A bill for an act

relating to transportation; establishing requirements governing capital requests and legislative reporting for projects to establish fixed guideway transit and rail lines; amending Minnesota Statutes 2008, section 16A.11, subdivision 3a; Minnesota Statutes 2009 Supplement, section 16A.86, subdivision 3a; proposing coding for new law in Minnesota Statutes, chapter 174.

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

Section 1. Minnesota Statutes 2008, section 16A.11, subdivision 3a, is amended to read:

Subd. 3a. **Part three: detailed capital budget.** The detailed capital budget must include recommendations for capital projects to be funded during the next six fiscal years, and must meet the requirements under section 174.93, subdivision 2. It must be submitted with projects recommended by the governor and in order of importance among that agency's requests as determined by the agency originating the request.

Sec. 2. Minnesota Statutes 2009 Supplement, section 16A.86, subdivision 3a, is amended to read:

Subd. 3a. **Information provided.** All requests for state assistance under this section must include the following information:

(1) the name of the political subdivision that will own the capital project for which state assistance is being requested;

(2) the public purpose of the project;

(3) the extent to which the political subdivision has or expects to provide local, private, user financing, or other nonstate funding for the project;

(4) a list of the bondable activities that the project encompasses; examples of bondable activities are public improvements of a capital nature for land acquisition, predesign, design, construction, and furnishing and equipping for occupancy;

(5) whether the project will require new or additional state operating subsidies;

(6) whether the governing body of the political subdivision requesting the project has passed a resolution in support of the project and has established priorities for all projects within its jurisdiction for which bonding appropriations are requested when submitting multiple requests; ~~and~~

(7) if the project requires a predesign under section 16B.335, whether the predesign has been completed at the time the capital project request is submitted, and whether the political subdivision has submitted the project predesign to the commissioner of administration for review and approval; and

(8) if applicable, the information required under section 174.93, subdivision 2.

Sec. 3. **[174.93] GUIDEWAYS; INVESTMENT CAPACITY.**

Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have the meanings given:

(1) "commissioner" means the commissioner of transportation;

(2) "guideway" means a form of transportation service provided to the public on a regular and ongoing basis, that operates on rails or using a fixed guideway system in whole or in part, and includes each line for intercity passenger rail, commuter rail, light rail transit, streetcars, and bus rapid transit; and

(3) "local unit of government" means a county, statutory or home rule charter city, town, or other political subdivision, including but not limited to a regional railroad authority or joint powers board.

(b) For purposes of this section, "sources of funds" includes, but is not limited to, money from federal aid, state appropriations, the Metropolitan Council, local units of government, fare box recovery, and nonpublic sources.

(c) For purposes of this section, "budget activity" includes, but is not limited to, environmental analysis, land acquisition, easements, design, preliminary and final engineering, acquisition of vehicles and rolling stock, track improvement and rehabilitation, and construction.

Subd. 2. **Capital project requests to legislature.** A state agency or local unit of government that presents a request to the legislature or otherwise acts as a proponent for legislation, including but not limited to a bill or amendment, to obtain state funds

for a guideway project, shall as part of the request provide a summary financial plan that identifies:

(1) capital expenditures for the project, including expenditures to date and total projected expenditures, with a breakdown by committed and proposed sources of funds for the project; and

(2) estimated annual operations and maintenance expenditures for the project, with a breakdown by committed and proposed sources of funds for the project.

Subd. 3. **Legislative report.** (a) Annually by January 15, the Metropolitan Council and the commissioner shall jointly submit a report to the chairs and ranking minority members of the house of representatives and senate committees with jurisdiction over transportation policy and finance concerning the status of guideway projects (1) currently in study, planning, development, or construction; (2) identified in the transportation policy plan under section 473.146; or (3) identified in the comprehensive statewide freight and passenger rail plan under section 174.03, subdivision 1b.

(b) At a minimum, the report must include, for each guideway project:

(1) a brief description of the project;

(2) a summary of the overall status and current phase of the project;

(3) a timeline that includes (i) project phases or milestones, (ii) expected and known dates of commencement of each phase or milestone, and (iii) expected and known dates of completion of each phase or milestone;

(4) a brief progress update on specific project phases or milestones completed since the last previous submission of a report under this subdivision; and

(5) a summary financial plan that identifies:

(i) capital expenditures, including expenditures to date and total projected expenditures, with a breakdown by committed and proposed sources of funds for the project;

(ii) estimated annual operations and maintenance expenditures, with a breakdown by committed and proposed sources of funds for the project; and

(iii) project expenditures by budget activity.

(c) The report must also include a systemwide capacity analysis for investment in guideway expansion and maintenance that:

(1) provides a projection, annually over the ensuing 20 years, and with a breakdown by committed and proposed sources of funds, of:

(i) total capital expenditures for guideways;

(ii) total operations and maintenance expenditures for guideways;

(iii) total funding available for guideways; and

(iv) total funding available for transit service in the metropolitan area; and

(2) evaluates the availability of funds, and distribution of sources of funds, for guideway investments.

(d) The projection under paragraph (c), clause (1), must be for all guideway lines for which state funds are reasonably expected to be expended in planning, development, construction, or revenue operation during the ensuing 20 years.

(e) Local units of government shall provide assistance and information in a timely manner as requested by the council or commissioner for completion of the report.