

House Research Act Summary

CHAPTER: 12

SESSION: 2001 First Special Session

TOPIC: Capital Investment

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Overview

This is the omnibus capital investment act, authorizing the issuance of state general obligation bonds and appropriating the proceeds of the bonds sold for the projects listed. One item (Trillium site acquisition, \$1 million) was vetoed by the Governor.

- 1 **Capital investment appropriations summary.** Total - \$118,205,000 (117,205,000 with veto)
- 2 **Children, families and learning.**
 - Subd. 1. Total.** \$20,700,000
 - Subd. 2. Metropolitan magnet schools (East Metro - Crosswinds magnet school).** \$1,700,000 to complete the project funded in the 2000 capital investment bill. The 2000 Legislature appropriated \$16,000,000 for the project and directed the district to proceed with the project based on a total project cost of \$17,700,000.
 - Subd. 3. Maximum effort capital loan.** \$19,000,000 for a capital loan to independent school district No. 2580, East Central (Sandstone).
- 3 **Natural resources.** \$2,000,000 for flood hazard mitigation under Minn. Stat. § 103F.161, with \$234,000 set aside for Red River basin projects.
- 4 **Board of water and soil resources.**
 - Subd. 1. Total.** \$53,487,000
 - Subd. 2. CREP.** \$43,000,000 for acquisition of easements and \$8,487,000, for administrative costs of acquiring the easements under the conservation reserve enhancement program (CREP) along the Minnesota River.
 - Subd. 3. Wetland replacement due to public road projects.** \$2,000,000 to acquire land for wetlands or restore wetlands to be used to replace wetlands drained or filled for public road work.

- 5 **Pollution control agency.** \$20,500,000 for the closed landfill cleanup program. In 1994, the legislature authorized \$90 million in bonds, to be issued over a ten-year period for the program. In 1995, the legislature enacted the law that cancels unused bond authorizations reported by the department of finance after five years (now four). This re-appropriates a portion of the amount canceled by the 2001 cancellation report.
- 6 **Administration.**
Subd. 1. Total. \$3,400,000
Subd. 2. State office building. \$2,200,000 to tuckpoint and make masonry repairs to the north and west sides of the building and make associated interior repairs.
Subd. 3. Electrical utility infrastructure, phase 5. \$1,200,000 to upgrade the primary electrical distribution system in the capitol complex.
- 7 **Transportation.** \$10,000,000 for local bridge replacement and rehabilitation.
- 8 **Trade and economic development.**
Subd. 1. Total. \$8,000,000 (7,000,000 with the veto of subd. 3)
Subd. 2. Eagan and Austin disaster relief. \$7,000,000 to pay costs not covered by federal disaster programs for publicly owned capital improvements made necessary because of natural disaster in areas covered by the declaration number 1333. \$5,000,000 is for Eagan and \$2,000,000 is for Austin.
Subd. 3. Port Authority of St. Paul. \$1,000,000 for a grant to the port authority of the city of St. Paul to acquire the Trillium site. **VETOED.**
- 9 **Bond sale expenses.** \$118,000
- 10 **Bond sale schedule.** Directs the commissioner of finance to schedule bond sales during the biennium so that no more than \$629,739,000 will need to be transferred from the general fund to the bond fund to pay debt service due on outstanding state obligations.
- 11 **Bond sale authorizations.** Authorizes \$99,205,000 in state general obligation bonds to be sold to fund appropriations from the bond proceeds fund made in this act, and \$19,000,000 to be sold to fund the appropriation from the maximum effort school loan fund.
- 12 **Construction and remodeling (legislative review of certain capital projects).** Increases the cost threshold for capital projects that must be submitted for legislative review. Prior law exempted a capital project with a construction cost of less than \$500,000. Now, the amount is \$750,000, or \$1,500,000 for local government projects.
- 13 **Itasca county training and technology center.** Amends the 1998 capital appropriation for the project to allow two dollars of state money to be made available to the project for every one dollar of nonstate committed to the project, up to the total amount of the appropriation. The original 1998 provision requires a one for one match.
- 14 **DNR Fergus Falls facility.** Amends the 2000 bonding appropriation to DNR for the Fergus Falls facility to allow DNR to acquire an existing building as well as construct a new building.
- 15 **Re-enactment of corrections to 2000 bond provisions.** The 2000 corrections bill, chapter 499 was a senate file. Re-enactment as a house file is required for these provisions because the corrections were to increase the appropriations of bond proceeds. Because it is not without question whether appropriations of bond proceeds are revenue-raising provisions, bond counsel requires bonding bills to originate in the House. (Under the state constitution, a bill to raise revenue must originate in the House.)
- 16 **Effective date.** July 1, 2001.

