

This Document can be made available  
in alternative formats upon request

State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. **1450**

03/04/2015 Authored by Drazkowski and Davids

The bill was read for the first time and referred to the Committee on Greater Minnesota Economic and Workforce Development Policy

1.1 A bill for an act  
1.2 relating to transportation; establishing a small cities assistance grant program;  
1.3 proposing coding for new law in Minnesota Statutes, chapter 162.

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

1.5 Section 1. **[162.145] SMALL CITIES ASSISTANCE.**

1.6 Subdivision 1. **Program created.** From funds made available specifically under this  
1.7 section, the commissioner shall establish a grant program for assistance to small cities.

1.8 Subd. 2. **Small cities assistance account.** A small cities assistance account is  
1.9 created in the special revenue fund. The account consists of funds as provided by law and  
1.10 any other money donated, allotted, transferred, or otherwise provided to the account.

1.11 Money in the account may only be expended as provided under this section.

1.12 Subd. 3. **Program administration.** (a) Subject to the requirements of this section,  
1.13 the commissioner shall develop a grant application, review, and award process that (1)  
1.14 minimizes burdens on applicants, (2) does not require specification of individual projects  
1.15 by applicants, and (3) provides for geographic equity throughout the state.

1.16 (b) Following notification from the commissioner of transportation concerning grant  
1.17 awards, the commissioner of revenue shall distribute funds to cities in the same manner as  
1.18 local government aid under chapter 477A.

1.19 (c) A grant provided under this section is not subject to state-aid requirements  
1.20 under this chapter, including but not limited to engineering standards adopted by the  
1.21 commissioner in rules.

1.22 Subd. 4. **Program requirements.** (a) Eligibility to receive a grant award under this  
1.23 section is limited to a statutory or home rule charter city that does not receive municipal  
1.24 state aid under sections 162.09 to 162.14.

2.1 (b) Grant awards under this section are available only for construction and  
2.2 maintenance of roads and bridges located within the city, including:

2.3 (1) land acquisition, environmental analysis, design, engineering, construction,  
2.4 reconstruction, and maintenance;

2.5 (2) road projects partially located within the city;

2.6 (3) projects on county state-aid highways located within the city; and

2.7 (4) cost participation on road projects under the jurisdiction of another unit of  
2.8 government.

2.9 (c) In a fiscal year, the commissioner may not award grants to a city in an amount  
2.10 that exceeds 15 percent of total funds available under this section.

2.11 **EFFECTIVE DATE.** This section is effective July 1, 2015.