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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. 2675

03/24/2025 Authored by Koznick
The bill was read for the first time and referred to the Committee on Transportation Finance and Policy

A bill for an act

relating to transit; prohibiting the Metropolitan Council from issuing certificates of participation in certain situations; requiring host counties to fund specified aspects of guideways; amending Minnesota Statutes 2024, section 473.39, subdivision 7; proposing coding for new law in Minnesota Statutes, chapter 473.

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

Section 1. Minnesota Statutes 2024, section 473.39, subdivision 7, is amended to read:

Subd. 7. **Limitation on certain debt obligations.** The council is prohibited from issuing certificates of participation for ~~light rail transit~~ guideways secured in whole or in part by (1) a pledge of motor vehicle sales tax revenue received under sections 16A.88 and 297B.09, or (2) a pledge of any earnings from the council's investment of motor vehicle sales tax revenues.

EFFECTIVE DATE; APPLICATION. This section is effective July 1, 2025, and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 2. **[473.4487] COUNTY RESPONSIBILITY FOR GUIDEWAY FUNDING.**

(a) Counties must fund guideways, as defined in section 473.4485, subdivision 1, paragraph (d), including current and future guideways pursuant to the requirements in this section.

(b) A host county or counties must fund:

(1) planning, design, engineering, construction, prerevenue operations, and other costs associated with guideway development that exceed federal, state, local government, or other

funds dedicated to the guideway. This requirement pertains to all costs associated with guideway development, including associated costs not eligible for federal funding;

(2) operating costs of guideway services determined by the service operator to be necessary to meet reasonable standards for access, safety, and reliability and that exceed fare revenues and federal, state, local government, or other funds dedicated to the guideway; and

(3) capital maintenance, replacement, and modernization costs determined by the operator of guideway services to be necessary to meet reasonable standards for access, safety, reliability, and upkeep of the guideway and that exceed federal, state, local government, or other funds dedicated to the guideway.

(c) For purposes of this section, "host county or counties" means those counties where the guideway is located.

(d) The distribution of costs among host counties must be delineated through a proportional methodology agreed to by the host counties.

EFFECTIVE DATE; APPLICATION. This section is effective July 1, 2025, and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.