

STATE OF MINNESOTA

NINETIETH SESSION — 2017

 FIFTIETH DAY

SAINT PAUL, MINNESOTA, MONDAY, MAY 8, 2017

The House of Representatives convened at 10:00 a.m. and was called to order by Tony Albright, Speaker pro tempore.

Prayer was offered by the Reverend Paul G. Rider, St. John's Episcopal Church, Mankato, Minnesota.

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

The roll was called and the following members were present:

| | | | | | |
|--------------|------------|---------------|------------|------------|------------|
| Albright | Dettmer | Hausman | Lee | Nash | Rarick |
| Anderson, S. | Drazkowski | Heintzeman | Lesch | Nelson | Runbeck |
| Anselmo | Ecklund | Hertaus | Liebling | Neu | Sandstede |
| Bahr, C. | Erickson | Hilstrom | Lien | Newberger | Sauke |
| Baker | Fabian | Hoppe | Lillie | Nornes | Schomacker |
| Barr, R. | Fenton | Hornstein | Loeffler | O'Driscoll | Schultz |
| Becker-Finn | Fischer | Hortman | Lohmer | Olson | Scott |
| Bennett | Flanagan | Howe | Loon | Omar | Sundin |
| Bernardy | Franke | Jessup | Loonan | O'Neill | Swedzinski |
| Bly | Franson | Johnson, B. | Lucero | Pelowski | Theis |
| Carlson, A. | Freiberg | Johnson, C. | Lueck | Peppin | Thissen |
| Carlson, L. | Garofalo | Johnson, S. | Mahoney | Petersburg | Uglen |
| Christensen | Green | Jurgens | Mariani | Peterson | Urdahl |
| Clark | Grossell | Kiel | Marquart | Pierson | Vogel |
| Considine | Gruenhagen | Knoblach | Masin | Pinto | Wagenius |
| Cornish | Gunther | Koegel | Maye Quade | Poppe | West |
| Daniels | Haley | Koznick | McDonald | Poston | Whelan |
| Davnie | Halverson | Kresha | Metsa | Pryor | Youakim |
| Dean, M. | Hamilton | Kunesh-Podein | Miller | Pugh | Zerwas |
| Dehn, R. | Hansen | Layman | Moran | Quam | Spk. Daudt |

A quorum was present.

Allen; Anderson, P.; Applebaum; Backer; Bliss; Davids; Smith; Torkelson and Wills were excused.

Murphy, M., was excused until 11:15 a.m. Murphy, E., was excused until 11:20 a.m. Rosenthal, Slocum and Ward were excused until 11:25 a.m.

The Chief Clerk proceeded to read the Journal of the preceding day. There being no objection, further reading of the Journal was dispensed with and the Journal was approved as corrected by the Chief Clerk.

REPORTS OF CHIEF CLERK

S. F. No. 216 and H. F. No. 629, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Rarick moved that S. F. No. 216 be substituted for H. F. No. 629 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1293 and H. F. No. 1366, which had been referred to the Chief Clerk for comparison, were examined and found to be not identical.

Albright moved that S. F. No. 1293 be substituted for H. F. No. 1366 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1654 and H. F. No. 1840, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Scott moved that S. F. No. 1654 be substituted for H. F. No. 1840 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2008 and H. F. No. 2096, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Davids moved that S. F. No. 2008 be substituted for H. F. No. 2096 and that the House File be indefinitely postponed. The motion prevailed.

PETITIONS AND COMMUNICATIONS

The following communications were received:

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

May 2, 2017

The Honorable Kurt Daudt
Speaker of the House of Representatives
The State of Minnesota

Dear Speaker Daudt:

Please be advised that I have received, approved, signed, and deposited in the Office of the Secretary of State the following House Files:

H. F. No. 792, relating to construction codes; requiring the commissioner to amend rules relating to fire sprinklers.

H. F. No. 1397, relating to life insurance; limitation on payments to beneficiaries of persons furthering terrorism.

H. F. No. 212, relating to insurance producers; regulating payment of commissions by issuers of individual health plans.

H. F. No. 1294, relating to commerce; regulating the termination of sales representatives.

H. F. No. 1477, relating to credit unions; regulating meetings.

Sincerely,

MARK DAYTON
Governor

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

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

The Honorable Michelle L. Fischbach
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 2017 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:

| <i>S. F. No.</i> | <i>H. F. No.</i> | <i>Session Laws Chapter No.</i> | <i>Time and Date Approved 2017</i> | <i>Date Filed 2017</i> |
|----------------------|----------------------|-------------------------------------|--|----------------------------|
| | 792 | 20 | 4:49 p.m. May 2 | May 2 |
| | 1397 | 22 | 4:49 p.m. May 2 | May 2 |
| | 212 | 23 | 4:49 p.m. May 2 | May 2 |
| | 1294 | 24 | 4:49 p.m. May 2 | May 2 |
| | 1477 | 25 | 4:49 p.m. May 2 | May 2 |
| 870 | | 26 | 4:50 p.m. May 2 | May 2 |
| 1135 | | 28 | 4:50 p.m. May 2 | May 2 |

Sincerely,

STEVE SIMON
Secretary of State

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

May 3, 2017

The Honorable Kurt Daudt
Speaker of the House of Representatives
The State of Minnesota

Dear Speaker Daudt:

Please be advised that I have received, approved, signed, and deposited in the Office of the Secretary of State the following House File:

H. F. No. 400, relating to state contracts; requiring that the vendor not engage in discrimination against Israel.

Sincerely,

MARK DAYTON
Governor

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL 55155

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

The Honorable Michelle L. Fischbach
President of the Senate

I have the honor to inform you that the following enrolled Act of the 2017 Session of the State Legislature has been received from the Office of the Governor and is deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

| <i>S. F.</i> <i>No.</i> | <i>H. F.</i> <i>No.</i> | <i>Session Laws</i> <i>Chapter No.</i> | <i>Time and</i> <i>Date Approved</i> <i>2017</i> | <i>Date Filed</i> <i>2017</i> |
|----------------------------|----------------------------|---|--|----------------------------------|
| | 400 | 21 | 1:09 p.m. May 3 | May 3 |

Sincerely,

STEVE SIMON
Secretary of State

REPORTS OF STANDING COMMITTEES AND DIVISIONS

Urdahl from the Committee on Capital Investment to which was referred:

H. F. No. 892, 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 2016, sections 16A.967; 84.946, subdivision 2; 85.34, subdivision 1; 219.166; 256E.37; 363A.36; 363A.44, subdivision 1; 446A.072; 446A.073; 446A.081, subdivision 9; 446A.12, subdivision 1; 462A.37, subdivisions 1, 2, 2a, 2b, 5, by adding a subdivision; Laws 2015, chapter 75, article 1, section 3, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 16A; 174; 219; repealing Minnesota Statutes 2016, section 123A.446.

Reported the same back with the following amendments:

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.

APPROPRIATIONS

Sec. 2. **UNIVERSITY OF MINNESOTA**

Subdivision 1. **Total Appropriation**

\$30,000,000

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)**

30,000,000

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

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

Subdivision 1. Total Appropriation

\$36,244,000

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)

25,000,000

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

Subd. 3. 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 convert the vacated space into a centralized student services center.

Subd. 4. 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. 5. 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. 6. 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. 7. 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 this section 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

\$3,500,000

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. 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 amount sufficient to complete the project is committed to it from nonstate sources.

Sec. 5. MINNESOTA STATE ACADEMIES**Subdivision 1. Total Appropriation****\$2,050,000**

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. Security Corridor**50,000**

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

Sec. 6. NATURAL RESOURCES**Subdivision 1. Total Appropriation****\$40,855,000**

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

(b) 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 Preservation15,000,000

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. Flood Hazard Mitigation11,555,000

(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 \$1,700,000 for the Cedar River Watershed District, \$750,000 for the city of Browns Valley project, and \$1,800,000 for the city of Ortonville project.

(e) 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.

(f) 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.

Subd. 4. Dam Renovation, Repair, Removal9,000,000

(a) For design, engineering, and construction to repair, reconstruct, or remove dams and respond to dam safety emergencies. The commissioner shall determine project priorities as appropriate under Minnesota Statutes, sections 103G.511 and 103G.515. Of this appropriation:

- (1) \$500,000 is for emergencies on state-owned dams;
- (2) \$3,600,000 is for a grant to the city of Lanesboro for repair of the Lanesboro dam and notwithstanding the match requirements in Minnesota Statutes, section 103G.511, does not require a nonstate contribution. This includes funding for repairs of the hydropower system;
- (3) \$2,500,000 is for repairs to the Lake Bronson dam;
- (4) \$500,000 is for a grant to the city of Pelican Rapids for engineering work on the Pelican Rapids dam;
- (5) \$200,000 is for a grant to the city of Pine River for engineering work on the Norway Lake dam;
- (6) \$200,000 is for a grant to Yellow Medicine County for the Canby R-6 impoundment dam;
- (7) \$100,000 is for a grant to St. Louis County for the Little Stone Lake dam; and
- (8) \$1,400,000 is for state dams at Brawner, West Leaf Lake, Collinwood, Grindstone River, and Sullivan.
- (b) If the commissioner determines that a project is not ready to proceed, this appropriation may be used for other projects on the commissioner's priority list.

Subd. 5. Reforestation and Stand Improvement

1,000,000

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. 6. Champlin - Mill Pond

3,300,000

For a grant to the city of Champlin to dredge and remove sediment and for other capital improvements to the Champlin Mill Pond necessary to improve water quality, restore fish habitat, and provide other public benefits.

Subd. 7. 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 other sources.

Subd. 8. 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. 7. POLLUTION CONTROL AGENCY

Subdivision 1. Total Appropriation

\$21,955,000

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

Subd. 2. St. Louis River Cleanup

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. 3. Capital Assistance Program

9,250,000

This appropriation is for a grant to Polk County under the solid waste capital assistance grant program under Minnesota Statutes, section 115A.54, in order to complete a regional integrated solid waste management system.

Sec. 8. BOARD OF WATER AND SOIL RESOURCES

Subdivision 1. Total Appropriation

\$15,000,000

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

Subd. 2. Reinvest in Minnesota (RIM) Reserve Program

10,000,000

(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

5,000,000

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. 9. MINNESOTA ZOOLOGICAL GARDEN

Subdivision 1. Total Appropriation

\$4,000,000

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. Notwithstanding the specified uses of money under Minnesota Statutes, section 16B.307, the board may use this appropriation to replace buildings that are in poor condition, outdated, and no longer support the work of the Minnesota Zoo and to construct and renovate trails and roads on the Minnesota Zoo site.

Sec. 10. ADMINISTRATION

Subdivision 1. Total Appropriation

\$12,500,000

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

Subd. 2. Capitol Complex - Physical Security Upgrades10,500,000

For the design, construction, and equipping required to upgrade the physical security elements and systems for one or more of the buildings listed below, their attached tunnel systems and 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 to the extent these funds allow. This appropriation is for work associated with one or more of 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. Capital Asset Preservation and Replacement Account2,000,000

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

Sec. 11. 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, at the Centennial Office Building, and at the Department of Revenue's Stassen Office Building for the purpose of decommissioning and repurposing into usable office space.

Sec. 12. MILITARY AFFAIRS**Subdivision 1. Total Appropriation****\$2,500,000**

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

Subd. 2. Asset Preservation2,500,000

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.

Sec. 13. PUBLIC SAFETY**Subdivision 1. Total Appropriation****\$3,521,000**

To the named official for the purposes specified in this section.

Subd. 2. Camp Ripley Training Facility3,521,000

To the adjutant general to predesign, design, construct, and equip a joint emergency railroad and pipeline emergency response training facility at Camp Ripley. The project includes construction of stations and capital infrastructure needed for mock disaster training, including infrastructure for training in hazardous materials abatement and site recovery work.

Sec. 14. TRANSPORTATION**Subdivision 1. Total Appropriation**\$238,565,000

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

Subd. 2. Local Bridge Replacement and Rehabilitation59,000,000

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. 3. Local Road Improvement Fund Grants107,691,000

(a) From the bond proceeds account in the state transportation fund as provided in Minnesota Statutes, section 174.50, for trunk highway corridor projects under Minnesota Statutes, section 174.52, subdivision 2, 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) Of this amount, \$9,000,000 is for a grant to Anoka County to realign and make associated improvements to County State-Aid Highway 23 (Lake Drive), County State-Aid Highway 54 (West Freeway Drive), and to Hornsby Street in the city of Columbus.

(c) Of this amount, \$3,246,000 is 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.

(d) Of this amount, \$25,000,000 is 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 Interstate Highway 35W and Lake Street access project has been committed to the project.

(e) Of this amount \$10,500,000 is for one or more grants to Carver County, the city of Chaska, or both, for environmental analysis and to acquire land, predesign, design, engineer, and construct local road improvements related to the marked U.S. Highway 212 interchange project in Chaska.

(f) Of this amount, \$700,000 is for a grant to Redwood County to pave Nobles Avenue as the main access road to a new State Veterans Cemetery to be located in Paxton Township.

Subd. 4. Rail Grade Separation on Crude Oil Rail Corridors

57,024,000

(a) Of this amount, \$42,262,000 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.

(b) Of this amount, \$14,762,000 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.

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

Subd. 5. Railroad Warning Devices

1,000,000

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

Subd. 6. Minnesota Valley Regional Railroad Authority

4,000,000

For a grant to the Minnesota Valley Regional Rail Authority for the rehabilitation of a portion of the railroad track between Winthrop and 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. 7. Hugo

1,100,000

For a grant to the Minnesota Commercial Railway for construction, 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.

Subd. 8. Port Development Assistance

5,000,000

For grants under Minnesota Statutes, chapter 457A. Any improvements made with the proceeds of these grants must be publicly owned.

Subd. 9. International Falls-Koochiching County Airport Commission

3,000,000

(a) 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, United States 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. 10. 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 at least an equal amount has been committed to the project from nonstate sources.

Sec. 15. METROPOLITAN COUNCIL

Subdivision 1. Total Appropriation

\$3,739,000

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

Subd. 2. Metropolitan Cities Inflow and Infiltration Grants

3,739,000

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.

Sec. 16. HUMAN SERVICES

Subdivision 1. Total Appropriation

\$9,780,000

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

Subd. 2. Child and Adolescent Behavioral Health Services**7,530,000**

(a) To predesign, design, construct, furnish, and equip a new community-based 16-bed psychiatric hospital facility to house the Child and Adolescent Behavioral Health Services (CABHS) program to be located in or near the city of Willmar. This appropriation includes funds for land purchase, surveying, predesign and design fees, construction administration, project management, site work, site and building infrastructure, construction, and furniture, fixtures, and equipment.

(b) Notwithstanding any law to the contrary, the 16 hospital beds licensed to the CABHS's facility on January 1, 2017, by the Department of Health, may transfer to this new facility upon completion, and approved inspection by the Departments of Health and Human Services.

Subd. 3. 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.

Sec. 17. VETERANS AFFAIRS**Subdivision 1. Total Appropriation****\$5,000,000**

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.

Sec. 18. CORRECTIONS**Subdivision 1. Total Appropriation****\$20,000,000**

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.

Sec. 19. EMPLOYMENT AND ECONOMIC DEVELOPMENT**Subdivision 1. Total Appropriation****\$42,272,000**

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

Subd. 2. Transportation Economic Development**7,000,000**

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

Subd. 3. Greater Minnesota Business Development Public Infrastructure Grants**12,000,000**

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

Subd. 4. Innovative Business Development Public Infrastructure Grants**2,500,000**

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

Subd. 5. Eagle's Healing Nest**300,000**

From the general fund for a grant to Eagle's Healing Nest in Sauk Centre.

Subd. 6. Litchfield - Phase 2 Power Generation Improvements**3,000,000**

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. 7. 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 does not require a nonstate contribution.

Subd. 8. St. James - Public Infrastructure**3,443,000**

For a grant to the city of St. James. Of this amount, \$2,193,000 is for engineering, right-of-way acquisition, and reconstruction of streets, sidewalks, storm water and sanitary sewer, water mains, lighting, utilities, and other capital improvements of publicly owned infrastructure required for the reconstruction of marked Trunk Highway 4 in the city of St. James, and \$1,250,000 is for replacement of the storm sewer drain that serves St. James Lake and the entire southern section of the city of St. James.

Subd. 9. 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.

Sec. 20. PUBLIC FACILITIES AUTHORITY**Subdivision 1. Total Appropriation****\$114,963,000**

To the Public Facilities Authority for the purposes specified in this section. The Public Facilities Authority may use the funds in this section or other available funds to amend project financing agreements awarded after July 1, 2016, based on program changes to Minnesota Statutes, sections 446A.072 and 446A.073, in article 2 of this act.

Subd. 2. State Match for Federal Grants**17,000,000**

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**55,000,000**

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

(b) \$40,000,000 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) \$15,000,000 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

33,737,000

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. 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. 7. East Grand Forks - Wastewater Interconnection Infrastructure

5,300,000

For a grant to the city of 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. A nonstate match is not required.

Subd. 8. Koochiching County - Voyageurs National Park Clean Water Project

2,000,000

(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 capital projects described in the comprehensive plan and as determined by the Voyageurs National Park Clean Water Joint Powers Board.

Sec. 21. MINNESOTA HOUSING FINANCE AGENCY

\$10,000,000

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. 22. MINNESOTA HISTORICAL SOCIETY

Subdivision 1. Total Appropriation

\$2,500,000

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.

Sec. 23. BOND SALE EXPENSES**\$621,000**

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

Sec. 24. 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 \$453,986,000 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 \$166,691,000 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. 25. CANCELLATIONS; BOND SALE AUTHORIZATION REDUCTIONS.

(a) The remaining uncommitted appropriations from the bond proceeds fund in Laws 1990, chapter 610, are canceled and the bond sale authorization in Laws 1990, chapter 610, article 1, section 30, subdivision 1, as amended, is reduced by \$3,129.

(b) The remaining uncommitted appropriations from the bond proceeds fund in Laws 1994, chapter 643, are canceled and the bond sale authorization in Laws 1994, chapter 643, section 31, subdivision 1, as amended, is reduced by \$24,480.

(c) The remaining uncommitted appropriations from the bond proceeds fund in Laws 1997, Second Special Session chapter 2, are canceled and the bond sale authorization in Laws 1997, Second Special Session chapter 2, section 12, as amended, is reduced by \$96,992.

(d) The remaining uncommitted appropriations from the bond proceeds fund in Laws 1999, chapter 240, are canceled and the bond sale authorization in Laws 1999, chapter 240, article 1, section 13, subdivision 1, as amended, is reduced by \$212,472.

(e) The remaining uncommitted appropriations from the bond proceeds fund in Laws 2000, chapter 492, are canceled and 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 remaining uncommitted appropriations from the bond proceeds fund in Laws 2002, chapter 393, are canceled and the bond sale authorization in Laws 2002, chapter 393, section 30, subdivision 1, as amended, is reduced by \$188,471.

(g) The remaining uncommitted appropriations from the bond proceeds fund in Laws 2002, First Special Session chapter 1, are canceled and the bond sale authorization in Laws 2002, First Special Session chapter 1, section 9, subdivision 1, is reduced by \$217,959.

(h) The remaining uncommitted appropriations from the trunk highway bond proceeds fund in Laws 2003, First Special Session chapter 19, article 3, are canceled and the bond sale authorization in Laws 2003, First Special Session chapter 19, article 3, section 2, is reduced by \$201,530.

(i) The remaining uncommitted appropriations from the trunk highway bond proceeds fund in Laws 2003, First Special Session chapter 19, article 4, are canceled and the bond sale authorization in Laws 2003, First Special Session chapter 19, article 4, section 4, is reduced by \$326,534.

(j) The remaining uncommitted appropriations from the bond proceeds fund in Laws 2005, chapter 20, are canceled and the bond sale authorization in Laws 2005, chapter 20, article 1, section 28, subdivision 1, as amended, is reduced by \$3,366,628.

(k) The \$700,000 appropriation from the bond proceeds fund in Laws 2011, First Special Session chapter 12, section 13, subdivision 8, for St. Louis Park noise barriers, is canceled and the bond sale authorization in Laws 2011, First Special Session chapter 12, section 23, subdivision 1, is reduced by the same amount.

(l) The \$2,285,000 appropriation from the bond proceeds fund in Laws 2012, First Special Session chapter 1, article 1, section 3, subdivision 2, to the commissioner of public safety for disaster relief, is canceled and the bond sale authorization in Laws 2012, First Special Session chapter 1, article 1, section 16, subdivision 1, is reduced by the same amount.

(m) \$1,380,000 of the appropriation from the bond proceeds fund in Laws 2012, First Special Session chapter 1, article 1, section 6, to the Public Facilities Authority for disaster relief, is canceled and the bond sale authorization in Laws 2012, First Special Session chapter 1, article 1, section 16, subdivision 1, is reduced by the same amount.

(n) The \$300,000 appropriation from the general fund in Laws 2015, First Special Session chapter 5, article 1, section 14, subdivision 4, for Eagle's Healing Nest is canceled.

Sec. 26. **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, 2019, no more than \$..... 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. 27. **EFFECTIVE DATE.**

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

ARTICLE 2
MISCELLANEOUS

Section 1. Minnesota Statutes 2016, section 16A.967, subdivision 2, is amended to read:

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 (e).

(d) 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.

(e) 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.

(f) 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.

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

(h) Upon certification to the commissioner by the Lewis and Clark Joint Powers Board that the bond sale authorization provided in paragraph (c) has fully met the needs of the project described in paragraph (a), and to the extent there is additional authorization remaining, this authorization is also available for land acquisition, design, engineering, and construction of facilities and infrastructure necessary for Phase 3 of the Lewis and Clark Regional Water System project. Phase 3 includes 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 system.

Sec. 2. Minnesota Statutes 2016, section 16A.967, subdivision 7, is amended to read:

Subd. 7. **Appropriation of proceeds.** The proceeds of appropriation bonds 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 or grants to the Lewis and Clark Joint Powers Board for payment of capital expenses for the purposes provided by subdivision 2, paragraph paragraphs (a); and (h); 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), 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).

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: (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 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 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. (a) This section is effective the day following final enactment, and, except as provided in paragraph (b), applies to any project funded with an appropriation enacted after January 1, 2017.

(b) This section does not apply to a project that has completed schematic design on the effective date of this section, but the commissioner and agency heads are encouraged to comply with it.

Sec. 4. Minnesota Statutes 2016, section 84.946, subdivision 2, is amended to read:

Subd. 2. **Standards.** (a) An appropriation for asset preservation may be used only for a capital expenditure on a capital asset previously owned by the state, within the meaning of generally accepted accounting principles as applied to public expenditures. The commissioner of natural resources will consult with the commissioner of management and budget to the extent necessary to ensure this and will furnish the commissioner of management and budget a list of projects to be financed from the account in order of their priority. The legislature assumes that many projects for preservation and replacement of portions of existing capital assets will constitute betterments and capital improvements within the meaning of the Constitution and capital expenditures under generally accepted accounting principles, and will be financed more efficiently and economically under this section than by direct appropriations for specific projects.

(b) An appropriation for asset preservation must not be used to acquire land or to acquire or construct buildings or other facilities.

(c) Capital budget expenditures for natural resource asset preservation and replacement projects must be for one or more of the following types of capital projects that support the existing programmatic mission of the department: code compliance including health and safety, Americans with Disabilities Act requirements, hazardous material abatement, access improvement, or air quality improvement; building energy efficiency improvements using current best practices; building or infrastructure repairs necessary to preserve the interior and exterior of existing buildings; projects to remove life safety hazards such as building code violations or structural defects; or renovation of other existing improvements to land, including but not limited to trails and bridges.

(d) Up to ten percent of an appropriation awarded under this section may be used for design costs for projects eligible to be funded from this account in anticipation of future funding from the account.

Sec. 5. Minnesota Statutes 2016, 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 a lease relating to state-bond-financed buildings at the upper bluff shall be applied according to 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. 6. Minnesota Statutes 2016, section 174.50, subdivision 5, is amended to read:

Subd. 5. **Certification and disbursement for project of political subdivision.** Before disbursement of an appropriation made from the fund to the commissioner of transportation for grants to subdivisions of the state, the commissioner shall certify that:

~~(1) that the project for which the grant is made has been reviewed as provided in subdivision 4;~~

~~(2) that~~ the project conforms to the program authorized by the appropriation law and rules adopted by the Department of Transportation consistent therewith; and

~~(3) that~~ (2) the financing of any estimated cost of the project in excess of the amount of the grant is assured by the appropriation of the proceeds of bonds or other funds of the subdivision, or by a grant from an agency of the federal government, within the amount of funds then appropriated to that agency and allocated by it to projects within the state, and by an irrevocable undertaking, in a resolution of the governing body of the subdivision, to use all funds so made available exclusively for the project, and to pay any additional amount by which the cost exceeds the estimate through appropriation to the construction fund of additional funds or the proceeds of additional bonds to be issued by the subdivision.

Sec. 7. Minnesota Statutes 2016, section 174.50, subdivision 6b, is amended to read:

Subd. 6b. **Bridge costs in smaller cities.** (a) The commissioner may make grants from the state transportation fund to a home rule or statutory city with a population of 5,000 or less for design, engineering, and construction of bridges on city streets.

~~(b) Grants under this subdivision are subject to the procedures and criteria established under subdivisions 5, 6, and 7.~~

~~(c)~~ (b) Grants may be used for:

(1) 100 percent of the design and engineering costs that are in excess of \$10,000;

(2) 100 percent of the bridge approach work costs that are in excess of \$10,000; and

(3) 100 percent of the bridge construction work costs.

Sec. 8. Minnesota Statutes 2016, section 174.50, subdivision 6c, is amended to read:

Subd. 6c. **Fracture-critical bridges.** ~~(a)~~ The commissioner may make a grant to any political subdivision for replacement or rehabilitation of a fracture-critical bridge. To be eligible for a grant under this subdivision, the project must produce a bridge structure:

(1) that is no longer classified as fracture critical, by having alternate load paths; and

(2) whose failure of a main component will not result in the collapse of the bridge.

~~(b) A grant under this subdivision is subject to the procedures and criteria established under subdivisions 5 and 6.~~

Sec. 9. Minnesota Statutes 2016, section 174.50, subdivision 7, is amended to read:

Subd. 7. **Bridge grant program; rulemaking.** (a) The commissioner of transportation shall develop rules, procedures for application for grants, conditions of grant administration, standards, and criteria as provided under subdivision 6, including bridge specifications, in cooperation with road authorities of political subdivisions, for use

in the administration of funds appropriated to the commissioner and for the administration of grants to subdivisions. Grants under this section are subject to the procedures and criteria established in this subdivision and in subdivisions 5 and 6.

(b) The maximum use of standardized bridges is encouraged. Regardless of the size of the existing bridge, a bridge or replacement bridge is eligible for assistance from the state transportation fund if a hydrological survey indicates that the bridge or replacement bridge must be ten feet or more in length.

(c) As part of the standards or rules, the commissioner shall, in consultation with local road authorities, establish a minimum distance between any two bridges that cross over the same river, stream, or waterway, so that only one of the bridges is eligible for a grant under this section. As appropriate, the commissioner may establish exceptions from the minimum distance requirement or procedures for obtaining a variance.

(d) Political subdivisions may use grants made under this section to construct or reconstruct bridges, including but not limited to:

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

(2) paying the costs to abandon an existing bridge that is deficient and in need of replacement but where no replacement will be made; and

(3) paying the costs to construct a road or street to facilitate the abandonment of an existing bridge if the commissioner determines that the bridge is deficient, and that construction of the road or street is more economical than replacement of the existing bridge.

(e) Funds appropriated to the commissioner from the Minnesota state transportation fund shall be segregated from the highway tax user distribution fund and other funds created by article XIV of the Minnesota Constitution.

(f) The maximum grant amount for a local bridge replacement or rehabilitation project under this section is \$7,000,000. If, in any year, money appropriated for local bridge replacement or rehabilitation projects remains available after all projects on the commissioner's priority list for which the state share is \$7,000,000 or less have been funded, the commissioner may make grants for more than \$7,000,000.

Sec. 10. **[219.016] CRUDE OIL AND HAZARDOUS MATERIALS RAIL SAFETY ACCOUNT.**

Subdivision 1. **Purpose.** A hazardous materials rail safety program is established for the purpose of reducing the risks associated with the transportation of 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; and

(8) local financial contributions to the project.

Sec. 11. Minnesota Statutes 2016, 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 Department 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 Department 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 Department 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 Department 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 Department 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 Department 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 7082.0050.

Sec. 12. Minnesota Statutes 2016, section 446A.073, 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.~~ When a project is certified by the Pollution Control Agency the authority shall reserve money for ~~projects expected to proceed with construction by the end of the fiscal year~~ the project 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~~ when the project is certified 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. 13. Minnesota Statutes 2016, 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.~~

~~(e)~~ (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. 14. Minnesota Statutes 2016, 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. 15. Minnesota Statutes 2016, section 462A.37, subdivision 2a, is amended to read:

Subd. 2a. **Additional authorization.** In addition to the amount authorized in subdivision 2, the agency may issue up to ~~\$80,000,000~~ \$95,000,000 of housing infrastructure bonds in one or more series to which the payments made under this section may be pledged.

Sec. 16. Minnesota Statutes 2016, section 462A.37, subdivision 2b, is amended to read:

Subd. 2b. **Additional authorization.** In addition to the amount authorized in subdivisions 2 and 2a, the agency may issue up to ~~\$10,000,000~~ \$15,000,000 of housing infrastructure bonds in one or more series to which the payments made under this section may be pledged.

Sec. 17. Laws 2006, chapter 258, section 18, subdivision 6, as amended by Laws 2013, chapter 136, section 13, is amended to read:

Subd. 6. **Systemwide Redevelopment, Reuse, or Demolition** 5,000,000

To abate hazardous materials, design, construct, or improve basic infrastructure, including 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, demolish all or portions of surplus, nonfunctional, or deteriorated facilities and infrastructure or to renovate surplus, nonfunctional, or deteriorated facilities and infrastructure to facilitate redevelopment of Department of Human Services campuses that the commissioner of administration is authorized to convey to a local unit of government under Laws 2005, chapter 20, article 1, section 46, or other law. These projects must facilitate the redevelopment or reuse of these campuses and must be implemented consistent with the comprehensive redevelopment plans developed and approved under Laws 2003, First Special Session chapter 14, article 6, section 64, subdivision 2, unless expressly provided otherwise. If a surplus campus is sold or transferred to a local unit of government, unspent portions of this appropriation may be granted to that local unit of government for the purposes stated in this subdivision. Notwithstanding the inclusion of the unencumbered and unobligated balance of the bond sale authorization and appropriation of bond proceeds in this subdivision in the report submitted to the legislature in January 2017 pursuant to Minnesota Statutes, section 16A.642, the unencumbered and obligated balance of the bond sale authorization and appropriation of bond proceeds in this subdivision are, estimated to be \$1,991,456.32, is reauthorized and available until December 31, 2016 2020.

Sec. 18. Laws 2012, chapter 293, section 7, subdivision 3, is amended to read:

Subd. 3. **Dam Repair, Reconstruction, and Removal** 3,000,000

To renovate or remove publicly owned dams. The commissioner shall determine project priorities as appropriate under Minnesota Statutes, sections 103G.511 and 103G.515. Notwithstanding the match requirements in Minnesota Statutes, section 103G.511, a grant to the city of Lanesboro does not require any nonstate match.

Sec. 19. Laws 2014, chapter 294, article 1, section 17, subdivision 12, is amended to read:

Subd. 12. **West St. Paul - ~~North Urban~~ River to River
Regional ~~Trail Bridge~~ Greenway** 2,000,000

For a grant to the city of West St. Paul to predesign, design, and construct a ~~pedestrian bridge for the North Urban Regional Trail as an overpass~~ grade separated crossing of Robert Street in the area near Wentworth Avenue in West St. Paul for the River to River Regional Greenway. 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. 20. 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 as part of~~ in conjunction with the Willmar Wye project as well as to re-establish the local road network on the southwest side of Willmar.

Sec. 21. Laws 2015, First Special Session chapter 5, article 1, section 10, subdivision 7, is amended to read:

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

For a grant to the city of Richfield for right-of-way acquisition ~~and construction of~~ for an extension of 77th Street under marked Trunk Highway 77/Cedar Avenue in the city of Richfield to provide local

and regional access between Richfield, the Minneapolis/St. Paul International Airport, the city of Bloomington, and the Mall of America. After right-of-way acquisition is completed, the city may use any remaining money appropriated in this subdivision for construction of the extension. Notwithstanding Minnesota Statutes, section 16A.642, the bond sale authorization and appropriation of bond proceeds for the project in this subdivision are available until December 31, 2021.

Sec. 22. **NATIONAL SPORTS CENTER; LEASE.**

Notwithstanding Minnesota Statutes, sections 16A.695, 16B.24, and 240A.03, subdivision 6, the Minnesota Amateur Sports Commission may lease for educational purposes that portion of property described as a portion of the property acquired by the commission pursuant to Laws 1987, chapter 400, section 8, subdivision 3, not currently needed for amateur sports purposes to Independent School District No. 16, Spring Lake Park. The lease shall be in a form approved by the attorney general and for a term not to exceed 99 years. The lease may provide for the provision of capital improvements or other performance by the tenant in lieu of all or some of the payments of rent that would otherwise be required. Any lease revenues paid to the commission are appropriated to the commission.

Sec. 23. **REVISOR'S INSTRUCTION.**

In Minnesota Statutes, the revisor of statutes shall replace references to Minnesota Statutes, section 123A.446, with Minnesota Statutes, section 123A.445.

Sec. 24. **REPEALER.**

Minnesota Statutes 2016, section 123A.446, is repealed.

Sec. 25. **EFFECTIVE DATE.**

Except as otherwise provided, this article 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 2016, sections 16A.967, subdivisions 2, 7; 84.946, subdivision 2; 85.34, subdivision 1; 174.50, subdivisions 5, 6b, 6c, 7; 446A.072; 446A.073; 446A.081, subdivision 9; 446A.12, subdivision 1; 462A.37, subdivisions 2a, 2b; Laws 2006, chapter 258, section 18, subdivision 6, as amended; Laws 2012, chapter 293, section 7, subdivision 3; Laws 2014, chapter 294, article 1, section 17, subdivision 12; Laws 2015, First Special Session chapter 5, article 1, section 10, subdivisions 3, 7; proposing coding for new law in Minnesota Statutes, chapters 16C; 219; repealing Minnesota Statutes 2016, section 123A.446."

With the recommendation that when so amended the bill be re-referred to the Committee on Ways and Means.

The report was adopted.

Peppin from the Committee on Rules and Legislative Administration to which was referred:

H. F. No. 2621, A bill for an act relating to public safety; expanding the crime of female genital mutilation; updating requirements for education and outreach; expanding the definition of egregious harm; amending Minnesota Statutes 2016, sections 144.3872; 260.012; 260C.007, subdivision 14; 260C.175, subdivision 1; 609.2245, subdivision 1, by adding a subdivision; 626.556, subdivision 2.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Public Safety and Security Policy and Finance.

Joint Rule 2.03 has been waived for any subsequent committee action on this bill.

The report was adopted.

SECOND READING OF SENATE BILLS

S. F. Nos. 216, 1293, 1654 and 2008 were read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

O'Driscoll introduced:

H. F. No. 2649, A bill for an act relating to state government; modifying membership for PERA and MSRS Boards; amending Minnesota Statutes 2016, sections 352.03, subdivision 1; 353.03, subdivision 1.

The bill was read for the first time and referred to the Committee on Government Operations and Elections Policy.

Davids; Murphy, E.; Flanagan; Becker-Finn; Hilstrom; Lillie; Dehn, R.; Hansen; Olson; Clark; Omar and Bly introduced:

H. F. No. 2650, A bill for an act relating to health; requiring hospitals to provide direct-care registered nurse staffing at levels consistent with nationally accepted standards; requiring reporting of staffing levels; prohibiting retaliation; imposing civil penalties; appropriating money; amending Minnesota Statutes 2016, sections 144.7055; 148.264, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 144.

The bill was read for the first time and referred to the Committee on Health and Human Services Reform.

Thisen introduced:

H. F. No. 2651, A bill for an act relating to privacy; establishing conditions under which a private entity at a remote location may activate the microphone of a digital device owned by a consumer and listen, store, or transmit the information accessed; proposing coding for new law in Minnesota Statutes, chapter 237.

The bill was read for the first time and referred to the Committee on Commerce and Regulatory Reform.

Peppin moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 809, A bill for an act relating to health; limiting use of funds for state-sponsored health programs for funding abortions.

CAL R. LUDEMAN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 812, A bill for an act relating to health; requiring licensure of abortion facilities; requiring a licensing fee; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 145.

CAL R. LUDEMAN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 1712, A bill for an act relating to health occupations; modifying the requirements for collaborative community dental hygiene services; establishing requirements for collaborative community dental assisting services; amending Minnesota Statutes 2016, sections 150A.10, subdivision 1a, by adding a subdivision; 150A.105, subdivision 8.

CAL R. LUDEMAN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 676, A bill for an act relating to commerce; regulating landscape application contracts; providing an exclusion; amending Minnesota Statutes 2016, section 325F.245, subdivision 6.

The Senate has appointed as such committee:

Senators Senjem, Dahms and Sparks.

Said House File is herewith returned to the House.

CAL R. LUDEMAN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 778, A bill for an act relating to the Minnesota Sports Facilities Authority; providing for classification of certain data; modifying appointments to the authority board; modifying duties; restricting the use of stadium suites; amending Minnesota Statutes 2016, sections 13.55, subdivision 2; 473J.07, subdivisions 2, 3, 4, 8, by adding a subdivision; 473J.09, subdivisions 6, 13, by adding subdivisions; 473J.13, by adding a subdivision; repealing Minnesota Statutes 2016, section 473J.09, subdivision 14.

The Senate has appointed as such committee:

Senators Rosen, Jasinski and Champion.

Said House File is herewith returned to the House.

CAL R. LUDEMAN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 481, 482, 527, 1353 and 1844.

CAL R. LUDEMAN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 481, A bill for an act relating to health licensing; clarifying waiver of examination, dental assisting licensure, and allied dental professional restorative functions; making technical changes; amending Minnesota Statutes 2016, sections 150A.06, subdivisions 3, 8; 150A.10, subdivision 4.

The bill was read for the first time.

West moved that S. F. No. 481 and H. F. No. 1110, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 482, A bill for an act relating to health licensing; clarifying title protection and grounds for disciplinary action; making technical changes; amending Minnesota Statutes 2016, sections 147.081; 147.091, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 147.

The bill was read for the first time.

Peterson moved that S. F. No. 482 and H. F. No. 643, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 527, A bill for an act relating to health occupations; modifying the nurse practices act; clarifying licensure requirements for advanced practice registered nurses; amending Minnesota Statutes 2016, sections 148.171, subdivision 7b, by adding a subdivision; 148.211, subdivisions 1a, 1c, 2; repealing Minnesota Statutes 2016, sections 148.211, subdivision 1b; 148.243, subdivision 15.

The bill was read for the first time.

Haley moved that S. F. No. 527 and H. F. No. 733, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1353, A bill for an act relating to health occupations; establishing requirements for the practice of telemedicine; proposing coding for new law in Minnesota Statutes, chapter 147.

The bill was read for the first time.

Dean, M., moved that S. F. No. 1353 and H. F. No. 1314, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1844, A bill for an act relating to health and human services; adding advanced practice registered nurses and physician assistants to certain statutes; amending Minnesota Statutes 2016, sections 62Q.56, subdivision 1a; 144.213, subdivision 1; 144.441, subdivision 3; 145.7131; 145.867, subdivision 2; 252A.21, subdivision 2; 256.9365, subdivision 2; 256B.056, subdivision 2; 256B.057, subdivision 9; 256B.0653, subdivision 4; 256B.15, subdivision 1a; 256D.44, subdivisions 4, 5; 514.981, subdivision 2; 626.556, subdivision 11d.

The bill was read for the first time.

Zerwas moved that S. F. No. 1844 and H. F. No. 2177, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

CALENDAR FOR THE DAY

H. F. No. 740, A bill for an act relating to commerce; regulating motor vehicle franchises; specifying warranty and recall obligations; providing unfair practices by manufacturers, distributors, and factory branches; amending Minnesota Statutes 2016, sections 80E.11, subdivision 7; 80E.13; 80E.16, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 80E; repealing Minnesota Statutes 2016, section 80E.04.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 118 yeas and 4 nays as follows:

Those who voted in the affirmative were:

| | | | | | |
|--------------|------------|---------------|------------|------------|------------|
| Albright | Dettmer | Heintzeman | Liebling | Nelson | Sandstede |
| Anderson, S. | Ecklund | Hilstrom | Lien | Neu | Sauke |
| Anselmo | Erickson | Hoppe | Lillie | Nornes | Schomacker |
| Bahr, C. | Fabian | Hornstein | Loeffler | O'Driscoll | Schultz |
| Baker | Fenton | Hortman | Lohmer | Olson | Scott |
| Barr, R. | Fischer | Howe | Loon | Omar | Sundin |
| Becker-Finn | Flanagan | Jessup | Loonan | O'Neill | Swedzinski |
| Bennett | Franke | Johnson, B. | Lueck | Pelowski | Theis |
| Bernardy | Franson | Johnson, C. | Mahoney | Peppin | Thissen |
| Bly | Freiberg | Johnson, S. | Mariani | Petersburg | Uglen |
| Carlson, A. | Garofalo | Jurgens | Marquart | Peterson | Urdahl |
| Carlson, L. | Green | Kiel | Masin | Pierson | Vogel |
| Christensen | Grossell | Knoblach | Maye Quade | Pinto | Wagenius |
| Clark | Gruenhagen | Koegel | McDonald | Poppe | West |
| Considine | Gunther | Koznick | Metsa | Poston | Whelan |
| Cornish | Haley | Kresha | Miller | Pryor | Youakim |
| Daniels | Halverson | Kunesh-Podein | Moran | Pugh | Zerwas |
| Davnie | Hamilton | Layman | Murphy, E. | Quam | Spk. Daudt |
| Dean, M. | Hansen | Lee | Murphy, M. | Rarick | |
| Dehn, R. | Hausman | Lesch | Nash | Runbeck | |

Those who voted in the negative were:

| | | | |
|------------|---------|--------|-----------|
| Drazkowski | Hertaus | Lucero | Newberger |
|------------|---------|--------|-----------|

The bill was passed and its title agreed to.

H. F. No. 1418, A bill for an act relating to state government; clarifying certain prize provisions of the lottery; providing for certain budget and expenses of the State Lottery; amending Minnesota Statutes 2016, sections 349A.08, subdivision 2; 349A.10, subdivision 6; repealing Minnesota Statutes 2016, section 349A.08, subdivision 3.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | | |
|--------------|------------|---------------|------------|------------|------------|
| Albright | Drazkowski | Hertaus | Lien | Neu | Sandstede |
| Anderson, S. | Ecklund | Hilstrom | Lillie | Newberger | Sauke |
| Anselmo | Erickson | Hoppe | Loeffler | Nornes | Schomacker |
| Bahr, C. | Fabian | Hornstein | Lohmer | O'Driscoll | Schultz |
| Baker | Fenton | Hortman | Loon | Olson | Scott |
| Barr, R. | Fischer | Howe | Loonan | Omar | Slocum |
| Becker-Finn | Flanagan | Jessup | Lucero | O'Neill | Sundin |
| Bennett | Franke | Johnson, B. | Lueck | Pelowski | Swedzinski |
| Bernardy | Franson | Johnson, C. | Mahoney | Peppin | Theis |
| Bly | Freiberg | Johnson, S. | Mariani | Petersburg | Thissen |
| Carlson, A. | Garofalo | Jurgens | Marquart | Peterson | Uglem |
| Carlson, L. | Green | Kiel | Masin | Pierson | Urdahl |
| Christensen | Grossell | Knoblach | Maye Quade | Pinto | Vogel |
| Clark | Gruenhagen | Koegel | McDonald | Poppe | Wagenius |
| Considine | Gunther | Koznick | Metsa | Poston | Ward |
| Cornish | Haley | Kresha | Miller | Pryor | West |
| Daniels | Halverson | Kunesh-Podein | Moran | Pugh | Whelan |
| Davnie | Hamilton | Layman | Murphy, E. | Quam | Youakim |
| Dean, M. | Hansen | Lee | Murphy, M. | Rarick | Zerwas |
| Dehn, R. | Hausman | Lesch | Nash | Rosenthal | Spk. Daudt |
| Dettmer | Heintzeman | Liebling | Nelson | Runbeck | |

The bill was passed and its title agreed to.

The Speaker called Garofalo to the Chair.

H. F. No. 1443, A bill for an act relating to commerce; regulating insurance fraud; modifying certain penalties and notices; defining a term; clarifying the authority of the Commerce Fraud Bureau to apply for or execute search warrants; amending Minnesota Statutes 2016, sections 13.82, subdivision 17; 45.0135, subdivision 9; 60A.27, subdivision 1; 65B.84, by adding a subdivision; 626.05, subdivision 2.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 123 yeas and 2 nays as follows:

Those who voted in the affirmative were:

| | | | | | |
|--------------|----------|-------------|-------------|-------------|---------|
| Albright | Bahr, C. | Becker-Finn | Bly | Christensen | Cornish |
| Anderson, S. | Baker | Bennett | Carlson, A. | Clark | Daniels |
| Anselmo | Barr, R. | Bernardy | Carlson, L. | Considine | Davnie |

| | | | | | |
|------------|-------------|---------------|------------|------------|------------|
| Dean, M. | Haley | Knoblach | Marquart | Peppin | Slocum |
| Dehn, R. | Halverson | Koegel | Masin | Petersburg | Sundin |
| Dettmer | Hamilton | Koznick | Maye Quade | Peterson | Swedzinski |
| Drazkowski | Hansen | Kresha | McDonald | Pierson | Theis |
| Ecklund | Hausman | Kunesh-Podein | Metsa | Pinto | Thissen |
| Erickson | Heintzeman | Layman | Miller | Poppe | Uglem |
| Fabian | Hertaus | Lee | Moran | Poston | Urdahl |
| Fenton | Hilstrom | Lesch | Murphy, E. | Pryor | Vogel |
| Fischer | Hoppe | Liebling | Murphy, M. | Pugh | Wagenius |
| Flanagan | Hornstein | Lien | Nash | Quam | Ward |
| Franke | Hortman | Lillie | Nelson | Rarick | West |
| Franson | Howe | Loeffler | Neu | Rosenthal | Whelan |
| Freiberg | Jessup | Lohmer | Nornes | Runbeck | Youakim |
| Garofalo | Johnson, B. | Loon | O'Driscoll | Sandstede | Zerwas |
| Green | Johnson, C. | Loonan | Olson | Sauke | Spk. Daudt |
| Grossell | Johnson, S. | Lueck | Omar | Schomacker | |
| Gruenhagen | Jurgens | Mahoney | O'Neill | Schultz | |
| Gunther | Kiel | Mariani | Pelowski | Scott | |

Those who voted in the negative were:

Lucero Newberger

The bill was passed and its title agreed to.

S. F. No. 879, A bill for an act relating to insurance; regulating the Minnesota Joint Underwriting Association; authorizing the association to provide liquor liability and certain medical malpractice coverage; amending Minnesota Statutes 2016, sections 62I.02; 62I.03; 62I.05; 62I.06; 62I.07; 62I.08; 62I.13; 62I.14; 62I.15; 62I.16; 62I.17; 62I.19; 62I.21; repealing Minnesota Statutes 2016, sections 62F.01, subdivision 1; 62F.02; 62F.03; 62F.04, subdivisions 1, 2, 2a, 3; 62F.05; 62F.06; 62F.07; 62F.08; 62F.09; 62F.10; 62F.11; 62F.12; 62F.13; 62F.14; Minnesota Rules, part 2791.0100.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | | |
|--------------|------------|------------|-------------|---------------|------------|
| Albright | Considine | Franke | Hertaus | Koznick | Lueck |
| Anderson, S. | Cornish | Franson | Hilstrom | Kresha | Mahoney |
| Anselmo | Daniels | Freiberg | Hoppe | Kunesh-Podein | Mariani |
| Bahr, C. | Davnie | Garofalo | Hornstein | Layman | Marquart |
| Baker | Dean, M. | Green | Hortman | Lee | Masin |
| Barr, R. | Dehn, R. | Grossell | Howe | Lesch | Maye Quade |
| Becker-Finn | Dettmer | Gruenhagen | Jessup | Liebling | McDonald |
| Bennett | Drazkowski | Gunther | Johnson, B. | Lien | Metsa |
| Bernardy | Ecklund | Haley | Johnson, C. | Lillie | Miller |
| Bly | Erickson | Halverson | Johnson, S. | Loeffler | Moran |
| Carlson, A. | Fabian | Hamilton | Jurgens | Lohmer | Murphy, E. |
| Carlson, L. | Fenton | Hansen | Kiel | Loon | Murphy, M. |
| Christensen | Fischer | Hausman | Knoblach | Loonan | Nash |
| Clark | Flanagan | Heintzeman | Koegel | Lucero | Nelson |

| | | | | | |
|------------|------------|-----------|------------|------------|------------|
| Neu | Pelowski | Poston | Sandstede | Swedzinski | Ward |
| Newberger | Peppin | Pryor | Sauke | Theis | West |
| Nornes | Petersburg | Pugh | Schomacker | Thissen | Whelan |
| O'Driscoll | Peterson | Quam | Schultz | Uglem | Youakim |
| Olson | Pierson | Rarick | Scott | Urdahl | Zerwas |
| Omar | Pinto | Rosenthal | Slocum | Vogel | Spk. Daudt |
| O'Neill | Poppe | Runbeck | Sundin | Wagenius | |

The bill was passed and its title agreed to.

S. F. No. 1549, A bill for an act relating to unemployment insurance; adopting recommendations of the Unemployment Insurance Advisory Council; amending Minnesota Statutes 2016, sections 268.031, subdivision 1; 268.035, subdivisions 15, 20, 21d, 23, 30; 268.042, subdivision 1; 268.046, subdivision 3; 268.051, subdivisions 1, 9; 268.065, subdivision 2; 268.07, subdivisions 2, 3a, 3b; 268.085, subdivisions 1, 6, 7, 12, 13, 13a; 268.0865, subdivision 5; 268.095, subdivisions 1, 2, 5; 268.101, subdivision 2; 268.105, subdivision 2; 268.131; 268.18, subdivisions 2, 2b, 5; 268.182; 268.184; 268.194, subdivisions 1, 4; repealing Laws 2005, chapter 112, article 1, section 14.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | | |
|--------------|------------|---------------|------------|------------|------------|
| Albright | Drazkowski | Hertaus | Lien | Neu | Sandstede |
| Anderson, S. | Ecklund | Hilstrom | Lillie | Newberger | Sauke |
| Anselmo | Erickson | Hoppe | Loeffler | Nornes | Schomacker |
| Bahr, C. | Fabian | Hornstein | Lohmer | O'Driscoll | Schultz |
| Baker | Fenton | Hortman | Loon | Olson | Scott |
| Barr, R. | Fischer | Howe | Loonan | Omar | Slocum |
| Becker-Finn | Flanagan | Jessup | Lucero | O'Neill | Sundin |
| Bennett | Franke | Johnson, B. | Lueck | Pelowski | Swedzinski |
| Bernardy | Franson | Johnson, C. | Mahoney | Peppin | Theis |
| Bly | Freiberg | Johnson, S. | Mariani | Petersburg | Thissen |
| Carlson, A. | Garofalo | Jurgens | Marquart | Peterson | Uglem |
| Carlson, L. | Green | Kiel | Masin | Pierson | Urdahl |
| Christensen | Grossell | Knoblach | Maye Quade | Pinto | Vogel |
| Clark | Gruenhagen | Koegel | McDonald | Poppe | Wagenius |
| Considine | Gunther | Koznick | Metsa | Poston | Ward |
| Cornish | Haley | Kresha | Miller | Pryor | West |
| Daniels | Halverson | Kunesh-Podein | Moran | Pugh | Whelan |
| Davnie | Hamilton | Layman | Murphy, E. | Quam | Youakim |
| Dean, M. | Hansen | Lee | Murphy, M. | Rarick | Zerwas |
| Dehn, R. | Hausman | Lesch | Nash | Rosenthal | Spk. Daudt |
| Dettmer | Heintzeman | Liebling | Nelson | Runbeck | |

The bill was passed and its title agreed to.

H. F. No. 678, A bill for an act relating to motor vehicles; establishing law enforcement memorial special license plates; proposing coding for new law in Minnesota Statutes, chapter 168.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

| | | | | | |
|--------------|------------|---------------|------------|------------|------------|
| Albright | Drazkowski | Hertaus | Lien | Neu | Sandstede |
| Anderson, S. | Ecklund | Hilstrom | Lillie | Newberger | Sauke |
| Anselmo | Erickson | Hoppe | Loeffler | Nornes | Schomacker |
| Bahr, C. | Fabian | Hornstein | Lohmer | O'Driscoll | Schultz |
| Baker | Fenton | Hortman | Loon | Olson | Scott |
| Barr, R. | Fischer | Howe | Loonan | Omar | Slocum |
| Becker-Finn | Flanagan | Jessup | Lucero | O'Neill | Sundin |
| Bennett | Franke | Johnson, B. | Lueck | Pelowski | Swedzinski |
| Bernardy | Franson | Johnson, C. | Mahoney | Peppin | Theis |
| Bly | Freiberg | Johnson, S. | Mariani | Petersburg | Thissen |
| Carlson, A. | Garofalo | Jurgens | Marquart | Peterson | Uglem |
| Carlson, L. | Green | Kiel | Masin | Pierson | Urdahl |
| Christensen | Grossell | Knoblach | Maye Quade | Pinto | Vogel |
| Clark | Gruenhagen | Koegel | McDonald | Poppe | Wagenius |
| Considine | Gunther | Koznick | Metsa | Poston | Ward |
| Cornish | Haley | Kresha | Miller | Pryor | West |
| Daniels | Halverson | Kunesh-Podein | Moran | Pugh | Whelan |
| Davnie | Hamilton | Layman | Murphy, E. | Quam | Youakim |
| Dean, M. | Hansen | Lee | Murphy, M. | Rarick | Zerwas |
| Dehn, R. | Hausman | Lesch | Nash | Rosenthal | Spk. Daudt |
| Dettmer | Heintzeman | Liebling | Nelson | Runbeck | |

The bill was passed and its title agreed to.

REPORT FROM THE COMMITTEE ON RULES AND LEGISLATIVE ADMINISTRATION

Peppin from the Committee on Rules and Legislative Administration, pursuant to rules 1.21 and 3.33, designated the following bills to be placed on the Calendar for the Day for Wednesday, May 10, 2017 and established a prefiling requirement for amendments offered to the following bills:

H. F. Nos. 1400, 2047 and 2287; and S. F. Nos. 216, 997, 1124 and 2008.

MOTIONS AND RESOLUTIONS

Baker moved that the name of Olson be added as an author on H. F. No. 1470. The motion prevailed.

Pugh moved that the name of Whelan be added as an author on H. F. No. 2005. The motion prevailed.

Franson moved that the names of Johnson, B.; Grossell; Dettmer; Zerwas; Haley; Erickson and Bennett be added as authors on H. F. No. 2621. The motion prevailed.

Hansen moved that the names of Bly, Becker-Finn, Wagenius, Hornstein, Flanagan and Dehn, R., be added as authors on H. F. No. 2637. The motion prevailed.

ADJOURNMENT

Peppin moved that when the House adjourns today it adjourn until 10:00 a.m., Tuesday, May 9, 2017. The motion prevailed.

Peppin moved that the House adjourn. The motion prevailed, and Speaker pro tempore Garofalo declared the House stands adjourned until 10:00 a.m., Tuesday, May 9, 2017.

PATRICK D. MURPHY, Chief Clerk, House of Representatives