A bill for an act

relating to transportation finance; appropriating money for transportation,

Metropolitan Council, and public safety activities and programs; providing for

fund transfers and tort claims; authorizing an account and certain contingent

appropriations; modifying previous appropriations provisions; modifying various

provisions related to transportation finance and policy; modifying provisions

related to speed limits, fracture-critical bridges, transit, passenger rail, motor

vehicle lease sales tax revenue allocations, and transit services; requiring reports;

amending Minnesota Statutes 2008, sections 161.081, by adding a subdivision;

161.36, subdivision 7, as added; 162.12, subdivision 2; 169.14, by adding a

subdivision; 174.24, subdivision 1a, by adding a subdivision; 174.50, by adding

a subdivision; 297A.815, subdivision 3; 473.408, by adding a subdivision; Laws

2007, chapter 143, article 1, section 3, subdivision 2, as amended; Laws 2008,

chapter 152, article 1, section 5; proposing coding for new law in Minnesota

Statutes, chapters 161; 174.

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

ARTICLE 1

TRANSPORTATION APPROPRIATIONS

Section 1. SUMMARY OF APPROPRIATIONS.

The amounts shown in this section summarize direct appropriations, by fund, made

in this article.

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>$101,590,000</td>
<td>$94,030,000</td>
<td>$195,620,000</td>
</tr>
<tr>
<td>Airports</td>
<td>21,909,000</td>
<td>19,659,000</td>
<td>41,568,000</td>
</tr>
<tr>
<td>C.S.A.H.</td>
<td>496,786,000</td>
<td>524,478,000</td>
<td>1,021,264,000</td>
</tr>
<tr>
<td>M.S.A.S.</td>
<td>134,003,000</td>
<td>141,400,000</td>
<td>275,403,000</td>
</tr>
<tr>
<td>Special Revenue</td>
<td>49,038,000</td>
<td>49,038,000</td>
<td>98,076,000</td>
</tr>
<tr>
<td>H.U.T.D.</td>
<td>9,538,000</td>
<td>9,838,000</td>
<td>19,376,000</td>
</tr>
</tbody>
</table>
Sec. 2. TRANSPORTATION APPROPRIATIONS.

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the trunk highway fund, or another named fund, and are available for the fiscal years indicated for each purpose. The figures "2010" and "2011" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2010, or June 30, 2011, respectively. "The first year" is fiscal year 2010. "The second year" is fiscal year 2011. "The biennium" is fiscal years 2010 and 2011. Appropriations for the fiscal year ending June 30, 2009, are effective the day following final enactment.

APPROPRIATIONS
Available for the Year
Ending June 30
2010 2011

Sec. 3. DEPARTMENT OF TRANSPORTATION

Subdivision 1. Total Appropriation $1,849,926,000 $1,983,923,000

Appropriations by Fund

<table>
<thead>
<tr>
<th>Fund</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>18,704,000</td>
<td>11,144,000</td>
</tr>
<tr>
<td>Airports</td>
<td>21,859,000</td>
<td>19,609,000</td>
</tr>
<tr>
<td>C.S.A.H.</td>
<td>496,786,000</td>
<td>524,478,000</td>
</tr>
<tr>
<td>M.S.A.S.</td>
<td>134,003,000</td>
<td>141,400,000</td>
</tr>
<tr>
<td>Trunk Highway</td>
<td>1,178,574,000</td>
<td>1,287,292,000</td>
</tr>
</tbody>
</table>

The amounts that may be spent for each purpose are specified in the following subdivisions.

Subd. 2. Multimodal Systems

(a) Airport Development and Assistance 16,548,000 14,298,000

This appropriation is from the state airports fund and must be spent according to Minnesota Statutes, section 360.305.

Subdivision 4.
Notwithstanding Minnesota Statutes, section 16A.28, subdivision 6, this appropriation is available for five years after appropriation.

If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

(b) Aviation Support and Services

<table>
<thead>
<tr>
<th>Appropriations by Fund</th>
<th>6,123,000</th>
<th>6,123,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Airports</td>
<td>5,286,000</td>
<td>5,286,000</td>
</tr>
<tr>
<td>Trunk Highway</td>
<td>837,000</td>
<td>837,000</td>
</tr>
</tbody>
</table>

$65,000 the first year and $65,000 the second year from the state airports fund are for the Civil Air Patrol.

(c) Airport Development Appropriation Adjustments

If an appropriation for airport development and assistance under paragraph (a) does not exhaust the balance in the state airports fund in the year for which it is made, the commissioner of finance, upon request of the commissioner of transportation, shall notify the chairs and ranking minority members of the senate and house of representatives committees with jurisdiction over transportation finance of the amount of the remainder and shall then add that amount to the appropriation. The amount added is appropriated as provided in paragraph (a).

If the appropriation for airport development and assistance under paragraph (a) or this paragraph does exhaust the balance in the state airports fund in the year for which it is made, the commissioner of finance shall notify the chairs and ranking minority members of the senate and house of
representatives committees with jurisdiction
over transportation finance of the amount by
which the appropriation exceeds the balance
and shall then reduce that amount from the
appropriation.

(d) Transit  

\[ \begin{array}{ccc} 
\text{Appropriations by Fund} & 18,549,000 & 10,989,000 \\
\text{General} & 17,774,000 & 10,214,000 \\
\text{Trunk Highway} & 775,000 & 775,000 \\
\end{array} \]

The base appropriation from the general fund
for fiscal year 2012 is $17,774,000.

(e) Commuter and Passenger Rail  

\[ \text{500,000} \]

This appropriation is from the general fund
for (1) development of the comprehensive
statewide freight and passenger rail plan
under Minnesota Statutes, section 174.03,
subdivision 1b, and (2) passenger rail
system planning, alternatives analysis,
environmental analysis, design, preliminary
engineering, and land acquisition under
Minnesota Statutes, sections 174.632 to
174.636.

(f) Freight  

\[ \begin{array}{ccc} 
\text{Appropriations by Fund} & 5,262,000 & 5,262,000 \\
\text{General} & 365,000 & 365,000 \\
\text{Trunk Highway} & 4,897,000 & 4,897,000 \\
\end{array} \]

Subd. 3.  State Roads

(a) Infrastructure Operations and Maintenance  

\[ \text{250,457,000} \]

The base appropriation for fiscal year 2012
is $257,395,000.

(b) Infrastructure Investment Support  

\[ \begin{array}{ccc} 
\text{200,527,000} & 194,384,000 \\
\end{array} \]

The base appropriation for fiscal year 2012
is $205,988,000.
Of the appropriation for fiscal year 2010, $390,000 is for engineering, signage, and roadway marking related to speed limit requirements under Minnesota Statutes, section 169.14, subdivision 2a.

$266,000 the first year and $266,000 the second year are available for grants to metropolitan planning organizations outside the seven-county metropolitan area.

$75,000 the first year and $75,000 the second year are for a transportation research contingent account to finance research projects that are reimbursable from the federal government or from other sources. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

$600,000 the first year and $600,000 the second year are available for grants for transportation studies outside the metropolitan area to identify critical concerns, problems, and issues. These grants are available (1) to regional development commissions; (2) in regions where no regional development commission is functioning, to joint powers boards established under agreement of two or more political subdivisions in the region to exercise the planning functions of a regional development commission; and (3) in regions where no regional development commission or joint powers board is functioning, to the department's district office for that region.

(c) **State Road Construction**

<table>
<thead>
<tr>
<th>Amount</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>$557,300,000</td>
<td></td>
</tr>
<tr>
<td>612,700,000</td>
<td></td>
</tr>
</tbody>
</table>
The base appropriation for fiscal year 2012
is $635,000,000.

It is estimated that these appropriations will
be funded as follows:

Appropriations by Fund

<table>
<thead>
<tr>
<th>Federal Highway</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aid</td>
<td>301,100,000</td>
<td>388,500,000</td>
</tr>
<tr>
<td>Highway User Taxes</td>
<td>256,200,000</td>
<td>224,200,000</td>
</tr>
</tbody>
</table>

This appropriation is for the actual
construction, reconstruction, and
improvement of trunk highways, including
design-build contracts and consultant usage
to support these activities. This includes the
cost of actual payment to landowners for
lands acquired for highway rights-of-way,
payment to lessees, interest subsidies, and
relocation expenses.

The commissioner of transportation shall
notify the chairs and ranking minority
members of the senate and house of
representatives committees with jurisdiction
over transportation finance of any significant
events that should cause these estimates to
change.

The commissioner may transfer up to
$15,000,000 each year to the transportation
revolving loan fund.

The commissioner may receive money
covering other shares of the cost of
partnership projects. These receipts are
appropriated to the commissioner for these
projects.

(d) Highway Debt Service

<table>
<thead>
<tr>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>100,598,000</td>
<td>169,752,000</td>
</tr>
</tbody>
</table>

$85,945,000 the first year and $153,656,000
the second year are for transfer to the state
bond fund. If this appropriation is insufficient
to make all transfers required in the year for
which it is made, the commissioner of finance
shall notify the Committee on Finance of
the senate and the Committee on Ways and
Means of the house of representatives of
the amount of the deficiency and shall then
transfer that amount under the statutory open
appropriation. Any excess appropriation
cancels to the trunk highway fund.

(e) Electronic Communications 5,177,000 5,177,000

<table>
<thead>
<tr>
<th>Appropriations by Fund</th>
<th>5,180,000</th>
<th>5,180,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>9,000</td>
<td>9,000</td>
</tr>
<tr>
<td>Trunk Highway</td>
<td>5,168,000</td>
<td>5,168,000</td>
</tr>
</tbody>
</table>

The general fund appropriation is to equip
and operate the Roosevelt signal tower for
Lake of the Woods weather broadcasting.

Subd. 4. Local Roads

(a) County State Aids 496,786,000 524,478,000

This appropriation is from the county
state-aid highway fund and is available until
spent.

(b) Municipal State Aids 134,003,000 141,400,000

This appropriation is from the municipal
state-aid street fund and is available until
spent.

(c) State Aid Appropriation Adjustments

If an appropriation for either county state
aids or municipal state aids does not exhaust
the balance in the fund from which it is
made in the year for which it is made, the
commissioner of finance, upon request of
the commissioner of transportation, shall
notify the chairs and ranking minority
members of the senate and house of representatives committees with jurisdiction over transportation finance of the amount of the remainder and shall then add that amount to the appropriation. The amount added is appropriated for the purposes of county state aids or municipal state aids, as appropriate.

If the appropriation for either county state aids or municipal state aids does exhaust the balance in the fund from which it is made in the year for which it is made, the commissioner of finance shall notify the chairs and ranking minority members of the senate and house of representatives committees with jurisdiction over transportation finance of the amount by which the appropriation exceeds the balance and shall then reduce that amount from the appropriation.

Subd. 5. General Support and Services

(a) Department Support

<table>
<thead>
<tr>
<th>Appropriations by Fund</th>
<th>40,735,000</th>
<th>39,388,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Airports</td>
<td>25,000</td>
<td>25,000</td>
</tr>
<tr>
<td>Trunk Highway</td>
<td>40,710,000</td>
<td>39,363,000</td>
</tr>
</tbody>
</table>

The base appropriation from the trunk highway fund in fiscal year 2012 is $41,907,000.

(b) Buildings

<table>
<thead>
<tr>
<th>Appropriations by Fund</th>
<th>17,361,000</th>
<th>16,821,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>56,000</td>
<td>56,000</td>
</tr>
<tr>
<td>Trunk Highway</td>
<td>17,305,000</td>
<td>16,765,000</td>
</tr>
</tbody>
</table>

The base appropriation from the trunk highway fund in fiscal year 2012 is $17,784,000.
If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Subd. 6. Transfers

(a) With the approval of the commissioner of finance, the commissioner of transportation may transfer unencumbered balances among the appropriations from the trunk highway fund and the state airports fund made in this section. No transfer may be made from the appropriation for state road construction. No transfer may be made from the appropriations for debt service to any other appropriation. Transfers under this paragraph may not be made between funds. Transfers between programs must be reported immediately to the chairs and ranking minority members of the senate and house of representatives committees with jurisdiction over transportation finance.

(b) The commissioner of finance shall transfer from the flexible account in the county state-aid highway fund $8,440,000 the first year and $1,550,000 the second year to the municipal turnback account in the municipal state-aid street fund.

Subd. 7. Use of State Road Construction Appropriations

Any money appropriated to the commissioner of transportation for state road construction for any fiscal year before fiscal year 2010 is available to the commissioner during the biennium to the extent that the commissioner spends the money on the state road construction project for which the

Article 1 Sec. 3.
money was originally encumbered during the
fiscal year for which it was appropriated. The
commissioner of transportation shall report
to the commissioner of finance by August
1, 2009, and August 1, 2010, on a form
the commissioner of finance provides, on
expenditures made during the previous fiscal
year that are authorized by this subdivision.

Subd. 8. Contingent Appropriation

The commissioner of transportation may
request an appropriation of an unappropriated
balance in the trunk highway fund in the
biennium as provided under Minnesota
Statutes, section 161.358, for (1) trunk
highway design, construction, or inspection
in order to take advantage of an unanticipated
receipt of income to the trunk highway fund
or to take advantage of federal advanced
construction funding; (2) trunk highway
maintenance in order to meet an emergency;
or (3) payment of tort or environmental
claims.

Nothing in this subdivision authorizes the
commissioner to increase the use of federal
advanced construction funding beyond
amounts specifically authorized. Any
transfer as a result of the use of federal
advanced construction funding must include
an analysis of the effects on the long-term
trunk highway fund balance.

Sec. 4. METROPOLITAN COUNCIL

Subdivision 1. Total Appropriation  $  75,186,000  $  75,186,000

The appropriations in this section are from
the general fund.
The amounts that may be spent for each purpose are specified in the following subdivisions.

Subd. 2. **Bus Transit**

This appropriation is for bus system operations.

Of this appropriation, $129,000 for fiscal year 2010 and $140,000 for fiscal year 2011 is for transit service for disabled veterans under Minnesota Statutes, section 473.408, subdivision 10.

Subd. 3. **Rail Operations**

This appropriation is for operations of the Hiawatha light rail transit line.

**Sec. 5. DEPARTMENT OF PUBLIC SAFETY**

**Subdivision 1. Total Appropriation**

<table>
<thead>
<tr>
<th>Appropriations by Fund</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>7,700,000</td>
<td>7,700,000</td>
</tr>
<tr>
<td>H.U.T.D.</td>
<td>9,413,000</td>
<td>9,713,000</td>
</tr>
<tr>
<td>Special Revenue</td>
<td>49,038,000</td>
<td>49,038,000</td>
</tr>
<tr>
<td>Trunk Highway</td>
<td>83,918,000</td>
<td>81,754,000</td>
</tr>
</tbody>
</table>

The amounts that may be spent for each purpose are specified in the following subdivisions.

**Subd. 2. Administration and Related Services**

(a) **Office of Communications**

<table>
<thead>
<tr>
<th>Appropriations by Fund</th>
<th>434,000</th>
<th>434,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>41,000</td>
<td>41,000</td>
</tr>
<tr>
<td>Trunk Highway</td>
<td>393,000</td>
<td>393,000</td>
</tr>
</tbody>
</table>

(b) **Public Safety Support**

<table>
<thead>
<tr>
<th>Appropriations by Fund</th>
<th>8,035,000</th>
<th>8,035,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>3,163,000</td>
<td>3,163,000</td>
</tr>
</tbody>
</table>
$380,000 the first year and $380,000 the
second year are appropriated from the general
fund for payment of public safety officer
survivor benefits under Minnesota Statutes,
section 299A.44. If the appropriation for
either year is insufficient, the appropriation
for the other year is available for it.

$1,367,000 the first year and $1,367,000
the second year are appropriated from the
general fund to be deposited in the public
safety officer's benefit account. This money
is available for reimbursements under
Minnesota Statutes, section 299A.465.

$508,000 the first year and $508,000 the
second year are appropriated from the general
fund for soft body armor reimbursements
under Minnesota Statutes, section 299A.38.

$792,000 the first year and $792,000
the second year are appropriated from the
general fund for transfer by the commissioner
of finance to the trunk highway fund on
December 31, 2009, and December 31, 2010,
respectively, in order to reimburse the trunk
highway fund for expenses not related to the
fund. These represent amounts appropriated
out of the trunk highway fund for general
fund purposes in the administration and
related services program.

$610,000 the first year and $610,000 the
second year are appropriated from the
highway user tax distribution fund for
transfer by the commissioner of finance to
the trunk highway fund on December 31.
in order to reimburse the trunk highway
fund for expenses not related to the fund.
These represent amounts appropriated out
of the trunk highway fund for highway
user tax distribution fund purposes in the
administration and related services program.
$716,000 the first year and $716,000 the
second year are appropriated from the
highway user tax distribution fund for
transfer by the commissioner of finance to
the general fund on December 31, 2009, and
December 31, 2010, respectively, in order to
reimburse the general fund for expenses not
related to the fund. These represent amounts
appropriated out of the general fund for
operation of the criminal justice data network
related to driver and motor vehicle licensing.

(c) Technical Support Services

<table>
<thead>
<tr>
<th>Appropriations by Fund</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>1,472,000</td>
<td>1,472,000</td>
</tr>
<tr>
<td>H.U.T.D.</td>
<td>19,000</td>
<td>19,000</td>
</tr>
<tr>
<td>Trunk Highway</td>
<td>2,344,000</td>
<td>2,344,000</td>
</tr>
</tbody>
</table>

Subd. 3. State Patrol

(a) Patrolling Highways

<table>
<thead>
<tr>
<th>Appropriations by Fund</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>37,000</td>
<td>37,000</td>
</tr>
<tr>
<td>H.U.T.D.</td>
<td>92,000</td>
<td>92,000</td>
</tr>
<tr>
<td>Trunk Highway</td>
<td>69,468,000</td>
<td>67,304,000</td>
</tr>
</tbody>
</table>

The base appropriation from the trunk
highway fund for fiscal year 2012 is
$71,393,000.

(b) Commercial Vehicle Enforcement

<table>
<thead>
<tr>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>7,771,000</td>
<td>7,771,000</td>
</tr>
</tbody>
</table>

(c) Capitol Security

<table>
<thead>
<tr>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>2,987,000</td>
<td>2,987,000</td>
</tr>
</tbody>
</table>
This appropriation is from the general fund.

The commissioner may not (1) spend
any money from the trunk highway fund
for capitol security or (2) permanently
transfer any state trooper from the patrolling
highways activity to capitol security.

The commissioner may not transfer any
money (1) appropriated for Department of
Public Safety administration, the patrolling of
highways, commercial vehicle enforcement,
or driver and vehicle services to capitol
security or (2) from capitol security.

Subd. 4. **Driver and Vehicle Services**

(a) **Vehicle Services**

<table>
<thead>
<tr>
<th>Appropriations by Fund</th>
<th>26,909,000</th>
<th>27,209,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Special Revenue</td>
<td>18,973,000</td>
<td>18,973,000</td>
</tr>
<tr>
<td>H.U.T.D.</td>
<td>7,936,000</td>
<td>8,236,000</td>
</tr>
</tbody>
</table>

The special revenue fund appropriation is
from the vehicle services operating account.

(b) **Driver Services**

<table>
<thead>
<tr>
<th>Appropriations by Fund</th>
<th>28,712,000</th>
<th>28,712,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Special Revenue</td>
<td>28,711,000</td>
<td>28,711,000</td>
</tr>
<tr>
<td>Trunk Highway</td>
<td>1,000</td>
<td>1,000</td>
</tr>
</tbody>
</table>

The special revenue fund appropriation is
from the driver services operating account.

Subd. 5. **Traffic Safety**

435,000  435,000

Subd. 6. **Pipeline Safety**

1,354,000  1,354,000

This appropriation is from the pipeline safety
account in the special revenue fund.

Sec. 6. **GENERAL CONTINGENT ACCOUNTS**

<table>
<thead>
<tr>
<th>Appropriations by Fund</th>
<th>$375,000</th>
<th>$375,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trunk Highway</td>
<td>200,000</td>
<td>200,000</td>
</tr>
</tbody>
</table>
The appropriations in this section from the
trunk highway fund, the highway user tax
distribution fund, and the state airports fund
may only be spent upon approval as provided
under Minnesota Statutes, section 161.358.

If an appropriation in this section for either
year is insufficient, the appropriation for the
other year is available for it.

Sec. 7. **TORT CLAIMS**

$ 600,000 $ 600,000

This appropriation is to the commissioner of
finance.

If the appropriation for either year is
insufficient, the appropriation for the other
year is available for it.

Sec. 8. Laws 2007, chapter 143, article 1, section 3, subdivision 2, as amended by
Laws 2008, chapter 363, article 11, section 10, is amended to read:

**Subd. 2. Multimodal Systems**

(a) **Aeronautics**

(1) **Airport Development and Assistance** 20,298,000 5,298,000

This appropriation is from the state airports
fund and must be spent according to
Minnesota Statutes, section 360.305,
subdivision 4.

$6,000,000 the first year is a onetime
appropriation and does not add to the
base appropriations. The base for this
appropriation for fiscal year 2010 is
$14,298,000.
Of this appropriation $200,000 the first year is to the Legislative Coordinating Commission for the administrative expenses of the Airport Funding Advisory Task Force and for other costs relating to the preparation of the task force report, including the costs of hiring a consultant, if needed. Any remaining amount of this appropriation shall revert to the state airports fund.

Notwithstanding Minnesota Statutes, section 16A.28, subdivision 6, this appropriation is available for five years after appropriation.

If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

(2) Aviation Support and Services

Appropriations by Fund

<table>
<thead>
<tr>
<th></th>
<th>5,184,000</th>
<th>5,286,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Airports</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trunk Highway</td>
<td>852,000</td>
<td>866,000</td>
</tr>
</tbody>
</table>

$65,000 the first year and $65,000 the second year from the state airports fund are for the Civil Air Patrol.

(b) Transit

Appropriations by Fund

<table>
<thead>
<tr>
<th></th>
<th>18,813,000</th>
<th>26,376,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trunk Highway</td>
<td>740,000</td>
<td>761,000</td>
</tr>
</tbody>
</table>

Of the appropriation in fiscal year 2009, $7,560,000 may be expended for financial assistance under Minnesota Statutes, section 174.24, notwithstanding the payment schedule under Minnesota Statutes, section 174.24, subdivision 5.

(c) Freight
17.1 Appropriations by Fund
17.2 General 357,000 367,000
17.3 Trunk Highway 5,028,000 5,158,000

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

17.5 Sec. 9. Laws 2008, chapter 152, article 1, section 5, is amended to read:
17.6 Sec. 5. APPROPRIATION; TRANSPORTATION EMERGENCY RELIEF.
17.7 $55,000,000 in fiscal year 2008 and $77,000,000 $33,000,000 in fiscal year 2009
17.8 are appropriated to the commissioner of transportation from the trunk highway fund for
17.9 the purposes specified in the federal grants and aids related to the I-35W bridge collapse
17.10 on marked Interstate Highway I-35W in Minneapolis. The appropriation in fiscal year
17.11 2009 is available for other trunk highway construction projects. This appropriation is in
17.12 addition to appropriations under Laws 2007, chapter 143, article 1, section 3, and Laws
17.13 2007, First Special Session chapter 2, article 2, section 2.
17.14 EFFECTIVE DATE. This section is effective the day following final enactment.

17.15 ARTICLE 2
17.16 TRANSPORTATION FINANCE AND POLICY

17.17 Section 1. Minnesota Statutes 2008, section 161.081, is amended by adding a
17.18 subdivision to read:
17.19 Subd. 4. Metropolitan routes of regional significance account. (a) For purposes
17.20 of this subdivision, the following terms have the meanings given them:
17.21 (1) "metropolitan county" has the meaning given in section 473.121, subdivision
17.22 4; and
17.23 (2) "population" has the meaning given in section 477A.011, subdivision 3, except
17.24 that it excludes the three most populous cities in the metropolitan area.
17.25 (b) The metropolitan routes of regional significance account is created in the state
17.26 treasury. Funds in the account are for allocation to metropolitan counties to assist in
17.27 paying the costs of construction, reconstruction, or maintenance of county highways with
17.28 statewide or regional significance that have not been fully funded through other state,
17.29 federal, or local funding sources.
17.30 (c) The commissioner shall allocate funds in the account to each metropolitan county
17.31 so that the county receives an amount proportional to the percentage that its population,
17.32 estimated or established by July 15 of the year prior to the current calendar year, bears to
17.33 the total population of the counties receiving funds under this subdivision.
EFFECTIVE DATE. This section is effective July 1, 2009.

Sec. 2. [161.358] CONTINGENT APPROPRIATIONS.

Subdivision 1. Application. This section only applies as specifically provided in conjunction with a contingent appropriation under law, and provides for the commissioner of transportation, or another named commissioner, to obtain appropriation authority from the trunk highway fund, or another named fund, for transportation purposes.

Subd. 2. Definition. (a) For purposes of this section, the following term has the meaning given.

(b) "Transportation Contingent Appropriations Group" or "TCAG" means a group comprised of the following members:

1) the members of the Legislative Advisory Commission under section 3.30; and

2) the ranking minority members of the house of representatives and senate committees with jurisdiction over transportation finance.

Subd. 3. Appropriations process; request; hearings. (a) To request an appropriation under this section, the commissioner shall submit to members of the Transportation Contingent Appropriations Group written notice and request for appropriation authority. The notice must provide information on the appropriation authority being sought, and request the written response of each TCAG member within ten days of the date of notification.

(b) Upon request by any member of the Transportation Contingent Appropriations Group for further information, the TCAG shall hold hearings on the requested appropriation authority. A member must make the request for further information within ten days of the date of notification under paragraph (a).

(c) The division chair of the finance committee with jurisdiction over transportation finance in the senate and the division chair of the appropriate finance committee or division with jurisdiction over transportation finance in the house of representatives shall on an alternating basis chair the TCAG hearings. The TCAG shall conclude hearings and provide written approval or disapproval of the request for appropriation authority within six weeks of the date of notification.

Subd. 4. Approval. A member of the Transportation Contingent Appropriations Group is deemed to approve the commissioner's request for appropriation authority if:

1) no request for further information is made under subdivision 3, paragraph (b), and that member does not respond with written disapproval within ten days of the date of notification under subdivision 3, paragraph (a); or
(2) a request for further information is made, and that member does not respond with
written disapproval within six weeks of the date of notification.

Subd. 5. Contingent appropriation. Upon approval of the governor and the
approval of a minimum of five members of the Transportation Contingent Appropriations
Group, the funds requested under subdivision 3 are appropriated to the commissioner from
the trunk highway fund, or another named fund, and must be utilized in conformance
with the purposes specified.

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

Sec. 3. Minnesota Statutes 2008, section 161.36, subdivision 7, as added by Laws
2009, chapter 9, section 1, is amended to read:

Subd. 7. Economic recovery funds. (a) All federal funds made available as of April
2, 2009, to the commissioner under title XII of the American Recovery and Reinvestment
Act of 2009, Public Law 111-5 (the act), and designated for transportation purposes,
including but not limited to assistance for highways and bridges, transit, aeronautics,
ports, and railroads, are appropriated to the commissioner from the trunk highway fund or
the federal fund, as appropriate. This appropriation includes any funds not initially made
available to the commissioner under the act, including but not limited to competitive grant
awards and funds made available in addition to the amount expected on the effective date
of this section. The money is available until expended.

(b) The commissioner may request an appropriation from the trunk highway fund
or the federal fund, as appropriate, as provided under section 161.358, for funds made
available to the commissioner under the act that are not appropriated in paragraph (a).

(c) The commissioner shall make every reasonable effort to seek and utilize all
funds available under title XII of the act.

(d) The commissioner shall expend funds appropriated under this subdivision in
conformance with federal requirements established in association with use of the funds.
The commissioner may expend up to 17 percent of the funds for program delivery.

(e) Notwithstanding section 360.305, subdivision 4, no local contribution is
required for eligible aeronautics project elements funded by a federal grant-in-aid through
the act.

(f) Within two weeks of submitting each report to the United States Department
of Transportation as required for the federal aid under this subdivision, the commissioner
shall submit a corresponding report to the chairs and ranking members of the house of
representatives and senate committees with jurisdiction over transportation policy and
finance. The corresponding report must contain (1) a copy of the report submitted to
the United States Department of Transportation, and (2) information on the geographic
distribution of projects funded under this subdivision, which at a minimum specifies
the amount provided for highways and bridges, transit, aeronautics, ports, and railroads
within each of the department's districts.

Sec. 4. Minnesota Statutes 2008, section 162.12, subdivision 2, is amended to read:

Subd. 2. Administrative costs. A sum of \(\frac{1}{2}\) two percent shall be deducted from
the total available in the municipal state-aid street fund, set aside in a separate account,
and used for administration costs incurred by the state Transportation Department in
carrying out the provisions relating to the municipal state-aid street system.

Sec. 5. Minnesota Statutes 2008, section 169.14, is amended by adding a subdivision
to read:

Subd. 2a. Increased speed limit when passing. Notwithstanding subdivision 2, the
speed limit is increased by ten miles per hour over the posted speed limit when the driver:
(1) is on a two-lane highway having one lane for each direction of travel;
(2) is on a highway with a posted speed limit that is equal to or higher than 55
miles per hour;
(3) is overtaking and passing another vehicle proceeding in the same direction
of travel; and
(4) meets the requirements in section 169.18.

Sec. 6. Minnesota Statutes 2008, section 174.24, subdivision 1a, is amended to read:

Subd. 1a. Transit service needs implementation plan. The commissioner shall
develop a transit service needs implementation plan that contains a goal of meeting at
least 80 percent of unmet transit service needs in greater Minnesota by July 1, 2015, and
meeting at least 90 percent of unmet transit service needs in greater Minnesota by July 1,
2025. The plan must include, but is not limited to, the following: an analysis of ridership
and transit service needs throughout greater Minnesota; a calculation of unmet needs; an
assessment of the level and type of service required to meet unmet needs; an analysis of
costs and revenue options; and, a plan to reduce unmet transit service needs as specified
in this subdivision. The plan must specifically address special transportation service
ridership and needs. The plan must also provide that recipients of operating assistance
under this section provide public transit service without charge for disabled veterans in
accordance with subdivision 7. The commissioner may amend the plan as necessary, and
may use all or part of the 2001 greater Minnesota public transportation plan created by the
Minnesota Department of Transportation.

Sec. 7. Minnesota Statutes 2008, section 174.24, is amended by adding a subdivision
to read:

Subd. 7. Transit service for disabled veterans. On and after July 1, 2009,
an eligible recipient of operating assistance under this section, who contracts or has
contracted to provide public transit, shall provide public transit service free of charge for
veterans, as defined in section 197.447, certified as disabled. For purposes of this section,
"certified as disabled" means certified in writing by the United States Department of
Veterans Affairs or the state commissioner of veterans affairs as having a permanent
service-connected disability.

Sec. 8. Minnesota Statutes 2008, section 174.50, is amended by adding a subdivision
to read:

Subd. 6c. Fracture-critical bridges. (a) The commissioner may make a grant to
any political subdivision for replacement or rehabilitation of a fracture-critical bridge. To
be eligible for a grant under this subdivision, the project must produce a bridge structure:

1) that is no longer classified as fracture critical, by having alternate load paths; and
2) whose failure of a main component will not result in the collapse of the bridge.
(b) A grant under this subdivision is subject to the procedures and criteria established
under subdivisions 5 and 6.

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

Sec. 9. [174.632] PASSENGER RAIL; COMMISSIONER'S DUTIES.

(a) The planning, design, development, construction, operation, and maintenance of
passenger rail track, facilities, and services are governmental functions, serve a public
purpose, and are a matter of public necessity.

(b) The commissioner is responsible for all aspects of planning, designing,
developing, constructing, equipping, operating, and maintaining passenger rail, including
system planning, alternatives analysis, environmental studies, preliminary engineering,
final design, construction, negotiating with railroads, and developing financial and
operating plans.

(c) The commissioner may enter into a memorandum of understanding or agreement
with a public or private entity, including a regional railroad authority, a joint powers board,
and a railroad, to carry out these activities.
22.1 **EFFECTIVE DATE.** This section is effective the day following final enactment.

22.2 Sec. 10. [174.634] PASSENGER RAIL; FUNDING.

(a) The commissioner may apply for funding from federal, state, regional, local, and private sources to carry out the commissioner's duties in section 174.632.

(b) Section 174.88, subdivision 2, does not apply to the commissioner's performance of duties and exercise of powers under sections 174.632 to 174.636.

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

22.7 Sec. 11. [174.636] PASSENGER RAIL; EXERCISE OF POWER.

(a) The commissioner has all powers necessary to carry out the duties specified in section 174.632. In the exercise of those powers, the commissioner may:

(1) acquire by purchase, gift, or by eminent domain proceedings as provided by law, all land and property necessary to preserve future passenger rail corridors or to construct, maintain, and improve passenger rail corridors;

(2) let all necessary contracts as provided by law; and

(3) make agreements with and cooperate with any governmental authority or private entity to carry out statutory duties related to passenger rail.

(b) The commissioner shall consult with metropolitan planning organizations and regional rail authorities in areas where passenger rail corridors are under consideration to ensure that passenger rail services are integrated with existing rail and transit services and other transportation facilities to provide as nearly as possible connected, efficient, and integrated services.

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

22.23 Sec. 12. Minnesota Statutes 2008, section 297A.815, subdivision 3, is amended to read:

Subd. 3. **Motor vehicle lease sales tax revenue.** (a) For purposes of this subdivision, "net revenue" means an amount equal to:

(1) the revenues, including interest and penalties, collected under this section, during the fiscal year; less

(2) the estimated reduction in individual income tax receipts and the estimated amount of refunds paid out under section 290.06, subdivision 34, for the fiscal year.

(b) On or before June 30 of each fiscal year, the commissioner of revenue shall estimate the amount of the revenues and subtraction under paragraph (a) for the current fiscal year.
(c) On or after July 1 of the subsequent fiscal year, the commissioner of finance shall transfer the net revenue as estimated in paragraph (b) from the general fund, as follows:

(1) 65 percent to the metropolitan area transit account;

(2) 40.25 percent to the greater Minnesota transit account; and

(2) 50 percent to the county state aid highway fund. Notwithstanding any other law to the contrary, the commissioner of transportation shall allocate the funds transferred under this clause to the counties in the metropolitan area, as defined in section 473.121, subdivision 4, excluding the counties of Hennepin and Ramsey, so that each county shall receive of such amount the percentage that its population, as defined in section 477A.011, subdivision 3, estimated or established by July 15 of the year prior to the current calendar year, bears to the total population of the counties receiving funds under this clause.

(3) ten percent to the metropolitan routes of regional significance account under section 161.081, subdivision 4.

(d) For fiscal years 2010 and 2011, the amount under paragraph (a), clause (1), must be calculated using the following percentages of the total revenues:

(1) for fiscal year 2010, 83.75 percent; and

(2) for fiscal year 2011, 93.75 percent.

Sec. 13. Minnesota Statutes 2008, section 473.408, is amended by adding a subdivision to read:

Subd. 10. Transit service for disabled veterans. (a) On and after the effective date of this section, the council shall provide regular route transit, as defined in section 473.385, subdivision 1, free of charge for veterans, as defined in section 197.447, certified as disabled. For purposes of this section, "certified as disabled" means certified in writing by the United States Department of Veterans Affairs or the state commissioner of veterans affairs as having a permanent service-connected disability.

(b) The requirements under this subdivision apply to operators of regular route transit (1) receiving financial assistance under section 473.388, or (2) operating under section 473.405, subdivision 12.

Sec. 14. FUND TRANSFERS; METROPOLITAN COUNCIL TRANSIT SERVICE.

Subdivision 1. Metropolitan livable communities fund. (a) Notwithstanding Minnesota Statutes, sections 473.25 to 473.255, or any other law, the Metropolitan Council may transfer to its transit operating budget in 2009, 2010, and 2011, funds from:
(1) the revenues and amounts credited, transferred, or distributed to the metropolitan
livable communities fund accounts in 2009, 2010, and 2011 pursuant to Minnesota
Statutes, sections 473.252, 473.253, 473.254, and 473F.08, subdivision 3b, that are not
committed to grant or loan awards made by the council; and
(2) balances in the metropolitan livable communities fund accounts in 2009, 2010,
and 2011 that are not committed to grant or loan awards made by the council.
(b) The council may not transfer proceeds from solid waste bonds issued under
Minnesota Statutes, section 473.831, before August 1, 1992, for the purposes specified
in this section.
(c) The total amount transferred under paragraph (a) may not exceed $1,000,000.
(d) If the council transfers funds under this subdivision, the council shall amend the
annual distribution plan described in Minnesota Statutes, section 473.25, paragraph (d),
and include information about the transfer in the annual report required under Minnesota
Statutes, section 473.25, paragraph (e).

Subd. 2. Right-of-way acquisition loan fund. (a) Notwithstanding Minnesota
Statutes, section 473.167, or any other law, the Metropolitan Council may transfer to its
transit operating budget in 2009, 2010, and 2011 funds from the amounts levied and
3.
(b) The total amount transferred under paragraph (a) may not exceed $3,000,000.

Subd. 3. Use of transferred funds. The council shall use the amounts transferred
under subdivisions 1 and 2 to cover operating deficits for the transit, paratransit, and light
rail and commuter rail services provided or assisted by the council under Minnesota
Statutes, sections 473.371 to 473.449.

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.

Sec. 15. MAINTENANCE OF EFFORT.
(a) On or after the effective date of this section, with transit, paratransit, and light
rail and commuter rail services provided by the Metropolitan Council under Minnesota
Statutes, sections 473.371 to 473.449, the council may not (1) increase fares, or (2) reduce
service, including but not limited to reducing the frequency of bus or rail service, or
eliminating existing routes.
(b) This section applies to transit operators receiving financial assistance from the
council under Minnesota Statutes, sections 473.384; 473.386; 473.388; and 473.405,
subdivision 12.

council under Minnesota Statutes, sections 473.384; 473.386; 473.388; and 473.405,
(subdivision 12.

council under Minnesota Statutes, sections 473.384; 473.386; 473.388; and 473.405,

council under Minnesota Statutes, sections 473.384; 473.386; 473.388; and 473.405,

(c) This provision applies for calendar years 2009, 2010, and 2011.

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.

Sec. 16. PASSENGER RAIL REPORT.

By February 1, 2010, the commissioner of transportation shall report to the chairs
and ranking minority members of the legislative committees with jurisdiction over
transportation policy and finance concerning the status of passenger rail in this state.
The report must be made electronically and made available in print only upon request.
The report must include a summary of the current status of passenger rail projects and
recommend:

(1) a public participation process for intercity passenger rail planning;
(2) appropriate participation and levels of review by local units of government;
(3) future sources of funding for capital costs and operations;
(4) definitions to distinguish passenger rail from commuter rail;
(5) legislative changes to facilitate and improve the passenger rail planning processes
and operation; and
(6) state operating subsidy mechanisms designed to create local tax equity between
communities served by passenger rail and communities served by commuter rail.

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

Sec. 17. LAND USE AND PLANNING REPORT.

(a) The Metropolitan Council shall transfer $500,000 from the livable communities
demonstration account in the metropolitan livable communities fund to the Board of
Regents of the University of Minnesota for the Center for Transportation Studies to
develop the resources and report as provided in this section.

(b) By December 15, 2010, the Center for Transportation Studies shall develop
resources for use by local governments and the Metropolitan Council to identify land use
and transportation planning strategies and processes to support the reduction of greenhouse
gas emissions through the reduction of per capita vehicle miles driven. The resources must
take into account recent transportation trends, including travel and demographic trends
specific to the Twin Cities Metropolitan Area. The Center for Transportation Studies shall identify and use existing information and models to the extent they are useful and accurate.

The Center for Transportation Studies shall collaborate with the Metropolitan Council and local units of government interested in development and refinement of the resources.

(c) By January 15, 2011, the Center for Transportation Studies shall submit a report on the resources and findings to the chairs and ranking minority members of the house of representatives and senate committees having jurisdiction over transportation policy and finance.