A bill for an act

relating to transportation; establishing commuter coach service between Rogers and downtown Minneapolis; directing funds; amending Minnesota Statutes 2006, section 297A.992, subdivision 5, as added; Minnesota Statutes 2007 Supplement, section 16A.88, subdivision 2; 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 2007 Supplement, section 16A.88, subdivision 2, is amended to read:

Subd. 2. **Metropolitan area transit account.** The metropolitan area transit account is established within the transit assistance fund in the state treasury. All money in the account is annually appropriated to the Metropolitan Council for the funding of transit systems within the metropolitan area under sections 473.384, 473.386, 473.387, 473.3855, 473.388, and 473.405 to 473.449.

EFFECTIVE DATE. This section is effective July 1, 2008.

Sec. 2. Minnesota Statutes 2006, section 297A.992, subdivision 5, as added by Laws 2008, chapter 152, article 4, section 2, is amended to read:

Subd. 5. **Grant application and awards; Grant Evaluation and Ranking System (GEARS) Committee.** (a) The joint powers board shall establish a grant application process and identify the amount of available funding for grant awards. Grant applications must be submitted in a form prescribed by the joint powers board. An applicant must provide, in addition to all other information required by the joint powers board, the estimated cost of the project, the amount of the grant sought, possible sources of funding in addition to the grant sought, and identification of any federal funds that will be utilized

if the grant is awarded. A grant application seeking transit capital funding must identify the source of money necessary to operate the transit improvement.

(b) The joint powers board shall establish a timeline and procedures for the award of grants, and may award grants only to the state and political subdivisions. The board shall define objective criteria for the award of grants, which must include, but not be limited to, consistency with the most recent version of the transportation policy plan adopted by the Metropolitan Council under section 473.146. The joint powers board shall maximize the availability and use of federal funds in projects funded under this section.

(c) The joint powers board shall establish a GEARS Committee, which must consist of:

(1) one county commissioner from each county that is in the metropolitan transportation area, appointed by its county board;

(2) one elected city representative from each county that is in the metropolitan transportation area;

(3) one additional elected city representative from each county for every additional 400,000 in population, or fraction of 400,000, in the county that is above 400,000 in population; and

(4) the chair of the Metropolitan Council Transportation Committee.

(d) Each city representative must be elected at a meeting of cities in the metropolitan transportation area, which must be convened for that purpose by the Association of Metropolitan Municipalities.

(e) The committee shall evaluate grant applications following objective criteria established by the joint powers board, and must provide to the joint powers board a selection list of transportation projects that includes a priority ranking.

(f) A grant award for a transit project located within the metropolitan area, as defined in section 473.121, subdivision 2, may be funded only after the Metropolitan Council reviews the project for consistency with the transit portion of the Metropolitan Council policy plan and one of the following occurs:

(1) the Metropolitan Council finds the project to be consistent;

(2) the Metropolitan Council initially finds the project to be inconsistent, but after a good faith effort to resolve the inconsistency through negotiations with the joint powers board, agrees that the grant award may be funded; or

(3) the Metropolitan Council finds the project to be inconsistent, and submits the consistency issue for final determination to a panel, which determines the project to be consistent. The panel is composed of a member appointed by the chair of the Metropolitan

Council, a member appointed by the joint powers board, and a member agreed upon by both the chair and the joint powers board.

(g) Grants must be funded by the proceeds of the taxes imposed under this section, bonds, notes, or other obligations issued by the joint powers board under subdivision 7.

(h) Notwithstanding the provisions of this subdivision, in fiscal year 2009, of the initial revenue collected under this section, the joint powers board shall allocate at least $30,783,000 to the Metropolitan Council for operating assistance for transit.

(i) Notwithstanding the provisions of this subdivision, in fiscal year 2009, of the initial revenue collected under this section after the amount allocated in paragraph (h), the joint powers board shall allocate $1,800,000 to the Metropolitan Council for commuter coach service under section 473.3855.

EFFECTIVE DATE. This section is effective July 1, 2008.

Sec. 3. **[473.3855] ROGERS COMMUTER COACH SERVICE.**

(a) The Metropolitan Council shall establish regular commuter coach service between the city of Rogers and the downtown business district of the city of Minneapolis. The service must be public transit, as defined in section 174.22, subdivision 7, with a schedule that includes, at a minimum, service on weekday mornings and evenings. The Metropolitan Council may operate the service or may contract with a local unit of government or other transit provider.

(b) The Metropolitan Council may establish a fare for the commuter coach service higher than that established under section 473.408, subdivision 2a. Farebox revenue from the service must be used towards capital and operation costs of the service.

(c) The Metropolitan Council shall seek federal funding assistance for the service. Notwithstanding section 473.446, subdivision 2, the city of Rogers is not the petitioner for transit service and the Metropolitan Council shall not establish terms of compensation from the city of Rogers.

EFFECTIVE DATE. This section is effective July 1, 2008.