# Sec. 12. PERMANENT WETLANDS PRESERVE; ELIGIBILITY OF WATER BANK PARTICIPANTS.

Notwithstanding Minnesota Statutes, section 103F.516, subdivision 1, an owner of property that, as of July 1, 1991, was subject to an easement agreement under Minnesota Statutes, section 103F.601, is eligible for participation in the permanent wetlands preserve program under Minnesota Statutes, section 103F.516.

#### Sec. 13. EFFECTIVE DATE.

Section 10 is effective July 1, 1994, and applies to applications for compensation received by the board of water and soil resources on or after that date. Section 9 is effective the day following final enactment.

Presented to the governor May 6, 1994

Signed by the governor May 10, 1994, 3:54 p.m.

#### CHAPTER 628—S.F.No. 2015

An act relating to metropolitan government; abolishing certain agencies; providing for a regional administrator and a management team; imposing organizational requirements; imposing duties; clarifying existing provisions and making conforming changes; amending Minnesota Statutes 1992, sections 6.76; 15.0597, subdivision 1; 15A.081, subdivision 7; 15A.082, subdivision 3; 16B.58, subdivision 7; 116.16, subdivision 2; 116.182, subdivision 1; 161.173; 161.174; 169.781, subdivision 1; 169.791, subdivision 5; 169.792, subdivision 11; 221.022; 221.041, subdivision 4; 221.071, subdivision 1; 221.295; 297B.09, subdivision 1; 352.03. subdivision 1; 352.75; 422A.01, subdivision 9; 422A.101, subdivision 2a; 471A.02, subdivision 8; 473.121, subdivisions 5a and 24; 473.123, subdivisions 1, 2a, 4, and by adding subdivisions; 473.129; 473.13, subdivision 4; 473.146, subdivisions 1 and 4; 473.149, subdivision 3; 473.1623, subdivision 2; 473.164; 473.168, subdivision 2; 473.173, subdivisions 3 and 4; 473.223; 473.303, subdivisions 2, 3a, 4, 4a, 5, and 6; 473.371, subdivision 1; 473.373, subdivision 1a; 473.375, subdivisions 4, 11, 12, 13, 14, 15, and 18; 473.382; 473.384, subdivisions 1, 3, 4, 5, 6, 7, and 8; 473.385; 473.386, subdivisions 1, 2, 3, 4, 5, and 6; 473.387, subdivisions 2, 3, and 4; 473.388, subdivisions 2, 3, 4, and 5; 473.39, subdivisions 1, 1a, 1b, and by adding a subdivision; 473.391; 473.392; 473.394; 473.399, as amended; 473.405, subdivisions 1, 3, 4, 5, 9, 10, 12, and 15; 473.408, subdivisions 1, 2, 2a, 4, 6, and 7; 473.409; 473.411, subdivisions 3 and 4; 473.415, subdivisions 1, 2, and 3; 473.416; 473.418; 473.42; 473.436, subdivisions 2, 3, and 6; 473.446, subdivisions 1, 1a, 2, 3, and 7; 473.448; 473.449; 473.504, subdivisions 4, 5, 6, 9, 10, 11, and 12; 473.511, subdivisions 1, 2, 3, and 4; 473.512, subdivision 1; 473.513; 473.515, subdivisions 1, 2, and 3; 473.5155, subdivisions 1 and 3; 473.516; subdivisions 2, 3, 4, and 5; 473.517, subdivisions 1, 2, 3, 6, and 9; 473.519; 473.521, subdivisions 1, 2, 3, and 4; 473.523, subdivisions 1 and 2; 473.535; 473.541, subdivision 2; 473.542; 473.543, subdivisions 1, 2, 3, and 4; 473.545; 473.547; 473.549; 473.553, subdivisions 1, 2, 4, 5, and by adding subdivisions; 473.561; 473.595, subdivision 3; 473.605, subdi-

vision 2; 473.823, subdivision 3; and 473.852, subdivisions 8 and 10; Minnesota Statutes 1993 Supplement, sections 10A.01, subdivision 18; 15A.081, subdivision 1; 115.54; 174.32, subdivision 2; 216C.15, subdivision 1; 221.025; 221.031, subdivision 3a; 275.065, subdivisions 3 and 5a; 352.01, subdivisions 2a and 2b; 352D.02, subdivision 1; 353.64, subdivision 7a; 400.08, subdivision 3; 473.13, subdivision 1; 473.1623, subdivision 3; 473.167, subdivision 1; 473.386, subdivision 2a; 473.3994, subdivision 10; 473.3997; 473.4051; 473.407, subdivisions 1, 2, 3, 4, 5, and 6; 473.411, subdivision 5; 473.446, subdivision 8; 473.516, subdivision 1; and 473.604, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 473; repealing Minnesota Statutes 1992, sections 115A.03, subdivision 20; 115A.33; 174.22, subdivision 4; 473.121, subdivisions 14a, 15, and 21; 473.122; 473.123, subdivisions 5 and 6; 473.141, as amended; 473.146, subdivisions 2, 2a, 2b, and 2c; 473.153; 473.161; 473.163; 473.181, subdivision 3; 473.325, subdivision 5; 473.373, as amended; 473.375, subdivisions 1, 2, 3, 4, 5, 6, 7, 10, 16, 17, and 18; 473.377; 473.38; 473.384, subdivision 9; 473.388, subdivision 6; 473.404, as amended; 473.405, subdivisions 2, 6, 7, 8, 11, 13, and 14; 473.417; 473.435; 473.436, subdivision 7; 473.445, subdivisions 1 and 3; 473.501, subdivision 2; 473.503; 473.504, subdivisions 1, 2, 3, 7, and 8; 473.511, subdivision 5; 473.517, subdivision 8; 473,543, subdivision 5; and 473.553, subdivision 4a; Minnesota Statutes 1993 Supplement, section 473.3996, subdivisions 1 and 2.

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

#### ARTICLE 1

#### METROPOLITAN COUNCIL ORGANIZATION

Section 1. Minnesota Statutes 1993 Supplement, section 15A.081, subdivision 1, is amended to read:

Subdivision 1. SALARY RANGES. The governor shall set the salary rate within the ranges listed below for positions specified in this subdivision, upon approval of the legislative commission on employee relations and the legislature as provided by section 43A.18, subdivisions 2 and 5:

Salary Range Effective July 1, 1987

\$57,500-\$78,500

Commissioner of finance;

Commissioner of education;

Commissioner of transportation;

Commissioner of human services;

Commissioner of revenue:

Commissioner of public safety;

Executive director, state board of investment;

\$50,000-\$67,500

Commissioner of administration;

Commissioner of agriculture;

Commissioner of commerce:

Commissioner of corrections;

Commissioner of jobs and training;

Commissioner of employee relations;

Commissioner of health;

Commissioner of labor and industry;

Commissioner of natural resources;

Commissioner of trade and economic development;

Chief administrative law judge; office of administrative

hearings;

Commissioner, pollution control agency;

Director, office of waste management;

Commissioner, housing finance agency;

Executive director, public employees retirement

association:

Executive director, teacher's retirement association;

Executive director, state retirement system;

Chair, metropolitan council;

Chair, regional transit board;

\$42,500-\$60,000

Commissioner of human rights:

Commissioner, department of public service;

Commissioner of veterans affairs;

Commissioner, bureau of mediation services;

Commissioner, public utilities commission;

Member, transportation regulation board;

Ombudsman for corrections;

Ombudsman for mental health and retardation.

- Sec. 2. Minnesota Statutes 1992, section 15A.082, subdivision 3, is amended to read:
- Subd. 3. SUBMISSION OF RECOMMENDATIONS. (a) By May 1 in each odd-numbered year, the compensation council shall submit to the speaker of the house of representatives and the president of the senate salary recommendations for constitutional officers, legislators, justices of the supreme court, and judges of the court of appeals, district court, county court, and county municipal court. The recommended salary for each office must take effect on July 1 of the next odd-numbered year, with no more than one adjustment, to take effect on July 1 of the year after that. The salary recommendations for legislators, judges, and constitutional officers take effect if an appropriation of money to pay the recommended salaries is enacted after the recommendations are submitted and before their effective date. Recommendations may be expressly modified or rejected. The salary recommendations for legislators are subject to additional terms that may be adopted according to section 3.099, subdivisions 1 and 3.
- (b) The council shall also submit to the speaker of the house of representatives and the president of the senate recommendations for the salaries of members of the metropolitan council.
- Sec. 3. Minnesota Statutes 1993 Supplement, section 352D.02, subdivision 1, is amended to read:

Subdivision 1. COVERAGE. (a) Employees enumerated in paragraph (b), if they are in the unclassified service of the state or metropolitan council and are eligible for coverage under the general state employees retirement plan under chapter 352, are participants in the unclassified program under this chapter unless the employee gives notice to the executive director of the Minnesota state retirement system within one year following the commencement of employment in the unclassified service that the employee desires coverage under the general state employees retirement plan. For the purposes of this chapter, an employee who does not file notice with the executive director is deemed to have exercised the option to participate in the unclassified plan.

(b) Enumerated employees are:

- (1) an employee in the office of the governor, lieutenant governor, secretary of state, state auditor, state treasurer, attorney general, or an employee of the state board of investment;
- (2) the head of a department, division, or agency created by statute in the unclassified service, an acting department head subsequently appointed to the position, or an employee enumerated in section 15A.081, subdivision 1 or 15A.083, subdivision 4:
- (3) a permanent, full-time unclassified employee of the legislature or a commission or agency of the legislature or a temporary legislative employee having shares in the supplemental retirement fund as a result of former employment covered by this chapter, whether or not eligible for coverage under the Minnesota state retirement system;
- (4) a person other than an employee of the state board of technical colleges who is employed in a position established under section 43A.08, subdivision 1, clause (3), or subdivision 1a, or in a position authorized under a statute creating or establishing a department or agency of the state, which is at the deputy or assistant head of department or agency or director level;
- (5) the chair, chief administrator, and not to exceed nine positions at the division director or administrative deputy level of the metropolitan waste control commission as designated by the commission; the chair, executive director, and not to exceed three positions at the division director or assistant to the chair level of the regional transit board; a chief administrator who is an employee of the metropolitan transit commission; and the chair, executive director, and not to exceed nine positions at the division director or administrative deputy level of the metropolitan council as designated by the council; provided that upon initial designation of all positions provided for in this clause, no further designations or redesignations may be made without approval of the board of directors of the Minnesota state retirement system;
- (6) the executive director, associate executive director, and not to exceed nine positions of the higher education coordinating board in the unclassified service, as designated by the higher education coordinating board before January 1, 1992, or subsequently redesignated with the approval of the board of directors of the Minnesota state retirement system, unless the person has elected coverage by the individual retirement account plan under chapter 354B;
- (7) the clerk of the appellate courts appointed under article VI, section 2, of the Constitution of the state of Minnesota;
- (8) the chief executive officers of correctional facilities operated by the department of corrections and of hospitals and nursing homes operated by the department of human services;
- (9) an employee whose principal employment is at the state ceremonial house;

- (10) an employee of the Minnesota educational computing corporation;
- (11) an employee of the world trade center board;
- (12) an employee of the state lottery board who is covered by the managerial plan established under section 43A.18, subdivision 3;
- (13) an employee of the state board of technical colleges employed in a position established under section 43A.08, subdivision 1, clause (3), or 1a, unless the person has elected coverage by the individual retirement account plan under chapter 354B; and
- (14) an employee of the higher education board in a position established under section 136E.04, subdivision 2, unless the person has elected coverage by the individual retirement account plan under chapter 354B.
- Sec. 4. Minnesota Statutes 1992, section 473.123, subdivision 1, is amended to read:
- Subdivision 1. **CREATION.** A metropolitan council with jurisdiction in the metropolitan area is <u>erented established</u> as a <u>public corporation</u> and <u>political subdivision</u> of the state. It shall be under the supervision and control of 17 members, all of whom shall be residents of the metropolitan area.
- Sec. 5. Minnesota Statutes 1992, section 473.123, subdivision 2a, is amended to read:
- Subd. 2a. TERMS. Following each apportionment of council districts, as provided under subdivision 3a, council members must be appointed from newly drawn districts as provided in subdivision 3a. Each council member, other than the chair, must reside in the council district represented. Each council district must be represented by one member of the council. The terms of members are as follows: members representing even-numbered districts for terms ending the first Monday in January of the year ending in the numeral "7"; members representing odd-numbered districts for terms ending the first Monday in January of the year ending in the numeral "5." Thereafter the term of each member is four years, with terms ending the first Monday in January end with the term of the governor, except that all terms expire on the effective date of the next apportionment. A member serves at the pleasure of the governor. A member shall continue to serve the member's district until a successor is appointed and qualified; except that, following each apportionment, the member shall continue to serve at large until the governor appoints 16 council members, one from each of the newly drawn council districts as provided under subdivision 3a, to serve terms as provided under this section. The appointment to the council must be made by the first Monday in March of the year in which the term ends.
- Sec. 6. Minnesota Statutes 1992, section 473.123, subdivision 4, is amended to read:
  - Subd. 4. CHAIR; APPOINTMENT, OFFICERS, SELECTION; DUTIES

- AND COMPENSATION. (a) The chair of the metropolitan council shall be appointed by the governor as the 17th voting member thereof by and with the advice and consent of the senate to serve at the pleasure of the governor to represent the metropolitan area at large. Senate confirmation shall be as provided by section 15.066. The chair shall be a person experienced in the field of municipal and urban affairs with administrative training and executive ability.
- (b) The chair of the metropolitan council shall, if present, preside at the meetings of the metropolitan council and shall act as principal executive officer. The chair shall organize the work of the metropolitan council, appoint all offieers and employees thereof, subject to the approval of the metropolitan council, and be responsible for earrying out all policy decisions of the metropolitan council. The chair's salary shall be as provided in section 15A.081. The chair shall be eligible for expenses in the same manner and amount as state employees, have the primary responsibility for meeting with local elected officials, serve as the principal legislative liaison, present to the governor and the legislature, after council approval, the council's plans for regional governance and operations, serve as the principal spokesperson of the council, and perform other duties assigned by the council or by law.
- (b) The metropolitan council shall elect other officers as it deems necessary for the conduct of its affairs for a one-year term. A secretary and treasurer need not be members of the metropolitan council. Meeting times and places shall be fixed by the metropolitan council and special meetings may be called by a majority of the members of the metropolitan council or by the chair. The chair and each metropolitan council member shall be reimbursed for actual and necessary expenses. The annual budget of the council shall provide as a separate account anticipated expenditures for compensation, travel, and associated expenses for the chair and members, and compensation or reimbursement shall be made to the chair and members only when budgeted.
- (c) Each member of the council shall attend and participate in council meetings and meet regularly with local elected officials and legislative members from the council member's district. Each council member shall serve on at least one division committee for transportation, environment, or community development.
- (d) In the performance of its duties the metropolitan council may adopt policies and procedures governing its operation, establish committees, and, when specifically authorized by law, make appointments to other governmental agencies and districts.
- Sec. 7. Minnesota Statutes 1992, section 473.123, is amended by adding a subdivision to read:
- Subd. 7. PERFORMANCE AND BUDGET ANALYST. The council, other than the chair, may hire a performance and budget analyst to assist the 16 council members with policy and budget analysis and evaluation of the council's performance. The analyst may recommend and the council may hire up to two

additional analysts to assist the council with performance evaluation and budget analysis. The analyst and any additional analysts hired shall serve at the pleasure of the council members. The 16 members of the council may prescribe all terms and conditions for the employment of the analyst and any additional analysts hired, including, but not limited to, the fixing of compensation, benefits, and insurance. The analyst shall prepare the budget for the provisions of this section and submit the budget for council approval and inclusion in the council's overall budget.

#### Sec. 8. SALARIES OF MEMBERS.

Until changed in law after recommendation by the compensation council as provided in Minnesota Statutes, section 15A.082, the chair of the metropolitan council shall receive a salary of \$52,500 per year, and the other members shall receive a salary of \$20,000 per year.

### Sec. 9. METROPOLITAN COUNCIL EXECUTIVE DIRECTOR.

The executive director of the metropolitan council, appointed as provided in Minnesota Statutes 1992, section 473.123, subdivision 6, shall serve as the regional administrator at the pleasure of the council.

Sec. 10. REPEALER.

Minnesota Statutes 1992, section 473.123, subdivisions 5 and 6, are repealed.

Sec. 11. APPLICATION.

This article applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 12. EFFECTIVE DATE.

This article is effective the first Monday in January 1995.

#### ARTICLE 2

## REGIONAL ADMINISTRATOR; TRANSITIONAL ORGANIZATION

Section 1. Minnesota Statutes 1992, section 473.123, is amended by adding a subdivision to read:

<u>Subd.</u> <u>8. GENERAL COUNSEL. The council may appoint a general counsel to serve at the pleasure of the council.</u>

# Sec. 2. [473.125] REGIONAL ADMINISTRATOR.

The metropolitan council shall appoint a regional administrator to serve at

the council's pleasure as the principal administrative officer for the metropolitan council. The regional administrator shall organize the work of the council staff. The regional administrator shall appoint on the basis of merit and fitness, and discipline and discharge all employees in accordance with the council's personnel policy, except (1) the performance and budget analysts provided for in section 473.123, subdivision 7, (2) the general counsel, as provided in section 473.123, subdivision 8, (3) employees of the offices of wastewater services and transit operations, who are appointed, disciplined, and discharged in accordance with council personnel policies by their respective operations managers, and (4) as provided in sections 3 and 4. The regional administrator must ensure that all policy decisions of the council are carried out. The regional administrator shall attend meetings of the council and may take part in discussions but may not vote. The regional administrator shall recommend to the council for adoption measures deemed necessary for efficient administration of the council, keep the council fully apprised of the financial condition of the council, and prepare and submit an annual budget to the council for approval. The regional administrator shall prepare and submit for approval by the council an administrative code organizing and codifying the policies of the council, and perform other duties as prescribed by the council. The regional administrator may be chosen from among the citizens of the nation at large, and shall be selected on the basis of training and experience in public administration.

#### Sec. 3. TRANSITIONAL ORGANIZATION.

Subdivision 1. PERIOD OF EFFECT. Except as otherwise expressly provided in this section, this section is effective June 1, 1994, and expires the first Monday in January 1996.

- Subd. 2. **DIVISIONS.** The metropolitan council has four divisions:
- (1) transportation;
- (2) environment;
- (3) community development; and
- (4) administration.
- Subd. 3. REGIONAL ADMINISTRATOR AND MANAGEMENT TEAM. (a) The regional administrator must recommend for council approval persons to serve in the positions enumerated in this paragraph:
  - (1) the director of the transportation division;
  - (2) the director of the environment division;
  - (3) the director of the community development division;
  - (4) the director of the administration division;

- (5) the manager of transit operations;
- (6) the manager of wastewater services; and
- (7) the general counsel.
- (b) Except for the general counsel, the persons appointed to the positions enumerated in paragraph (a) may be removed by the regional administrator without the approval of the council.
- (c) The regional administrator is the head of the metropolitan council's senior management team made up of the regional administrator and at least the persons serving in the positions enumerated in paragraph (a).
- (d) The manager of transit operations and the manager of wastewater services appoints, disciplines, and discharges the employees of the manager's respective office in accordance with the council's personnel policy.
- (e) The management team shall advise the regional administrator on the overall operation of the metropolitan council.
  - (f) This subdivision is effective the first Monday in January 1995.
- Subd. 4. COUNCIL COMMITTEES. The council must have a transportation division committee, an environment division committee, a community development committee, and other committees it considers appropriate. Each division committee must meet regularly to oversee the operations of its respective division and recommend policy to the full council with respect to its division.
- Subd. 5. INTERAGENCY MONEY TRANSFERS. Except to reimburse the council for costs incurred by the council in the discharge of its responsibilities relating to the office of wastewater services or the office of transit operations, no money may be transferred from a fund or account of a metropolitan agency abolished by section 4 or its successor fund or account, to a fund or account of another agency abolished by section 4, or its successor fund or account, or to a fund or account of the metropolitan council during the period this section is effective without ten days' written notice of the proposed action to each council member and approval of three-fourths of the full membership of the council.

# Sec. 4. ABOLISHED AGENCIES, SUCCESSORS, PERSONNEL.

Subdivision 1. REGIONAL TRANSIT BOARD. The terms of the regional transit board members and chair expire October 1, 1994. Permanent or regular staff employed as of March 1, 1994, by the regional transit board may not be terminated by discharge, except for cause, or by layoff before the first Monday in January 1995. The regional transit board described in Minnesota Statutes 1992, section 473.373, is abolished. Its duties and responsibilities are transferred to the metropolitan council. Its activities are assumed by the transportation division of the metropolitan council. Policy with respect to those activities must be recommended by the transportation division committee of the metropolitan council to the full council. The metropolitan council is the successor entity to the regional transit board with respect to all of the board's property, interests, and obligations.

- Subd. 2. METROPOLITAN TRANSIT COMMISSION. The terms of the metropolitan transit commission members expire July 1, 1994. Permanent or regular staff employed as of March 1, 1994, by the metropolitan transit commission may not be terminated by discharge, except for cause, or by layoff before the first Monday in January 1996. The metropolitan transit commission described in Minnesota Statutes 1992, section 473.404, is abolished. Its duties and responsibilities are transferred to the metropolitan council. Its activities are assumed by the transportation division of the metropolitan council. Policy with respect to those activities must be recommended by the transportation division committee of the metropolitan council to the full council. The metropolitan council is the successor entity to the metropolitan transit commission with respect to all of the commission's property, interests, and obligations. All of the operations managed by the commission are transferred to the office of transit operations of the transportation division of the metropolitan council.
- Subd. 3. METROPOLITAN WASTE CONTROL COMMISSION. The terms of the metropolitan waste control commission members and chair expire July 1, 1994. Permanent or regular staff employed as of March 1, 1994, by the metropolitan waste control commission may not be terminated by discharge, except for cause, or by layoff before the first Monday in January 1996. The metropolitan waste control commission described in Minnesota Statutes 1992, section 473.503, is abolished. Its duties and responsibilities are transferred to the metropolitan council. Its activities are assumed by the environment division of the metropolitan council. Policy with respect to those activities must be recommended by the environment division committee of the metropolitan council to the full council. The metropolitan council is the successor entity to the metropolitan waste control commission with respect to all the commission's property, interests, obligations, and rules. All of the operations managed by the commission are transferred to the office of wastewater services of the environment division of the metropolitan council.
- Subd. 4. METROPOLITAN COUNCIL EMPLOYEES. Permanent or regular staff employed by the metropolitan council as of March 1, 1994, may not be terminated by discharge, except for cause, or by layoff before the first Monday in January 1996. This act does not abrogate or change any rights enjoyed by the employees of the metropolitan council under the terms of a collective bargaining agreement that is authorized by Minnesota Statutes, section 179A.20, and that is in effect on March 1, 1994.
- Subd. 5. UNION RIGHTS PRESERVED. This act does not abrogate or change any rights enjoyed by employees of agencies abolished by this section under the terms of a collective bargaining agreement that is authorized by Minnesota Statutes, section 179A.20 and that is in effect on March 1, 1994.

#### Sec. 5. APPLICATION.

This article applies in the counties of Anoka, Carver, Dakota, Ramsey, Scott, and Washington.

#### Sec. 6. EFFECTIVE DATES.

Sections 1 and 2 are effective the first Monday in January 1995. Section 3 is effective as provided in section 3. Section 4, subdivision 1, is effective October 1, 1994. The remainder of section 4 is effective July 1, 1994.

#### ARTICLE 3

# CLARIFYING AND CONFORMING CHANGES

Section 1. Minnesota Statutes 1992, section 6.76, is amended to read:

# 6.76 LOCAL GOVERNMENTAL EXPENDITURES FOR LOBBYISTS.

On or before January 31, 1990, and each year thereafter, all counties, cities, school districts, metropolitan agencies, regional railroad authorities, and the regional transit board metropolitan council shall report to the state auditor, on forms prescribed by the auditor, their estimated expenditures paid for the previous calendar year to a lobbyist as defined in section 10A.01, subdivision 11, and to any staff person not registered as a lobbyist, over 25 percent of whose time is spent during the legislative session on legislative matters.

- Sec. 2. Minnesota Statutes 1993 Supplement, section 10A.01, subdivision 18, is amended to read:
  - Subd. 18. "Public official" means any:
  - (a) member of the legislature;
- (b) constitutional officer in the executive branch and the officer's chief administrative deputy;
- (c) member, chief administrative officer or deputy chief administrative officer of a state board or commission which has at least one of the following powers: (i) the power to adopt, amend or repeal rules, or (ii) the power to adjudicate contested cases or appeals;
- (d) commissioner, deputy commissioner, or assistant commissioner of any state department as designated pursuant to section 15.01;
- (e) individual employed in the executive branch who is authorized to adopt, amend or repeal rules or adjudicate contested cases;
  - (f) executive director of the state board of investment;
  - (g) executive director of the Indian affairs intertribal board;
  - (h) commissioner of the iron range resources and rehabilitation board;

- (i) commissioner of mediation services;
- (j) deputy of any official listed in clauses (e) to (i);
- (k) judge of the workers' compensation court of appeals;
- (l) administrative law judge or compensation judge in the state office of administrative hearings or referee in the department of jobs and training;
- (m) solicitor general or deputy, assistant or special assistant attorney general;
- (n) individual employed by the legislature as secretary of the senate, legislative auditor, chief clerk of the house, revisor of statutes, or researcher, legislative analyst, or attorney in the office of senate counsel and research or house research;
- (o) member or chief administrative officer, regional administrator, division director, general counsel, or operations manager of the metropolitan council, regional transit board, metropolitan transit commission, metropolitan waste control commission, metropolitan parks and open spaces commission, metropolitan airports commission or metropolitan sports facilities commission;
- (p) the director of the racing commission, the director of the gambling control board, the director of the state lottery, and the deputy director of the state lottery;
- (q) director of the division of gambling enforcement in the department of public safety;
- (r) member or executive director of the higher education facilities authority;
- (s) member of the board of directors or president of the Minnesota world trade center corporation; or
  - (t) member or chief administrator of a metropolitan agency.
- Sec. 3. Minnesota Statutes 1992, section 15.0597, subdivision 1, is amended to read:

Subdivision 1. **DEFINITIONS.** As used in this section, the following terms shall have the meanings given them.

(a) "Agency" means (1) a state board, commission, council, committee, authority, task force, including an advisory task force created under section 15.014 or 15.0593, or other similar multimember agency created by statute and having statewide jurisdiction; and (2) the metropolitan council, regional transit board, metropolitan airports commission, metropolitan parks and open space commission, metropolitan sports facilities commission, metropolitan waste control commission metropolitan agency, capitol area architectural and planning

board, and any agency with a regional jurisdiction created in this state pursuant to an interstate compact.

- (b) "Vacancy" or "vacant agency position" means (1) a vacancy in an existing agency, or (2) a new, unfilled agency position; provided that "vacancy" shall not mean (1) a vacant position on an agency composed exclusively of persons employed by a political subdivision or another agency, or (2) a vacancy to be filled by a person required to have a specific title or position.
  - (c) "Secretary" means the secretary of state.
- Sec. 4. Minnesota Statutes 1993 Supplement, section 15A.081, subdivision 1, is amended to read:

Subdivision 1. SALARY RANGES. The governor shall set the salary rate within the ranges listed below for positions specified in this subdivision, upon approval of the legislative commission on employee relations and the legislature as provided by section 43A.18, subdivisions 2 and 5:

Salary Range Effective July 1, 1987

\$57,500-\$78,500

Commissioner of finance;

Commissioner of education;

Commissioner of transportation;

Commissioner of human services:

Commissioner of revenue;

Commissioner of public safety;

Executive director, state board of investment;

\$50,000-\$67,500

Commissioner of administration;

Commissioner of agriculture;

Commissioner of commerce;

Commissioner of corrections:

Commissioner of jobs and training:

Commissioner of employee relations;

Commissioner of health:

Commissioner of labor and industry:

Commissioner of natural resources:

Commissioner of trade and economic development;

Chief administrative law judge; office of administrative

hearings:

Commissioner, pollution control agency;

Director, office of waste management;

Commissioner, housing finance agency;

Executive director, public employees retirement

association:

Executive director, teacher's retirement association;

Executive director, state retirement system;

Chair, metropolitan council;

Chair; regional transit board;

\$42,500-\$60,000

Commissioner of human rights;

Commissioner, department of public service;

Commissioner of veterans affairs;

Commissioner, bureau of mediation services;

Commissioner, public utilities commission:

Member, transportation regulation board;

Ombudsman for corrections;

Ombudsman for mental health and retardation.

Sec. 5. Minnesota Statutes 1992, section 15A.081, subdivision 7, is amended to read:

Subd. 7. METROPOLITAN OFFICERS. The governor shall set the salary rate within the range set forth below for the following positions, upon approval of the legislative commission on employee relations and the legislature as provided by section 43A.18, subdivisions 2 and 5:

Effective July 1, 1987

Chair, metropolitan airports commission

Chair metropolitan waste co

\$15,000-\$25,000

Chair, metropolitan waste control commission

\$25,000-\$67,500

Fringe benefits for unclassified employees of the metropolitan waste control commission shall not exceed those fringe benefits received by unclassified employees of the metropolitan council.

Sec. 6. Minnesota Statutes 1992, section 16B.58, subdivision 7, is amended to read:

Subd. 7. SURCHARGE FOR VEHICLES OCCUPIED BY ONE PER-SON. The commissioner shall impose a surcharge of 25 percent for vehicles occupied by only one person parking in a state parking facility in the capitol area, as described by section 15.50, subdivision 2. The revenue from this additional charge shall be placed by the commissioner in a special account. For the benefit of employees employed in the capitol area, the money in the account is appropriated to the commissioner and shall be used by the commissioner in the following order of priority: (1) to acquire or lease commuter vans pursuant to section 16B.56; (2) within limits and upon conditions the commissioner determines to be necessary, to reimburse state agencies for all costs resulting from agreements with the metropolitan transit commission, or its successor, or other operators pursuant to section 473.409, including costs related to employees employed outside the capitol area; and (3) to be used for maintaining and improving parking lots or facilities owned or operated by the state. The commissioner may adopt rules necessary to administer the provisions of this subdivision, subdivision 5, and section 473.409. The rules may exempt from the surcharge vehicles operated by persons whom the commissioner determines have job requirements that make car pooling impractical.

Sec. 7. Minnesota Statutes 1993 Supplement, section 115.54, is amended to read:

# 115.54 TECHNICAL ADVISORY COMMITTEE.

The agency shall adopt and revise rules governing waste water treatment control under this chapter or chapter 116 only with the advice of a technical advisory committee of seven members. One member of the committee shall be selected by each of the following: the state Consulting Engineers Council, the Minnesota chapter of the Central States Water Pollution Control Federation, the Association of Minnesota Counties, the state Wastewater Treatment Plant Oper-

ators Association, the metropolitan waste control commission created by section 473.503 council, the state Association of Small Cities, and the League of Minnesota Cities. The technical advisory committee may review and advise the agency on any rule or technical requirements governing the wastewater treatment grant or loan program and may review the work of other professional persons working on a wastewater treatment project and make recommendations to those persons, the agency, and the concerned municipality, in order for the agency to ensure that water quality treatment standards will be met. The committee shall meet at least once a year, or at the call of the chair, and shall elect its chair. The agency must provide staff support for the committee, prepare committee minutes, and provide information to the committee it may request. A quorum is a simple majority and official action must be by a majority vote of the quorum. The committee expires as provided in section 15.059, subdivision 5.

Sec. 8. Minnesota Statutes 1992, section 116.16, subdivision 2, is amended to read:

#### Subd. 2. **DEFINITIONS.** In this section and sections 116.17 and 116.18:

- (1) Agency means the Minnesota pollution control agency created by this chapter;
- (2) Municipality means any county, city, and town, the metropolitan waste control commission established in chapter 473 and the metropolitan council when acting under the provisions of that chapter, or an Indian tribe or an authorized Indian tribal organization, and any other governmental subdivision of the state responsible by law for the prevention, control, and abatement of water pollution in any area of the state;
- (3) Water pollution control program means the Minnesota state water pollution control program created by subdivision 1;
- (4) Bond account means the Minnesota state water pollution control bond account created in the state bond fund by section 116.17, subdivision 4;
  - (5) Terms defined in section 115.01 have the meanings therein given them;
- (6) The eligible cost of any municipal project, except as otherwise provided in clause (7), includes (a) preliminary planning to determine the economic, engineering, and environmental feasibility of the project; (b) engineering, architectural, legal, fiscal, economic, sociological, project administrative costs of the agency and the municipality, and other investigations and studies; (c) surveys, designs, plans, working drawings, specifications, procedures, and other actions necessary to the planning, design, and construction of the project; (d) erection, building, acquisition, alteration, remodeling, improvement, and extension of disposal systems; (e) inspection and supervision of construction; and (f) all other expenses of the kinds enumerated in section 475.65;
  - (7) For state grants under the state independent grants program, the eligible

cost includes the acquisition of land for stabilization ponds, the construction of collector sewers for totally unsewered statutory and home rule charter cities and towns described under section 368.01, subdivision 1 or 1a, that are in existence on January 1, 1985, and the provision of reserve capacity sufficient to serve the reasonable needs of the municipality for 20 years in the case of treatment works and 40 years in the case of sewer systems. For state grants under the state independent grants program, the eligible cost does not include the provision of service to seasonal homes, or cost increases from contingencies that exceed three percent of as-bid costs or cost increases from unanticipated site conditions that exceed an additional two percent of as-bid costs;

- (8) Authority means the Minnesota public facilities authority established in section 446A.03.
- Sec. 9. Minnesota Statutes 1992, section 116.182, subdivision 1, is amended to read:

Subdivision 1. **DEFINITIONS.** (a) For the purposes of this section, the terms defined in this subdivision have the meanings given them.

- (b) "Agency" means the pollution control agency.
- (c) "Authority" means the public facilities authority established in section 446A.03.
- (d) "Commissioner" means the commissioner of the pollution control agency.
- (e) "Essential project components" means those components of a wastewater disposal system that are necessary to convey or treat a municipality's existing wastewater flows and loadings, and future wastewater flows and loadings based on the projected residential growth of the municipality for a 20-year period.
- (f) "Municipality" means a county, home rule charter or statutory city, or town; the metropolitan waste control commission established in chapter 473; the metropolitan council when acting under the provisions of chapter 473; an Indian tribe or an authorized Indian tribal organization; or any other governmental subdivision of the state responsible by law for the prevention, control, and abatement of water pollution in any area of the state.
  - Sec. 10. Minnesota Statutes 1992, section 161.173, is amended to read:

### 161.173 SUBMISSION OF CORRIDOR PROPOSAL.

The commissioner shall submit to the governing body of each municipality wherein a trunk highway is proposed to be constructed or improved, and to the governing body of each municipality adjacent to any such municipality, a report containing: a statement of the need for this proposed construction or improvement, a description of alternate routes which were considered by the commissioner and an explanation of the advantages and disadvantages in the selection

of any route considered. The report shall also contain for each alternate, the following information: general alignment and profile, approximate points of access, highway classification, an approximate cost estimate, relation to existing and planned regional and local development and to other transportation routes and facilities, and a statement of the expected general effect on present and future use of the property within the corridor. Where a state trunk highway is proposed to be constructed or improved within the metropolitan area, a copy of the report shall also be submitted to the metropolitan council and the regional transit board established by chapter 473. In all areas of the state a copy of the report shall be sent to established regional, county and municipal planning commissions in the area affected by the highway project. Not less than 45 nor more than 90 days, or as otherwise mutually agreed, after the report has been submitted, the commissioner shall hold a public hearing on the proposed highway construction or improvement at such time and place within any municipality wherein a portion of the proposed construction or improvement is located, as the commissioner shall determine. Not less than 30 days before the hearing the commissioner shall mail notice thereof to the governing body of each municipality or agency entitled to receive a copy of the report, and shall cause notice of the hearing to be published at least once each week for two successive weeks in a newspaper or newspapers having general circulation in such municipalities, the second publication to be not less than five days before the date of the hearing. The notice shall state the date, time, place and purpose of the hearing, shall describe the proposed or actual general location of the highway to be constructed or improved, and shall state where the report may be inspected prior to the hearing by any interested person. The hearing shall be conducted by the commissioner or the commissioner's designee, and shall be transcribed and a record thereof mailed to each municipality or agency entitled to receive a copy of the report. All interested persons shall be permitted to present their views on the proposed highway construction or improvement. The hearing may be continued as often as necessary. Within 120 days after the hearing is completed, the governing body of each municipality or agency entitled to receive a copy of the report shall submit to the commissioner its approval or disapproval of the report. If all or any part of the report is disapproved, the municipality or agency shall state the reasons for such disapproval and suggested changes in the report. The commissioner shall, before preparing additional plans for the proposed highway construction or improvement, submit to the governing body of each municipality or agency disapproving the report, a statement accepting or rejecting any suggested changes and the reasons for acceptance or rejection.

Sec. 11. Minnesota Statutes 1992, section 161.174, is amended to read:

#### 161.174 SUBMISSION OF LAYOUT PLANS.

The commissioner shall submit to the governing body of each municipality wherein a highway is proposed to be constructed or improved, a proposed layout plan for the highway construction or improvement containing: the proposed location, elevation, width and geometrics of the construction or improvement, together with a statement of the reasons therefor. Said plan shall also contain:

approximate right-of-way limits; a tentative schedule for right-of-way acquisition, if known; proposed access points; frontage roads; separation structures and interchanges; location of utilities, when known; landscaping, illumination, a tentative construction schedule, if known; and the estimated cost of the construction or improvement. The commissioner shall submit more than one layout plan. Each such plan shall also be submitted to the metropolitan council and the regional transit board if any portion of the proposed highway construction or improvement is located in the metropolitan area. In all areas of the state a copy of the layout plan shall be sent to established regional, county and municipal planning commissions in the area affected by the highway project. Not less than 90 nor more than 120 days after said plan has been submitted, the commissioner shall hold a public hearing on the proposed highway construction or improvement at such time and place within any municipality wherein a portion of the construction or improvement is located, as the commissioner shall determine. The hearing shall be noticed, held and conducted in the manner provided in section 161.173, except that the commissioner shall mail notice of the hearing only to those municipalities and agencies entitled to receive a copy of the layout plan. The hearing shall be transcribed and a record thereof made available to each municipality or agency entitled to receive a copy of said plan. Within 180 days after the hearing is completed, the commissioner shall formally adopt a layout plan. A copy of the layout plan as adopted shall be submitted to each municipality or agency entitled to receive a copy of the proposed plan, together with the reasons for any change in the plan as presented at the hearing. Within 120 days after the receipt of the adopted layout plan, each such municipality or agency shall submit to the commissioner its approval or disapproval of the layout plan and the reasons for such disapproval, and proposed alternatives, which may include a recommendation of no highway. Such alternatives submitted by a municipality located within the metropolitan area shall, upon request of the municipality, be reviewed by the metropolitan council in order to determine whether such alternatives are likely to meet minimum federal requirements. The metropolitan council is authorized to provide whatever assistance it deems advisable to the submitting municipality in order to assist it in arriving at an alternative which meets minimum federal requirements. If said plan or any part thereof is not disapproved within such period, the commissioner may proceed to prepare final construction plans and specifications for the highway construction or improvement consistent with the adopted layout plan, and may acquire the necessary right-of-way. If the layout plan or any part thereof is disapproved by any municipality or agency, and the commissioner determines to proceed with the plan without modifications, the commissioner shall proceed in the manner provided in section 161.175. On determining to proceed with the plan with modifications, the commissioner shall submit the modified layout plan to the municipalities and agencies entitled to receive the original layout plan in the manner described above, for approval or disapproval by each such municipality or agency within 60 days after receipt of the modified layout plan. If the modified layout plan or any part thereof is not disapproved by any municipality or agency within 60 days after its receipt, the commissioner may proceed to prepare final construction plans and specifications consistent with the modified lay-

out plan, and may acquire the necessary right-of-way. If the modified plan is disapproved by any municipality and the commissioner determines to proceed with the plan without additional modification, the commissioner shall proceed in the manner provided in section 161.175. If the layout plan is disapproved, either as originally submitted or as modified and the commissioner does not act pursuant to section 161.175, within one year from the date of the completion of the hearing, any objecting municipality entitled to receive a copy of the layout plan by virtue of this section may invoke the appellate procedure pursuant to section 161.175, in the same manner as the same might be invoked by the commissioner. In the event the appellate procedure is invoked by either the commissioner or the municipality, the commissioner shall hold a public hearing prior to the appointment of an appeal board. Such hearing shall be limited to the proposed alternative layout plans.

Sec. 12. Minnesota Statutes 1992, section 169.781, subdivision 1, is amended to read:

Subdivision 1. **DEFINITIONS.** For purposes of sections 169.781 to 169.783:

- (a) "Commercial motor vehicle" means:
- (1) a commercial motor vehicle as defined in section 169.01, subdivision 75, paragraph (a); and
  - (2) each vehicle in a combination of more than 26,000 pounds.

"Commercial motor vehicle" does not include (1) a school bus displaying a certificate under section 169.451, (2) a bus operated by the metropolitan transit commission created in section 473.404 council or by a local transit commission created in chapter 458A, or (3) a motor vehicle with a gross weight of not more than 26,000 pounds, carrying in bulk tanks a total of not more than 200 gallons of petroleum products or liquid fertilizer or pesticide.

- (b) "Commissioner" means the commissioner of public safety.
- (c) "Owner" means a person who owns, or has control, under a lease of more than 30 days' duration, of one or more commercial motor vehicles.
- (d) "Storage semitrailer" means a semitrailer that (1) is used exclusively to store property at a location not on a street or highway, (2) does not contain any load when moved on a street or highway, (3) is operated only during daylight hours, and (4) is marked on each side of the semitrailer "storage only" in letters at least six inches high.
  - (e) "Building mover vehicle" means a vehicle owned or leased by a building mover as defined in section 221.81, subdivision 1, paragraph (a), and used exclusively for moving buildings.
  - Sec. 13. Minnesota Statutes 1992, section 169.791, subdivision 5, is amended to read:

- Subd. 5. **EXEMPTIONS.** Buses or other commercial vehicles operated by the metropolitan transit eommission council, commercial vehicles required to file proof of insurance pursuant to chapter 221, and school buses as defined in section 171.01, subdivision 21, are exempt from this section.
- Sec. 14. Minnesota Statutes 1992, section 169.792, subdivision 11, is amended to read:
- Subd. 11. **EXEMPTIONS.** Buses or other commercial vehicles operated by the metropolitan transit eommission council, commercial vehicles required to file proof of insurance pursuant to chapter 221, and school buses as defined in section 171.01, subdivision 21, are exempt from this section.
- Sec. 15. Minnesota Statutes 1993 Supplement, section 174.32, subdivision 2, is amended to read:
- Subd. 2. TRANSIT ASSISTANCE FUND; DISTRIBUTION. The transit assistance fund receives money distributed under section 297B.09. Eighty percent of the receipts of the fund must be placed into a metropolitan account for distribution to recipients located in the metropolitan area and 20 percent into a separate account for distribution to recipients located outside of the metropolitan area. Except as otherwise provided in this subdivision, the regional transit board created by section 473.373 metropolitan council is responsible for distributing assistance from the metropolitan account, and the commissioner is responsible for distributing assistance from the other account.
- Sec. 16. Minnesota Statutes 1993 Supplement, section 216C.15, subdivision 1, is amended to read:
- Subdivision 1. PRIORITIES AND REQUIREMENTS. The commissioner shall maintain an emergency conservation and allocation plan. The plan shall provide a variety of strategies and staged conservation measures to reduce energy use and in the event of an energy supply emergency, shall establish guidelines and criteria for allocation of fuels to priority users. The plan shall contain alternative conservation actions and allocation plans to reasonably meet various foreseeable shortage circumstances and allow a choice of appropriate responses. The plan shall be consistent with requirements of federal emergency energy conservation and allocation laws and regulations, shall be based on reasonable energy savings or transfers from scarce energy resources and shall:
- (a) give priority to individuals, institutions, agriculture, businesses, and public transit under contract with the commissioner of transportation or the regional transit board metropolitan council which demonstrate they have engaged in energy-saving measures and shall include provisions to insure that:
- (1) immediate allocations to individuals, institutions, agriculture, businesses, and public transit be based on needs at energy conservation levels;
  - (2) successive allocations to individuals, institutions, agriculture, businesses,

and public transit be based on needs after implementation of required action to increase energy conservation; and

- (3) needs of individuals, institutions, and public transit are adjusted to insure the health and welfare of the young, old and infirm;
- (b) insure maintenance of reasonable job safety conditions and avoid environmental sacrifices;
- (c) establish programs, controls, standards, priorities or quotas for the allocation, conservation and consumption of energy resources; and for the suspension and modification of existing standards and the establishment of new standards affecting or affected by the use of energy resources, including those related to the type and composition of energy sources, and to the hours and days during which public buildings, commercial and industrial establishments, and other energy consuming facilities may or are required to remain open;
- (d) establish programs to control the use, sale or distribution of commodities, materials, goods or services;
- .. (e) establish regional programs and agreements for the purpose of coordinating the energy resources, programs and actions of the state with those of the federal government, of local governments, and of other states and localities;
- (f) determine at what level of an energy supply emergency situation the pollution control agency shall be requested to ask the governor to petition the president for a temporary emergency suspension of air quality standards as required by the Clean Air Act, United States Code, title 42, section 7410f; and
- (g) establish procedures for fair and equitable review of complaints and requests for special exemptions regarding emergency conservation measures or allocations.
  - Sec. 17. Minnesota Statutes 1992, section 221.022, is amended to read:

#### 221.022 EXCEPTION.

The powers granted to the board under sections 221.011 to 221.296 do not include the power to regulate any service or vehicles operated by the metropolitan transit commission council or to regulate passenger transportation service provided under contract to the department or the regional transit board metropolitan council. A provider of passenger transportation service under contract to the department or the regional transit board metropolitan council may not provide charter service without first having obtained a permit to operate as a charter carrier.

Sec. 18. Minnesota Statutes 1993 Supplement, section 221.025, is amended to read:

#### **221.025 EXEMPTIONS.**

The provisions of this chapter requiring a certificate or permit to operate as a motor carrier do not apply to the intrastate transportation described below:

- (a) the transportation of students to or from school or school activities in a school bus inspected and certified under section 169.451;
- (b) the transportation of solid waste, as defined in section 116.06, subdivision 22, including recyclable materials and waste tires, except that the term "hazardous waste" has the meaning given it in section 221.011, subdivision 31;
  - (c) a commuter van as defined in section 221.011, subdivision 27;
- (d) authorized emergency vehicles as defined in section 169.01, subdivision 5, including ambulances; and tow trucks equipped with proper and legal warning devices when picking up and transporting (1) disabled or wrecked motor vehicles or (2) vehicles towed or transported under a towing order issued by a public employee authorized to issue a towing order;
- (e) the transportation of grain samples under conditions prescribed by the board;
  - (f) the delivery of agricultural lime;
- (g) the transportation of dirt and sod within an area having a 50-mile radius from the home post office of the person performing the transportation;
- (h) the transportation of sand, gravel, bituminous asphalt mix, concrete ready mix, concrete blocks or tile and the mortar mix to be used with the concrete blocks or tile, or crushed rock to or from the point of loading or a place of gathering within an area having a 50-mile radius from that person's home post office or a 50-mile radius from the site of construction or maintenance of public roads and streets:
- (i) the transportation of pulpwood, cordwood, mining timber, poles, posts, decorator evergreens, wood chips, sawdust, shavings, and bark from the place where the products are produced to the point where they are to be used or shipped;
- (j) the transportation of fresh vegetables from farms to canneries or viner stations, from viner stations to canneries, or from canneries to canneries during the harvesting, canning, or packing season, or transporting potatoes, sugar beets, wild rice, or rutabagas from the field of production to the first place of delivery or unloading, including a processing plant, warehouse, or railroad siding;
- (k) the transportation of property or freight, other than household goods and petroleum products in bulk, entirely within the corporate limits of a city or between contiguous cities except as provided in section 221.296;
- (1) the transportation of unprocessed dairy products in bulk within an area having a 100-mile radius from the home post office of the person providing the transportation;

- (m) the transportation of agricultural, horticultural, dairy, livestock, or other farm products within an area having a 25-mile radius from the person's home post office and the carrier may transport other commodities within the 25-mile radius if the destination of each haul is a farm;
- (n) passenger transportation service that is not charter service and that is under contract to and with operating assistance from the department or the regional transit board metropolitan council; and
- (o) the transportation of newspapers, as defined in section 331A.01, subdivision 5, telephone books, handbills, circulars, or pamphlets in a vehicle with a gross vehicle weight of 10,000 pounds or less.

The exemptions provided in this section apply to a person only while the person is exclusively engaged in exempt transportation.

- Sec. 19. Minnesota Statutes 1993 Supplement, section 221.031, subdivision 3a, is amended to read:
- Subd. 3a. CONTRACTORS OR RECIPIENTS OF TRANSPORTATION ASSISTANCE. Notwithstanding subdivision 3, providers of passenger transportation service under contract to and with operating assistance from the department or the regional transit board metropolitan council must comply with rules for driver qualifications; driving of motor vehicles; parts and accessories necessary for safe operation; hours of service of drivers; inspection, repair, and maintenance; and the rules adopted in section 221.0314, subdivision 8, for accident reporting.

This subdivision does not apply to (1) a local transit commission, (2) a transit authority created by the legislature, (3) special transportation service certified by the commissioner under section 174.30, or (4) special transportation service defined in section 174.29, subdivision 1, when provided by a volunteer driver operating a private passenger vehicle defined in section 169.01, subdivision 3a.

- Sec. 20. Minnesota Statutes 1992, section 221.041, subdivision 4, is amended to read:
- Subd. 4. **NONAPPLICABILITY.** This section does not apply to any regular-route passenger transportation being performed with operating assistance provided by the regional transit board metropolitan council.
- Sec. 21. Minnesota Statutes 1992, section 221.071, subdivision 1, is amended to read:
- Subdivision 1. CONSIDERATIONS; TEMPORARY CERTIFICATES; AMENDING. If the board finds from the evidence that the petitioner is fit and able to properly perform the services proposed and that public convenience and necessity require the granting of the petition or a part of the petition, it shall issue a certificate of public convenience and necessity to the petitioner. In determining whether a certificate should be issued, the board shall give primary con-

sideration to the interests of the public that might be affected, to the transportation service being furnished by a railroad which may be affected by the granting of the certificate, and to the effect which the granting of the certificate will have upon other transportation service essential to the communities which might be affected by the granting of the certificate. The board may issue a certificate as applied for or issue it for a part only of the authority sought and may attach to the authority granted terms and conditions as in its judgment public convenience and necessity may require. If the petitioner is seeking authority to operate regular-route transit service wholly within the seven-county metropolitan area with operating assistance provided by the regional transit board metropolitan council, the board shall consider only whether the petitioner is fit and able to perform the proposed service. The operating authority granted to such a petitioner must be the operating authority for which the petitioner is receiving operating assistance from the regional transit board metropolitan council. A carrier receiving operating assistance from the regional transit board metropolitan council may amend the certificate to provide for additional routes by filing a copy of the amendment with the board, and approval of the amendment by the board is not required if the additional service is provided with operating assistance from the regional transit board metropolitan council.

The board may grant a temporary certificate, ex parte, valid for a period not exceeding 180 days, upon a showing that no regular route common carrier or petroleum carrier is then authorized to serve on the route sought, that no other petition is on file with the board covering the route, and that a need for the proposed service exists.

A certificate may be amended by the board on ex parte petition and payment of a \$25 fee to the commissioner, to grant an additional or alternate route if there is no other means of transportation over the proposed additional route or between its termini, and the proposed additional route does not exceed ten miles in length.

Sec. 22. Minnesota Statutes 1992, section 221.295, is amended to read:

# 221.295 NOTICE TO REGIONAL TRANSIT BOARD METROPOLITAN COUNCIL.

Notwithstanding any provision of any statute to the contrary, the regional transit board metropolitan council must be notified by the commissioner of any matter affecting public transit or an existing or proposed transit system within the seven-county metropolitan area, which matter is formally or informally before the commissioner or board for action or which is under study, including the initiation of any request for action or study and prior to any hearings on other proceedings, whether ex parte or otherwise. Notification must in all cases be given in a manner, at such time, and with such information and data available to the commissioner or board as to enable the regional transit board metropolitan council to meaningfully evaluate, participate in, and comment upon the matter. The commissioner or board shall not approve, deny, or otherwise

attempt to resolve or act upon the matter until receipt of the comments and advice of the regional transit board metropolitan council with respect thereto, but if none are received they may act within 30 days after demand of the regional transit board metropolitan council, or otherwise by mutual agreement. If the commissioner or board takes action in any way contrary to or different from the comments and advice of the regional transit board metropolitan council, they shall specifically state the reasons and factual data for the action.

- Sec. 23. Minnesota Statutes 1993 Supplement, section 275.065, subdivision 3, is amended to read:
- Subd. 3. NOTICE OF PROPOSED PROPERTY TAXES. (a) The county auditor shall prepare and the county treasurer shall deliver after November 10 and on or before November 24 each year, by first class mail to each taxpayer at the address listed on the county's current year's assessment roll, a notice of proposed property taxes and, in the case of a town, final property taxes.
  - (b) The commissioner of revenue shall prescribe the form of the notice.
- (c) The notice must inform taxpayers that it contains the amount of property taxes each taxing authority other than a town proposes to collect for taxes payable the following year and, for a town, the amount of its final levy. It must clearly state that each taxing authority, including regional library districts established under section 134.201, and including the metropolitan taxing districts as defined in paragraph (i), but excluding all other special taxing districts and towns, will hold a public meeting to receive public testimony on the proposed budget and proposed or final property tax levy, or, in case of a school district, on the current budget and proposed property tax levy. It must clearly state the time and place of each taxing authority's meeting and an address where comments will be received by mail. For 1993, the notice must clearly state that each taxing authority holding a public meeting will describe the increases or decreases of the total budget, including employee and independent contractor compensation in the prior year, current year, and the proposed budget year.
  - (d) The notice must state for each parcel:
- (1) the market value of the property as determined under section 273.11, and used for computing property taxes payable in the following year and for taxes payable in the current year; and, in the case of residential property, whether the property is classified as homestead or nonhomestead. The notice must clearly inform taxpayers of the years to which the market values apply and that the values are final values;
- (2) by county, city or town, school district excess referenda levy, remaining school district levy, regional library district, if in existence, the total of the metropolitan special taxing districts as defined in paragraph (i) and the sum of the remaining special taxing districts, and as a total of the taxing authorities, including all special taxing districts, the proposed or, for a town, final net tax on the property for taxes payable the following year and the actual tax for taxes payable

the current year. In the case of the city of Minneapolis, the levy for the Minneapolis library board and the levy for Minneapolis park and recreation shall be listed separately from the remaining amount of the city's levy. In the case of a parcel where tax increment or the fiscal disparities areawide tax applies, the proposed tax levy on the captured value or the proposed tax levy on the tax capacity subject to the areawide tax must each be stated separately and not included in the sum of the special taxing districts; and

- (3) the increase or decrease in the amounts in clause (2) from taxes payable in the current year to proposed or, for a town, final taxes payable the following year, expressed as a dollar amount and as a percentage.
- (e) The notice must clearly state that the proposed or final taxes do not include the following:
  - (1) special assessments;
- (2) levies approved by the voters after the date the proposed taxes are certified, including bond referenda, school district levy referenda, and levy limit increase referenda;
- (3) amounts necessary to pay cleanup or other costs due to a natural disaster occurring after the date the proposed taxes are certified;
- (4) amounts necessary to pay tort judgments against the taxing authority that become final after the date the proposed taxes are certified;
- (5) any additional amount levied in lieu of a local sales and use tax, unless this amount is included in the proposed or final taxes; and
- (6) the contamination tax imposed on properties which received market value reductions for contamination.
- (f) Except as provided in subdivision 7, failure of the county auditor to prepare or the county treasurer to deliver the notice as required in this section does not invalidate the proposed or final tax levy or the taxes payable pursuant to the tax levy.
- (g) If the notice the taxpayer receives under this section lists the property as nonhomestead and the homeowner provides satisfactory documentation to the county assessor that the property is owned and has been used as the owner's homestead prior to June 1 of that year, the assessor shall reclassify the property to homestead for taxes payable in the following year.
- (h) In the case of class 4 residential property used as a residence for lease or rental periods of 30 days or more, the taxpayer must either:
- (1) mail or deliver a copy of the notice of proposed property taxes to each tenant, renter, or lessee; or

- (2) post a copy of the notice in a conspicuous place on the premises of the property.
- (i) For purposes of this subdivision, subdivisions 5a and 6, "metropolitan special taxing districts" means the following taxing districts in the seven-county metropolitan area that levy a property tax for any of the specified purposes listed below:
- (1) metropolitan council under section 473.132, 473.167, 473.249, 473.325, 473.446, 473.521, 473.547, or 473.834;
- (2) metropolitan airports commission under section 473.667, 473.671, or 473.672; and
  - (3) regional transit board under section 473.446; and
  - (4) metropolitan mosquito control commission under section 473.711.

For purposes of this section, any levies made by the regional rail authorities in the county of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, or Washington under chapter 398A shall be included with the appropriate county's levy and shall be discussed at that county's public hearing.

The notice must be mailed or posted by the taxpayer by November 27 or within three days of receipt of the notice, whichever is later. A taxpayer may notify the county treasurer of the address of the taxpayer, agent, caretaker, or manager of the premises to which the notice must be mailed in order to fulfill the requirements of this paragraph.

- Sec. 24. Minnesota Statutes 1993 Supplement, section 275.065, subdivision 5a, is amended to read:
- Subd. 5a. **PUBLIC ADVERTISEMENT.** (a) A city that has a population of more than 1,000, county, a metropolitan special taxing district as defined in subdivision 3, paragraph (i), a regional library district established under section 134.201, or school district shall advertise in a newspaper a notice of its intent to adopt a budget and property tax levy or, in the case of a school district, to review its current budget and proposed property taxes payable in the following year, at a public hearing. The notice must be published not less than two business days nor more than six business days before the hearing.

The advertisement must be at least one-eighth page in size of a standardsize or a tabloid-size newspaper. The advertisement must not be placed in the part of the newspaper where legal notices and classified advertisements appear. The advertisement must be published in an official newspaper of general circulation in the taxing authority. The newspaper selected must be one of general interest and readership in the community, and not one of limited subject matter. The advertisement must appear in a newspaper that is published at least once per week.

For purposes of this section, the metropolitan special taxing district's advertisement must only be published in the Minneapolis Star and Tribune and the St. Paul Pioneer Press.

(b) The advertisement must be in the following form, except that the notice for a school district may include references to the current budget in regard to proposed property taxes.

## "NOTICE OF PROPOSED PROPERTY TAXES

(City/County/School District/Metropolitan Special Taxing District/Regional Library District) of ........

The governing body of ....... will soon hold budget hearings and vote on the property taxes for (city/county/metropolitan special taxing district/regional library district services that will be provided in 199\_/school district services that will be provided in 199\_ and 199\_).

#### NOTICE OF PUBLIC HEARING:

All concerned citizens are invited to attend a public hearing and express their opinions on the proposed (city/county/school district/metropolitan special taxing district/regional library district) budget and property taxes, or in the case of a school district, its current budget and proposed property taxes, payable in the following year. The hearing will be held on (Month/Day/Year) at (Time) at (Location, Address)."

- (c) A city with a population of 1,000 or less must advertise by posted notice as defined in section 645.12, subdivision 1. The advertisement must be posted at the time provided in paragraph (a). It must be in the form required in paragraph (b).
- (d) For purposes of this subdivision, the population of a city is the most recent population as determined by the state demographer under section 4A.02.
- (e) The commissioner of revenue, subject to the approval of the chairs of the house and senate tax committees, shall prescribe the form and format of the advertisement.
- (f) For calendar year 1993, each taxing authority required to publish an advertisement must include on the advertisement a statement that information on the increases or decreases of the total budget, including employee and independent contractor compensation in the prior year, current year, and proposed budget year will be discussed at the hearing.
- (g) Notwithstanding paragraph (f), for 1993, the commissioner of revenue shall prescribe the form, format, and content of an advertisement comparing

current and proposed expense budgets for the metropolitan council, the metropolitan airports commission, and the metropolitan mosquito control commission, and the regional transit board. The expense budget must include occupancy, personnel, contractual and capital improvement expenses. The form, format, and content of the advertisement must be approved by the chairs of the house and senate tax committees prior to publication.

Sec. 25. Minnesota Statutes 1992, section 297B.09, subdivision 1, is amended to read:

Subdivision 1. GENERAL FUND SHARE. (a) Money collected and received under this chapter must be deposited in the state treasury and credited to the general fund. The amounts collected and received shall be credited as provided in this subdivision, and transferred from the general fund on July 15 and February 15 of each fiscal year. The commissioner of finance must make each transfer based upon the actual receipts of the preceding six calendar months and include the interest earned during that six-month period. The commissioner of finance may establish a quarterly or other schedule providing for more frequent payments to the transit assistance fund if the commissioner determines it is necessary or desirable to provide for the cash flow needs of the recipients of money from the transit assistance fund.

- (b) Twenty-five percent of the money collected and received under this chapter after June 30, 1990, and before July 1, 1991, must be transferred to the highway user tax distribution fund and the transit assistance fund for apportionment as follows: 75 percent must be transferred to the highway user tax distribution fund for apportionment in the same manner and for the same purposes as other money in that fund, and the remaining 25 percent of the money must be transferred to the transit assistance fund to be appropriated to the commissioner of transportation for transit assistance within the state and to the regional transit board metropolitan council.
- (c) The distributions under this subdivision to the highway user tax distribution fund until June 30, 1991, and to the trunk highway fund thereafter, must be reduced by the amount necessary to fund the appropriation under section 41A.09, subdivision 1. For the fiscal years ending June 30, 1988, and June 30, 1989, the commissioner of finance, before making the transfers required on July 15 and January 15 of each year, shall estimate the amount required to fund the appropriation under section 41A.09, subdivision 1, for the six-month period for which the transfer is being made. The commissioner shall then reduce the amount transferred to the highway user tax distribution fund by the amount of that estimate. The commissioner shall reduce the estimate for any six-month period by the amount by which the estimate for the previous six-month period exceeded the amount needed to fund the appropriation under section 41A.09, subdivision 1, for that previous six-month period. If at any time during a sixmonth period in those fiscal years the amount of reduction in the transfer to the highway user tax distribution fund is insufficient to fund the appropriation under section 41A.09, subdivision 1 for that period, the commissioner shall

transfer to the general fund from the highway user tax distribution fund an additional amount sufficient to fund the appropriation for that period, but the additional amount so transferred to the general fund in a six-month period may not exceed the amount transferred to the highway user tax distribution fund for that six-month period.

Sec. 26. Minnesota Statutes 1993 Supplement, section 352.01, subdivision 2a, is amended to read:

# Subd. 2a. INCLUDED EMPLOYEES. (a) "State employee" includes:

- (1) employees of the Minnesota historical society;
- (2) employees of the state horticultural society;
- (3) employees of the Disabled American Veterans, Department of Minnesota, Veterans of Foreign Wars, Department of Minnesota, if employed before July 1, 1963;
  - (4) employees of the Minnesota crop improvement association;
- (5) employees of the adjutant general who are paid from federal funds and who are not covered by any federal civilian employees retirement system;
- (6) employees of the state universities employed under the university activities program;
- (7) currently contributing employees covered by the system who are temporarily employed by the legislature during a legislative session or any currently contributing employee employed for any special service as defined in clause (8) of subdivision 2b;
  - (8) employees of the armory building commission;
- (9) permanent employees of the legislature and persons employed or designated by the legislature or by a legislative committee or commission or other competent authority to conduct a special inquiry, investigation, examination, or installation;
- (10) trainees who are employed on a full-time established training program performing the duties of the classified position for which they will be eligible to receive immediate appointment at the completion of the training period;
  - (11) employees of the Minnesota safety council;
- (12) employees of the transit operating division of the metropolitan transit commission and any employees on authorized leave of absence from the transit operating division of the former metropolitan transit commission who are employed by the labor organization which is the exclusive bargaining agent representing employees of the transit operating division;

- (13) employees of the metropolitan council, metropolitan parks and open space commission, regional transit board, metropolitan transit eommission, metropolitan waste eontrol eommission, metropolitan sports facilities commission or the metropolitan mosquito control commission unless excluded or covered by another public pension fund or plan under section 473.141, subdivision 12, or 473.415, subdivision 3;
  - (14) judges of the tax court; and
- (15) personnel employed on June 30, 1992, by the University of Minnesota in the management, operation, or maintenance of its heating plant facilities, whose employment transfers to an employer assuming operation of the heating plant facilities, so long as the person is employed at the University of Minnesota heating plant by that employer or by its successor organization.
- (b) Employees specified in paragraph (a), clause (15), are included employees under paragraph (a) providing that employer and employee contributions are made in a timely manner in the amounts required by section 352.04. Employee contributions must be deducted from salary. Employer contributions are the sole obligation of the employer assuming operation of the University of Minnesota heating plant facilities or any successor organizations to that employer.
- Sec. 27. Minnesota Statutes 1993 Supplement, section 352.01, subdivision 2b, is amended to read:
  - Subd. 2b. EXCLUDED EMPLOYEES. "State employee" does not include:
  - (1) elective state officers;
- (2) students employed by the University of Minnesota, the state universities, and community colleges unless approved for coverage by the board of regents, the state university board, or the state board for community colleges, as the case may be;
- (3) employees who are eligible for membership in the state teachers retirement association except employees of the department of education who have chosen or may choose to be covered by the Minnesota state retirement system instead of the teachers retirement association;
- (4) employees of the University of Minnesota who are excluded from coverage by action of the board of regents;
- (5) officers and enlisted personnel in the national guard and the naval militia who are assigned to permanent peacetime duty and who under federal law are or are required to be members of a federal retirement system;
  - (6) election officers;
- (7) persons engaged in public work for the state but employed by contractors when the performance of the contract is authorized by the legislature or other competent authority;

- (8) officers and employees of the senate and house of representatives or a legislative committee or commission who are temporarily employed;
- (9) receivers, jurors, notaries public, and court employees who are not in the judicial branch as defined in section 43A.02, subdivision 25, except referees and adjusters employed by the department of labor and industry;
- (10) patient and inmate help in state charitable, penal, and correctional institutions including the Minnesota veterans home;
- (11) persons employed for professional services where the service is incidental to regular professional duties and whose compensation is paid on a per diem basis;
  - (12) employees of the Sibley House Association;
- (13) the members of any state board or commission who serve the state intermittently and are paid on a per diem basis; the secretary, secretary-treasurer, and treasurer of those boards if their compensation is \$5,000 or less per year, or, if they are legally prohibited from serving more than three years; and the board of managers of the state agricultural society and its treasurer unless the treasurer is also its full-time secretary;
  - (14) state troopers;
- (15) temporary employees of the Minnesota state fair employed on or after July 1 for a period not to extend beyond October 15 of that year; and persons employed at any time by the state fair administration for special events held on the fairgrounds;
- (16) emergency employees in the classified service; except that if an emergency employee, within the same pay period, becomes a provisional or probationary employee on other than a temporary basis, the employee shall be considered a "state employee" retroactively to the beginning of the pay period;
  - (17) persons described in section 352B.01, subdivision 2, clauses (2) to (5);
- (18) temporary employees in the classified service, temporary employees in the unclassified service appointed for a definite period of not more than six months and employed less than six months in any one-year period and seasonal help in the classified service employed by the department of revenue;
  - (19) trainee employees, except those listed in subdivision 2a, clause (10);
  - (20) persons whose compensation is paid on a fee basis;
- (21) state employees who in any year have credit for 12 months service as teachers in the public schools of the state and as teachers are members of the teachers retirement association or a retirement system in St. Paul, Minneapolis, or Duluth;

- (22) employees of the adjutant general employed on an unlimited intermittent or temporary basis in the classified and unclassified service for the support of army and air national guard training facilities;
- (23) chaplains and nuns who are excluded from coverage under the federal Old Age, Survivors, Disability, and Health Insurance Program for the performance of service as specified in United States Code, title 42, section 410(a)(8)(A), as amended, if no irrevocable election of coverage has been made under section 3121(r) of the Internal Revenue Code of 1954, as amended;
- (24) examination monitors employed by departments, agencies, commissions, and boards to conduct examinations required by law;
- (25) members of appeal tribunals, exclusive of the chair, to which reference is made in section 268.10, subdivision 4;
- (26) persons appointed to serve as members of fact-finding commissions or adjustment panels, arbitrators, or labor referees under chapter 179;
- (27) temporary employees employed for limited periods under any state or federal program for training or rehabilitation including persons employed for limited periods from areas of economic distress except skilled and supervisory personnel and persons having civil service status covered by the system;
- (28) full-time students employed by the Minnesota historical society intermittently during part of the year and full-time during the summer months;
- (29) temporary employees, appointed for not more than six months, of the metropolitan council and of any of its statutory boards, if the board members are appointed by the metropolitan council;
- (30) persons employed in positions designated by the department of employee relations as student workers;
- (31) members of trades employed by the <u>successor to the</u> metropolitan waste control commission with trade union pension plan coverage under a collective bargaining agreement first employed after June 1, 1977;
- (32) persons employed in subsidized on-the-job training, work experience, or public service employment as enrollees under the federal Comprehensive Employment and Training Act after March 30, 1978, unless the person has as of the later of March 30, 1978, or the date of employment sufficient service credit in the retirement system to meet the minimum vesting requirements for a deferred annuity, or the employer agrees in writing on forms prescribed by the director to make the required employer contributions, including any employer additional contributions, on account of that person from revenue sources other than funds provided under the federal Comprehensive Employment and Training Act, or the person agrees in writing on forms prescribed by the director to make the required employer contribution in addition to the required employee contribution;

- (33) off-duty peace officers while employed by the metropolitan transit commission under section 629.40, subdivision 5, or comparable statutory authority council;
- (34) persons who are employed as full-time police officers by the metropolitan transit eommission council and as police officers are members of the public employees police and fire fund;
- (35) persons who are employed as full-time firefighters by the department of military affairs and as firefighters are members of the public employees police and fire fund; and
- (36) foreign citizens with a work permit of less than three years, or an H-1b/JV visa valid for less than three years of employment, unless notice of extension is supplied which allows them to work for three or more years as of the date the extension is granted, in which case they are eligible for coverage from the date extended.
- Sec. 28. Minnesota Statutes 1992, section 352.03, subdivision 1, is amended to read:

Subdivision 1. MEMBERSHIP OF BOARD; ELECTION; TERM. The policy-making function of the system is vested in a board of 11 members, who must be known as the board of directors. This board shall consist of three members appointed by the governor, one of whom must be a constitutional officer or appointed state official and two of whom must be public members knowledgeable in pension matters, four state employees elected by state employees covered by the system excluding employees in categories specifically authorized to designate or elect a member by this subdivision, one employee of the transit operating division of the metropolitan transit commission or its successor agency designated by the executive committee of the labor organization that is the exclusive bargaining agent representing employees of the transit division, one member of the state patrol retirement fund elected by members of that fund at a time and in a manner fixed by the board, one employee covered by the correctional employees plan elected by employees covered by that plan, and one retired employee elected by disabled and retired employees of all plans administered by the system at a time and in a manner to be fixed by the board. Two state employee members, whose terms of office begin on the first Monday in May after their election, must be elected biennially. Elected members and the appointed transit operating division member of the metropolitan council's office of transit operations hold office for a term of four years, except the retired member whose term is two years, and until their successors are elected or appointed, and have qualified. An employee of the system is not eligible for membership on the board of directors. A state employee on leave of absence is not eligible for election or reelection to membership on the board of directors. The term of any board member who is on leave for more than six months automatically ends on expiration of this period.

Sec. 29. Minnesota Statutes 1992, section 352.75, is amended to read:

# 352.75 TRANSFER OF PENSION COVERAGE SAVINGS CLAUSE; INCREASE IN EXISTING ANNUITIES AND BENEFITS.

Subdivision 1. EXISTING EMPLOYEES. Notwithstanding any law to the contrary, as of July 1, 1978, all active employees of the transit operating division of the former metropolitan transit commission and all employees on authorized leaves of absence from the transit operating division who are employed on July 1, 1978, by a labor organization which is the exclusive bargaining agent representing employees of the transit operating division shall cease to be members of the former metropolitan transit commission-transit operating employees retirement fund and shall cease to have any accrual of service credit, rights, or benefits under that retirement fund. After July 1, 1978, those employees become members of the Minnesota state retirement system, are considered state employees for purposes of this chapter, unless specifically excluded by section 352.01, subdivision 2b, and shall have past service with the transit operating division of the former metropolitan transit commission credited by the Minnesota state retirement system in accordance with section 352.01, subdivision 11, clause (10). Any employees on authorized leaves of absence from the transit operating division of the former metropolitan transit commission who become employed by the labor organization which is the exclusive bargaining agent representing employees of the transit operating division after July 1, 1978, shall be entitled to be members of the Minnesota state retirement system under section 352.029.

- Subd. 2. NEW EMPLOYEES. All persons first employed by the <u>former</u> metropolitan transit commission as employees of the transit operating division on or after July 1, 1978, are members of the Minnesota state retirement system and are considered state employees for purposes of this chapter unless specifically excluded under section 352.01, subdivision 2b.
- Subd. 3. EXISTING RETIRED MEMBERS AND BENEFIT RECIPI-ENTS. As of July 1, 1978, the liability for all retirement annuities, disability benefits, survivorship annuities, and survivor of deceased active employee benefits paid or payable by the former metropolitan transit commission-transit operating division employees retirement fund is transferred to the Minnesota state retirement system, and is no longer the liability of the former metropolitan transit commission-transit operating division employees retirement fund. The required reserves for retirement annuities, disability benefits, and optional joint and survivor annuities in effect on June 30, 1978, and the required reserves for the increase in annuities and benefits provided under subdivision 6 must be determined using a five percent interest assumption and the applicable Minnesota state retirement system mortality table and shall be transferred by the Minnesota state retirement system to the Minnesota postretirement investment fund on July 1, 1978, but shall be considered transferred as of June 30, 1978. The annuity or benefit amount in effect on July 1, 1978, including the increase granted under subdivision 6, must be used for adjustments made under section 11A.18. For persons receiving benefits as survivors of deceased former retirement annuitants, the benefits must be considered as having commenced on the date on which the retirement annuitant began receiving the retirement annuity.

- Subd. 4. EXISTING DEFERRED RETIREES. Any former member of the <u>former</u> metropolitan transit commission-transit operating division employees retirement fund is entitled to a retirement annuity from the Minnesota state retirement system if the employee:
- (1) is not an active employee of the transit operating division of the <u>former</u> metropolitan transit commission on July 1, 1978; (2) has at least ten years of active continuous service with the transit operating division of the <u>former</u> metropolitan transit commission-transit operating division employees retirement plan document in effect on December 31, 1977; (3) has not received a refund of contributions; (4) has not retired or begun receiving an annuity or benefit from the <u>former</u> metropolitan transit commission-transit operating division employees retirement fund; (5) is at least 55 years old; and (6) submits a valid application for a retirement annuity to the executive director of the Minnesota state retirement system.

The person is entitled to a retirement annuity in an amount equal to the normal old age retirement allowance calculated under the <u>former</u> metropolitan transit commission-transit operating division employees retirement fund plan document in effect on December 31, 1977, subject to an early retirement reduction or adjustment in amount on account of retirement before the normal retirement age specified in that <u>former</u> metropolitan transit commission-transit operating division employees retirement fund plan document.

The deferred retirement annuity of any person to whom this subdivision applies must be augmented. The required reserves applicable to the deferred retirement annuity, determined as of the date the allowance begins to accrue using an appropriate mortality table and an interest assumption of five percent, must be augmented by interest at the rate of five percent per year compounded annually from January 1, 1978, to January 1, 1981, and three percent per year compounded annually from January 1, 1981, to the first day of the month in which the annuity begins to accrue. Upon the commencement of the retirement annuity, the required reserves for the annuity must be transferred to the Minnesota postretirement investment fund in accordance with subdivision 2 and section 352.119. On applying for a retirement annuity under this subdivision, the person is entitled to elect a joint and survivor optional annuity under section 352.116, subdivision 3.

Subd. 5. SAVINGS CLAUSE FOR CERTAIN EXISTING EMPLOYEES. Any person who is a member of the <u>former</u> metropolitan transit commission-transit operating division employees retirement fund on July 1, 1978, is entitled to retain past and prospective rights under the retirement benefit formula, normal retirement age, and early reduced retirement age provisions of the <u>former</u> metropolitan transit commission-transit operating division employees retirement fund plan document in effect on July 1, 1978, in lieu of the provisions in sections 352.115; 352.116; 352.22, subdivisions 3 to 11; and 356.30.

## Subd. 6. INCREASE IN EXISTING ANNUITIES AND BENEFITS, All

persons receiving retirement allowances or annuities, disability benefits, survivorship annuities and survivor of deceased active employee benefits from the former metropolitan transit commission-transit operating division employees retirement fund on December 31, 1977, and on July 1, 1978, are entitled to have the allowances, annuities, or benefits increased by an amount equal to \$20 per month. Notwithstanding section 356.18, increases in payments under this subdivision must be made automatically unless the intended recipient files written notice with the executive director of the Minnesota state retirement system requesting that the increase not be made. If any actuarial reduction or adjustment was applied to the retirement allowance or annuity, disability benefit, survivorship annuity, or survivor of deceased active employee benefit, the increase specified in this subdivision must be similarly reduced or adjusted. Upon the death of any person receiving an annuity or benefit if the person elected a joint and survivor optional annuity the survivor is entitled to the continued receipt of the increase provided for under this subdivision, but the increase must be reduced or adjusted in accordance with the optional annuity election.

Sec. 30. Minnesota Statutes 1993 Supplement, section 352D.02, subdivision 1, is amended to read:

Subdivision 1. COVERAGE. (a) Employees enumerated in paragraph (b), if they are in the unclassified service of the state or metropolitan council and are eligible for coverage under the general state employees retirement plan under chapter 352, are participants in the unclassified program under this chapter unless the employee gives notice to the executive director of the Minnesota state retirement system within one year following the commencement of employment in the unclassified service that the employee desires coverage under the general state employees retirement plan. For the purposes of this chapter, an employee who does not file notice with the executive director is deemed to have exercised the option to participate in the unclassified plan.

- (b) Enumerated employees are:
- (1) an employee in the office of the governor, lieutenant governor, secretary of state, state auditor, state treasurer, attorney general, or an employee of the state board of investment;
- (2) the head of a department, division, or agency created by statute in the unclassified service, an acting department head subsequently appointed to the position, or an employee enumerated in section 15A.081, subdivision 1 or 15A.083, subdivision 4;
- (3) a permanent, full-time unclassified employee of the legislature or a commission or agency of the legislature or a temporary legislative employee having shares in the supplemental retirement fund as a result of former employment covered by this chapter, whether or not eligible for coverage under the Minnesota state retirement system;
  - (4) a person other than an employee of the state board of technical colleges

who is employed in a position established under section 43A.08, subdivision 1, clause (3), or subdivision 1a, or in a position authorized under a statute creating or establishing a department or agency of the state, which is at the deputy or assistant head of department or agency or director level;

- (5) the chair, chief administrator, and not to exceed nine positions at the division director or administrative deputy level of the metropolitan waste control commission as designated by the commission; the chair, executive director, and not to exceed three positions at the division director or assistant to the chair level of the regional transit board; a chief administrator who is an employee of the metropolitan transit commission; the regional administrator, or executive director of the metropolitan council, general counsel, division directors, operations managers, and other positions as designated by the council, all of which may not exceed 27 positions at the council, and the chair; executive director, and not to exceed nine positions at the division director or administrative deputy level of the metropolitan council as designated by the council; provided that upon initial designation of all positions provided for in this clause, no further designations or redesignations may be made without approval of the board of directors of the Minnesota state retirement system;
- (6) the executive director, associate executive director, and not to exceed nine positions of the higher education coordinating board in the unclassified service, as designated by the higher education coordinating board before January 1, 1992, or subsequently redesignated with the approval of the board of directors of the Minnesota state retirement system, unless the person has elected coverage by the individual retirement account plan under chapter 354B;
- (7) the clerk of the appellate courts appointed under article VI, section 2, of the Constitution of the state of Minnesota;
- (8) the chief executive officers of correctional facilities operated by the department of corrections and of hospitals and nursing homes operated by the department of human services;
- (9) an employee whose principal employment is at the state ceremonial house;
  - (10) an employee of the Minnesota educational computing corporation;
  - (11) an employee of the world trade center board;
- (12) an employee of the state lottery board who is covered by the managerial plan established under section 43A.18, subdivision 3;
- (13) an employee of the state board of technical colleges employed in a position established under section 43A.08, subdivision 1, clause (3), or 1a, unless the person has elected coverage by the individual retirement account plan under chapter 354B; and
  - (14) an employee of the higher education board in a position established

under section 136E.04, subdivision 2, unless the person has elected coverage by the individual retirement account plan under chapter 354B.

- Sec. 31. Minnesota Statutes 1993 Supplement, section 353.64, subdivision 7a, is amended to read:
- Subd. 7a. PENSION COVERAGE FOR CERTAIN METROPOLITAN TRANSIT COMMISSION POLICE OFFICERS. A person who is employed as a full-time police officer on or after the first day of the first payroll period after July 1, 1993, by the metropolitan transit commission council and who is not eligible for coverage under the agreement with the Secretary of the federal Department of Health and Human Services making the provisions of the federal Old Age, Survivors, and Disability Insurance Act because the person's position is excluded from application under United States Code, sections 418(d)(5)(A) and 418(d)(8)(D), and under section 355.07, is a member of the public employees police and fire fund and is considered to be a police officer within the meaning of this section. The metropolitan transit commission council shall deduct the employee contribution from the salary of each full-time police officer as required by section 353.65, subdivision 2, shall make the employer contribution for each full-time police officer as required by section 353.65, subdivision 3, and shall meet the employer recording and reporting requirements in section 353.65, subdivision 4.
- Sec. 32. Minnesota Statutes 1993 Supplement, section 400.08, subdivision 3, is amended to read:
- Subd. 3. SERVICE CHARGES. The county may establish by ordinance, revise when deemed advisable, and collect just and reasonable rates and charges for solid waste management services provided by the county or by others under contract with the county. The ordinance may obligate the owners, lessees, or occupants of property, or any or all of them, to pay charges for solid waste management services to their properties, including properties owned, leased, or used by the state or a political subdivision of the state, including the regional transit board established in section 473:373, the metropolitan airports commission established in section 473.603, the state agricultural society established in section 37.01, a local government unit, and any other political subdivision, and may obligate the user of any facility to pay a reasonable charge for the use of the facility. Rates and charges may take into account the character, kind, and quality of the service and of the solid waste, the method of disposition, the number of people served at each place of collection, and all other factors that enter into the cost of the service, including but not limited to depreciation and payment of principal and interest on money borrowed by the county for the acquisition or betterment of facilities. A notice of intention to enact an ordinance, published pursuant to section 375.51, subdivision 2, shall provide for a public hearing prior to the meeting at which the ordinance is to be considered.
- Sec. 33. Minnesota Statutes 1992, section 422A.01, subdivision 9, is amended to read:

- Subd. 9. "Public corporation" includes metropolitan airports commission, metropolitan waste control commission council and municipal employees retirement fund.
- Sec. 34. Minnesota Statutes 1992, section 422A.101, subdivision 2a, is amended to read:
- Subd. 2a. CONTRIBUTIONS BY METROPOLITAN AIRPORTS COM-MISSION AND METROPOLITAN WASTE CONTROL COMMISSION COUNCIL. The metropolitan airports commission and the waste control commission metropolitan council shall pay to the Minneapolis employees retirement fund annually in installments as specified in subdivision 3 the share of the additional support rate required for full amortization of the unfunded actuarial accrued liabilities by June 30, 2020, that is attributable to employees of airport commission or former metropolitan waste control commission employees who are members of the fund. The amount of the payment shall be determined as if the airport and waste control commissions' metropolitan council's employer contributions determined under subdivision 2 had also included a proportionate share of a \$1,000,000 annual employer amortization contribution. The amount of this \$1,000,000 annual employer amortization contribution that would have been allocated to each the commission or council would have been based on the share of the fund's unfunded actuarial accrued liability attributed to each the commission or council compared to the total unfunded actuarial accrued liability attributed to all employers under subdivisions 1a and 2. The determinations required under this subdivision must be based on the most recent actuarial valuation prepared by the actuary retained by the legislative commission on pensions and retirement.
- Sec. 35. Minnesota Statutes 1992, section 471A.02, subdivision 8, is amended to read:
- Subd. 8. MUNICIPALITY. "Municipality" means a home rule charter or statutory city, county, sanitary district, or other governmental subdivision or public corporation, including the metropolitan council and the metropolitan waste control commission.
- Sec. 36. Minnesota Statutes 1992, section 473.121, subdivision 5a, is amended to read:
- Subd. 5a. METROPOLITAN AGENCY. "Metropolitan agency" means the metropolitan parks and open space commission, regional transit board, metropolitan transit emmission, metropolitan waste control commission, metropolitan airports commission, and metropolitan sports facilities commission.
- Sec. 37. Minnesota Statutes 1992, section 473.121, subdivision 24, is amended to read:
- Subd. 24. METROPOLITAN DISPOSAL SYSTEM. "Metropolitan disposal system" means any or all of the interceptors or treatment works owned or operated by the metropolitan waste control commission council.

Sec. 38. Minnesota Statutes 1992, section 473.123, subdivision 1, is amended to read:

Subdivision 1. **CREATION.** A metropolitan council with jurisdiction in the metropolitan area is <u>ereated</u> <u>established</u> <u>as a public corporation</u> <u>and political subdivision of the state</u>. It shall be under the supervision and control of 17 members, all of whom shall be residents of the metropolitan area.

Sec. 39. Minnesota Statutes 1992, section 473.129, is amended to read:

## 473.129 ADMINISTRATION POWERS OF METROPOLITAN COUNCIL.

Subdivision 1. **GENERAL POWERS.** The metropolitan council shall have and exercise all powers which may be necessary or convenient to enable it to perform and carry out the duties and responsibilities now existing or which may hereafter be imposed upon it by law. Such powers include the specific powers enumerated in this section.

- Subd. 2. OFFICERS AND EMPLOYEES. The metropolitan council may shall prescribe all terms and conditions for the employment of its officers, employees, and agents including, but not limited to the fixing of, adopting a compensation, their and classification, benefits, and the filing of performance and fidelity bonds and such policies of insurance as it may deem advisable, the premium for which, however, shall be paid for by the district. Officers and plan for its employees. Employees of the metropolitan council, however, are public employees. The compensation and other conditions of employment of such offieers and employees shall not be governed by any rule applicable to state employees in the classified service nor to any of the provisions of chapter 15A, unless the council so provides. Those employed by the metropolitan council and are members of the Minnesota state retirement system. Those employed by a predecessor of the metropolitan council and transferred to it may at their option become members of the Minnesota state retirement system or may continue as members of the public retirement association to which they belonged as employees of the predecessor of the metropolitan council. The metropolitan council shall make the employer's contributions to pension funds of its employees.
- Subd. 3. CONSULTING CONTRACTS. The metropolitan council may contract for the services of consultants who perform engineering, legal, or services of a professional nature. Such contracts shall not be subject to the requirements of any law relating to public bidding.
- Subd. 4. GIFTS AND APPROPRIATIONS. The metropolitan council may accept gifts, apply for and use grants or loans of money or other property from the United States, the state, or any person for any metropolitan council purpose and may enter into agreements required in connection therewith and may hold, use, and dispose of such moneys or property in accordance with the terms of the gift, grant, loan, or agreement relating thereto. All moneys of the metropolitan council received pursuant to this subdivision or any other provision of law shall be deposited in the state treasury and the amount thereof is appropriated annually to the metropolitan council for the purposes of earrying out its duties and responsibilities.

- Subd. 5. LOCAL GOVERNMENTAL PARTICIPATION. The metropolitan council may (1) participate as a party in any proceedings originating before the Minnesota municipal board under chapter 414, if the proceedings involve the change in a boundary of a governmental unit in the metropolitan area, and (2) conduct studies of the feasibility of annexing, enlarging, or consolidating units in the metropolitan area; (3) furnish space and other necessary assistance to a metropolitan expediter assigned to the metropolitan area or any part thereof under the Federal Demonstration City Act of 1966, on condition that such expediter files monthly reports with the metropolitan council concerning the expediter's activities.
- Subd. 6. PARTICIPATION IN METROPOLITAN AREA COMMISSIONS AND BOARDS. (a) The metropolitan council shall appoint from its membership a member to serve with the metropolitan airports commission, a member to serve with the mosquito control commission, a member to serve on the Minneapolis-St. Paul sanitary district or any successor thereof, and may appoint a member to serve on any each metropolitan area commission or board authorized by law agency. Each member of the metropolitan council so appointed on each of such commissions agencies shall serve without a vote.
- (b) The metropolitan council shall also appoint individuals to the governing body of the cable communications metropolitan interconnected regional channel entity under section 238.43, subdivision 5.
- Subd. 7. PROPERTY. The council may acquire, own, hold, use, improve, operate, maintain, lease, exchange, transfer, sell, or otherwise dispose of personal or real property, franchises, easements, or property rights or interests of any kind.
- Subd. 8. INSURANCE. The council may provide for self-insurance or otherwise provide for insurance relating to any of its property, rights, or revenue, workers' compensation, public liability, or any other risk or hazard arising from its activities, and may provide for insuring any of its officers or employees against the risk or hazard at the expense of the council. If the council provides for self-insurance, against its liability and the liability of its officers, employees, and agents for damages resulting from its torts and those of its officers, employees, and agents, including its obligation to pay basic economic loss benefits under sections 65B.41 to 65B.71, it shall be entitled to deduct from damages and basic economic loss benefits all money paid or payable to the persons seeking damages and benefits from all governmental entities providing medical, hospital, and disability benefits except for payments made under the aid to families with dependent children or medical assistance programs.
- Subd. 9. INVESTIGATIONS. When necessary and proper to the performance of its duties, the council may enter in a reasonable manner upon any premises for the purpose of making any reasonably necessary or proper investigations and examinations. The entry is not a trespass. The council is liable for any actual and consequential loss, injury, or damage from the entry. When necessary

essary and proper to the performance of its duties, the council or its authorized agents may require the production of accounts, books, records, memoranda, correspondence, and other documents and papers of a person receiving financial assistance from the council, may inspect and copy them, and may have access to and may inspect the lands, buildings, facilities, or equipment of the person.

Sec. 40. Minnesota Statutes 1993 Supplement, section 473.13, subdivision 1, is amended to read:

Subdivision 1. BUDGET. (a) On or before December 20 of each year the council, after the public hearing required in section 275.065, shall adopt a final budget covering its anticipated receipts and disbursements for the ensuing year and shall decide upon the total amount necessary to be raised from ad valorem tax levies to meet its budget. The budget shall state in detail the expenditures for each program to be undertaken, including the expenses for salaries, consultant services, overhead, travel, printing, and other items. The budget shall state in detail the capital expenditures of the council for the budget year, based on a five-year capital program adopted by the council and transmitted to the legislature. After adoption of the budget, an increase of over \$10,000 in the council's budget, a program or department budget, or a budget item, must be approved by the council before the increase is allowed or the funds obligated. After adoption of the budget and no later than five working days after December 20, the council shall certify to the auditor of each metropolitan county the share of the tax to be levied within that county, which must be an amount bearing the same proportion to the total levy agreed on by the council as the net tax capacity of the county bears to the net tax capacity of the metropolitan area. The maximum amount of any levy made for the purpose of this chapter may not exceed the limits set by sections 473.167 and 473.249.

- (b) Each even-numbered year the council shall prepare for its transit programs a financial plan for the succeeding three calendar years, in half-year segments. The financial plan must contain the elements specified in section 473.1623, subdivision 3. The financial plan must contain schedules of user charges and any changes in user charges planned or anticipated by the council during the period of the plan. The financial plan must contain a proposed request for state financial assistance for the succeeding biennium.
  - (c) In addition, the budget must show for each year:
- (1) the estimated operating revenues from all sources including funds on hand at the beginning of the year, and estimated expenditures for costs of operation, administration, maintenance, and debt service;
- (2) capital improvement funds estimated to be on hand at the beginning of the year and estimated to be received during the year from all sources and estimated cost of capital improvements to be paid out or expended during the year, all in such detail and form as the council may prescribe; and
  - (3) the estimated source and use of pass-through funds.

- Sec. 41. Minnesota Statutes 1992, section 473.13, subdivision 4, is amended to read:
- Subd. 4. ACCOUNTS; AUDITS. The council shall keep an accurate account of its receipts and disbursements. Disbursements of council money must be made by check, signed by the chair or vice-chair of the council, and countersigned by its director or assistant director regional administrator or designee after whatever auditing and approval of the expenditure may be provided by rules of required by the council. The state auditor shall audit the books and accounts of the council once each year, or as often as funds and personnel of the state auditor permit. The council shall pay to the state the total cost and expenses of the examination, including the salaries paid to the auditors while actually engaged in making the examination. The general fund must be credited with all collections made for any examination.
- Sec. 42. Minnesota Statutes 1992, section 473.146, subdivision 1, is amended to read:
- Subdivision 1. **REQUIREMENT.** The council shall adopt a long-range comprehensive policy plan for each metropolitan agency required to prepare an implementation plan under section 473.161 transportation, airports, and wastewater treatment. The plans must substantially conform to all policy statements, purposes, goals, standards, and maps in the development guide developed and adopted by the council under this chapter. Each policy plan must include, to the extent appropriate to the functions, services, and systems covered, the following:
- (1) forecasts of changes in the general levels and distribution of population, households, employment, land uses, and other relevant matters, for the metropolitan area and appropriate subareas, to be used in preparing the implementation plan of the affected metropolitan agency;
- (2) a statement of issues, problems, needs, and opportunities with respect to the functions, services, and systems covered;
- (3) a statement of the council's goals, objectives, and priorities with respect to the functions, services, and systems covered, addressing areas and populations to be served, the levels, distribution, and staging of services; a general description of the facility systems required to support the services, and other similar matters:
- (4) a statement of policies to effectuate the council's goals, objectives, and priorities;
- (5) a statement of the fiscal implications of the council's plan, including a statement of: (i) the resources available under existing fiscal policy; (ii) the adequacy of resources under existing fiscal policy and any shortfalls and unattended needs; (iii) additional resources, if any, that are or may be required to effectuate the council's goals, objectives, and priorities; and (iv) any changes in existing fiscal policy, on regional revenues and intergovernmental aids respectively, that are expected or that the council has recommended or may recommend;

- (6) a statement of the standards, criteria, and procedures that the council will use in monitoring and evaluating the implementation of the plan;
- (7) a statement of the matters that must be addressed in the implementation plan of the affected metropolitan agency;
- (8) a statement of the relationship of the policy plan to other policy plans and chapters of the metropolitan development guide;
- (9) (7) a statement of the relationships to local comprehensive plans prepared under sections 473.851 to 473.872; and
- (10) (8) additional general information as may be necessary to develop the policy plan or as may be required by the laws relating to the metropolitan agency and function covered by the policy plan.
- Sec. 43. Minnesota Statutes 1992, section 473.146, subdivision 4, is amended to read:
- Subd. 4. TRANSPORTATION PLANNING. The metropolitan council is the designated planning agency for any long-range comprehensive transportation planning required by section 134 of the Federal Highway Act of 1962, Section 4 of Urban Mass Transportation Act of 1964 and Section 112 of Federal Aid Highway Act of 1973 and other federal transportation laws. The council shall assure administration and coordination of transportation planning with appropriate state, regional and other agencies, counties, and municipalities, and shall establish an advisory body consisting of citizens, representatives of the regional transit board, eitizens, municipalities, counties, and state agencies in fulfillment of the planning responsibilities of the council and the transit board.
- Sec. 44. Minnesota Statutes 1992, section 473.149, subdivision 3, is amended to read:
- Subd. 3. PREPARATION AND ADOPTION. The solid waste policy plan shall be prepared, adopted, and amended in accordance with section 473.146, subdivision 2, provided that the procedural duties and responsibilities established therein for the affected metropolitan agency shall extend to, after consultation with the metropolitan counties and the pollution control agency. In addition to the requirements of section 473.146, subdivision 2, the council shall send notice of any hearing to the pollution control agency and the governing body of each metropolitan county and each local governmental unit, as defined in section 473.801, wherein a solid waste facility is or may be located in accordance with the plan. Any comprehensive plan adopted by the council shall remain in force and effect while new or amended plans are being prepared and adopted by the council. By October 1, 1976, the council shall adopt either interim policies or amendments to the existing comprehensive plan establishing standards and criteria for the review under section 473.823 of permit applications for solid waste facilities used primarily for resource recovery. For permit applications received by the council prior to October 1, 1976, the council may

extend the time period provided for review under section 473.823 until 60 days after the adoption of the interim policies or amendments. No metropolitan county, local government unit, commission, or person shall acquire, construct, improve or operate any solid waste facility in the metropolitan area except in accordance with the council's plan and section 473.823, provided that no solid waste facility in use when a plan is adopted shall be discontinued solely because it is not located in an area designated in the plan as acceptable for the location of such facilities.

- Sec. 45. Minnesota Statutes 1992, section 473.1623, subdivision 2, is amended to read:
- Subd. 2. FINANCIAL REPORTING AND MANAGEMENT ADVISORY COMMITTEE. A financial reporting and management advisory committee is created, consisting of the chairs of the council and the following metropolitan agencies: the waste control commission, transit board, transit commission, metropolitan airports commission; and sports facilities commission. The committee is established to assist and advise the council and other governing boards in meeting the requirements of this section. Staff and administrative services for the committee must be provided by the council and the member agencies. Other agencies shall make financial information available upon request.
- Sec. 46. Minnesota Statutes 1993 Supplement, section 473.1623, subdivision 3, is amended to read:
- Subd. 3. FINANCIAL REPORT. By February December 15 of evennumbered years, the council, in consultation with the advisory committee, shall publish a consolidated financial report for the council and all metropolitan agencies and their functions, services, and systems. The financial report must cover the calendar year in which the report is published and the three two years preceding and two three years succeeding that year. The financial report must contain the following information, for each agency, function, or system, respectively, and in the aggregate, in a consistent format that allows comparison over time and among agencies in expenditure and revenue categories:
  - (1) financial policies, goals, and priorities;
- (2) levels and allocation of public expenditure, including capital, debt, operating, and pass-through funds, stated in the aggregate and by appropriate functional, programmatic, administrative, and geographic categories, and the changes in expenditure levels and allocations that the report represents;
  - (3) the resources available under existing fiscal policy;
  - (4) additional resources, if any, that are or may be required;
- (5) changes in council or agency policies on regional sources of revenue and in levels of debt, user charges, and taxes;
  - (6) other changes in existing fiscal policy, on regional revenues and intergov-

ernmental aids respectively, that are expected or that have been or may be recommended by the council or the respective agencies;

- (7) an analysis that links, as far as practicable, the uses of funds and the sources of funds, by appropriate categories and in the aggregate;
- (8) a description of how the fiscal policies effectuate current policy and implementation plans of the council and agencies concerned; and
- (9) a summary of significant changes in council and agency finance and an analysis of fiscal trends.

The council shall present the report for discussion and comment at a public meeting in the metropolitan area and request, in writing, an opportunity to make presentations on the report before appropriate committees of the legislature.

Sec. 47. Minnesota Statutes 1992, section 473.164, is amended to read:

## 473.164 PAYMENT OF METROPOLITAN COUNCIL COSTS.

Subdivision 1. The metropolitan parks and open space commission, the regional transit board, the metropolitan waste control sports facilities commission, and the metropolitan airports commission shall annually reimburse the council for costs incurred by the council in the discharge of its responsibilities relating to the commission or board. The costs may be charged against any revenue sources of the commission or board as determined by the commission or board.

- Subd. 2. On or before May 1 of each year, the council shall transmit to each commission of board an estimate of the costs which the council will incur in the discharge of its responsibilities related to the commission of board in the next budget year including, without limitation, costs in connection with the preparation, review, implementation and defense of plans, programs and budgets of the commission of board. Each commission of board shall include the estimates in its budget for the next budget year and may transmit its comments concerning the estimated amount to the council during the budget review process. Prior to December 15 of each year, the amount budgeted by each commission of board for the next budget year may be changed following approval by the council. During each budget year, the commission of board shall transfer budgeted funds to the council in advance when requested by the council.
- Subd. 3. At the conclusion of each budget year, the council, in cooperation with each commission or board, shall adopt a final statement of costs incurred by the council for each commission or board. Where costs incurred in the budget year have exceeded the amount budgeted, each commission or board shall transfer to the council the additional moneys needed to pay the amount of the costs in excess of the amount budgeted, and shall include a sum in its next budget. Any excess of budgeted costs over actual costs may be retained by the coun-

cil and applied to the payment of budgeted costs in the next year. Costs incurred during 1976 shall be reimbursed to the council on or before December 31, 1976, following receipt and in accordance with a statement of costs transmitted by the council. Notwithstanding the provisions of this section, after July 1, 1981, the metropolitan council shall not charge the regional transit board for any costs incurred by the council for the study of light rail transit unless the study plan and budget have been approved by the board.

Sec. 48. Minnesota Statutes 1993 Supplement, section 473.167, subdivision 1, is amended to read:

Subdivision 1. CONTROLLED ACCESS HIGHWAYS AND TRANSIT FIXED-GUIDEWAYS; COUNCIL APPROVAL. Before acquiring land for or constructing a controlled access highway or transit fixed-guideway in the area, the state transportation department or local government unit proposing the acquisition or construction shall submit to the council a statement describing the proposed project. The statement must be in the form and detail required by the council. Immediately upon receipt of the statement, the council shall transmit a copy to the regional transit board, which shall review and evaluate the project in relationship to the board's implementation plan and report its recommendations and comments to the council. The council shall also review the statement to ascertain its consistency with its policy plan and the development guide. No project may be undertaken unless the council determines that it is consistent with the policy plan and implementation plan. This approval is in addition to the requirements of any other statute, ordinance or rule.

- Sec. 49. Minnesota Statutes 1992, section 473.168, subdivision 2, is amended to read:
- Subd. 2. The metropolitan council in eonsultation with the regional transit board may require that any freeway constructed in the metropolitan area on which actual construction has not been commenced by April 12, 1974 include provisions for exclusive lanes for buses and, as the council may determine, other forms of multipassenger transit. The council, in making its determination, must demonstrate that the exclusive lanes are necessary to implement the transportation policy plan of the development guide.
- Sec. 50. Minnesota Statutes 1992, section 473.173, subdivision 3, is amended to read:
- Subd. 3. In developing the rules, the council and the advisory metropolitan land use committee, as defined in section 473.852, shall give consideration to all factors deemed relevant including but not limited to the following:
- (1) The impact a proposed matter will have on the orderly, economical development, public and private, of the metropolitan area and its consistency with the metropolitan development guide;
  - (2) The relationship a proposed matter will have to the policy statement

goals, standards, programs, and other applicable provisions of the development guide;

- (3) The impact a proposed matter will have on policy plans adopted by the council and on the implementation plans and functions performed and to be performed by a metropolitan agency that is subject to section 473.161;
- (4) Functions of municipal governments in respect to control of land use as provided for under the municipal planning act.
- Sec. 51. Minnesota Statutes 1992, section 473.173, subdivision 4, is amended to read:
- Subd. 4. The rules shall include, without limitation, provisions to effectuate and comply with the following powers and requirements:
- (1) No applicant shall be required to submit a proposed matter for review more than once unless it is materially altered.
- (1a) A public hearing shall be held prior to the final determination with regard to a proposed matter.
- (2) The council shall be empowered to suspend action on a proposed matter during the period of review and for a period not to exceed 12 months following the issuance of its final determination. In its final determination, the council may prescribe appropriate conditions with regard to a proposed matter which, if incorporated or complied with, would cause the council to remove the suspension.
- (3) The council's recommendation or determination concerning a proposed matter, including the determination as to its metropolitan significance, shall be issued within 90 days following its receipt of a proposal accompanied by adequate supporting information, unless all parties consent in writing to an extension. The council shall extend the time to complete the proceeding by an additional 30 days if the council determines that a fair hearing cannot be completed in the time allowed. To avoid duplication, the review may be suspended for not more than 90 days to await completion of review of a matter by another public agency.
- (4) The council shall be required to review a proposed matter upon request of an affected local governmental unit or metropolitan agency that is subject to section 473.161. The rules shall include a procedure for review of a proposed matter upon petition by a specified number of residents of the metropolitan area 18 years of age or older.
- (5) The council shall be empowered to review all proposed matters of metropolitan significance regardless of whether the council has received a request from an affected body to conduct that review.
  - (6) The council shall review all proposed matters determined to be of metro-

politan significance as to their consistency with and effect upon metropolitan system plans as defined in section 473.852 and their adverse effects on other local governmental units.

- (7) Previously The council's approved policy plans and implementation plans and areas of operational authority of metropolitan agencies that are subject to section 473.161 shall not be subject to review under this section, except as specifically provided in section 473.171.
- (8) When announcing the scope of a significance review in the notice commencing the review, the council shall state with particularity, with respect to each issue identified in the scoping document, the policies, provisions, statements, or other elements in metropolitan development guide chapters or policy plans and any other criteria or standards that will be considered or relied on in assessing and determining the metropolitan significance of the proposed project. The statement may be amended by notice to all parties given at least seven days before the public hearing. The statement does not preclude council comment on the consistency of the proposed project with any plans or policies of the council.
- (9) Hearings must be conducted in accordance with the following procedures, unless waived in writing by the parties:
  - (a) The parties have the right to counsel.
  - (b) All testimony must be under oath.
  - (c) A complete and accurate record of all proceedings must be maintained.
- (d) Any party or witness may be questioned by the hearing committee or judge, or by other parties.
- (e) The burden of proof that a matter is of metropolitan significance is on the council.
- (f) Decisions of the council on the metropolitan significance of a project must be based on a fair preponderance of the relevant evidence contained in the record and on written findings.
  - Sec. 52. Minnesota Statutes 1992, section 473.223, is amended to read:

## 473.223 FEDERAL AID.

For the purposes of this section the term "governmental subdivision" includes municipalities, counties and other political subdivisions generally. If federal aid for transportation programs and projects is otherwise unavailable to an existing agency or governmental subdivision, the metropolitan council may cooperate with the government of the United States and any agency or department thereof and the affected agency or other governmental subdivision in establishing metropolitan area eligibility to receive federal aid, and may comply with the provisions of the laws of the United States and any rules and regula-

tions made thereunder for the expenditure of federal moneys upon such projects as are proposed for federal assistance. If necessary to meet federal requirements, the council, the regional transit board, and the metropolitan transit commission may be considered a single eligible unit to carry out their respective responsibilities. The metropolitan council may accept federal aid and other aid, either public or private, for and in behalf of the metropolitan area or any governmental subdivision of the state, for transportation programs and projects within the metropolitan area upon such terms and conditions as are or may be prescribed by the laws of the United States and any rules or regulations made thereunder, and is authorized to act as agent of any governmental subdivision of the state with jurisdiction in the metropolitan area upon request of such subdivision in accepting the aid in its behalf for such programs or projects financed either in whole or in part by federal aid. The governing body of any such subdivision is authorized to designate the metropolitan council as its agent for such purposes and to enter into an agreement with the council prescribing the terms and conditions of the agency relationship in accordance with state and federal laws, rules and regulations. The metropolitan council is authorized to designate an appropriate state agency as its agent for such purposes and to enter into an agreement with such agency prescribing the terms and conditions of the agency relationship in accordance with state and federal laws, rules and regulations.

Nothing contained herein shall limit any separate authority of agencies or governmental subdivisions of the state to contract for and receive federal aid.

- Sec. 53. Minnesota Statutes 1992, section 473.303, subdivision 2, is amended to read:
- Subd. 2. MEMBERSHIP; APPOINTMENTS. The commission shall consist of eight members, plus a chair appointed as provided in subdivision 3. The metropolitan council shall appoint the eight members in accordance with the provisions of section 473.141. (a) The agency consists of eight members, plus a chair appointed as provided in subdivision 3. The metropolitan council shall appoint the eight members on a nonpartisan basis after consultation with the members of the legislature from the district for which the member is to be appointed. The consultation with legislators in the affected district must include informing each legislator of the name, address, and background of each candidate for appointment and soliciting and reporting to the appointments committee the recommendation of each legislator on the appointment.
- (b) In addition to the notice required in section 15.0597, subdivision 4, notice of vacancies and expiration of terms must be published in newspapers of general circulation in the metropolitan area and the appropriate districts. The council shall notify in writing the governing bodies of the statutory and home rule charter cities, counties, and towns having territory in the district for which the member is to be appointed. The notices must describe the appointment process and invite participation and recommendations on the appointment.
  - (c) The council shall establish an appointments committee, composed of

members of the council, to screen and review candidates. Following the submission of member applications to the metropolitan council as provided under section 15.0597, subdivision 5, the appointments committee shall conduct public meetings, following appropriate notice, to accept statements from or on behalf of persons who have applied or been nominated for appointment and to allow consultation with and secure the advice of the public and local elected officials. The committee shall hold the meeting on each appointment in the district or in a reasonably convenient and accessible location in the part of the metropolitan area in which the district is located. The committee may consolidate meetings. Following the meetings, the committee shall submit to the council a written report that lists the persons who have applied or been nominated or recommended for the position, along with a description of the background and qualifications of each. In making its recommendation, the committee specifically shall consider evidence of the candidate's commitment to regularly communicate on issues before the agency with metropolitan council members, legislators and local elected officials in the district, and the committee shall report its findings on this subject in its written report to the council.

- (d) One member shall be appointed from each of the following agency districts:
  - (1) district A, consisting of council districts 1 and 2;
  - (2) district B, consisting of council districts 3 and 4;
  - (3) district C, consisting of council districts 5 and 6;
  - (4) district D, consisting of council districts 7 and 8;
  - (5) district E, consisting of council districts 9 and 10;
  - (6) district F, consisting of council districts 11 and 12;
  - (7) district G, consisting of council districts 13 and 14; and
  - (8) district H, consisting of council districts 15 and 16.
- Sec. 54. Minnesota Statutes 1992, section 473.303, subdivision 3a, is amended to read:
- Subd. 3a. MEMBERS; DUTIES. Members have the duties imposed by section 473.141, subdivision 3a. Each member shall communicate regularly with metropolitan council members, legislators, and local government officials in the district the member represents.
- Sec. 55. Minnesota Statutes 1992, section 473.303, subdivision 4, is amended to read:
- Subd. 4. QUALIFICATIONS. Each member shall be a resident of the commission district for which appointed and shall not during terms of office as

a commission member hold the office of metropolitan council member, or be a member of the metropolitan transit commission, metropolitan waste control commission, or metropolitan airports commission; or any other metropolitan agency, board, or commission hereafter established by the legislature or hold any judicial office.

- Sec. 56. Minnesota Statutes 1992, section 473.303, subdivision 4a, is amended to read:
- Subd. 4a. TERMS. Following each apportionment of metropolitan council districts, as provided under section 473.123, subdivision 3a, the metropolitan council appointed as provided in section 473.123, subdivision 3a, shall appoint a chair and eight commission members from newly drawn districts. The terms of members and chairs are as follows: members representing commission districts A, B, C, and D, and the chair of the commission, for terms ending the first Monday in January of the year ending in the numeral "7"; members representing commission districts E, F, G, and H, for terms ending the first Monday in January of the year ending in the numeral "5." Thereafter the term of each member and the chair is four years, with terms ending the first Monday in January, except that all terms expire on the effective date of the next apportionment. The chair shall continue to serve until a successor is appointed and qualified. A member shall continue to serve the commission district until a successor is appointed and qualified; except that, following each apportionment, the member shall continue to serve at large until the metropolitan council appointed pursuant to section 473.123, subdivision 3a appoints eight commission members as provided under subdivision 2, to serve terms as provided under this subdivision. The appointments to the commission must be made by the first Monday in May of the year in which the term ends.
- Sec. 57. Minnesota Statutes 1992, section 473.303, subdivision 5, is amended to read:
- Subd. 5. VACANCIES; REMOVAL. If the office of any commission member or the chair becomes vacant, the vacancy shall be filled by appointment in the same manner the original appointment was made. Members, other than the chair, may be removed by the council only for cause in the manner specified in chapter 351. The chair may be removed at the pleasure of the council.
- Sec. 58. Minnesota Statutes 1992, section 473.303, subdivision 6, is amended to read:
- Subd. 6. COMPENSATION. Members and the chair shall be empensated as provided in section 473.141, subdivision 7 paid \$50 for each day when the member or chair attends one or more meetings, or provides other services, as authorized by the commission, and shall be reimbursed for all actual and necessary expenses incurred in the performance of duties.
- Sec. 59. Minnesota Statutes 1992, section 473.371, subdivision 1, is amended to read:

- Subdivision 1. **POLICY.** The legislature finds that, for the provision of essential mobility and transportation options in the metropolitan area, for the encouragement of alternatives to the single-occupant vehicle and for the development of transportation service designed to meet public needs efficiently and effectively, there is a need for the creation of regional transit programs and agencies with the powers and duties prescribed by law in the metropolitan area.
- Sec. 60. Minnesota Statutes 1992, section 473.373, subdivision 1a, is amended to read:
  - Subd. 1a. DUTIES OF THE BOARD. (a) The duties of the board are:
- (1) to foster effective delivery of existing transit services and encourage innovation in transit service;
  - (2) to increase transit service in suburban areas;
- (3) to prepare implementation and financial plans for the metropolitan transit system;
- (4) to set policies and standards for implementing the transit policies and programs of the state and the transit policies of the metropolitan council in the metropolitan area;
- (5) to advise and work cooperatively with local governments, regional rail authorities, and other public agencies, transit providers, developers, and other persons in order to coordinate all transit modes and to increase the availability of transit services;
  - (6) to conduct transit research and evaluation; and
  - (7) to administer state and metropolitan transit subsidies.
- (b) Except as provided in section 473.386, the board shall arrange with others for the delivery and provision of transit services and facilities. To the greatest extent possible, the board shall avoid direct operational planning, administration, and management of specific transit services and facilities.
- (c) The board shall advise the council, the council's transportation advisory board, the department of transportation, political subdivisions, and private developers on the transit aspects and effects of proposed transportation plans and development projects and on methods of improving the coordination, availability, and use of transit services as part of an efficient and effective overall transportation system.
- Sec. 61. Minnesota Statutes 1992, section 473.375, subdivision 4, is amended to read:
- Subd. 4. PROPERTY. The board may acquire by purchase, lease, gift, or grant property and interests in property necessary for the accomplishment of its

purposes and may sell or otherwise dispose of property which it no longer requires. The board may not rent or lease any premises from a recipient of financial assistance from the board. Except for the rental or lease of its office space, the board may not acquire or hold any permanent or temporary right, title, or interest in or to real property, including easements or development rights. Except as provided in section 473.386, the board may not acquire or hold any permanent or temporary right, title, or interest in or to transit vehicles.

- Sec. 62. Minnesota Statutes 1992, section 473.375, subdivision 11, is amended to read:
- Subd. 11. RIDESHARING. Upon certification by the board, after June 30, 1985, that it has adopted an approved interim implementation plan and is ready to assume responsibilities for the program, the board shall assume the responsibilities identified by the board that are imposed on the commissioner of transportation, the metropolitan council, or the transit commission pursuant to section 174.257 and other applicable provisions of law for the establishment and implementation of a ridesharing program in the metropolitan area, except for the statewide vanpool leasing program conducted by the commissioner. The commissioner, the council, and the commission shall cooperate with the board in the transfer of these duties and The council shall administer a ridesharing program in the metropolitan area, except for the statewide vanpool leasing program conducted by the commissioner of transportation and shall cooperate with the commissioner in the conduct of ridesharing activities in areas where the commissioner's programs and the board's council's program overlap. The board council shall establish a rideshare advisory committee to advise it in carrying out the program. The board council may contract for services in operating the program.
- Sec. 63. Minnesota Statutes 1992, section 473.375, subdivision 12, is amended to read:
- Subd. 12. ASSISTANCE. The board council shall offer, use, and apply its services to assist and advise transit providers in the metropolitan transit area in the planning, promotion, development, operation, and evaluation of programs and projects which are undertaken or proposed to be undertaken by contract with the board council, and shall seek out and select recipients of this assistance and advice.
- Sec. 64. Minnesota Statutes 1992, section 473.375, subdivision 13, is amended to read:
- Subd. 13. FINANCIAL ASSISTANCE. The board council may provide financial assistance to the commission and other providers as provided in sections 473.371 to 473.449 in furtherance of and in conformance with the implementation plan of the board. The board council may not use the proceeds of bonds issued by the council under section 473.39 to provide capital assistance to private, for-profit operators of public transit.

No political subdivision within the metropolitan area may apply for federal transit assistance unless its application has been submitted to and approved by the council.

- Sec. 65. Minnesota Statutes 1992, section 473.375, subdivision 14, is amended to read:
- Subd. 14. **COORDINATION.** The board council shall coordinate transit operations within the metropolitan area and shall establish a transit information program to provide transit users with accurate information on transit schedules and service.
- Sec. 66. Minnesota Statutes 1992, section 473.375, subdivision 15, is amended to read:
- Subd. 15. **PERFORMANCE STANDARDS.** The board council may establish performance standards for recipients of financial assistance.
- Sec. 67. Minnesota Statutes 1992, section 473.375, subdivision 18, is amended to read:
- Subd. 18. **OPERATIONS.** The board may not own or operate transit services, except as provided in section 473.386.
  - Sec. 68. Minnesota Statutes 1992, section 473.382, is amended to read:

## 473.382 LOCAL PLANNING AND DEVELOPMENT PROGRAM.

In preparing and amending its implementation plan pursuant to section 473.377, The transit board council shall establish a program to ensure participation by representatives of local government units and the coordination of the planning and development of transit by local government units. The board council shall encourage the establishment of local transit planning and development boards by local governments for the purpose of:

- (a) assisting and advising the transit board in preparing the implementation plan; including the identification of identifying service needs and objectives;
- (b) preparing, or advising and assisting local units of government in preparing the transit study and service plan required by section 473.384;
- (c) preparing or advising the transit board council in the review of applications for assistance under section 473.384.

The board council may provide local boards with whatever assistance it deems necessary and appropriate.

Sec. 69. Minnesota Statutes 1992, section 473.384, subdivision 1, is amended to read:

Subdivision 1. CONTRACTS REQUIRED. The transit board council shall

make contracts with eligible recipients for financial assistance to transit service within the metropolitan area. The board council may not give financial assistance to a <u>another</u> transit provider other than the commission without first having executed a contract. The provisions of this section do not apply to contracts made under sections 473.386 and 473.388.

- Sec. 70. Minnesota Statutes 1992, section 473.384, subdivision 3, is amended to read:
- Subd. 3. APPLICATIONS. The board council shall establish procedures and standards for review and approval of applications for financial assistance under this section consistent with its approved implementation plan. An applicant must provide the board council with the financial and other information the board council requires to carry out its duties. The board council may specify procedures, including public hearing requirements, to be followed by applicants that are cities, towns, or counties or combinations thereof in conducting transit studies and formulating service plans under subdivisions 4 and 5.
- Sec. 71. Minnesota Statutes 1992, section 473.384, subdivision 4, is amended to read:
- Subd. 4. TRANSIT STUDY. The board council shall require that prior to applying for financial assistance by contract under clause (a) of subdivision 2, the applicant must prepare and submit a transit study which includes the following elements:
- (a) a determination of existing and future transit needs within the area to be served, and an assessment of the adequacy of existing service to meet the needs;
- (b) an assessment of the level and type of service required to meet unmet needs;
- (c) an assessment of existing and future resources available for the financing of transit service; and
- (d) the type or types of any new government arrangements or agreements needed to provide adequate service.

The transit study for any applicant may be done by the board council.

- Sec. 72. Minnesota Statutes 1992, section 473.384, subdivision 5, is amended to read:
- Subd. 5. SERVICE PLAN. The board council shall, before making a contract with an eligible recipient, require the submission of a service plan which includes the following elements:
- (a) a description of the service proposed for financial assistance, including vehicles, routes, and schedules;

- (b) an assessment of the extent to which the proposed service meets the needs as determined by the transit study;
- (c) a description of the contract administration and review process if the operation of the proposed service is to be done by a private contractor;
- (d) a description of the amount required to establish and operate the proposed service and the proposed sources of the required amount including operating revenue, other local sources, and assistance from the board council and from federal sources;
  - (e) the fare structure of the proposed service; and
  - (f) projections of usage of the system.

The board council may specify procedures, including public hearing requirements, to be followed by applicants that are cities, towns, or counties or combinations thereof in conducting transit studies and formulating service plans.

- Sec. 73. Minnesota Statutes 1992, section 473.384, subdivision 6, is amended to read:
- Subd. 6. FINANCIAL ASSISTANCE FOR CERTAIN PROVIDERS. The board council shall provide financial assistance to recipients who were receiving assistance by contract with the commissioner of transportation under Minnesota Statutes 1982, section 174.24, subdivision 3 on July 1, 1984, so that the percentage of total operating cost, as defined by the board council, paid by the recipient from all local sources of revenue, including operating revenue, does not exceed the percentage for the recipient's classification as determined by the commissioner of transportation under the commissioner's final contract with the recipient. The board council may include funds received under section 473.446, subdivision 1a, as a local source of revenue. The remainder of the total operating cost will be paid by the board council less all assistance received by the recipient for that purpose from any federal source.

If a recipient informs the board <u>council</u> in writing prior to the distribution of financial assistance for any year that paying its designated percentage of total operating cost from local sources will cause undue hardship, the <u>board council</u> may adjust the percentage as it deems equitable. If for any year the funds available to the <u>board council</u> are insufficient to allow the <u>board council</u> to pay its share of total operating cost for those recipients, the <u>board council</u> shall reduce its share in each classification to the extent necessary.

- Sec. 74. Minnesota Statutes 1992, section 473.384, subdivision 7, is amended to read:
- Subd. 7. MTC TRANSIT OPERATIONS IMPACT ASSESSMENT. Prior to entering into a contract for operating assistance with a recipient other than the transit commission, the board council shall evaluate the effect, if any, of the contract on the ridership, routes, schedules, fares, and staffing levels of the existing and proposed service provided by the commission council. A copy of the

assessment must be provided to the commission. The board council may enter into the contract only if it determines that the service to be assisted under the contract will not impose an undue hardship on the ridership or financial condition of the commission the council's transit operations. The requirements of this subdivision do not apply to contracts for assistance to recipients who, as part of a negotiated cost-sharing arrangement with the board council, pay a substantial part of the cost of services that directly benefit the recipient as an institution or organization.

- Sec. 75. Minnesota Statutes 1992, section 473.384, subdivision 8, is amended to read:
- Subd. 8. PARATRANSIT CONTRACTS. In executing and administering contracts for paratransit projects, the board council has the powers and duties given to the commissioner of transportation in section 174.255, subdivisions 1 and 2 relating to handicapped accessibility and insurance coverage. The provisions of section 174.255, subdivision 3, apply to paratransit projects which receive assistance by contract with the board council.
  - Sec. 76. Minnesota Statutes 1992, section 473.385, is amended to read:

#### 473.385 TRANSIT SERVICE AREAS.

Subdivision 1. **DEFINITIONS.** (a) "Fully developed service area" means the fully developed area, as defined in the metropolitan council's development investment framework guide, plus the cities of Mendota Heights, Maplewood, North St. Paul, and Little Canada.

- (b) "Regular route transit" has the meaning given it in section 174.22, subdivision 8, except that, for purposes of this section, the term does not include services on fixed routes and schedules that are primarily intended to provide circulator service within a community or adjacent communities rather than feeder service to the system of metropolitan regular route transit operated by the emmission council.
- Subd. 2. SERVICE AREAS. The regional transit board council may provide financial assistance (whether directly or through another entity) to private, for-profit operators of public transit only for the following services:
  - (1) services that are not regular route services;
- (2) regular route services provided on June 2, 1989, by a private, for-profit operator under contract with the board council or under a certificate of convenience and necessity issued by the transportation regulation board;
- (3) regular route services outside of the fully developed service area that are not operated on June 2, 1989, by the eommission council;
  - (4) regular route services provided under section 473.388;

- (5) regular route services to recipients who, as part of a negotiated costsharing arrangement with the board council, pay at least 50 percent of the cost of the service that directly benefits the recipient as an institution or organization; or
- (6) regular route services that the board and the commission agree are not or will not be operated for a reasonable subsidy by the commission council.
- Sec. 77. Minnesota Statutes 1992, section 473.386, subdivision 1, is amended to read:
- Subdivision 1. **SERVICE OBJECTIVES.** The transit board council shall implement a special transportation service, as defined in section 174.29, in the metropolitan area. The service has the following objectives:
- (a) to provide greater access to transportation for the elderly, handicapped, and others with special transportation needs in the metropolitan area;
- (b) to develop an integrated system of special transportation service providing transportation tailored to meet special individual needs in the most cost-efficient manner; and
- (c) to use existing public, private, and private nonprofit providers of service wherever possible, to supplement rather than replace existing service, and to increase the productivity of all special transportation vehicles available in the area.
- Sec. 78. Minnesota Statutes 1992, section 473.386, subdivision 2, is amended to read:
- Subd. 2. SERVICE CONTRACTS; MANAGEMENT; TRANSPORTATION ACCESSIBILITY ADVISORY COMMITTEE. (a) The board shall may contract for services necessary for the provision of special transportation. All Transportation service must be provided under a contract between the board and the provider which specifies must specify the service to be provided, the standards that must be met, and the rates for operating and providing special transportation services.
- (b) The board shall establish management policies for the service but shall and may contract with a service administrator for day-to-day administration and management of the service. The Any contract must delegate to the service administrator clear authority to administer and manage the delivery of the service pursuant to board management policies and must establish performance and compliance standards for the service administrator. The board may provide directly day to day administration and management of the service and may own or lease vehicles used to provide the service.
- (c) The metropolitan council shall review and approve the board's proposed action under paragraph (a) or (b).

- (d) The board shall ensure that the service administrator establishes a system for registering and expeditiously responding to complaints by users, informing users of how to register complaints, and requiring providers to report on incidents that impair the safety and well-being of users or the quality of the service. The board shall annually report to the commissioner of transportation and the legislature on complaints and provider reports, the response of the service administrator, and steps taken by the board and the service administrator to identify causes and provide remedies to recurring problems.
- (d) (e) Within 90 days following August 1, 1987, the board shall hold a public hearing on standards for provider eligibility, selection, performance, compliance, and evaluation; the terms of provider contracts and the contract with the service administrator and related contract management policies and procedures of the board; fare policies; service areas, hours, standards, and procedures; and similar matters relating to implementation of the service. Each year before renewing contracts with providers and the service administrator, the board shall provide an opportunity for the transportation accessibility advisory committee, users, and other interested persons to testify before the board concerning providers, contract terms, and other matters relating to board policies and procedures for implementing the service.
- (e) (f) The board shall establish a transportation accessibility advisory committee. The transportation accessibility advisory committee must include elderly and handicapped persons, other users of special transportation service, representatives of persons contracting to provide special transportation services, and representatives of appropriate agencies for elderly and handicapped persons to advise the board on management policies for the service. At least half the transportation accessibility advisory committee members must be disabled or elderly persons or the representatives of disabled or elderly persons. Two of the appointments to the transportation accessibility advisory committee shall be made by the council on disability in consultation with the chair of the regional transit board.
- Sec. 79. Minnesota Statutes 1993 Supplement, section 473.386, subdivision 2a, is amended to read:
- Subd. 2a. **ELIGIBILITY CERTIFICATION.** The board council shall include the notice of penalty for fraudulent certification, and require the person certifying the applicant to sign the eligibility certification form and the applicant to sign the application form, as provided in section 174,295.
- Sec. 80. Minnesota Statutes 1992, section 473.386, subdivision 3, is amended to read:
- Subd. 3. **DUTIES OF BOARD COUNCIL**. In implementing the special transportation service, the board council shall:
- (a) encourage participation in the service by public, private, and private nonprofit providers of special transportation currently receiving capital or operating assistance from a public agency;

- (b) contract with public, private, and private nonprofit providers that have demonstrated their ability to effectively provide service at a reasonable cost;
- (c) encourage individuals using special transportation to use the type of service most appropriate to their particular needs;
- (d) ensure that all persons providing special transportation service receive equitable treatment in the allocation of the ridership;
  - (e) encourage shared rides to the greatest extent practicable;
- (f) encourage public agencies that provide transportation to eligible individuals as a component of human services and educational programs to coordinate with this service and to allow reimbursement for transportation provided through the service at rates that reflect the public cost of providing that transportation;
- (g) establish criteria to be used in determining individual eligibility for special transportation services;
- (h) consult with the transportation accessibility advisory committee in a timely manner before changes are made in the provision of special transportation services, including, but not limited to, changes in policies affecting the matters subject to hearing under subdivision 2;
- (i) provide for effective administration and enforcement of board council policies and standards; and
- (j) annually evaluate providers of special transportation service to ensure compliance with the standards established for the program.
- Sec. 81. Minnesota Statutes 1992, section 473.386, subdivision 4, is amended to read:
- Subd. 4. COORDINATION REQUIRED. The board council may not grant any financial assistance to any recipient that proposes to use any part of the grant to provide special transportation service in the metropolitan area unless the program is coordinated with the board's council's special transportation service in the manner determined by the board council. The board council is not required to provide funding for transportation services from a residence to a service site and home again when the services are used by individuals in conjunction with their participation in human service developmental achievement center programs in which transportation to and from the program is a required and funded component of those programs.
- Sec. 82. Minnesota Statutes 1992, section 473.386, subdivision 5, is amended to read:
- Subd. 5. EQUITABLE ALLOCATION AND ANNUAL REALLOCATION. The beard council shall distribute all available funding under this section

in a manner designed to achieve an equitable allocation of special transportation services based on the proportion of the number of elderly, handicapped, disabled, or economically disadvantaged individuals with special transportation needs who actually use the special transportation service.

- Sec. 83. Minnesota Statutes 1992, section 473.386, subdivision 6, is amended to read:
- Subd. 6. OPERATING AND SERVICE STANDARDS. A person operating or assisting the operation of a vehicle may leave the vehicle to enter premises in order to help a passenger who does not require emergency ambulance service. Operators and assistants shall provide the help necessary for doorthrough-door service, including help in entering and leaving the vehicle and help through the exterior entrance and over any exterior steps at either departure or destination buildings, provided that both the steps and the wheelchair are in good repair. If an operator or assistant refuses help because of the condition of the steps or the wheelchair, the operator of the service shall send letters to the service administrator designated by the board council, who shall notify the person denied service describing the corrective measures necessary to qualify for service.
- Sec. 84. Minnesota Statutes 1992, section 473.387, subdivision 2, is amended to read:
- Subd. 2. ADMINISTRATION. The regional transit board council shall design and administer the programs under this section. The board council may request proposals for projects to demonstrate methods of achieving the purposes of programs administered under this section. The board council shall design or ensure the design of programs that will provide better access for the targeted service groups to places of employment and activity throughout the metropolitan area, using regular route transit, paratransit, taxis, car or van pools, or other means of conveyance. The board council may organize the services by providing to individuals, directly or indirectly, reduced fares or passes on public transit or vouchers to be used to purchase transportation; by contracting with public and private providers; by arrangements with government agencies, civic and community organizations or nonprofit groups providing assistance to the targeted service groups; by arrangements with prospective employers, with employment, education, retail, medical, or other activity centers, or with local governments; or by any other methods designed to improve service and reduce costs to the targeted service groups.
- Sec. 85. Minnesota Statutes 1992, section 473.387, subdivision 3, is amended to read:
- Subd. 3. **JOBSEEKERS.** The board council shall establish a program and policies to increase the availability and utility of public transit services and reduce transportation costs for persons who are seeking employment and who lack private means of transportation.

- Sec. 86. Minnesota Statutes 1992, section 473.387, subdivision 4, is amended to read:
- Subd. 4. TRANSIT DISADVANTAGED. The board council shall establish a program and policies to reduce transportation costs for persons who are, because of limited incomes, age, disability, or other reasons, especially dependent on public transit for common mobility.
- Sec. 87. Minnesota Statutes 1992, section 473.388, subdivision 2, is amended to read:
- Subd. 2. REPLACEMENT SERVICE; ELIGIBILITY. The transit board council may provide assistance under the program to a statutory or home rule charter city or town or combination thereof, that:
  - (a) is located in the metropolitan transit taxing district;
- (b) is not served by the transit eommission council bus service or is served only with transit commission council bus routes which begin or end within the applying city or town or combination thereof; and
- (c) has fewer than four scheduled runs of metropolitan transit commission council bus service during off-peak hours defined in section 473.408, subdivision

Eligible cities or towns or combinations thereof may apply on behalf of a transit operator with whom they propose to contract for service.

The board council may not provide assistance under this section to a statutory or home rule charter city or town unless the city or town,

- (i) was receiving assistance under Minnesota Statutes 1982, section 174.265 by July 1, 1984,
- (ii) had submitted an application for assistance under that section by July 1, 1984, or
- (iii) had submitted a letter of intent to apply for assistance under that section by July 1, 1984, and submits an application for assistance under this section by July 1, 1988. A statutory or home rule charter city or town has an additional 12-month extension if it has notified the former regional transit board before July 1, 1988, that the city or town is in the process of completing a transportation evaluation study that includes an assessment of the local transit needs of the city or town.
- Sec. 88. Minnesota Statutes 1992, section 473.388, subdivision 3, is amended to read:
- Subd. 3. APPLICATION FOR ASSISTANCE. An application for assistance under this section must:

- (a) describe the existing service provided to the applicant by the transit eommission council, including the estimated number of passengers carried and the routes, schedules, and fares;
- (b) describe the transit service proposed for funding under the demonstration program, including the anticipated number of passengers and the routes, schedules, and fares; and
- (c) indicate the total amount of available local transit funds, the portion of the available local transit funds proposed to be used to subsidize replacement services, and the amount of assistance requested for the replacement services.
- Sec. 89. Minnesota Statutes 1992, section 473.388, subdivision 4, is amended to read:
- Subd. 4. FINANCIAL ASSISTANCE. The board council may grant the requested financial assistance if it determines that the proposed service is consistent with the approved implementation plan and is intended to replace the service to the applying city or town or combination thereof by the transit commission council and that the proposed service will meet the needs of the applicant at least as efficiently and effectively as the existing service.

The amount of assistance which the board council may provide under this section may not exceed the sum of:

- (a) the portion of the available local transit funds which the applicant proposes to use to subsidize the proposed service; and
- (b) an amount of financial assistance bearing an identical proportional relationship to the amount under clause (a) as the total amount of financial assistance to the transit eommission council bears to the total amount of taxes collected by the board council under section 473.446. The board council shall pay the amount to be provided to the recipient from the assistance the board council would otherwise pay to the transit eommission council.

For purposes of this section "available local transit funds" means 90 percent of the tax revenues which would accrue to the board council from the tax it levies under section 473.446 in the applicant city or town or combination thereof.

For purposes of this section, "tax revenues" in the city or town means the sum of the following:

- (1) the nondebt spread levy, which is the total of the taxes extended by application of the local tax rate for nondebt purposes on the taxable net tax capacity;
- (2) the portion of the fiscal disparity distribution levy under section 473F.08, subdivision 3, attributable to nondebt purposes; and
  - (3) the portion of the homestead credit and agricultural credit aid and dis-

parity reduction aid amounts under section 273.1398, subdivisions 2 and 3, attributable to nondebt purposes.

Tax revenues do not include the state feathering reimbursement under section 473.446.

- Sec. 90. Minnesota Statutes 1992, section 473.388, subdivision 5, is amended to read:
- Subd. 5. OTHER ASSISTANCE. A city or town receiving assistance under this section may also receive assistance from the board council under section 473.384. In applying for assistance under that section an applicant must describe the portion of the available local transit funds which are not obligated to subsidize replacement service and which the applicant proposes to use to subsidize additional service. An applicant which has exhausted its available local transit funds may use any other local subsidy funds to complete the required local share.
- Sec. 91. Minnesota Statutes 1992, section 473.39, subdivision 1, is amended to read:

Subdivision 1. GENERAL AUTHORITY. The council, if requested by vote of at least two-thirds of all of the members of the transit board, may issue general obligation bonds subject to the volume limitations in this section to provide funds to the board for expenditure to implement the board's approved implementation plan council's transit capital improvement program and may issue general obligation bonds not subject to the limitations for the refunding of outstanding bonds or certificates of indebtedness of the council, the former regional transit board or the former metropolitan transit commission, and judgments against the former regional transit board or the former metropolitan transit commission or the council. The council may not unreasonably withhold the issuance of obligations for an implementation plan that has been approved by the couneil. The council may not issue obligations pursuant to this subdivision, other than refunding bonds, in excess of the amount specifically authorized by law. Except as otherwise provided in sections 473.371 to 473.449, the council shall provide for the issuance, sale, and security of the bonds in the manner provided in chapter 475, and has the same powers and duties as a municipality issuing bonds under that law, except that no election is required and the net debt limitations in chapter 475 do not apply to the bonds. The obligations are not a debt of the state or any municipality or political subdivision within the meaning of any debt limitation or requirement pertaining to those entities. Neither the state, nor any municipality or political subdivision except the council and board, nor any member or officer or employee of the board or council, is liable on the obligations. The obligations may be secured by taxes levied without limitation of rate or amount upon all taxable property in the transit taxing district and transit area as provided in section 473.446, subdivision 1, clause (c). The council shall certify to the transit board before October 1 of each year the amounts necessary to provide full and timely payment of the obligations. As part of its levy made

under section 473.446, subdivision 1, clause (c), the board council shall levy the amounts eertified by the eouncil necessary to provide full and timely payment of the obligations and transfer the proceeds to the appropriate council account for payment of the obligations. The taxes must be levied, certified, and collected in accordance with the terms and conditions of the indebtedness.

- Sec. 92. Minnesota Statutes 1992, section 473.39, subdivision 1a, is amended to read:
- Subd. 1a. **OBLIGATIONS.** (a) After August 1, 1989, the council may issue certificates of indebtedness, bonds, or other obligations under this section in an amount not exceeding \$26,000,000 \$30,700,000 for transit financial assistance to the commission, as prescribed in the implementation and council's capital plans of the board and the capital improvement program of the commission.
- (b) After August 1, 1989, the council may issue certificates of indebtedness, bonds, or other obligations under this section in an amount not exceeding \$4,700,000 for other capital expenditures as prescribed in the implementation and capital plans of the board.
- (e) The board shall require, As a condition of the use of transit financial assistance to the commission, that the commission make under this section, the council must make the transit facilities it constructs, acquires, or improves for I-394 with funds provided under this section available to all transit providers on a nondiscriminatory basis, as the board council defines these terms.
- (d) (c) The limitation contained in this subdivision does not apply to refunding bonds issued by the council.
- Sec. 93. Minnesota Statutes 1992, section 473.39, subdivision 1b, is amended to read:
- Subd. 1b. **OBLIGATIONS**; 1993-1996. The council may also issue certificates of indebtedness, bonds, or other obligations under this section in an amount not exceeding \$62,000,000, of which \$44,000,000 may be used by the commission for council transit fleet replacement, transit facilities, and transit capital equipment, and \$18,000,000 may be used by the board for transit hubs, park-and-ride lots, community-based transit vehicles and replacement service program vehicles, and intelligent vehicle highway systems projects, and related costs including the cost of issuance and sale of the obligations. The council may issue \$32,000,000 of the total amount authorized under this subdivision during fiscal biennium ending 1993, \$30,000,000 during fiscal biennium ending 1995.
- Sec. 94. Minnesota Statutes 1992, section 473.39, is amended by adding a subdivision to read:
- Subd. 4. TRANSIT CAPITAL IMPROVEMENT PROGRAM. The council may not issue obligations pursuant to this section until the council adopts a three-year transit capital improvement program. The program must include a

New language is indicated by <u>underline</u>, deletions by <del>strikeout</del>.

capital investment component that sets forth a capital investment strategy and estimates the fiscal and other effects of the strategy. The component must specify, to the extent practicable, the capital improvements to be undertaken. For each improvement specified, the program must describe: (1) need, function, objective, and relative priority; (2) alternatives, including alternatives not involving capital expenditures; (3) ownership and operating entity; (4) location and schedule of development; (5) environmental, social, and economic effects; (6) cost; (7) manner of finance and revenue sources, including federal and state funds, private funds, taxes, and user charges; and (8) fiscal effects, including an estimate of annual operating costs and sources of revenue to pay the costs.

Sec. 95. Minnesota Statutes 1992, section 473.391, is amended to read:

## 473.391 ROUTE PLANNING AND SCHEDULING.

The regional transit board shall council may contract with the metropolitan transit eemmission or other operators or local governments for route planning and scheduling services in any configuration of new or reconfiguration of existing transit services and routes, including route planning and scheduling necessary for the test marketing program, the service bidding program, and the interstate highway described in section 161.123, clause (2), commonly known as I-394. Route planning and scheduling is subject to approval by the board for conformity to the board's transit implementation plans and route, schedule, and other service standards, objectives, and policies established by the board.

Sec. 96. Minnesota Statutes 1992, section 473.392, is amended to read:

## 473,392 SERVICE BIDDING.

The regional transit board council may competitively bid transit service only in accordance with standards, procedures, and guidelines adopted by resolution of the board council. The board council shall establish a project management team to assist and advise the board council in developing and implementing standards, procedures, and guidelines. The project management team must include representatives of the metropolitan transit commission, the Amalgamated Transit Union Local 1005, private operators, local governments, and other persons interested in the subject. At least 60 days before adopting any standards, procedures, or guidelines for competitive bidding of transit service, the board council shall hold a public hearing on the subject. The board council shall publish notice of the hearing in newspapers of general circulation in the metropolitan area not less than 15 days before the hearing. At the hearing all interested persons must be afforded an opportunity to present their views orally and in writing. Following the hearing, and after considering the testimony, the board council shall revise and adopt the standards, procedures, and guidelines.

Sec. 97. Minnesota Statutes 1992, section 473.394, is amended to read:

## 473.394 BOARD COUNCIL EXEMPT FROM TAXATION.

The properties, moneys, and other assets of the transit board council, all revenues or other income of the board council, are exempt from all taxation, licenses, fees, or charges of any kind imposed by the state or by any county, municipality, political subdivision, taxing district, or other public agency or body of the state.

Sec. 98. Minnesota Statutes 1992, section 473.399, as amended by Laws 1993, chapter 353, sections 5 and 20, is amended to read:

## 473.399 LIGHT RAIL TRANSIT; REGIONAL PLAN.

Subdivision 1. GENERAL REQUIREMENTS. (a) The transit board council shall adopt a regional light rail transit plan as part of the implementation plan pursuant to section 473.161, to ensure that light rail transit facilities in the metropolitan area will be acquired, developed, owned, and capable of operation in an efficient, cost-effective, and coordinated manner as an integrated and unified system on a multicounty basis in coordination with buses and other transportation modes and facilities. To the extent practicable, the board council shall incorporate into its plan appropriate elements of the plans of regional railroad authorities in order to avoid duplication of effort.

- (b) The regional plan required by this section must be adopted by the board council before the commissioner of transportation may begin construction of light rail transit facilities and before the commissioner may expend funds appropriated or obtained through bonding for constructing light rail transit facilities. Following adoption of the regional plan, each regional railroad authority and the commissioner of transportation shall act in conformity with the plan. The commissioner shall prepare or amend the final design plans as necessary to make the plans consistent with the regional plan.
- (c) Throughout the development and implementation of the plan, the board council shall contract for or otherwise obtain engineering services to assure that the plan adequately addresses the technical aspects of light rail transit.
- Sec. 99. Minnesota Statutes 1993 Supplement, section 473.3994, subdivision 10, is amended to read:
- Subd. 10. CORRIDOR MANAGEMENT COMMITTEE. A corridor management committee shall be established to advise the commissioner of transportation in the design and construction of light rail transit in each corridor to be constructed. The corridor management committee shall consist of the members of the light rail transit joint powers board established pursuant to section 473.3998 and one representative from each city in which the corridor is located. Additionally, the commissioner of transportation; the chair and three representatives of the metropolitan council; the chair of the regional transit board, and the chair of the metropolitan transit commission shall each appoint a member to the committee. For the corridor between Minneapolis and St. Paul, the University of Minnesota shall appoint one member to the committee. The A member representing the regional transit board metropolitan council shall chair the committee.

The corridor management committee shall advise the commissioner of transportation and the regional railroad authority or authorities in whose jurisdiction the line or lines are located on issues relating to the alternatives analysis, environmental review, preliminary design, preliminary engineering, final design, implementation method, and construction of light rail transit.

Sec. 100. Minnesota Statutes 1993 Supplement, section 473.3997, is amended to read:

## 473.3997 FEDERAL FUNDING; LIGHT RAIL TRANSIT.

- (a) Upon completion of the alternatives analysis and draft environmental impact statement for the central corridor transit improvement project, the regional transit board council, the commissioner of transportation, and the affected regional rail authorities may prepare a joint application for federal assistance for light rail transit facilities in the metropolitan area. The application must be reviewed and approved by the metropolitan council before it is submitted by the board council and the commissioner. In reviewing the application the council must consider the information submitted to it under section 473.3994, subdivision 9. The board and the commissioner must consult with the council in preparing the application:
- (b) Until the application described in paragraph (a) is submitted, no political subdivision in the metropolitan area may on its own apply for federal assistance for light rail transit planning or construction.
- Sec. 101. Minnesota Statutes 1992, section 473.405, subdivision 1, is amended to read:
- Subdivision 1. **GENERAL.** The transit commission metropolitan council has the powers and duties prescribed by sections 473.404 to 473.449 and all powers necessary or convenient to discharge its duties.
- Sec. 102. Minnesota Statutes 1992, section 473.405, subdivision 3, is amended to read:
- Subd. 3. **PROPERTY** CONDEMNATION. The eommission council may for transit purposes acquire; own, hold, use, improve, operate, maintain, lease, exchange, transfer, sell, or otherwise dispose of property, franchises, easements, or property rights or interests of any kind. The eommission may acquire by purchase, lease, gift, or condemnation proceedings pursuant to chapter 117. Except as provided in subdivision 9, the eommission council may take possession of any property for which condemnation proceedings have been commenced at any time after the filing of the petition describing the property in the proceedings. The eommission council may contract with an operator or other persons for the use by the operator or person of any property under the eommission's council's control.
- Sec. 103. Minnesota Statutes 1992, section 473.405, subdivision 4, is amended to read:

- Subd. 4. TRANSIT SYSTEMS. The eommission council may engineer, construct, equip, and operate transit and paratransit systems, projects, or any parts thereof, including road lanes or rights of way, terminal facilities, maintenance and garage facilities, ramps, parking areas, and any other facilities useful for or related to any public transit or paratransit system or project.
- Sec. 104. Minnesota Statutes 1992, section 473.405, subdivision 5, is amended to read:
- Subd. 5. ACQUISITION OF TRANSIT SYSTEMS. The commission council may acquire by purchase, lease, gift, or condemnation proceedings any existing public transit system or any part thereof, including all or any part of the plant, equipment, shares of stock, property, real, personal, or mixed, rights in property, reserve funds, special funds, franchises, licenses, patents, permits and papers, documents and records belonging to any operator of a public transit system within the metropolitan area, and may in connection therewith assume any or all liabilities of any operator of a public transit system. The commission may not acquire any existing public transit system until the acquisition has been approved by the transit board and the metropolitan council. The commission council may take control of and operate a system immediately following the filing and approval of the initial petition for condemnation, if the commission council, in its discretion, determines this to be necessary, and may take possession of all right, title and other powers of ownership in all properties and facilities described in the petition. Control must be taken by resolution which is effective upon service of a copy on the condemnee and the filing of the resolution in the condemnation action. In the determination of the fair value of the existing public transit system, there must not be included any value attributable to expenditures for improvements made by the former metropolitan transit commission or council.

The eommission council may continue or terminate within three months of acquisition any advertising contract in existence by and between any advertiser and a transit system that the eommission council has acquired. If the eommission council determines to terminate the advertising contract, it shall acquire all of the advertiser's rights under the contract by purchase or eminent domain proceedings as provided by law.

- Sec. 105. Minnesota Statutes 1992, section 473.405, subdivision 9, is amended to read:
- Subd. 9. CONDEMNATION OF PUBLIC PROPERTY OR PROPERTY OF PUBLIC SERVICE CORPORATIONS. The fact that property is owned by or is in charge of a public agency or a public service corporation organized for a purpose specified in section 300.03, or is already devoted to a public use or to use by the corporation or was acquired therefor by condemnation may not prevent its acquisition by the emmission council by condemnation, but if the property is in actual public use or in actual use by the corporation for any purpose of interest or benefit to the public, the taking by the emmission council by

condemnation may not be authorized unless the court finds and determines that there is greater public necessity for the proposed use by the eommission council than for the existing use.

Sec. 106. Minnesota Statutes 1992, section 473.405, subdivision 10, is amended to read:

- Subd. 10. VOLUNTARY TRANSFER OF PUBLIC PROPERTY TO THE COMMISSION COUNCIL. Any state department or other agency of the state government or any county, municipality, or other public agency may sell, lease, grant, transfer, or convey to the eommission council, with or without consideration, any facilities or any part or parts thereof or any real or personal property or interest therein which may be useful to the eommission council for any authorized purpose. In any case where the construction of a facility has not been completed, the public agency concerned may also transfer, sell, assign, and set over to the eommission council, with or without consideration, any existing contract for the construction of the facilities.
- Sec. 107. Minnesota Statutes 1992, section 473.405, subdivision 12, is amended to read:
- Subd. 12. MANAGEMENT CONTRACTS. Notwithstanding any of the other provisions of sections 473.404 to 473.449, the eommission council may, in lieu of directly operating any public transit system or any part thereof, enter into contracts for management services. The contracts may provide for compensation, incentive fees, the employment of personnel, the services provided, and other terms and conditions that the eommission council deems proper. The contracts must provide that the compensation of personnel who work full time or substantially full time providing management or other services for the eommission council is public data under chapter 13.

The eommission council may not permit a contract manager to supervise or manage internal audit activities. Internal audit activity must be supervised and managed directly by the eommission council. The eommission council shall advertise for bids and select contracts for management services through competitive bidding. The term of the contract may not be longer than two years. The contract must include clear operating objectives, stating the service policies and goals of the eommission council in terms of the movement of various passenger groups, and performance criteria, by means of which success in achieving the operating objectives can be measured. The eommission council shall consider and determine the feasibility and desirability of having all its transit management services provided internally by employees of the eommission council.

The employees of any public transit system operated pursuant to the provisions of this subdivision for the purpose of resolving any dispute arising under any existing or new collective bargaining agreement relating to the terms or conditions of their employment, may either engage in a concerted refusal to work or to invoke the processes of final and binding arbitration as provided by chapter 572, subject to any applicable provisions of the agreement not inconsistent with law.

Sec. 108. Minnesota Statutes 1992, section 473.405, subdivision 15, is amended to read:

Subd. 15. **RELOCATION OF DISPLACED PERSONS.** The eommission council may plan for and assist in the relocation of individuals, families, business concerns, nonprofit organizations, and others displaced by operations of the eommission council, and may make relocation payments in accordance with federal regulations.

Sec. 109. Minnesota Statutes 1993 Supplement, section 473.4051, is amended to read:

#### 473.4051 LIGHT RAIL TRANSIT OPERATION.

The transit eommission council shall operate light rail transit facilities and services upon completion of construction of the facilities and the commencement of revenue service using the facilities. The commissioner of transportation and the eommission council may not allow the commencement of revenue service until after an appropriate period of acceptance testing to ensure satisfactory performance. In assuming the operation of the system, the transit eommission council must comply with section 473.415. The eommission council shall coordinate operation of the light rail transit system with bus service to avoid duplication of service on a route served by light rail transit and to ensure the widest possible access to light rail transit lines in both suburban and urban areas by means of a feeder bus system.

Sec. 110. Minnesota Statutes 1993 Supplement, section 473.407, subdivision 1, is amended to read:

Subdivision 1. AUTHORIZATION. The metropolitan transit commission council may appoint peace officers, as defined in section 626.84, subdivision 1, paragraph (c), and establish a law enforcement agency, as defined in section 626.84, subdivision 1, paragraph (h), known as the metropolitan transit commission police, to police its transit property and routes and to make arrests under sections 629.30 and 629.34. The jurisdiction of the law enforcement agency is limited to offenses relating to commission council transit property, equipment, employees, and passengers.

Sec. 111. Minnesota Statutes 1993 Supplement, section 473.407, subdivision 2, is amended to read:

Subd. 2: LIMITATIONS. The initial processing of a person arrested by the transit commission police for an offense within the agency's jurisdiction is the responsibility of the transit commission police unless otherwise directed by the law enforcement agency with primary jurisdiction. A subsequent investigation is the responsibility of the law enforcement agency of the jurisdiction in which the crime was committed. The transit commission police are not authorized to apply for a search warrant as prescribed in section 626.05.

- Sec. 112. Minnesota Statutes 1993 Supplement, section 473.407, subdivision 3, is amended to read:
- Subd. 3. POLICIES. Before the eemmission council begins to operate its law enforcement agency within a city or county with an existing law enforcement agency, the transit eemmission police shall develop, in conjunction with the law enforcement agencies, written policies that describe how the issues of joint jurisdiction will be resolved. The policies must also address the operation of emergency vehicles by transit eemmission police responding to eemmission transit emergencies. These policies must be filed with the board of peace officer standards and training by August 1, 1993. Revisions of any of these policies must be filed with the board within ten days of the effective date of the revision. The eemmission council shall train all of its peace officers regarding the application of these policies.
- Sec. 113. Minnesota Statutes 1993 Supplement, section 473.407, subdivision 4, is amended to read:
- Subd. 4. CHIEF LAW ENFORCEMENT OFFICER. The eommission council shall appoint a peace officer employed full time to be the chief law enforcement officer and to be responsible for the management of the law enforcement agency. The person shall possess the necessary police and management experience and have the title of chief of metropolitan transit eommission police services. All other police management and supervisory personnel must be employed full time by the eommission council. Supervisory personnel must be on duty and available any time transit eommission police are on duty. The eommission council may not hire part-time peace officers as defined in section 626.84, subdivision 1, paragraph (f), except that the eommission council may appoint peace officers to work on a part-time basis not to exceed 30 full-time equivalents.
- Sec. 114. Minnesota Statutes 1993 Supplement, section 473.407, subdivision 5, is amended to read:
- Subd. 5. EMERGENCIES. (a) The emmission <u>council</u> shall ensure that all emergency vehicles used by transit emmission police are equipped with radios capable of receiving and transmitting on the same frequencies utilized by the law enforcement agencies that have primary jurisdiction.
- (b) When the transit <del>commission</del> police receive an emergency call they shall notify the public safety agency with primary jurisdiction and coordinate the appropriate response.
- (c) Transit eommission police officers shall notify the primary jurisdictions of their response to any emergency.
- Sec. 115. Minnesota Statutes 1993 Supplement, section 473.407, subdivision 6, is amended to read:

- Subd. 6. **COMPLIANCE.** Except as otherwise provided in this section, the transit <del>commission</del> police shall comply with all statutes and administrative rules relating to the operation and management of a law enforcement agency.
- Sec. 116. Minnesota Statutes 1992, section 473.408, subdivision 1, is amended to read:
- Subdivision 1. **DEFINITION.** "Off-peak hours" means the time from 9:00 a.m. to 3:30 p.m. and 6:30 p.m. until the last bus on Monday through Friday of each week and all day Saturday, Sunday, and holidays designated by the eommission council.
- Sec. 117. Minnesota Statutes 1992, section 473.408, subdivision 2, is amended to read:
- Subd. 2. FARE POLICY. (a) Fares and fare collection systems shall be established and administered to accomplish the following purposes:
- (a) (1) to encourage and increase transit and paratransit ridership with an emphasis on regular ridership;
  - (b) (2) to restrain increases in the average operating subsidy per passenger;
- (e) (3) to ensure that no riders on any route pay more in fares than the average cost of providing the service on that route;
- (d) (4) to ensure that operating revenues are proportioned to the cost of providing the service so as to reduce any disparity in the subsidy per passenger on routes in the transit system; and
  - (e) (5) to implement the social fares as set forth in subdivision 3.
- (b) The plan must contain a statement of the policies that will govern the imposition of user charges for various types of transit service and the policies that will govern decisions by the council to change fare policy.
- Sec. 118. Minnesota Statutes 1992, section 473.408, subdivision 2a, is amended to read:
- Subd. 2a. REGULAR ROUTE FARES. The board council shall establish and enforce uniform fare policies for regular route transit in the metropolitan area. The policies must be stated in the board's three-year transit service implementation and financing plan. The policies must be consistent with the requirements of this section and the council's transportation policy plan. The commission council and other operators shall charge a base fare and any surcharges for peak hours and distance of service in accordance with the council's fares policies prescribed in the approved implementation plan of the transit board. The commission and other operators council shall submit their approve all fare schedules to the board for approval.

- Sec. 119. Minnesota Statutes 1992, section 473.408, subdivision 4, is amended to read:
- Subd. 4. CIRCULATION FARES. The eemmission council and other operators may charge a reduced fare for service on any route providing circulation service in a downtown area or community activity center. The eemmission council and other operators shall not contribute more than 50 percent of the operating deficit of any such route that is confined to a downtown area or community activity center. The boundaries of service districts eligible for reduced fares under this subdivision must be approved by the board council.
- Sec. 120. Minnesota Statutes 1992, section 473.408, subdivision 6, is amended to read:
- Subd. 6. MONTHLY PASSES. The eommission council may offer monthly passes for regular route bus service for sale to the general public.
- Sec. 121. Minnesota Statutes 1992, section 473.408, subdivision 7, is amended to read:
- Subd. 7. EMPLOYEE PLAN. The eommission council may offer monthly passes for regular route bus service for sale to employers at a special discount subject to the provisions of this subdivision. An employer may be eligible to purchase passes at a special discount if the employer agrees to establish a payroll deduction plan as a means for its employees to purchase the passes at a price at or below the amount charged by the eommission council. The special discount on passes sold pursuant to this subdivision shall be determined by the eommission council.
  - Sec. 122. Minnesota Statutes 1992, section 473.409, is amended to read:

### 473.409 AGREEMENTS WITH COMMISSION; ENCOURAGEMENT OF TRANSIT USE.

A state department or agency, including the legislative branch, any local governmental unit, the metropolitan council, or other a metropolitan agency may enter into an agreement with the transit commission council and other operators for the purpose of encouraging the use of transit by its employees residing in the metropolitan area. The agreement may provide for, among other things: (a) the advance purchase of tokens, tickets or other devices from the commission council or other operator for use in lieu of fares on vehicles operated by the commission council or other operator; and (b) special transit service for employees to and from their place of employment, at fares to be agreed upon by the contracting parties. The tokens, tickets, or other devices or services may be made available to employees at reduced rates. Any such agreement and arrangement by a state department or agency shall be submitted to the commissioner of administration for approval before execution. Any operating deficits or subsidy resulting from such agreements shall be assumed by the contracting department, agency, governmental unit, eouncil, or other commission, unless otherwise provided in an agreement approved by the transit board council.

- Sec. 123. Minnesota Statutes 1992, section 473.411, subdivision 3, is amended to read:
- Subd. 3. SERVICES OF DEPARTMENT OF TRANSPORTATION. The transit commission council may make use of engineering and other technical and professional services, including regular staff and qualified consultants, which the commissioner of transportation can furnish, upon fair and reasonable reimbursement for the cost thereof; provided, that the commission council has final authority over the employment of any services from other sources which it may deem necessary for such purposes. The commissioner of transportation may furnish all engineering, legal, and other services, if so requested by the commission council and upon fair and reasonable reimbursement for the cost thereof by the commission council, for the purposes stated in this subdivision, including the acquisition by purchase, condemnation, or otherwise in the name of the commission council of all lands, waters, easements, or other rights or interests in lands or waters required by the commission council. No purchase of service agreements may be made under this subdivision which are not included in the budget of the commission council.
- Sec. 124. Minnesota Statutes 1992, section 473.411, subdivision 4, is amended to read:
- Subd. 4. STATE HIGHWAYS; JOINT USE FOR TRANSIT AND HIGHWAY PURPOSES. Wherever the joint construction or use of a state highway is feasible in fulfilling the purposes of sections 473.404 to 473.449, the transit commission council shall enter into an agreement with the commissioner of transportation therefor, evidenced by a memorandum setting forth the terms of the agreement. Either the commission council or the commissioner of transportation may acquire any additional lands, waters, easements or other rights or interests required for joint use in accordance with the agreement, or joint acquisition may be made by condemnation as provided by section 117.016 and the provisions of sections 473.404 to 473.449. Under the agreement each party shall pay to the other party reasonable compensation for the costs of any services performed at the request of the other party which may include any costs of engineering, design, acquisition of property, construction of the facilities, and for the use thereof so far as attributable to and necessary for the purposes. The commission council may not agree to acquisitions or expenditures under this subdivision which are not included in its budget.
- Sec. 125. Minnesota Statutes 1993 Supplement, section 473.411, subdivision 5, is amended to read:
- Subd. 5. USE OF PUBLIC ROADWAYS AND APPURTENANCES. The transit commission council may use for the purposes of sections 473.404 to 473.449 upon the conditions stated in this subdivision any state highway or other public roadway, parkway, or lane, or any bridge or tunnel or other appurtenance of a roadway, without payment of any compensation, provided the use does not interfere unreasonably with the public use or maintenance of the road-

way or appurtenance or entail any substantial additional costs for maintenance. The provisions of this subdivision do not apply to the property of any common carrier railroad or common carrier railroads. The consent of the public agency in charge of such state highway or other public highway or roadway or appurtenance is not required; except that if the eommission council seeks to use a designated parkway for regular route service in the city of Minneapolis, it must obtain permission from and is subject to reasonable limitations imposed by a joint board consisting of two representatives from the transit eommission council, two members of the board of park commissioners, and a fifth member jointly selected by the representatives of the transit eommission council and the park board.

The board of park commissioners and the transit commission council may designate persons to sit on the joint board. In considering a request by the transit commission council to use designated parkways for additional routes or trips, the joint board consisting of the transit commission council or their designees, the board of park commissioners or their designees, and the fifth member, shall base its decision to grant or deny the request based on the criteria to be established by the joint board. The decision to grant or deny the request must be made within 45 days of the date of the request. The park board must be notified immediately by the transit eommission council of any temporary route detours. If the park board objects to the temporary route detours within five days of being notified, the joint board must convene and decide whether to grant the request, otherwise the request is deemed granted. If the agency objects to the proposed use or claims reimbursement from the commission council for additional cost of maintenance, it may commence an action against the commission council in the district court of the county wherein the highway, roadway, or appurtenance, or major portion thereof, is located. The proceedings in the action must conform to the rules of civil procedure applicable to the district courts. The court shall sit without jury. If the court determines that the use in question interferes unreasonably with the public use or maintenance of the roadway or appurtenance, it shall enjoin the use by the eommission council. If the court determines that the use in question does not interfere unreasonably with the public use or maintenance of the roadway or appurtenance, but that it entails substantial additional maintenance costs, the court shall award judgment to the agency for the amount of the additional costs. Otherwise the court shall award judgment to the commission council. An aggrieved party may appeal from the judgment of the district court in the same manner as is provided for such appeals in other civil actions. The eommission council may also use land within the right of way of any state highway or other public roadway for the erection of traffic control devices, other signs, and passenger shelters upon the conditions stated in this subdivision and subject only to the approval of the commissioner of transportation where required by statute, and subject to the express provisions of other applicable statutes and to federal requirements where necessary to qualify for federal aid.

Sec. 126. Minnesota Statutes 1992, section 473.415, subdivision 1, is amended to read:

Subdivision 1. If the eommission council acquires an existing transit system, the eommission council shall assume and observe all existing labor contracts and pension obligations. All employees of such system except executive and administrative officers who are necessary for the operation thereof by the eommission council shall be transferred to and appointed as employees of the eommission council for the purposes of the transit system, subject to all the rights and benefits of sections 473.404 to 473.449. Such employees shall be given seniority credit and sick leave, vacation, insurance, and pension credits in accordance with the records or labor agreements from the acquired transit system. The eommission council shall assume the obligations of any transit system acquired by it with regard to wages, salaries, hours, working conditions, sick leave, health and welfare and pension or retirement provisions for employees. The commission council and the employees, through their representatives for collective bargaining purposes, shall take whatever action may be necessary to have pension trust funds presently under the joint control of the acquired system and the participating employees through their representatives transferred to the trust fund to be established, maintained and administered jointly by the commission council and the participating employees through their representatives. No employee of any acquired system who is transferred to a position with the eommission council shall by reason of such transfer be placed in any worse position with respect to workers' compensation, pension, seniority, wages, sick leave, vacation, health and welfare insurance or any other benefits than the employee enjoyed as an employee of such acquired system.

- Sec. 127. Minnesota Statutes 1992, section 473.415, subdivision 2, is amended to read:
- Subd. 2. For any employees of the <u>former metropolitan transit</u> commission who were transferred to and appointed as employees of the commission upon completion of acquisitions of transit systems which occurred prior to the effective date of Laws 1978, chapter 538, the provisions of Laws 1978, chapter 538 shall replace the provisions of subdivision 1 relating to the pension obligations which the commission is required to assume, and the pension or retirement plan and pension trust funds which the commission is required to establish, maintain and administer. Upon compliance with the applicable provisions of Laws 1978, chapter 538, the commission shall not be deemed to have placed any employee of the commission upon completion of acquisitions of transit systems which occurred prior to the effective date of Laws 1978, chapter 538, in any worse position with respect to pension and related benefits than the employee of the commission enjoyed as an employee of the acquired existing transit system.
- Sec. 128. Minnesota Statutes 1992, section 473.415, subdivision 3, is amended to read:
- Subd. 3. For any employees of the <u>former metropolitan transit</u> commission who are transferred to and appointed as employees of the commission upon completion of acquisitions of transit systems which occur subsequent to the

effective date of Laws 1978, chapter 538, those employees shall be governed by the provisions of Laws 1978, chapter 538 unless the acquisition of the transit system which employed them immediately preceding the acquisition included the acquisition of a pension trust fund under the joint control of the acquired system and the participating employees through their representatives.

Sec. 129. Minnesota Statutes 1992, section 473.416, is amended to read:

### 473.416 COMMISSION; TAKING OVER PERSONNEL AND CONTRACTS OF TRANSIT SYSTEMS.

Whenever the transit commission council directly operates any public transit system, or any part thereof, or enters into any management contract or other arrangement for the operation of a system, the eommission council shall take the action necessary to extend to employees of the affected public transit systems, in accordance with seniority, the first opportunity for reasonably comparable employment in any available nonsupervisory jobs in respect to such operations for which they can qualify after a reasonable training period. The employment must not result in any worsening of the employee's position in the employee's former employment nor any loss of wages, hours, working conditions, seniority, fringe benefits, and rights and privileges pertaining thereto. The commission council may enter into an agreement specifying fair and equitable arrangements to protect the interests of employees who may be affected if the commission council should acquire any interest in or purchase any facilities or other property of a privately owned and operated transit system, or construct, improve, or reconstruct any facilities or other property acquired from any system, or provide by contract or otherwise for the operation of transportation facilities or equipment in competition with, or supplementary to, the service provided by an existing transit system. The agreement, specifying the terms and conditions of the protective arrangements, must comply with any applicable requirements of seetions 473.404 to 473.449 this chapter, and with the requirements of any federal law or regulation if federal aid is involved. The agreement may provide for final and binding arbitration of any dispute.

The commission, upon commencing operations under sections 473.404 to 473.449, shall, so far as deemed practicable and advisable in the discretion of the commission and subject to the provisions hereof, take over and employ in corresponding positions or other suitable positions the professional, technical, and other personnel employed by the existing metropolitan transit commission, hereinafter calledthe joint powers transit commission, created by the joint and cooperative agreement heretofore made between certain governmental units of the transit area pursuant to section 471.59. The transit commission created by sections 473.401 to 473.451 shall upon like conditions take over any contracts made by the joint powers transit commission and in force on July 1, 1967 for professional or technical services, rental of office space or other facilities, or other contracts relating to any matter within the purposes of sections 473.401 to 473.451. The joint powers transit commission shall execute all instruments which may be necessary to effectuate the provisions of this section.

Sec. 130. Minnesota Statutes 1992, section 473.418, is amended to read:

#### 473.418 DISABILITY AND SURVIVORSHIP COVERAGE.

From and after the effective date of Laws 1978, chapter 538, until the effective date of this section, the former metropolitan transit commission shall provide for all active employees of the transit operating division of the metropolitan transit commission the disability and survivorship coverage described in this section. Thereafter, the council shall provide for all active employees of the office of transit operations the disability and survivorship coverage which, when added to the disability benefit or the survivorship benefit payable from the Minnesota state retirement system pursuant to section 352.113 or 352.12, subdivision 2, will at least equal the disability benefit or the survivorship benefit which that employee at the time of disability or the employee's surviving spouse at the time of the death of the employee while on active duty would have been entitled to receive under the disability benefit or survivor of active employee deceased while on active duty benefit provisions of the metropolitan transit commission-transit operating division employees retirement fund plan document in effect on December 31, 1977. The metropolitan transit commission council shall not be required to provide any supplementary disability benefit coverage or benefit amount to replace the amount of any reduction in any disability payable from the Minnesota state retirement system due to the receipt of benefits under the workers' compensation law unless no offset of the amount of workers' compensation benefits from the amount of a disability benefit was required pursuant to the provisions of article 10 of the metropolitan transit commission-transit operating division employees retirement fund plan document in effect on December 31, 1977. The metropolitan transit commission council may elect to provide the additional disability and survivorship coverage either through contract with an insurance carrier or through self-insurance. If the eommission council elects to provide the coverage through an insurance contract, the chair of the metropolitan transit commission council is authorized to request bids from, or to negotiate with, insurance carriers and to enter into contracts with carriers which in the judgment of the eommission council are best qualified to underwrite and service this insurance benefit coverage. The eommission council shall consider factors such as the cost of the contracts as well as the service capabilities, character, financial position and reputation with respect to carriers under consideration, as well as any other factors which the eommission council deems appropriate. The disability and survivorship insurance contract with the particular insurance carrier shall be for a uniform term of at least one year, but may be made automatically renewable from term to term in absence of notice of termination by either party. The disability and survivorship insurance contract shall contain a detailed statement of benefits offered, maximums, limitations, and exclusions. A summary description of the essential terms of the contract shall be provided by the eommission council to the labor organization which is the exclusive bargaining agent representing employees of the office of transit operating division operations of the metropolitan transit commission council and to each active employee of the office of transit operating operations division. The determination of whether the disability or survivorship insurance

coverage meets the minimum requirements of this section shall be made by the eommission council upon consultation with the executive director of the Minnesota state retirement system. If the disability or survivorship coverage provided by the metropolitan transit eommission council fails at any time after the effective date of Laws 1978, chapter 538, to meet the requirements of this section as to the level of disability or survivorship coverage to be provided, the deficiency in the actual benefits provided shall continue to be an obligation of the eommission council. Notwithstanding any provisions of chapter 179 to the contrary, the labor organization which is the exclusive bargaining agent representing employees of the office of transit operating division operations of the metropolitan transit eommission council may meet and bargain with the eommission council on an increase in the level of disability or survivor of active employee deceased while on active duty coverage to be provided by the eommission council at the same time that wages and other terms and conditions of employment are considered. This section does not apply to employees hired after December 31, 1977.

Sec. 131. Minnesota Statutes 1992, section 473.42, is amended to read:

#### 473.42 EMPLOYER CONTRIBUTIONS FOR CERTAIN EMPLOYEES.

Notwithstanding any contrary provisions of section 352.029, the metropolitan transit eemmission council shall make the employer contributions required pursuant to section 352.04, subdivision 3, for any employee who was on authorized leave of absence from the transit operating division of the former metropolitan transit commission who is employed by the labor organization which is the exclusive bargaining agent representing employees of the office of transit operating division operations and who is covered by the Minnesota state retirement system in addition to all other employer contributions the emmission council is required to make.

- Sec. 132. Minnesota Statutes 1992, section 473.436, subdivision 2, is amended to read:
- Subd. 2. LEGAL INVESTMENTS. Certificates of indebtedness, bonds, or other obligations issued by the emmission council to which tax levies have been pledged pursuant to section 473.446, subdivision 1, shall be proper for investment of any funds by any bank, savings bank, savings and loan association, credit union, trust company, insurance company or public or municipal corporation, and may be pledged by any bank, savings bank, savings and loan association, credit union, or trust company as security for the deposit of public moneys.
- Sec. 133. Minnesota Statutes 1992, section 473.436, subdivision 3, is amended to read:
- Subd. 3. TAX EXEMPT. Certificates of indebtedness, bonds, or other obligations of the eommission council shall be deemed and treated as instrumentalities of a public government agency.

- Sec. 134. Minnesota Statutes 1992, section 473.436, subdivision 6, is amended to read:
- Subd. 6. TEMPORARY BORROWING. On or after the first day of any fiscal year, the eommission council may borrow money which may be used or expended by the eommission council for any purpose, including but not limited to current expenses, capital expenditures and the discharge of any obligation or indebtedness of the commission council. The indebtedness must be represented by a note or notes which may be issued from time to time in any denomination and sold at public or private sale pursuant to a resolution authorizing the issuance. The resolution must set forth the form and manner of execution of the notes and shall contain other terms and conditions the commission council deems necessary or desirable to provide security for the holders of the notes. The note or notes are payable from committed or appropriated money from taxes, grants or loans of the state or federal government made to the eemmission council, or other revenues of the eommission council, and the money may be pledged to the payment of the notes. The commission council is authorized to pledge to the payment of the note or notes taxes levied by the regional transit board it under section 473.446, subdivision 1, clause (a), and if taxes are so pledged the board council shall transfer amounts received from the levy to the eommission council for payment of the note or notes. To the extent the notes are not paid from the grant or loan money pledged for the payment thereof, the principal and interest of the notes must be paid from any taxes received by the transit board council and any income and revenue received by or accrued to the eommission council during the fiscal year in which the note or notes were issued, or other money of the commission council lawfully available therefor.
- Sec. 135. Minnesota Statutes 1992, section 473.446, subdivision 1, is amended to read:
- Subdivision 1. TAXATION WITHIN TRANSIT TAXING DISTRICT. For the purposes of sections 473.404 to 473.449 and the metropolitan transit system, except as otherwise provided in this subdivision, the regional transit board council shall levy each year upon all taxable property within the metropolitan transit taxing district, defined in subdivision 2, a transit tax consisting of:
- (a) an amount which shall be used for payment of the expenses of operating transit and paratransit service and to provide for payment of obligations issued by the eommission council under section 473.436, subdivision 6;
- (b) an additional amount, if any, the board council determines to be necessary to provide for the full and timely payment of its certificates of indebtedness and other obligations outstanding on July 1, 1985, to which property taxes under this section have been pledged; and
- (c) an additional amount necessary to provide full and timely payment of certificates of indebtedness, bonds, including refunding bonds or other obligations issued or to be issued under section 473.39 by the council for purposes of acquisition and betterment of property and other improvements of a capital

nature and to which the council or board has specifically pledged tax levies under this clause.

The property tax levied by the regional transit board council for general purposes under clause (a) must not exceed the following amount for the years specified:

- (1) for taxes payable in 1988 1995, the product of two mills multiplied by the total assessed valuation of all taxable property located within the metropolitan transit taxing district as adjusted by the provisions of Minnesota Statutes 1986, sections 272.64; 273.13, subdivision 7a; and 275.49 council's property tax levy limitation for general transit purposes is equal to the former regional transit board's property tax levy limitation for general transit purposes under this subdivision, for taxes payable in 1994, multiplied by an index for market valuation changes equal to the total market valuation of all taxable property located within the metropolitan transit taxing district for the current assessment year divided by the total market valuation of all taxable property located within the metropolitan transit taxing district for the previous assessment year; and
- (2) for taxes payable in 1989, the product of (i) the regional transit board's property tax levy limitation for general purposes for the taxes payable year 1988 determined under clause (1) multiplied by (ii) an index for market valuation changes equal to the assessment year 1988 total market valuation of all taxable property located within the metropolitan transit taxing district divided by the assessment year 1987 total market valuation of all taxable property located within the metropolitan transit taxing district; and
- (3) for taxes payable in 1990 1996 and subsequent years, the product of (i) the regional transit board's council's property tax levy limitation for general transit purposes for the previous year determined under this subdivision multiplied by (ii) an index for market valuation changes equal to the total market valuation of all taxable property located within the metropolitan transit taxing district for the current assessment year divided by the total market valuation of all taxable property located within the metropolitan transit taxing district for the previous assessment year.

For the purpose of determining the regional transit board's council's property tax levy limitation for general transit purposes for the taxes payable year 1988 and subsequent years under this subdivision, "total market valuation" means the total market valuation of all taxable property within the metropolitan transit taxing district without valuation adjustments for fiscal disparities (chapter 473F), tax increment financing (sections 469.174 to 469.179), and high voltage transmission lines (section 273.425).

The county auditor shall reduce the tax levied pursuant to this subdivision on all property within statutory and home rule charter cities and towns that receive full-peak service and limited off-peak service by an amount equal to the tax levy that would be produced by applying a rate of 0.510 percent of net tax capacity on the property. The county auditor shall reduce the tax levied pursu-

ant to this subdivision on all property within statutory and home rule charter cities and towns that receive limited peak service by an amount equal to the tax levy that would be produced by applying a rate of 0.765 percent of net tax capacity on the property. The amounts so computed by the county auditor shall be submitted to the commissioner of revenue as part of the abstracts of tax lists required to be filed with the commissioner under section 275.29. Any prior year adjustments shall also be certified in the abstracts of tax lists. The commissioner shall review the certifications to determine their accuracy and may make changes in the certification as necessary or return a certification to the county auditor for corrections. The commissioner shall pay to the regional transit board council the amounts certified by the county auditors on the dates provided in section 273.1398. There is annually appropriated from the general fund in the state treasury to the department of revenue the amounts necessary to make these payments.

For the purposes of this subdivision, "full-peak and limited off-peak service" means peak period regular route service, plus weekday midday regular route service at intervals longer than 60 minutes on the route with the greatest frequency; and "limited peak period service" means peak period regular route service only.

- Sec. 136. Minnesota Statutes 1992, section 473.446, subdivision 1a, is amended to read:
- Subd. 1a. TAXATION WITHIN TRANSIT AREA. For the purposes of sections 473.404 to 473.449, and the metropolitan transit system, the regional transit board metropolitan council shall levy upon all taxable property within the metropolitan transit area but outside of the metropolitan transit taxing district, defined in subdivision 2, a transit tax, which shall be equal to ten percent of the sum of the levies provided in subdivision 1, clauses (a) to (c). The proceeds of this tax shall be used only for paratransit services or ride sharing programs designed to serve persons located within the transit area but outside of the transit taxing district.
- Sec. 137. Minnesota Statutes 1992, section 473.446, subdivision 2, is amended to read:
- Subd. 2. TRANSIT TAXING DISTRICT. The metropolitan transit taxing district is hereby designated as that portion of the metropolitan transit area lying within the following named cities, towns, or unorganized territory within the counties indicated:
- (a) Anoka county. Anoka, Blaine, Centerville, Columbia Heights, Coon Rapids, Fridley, Circle Pines, Hilltop, Lexington, Lino Lakes, Spring Lake Park;
  - (b) Carver county. Chanhassen, the city of Chaska;
- (c) Dakota county. Apple Valley, Burnsville, Eagan, Inver Grove Heights, Lilydale, Mendota, Mendota Heights, Rosemount, South St. Paul, Sunfish Lake, West St. Paul;

- (d) Ramsey county. All of the territory within Ramsey county;
- (e) Hennepin county. Bloomington, Brooklyn Center, Brooklyn Park, Champlin, Chanhassen, Crystal, Deephaven, Eden Prairie, Edina, Excelsior, Golden Valley, Greenwood, Hopkins, Long Lake, Maple Grove, Medicine Lake, Minneapolis, Minnetonka, Minnetonka Beach, Mound, New Hope, Orono, Osseo, Plymouth, Richfield, Robbinsdale, St. Anthony, St. Louis Park, Shorewood, Spring Park, Tonka Bay, Wayzata, Woodland, the unorganized territory of Hennepin county;
  - (f) Scott county. Prior Lake, Savage, Shakopee;
- (g) Washington county. Baytown, the city of Stillwater, White Bear Lake, Bayport, Birchwood, Cottage Grove, Dellwood, Lake Elmo, Landfall, Mahtomedi, Newport, Oakdale, Oak Park Heights, Pine Springs, St. Paul Park, Willernie, Woodbury.

The eommission metropolitan council in its sole discretion may provide transit service by contract beyond the boundaries of the metropolitan transit taxing district or to cities and towns within the taxing district which are receiving financial assistance under section 174.265, upon petition therefor by an interested city, township or political subdivision within the metropolitan transit area. The commission metropolitan council may establish such terms and conditions as it deems necessary and advisable for providing the transit service, including such combination of fares and direct payments by the petitioner as will compensate the commission council for the full capital and operating cost of the service and the related administrative activities of the eommission council. The amount of the levy made by any municipality to pay for the service shall be disregarded when calculation of levies subject to limitations is made, provided that cities and towns receiving financial assistance under section 174.265 shall not make a special levy under this subdivision without having first exhausted the available local transit funds as defined in section 174.265. The commission council shall not be obligated to extend service beyond the boundaries of the taxing district, or to cities and towns within the taxing district which are receiving financial assistance under section 174.265, under any law or contract unless or until payment therefor is received.

- Sec. 138. Minnesota Statutes 1992, section 473.446, subdivision 3, is amended to read:
- Subd. 3. **CERTIFICATION AND COLLECTION.** Each county treasurer shall collect and make settlement of the taxes levied under subdivisions 1 and 1a with the treasurer of the board council. The levy of transit taxes pursuant to this section shall not affect the amount or rate of taxes which may be levied by any county or municipality or by the board council for other purposes authorized by law and shall be in addition to any other property tax authorized by law.
- Sec. 139. Minnesota Statutes 1992, section 473.446, subdivision 7, is amended to read:

- Subd. 7. PROTECTION OF RIGHTS OF HOLDERS OF OUTSTAND-ING INDEBTEDNESS. Beginning for taxes levied in 1984, payable in 1985, and for each succeeding year, the transit commission shall certify to the transit board before October 1 of each year the amounts necessary to provide full and timely payment of certificates of indebtedness, bonds, and other obligations of the commission, until all debt of the commission is fully discharged. as part of its levy made pursuant to subdivisions 1 and 6, the board council shall levy the amounts eertified by the commission necessary to provide full and timely payment of certificates of indebtedness, bonds, and other obligations of the former metropolitan transit commission, until all debt of the commission is fully discharged and transfer the proceeds to the eemmission appropriate council account for payment of its obligations. The taxes must be levied, certified, and collected in accordance with the terms and conditions of the indebtedness. Nothing in Laws 1984, chapter 654 may impair the rights of holders of valid obligations of the former metropolitan transit commission to require a levy of property taxes. The transit board council shall take the actions necessary to comply with the terms and conditions of the obligations, including if necessary the levy of property taxes to provide for a deficiency.
- Sec. 140. Minnesota Statutes 1993 Supplement, section 473.446, subdivision 8, is amended to read:
- Subd. 8. STATE REVIEW. The board council must certify its property tax levy to the commissioner of revenue by August 1 of the levy year. The commissioner of revenue shall annually determine whether the property tax for general transit purposes certified by the regional transit board council for levy following the adoption of its budget is within the levy limitation imposed by subdivision 1. The commissioner shall also annually determine whether the transit tax imposed on all taxable property within the metropolitan transit area but outside of the metropolitan transit taxing district is within the levy limitation imposed by subdivision 1a. The determination must be completed prior to September 10 of each year. If current information regarding market valuation in any county is not transmitted to the commissioner in a timely manner, the commissioner may estimate the current market valuation within that county for purposes of making the calculations.
  - Sec. 141. Minnesota Statutes 1992, section 473.448, is amended to read:

#### 473,448 COMMISSION COUNCIL; EXEMPTION FROM TAXATION.

Notwithstanding any other provision of law to the contrary, the properties, moneys, and other assets of the eommission council, all revenues or other income of the eommission council shall be exempt from all taxation, licenses, fees, or charges of any kind imposed by the state or by any county, municipality, political subdivision, taxing district, or other public agency or body of the state.

Sec. 142. Minnesota Statutes 1992, section 473.449, is amended to read:

#### 473.449 ACT EXCLUSIVE.

The exercise by the eommission council of the powers provided in sections 473.404 to 473.449 shall not be subject to regulation by or the jurisdiction or control of any other public body or agency, either state, county, or municipal, except as specifically provided in this chapter.

- Sec. 143. Minnesota Statutes 1992, section 473.504, subdivision 4, is amended to read:
- Subd. 4. The commission council shall have the power to adopt rules relating to the operation of any interceptors or treatment works operated by it, and may provide penalties for the violation thereof not exceeding the maximum which may be specified for a misdemeanor. Any rule prescribing a penalty for violation shall be published at least once in a newspaper having general circulation in the metropolitan area.
- Sec. 144. Minnesota Statutes 1992, section 473.504, subdivision 5, is amended to read:
- Subd. 5. The council or commission with the consent of the council may accept gifts, may apply for and accept grants or loans of money or other property from the United States, the state, or any person for any of its purposes, including any grant available under the federal water pollution act amendments of 1972, whether for construction, research or pilot project implementation, may enter into any agreement required in connection therewith, and may hold, use, and dispose of such money or property in accordance with the terms of the gift. grant, loan or agreement relating thereto. The commission with the consent of the council shall have council has all powers necessary to comply with the federal water pollution control act amendments of 1972 and any grant offered to it thereunder including, but not limited to, the power to enter into such contracts with, or to impose such charges upon, persons using the metropolitan disposal system as it shall determine to be necessary for the recovery of treatment works and interceptor costs paid with federal grant funds. Insofar as possible these costs shall be recovered by local government units on behalf of the eommission council.
- Sec. 145. Minnesota Statutes 1992, section 473.504, subdivision 6, is amended to read:
- Subd. 6. The council or eommission may act under the provisions of section 471.59, or any other appropriate law providing for joint or cooperative action between government units.
- Sec. 146. Minnesota Statutes 1992, section 473.504, subdivision 9, is amended to read:
- Subd. 9. The eommission council may acquire by purchase, lease, condemnation, gift, or grant, any real or personal property including positive and negative easements and water and air rights, and it may construct, enlarge, improve, replace, repair, maintain, and operate any interceptor or treatment works deter-

mined to be necessary or convenient for the collection and disposal of sewage in the metropolitan area. Any local government unit and the commissioners of transportation and natural resources are authorized to convey to or permit the use of any such facilities owned or controlled by it by the council or the commission, subject to the rights of the holders of any bonds issued with respect thereto, with or without compensation, without an election or approval by any other government agency. All powers conferred by this subdivision may be exercised both within or without the metropolitan area as may be necessary for the exercise by the council or commission of its powers or the accomplishment of its purposes. The commission council may hold such property for its purposes, and may lease any such property so far as not needed for its purposes, upon such terms and in such manner as it shall deem advisable. Unless otherwise provided, the right to acquire lands and property rights by condemnation shall be exercised in accordance with chapter 117, and shall apply to any property or interest therein owned by any local government unit; provided, that no such property devoted to an actual public use at the time, or held to be devoted to such use within a reasonable time, shall be so acquired unless a court of competent jurisdiction shall determine that the use proposed by the board is paramount to such use. Except in case of property in actual public use, the eommission council may take possession of any property for which condemnation proceedings have been commenced at any time after the issuance of a court order appointing commissioners for its condemnation.

- Sec. 147. Minnesota Statutes 1992, section 473.504, subdivision 10, is amended to read:
- Subd. 10. The eommission council may construct or maintain its systems or facilities in, along, on, under, over, or through public streets, bridges, viaducts, and other public rights of way without first obtaining a franchise from any local government unit having jurisdiction over them; but such facilities shall be constructed and maintained in accordance with the ordinances and resolutions of any such government unit relating to construction, installation, and maintenance of similar facilities in such public properties and shall not obstruct the public use of such rights of way.
- Sec. 148. Minnesota Statutes 1992, section 473.504, subdivision 11, is amended to read:
- Subd. 11. The eemmission council may sell or otherwise dispose of any real or personal property acquired by it which is no longer required for accomplishment of its purposes. Such property may be sold in the manner provided by section 469.065, insofar as practical. The eemmission council may give such notice of sale as it shall deem appropriate. When the eemmission council determines that any property or any interceptor or treatment works or any part thereof which has been acquired from a local government unit without compensation is no longer required, but is required as a local facility by the government unit from which it was acquired, the eemmission council may by resolution transfer it to such government unit.

- Sec. 149. Minnesota Statutes 1992, section 473.504, subdivision 12, is amended to read:
- Subd. 12. The eemmission council may contract with the United States or any agency thereof, any state or agency thereof, or any local government unit or governmental agency or subdivision, for the joint use of any facility owned by the eemmission council or such entity, for the operation by such entity of any system or facility of the eemmission council, or for the performance on the eemmission's council's behalf of any service, on such terms as may be agreed upon by the contracting parties.
- Sec. 150. Minnesota Statutes 1992, section 473.511, subdivision 1, is amended to read:

Subdivision 1. DUTY OF COMMISSION COUNCIL; ACQUISITION OF EXISTING FACILITIES; NEW FACILITIES. At any time after January 1, 1970, until the effective date of this section, the former metropolitan waste control commission, and after the effective date of this section, the council shall assume ownership of all existing interceptors and treatment works which will be needed to implement the council's comprehensive plan for the collection, treatment, and disposal of sewage in the metropolitan area, in the manner and subject to the conditions prescribed in subdivisions 2 and 4, and shall thereafter acquire, construct, equip, operate and maintain all additional interceptors and treatment works which will be needed for such purpose. The commission council shall assume ownership of all treatment works owned by a local government unit if any part of such treatment works will be needed for such purpose.

- Sec. 151. Minnesota Statutes 1992, section 473.511, subdivision 2, is amended to read:
- Subd. 2. METHOD OF ACOUISITION; EXISTING DEBT, The commission; with the approval of the council; may require any local government unit to transfer to the eommission council, all of its right, title and interest in any interceptors or treatment works and all necessary appurtenances thereto owned by such local government unit which will be needed for the purpose stated in subdivision 1. Appropriate instruments of conveyance for all such property shall be executed and delivered to the eommission council by the proper officers of each local government unit concerned. All persons regularly employed by a local government unit to operate and maintain any treatment works so transferred to the commission council, on the date on which the transfer becomes effective, shall be employees of the eommission council, in the same manner and with the same options and rights as are reserved to employees of sanitary districts and joint boards under subdivision 3. The commission council, upon assuming ownership of any such interceptors or treatment works, shall become obligated to pay to such local government unit amounts sufficient to pay when due all remaining principal of and interest on bonds issued by such local government unit for the acquisition or betterment of the interceptors or treatment works taken over. Such amounts may be offset against any amount to be paid to the commission council by the local government unit as provided in section 473.517.

Sec. 152. Minnesota Statutes 1992, section 473.511, subdivision 3, is amended to read:

Subd. 3. EXISTING SANITARY DISTRICTS AND JOINT SEWER BOARDS. Effective January 1, 1971, the corporate existence of the Minneapolis-St. Paul Sanitary District, the North Suburban Sanitary Sewer District, and any joint board created by agreement among local government units pursuant to section 471.59, to provide interceptors and treatment works for such local government units, shall terminate. All persons regularly employed by such sanitary districts and joint boards on that date or on any earlier date on which the former waste control commission pursuant to subdivisions 1 and 2 assumes assumed ownership and control of any interceptors or treatment works owned or operated by such sanitary districts and joint boards, shall be and who are employees of the commission on the effective date of this section, shall be employees of the council, and may at their option become members of the Minnesota state retirement system or may continue as members of a public retirement association under chapter 422A or any other law, to which they belonged before such date, and shall retain all pension rights which they may have under such latter laws, and all other rights to which they are entitled by contract or law. Members of trades who are employed by the former metropolitan waste control commission, who have trade union pension coverage pursuant to a collective bargaining agreement, and who elected exclusion from coverage pursuant to section 473.512, or who are first employed after July 1, 1977, shall not be covered by the Minnesota state retirement system. The waste control commission council shall make the employer's contributions to pension funds of its employees. Such employees shall perform such duties as may be prescribed by the commission council. All funds of such sanitary districts and joint boards then on hand, and all subsequent collections of taxes, special assessments or service charges levied or imposed by or for such sanitary districts or joint boards shall be transferred to the waste control commission council. The local government units otherwise entitled to such cash, taxes, assessments or service charges shall be credited with such amounts, and such credits shall be offset against any amounts to be paid by them to the waste control commission council as provided in section 473.517. The former metropolitan waste control commission, and on the effective date of this section, the council shall succeed to and become vested by action of law with all right, title and interest in and to any property, real or personal, owned or operated by such sanitary districts and joint boards; and. Prior to that date the proper officers of such sanitary districts and joint boards, or the former metropolitan waste control commission, shall execute and deliver to the board council all deeds, conveyances, bills of sale, and other documents or instruments required to vest in the commission council good and marketable title to all such real or personal property; provided that vesting of the title shall occur by operation of law and failure to execute and deliver the documents shall not affect the vesting of title in the former metropolitan waste control commission or the council on the dates indicated in this subdivision. The waste control commission council shall become obligated to pay or assume all bonded or other debt and contract obligations incurred by the former metropoli-

<u>tan</u> <u>waste control commission</u>, <u>or</u> <u>by</u> such sanitary districts and joint boards, or incurred by local government units for the acquisition or betterment of any interceptors or treatment works owned or operated by such sanitary districts or joint boards.

Sec. 153. Minnesota Statutes 1992, section 473.511, subdivision 4, is amended to read:

Subd. 4. CURRENT VALUE OF EXISTING FACILITIES. When the eommission council assumes the ownership of any existing interceptors or treatment works as provided in subdivision 2 or 3, the local government unit or units which paid part or all of the cost of such facility, directly or pursuant to contracts for reimbursement of costs, shall be entitled to receive a credit against amounts to be allocated to them under section 473.517, which may be spread over such period not exceeding 30 years as the commission council shall determine, and an additional credit equal to interest on the unused credit balance from time to time at the rate of four percent per annum. The amount of such credit shall equal the current value of the facility computed by the commission council in the manner provided in this subdivision at the time the commission council acquires it. The original cost of a facility shall be computed as the total actual costs of constructing it, including engineering, legal, and administrative costs, less any part of it paid from federal or state funds and less the principal amount of any then outstanding bonds which were issued to finance its construction. The original cost shall be multiplied by a factor equal to a current cost index divided by the same cost index at the time of construction, to determine replacement cost. The cost indices used shall be the Engineering News Record Construction Cost Indices for facilities or parts thereof completed before 1930, and the United States Public Health Service Federal Water Pollution Control Values for Sewer and Treatment Plant Construction, as applied to facilities or parts thereof completed in or after 1930. The current value of the facility shall be the replacement cost depreciated by 2.50 percent per annum from the date of construction of treatment works and 1.25 percent per annum from the date of construction of interceptors; and decreased further by a reasonable allowance for obsolescence if the board council determines that the facility or any part thereof will not be useful for board council purposes for at least the remaining period required to depreciate it fully, assuming no salvage value. The current value of each such facility shall be credited to each local government unit in proportion to the amount of the construction cost paid by that unit, as determined by the eommission council, taking into account reimbursements previously made under contracts between any of the local government units. The commission council shall prepare an itemized statement of the amount of credit each local government unit is entitled to receive under this subdivision, and the years and amounts of installments of principal and interest thereon, and shall cause it to be mailed or delivered to the governing body of each local government unit concerned. All credits allowed under this subdivision shall be used to finance current costs allocated to the local government unit by the eommission council or for other sewer costs, and the credits shall not be considered as proceeds from the sale of municipal property so as to permit their use for other purposes.

Sec. 154. Minnesota Statutes 1992, section 473.512, subdivision 1, is amended to read:

Subdivision 1. A member of a trade who is employed by the <u>former</u> metropolitan waste control commission, <u>and on the effective date of this section is employed by the council</u>, on a permanent basis with trade union pension plan coverage pursuant to a collective bargaining agreement shall be excluded from coverage by the Minnesota state retirement system if the member was first employed on or after June 1, 1977 or, if the member was first employed prior to June 1, 1977, has elected to be excluded from coverage by the Minnesota state retirement system pursuant to subdivision 2 and has accepted a refund of contributions pursuant to subdivision 3.

Sec. 155. Minnesota Statutes 1992, section 473.513, is amended to read:

### 473.513 MUNICIPAL PLANS AND PROGRAMS.

As soon as practicable after the adoption of the first policy plan by the council as provided in section 473.146, and before undertaking the construction of any extensions or additions to its disposal system or the substantial alteration or improvement of its existing disposal system, each local government unit shall adopt a similar policy plan for the collection, treatment and disposal of sewage for which the local government unit is responsible, coordinated with the council's plan, and may revise the same as often as it deems necessary. Each such plan shall be submitted forthwith to the waste control commission council for review and shall be subject to the approval of the eommission council as to those features affecting the commission's council's responsibilities as determined by the commission council. Any such features disapproved by the commission council shall be modified in accordance with the eommission's council's recommendations. No construction of new sewers or other disposal facilities, and no substantial alteration or improvement of any existing sewers or other disposal facilities involving such features, shall be undertaken by any local government unit unless its governing body shall first find the same to be in accordance with its comprehensive plan and program as approved by the eommission council. At the time each local government unit makes application to the Minnesota pollution control agency for a permit to alter or improve its disposal system it shall file with the commission council a copy of the application together with design data and a location map of the project.

Sec. 156. Minnesota Statutes 1992, section 473.515, subdivision 1, is amended to read:

Subdivision 1. **IDENTIFICATION OF POWERS.** In addition to all other powers conferred upon or delegated to the eommission council hereunder, it shall have the powers specified in this section.

Sec. 157. Minnesota Statutes 1992, section 473.515, subdivision 2, is amended to read:

- Subd. 2. RIGHT TO DISCHARGE TREATED SEWAGE. The eommission council shall have the right to discharge the effluent from any treatment works operated by it into any waters of the state in accordance with any effluent or water quality standards lawfully adopted by the pollution control agency.
- Sec. 158. Minnesota Statutes 1992, section 473.515, subdivision 3, is amended to read:
- Subd. 3. CONNECTIONS WITH METROPOLITAN SYSTEM. The eommission council may require any person or local government unit in the metropolitan area to provide for the discharge of its sewage, directly or indirectly, into the metropolitan disposal system, or to connect any disposal system or part thereof with the metropolitan disposal system wherever reasonable opportunity therefor is provided; may regulate the manner in which such connections are made; may require any person or local government unit discharging sewage into the metropolitan disposal system to provide preliminary treatment therefor; may prohibit the discharge into the metropolitan disposal system of any substance which it determines will or may be harmful to the system or any persons operating it; and may require any local government unit to discontinue the acquisition, betterment, or operation of any facility for its disposal system wherever and so far as adequate service is or will be provided by the metropolitan disposal system.
- Sec. 159. Minnesota Statutes 1992, section 473.5155, subdivision 1, is amended to read:
- Subdivision 1. **REMEDIES AVAILABLE.** (a) For purposes of this section, "violation" means any discharge or action by a person that violates sections 473.501 to 473.549 or rules, standards, variances, limitations, orders, stipulations, agreements, schedules of compliance, or permits that are issued or adopted by the eommission council under sections 473.501 to 473.549.
- (b) Each violation may be enforced by any one or a combination of the following: criminal prosecution, civil action, or other appropriate action in accordance with sections 473.501 to 473.549.
- Sec. 160. Minnesota Statutes 1992, section 473.5155, subdivision 3, is amended to read:
- Subd. 3. CIVIL PENALTIES. A violation is subject to a penalty payable to the state, in an amount to be determined by the court, of not more than \$1,000 per day of violation. The civil penalty may be recovered by a civil action brought by the emmission council in the name of the state.
- Sec. 161. Minnesota Statutes 1993 Supplement, section 473.516, subdivision 1, is amended to read:
- Subdivision 1. ACQUISITION AND OPERATION. Without limiting the grant or enumeration of any of the powers conferred on the council or commis-

sion under sections 473.501 to 473.549, the eommission council shall have the specific power to acquire by purchase, lease, condemnation, gift or grant any real or personal property, positive and negative easements and water and air rights, and it may construct, enlarge, improve, replace, repair, maintain and operate waste facilities in the metropolitan area deemed to be necessary or convenient in connection with the processing or disposal of waste resulting from sewage treatment, and the eommission council may contract for the maintenance and operation of such waste facilities, subject to the bidding requirements of section 473.523. The eommission council may accept for processing waste derived from outside the metropolitan area in the state, as well as waste derived from within the metropolitan area, and may fix and collect fees and charges for the acceptance of waste as the eommission council determines to be reasonable.

- Sec. 162. Minnesota Statutes 1992, section 473.516, subdivision 2, is amended to read:
- Subd. 2. GENERAL REQUIREMENTS. With respect to its activities under this section, the eemmission council shall be subject to and comply with the applicable provisions of this chapter. Property acquired by the eemmission council under this section shall be subject to the provisions of section 473.545. Any site or facility owned or operated for or by the eemmission council shall conform to the policy plan adopted by the council under section 473.149 and shall be authorized in accordance with the commission's implementation plan approved by the council. The eemmission council shall contract with private persons for the construction, maintenance, and operation of waste facilities, subject to the bidding requirements of section 473.523, where the facilities are adequate and available for use and competitive with other means of providing the same service.
- Sec. 163. Minnesota Statutes 1992, section 473.516, subdivision 3, is amended to read:
- Subd. 3. LOCAL RESTRICTIONS. Counties and local units of government may impose conditions respecting the construction, operation, inspection, monitoring, and maintenance of a waste facility of the eommission council and conditions respecting the sale, gift, delivery, storage, use, and disposal of sewage sludge of the eommission council on private property as a soil conditioner or amendment, but only in the manner and only to the extent authorized and approved by the council and the pollution control agency as being consistent with the establishment and use of the eommission's council's waste facilities and the disposal of the eommission's council's sewage sludge on private property in accordance with the council's plan, adopted under section 473.153, and agency permits and rules. Counties may exercise the enforcement powers granted under section 473.811, subdivision 5c, in the manner and to the extent authorized and approved in accordance with this subdivision.
- Sec. 164. Minnesota Statutes 1992, section 473.516, subdivision 4, is amended to read:

- Subd. 4. TECHNICAL MONITORING; SEWAGE SLUDGE DIS-POSAL. Each sewage sludge disposal facility of the waste control commission. council, or site used for the disposal of sewage sludge of the commission council, shall be required to have an agency permit issued pursuant to agency rules for permitting sewage sludge disposal facilities and sites. Each permit shall require a regular monitoring and testing program to be carried out by the waste control commission council. A regular inspection program shall be conducted by the agency or a county under contract to the agency. The commission council shall reimburse the agency quarterly for the cost of the program, and the amounts reimbursed are hereby appropriated to the agency for the purposes of the program. The eommission council shall attempt to the greatest practical extent to provide a sludge quality that permits desired nutrient loadings and minimizes elements not essential for plant growth when sludge is disposed of on private property as a soil conditioner or amendment. The eommission council shall provide recipients with information on the facility generating the sludge and the content of the sludge taken from its various treatment facilities.
- Sec. 165. Minnesota Statutes 1992, section 473.516, subdivision 5, is amended to read:
- Subd. 5. SLUDGE ASH CONTRACTS. Notwithstanding section 473.523, the eommission council may enter into a negotiated contract with a private person to use the sludge ash generated by the eommission council in a manufacturing process. The contract may not exceed 30 years.
- Sec. 166. Minnesota Statutes 1992, section 473.517, subdivision 1, is amended to read:
- Subdivision 1. CURRENT COSTS DEFINED. The estimated costs of operation, maintenance, and debt service of the metropolitan disposal system to be paid by the eommission council in each fiscal year, and the costs of acquisition and betterment of the system which are to be paid during the year from funds other than bond proceeds, including all expenses incurred by the council pursuant to sections 473.501 to 473.545, are referred to in this section as current costs, and shall be allocated in the budget for that year to the respective local government units in the metropolitan area as provided in subdivisions 2 to 6. The amount budgeted by the eommission council for any year for a reserve or contingency fund must be treated as a current cost and allocated as a cost of operation and maintenance in accordance with this section. The reserve or contingency fund so established may not exceed an amount equal to 7.5 percent of the eommission's council's waste control operating budget in total.
- Sec. 167. Minnesota Statutes 1992, section 473.517, subdivision 2, is amended to read:
- Subd. 2. ALLOCATION OF METROPOLITAN TREATMENT WORKS AND INTERCEPTOR COSTS; ADJUSTED VOLUME. Except as provided in subdivision 3, the current costs of all treatment works and interceptors in the metropolitan disposal system shall be allocated among and paid by all local gov-

ernment units which will discharge sewage, directly or indirectly, into the metropolitan disposal system during the budget year, in proportion to the total volume estimated to be so discharged by each local government unit, adjusted as follows:

- (a) increased or decreased, as the case may be, to the extent the commission council determines, on the basis of such historical and reasonably projected data as may be available, that the sewage discharged by one unit will require more or less treatment to produce a suitable effluent than that discharged by others;
- (b) decreased by any amount of surface water estimated by the eommission council to be discharged by a local government unit from a combined storm and sanitary sewer system;
- (c) increased by that volume of normal sanitary sewage which is equivalent for treatment purposes to the volume of surface water referred to in clause (b), as determined by the commission council from available engineering data; and
- (d) increased or decreased, as the case may be, by the amount of any substantial and demonstrable error in a previous estimate.
- Sec. 168. Minnesota Statutes 1992, section 473.517, subdivision 3, is amended to read:
- Subd. 3. ALLOCATION OF METROPOLITAN TREATMENT WORKS AND INTERCEPTOR COSTS; RESERVED CAPACITY. In preparing each budget the eommission council shall estimate the current costs of acquisition, betterment, and debt service, only, of the treatment works in the metropolitan disposal system which will not be used to total capacity during the budget year, and the percentage of such capacity which will not be used, and shall deduct the same percentage of such treatment works costs from the current costs allocated under subdivision 2. The commission council shall also estimate the current costs of acquisition, betterment, and debt service, only, of the interceptors in the metropolitan disposal system that will not be used to total capacity during the budget year, shall estimate the percentage of the total capacity that will not be used, and shall deduct the same percentage of interceptor costs from the current costs allocated under subdivision 2. The total amount so deducted with respect to all treatment works and interceptors in the system shall be allocated among and paid by the respective local government units in the metropolitan area for which system capacity unused each year is reserved for future use, in proportion to the amounts of such capacity reserved for each of them.
- Sec. 169. Minnesota Statutes 1992, section 473.517, subdivision 6, is amended to read:
- Subd. 6. **DEFERMENT OF PAYMENTS.** The council may by resolution provide for the deferment of payment of all or part of the current costs of acquisition, betterment, and debt service of estimated unused capacity which are allocated by the <u>commission council</u> to a local government unit in any year

pursuant to subdivisions subdivision 3 and 4, repayable at such time or times as the council shall specify in the resolution, with interest at the approximate average annual rate borne by council bonds outstanding at the time of the deferment, as determined by the council. Such costs may be deferred only when the council determines that a substantial portion of the territory of a local government unit has not been connected to the metropolitan disposal system, and that the amount of such costs or some portion thereof is disproportionate to the available economic resources of the unit at the time. Such deferred costs shall be allocated to and paid by all local government units in the metropolitan area which will discharge sewage, directly or indirectly, into the metropolitan disposal system in the budget year for which the deferment is granted, in the same manner and proportions as current costs are allocated under subdivision 5 2. When such deferred costs are repaid they shall be applied in reduction of the total amount of costs thereafter allocated to each of the local government units to which such deferred costs were allocated in the year of deferment, in proportion to their allocations thereof that year.

- Sec. 170. Minnesota Statutes 1992, section 473.517, subdivision 9, is amended to read:
- Subd. 9. ADVISORY COMMITTEES. The eommission council may establish and appoint persons to advisory committees to assist the eommission council in the performance of its wastewater control duties. If established, the advisory committees shall meet with the waste eontrol eommission council to consult with such members concerning the acquisition, betterment, operation and maintenance of interceptors and treatment works in the metropolitan disposal system, and the allocation of costs therefor. Members of the advisory committee serve without compensation but must be reimbursed for their reasonable expenses as determined by section 15.059 the council.
  - Sec. 171. Minnesota Statutes 1992, section 473.519, is amended to read:

## 473.519 FEDERAL WATER POLLUTION CONTROL ACT AMENDMENTS OF 1972; SYSTEM OF CHARGES.

Each local government unit shall adopt a system of charges for the use and availability of the metropolitan disposal system which will assure that each recipient of waste treatment services within or served by the unit will pay its proportionate share of the current costs allocated to the unit by the eommission council under section 473.517, as required by the federal Water Pollution Control Act amendments of 1972, and any regulations issued pursuant thereto. Each system of charges shall be adopted as soon as possible and shall be submitted to the eommission council. The eommission council shall review each system of charges to determine whether it complies with the federal law and regulations. If it determines that a system of charges does not comply, the adopting unit shall be notified and shall change its system to comply, and shall submit the changes to the eommission council for review. All subsequent changes in a system of charges proposed by a local government unit shall also be submitted to the eom-

mission council for review. Each local government unit may appeal the determination of the commission to the council for review and determination.

- Sec. 172. Minnesota Statutes 1992, section 473.521, subdivision 1, is amended to read:
- Subdivision 1. AMOUNTS DUE COMMISSION COUNCIL, WHEN PAYABLE. Charges payable to the commission council by local government units may be made payable at such times during each year as the commission council determines, but such dates shall be fixed with reference to the dates on which tax, assessment, and revenue collections become available to the government units required to pay such charges.
- Sec. 173. Minnesota Statutes 1992, section 473.521, subdivision 2, is amended to read:
- Subd. 2. COMPONENT MUNICIPALITIES, OBLIGATIONS TO COMMISSION COUNCIL. Each government unit shall pay to the commission council all sums charged to it as provided in section 473.517, at the times and in the manner determined by the commission council. The governing body of each such government unit shall take all action that may be necessary to provide the funds required for such payments and to make the same when due.
- Sec. 174. Minnesota Statutes 1992, section 473.521, subdivision 3, is amended to read:
- Subd. 3. **POWERS OF GOVERNMENT UNITS.** To accomplish any duty imposed on it by the council <del>or commission</del>, the governing body of every government unit in the metropolitan area may exercise the powers granted any municipality by chapters 117, 412, 429, 475, sections 115.46, 444.075 and 471.59.
- Sec. 175. Minnesota Statutes 1992, section 473.521, subdivision 4, is amended to read:
- Subd. 4. **DEFICIENCY TAX LEVIES.** If the governing body of any local government unit fails to meet any payment to the eommission council hereunder when due, the metropolitan council may certify to the auditor of the county in which the government unit is located the amount required for payment of such amount with interest at six percent per annum. The auditor shall levy and extend such amount as a tax upon all taxable property in the government unit for the next calendar year, free from any existing limitations imposed by law or charter. Such tax shall be collected in the same manner as the general taxes of the government unit, and the proceeds thereof, when collected, shall be paid by the county treasurer to the treasurer of the eommission council and credited to the government unit for which the tax was levied.
- Sec. 176. Minnesota Statutes 1992, section 473.523, subdivision 1, is amended to read:

Subdivision 1. No contract All contracts for any construction work, or for the purchase of materials, supplies, or equipment, costing more than \$15,000 relating to the metropolitan disposal system shall be made as provided in section 471.345, subdivisions 3 to 6. Contracts subject to section 471.345, subdivision 3, shall be made by the commission without council by publishing once in a legal newspaper or trade paper published in a city of the first class not less than two weeks before the last day for submission of bids, notice that bids or proposals will be received. Such notice shall state the nature of the work or purchase and the terms and conditions upon which the contract is to be awarded, and a time and place where such bids will be received, opened, and read publicly. After such bids have been duly received, opened, read publicly, and recorded, the eommission council shall award such contract to the lowest responsible bidder or it may reject all bids and readvertise. Each contract shall be duly executed in writing and the party to whom the contract is awarded shall give sufficient bond or security to the board for the faithful performance of the contract as required by law. The commission council shall have the right to set qualifications and specifications and to require bids to meet all such qualifications and specifications before being accepted. If the eommission council by an affirmative vote of two-thirds of its members declares that an emergency exists requiring the immediate purchase of materials or supplies at a cost in excess of \$15,000 the amount specified in section 471.345, subdivision 3, or in making emergency repairs, it shall not be necessary to advertise for bids.

- Sec. 177. Minnesota Statutes 1992, section 473.523, subdivision 2, is amended to read:
- Subd. 2. The administrator manager of wastewater services may, without prior approval of the commission council and without advertising for bids, enter into any contract of the type referred to in subdivision 1 which is not in excess of \$15,000 the amount specified in section 471.345, subdivision 3.
  - Sec. 178. Minnesota Statutes 1992, section 473.535, is amended to read:

# 473.535 IMPLEMENTATION PLAN CAPITAL IMPROVEMENT PROGRAM; BUDGET.

The waste control commission council shall prepare; submit to the council and adopt an implementation plan a capital improvement program and a budget at the time and in the manner provided in and otherwise comply with sections 473.161 and 473.163 for the acquisition or betterment of any interceptors or treatment works determined by the council to be necessary or desirable for the metropolitan disposal system. When the council issues debt under section 473.541, it must be for the projects identified in the adopted capital improvement program and budget.

- Sec. 179. Minnesota Statutes 1992, section 473.541, subdivision 2, is amended to read:
  - Subd. 2. EMERGENCY CERTIFICATES OF INDEBTEDNESS. If in

any budget year the receipts of tax and other revenues should from some unforeseen cause become insufficient to pay the eemmission's council's current wastewater control expenses, or if any calamity or other public emergency should subject it to the necessity of making extraordinary wastewater control expenditures, the council may make an emergency appropriation of an amount sufficient to meet the deficiency and may authorize the issuance, negotiation, and sale of certificates of indebtedness in this amount in the same manner and upon the same conditions as provided in subdivision 1, except that the council shall forthwith levy on all taxable property in the metropolitan area a tax sufficient to pay the certificates and interest thereon, and shall appropriate all collections of such tax to a special fund created for that purpose. The certificates may mature not later than April in the year following the year in which the tax is collectible.

Sec. 180. Minnesota Statutes 1992, section 473.542, is amended to read:

#### 473.542 DEPOSITORIES.

The eommission council shall from time to time designate one or more national or state banks, or trust companies authorized to do a banking business, as official depositories for moneys of the eommission council, and thereupon shall require the treasurer to deposit all or a part of such moneys in such institutions. Such designation shall be in writing and shall set forth all the terms and conditions upon which the deposits are made, and shall be signed by the chair and treasurer, and made a part of the minutes of the board council. Any bank or trust company so designated shall qualify as a depository by furnishing a corporate surety bond or collateral in the amounts required by section 118.01. However, no bond or collateral shall be required to secure any deposit insofar as it is insured under federal law.

Sec. 181. Minnesota Statutes 1992, section 473.543, subdivision 1, is amended to read:

Subdivision 1. All moneys from wastewater control operations received by the eommission council shall be deposited or invested by the treasurer and disposed of as the eommission council may direct in accordance with its waste control budget; provided that any moneys that have been pledged or dedicated by the metropolitan council to the payment of obligations or interest thereon or expenses incident thereto, or for any other specific purpose authorized by law, shall be paid by the treasurer into the fund to which they have been pledged.

- Sec. 182. Minnesota Statutes 1992, section 473.543, subdivision 2, is amended to read:
- Subd. 2. The eommission's council's treasurer shall establish such funds and accounts as may be necessary or convenient to handle the receipts and disbursements of the eommission council in an orderly fashion.
- Sec. 183. Minnesota Statutes 1992, section 473.543, subdivision 3, is amended to read:

- Subd. 3. The moneys on hand in said funds and accounts may be deposited in the official depositories of the eommission council or invested as hereinafter provided. The amount thereof not currently needed or required by law to be kept in cash on deposit may be invested in obligations authorized for the investment of municipal sinking funds by section 475.66. Such moneys may also be held under certificates of deposit issued by any official depository of the eommission council.
- Sec. 184. Minnesota Statutes 1992, section 473.543, subdivision 4, is amended to read:
- Subd. 4. The use of proceeds of all bonds issued by the council for the acquisition and betterment of interceptors or treatment works, and the use, other than investment, of all moneys on hand in any sinking fund or funds of the council, shall be governed by the provisions of chapter 475, and the provisions of resolutions authorizing the issuance of such bonds. Such bond proceeds when received shall be transferred to the treasurer of the commission for safe-keeping, investment and payment of capital costs.

Sec. 185. Minnesota Statutes 1992, section 473.545, is amended to read:

#### 473.545 PROPERTY EXEMPT FROM TAXATION.

Any properties, real or personal, owned, leased, controlled, used, or occupied by the waste control commission council for any purpose referred to in section 473.502 are declared to be acquired, owned, leased, controlled, used and occupied for public, governmental, and municipal purposes, and shall be exempt from taxation by the state or any political subdivision of the state, provided that such properties shall be subject to special assessments levied by a political subdivision for a local improvement in amounts proportionate to and not exceeding the special benefit received by the properties from such improvement. No possible use of any such properties in any manner different from their use as part of the metropolitan disposal system at the time shall be considered in determining the special benefit received by such properties. All such assessments shall be subject to final confirmation by the metropolitan council, whose determination of the benefits shall be conclusive upon the political subdivision levying the assessment.

Sec. 186. Minnesota Statutes 1992, section 473.547, is amended to read:

#### 473.547 TAX LEVIES.

The council shall have power to levy taxes for debt service of the metropolitan disposal system upon all taxable property within the metropolitan area, without limitation of rate or amount and without affecting the amount or rate of taxes which may be levied by the council for other purposes or by any local government unit in the area. The council shall also have power to levy taxes as provided in section 473.521. Each of the county auditors shall annually assess and extend upon the tax rolls in the auditor's county the portion of the taxes levied

by the council in each year which is certified to the auditor by the council. Each county treasurer shall collect and make settlement of such taxes with the treasurer of the commission council in the same manner as with other political subdivisions.

Sec. 187. Minnesota Statutes 1992, section 473.549, is amended to read:

#### 473.549 RELATION TO EXISTING LAWS.

The provisions of sections 473.501 to 473.549 shall be given full effect not-withstanding the provisions of any law not consistent therewith. The powers conferred on the council and the commission under sections 473.501 to 473.545 shall in no way diminish or supersede the powers conferred on the pollution control agency by sections 103F.701 to 103F.761 and chapters 115 and 116.

Sec. 188. Minnesota Statutes 1992, section 473.553, subdivision 1, is amended to read:

Subdivision 1. **GENERAL.** The metropolitan sports facilities commission is established and shall be organized, structured, and administered as provided in this section and section 473.141, subdivisions 6 to 11, 13, and 14.

- Sec. 189. Minnesota Statutes 1992, section 473.553, subdivision 2, is amended to read:
- Subd. 2. MEMBERSHIP. The commission shall consist of six members, appointed by the governor during the period before substantial completion of construction of sports facilities pursuant to sections 473.551 to 473.595 and thereafter as hereinafter provided, plus a chair appointed as provided in subdivision 3. Initial appointments of members shall be made within 30 days of May 17, 1977. One member shall be appointed from each of the following combinations of metropolitan commission precincts defined in section 473.141, subdivision 2: A and B; C and G; D and E; F and H. Two members shall be appointed from outside the metropolitan area. Upon substantial completion of construction of the sports facility, vacancies occurring on the commission, whether at the completion of or prior to the completion of a member's term, shall be filled by the city council of the city in which the stadium is located plus a chair appointed as provided in subdivision 3.
- Sec. 190. Minnesota Statutes 1992, section 473.553, subdivision 4, is amended to read:
- Subd. 4. QUALIFICATIONS. Each member appointed prior to substantial completion of construction of a sports facility constructed pursuant to sections 473.551 to 473.595 shall be a resident of the precincts or area of the state for which appointed. A member appointed at any time shall not during a term of office hold the office of metropolitan council member or be a member of another metropolitan agency that is subject to section 473.141 or hold any judicial office or office of state government. None of the members appointed by the city coun-

- cil of the city in which the stadium is located shall be an elected public official of that city or of another political subdivision any part of whose territory is shared with that city. Each member shall qualify by taking and subscribing the oath of office prescribed by the Minnesota Constitution, article V, section 6. The oath, duly certified by the official administering it, shall be filed with the chair of the metropolitan council.
- Sec. 191. Minnesota Statutes 1992, section 473.553, subdivision 5, is amended to read:
- Subd. 5. TERMS. The terms of the three members representing precincts A and B and C and G and the term of one of the members from outside the metropolitan area shall end the first Monday in January, 1981 in the year ending in the numeral "5". The terms of the other members and the chair shall end the first Monday in January, 1983 in the year ending in the numeral "7". After the initial term provided for in this subdivision, The term of each member and the chair shall be four years. The terms shall continue until a successor is appointed and qualified. Members and the chair may be removed in the manner specified in chapter 351 only for cause.
- Sec. 192. Minnesota Statutes 1992, section 473.553, is amended by adding a subdivision to read:
- Subd. 6. VACANCIES. A vacancy shall be filled by the appointing authority in the same manner in which the original appointment was made.
- Sec. 193. Minnesota Statutes 1992, section 473.553, is amended by adding a subdivision to read:
- Subd. 7. COMPENSATION. Each commission member shall be paid \$50 for each day when the member attends one or more meetings or provides other services, as authorized by the commission, and shall be reimbursed for all actual and necessary expenses incurred in the performance of duties. The chair of the metropolitan sports facilities commission shall receive, unless otherwise provided by other law, a salary in an amount fixed by the members of the commission and shall be reimbursed for reasonable expenses to the same extent as a member. The annual budget of each commission shall provide as a separate account anticipated expenditures for per diem, travel, and associated expenses for the chair and members, and compensation or reimbursement shall be made to the chair and members only when budgeted.
- Sec. 194. Minnesota Statutes 1992, section 473.553, is amended by adding a subdivision to read:
- Subd. 8. REGULAR AND SPECIAL MEETINGS. The commission shall meet regularly at least once each month, at such time and place as the commission shall by resolution designate. Special meetings may be held at any time upon the call of the chair or a majority of the members, upon written notice to each member at least three days prior to the meeting, or upon such other notice as the commission may by resolution provide. Unless otherwise provided, any action within the authority of the commission may be taken by the affirmative

vote of a majority of the members. A majority of all of the members of the commission shall constitute a quorum, but a lesser number may meet and adjourn from time to time and compel the attendance of absent members.

Sec. 195. Minnesota Statutes 1992, section 473,553, is amended by adding a subdivision to read:

- Subd. 9. PERSONNEL CODE; MERIT SYSTEM. (a) The council shall by resolution adopt guidelines for a personnel code relating to the employees of the commission, except that nothing in Laws 1974, chapter 422, shall impair the rights of the commission or employee under sections 473.405 and 473.415. After adoption of the guidelines, the commission shall by resolution adopt a personnel code in general conformance therewith. The code shall include a job classification plan, procedures for employment and promotion of personnel based on merit, procedures for the demotion, suspension, or discharge of employees, procedures for hearing grievances, procedures for salary administration, and such other provisions as the council deems appropriate. In addition, the code shall provide for the development by the commission of affirmative action plans, as provided in section 473.143. The executive director of the commission shall administer the code, and the commission shall not take any action inconsistent with the personnel code.
- (b) When a commission employee has been demoted, suspended, or dismissed by the executive director, the employee may, within 30 days after such action becomes effective, file with the commission a written request for a hearing showing the position from which the employee was dismissed, the date of dismissal, and the reason for requesting the hearing, full name and present mailing address. Upon receipt of a request for a hearing the commission shall appoint three of its members to act as an appeal committee and preside at a hearing on the action of the executive director. The hearing shall be held within 30 days after the request is received by the commission, upon written notice mailed or delivered to the employee at the employee's present mailing address, not less than seven days before the hearing. The appeal committee shall approve or disapprove the action of the executive director, and in the case of approval the action of the executive director shall be final. In the case of disapproval the appeal committee may reinstate the employee under such conditions as it deems proper, and may order the payment to the employee of compensation lost as a result of the demotion, suspension or dismissal.

Sec. 196. Minnesota Statutes 1992, section 473.553, is amended by adding a subdivision to read:

Subd. 10. SECRETARY AND TREASURER. At its first regular meeting each year the commission shall appoint a secretary and a treasurer or, in the alternative, a secretary-treasurer. The secretary and treasurer, or secretarytreasurer, may, but need not be, members of the commission, and shall hold office at the pleasure of the commission, subject to the terms of any contract of employment which the commission may enter into with the secretary or trea-

surer. The secretary shall record the minutes of all meetings of the commission and shall be the custodian of all books and records of the commission except such as the commission shall entrust to the custody of a designated employee. The treasurer shall be the custodian of all moneys received by the commission except such as the commission shall entrust to the custody of a designated employee. The commission may appoint a deputy to perform any and all functions of either the secretary or the treasurer.

- Sec. 197. Minnesota Statutes 1992, section 473.553, is amended by adding a subdivision to read:
- Subd. 11. EXECUTIVE DIRECTOR. The chair of the commission shall, subject to the approval of the commission, appoint an executive director who shall be chosen solely on the basis of training, experience, and other qualifications, and who shall serve at the pleasure of the commission. The executive director shall attend meetings of the commission, but shall not vote, and shall have the following powers and duties:
  - (a) See that all resolutions, rules, or orders of the commission are enforced.
- (b) Appoint and remove, subject to the provisions of the personnel code adopted pursuant to subdivision 9, upon the basis of merit and fitness, all subordinate officers and regular employees of the commission.
- (c) Present to the commission plans, studies, and reports prepared for commission purposes and recommend to the commission for adoption such measures as the executive director deems necessary to enforce or carry out the powers and duties of the commission, or to the efficient administration of the affairs of the commission.
- (d) Keep the commission fully advised as to its financial condition, and prepare and submit to the commission its annual budget and such other financial information as it may request.
- (e) Recommend to the commission for adoption such rules as the executive director deems necessary for the efficient operation of the commission's functions.
  - (f) Perform such other duties as may be prescribed by the commission.
- Sec. 198. Minnesota Statutes 1992, section 473.553, is amended by adding a subdivision to read:
- Subd. 12. COMMISSION OPERATING PROCEDURES. (a) The commission shall adopt resolutions and bylaws, an administrative code establishing procedures for commission action, keeping records, approving claims, authorizing and making disbursements, authorizing contracts, safekeeping funds and audit of all financial operations of the commission.
  - (b) The commission and the council may enter into contracts with each

other and with other commissions and governmental units for the joint exercise of powers in the manner provided by section 471.59; provided that the commission shall not enter into any contract with the council which would assign any operations authority, responsibility or function, other than planning or making studies, from the commission to the council.

- Sec. 199. Minnesota Statutes 1992, section 473.553, is amended by adding a subdivision to read:
- Subd. 13. RELOCATION PAYMENT STANDARDS. In all acquisitions the commission shall provide as a cost of acquisition the relocation assistance, services, payments and benefits required by the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, 84 Stat. 1894 (1971), United States Code, title 42, section 4601, et seq.
  - Sec. 200. Minnesota Statutes 1992, section 473.561, is amended to read:

#### 473.561 EXEMPTION FROM COUNCIL REVIEW.

The acquisition and betterment of sports facilities by the commission shall be conducted pursuant to sections 473.551 to 473.595 and shall not be affected by the provisions of sections 473.161, 473.165, and 473.173.

- Sec. 201. Minnesota Statutes 1992, section 473.595, subdivision 3, is amended to read:
- Subd. 3. BUDGET PREPARATION; REVIEW AND APPROVAL. The commission shall comply with the provisions of section 473.163, provided that the entire budget, including operating revenues and expenditures for operation, administration, and maintenance, shall be subject to approval by the council, in accordance with the procedures described in section 473.163.

The commission shall prepare a proposed budget by August 1 of each year.

The budget shall include operating revenues and expenditures for operation, administration, and maintenance. In addition, the budget must show for each year:

- (a) The estimated operating revenues from all sources including funds on hand at the beginning of the year, and estimated expenditures for costs of operation, administration, maintenance, and debt service;
- (b) Capital improvement funds estimated to be on hand at the beginning of the year and estimated to be received during the year from all sources and estimated cost of capital improvements to be paid out or expended during the year; all in such detail and form as the council may prescribe; and
  - (c) The estimated source and use of pass-through funds.

As early as practicable before August 15 of each year, the commission shall hold a public hearing on a draft of the proposed budget. Along with the draft,

the commission shall publish a report on user charges. The report must include an estimate and analysis of the changes in user charges, rates, and fees that will be required by the commission's budget. Not less than 14 days before the hearing, the commission shall publish notice of the hearing in a newspaper having general circulation in the metropolitan area, stating the date, time, and place of hearing, and the place where the proposed budget and report on user charges may be examined by any interested person. Following the hearing, the commission shall publish a report of the hearing that summarizes the comments received and the agency's response. The council shall approve or disapprove the entire budget by October 1 of each year. Before December 15 of each year, the commission shall by resolution adopt a final budget. The commission shall file its final budget with the council on or before December 20 of each year. The council shall file the budgets with the secretary of the senate and the clerk of the house of representatives not later than January 1 of each year.

Except in an emergency, for which procedures must be established by the agency, the commission and its officers, agents, and employees may not spend money for any purpose, other than debt service, without an appropriation by the commission, and no obligation to make such an expenditure shall be enforceable except as the obligation of the person or persons incurring it. The creation of any debt obligation or the receipt of any federal or state grant is a sufficient appropriation of the proceeds for the purpose for which it is authorized, and of the tax or other revenues pledged to pay the obligation and interest on it whether or not specifically included in any annual budget. After obtaining approval of the council, if required under subdivision 2, the agency may amend the budget at any time by transferring any appropriation from one purpose to another, except appropriations of the proceeds of bonds issued for a specific purpose.

Sec. 202. Minnesota Statutes 1993 Supplement, section 473.604, subdivision 1, is amended to read:

#### Subdivision 1. COMPOSITION. The commission consists of:

- (1) the mayor of each of the cities, or a qualified voter appointed by the mayor, for the term of office as mayor;
- (2) eight members, one appointed from each of the agency districts provided for in section 473.141, subdivision 2, for terms as provided in section 473.141, subdivision 4a appointed by the governor from each of the following agency districts:
  - (i) district A, consisting of council districts 1 and 2;
  - (ii) district B, consisting of council districts 3 and 4;
  - (iii) district C, consisting of council districts 5 and 6;
  - (iv) district D, consisting of council districts 7 and 8;

- (v) district E, consisting of council districts 9 and 10;
- (vi) district F, consisting of council districts 11 and 12;
- (vii) district G, consisting of council districts 13 and 14; and
- (viii) district H, consisting of council districts 15 and 16.

Each member shall be a resident of the district represented. The members shall be appointed by the governor. Before making an appointment, the governor shall consult with each member of the legislature from the district for which the member is to be appointed, to solicit the legislator's recommendation on the appointment;

- (3) four members appointed by the governor from outside of the metropolitan area to reflect fairly the various regions and interests throughout the state that are affected by the operation of the commission's major airport and airport system. Two of these members must be residents of statutory or home rule charter cities, towns, or counties containing an airport designated by the commissioner of transportation as a key airport. The other two must be residents of statutory or home rule charter cities, towns, or counties containing an airport designated by the commissioner of transportation as an intermediate airport. The members must be appointed by the governor as follows: one for a term of one year, one for a term of two years, one for a term of three years, and one for a term of four years. All of the terms start on July 1, 1989. The successors of each member must be appointed to four-year terms commencing on the first Monday in January of each fourth year after the expiration of the original term. Before making an appointment, the governor shall consult each member of the legislature representing the municipality or county from which the member is to be appointed, to solicit the legislator's recommendation on the appointment; and
- (4) a chair appointed by the governor for a term of four years. The chair may be removed at the pleasure of the governor.
- Sec. 203. Minnesota Statutes 1992, section 473.605, subdivision 2, is amended to read:
- Subd. 2. Each commission member shall receive \$50 per diem compensation and be reimbursed for actual and necessary expenses as provided by section 473.141, subdivision 7. The chair shall receive a salary as prescribed in section 15A.081, subdivision 7, and shall be reimbursed for reasonable expenses to the same extent as a member. The mayors and members of the city councils of Minneapolis and St. Paul shall not be eligible for per diem compensation. The annual budget of the commission shall provide as a separate account anticipated expenditures for per diem, travel, and associated expenses for the chair and members, and compensation or reimbursement shall be made to the chair and members only when budgeted.

- Sec. 204. Minnesota Statutes 1992, section 473.823, subdivision 3, is amended to read:
- Subd. 3. SOLID WASTE FACILITIES; REVIEW PROCEDURES. (a) The agency shall request applicants for solid waste facility permits to submit all information deemed relevant by the council to its review, including without limitation information relating to the geographic areas and population served, the need, the effect on existing facilities and services, the effectiveness of proposed buffer areas to ensure, at a minimum, protection of surrounding land uses from adverse or incompatible impacts due to landfill operation and related activities, the anticipated public cost and benefit, the anticipated rates and charges, the manner of financing, the effect on metropolitan plans and development programs, the supply of waste, anticipated markets for any product, and alternative means of disposal or energy production.
- (b) A permit may not be issued for the operation of a solid waste facility in the metropolitan area which is not in accordance with the metropolitan council's solid waste policy plan. The metropolitan council shall determine whether a permit is in accordance with the policy plan. In making its determination, the council shall consider the areawide need and benefit of the applicant facility and the effectiveness of proposed buffer areas to adequately protect surrounding land uses in accordance with its policy plan, and may consider, without limitation, the effect of the applicant facility on existing and planned solid waste facilities described in a waste control commission implementation plan or county report or master plan.
- (c) If the council determines that a permit is in accordance with its policy plan, the council shall approve the permit. If the council determines that a permit is not in accordance with its policy plan, it shall disapprove the permit. The council's approval of permits may be subject to conditions necessary to satisfy criteria and standards in its policy plan, including conditions respecting the type, character, and quantities of waste to be processed at a solid waste facility used primarily for resource recovery and the geographic territory from which a resource recovery facility or transfer station serving such a facility may draw its waste.
- (d) For the purpose of this review and approval by the council, the agency shall send a copy of each permit application and any supporting information furnished by the applicant to the metropolitan council within 15 days after receipt of the application and all other information requested from the applicant. Within 60 days after the application and supporting information are received by the council, unless a time extension is authorized by the agency, the council shall issue to the agency in writing its determination whether the permit is disapproved, approved, or approved with conditions. If the council does not issue its determination to the agency within the 60-day period, unless a time extension is authorized by the agency, the permit shall be deemed to be in accordance with the council's policy plan.

- (e) A permit may not be issued in the metropolitan area for a solid waste facility used primarily for resource recovery or a transfer station serving the facility, if the facility or station is owned or operated by a public agency or if the acquisition or betterment of the facility or station is secured by public funds or obligations issued by a public agency, unless the council finds and determines that adequate markets exist for the products recovered and that establishment of the facility is consistent with the criteria and standards in the metropolitan and county plans respecting the protection of existing resource recovery facilities and transfer stations serving such facilities.
- Sec. 205. Minnesota Statutes 1992, section 473.852, subdivision 8, is amended to read:
- Subd. 8. METROPOLITAN SYSTEM PLANS. "Metropolitan system plans" means the airports and transportation portions of the metropolitan development guide, and the policy plans, implementation plans, and capital budgets for metropolitan waste control wastewater service, transportation, and regional recreation open space.
- Sec. 206. Minnesota Statutes 1992, section 473.852, subdivision 10, is amended to read:
- Subd. 10. PRIVATE SEWER FACILITY. "Private sewer facility" means a single lot, multiple lot or other sewage collection or treatment facility owned, constructed or operated by any person other than a local governmental unit or the metropolitan waste control commission council.

#### Sec. 207. TRANSITION; PENSION.

A person who was an employee of the metropolitan transit commission on July 1, 1984, and became an employee of the regional transit board and who subsequently becomes an employee of the metropolitan council on the effective date of this section has the option of continued coverage under Minnesota Statutes, chapter 353.

#### Sec. 208. REGIONAL PARKS APPROPRIATION; CONSULTATION.

The metropolitan council must consult with the city of Eden Prairie and must consider using part of an appropriation, if made, to the council for regional parks, for the acquisition of 226 acres in Eden Prairie that contain oak savannah, native prairie, and maple basswood forest, for use as a regional nature preserve.

#### Sec. 209. REPEALER.

(a) Minnesota Statutes 1992, sections 115A.03, subdivision 20; 115A.33; 174.22, subdivision 4; 473.121, subdivisions 15 and 21; 473.122; 473.146, subdivisions 2, 2a, 2b, and 2c; 473.153; 473.161; 473.163; 473.181, subdivision 3; 473.325, subdivision 5; 473.384, subdivision 9; 473.388, subdivision 6; 473.404, as amended by Laws 1993, chapter 119, section 1; 473.405, subdivisions 2, 6, 7,

8, 11, 13, and 14; 473.417; 473.435; 473.436, subdivision 7; 473.445, subdivisions 1 and 3; 473.501, subdivision 2; 473.503; 473.504, subdivisions 1, 2, 3, 7, and 8; 473.511, subdivision 5; 473.517, subdivision 8; 473.543, subdivision 5; and 473.553, subdivision 4a, are repealed.

(b) Minnesota Statutes 1992, sections 473.121, subdivision 14a; 473.141, as amended by Laws 1993, chapter 314, sections 3 and 4; 473.373, as amended by Laws 1993, chapter 314, section 5; 473,375, subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 10, 16, 17, and 18; 473.377; 473.38; Minnesota Statutes 1993 Supplement, section 473.3996, are repealed.

Sec. 210. APPLICATION.

This article applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 211, INSTRUCTION TO REVISOR.

In the next publication of Minnesota Statutes after October 1, 1994, the revisor of statutes shall delete "board" and insert "council" wherever it appears in Minnesota Statutes, section 473.386, subdivision 2.

Sec. 212. EFFECTIVE DATE.

Sections 1, 4, 10, 11, 15, 16, 18 to 25, 32, 43, 48, 49, 52, 62 to 66, and 68 to 73, 75 to 77, 79 to 86, 88, 90, 97, 98, 100, 136, 138, 140, and 207 are effective October 1, 1994. Section 41 is effective January 1, 1995. Sections 60, 61, 67, and 78 are effective the day after final enactment. Section 209, paragraph (a) is effective July 1, 1994, except that the repeal of those provisions relating to the powers and duties of the regional transit board is not effective as applied to the regional transit board until October 1, 1994. Section 209, paragraph (b) is effective October 1, 1994. The remainder of this article is effective July 1, 1994, except that those provisions providing for changes in the powers and duties of the regional transit board are not effective as applied to the regional transit board until October 1, 1994.

### ARTICLE 4 CITATION

Section 1. CITATION.

This act is the Metropolitan Reorganization Act of 1994.

Presented to the governor May 6, 1994

Signed by the governor May 10, 1994, 3:57 p.m.