A bill for an act

relating to capital investment; modifying certain terms and conditions for the Central Corridor Light Rail Transit project; cancelling appropriations and reducing corresponding bond sale authorizations; requiring general fund debt service savings; proposing coding for new law in Minnesota Statutes, chapter 473.

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

Section 1. **[473.4041] CENTRAL CORRIDOR LIGHT RAIL TRANSIT PROJECT; SUPPLEMENTAL ENVIRONMENTAL IMPACT STATEMENT.**

Subdivision 1. **Suspension of construction.** Notwithstanding section 473.3999, or any other law to the contrary, the Metropolitan Council shall suspend all construction and equipping of the Central Corridor Light Rail until the Metropolitan Council has supplemented the final environmental impact statement to address the loss of business revenues as an adverse impact to the construction of the Central Corridor Light Rail Transit project.

Subd. 2. **Supplemental environmental impact statement; funding.** No funds of the Metropolitan Council appropriated, allocated, encumbered, or otherwise authorized for use for the Central Corridor Light Rail Transit project for any of the purposes authorized in section 473.3999 may be used by the Metropolitan Council to meet the requirements of this section. Funds received from the Federal Transit Authority, or other federal funds, must be used to complete the supplemental environmental impact statement.

Subd. 3. **Deadline for federal approval.** Notwithstanding the provisions of this section, if the Federal Transit Authority has not agreed to partner with the Metropolitan Council in constructing the Central Corridor Light Rail Transit project by April 1, 2011, all construction of the project must be halted.

<u>**EFFECTIVE DATE; APPLICATION.** This section is effective the day following final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.</u>

Sec. 2. <u>**CANCELLATIONS; BOND SALE AUTHORIZATIONS REDUCED.**</u>

<u>Subdivision 1. **2006; rail service improvement program.** The uncommitted amount of the appropriation in Laws 2006, chapter 258, section 16, subdivision 6, for the rail service improvement program, estimated to be $2,000,000, is canceled. The bond sale authorization in Laws 2006, chapter 258, section 25, subdivision 1, is reduced by the same amount.</u>

<u>Subd. 2. **2008; DNR.** The uncommitted amount of the appropriation in Laws 2008, chapter 179, section 7, subdivision 29, as amended by Laws 2009, chapter 93, article 1, section 41, for a walking path in Clara City, estimated to be $225,000, is canceled. The bond sale authorization in Laws 2008, chapter 179, section 27, subdivision 1, is reduced by the same amount.</u>

<u>Subd. 3. **Must not obligate bond appropriations.** No money may be committed, encumbered, or spent for a project included in this section. Notwithstanding the cancellation amounts listed in this section, the amount canceled for each project listed in this section, and the corresponding bond sale authorization reduction, is the amount actually uncommitted as of July 1, 2011.</u>

<u>**EFFECTIVE DATE.** This section is effective the day following final enactment.</u>

Sec. 3. <u>**GENERAL FUND DEBT SERVICE SAVINGS.**</u>

<u>The commissioner of management and budget must determine that the amount appropriated from the general fund under Minnesota Statutes, section 16A.641, subdivision 10, during fiscal years 2012 and 2013 is at least $70,000,000 less than the amount in the February 2011 forecast. The commissioner must determine this amount, taking into account any savings resulting from total general obligation bond sale authorizations enacted during the 2011 legislative session that are less than the amount assumed in the February 2011 forecast, bond appropriation cancellations and corresponding bond sale authorization reductions enacted during the 2011 legislative session, savings achieved by the sale and issuance of refunding bonds during the biennium, and, if necessary, the delay or cancellation of other bond-funded projects. The commissioner must issue and sell refunding bonds for state general obligation bonds that are eligible for refunding under federal tax laws if the interest rate savings to the state are greater than the costs associated with the issuance and sale of the refunding bonds. If necessary, the commissioner must</u>

delay the issuance and sale of general obligation bonds for projects or make additional cancellations and corresponding bond sale authorization reductions.

EFFECTIVE DATE. This section is effective the day following final enactment.