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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. 2322

1.1 A bill for an act
1.2 relating to capital investment; appropriating money for the Canisteo Flood
1.3 Mitigation Project to mitigate threats to public safety, property, and regional water
1.4 quality; authorizing the sale and issuance of state bonds.

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

1.6 Section 1. CANISTEO OPEN PIT MINE COMPLEX.

1.7 Subdivision 1. Appropriation. (a) \$5,500,000 is appropriated from the bond proceeds
1.8 fund to the commissioner of natural resources for the acquisition of land or easements and
1.9 for permitting and construction of publicly owned infrastructure to mitigate the imminent
1.10 threat to public safety, property, and regional water quality from the rising water at the
1.11 Canisteo open pit mine complex.

1.12 (b) The commissioner may enter into a lease for this project for a term that is consistent
1.13 with meeting project needs and Minnesota Statutes, section 16A.695. A lease entered into
1.14 under this subdivision must include a provision that provides for the amendment or
1.15 termination of the lease when (1) the commissioner of natural resources determines that the
1.16 project is no longer needed to serve the intended purpose or identifies a more effective
1.17 alternative to the constructed project; or (2) mining operations are fully permitted to resume
1.18 in all or part of the property acquired or improved with state bond proceeds, consistent with
1.19 Minnesota Statutes, section 16A.695.

1.20 (c) Upon substantial completion of the project authorized in this section and after written
1.21 notice to the commissioner of management and budget, the commissioner of natural resources
1.22 may use any money remaining in this appropriation to engineer, design, and construct water
1.23 mitigation infrastructure at the Hill Annex open pit mining complex.

2.1 Subd. 2. **Bond sale.** To provide the money appropriated in this section from the bond
2.2 proceeds fund, the commissioner of management and budget shall sell and issue bonds of
2.3 the state in an amount up to \$5,500,000 in the manner, upon the terms, and with the effect
2.4 prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota
2.5 Constitution, article XI, sections 4 to 7.

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

2.7 **Sec. 2. LEGACY MINE MANAGEMENT ACCOUNT.**

2.8 Subdivision 1. **Creation.** The Legacy Mine Management account is established in the
2.9 state treasury. The account consists of any money credited or transferred to it by law and
2.10 any income earned on money in the account.

2.11 Subd. 2. **Appropriation; purpose.** Money in the account is appropriated to the
2.12 commissioner of natural resources and may only be spent for the operation and maintenance
2.13 of the water mitigation infrastructure constructed in section 1, to mitigate the threat to public
2.14 safety, property, and regional water quality, from the rising water at the Canisteo open pit
2.15 mine complex. Any money remaining in the account, not needed for operation and
2.16 maintenance of water mitigation infrastructure at the Canisteo open pit mine complex, may
2.17 be used by the commissioner to maintain and operate water mitigation infrastructure at the
2.18 Hill Annex open pit mining complex.

2.19 **Sec. 3. TRANSFER.**

2.20 \$850,000 is transferred from the general fund in fiscal year 2022 to the Legacy Mine
2.21 Management account, created in section 2.