

**SENATE**  
**STATE OF MINNESOTA**  
**NINETIETH SESSION**

**S.F. No. 3232**

(SENATE AUTHORS: OSMEK)

DATE  
03/12/2018

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Introduction and first reading  
Referred to Transportation Finance and Policy

OFFICIAL STATUS

1.1 A bill for an act  
 1.2 relating to mass transit; modifying the financial assistance amount provided to  
 1.3 replacement transit service providers; amending Minnesota Statutes 2017  
 1.4 Supplement, section 473.388, subdivision 4.

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

1.6 Section 1. Minnesota Statutes 2017 Supplement, section 473.388, subdivision 4, is amended  
 1.7 to read:

1.8 Subd. 4. **Financial assistance; base allocation.** (a) The council must grant financial  
 1.9 assistance if (1) the service of the statutory or home rule charter city, town, or combination,  
 1.10 replaces the council's service to the statutory or home rule charter city, town, or combination,  
 1.11 and (2) the service meets the needs of the recipient at least as efficiently and effectively as  
 1.12 the council's service.

1.13 (b) The amount of assistance which the council must provide to a system under this  
 1.14 section must not be less than the sum of (1) the amounts calculated under paragraph (c),  
 1.15 and (2) the amount calculated under subdivision 4a.

1.16 (c) The financial assistance base allocation for each replacement service municipality  
 1.17 is calculated as:

1.18 (1) an amount equal to ~~3.74~~ 6.25 percent of the total state revenues generated from the  
 1.19 taxes imposed under chapter 297B for the current fiscal year; times

1.20 (2) the ratio of:

1.21 (i) the transit operating assistance grants received under this subdivision by the  
 1.22 municipality in calendar year 2001 or the tax revenues for transit services levied by the

2.1 municipality for taxes payable in 2001, including that portion of the levy derived from the  
2.2 areawide pool under section 473F.08, subdivision 3, clause (a), plus the portion of the  
2.3 municipality's aid under Minnesota Statutes 2002, section 273.1398, subdivision 2,  
2.4 attributable to the transit levy; to

2.5 (ii) the total transit operating assistance grants received under this subdivision in calendar  
2.6 year 2001 or the tax revenues for transit services levied by all replacement service  
2.7 municipalities under this section for taxes payable in 2001, including that portion of the  
2.8 levy derived from the areawide pool under section 473F.08, subdivision 3, clause (a), plus  
2.9 the portion of homestead and agricultural credit aid under Minnesota Statutes 2002, section  
2.10 273.1398, subdivision 2, attributable to nondebt transit levies; times

2.11 (3) the ratio of:

2.12 (i) the municipality's total taxable market value for taxes payable in 2006 divided by the  
2.13 municipality's total taxable market value for taxes payable in 2001; to

2.14 (ii) the total taxable market value of all property located in replacement service  
2.15 municipalities for taxes payable in 2006 divided by the total taxable market value of all  
2.16 property located in replacement service municipalities for taxes payable in 2001.

2.17 (d) The council must pay the amount to be provided to the recipient under this subdivision  
2.18 from the funds the council receives in the metropolitan area transit account under section  
2.19 16A.88.

2.20 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following  
2.21 final enactment and applies to financial assistance provided on and after January 1, 2019.  
2.22 This section applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott,  
2.23 and Washington.