agency shall, to the extent practicable, balance the loans
 101.32 made between projects in counties or cities with a population of 20,000 or less, as established

102.1 by the most recent decennial census, and projects in counties or cities with populations in
102.2 excess of 20,000.

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

102.5 Subd. 2g. **Additional authorization.** In addition to the amount authorized in subdivisions
102.6 2 to 2f, the agency may issue up to \$100,000,000 in housing infrastructure bonds in one or
102.7 more series to which the payments under this section may be pledged.

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

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

102.13 (b) Each July 15, beginning in 2015 and through 2037, if any housing infrastructure
102.14 bonds issued under subdivision 2a remain outstanding, the commissioner of management
102.15 and budget must transfer to the housing infrastructure bond account established under section
102.16 462A.21, subdivision 33, the amount certified under paragraph (a), not to exceed \$6,400,000
102.17 annually. The amounts necessary to make the transfers are appropriated from the general
102.18 fund to the commissioner of management and budget.

102.19 (c) Each July 15, beginning in 2017 and through 2038, if any housing infrastructure
102.20 bonds issued under subdivision 2b remain outstanding, the commissioner of management
102.21 and budget must transfer to the housing infrastructure bond account established under section
102.22 462A.21, subdivision 33, the amount certified under paragraph (a), not to exceed \$800,000
102.23 annually. The amounts necessary to make the transfers are appropriated from the general
102.24 fund to the commissioner of management and budget.

102.25 (d) Each July 15, beginning in 2019 and through 2040, if any housing infrastructure
102.26 bonds issued under subdivision 2c remain outstanding, the commissioner of management
102.27 and budget must transfer to the housing infrastructure bond account established under section
102.28 462A.21, subdivision 33, the amount certified under paragraph (a), not to exceed \$2,800,000
102.29 annually. The amounts necessary to make the transfers are appropriated from the general
102.30 fund to the commissioner of management and budget.

102.31 (e) Each July 15, beginning in 2020 and through 2041, if any housing infrastructure
102.32 bonds issued under subdivision 2d remain outstanding, the commissioner of management

103.1 and budget must transfer to the housing infrastructure bond account established under section
103.2 462A.21, subdivision 33, the amount certified under paragraph (a). The amounts necessary
103.3 to make the transfers are appropriated from the general fund to the commissioner of
103.4 management and budget.

103.5 (f) Each July 15, beginning in 2020 and through 2041, if any housing infrastructure
103.6 bonds issued under subdivision 2e remain outstanding, the commissioner of management
103.7 and budget must transfer to the housing infrastructure bond account established under section
103.8 462A.21, subdivision 33, the amount certified under paragraph (a). The amounts necessary
103.9 to make the transfers are appropriated from the general fund to the commissioner of
103.10 management and budget.

103.11 (g) Each July 15, beginning in 2022 and through 2043, if any housing infrastructure
103.12 bonds issued under subdivision 2f remain outstanding, the commissioner of management
103.13 and budget must transfer to the housing infrastructure bond account established under section
103.14 462A.21, subdivision 33, the amount certified under paragraph (a). The amounts necessary
103.15 to make the transfers are appropriated from the general fund to the commissioner of
103.16 management and budget.

103.17 (h) Each July 15, beginning in 2022 and through 2043, if any housing infrastructure
103.18 bonds issued under subdivision 2g remain outstanding, the commissioner of management
103.19 and budget must transfer to the housing infrastructure bond account established under section
103.20 462A.21, subdivision 33, the amount certified under paragraph (a). The amounts necessary
103.21 to make the transfers are appropriated from the general fund to the commissioner of
103.22 management and budget.

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

103.25 Sec. 8. **EFFECTIVE DATE.**

103.26 This article is effective the day following final enactment.

ARTICLE 5

MISCELLANEOUS

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

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

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

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

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

Sec. 3. Minnesota Statutes 2018, section 41B.025, is amended by adding a subdivision to read:

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

105.1 Sec. 4. [116J.417] GREATER MINNESOTA CHILD CARE FACILITY CAPITAL
105.2 GRANT PROGRAM.

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

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

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

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

105.19 (c) An applicant must be located outside of the metropolitan area as defined in section
105.20 473.121, subdivision 2.

105.21 Subd. 4. Local government authority. A city, county, or school district may own a
105.22 child care facility and operate a child care facility program that meets the requirements for
105.23 state licensing under Minnesota Rules, chapter 9503. A city, county, or school district may
105.24 enter into a lease or management agreement with one or more licensed child care providers
105.25 to operate a child care program in a facility owned by the city, county, or school district. A
105.26 lease or management agreement for state bond-financed property is subject to section
105.27 16A.695.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

107.13 Sec. 5. Minnesota Statutes 2018, section 123B.53, subdivision 1, is amended to read:

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

107.16 (1) the amount needed to produce between five and six percent in excess of the amount
 107.17 needed to meet when due the principal and interest payments on the obligations of the district
 107.18 for eligible projects according to subdivision 2, ~~including the amounts necessary for~~
 107.19 ~~repayment of debt service loans, capital loans, and lease purchase payments under section~~
 107.20 ~~126C.40, subdivision 2, excluding long-term facilities maintenance levies under section~~
 107.21 ~~123B.595~~ excluding the amounts listed in paragraph (b), minus

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

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

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

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

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

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

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

108.3 (c) For purposes of this section, if a preexisting school district reorganized under sections
108.4 123A.35 to 123A.43, 123A.46, and 123A.48 is solely responsible for retirement of the
108.5 preexisting district's bonded indebtedness, or capital loans ~~or debt service loans~~, debt service
108.6 equalization aid must be computed separately for each of the preexisting districts.

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

108.10 Sec. 6. Minnesota Statutes 2018, section 123B.53, subdivision 4, is amended to read:

108.11 Subd. 4. **Debt service equalization revenue.** (a) The debt service equalization revenue
108.12 of a district equals the sum of the first tier debt service equalization revenue and the second
108.13 tier debt service equalization revenue.

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

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

108.21 (d) Notwithstanding paragraphs (b) and (c), for a district with a capital loan under sections
108.22 126C.60 to 126C.72, the first tier debt equalization revenue equals zero, and the second tier
108.23 debt equalization revenue equals the portion of the district's eligible debt service levy under
108.24 subdivision 2 in excess of the district's maximum effort debt service levy under section
108.25 126C.63, subdivision 8.

108.26 Sec. 7. Minnesota Statutes 2018, section 126C.63, subdivision 8, is amended to read:

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

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

108.30 ~~(i) in any district receiving a debt service loan for a debt service levy payable in 2002~~
108.31 ~~and thereafter, or granted a capital loan after January 1, 2002, a levy in total dollar amount~~

109.1 computed at a rate of 33.59 percent of adjusted net tax capacity for taxes payable in 2002
109.2 and thereafter; or

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

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

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

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

109.23 Sec. 8. Minnesota Statutes 2018, section 126C.66, subdivision 3, is amended to read:

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

109.27 Sec. 9. Minnesota Statutes 2018, section 126C.69, as amended by Laws 2019, First Special
109.28 Session chapter 10, article 3, section 40, is amended to read:

109.29 **126C.69 CAPITAL GRANTS AND LOANS.**

109.30 Subdivision 1. **Capital grant and loan requests and uses.** Capital grants and loans are
109.31 available only to qualifying districts. Capital grants and loans must not be used for the
109.32 construction of swimming pools, ice arenas, athletic facilities, auditoriums, bus garages, or

110.1 heating system improvements. Proceeds of the grants and loans may be used only for sites
 110.2 for education facilities and for acquiring, bettering, furnishing, or equipping education
 110.3 facilities. Contracts must be entered into within 18 months after the date on which each
 110.4 grant and loan is ~~granted~~ approved. For purposes of this section, "education facilities"
 110.5 includes space for Head Start programs and social service programs.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

111.32 (2) location of the facility; and

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

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

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

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

112.23 Subd. 7. **Commissioner review; district proposals.** By November 1 of each
112.24 odd-numbered year, the commissioner must review all applications for capital grants and
112.25 loans that have received a positive review and comment. When reviewing applications, the
112.26 commissioner must consider whether the criteria in subdivision 3 have been met. The
112.27 commissioner may not approve an application if all of the required deadlines have not been
112.28 met. The commissioner may either approve or reject an application for a capital grant and
112.29 loan.

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

112.33 The commissioner shall report each capital grant and loan that has been approved by
112.34 the commissioner and that has received voter approval to the education committees of the

113.1 legislature by January 1 of each even-numbered year. The commissioner must not report a
 113.2 capital grant and loan that has not received voter approval. The commissioner shall also
 113.3 report on the money remaining in the capital loan account and, if necessary, request that
 113.4 another bond issue be authorized.

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

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

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

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

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

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

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

113.20 (1) the product of the maximum effort tax rate times 50 times the district's most recent
 113.21 adjusted net tax capacity at the time the capital grant and loan is approved under subdivision
 113.22 10, minus

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

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

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

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

113.30 If the aggregate amount of the capital grants and loans exceeds the amount that is or can
 113.31 be made available, the commissioner shall allot the available amount among any number

114.1 of qualified applicant districts, according to the commissioner's judgment and discretion,
 114.2 based upon the districts' respective needs.

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

114.15 Subd. 12. **Contract.** (a) Each capital grant and loan must be evidenced by a contract
 114.16 between the district and the state acting through the commissioner. The contract must
 114.17 obligate the state to reimburse the district, from the maximum effort school loan fund, for
 114.18 eligible capital expenses for construction of the facility for which the grant and loan is
 114.19 ~~granted approved~~, an amount computed as provided in subdivision 9. The commissioner
 114.20 must receive from the district a certified resolution of the board estimating the costs of
 114.21 construction and reciting that contracts for construction of the facilities for which the grant
 114.22 and loan is granted approved have been awarded, that bonds of the district have been issued
 114.23 and sold or that other district funds have been set aside in the amount necessary to pay all
 114.24 estimated costs of construction in excess of the amount of the grant and loan, and that all
 114.25 work, when completed, meets or exceeds standards established in the State Building Code.
 114.26 The contract must obligate the district to repay the loan out of the excesses of its maximum
 114.27 effort debt service levy over its required debt service levy, ~~including interest at a rate equal~~
 114.28 ~~to the weighted average annual rate payable on Minnesota state school loan bonds issued~~
 114.29 ~~or reissued for the project.~~ Beginning July 1, 2020, no interest assessments shall be made
 114.30 on capital loan balances.

114.31 (b) The district must each year, as long as it is indebted to the state, levy for debt service
 114.32 (i) the amount of its maximum effort debt service levy or (ii) the amount of its required debt
 114.33 service levy, whichever is greater, ~~except as the required debt service levy may be reduced~~
 114.34 ~~by a loan under section 126C.68.~~ The district shall remit payments to the commissioner

115.1 according to section 126C.71. The actual debt service levy shall be adjusted under section
115.2 477A.09.

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

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

115.15 Subd. 14. **Participation by county auditor; record of contract; payment of loan.** The
115.16 district must file a copy of the capital loan contract with the county auditor of each county
115.17 in which any part of the district is situated. The county auditor shall enter the capital loan,
115.18 evidenced by the contract, in the auditor's bond register. The commissioner shall keep a
115.19 record of each capital grant and loan and contract showing the name and address of the
115.20 district, the date of the contract, and the amount of the grant and loan initially approved.
115.21 On receipt of the resolution required in subdivision 12 and documentation of expenditures
115.22 under the contract, the commissioner shall issue payments, ~~which may be dispersed in~~
115.23 ~~accordance with the schedule in the contract~~, on the capital grant and loan account for the
115.24 amount that may be disbursed under subdivision 1. ~~Interest on each disbursement of the~~
115.25 ~~capital loan amount accrues from the date on which the commissioner of management and~~
115.26 ~~budget issues the payment.~~

115.27 Subd. 15. **Bond sale limitations.** (a) A district having an outstanding state loan must
115.28 not issue and sell any bonds on the public market, except to refund state loans, unless it
115.29 agrees to make the maximum effort debt service levy in each later year at the higher rate
115.30 provided in section 126C.63, subdivision 8, and unless it schedules the maturities of the
115.31 bonds according to section 475.54, subdivision 2. A district that refunds bonds at a lower
115.32 interest rate may continue to make the maximum effort debt service levy in each later year
115.33 at the current rate provided in section 126C.63, subdivision 8, if the district can demonstrate
115.34 to the commissioner's satisfaction that the district's repayments of the state loan will not be

116.1 reduced below the previous year's level. The district must report each sale to the
116.2 commissioner.

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

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

116.9 **EFFECTIVE DATE.** This section is effective retroactively from July 1, 2020.

116.10 Sec. 10. Minnesota Statutes 2018, section 126C.71, is amended to read:

116.11 **126C.71 PAYMENT AND APPLICATIONS OF PAYMENT.**

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

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

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

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

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

116.25 ~~(e)~~ (b) If a payment required under ~~the Maximum Effort School Aid Law~~ paragraph (a)
116.26 is not made within 30 days, the commissioner may reduce any subsequent payments due
116.27 the district under this chapter and chapters 120B, 122A, 123A, 123B, 124D, 125A, and
116.28 127A by the amount due, after providing written notice to the district.

116.29 Subd. 2. **Application of payments.** The commissioner shall apply payments received
116.30 ~~under the Maximum Effort School Aid Law and aids withheld according to subdivision 1;~~
116.31 ~~paragraph (b), as follows: First, to payment of interest accrued on its notes, if any; second,~~
116.32 ~~to interest on its contracts, if any; third, toward principal of its notes, if any; and last, toward~~

117.1 ~~the principal of its contracts, if any. While more than one note or more than one contract is~~
 117.2 ~~held, priority of payment of interest must be given to the one of earliest date, and after~~
 117.3 ~~interest accrued on all notes is paid, similar priority shall be given in the application of any~~
 117.4 ~~remaining amount to the payment of principal. In any year when the receipts from a district~~
 117.5 ~~are not sufficient to pay the interest accrued on any of its notes or contracts, the deficiency~~
 117.6 ~~must be added to the principal, and the commissioner shall notify the district and each county~~
 117.7 ~~auditor concerned of the new amount of principal of the note or contract.~~

117.8 Sec. 11. Minnesota Statutes 2018, section 134.45, subdivision 5, is amended to read:

117.9 Subd. 5. **Qualification; accessibility grants.** A public library jurisdiction may apply
 117.10 for a grant in an amount up to ~~\$200,000~~ \$300,000 or 50 percent of the approved costs of
 117.11 removing architectural barriers from a building or site, whichever is less. Grants may be
 117.12 made only for projects in existing buildings used as a library, or to prepare another existing
 117.13 building for use as a library. Renovation of an existing building may include an addition to
 117.14 the building if the additional space is necessary to provide accessibility or if relocating
 117.15 public spaces to the ground level provides improved overall accessibility. Grants must not
 117.16 be used to pay part of the cost of meeting accessibility requirements in a new building.

117.17 Sec. 12. Minnesota Statutes 2018, section 137.61, is amended to read:

117.18 **137.61 PURPOSE.**

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

117.26 Sec. 13. Minnesota Statutes 2018, section 137.62, subdivision 2, is amended to read:

117.27 Subd. 2. **Biomedical science research facility.** "Biomedical science research facility"
 117.28 means a facility located on the campus of the University of Minnesota to be used as a
 117.29 research facility and laboratory for biomedical science and biomedical technology. A hospital
 117.30 licensed under sections 144.50 to 144.56 is not a biomedical science research facility.
 117.31 Biomedical science research facility includes the clinical research facility defined in this
 117.32 section.

118.1 Sec. 14. Minnesota Statutes 2018, section 137.62, is amended by adding a subdivision to
118.2 read:

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

118.8 Sec. 15. Minnesota Statutes 2018, section 137.63, is amended to read:

118.9 **137.63 BIOMEDICAL SCIENCE RESEARCH FACILITIES FUNDING**
118.10 **PROGRAM.**

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

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

118.22 Sec. 16. Minnesota Statutes 2018, section 137.64, is amended to read:

118.23 **137.64 CONDITIONS FOR PAYMENTS TO UNIVERSITY.**

118.24 Subdivision 1. **Certifications.** Before the commissioner may make any payments
118.25 authorized in this section to the Board of Regents for a biomedical science research facility
118.26 project, the commissioner must certify that the board has, by board resolution, approved
118.27 the maximum project cost for the project and complied with the requirements of section
118.28 ~~137.63, subdivision 2.~~ For each project approved by the board, the board must certify to the
118.29 commissioner the amount of the annual payments of principal and interest required to service
118.30 each series of bonds issued by the University of Minnesota for the project, and the actual
118.31 amount of the state's annual payment to the University of Minnesota under subdivision 2.
118.32 The annual payment must not exceed the amount required to pay debt service on the bonds
118.33 issued to finance 75 percent of the project costs of biomedical science research facilities

119.1 authorized before 2019. The annual payment may additionally be for the amount required
 119.2 to pay debt service on the bonds issued to finance 100 percent of the costs of the clinical
 119.3 research facility.

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

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

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

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

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

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

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

119.20 (6) up to \$15,550,000 is appropriated in fiscal year 2015 and each year thereafter, ~~up to~~
 119.21 ~~25 years following the certification of the last project by the commissioner.~~ through fiscal
 119.22 year 2020; and

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

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

119.30 Subd. 5. **Reinvestment.** The Board of Regents must, to the extent permitted under federal
 119.31 law and University of Minnesota policies, place a priority on reducing the state's share of
 119.32 project costs by dedicating a share of the proceeds from any commercialization or licensing

120.1 revenues attributable to research conducted in the biomedical science facilities to reducing
120.2 the appropriations needed under subdivision 3.

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

120.8 **Subd. 7. Refunding of bonds; allocation of savings realized.** (a) The board may issue
120.9 bonds in one or more series to refund bonds that were issued for a project before January
120.10 1, 2019, if refunding is determined by the board to be in the best interest of the university.
120.11 The principal amount of bonds issued in each refunding must not exceed the amount
120.12 necessary to defease the associated bonds outstanding immediately prior to refunding. The
120.13 amount of the state's annual payment to the university required for the debt service on the
120.14 refunded bonds, or original bonds if not yet refunded, or a combination of the two, shall be
120.15 up to the maximum annual appropriation under subdivision 3 for all series.

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

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

120.25 **Sec. 17. [240A.20] PROMOTING CONSTRUCTION AND RENOVATION OF**
120.26 **PUBLIC SKATE PARKS THROUGHOUT THE STATE.**

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

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

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

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

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

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

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

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

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

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

121.22 (g) A grant awarded under subdivision 2, clause (2), may not exceed \$250,000 unless
121.23 the grantee demonstrates that the facility will have a regional or statewide draw. A grant
121.24 awarded under subdivision 2, clause (2), may be for up to \$750,000 for a skate park with
121.25 regional impact. A grant awarded under subdivision 2, clause (2), may be for up to
121.26 \$2,000,000 for a skate park with statewide draw.

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

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

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

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

122.8 (b) The commission may enter into cooperative purchasing agreements under section
122.9 471.59 with local governments to purchase skate park equipment and services through state
122.10 contracts. The cooperative skate park equipment purchasing revolving fund is a separate
122.11 account in the state treasury. The commission may charge a fee to cover the commission's
122.12 administrative expenses to government units that have joint or cooperative purchasing
122.13 agreements with the state under section 471.59. The fees collected must be deposited in the
122.14 revolving fund established by this subdivision. Money in the fund is appropriated to the
122.15 commission to administer the programs and services covered by this subdivision.

122.16 Sec. 18. Laws 2008, chapter 179, section 18, subdivision 3, as amended by Laws 2011,
122.17 First Special Session chapter 12, section 32, and Laws 2012, chapter 293, section 41, is
122.18 amended to read:

122.19 **Subd. 3. Systemwide Campus Redevelopment,**
122.20 **Reuse, or Demolition** 3,400,000

122.21 (a) To demolish surplus, nonfunctional, or
122.22 deteriorated facilities and infrastructure or to
122.23 renovate surplus, nonfunctional, or
122.24 deteriorated facilities and infrastructure at
122.25 Department of Human Services campuses.
122.26 These projects must facilitate the
122.27 redevelopment or reuse of these campuses
122.28 consistent with redevelopment plan concepts
122.29 developed and approved under Laws 2003,
122.30 First Special Session chapter 14, article 6,
122.31 section 64, subdivision 2. If a surplus campus
122.32 is sold or transferred to a local unit of
122.33 government, unspent portions of this
122.34 appropriation may be granted to that local unit

123.1 of government for the purposes stated in this
 123.2 subdivision. Unspent portions of this
 123.3 appropriation may be used to design,
 123.4 construct, furnish, and equip a maintenance
 123.5 and storage facility to support the maintenance
 123.6 and operation of the Brainerd campus if the
 123.7 commissioner determines that it is less
 123.8 expensive than renovating existing space.
 123.9 Notwithstanding Minnesota Statutes, section
 123.10 16A.642, the bond authorization and
 123.11 appropriation of bond proceeds for this project
 123.12 are available until December 30, 2014.

123.13 (b) Up to \$125,000 is for preparation and site
 123.14 development, including demolition of
 123.15 buildings and infrastructure, to implement the
 123.16 redevelopment and reuse of the Ah Gwah
 123.17 Ching Regional Treatment Center. This
 123.18 amount may be granted to Cass County for
 123.19 the purposes stated in this subdivision. If the
 123.20 campus is sold or transferred by Cass County
 123.21 to the city of Walker, unspent portions of this
 123.22 appropriation may be granted to the city of
 123.23 Walker for the purposes stated in this
 123.24 subdivision. Notwithstanding any requirement
 123.25 in paragraph (a) or Minnesota Statutes, section
 123.26 16A.695, Cass County may convey for no
 123.27 consideration approximately 9.4 acres of the
 123.28 campus of the former Ah Gwah Ching
 123.29 Regional Treatment Center to Independent
 123.30 School District No. 113, Walker Hackensack
 123.31 Akeley, for school purposes.

123.32 Sec. 19. Laws 2014, chapter 294, article 1, section 7, subdivision 11, as amended by Laws
 123.33 2017, First Special Session chapter 8, article 2, section 26, is amended to read:

123.34 Subd. 11. **Central Minnesota Regional Parks**

500,000

124.1 For a grant to the city of Sartell to ~~acquire land~~
 124.2 ~~and develop recreation facilities at Sauk River~~
 124.3 ~~Regional Park~~ design, engineer, and construct
 124.4 a trail, including overlooks, fishing platforms,
 124.5 and pedestrian crossings, along the Mississippi
 124.6 River as part of improvements to Linear Park
 124.7 and Sartell Veterans Park in the city of Sartell
 124.8 ~~and to acquire up to 68 acres of land located~~
 124.9 ~~along the Sauk River near the confluence of~~
 124.10 ~~the Mississippi to serve as part of the Central~~
 124.11 ~~Minnesota Regional Parks and Trails.~~
 124.12 Notwithstanding Minnesota Statutes, section
 124.13 16A.642, the bond sale authorization and
 124.14 appropriation of bond proceeds for this project
 124.15 are available until ~~June 30, 2020~~ December
 124.16 31, 2024.

124.17 Sec. 20. Laws 2015, First Special Session chapter 5, article 1, section 10, subdivision 7,
 124.18 as amended by Laws 2017, First Special Session chapter 8, article 2, section 32, is amended
 124.19 to read:

124.20 **Subd. 7. Richfield - 77th Street Underpass** 10,000,000

124.21 For a grant to the city of Richfield for
 124.22 right-of-way acquisition for an extension of
 124.23 77th Street under marked Trunk Highway
 124.24 77/Cedar Avenue in the city of Richfield to
 124.25 provide local and regional access between
 124.26 Richfield, the Minneapolis/St. Paul
 124.27 International Airport, the city of Bloomington,
 124.28 and the Mall of America. After right-of-way
 124.29 acquisition is completed, the city may use any
 124.30 remaining money appropriated in this
 124.31 subdivision for construction of the extension.
 124.32 Notwithstanding Minnesota Statutes, section
 124.33 16A.642, the bond sale authorization and
 124.34 appropriation of bond proceeds for the project

125.1 in this subdivision are available until
125.2 December 31, ~~2021~~ 2024.

125.3 Sec. 21. Laws 2015, First Special Session chapter 5, article 1, section 13, is amended to
125.4 read:

125.5 **Sec. 13. CORRECTIONS** **\$ 1,200,000**

125.6 To the commissioner of administration for a
125.7 grant to the Arrowhead Regional Corrections
125.8 Joint Powers Board to demolish an existing
125.9 facility and to design, construct, furnish, and
125.10 equip a replacement food processing facility
125.11 on the campus of the Northeast Regional
125.12 Corrections Center, to meet health, safety, and
125.13 security standards required for compliance
125.14 with Minnesota Rules, chapter 2911. Nonstate
125.15 contributions to improvements at the center
125.16 made before or after the enactment of this
125.17 subdivision are considered to be a sufficient
125.18 match, and no further nonstate match is
125.19 required. Notwithstanding Minnesota Statutes,
125.20 section 16A.642, the bond sale authorization
125.21 and appropriation of bond proceeds for the
125.22 project in this subdivision are available until
125.23 December 31, 2024.

125.24 Sec. 22. Laws 2017, First Special Session chapter 8, article 1, section 15, subdivision 3,
125.25 as amended by Laws 2018, chapter 214, article 2, section 33, is amended to read:

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

125.27 (a) From the bond proceeds account in the
125.28 state transportation fund as provided in
125.29 Minnesota Statutes, section 174.50, for trunk
125.30 highway corridor projects under Minnesota
125.31 Statutes, section 174.52, subdivision 2, for
125.32 construction and reconstruction of local roads
125.33 with statewide or regional significance under

126.1 Minnesota Statutes, section 174.52,
126.2 subdivision 4, or for grants to counties to assist
126.3 in paying the costs of rural road safety capital
126.4 improvement projects on county state-aid
126.5 highways under Minnesota Statutes, section
126.6 174.52, subdivision 4a.

126.7 (b) Of this amount, \$9,000,000 is for a grant
126.8 to Anoka County to design, acquire land for,
126.9 engineer, and construct improvements to,
126.10 including the realignment of County State-Aid
126.11 Highway 23 (Lake Drive), County State-Aid
126.12 Highway 54 (West Freeway Drive), West
126.13 Freeway Drive, and to Hornsby Street in the
126.14 city of Columbus to support the overall
126.15 interchange project. Notwithstanding
126.16 Minnesota Statutes, section 16A.642, the bond
126.17 sale authorization and appropriation of bond
126.18 proceeds for the project in this paragraph are
126.19 available until December 31, 2024.

126.20 (c) Of this amount, \$3,246,000 is for a grant
126.21 to the city of Blaine to predesign, design, and
126.22 reconstruct 105th Avenue in the vicinity of
126.23 the National Sports Center in Blaine. The
126.24 reconstruction will include changing the street
126.25 from five lanes to four lanes with median, turn
126.26 lanes, sidewalk, trail, landscaping, lighting,
126.27 and consolidation of access driveways. This
126.28 appropriation is not available until the
126.29 commissioner of management and budget
126.30 determines that at least \$3,000,000 is
126.31 committed to the project from sources
126.32 available to the city, including municipal state
126.33 aid and county turnback funds.

126.34 (d) Of this amount, \$25,000,000 is for a grant
126.35 to Hennepin County, the city of Minneapolis,

127.1 or both, for design, right-of-way acquisition,
127.2 engineering, and construction of public
127.3 improvements related to the Interstate
127.4 Highway 35W and Lake Street access project
127.5 and related improvements within the Interstate
127.6 Highway 35W corridor, notwithstanding any
127.7 provision of Minnesota Statutes, section
127.8 174.52, or rule to the contrary. This
127.9 appropriation is not available until the
127.10 commissioner of management and budget
127.11 determines that an amount sufficient to
127.12 complete this portion of the Interstate
127.13 Highway 35W and Lake Street access project
127.14 has been committed to this portion of the
127.15 project.

127.16 (e) Of this amount, \$10,500,000 is for a grant
127.17 to Carver County for environmental analysis
127.18 and to acquire right-of-way access, predesign,
127.19 design, engineer, and construct an interchange
127.20 at marked Trunk Highway 212 and Carver
127.21 County Road 44 in the city of Chaska,
127.22 including a new bridge and ramps, to support
127.23 the development of approximately 400 acres
127.24 of property in the city of Chaska's
127.25 comprehensive plan.

127.26 (f) Of this amount, \$700,000 is for a grant to
127.27 Redwood County for improvements to Nobles
127.28 Avenue, including paving, as the main access
127.29 road to a new State Veterans Cemetery to be
127.30 located in Paxton Township.

127.31 (g) Of this amount, \$1,000,000 is for a grant
127.32 to the town of Appleton in Swift County for
127.33 upgrades to an existing township road to
127.34 provide for a paved, ten-ton capacity township

128.1 road extending between marked Trunk
128.2 Highways 7 and 119.

128.3 (h) Of this amount, \$20,500,000 is for a grant
128.4 to Ramsey County for preliminary and final
128.5 design, right-of-way acquisition, engineering,
128.6 contract administration, and construction of
128.7 public improvements related to the
128.8 construction of the interchange of marked
128.9 Interstate Highway 694 and Rice Street,
128.10 Ramsey County State-Aid Highway 49, in
128.11 Ramsey County.

128.12 (i) Of this amount, \$11,300,000 is for a grant
128.13 to Hennepin County for preliminary and final
128.14 design, engineering, environmental analysis,
128.15 right-of-way acquisition, construction, and
128.16 reconstruction of local roads related to the (1)
128.17 realignment at the intersections of marked U.S.
128.18 Highway 12 with Hennepin County State-Aid
128.19 Highway 92; (2) realignment and safety
128.20 improvements at the intersection of marked
128.21 U.S. Highway 12 with Hennepin County
128.22 State-Aid Highway 90; and (3) safety median
128.23 improvements from the interchange with
128.24 Wayzata Boulevard in Wayzata to
128.25 approximately one-half mile east of the
128.26 interchange of marked U.S. Highway 12 with
128.27 Hennepin County State-Aid Highway 6.

128.28 (j) Of this amount, \$1,000,000 is for a grant
128.29 to the city of Inver Grove Heights for
128.30 preliminary design, design, engineering, and
128.31 reconstruction of Broderick Boulevard
128.32 between 80th Street and Concord Boulevard
128.33 abutting Trunk Highway 52 and Inver Hills
128.34 Community College in Inver Grove Heights.
128.35 The project includes replacement or renovation

129.1 of public infrastructure, including water lines,
 129.2 sanitary sewers, storm water sewers, and other
 129.3 public utilities. This appropriation does not
 129.4 require a nonstate contribution.

129.5 (k) Of this amount, \$2,350,000 is for a grant
 129.6 to McLeod County to acquire land or interests
 129.7 in land and to design and construct a new
 129.8 urban street extension of County State-Aid
 129.9 Highway (CSAH) 15, including railroad
 129.10 crossing, storm water, and drainage
 129.11 improvements.

129.12 (l) Of this amount, \$6,000,000 is for a grant
 129.13 to the city of Baxter for 50 percent of total
 129.14 project cost for the acquisition of land or
 129.15 interests in land, environmental analysis and
 129.16 environmental cleanup, predesign, design,
 129.17 engineering, and construction of improvements
 129.18 to Cypress Drive, including expansion to a
 129.19 four-lane divided urban roadway, between
 129.20 Excelsior Road and College Road.

129.21 Sec. 23. Laws 2017, First Special Session chapter 8, article 1, section 15, subdivision 4,
 129.22 is amended to read:

129.23 **Subd. 4. Rail Grade Separation on Crude Oil**
 129.24 **Rail Corridors**

71,124,000

129.25 (a) Of this amount, \$42,262,000 is for a grant
 129.26 to the city of Moorhead for environmental
 129.27 analysis, design, engineering, removal of an
 129.28 existing structure, and construction of a rail
 129.29 grade crossing separation in the vicinity of
 129.30 21st Street South.

129.31 (b) \$14,100,000 is for a grant to Anoka County
 129.32 for environmental analysis, design,
 129.33 engineering, removal of an existing structure,
 129.34 and construction of a rail grade crossing

130.1 separation at Anoka County State-Aid
 130.2 Highway 78, known as Hanson Boulevard, in
 130.3 Coon Rapids. Any unspent portion of the
 130.4 appropriation under this paragraph may be
 130.5 used by Anoka County for design costs of
 130.6 other rail crossings in Anoka County that are
 130.7 on the commissioner's rail safety priority list.

130.8 (c) Of this amount, \$14,762,000 is for a grant
 130.9 to the city of Red Wing for acquisition of
 130.10 right-of-way, environmental analysis, design,
 130.11 engineering, removal of an existing structure,
 130.12 and construction of a rail grade crossing
 130.13 separation at Sturgeon Lake Road.

130.14 Notwithstanding Minnesota Statutes, section
 130.15 16A.642, the bond sale authorization and
 130.16 appropriation of bond proceeds for the project
 130.17 in this paragraph are available until December
 130.18 31, 2024.

130.19 (d) Any unspent portion of this appropriation
 130.20 after completion of a project in this
 130.21 subdivision may be used for grants in
 130.22 accordance with Minnesota Statutes, section
 130.23 219.016.

130.24 Sec. 24. Laws 2017, First Special Session chapter 8, article 1, section 18, subdivision 3,
 130.25 is amended to read:

130.26 **Subd. 3. Minneapolis Veterans Home Truss**
 130.27 **Bridge Project** 7,851,000

130.28 To design, construct, renovate, and equip the
 130.29 historic truss bridge on the Minneapolis
 130.30 Veterans Home campus, including asbestos
 130.31 and hazardous materials abatement and
 130.32 associated site work. One-half of the unspent
 130.33 portion of this appropriation after the project
 130.34 has been substantially completed, upon written

131.1 notice to the commissioner of management
 131.2 and budget, is for asset preservation of
 131.3 veterans homes statewide under Minnesota
 131.4 Statutes, section 16B.307, and one-half is for
 131.5 comprehensive campus security and safety
 131.6 upgrades at the veterans homes statewide,
 131.7 including predesign and design, acquisition
 131.8 and installation, construction, furnishing, and
 131.9 equipping. Notwithstanding Minnesota
 131.10 Statutes, section 16A.642, the bond sale
 131.11 authorization and appropriation of bond
 131.12 proceeds in this subdivision are available until
 131.13 December 31, 2024.

131.14 Sec. 25. Laws 2017, First Special Session chapter 8, article 1, section 20, subdivision 21,
 131.15 as amended by Laws 2018, chapter 214, article 2, section 40, is amended to read:

131.16 **Subd. 21. St. Paul - Minnesota Museum of**
 131.17 **American Art** 6,000,000

131.18 For a grant to the St. Paul Port Authority to
 131.19 acquire, design, construct, furnish, and equip
 131.20 new museum galleries and an art study facility
 131.21 for the Minnesota Museum of American Art.
 131.22 This facility provides space to celebrate the
 131.23 legacy of Minnesota art and artists and is part
 131.24 of the restoration of the historic Pioneer
 131.25 Endicott Building, and a part of a multiphase
 131.26 project, of which only the museum galleries
 131.27 and art study facility constructed with this
 131.28 appropriation shall be state bond financed
 131.29 property subject to Minnesota Statutes, section
 131.30 16A.695. This appropriation is not available
 131.31 until the commissioner of management and
 131.32 budget has determined that:
 131.33 (1) at least an amount equal to this
 131.34 appropriation has been committed or
 131.35 previously expended for design, construction,

132.1 and furnishing of the adjacent Minnesota
 132.2 Museum of American Art Center for
 132.3 Creativity facilities, which are not subject to
 132.4 Minnesota Statutes, section 16A.695, with
 132.5 funds from nonstate sources; and
 132.6 (2) sufficient other state and nonstate funds
 132.7 are available, if funds beyond this
 132.8 appropriation are required, to complete the
 132.9 museum galleries and art study facility.

132.10 ~~Funds invested in the Minnesota Museum of~~
 132.11 ~~American Art Center for Creativity facilities~~
 132.12 ~~by an investor receiving an assignment of state~~
 132.13 ~~historic tax credits as provided in Minnesota~~
 132.14 ~~Statutes, section 290.0681, are nonstate funds~~
 132.15 ~~for purposes of this requirement. Only~~
 132.16 expenditures made after January 1, 2012, shall
 132.17 qualify for the required match. Due to the
 132.18 integrated nature of the overall development,
 132.19 public bidding shall not be required.

132.20 Notwithstanding Minnesota Statutes, section
 132.21 16A.642, the bond sale authorization and
 132.22 appropriation of bond proceeds for this project
 132.23 are available until December 31, 2024.

132.24 Sec. 26. Laws 2018, chapter 214, article 1, section 2, subdivision 6, is amended to read:

132.25 **Subd. 6. Glensheen Renewal** 4,000,000

132.26 To replace the boiler and to predesign, design,
 132.27 and renovate site structures at the Historic
 132.28 Glensheen Estate including but not limited to
 132.29 the main house; the site structures, terraces,
 132.30 and garden walls; and the carriage house. This
 132.31 appropriation is not available until the
 132.32 commissioner of management and budget
 132.33 determines that an equal amount is committed

133.1 ~~from other sources.~~ This appropriation does
 133.2 not require a nonstate contribution.

133.3 Sec. 27. Laws 2018, chapter 214, article 1, section 7, subdivision 1, is amended to read:

133.4		78,669,000
133.5	Subdivision 1. Total Appropriation	\$ <u>74,309,000</u>

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

133.8 (b) The appropriations in this section are
 133.9 subject to the requirements of the natural
 133.10 resources capital improvement program under
 133.11 Minnesota Statutes, section 86A.12, unless
 133.12 this section or the statutes referred to in this
 133.13 section provide more specific standards,
 133.14 criteria, or priorities for projects than
 133.15 Minnesota Statutes, section 86A.12.

133.16 Sec. 28. Laws 2018, chapter 214, article 1, section 16, subdivision 19, is amended to read:

133.17	Subd. 19. Hennepin County - Railroad Crossing	
133.18	Safety	1,200,000

133.19 For one or more grants to Hennepin County
 133.20 or the affected city in the county to construct
 133.21 railroad crossing safety improvements in
 133.22 Hennepin County. Of this amount, \$350,000
 133.23 is for crossings at ~~Townline Road~~ and marked
 133.24 County Road 19 in the city of Loretto; at least
 133.25 \$450,000 is for crossings at ~~marked Road~~
 133.26 ~~116/County Road 115~~ and Arrowhead Drive
 133.27 in the city of Medina; and at least \$400,000 is
 133.28 for crossings at East Lake Street and Barry
 133.29 Avenue in the city of Wayzata. Any unspent
 133.30 portion of this appropriation remaining after
 133.31 completion of a project listed in this
 133.32 subdivision, after written notice to the
 133.33 commissioner of management and budget, is
 133.34 available for the purposes of this subdivision.

134.1 Sec. 29. Laws 2018, chapter 214, article 1, section 21, subdivision 1, is amended to read:

134.2 ~~109,344,000~~
 134.3 Subdivision 1. **Total Appropriation** \$ 109,085,000

134.4 To the commissioner of employment and
 134.5 economic development for the purposes
 134.6 specified in this section.

134.7 Sec. 30. Laws 2018, chapter 214, article 1, section 21, subdivision 18, is amended to read:

134.8 Subd. 18. **Pipestone County - Dental Facility** 500,000

134.9 For a grant to Pipestone County to predesign,
 134.10 design, construct, furnish, and equip a dental
 134.11 care facility in Pipestone County. The county
 134.12 may enter into an agreement under Minnesota
 134.13 Statutes, section 16A.695, for operation of the
 134.14 dental clinic. This project is not subject to the
 134.15 requirements of Minnesota Statutes, section
 134.16 16B.325.

134.17 Sec. 31. Laws 2018, chapter 214, article 1, section 21, subdivision 26, is amended to read:

134.18 Subd. 26. **St. Paul - Minnesota Museum of**
 134.19 **American Art** 2,500,000

134.20 For a grant to the St. Paul Port Authority to
 134.21 acquire, design, construct, furnish, and equip
 134.22 the Minnesota Museum of American Art in
 134.23 the historic Pioneer Endicott Building. This
 134.24 appropriation is in addition to the amount
 134.25 appropriated by Laws 2017, First Special
 134.26 Session chapter 8, article 1, section 20,
 134.27 subdivision 21, and is available in accordance
 134.28 with the requirements of that subdivision. This
 134.29 appropriation may be used as needed for the
 134.30 costs of the project, including but not limited
 134.31 to secure loading dock, and art restoration and
 134.32 exhibit preparation areas.

135.1 Notwithstanding Minnesota Statutes, section
 135.2 16A.642, the bond sale authorization and
 135.3 appropriation of bond proceeds for this project
 135.4 are available until December 31, 2024.

135.5 Sec. 32. Laws 2018, chapter 214, article 1, section 21, subdivision 29, is amended to read:

135.6 Subd. 29. **Wabasha - National Eagle Center and**
 135.7 **Wabasha Rivertown Resurgence Riverfront**
 135.8 **Revitalization**

8,000,000

135.9 (a) \$1,500,000 of this appropriation is for a
 135.10 grant to the city of Wabasha to acquire land,
 135.11 predesign, design, renovate, construct, furnish,
 135.12 and equip the renovation and expansion of the
 135.13 National Eagle Center in order to expand
 135.14 program and exhibit space, and increase aviary
 135.15 space for eagles, and for to design and
 135.16 construct improvements to the riverfront in
 135.17 Wabasha for infrastructure, large vessel
 135.18 landing areas and docks, and public access
 135.19 and program areas.

135.20 (b) \$2,500,000 of this appropriation is for a
 135.21 grant to the city of Wabasha to acquire land,
 135.22 design, renovate, construct, furnish, and equip
 135.23 the National Eagle Center in order to expand
 135.24 the program space, gift shop, and exhibit
 135.25 space, and increase aviary space for eagles. If
 135.26 the acquisition of land, design, renovation,
 135.27 construction, furnishing, and equipping of the
 135.28 National Eagle Center expansion of its
 135.29 program space, gift shop, exhibit space, and
 135.30 aviary space is complete, the City of Wabasha
 135.31 may use any remaining money from this
 135.32 appropriation toward the renovation of the
 135.33 historical buildings on Main Street.

135.34 (c) \$4,000,000 of this appropriation is for a
 135.35 grant to the city of Wabasha to predesign,

136.1 design, construct, renovate, furnish, and equip
 136.2 the new auditorium, expansion of the Preston
 136.3 Cook Exhibit, and final renovation of the
 136.4 historical buildings on Main Street.

136.5 Sec. 33. Laws 2019, First Special Session chapter 11, article 6, section 7, subdivision 2,
 136.6 as amended by Laws 2020, chapter 116, article 6, section 17, is amended to read:

136.7 Subd. 2. **Debt service equalization aid.** For debt service equalization aid under
 136.8 Minnesota Statutes, section 123B.53, subdivision 6:

136.9 \$ 20,684,000 2020

136.10 ~~25,398,000~~

136.11 \$ 25,380,000 2021

136.12 The 2020 appropriation includes \$2,292,000 for 2019 and \$18,392,000 for 2020.

136.13 The 2021 appropriation includes \$2,043,000 for 2020 and ~~\$23,355,000~~ \$23,337,000 for
 136.14 2021.

136.15 Sec. 34. **RED LAKE AND NETT LAKE CAPITAL LOANS.**

136.16 (a) Notwithstanding the capital loan contracts issued to Independent School District No.
 136.17 38, Red Lake, and Independent School District No. 707, Nett Lake, under Minnesota Statutes,
 136.18 section 126C.69, the capital loan balance outstanding for Independent School District No.
 136.19 38, Red Lake, as of July 1, 2020, on the capital loan granted on April 27, 2015, is reduced
 136.20 to \$228,743. The capital loan balance outstanding for Independent School District No. 707,
 136.21 Nett Lake, as of July 1, 2020, on the capital loan granted on October 24, 2006, is reduced
 136.22 to \$1,261,384. The capital loan balances on these loans in excess of these amounts are
 136.23 forgiven.

136.24 (b) All capital loan contracts issued prior to 2015 to Independent School District No.
 136.25 38, Red Lake, under Minnesota Statutes, section 126C.69, cancel as of July 1, 2020, and
 136.26 the capital loan balances on these loans are forgiven. The capital loan contract issued prior
 136.27 to 1995 to Independent School District No. 707, Nett Lake, under Minnesota Statutes,
 136.28 section 126C.69, cancels as of July 1, 2020, and the capital loan balance on this loan is
 136.29 forgiven.

136.30 (c) Maximum effort loan aid for Independent School District No. 38, Red Lake, and
 136.31 Independent School District No. 707, Nett Lake, is the amount the districts would have
 136.32 received under Minnesota Statutes, section 477A.09, based on the capital loan contracts

137.1 issued under Minnesota Statutes, section 126C.69, without the loan forgiveness granted
137.2 under paragraphs (a) and (b).

137.3 (d) Notwithstanding any law to the contrary, the maximum effort capital loan authorized
137.4 in 2018 for Independent School District No. 38, Red Lake, must be repaid as a capital grant
137.5 and loan according to the provisions of section 12.

137.6 **Sec. 35. LAKE VERMILION-SOUDAN UNDERGROUND MINE STATE PARK;**
137.7 **SECONDARY UNIT DESIGNATION.**

137.8 The commissioner of natural resources must manage the area within the statutory
137.9 boundary of Lake Vermilion-Soudan Underground Mine State Park that is located south of
137.10 State Highway 169 as a secondary unit within the state park, as authorized in Minnesota
137.11 Statutes, section 86A.08. The secondary unit is designated a state recreation area and must
137.12 be managed in a manner consistent with Minnesota Statutes, section 86A.05, subdivision
137.13 3. Within the secondary unit, in addition to other activities authorized in Lake
137.14 Vermilion-Soudan Underground Mine State Park, the commissioner must permit ingress
137.15 and egress on designated routes by off-highway vehicles, as defined in Minnesota Statutes,
137.16 section 84.771, into campgrounds and overnight facilities developed south of State Highway
137.17 169.

137.18 **Sec. 36. RECOMMENDATIONS FOR MODIFYING SUSTAINABLE BUILDING**
137.19 **REQUIREMENTS FOR SMALL PROJECTS.**

137.20 The commissioners of administration and commerce must provide recommendations by
137.21 February 15, 2021, to the chairs and ranking minority members of the committees in the
137.22 senate and the house of representatives with jurisdiction over capital investment for revisions
137.23 to the sustainable building guidelines under Minnesota Statutes, section 16B.325, and the
137.24 way that those guidelines are implemented and enforced, to simplify the approval and
137.25 exemption processes and reduce compliance costs for small scale projects.

137.26 **Sec. 37. REPEALER.**

137.27 (a) Minnesota Statutes 2018, sections 126C.65, subdivision 2; and 126C.68, subdivisions
137.28 1, 2, and 4, are repealed.

137.29 (b) Minnesota Statutes 2019 Supplement, section 126C.68, subdivision 3, is repealed.

137.30 (c) Minnesota Statutes 2018, section 16A.633, subdivision 4, is repealed.

138.1 Sec. 38. **EFFECTIVE DATE.**138.2 Except as otherwise provided, this article is effective the day following final enactment.138.3 **ARTICLE 6**138.4 **PROPERTY TAXES AND AIDS**138.5 Section 1. Minnesota Statutes 2019 Supplement, section 126C.17, subdivision 6, is amended
138.6 to read:138.7 **Subd. 6. Referendum equalization levy.** (a) A district's referendum equalization levy
138.8 equals the sum of the first tier referendum equalization levy and the second tier referendum
138.9 equalization levy.138.10 (b) A district's first tier referendum equalization levy equals the district's first tier
138.11 referendum equalization revenue times the lesser of (1) one ~~or~~, (2) the ratio of the district's
138.12 referendum market value per resident pupil unit to ~~\$567,000~~ \$650,000, or (3) the ratio of
138.13 the district's referendum market value per adjusted pupil unit to \$650,000.138.14 (c) A district's second tier referendum equalization levy equals the district's second tier
138.15 referendum equalization revenue times the lesser of (1) one ~~or~~, (2) the ratio of the district's
138.16 referendum market value per resident pupil unit to ~~\$290,000~~ \$320,000, or (3) the ratio of
138.17 the district's referendum market value per adjusted pupil unit to \$320,000.138.18 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2022 and later.138.19 Sec. 2. Minnesota Statutes 2018, section 272.02, is amended by adding a subdivision to
138.20 read:138.21 **Subd. 104. Certain property owned by an Indian tribe.** (a) Property is exempt that:138.22 (1) is located in a county with a population greater than 28,000 but less than 29,000 as
138.23 of the 2010 federal census;138.24 (2) was on January 2, 2016, and is for the current assessment owned by a federally
138.25 recognized Indian tribe or its instrumentality, that is located in Minnesota;138.26 (3) was on January 2, 2016, erroneously treated as exempt under subdivision 7; and138.27 (4) is used for the same purpose as the property was used on January 2, 2016.138.28 (b) For assessment years 2019 and 2020, an exemption application under this subdivision
138.29 must be filed with the county assessor by October 26, 2020. Property taxes paid on property

139.1 exempt under this section for taxes payable in 2020 only shall be refunded by the county
139.2 by November 16, 2020.

139.3 **EFFECTIVE DATE.** This section is effective retroactively from assessment year 2019.

139.4 Sec. 3. Minnesota Statutes 2018, section 273.13, subdivision 25, is amended to read:

139.5 Subd. 25. **Class 4.** (a) Class 4a is residential real estate containing four or more units
139.6 and used or held for use by the owner or by the tenants or lessees of the owner as a residence
139.7 for rental periods of 30 days or more, excluding property qualifying for class 4d. Class 4a
139.8 also includes hospitals licensed under sections 144.50 to 144.56, other than hospitals exempt
139.9 under section 272.02, and contiguous property used for hospital purposes, without regard
139.10 to whether the property has been platted or subdivided. The market value of class 4a property
139.11 has a classification rate of 1.25 percent.

139.12 (b) Class 4b includes:

139.13 (1) residential real estate containing less than four units, including property rented as a
139.14 short-term rental property for more than 14 days in the preceding year, that does not qualify
139.15 as class 4bb, other than seasonal residential recreational property;

139.16 (2) manufactured homes not classified under any other provision;

139.17 (3) a dwelling, garage, and surrounding one acre of property on a nonhomestead farm
139.18 classified under subdivision 23, paragraph (b) containing two or three units; and

139.19 (4) unimproved property that is classified residential as determined under subdivision
139.20 33.

139.21 For the purposes of this paragraph, "short-term rental property" means residential real
139.22 estate rented for periods of less than 30 consecutive days.

139.23 The market value of class 4b property has a classification rate of 1.25 percent.

139.24 (c) Class 4bb includes:

139.25 (1) nonhomestead residential real estate containing one unit, other than seasonal
139.26 residential recreational property;

139.27 (2) a single family dwelling, garage, and surrounding one acre of property on a
139.28 nonhomestead farm classified under subdivision 23, paragraph (b); and

139.29 (3) a condominium-type storage unit having an individual property identification number
139.30 that is not used for a commercial purpose.

140.1 Class 4bb property has the same classification rates as class 1a property under subdivision
140.2 22.

140.3 Property that has been classified as seasonal residential recreational property at any time
140.4 during which it has been owned by the current owner or spouse of the current owner does
140.5 not qualify for class 4bb.

140.6 (d) Class 4c property includes:

140.7 (1) except as provided in subdivision 22, paragraph (c), real and personal property
140.8 devoted to commercial temporary and seasonal residential occupancy for recreation purposes,
140.9 for not more than 250 days in the year preceding the year of assessment. For purposes of
140.10 this clause, property is devoted to a commercial purpose on a specific day if any portion of
140.11 the property is used for residential occupancy, and a fee is charged for residential occupancy.
140.12 Class 4c property under this clause must contain three or more rental units. A "rental unit"
140.13 is defined as a cabin, condominium, townhouse, sleeping room, or individual camping site
140.14 equipped with water and electrical hookups for recreational vehicles. A camping pad offered
140.15 for rent by a property that otherwise qualifies for class 4c under this clause is also class 4c
140.16 under this clause regardless of the term of the rental agreement, as long as the use of the
140.17 camping pad does not exceed 250 days. In order for a property to be classified under this
140.18 clause, either (i) the business located on the property must provide recreational activities,
140.19 at least 40 percent of the annual gross lodging receipts related to the property must be from
140.20 business conducted during 90 consecutive days, and either (A) at least 60 percent of all paid
140.21 bookings by lodging guests during the year must be for periods of at least two consecutive
140.22 nights; or (B) at least 20 percent of the annual gross receipts must be from charges for
140.23 providing recreational activities, or (ii) the business must contain 20 or fewer rental units,
140.24 and must be located in a township or a city with a population of 2,500 or less located outside
140.25 the metropolitan area, as defined under section 473.121, subdivision 2, that contains a portion
140.26 of a state trail administered by the Department of Natural Resources. For purposes of item
140.27 (i)(A), a paid booking of five or more nights shall be counted as two bookings. Class 4c
140.28 property also includes commercial use real property used exclusively for recreational
140.29 purposes in conjunction with other class 4c property classified under this clause and devoted
140.30 to temporary and seasonal residential occupancy for recreational purposes, up to a total of
140.31 two acres, provided the property is not devoted to commercial recreational use for more
140.32 than 250 days in the year preceding the year of assessment and is located within two miles
140.33 of the class 4c property with which it is used. In order for a property to qualify for
140.34 classification under this clause, the owner must submit a declaration to the assessor
140.35 designating the cabins or units occupied for 250 days or less in the year preceding the year

141.1 of assessment by January 15 of the assessment year. Those cabins or units and a proportionate
141.2 share of the land on which they are located must be designated class 4c under this clause
141.3 as otherwise provided. The remainder of the cabins or units and a proportionate share of
141.4 the land on which they are located will be designated as class 3a. The owner of property
141.5 desiring designation as class 4c property under this clause must provide guest registers or
141.6 other records demonstrating that the units for which class 4c designation is sought were not
141.7 occupied for more than 250 days in the year preceding the assessment if so requested. The
141.8 portion of a property operated as a (1) restaurant, (2) bar, (3) gift shop, (4) conference center
141.9 or meeting room, and (5) other nonresidential facility operated on a commercial basis not
141.10 directly related to temporary and seasonal residential occupancy for recreation purposes
141.11 does not qualify for class 4c. For the purposes of this paragraph, "recreational activities"
141.12 means renting ice fishing houses, boats and motors, snowmobiles, downhill or cross-country
141.13 ski equipment; providing marina services, launch services, or guide services; or selling bait
141.14 and fishing tackle;

141.15 (2) qualified property used as a golf course if:

141.16 (i) it is open to the public on a daily fee basis. It may charge membership fees or dues,
141.17 but a membership fee may not be required in order to use the property for golfing, and its
141.18 green fees for golfing must be comparable to green fees typically charged by municipal
141.19 courses; and

141.20 (ii) it meets the requirements of section 273.112, subdivision 3, paragraph (d).

141.21 A structure used as a clubhouse, restaurant, or place of refreshment in conjunction with
141.22 the golf course is classified as class 3a property;

141.23 (3) real property up to a maximum of three acres of land owned and used by a nonprofit
141.24 community service oriented organization and not used for residential purposes on either a
141.25 temporary or permanent basis, provided that:

141.26 (i) the property is not used for a revenue-producing activity for more than six days in
141.27 the calendar year preceding the year of assessment; or

141.28 (ii) the organization makes annual charitable contributions and donations at least equal
141.29 to the property's previous year's property taxes and the property is allowed to be used for
141.30 public and community meetings or events for no charge, as appropriate to the size of the
141.31 facility.

141.32 For purposes of this clause:

142.1 (A) "charitable contributions and donations" has the same meaning as lawful gambling
142.2 purposes under section 349.12, subdivision 25, excluding those purposes relating to the
142.3 payment of taxes, assessments, fees, auditing costs, and utility payments;

142.4 (B) "property taxes" excludes the state general tax;

142.5 (C) a "nonprofit community service oriented organization" means any corporation,
142.6 society, association, foundation, or institution organized and operated exclusively for
142.7 charitable, religious, fraternal, civic, or educational purposes, and which is exempt from
142.8 federal income taxation pursuant to section 501(c)(3), (8), (10), or (19) of the Internal
142.9 Revenue Code; and

142.10 (D) "revenue-producing activities" shall include but not be limited to property or that
142.11 portion of the property that is used as an on-sale intoxicating liquor or 3.2 percent malt
142.12 liquor establishment licensed under chapter 340A, a restaurant open to the public, bowling
142.13 alley, a retail store, gambling conducted by organizations licensed under chapter 349, an
142.14 insurance business, or office or other space leased or rented to a lessee who conducts a
142.15 for-profit enterprise on the premises.

142.16 Any portion of the property not qualifying under either item (i) or (ii) is class 3a. The
142.17 use of the property for social events open exclusively to members and their guests for periods
142.18 of less than 24 hours, when an admission is not charged nor any revenues are received by
142.19 the organization shall not be considered a revenue-producing activity.

142.20 The organization shall maintain records of its charitable contributions and donations
142.21 and of public meetings and events held on the property and make them available upon
142.22 request any time to the assessor to ensure eligibility. An organization meeting the requirement
142.23 under item (ii) must file an application by May 1 with the assessor for eligibility for the
142.24 current year's assessment. The commissioner shall prescribe a uniform application form
142.25 and instructions;

142.26 (4) postsecondary student housing of not more than one acre of land that is owned by a
142.27 nonprofit corporation organized under chapter 317A and is used exclusively by a student
142.28 cooperative, sorority, or fraternity for on-campus housing or housing located within two
142.29 miles of the border of a college campus;

142.30 (5)(i) manufactured home parks as defined in section 327.14, subdivision 3, excluding
142.31 manufactured home parks described in items (ii) and (iii), (ii) manufactured home parks as
142.32 defined in section 327.14, subdivision 3, that are described in section 273.124, subdivision
142.33 3a, and (iii) class I manufactured home parks as defined in section 327C.01, subdivision
142.34 13;

143.1 (6) real property that is actively and exclusively devoted to indoor fitness, health, social,
143.2 recreational, and related uses, is owned and operated by a not-for-profit corporation, and is
143.3 located within the metropolitan area as defined in section 473.121, subdivision 2;

143.4 (7) a leased or privately owned noncommercial aircraft storage hangar not exempt under
143.5 section 272.01, subdivision 2, and the land on which it is located, provided that:

143.6 (i) the land is on an airport owned or operated by a city, town, county, Metropolitan
143.7 Airports Commission, or group thereof; and

143.8 (ii) the land lease, or any ordinance or signed agreement restricting the use of the leased
143.9 premise, prohibits commercial activity performed at the hangar.

143.10 If a hangar classified under this clause is sold after June 30, 2000, a bill of sale must be
143.11 filed by the new owner with the assessor of the county where the property is located within
143.12 60 days of the sale;

143.13 (8) a privately owned noncommercial aircraft storage hangar not exempt under section
143.14 272.01, subdivision 2, and the land on which it is located, provided that:

143.15 (i) the land abuts a public airport; and

143.16 (ii) the owner of the aircraft storage hangar provides the assessor with a signed agreement
143.17 restricting the use of the premises, prohibiting commercial use or activity performed at the
143.18 hangar; and

143.19 (9) residential real estate, a portion of which is used by the owner for homestead purposes,
143.20 and that is also a place of lodging, if all of the following criteria are met:

143.21 (i) rooms are provided for rent to transient guests that generally stay for periods of 14
143.22 or fewer days;

143.23 (ii) meals are provided to persons who rent rooms, the cost of which is incorporated in
143.24 the basic room rate;

143.25 (iii) meals are not provided to the general public except for special events on fewer than
143.26 seven days in the calendar year preceding the year of the assessment; and

143.27 (iv) the owner is the operator of the property.

143.28 The market value subject to the 4c classification under this clause is limited to five rental
143.29 units. Any rental units on the property in excess of five, must be valued and assessed as
143.30 class 3a. The portion of the property used for purposes of a homestead by the owner must
143.31 be classified as class 1a property under subdivision 22;

144.1 (10) real property up to a maximum of three acres and operated as a restaurant as defined
144.2 under section 157.15, subdivision 12, provided it: (i) is located on a lake as defined under
144.3 section 103G.005, subdivision 15, paragraph (a), clause (3); and (ii) is either devoted to
144.4 commercial purposes for not more than 250 consecutive days, or receives at least 60 percent
144.5 of its annual gross receipts from business conducted during four consecutive months. Gross
144.6 receipts from the sale of alcoholic beverages must be included in determining the property's
144.7 qualification under item (ii). The property's primary business must be as a restaurant and
144.8 not as a bar. Gross receipts from gift shop sales located on the premises must be excluded.
144.9 Owners of real property desiring 4c classification under this clause must submit an annual
144.10 declaration to the assessor by February 1 of the current assessment year, based on the
144.11 property's relevant information for the preceding assessment year;

144.12 (11) lakeshore and riparian property and adjacent land, not to exceed six acres, used as
144.13 a marina, as defined in section 86A.20, subdivision 5, which is made accessible to the public
144.14 and devoted to recreational use for marina services. The marina owner must annually provide
144.15 evidence to the assessor that it provides services, including lake or river access to the public
144.16 by means of an access ramp or other facility that is either located on the property of the
144.17 marina or at a publicly owned site that abuts the property of the marina. No more than 800
144.18 feet of lakeshore may be included in this classification. Buildings used in conjunction with
144.19 a marina for marina services, including but not limited to buildings used to provide food
144.20 and beverage services, fuel, boat repairs, or the sale of bait or fishing tackle, are classified
144.21 as class 3a property; and

144.22 (12) real and personal property devoted to noncommercial temporary and seasonal
144.23 residential occupancy for recreation purposes.

144.24 Class 4c property has a classification rate of 1.5 percent of market value, except that (i)
144.25 each parcel of noncommercial seasonal residential recreational property under clause (12)
144.26 has the same classification rates as class 4bb property, (ii) manufactured home parks assessed
144.27 under clause (5), item (i), have the same classification rate as class 4b property, the market
144.28 value of manufactured home parks assessed under clause (5), item (ii), have a classification
144.29 rate of 0.75 percent if more than 50 percent of the lots in the park are occupied by
144.30 shareholders in the cooperative corporation or association and a classification rate of one
144.31 percent if 50 percent or less of the lots are so occupied, and class I manufactured home
144.32 parks as defined in section 327C.01, subdivision 13, have a classification rate of 1.0 percent,
144.33 (iii) commercial-use seasonal residential recreational property and marina recreational land
144.34 as described in clause (11), has a classification rate of one percent for the first \$500,000 of
144.35 market value, and 1.25 percent for the remaining market value, (iv) the market value of

145.1 property described in clause (4) has a classification rate of one percent, (v) the market value
145.2 of property described in clauses (2), (6), and (10) has a classification rate of 1.25 percent,
145.3 (vi) that portion of the market value of property in clause (9) qualifying for class 4c property
145.4 has a classification rate of 1.25 percent, and (vii) property qualifying for classification under
145.5 clause (3) that is owned or operated by a congressionally chartered veterans organization
145.6 has a classification rate of one percent. The commissioner of veterans affairs must provide
145.7 a list of congressionally chartered veterans organizations to the commissioner of revenue
145.8 by June 30, 2017, and by January 1, 2018, and each year thereafter.

145.9 (e) Class 4d property is qualifying low-income rental housing certified to the assessor
145.10 by the Housing Finance Agency under section 273.128, subdivision 3. If only a portion of
145.11 the units in the building qualify as low-income rental housing units as certified under section
145.12 273.128, subdivision 3, only the proportion of qualifying units to the total number of units
145.13 in the building qualify for class 4d. The remaining portion of the building shall be classified
145.14 by the assessor based upon its use. Class 4d also includes the same proportion of land as
145.15 the qualifying low-income rental housing units are to the total units in the building. For all
145.16 properties qualifying as class 4d, the market value determined by the assessor must be based
145.17 on the normal approach to value using normal unrestricted rents.

145.18 (f) The first tier of market value of class 4d property has a classification rate of 0.75
145.19 percent. The remaining value of class 4d property has a classification rate of 0.25 percent.
145.20 For the purposes of this paragraph, the "first tier of market value of class 4d property" means
145.21 the market value of each housing unit up to the first tier limit. For the purposes of this
145.22 paragraph, all class 4d property value must be assigned to individual housing units. The
145.23 first tier limit is \$100,000 for assessment year 2014. For subsequent years, the limit is
145.24 adjusted each year by the average statewide change in estimated market value of property
145.25 classified as class 4a and 4d under this section for the previous assessment year, excluding
145.26 valuation change due to new construction, rounded to the nearest \$1,000, provided, however,
145.27 that the limit may never be less than \$100,000. Beginning with assessment year 2015, the
145.28 commissioner of revenue must certify the limit for each assessment year by November 1
145.29 of the previous year.

145.30 **EFFECTIVE DATE.** Notwithstanding Minnesota Statutes, section 273.01, this section
145.31 is effective beginning with assessments in 2020 and thereafter.

146.1 Sec. 4. Minnesota Statutes 2019 Supplement, section 273.13, subdivision 34, is amended
146.2 to read:

146.3 Subd. 34. **Homestead of veteran with a disability or family caregiver.** (a) All or a
146.4 portion of the market value of property owned by a veteran and serving as the veteran's
146.5 homestead under this section is excluded in determining the property's taxable market value
146.6 if the veteran has a service-connected disability of 70 percent or more as certified by the
146.7 United States Department of Veterans Affairs. To qualify for exclusion under this subdivision,
146.8 the veteran must have been honorably discharged from the United States armed forces, as
146.9 indicated by United States Government Form DD214 or other official military discharge
146.10 papers.

146.11 (b)(1) For a disability rating of 70 percent or more, \$150,000 of market value is excluded,
146.12 except as provided in clause (2); and

146.13 (2) for a total (100 percent) and permanent disability, \$300,000 of market value is
146.14 excluded.

146.15 (c) If a veteran with a disability qualifying for a valuation exclusion under paragraph
146.16 (b), clause (2), predeceases the veteran's spouse, and if upon the death of the veteran the
146.17 spouse holds the legal or beneficial title to the homestead and permanently resides there,
146.18 the exclusion shall carry over to the benefit of the veteran's spouse until such time as the
146.19 spouse remarries, or sells, transfers, or otherwise disposes of the property, except as otherwise
146.20 provided in paragraph (n). Qualification under this paragraph requires an application under
146.21 paragraph (h), and a spouse must notify the assessor if there is a change in the spouse's
146.22 marital status, ownership of the property, or use of the property as a permanent residence.

146.23 (d) If the spouse of a member of any branch or unit of the United States armed forces
146.24 who dies due to a service-connected cause while serving honorably in active service, as
146.25 indicated on United States Government Form DD1300 or DD2064, holds the legal or
146.26 beneficial title to a homestead and permanently resides there, the spouse is entitled to the
146.27 benefit described in paragraph (b), clause (2), until such time as the spouse remarries or
146.28 sells, transfers, or otherwise disposes of the property, except as otherwise provided in
146.29 paragraph (n).

146.30 (e) If a veteran meets the disability criteria of paragraph (a) but does not own property
146.31 classified as homestead in the state of Minnesota, then the homestead of the veteran's primary
146.32 family caregiver, if any, is eligible for the exclusion that the veteran would otherwise qualify
146.33 for under paragraph (b).

147.1 (f) In the case of an agricultural homestead, only the portion of the property consisting
147.2 of the house and garage and immediately surrounding one acre of land qualifies for the
147.3 valuation exclusion under this subdivision.

147.4 (g) A property qualifying for a valuation exclusion under this subdivision is not eligible
147.5 for the market value exclusion under subdivision 35, or classification under subdivision 22,
147.6 paragraph (b).

147.7 (h) To qualify for a valuation exclusion under this subdivision a property owner must
147.8 apply to the assessor by December 15 of the first assessment year for which the exclusion
147.9 is sought. For an application received after December 15, the exclusion shall become effective
147.10 for the following assessment year. Except as provided in paragraph (c), the owner of a
147.11 property that has been accepted for a valuation exclusion must notify the assessor if there
147.12 is a change in ownership of the property or in the use of the property as a homestead.

147.13 (i) A first-time application by a qualifying spouse for the market value exclusion under
147.14 paragraph (d) must be made any time within two years of the death of the service member.

147.15 (j) For purposes of this subdivision:

147.16 (1) "active service" has the meaning given in section 190.05;

147.17 (2) "own" means that the person's name is present as an owner on the property deed;

147.18 (3) "primary family caregiver" means a person who is approved by the secretary of the
147.19 United States Department of Veterans Affairs for assistance as the primary provider of
147.20 personal care services for an eligible veteran under the Program of Comprehensive Assistance
147.21 for Family Caregivers, codified as United States Code, title 38, section 1720G; and

147.22 (4) "veteran" has the meaning given the term in section 197.447.

147.23 (k) If a veteran dying after December 31, 2011, did not apply for or receive the exclusion
147.24 under paragraph (b), clause (2), before dying, the veteran's spouse is entitled to the benefit
147.25 under paragraph (b), clause (2), until the spouse remarries or sells, transfers, or otherwise
147.26 disposes of the property, except as otherwise provided in paragraph (n), if:

147.27 (1) the spouse files a first-time application within two years of the death of the service
147.28 member or by June 1, 2019, whichever is later;

147.29 (2) upon the death of the veteran, the spouse holds the legal or beneficial title to the
147.30 homestead and permanently resides there;

147.31 (3) the veteran met the honorable discharge requirements of paragraph (a); and

147.32 (4) the United States Department of Veterans Affairs certifies that:

148.1 (i) the veteran met the total (100 percent) and permanent disability requirement under
148.2 paragraph (b), clause (2); or

148.3 (ii) the spouse has been awarded dependency and indemnity compensation.

148.4 (l) The purpose of this provision of law providing a level of homestead property tax
148.5 relief for veterans with a disability, their primary family caregivers, and their surviving
148.6 spouses is to help ease the burdens of war for those among our state's citizens who bear
148.7 those burdens most heavily.

148.8 (m) By July 1, the county veterans service officer must certify the disability rating and
148.9 permanent address of each veteran receiving the benefit under paragraph (b) to the assessor.

148.10 (n) A spouse who received the benefit in paragraph (c), (d), or (k) but no longer holds
148.11 the legal or beneficial title to the property may continue to receive the exclusion for a
148.12 property other than the property for which the exclusion was initially granted until the spouse
148.13 remarries or sells, transfers, or otherwise disposes of the property, provided that:

148.14 (1) the spouse applies under paragraph (h) for the continuation of the exclusion allowed
148.15 under this paragraph;

148.16 (2) the spouse holds the legal or beneficial title to the property for which the continuation
148.17 of the exclusion is sought under this paragraph, and permanently resides there;

148.18 (3) the estimated market value of the property for which the exclusion is sought under
148.19 this paragraph is less than or equal to the estimated market value of the property that first
148.20 received the exclusion, based on the value of each property on the date of the sale of the
148.21 property that first received the exclusion; and

148.22 (4) the spouse has not previously received the benefit under this paragraph for a property
148.23 other than the property for which the exclusion is sought.

148.24 **EFFECTIVE DATE.** This section is effective beginning with taxes payable in 2021.

148.25 **Sec. 5. CITY OF SARGEANT; 2019 AID PENALTY FORGIVENESS.**

148.26 Notwithstanding Minnesota Statutes, section 477A.017, subdivision 3, the commissioner
148.27 of revenue shall make a payment of \$9,280 to the city of Sargeant by December 15, 2020,
148.28 to compensate the city for its 2019 aid payment under Minnesota Statutes, section 477A.013,
148.29 that was withheld under Minnesota Statutes, section 477A.017, subdivision 3.

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

149.1 **Sec. 6. CITY OF ROOSEVELT; 2019 AID PENALTY FORGIVENESS.**

149.2 Notwithstanding Minnesota Statutes, section 477A.017, subdivision 3, the commissioner
149.3 of revenue shall make a payment of \$25,410 to the city of Roosevelt by December 15, 2020,
149.4 to compensate the city for its 2019 aid payment under Minnesota Statutes, section 477A.013,
149.5 that was withheld under Minnesota Statutes, section 477A.017, subdivision 3.

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

149.7 **ARTICLE 7**

149.8 **INDIVIDUAL INCOME AND CORPORATE FRANCHISE TAXES**

149.9 Section 1. Minnesota Statutes 2018, section 290.0131, subdivision 10, is amended to read:

149.10 **Subd. 10. Section 179 expensing.** (a) For property placed in service in taxable years
149.11 beginning before January 1, 2020, except for qualifying depreciable property, 80 percent
149.12 of the amount by which the deduction allowed under the dollar limits of section 179 of the
149.13 Internal Revenue Code exceeds the deduction allowable by section 179 of the Internal
149.14 Revenue Code, as amended through December 31, 2003, is an addition.

149.15 (b) For purposes of this subdivision, "qualifying depreciable property" means:

149.16 (1) property for which a depreciation deduction is allowed under section 167 of the
149.17 Internal Revenue Code; and

149.18 (2) property received as part of an exchange that qualifies for gain or loss recognition
149.19 deferral under section 1031 of the Internal Revenue Code of 1986, as amended through
149.20 December 16, 2016, but that does not qualify for gain or loss recognition deferral under
149.21 section 1031 of the Internal Revenue Code of 1986, as amended through December 31,
149.22 2018.

149.23 **EFFECTIVE DATE.** This section is effective for property placed in service in taxable
149.24 years beginning after December 31, 2019, except that for taxpayers with qualifying
149.25 depreciable property, this section is effective retroactively and applies to the same tax periods
149.26 to which section 13303 of Public Law 115-97 relates.

149.27 Sec. 2. Minnesota Statutes 2018, section 290.0132, is amended by adding a subdivision
149.28 to read:

149.29 **Subd. 30. Volunteer driver reimbursement.** (a) The amount of mileage reimbursement
149.30 paid by a charitable organization for work as a volunteer driver is a subtraction. The
149.31 subtraction is limited to amounts paid per mile by the organization that:

150.1 (1) exceed the mileage rate for use of an automobile in rendering gratuitous services to
150.2 a charitable organization under section 170(i) of the Internal Revenue Code; and

150.3 (2) do not exceed the standard mileage rate for businesses established under Code of
150.4 Federal Regulations, title 26, section 1.274-5(j)(2).

150.5 (b) For the purposes of this section, "charitable organization" means an organization
150.6 eligible for a charitable contribution under section 170(c) of the Internal Revenue Code.

150.7 (c) This section expires for taxable years beginning after December 31, 2029.

150.8 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December
150.9 31, 2019, and before January 1, 2030.

150.10 Sec. 3. Minnesota Statutes 2018, section 290.0133, subdivision 12, is amended to read:

150.11 Subd. 12. **Section 179 expensing.** (a) For property placed in service in taxable years
150.12 beginning before January 1, 2020, except for qualifying depreciable property, 80 percent
150.13 of the amount by which the deduction allowed under the dollar limits of section 179 of the
150.14 Internal Revenue Code exceeds the deduction allowable by section 179 of the Internal
150.15 Revenue Code, as amended through December 31, 2003, is an addition.

150.16 (b) For purposes of this subdivision, "qualifying depreciable property" means:

150.17 (1) property for which a depreciation deduction is allowed under section 167 of the
150.18 Internal Revenue Code; and

150.19 (2) property received as part of an exchange that qualifies for gain or loss recognition
150.20 deferral under section 1031 of the Internal Revenue Code of 1986, as amended through
150.21 December 16, 2016, but that does not qualify for gain or loss recognition deferral under
150.22 section 1031 of the Internal Revenue Code of 1986, as amended through December 31,
150.23 2018.

150.24 **EFFECTIVE DATE.** This section is effective for property placed in service in taxable
150.25 years beginning after December 31, 2019, except that for taxpayers with qualifying
150.26 depreciable property, this section is effective retroactively and applies to the same tax periods
150.27 to which section 13303 of Public Law 115-97 relates.

150.28 Sec. 4. Minnesota Statutes 2018, section 290.0682, subdivision 2, is amended to read:

150.29 Subd. 2. **Credit allowed; refundable; appropriation.** (a) An eligible individual is
150.30 allowed a credit against the tax due under this chapter.

150.31 (b) The credit for an eligible individual equals the least of:

151.1 (1) eligible loan payments minus ten percent of an amount equal to adjusted gross income
 151.2 in excess of \$10,000, but in no case less than zero;

151.3 (2) the earned income for the taxable year of the eligible individual, if any;

151.4 (3) the sum of:

151.5 (i) the interest portion of eligible loan payments made during the taxable year; and

151.6 (ii) ten percent of the original loan amount of all qualified education loans of the eligible
 151.7 individual; or

151.8 (4) \$500.

151.9 (c) For a part-year resident, the credit must be allocated based on the percentage calculated
 151.10 under section 290.06, subdivision 2c, paragraph (e).

151.11 (d) In the case of a married couple, each spouse is eligible for the credit in this section.

151.12 (e) If the amount of credit which a claimant is eligible to receive under this section
 151.13 exceeds the claimant's tax liability under this chapter, the commissioner shall refund the
 151.14 excess to the claimant.

151.15 (f) An amount sufficient to pay the refunds required by this section is appropriated to
 151.16 the commissioner from the general fund.

151.17 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December
 151.18 31, 2020.

151.19 Sec. 5. Minnesota Statutes 2019 Supplement, section 290.993, is amended to read:

151.20 **290.993 SPECIAL LIMITED ADJUSTMENT.**

151.21 (a) For an individual income taxpayer subject to tax under section 290.06, subdivision
 151.22 2c, or a partnership that elects to file a composite return under section 289A.08, subdivision
 151.23 7, for taxable years beginning after December 31, 2017, and before January 1, 2019, the
 151.24 following special rules apply:

151.25 (1) an individual income taxpayer may: (i) take the standard deduction; or (ii) make an
 151.26 election under section 63(e) of the Internal Revenue Code to itemize, for Minnesota individual
 151.27 income tax purposes, regardless of the choice made on their federal return; and

151.28 (2) there is an adjustment to tax equal to the difference between the tax calculated under
 151.29 this chapter using the Internal Revenue Code as amended through December 16, 2016, and
 151.30 the tax calculated under this chapter using the Internal Revenue Code amended through

152.1 December 31, 2018, before the application of credits. The end result must be zero additional
152.2 tax due or refund.

152.3 (b) The adjustment in paragraph (a), clause (2), does not apply to any changes due to
152.4 sections 11012, 11031, 13101, 13201, 13202, 13203, 13204, 13205, 13207, 13301, 13302,
152.5 13303, 13313, 13502, 13503, 13801, 14101, 14102, 14211 through 14215, and 14501 of
152.6 Public Law 115-97; and section 40411 of Public Law 115-123.

152.7 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning
152.8 after December 31, 2017, and before January 1, 2019.

152.9 Sec. 6. **SECTION 179 EXPENSING; SUBTRACTIONS.**

152.10 No taxpayer with qualifying depreciable property is allowed a subtraction in computing
152.11 the taxpayer's net income for that qualifying depreciable property placed in service in taxable
152.12 years beginning after December 31, 2017, due to the retroactive exception for qualifying
152.13 depreciable property from the additions required under Minnesota Statutes, sections 290.0131,
152.14 subdivision 10, and 290.0133, subdivision 12. A taxpayer who claimed a subtraction under
152.15 Minnesota Statutes, section 290.0132, subdivision 14, or 290.0134, subdivision 14, for that
152.16 qualifying depreciable property must recompute the taxpayer's tax in the year in which the
152.17 qualifying depreciable property was placed in service and in each year a subtraction was
152.18 claimed.

152.19 **EFFECTIVE DATE.** This section is effective retroactively and applies to the same tax
152.20 periods to which section 13303 of Public Law 115-97 relates.

152.21 **ARTICLE 8**

152.22 **SALES AND USE TAXES**

152.23 Section 1. Minnesota Statutes 2018, section 297A.70, subdivision 13, is amended to read:

152.24 Subd. 13. **Fund-raising sales by or for nonprofit groups.** (a) The following sales by
152.25 the specified organizations for fund-raising purposes are exempt, subject to the limitations
152.26 listed in paragraph (b):

152.27 (1) all sales made by a nonprofit organization that exists solely for the purpose of
152.28 providing educational or social activities for young people primarily age 18 and under;

152.29 (2) all sales made by an organization that is a senior citizen group or association of
152.30 groups if (i) in general it limits membership to persons age 55 or older; (ii) it is organized
152.31 and operated exclusively for pleasure, recreation, and other nonprofit purposes; and (iii) no
152.32 part of its net earnings inures to the benefit of any private shareholders;

153.1 (3) the sale or use of tickets or admissions to a golf tournament held in Minnesota if the
 153.2 beneficiary of the tournament's net proceeds qualifies as a tax-exempt organization under
 153.3 section 501(c)(3) of the Internal Revenue Code; and

153.4 (4) sales of candy sold for fund-raising purposes by a nonprofit organization that provides
 153.5 educational and social activities primarily for young people age 18 and under.

153.6 (b) The exemptions listed in paragraph (a) are limited in the following manner:

153.7 (1) the exemption under paragraph (a), clauses (1) and (2), applies only to the first
 153.8 \$20,000 of the gross annual receipts of the organization from fund-raising; ~~and~~

153.9 (2) the exemption under paragraph (a), clause (1), does not apply if the sales are derived
 153.10 from admission charges or from activities for which the money must be deposited with the
 153.11 school district treasurer under section 123B.49, subdivision 2, ~~or~~; and

153.12 (3) the exemption under paragraph (a), clause (1), does not apply if the sales are derived
 153.13 from admission charges or from activities for which the money must be recorded in the
 153.14 same manner as other revenues or expenditures of the school district under section 123B.49,
 153.15 subdivision 4-, unless the following conditions are both met:

153.16 (i) the sales are made for fund-raising purposes of a club, association, or other
 153.17 organization of elementary or secondary school students organized for the purpose of
 153.18 carrying on sports activities, educational activities, or other extracurricular activities; and

153.19 (ii) the school district reserves revenue raised for extracurricular activities, as provided
 153.20 in section 123B.49, subdivision 4, paragraph (e), and spends the revenue raised by a particular
 153.21 extracurricular activity only for that extracurricular activity.

153.22 (c) Sales of tangible personal property and services are exempt if the entire proceeds,
 153.23 less the necessary expenses for obtaining the property or services, will be contributed to a
 153.24 registered combined charitable organization described in section 43A.50, to be used
 153.25 exclusively for charitable, religious, or educational purposes, and the registered combined
 153.26 charitable organization has given its written permission for the sale. Sales that occur over
 153.27 a period of more than 24 days per year are not exempt under this paragraph.

153.28 (d) For purposes of this subdivision, a club, association, or other organization of
 153.29 elementary or secondary school students organized for the purpose of carrying on sports,
 153.30 educational, or other extracurricular activities is a separate organization from the school
 153.31 district or school for purposes of applying the \$20,000 limit.

153.32 **EFFECTIVE DATE.** This section is effective for sales and purchases made after the
 153.33 date of final enactment.

154.1 Sec. 2. Minnesota Statutes 2019 Supplement, section 297A.71, subdivision 52, is amended
154.2 to read:

154.3 Subd. 52. **Construction; certain local government facilities.** (a) Materials and supplies
154.4 used in and equipment incorporated into the construction, reconstruction, upgrade, expansion,
154.5 or remodeling of the following local government owned facilities are exempt:

154.6 (1) a new fire station, which includes firefighting, emergency management, public safety
154.7 training, and other public safety facilities in the city of Monticello if materials, supplies,
154.8 and equipment are purchased after January 31, 2019, and before January 1, 2022;

154.9 (2) a new fire station, which includes firefighting and public safety training facilities
154.10 and public safety facilities, in the city of Inver Grove Heights if materials, supplies, and
154.11 equipment are purchased after June 30, 2018, and before January 1, 2021;

154.12 (3) a fire station and police station, including access roads, lighting, sidewalks, and
154.13 utility components, on or adjacent to the property on which the fire station or police station
154.14 are located that are necessary for safe access to and use of those buildings, in the city of
154.15 Minnetonka if materials, supplies, and equipment are purchased after May 23, 2019, and
154.16 before January 1, ~~2021~~ 2022;

154.17 (4) the school building in Independent School District No. 414, Minneota, if materials,
154.18 supplies, and equipment are purchased after January 1, 2018, and before January 1, 2021;

154.19 (5) a fire station in the city of Mendota Heights, if materials, supplies, and equipment
154.20 are purchased after December 31, 2018, and before January 1, 2021; ~~and~~

154.21 (6) a Dakota County law enforcement collaboration center, also known as the Safety
154.22 and Mental Health Alternative Response Training (SMART) Center, if materials, supplies,
154.23 and equipment are purchased after June 30, 2019, and before July 1, 2021;

154.24 (7) a new fire station and emergency management operations center, including on-site
154.25 infrastructure improvements of parking lot, road access, lighting, sidewalks, and utility
154.26 components in the city of Maplewood if materials, supplies, and equipment are purchased
154.27 after September 30, 2020, and before April 1, 2023;

154.28 (8) a new police station, which includes police administration, meeting, training, and
154.29 short-term detention facilities in the city of Crystal, if materials, supplies, and equipment
154.30 are purchased after December 31, 2020, and before January 1, 2024;

154.31 (9) a new fire station, which includes firefighting, emergency management, public safety
154.32 training, and other public safety facilities in the city of Buffalo, if materials, supplies, and
154.33 equipment are purchased after April 30, 2020, and before November 1, 2021;

155.1 (10) a new fire station in the city of Grand Rapids, if materials, supplies, and equipment
 155.2 are purchased after July 31, 2020, and before August 1, 2022;

155.3 (11) a new fire station constructed on the site of a previous fire station in the city of
 155.4 Bloomington, if materials, supplies, and equipment are purchased after December 31, 2020,
 155.5 and before January 1, 2023;

155.6 (12) a fire station in the city of St. Peter if materials, supplies, and equipment are
 155.7 purchased after June 30, 2020, and before March 1, 2022;

155.8 (13) demolition and replacement of the existing Fire Station No. 2 on its existing site
 155.9 and renovation and expansion of Fire Station No. 3, both in the city of Plymouth, if materials,
 155.10 supplies, and equipment are purchased after January 1, 2021, and before March 31, 2023;
 155.11 and

155.12 (14) the following facilities in the city of Virginia:

155.13 (i) a regional public safety center and training facility for fire and police departments,
 155.14 emergency medical services, regional emergency services training, and other regional
 155.15 community needs, if materials, supplies, and equipment are purchased after May 1, 2021,
 155.16 and before May 1, 2023; and

155.17 (ii) the Miner's Memorial recreation complex and convention center, if materials, supplies,
 155.18 and equipment are purchased after May 1, 2020, and before May 1, 2022.

155.19 (b) The tax must be imposed and collected as if the rate under section 297A.62,
 155.20 subdivision 1, applied and then refunded in the manner provided in section 297A.75.

155.21 (c) The total refund for the project listed in paragraph (a), clause (3), must not exceed
 155.22 \$850,000.

155.23 **EFFECTIVE DATE.** This section is effective retroactively from May 1, 2020.

155.24 Sec. 3. **STATE HIGH SCHOOL LEAGUE; FUNDING FLEXIBILITY.**

155.25 Notwithstanding Minnesota Statutes, section 128C.24, the Minnesota State High School
 155.26 League may reduce the transfer of sales tax savings to a nonprofit charitable foundation
 155.27 created for the purpose of promoting high school extracurricular activities by up to \$500,000
 155.28 in total over the 2019-2020 and 2020-2021 school years. Any sales tax savings amounts
 155.29 not transferred must be used for operations of the Minnesota State High School League.

155.30 **EFFECTIVE DATE.** This section is effective the day following final enactment and
 155.31 applies retroactively to sales tax savings in the 2019-2020 and 2020-2021 school years.

ARTICLE 9**PARTNERSHIP AUDITS**

156.1
156.2
156.3 Section 1. Minnesota Statutes 2018, section 270C.445, subdivision 6, is amended to read:

156.4 Subd. 6. **Enforcement; administrative order; penalties; cease and desist.** (a) The
156.5 commissioner may impose an administrative penalty of not more than \$1,000 per violation
156.6 of subdivision 3 or 5, or section 270C.4451, provided that a penalty may not be imposed
156.7 for any conduct for which a tax preparer penalty is imposed under section 289A.60,
156.8 subdivision 13. The commissioner may terminate a tax preparer's authority to transmit
156.9 returns electronically to the state, if the commissioner determines the tax preparer engaged
156.10 in a pattern and practice of violating this section. Imposition of a penalty under this paragraph
156.11 is subject to the contested case procedure under chapter 14. The commissioner shall collect
156.12 the penalty in the same manner as the income tax. There is no right to make a claim for
156.13 refund under section 289A.50 of the penalty imposed under this paragraph. Penalties imposed
156.14 under this paragraph are public data.

156.15 (b) In addition to the penalty under paragraph (a), if the commissioner determines that
156.16 a tax preparer has violated subdivision 3 or 5, or section 270C.4451, the commissioner may
156.17 issue an administrative order to the tax preparer requiring the tax preparer to cease and
156.18 desist from committing the violation. The administrative order may include an administrative
156.19 penalty provided in paragraph (a).

156.20 (c) If the commissioner issues an administrative order under paragraph (b), the
156.21 commissioner must send the order to the tax preparer addressed to the last known address
156.22 of the tax preparer.

156.23 (d) A cease and desist order under paragraph (b) must:

156.24 (1) describe the act, conduct, or practice committed and include a reference to the law
156.25 that the act, conduct, or practice violates; and

156.26 (2) provide notice that the tax preparer may request a hearing as provided in this
156.27 subdivision.

156.28 (e) Within 30 days after the commissioner issues an administrative order under paragraph
156.29 (b), the tax preparer may request a hearing to review the commissioner's action. The request
156.30 for hearing must be made in writing and must be served on the commissioner at the address
156.31 specified in the order. The hearing request must specifically state the reasons for seeking
156.32 review of the order. The date on which a request for hearing is served by mail is the postmark
156.33 date on the envelope in which the request for hearing is mailed.

157.1 (f) If a tax preparer does not timely request a hearing regarding an administrative order
157.2 issued under paragraph (b), the order becomes a final order of the commissioner and is not
157.3 subject to review by any court or agency.

157.4 (g) If a tax preparer timely requests a hearing regarding an administrative order issued
157.5 under paragraph (b), the hearing must be commenced within ten days after the commissioner
157.6 receives the request for a hearing.

157.7 (h) A hearing timely requested under paragraph (e) is subject to the contested case
157.8 procedure under chapter 14, as modified by this subdivision. The administrative law judge
157.9 must issue a report containing findings of fact, conclusions of law, and a recommended
157.10 order within ten days after the completion of the hearing, the receipt of late-filed exhibits,
157.11 or the submission of written arguments, whichever is later.

157.12 (i) Within five days of the date of the administrative law judge's report issued under
157.13 paragraph (h), any party aggrieved by the administrative law judge's report may submit
157.14 written exceptions and arguments to the commissioner. Within 15 days after receiving the
157.15 administrative law judge's report, the commissioner must issue an order vacating, modifying,
157.16 or making final the administrative order.

157.17 (j) The commissioner and the tax preparer requesting a hearing may by agreement
157.18 lengthen any time periods prescribed in paragraphs (g) to (i).

157.19 (k) An administrative order issued under paragraph (b) is in effect until it is modified
157.20 or vacated by the commissioner or an appellate court. The administrative hearing provided
157.21 by paragraphs (e) to (i) and any appellate judicial review as provided in chapter 14 constitute
157.22 the exclusive remedy for a tax preparer aggrieved by the order.

157.23 (l) The commissioner may impose an administrative penalty, in addition to the penalty
157.24 under paragraph (a), up to \$5,000 per violation of a cease and desist order issued under
157.25 paragraph (b). Imposition of a penalty under this paragraph is subject to the contested case
157.26 procedure under chapter 14. Within 30 days after the commissioner imposes a penalty under
157.27 this paragraph, the tax preparer assessed the penalty may request a hearing to review the
157.28 penalty order. The request for hearing must be made in writing and must be served on the
157.29 commissioner at the address specified in the order. The hearing request must specifically
157.30 state the reasons for seeking review of the order. The cease and desist order issued under
157.31 paragraph (b) is not subject to review in a proceeding to challenge the penalty order under
157.32 this paragraph. The date on which a request for hearing is served by mail is the postmark
157.33 date on the envelope in which the request for hearing is mailed. If the tax preparer does not
157.34 timely request a hearing, the penalty order becomes a final order of the commissioner and

158.1 is not subject to review by any court or agency. A penalty imposed by the commissioner
 158.2 under this paragraph may be collected and enforced by the commissioner as an income tax
 158.3 liability. There is no right to make a claim for refund under section 289A.50 of the penalty
 158.4 imposed under this paragraph. A penalty imposed under this paragraph is public data.

158.5 (m) If a tax preparer violates a cease and desist order issued under paragraph (b), the
 158.6 commissioner may terminate the tax preparer's authority to transmit returns electronically
 158.7 to the state. Termination under this paragraph is public data.

158.8 (n) A cease and desist order issued under paragraph (b) is public data when it is a final
 158.9 order.

158.10 (o) Notwithstanding any other law, the commissioner may impose a penalty or take other
 158.11 action under this subdivision against a tax preparer, with respect to a return, within the
 158.12 period to assess tax on that return as provided by ~~section~~ sections 289A.38 to 289A.382.

158.13 (p) Notwithstanding any other law, the imposition of a penalty or any other action against
 158.14 a tax preparer under this subdivision, other than with respect to a return, must be taken by
 158.15 the commissioner within five years of the violation of statute.

158.16 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning
 158.17 after December 31, 2017, except that for partnerships that make an election under Code of
 158.18 Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively
 158.19 and applies to the same tax periods to which the election relates.

158.20 Sec. 2. Minnesota Statutes 2018, section 289A.31, subdivision 1, is amended to read:

158.21 Subdivision 1. **Individual income, fiduciary income, mining company, corporate**
 158.22 **franchise, and entertainment taxes.** (a) Individual income, fiduciary income, mining
 158.23 company, and corporate franchise taxes, and interest and penalties, must be paid by the
 158.24 taxpayer upon whom the tax is imposed, except in the following cases:

158.25 (1) the tax due from a decedent for that part of the taxable year in which the decedent
 158.26 died during which the decedent was alive and the taxes, interest, and penalty due for the
 158.27 prior years must be paid by the decedent's personal representative, if any. If there is no
 158.28 personal representative, the taxes, interest, and penalty must be paid by the transferees, as
 158.29 defined in section 270C.58, subdivision 3, to the extent they receive property from the
 158.30 decedent;

158.31 (2) the tax due from an infant or other incompetent person must be paid by the person's
 158.32 guardian or other person authorized or permitted by law to act for the person;

159.1 (3) the tax due from the estate of a decedent must be paid by the estate's personal
159.2 representative;

159.3 (4) the tax due from a trust, including those within the definition of a corporation, as
159.4 defined in section 290.01, subdivision 4, must be paid by a trustee; and

159.5 (5) the tax due from a taxpayer whose business or property is in charge of a receiver,
159.6 trustee in bankruptcy, assignee, or other conservator, must be paid by the person in charge
159.7 of the business or property so far as the tax is due to the income from the business or property.

159.8 (b) Entertainment taxes are the joint and several liability of the entertainer and the
159.9 entertainment entity. The payor is liable to the state for the payment of the tax required to
159.10 be deducted and withheld under section 290.9201, subdivision 7, and is not liable to the
159.11 entertainer for the amount of the payment.

159.12 (c) The taxes imposed under sections 289A.35, paragraph (b), 289A.382, subdivision
159.13 3, and 290.0922 on partnerships are the joint and several liability of the partnership and the
159.14 general partners.

159.15 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning
159.16 after December 31, 2017, except that for partnerships that make an election under Code of
159.17 Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively
159.18 and applies to the same tax periods to which the election relates.

159.19 Sec. 3. Minnesota Statutes 2018, section 289A.37, subdivision 2, is amended to read:

159.20 Subd. 2. **Erroneous refunds.** (a) Except as provided in paragraph (b), an erroneous
159.21 refund occurs when the commissioner issues a payment to a person that exceeds the amount
159.22 the person is entitled to receive under law. An erroneous refund is considered an
159.23 underpayment of tax on the date issued.

159.24 (b) To the extent that the amount paid does not exceed the amount claimed by the
159.25 taxpayer, an erroneous refund does not include the following:

159.26 (1) any amount of a refund or credit paid pursuant to a claim for refund filed by a
159.27 taxpayer, including but not limited to refunds of claims made under section 290.06,
159.28 subdivision 23; 290.067; 290.0671; 290.0672; 290.0674; 290.0675; 290.0677; 290.068;
159.29 290.0681; or 290.0692; or chapter 290A; or

159.30 (2) any amount paid pursuant to a claim for refund of an overpayment of tax filed by a
159.31 taxpayer.

160.1 (c) The commissioner may make an assessment to recover an erroneous refund at any
 160.2 time within two years from the issuance of the erroneous refund. If all or part of the erroneous
 160.3 refund was induced by fraud or misrepresentation of a material fact, the assessment may
 160.4 be made at any time.

160.5 (d) Assessments of amounts that are not erroneous refunds under paragraph (b) must be
 160.6 conducted under ~~section~~ sections 289A.38 to 289A.382.

160.7 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning
 160.8 after December 31, 2017, except that for partnerships that make an election under Code of
 160.9 Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively
 160.10 and applies to the same tax periods to which the election relates.

160.11 Sec. 4. Minnesota Statutes 2019 Supplement, section 289A.38, subdivision 7, is amended
 160.12 to read:

160.13 Subd. 7. **Federal tax changes.** (a) If the amount of income, items of tax preference,
 160.14 deductions, or credits for any year of a taxpayer, or the wages paid by a taxpayer for any
 160.15 period, as reported to the Internal Revenue Service is changed or corrected by the
 160.16 commissioner of Internal Revenue or other officer of the United States or other competent
 160.17 authority, or where a renegotiation of a contract or subcontract with the United States results
 160.18 in a change in income, items of tax preference, deductions, credits, or withholding tax, or,
 160.19 in the case of estate tax, where there are adjustments to the taxable estate, the taxpayer shall
 160.20 report the ~~change or correction or renegotiation results~~ federal adjustments in writing to the
 160.21 commissioner. The federal adjustments report must be submitted within 180 days after the
 160.22 final determination date and must be in the form of either an amended Minnesota estate,
 160.23 withholding tax, corporate franchise tax, or income tax return conceding the accuracy of
 160.24 the federal ~~determination~~ adjustment or a letter detailing how the federal ~~determination~~
 160.25 adjustment is incorrect or does not change the Minnesota tax. An amended Minnesota
 160.26 income tax return must be accompanied by an amended property tax refund return, if
 160.27 necessary. A taxpayer filing an amended federal tax return must also file a copy of the
 160.28 amended return with the commissioner of revenue within 180 days after filing the amended
 160.29 return.

160.30 (b) ~~For the purposes of paragraph (a), a change or correction includes any case where a~~
 160.31 ~~taxpayer reaches a closing agreement or compromise with the Internal Revenue Service~~
 160.32 ~~under section 7121 or 7122 of the Internal Revenue Code.~~ In the case of a final federal
 160.33 adjustment arising from a partnership-level audit or an administrative adjustment request

161.1 filed by a partnership under section 6227 of the Internal Revenue Code, a taxpayer must
161.2 report adjustments as provided for under section 289A.382 and not this section.

161.3 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning
161.4 after December 31, 2017, except that for partnerships that make an election under Code of
161.5 Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively
161.6 and applies to the same tax periods to which the election relates.

161.7 Sec. 5. Minnesota Statutes 2018, section 289A.38, subdivision 8, is amended to read:

161.8 Subd. 8. **Failure to report change or correction of federal return.** If a taxpayer fails
161.9 to make a federal adjustments report as required by subdivision 7 or section 289A.382, the
161.10 commissioner may recompute the tax, including a refund, based on information available
161.11 to the commissioner. The tax may be recomputed within six years after the federal
161.12 adjustments report should have been filed, notwithstanding any period of limitations to the
161.13 contrary.

161.14 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning
161.15 after December 31, 2017, except that for partnerships that make an election under Code of
161.16 Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively
161.17 and applies to the same tax periods to which the election relates.

161.18 Sec. 6. Minnesota Statutes 2018, section 289A.38, subdivision 9, is amended to read:

161.19 Subd. 9. **Report made of change or correction of federal return.** If a taxpayer is
161.20 required to make a federal adjustments report under subdivision 7 or section 289A.382, and
161.21 does report the change or files a copy of the amended return, the commissioner may
161.22 recompute and reassess the tax due, including a refund (1) within one year after the federal
161.23 adjustments report or amended return is filed with the commissioner, notwithstanding any
161.24 period of limitations to the contrary, or (2) within any other applicable period stated in this
161.25 section, whichever period is longer. The period provided for the carryback of any amount
161.26 of loss or credit is also extended as provided in this subdivision, notwithstanding any law
161.27 to the contrary. If the commissioner has completed a field audit of the taxpayer, and, but
161.28 for this subdivision, the commissioner's time period to adjust the tax has expired, the
161.29 additional tax due or refund is limited to only those changes that are required to be made
161.30 to the return which relate to the changes made on the federal return. This subdivision does
161.31 not apply to sales and use tax.

161.32 For purposes of this subdivision and section 289A.42, subdivision 2, a "field audit" is
161.33 the physical presence of examiners in the taxpayer's or taxpayer's representative's office

162.1 conducting an examination of the taxpayer with the intention of issuing an assessment or
162.2 notice of change in tax or which results in the issuing of an assessment or notice of change
162.3 in tax. The examination may include inspecting a taxpayer's place of business, tangible
162.4 personal property, equipment, computer systems and facilities, pertinent books, records,
162.5 papers, vouchers, computer printouts, accounts, and documents.

162.6 A taxpayer may make estimated payments to the commissioner of the tax expected to
162.7 result from a pending audit by the Internal Revenue Service. The taxpayer may make
162.8 estimated payments prior to the due date of the federal adjustments report without the
162.9 taxpayer having to file the report with the commissioner. The commissioner must credit the
162.10 estimated tax payments against any tax liability of the taxpayer ultimately found to be due
162.11 to the commissioner. The estimated payments limit the accrual of further statutory interest
162.12 on that amount. If the estimated tax payments exceed the final tax liability and statutory
162.13 interest ultimately determined to be due, the taxpayer is entitled to a refund or credit for the
162.14 excess, provided the taxpayer files a federal adjustments report or claim for refund or credit
162.15 of tax, no later than one year following the final determination date.

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. 7. Minnesota Statutes 2018, section 289A.38, subdivision 10, is amended to read:

162.21 Subd. 10. **Incorrect determination of federal adjusted gross income.** Notwithstanding
162.22 any other provision of this chapter, if a taxpayer whose net income is determined under
162.23 section 290.01, subdivision 19, omits from income an amount that will under the Internal
162.24 Revenue Code extend the statute of limitations for the assessment of federal income taxes,
162.25 or otherwise incorrectly determines the taxpayer's federal adjusted gross income resulting
162.26 in adjustments by the Internal Revenue Service, then the period of assessment and
162.27 determination of tax will be that under the Internal Revenue Code. When a change is made
162.28 to federal income during the extended time provided under this subdivision, the provisions
162.29 under subdivisions 7 to 9 and section 289A.382 regarding additional extensions apply.

162.30 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning
162.31 after December 31, 2017, except that for partnerships that make an election under Code of
162.32 Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively
162.33 and applies to the same tax periods to which the election relates.

163.1 Sec. 8. **[289A.381] DEFINITIONS; PARTNERSHIPS; FEDERAL ADJUSTMENTS.**

163.2 **Subdivision 1. Definitions relating to federal adjustments.** Unless otherwise specified,
163.3 the definitions in this section apply for the purposes of sections 289A.38, subdivisions 7 to
163.4 9, 289A.381, and 289A.382.

163.5 **Subd. 2. Administrative adjustment request.** "Administrative adjustment request"
163.6 means an administrative adjustment request filed by a partnership under section 6227 of
163.7 the Internal Revenue Code.

163.8 **Subd. 3. Audited partnership.** "Audited partnership" means a partnership subject to a
163.9 federal adjustment resulting from a partnership-level audit.

163.10 **Subd. 4. Corporate partner.** "Corporate partner" means a partner that is subject to tax
163.11 under section 290.02.

163.12 **Subd. 5. Direct partner.** "Direct partner" means a partner that holds an immediate legal
163.13 ownership interest in a partnership or pass-through entity.

163.14 **Subd. 6. Exempt partner.** "Exempt partner" means a partner that is exempt from taxes
163.15 on its net income under section 290.05, subdivision 1.

163.16 **Subd. 7. Federal adjustment.** "Federal adjustment" means any change in an amount
163.17 calculated under the Internal Revenue Code, whether to income, gross estate, a credit, an
163.18 item of preference, or any other item that is used by a taxpayer to compute a tax administered
163.19 under this chapter for the reviewed year whether that change results from action by the
163.20 Internal Revenue Service or other competent authority, including a partnership-level audit,
163.21 or from the filing of an amended federal return, federal refund claim, or an administrative
163.22 adjustment request by the taxpayer.

163.23 **Subd. 8. Federal adjustments report.** "Federal adjustments report" includes a method
163.24 or form prescribed by the commissioner for use by a taxpayer to report federal adjustments,
163.25 including an amended Minnesota tax return or a uniform multistate report.

163.26 **Subd. 9. Federal partnership representative.** "Federal partnership representative"
163.27 means the person the partnership designates for the taxable year as the partnership's
163.28 representative, or the person the Internal Revenue Service has appointed to act as the
163.29 partnership representative, pursuant to section 6223(a) of the Internal Revenue Code.

163.30 **Subd. 10. Final determination date.** "Final determination date" means:

163.31 (1) for a federal adjustment arising from an audit by the Internal Revenue Service or
163.32 other competent authority, the first day on which no federal adjustment arising from that

164.1 audit remains to be finally determined, whether by agreement, or, if appealed or contested,
164.2 by a final decision with respect to which all rights of appeal have been waived or exhausted;

164.3 (2) for a federal adjustment arising from an audit or other action by the Internal Revenue
164.4 Service or other competent authority, if the taxpayer filed as a member of a combined report
164.5 under section 290.17, subdivision 4, the first day on which no related federal adjustments
164.6 arising from that audit remain to be finally determined as described in clause (1) for the
164.7 entire combined group;

164.8 (3) for a federal adjustment arising from the filing of an amended federal return, a federal
164.9 refund claim, or the filing by a partnership of an administrative adjustment request, the date
164.10 on which the amended return, refund claim, or administrative adjustment request was filed;
164.11 or

164.12 (4) for agreements required to be signed by the Internal Revenue Service and the taxpayer,
164.13 the date on which the last party signed the agreement.

164.14 Subd. 11. **Final federal adjustment.** "Final federal adjustment" means a federal
164.15 adjustment after the final determination date for that federal adjustment has passed.

164.16 Subd. 12. **Indirect partner.** "Indirect partner" means either:

164.17 (1) a partner in a partnership or pass-through entity that itself holds an immediate legal
164.18 ownership interest in another partnership or pass-through entity; or

164.19 (2) a partner in a partnership or pass-through entity that holds an indirect interest in
164.20 another partnership or pass-through entity through another indirect partner.

164.21 Subd. 13. **Partner.** "Partner" means a person that holds an interest directly or indirectly
164.22 in a partnership or other pass-through entity.

164.23 Subd. 14. **Partnership.** "Partnership" has the meaning provided under section 7701(a)(2)
164.24 of the Internal Revenue Code.

164.25 Subd. 15. **Partnership-level audit.** "Partnership-level audit" means an examination by
164.26 the Internal Revenue Service at the partnership level pursuant to subtitle F, chapter 63,
164.27 subchapter C, of the Internal Revenue Code, which results in federal adjustments and
164.28 adjustments to partnership-related items.

164.29 Subd. 16. **Pass-through entity.** "Pass-through entity" means an entity, other than a
164.30 partnership, that is not subject to the tax imposed under section 290.02. The term pass-through
164.31 entity includes but is not limited to S corporations, estates, and trusts other than grantor
164.32 trusts.

165.1 Subd. 17. **Resident partner.** "Resident partner" means an individual, trust, or estate
165.2 partner who is a resident of Minnesota under section 290.01, subdivision 7, 7a, or 7b, for
165.3 the relevant tax period.

165.4 Subd. 18. **Reviewed year.** "Reviewed year" means the taxable year of a partnership that
165.5 is subject to a partnership-level audit from which federal adjustments arise.

165.6 Subd. 19. **Tiered partner.** "Tiered partner" means any partner that is a partnership or
165.7 pass-through entity.

165.8 Subd. 20. **Unrelated business taxable income.** "Unrelated business taxable income"
165.9 has the meaning provided under section 512 of the Internal Revenue Code.

165.10 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning
165.11 after December 31, 2017, except that for partnerships that make an election under Code of
165.12 Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively
165.13 and applies to the same tax periods to which the election relates.

165.14 Sec. 9. **[289A.382] REPORTING AND PAYMENT REQUIREMENTS.**

165.15 Subdivision 1. **State partnership representative.** (a) With respect to an action required
165.16 or permitted to be taken by a partnership under this section, or in a proceeding under section
165.17 270C.35 or 271.06, the state partnership representative for the reviewed year shall have the
165.18 sole authority to act on behalf of the partnership, and its direct partners and indirect partners
165.19 shall be bound by those actions.

165.20 (b) The state partnership representative for the reviewed year is the partnership's federal
165.21 partnership representative unless the partnership, in a form and manner prescribed by the
165.22 commissioner, designates another person as its state partnership representative.

165.23 Subd. 2. **Reporting and payment requirements for partnerships and tiered**
165.24 **partners.** (a) Unless an audited partnership makes the election in subdivision 3, or for
165.25 adjustments required to be reported for federal purposes pursuant to section 6225(a)(2) of
165.26 the Internal Revenue Code, then, for all final federal adjustments the audited partnership
165.27 must comply with paragraph (b) and each direct partner of the audited partnership, other
165.28 than a tiered partner, must comply with paragraph (c).

165.29 (b) No later than 90 days after the final determination date, the audited partnership must:

165.30 (1) file a completed federal adjustments report, including all partner-level information
165.31 required under section 289A.12, subdivision 3, with the commissioner;

166.1 (2) notify each of its direct partners of their distributive share of the final federal
166.2 adjustments;

166.3 (3) file an amended composite report for all direct partners who were included in a
166.4 composite return under section 289A.08, subdivision 7, in the reviewed year, and pay the
166.5 additional amount that would have been due had the federal adjustments been reported
166.6 properly as required; and

166.7 (4) file amended withholding reports for all direct partners who were or should have
166.8 been subject to nonresident withholding under section 290.92, subdivision 4b, in the reviewed
166.9 year, and pay the additional amount that would have been due had the federal adjustments
166.10 been reported properly as required.

166.11 (c) No later than 180 days after the final determination date, each direct partner, other
166.12 than a tiered partner, that is subject to a tax administered under this chapter, other than the
166.13 sales tax, must:

166.14 (1) file a federal adjustments report reporting their distributive share of the adjustments
166.15 reported to them under paragraph (b), clause (2); and

166.16 (2) pay any additional amount of tax due as if the final federal adjustment had been
166.17 properly reported, plus any penalty and interest due under this chapter, and less any credit
166.18 for related amounts paid or withheld and remitted on behalf of the direct partner under
166.19 paragraph (b), clauses (3) and (4).

166.20 Subd. 3. **Election; partnership or tiered partners pay.** (a) An audited partnership may
166.21 make an election under this subdivision to pay its assessment at the entity level. If an audited
166.22 partnership makes an election to pay its assessment at the entity level it must:

166.23 (1) no later than 90 days after the final determination date, file a completed federal
166.24 adjustments report, including the residency information for all individual, trust, and estate
166.25 direct partners, and information pertaining to all other direct partners as prescribed by the
166.26 commissioner, and notify the commissioner that it is making the election under this
166.27 subdivision; and

166.28 (2) no later than 180 days after the final determination date, pay an amount, determined
166.29 as follows, in lieu of taxes on partners:

166.30 (i) exclude from final federal adjustments the distributive share of these adjustments
166.31 made to a direct exempt partner that is not unrelated business taxable income;

166.32 (ii) exclude from final federal adjustments the distributive share of these adjustments
166.33 made to a direct partner that has filed a federal adjustments report and paid the applicable

167.1 tax, as required under subdivision 2, for the distributive share of adjustments reported on a
167.2 federal return under section 6225(c) of the Internal Revenue Code;

167.3 (iii) assign and apportion at the partnership level using sections 290.17 to 290.20 the
167.4 total distributive share of the remaining final federal adjustments for the reviewed year
167.5 attributed to direct corporate partners and direct exempt partners, multiply the total by the
167.6 highest tax rate in section 290.06, subdivision 1, for the reviewed year, and calculate interest
167.7 and penalties as applicable under this chapter;

167.8 (iv) allocate at the partnership level using section 290.17, subdivision 1, the total
167.9 distributive share of all final federal adjustments attributable to individual resident direct
167.10 partners for the reviewed year; multiply the total by the highest tax rate in section 290.06,
167.11 subdivision 2c, for the reviewed year; and calculate interest and penalties as applicable
167.12 under this chapter;

167.13 (v) assign and apportion at the partnership level using sections 290.17 to 290.20 the total
167.14 distributive share of the remaining final federal adjustments attributable to nonresident
167.15 individual direct partners and direct partners who are an estate or a trust for the reviewed
167.16 year; multiply the total by the highest tax rate in section 290.06, subdivision 2c, for the
167.17 reviewed year; and calculate interest and penalties as applicable under this chapter;

167.18 (vi) for the total distributive share of the remaining final federal adjustments reported
167.19 to tiered partners:

167.20 (A) determine the amount of the adjustments that would be assigned using section 290.17,
167.21 subdivision 2, paragraphs (a) to (d), excluding income or gains from intangible personal
167.22 property not employed in the business of the recipient of the income or gains if the recipient
167.23 of the income or gains is a resident of this state or is a resident trust or estate under section
167.24 290.17, subdivision 2, paragraph (c), or apportioned using sections 290.17, subdivision 3,
167.25 290.191, and 290.20, and then determine the portion of this amount that would be allocated
167.26 to this state;

167.27 (B) determine the amount of the adjustments which are of a type which are fully sourced
167.28 to the taxpayer's state of residency under section 290.17, subdivision 2, paragraph (e), and
167.29 income or gains from intangible personal property not employed in the business of the
167.30 recipient of the income or gains if the recipient of the income or gains is a resident of this
167.31 state or is a resident trust or estate under section 290.17, subdivision 2, paragraph (c);

167.32 (C) determine the portion of the amount determined in subitem (B) that can be established
167.33 to be properly allocable to nonresident indirect partners or other partners not subject to tax
167.34 on the adjustments; and

168.1 (D) multiply the total of the amounts determined in subitems (A) and (B) reduced by
168.2 the amount determined in subitem (C) by the highest tax rate in section 290.06, subdivision
168.3 2c, for the reviewed year, and calculate interest and penalties as applicable under this chapter;
168.4 and

168.5 (vii) add the amounts determined in items (iii) to (vi), and pay all applicable taxes,
168.6 penalties, and interest to the commissioner.

168.7 (b) An audited partnership may not make an election under this subdivision to report:

168.8 (1) a federal adjustment that results in unitary business income to a corporate partner
168.9 required to file as a member of a combined report under section 290.17, subdivision 4; or

168.10 (2) any final federal adjustments resulting from an administrative adjustment request.

168.11 (c) An audited partnership not otherwise subject to any reporting or payment obligation
168.12 to this state may not make an election under this subdivision.

168.13 Subd. 4. Tiered partners and indirect partners. The direct and indirect partners of an
168.14 audited partnership that are tiered partners, and all of the partners of those tiered partners
168.15 that are subject to tax under chapter 290 are subject to the reporting and payment
168.16 requirements contained in subdivision 2 and the tiered partners are entitled to make the
168.17 elections provided in subdivision 3. The tiered partners or their partners shall make required
168.18 reports and payments no later than 90 days after the time for filing and furnishing of
168.19 statements to tiered partners and their partners as established under section 6226 of the
168.20 Internal Revenue Code.

168.21 Subd. 5. Effects of election by partnership or tiered partner and payment of amount
168.22 due. (a) Unless the commissioner determines otherwise, an election under subdivision 3 is
168.23 irrevocable.

168.24 (b) If an audited partnership or tiered partner properly reports and pays an amount
168.25 determined in subdivision 3, the amount will be treated as paid in lieu of taxes owed by the
168.26 partnership's direct partners and indirect partners, to the extent applicable, on the same final
168.27 federal adjustments. The direct partners or indirect partners of the partnership who are not
168.28 resident partners may not take any deduction or credit for this amount or claim a refund of
168.29 the amount in this state.

168.30 (c) Nothing in this subdivision precludes resident direct partners from claiming a credit
168.31 against taxes paid under section 290.06 on any amounts paid by the audited partnership or
168.32 tiered partners on the resident partner's behalf to another state or local tax jurisdiction.

169.1 Subd. 6. Failure of partnership or tiered partner to report or pay. Nothing in this
 169.2 section prevents the commissioner from assessing direct partners or indirect partners for
 169.3 taxes they owe, using the best information available, in the event that, for any reason, a
 169.4 partnership or tiered partner fails to timely make any report or payment required by this
 169.5 section.

169.6 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning
 169.7 after December 31, 2017, except that for partnerships that make an election under Code of
 169.8 Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively
 169.9 and applies to the same tax periods to which the election relates.

169.10 Sec. 10. Minnesota Statutes 2018, section 289A.42, is amended to read:

169.11 **289A.42 CONSENT TO EXTEND STATUTE.**

169.12 Subdivision 1. **Extension agreement.** If before the expiration of time prescribed in
 169.13 sections 289A.38 to 289A.382 and 289A.40 for the assessment of tax or the filing of a claim
 169.14 for refund, both the commissioner and the taxpayer have consented in writing to the
 169.15 assessment or filing of a claim for refund after that time, the tax may be assessed or the
 169.16 claim for refund filed at any time before the expiration of the agreed-upon period. The
 169.17 period may be extended by later agreements in writing before the expiration of the period
 169.18 previously agreed upon. The taxpayer and the commissioner may also agree to extend the
 169.19 period for collection of the tax.

169.20 Subd. 2. **Federal extensions.** When a taxpayer consents to an extension of time for the
 169.21 assessment of federal withholding or income taxes, the period in which the commissioner
 169.22 may recompute the tax is also extended, notwithstanding any period of limitations to the
 169.23 contrary, as follows:

169.24 (1) for the periods provided in ~~section~~ sections 289A.38, subdivisions 8 and 9, and
 169.25 289A.382, subdivisions 2 and 3;

169.26 (2) for six months following the expiration of the extended federal period of limitations
 169.27 when no change is made by the federal authority. If no change is made by the federal
 169.28 authority, and, but for this subdivision, the commissioner's time period to adjust the tax has
 169.29 expired, and if the commissioner has completed a field audit of the taxpayer, no additional
 169.30 changes resulting in additional tax due or a refund may be made. For purposes of this
 169.31 subdivision, "field audit" has the meaning given ~~it~~ in section 289A.38, subdivision 9.

169.32 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning
 169.33 after December 31, 2017, except that for partnerships that make an election under Code of

170.1 Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively
170.2 and applies to the same tax periods to which the election relates.

170.3 Sec. 11. Minnesota Statutes 2018, section 289A.60, subdivision 24, is amended to read:

170.4 Subd. 24. **Penalty for failure to notify of federal change.** If a person fails to report to
170.5 the commissioner a change or correction of the person's federal return in the manner and
170.6 time prescribed in ~~section~~ sections 289A.38, subdivision 7, and 289A.382, there must be
170.7 added to the tax an amount equal to ten percent of the amount of any underpayment of
170.8 Minnesota tax attributable to the federal change.

170.9 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning
170.10 after December 31, 2017, except that for partnerships that make an election under Code of
170.11 Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively
170.12 and applies to the same tax periods to which the election relates.

170.13 Sec. 12. Minnesota Statutes 2018, section 290.31, subdivision 1, is amended to read:

170.14 Subdivision 1. **Partners, not partnership, subject to tax.** Except as provided under
170.15 ~~section~~ sections 289A.35, paragraph (b), and 289A.382, subdivision 3, a partnership as such
170.16 shall not be subject to the income tax imposed by this chapter, but is subject to the tax
170.17 imposed under section 290.0922. Persons carrying on business as partners shall be liable
170.18 for income tax only in their separate or individual capacities.

170.19 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning
170.20 after December 31, 2017, except that for partnerships that make an election under Code of
170.21 Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively
170.22 and applies to the same tax periods to which the election relates.

170.23 Sec. 13. Minnesota Statutes 2018, section 297F.17, subdivision 6, is amended to read:

170.24 Subd. 6. **Time limit for bad debt refund.** Claims for refund must be filed with the
170.25 commissioner during the one-year period beginning with the timely filing of the taxpayer's
170.26 federal income tax return containing the bad debt deduction that is being claimed. Claimants
170.27 under this subdivision are subject to the notice requirements of ~~section~~ sections 289A.38,
170.28 subdivision 7, and 289A.382.

170.29 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning
170.30 after December 31, 2017, except that for partnerships that make an election under Code of
170.31 Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively
170.32 and applies to the same tax periods to which the election relates.

171.1 Sec. 14. Minnesota Statutes 2018, section 297G.16, subdivision 7, is amended to read:

171.2 Subd. 7. **Time limit for a bad debt deduction.** Claims for refund must be filed with
171.3 the commissioner within one year of the filing of the taxpayer's income tax return containing
171.4 the bad debt deduction that is being claimed. Claimants under this subdivision are subject
171.5 to the notice requirements of ~~section 289A.38, subdivision 7~~ sections 289A.38 to 289A.382.

171.6 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning
171.7 after December 31, 2017, except that for partnerships that make an election under Code of
171.8 Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively
171.9 and applies to the same tax periods to which the election relates.

171.10 Sec. 15. Minnesota Statutes 2018, section 469.319, subdivision 4, is amended to read:

171.11 Subd. 4. **Repayment procedures.** (a) For the repayment of taxes imposed under chapter
171.12 290 or 297A or local taxes collected pursuant to section 297A.99, a business must file an
171.13 amended return with the commissioner of revenue and pay any taxes required to be repaid
171.14 within 30 days after becoming subject to repayment under this section. The amount required
171.15 to be repaid is determined by calculating the tax for the period or periods for which repayment
171.16 is required without regard to the exemptions and credits allowed under section 469.315.

171.17 (b) For the repayment of taxes imposed under chapter 297B, a business must pay any
171.18 taxes required to be repaid to the motor vehicle registrar, as agent for the commissioner of
171.19 revenue, within 30 days after becoming subject to repayment under this section.

171.20 (c) For the repayment of property taxes, the county auditor shall prepare a tax statement
171.21 for the business, applying the applicable tax extension rates for each payable year and
171.22 provide a copy to the business and to the taxpayer of record. The business must pay the
171.23 taxes to the county treasurer within 30 days after receipt of the tax statement. The business
171.24 or the taxpayer of record may appeal the valuation and determination of the property tax to
171.25 the Tax Court within 30 days after receipt of the tax statement.

171.26 (d) The provisions of chapters 270C and 289A relating to the commissioner's authority
171.27 to audit, assess, and collect the tax and to hear appeals are applicable to the repayment
171.28 required under paragraphs (a) and (b). The commissioner may impose civil penalties as
171.29 provided in chapter 289A, and the additional tax and penalties are subject to interest at the
171.30 rate provided in section 270C.40. The additional tax shall bear interest from 30 days after
171.31 becoming subject to repayment under this section until the date the tax is paid. Any penalty
171.32 imposed pursuant to this section shall bear interest from the date provided in section 270C.40,
171.33 subdivision 3, to the date of payment of the penalty.

172.1 (e) If a property tax is not repaid under paragraph (c), the county treasurer shall add the
172.2 amount required to be repaid to the property taxes assessed against the property for payment
172.3 in the year following the year in which the auditor provided the statement under paragraph
172.4 (c).

172.5 (f) For determining the tax required to be repaid, a reduction of a state or local sales or
172.6 use tax is deemed to have been received on the date that the good or service was purchased
172.7 or first put to a taxable use. In the case of an income tax or franchise tax, including the credit
172.8 payable under section 469.318, a reduction of tax is deemed to have been received for the
172.9 two most recent tax years that have ended prior to the date that the business became subject
172.10 to repayment under this section. In the case of a property tax, a reduction of tax is deemed
172.11 to have been received for the taxes payable in the year that the business became subject to
172.12 repayment under this section and for the taxes payable in the prior year.

172.13 (g) The commissioner may assess the repayment of taxes under paragraph (d) any time
172.14 within two years after the business becomes subject to repayment under subdivision 1, or
172.15 within any period of limitations for the assessment of tax under ~~section~~ sections 289A.38
172.16 to 289A.382, whichever period is later. The county auditor may send the statement under
172.17 paragraph (c) any time within three years after the business becomes subject to repayment
172.18 under subdivision 1.

172.19 (h) A business is not entitled to any income tax or franchise tax benefits, including
172.20 refundable credits, for any part of the year in which the business becomes subject to
172.21 repayment under this section nor for any year thereafter. Property is not exempt from tax
172.22 under section 272.02, subdivision 64, for any taxes payable in the year following the year
172.23 in which the property became subject to repayment under this section nor for any year
172.24 thereafter. A business is not eligible for any sales tax benefits beginning with goods or
172.25 services purchased or first put to a taxable use on the day that the business becomes subject
172.26 to repayment under this section.

172.27 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning
172.28 after December 31, 2017, except that for partnerships that make an election under Code of
172.29 Federal Regulations, title 26, section 301.9100-22T, this section is effective retroactively
172.30 and applies to the same tax periods to which the election relates.

173.1

ARTICLE 10

173.2

MISCELLANEOUS

173.3 Section 1. Minnesota Statutes 2018, section 297E.02, subdivision 6, as amended by Laws
173.4 2020, chapter 83, article 1, section 76, is amended to read:

173.5 Subd. 6. **Combined net receipts tax.** (a) In addition to the taxes imposed under
173.6 subdivision 1, a tax is imposed on the combined net receipts of the organization. As used
173.7 in this section, "combined net receipts" is the sum of the organization's gross receipts from
173.8 lawful gambling less gross receipts directly derived from the conduct of paper bingo, raffles,
173.9 and paddlewheels, as defined in section 297E.01, subdivision 8, and less the net prizes
173.10 actually paid, other than prizes actually paid for paper bingo, raffles, and paddlewheels, for
173.11 the fiscal year. The combined net receipts of an organization are subject to a tax computed
173.12 according to the following schedule:

173.13	If the combined net receipts	The tax is:
173.14	for the fiscal year are:	
173.15	Not over \$87,500	nine <u>eight</u> percent
173.16	Over \$87,500, but not over	\$7,875 <u>\$7,000</u> plus 18 <u>16</u> percent of
173.17	\$122,500	the amount over \$87,500, but not over
173.18		\$122,500
173.19	Over \$122,500, but not	\$14,175 <u>\$12,600</u> plus 27 <u>24</u> percent
173.20	over \$157,500	of the amount over \$122,500, but not
173.21		over \$157,500
173.22	Over \$157,500	\$23,625 <u>\$21,000</u> plus 36 <u>32</u> percent
173.23		of the amount over \$157,500

173.24 (b) Gross receipts derived from sports-themed tipboards are exempt from taxation under
173.25 this section. For purposes of this paragraph, a sports-themed tipboard means a sports-themed
173.26 tipboard as defined in section 349.12, subdivision 34, under which the winning numbers
173.27 are determined by the numerical outcome of a professional sporting event.

173.28 **EFFECTIVE DATE.** This section is effective retroactively for games reported as played
173.29 after June 30, 2020.

173.30 Sec. 2. Minnesota Statutes 2018, section 297E.021, subdivision 2, is amended to read:

173.31 Subd. 2. **Determination of revenue increase.** By March 15 of each fiscal year, the
173.32 commissioner of management and budget, in consultation with the commissioner, shall
173.33 determine the estimated increase in revenues received from taxes imposed under this chapter
173.34 ~~over the estimated revenues under the February 2012 state budget forecast for that fiscal~~
173.35 ~~year. For fiscal years after fiscal year 2015, the commissioner of management and budget~~
173.36 ~~shall use the February 2012 state budget forecast for fiscal year 2015 as the~~ a baseline of:

174.1 \$30,500,000 in fiscal years 2021 and thereafter. All calculations under this subdivision must
174.2 be made net of estimated refunds of the taxes required to be paid.

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

174.4 Sec. 3. Minnesota Statutes 2018, section 349.15, subdivision 1, is amended to read:

174.5 Subdivision 1. **Expenditure restrictions, requirements, and civil penalties.** (a) Gross
174.6 profits from lawful gambling may be expended only for lawful purposes or allowable
174.7 expenses as authorized by the membership of the conducting organization at a monthly
174.8 meeting of the organization's membership.

174.9 (b) For each 12-month period beginning July 1, a licensed organization will be evaluated
174.10 by the board to determine a rating based on the percentage of annual lawful purpose
174.11 expenditures, excluding those defined in section 349.12, subdivision 25, paragraph (a),
174.12 clauses (8) and (18), when compared to ~~available gross profits~~ total allowable expenses for
174.13 the same period. The rating will be used to determine the organization's profitability percent
174.14 and is not a rating of the organization's lawful gambling operation. An organization will be
174.15 evaluated according to the following criteria:

174.16 (1) an organization ~~that expends 50~~ with a ratio of annual lawful purpose expenditures,
174.17 excluding those defined in section 349.12, subdivision 25, paragraph (a), clauses (8) and
174.18 (18), to allowable expenses of 100 percent or more of ~~gross profits on lawful purposes~~ will
174.19 receive a five-star rating;

174.20 (2) an organization ~~that expends 40~~ with a ratio of annual lawful purpose expenditures,
174.21 excluding those defined in section 349.12, subdivision 25, paragraph (a), clauses (8) and
174.22 (18), to allowable expenses of 80 percent or more but less than 50 ~~100~~ percent of ~~gross~~
174.23 ~~profits on lawful purposes~~ will receive a four-star rating;

174.24 (3) an organization ~~that expends 30~~ with a ratio of annual lawful purpose expenditures,
174.25 excluding those defined in section 349.12, subdivision 25, paragraph (a), clauses (8) and
174.26 (18), to allowable expenses of 60 percent or more but less than 40 ~~80~~ percent of ~~gross profits~~
174.27 ~~on lawful purposes~~ will receive a three-star rating;

174.28 (4) an organization ~~that expends 20~~ with a ratio of annual lawful purpose expenditures,
174.29 excluding those defined in section 349.12, subdivision 25, paragraph (a), clauses (8) and
174.30 (18), to allowable expenses of 40 percent or more but less than 30 ~~60~~ percent of ~~gross profits~~
174.31 ~~on lawful purposes~~ will receive a two-star rating; ~~and~~

174.32 (5) an organization ~~that expends less than~~ with a ratio of annual lawful purpose
174.33 expenditures, excluding those defined in section 349.12, subdivision 25, paragraph (a),

175.1 ~~clauses (8) and (18), to allowable expenses of 20 percent of gross profits on lawful purposes~~
 175.2 ~~or more but less than 40 percent will receive a one-star rating; and~~

175.3 (6) an organization with a ratio of annual lawful purpose expenditures, excluding those
 175.4 defined in section 349.12, subdivision 25, paragraph (a), clauses (8) and (18), to allowable
 175.5 expenses of less than 20 percent will receive a zero-star rating.

175.6 (c) An organization that fails to expend a minimum of ~~30~~ 20 percent ~~annually of gross~~
 175.7 ~~profits of its annual total allowable expenses on lawful purposes, or 20 percent annually for~~
 175.8 ~~organizations that conduct lawful gambling in a location where the primary business is~~
 175.9 ~~bingo~~ excluding those defined in section 349.12, subdivision 25, paragraph (a), clauses (8)
 175.10 and (18), is automatically on probation effective July 1 for a period of one year. The
 175.11 organization must increase its rating to the required minimum or be subject to sanctions by
 175.12 the board. If an organization fails to meet the minimum after a one-year probation, the board
 175.13 may suspend the organization's license or impose a civil penalty as follows:

175.14 (1) in determining any suspension or penalty for a violation of this paragraph, the board
 175.15 must consider any unique factors or extraordinary circumstances that caused the organization
 175.16 to not meet the minimum rate of profitability. Unique factors or extraordinary circumstances
 175.17 include, but are not limited to, the purchase of capital assets necessary to conduct lawful
 175.18 gambling; road or other construction causing impaired access to the lawful gambling
 175.19 premises; and flood, tornado, or other catastrophe that had a direct impact on the continuing
 175.20 lawful gambling operation; and

175.21 (2) notwithstanding section 349.151, subdivision 4, paragraph (a), clause (10), the board
 175.22 may impose a civil penalty under this subdivision up to \$10,000.

175.23 **EFFECTIVE DATE.** This section is effective retroactively from July 1, 2020.

175.24 Sec. 4. Minnesota Statutes 2018, section 349.151, subdivision 4, is amended to read:

175.25 Subd. 4. **Powers and duties.** (a) The board has the following powers and duties:

175.26 (1) to regulate lawful gambling to ensure it is conducted in the public interest;

175.27 (2) to issue licenses to organizations and gambling managers, and to issue licenses and
 175.28 renewals to distributors, distributor salespersons, manufacturers, and linked bingo game
 175.29 providers;

175.30 (3) to collect and deposit fees due under this chapter;

- 176.1 (4) to receive reports required by this chapter and inspect all premises, records, books,
176.2 and other documents of organizations, distributors, manufacturers, and linked bingo game
176.3 providers to insure compliance with all applicable laws and rules;
- 176.4 (5) to make rules authorized by this chapter;
- 176.5 (6) to register gambling equipment and issue registration stamps;
- 176.6 (7) to provide by rule for the mandatory posting by organizations conducting lawful
176.7 gambling of rules of play and the odds and/or house percentage on each form of lawful
176.8 gambling;
- 176.9 (8) to report annually to the governor and legislature on its activities and on recommended
176.10 changes in the laws governing gambling, including an annual report that provides: a tabulation
176.11 of the number of compliance reviews completed; the percentage of organizations reviewed;
176.12 an average of the number of months between reviews; the number, location, and organization
176.13 of site inspections; and the number of allegations awaiting investigation by the board;
- 176.14 (9) to report annually to the governor and legislature a financial summary for each
176.15 licensed organization identifying the gross receipts, prizes paid, allowable expenses, lawful
176.16 purpose expenditures including charitable contributions and all taxes and fees as per section
176.17 349.12, subdivision 25, paragraph (a), clauses (8) and (18), and the percentage of annual
176.18 gross profit used for lawful purposes;
- 176.19 (10) to impose civil penalties of not more than \$1,000 per violation on organizations,
176.20 distributors, distributor salespersons, manufacturers, linked bingo game providers, and
176.21 gambling managers for violating or failing to comply with any provision of this chapter,
176.22 chapter 297E, or any rule or order of the board;
- 176.23 (11) to issue premises permits to organizations licensed to conduct lawful gambling;
- 176.24 (12) to delegate to the director the authority to issue or deny license and premises permit
176.25 applications and renewals under criteria established by the board;
- 176.26 (13) to delegate to the director the authority to approve or deny fund loss requests,
176.27 contribution of gambling funds to another licensed organization, and property expenditure
176.28 requests under criteria established by the board;
- 176.29 (14) to suspend or revoke licenses and premises permits of organizations, distributors,
176.30 distributor salespersons, manufacturers, linked bingo game providers, or gambling managers
176.31 as provided in this chapter;
- 176.32 (15) to approve or deny requests from licensees for:

177.1 (i) waivers from fee requirements as provided in section 349.16, subdivision 6; and

177.2 (ii) variances from Gambling Control Board rules under section 14.055; and

177.3 (16) to register employees of organizations licensed to conduct lawful gambling;

177.4 (17) to require fingerprints from persons determined by board rule to be subject to
177.5 fingerprinting;

177.6 (18) to delegate to a compliance review group of the board the authority to investigate
177.7 alleged violations, issue consent orders, and initiate contested cases on behalf of the board;

177.8 (19) to order organizations, distributors, distributor salespersons, manufacturers, linked
177.9 bingo game providers, and gambling managers to take corrective actions; and

177.10 (20) to take all necessary steps to ensure the integrity of and public confidence in lawful
177.11 gambling.

177.12 (b) The board, or director if authorized to act on behalf of the board, may by citation
177.13 assess any organization, distributor, distributor salesperson, manufacturer, linked bingo
177.14 game provider, or gambling manager a civil penalty of not more than \$1,000 per violation
177.15 for a failure to comply with any provision of this chapter, chapter 297E, or any rule adopted
177.16 or order issued by the board. Any organization, distributor, distributor salesperson, gambling
177.17 manager, linked bingo game provider, or manufacturer assessed a civil penalty under this
177.18 paragraph may request a hearing before the board. Appeals of citations imposing a civil
177.19 penalty are not subject to the provisions of the Administrative Procedure Act.

177.20 (c) All penalties received by the board must be deposited in the general fund.

177.21 (d) All fees imposed by the board under sections 349.16 to 349.167 must be deposited
177.22 in the state treasury and credited to a lawful gambling regulation account in the special
177.23 revenue fund. Receipts in this account are available for the operations of the board up to
177.24 the amount authorized in biennial appropriations from the legislature.

177.25 **EFFECTIVE DATE.** This section is effective retroactively from July 1, 2020.

177.26 Sec. 5. Minnesota Statutes 2018, section 462A.38, as amended by Laws 2019 First Special
177.27 Session chapter 1, article 6, section 28, is amended to read:

177.28 **462A.38 WORKFORCE AND AFFORDABLE HOMEOWNERSHIP**
177.29 **DEVELOPMENT PROGRAM.**

177.30 Subdivision 1. **Establishment.** A workforce and affordable homeownership development
177.31 program is established to award homeownership development grants and loans to cities,

178.1 tribal governments, nonprofit organizations, cooperatives created under chapter 308A or
178.2 308B, and community land trusts created for the purposes outlined in section 462A.31,
178.3 subdivision 1, for development of workforce and affordable homeownership projects. The
178.4 purpose of the program is to increase the supply of workforce and affordable, owner-occupied
178.5 multifamily or single-family housing throughout Minnesota.

178.6 Subd. 2. **Use of funds.** (a) Grant funds and loans awarded under this program may be
178.7 used for:

178.8 (1) development costs;

178.9 (2) rehabilitation;

178.10 (3) land development; and

178.11 (4) residential housing, including storm shelters and related community facilities.

178.12 (b) A project funded through ~~the grant~~ this program shall serve households that meet
178.13 the income limits as provided in section 462A.33, subdivision 5, unless a project is intended
178.14 for the purpose outlined in section 462A.02, subdivision 6.

178.15 Subd. 3. **Application.** The commissioner shall develop forms and procedures for soliciting
178.16 and reviewing applications for grants and loans under this section. The commissioner shall
178.17 consult with interested stakeholders when developing the guidelines and procedures for the
178.18 program. In making grants and loans, the commissioner shall establish semiannual application
178.19 deadlines in which grants and loans will be authorized from all or part of the available
178.20 appropriations.

178.21 Subd. 4. **Awarding grants and loans.** Among comparable proposals, preference must
178.22 be given to proposals that include contributions from nonstate resources for the greatest
178.23 portion of the total development cost.

178.24 Subd. 5. **Statewide program.** The agency shall attempt to make grants and loans in
178.25 approximately equal amounts to applicants outside and within the metropolitan area, as
178.26 defined under section 473.121, subdivision 2.

178.27 Subd. 6. **Report.** Beginning January 15, ~~2018~~ 2021, the commissioner must annually
178.28 submit a report to the chairs and ranking minority members of the senate and house of
178.29 representatives committees having jurisdiction over housing and workforce development
178.30 specifying the projects that received grants and loans under this section and the specific
178.31 purposes for which the grant or loan funds were used.

179.1 Subd. 7. Workforce and affordable homeownership development account. A
179.2 workforce and affordable homeownership development account is established in the housing
179.3 development fund. Money in the account, including interest, is appropriated to the
179.4 commissioner of the Housing Finance Agency for the purposes of this section. The amount
179.5 appropriated under this section must supplement traditional sources of funding for this
179.6 purpose and must not be used as a substitute or to pay debt service on bonds.

179.7 Subd. 8. Deposits; funding amount. (a) In fiscal years 2022 through 2031, an amount
179.8 equal to \$4,000,000 of the state's portion of the proceeds derived from the mortgage registry
179.9 tax imposed under section 287.035 and the deed tax under section 287.21, is appropriated
179.10 from the general fund to the commissioner of the Housing Finance Agency to transfer to
179.11 the workforce and affordable homeownership development account in the housing
179.12 development fund. The appropriation must be made annually by September 15.

179.13 (b) All loan repayments received under this section are to be deposited into the workforce
179.14 and affordable homeownership development account in the housing development fund.

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

179.16 Sec. 6. ADMINISTRATIVE APPROPRIATION.

179.17 \$642,000 in fiscal year 2021 is appropriated to the commissioner of revenue to administer
179.18 this act. The base for this appropriation is \$571,000 in fiscal year 2022 and \$0 in fiscal year
179.19 2023.

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