

Alexis C. Stangl, Director

Minnesota Senate Building
95 University Ave. W. Suite 3300
ST. PAUL, MN 55155-1800
(651) 296-4791
www.senate.mn/scrfa

HF 669 – Omnibus Bonding Bill

Author: Senator Sandra L. Pappas

Prepared by: Stephanie James, Senate Counsel (651/296-0103)

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Article 1 – Appropriations

Section 1 [Capital Improvement Appropriations] specifies terms and conditions for appropriations in the bill. Appropriations are from the bond proceeds fund, unless otherwise specified. Appropriations of bond proceeds must be spent as permitted under certain provisions of the Constitution that permit the state to incur public debt. Unless otherwise specified, the money in the act can be used for certain agency staff costs and is available until a project is completed or abandoned or canceled, subject to a statutory cancellation procedure after four years. Money appropriated in this bill must not be used for asset preservation if the work can be done in a reasonable time using existing energy improvement financing programs. The commissioner of management and budget is authorized to make the appropriations in this act available when amounts sufficient to complete the project are committed to the project. Appropriations from the general fund are in fiscal year 2024 and are onetime appropriations.

Sections 2 through 25 appropriate proceeds of general obligation bonds and money from the general fund for state and local government projects as listed on the spreadsheet prepared by Hannah Grunewald Noeldner, Fiscal Analyst, with Senate Counsel, Research, and Fiscal Analysis. The following table is an aid to find sections within the bill:

Section Number	Agency	Starts at line
2	University of Minnesota	2.17
3	Minnesota State Colleges and University	3.24
4	Education	8.11
5	Minnesota State Academies	8.15
6	Perpich Center for Arts Education	9.13
7	Natural Resources	9.20
8	Pollution Control Agency	18.5
9	Board of Water and Soil Resources	18.18

10	Agriculture	10.1
11	Minnesota Zoological Garden	20.9
12	Administration	21.1
13	Amateur Sports Commission	22.21
14	Military Affairs	22.28
15	Public Safety	23.26
16	Transportation	24.10
17	Metropolitan Council	29.7
18	Human Services	30.28
19	Veterans Affairs	31.22
20	Corrections	32.17
21	Employment and Economic Development	33.11
22	Iron Range Resources and Rehabilitation	35.1
23	Public Facilities Authority	35.9
24	Minnesota Housing Finance Agency	41.6
25	Minnesota Historical Society	41.27

Section 26 [Bond Sale Expenses] appropriates money to pay the expenses of the sale of bonds authorized in section 26.

Section 27 [Bond Sale Authorization] authorizes the sale of bonds.

Subdivision 1 [Bond proceeds fund] authorizes the sale of general obligation bonds in an amount up to a specified amount to provide money appropriated from the bond proceeds fund.

Subdivision 2 [Transportation fund] authorizes the sale of general obligation bonds in an amount up to a specified maximum to provide money appropriated from the state transportation fund.

Section 28 [Cancellations; Bond Sale Authorization Reductions] cancels unencumbered appropriations that appeared on the cancellation report of January 2023, excluding appropriations extended in this bill.

Section 29 [Bond Sale Schedule] sets the cap on the amount to be transferred from the general fund to pay principal and interest on outstanding bonds and bonds scheduled to be sold during the biennium. Requires the commissioner of management and budget to adjust the amount of bonds scheduled to be sold so that the debt service does not exceed the cap. Annually appropriates the necessary debt service to the commissioner from the general fund, as required by statute.

Section 30 [Effective Date] sets the day after enactment as the effective date of Article 1.

Article 2 – Miscellaneous

Section 1 [Authorization to issue appropriation bonds; §16A.966] extends the availability of an appropriation of proceeds from the sale of appropriation bonds for certain environmental cleanup projects.

Section 2 [Creation of accounts; 116J.417] is a technical change regarding one of the funds into which money is deposited for the Greater Minnesota Child Care Facilities grant program. This changes one of the funds from the special revenue fund to the general fund.

Section 3 [Greater Minnesota Housing Infrastructure Grant Program 116J.4315] creates a grant program to fund infrastructure to support workforce housing in Greater Minnesota.

Subd. 1 [Grant program established] authorizes the commissioner of employment and economic development to make grants to counties and cities to provide up to 50 percent of the capital costs of public infrastructure for an eligible workforce housing development project. Nonstate resources must be committed to complete the project. The nonstate contribution may include cash or in-kind contributions. Value of a site may be counted as a nonstate resource.

Subd. 2 [Definitions] defines “city,” “county,” and “public infrastructure.”

Subd. 3. [Eligible projects] designates that eligible projects are public infrastructure that may be single-family or multifamily housing developments. They may be owner-occupied or rental.

Subd. 4. [Application] requires the commissioner to develop forms and procedures for soliciting and reviewing applications for grants. The application must include a resolution from the county or city certifying the availability of nonstate resources. Specifies criteria the commissioner must use to determine whether an application is eligible. Allows the commissioner discretion to choose grant recipients. The commissioner’s decisions and application of criteria are not subject to judicial review, except on the ground of abuse of discretion.

Subd. 5 [Maximum grant amount] sets a cap per lot for grants. Sets a cap on grant awards to a particular county or city in a two-year period.

Section 4 [Qualification; accessibility grants; 131.45] increases the cap on grants, from \$300,000 to \$450,000, under the library construction grant program.

Section 5 [Definition] adds a definition in the Active Transportation grant program to facilitate the use of bond proceeds for projects funded under the program.

Section 6 [Active transportation account] makes technical changes to the Active Transportation grant program to facilitate the use of bond proceeds to fund projects through the program.

Section 7 [Lead Service Line Replacement Grant Program; 446A.077] establishes a grant program to fund the replacement of lead service lines.

Subd. 1 [Establishment] authorizes the Public Facilities Authority to establish a program to provide grants for lead service line replacement.

Subd. 2 [Eligible recipients] lists political subdivisions that are eligible to receive grants under the program. These include community public water suppliers of a community water

system, municipalities, suppliers of other residential drinking water systems, and applicants for loans and grants under the federal Safe Drinking Water Act.

Subd. 3 [Eligible uses] specifies that grant funds may be used to remove and replace lead drinking water service lines or perform necessary construction activities required for and associated with the removal and replacement of lead service lines.

Subd. 4 [Required removal or replacement of privately owned lead service lines] requires that 70% of funds made available for grants under the program be used for removing privately owned portions of lead drinking water service lines or installing privately owned portions of drinking water service lines. This requirement does not apply to money from the bond proceeds fund.

Subd. 5 [Grant priorities] requires the Public Facilities Authority to give priority to applications that use the funds as part of a plan to remove all lead service lines within a municipality or residential drinking water system.

Subd. 6 [Report] requires the Public Facilities Authority to report to the legislature by March 30, 2024, on the grant program with specified information included.

Sections 8 through 32 amend project descriptions or time of availability for appropriations made in bonding bills enacted in 2018 and 2020.

Section 8 [Chester Woods State Trail] extends the availability of an appropriation enacted in 2018 for the Chester Woods State Trail, completing construction and paving phase one of the trail from Rochester to Chester Woods Park.

Section 9 [Glendalough State Park] extends the availability of an appropriation enacted in 2018 for the Glendalough State Park Visitor and Trail Center.

Section 10 [Mill Towns State Trail] adds “construction” to the list of uses of the appropriation and extends the availability of an appropriation enacted in 2018 for the Mill Towns State Trail.

Section 11 [St. Louis and Lake Counties Regional Rail Authority – Mesabi Trail] extends the availability of an appropriation enacted in 2018 for the Mesabi Trail. This section also shortens the segment of trail to be constructed with this appropriation.

Section 12 [Wadena – U.S. Highway 10 Environmental Cleanup] extends the availability of an appropriation enacted in 2018 for an environmental cleanup project in Wadena.

Section 13 [Hennepin County – Railroad Crossing Safety] extends the availability of an appropriation enacted in 2018 for railroad crossing safety projects in Hennepin County.

Section 14 [White Bear Lake Trail and Route] extends the availability of an appropriation enacted in 2018 for the White Bear Lake Trail and Route. Allows up to \$70,000 of the amount remaining after substantial completion of the Mahtomedi portion of the trail to be used for a grant to Birchwood Village for a trail segment.

Section 15 [Regional Behavioral Health Crisis Family Grants] extends the availability of an appropriation enacted in 2018 for construction of regional behavioral health crisis centers.

Section 16 [Minneapolis – American Indian Center] extends the availability of a general fund grant enacted in 2018 for the American Indian Center in Minneapolis.

Section 17 [Wabasha – National Eagle Center and Wabasha Riverfront Revitalization] extends the availability of an appropriation enacted in 2018 for renovations and expansion at the National Eagle Center in Wabasha.

Section 18 [Heartland State Trail; Detroit Lakes to Frazee Segment] adds “construction” to the allowed uses of an appropriation enacted in 2020 for the Detroit Lakes to Frazee segment of the Heartland Trail.

Section 19 [Scott County; McMahon Lake Floor Mitigation] changes the recipient of the grant from Scott County to McMahon Lake Improvement District for an appropriation enacted in 2020. Makes the grant subject to requirements related to use agreements.

Section 20 [Edina; South Metro Public Safety Training Facility] extends the availability of an appropriation enacted in 2020 for the South Metro Public Safety Training Facility in Edina.

Section 21 [Anoka County; Marked U.S. Highway 10/169] allows an appropriation from 2020 to be used for construction for the interchange on U.S. Highway 10/169 and CSAH 56 and CSAH 57.

Section 22 [Ramsey County; I-35E and County Road J Interchange] changes the project description to allow an appropriation enacted in 2020 to be used for final design for the Ramsey County I-35E and County Road J Interchange project.

Section 23 [Rochester International Airport Runway and Associated Improvements] extends the availability of appropriations enacted in 2020 for the Rochester International Airport Runway improvement project.

Section 24 [Dakota County; Veterans Memorial Greenway] modifies the allowed uses of an appropriation enacted in 2020 for the Veterans Memorial Greenway.

Section 25 [White Bear Communities; Lake Links Trail] allows a portion of an appropriation from 2020 for the Lake Links Trail in White Bear Lake to be used to acquire permanent easements and right-of-way.

Section 26 [Prairie Lake Youth JPB; School and Recreation Center] extends the availability of an appropriation enacted in 2020 for the Prairie Lake Youth indoor recreation and education building.

Section 27 [St. Cloud; Municipal Athletic Complex] allows an appropriation from 2020 for the St. Cloud Municipal Athletic Complex to be applied toward ice arena components and eliminates authorization for the money to be used for demolition of Dick Putz field and for a new grandstand. Eliminates a prohibition on using the money for artificial turf. Extends the availability of the appropriation.

Section 28 [Western Lake Superior Sanitary District; Engine Generators] extends the availability of an appropriation enacted in 2020 for engine generators for the Western Lake Superior Sanitary District.

Section 29 [Wright County; Dental Care Facility] modifies the description of the Wright County dental care facility project to allow an appropriation enacted in 2020 to be used for an existing building.

Section 30 [Vernon Center; Water Infrastructure Improvements] modifies the description of the use of the appropriation enacted in 2020 and amended in 2021, for the Vernon Center water infrastructure improvements.

Section 31 [Hmong American Farmers Association] extends the availability of an appropriation enacted in 2020 for the Hmong American Farmers Association to purchase land in Dakota County. Allows money remaining after the acquisition to be used to purchase additional farmland. Precludes a municipality, county, or state from taking or condemning land purchased with this appropriation.

Section 32 [Appropriation; Meat Processing Business in Redevelopment Area] modifies the description of an appropriation enacted in 2021 to specify the city of South St. Paul as the grant recipient. Eliminates an exemption from certain grant requirements.

Section 33 [Conveyance Authorized] authorizes a parcel of land in Two Harbors that was previously improved with bond proceeds to be conveyed from the commissioner of natural resources to the city of Two Harbors, provided certain requirements are met.

Section 34 [Effective date] makes this article effective the day following final enactment.