

## NINETY-THIRD DAY

St. Paul, Minnesota, Wednesday, May 4, 2016

The Senate met at 11:00 a.m. and was called to order by the President.

**CALL OF THE SENATE**

Senator Reinert imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. Timothy J. Sas.

The members of the Senate gave the pledge of allegiance to the flag of the United States of America.

The roll was called, and the following Senators answered to their names:

Abeler	Dziedzic	Ingebrigtsen	Nienow	Sheran
Anderson	Eaton	Jensen	Ortman	Sieben
Bakk	Eken	Johnson	Osmek	Skoe
Benson	Fischbach	Kent	Pappas	Sparks
Bonoff	Franzen	Kiffmeyer	Pratt	Stumpf
Carlson	Gazelka	Koenen	Reinert	Thompson
Chamberlain	Goodwin	Latz	Rest	Tomassoni
Champion	Hall	Limmer	Rosen	Torres Ray
Clausen	Hann	Lourey	Ruud	Weber
Cohen	Hawj	Marty	Saxhaug	Westrom
Dahle	Hayden	Metzen	Scalze	Wiger
Dahms	Hoffman	Nelson	Schmit	Wiklund
Dibble	Housley	Newman	Senjem	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

**EXECUTIVE AND OFFICIAL COMMUNICATIONS**

The following communication was received.

April 29, 2016

The Honorable Kurt L. Daudt  
Speaker of the House of Representatives

The Honorable Sandra L. Pappas  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 2016 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S.F. No.	H.F. No.	Session Laws Chapter No.	Time and Date Approved 2016	Date Filed 2016
	2613	88	3:11 p.m. April 29	April 29
	1586	89	3:11 p.m. April 29	April 29
	3252	90	3:11 p.m. April 29	April 29
	2994	91	3:13 p.m. April 29	April 29

Sincerely,  
Steve Simon  
Secretary of State

### REPORTS OF COMMITTEES

Senator Bakk moved that the Committee Reports at the Desk be now adopted, with the exception of the reports pertaining to appointments. The motion prevailed.

#### **Senator Cohen from the Committee on Finance, to which was re-referred**

**S.F. No. 2665:** A bill for an act relating to real estate appraisers; regulating appraiser fees, investigation costs, and appraisal management companies; amending Minnesota Statutes 2014, sections 45.027, subdivision 1; 82C.02, subdivisions 3, 4, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 82C.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, after line 20, insert:

"Sec. 2. Minnesota Statutes 2014, section 82B.08, subdivision 2a, is amended to read:

Subd. 2a. **Criminal history record check; fingerprints.** (a) An applicant for a license must:

(1) consent to a criminal history record check; and

(2) submit a fingerprint card in a form acceptable to the commissioner; and

(3) pay the fee required to perform a criminal history record ~~checks~~ check with the Minnesota Bureau of Criminal Apprehension ~~and the Federal Bureau of Investigation.~~

~~(b) The commissioner may contract for the collection and transmission of fingerprints required under this chapter and may order the fee for collecting and transmitting fingerprints to be payable directly to the contractor by the applicant. The commissioner may agree to a reasonable fingerprinting fee to be charged by the contractor.~~

~~(c) (b) The commissioner shall submit the applicant's fingerprints, consent, and the required fee to the superintendent of the Bureau of Criminal Apprehension. The superintendent shall perform~~

a check of the state criminal history repository and is authorized to exchange the applicant's fingerprints with the Federal Bureau of Investigation to obtain the national criminal history record. The superintendent shall return the results of the state and national criminal history records checks record check to the commissioner.

(d)(c) This subdivision applies to an applicant for an initial license or a renewal license."

Page 6, line 2, delete "2 to 8" and insert "2 to 9"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "eliminating fingerprinting requirements for licensing;"

Amend the title numbers accordingly

And when so amended the bill do pass. Amendments adopted. Report adopted.

**Senator Cohen from the Committee on Finance, to which was re-referred**

**S.F. No. 2923:** A bill for an act relating to public safety; modifying order for protection and harassment restraining order provisions; amending Minnesota Statutes 2014, section 609.748; Minnesota Statutes 2015 Supplement, section 518B.01, subdivision 4.

Reports the same back with the recommendation that the bill do pass. Report adopted.

**Senator Cohen from the Committee on Finance, to which was re-referred**

**S.F. No. 3001:** A bill for an act relating to economic development; making various policy changes; modifying agency programs; modifying the commissioner's promotional authority; modifying workforce development outcomes; creating the Workforce Development Board; amending Minnesota Statutes 2014, sections 116J.035, subdivision 1a; 116J.8738, subdivision 2; 116J.8747, by adding a subdivision; 116J.8748, subdivision 4; Minnesota Statutes 2015 Supplement, sections 116J.8738, subdivision 3; 116L.98, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 116L; repealing Minnesota Statutes 2014, section 116L.665.

Reports the same back with the recommendation that the bill do pass. Report adopted.

**Senator Bakk, from the Committee on Rules and Administration, to which was referred**

**H.F. No. 2445** for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2445	2341				

Pursuant to Rule 45, the Committee on Rules and Administration recommends that H.F. No. 2445 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2445, the first engrossment; and insert the language after the enacting clause of S.F. No. 2341, the first engrossment; further, delete

the title of H.F. No. 2445, the first engrossment; and insert the title of S.F. No. 2341, the first engrossment.

And when so amended H.F. No. 2445 will be identical to S.F. No. 2341, and further recommends that H.F. No. 2445 be given its second reading and substituted for S.F. No. 2341, and that the Senate File be indefinitely postponed.

Pursuant to Rule 45, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

**Senator Bakk, from the Committee on Rules and Administration, to which was referred**

**H.F. No. 2803** for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2803	2504				

Pursuant to Rule 45, the Committee on Rules and Administration recommends that H.F. No. 2803 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2803, the first engrossment; and insert the language after the enacting clause of S.F. No. 2504, the first engrossment; further, delete the title of H.F. No. 2803, the first engrossment; and insert the title of S.F. No. 2504, the first engrossment.

And when so amended H.F. No. 2803 will be identical to S.F. No. 2504, and further recommends that H.F. No. 2803 be given its second reading and substituted for S.F. No. 2504, and that the Senate File be indefinitely postponed.

Pursuant to Rule 45, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

**Senator Bakk, from the Committee on Rules and Administration, to which was referred**

**H.F. No. 3308** for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
3308	2973				

Pursuant to Rule 45, the Committee on Rules and Administration recommends that H.F. No. 3308 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 3308, the second engrossment; and insert the language after the enacting clause of S.F. No. 2973, the first engrossment; further, delete the title of H.F. No. 3308, the second engrossment; and insert the title of S.F. No. 2973, the first engrossment.

And when so amended H.F. No. 3308 will be identical to S.F. No. 2973, and further recommends that H.F. No. 3308 be given its second reading and substituted for S.F. No. 2973, and that the Senate File be indefinitely postponed.

Pursuant to Rule 45, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

**Senator Bakk, from the Committee on Rules and Administration, to which was referred**

**H.F. No. 3482** for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
3482	3122				

Pursuant to Rule 45, the Committee on Rules and Administration recommends that H.F. No. 3482 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 3482, the first engrossment; and insert the language after the enacting clause of S.F. No. 3122; further, delete the title of H.F. No. 3482, the first engrossment; and insert the title of S.F. No. 3122.

And when so amended H.F. No. 3482 will be identical to S.F. No. 3122, and further recommends that H.F. No. 3482 be given its second reading and substituted for S.F. No. 3122, and that the Senate File be indefinitely postponed.

Pursuant to Rule 45, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

**Senator Wiger from the Committee on Education, to which were referred the following appointments:**

BOARD OF THE MINNESOTA STATE ACADEMIES

Nicole Halabi  
Christopher Peper  
Sonny Wasilowski

Reports the same back with the recommendation that the appointments be confirmed.

Senator Bakk moved that the foregoing committee report be laid on the table. The motion prevailed.

**Senator Wiger from the Committee on Education, to which were referred the following appointments:**

BOARD OF SCHOOL ADMINISTRATORS

Kimberly Hartung  
Denise Kapler  
Mary Mackbee

Reports the same back with the recommendation that the appointments be confirmed.

Senator Bakk moved that the foregoing committee report be laid on the table. The motion prevailed.

**Senator Wiger from the Committee on Education, to which was referred the following appointment:**

SCHOOL TRUST LANDS  
DIRECTOR  
Aaron Vande Linde

Reports the same back with the recommendation that the appointment be confirmed.

Senator Bakk moved that the foregoing committee report be laid on the table. The motion prevailed.

### **SECOND READING OF SENATE BILLS**

S.F. Nos. 2665, 2923 and 3001 were read the second time.

### **SECOND READING OF HOUSE BILLS**

H.F. Nos. 2445, 2803, 3308 and 3482 were read the second time.

### **MOTIONS AND RESOLUTIONS**

**Senators Gazelka, Chamberlain, Hann, Champion and Hayden introduced –**

**Senate Resolution No. 276:** A Senate resolution celebrating the life and legacy of freedom fighter Harriet Tubman.

Referred to the Committee on Rules and Administration.

Senator Latz moved that S.F. No. 3602 be withdrawn from the Committee on Judiciary and re-referred to the Committee on Rules and Administration. The motion prevailed.

### **RECESS**

Senator Bakk moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a brief recess, the President called the Senate to order.

### **CALL OF THE SENATE**

Senator Bakk imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

### **MOTIONS AND RESOLUTIONS - CONTINUED**

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate reverted to the Order of Business of Messages From the House.

**MESSAGES FROM THE HOUSE**

Madam President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 2749:

**H.F. No. 2749:** A bill for an act relating to state government; conforming buyback level for the budget reserve with the most recent forecast; eliminating obsolete language; providing policy and finance for the Office of Higher Education, the Minnesota State Colleges and Universities, and the University of Minnesota, including programs for student loans, students with disabilities, fetal tissue research, psychiatric drug trials, and collegiate recovery; providing funding and policy for early childhood and family, prekindergarten through grade 12, and adult education, including general education, education excellence, charter schools, special education, early childhood education, self-sufficiency, lifelong learning, and state agencies; appropriating money; requiring reports; amending Minnesota Statutes 2014, sections 120A.22, subdivision 12; 120A.42; 120B.02, by adding a subdivision; 120B.021, subdivisions 1, 3; 120B.11, subdivisions 1a, 2, 3, 4, 5; 120B.15; 120B.31, by adding subdivisions; 120B.35; 120B.36, as amended; 121A.53; 121A.61, subdivision 1; 121A.64; 122A.07, subdivision 2; 122A.09, subdivision 10, by adding a subdivision; 122A.14, subdivision 9; 122A.16; 122A.18, subdivisions 7c, 8; 122A.21, subdivision 1, by adding a subdivision; 122A.245, subdivision 8; 122A.31, subdivision 3; 122A.40, subdivision 10; 122A.41, by adding a subdivision; 122A.4144; 122A.416; 122A.42; 122A.72, subdivision 5; 123A.24, subdivision 2; 123B.147, subdivision 3; 123B.49, subdivision 4; 123B.571, subdivision 2; 123B.60, subdivision 1; 123B.71, subdivision 8; 123B.79, subdivisions 5, 8, 9; 124D.111, by adding a subdivision; 124D.13, subdivisions 1, 5, 9; 124D.135, subdivisions 5, 7; 124D.15, subdivisions 1, 3a, 15; 124D.16, subdivisions 3, 5; 124D.165, as amended; 124D.52, subdivisions 1, 2; 124D.55; 124D.59, by adding a subdivision; 124D.861, as amended; 124D.896; 125A.091, subdivision 11; 125A.0942, subdivision 4; 126C.10, subdivisions 2e, 24; 126C.15, subdivision 3; 126C.17, subdivision 9a; 126C.40, subdivision 5; 126C.63, subdivision 7; 127A.095; 127A.353, subdivision 4; 127A.41, subdivision 2; 127A.45, subdivision 6a; 127A.51; 129C.10, subdivision 1; 136A.01, by adding a subdivision; 136A.101, subdivision 10; 245.92; 245.94; 245.945; 245.95, subdivision 1; 245.97, subdivision 5; Minnesota Statutes 2015 Supplement, sections 16A.152, subdivision 2; 120B.021, subdivision 4; 120B.125; 120B.30, subdivisions 1, 1a; 120B.301; 120B.31, subdivision 4; 122A.09, subdivision 4; 122A.21, subdivision 2; 122A.30; 122A.40, subdivision 8; 122A.41, subdivision 5; 122A.414, subdivisions 1, 2, 2b; 122A.415, subdivision 3; 122A.60, subdivision 4; 123B.53, subdivision 1; 123B.595, subdivisions 4, 7, 8, 9, 10, 11, by adding a subdivision; 124D.16, subdivision 2; 124D.231, subdivision 2; 124D.73, subdivision 4; 124E.05, subdivisions 4, 5, 7; 124E.10, subdivisions 1, 5; 124E.16, subdivision 2; 125A.08; 125A.083; 125A.0942, subdivision 3; 125A.11, subdivision 1; 125A.21, subdivision 3; 125A.63, subdivision 4; 125A.76, subdivision 2c; 125A.79, subdivision 1; 126C.10, subdivisions 1, 13a; 126C.15, subdivisions 1, 2; 126C.48, subdivision 8; 127A.05, subdivision 6; 127A.47, subdivision 7; 136A.121, subdivision 7a; 136A.125, subdivisions 2, 4; 136A.1791, subdivisions 4, 5, 6; 136A.87; 136F.302, subdivision 1; Laws 2010, chapter 396, section 7; Laws 2011, First Special Session chapter 11, article 4, section 8; Laws 2012, chapter 263, section 1, as amended; Laws 2013, chapter 116, article 7, section 19, as amended; Laws 2015, chapter 69, article 1, sections 3, subdivisions 19, 28; 5, subdivision 2; article 3, sections 20, subdivision 15; 24, subdivision 1; Laws 2015, First Special Session chapter 3, article 1, section 27, subdivisions 2, 4, 5, 6, 7, 9; article 2, section 70, subdivisions 2, 3, 4, 5, 6, 7, 11, 12; article 3, section 15, subdivision 3; article 4, sections 4; 9, subdivision 2; article 5, section 30,

subdivisions 2, 3, 5; article 6, section 13, subdivisions 2, 3, 6, 7; article 7, section 7, subdivisions 2, 3, 4; article 9, section 8, subdivisions 5, 6, 7, 9; article 10, section 3, subdivision 2; article 11, section 3, subdivisions 2, 3; article 12, section 4; proposing coding for new law in Minnesota Statutes, chapters 119A; 120B; 121A; 122A; 124D; 125B; 127A; 129C; 136A; 136F; 137; 181; repealing Minnesota Statutes 2014, sections 120B.299, subdivision 5; 122A.40, subdivision 11; 122A.41, subdivision 14; 122A.413, subdivision 3; 122A.74; 123B.60, subdivision 2; 123B.79, subdivisions 2, 6; Minnesota Statutes 2015 Supplement, section 122A.413, subdivisions 1, 2; Minnesota Rules, part 3535.0110, subparts 6, 7, 8.

The House respectfully requests that a Conference Committee of 5 members be appointed thereon.

Knoblach; Loon; Garofalo; Dean, M., and McNamara have been appointed as such committee on the part of the House.

House File No. 2749 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Patrick D. Murphy, Chief Clerk, House of Representatives

Transmitted May 4, 2016

Senator Bakk, for Senator Cohen, moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 2749, and that a Conference Committee of 5 members be appointed by the Subcommittee on Conference Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Madam President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 2777:

**H.F. No. 2777:** A bill for an act relating to public safety; health; courts; authorizing ex parte hearings to determine when an emergency medical service person has a significant exposure to a source individual's bodily fluids; authorizing peace officers to take a noncompliant source individual into temporary custody to collect a blood sample; amending Minnesota Statutes 2014, section 144.7407, subdivision 2.

The House respectfully requests that a Conference Committee of 3 members be appointed thereon.

Hilstrom, Newberger and Johnson, B. have been appointed as such committee on the part of the House.

House File No. 2777 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Patrick D. Murphy, Chief Clerk, House of Representatives

Transmitted May 4, 2016



Senator Hoffman moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 2777, and that a Conference Committee of 3 members be appointed by the Subcommittee on Conference Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

## MOTIONS AND RESOLUTIONS - CONTINUED

### SPECIAL ORDERS

Pursuant to Rule 26, Senator Bakk, Chair of the Committee on Rules and Administration, designated the following bills a Special Orders Calendar to be heard immediately:

S.F. Nos. 2709, 2752, 2378, H.F. No. 2718, S.F. Nos. 3317, 2428, 2416, 3131, 3327 and 2930.

### SPECIAL ORDER

**S.F. No. 2709:** A bill for an act relating to workforce development; modifying workforce development areas; amending Minnesota Statutes 2014, section 116L.666.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Abeler	Eken	Johnson	Osmek	Sparks
Anderson	Fischbach	Kent	Pappas	Stumpf
Bakk	Franzen	Kiffmeyer	Pratt	Thompson
Benson	Gazelka	Koenen	Reinert	Tomassoni
Carlson	Goodwin	Latz	Rest	Torres Ray
Chamberlain	Hall	Limmer	Rosen	Weber
Champion	Hann	Lourey	Ruud	Westrom
Clausen	Hawj	Marty	Saxhaug	Wiger
Dahle	Hayden	Metzen	Scalze	Wiklund
Dahms	Hoffman	Nelson	Schmit	
Dibble	Housley	Newman	Sheran	
Dziedzic	Ingebrigtsen	Nienow	Sieben	
Eaton	Jensen	Ortman	Skoe	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

**S.F. No. 2752:** A bill for an act relating to transportation; prohibiting location of school bus stops in right-turn lanes except under specified conditions; requiring use of prewarning amber signals, flashing red signals, and stop-signal arms when stopping in right-turn lanes; amending Minnesota Statutes 2014, section 169.443, subdivision 2.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Abeler	Eken	Johnson	Osmek	Skoe
Anderson	Fischbach	Kent	Pappas	Sparks
Bakk	Franzen	Kiffmeyer	Pratt	Stumpf
Benson	Gazelka	Koenen	Reinert	Thompson
Carlson	Goodwin	Latz	Rest	Tomassoni
Chamberlain	Hall	Limmer	Rosen	Torres Ray
Champion	Hann	Lourey	Ruud	Weber
Clausen	Hawj	Marty	Saxhaug	Westrom
Dahle	Hayden	Metzen	Scalze	Wiger
Dahms	Hoffman	Nelson	Schmit	Wiklund
Dibble	Housley	Newman	Senjem	
Dziedzic	Ingebrigtsen	Nienow	Sheran	
Eaton	Jensen	Ortman	Sieben	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

**S.F. No. 2378:** A bill for an act relating to human services; requiring the commissioner to reform the continuum of treatment for individuals with substance use disorders; proposing coding for new law in Minnesota Statutes, chapter 254B.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Abeler	Eken	Johnson	Osmek	Sparks
Anderson	Fischbach	Kent	Pappas	Stumpf
Bakk	Franzen	Kiffmeyer	Pratt	Thompson
Benson	Gazelka	Koenen	Reinert	Tomassoni
Carlson	Goodwin	Latz	Rest	Torres Ray
Chamberlain	Hall	Limmer	Rosen	Weber
Champion	Hann	Lourey	Ruud	Westrom
Clausen	Hawj	Marty	Saxhaug	Wiger
Dahle	Hayden	Metzen	Scalze	Wiklund
Dahms	Hoffman	Nelson	Senjem	
Dibble	Housley	Newman	Sheran	
Dziedzic	Ingebrigtsen	Nienow	Sieben	
Eaton	Jensen	Ortman	Skoe	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

**H.F. No. 2718:** A bill for an act relating to local government; permitting the city of Elk River to increase the membership of its public utilities commission.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Abeler	Benson	Champion	Dahms	Eaton
Anderson	Carlson	Clausen	Dibble	Eken
Bakk	Chamberlain	Dahle	Dziedzic	Fischbach

Franzen	Jensen	Nelson	Ruud	Thompson
Gazelka	Johnson	Newman	Saxhaug	Tomassoni
Goodwin	Kent	Nienow	Scalze	Torres Ray
Hall	Kiffmeyer	Ortman	Schmit	Weber
Hann	Koenen	Osmek	Senjem	Westrom
Hawj	Latz	Pappas	Sheran	Wiger
Hayden	Limmer	Pratt	Sieben	Wiklund
Hoffman	Lourey	Reinert	Skoe	
Housley	Marty	Rest	Sparks	
Ingebrigtsen	Metzen	Rosen	Stumpf	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

**S.F. No. 3317:** A bill for an act relating to environment; modifying dry cleaner response and reimbursement account provisions; modifying prior appropriation; requiring rulemaking; amending Minnesota Statutes 2014, sections 115B.48, by adding a subdivision; 115B.50, subdivision 3, by adding a subdivision; Laws 2015, First Special Session chapter 4, article 3, section 2, subdivision 4; repealing Minnesota Statutes 2015 Supplement, section 115B.48, subdivision 9.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Abeler	Eken	Johnson	Osmek	Skoe
Anderson	Fischbach	Kent	Pappas	Sparks
Bakk	Franzen	Kiffmeyer	Pratt	Stumpf
Benson	Gazelka	Koenen	Reinert	Thompson
Carlson	Goodwin	Latz	Rest	Tomassoni
Chamberlain	Hall	Limmer	Rosen	Torres Ray
Champion	Hann	Lourey	Ruud	Weber
Clausen	Hawj	Marty	Saxhaug	Westrom
Dahle	Hayden	Metzen	Scalze	Wiger
Dahms	Hoffman	Nelson	Schmit	Wiklund
Dibble	Housley	Newman	Senjem	
Dziedzic	Ingebrigtsen	Nienow	Sheran	
Eaton	Jensen	Ortman	Sieben	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

**S.F. No. 2428:** A bill for an act relating to human services; extending the legislative task force on child protection; amending Laws 2015, chapter 71, article 1, section 125.

Senator Sheran moved to amend S.F. No. 2428 as follows:

Page 2, after line 33, insert:

"(e) The task force may establish a work group to review the Minnesota Assessment of Parenting Children and Youth, the tool used by Minnesota county and tribal social service agencies to determine Northstar Care for Children supplemental payment benefits. Members of the work group shall be appointed by the cochairs of the task force and include:

(1) two legislators;

(2) two foster care providers;

(3) one therapist who has experience providing services to foster children or foster families;

(4) one county social services agency staff member;

(5) one tribal social services agency staff member; and

(6) one staff member from the Department of Human Services who has experience with the assessment tool.

(f) The work group shall review use of the assessment tool and the results produced in determining supplemental benefits. The work group may make recommendations to the task force on changes that should be made to the assessment tool. The work group shall issue its findings, recommendations, and a report to the task force by December 1, 2016."

Page 2, line 34, delete "(e)" and insert "(g)"

The motion prevailed. So the amendment was adopted.

S.F. No. 2428 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Abeler	Fischbach	Kent	Pappas	Sparks
Anderson	Franzen	Kiffmeyer	Pratt	Stumpf
Benson	Gazelka	Koenen	Reinert	Thompson
Carlson	Goodwin	Latz	Rest	Tomassoni
Chamberlain	Hall	Limmer	Rosen	Torres Ray
Champion	Hann	Lourey	Ruud	Weber
Clausen	Hawj	Marty	Saxhaug	Westrom
Dahle	Hayden	Metzen	Scalze	Wiger
Dahms	Hoffman	Nelson	Schmit	Wiklund
Dibble	Housley	Newman	Senjem	
Dziedzic	Ingebrigtsen	Nienow	Sheran	
Eaton	Jensen	Ortman	Sieben	
Eken	Johnson	Osmek	Skoe	

So the bill, as amended, was passed and its title was agreed to.

### SPECIAL ORDER

**S.F. No. 2416:** A bill for an act relating to consumer protection; prohibiting the possession, manufacture, or sale of cellular telephone cases resembling a firearm; proposing coding for new law in Minnesota Statutes, chapter 325F.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Abeler	Benson	Chamberlain	Clausen	Dahms
Anderson	Carlson	Champion	Dahle	Dibble

Dziedzic	Hayden	Limmer	Pratt	Skoe
Eaton	Hoffman	Lourey	Reinert	Sparks
Eken	Housley	Marty	Rest	Stumpf
Fischbach	Ingebrigtsen	Metzen	Rosen	Thompson
Franzen	Jensen	Nelson	Ruud	Tomassoni
Gazelka	Johnson	Newman	Saxhaug	Torres Ray
Goodwin	Kent	Nienow	Scalze	Weber
Hall	Kiffmeyer	Ortman	Schmit	Westrom
Hann	Koenen	Osmek	Senjem	Wiger
Hawj	Latz	Pappas	Sheran	Wiklund

So the bill passed and its title was agreed to.

### SPECIAL ORDER

**S.F. No. 3131:** A bill for an act relating to the city of Hibbing; authorizing an increase in Hibbing's Public Utility Commission membership; abolishing and replacing existing council member wards; changing form of government; amending Laws 1949, chapter 422, section 2, as amended.

Senator Tomassoni moved to amend S.F. No. 3131 as follows:

Page 1, after line 6, insert:

"Section 1. Minnesota Statutes 2014, section 216B.2424, subdivision 5a, is amended to read:

Subd. 5a. **Reduction of biomass mandate.** (a) Notwithstanding subdivision 5, the biomass electric energy mandate must be reduced from 125 megawatts to 110 megawatts.

(b) The Public Utilities Commission shall approve a request pending before the commission as of May 15, 2003, for amendments to and assignment of a power purchase agreement with the owner of a facility that uses short-rotation, woody crops as its primary fuel previously approved to satisfy a portion of the biomass mandate if the owner of the project agrees to reduce the size of its project from 50 megawatts to 35 megawatts, while maintaining an average price for energy in nominal dollars measured over the term of the power purchase agreement at or below \$104 per megawatt-hour, exclusive of any price adjustments that may take effect subsequent to commission approval of the power purchase agreement, as amended. The commission shall also approve, as necessary, any subsequent assignment or sale of the power purchase agreement or ownership of the project to an entity owned or controlled, directly or indirectly, by two municipal utilities located north of Constitutional Route No. 8, as described in section 161.114, which currently own electric and steam generation facilities using coal as a fuel and which propose to retrofit their existing municipal electrical generating facilities to utilize biomass fuels in order to perform the power purchase agreement.

(c) If the power purchase agreement described in paragraph (b) is assigned to an entity that is, or becomes, owned or controlled, directly or indirectly, by two municipal entities as described in paragraph (b), and the power purchase agreement meets the price requirements of paragraph (b), the commission shall approve any amendments to the power purchase agreement necessary to reflect the changes in project location and ownership and any other amendments made necessary by those changes. The commission shall also specifically find that:

(1) the power purchase agreement complies with and fully satisfies the provisions of this section to the full extent of its 35-megawatt capacity;

(2) all costs incurred by the public utility and all amounts to be paid by the public utility to the project owner under the terms of the power purchase agreement are fully recoverable pursuant to section 216B.1645;

(3) subject to prudence review by the commission, the public utility may recover from its Minnesota retail customers the amounts that may be incurred and paid by the public utility during the full term of the power purchase agreement; and

(4) if the purchase power agreement meets the requirements of this subdivision, it is reasonable and in the public interest.

(d) The commission shall specifically approve recovery by the public utility of any and all Minnesota jurisdictional costs incurred by the public utility to improve, construct, install, or upgrade transmission, distribution, or other electrical facilities owned by the public utility or other persons in order to permit interconnection of the retrofitted biomass-fueled generating facilities or to obtain transmission service for the energy provided by the facilities to the public utility pursuant to section 216B.1645, and shall disapprove any provision in the power purchase agreement that requires the developer or owner of the project to pay the jurisdictional costs or that permit the public utility to terminate the power purchase agreement as a result of the existence of those costs or the public utility's obligation to pay any or all of those costs.

(e) Upon request by the project owner, the public utility shall agree to amend the power purchase agreement described in paragraph (b) and approved by the commission as required by paragraph (c). The amendment must be negotiated and executed within 45 days of May 14, 2013, and must apply to prices paid after January 1, 2014. The average price for energy in nominal dollars measured over the term of the power purchase agreement must not exceed \$109.20 per megawatt hour. The public utility shall request approval of the amendment by the commission within 30 days of execution of the amended power purchase agreement. The amendment is not effective until approval by the commission. The commission shall act on the amendment within 90 days of submission of the request by the public utility. Upon approval of the amended power purchase agreement, the commission shall allow the public utility to recover the costs of the amended power purchase agreement, as provided in section 216B.1645.

(f) With respect to the power purchase agreement described in paragraph (b), and amended and approved by the commission pursuant to paragraphs (c) and (e), upon request by the project owner, the public utility shall agree to amend the power purchase agreement to include a fuel cost adjustment clause which requires the public utility to reimburse the project owner monthly for all costs incurred by the project owner during the applicable month to procure and transport all fuel used to produce energy for delivery to the public utility pursuant to the power purchase agreement to the extent such costs exceeded \$3.40 per million metric British thermal unit (MMBTU), in addition to the price to be paid for the energy produced and delivered by the project owner. Reimbursable costs include but are not limited to: (1) all costs incurred to load fuel at its source; (2) costs to transport fuel (i) to the biomass-fueled generating facilities or to an intermediate woodyard, storage facility, or handling facility, or (ii) from a facility to the biomass-fueled generating facilities; (3) depreciation of any depreciable loading, woodyard, storage, handling, or transportation equipment whether the vehicle or equipment is located at the fuel source, a woodyard, storage facility, handling facility, or at the generating facilities; and (4) costs to unload fuel at the generating facilities. Beginning with 2014, at the end of each calendar year of the term of the power purchase agreement, the project owner shall calculate the amount by which actual fuel costs for the year exceeded \$3.40 per MMBTU, and prior

monthly payment for such fuel costs shall be reconciled against actual fuel costs for the applicable calendar year. If such prior monthly fuel payments for the year in the aggregate exceed the amount due based on the annual calculation, the project owner shall credit the public utility for the excess paid. If the annual calculation of fuel costs due exceeds the prior monthly fuel payments for the year in the aggregate, the project owner shall be entitled to be paid for the deficiency with the next invoice to the public utility. The amendment shall be negotiated and executed within 45 days of May 13, 2013, and shall be effective for fuel costs incurred and prices after January 1, 2014. The public utility shall request approval of the amendment by the commission, and the commission shall approve the amendment as reasonable and in the public interest and allow the public utility to recover from its Minnesota retail customers the amounts paid by the public utility to the project owner pursuant to the power purchase agreement during the full term of the power purchase agreement, including the reimbursement of fuel costs pursuant to the power purchase agreement amendment, reimbursable costs as provided in this paragraph, pursuant to section 216B.1645, or otherwise.

(g) With respect to the power purchase agreement described in paragraph (b) and approved by the commission pursuant to paragraphs (c) and (e), the public utility is prohibited from recovering from the project owner any costs which were not actually and reasonably incurred by the utility, notwithstanding any provision in the power purchase agreement to the contrary. In addition, beginning with 2012, the public utility shall pay for all energy delivered by the project owner pursuant to the power purchase agreement at the full price for such energy in the power purchase agreement approved and amended pursuant to paragraph (e), provided that the project owner does not deliver more than 110 percent of the amount scheduled for delivery in any year of the power purchase agreement, and does not deliver, on average over any five consecutive years of the power purchase agreement, an amount greater than 105 percent of the amount scheduled for delivery over the five-year period.

**EFFECTIVE DATE.** This section is effective retroactively from January 1, 2014."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

S.F. No. 3131 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Abeler	Eken	Johnson	Ortman	Sheran
Anderson	Fischbach	Kent	Osmek	Skoe
Benson	Franzen	Kiffmeyer	Pappas	Sparks
Carlson	Gazelka	Koenen	Pratt	Stumpf
Chamberlain	Goodwin	Latz	Reinert	Thompson
Champion	Hall	Limmer	Rest	Tomassoni
Clausen	Hann	Lourey	Rosen	Torres Ray
Dahle	Hawj	Marty	Ruud	Weber
Dahms	Hayden	Metzen	Saxhaug	Westrom
Dibble	Housley	Nelson	Scalze	Wiger
Dziedzic	Ingebrigtsen	Newman	Schmit	Wiklund
Eaton	Jensen	Nienow	Senjem	

So the bill, as amended, was passed and its title was agreed to.

**SPECIAL ORDER**

**S.F. No. 3327:** A bill for an act relating to impaired driving; requiring ignition interlock for repeat offenders to reinstate driving privileges; extending certain time periods to request reviews in DWI-related proceedings; providing that DWI offenders are not required to take a specified examination as a condition of driver's license reinstatement; prohibiting the application of the DWI Forfeiture Law to motor vehicles operated by persons who enter the ignition interlock program; modifying the DWI forfeiture laws innocent owner defense; amending Minnesota Statutes 2014, sections 97B.066, subdivision 8; 169A.53, subdivision 2; 169A.55, subdivisions 2, 4; 169A.60, subdivision 10; 169A.63, subdivision 7, by adding a subdivision; 171.29, subdivision 1; Minnesota Statutes 2015 Supplement, section 169A.53, subdivision 3.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 57 and nays 1, as follows:

Those who voted in the affirmative were:

Abeler	Fischbach	Kiffmeyer	Pappas	Sparks
Anderson	Franzen	Koenen	Pratt	Stumpf
Benson	Gazelka	Latz	Reinert	Thompson
Carlson	Goodwin	Limmer	Rest	Tomassoni
Chamberlain	Hall	Lourey	Rosen	Torres Ray
Clausen	Hann	Marty	Ruud	Weber
Dahle	Hawj	Metzen	Saxhaug	Westrom
Dahms	Hayden	Nelson	Scalze	Wiger
Dibble	Housley	Newman	Schmit	Wiklund
Dziedzic	Ingebrigtsen	Nienow	Senjem	
Eaton	Jensen	Ortman	Sheran	
Eken	Kent	Osmeck	Skoe	

Those who voted in the negative were:

Champion

So the bill passed and its title was agreed to.

**SPECIAL ORDER**

**S.F. No. 2930:** A bill for an act relating to manufactured homes; park lot rentals; making changes to the manufactured home relocation trust fund; amending Minnesota Statutes 2014, section 327C.095, subdivisions 12, 13.

Senator Westrom moved to amend S.F. No. 2930 as follows:

Page 3, line 12, strike "actual" and insert "reasonable"

Page 3, line 20, after the period, insert "To be eligible for a payment under this paragraph, a manufactured home owner must obtain estimates for the relocation cost from at least two moving services prior to relocation and the payment under this paragraph must not exceed the lowest of the estimated amounts. If a manufactured home owner makes reasonable efforts to obtain more than one estimate but is unable to do so, the manufactured home owner is eligible for payment of reasonable relocation costs as determined by the director of the Minnesota manufactured home relocation trust fund to be typical for the relocation, taking into account the size and location of the manufactured home and the distance of the move."



**CALL OF THE SENATE**

Senator Skoe imposed a call of the Senate for the balance of the proceedings on S.F. No. 2930. The Sergeant at Arms was instructed to bring in the absent members.

The question was taken on the adoption of the Westrom amendment.

The roll was called, and there were yeas 20 and nays 38, as follows:

Those who voted in the affirmative were:

Abeler	Fischbach	Ingebrigtsen	Newman	Senjem
Benson	Gazelka	Kiffmeyer	Nienow	Thompson
Chamberlain	Hall	Limmer	Osmek	Weber
Dahms	Hann	Nelson	Pratt	Westrom

Those who voted in the negative were:

Anderson	Eken	Koenen	Rest	Sparks
Carlson	Franzen	Latz	Rosen	Stumpf
Champion	Goodwin	Lourey	Ruud	Tomassoni
Clausen	Hawj	Marty	Saxhaug	Torres Ray
Dahle	Hayden	Metzen	Scalze	Wiger
Dibble	Housley	Ortman	Schmit	Wiklund
Dziedzic	Jensen	Pappas	Sheran	
Eaton	Kent	Reinert	Skoe	

The motion did not prevail. So the amendment was not adopted.

S.F. No. 2930 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 43 and nays 15, as follows:

Those who voted in the affirmative were:

Carlson	Eken	Latz	Reinert	Sparks
Chamberlain	Fischbach	Lourey	Rest	Stumpf
Champion	Franzen	Marty	Rosen	Tomassoni
Clausen	Goodwin	Metzen	Ruud	Torres Ray
Dahle	Hawj	Nelson	Saxhaug	Weber
Dahms	Hayden	Newman	Scalze	Wiger
Dibble	Jensen	Nienow	Schmit	Wiklund
Dziedzic	Kent	Pappas	Sheran	
Eaton	Koenen	Pratt	Skoe	

Those who voted in the negative were:

Abeler	Gazelka	Housley	Limmer	Senjem
Anderson	Hall	Ingebrigtsen	Ortman	Thompson
Benson	Hann	Kiffmeyer	Osmek	Westrom

So the bill passed and its title was agreed to.

**MOTIONS AND RESOLUTIONS - CONTINUED**

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate reverted to the Order of Business of Reports of Committees.

**REPORTS OF COMMITTEES****Senator Cohen from the Committee on Finance, to which was referred**

**H.F. No. 3467:** A bill for an act relating to state government; modifying provisions related to continuing care, health care, MNsure, Health Department, chemical and mental health, children and families, health-related licensing, human services forecast adjustments, health and human services appropriations, state government appropriations, state government, and public safety; making technical changes; adjusting rates for nursing facilities in border cities; limiting appropriations and transfers to MNsure; amending provisions relating to abortion; creating licenses relating to orthotics and genetic counselors; modifying barber licenses; modifying fees; canceling part of the senate carryforward account to the general fund; requiring savings from reducing salaries in the executive branch, instituting a hiring freeze, and limiting nonessential travel and advertising; requiring receipts from examinations by the state auditor be credited to the general fund; transferring funds in the state auditor enterprise fund to the general fund; suspending the public subsidy program for state elections to the end of fiscal year 2017; requiring the legislative auditor to participate in preparing fiscal notes, revenue estimates, and local impact notes; requiring county payments and political subdivision payments for state auditor costs be deposited in the general fund; requiring a centralized tracking list of agency projects over \$100,000; limiting fee or fine increases; requiring disclosure to the legislative auditor on potential federal penalties for the purchase or sale of state bonds; requiring legislature be notified of certain costs in state construction projects; requiring approval for certain state building projects; requiring termination of state grant agreement if recipient is convicted of a criminal offense related to the grant agreement; prohibiting fees for general fund grant administration; requiring audit of delegated authority; adding a provision for targeted group business; limiting number of full-time employees; changing provisions in the Veterans Preference Act; changing a provision for the IRRRB; changing payments from the manufactured home relocation trust fund; requiring a public hearing if a proposed interim ordinance deals with housing; modifying health insurance provisions related to school districts and certain self-insurance pools; requiring reports; designating parking ramp financing; establishing Legislative Surrogacy Commission; requiring a study; increasing fine for certain traffic violations around school buses; enhancing penalties and establishing minimum fines for repeat violations of driving without a license; allowing alcohol use by sensory testing services; extending funding for avian influenza and agricultural emergency response; authorizing commissioner of corrections to negotiate for facility to house offenders; increasing maximum sentence for felony assault motivated by bias; prohibiting the use of unmanned vehicles near public safety helicopters; providing for a fund transfer from the correctional industries revolving fund to the general fund; authorizing rulemaking; appropriating money; amending Minnesota Statutes 2014, sections 3.3005, subdivisions 3, 3b, 4, 5, 6, by adding subdivisions; 3.971, by adding a subdivision; 3.98; 3.987, subdivision 1; 6.56, subdivision 2; 6.581, subdivision 4; 16A.103, by adding a subdivision; 16A.1283; 16B.335, subdivision 1; 16C.03, subdivision 16; 16C.16, subdivision 5; 16E.0466; 16E.21, subdivision 2, by adding subdivisions; 62J.495, subdivision 4; 62J.496, subdivision 1; 62V.04, subdivisions 2, 3, 4; 62V.05, subdivision 2, by adding subdivisions; 62V.11, by adding a subdivision; 119B.13, subdivision 1; 144.05, by adding a subdivision; 144.293, subdivision 2; 144A.071, subdivisions 4c, 4d; 144A.073, subdivisions 13, 14, by adding a subdivision; 144A.471, subdivision 9; 144A.611, subdivisions 1, 2, by adding a subdivision; 144A.75, subdivisions 5, 6, 8, by adding a subdivision; 145.4716, subdivision 2, by adding a subdivision; 145.882, subdivisions 2, 3, 7; 145.925, subdivisions 1, 1a, by adding subdivisions; 149A.50, subdivision 2; 154.001, subdivision 2; 154.002; 154.01; 154.02; 154.04; 154.05; 154.065, subdivisions 2, 4; 154.07; 154.08; 154.09; 154.10, subdivision

2; 154.11, subdivision 1; 154.14; 154.15; 154.161, subdivision 7; 154.162; 154.19; 154.21; 154.24; 154.25; 157.15, subdivision 14; 169.444, subdivision 2; 171.24; 197.455, subdivision 1; 243.166, subdivision 1b; 245.99, subdivision 2; 254B.03, subdivision 4; 254B.04, subdivision 2a; 254B.06, subdivision 2, by adding a subdivision; 256.01, by adding a subdivision; 256B.042, by adding a subdivision; 256B.0621, subdivision 10; 256B.0625, by adding subdivisions; 256B.0644; 256B.0924, by adding a subdivision; 256B.15, subdivisions 1a, 2, by adding a subdivision; 256D.051, subdivision 6b; 256L.02, by adding a subdivision; 298.22, subdivision 1; 299A.41, subdivision 3; 327.14, subdivision 8; 327C.03, subdivision 6; 327C.095, subdivisions 12, 13; 353.01, subdivision 43; 462.355, subdivision 4; 471.6161, subdivision 8; 471.617, subdivision 2; 471.895, subdivision 1; 518.175, subdivision 5; 518A.34; 518A.36; 609.3241; 626.558, subdivisions 1, 2, by adding a subdivision; Minnesota Statutes 2015 Supplement, sections 6.481, subdivision 6; 16C.073, subdivision 2; 62V.03, subdivision 2; 144A.75, subdivision 13; 145.4131, subdivision 1; 149A.92, subdivision 1; 154.003; 154.11, subdivision 3; 154.161, subdivision 4; 197.46; 245.735, subdivisions 3, 4; 256B.059, subdivision 5; 256B.0625, subdivisions 17a, 18a, 20; 256B.431, subdivision 36; 256B.441, subdivisions 13, 53, 66; 256B.76, subdivisions 2, 4; 256B.766; 518A.26, subdivision 14; 518A.39, subdivision 2; 609.324, subdivision 1; Laws 2015, chapter 65, article 1, section 18; Laws 2015, chapter 71, article 1, section 125; article 14, sections 2, subdivision 5, as amended; 4, subdivisions 1, 3, 5, 10, 11; 9; Laws 2015, chapter 77, article 1, section 11, subdivision 4; proposing coding for new law in Minnesota Statutes, chapters 16A; 16B; 16C; 43A; 45; 62V; 144; 145; 148; 245A; 254B; 256B; 325E; 518A; 609; proposing coding for new law as Minnesota Statutes, chapters 147F; 153B; repealing Minnesota Statutes 2014, sections 3.886; 6.581, subdivision 1; 62V.01; 62V.02; 62V.03, subdivisions 1, 3; 62V.04; 62V.05, subdivisions 1, 2, 3, 4, 5, 9, 10; 62V.06; 62V.07; 62V.08; 62V.09; 62V.10; 62V.11, subdivisions 1, 2, 4; 144.058; 145.925, subdivision 2; 149A.92, subdivision 11; 154.03; 154.06; 154.11, subdivision 2; 154.12; 179A.50; 179A.51; 179A.52; 179A.53; Minnesota Statutes 2015 Supplement, sections 62V.03, subdivision 2; 62V.05, subdivisions 6, 7, 8, 11; 62V.051; Minnesota Rules, parts 7700.0010; 7700.0020; 7700.0030; 7700.0040; 7700.0050; 7700.0060; 7700.0070; 7700.0080; 7700.0090; 7700.0100; 7700.0101; 7700.0105.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

## "ARTICLE 1

### APPROPRIATIONS

#### Section 1. CAPITAL IMPROVEMENT APPROPRIATIONS.

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

Minnesota Statutes, section 16A.642. Unless otherwise specified in this act, money appropriated in this act for activities under Minnesota Statutes, sections 16B.307, 84.946, and 135A.046, should not be used for projects that can be financed within a reasonable time frame under Minnesota Statutes, section 16B.322 or 16C.144. Unless otherwise specified, an appropriation that fully funds a project does not require a nonstate match. Unless otherwise specified, general fund appropriations in this act are onetime and are in fiscal year 2017.

## APPROPRIATIONS

### Sec. 2. UNIVERSITY OF MINNESOTA

Subdivision 1. Total Appropriation \$ 160,734,000

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

Subd. 2. Higher Education Asset Preservation and Replacement (HEAPR) 61,500,000

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

Subd. 3. Duluth - Chemical Sciences and Advanced Materials Science Building 27,167,000

To design, construct, furnish, and equip a new laboratory building on the Duluth campus, including classrooms and research and undergraduate instructional laboratories.

Subd. 4. Twin Cities - Health Sciences Education Facility 66,667,000

To demolish obsolete health sciences facilities and to design, renovate, furnish, equip, and construct a health science education facility on the Twin Cities campus to meet the needs of the Medical School and the Academic Health Center.

Subd. 5. Twin Cities - Plant Growth Research Facility 4,400,000

To demolish the existing biological sciences greenhouse and to predesign, design, construct, furnish, and equip a greenhouse to support learning and research on the St. Paul campus.

**Subd. 6. Duluth - Glensheen Mansion**1,000,000

To predesign, design, construct, furnish, and equip critical structural repairs and renovation of the servants' porch.

**Subd. 7. University Share**

Except for the appropriations for HEAPR and the Glensheen Mansion, the appropriations in this section are intended to cover approximately two-thirds of the cost of each project. The remaining costs must be paid from university sources.

**Subd. 8. Unspent Appropriations**

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

**Sec. 3. MINNESOTA STATE COLLEGES AND UNIVERSITIES****Subdivision 1. Total Appropriation**\$ 173,666,000

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

**Subd. 2. Higher Education Asset Preservation and Replacement (HEAPR)**70,000,000

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

**Subd. 3. Anoka Ramsey Community College**4,965,000

To design, renovate, furnish, and equip the Humanities Building and to design the Nursing and Active Learning Center and related campus redevelopment.

**Subd. 4. Bemidji State University**18,097,000

To demolish Hagg-Sauer Hall and construct, furnish, and equip its replacement, the Academic Learning Center; to renovate and renew, furnish, and equip Bensen Hall, Sattgast Hall, Bangsberg Hall, and A.C. Clark Library.

**Subd. 5. Century College**5,500,000

To create flexible space for classroom, lab, and other learning use, to renovate the adjacent welding laboratory, and to expand robotic welding facilities.

**Subd. 6. Hennepin Technical College Advanced Manufacturing Integration and Revitalization Phase I; Design and Renovation**8,231,000

For Phase I of the Advanced Manufacturing Integration and Revitalization (AMIR) project on the Brooklyn Park campus of Hennepin Technical College that will renovate and update approximately 25,530 square feet of skilled technical spaces. Phase I includes design of the entire project; roof replacement; construction, furnishing, and equipping of a new entry to the AMIR programs; and remodeling existing lab spaces and classrooms associated with the electronic, HVAC, and welding programs.

**Subd. 7. Hibbing Community College**9,958,000

To demolish Building G and connecting links or portions thereof, and to construct, renovate, furnish, and equip buildings, links, and entry spaces on the campus.

**Subd. 8. Minnesota State Community and Technical College**

**(a) Fergus Falls Campus**978,000

To design, renovate, furnish, and equip a new Center for Student and Workforce Success (CSWS) that integrates the Regional Workforce Center. The board must enter into a lease agreement with the commissioner of employment and economic development, or partners of the commissioner, for use of the workforce center subject to Minnesota Statutes, section 16A.695. The board must use nonstate money for the remainder of the cost of the renovation.

**(b) Wadena Campus**820,000

To design, renovate, furnish, and equip the relocation of the current library to underutilized space and converting the vacated space into a centralized student services center.

**Subd. 9. Northland Community and Technical College, East Grand Forks**826,000

To design, renovate, furnish, and equip science and radiological lab space on the East Grand Forks campus.

**Subd. 10. Rochester Community and Technical College**20,385,000

To complete design, demolish Memorial and Plaza Halls, construct, equip, and furnish an academic building expansion, and renovate, equip, and furnish replacement space for classrooms, labs, and office spaces.

**Subd. 11. South Central College, North Mankato**8,600,000

To design, renovate, renew, furnish, and equip laboratory, classroom and office spaces on the North Mankato campus.

**Subd. 12. Winona State University, Education Village, Phase 2**25,306,000

To complete design, construct, renovate, furnish, and equip Phase 2 of the Education Village project, including the renovation of

Cathedral and Wabasha Halls and Wabasha Rec, and remove obsolete portions of Wabasha Rec and the Annex building between Cathedral School and Wabasha Rec.

**Subd. 13. Debt Service**

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

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

(c) The commissioner of management and budget shall reduce the board's assessment each year by one-third of the net income from investment of general obligation bond proceeds in proportion to the amount of principal and interest otherwise required to be paid by the board. The board shall pay its resulting net assessment to the commissioner of management and budget by December 1 each year. If the board fails to make a payment when due, the commissioner of management and budget shall reduce allotments for appropriations from the general fund otherwise available to the board and apply the amount of the reduction to cover the missed debt service payment. The commissioner of management and budget shall credit the payments received from the board to the bond debt service account in the state bond fund each December 1 before money is transferred from the general fund under Minnesota Statutes, section 16A.641, subdivision 10.

**Subd. 14. Unspent Appropriations**



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

(b) The unspent portion of an appropriation for a project in this section that is complete is available for HEAPR under this subdivision, at the same campus as the project for which the original appropriation was made and the debt service requirement under subdivision 18 is reduced accordingly. Minnesota Statutes, section 16A.642, applies from the date of the original appropriation to the unspent amount transferred.

#### Sec. 4. EDUCATION

Subdivision 1. **Total Appropriation** \$ 22,234,000

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

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

For library construction grants under Minnesota Statutes, section 134.45.

Subd. 3. **Bagley - Library Furnishings** 50,000

From the general fund for a grant to the city of Bagley for improvements, furnishings, and equipment for the city's library or to reimburse the city for improvements, furnishings, and equipment for the city's library. This appropriation does not require a nonstate contribution.

**Subd. 4. Cambridge - East Central Regional Library**

2,414,000

For a grant to the city of Cambridge to acquire property for and to predesign, design, construct, furnish, and equip a new public library and headquarters for the East Central Regional Library system, to be located in the city of Cambridge. This appropriation is not available until the commissioner of management and budget determines that an equal amount is committed from nonstate sources.

**Subd. 5. Grand Rapids - Myles Reif Center**

500,000

From the general fund for a grant to Independent School District No. 318, Grand Rapids, to cover cost overruns for the Myles Reif Center for the Performing Arts project in Grand Rapids. This appropriation is added to and is for the same purposes as the project in Laws 2014, chapter 294, article 1, section 21, subdivision 8. This appropriation does not require a nonstate contribution.

**Subd. 6. Olmsted County - Dyslexia Institute of Minnesota**

1,500,000

For a grant to Olmsted County to acquire land for, and to predesign, design, construct, furnish, and equip a facility in Olmsted County to support the local, regional, and national literacy work of the Dyslexia Institute of Minnesota, subject to Minnesota Statutes, section 16A.695. This appropriation is not available until the commissioner of management and budget determines that an equal amount is committed from nonstate sources.

**Subd. 7. Red Lake - Independent School District No. 38 Facility Projects**

14,070,000

(a) \$9,735,000 of this appropriation is from the maximum effort school loan fund for a capital loan to Independent School District No. 38, Red Lake, as provided in Minnesota Statutes, sections 126C.60 to 126C.72,

and \$4,335,000 of this appropriation is from the general fund. This appropriation is to complete design and construction of a connection structure between the Red Lake Early Learning Childhood Center and Red Lake Elementary School; renovations to various classrooms, labs, and support rooms; updating of mechanical systems; and expansion of the cafeteria. Before any capital loan contract is approved under this subdivision, the district must provide documentation acceptable to the commissioner of education on how the capital loan will be used.

(b) The commissioner of administration may provide project management services to assist the Department of Education with oversight of the project. No money for construction may be distributed by the commissioner of education to the recipient school district until bids have been received on 100 percent of the construction documents and satisfactory documentation has been submitted to the commissioner of education indicating the project can be fully completed with money available for the project.

**Subd. 8. Warroad - Northwest Angle School Expansion**

700,000

For a grant to the Warroad School District to construct, furnish, and equip an expansion of the Northwest Angle School. No nonstate match is required.

**Subd. 9. White Bear Lake - Independent School District No. 624 - Community Achievement Center**

1,000,000

(a) For a grant to Independent School District No. 624, White Bear Lake Area Schools, to acquire land or real property for a comprehensive service center to deliver integrated services, including medical and dental services for young children, county human services, family support services, and early childhood education to the northeast metropolitan area.

(b) Any unspent portion of this appropriation after completion of the acquisition in paragraph (a) may be used for predesign and design.

(c) This appropriation does not require a nonstate match.

Sec. 5. **MINNESOTA STATE ACADEMIES**

**Subdivision 1. Total Appropriation**

**\$ 2,210,000**

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

**Subd. 2. Asset Preservation**

**2,000,000**

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

**Subd. 3. Minnesota State Academies Track**

**160,000**

For the construction of a track located on the Minnesota State Academy for the Blind campus, subject to Minnesota Statutes, section 16A.695. This appropriation is not available until the commissioner of management and budget determines that an amount sufficient to complete the project is committed from nonstate sources.

**Subd. 4. Minnesota State Academies Security Corridor**

**50,000**

For predesign for a safety corridor on the Minnesota State Academy for the Deaf campus.

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

**\$ 2,300,000**

To the commissioner of administration for capital asset preservation improvements and betterments at the Perpich Center for Arts Education, to be spent in accordance with Minnesota Statutes, section 16B.307.

Sec. 7. NATURAL RESOURCESSubdivision 1. Total Appropriation \$ 126,635,000

To the commissioner of natural resources for the purposes specified in this section. The appropriations in this section are subject to the requirements of the natural resources capital improvement program under Minnesota Statutes, section 86A.12, unless this section or the statutes referred to in this section provide more specific standards, criteria, or priorities for projects than Minnesota Statutes, section 86A.12.

Subd. 2. Natural Resources Asset Preservation 33,000,000

For the renovation of state-owned facilities and recreational assets operated by the commissioner of natural resources to be spent in accordance with Minnesota Statutes, section 84.946. Notwithstanding Minnesota Statutes, section 84.946: (1) the commissioner may use this appropriation to replace buildings if, considering the embedded energy in the building, that is the most energy-efficient and carbon-reducing method of renovation; and (2) this appropriation may be used for projects to remove life safety hazards such as building code violations or structural defects.

Subd. 3. Buildings and Facilities Development 2,000,000

To design and construct office and storage buildings, to replace buildings that are in poor condition, outdated, and no longer support the work of the department. This appropriation includes money to predesign a consolidated office in Bemidji.

Subd. 4. Flood Hazard Mitigation 20,000,000

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

(b) Levee projects, to the extent practical, shall meet the state standard of three feet above the 100-year flood elevation.

(c) Project priorities shall be determined by the commissioner as appropriate and based on need.

(d) This appropriation includes money for the following county and municipal projects: Afton, Austin, Bloomington, Browns Valley, Delano, Golden Valley, Halstad, Hawley, Hendrum, Inver Grove Heights, Maynard, Montevideo, Nielsville, Ortonville, Owatonna, Perley, Rushford, and St. Vincent.

(e) This appropriation includes money for projects in the following watersheds: Bois de Sioux Watershed District, Buffalo Red River Watershed District, Cedar River Watershed District, Lower Minnesota River Watershed District, Middle Snake Tamarac Rivers Watershed District, Upper Minnesota River Watershed District, Prior Lake-Spring Lake Watershed District, Red Lake Watershed District, Roseau River Watershed District, Sand Hill River Watershed District, Shell Rock River Watershed District, Two Rivers Watershed District, and Wild Rice River Watershed District.

(f) For any project listed in this subdivision that the commissioner determines is not ready to proceed or does not expend all the money allocated to it, the commissioner may allocate that project's money to a project on the commissioner's priority list.

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

(h) To the extent practicable and consistent with the project, recipients of appropriations for flood damage reduction projects in this subdivision shall create wetlands that are

eligible for wetland replacement credit to replace wetlands drained or filled as a result of repair, reconstruction, replacement, or rehabilitation of an existing public road under Minnesota Statutes, section 103G.222, subdivision 1, paragraphs (l) and (m).

(i) Wetlands established by flood control projects funded in this subdivision that are not needed for replacement credit as part of a flood damage project funded in this subdivision, are eligible for wetland replacement credit under Minnesota Statutes, sections 103G.222 to 103G.2243.

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

10,000,000

To renovate or remove publicly owned dams. The commissioner shall determine project priorities as appropriate under Minnesota Statutes, sections 103G.511 and 103G.515. This appropriation does not require a nonstate match for the Lanesboro Dam project.

**Subd. 6. RIM Critical Habitat**

1,500,000

To provide the state match for the critical habitat private sector matching account under Minnesota Statutes, section 84.943.

**Subd. 7. Fish Hatchery Development**

1,000,000

For improvements and system upgrades of a capital nature to hatchery facilities owned by the state and operated by the commissioner of natural resources under Minnesota Statutes, section 97A.045, subdivision 1, to prevent the spread of invasive species and pathogens.

**Subd. 8. Mille Lacs Lake - Fisheries Management Station**

3,500,000

To design and construct a fishery management station near Mille Lacs Lake to provide office, hatchery, and storage space.

**Subd. 9. Reforestation and Stand Improvement**

2,300,000

To provide for reforestation and stand improvement on state forest lands to meet

the reforestation requirements of Minnesota Statutes, section 89.002, subdivision 2, including purchasing native seeds and native seedlings, planting, seeding, site preparation, and protection on state lands administered by the commissioner.

**Subd. 10. State Park Campground Renovations**

1,000,000

To rehabilitate and provide enhancements to campgrounds, including meeting code requirements and improving safety and accessibility. This appropriation is for the campground at Jay Cooke State Park and high-priority work at other campgrounds.

**Subd. 11. Park, State Recreation Area, and Trail Development**

19,740,000

(a) For acquisition, development, and renovation of state trails under Minnesota Statutes, section 85.015. Of this amount, \$2,000,000 is for the Gitchi-Gami Trail at Tofte; \$2,590,000 is for the Glacial Lakes Trail; \$1,300,000 is for the Goodhue Pioneer Trail; \$3,300,000 is for the Heartland Trail from Detroit Lakes to Frazee and spur from Park Rapids to Itasca State Park; and \$650,000 is for the Mill Town Trail.

(b) \$1,900,000 is for acquisition and development in the Cuyuna Country State Recreation Area, including the Cuyuna Mountain Bike System.

(c) \$8,000,000 is for continued development of recreational opportunities at the Lake Vermilion-Soudan Underground Mine State Park.

(d) The commissioner may allocate money not needed to complete a project listed in this section to another project listed in this section that may need additional money to be completed. For any project listed in this subdivision that the commissioner determines is not ready to proceed, the commissioner may reallocate that project's money to another state trail project described in this



section or other state trail infrastructure. The commissioner of natural resources must notify the chairs of the house of representatives and senate committees with jurisdiction over environment and natural resources and legislators from the affected legislative districts of any changes made under this paragraph.

**Subd. 12. Itasca State Park Renovations**

6,900,000

To provide for the renovation of buildings and infrastructure and for natural resources restoration in Itasca State Park. Projects include safety and accessibility improvements, rehabilitation of the historic Nicollet Court building, and erosion protection at the headwaters of the Mississippi River.

**Subd. 13. West Leaf Lake Dam**

50,000

For renovation of the West Leaf Lake Dam under Minnesota Statutes, sections 103G.511 to 103G.515. This appropriation does not require a nonstate match.

**Subd. 14. Austin - Waterways Restoration**

600,000

For a grant to the city of Austin to design, construct, and equip improvements at the site of the old 4th Avenue Mill and Dam, including the construction of bituminous trails, completion of landscaping work, and renovation of the existing mill; for stream bank stabilization throughout the city, including the removal of downed trees and debris, replacement of riprap, and establishment of native vegetation. This appropriation is not available until the commissioner of management and budget determines that an equal amount is committed from nonstate sources.

**Subd. 15. Champlin - Mill Pond Restoration**

3,300,000

For a grant to the city of Champlin to dredge and remove sediment and for other capital improvements of the Champlin Mill Pond

necessary to improve water quality, restore fish habitat, and provide other public benefits. This appropriation is not available until the commissioner of management and budget determines that an equal amount is committed from nonstate sources.

**Subd. 16. Dakota County - Byllesby Dam**

6,000,000

For a grant to Dakota County to design and construct capital improvements to the hydro-electric generating facility, including replacement of obsolete turbines, at the Byllesby Dam, located on the Cannon River. This appropriation is not available until the commissioner of management and budget determines that an equal amount is committed from nonstate sources.

**Subd. 17. Dakota County - Minnesota River Regional Trail**

2,500,000

For a grant to Dakota County under Minnesota Statutes, section 85.019, subdivision 4b, to design and construct a 3.2-mile multiuse segment, including upgrades to existing facilities and a new trailhead at Lone Oak Road, of the Minnesota River Regional Trail between Cedar Avenue and Lone Oak Road in the city of Eagan.

**Subd. 18. Golden Valley - Storm Water Infrastructure**

8,400,000

For a grant to the city of Golden Valley for storm water infrastructure within the DeCola Ponds and Medicine Lake Road watershed in the cities of Golden Valley, New Hope, and Crystal, including creation of floodwater storage, subwatershed diversion, and runoff rate control projects. This appropriation is not available until the commissioner of management and budget determines that an equal amount is committed from nonstate sources.

**Subd. 19. Itasca County - Popple River Recreation Bridge**

385,000

For a grant to Itasca County to design and construct a multiuse recreation bridge over the Popple River and a paved trail connection to Village Road in the city of Squaw Lake. This appropriation is not available until the commissioner of management and budget determines that an equal amount is committed from nonstate sources.

**Subd. 20. Lake County - Prospectors ATV Trail System**

1,000,000

For a grant to Lake County for construction, including bridges, of the Prospectors ATV Trail System linking the communities of Ely, Babbitt, Embarrass, and Tower; Bear Head Lake and Lake Vermilion-Soudan Underground Mine State Parks; the Taconite State Trail; and the Lake County Regional ATV Trail System. This appropriation is not available until the commissioner of management and budget determines that an equal amount is committed from nonstate sources.

**Subd. 21. Rochester - Chester Woods Trail**

1,000,000

To complete construction and paving of phase one of the Chester Woods State Trail from the city of Rochester to Chester Woods Park in Olmsted County.

**Subd. 22. St. Louis and Lake Counties Regional Rail Authority - Mesabi Trail**

1,697,000

For a grant to the St. Louis and Lake Counties Regional Railroad Authority to continue construction of the Mesabi Trail, starting near Whalston Road and going toward the city of Tower. This appropriation does not require a nonstate contribution.

**Subd. 23. Two Harbors Small Craft Harbor Facility**

763,000

For a grant to the City of Two Harbors to design and engineer a small craft harbor within the City of Two Harbors. This appropriation is not available until the commissioner of management and budget

confirms that an amount sufficient to complete the project is committed from nonstate sources.

**Subd. 24. Unspent Appropriations**

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

**Sec. 8. POLLUTION CONTROL AGENCY**

**Subdivision 1. Total Appropriation**

**\$ 31,655,000**

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

**Subd. 2. Capital Assistance Program**

**11,750,000**

(a) This appropriation is for the solid waste capital assistance grant program under Minnesota Statutes, section 115A.54.

(b) Of this appropriation, \$9,250,000 is for a grant to Polk County to complete a regional integrated solid waste management system. An additional renewable energy component shall not be mandated as a requirement of this project to qualify for funding under this section.

(c) Of this appropriation, \$2,500,000 is for a grant to McLeod County to complete an integrated solid waste system.

**Subd. 3. Variance Assistance Reimbursement**

**300,000**

From the general fund for deposit in the variance assistance account under Minnesota Statutes, section 115.441, to reimburse municipalities for the cost of applying for a variance from certain permitting requirements.

**Subd. 4. St. Louis River Area of Concern**12,705,000

To design and implement contaminated sediment management actions identified in the St. Louis River remedial action plan to restore water quality in the St. Louis River Area of Concern.

**Subd. 5. Redwood-Cottonwood Rivers Joint Powers - Lake Redwood Reclamation and Enhancement Project**6,900,000

For a grant to the Redwood-Cottonwood Rivers control area, a joint powers entity, to predesign, design, construct, and equip the reservoir reclamation and enhancement of the 66-acre Lake Redwood Reservoir. This appropriation is available after the commissioner of management and budget determines that \$870,000 is committed from nonstate sources.

**Sec. 9. BOARD OF WATER AND SOIL RESOURCES****Subdivision 1. Total Appropriation**\$ 4,500,000

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

**Subd. 2. Reinvest in Minnesota (RIM) Reserve Program**1,500,000

(a) To acquire conservation easements from landowners to preserve, restore, create, and enhance wetlands and associated uplands of prairie and grasslands, and restore and enhance rivers and streams, riparian lands, and associated uplands of prairie and grasslands in order to protect soil and water quality, support fish and wildlife habitat, reduce flood damage, and provide other public benefits. The provisions of Minnesota Statutes, section 103F.515, apply to this program.

(b) The board shall give priority to leveraging federal money by enrolling targeted new lands or enrolling environmentally sensitive

lands that have expiring federal conservation agreements.

(c) The board is authorized to enter into new agreements and amend past agreements with landowners as required by Minnesota Statutes, section 103F.515, subdivision 5, to allow for restoration. Of this appropriation, up to five percent may be used for restoration and enhancement.

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

3,000,000

To acquire land or permanent easements and to restore, create, enhance, and preserve wetlands to replace those wetlands drained or filled as a result of the repair, reconstruction, replacement, or rehabilitation of existing public roads as required by Minnesota Statutes, section 103G.222, subdivision 1, paragraphs (l) and (m). The board may vary the priority order of Minnesota Statutes, section 103G.222, subdivision 3, paragraph (a), to implement an in-lieu fee agreement approved by the U.S. Army Corps of Engineers under section 404 of the Clean Water Act. The purchase price paid for acquisition of land or perpetual easement must be a fair market value as determined by the board. The board may enter into agreements with the federal government, other state agencies, political subdivisions, nonprofit organizations, fee title owners, or other qualified private entities to acquire wetland replacement credits in accordance with Minnesota Rules, chapter 8420.

**Sec. 10. AGRICULTURE**

**Subdivision 1. Total Appropriations**

**\$ 2,824,000**

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

**Subd. 2. Agriculture Lab**

2,218,000

From the general fund for equipment and instruments for the agriculture laboratory.

This appropriation is available until June 30, 2022.

Subd. 3. AURI

606,000

From the general fund for a grant to Agricultural Utilization Research Institute (AURI) for construction of a development kitchen, sensory lab, and safety and security upgrades at AURI's Crookston facility and for communications and information technology upgrades at the Crookston, Marshall, and Waseca facilities.

Sec. 11. RURAL FINANCE AUTHORITY

\$ 35,000,000

For the purposes set forth in the Minnesota Constitution, article XI, section 5, paragraph (h), to the Rural Finance Authority to purchase participation interests in or to make direct agricultural loans to farmers under Minnesota Statutes, chapter 41B. This appropriation is from the bond proceeds account in the rural finance administration fund and is for the beginning farmer program under Minnesota Statutes, section 41B.039; the loan restructuring program under Minnesota Statutes, section 41B.04; the seller-sponsored program under Minnesota Statutes, section 41B.042; the agricultural improvement loan program under Minnesota Statutes, section 41B.043; and the livestock expansion loan program under Minnesota Statutes, section 41B.045. All debt service on bond proceeds used to finance this appropriation must be repaid by the Rural Finance Authority under Minnesota Statutes, section 16A.643. Loan participations must be priced to provide full interest and principal coverage and a reserve for potential losses. Priority for loans must be given first to basic beginning farmer loans, second to seller-sponsored loans, and third to agricultural improvement loans.

Sec. 12. MINNESOTA ZOOLOGICAL GARDEN

Subdivision 1. Total Appropriation

\$ 21,780,000

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

**Subd. 2. Asset Preservation**

4,000,000

For capital asset preservation improvements and betterments to infrastructure and exhibits at the Minnesota Zoo, to be spent in accordance with Minnesota Statutes, section 16B.307.

**Subd. 3. Heart of the Zoo II**

17,780,000

To complete the Heart of the Zoo II project, including renovation of the snow monkey exhibit and surrounding public spaces and construction of a meerkat exhibit. This appropriation is in addition to the appropriation in Laws 2014, chapter 294, article 1, section 11, subdivision 3.

**Sec. 13. ADMINISTRATION**

**Subdivision 1. Total Appropriation**

\$ 40,203,000

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

**Subd. 2. Capitol Complex - Physical Security Upgrades**

18,500,000

For the design, construction, and equipping required to upgrade the physical security elements and systems for the buildings listed below, their attached tunnel systems, and their surrounding grounds, and parking facilities as identified in the 2014 Minnesota State Capitol Complex Physical Security Study conducted by Miller Dunwiddie Architecture. Work includes but is not limited to the installation of bollards, blast protection, infrastructure security screen walls, door access controls, emergency call stations, security kiosks, locking devices, and traffic control. This appropriation includes money for work associated with the following buildings: Administration, Centennial, Judicial, Ag/Health Lab, Minnesota History Center, Minnesota History Center Loading



Dock, Capitol Complex Power Plant and Shops, Stassen, State Office, and Veterans Service.

**Subd. 3. Capitol Complex - Physical Security Upgrades**

3,400,000

From the general fund in fiscal year 2017, for the design, construction, and equipping required to upgrade the physical security elements and systems for the buildings listed below, their attached tunnel systems, and their surrounding grounds and parking facilities as identified in the 2014 Minnesota State Capitol Complex Physical Security Study conducted by Miller Dunwiddie Architecture. Work includes but is not limited to the installation of bollards, blast protection, infrastructure security screen walls, door access controls, emergency call stations, security kiosks, locking devices, and traffic control. This appropriation includes money for work associated with the Andersen and Freeman Buildings.

**Subd. 4. Centennial Parking Ramp**

10,878,000

(a) To complete design and for structural repairs to the Centennial parking ramp, including removal of the top deck green space to provide additional parking capacity, repairing damaged post-tension cables, and installation of a deck surface protection coating.

(b) Any unexpended amount of this appropriation after completing the project in paragraph (a) may be used to design and construct a storm water retention basin, adjacent to the Centennial parking ramp, if the commissioner of administration determines that the basin is feasible.

**Subd. 5. Capital Asset Preservation and Replacement Account**

2,500,000

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

**Subd. 6. Agency Relocation**1,500,000

From the general fund in fiscal year 2017 to relocate boards, councils, state agencies, and other state entities as needed for the efficient and effective operation of state government. This appropriation is available until June 30, 2022.

**Subd. 7. Strategic Plan for Enterprise Facilities**1,475,000

From the general fund to create a strategic facilities master plan for facilities used by state agencies.

**Subd. 8. Granite Falls - Pioneer Public Television**1,950,000

From the general fund to provide an equipment grant to Pioneer Public Television as part of the station's construction of a new facility in Granite Falls, Minnesota. The money may be used to purchase and install equipment necessary to the station's operation. This appropriation does not require a nonstate contribution.

**Sec. 14. MN.IT**\$ 1,432,000

To the commissioner of administration to predesign, design, construct, renovate, furnish, and equip existing state data center facilities at the Bureau of Criminal Apprehension's Maryland Avenue office building and at the Department of Revenue's Stassen Office Building for the purpose of decommissioning and repurposing into usable office space.

**Sec. 15. MINNESOTA AMATEUR SPORTS COMMISSION****Subdivision 1. Total Appropriation**\$ 5,932,000

To the Minnesota Amateur Sports Commission for the purposes specified in this section.

**Subd. 2. Asset Preservation**850,000

For asset preservation improvements and betterments of a capital nature at the National Sports Center in Blaine, to be spent in accordance with Minnesota Statutes, section 16B.307.

**Subd. 3. National Sports Center Expansion** 5,082,000

To prepare a site for, including demolition, and to construct maintenance facilities, parking lots, roads, athletic fields, and other infrastructure necessary to complete the tournament field expansion at the National Sports Center in Blaine.

Sec. 16. **MILITARY AFFAIRS**

**Subdivision 1. Total Appropriation** **\$ 10,500,000**

To the adjutant general for the purposes specified in this section.

**Subd. 2. Asset Preservation** 2,500,000

For asset preservation improvements and betterments of a capital nature at military affairs facilities statewide, to be spent in accordance with Minnesota Statutes, section 16B.307. Of this appropriation, \$1,620,000 is for asset preservation at the Rochester Readiness Center and \$880,000 is for asset preservation at the Willmar Readiness Center.

**Subd. 3. St. Cloud Armory** 3,500,000

To complete design, renovation, expansion, furnishing, and equipping of the St. Cloud Readiness Center. The renovation includes but is not limited to: installing HVAC systems, improving life/safety systems, increasing energy efficiency, and upgrading the facility to serve a dual gender force. This appropriation is not available until the commissioner of management and budget determines that an equal amount is committed from nonstate sources.

**Subd. 4. West St. Paul Armory** 4,500,000

To predesign, design, construct, furnish, and equip a new National Guard Readiness Center in a metropolitan county as defined in Minnesota Statutes, section 473.121, subdivision 4. This appropriation is intended to support construction of a joint National Guard Readiness Center and city of West St. Paul municipal building located in the city of West St. Paul, provided that the city identifies suitable land to meet federal rules for armory construction and agrees by the end of 2016 to commit sufficient nonstate funds to complete the project.

This appropriation is not available until the commissioner of management and budget determines that an amount sufficient to complete the project is committed from nonstate sources.

**Subd. 5. Unspent Appropriations**

The unspent portion of an appropriation for a project in this section that is complete, upon written notice to the commissioner of management and budget, is available for statewide asset preservation under Minnesota Statutes, section 16B.307. Minnesota Statutes, section 16A.642, applies from the date of the original appropriation to the unspent amount transferred.

**Sec. 17. PUBLIC SAFETY**

**Subdivision 1. Total Appropriation**

**\$ 42,988,000**

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

**Subd. 2. Arden Hills - State Emergency Operations Center**

**33,302,000**

For the design, site development, construction, and equipping of a new state emergency operations center (SEOC) for the Department of Public Safety at Arden Hills. The facility will serve as the location for coordinating state support to local governments during emergencies and

disasters. It will also be a critical continuity of government (COG) facility for state government leaders during an incident at the Capitol complex.

**Subd. 3. Camp Ripley - Railroad and Pipeline Incident Training Facility**

3,521,000

To design and construct a joint emergency railroad and pipeline emergency response training facility at Camp Ripley, including the construction of stations and capital infrastructure needed for mock disaster training.

**Subd. 4. Glenwood - Police and Fire Departments**

300,000

For a grant to the city of Glenwood to design, renovate, construct, furnish, and equip a facility for the municipal police and fire departments. This appropriation is not available until the commissioner of management and budget determines that an equal amount is committed from nonstate sources.

**Subd. 5. Hallock - Fire Hall**

290,000

For a grant to the city of Hallock to construct, furnish, and equip a fire hall facility. Notwithstanding Minnesota Statutes, section 16A.86, subdivision 4, this appropriation is available after the commissioner of management and budget determines that at least \$70,000 is committed from nonstate sources.

**Subd. 6. Mahnommen - Public Safety Facility**

175,000

For a grant to the city of Mahnommen for predesign of a public safety facility in the city of Mahnommen to serve the counties of Mahnommen, Clearwater, and Becker. This appropriation is not available until at least an equal amount is committed from nonstate sources.

**Subd. 7. Minneapolis Emergency Operations Training Facility (EOTF) Enhancement**

2,500,000

For a grant to the city of Minneapolis for the predesign, design, engineering, and construction of the expansion of the Emergency Operation Center and Fire Training Facility. This appropriation is not available until the commissioner of management and budget determines that an equal amount is committed to the project from nonstate sources.

**Subd. 8. Roseau - Fire Station Expansion**

700,000

For a grant to the city of Roseau to design, construct, furnish, and equip an addition to the Roseau Fire Station. This appropriation is not available until the commissioner of management and budget determines that an equal amount is committed from nonstate sources.

**Subd. 9. Windom - Regional Emergency Services Facility**

2,200,000

For a grant to the city of Windom to predesign, design, construct, furnish, and equip a regional emergency services (fire and ambulance) facility. Notwithstanding Minnesota Statutes, section 16A.86, subdivision 4, this appropriation is available after the commissioner of management and budget determines that at least \$1,000,000 is committed to the project from nonstate sources.

**Sec. 18. TRANSPORTATION**

**Subdivision 1. Total Appropriation**

**\$ 365,590,000**

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

**Subd. 2. Local Road Improvement Fund Grants**

70,000,000

From the bond proceeds account in the state transportation fund as provided in Minnesota Statutes, section 174.50, for construction and reconstruction of local roads with statewide or regional significance under Minnesota Statutes, section 174.52, subdivision 4, for

grants under Minnesota Statutes, section 174.52, subdivision 2, or for grants to counties to assist in paying the costs of rural road safety capital improvement projects on county state-aid highways under Minnesota Statutes, section 174.52, subdivision 4a.

**Subd. 3. Local Bridge Replacement and Rehabilitation**

80,000,000

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

**Subd. 4. Safe Routes to School**

3,000,000

For grants under Minnesota Statutes, section 174.40.

**Subd. 5. Golden Valley - Douglas Drive and Highway 55**

3,000,000

For a grant to the city of Golden Valley to reconstruct approximately one and three-quarters miles of Douglas Drive north of Highway 55, including on-street bicycle lanes and off-street trails and sidewalks, and to design, engineer, and construct public safety improvements at the intersection of Douglas Drive and Highway 55, including a box culvert underpass across Highway 55, a roundabout and extended frontage road south of Highway 55, retaining wall construction, underground utility relocation, sidewalk and trail connections to existing facilities, Americans with Disabilities Act-compliant facilities, and landscaping. This appropriation does not require a nonstate contribution.

**Subd. 6. St. Joseph - Pedestrian Bridge**

1,404,000

For a grant to the city of St. Joseph to construct a pedestrian bridge over County Road 75 in Stearns County.

**Subd. 7. Port Development Assistance**

10,000,000

For grants under Minnesota Statutes, chapter 457A. Any improvements made with the proceeds of these grants must be publicly owned. Wabasha shall be a priority project for a grant under this appropriation.

**Subd. 8. Rail Grade Separation on Crude Oil Rail Corridors**

65,478,000

(a) To design and construct rail safety projects at highway railroad grade crossings in accordance with Minnesota Statutes, section 219.016. Of this appropriation:

(1) \$39,729,000 is for a grant to the city of Moorhead for environmental analysis, design, engineering, removal of an existing structure, and construction of a rail grade crossing separation in the vicinity of 21st Street South;

(2) \$13,762,000 is for a grant to the city of Red Wing for environmental analysis, design, engineering, removal of an existing structure, and construction of a rail grade crossing separation at Sturgeon Lake Road; and

(3) \$11,987,000 is for a grant to Anoka County for environmental analysis, design, engineering, removal of an existing structure, and construction of a rail grade crossing separation at Anoka County State-Aid Highway 78, known as Hanson Boulevard, in Coon Rapids.

(b) Any unspent portion of this appropriation after completion of any project in this subdivision may be used for additional grants in accordance with Minnesota Statutes, section 219.016.

**Subd. 9. Railroad Warning Devices**

5,000,000

To design, construct, and equip replacement of active highway-rail grade warning devices that have reached the end of their useful life.

**Subd. 10. Rail Service Improvement**

2,000,000

For the rail service improvement program to be spent for the purposes set forth



in Minnesota Statutes, section 222.50, subdivision 7.

**Subd. 11. Goodview and Minnesota City - Rail Quiet Zone**

301,000

For a grant to the city of Goodview for construction of a railroad crossing quiet zone that consists of construction and installation of concrete median barriers and associated road improvements at five Canadian Pacific railroad crossings in the cities of Goodview and Minnesota City. This appropriation does not require a local match.

**Subd. 12. St. Louis Park - Quiet Zone**

105,000

For a grant to the city of St. Louis Park to install safety improvements that reduce or eliminate the need for rail horns and whistles in St. Louis Park. This appropriation is not available until the commissioner of management and budget determines that an equal amount is committed from nonstate sources.

**Subd. 13. Blaine - 105th Avenue Reconstruction**

3,246,000

For a grant to the city of Blaine to predesign, design, and reconstruct 105th Avenue in the vicinity of the National Sports Center in Blaine. The reconstruction will include changing the street from five lanes to four lanes with median, turn lanes, sidewalk, trail, landscaping, lighting, and consolidation of access driveways. This appropriation is not available until the commissioner of management and budget determines that at least \$3,000,000 is committed to the project from sources available to the city, including municipal state aid and county turnback funds.

**Subd. 14. Chaska - Trunk Highway 212 Interchange**

28,000,000

From the bond proceeds account in the trunk highway fund for right-of-way acquisition and construction of an interchange at marked Trunk Highway 212 and Carver County

Road 140 in the city of Chaska, to support the development of approximately 400 acres of property in the city of Chaska's comprehensive plan. Notwithstanding Minnesota Statutes, section 16A.28, this appropriation is available for five years after the effective date of this act.

**Subd. 15. Duluth Airport Authority**

5,900,000

From the state airports fund in fiscal year 2017 to provide the federal match to design and construct runway infrastructure at the Duluth International and Sky Harbor Airports in accordance with Minnesota Statutes, section 360.017. For the purposes of this appropriation, the commissioner may waive the requirements of Minnesota Statutes, section 360.305, subdivision 4, paragraph (b). This appropriation is for costs incurred after March 1, 2016, and is available until and must be encumbered by June 30, 2017. This appropriation is not available until the commissioner of management and budget determines that an equal amount is committed from nonstate sources.

**Subd. 16. Grand Rapids Pedestrian Bridge**

750,000

For a grant to the city of Grand Rapids to design the construction of a bridge over the Mississippi River for pedestrian and bicycle use to provide a safe alternative route to the existing marked Trunk Highway 169 vehicle bridge, and to serve as a connection to existing trail systems on each side of the river. This appropriation is not available until the commissioner determines that an equal amount has been committed to the project from nonstate sources.

**Subd. 17. Hennepin County - U.S. Highway 12**

15,000,000

From the bond proceeds account in the trunk highway fund for projects, including preliminary and final design, engineering, environmental analysis, right-of-way acquisition, construction, and reconstruction on marked U.S. Highway 12 as follows:

(1) realignment at the intersections with Hennepin County State-Aid Highway 92;

(2) realignment and safety improvements at the intersection with Hennepin County State-Aid Highway 90; and

(3) safety median improvements from the interchange with Wayzata Boulevard in Wayzata to approximately one-half mile east of the interchange with Hennepin County State-Aid Highway 6.

**Subd. 18. Hennepin County - Interstate Highway 35W and Lake Street Access Project**

25,000,000

From the bond proceeds account in the state transportation fund for a grant to Hennepin County for design, right-of-way acquisition, engineering, and construction of public improvements related to the Interstate Highway 35W and Lake Street access project and related improvements within the Interstate Highway 35W corridor. This appropriation is not available until the commissioner of management and budget determines that an amount sufficient to complete the project has been committed to the project.

**Subd. 19. Hugo - Short Line Railway**

1,100,000

For a grant to Minnesota Commercial Railway for construction of repairs and other capital improvements to approximately 6.5 miles of railroad track described as that portion of the Minnesota Commercial Railway main running lead, between M & D Junction in White Bear Lake and the end of the track in Hugo. This appropriation must be used for the purposes set forth in the Minnesota Constitution, article XI, section 5, clause (i), to improve and rehabilitate railroad rights-of-way and other rail facilities, whether public or private. This appropriation does not require a nonstate match.

**Subd. 20. International Falls-Koochiching County Airport Commission**

3,000,000

(a) From the state airports fund for a grant to the International Falls-Koochiching County Airport Commission for the following improvements to the Falls International Airport:

(1) demolition of the existing terminal building;

(2) rehabilitation;

(3) site preparation, including utilities and civil work;

(4) design, construction, furnishing, and equipping Phase II of the new terminal building, including a Transportation Safety Administration office, weather office, conference room, circulation corridor, airport administration offices, U.S. Customs and Border Protection storage rooms, offices, restrooms, passenger-processing area, wet-hold room, interview room, search room, precustoms and postcustoms passenger waiting areas, and vestibule; and

(5) associated appurtenances of a capital nature.

(b) After completion of the improvements under paragraph (a), any unspent money from this appropriation may be used by the International Falls-Koochiching County Airport Commission for a commercial airline apron expansion project at the Falls International Airport.

(c) This appropriation does not require a nonstate contribution or match.

**Subd. 21. Minnesota Valley Regional Rail Authority**

3,000,000

For a grant to the Minnesota Valley Regional Rail Authority for the rehabilitation of railroad track from Winthrop to Hanley Falls. The grant under this subdivision may also be used for any required environmental documentation and remediation, predesign, design, and rehabilitation or replacement of bridges with new bridges or culverts between Winthrop and Hanley Falls. A grant under

this section is in addition to any grant, loan, or loan guarantee for this project made by the commissioner under Minnesota Statutes, sections 222.46 to 222.62. This appropriation is in addition to the appropriations in Laws 2006, chapter 258, section 16, subdivision 6; Laws 2008, chapter 179, section 16, subdivision 5; Laws 2009, chapter 93, article 1, section 11, subdivision 4; Laws 2010, chapter 189, section 15, subdivision 5; and Laws 2015, First Special Session chapter 5, article 1, section 10, subdivision 4.

**Subd. 22. Ramsey - Rail Grade Separation at County Road 56**

1,500,000

For a grant to the city of Ramsey for predesign and design of a highway-rail grade separation at the intersection of Anoka County Road 56, also known as Ramsey Boulevard, with the Burlington Northern Santa Fe mainline. This appropriation is not available until the commissioner of management and budget determines that an equal amount is committed from nonstate sources.

**Subd. 23. Ramsey County - I-694 Rice Street Interchange**

15,421,000

For a grant to Ramsey County for preliminary and final design, environmental documentation, and construction of the interchange of marked Interstate Highway 694 and Rice Street in Ramsey County. The \$6,600,000 previously expended from nonstate sources to acquire property for this project shall count toward the nonstate match and no further nonstate match is required.

**Subd. 24. Rochester International Airport**

4,985,000

From the general fund to design, construct, renovate, and improve the Rochester International Airport, in accordance with Minnesota Statutes, section 360.017. For the purposes of this appropriation, the commissioner may waive the requirements of Minnesota Statutes, section 360.305, subdivision 4, paragraph (b). This

appropriation is available until and must be encumbered by June 30, 2017. This appropriation is not available until the commissioner of management and budget determines that an equal amount is committed from nonstate sources.

**Subd. 25. Rosemount - County Road 42 and Marked Trunk Highway 52 Interchange**

2,000,000

From the bond proceeds account in the state transportation fund for the city of Rosemount local share of the project that reconstructs the interchange of County Road 42 at marked Trunk Highway 52 in Dakota County. This appropriation is not available until the commissioner of management and budget determines that an equal amount is committed from nonstate sources.

**Subd. 26. St. Paul - Rail Grade Separation at Westminster Junction and Division Street**

1,000,000

For a grant to the Ramsey County Regional Railroad Authority for environmental analysis and design of rail grade separation of Union Pacific and Burlington Northern Santa Fe between Westminster Junction and Division Street/Hoffman Interlocking in St. Paul. This appropriation is not available until the commissioner determines that an equal amount has been committed to the project from nonstate sources.

**Subd. 27. Virginia - Highway 53 Relocation**

3,400,000

From the bond proceeds account in the state transportation fund for grants to the city of Virginia and the Virginia Public Utilities Commission to acquire land for and to predesign, design, construct, furnish, and equip relocated public utilities, including sanitary and storm water sewers and water, electrical, and gas utilities; and to demolish and remove old utility infrastructure, all associated with the relocation of Highway 53. This appropriation does not require a nonstate contribution.

**Subd. 28. West St. Paul - Robert Street  
Reconstruction**

12,000,000

From the trunk highway fund for a grant to the city of West St. Paul to complete the reconstruction of South Robert Street, marked as Trunk Highway 952. This appropriation is available after the commissioner of management and budget determines that \$7,363,000 is committed from nonstate sources.

**Sec. 19. METROPOLITAN COUNCIL**

**Subdivision 1. Total Appropriation**

**\$ 42,750,000**

To the Metropolitan Council for the purposes specified in this section.

**Subd. 2. Metropolitan Regional Parks and Trails  
Capital Improvements**

10,000,000

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

**Subd. 3. Metropolitan Cities Inflow and Infiltration  
Grants**

5,000,000

For grants to cities within the metropolitan area, as defined in Minnesota Statutes, section 473.121, subdivision 2, for capital improvements in municipal wastewater collection systems to reduce the amount of inflow and infiltration to the Metropolitan Council's metropolitan sanitary sewer disposal system. Grants from this appropriation are for up to 50 percent of the cost to mitigate inflow and infiltration in the publicly owned municipal wastewater collection systems. To be eligible for a grant, a city must be identified by the council as a contributor of excessive inflow and infiltration in the metropolitan disposal

system or have a measured flow rate within 20 percent of its allowable council-determined inflow and infiltration limits. The council must award grants based on applications from cities that identify eligible capital costs and include a timeline for inflow and infiltration mitigation construction, pursuant to guidelines established by the council.

**Subd. 4. Bloomington - Mall of America Transit Station**

8,750,000

For design and construction of improvements to the Mall of America Station on the Hiawatha Corridor light rail transit line. The Metropolitan Council must consult with the city of Bloomington throughout the design and construction process.

**Subd. 5. Minneapolis - Sculpture Garden**

500,000

From the general fund for a grant to the Minneapolis Parks and Recreation Board for noncapital expenses relating to the renovation of the Minneapolis Sculpture Garden. This appropriation is available until June 30, 2019. This appropriation is in addition to the appropriation in Laws 2014, chapter 194, article 1, section 17, subdivision 8. This appropriation does not require a nonstate match.

**Subd. 6. St. Paul - Como Zoo**

14,500,000

For a grant to the city of St. Paul for predesign, design, and engineering of Phase I of the renovation of seal and sea lion habitat at the Como Zoo. The renovated habitat will support the zoo education programs. This appropriation is not available until the commissioner of management and budget determines that at least \$1,100,000 is committed to the project from nonstate sources.

**Subd. 7. Washington County - Gateway Corridor Transitway**

3,000,000



For a grant to Washington County for environmental analysis, design, and engineering for the Gateway Corridor Transitway, also known as the Metro Gold Line. This appropriation is not available until the commissioner of management and budget determines that an equal amount is committed from nonstate sources.

**Subd. 8. Washington County - Red Rock Corridor Transitway**

1,000,000

For a grant to the Washington County Regional Railroad Authority for engineering and environmental analysis for the Red Rock Corridor transitway. This appropriation is not available until the commissioner of management and budget determines that an equal amount is committed from nonstate sources.

**Sec. 20. HEALTH**

**\$ 2,335,000**

From the general fund in fiscal year 2017 to the commissioner of health for equipment and instruments for the public health laboratory. Notwithstanding Minnesota Statutes, section 16A.642, this appropriation is available until June 30, 2022.

**Sec. 21. HUMAN SERVICES**

**Subdivision 1. Total Appropriation**

**\$ 135,135,000**

To the commissioner of administration, or another named agency, for the purposes specified in this section.

**Subd. 2. Asset Preservation**

5,000,000

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

**Subd. 3. Minnesota Security Hospital - St. Peter**

70,255,000

To complete design, remodel, construct, furnish, and equip the second phase of the

two-phase project to remodel existing and to develop new residential, program, activity, and ancillary facilities for the Minnesota Security Hospital on the upper campus of the St. Peter Regional Treatment Center. This appropriation includes money to: demolish, renovate, and remodel existing space; construct new space; address fire and life safety, and other building code deficiencies; replace or renovate interior finishes; purchase furnishings, fixtures, and equipment; replace or renovate the Minnesota Security Hospital building's HVAC, plumbing, electrical, security, and life safety systems; tuck-point; replace windows and doors; design and abate asbestos and hazardous materials; and complete site work necessary to support the programmed use of the facilities on the St. Peter Regional Treatment Center upper campus.

**Subd. 4. Minnesota Sex Offender Program – St. Peter**

14,500,000

To complete design, construct, renovate, furnish, and equip the second phase of a multiphase project to develop additional residential, program, activity, and ancillary facilities for the Minnesota Sex Offender Program on the lower campus of the St. Peter Regional Treatment Center. This appropriation includes money to complete design, renovate, construct, furnish, and equip the north wing of Green Acres; the west, south, and north wings of Sunrise; and the Tomlinson building. This appropriation also includes money to: replace or renovate HVAC, plumbing, electrical, security, and life safety systems; address fire and life safety, and other building code deficiencies; replace windows and doors; tuck-point exterior building envelopes; reconfigure and remodel space; design and abate asbestos and other hazardous materials; remove or demolish nonfunctioning building components; and complete site work necessary to support the programmed use of facilities.

**Subd. 5. Anoka Metro Regional Treatment Center  
Safety and Security Renovations**

2,250,000

To provide security upgrades of a capital nature at the Anoka Metro Regional Treatment Center campus, including but not limited to control centers, electronic monitoring and perimeter security equipment, new or updated security fencing, and other building security renovations. This appropriation includes money for: predesign, design, furnishing, fixtures, and equipment; construction of safety and security improvements to courtyards on residential treatment units; securely enclosing the nursing station on Unit G; and installing a campus-wide closed-circuit television video security system, a facility-wide personal duress alarm system, a key control system, and an electronic access control system.

**Subd. 6. Early Childhood Learning Facilities**

5,000,000

To the commissioner of human services for grants under Minnesota Statutes, section 256E.37, to construct and rehabilitate early childhood learning facilities.

**Subd. 7. Hennepin County - Perspectives Family Center**

600,000

From the general fund to the commissioner of human services in fiscal year 2017 for a grant to Hennepin County to predesign and design the expansion and renovation of the existing Perspectives Family Center facility in St. Louis Park, subject to Minnesota Statutes, section 16A.695. The expanded and renovated facility must be used to promote the public welfare by providing any or all of the following programs and services: (1) supportive housing programs for homeless women and their children; (2) mental and chemical health programs; (3) employment services; (4) academic, social skills, and nutritional programs for homeless and at-risk children; (5) an all-day therapeutic early childhood development

program for homeless and at-risk children; and (6) a culturally sensitive safe and nurturing environment for at-risk children to meet with their nonresidential parents. This appropriation is not available until the commissioner of management and budget has determined that at least an equal amount has been expended or committed to the project from nonstate sources. Nonstate money spent on the project since May 1, 2015, shall be included in the determination of nonstate commitments to the project.

**Subd. 8. Minneapolis - The Family Partnership**

1,000,000

From the general fund for a grant to the Family Partnership in Minneapolis to predesign and design a facility to provide mental health, early childhood education, and other services to support children and families. This appropriation is not available until at least an equal amount of money is committed from nonstate resources. This appropriation is available until the project is completed or abandoned, subject to Minnesota Statutes, section 16A.642.

**Subd. 9. Red Lake Indian Reservation - Social Service Building Construction and Whitefeather/Moe Education Technology Center Remodel**

17,000,000

(a) From the general fund for a grant to the Red Lake Indian Reservation to:

(1) construct a building to house the social services of Oshkiimaajitahdah in Redby; and

(2) remodel the Whitefeather/Moe Education Technology Center to return space to classrooms and laboratories for educational purposes.

(b) This appropriation is available until the project is completed or abandoned, subject to Minnesota Statutes, section 16A.642.

(c) This appropriation is available after the commissioner of management and budget determines that \$200,000 is committed or has

been expended by nonstate sources. Money spent for site preparation shall count toward the \$200,000 nonstate contribution.

**Subd. 10. St. Paul - Dorothy Day Opportunity Center**

12,000,000

For a grant to the city of St. Paul to predesign, design, construct, furnish, and equip an opportunity center to serve as an integrated one-stop delivery system connecting persons at risk of becoming homeless, and persons working to move up and out of homelessness, and to provide services that improve their health, income, housing stability, or well-being, subject to Minnesota Statutes, section 16A.695. This appropriation may be used to acquire property for these purposes. This appropriation is not available until the commissioner of management and budget has determined that at least an equal amount has been committed to the project from nonstate sources. This appropriation is in addition to the appropriation in Laws 2014, chapter 294, article 1, section 18, subdivision 9.

**Subd. 11. Willmar - Child and Adolescent Behavioral Health Services (CABHS)**

7,530,000

For a grant to the city of Willmar to purchase land in or near the city of Willmar for, and to predesign, design, construct, furnish, and equip, a 16-bed psychiatric hospital facility of approximately 17,500 to 18,000 square feet that will house the Child and Adolescent Behavioral Health Services (CABHS) program. The facility shall include space for single bedrooms, bathing and toilets, dining, living, group and treatment rooms, education space, visitation, clinic/professional staff, operations staff, patient storage, operations storage, food preparation, HVAC/telecommunications/data equipment, a small area for indoor recreation, and a secure outdoor activity space. The property for the facility will provide for staff and visitor parking, outdoor activities, and appropriate side, front, and rear setbacks.

This appropriation does not require a nonstate match.

Sec. 22. **VETERANS AFFAIRS**

Subdivision 1. **Total Appropriation**

**\$ 22,851,000**

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

Subd. 2. **Asset Preservation**

5,000,000

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

Subd. 3. **Minneapolis Veterans Home Truss Bridge Project**

7,851,000

To design, construct, renovate, and equip the historic truss bridge on the Minneapolis Veterans Home campus, including asbestos and hazardous materials abatement and associated site work.

Subd. 4. **Bemidji and Montevideo Veterans Homes**

10,000,000

(a) \$5,000,000 of this appropriation is to design, construct, furnish, and equip a veterans home in Montevideo to provide a continuum of care, including skilled nursing care, to veterans.

(b) \$5,000,000 of this appropriation is to design, construct, furnish, and equip a new veterans home in Bemidji to provide a continuum of care, including skilled nursing care, to veterans.

(c) The commissioner of administration may accept contributions of land or money from private individuals, businesses, local governments, veterans service organizations, and other nonstate sources for the purpose of providing matching funding when soliciting federal funding for the development of the homes.

Sec. 23. **CORRECTIONS****Subdivision 1. Total Appropriation** \$ **52,253,000**

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

**Subd. 2. Asset Preservation** **20,000,000**

For asset preservation improvements and betterments of a capital nature at Minnesota correctional facilities statewide, to be spent in accordance with Minnesota Statutes, section 16B.307.

**Subd. 3. Lino Lakes - Minnesota Correctional Facility** **5,000,000**

To design, renovate, and equip an existing vacant building into an offender living unit that will add at least 60 beds to the capacity at the Minnesota Correctional Facility – Lino Lakes. The renovation includes removal of hazardous materials, upgrades to comply with current building codes, and construction of functional living and program space.

**Subd. 4. Moose Lake - Minnesota Correctional Facility** **1,900,000**

To expand and renovate the outdated master control center to improve security and efficiency at the Minnesota Correctional Facility – Moose Lake. The renovation includes updating fire alarm panels and mechanical and electrical systems and improving visibility of the visiting area.

**Subd. 5. St. Cloud - Minnesota Correctional Facility** **19,000,000**

To construct and equip a new intake unit and a loading dock with a secure connection to a new central warehouse at the Minnesota Correctional Facility – St. Cloud.

**Subd. 6. Togo - Minnesota Correctional Facility** **2,000,000**

To design, construct, renovate, furnish, and equip existing buildings, including improvements to the wastewater and septic

systems, and to increase the program capacity for the challenge incarceration program by at least 30 beds at the Minnesota Correctional Facility – Togo.

**Subd. 7. Willow River - Minnesota Correctional Facility**

1,500,000

To design, construct, renovate, furnish, and equip new and existing buildings to increase living unit and programming capacity for the challenge incarceration program by at least 45 beds at the Minnesota Correctional Facility – Willow River.

**Subd. 8. Northeast Regional Corrections Center**

2,853,000

For a grant to the Arrowhead Regional Corrections Joint Powers Board to demolish an existing facility and update, renovate, and expand buildings used for vocational and educational programming at the Northeast Regional Corrections Center. This project will expand the processing facility, add a packaging facility, and improve farm operations and vocational buildings, including the replacement or repair of roofs and air handling systems. Nonstate contributions to improvements at the center made before or after the enactment of this subdivision are considered to be a sufficient match, and no further nonstate match is required.

**Subd. 9. Unspent Appropriations**

The unspent portion of an appropriation for a Department of Corrections project in this section that is complete, upon written notice to the commissioner of management and budget, is available for asset preservation under Minnesota Statutes, section 16B.307. Minnesota Statutes, section 16A.642, applies from the date of the original appropriation to the unspent amount transferred.

**Sec. 24. EMPLOYMENT AND ECONOMIC DEVELOPMENT**



Subdivision 1. **Total Appropriation** **\$ 159,304,000**

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

Subd. 2. **Asset Preservation** 1,342,000

For asset preservation improvements and betterments of a capital nature at the South Minneapolis WorkForce Center, to be spent in accordance with Minnesota Statutes, section 16B.307.

Subd. 3. **Transportation Economic Development** 20,000,000

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

Subd. 4. **Greater Minnesota Business Development Public Infrastructure Grants** 15,000,000

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

Subd. 5. **Innovative Business Development Public Infrastructure Grants** 5,000,000

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

Subd. 6. **Redevelopment Grant Program** 4,328,000

(a) From the general fund for purposes of the redevelopment account under Minnesota Statutes, sections 116J.571 to 116J.575.

(b) Of this appropriation, \$3,500,000 is for a grant to the city of Albert Lea for predesign, design, site work, and construction, including the relocation of Front Street, for Phase I of the Blazing Star Landing project to redevelop the former Farmland Foods property along Albert Lea Lake. This appropriation is not available until the commissioner of management and budget determines that an equal amount is committed from nonstate sources.

Subd. 7. **Bemidji - Regional Dental Facility** 6,000,000

For a grant to the city of Bemidji to acquire land for and to predesign, design, construct, renovate, furnish, and equip a regional dental facility in Bemidji, subject to Minnesota Statutes, section 16A.695. This appropriation is not available until the commissioner of management and budget has determined that at least \$3,000,000 has been committed to the project from nonstate sources. The value of the land purchased or acquired by the city after January 1, 2016, for this facility shall count toward the nonstate match.

**Subd. 8. Duluth - Lake Superior Zoo**

1,909,000

For a grant to the city of Duluth to design, construct, furnish, and equip an outdoor amphitheater at the Lake Superior Zoo. This appropriation is not available until the commissioner determines that at least an equal amount is committed to the project from nonstate sources.

**Subd. 9. Hastings - Riverfront Renaissance**

1,500,000

For a grant to the city of Hastings for the design, engineering, constructing, and equipping of improvements to the city's sewer, electrical, utility, and street infrastructure; for renovations and improvements to Oliver's Grove Park; and screening of an electrical substation. These projects are part of the rehabilitation of Hastings' historic downtown and Levee Park along the Mississippi River. This appropriation is not available until the commissioner of management and budget determines that an equal amount is committed from nonstate sources. Expenditures made for Phases 1 and 2 of this project shall count towards the nonstate match.

**Subd. 10. Hennepin County - Cedar Cultural Center**

3,000,000

From the general fund for a grant to the Cedar Cultural Center to predesign, design, construct, furnish, and equip the renovation of the historic Cedar Cultural Center.

**Subd. 11. Hennepin County - Hennepin Center for the Arts**6,000,000

For a grant to Hennepin County for improvements and betterments of a capital nature to renovate the historic Hennepin Center for the Arts, subject to Minnesota Statutes, section 16A.695. Notwithstanding Minnesota Statutes, section 16A.86, subdivision 4, this appropriation is available after the commissioner of management and budget determines that \$3,000,000 has been committed to complete the project from nonstate sources.

**Subd. 12. Hermantown - Arrowhead Regional Health and Wellness Center**8,000,000

For a grant to the city of Hermantown to prepare the middle school site on the Hermantown School District campus, including demolition of a portion of the middle school, and to design, construct a new addition to the middle school building and renovate the remaining existing building, furnish, and equip the facility as the Arrowhead Regional Health and Wellness Center. The city may enter into lease or management agreements under Minnesota Statutes, section 16A.695, for operation of the center. This appropriation is not available until at least an equal amount is committed to the project from nonstate sources.

**Subd. 13. Jackson - Memorial Park Redevelopment Phase I**282,000

For a grant to the city of Jackson to complete Phase I of the redevelopment of Memorial Park, including trails, landscaping, a canoe launch, and other amenities. This appropriation is not available until the commissioner of management and budget determines that at least an equal amount is committed to the project from nonstate sources. This appropriation does not require a nonstate match.

**Subd. 14. Litchfield - Power Generation Improvements**5,000,000

For a grant to the city of Litchfield to design and construct electrical generation improvements in the city of Litchfield to expand the current standby capacity, including replacement of two old generators. This appropriation is not available until the commissioner of management and budget determines that at least an equal amount is committed to the project from nonstate sources.

**Subd. 15. Madelia - Public Infrastructure**98,000

For a grant to the city of Madelia for repair and replacement of a capital nature of public infrastructure damaged by a fire in Madelia in February 2016. This appropriation does not require a nonstate match.

**Subd. 16. Medford - Municipal Complex**2,940,000

For a grant to the city of Medford to predesign, design, construct, furnish, and equip a municipal complex that includes an emergency operations center/storm shelter or safe area for use during a public emergency, public meeting and community room, fire department offices and facilities, and city hall offices. Money spent by the city for this project before the effective date of this section is the nonstate contribution to the project and no further nonstate contribution is required.

**Subd. 17. Minneapolis - Arts Incubator**900,000

For a grant to the city of Minneapolis for planning and predesign of an arts incubator and manufacturing center consisting of artist studios, maker spaces, and small arts commercial enterprises, subject to Minnesota Statutes, section 16A.695. The project shall be located in North Minneapolis.

**Subd. 18. Minneapolis - Northern Metals**4,100,000

From the general fund for a grant to Northern Metals, Inc., for costs of relocation due to the closure of St. Anthony Falls Lock on the Mississippi River. This appropriation does not require a nonstate match.

**Subd. 19. Minneapolis - Norway House**

5,000,000

From the general fund for a grant to the Norway House to acquire land and predesign, design, construct, furnish, and equip a conference and event center at 913 East Franklin Avenue and adjacent property in Minneapolis to celebrate the culture of Norway and American Norwegians. This appropriation is not available until at least an equal amount is committed from nonstate sources. Land purchased for this expansion project shall count toward the nonstate match.

**Subd. 20. Minneapolis - Pioneers and Soldiers Cemetery Restoration**

1,029,000

For a grant to the city of Minneapolis to restore the historic steel and limestone pillar fence along Cedar Avenue and Lake Street, install a new steel fence and pillars along 21st Avenue South, and install a waterproofing system for preservation of the fence and pillars, at the Pioneer and Soldiers Cemetery. This appropriation is available after the commissioner of management and budget determines that \$394,000 is committed from nonstate sources.

**Subd. 21. Moose Lake - Riverside Center**

600,000

For a grant to the city of Moose Lake to design, construct, and equip an addition of 5,000 square feet to include public restrooms, a concessions area, changing rooms, meeting space, accessibility improvements for Americans with Disabilities Act (ADA) compliance, and other improvements of a capital nature to the Riverside Center. This appropriation is not available until the commissioner of management and budget determines that an equal amount is committed from nonstate sources.

**Subd. 22. Parkers Prairie - Community Pool**250,000

For a grant to the city of Parkers Prairie to renovate the city swimming pool, including accessibility improvements. This appropriation is not available until the commissioner of management and budget determines that an equal amount is committed from nonstate sources.

**Subd. 23. Plymouth - Ice Center Renovation**2,203,000

For a grant to the city of Plymouth to predesign, design, construct, furnish, and equip the renovation of the Plymouth Ice Center, and to complete related work for the state-mandated transition of R-22 refrigerant to an ammonia-based system. The project also includes resizing an existing ice sheet for energy efficiencies, roof repairs, and parking lot enhancements. This appropriation is not available until the commissioner of management and budget determines that at least \$2,119,000 is committed to the project from nonstate sources.

**Subd. 24. Polk County - North Country Food Bank in Crookston**3,000,000

For a grant to Polk County to predesign, design, construct, renovate, furnish, and equip a regional charitable food warehouse, distribution, and office facility in the city of Crookston, subject to Minnesota Statutes, section 16A.695. This appropriation is not available until the commissioner of management and budget determines that an equal amount has been committed to the project from nonstate sources. The value of the land purchased or acquired by the county after January 1, 2013, for this facility shall count toward the nonstate match.

**Subd. 25. Red Wing - River Town Renaissance**4,480,000

For a grant to the city of Red Wing to complete removal and replacement of approximately 250 lineal feet of the harbor retaining wall; to design, construct, furnish,

and equip the renovation of the historic T.B. Sheldon Performing Arts Theater; and to design and construct transient riverboat docking facilities, levee wall extension, and levee promenade improvements at Levee Park. This appropriation is not available until the commissioner of management and budget determines that an amount sufficient to complete the project has been committed from nonstate sources.

**Subd. 26. Roseau County - Transportation Facility**

3,900,000

For a grant to Roseau County to construct, furnish, and equip a multipurpose transportation facility adjacent to an existing transportation facility in Roseau. This appropriation is not available until at least an equal amount is committed from nonstate sources.

**Subd. 27. St. Cloud - Friedrich Regional Park**

1,505,000

For a grant to the city of St. Cloud to acquire land for and to predesign and design site improvements including trails, picnic and parking areas, restrooms, and other public facilities and amenities for the development of Friedrich Regional Park. This appropriation is available after the commissioner of management and budget determines that \$300,000 is committed from nonstate sources.

**Subd. 28. St. Louis County - Arrowhead Economic Development Center and Mental Health Facility**

12,975,000

For a grant to St. Louis County to design, construct, furnish, and equip a new building at 701 4th Street N in Virginia, to house a jobs and economic development center and a mental health facility. St. Louis County may enter into one or more lease or management agreements for the facility, subject to Minnesota Statutes, section 16A.695. This appropriation is not available until the commissioner has determined that an amount sufficient to complete the project has been committed from nonstate sources.

**Subd. 29. St. Paul - Bruce Vento Nature Sanctuary**3,000,000

For a grant to the city of St. Paul to predesign, design, furnish, and equip a center in the Bruce Vento Nature Sanctuary in St. Paul that will be used for uses and programs that the city determines meet regional and city park purpose requirements. The city may enter into a lease or management agreement under Minnesota Statutes, section 16A.695, to operate the programs in the center. This appropriation is not available until the commissioner of management and budget determines that at least an equal amount is committed to the project from nonstate sources.

**Subd. 30. St. Paul - East Side Freedom Library**500,000

From the general fund for a grant to the city of St. Paul to complete the design and to renovate, restore, construct, furnish, and equip capital improvements to the Carnegie Library formerly known as the Arlington Hills Public Library. This appropriation does not require a nonstate match.

**Subd. 31. St. Paul - Science Museum of Minnesota Building Preservation**13,000,000

For a grant to the city of St. Paul for predesign, design, and construction work to replace water-damaged elements of the Science Museum of Minnesota's exterior envelope and some resultant interior damage caused by latent design and construction defects, subject to Minnesota Statutes, section 16A.695. This appropriation is not available until the commissioner of management and budget determines that an equal amount has been committed to the project from nonstate sources. Capital costs paid by the Science Museum of Minnesota since January 1, 2014, relating to the water intrusion damage, shall count towards the match requirement.

**Subd. 32. St. Paul Port Authority - Minnesota Museum of American Art**6,000,000



From the general fund for a grant to the St. Paul Port Authority to design, construct, furnish, and equip improvements for the Minnesota Museum of American Art for the historic Pioneer Endicott Building renovation. The project shall include galleries and education facilities, art storage, access to the St. Paul skyway, museum loading, and other capital improvements required for a museum and related education facility. The appropriation shall be available upon a determination by the commissioner that at least \$8,500,000 of nonstate funds have been raised for the project and there are sufficient funds to complete the overall project.

**Subd. 33. St. Paul - Roy Wilkins Auditorium; RiverCentre Parking**

1,900,000

For a grant to the city of St. Paul to complete predesign for and to design a new Roy Wilkins Center to replace the existing Roy Wilkins Auditorium and RiverCentre parking ramp. This appropriation does not require a nonstate contribution.

**Subd. 34. St. Peter - Minnesota Square Park Pavilion**

855,000

For a grant to the city of St. Peter to demolish the existing pavilion and to predesign, design, construct, furnish, and equip a new park pavilion in Minnesota Square Park, and to design and construct a veterans memorial to be located at the corner of Highway 169 and West College Avenue in St. Peter. This appropriation is not available until the commissioner of management and budget determines that at least an equal amount is committed to the project from nonstate sources.

**Subd. 35. Silver Bay - Black Beach Municipal Campground**

1,708,000

For a grant to the city of Silver Bay to predesign, design, construct, furnish, and equip a campground adjacent to the Black Beach recreational beach in Silver Bay,

including: camping sites; electrical, water, and sewer infrastructure; a playground; a pavilion; lavatory vaults; a shower and lavatory building; and a main office building. This appropriation may also be used to design, construct, furnish, and equip a walking trail from the campground to the Black Beach recreational site. This appropriation is not available until \$548,000 is committed from nonstate sources. The nonstate contribution may be in kind. In-kind contributions may include the value of site preparation.

**Subd. 36. Thief River Falls - Wellness Center** 7,000,000

From the general fund in fiscal year 2017 for a grant to the city of Thief River Falls to predesign, design, construct, furnish, and equip a wellness center. This appropriation is available after the commissioner of management and budget determines that \$18,000,000 is committed from nonstate sources.

**Subd. 37. Virginia - Miner's Memorial Building Renovation Phase I** 4,000,000

For a grant to the city of Virginia for Phase I of the renovation and reconstruction of the Miner's Memorial Building in Virginia. This appropriation is not available until at least an equal amount is committed from nonstate sources.

**Subd. 38. Wabasha - Seawall** 1,000,000

For a grant to the city of Wabasha for development of a riverboat landing and dock.

**Sec. 25. PUBLIC FACILITIES AUTHORITY**

**Subdivision 1. Total Appropriation** \$ 197,831,000

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

**Subd. 2. State Match for Federal Grants** 25,000,000

To match federal grants for the clean water revolving fund under Minnesota Statutes, section 446A.07, and the drinking water revolving fund under Minnesota Statutes, section 446A.081. This appropriation must be used for qualified capital projects.

**Subd. 3. Water Infrastructure Funding Program**

80,000,000

(a) For grants to eligible municipalities under the water infrastructure funding program under Minnesota Statutes, section 446A.072.

(b) \$55,000,000 is for wastewater projects listed on the Pollution Control Agency's project priority list in the fundable range under the clean water revolving fund program.

(c) \$25,000,000 is for drinking water projects listed on the Department of Health's project priority list in the fundable range under the drinking water revolving fund program.

(d) After all eligible projects under paragraph (b) or (c) have been funded, the Public Facilities Authority may transfer any remaining, uncommitted money to eligible projects under a program defined in paragraph (b) or (c) based on that program's project priority list.

**Subd. 4. Point Source Implementation Grants Program**

62,000,000

For grants to eligible municipalities under the point source implementation grants program under Minnesota Statutes, section 446A.073. This appropriation must be used for qualified capital projects.

**Subd. 5. Big Lake Area Sanitary District - Sewer System and Force Main**

1,200,000

For a grant to the Big Lake Area Sanitary District to construct a pressure sewer system and force main to convey sewage to the Western Lake Superior Sanitary District connection in the city of Cloquet. This appropriation is not available until the

commissioner of management and budget determines that an equal amount is committed from nonstate sources. This appropriation is in addition to the appropriation in Laws 2014, chapter 294, article 1, section 22, subdivision 4.

**Subd. 6. Brainerd - Airport Water and Sewer**

6,000,000

For a grant to the city of Brainerd to design, construct, and equip publicly owned infrastructure to increase the water supply and expand sewer and water service to the Brainerd Lakes Regional Airport.

**Subd. 7. Clear Lake and Clearwater - Wastewater Treatment Facility**

1,400,000

For a grant to the Clear Lake-Clearwater Sewer Authority for predesign, design, and construction of wastewater facility improvements. This appropriation is not available until the commissioner of management and budget determines that at least \$200,000 is committed to the project from nonstate sources and the authority has applied for at least two grants to offset the cost. Any money received by the authority from grants will be returned to the general fund.

**Subd. 8. Dennison - Sewage Treatment System Improvements**

726,000

For a grant to the city of Dennison to predesign, design, and construct a new lift station and make sewage pond improvements. This appropriation does not require a nonstate contribution.

**Subd. 9. East Grand Forks - Wastewater Infrastructure**

5,275,000

For a grant to East Grand Forks to design and construct wastewater infrastructure improvements interconnecting the wastewater system of East Grand Forks to the wastewater treatment system in Grand Forks, North Dakota. This appropriation

may not be used for improvements outside the state. This appropriation is in addition to grants under Minnesota Statutes, section 446A.072. This appropriation is not available until the commissioner of management and budget determines that an equal amount is committed from nonstate sources.

**Subd. 10. Koochiching County - Voyageurs National Park Clean Water Project**

6,240,000

(a) For a grant to Koochiching County to acquire land or interests in land, and to design, engineer, construct, and equip sanitary sewage systems and facilities to implement a portion or portions of the Voyageurs National Park clean water project comprehensive plan. This appropriation is available after the commissioner of management and budget determines that \$4,500,000 is committed from nonstate sources.

(b) This appropriation is in addition to the appropriation in Laws 2014, chapter 294, article 1, section 22, subdivision 7. Notwithstanding the match requirement in Laws 2014, chapter 294, article 1, section 22, subdivision 7, the nonstate match required for this appropriation and the 2014 appropriation for a grant to Koochiching County is 25 percent of the state grant amounts. Any money remaining from this appropriation after completion of the projects in paragraph (a) is available for grants to Koochiching County or St. Louis County to be used for other projects described in the comprehensive plan.

**Subd. 11. Lilydale - Highway 13 Storm Water Conveyance**

140,000

From the general fund for a grant to the city of Lilydale to design, acquire, construct, and install a storm water sewer and drop structure along Trunk Highway 13 in Lilydale that will be large enough to effectively collect water from springs and storm water runoff from above the road and safely convey the water to below the bluff. The city must

coordinate this project with the Department of Transportation's Trunk Highway 13 project. The appropriation and project also include capital repairs and improvements to existing drainage structures along the Big Rivers Regional Trail at the base of the bluff. This appropriation does not require a nonstate contribution.

**Subd. 12. Oronoco - Wastewater Collection and Treatment Facilities**

500,000

From the general fund for a grant to the city of Oronoco to commission a study to evaluate options for solving the wastewater infrastructure needs for the region including the city of Oronoco, the city of Pine Island, or the city of Rochester. This appropriation does not require a nonstate match.

**Subd. 13. St. James - Storm Sewer Line Replacement**

1,250,000

For a grant to the city of St. James to replace a storm sewer line in St. James. This appropriation is not available until at least an equal amount is committed from nonstate sources.

**Subd. 14. Western Lake Superior Sanitary District - Combined Heat and Power System**

8,100,000

For a grant to the Sanitary Board of the Western Lake Superior Sanitary District for Phase I and II of a project to design, construct, furnish, and equip a combined heat and power system to capture process heat and generate electricity for use at the Western Lake Superior Sanitary District wastewater treatment facilities. This appropriation is not available until the commissioner determines that at least an equal amount is committed to the project from state and nonstate sources. Loans obtained from the Public Facilities Authority shall count toward the match requirement.

**Sec. 26. MINNESOTA HOUSING FINANCE AGENCY**

**\$ 20,000,000**

For transfer to the housing development fund to finance the costs of rehabilitation to preserve public housing under Minnesota Statutes, section 462A.202, subdivision 3a. For purposes of this section, "public housing" means housing for low-income persons and households financed by the federal government and owned and operated by the public housing authorities and agencies formed by cities and counties. Public housing authorities receiving a public housing assessment composite score of 80 or above or an equivalent designation are eligible to receive funding. Priority must be given to proposals that maximize federal or local resources to finance the capital costs. The priority in Minnesota Statutes, section 462A.202, subdivision 3a, for projects to increase the supply of affordable housing and the restrictions of Minnesota Statutes, section 462A.202, subdivision 7, do not apply to this appropriation.

Sec. 27. **MINNESOTA HISTORICAL SOCIETY**

Subdivision 1. **Total Appropriation**

**\$ 38,000,000**

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

Subd. 2. **Historic Sites Asset Preservation**

**2,500,000**

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

Subd. 3. **Historic Fort Snelling**

**34,000,000**

(a) To design, renovate, construct, furnish, and equip facilities to support visitor services and history programs at Historic Fort Snelling.

(b) This appropriation includes up to \$4,000,000 to design facilities to support

visitor services and history programs at Historic Fort Snelling. Money for design is available the day following final enactment and is not contingent on demonstrating a nonstate contribution to the project. Upon completion of the design, the unspent portion of the amount specified in this paragraph is available for the purposes of paragraph (c).

(c) The balance of this appropriation is to demolish the existing visitor center, renovate, construct, furnish, and equip facilities, including landscaping and wayfinding, at Historic Fort Snelling. This appropriation is not available until the commissioner of management and budget determines that an amount sufficient to complete the project has been committed from nonstate sources.

**Subd. 4. County and Local Preservation Grants**

1,500,000

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

**Sec. 28. OFFICE OF THE LEGISLATIVE AUDITOR - ASSET PRESERVATION FUNDING REPORT**

\$ 50,000

From the general fund to the Office of the Legislative Auditor for the report on options for funding asset preservation, as described in article 2, section 19.

**Sec. 29. MINNESOTA SUPREME COURT**

\$ 6,000,000

From the general fund to the chief justice of the Supreme Court for a competitive grant program established by the chief justice for the distribution of grants to government entities for capital improvements to make courthouses or other facilities where court proceedings are held safe and secure. Grant recipients must provide a 50 percent nonstate match.

**Sec. 30. BOND SALE EXPENSES**



Subdivision 1. **Total Appropriation** **\$ 1,640,000**

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

Subd. 2. **Bond Proceeds Fund** **1,595,000**

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

Subd. 3. **Trunk Highway Fund** **45,000**

From the bond proceeds account in the trunk highway fund for bond sale expenses under Minnesota Statutes, sections 16A.641, subdivision 8, and 167.50, subdivision 4.

Sec. 31. Laws 2015, First Special Session chapter 5, article 1, section 19, is amended to read:

Sec. 19. **BOND SALE SCHEDULE.**

The commissioner of management and budget shall schedule the sale of state general obligation bonds so that, during the biennium ending June 30, 2017, no more than ~~\$1,267,459,000~~ \$1,250,584,000 will need to be transferred from the general fund to the state bond fund to pay principal and interest due and to become due on outstanding state general obligation bonds. During the biennium, before each sale of state general obligation bonds, the commissioner of management and budget shall calculate the amount of debt service payments needed on bonds previously issued and shall estimate the amount of debt service payments that will be needed on the bonds scheduled to be sold. The commissioner shall adjust the amount of bonds scheduled to be sold so as to remain within the limit set by this section. The amount needed to make the debt service payments is appropriated from the general fund as provided in Minnesota Statutes, section 16A.641.

Sec. 32. **BOND SALE AUTHORIZATION.**

Subdivision 1. **Bond proceeds fund.** To provide the money appropriated in this act from the bond proceeds fund, the commissioner of management and budget shall sell and issue bonds of the state in an amount up to \$1,406,551,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7.

Subd. 2. **Transportation fund.** To provide the money appropriated in this act from the state transportation fund, the commissioner of management and budget shall sell and issue bonds of the state in an amount up to \$180,400,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7.

Subd. 3. **Trunk highway fund.** To provide the money appropriated in this act from the bond proceeds account in the trunk highway fund, the commissioner of management and budget shall sell and issue bonds of the state in an amount up to \$43,045,000 in the manner, upon the terms, and

with the effect prescribed by Minnesota Statutes, sections 167.50 to 167.52, and by the Minnesota Constitution, article XIV, section 11, at the times and in the amounts requested by the commissioner of transportation. The proceeds of the bonds, except accrued interest and any premium received from the sale of the bonds, must be deposited in the bond proceeds account in the trunk highway fund.

Subd. 4. **Maximum effort school loan fund.** To provide the money appropriated in this act from the maximum effort school loan fund, the commissioner of management and budget shall sell and issue bonds of the state in an amount up to \$9,735,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7.

Sec. 33. **CANCELLATIONS; BOND SALE AUTHORIZATION REDUCTIONS.**

(a) The bond sale authorization in Laws 1990, chapter 610, article 1, section 30, subdivision 1, as amended, is reduced by \$3,129.

(b) The bond sale authorization in Laws 1994, chapter 643, section 31, subdivision 1, as amended, is reduced by \$24,480.

(c) The bond sale authorization in Laws 1997, Second Special Session chapter 2, section 12, as amended, is reduced by \$96,992.

(d) The bond sale authorization in Laws 1999, chapter 240, article 1, section 13, subdivision 1, as amended, is reduced by \$212,472.

(e) The bond sale authorization in Laws 2000, chapter 492, article 1, section 26, subdivision 1, as amended, is reduced by \$7,933,538.

(f) The bond sale authorization in Laws 2002, chapter 393, section 30, subdivision 1, as amended, is reduced by \$188,471.

(g) The bond sale authorization in Laws 2002, First Special Session chapter 1, section 9, subdivision 1, s reduced by \$217,959.

(h) The bond sale authorization in Laws 2003, First Special Session chapter 19, article 3, section 2, is reduced by \$201,530.

(i) The bond sale authorization in Laws 2003, First Special Session chapter 19, article 4, section 4, is reduced by \$326,534.

(j) The bond sale authorization in Laws 2005, chapter 20, article 1, section 28, subdivision 1, as amended, is reduced by \$3,366,628.

Sec. 34. **EFFECTIVE DATE.**

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

**ARTICLE 2**  
**MISCELLANEOUS**

Section 1. **[16A.693] CERTAIN ENTITIES INELIGIBLE FOR CONTRACTS.**

Notwithstanding any law to the contrary, the following entities involved in the latent design and construction defects necessitating the appropriation in article 1, section 24, subdivision 30, of this act, the general contractor (PCL Construction Services), the design firm (AECOM), and the masonry company (B&D Associates, Inc.), or their successors or assigns, may not enter into any contract to furnish labor, skill, material, or other goods or services related to any project that is funded in whole or in part with an appropriation of state bond proceeds or other state appropriation.

**EFFECTIVE DATE.** This section is effective the day following final enactment and applies to any building, design, or construction contract for which requests for proposals or requests for bids are made on or after the day following final enactment.

Sec. 2. Minnesota Statutes 2015 Supplement, section 16A.967, is amended to read:

**16A.967 LEWIS AND CLARK APPROPRIATION BONDS.**

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

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

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

(2) proceeds of the sale of obligations described in ~~subdivision 2, paragraph (c)~~ subdivisions 2a and 2b;

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

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

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

Subd. 2. **Authorization to issue appropriation bonds.** (a) Subject to the limitations of this subdivision, the commissioner may sell and issue appropriation bonds of the state under this section for public purposes as provided by law, ~~including, in particular, the financing of the land acquisition, design, engineering, and construction of facilities and infrastructure necessary to complete the next phase of the Lewis and Clark Regional Water System project, including completion of the pipeline to Magnolia, extension of the project to the Lincoln-Pipestone Rural Water System connection near Adrian, and engineering, design, and easement acquisition for the final phase of the project to Worthington. No bonds shall be sold until the commissioner determines that a nonstate match of at least \$9,000,000 is committed to this project phase. Grant agreements entered into under this section must provide for reimbursement to the state from any federal money provided for the project, consistent with the Lewis and Clark Regional Water System, Inc., agreement.~~

(b) The appropriation bonds may be issued and sold only after the commissioner determines that the construction and administration for work done on the project will comply with (1) all federal

requirements and regulations associated with the Lewis and Clark Rural Water System Act of 2000, and (2) the cooperative agreement between the United States Department of the Interior and the Lewis and Clark Regional Water System, Inc. Proceeds of the appropriation bonds must be credited to a special appropriation Lewis and Clark bond proceeds fund in the state treasury. All income from investment of the bond proceeds, as estimated by the commissioner, is appropriated to the commissioner for the payment of principal and interest on the appropriation bonds.

~~(c) Appropriation bonds may be sold and issued in amounts that, in the opinion of the commissioner, are necessary to provide sufficient money, not to exceed \$19,000,000 net of costs of issuance, for the purposes as provided under paragraph (a), and pay debt service including capitalized interest, costs of issuance, costs of credit enhancement, or make payments under other agreements entered into under paragraph (c).~~

~~(c)~~ (c) Appropriation bonds may be issued in one or more issues or series on the terms and conditions the commissioner determines to be in the best interests of the state, but the term on any series of appropriation bonds may not exceed 25 years. The appropriation bonds of each issue and series thereof shall be dated and bear interest, and may be includable in or excludable from the gross income of the owners for federal income tax purposes.

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

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

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

Subd. 2a. **Project authorization.** Appropriation bonds may be sold and issued in amounts that, in the opinion of the commissioner, are necessary to provide sufficient money to the Public Facilities Authority under subdivision 7, paragraph (a), not to exceed \$19,000,000 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). The bonds authorized by this subdivision are for the purposes of financing the land acquisition, design, engineering, and construction of facilities and infrastructure necessary to complete Phase 2 of the Lewis and Clark Regional Water System project, including completion of the pipeline to Magnolia; extension of the project to the Lincoln-Pipestone Rural Water System connection near Adrian; and engineering, design, and easement acquisition for

the final phase of the project to Worthington. No bonds shall be sold under this subdivision until the commissioner determines that a nonstate match of at least \$9,000,000 is committed to this project phase.

Subd. 2b. **Additional project authorization.** Appropriation bonds may be sold and issued in amounts that, in the opinion of the commissioner, are necessary to provide sufficient money to the Public Facilities Authority under subdivision 7, paragraph (b), not to exceed \$11,500,000 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). The bonds authorized by this subdivision are for the purposes of financing the land acquisition, design, engineering, and construction of facilities and infrastructure necessary to complete Phase 3 of the Lewis and Clark Regional Water System project, including extension of the project from the Lincoln-Pipestone Rural Water System connection near Adrian to Worthington, construction of a reservoir in Nobles County and a meter building in Worthington, and acquisition and installation of a supervisory control and data acquisition (SCADA) system. No bonds shall be sold under this subdivision until the commissioner determines that a nonstate match of at least \$9,000,000 is committed to the final phase of the project.

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

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

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

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

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

Subd. 4. **Refunding bonds.** The commissioner may issue appropriation bonds for the purpose of refunding any appropriation bonds then outstanding, including the payment of any redemption premiums on the bonds, any interest accrued or to accrue to the redemption date, and costs related to the issuance and sale of the refunding bonds. The proceeds of any refunding bonds may, in the discretion of the commissioner, be applied to the purchase or payment at maturity of the appropriation bonds to be refunded, to the redemption of the outstanding appropriation bonds on any redemption date, or to pay interest on the refunding bonds and may, pending application, be placed in escrow to be applied to the purchase, payment, retirement, or redemption. Any escrowed proceeds, pending such use, may be invested and reinvested in obligations that are authorized investments under section 11A.24. The income earned or realized on the investment may also be applied to the payment of the appropriation bonds to be refunded or interest or premiums on the refunded appropriation bonds, or to pay interest on the refunding bonds. After the terms of the escrow have been fully satisfied, any balance of the proceeds and any investment income may be returned to the general fund or, if applicable, the special appropriation Lewis and Clark bond proceeds fund for use in any lawful manner. All refunding bonds issued under this subdivision

must be prepared, executed, delivered, and secured by appropriations in the same manner as the appropriation bonds to be refunded.

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

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

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

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

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

Subd. 7. **Appropriation of proceeds.** (a) The proceeds of appropriation bonds issued under subdivision 2a and interest credited to the special appropriation Lewis and Clark bond proceeds fund are appropriated as follows:

(1) to the commissioner Public Facilities Authority for a grant to the Lewis and Clark Joint Powers Board for payment of capital expenses for the purposes provided by as specified in subdivision 2, paragraph (a), 2a; and

(2) to the commissioner for debt service on the bonds including capitalized interest, nonsalary costs of issuance of the bonds, costs of credit enhancement of the bonds and payments under any agreements entered into under subdivision 2, paragraph (e) (d), each as permitted by state and federal law, and such proceeds may be granted, loaned, or otherwise provided for the public purposes provided by subdivision 2, paragraph (a).

(b) The proceeds of appropriation bonds issued under subdivision 2b and interest credited to the special appropriation Lewis and Clark bond proceeds fund are appropriated as follows:

(1) to the Public Facilities Authority for a grant to the Lewis and Clark Joint Powers Board for payment of capital expenses as specified in subdivision 2b; and

(2) to the commissioner for debt service on the bonds including capitalized interest, nonsalary costs of issuance of the bonds, costs of credit enhancement of the bonds, and payments under any

agreements entered into under subdivision 2, paragraph (d), each as permitted by state and federal law.

Subd. 8. **Appropriation for debt service and other purposes.** (a) An amount, up to \$1,351,000 needed to pay principal and interest on appropriation bonds issued under ~~this section~~ subdivision 2a is appropriated each fiscal year from the general fund to the commissioner, subject to repeal, unallotment under section 16A.152, or cancellation, otherwise pursuant to subdivision 6, for deposit into the bond payments account established for such purpose in the special Lewis and Clark appropriation bond proceeds fund. The appropriation is available beginning in fiscal year 2017 and through fiscal year 2038.

(b) An amount up to \$855,000 needed to pay principal and interest on appropriation bonds issued under subdivision 2b is appropriated each fiscal year from the general fund to the commissioner, subject to repeal, unallotment under section 16A.152, or cancellation, otherwise pursuant to subdivision 6, for deposit into the bond payments account established for such purpose in the special Lewis and Clark appropriation bond proceeds fund. The appropriation is available beginning in fiscal year 2018 and through fiscal year 2039.

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

### Sec. 3. [16C.053] ACCOMMODATION FOR HARD-OF-HEARING IN STATE-FUNDED CAPITAL PROJECTS.

Subdivision 1. **Definition.** For purposes of this section, "public gathering space" means a space that is constructed or renovated as part of the project and (1) that accommodates and is intended to be used for gatherings of 15 or more people; and (2) in which audible communications are integral to a use of the space.

Subd. 2. **Accommodation for hard-of-hearing in state-funded capital projects.** No commissioner or agency head may approve a contract for, or grant state funds for, a capital improvement project to construct or renovate a public gathering space in a building unless:

(1) the project includes equipping the public gathering space, if the public gathering space has or will have a permanent audio-amplification system, with audio-induction loops to provide an electromagnetic signal for hearing aids and cochlear implants; and

(2) the project includes meeting the American National Standards Institute Acoustical Performance Criteria, Design Requirements and Guidelines for Schools on maximum background noise level and reverberation times in the public gathering space.

Subd. 3. **Exemption.** A commissioner or agency head may approve a contract for, or grant state funds for, a capital improvement project to construct or renovate a building that does not meet a requirement of subdivision 2, when the commissioner or agency head determines that meeting that requirement is not feasible, is in conflict with other requirements in law, is in conflict with other project requirements, or that costs outweigh the benefits. The commissioner must consult with the Commission of Deaf, Deafblind, and Hard-of-Hearing Minnesotans before making the determination.

Subd. 4. **Exemption reports.** A commissioner or agency head who determines a contract is exempt under subdivision 3 must report the exemption to the Commission of Deaf, Deafblind, and Hard-of-Hearing Minnesotans within three months of making the determination. The chair of the Commission of Deaf, Deafblind, and Hard-of-Hearing Minnesotans shall submit a report to the chairs and ranking minority members of the committees in the house of representatives and senate with jurisdiction over state contracting by January 30 of even-numbered years beginning in 2020 identifying each exemption reported in the previous two calendar years.

**EFFECTIVE DATE.** This act is effective August 1, 2016, and applies to all projects funded with an appropriation enacted after August 1, 2016, for which requests for bids or proposals are issued after January 1, 2018. For projects for which requests for bids or proposals are issued before January 1, 2018, the commissioners and agency heads are encouraged to comply with this section.

Sec. 4. Minnesota Statutes 2014, section 85.34, subdivision 1, is amended to read:

Subdivision 1. **Upper bluff; lease terms.** The commissioner of natural resources with the approval of the Executive Council may lease for purposes of restoration, preservation, historical, recreational, educational, and commercial use and development, that portion of Fort Snelling State Park known as the upper bluff consisting of officer's row, area J, the polo grounds, the adjacent golf course, and all buildings and improvements located thereon, all lying within an area bounded by Minneapolis-St. Paul International Airport, Trunk Highways numbered 5 and 55, and Bloomington Road. The lease or leases shall be in a form approved by the attorney general and for a term of not to exceed 99 years. The lease or leases may provide for the provision of capital improvements or other performance by the tenant or tenants in lieu of all or some of the payments of rent that would otherwise be required. Notwithstanding the continuing ownership of the upper bluff by the state, any lease of one or more buildings improved with state general obligation bond proceeds that exceeds 50 years shall be treated as a sale of the buildings for purposes of section 16A.695, subdivision 3. Any disposition proceeds payable to the commissioner upon execution of any lease relating to state bond financed buildings at the upper bluff shall be applied in accordance with the requirements of section 16A.695, subdivision 3, and used to pay, redeem, or defease state general obligation bonds issued for purposes of improving those buildings. Any lease revenues paid to the commissioner subsequent to the payment, redemption, or defeasance of state general obligation bonds shall be used by the commissioner as further described in this section.

Sec. 5. **[115.441] VARIANCE ASSISTANCE FOR MUNICIPALITIES.**

Subdivision 1. **Reimbursement account.** A variance assistance account is established as an account in the special revenue fund.

Subd. 2. **Eligible expenditures.** Money in the variance assistance account may be used to reimburse an eligible municipality for up to 95 percent of the fee charged under Minnesota Rules, part 7002.0253, for an application for a variance under section 116.07, subdivision 5.

Subd. 3. **Eligible municipality.** To be eligible for a reimbursement from the account established in this section, a municipality must demonstrate need for financial assistance in one of the following ways:

(1) a score of 2.0 or less on the Minnesota Pollution Control Agency's multifactor index of financial hardship;



(2) a score greater than 2.0 and up to 2.5 on the financial hardship index and a description of unique extenuating financial circumstances that exist for the municipality resulting in an inability to afford the variance application fee; or

(3) a municipality with a population under 1,000.

Sec. 6. Minnesota Statutes 2014, section 161.14, is amended by adding a subdivision to read:

Subd. 82. **James Metzen Street.** Notwithstanding section 10.49, that segment of marked Trunk Highway 952 located within Dakota County is designated as "James Metzen Street." Notwithstanding section 161.139, the commissioner shall adopt a suitable design to mark this highway and erect appropriate signs.

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

Sec. 7. Minnesota Statutes 2014, section 174.52, subdivision 2, is amended to read:

Subd. 2. ~~Trunk highway corridor projects~~ **Local cost-share assistance account.** A ~~trunk highway corridor projects~~ local cost-share assistance account is established in the local road improvement fund. Money in the account is annually appropriated to the commissioner of transportation for expenditure as specified in this section. Money in the account must be used as grants ~~or loans~~ to statutory or home rule charter cities, towns, and counties to assist in paying the local share of trunk highway projects that have local costs that are directly or partially related to the trunk highway improvement and that are not funded or are only partially funded with other state and federal funds. ~~The commissioner shall determine the amount of the local share of costs eligible for assistance from the account.~~

Sec. 8. **[219.016] CRUDE OIL AND HAZARDOUS MATERIALS RAIL SAFETY ACCOUNT AND GRANT PROGRAM.**

Subdivision 1. **Purpose.** A hazardous materials rail safety program is established for the purpose of reducing the risks associated with transporting hazardous material by rail.

Subd. 2. **Creation of account.** A hazardous materials rail safety program account is established in the bond proceeds fund. Money in the account may only be used for capital costs associated with planning, engineering, administration, and construction of public highway-rail grade crossing improvements on rail corridors transporting crude oil and other hazardous materials. Improvements may include upgrades to existing protection systems, the closing of crossings and necessary roadwork, and reconstruction of at-grade crossings to full grade separations.

Subd. 3. **Grants.** The commissioner may approve grants for financial assistance to eligible applicants for capital costs associated with hazardous materials rail safety projects on public highway-rail grade crossings. Qualifying capital costs include, but are not limited to, upgrades to existing protection systems, the closing of crossings and necessary roadwork, and reconstruction of at-grade crossings to full grade separations.

Subd. 4. **Eligible applicants.** Counties, statutory or home rule charter cities, or towns that are responsible for establishing and maintaining public highway-rail grade crossings on rail corridors transporting crude oil and other hazardous materials may apply to the commissioner for financial assistance for the purposes in this section.

Subd. 5. **Criteria for grant award.** The commissioner shall consider the following criteria to evaluate applications for a grant award for a hazardous materials rail safety project:

(1) whether the crossing was identified as a potential candidate for grade separation in MnDOT's crude by rail grade crossing study (Improvements to Highway Grade Crossings and Rail Safety, December 2014);

(2) roadway traffic volumes and speeds;

(3) train volumes and speeds;

(4) adjacent land use;

(5) crash history;

(6) use of the crossing by emergency vehicles;

(7) use of the crossing by vehicles carrying hazardous materials;

(8) local financial contributions to the project; and

(9) private financial contributions to the project.

Sec. 9. Minnesota Statutes 2014, section 446A.072, is amended to read:

**446A.072 ~~WASTEWATER~~ WATER INFRASTRUCTURE FUNDING PROGRAM.**

Subdivision 1. **Establishment of program.** The authority will establish a ~~wastewater~~ water infrastructure funding program to provide supplemental assistance to governmental units receiving funding through the clean water revolving fund program, the drinking water revolving fund program, or the United States Department of Agriculture Rural Economic and Community Development's (USDA/RECD) Water and Waste Disposal Loans and Grants program for the predesign, design, and construction of municipal wastewater ~~treatment~~ and drinking water systems, including purchase of land and easements. The purpose of the program is to assist governmental units demonstrating financial need to build cost-effective projects to address existing environmental or public health problems. To implement the program, the authority shall establish a ~~wastewater~~ water infrastructure fund to provide grants ~~and loans~~ for the purposes authorized under title VI of the Federal Water Pollution Control Act ~~and the federal Safe Drinking Water Act~~. The fund shall be credited with all investment income from the fund and all repayments of loans, grants, and penalties.

Subd. 3. **Program administration.** (a) The authority shall provide supplemental assistance, as provided in subdivision 5a to governmental units:

(1) whose projects are listed on the Pollution Control Agency's project priority list or the commissioner of health's project priority list;

(2) that demonstrate their projects are a cost-effective solution to an existing environmental or public health problem; and

(3) whose projects are approved by the USDA/RECD or certified by the commissioner of the Pollution Control Agency or the commissioner of health.

(b) For a governmental unit receiving grant funding from the USDA/RECD, applications must be made to the USDA/RECD with additional information submitted to the authority as required by the authority. Eligible project costs and affordability criteria shall be determined by the USDA/RECD.

(c) For a governmental unit not receiving grant funding from the USDA/RECD, application must be made to the authority on forms prescribed by the authority for the clean water revolving fund program or the drinking water revolving fund program with additional information as required by the authority. In accordance with section 116.182, the Pollution Control Agency or the commissioner of health shall:

(1) calculate the essential project component percentage based on the portion of project costs necessary to convey or treat the existing wastewater flows and loadings or, for drinking water projects, to provide safe drinking water to meet existing needs, which must be multiplied by the total project cost to determine the eligible project cost for the program under this section; and

(2) review and certify approved projects to the authority.

(d) Each fiscal year the authority shall make funds available for projects based on their ranking on the Pollution Control Agency's project priority list or the commissioner of health's project priority list. The authority shall reserve funds for a project when the applicant receives a funding commitment from the United States Department of Agriculture Rural Development (USDA/RECD) or submits plans and specifications to the project is certified by the Pollution Control Agency or the commissioner of health. Funds must be reserved in an amount based on the project cost estimate submitted to the authority prior to the appropriation of the funds and awarded based on the lesser of that amount or the as-bid cost when the project is certified or the as-bid cost, whichever is less.

Subd. 5a. **Type and amount of assistance.** (a) For a governmental unit receiving grant funding from the USDA/RECD, the authority may provide assistance in the form of a grant of up to 65 percent of the eligible grant need determined by USDA/RECD. A governmental unit may not receive a grant under this paragraph for more than ~~\$4,000,000~~ \$5,000,000 per project or ~~\$15,000~~ \$20,000 per existing connection, whichever is less, unless specifically approved by law.

(b) For a governmental unit receiving a loan from the clean water revolving fund under section 446A.07, the authority may provide assistance under this section in the form of a grant if the average annual residential wastewater system cost after completion of the project would otherwise exceed 1.4 percent of the median household income of the project service area. In determining whether the average annual residential wastewater system cost would exceed 1.4 percent, the authority must consider the total costs associated with building, operating, and maintaining the wastewater system, including existing wastewater debt service, debt service on the eligible project cost, and operation and maintenance costs. Debt service costs for the proposed project are calculated based on the maximum loan term permitted for the clean water revolving fund loan under section 446A.07, subdivision 7. The amount of the grant is equal to 80 percent of the amount needed to reduce the average annual residential wastewater system cost to 1.4 percent of median household income in the project service area, to a maximum of ~~\$4,000,000~~ \$5,000,000 per project or ~~\$15,000~~ \$20,000 per existing connection, whichever is less, unless specifically approved by law. The eligible project cost is determined by multiplying the total project costs minus any other grants by the essential project component percentage calculated under subdivision 3, paragraph (c), clause (1). In no case may the amount of the grant exceed 80 percent of the eligible project cost.

(c) For a governmental unit receiving a loan from the drinking water revolving fund under section 446A.081, the authority may provide assistance under this section in the form of a grant if the average annual residential drinking water system cost after completion of the project would otherwise exceed 1.2 percent of the median household income of the project service area. In determining whether the average annual residential drinking water system cost would exceed

1.2 percent, the authority must consider the total costs associated with building, operating, and maintaining the drinking water system, including existing drinking water debt service, debt service on the eligible project cost, and operation and maintenance costs. Debt service costs for the proposed project are calculated based on the maximum loan term permitted for the drinking water revolving fund loan under section 446A.081, subdivision 8, paragraph (c). The amount of the grant is equal to 80 percent of the amount needed to reduce the average annual residential drinking water system cost to 1.2 percent of median household income in the project service area, to a maximum of \$5,000,000 per project or \$20,000 per existing connection, whichever is less, unless specifically approved by law. The eligible project cost is determined by multiplying the total project costs minus any other grants by the essential project component percentage calculated under subdivision 3, paragraph (c), clause (1). In no case may the amount of the grant exceed 80 percent of the eligible project cost.

(e) (d) Notwithstanding the limits in paragraphs (a) and, (b), and (c), for a governmental unit receiving supplemental assistance under this section after January 1, 2002, if the authority determines that the governmental unit's construction and installation costs are significantly increased due to geological conditions of crystalline bedrock or karst areas and discharge limits that are more stringent than secondary treatment, the maximum award under this section shall not be more than \$25,000 per existing connection.

~~Subd. 5b. **Special assessment deferral.** A governmental unit receiving a loan under subdivision 5a that levies special assessments to repay the loan under subdivision 5a or section 446A.07 may defer payment of such assessments under the provisions of sections 435.193 to 435.195.~~

Subd. 6. **Disbursements.** Disbursements of grants or loans awarded under this section by the authority to recipients must be made for eligible project costs as incurred by the recipients, and must be made by the authority in accordance with the project financing agreement and applicable state and federal laws and rules governing the payments.

~~Subd. 7. **Loan repayments.** Notwithstanding the limitations set forth in section 475.54, subdivision 1, this subdivision shall govern the maturities and mandatory sinking fund redemptions of the loans under this section. A governmental unit receiving a loan under this section shall repay the loan in semiannual payment amounts determined by the authority. The payment amount must be based on the average payments on the governmental unit's clean water revolving fund loan or, if greater, the minimum amount required to fully repay the loan by the maturity date. Payments must begin within one year of the date of the governmental unit's final payment on the clean water revolving fund loan. The final maturity date of the loan under this section must be no later than 20 years from the date of the first payment on the loan under this section and no later than 40 years from the date of the first payment on the clean water revolving fund loan.~~

Subd. 8. **Eligibility.** A governmental unit is eligible for assistance under this section only after applying for grant funding from other sources and funding has been obtained, rejected, or the authority has determined that the potential funding is unlikely.

Subd. 9. **Funding limitation.** Supplemental assistance may not be used to reduce the sewer service charges of a significant wastewater contributor industrial user that has a separate service charge agreement with the recipient, or a single user that has caused the need for the project or whose current or projected flow and load exceed usage exceeds one-half of the current wastewater treatment plant's or drinking water system capacity.

Subd. 11. **Report on needs.** By February 1 of each even-numbered year, the authority, in conjunction with the Pollution Control Agency and the commissioner of health, shall prepare a report to the Finance Division of the senate Environment and Natural Resources Committee and the house of representatives Environment and Natural Resources Finance Committee on wastewater and drinking water funding assistance needs of governmental units under this section.

Subd. 12. **System replacement fund.** Each governmental unit receiving a ~~loan or grant~~ under this section shall establish a system replacement fund and shall annually deposit a minimum of \$.50 per 1,000 gallons of flow for major rehabilitation ~~or, expansion, or replacement~~ of the ~~treatment wastewater or drinking water system, or replacement of the treatment system at the end of its useful life.~~ Money must remain in the account for the life of the corresponding project loan from the authority or USDA/RECD, unless use of the fund is approved in writing by the authority for major rehabilitation, expansion, or replacement of the ~~treatment wastewater or drinking water system.~~ By March 1 each year during the life of the loan, each recipient shall submit a report to the authority regarding the amount deposited and the fund balance for the prior calendar year. A recipient is not required to maintain a fund balance greater than the amount of the grant received. Failure to comply with the requirements of this subdivision shall result in the authority assessing a penalty fee to the recipient equal to one percent of the supplemental assistance amount for each year of noncompliance. ~~Failure to make the required deposit or pay the penalty fee as required constitutes a default on the loan.~~

Subd. 14. **Consistency with land use plans.** A governmental unit applying for a project in an unsewered area shall include in its application to the authority a certification from the county in which the project is located that:

- (1) the project is consistent with the county comprehensive land use plan, if the county has adopted one;
- (2) the project is consistent with the county water plan, if the county has adopted one; and
- (3) the county has adopted specific land use ordinances or controls so as to meet or exceed the requirements of Minnesota Rules, part 7080.0305.

Sec. 10. Minnesota Statutes 2014, section 446A.073, as amended by Laws 2015, First Special Session chapter 4, article 4, sections 127, 128, and 129, is amended to read:

#### **446A.073 POINT SOURCE IMPLEMENTATION GRANTS.**

Subdivision 1. **Program established.** When money is appropriated for grants under this program, the authority shall award grants up to a maximum of ~~\$3,000,000~~ \$7,000,000 to governmental units to cover ~~up to one-half~~ 80 percent of the cost of water infrastructure projects made necessary by:

- (1) a wasteload reduction prescribed under a total maximum daily load plan required by section 303(d) of the federal Clean Water Act, United States Code, title 33, section 1313(d);
- (2) a phosphorus concentration or mass limit which requires discharging one milligram per liter or less at permitted design flow which is incorporated into a permit issued by the Pollution Control Agency;

(3) any other water quality-based effluent limit established under section 115.03, subdivision 1, paragraph (e), clause (8), and incorporated into a permit issued by the Pollution Control Agency that exceeds secondary treatment limits; or

(4) a total nitrogen concentration or mass limit ~~of that requires discharging~~ ten milligrams per liter or less ~~for a land-based treatment system~~ at permitted design flow.

Subd. 2. **Grant application.** Application for a grant must be made to the authority on forms prescribed by the authority ~~for the total maximum daily load grant program, with additional information as required by the authority,~~ including a project schedule and cost estimate for the work necessary to comply with the ~~point source wasteload allocation requirements listed in subdivision 1.~~ The Pollution Control Agency shall:

~~(1) in accordance with section 116.182, calculate the essential project component percentage, which must be multiplied by the total project cost to determine the eligible project cost; and~~

~~(2) review and certify to the authority those projects that have plans and specifications approved under section 115.03, subdivision 1, paragraph (f).~~

Subd. 3. **Project priorities.** ~~When money is appropriated for grants under this program,~~ The authority shall accept applications under this program during the month of July and reserve money for projects expected to proceed with construction by the end of the fiscal year in the order listed on the Pollution Control Agency's project priority list and in an amount based on the cost estimate submitted to the authority in the grant application or the as-bid costs, whichever is less. Notwithstanding Minnesota Rules, chapter 7077, the Pollution Control Agency may rank a drinking water infrastructure project on the agency's project priority list if the project is necessary to meet an applicable requirement in subdivision 1.

Subd. 4. **Grant approval.** The authority must make a grant for an eligible project only after:

(1) the applicant has submitted the as-bid cost for the water infrastructure project;

(2) the Pollution Control Agency has approved the as-bid costs and certified the grant eligible portion of the project; and

(3) the authority has determined that the additional financing necessary to complete the project has been committed from other sources.

Subd. 5. **Grant disbursement.** Disbursement of a grant must be made for eligible project costs as incurred by the governmental unit and in accordance with a project financing agreement and applicable state and federal laws and rules governing the payments.

Sec. 11. Minnesota Statutes 2014, section 446A.081, subdivision 9, is amended to read:

Subd. 9. **Other uses of fund.** (a) The drinking water revolving loan fund may be used as provided in the act, including the following uses:

(1) to buy or refinance the debt obligations, at or below market rates, of public water systems for drinking water systems, where the debt was incurred after the date of enactment of the act, for the purposes of construction of the necessary improvements to comply with the national primary drinking water regulations under the federal Safe Drinking Water Act;

(2) to purchase or guarantee insurance for local obligations to improve credit market access or reduce interest rates;

(3) to provide a source of revenue or security for the payment of principal and interest on revenue or general obligation bonds issued by the authority if the bond proceeds are deposited in the fund;

(4) to provide loans or loan guarantees for similar revolving funds established by a governmental unit or state agency;

(5) to earn interest on fund accounts;

(6) to pay the reasonable costs incurred by the authority, the Department of Employment and Economic Development, and the Department of Health for conducting activities as authorized and required under the act up to the limits authorized under the act;

(7) to develop and administer programs for water system supervision, source water protection, and related programs required under the act;

(8) notwithstanding Minnesota Rules, part 7380.0280, to provide principal forgiveness or grants to the extent permitted under the federal Safe Drinking Water Act and other federal law, based on the criteria and requirements established for drinking water projects under the water infrastructure funding program under section 446A.072;

(9) to provide loans, principal forgiveness or grants to the extent permitted under the federal Safe Drinking Water Act and other federal law to address green infrastructure, water or energy efficiency improvements, or other environmentally innovative activities; and

(10) to provide principal forgiveness, or grants for 50 percent of the project cost up to a maximum of \$10,000 for projects needed to comply with national primary drinking water standards for an existing community or noncommunity public water system.

~~(b) Principal forgiveness or grants under paragraph (a), clause (8), must only be provided if the average annual residential drinking water system cost after completion of the project would otherwise exceed 1.2 percent of the median household income in the project service area. In determining whether the average annual residential drinking water system cost would exceed 1.2 percent, the authority must consider the total costs associated with building, operating, and maintaining the drinking water system, including debt service and operation and maintenance costs. Debt service costs for the proposed project must be calculated based on the maximum loan term permitted for the drinking water revolving fund loan under this section. The amount of the principal forgiveness or grant must be equal to 80 percent of the amount needed to reduce the average annual residential drinking water system cost to 1.2 percent of median household income in the project service area, to a maximum of \$4,000,000 or \$15,000 per connection, whichever is less, and not to exceed 80 percent of the total project cost.~~

~~(c)~~ (b) Principal forgiveness or grants provided under paragraph (a), clause (9), may not exceed 25 percent of the eligible project costs as determined by the Department of Health for project components directly related to green infrastructure, water or energy efficiency improvements, or other environmentally innovative activities, up to a maximum of \$1,000,000.

~~(d) The authority may reduce the percentage of median household income at which a loan term could extend to 30 years under subdivision 8, paragraph (c), and at which principal forgiveness or grants could be provided under paragraph (b) if it determines that the federal money allotted to the~~

state cannot be fully utilized without the reduction. If it determines that the reduction is necessary to fully utilize the federal money, the authority must effect the change through its approval of the annual intended use plan.

Sec. 12. Minnesota Statutes 2014, section 446A.12, subdivision 1, is amended to read:

Subdivision 1. **Bonding authority.** The authority may issue negotiable bonds in a principal amount that the authority determines necessary to provide sufficient funds for achieving its purposes, including the making of loans and purchase of securities, the payment of interest on bonds of the authority, the establishment of reserves to secure its bonds, the payment of fees to a third party providing credit enhancement, and the payment of all other expenditures of the authority incident to and necessary or convenient to carry out its corporate purposes and powers, but not including the making of grants. Bonds of the authority may be issued as bonds or notes or in any other form authorized by law. The principal amount of bonds issued and outstanding under this section at any time may not exceed ~~\$1,500,000,000~~ \$2,000,000,000, excluding bonds for which refunding bonds or crossover refunding bonds have been issued, and excluding any bonds issued for the credit enhanced bond program or refunding or crossover refunding bonds issued under the program. The principal amount of bonds issued and outstanding under section 446A.087, may not exceed \$500,000,000, excluding bonds for which refunding bonds or crossover refunding bonds have been issued.

Sec. 13. Minnesota Statutes 2014, section 462A.37, is amended by adding a subdivision to read:

Subd. 2c. **Additional authorization.** In addition to the amount authorized in subdivisions 2, 2a, and 2b, the agency may issue up to \$70,000,000 in housing infrastructure bonds in one or more series to which the payments under this section may be pledged.

Sec. 14. Minnesota Statutes 2015 Supplement, section 462A.37, subdivision 5, is amended to read:

Subd. 5. **Additional appropriation.** (a) The agency must certify annually to the commissioner of management and budget the actual amount of annual debt service on each series of bonds issued under subdivisions 2a ~~and~~, 2b, and 2c.

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

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

(d) Each July 15, beginning in 2018 and through 2039, if any housing infrastructure bonds issued under subdivision 2c remain outstanding, the commissioner of management and budget must transfer to the housing infrastructure bond account established under section 462A.21, subdivision 33, the amount certified under paragraph (a), not to exceed \$5,600,000 annually. The amounts



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

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

Sec. 15. Laws 2002, chapter 393, section 22, subdivision 6, as amended by Laws 2005, chapter 20, article 1, section 43, and Laws 2013, chapter 136, section 10, is amended to read:

**Subd. 6. Fergus Falls Regional Treatment Center** 3,000,000

To design, renovate, construct, furnish, and equip ancillary support and program facilities, including improvements to basic infrastructure, such as sanitary and storm sewer and water lines, public streets, curb, gutter, street lights, or sidewalks, to make improvements for building envelope and structural integrity for the purposes of stabilizing the buildings for sale, for hazardous materials abatement, and for demolition of all or portions of surplus, nonfunctional, or deteriorated facilities and infrastructure or to renovate surplus, nonfunctional, or deteriorated facilities and infrastructure to facilitate the redevelopment of the Fergus Falls Regional Treatment Center campus. If the property is sold or transferred to a local unit of government, the unspent portion of this appropriation may be granted to the local unit of government that acquires the campus for the purposes stated in this subdivision.

Notwithstanding Minnesota Statutes, section 16A.642, the bond sale authorization and appropriation of bond proceeds in this subdivision are available until December 31, ~~2016~~ 2018.

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

Sec. 16. Laws 2008, chapter 179, section 7, subdivision 27, as amended by Laws 2010, chapter 189, section 56, Laws 2010, chapter 399, section 4, Laws 2012, chapter 293, section 39, and Laws 2014, chapter 294, article 2, section 9, is amended to read:

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

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

\$970,000 is for the Chester Woods Trail from Rochester to Dover. Notwithstanding Minnesota Statutes, section 16A.642, the bond authorization and appropriation of bond proceeds for this project are available until June 30, 2016.

\$700,000 is for the Casey Jones Trail.

\$750,000 is for the Gateway Trail, to replace an at-grade crossing of the Gateway Trail at Highway 120 with a grade-separated crossing. Notwithstanding Minnesota Statutes, section 16A.642, the bond authorization and appropriation of bond proceeds for this project are available until December 31, 2017.

\$1,600,000 is for the Gitchi-Gami Trail between Silver Bay and Tettegouche State Park.

\$1,500,000 is for the Great River Ridge Trail from Plainview to Elgin to Eyota.

\$1,500,000 is for the Heartland Trail.

\$500,000 is for the Mill Towns Trail from Lake Byllesby Park to Cannon Falls. Notwithstanding Minnesota Statutes, section 16A.642, the bond authorization and appropriation of bond proceeds for this project are available until December 30, 2014.

\$150,000 is for the Mill Towns Trail within the city of Faribault.

\$1,500,000 is for the Minnesota River Trail from Appleton to Milan and to the Marsh Lake Dam. Notwithstanding Minnesota Statutes, section 16A.642, the bond authorization and appropriation of bond proceeds for this project are available until December 30, 2014.

\$2,000,000 is for the Paul Bunyan Trail from Walker to Guthrie.

\$250,000 is for the Root River Trail from Preston to Forestville State Park.

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

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

\$550,000 is to connect the Stagecoach Trail with the Douglas Trail in Olmsted County. Notwithstanding Minnesota Statutes, section 16A.642, the bond authorization and appropriation of bond proceeds for this project are available until December 31, 2016.

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

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

Sec. 17. Laws 2011, First Special Session chapter 12, section 13, subdivision 8, is amended to read:

**Subd. 8. Rail Service Improvement - St. Louis Park  
Noise Barrier**

700,000

For a grant to the city of St. Louis Park to predesign, design, construct, and install noise mitigation barriers associated with route changes for freight rail. This appropriation may be used to design and construct trail safety improvements for the Beltline trail bridge, the Wooddale trail underpass, and the Louisiana trail underpass. Notwithstanding Minnesota Statutes, section 16A.642, this appropriation is available until January 1, 2018.

Sec. 18. Laws 2012, chapter 293, section 7, subdivision 8, is amended to read:

**Subd. 8. Lake Zumbro**

3,000,000

For a grant to Olmsted County for the removal of sedimentation in Lake Zumbro, including final engineering, dredging, and dredged soil disposal from the sites identified in the Preliminary Engineering Report for Dredging Lake Zumbro. This project is designed to improve the recreational economy, water quality, and habitat, and increase water storage capacity within the lake to achieve renewable energy goals by optimizing long-term hydroelectric operations. This appropriation is not available until the commissioner has determined that at least an equal amount has been committed to the project from nonstate sources. Notwithstanding Minnesota Statutes, section 16A.642, the bond authorization and appropriation of bond proceeds for this project are available until December 31, 2018.

Sec. 19. Laws 2012, chapter 293, section 17, subdivision 4, is amended to read:

**Subd. 4. Phillips Community Center**

1,750,000

For a grant to the Minneapolis Park and Recreation Board to predesign, design, engineer, reconstruct, renovate, furnish, and equip the Phillips Community Center indoor competitive swimming pool and to predesign, design, engineer, and construct an additional indoor multipurpose family pool and facilities associated with an aquatic center in the community center, subject to Minnesota Statutes, section 16A.695.

This appropriation is not available until the commissioner determines that at least \$350,000 is committed from nonstate sources. Notwithstanding Minnesota Statutes, section 16A.642, the bond authorization and appropriation of bond proceeds for this project are available until December 31, 2018.

Sec. 20. Laws 2014, chapter 294, article 1, section 7, subdivision 15, is amended to read:

Subd. 15. **Grant County Trail Grant** 100,000

For a grant to Grant County for predesign, acquisition, ~~and~~ or improvements for a trail from the city of Elbow Lake to Pomme de Terre Lake. The commissioner of natural resources may allocate any amount not needed to complete this project to state trail acquisition and improvements under Minnesota Statutes, section 85.015.

Sec. 21. Laws 2014, chapter 294, article 1, section 17, subdivision 6, is amended to read:

Subd. 6. **Inver Grove Heights - Heritage Village Park** 2,000,000

\$1,500,000 of this appropriation is for a grant to the city of Inver Grove Heights and \$500,000 of this appropriation is for a grant to Dakota County. This appropriation is for public infrastructure improvements and land acquisition in and adjacent to the Heritage Village Park, the Mississippi River Trail, and the Rock Island Swing Bridge. These improvements will include but are not limited to motor vehicle access, utility service, stormwater treatment, and trail and sidewalk connections. This appropriation is not available until the commissioner of management and budget has determined that at least an equal amount has been committed to the project from nonstate sources.

Sec. 22. Laws 2014, chapter 294, article 1, section 17, subdivision 12, is amended to read:

Subd. 12. **West St. Paul - North Urban Regional Trail Bridge River-to-River Greenway Crossing** 2,000,000

For a grant to the city of West St. Paul to predesign, design, and construct a ~~pedestrian bridge~~ grade-separated crossing for the ~~North Urban Regional Trail as an overpass~~ River-to-River Greenway of Robert Street in the area near Wentworth Avenue in West St. Paul. This appropriation may also be used to acquire property or purchase rights-of-way needed for bridge construction. A nonstate match is not required.

Sec. 23. Laws 2015, First Special Session chapter 5, article 1, section 10, subdivision 3, is amended to read:

**Subd. 3. Local Road Improvement Fund Grants**

8,910,000

(a) From the bond proceeds account in the state transportation fund as provided in Minnesota Statutes, section 174.50, for construction and reconstruction of local roads with statewide or regional significance under Minnesota Statutes, section 174.52, subdivision 4, or for grants to counties to assist in paying the costs of rural road safety capital improvement projects on county state-aid highways under Minnesota Statutes, section 174.52, subdivision 4a.

(b) This appropriation includes \$850,000 for a grant to the city of Sandstone for predesign, design, engineering, and construction of a road extending south off of marked Trunk Highway 23 across from Lundorff Drive to the airport area, and including a bridge over Skunk Creek in Sandstone, in order to facilitate repurposing of an area of the airport into a business park. This appropriation is not available until the commissioner of management and budget determines that sufficient resources to complete the project are committed to it from other sources, including any funds made available from the commissioner of transportation.

(c) This appropriation includes \$3,770,000 for a grant to Kandiyohi County for construction and reconstruction of local roads to facilitate the construction of highway-rail grade separations at U.S. Highway 12 and, Minnesota Highway 40, or County State-Aid Highway 55 as part of the Willmar Wye project.

**Sec. 24. OFFICE OF LEGISLATIVE AUDITOR REPORT - FUNDING FOR ASSET PRESERVATION.**

Subdivision 1. Report. By November 15, 2016, the legislative auditor shall report to the chairs and ranking minority members of the committees in the senate with jurisdiction over finance and capital investment and in the house of representatives with jurisdiction over ways and means

and capital investment, with recommendations for sustainable, reliable, predictable funding for preservation of capital assets owned by agencies.

Subd. 2. **Funding options and approaches.** The report shall assess the feasibility of implementing the following options and may include evaluation of other feasible options:

(1) establishing a standing appropriation from the general fund to pay a portion of certified asset preservation needs;

(2) establishing a standing appropriation from the bond proceeds fund, and authorizing the sale of general obligation bonds, to pay a portion of certified asset preservation needs;

(3) dedicating a specified portion of fees collected by agencies to use for asset preservation; and

(4) shifting asset preservation from the capital budget to the operating budget so that asset preservation is built into the base budget.

Evaluations should include a comparison to current law and practice.

Subd. 3. **Real property portfolio management system.** The commissioner of administration shall provide assistance, as requested by the legislative auditor, for preparing the report, including providing data from the ARCHIBUS real property portfolio management system.

Subd. 4. **Demolition.** The report shall evaluate whether the metrics and process used by each agency to recommend demolition of capital assets are comprehensive enough to reflect what is in the best interest of the state.

Subd. 5. **Definition.** "Agencies" as used in this section means all executive branch agencies, the Board of Regents of the University of Minnesota, and the Board of Trustees of Minnesota State Colleges and Universities.

#### Sec. 25. **VETERANS HOMES; MONTEVIDEO AND BEMIDJI.**

The fiscal year 2018 and fiscal year 2019 general fund base appropriation for veterans homes is increased by \$10,000,000 each fiscal year. This increase is for the operating costs of 143 skilled nursing beds added after July 1, 2016, in one or more veteran homes, including Montevideo and Bemidji. None of this increased amount may be used for operating costs at a veterans home in Minneapolis.

#### Sec. 26. **APPROPRIATION; WATER SUPPLY SUSTAINABILITY STUDY.**

(a) \$1,780,000 is appropriated in fiscal year 2017 from the general fund to the commissioner of natural resources.

(b) Of this amount:

(1) \$1,500,000 is for a study to evaluate long-term water supply sustainability in the north and east metro, identify options to address any challenges identified to the north and east metro's long-term water supply sustainability, and assess the feasibility and costs of those options. The study must consider available information concerning interactions between the region's surface water and groundwater systems, including White Bear Lake. The commissioner must conduct this study in consultation and coordination with affected communities, the Metropolitan Council and other state and regional agencies, water utilities, watershed districts, counties, industrial water permit holders, and other entities with a demonstrated interest in the water supply challenges facing

the north and east metro. The commissioner must complete a report summarizing study findings regarding long-term water supply sustainability challenges in the north and east metro and the feasibility of various options for addressing those challenges. Efficient water use and water reuse options must be included in the report. The commissioner's report must consider sufficient detail regarding preliminary design considerations, including supply source, treatment, distribution, operation, and financing, of all feasible options evaluated. The report must be provided no later than January 15, 2018, to the chairs and ranking minority members of the house of representatives and senate committees and divisions with jurisdiction over environment and natural resources finance and policy and the clean water fund. No detailed design may be undertaken by the commissioner without legislative approval. A copy of the draft report will be provided to all affected local agencies for review and comment prior to finalization and presentation by the commissioner to the legislature. The appropriation in this clause is available until June 30, 2018; and

(2) \$280,000 is for water quality monitoring, modeling, and data analysis to establish baseline water quality conditions and to assess the water quality impacts and other potential ecological effects of augmenting White Bear Lake with water from Vadnais Lake on both White Bear Lake and Vadnais Lake. The appropriation in this clause is available until June 30, 2018.

Sec. 27. **REPEALER.**

Minnesota Statutes 2014, section 123A.446, is repealed.

Sec. 28. **EFFECTIVE DATE.**

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

Delete the title and insert:

"A bill for an act relating to capital investment; authorizing spending to acquire and better public land and buildings and other improvements of a capital nature with certain conditions; modifying previous appropriations; establishing new programs and modifying existing programs; authorizing the sale and issuance of state bonds; appropriating money; amending Minnesota Statutes 2014, sections 85.34, subdivision 1; 161.14, by adding a subdivision; 174.52, subdivision 2; 446A.072; 446A.073, as amended; 446A.081, subdivision 9; 446A.12, subdivision 1; 462A.37, by adding a subdivision; Minnesota Statutes 2015 Supplement, sections 16A.967; 462A.37, subdivision 5; Laws 2002, chapter 393, section 22, subdivision 6, as amended; Laws 2008, chapter 179, section 7, subdivision 27, as amended; Laws 2011, First Special Session chapter 12, section 13, subdivision 8; Laws 2012, chapter 293, sections 7, subdivision 8; 17, subdivision 4; Laws 2014, chapter 294, article 1, sections 7, subdivision 15; 17, subdivisions 6, 12; Laws 2015, First Special Session chapter 5, article 1, sections 10, subdivision 3; 19; proposing coding for new law in Minnesota Statutes, chapters 16A; 16C; 115; 219; repealing Minnesota Statutes 2014, section 123A.446."

And when so amended the bill do pass.

Pursuant to Joint Rule 2.03, the bill was referred to the Committee on Rules and Administration.

**RECESS**

Senator Hayden moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a brief recess, the President called the Senate to order.



**MOTIONS AND RESOLUTIONS - CONTINUED**

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate reverted to the Orders of Business of Reports of Committees and Second Reading of House Bills.

**REPORTS OF COMMITTEES**

Senator Bakk moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

**Senator Bakk from the Committee on Rules and Administration, to which was referred under Joint Rule 2.03, together with the committee report thereon,**

**S.F. No. 3481:** A bill for an act relating to criminal justice; modifying the thresholds for certain controlled substance crimes; creating new offenses specific to the possession of marijuana plants; creating a new offense for possessing trace amounts of certain controlled substances; eliminating mandatory minimum sentences for lower level controlled substance crimes; appropriating money; amending Minnesota Statutes 2014, sections 152.01, subdivision 16a; 152.021; 152.022; 152.023; 152.024; 152.025; 152.026; 152.092; 152.18, subdivision 1; 388.051; proposing coding for new law in Minnesota Statutes, chapter 241.

Reports the same back with the recommendation that Joint Rule 2.03 be suspended for all further proceedings on S.F. No. 3481 and that the report from the Committee on Judiciary, shown in the Journal for April 11, 2016, be adopted; that committee recommendation being:

"the bill be amended and when so amended the bill do pass and be re-referred to the Committee on Finance". Amendments adopted. Report adopted.

**Senator Bakk from the Committee on Rules and Administration, to which was referred under Joint Rule 2.03, together with the committee report thereon,**

**S.F. No. 3589:** A bill for an act relating to transportation; authorizing and governing implementation of requirements of the federal REAL ID Act; amending certain requirements governing driver's licenses and Minnesota identification cards; amending certain fees; requiring legislative reporting; requiring rulemaking; appropriating money; amending Minnesota Statutes 2014, sections 171.017, subdivisions 1, 2; 171.06, subdivisions 1, 3, by adding a subdivision; 171.07, subdivisions 1, 3, 4, 9a; 171.072; 171.12, by adding subdivisions; 171.27; proposing coding for new law in Minnesota Statutes, chapter 171; repealing Laws 2009, chapter 92, section 1, as amended.

Reports the same back with the recommendation that Joint Rule 2.03 be suspended for all further proceedings on S.F. No. 3589 and that the report from the Committee on Transportation and Public Safety, shown in the Journal for April 28, 2016, be adopted; that committee recommendation being:

"the bill be amended and when so amended the bill do pass and be re-referred to the Committee on State and Local Government". Amendments adopted. Report adopted.

**Senator Bakk from the Committee on Rules and Administration, to which was referred under Joint Rule 2.03, together with the committee report thereon,**

**H.F. No. 3467:** A bill for an act relating to state government; modifying provisions related to continuing care, health care, MNsure, Health Department, chemical and mental health, children and

families, health-related licensing, human services forecast adjustments, health and human services appropriations, state government appropriations, state government, and public safety; making technical changes; adjusting rates for nursing facilities in border cities; limiting appropriations and transfers to MNsure; amending provisions relating to abortion; creating licenses relating to orthotics and genetic counselors; modifying barber licenses; modifying fees; canceling part of the senate carryforward account to the general fund; requiring savings from reducing salaries in the executive branch, instituting a hiring freeze, and limiting nonessential travel and advertising; requiring receipts from examinations by the state auditor be credited to the general fund; transferring funds in the state auditor enterprise fund to the general fund; suspending the public subsidy program for state elections to the end of fiscal year 2017; requiring the legislative auditor to participate in preparing fiscal notes, revenue estimates, and local impact notes; requiring county payments and political subdivision payments for state auditor costs be deposited in the general fund; requiring a centralized tracking list of agency projects over \$100,000; limiting fee or fine increases; requiring disclosure to the legislative auditor on potential federal penalties for the purchase or sale of state bonds; requiring legislature be notified of certain costs in state construction projects; requiring approval for certain state building projects; requiring termination of state grant agreement if recipient is convicted of a criminal offense related to the grant agreement; prohibiting fees for general fund grant administration; requiring audit of delegated authority; adding a provision for targeted group business; limiting number of full-time employees; changing provisions in the Veterans Preference Act; changing a provision for the IRRRB; changing payments from the manufactured home relocation trust fund; requiring a public hearing if a proposed interim ordinance deals with housing; modifying health insurance provisions related to school districts and certain self-insurance pools; requiring reports; designating parking ramp financing; establishing Legislative Surrogacy Commission; requiring a study; increasing fine for certain traffic violations around school buses; enhancing penalties and establishing minimum fines for repeat violations of driving without a license; allowing alcohol use by sensory testing services; extending funding for avian influenza and agricultural emergency response; authorizing commissioner of corrections to negotiate for facility to house offenders; increasing maximum sentence for felony assault motivated by bias; prohibiting the use of unmanned vehicles near public safety helicopters; providing for a fund transfer from the correctional industries revolving fund to the general fund; authorizing rulemaking; appropriating money; amending Minnesota Statutes 2014, sections 3.3005, subdivisions 3, 3b, 4, 5, 6, by adding subdivisions; 3.971, by adding a subdivision; 3.98; 3.987, subdivision 1; 6.56, subdivision 2; 6.581, subdivision 4; 16A.103, by adding a subdivision; 16A.1283; 16B.335, subdivision 1; 16C.03, subdivision 16; 16C.16, subdivision 5; 16E.0466; 16E.21, subdivision 2, by adding subdivisions; 62J.495, subdivision 4; 62J.496, subdivision 1; 62V.04, subdivisions 2, 3, 4; 62V.05, subdivision 2, by adding subdivisions; 62V.11, by adding a subdivision; 119B.13, subdivision 1; 144.05, by adding a subdivision; 144.293, subdivision 2; 144A.071, subdivisions 4c, 4d; 144A.073, subdivisions 13, 14, by adding a subdivision; 144A.471, subdivision 9; 144A.611, subdivisions 1, 2, by adding a subdivision; 144A.75, subdivisions 5, 6, 8, by adding a subdivision; 145.4716, subdivision 2, by adding a subdivision; 145.882, subdivisions 2, 3, 7; 145.925, subdivisions 1, 1a, by adding subdivisions; 149A.50, subdivision 2; 154.001, subdivision 2; 154.002; 154.01; 154.02; 154.04; 154.05; 154.065, subdivisions 2, 4; 154.07; 154.08; 154.09; 154.10, subdivision 2; 154.11, subdivision 1; 154.14; 154.15; 154.161, subdivision 7; 154.162; 154.19; 154.21; 154.24; 154.25; 157.15, subdivision 14; 169.444, subdivision 2; 171.24; 197.455, subdivision 1; 243.166, subdivision 1b; 245.99, subdivision 2; 254B.03, subdivision 4; 254B.04, subdivision 2a; 254B.06, subdivision 2, by adding a subdivision; 256.01, by adding a subdivision; 256B.042, by adding a subdivision; 256B.0621, subdivision 10; 256B.0625, by adding subdivisions; 256B.0644;

256B.0924, by adding a subdivision; 256B.15, subdivisions 1a, 2, by adding a subdivision; 256D.051, subdivision 6b; 256L.02, by adding a subdivision; 298.22, subdivision 1; 299A.41, subdivision 3; 327.14, subdivision 8; 327C.03, subdivision 6; 327C.095, subdivisions 12, 13; 353.01, subdivision 43; 462.355, subdivision 4; 471.6161, subdivision 8; 471.617, subdivision 2; 471.895, subdivision 1; 518.175, subdivision 5; 518A.34; 518A.36; 609.3241; 626.558, subdivisions 1, 2, by adding a subdivision; Minnesota Statutes 2015 Supplement, sections 6.481, subdivision 6; 16C.073, subdivision 2; 62V.03, subdivision 2; 144A.75, subdivision 13; 145.4131, subdivision 1; 149A.92, subdivision 1; 154.003; 154.11, subdivision 3; 154.161, subdivision 4; 197.46; 245.735, subdivisions 3, 4; 256B.059, subdivision 5; 256B.0625, subdivisions 17a, 18a, 20; 256B.431, subdivision 36; 256B.441, subdivisions 13, 53, 66; 256B.76, subdivisions 2, 4; 256B.766; 518A.26, subdivision 14; 518A.39, subdivision 2; 609.324, subdivision 1; Laws 2015, chapter 65, article 1, section 18; Laws 2015, chapter 71, article 1, section 125; article 14, sections 2, subdivision 5, as amended; 4, subdivisions 1, 3, 5, 10, 11; 9; Laws 2015, chapter 77, article 1, section 11, subdivision 4; proposing coding for new law in Minnesota Statutes, chapters 16A; 16B; 16C; 43A; 45; 62V; 144; 145; 148; 245A; 254B; 256B; 325E; 518A; 609; proposing coding for new law as Minnesota Statutes, chapters 147F; 153B; repealing Minnesota Statutes 2014, sections 3.886; 6.581, subdivision 1; 62V.01; 62V.02; 62V.03, subdivisions 1, 3; 62V.04; 62V.05, subdivisions 1, 2, 3, 4, 5, 9, 10; 62V.06; 62V.07; 62V.08; 62V.09; 62V.10; 62V.11, subdivisions 1, 2, 4; 144.058; 145.925, subdivision 2; 149A.92, subdivision 11; 154.03; 154.06; 154.11, subdivision 2; 154.12; 179A.50; 179A.51; 179A.52; 179A.53; Minnesota Statutes 2015 Supplement, sections 62V.03, subdivision 2; 62V.05, subdivisions 6, 7, 8, 11; 62V.051; Minnesota Rules, parts 7700.0010; 7700.0020; 7700.0030; 7700.0040; 7700.0050; 7700.0060; 7700.0070; 7700.0080; 7700.0090; 7700.0100; 7700.0101; 7700.0105.

Reports the same back with the recommendation that Joint Rule 2.03 be suspended for all further proceedings on H.F. No. 3467 and that the report from the Committee on Finance, shown in the Journal for May 4, 2016, be adopted; that committee recommendation being:

"the bill be amended and when so amended the bill do pass". Amendments adopted. Report adopted.

## **SECOND READING OF HOUSE BILLS**

H.F. No. 3467 was read the second time.

### **MEMBERS EXCUSED**

Senators Brown, Miller and Pederson were excused from the Session of today. Senators Bonoff and Cohen were excused from the Session of today at 2:35 p.m. Senator Senjem was excused from the Session of today from 2:35 to 2:45 p.m. Senator Schmit was excused from the Session of today from 2:50 to 3:00 p.m. Senator Bakk was excused from the Session of today from 3:10 to 4:20 p.m. Senator Sieben was excused from the Session of today at 3:15 p.m. Senator Hoffman was excused from the Session of today at 3:30 p.m. Senator Johnson was excused from the Session of today at 3:35 p.m.

**ADJOURNMENT**

Senator Bakk moved that the Senate do now adjourn until 10:00 a.m., Thursday, May 5, 2016.  
The motion prevailed.

JoAnne M. Zoff, Secretary of the Senate