



Laws 2026, Chapter 129 – General Fund Capital Investment Bill (H.F. No. 2484-3E)

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Article 1 – Appropriations

Section 1 [Capital Improvement Appropriations] specifies terms and conditions for appropriations in this bill.

(a) Appropriations are from the general fund in fiscal year 2027 unless otherwise specified and are onetime.

(b) For any project funded in whole or in part by this act that: (1) workers on the project must be paid at least the prevailing wage rate; and (2) the project is subject to prevailing wage reporting and record keeping requirements and enforcement by the Department of Labor and Industry. Defines “project” for purposes of these requirements.

(c) Money appropriated in this act is available after the commissioner of management and budget determines amounts sufficient to complete the project are committed to the project. Appropriations may be used for certain agency staff costs. Money appropriated in the act for capital projects is available until a project is completed or abandoned or canceled, subject to a statutory cancellation procedure after four years. Certain appropriations for purposes that are not capital projects specify an end date for availability.

(d) The sustainable building guidelines are mandatory for state-owned new buildings and major renovations. (e) Grant recipients, other than state agencies, are required to demonstrate the ability and a plan to fund the program intended for the facility.

(e) Requires that a grant recipient of money appropriated in this act must demonstrate to the commissioner of the agency making the grant that the recipient has the ability and a plan to fund the program intended for the facility. This paragraph does not apply to state agencies.

Sections 2-13 appropriate money from the general fund as detailed on the spreadsheet prepared jointly by Erik Olaphson, Fiscal Analyst for Senate Counsel, Research, and Fiscal Analysis and Andrew Lee, Fiscal Analyst from House Fiscal Analysis.

Article 2 – Policy

Section 1 [Hortman Memorial Highway] designates marked Trunk Highway 610 as Hortman Memorial Highway. Requires the commissioner of transportation to mark this highway and to erect signage.

Section 2 [Aggregate bond limitation; 474A.02, subd. 1a] amends the Bond Allocation Act. Replaces the definition of “aggregate bond limitation” for purposes of the Minnesota Bond Allocation Act. The Bond Allocation Act governs MMB’s distribution of the annual federal tax-exempt bonding volume cap. This section is effective January 1, 2027.

Section 3 [Drinking Water Regionalization Planning and Assistance Grants; 446A.0735] establishes a grant program for planning activities to support development of regional drinking water infrastructure.

Section 4 [Study of Unlawful Shipment of Infectious or Pathological Waste] requires the commissioner of the Pollution Control Agency to submit a study to the legislature on specified topics related to the handling of infectious or pathological waste. The study must include recommendations for legislative or policy changes to reduce the frequency and cost of unlawful transfers of infectious or pathological waste.

Section 5 [Applicability of Increased Funding for Water Infrastructure Grants] specifies that projects awarded points on the Drinking Water Revolving Fund Project Priority List as of September 1, 2024, are eligible to have a grant increased to \$10,000,000, to reflect the change in law in 2025 that increased the grant cap from \$5,000,000 to \$10,000,000.

Section 6 [Radar Infrastructure Grants] requires the commissioner of transportation, in consultation with the commissioner of public safety, to award grants to political subdivisions for the acquisition, design, construction, and installation of mobile radar infrastructure and equipment to enhance airspace and marine surveillance. Specifies criteria for eligible projects and authorizes grants to be used for training and technical support. Money is appropriated in this bill for these purposes.

Section 7 [Melissa Hortman Memorial] repurposes an appropriation of \$800,000 from the general fund enacted in 2023. In 2023, the money was appropriated to implement the Capitol Mall Design Framework. This redirects that appropriation to be used to design and cast a statue recognizing Melissa Hortman’s historic contributions to the state. The statue will be incorporated into the design of a memorial garden on the State Office Building site. Provides for the Capitol Area Architectural and Planning Board to select an artist through a competitive process and consult with the Hortman family through the design approval process. The statue design must include the likeness of the deceased family members of Speaker Hortman. An unspent portion of the money remaining after casting the statue may be used for landscaping the memorial garden. This money is available until June 30, 2029.

Section 8 [Transfer] makes a onetime transfer of \$3,800,000 in fiscal year 2026 from the workforce development fund to the general fund.

Section 9 [Appropriation; Zoological Board] appropriates money to the Minnesota Zoological Board to address an operational deficiency. This is a onetime appropriation.

Section 10 [Appropriations; State Airports] appropriates money from the state airports fund in fiscal year 2027 for an air traffic control tower facility at the Mankato Regional Airport and an air traffic control tower and base building at the Duluth International Airport. Specifies parameters of the grants. Sets the base for the appropriation at \$2,000,000 in fiscal year 2028 and \$0 in 2029 and thereafter. This section is effective July 1, 2026.

Section 11 [Cancellations] cancels appropriations from the general fund enacted in earlier years for the following:

- (a) In 2023, for the North St. Paul Community Outreach facility;
- (b) In 2023, for the Apple Valley transit station;
- (c) In 2021, for the South St. Paul meat processing facility; and
- (d) In 2021, for the Targeted Community Grant Program.

Section 12 [Corridors of Commerce; Extension] extends until June 30, 2029, appropriations and associated bond sale authorizations from 2021 and 2023, for the corridors of commerce grant program for grants awarded for the Trunk Highway 13 project in the cities of Savage and Burnsville.

Section 13 [Effective date] makes this article effective the day after enactment.

Article 3 - Modifications

Article 3 amends riders for appropriations from the general fund that were previously enacted. The sections in this article do not spend any additional money. Several provisions extend availability of an appropriation. For reference, unencumbered portions of appropriations enacted in 2023 would be listed on a cancellation report published in January 2028 and would be cancelled in July 2028, under Minn. Stat. section 16A.642, or by operation of a provision in the preamble to the bill in which these appropriations were enacted.

Section 1 [Capacity-Building Grants] amends a provision enacted in the Housing omnibus bill in 2023 to change the name of the grant recipient for a grant addressing certain issues related to housing and homelessness.

Section 2 [Hennepin County; Railroad Crossing] extends the availability to December 31, 2029, of a 2023 appropriation for grants to Hennepin County, Medina, and Independence for railroad crossing safety improvements at Town Line Road in Medina and Independence.

Section 3 [Hutchinson; Civil Air Patrol] allows the city of Hutchinson to use the 2023 appropriation for the Civil Air Patrol hangar and statewide training center for construction of the facility.

Section 4 [Dellwood; Lake Links Trail] amends an appropriation from 2023 for an appropriation to Dellwood to remove constraints about the location of portions of the Lake Links Trail. Allows the city to complete specified trail segments in any order or combination under separate grant agreements. Allows amounts remaining after substantial completion of a trail segment to be used on other trail segments. This appropriation was amended in 2025.

Section 5 [Dakota County; Thompson Park] changes the description of the Thompson Park improvements for which an appropriation was enacted in 2023 for a grant to Dakota County. This tailors the appropriation to design of the Thompson County Park Master Plan and for construction of specific portions of the planned improvements.

Section 6 [Ramsey County; Rice Street Revitalization] extends the availability to December 31, 2029, of a 2023 appropriation for a grant to Ramsey County, Maplewood, the city of St. Paul, or Roseville for the Rice Street revitalization projects.

Section 7 [Mendota Heights; Pilot Knob] extends the availability to December 31, 2029, of a 2023 appropriation for a grant to Mendota Heights for development of a Dakota sacred site on Pilot Knob Road in Mendota Heights.

Section 8 [St. Paul; Inclusive Playground] extends the availability to December 31, 2029, of a 2023 appropriation for a grant to St. Paul to construct an inclusive and accessible playground in St. Paul.

Section 9 [Accessible Space] specifies portions of an appropriation enacted in 2023 to be applied to listed low-income accessible housing units. Adds one low-income accessibility housing site. Identifies grant recipients for each location.

Section 10 [Agate Housing and Services] authorizes the application of an unexpended portion of an appropriation enacted in 2023 for one shelter facility to be used to predesign, design, furnish, and equip, renovate and construct another shelter facility in Minneapolis.

Section 11 [Ain Dah Yung Center] modifies a project description for a grant to Ain Dah Yung Center from a 2023 appropriation for renovation of an emergency shelter to remove reference to a “youth lodge” as part of the project. Also adds predesign and design as capital project phases to be funded with the appropriation.

Section 12 [Appetite for Change] extends the availability of an appropriation enacted in 2023 for a grant to Appetite for Change until December 31, 2029.

Section 13 [CornerHouse] extends the availability to December 31, 2029, of an appropriation enacted in 2023 for a new CornerHouse facility in Hennepin County.

Section 14 [Division of Indian Work] changes the uses of an appropriation enacted in 2023 for a grant to the Division of Indian Work to allow the money to be used to demolish one property (formerly transitional housing), and to predesign an expansion of an existing space.

Section 15 [Irreducible Grace Foundation] extends the availability to December 31, 2029, of an appropriation from 2023, as amended in 2024, for a grant to Irreducible Grace Foundation for housing in St. Paul for youth and young adults facing homelessness.

Section 16 [MNI Sota Fund] extends the availability to December 31, 2029, of an appropriation from 2023 for the MNI Sota fund to acquire property for and to design an Indigenous asset building center.

Section 17 [Sanneh Foundation] modifies the activities funded for an appropriation from 2023 for a grant to the Sanneh Foundation by deleting predesign and design and adding “workforce and human development participants and programs” as potential tenants in supportive housing in the facility.

Section 18 [Lincoln-Pipestone Rural Water System] changes the use of a portion of an appropriation enacted in 2023 for a grant to the Lincoln-Pipestone Rural Water System so as to not require a biological filtration and to require the system to reduce various contaminants rather than only nitrates. Extends the availability of the appropriation to December 31, 2028.

Section 19 [Sauk River Watershed District] removes “gravity” from the description of the outlet conveyance system in an appropriation from 2023. Removes the specific location of a downstream outlet (formerly Sauk Lake).

Section 20 [Forest Lake; Veterans Memorial] changes the recipient of a grant from an appropriation from 2023 from the Forest Lake Veterans Memorial Committee to the city of Forest Lake.

Section 21 [Winona; Mississippi Riverfront Trail] changes the description, in an appropriation from 2023 for a grant to the city of Winona, of the trail segment to be constructed in Winona between Levee Park and Lions Park. Authorizes unspent portions of the appropriation, after completion of the trail segment, to be used to extend the Mississippi Riverfront Trail in Winona.

Section 22 [North Zumbro Sanitary District] replaces “predesign” with “design and engineer” as capital project phases to be funded with the appropriation from 2023. Adds demolition of existing wastewater treatment structures and related infrastructure to the description of funded improvements.

Section 23 [Minnesota Historical Society] removes construction of a fence from an appropriation from 2023 for capital improvements at the Wasioja Historic District seminary ruins.

Section 24 [Cedar Riverside Recreation Center] changes the term “payment” to “grant” to describe the administration of an appropriation from 2024 to the Minneapolis Park and Recreation Board for the design, development, and construction of the new Cedar Riverside Recreation Center. Changes the agency to which the appropriation is made, and that will enter into a grant agreement with the grantee, from DEED to Metropolitan Council.

Section 25 [Effective date] makes this article effective the day after final enactment.



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