

**SENATE
STATE OF MINNESOTA
NINETY-FIRST SESSION**

S.F. No. 2450

(SENATE AUTHORS: JOHNSON, Eken, Sparks and Weber)

DATE
03/14/2019

D-PG

Introduction and first reading
Referred to Capital Investment

OFFICIAL STATUS

1.1 A bill for an act
1.2 relating to capital investment; appropriating money for flood hazard mitigation
1.3 grants; authorizing the sale and issuance of state bonds.

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

1.5 Section 1. **FLOOD HAZARD MITIGATION GRANTS; APPROPRIATION.**

1.6 Subdivision 1. Appropriation. (a) \$75,000,000 is appropriated from the bond proceeds
1.7 fund to the commissioner of natural resources for the state share of flood hazard mitigation
1.8 grants for publicly owned capital improvements to prevent or alleviate flood damages under
1.9 Minnesota Statutes, section 103F.161. To the extent practical, community levee projects
1.10 shall meet the state standard of three feet above the 100-year flood elevation. Of this
1.11 appropriation, up to three percent may be used to implement the program.

1.12 (b) Project priorities shall be determined by the commissioner as appropriate, based on
1.13 need and consideration of available leveraging of federal, state, and local funds.

1.14 (c) This appropriation includes money for the following county and municipal projects:
1.15 Afton, Austin, Bloomington, Browns Valley, Delano, Golden Valley, Halstad, Hawley,
1.16 Hendrum, Inver Grove Heights, Montevideo, Newfolden, Nielsville, Owatonna, Moorhead,
1.17 Perley, Rushford, and St. Vincent.

1.18 (d) This appropriation includes money for the following watershed: Bois de Sioux
1.19 Watershed District, Cedar River Watershed District, Lower Minnesota River Watershed
1.20 District, Middle Snake Tamarac Rivers Watershed District, Prior Lake-Spring Lake
1.21 Watershed District, Red Lake Watershed District, Roseau River Watershed District, Sandhill

2.1 River Watershed District, Shell Rock River Watershed District, Two Rivers Watershed
2.2 District, Upper Minnesota River Watershed District, and Wild Rice River Watershed District.

2.3 (e) For any project listed in this subdivision that the commissioner determines is not
2.4 ready to proceed, does not have the nonstate match reserved, or does not expend all the
2.5 money granted to it, the commissioner may allocate that project's unexpended money to a
2.6 priority project on the commissioner's list.

2.7 (f) To the extent that the cost of a municipal project exceeds two percent of the median
2.8 household income in the municipality multiplied by the number of households in the
2.9 municipality, this appropriation is also for the local share of the project.

2.10 (g) Local project match may include all costs associated with project planning,
2.11 engineering, acquisition, and construction. The project grants are based on a reimbursable
2.12 payment process and final reconciliation of the project's shared costs are determined by the
2.13 commissioner of natural resources upon project completion certification.

2.14 (h) In unique instances where the local project sponsor has expended project money for
2.15 engineering, acquisition, or construction prior to finalization of a grant agreement under
2.16 this section, those local expenditures are reimbursable consistent with the match requirements
2.17 of this section.

2.18 Subd. 2. **Bond sale.** To provide the money appropriated in this section from the bond
2.19 proceeds fund, the commissioner of management and budget shall sell and issue bonds of
2.20 the state in an amount up to \$75,000,000 in the manner, upon the terms, and with the effect
2.21 prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota
2.22 Constitution, article XI, sections 4 to 7.