

CHAPTER 339—H.F.No. 1408

An act relating to metropolitan government; restructuring the regional transit board and the metropolitan transit commission; directing the board to plan and coordinate light rail transit systems in the metropolitan area; directing the board to establish a joint light rail transit advisory committee; directing the commission to operate light rail transit systems; changing various provisions relating to metropolitan transit plans, programs, and authorities; amending Minnesota Statutes 1988, sections 174.32, subdivision 2; 398A.04, subdivision 9; 473.169, subdivisions 2, 3, 4, and 5; 473.373, subdivision 1a, and by adding a subdivision; 473.375, subdivisions 8 and 13; 473.404, subdivisions 2, 3, and 5; and 473.4051; proposing coding for new law in Minnesota Statutes, chapter 473; repealing Minnesota Statutes 1988, sections 473.169, subdivision 1; 473.1691; 473.17; 473.73, subdivision 4; and 473.398.

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

Section 1. Minnesota Statutes 1988, section 174.32, subdivision 2, is amended to read:

Subd. 2. **TRANSIT ASSISTANCE FUND; DISTRIBUTION.** (a) ~~A~~ The transit assistance fund is ~~created for the purpose of receiving~~ receives money distributed under section 297B.09. Eighty percent of the receipts of the fund must be placed into a metropolitan account for distribution to recipients located in the metropolitan area and 20 percent into a separate account for distribution to recipients located outside of the metropolitan area. Except as otherwise provided in this subdivision, the regional transit board created by section 473.373 is responsible for distributing assistance from the metropolitan account, and the commissioner is responsible for distributing assistance from the other account. Money placed in the metropolitan account is available for distribution to regional railroad authorities established under chapter 398A in the metropolitan area, by the commissioner of transportation as provided in paragraph (b).

(b) The commissioner shall request applications from all eligible regional railroad authorities. The commissioner shall establish a reasonable deadline for submittal of applications. The commissioner may not distribute more than 60 percent of the available funds to a single recipient. Before distributing money to any regional railroad authority, the commissioner shall ~~request review and comment on the applications from the metropolitan council and the regional transit board. The council and the board have 60 days to comment. The commissioner shall consider the comments of the council and the board in evaluating applications and distributing funds~~ submit the applications to the regional transit board for approval. The commissioner may distribute funds only with the approval of the board. Before ~~distributing~~ approving any application for funds for construction, the ~~commissioner board~~ shall report to the legislature on the use and planned distribution of construction funds.

Sec. 2. Minnesota Statutes 1988, section 398A.04, subdivision 9, is amended to read:

Subd. 9. ~~MUNICIPAL~~ **AGREEMENTS.** The authority may enter into

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joint powers agreements under section 471.59 or other agreements with the municipality or municipalities named in the organization agreement, or with other municipalities situated in the counties named in the resolution, respecting the matters referred to in section 398A.06 or with another authority about any matter subject to this chapter.

Sec. 3. Minnesota Statutes 1988, section 473.169, subdivision 2, is amended to read:

Subd. 2. **PRELIMINARY DESIGN PLANS; PUBLIC HEARING.** Before preparing final design plans for a light rail transit facility, the political subdivision proposing the facility must hold a public hearing on the physical design component of the preliminary design plans. The proposer must provide appropriate public notice of the hearing and publicity to ensure that affected parties have an opportunity to present their views at the hearing.

Sec. 4. Minnesota Statutes 1988, section 473.169, subdivision 3, is amended to read:

Subd. 3. **PRELIMINARY DESIGN PLANS; LOCAL APPROVAL.** At least 30 days before the hearing under subdivision 2, the proposer ~~must~~ shall submit the physical design component of the preliminary design plans to the governing body of each statutory and home rule charter city, county, and town in which the route is proposed to be located. The city, county, or town ~~must~~ shall hold a public hearing, except that a county board need not hold a hearing if the county board membership is identical to the membership of the regional railroad authority submitting the plan for review. Within 45 days after the hearing under subdivision 2, the city, county, or town ~~must~~ shall review and approve or disapprove the plans for the route to be located in the city, county, or town. A local unit of government that disapproves the plans shall describe specific amendments to the plans that, if adopted, would cause the local unit to withdraw its disapproval. Failure to approve or disapprove the plans in writing within 45 days after the hearing is deemed to be approval, unless an extension of time is agreed to by the city, county, or town and the proposer. ~~If the preliminary design plans are approved by each city, county, and town in which the route is proposed to be located, the proposer may proceed with final design plans under subdivision 5.~~

Sec. 5. Minnesota Statutes 1988, section 473.169, subdivision 4, is amended to read:

Subd. 4. **PRELIMINARY DESIGN PLANS; METROPOLITAN COUNCIL REGIONAL TRANSIT BOARD REFERRAL.** If the governing body of one or more cities, counties, or towns disapproves the preliminary design plans within the period allowed under subdivision 3, the proposer may refer the plans, along with any comments of local jurisdictions, to the metropolitan council regional transit board. ~~The council~~ must board shall hold a hearing on the plans, giving the proposer ~~and the,~~ any disapproving local governmental units, and other persons an opportunity to present ~~the case for or against approval of their~~

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views on the plans. The council board may conduct independent study as it deems desirable and may mediate and attempt to resolve disagreements about the plans. Within 90 days after the referral, the council board must either approve shall review the plans as submitted by the proposer or and may recommend amended plans to accommodate the objections presented by the disapproving local governmental units. Failure to respond within the time period is deemed to be approval, unless an extension of time is agreed to by the council and the proposer.

Following approval or recommendation of preliminary design plans by the council, the proposer may proceed with final design plans under subdivision 5.

Sec. 6. Minnesota Statutes 1988, section 473.169, subdivision 5, is amended to read:

Subd. 5. **FINAL DESIGN PLANS.** (a) After the approval of preliminary design plans under subdivision 3 or review by the council following referral to the council under subdivision 4, the proposer may prepare final design plans.

(b) Before proceeding with beginning construction, the proposer must shall submit the physical design component of final design plans to the governing body of each statutory and home rule city, county, and town in which the route is proposed to be located. Within 60 days after the submission of the plans, the city, county, or town must shall review and approve or disapprove the plans for the route located in the city, county, or town. A local unit of government that disapproves the plans shall describe specific amendments to the plans that, if adopted, would cause the local unit to withdraw its disapproval. Failure to approve or disapprove the plans in writing within the time period is deemed to be approval, unless an extension is agreed to by the city, county, or town and the proposer. If the final design plans are approved by each city, county, and town in which the route is proposed to be located, the proposer may proceed with construction on that route.

(c) (b) If the governing body of one or more cities, counties, or towns disapproves the final design plans within the period allowed under paragraph (b) (a), the proposer may refer the plans, along with any comments of local jurisdictions, to the metropolitan council regional transit board. The council must board shall review the final design plans under the same procedure and with the same effect as provided in subdivision 4 for preliminary design plans.

Following approval of final design plans by the council, the proposer may proceed with construction.

Sec. 7. Minnesota Statutes 1988, section 473.373, subdivision 1a, is amended to read:

Subd. 1a. **PURPOSE DUTIES OF THE BOARD.** (a) The purposes duties of the board are:

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(1) to foster effective delivery of existing transit services and encourage innovation in transit service;

(2) to increase transit service in suburban areas;

(3) to prepare implementation and financial plans for the metropolitan transit system;

(4) to set policies and standards for implementing the transit policies and programs of the state and the transit policies of the metropolitan council in the metropolitan area;

(5) to advise and work cooperatively with local governments, regional rail authorities, and other public agencies, transit providers, developers, and other persons in order to coordinate all transit modes and to increase the availability of transit services;

(6) to conduct transit research and evaluation; and

(7) to administer state and metropolitan transit subsidies.

(b) The board shall arrange with others for the delivery and provision of transit services and facilities. ~~To the greatest extent possible,~~ to the greatest extent possible, the board shall avoid, ~~to the greatest extent possible,~~ direct operational planning, administration, and management of specific transit services and facilities.

(c) The board shall advise the council, the council's transportation advisory board, the department of transportation, political subdivisions, and private developers on the transit aspects and effects of proposed transportation plans and development projects and on methods of improving the coordination, availability, and use of transit services as part of an efficient and effective overall transportation system.

Sec. 8. Minnesota Statutes 1988, section 473.373, is amended by adding a subdivision to read:

Subd. 4a. MEMBERSHIP. (a) The board consists of 11 members with governmental or management experience. Appointments are subject to the advice and consent of the senate. Terms of members are four years commencing on the first Monday in January of the first year of the term.

(b) The council shall appoint eight members, one from each of the following agency districts:

(1) district A, consisting of council districts 1 and 2;

(2) district B, consisting of council districts 3 and 7;

(3) district C, consisting of council districts 4 and 5;

(4) district D, consisting of council districts 6 and 11;

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- (5) district E, consisting of council districts 8 and 10;
- (6) district F, consisting of council districts 9 and 13;
- (7) district G, consisting of council districts 12 and 14; and
- (8) district H, consisting of council districts 15 and 16.

At least six must be elected officials of statutory or home rule charter cities, towns, or counties. Two of these officials must be county board members, each from a different county, and four must be elected officials of cities or towns. Service on the board of a person who is appointed as an elected official may continue only as long as the person holds the office. At least 30 days before the expiration of a term or upon the occurrence of a vacancy, the council shall request nominations for the position from relevant organizations of local elected officials, such as the association of metropolitan municipalities, the metropolitan intercounty association, the association of urban counties, and where applicable, the association of townships. Each relevant organization shall nominate at least two persons for each position. A local governmental unit that is not a member of an organization may submit nominations independently. The council shall make its appointments from the nominations submitted to it to the extent possible consistent with the other requirements of this paragraph and with the appointment of a board that fairly reflects the diverse areas and constituencies affected by transit.

(c) The governor shall appoint, in addition to the chair, two persons, one who is age 65 or older at the time of appointment, and one with a disability. These appointments must be made following the procedures of section 15.0597. In addition, at least 30 days before the expiration of a term or upon the occurrence of a vacancy in the office held by a senior citizen or a person with a disability, the governor shall request nominations from organizations of senior citizens and persons with disabilities. Each organization shall nominate at least two persons. The governor shall consider the nominations submitted.

(d) No more than three of the members appointed under paragraphs (b) and (c) may be residents of the same statutory or home rule city or town, and none may be a member of the joint light rail transit advisory committee established under section 13.

Sec. 9. Minnesota Statutes 1988, section 473.375, subdivision 8, is amended to read:

Subd. 8. **GIFTS; GRANTS.** The board may apply for, accept and disburse gifts, grants, or loans from the United States, the state, or from any person on behalf of itself or any of its contract recipients, for any of its purposes. It may enter into an agreement required for the gifts, grants, or loans and may hold, use, and dispose of money or property received therefrom according to the terms of the gift, grant, or loan. The board may not be a recipient of federal operating or capital assistance distributed by formula or block grant. ~~The board may not be a recipient of federal discretionary capital grants for light rail and other fixed guideway transit systems.~~

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No political subdivision within the metropolitan area may apply for federal transit assistance unless its application has been submitted to and approved by the board.

Sec. 10. Minnesota Statutes 1988, section 473.375, subdivision 13, is amended to read:

Subd. 13. **FINANCIAL ASSISTANCE.** The board may provide financial assistance to the commission and other providers as provided in sections 473.371 to 473.449 in furtherance of and in conformance with the implementation plan of the board. The board may not use the proceeds of bonds issued by the council under section 473.39 to provide capital assistance to private, for-profit operators of public transit.

Sec. 11. [473.385] **TRANSIT SERVICE AREAS.**

Subdivision 1. **DEFINITIONS.** (a) “Fully developed service area” means the fully developed area, as defined in the metropolitan council’s development investment framework, plus the cities of Mendota Heights, Maplewood, North St. Paul, and Little Canada.

(b) “Regular route transit” has the meaning given it in section 174.22, subdivision 8, except that, for purposes of this section, the term does not include services on fixed routes and schedules that are primarily intended to provide circulator service within a community or adjacent communities rather than feeder service to the system of metropolitan regular route transit operated by the commission.

Subd. 2. **SERVICE AREAS.** The regional transit board may provide financial assistance (whether directly or through another entity) to private, for-profit operators of public transit only for the following services:

(1) services that are not regular route services;

(2) regular route services provided on the effective date of this section by a private for-profit operator under contract with the board or under a certificate of convenience and necessity issued by the transportation regulation board;

(3) regular route services outside of the fully developed service area that are not operated on the effective date of this section by the commission;

(4) regular route services provided under section 473.388;

(5) regular route services to recipients who, as part of a negotiated cost-sharing arrangement with the board, pay at least 50 percent of the cost of the service that directly benefits the recipient as an institution or organization; or

(6) regular route services that the board and the commission agree are not or will not be operated for a reasonable subsidy by the commission.

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Sec. 12. [473.399] LIGHT RAIL TRANSIT; REGIONAL PLAN.

Subdivision 1. GENERAL REQUIREMENTS. (a) The transit board shall adopt a regional light rail transit plan, as provided in this section, to ensure that light rail transit facilities in the metropolitan area will be acquired, developed, owned, and capable of operation in an efficient, cost-effective and coordinated manner as an integrated and unified system on a multicounty basis in coordination with buses and other transportation modes and facilities. To the extent practicable the board shall incorporate into its plan appropriate elements of the plans of regional railroad authorities in order to avoid duplication of effort.

(b) The regional plan required by this section must be adopted by the board before any regional railroad authority may begin construction of light rail transit facilities and before any authority is eligible for state financial assistance for constructing light rail transit facilities. Following adoption of the regional plan, each regional railroad authority or other developer of light rail transit in the metropolitan area shall act in conformity with the plan. Each authority or proposer shall prepare or amend its comprehensive plan and preliminary and final design plans as necessary to make the plans consistent with the regional plan.

(c) Throughout the development and implementation of the plan, the board shall contract for or otherwise obtain engineering services to assure that the plan adequately addresses the technical aspects of light rail transit.

Subd. 2. DEVELOPMENT AND FINANCIAL PLAN. (a) The board shall adopt a regional development and financial plan for light rail transit composed of the following elements:

(1) a staged development plan of light rail transit corridors;

(2) a statement of needs, objectives, and priorities for capital development and service for a prospective ten-year period, considering service needs, ridership projections, and other relevant factors for the various segments of the system, along with a statement of the fiscal implications of these objectives and priorities, and policies and recommendations for long term capital financing;

(3) a capital investment component for a five-year period following the commencement of construction of facilities, with policies and recommendations for ownership of facilities and for financing capital and operating costs;

(b) For any segments of rail line that may be constructed below the surface elevation, the plan must estimate the additional capital costs, debt service, and subsidy level that are attributable to the below grade construction. The plan must include a method of financing the operation of light rail transit that depends on property tax revenue for no more than 35 percent of the operations cost.

(c) The board shall prepare the plan in consultation with its light rail transit advisory committee. The board shall submit the plan and amendments to the plan to the metropolitan council for review and approval or disapproval, for conformity with the council's transportation plan. The council has 90 days to complete its review.

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Subd. 3. COORDINATION PLAN. (a) The board shall adopt a regional coordination plan for light rail transit. The plan must include:

(1) a method for organizing and coordinating acquisition, construction, ownership, and operation of light rail transit facilities, including in particular, coordination of vehicle specifications, provisions for a single light rail transit operator for the system, and the organization and coordination method required if a turn-key approach to facility acquisition is used by a regional railroad authority;

(2) specifications and standards to ensure joint or coordinated procurement of rights-of-way, track, vehicles, electrification, communications and ticketing facilities, yards and shops, stations, and other facilities that must be or should be operated on a systemwide basis;

(3) systemwide operating and performance specifications and standards;

(4) bus and park-and-ride coordination policies, standards, and plans to assure maximum use of light rail transit and the widest possible access to light rail transit in both urban and suburban areas;

(5) a method for ensuring ongoing coordination of development, design, and operational plans for light rail facilities;

(6) provision for the operation of light rail transit by the metropolitan transit commission; and

(7) other matters that the board deems prudent and necessary to ensure that light rail transit facilities are acquired, developed, owned, and capable of operation in an efficient, cost-effective and coordinated manner as an integrated and unified system on a multicounty basis in coordination with buses and other transportation modes and facilities.

(b) The joint light rail transit advisory committee shall prepare and recommend the plan to the board. The board shall review the plan within 90 days and either adopt it or disapprove it and return it to the committee with the modifications that the board recommends before adoption of the plan. The committee shall take into consideration the board's recommendations and resubmit the plan to the board for review and adoption or disapproval.

(c) The metropolitan council shall review and comment on the plan.

Sec. 13. [473.3991] JOINT LIGHT RAIL TRANSIT ADVISORY COMMITTEE.

Subdivision 1. CREATION; PURPOSE. The transit board shall establish a joint light rail transit advisory committee, to assist the board in planning light rail transit facilities and in coordinating the light rail transit activities of the county regional railroad authorities and the transit commission. The committee shall perform the duties specified in sections 12 and 20 and shall otherwise assist the board upon request of the board.

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Subd. 2. MEMBERSHIP. The committee consists of:

(1) two members of the governing board of each regional railroad authority that applies for and receives state funding for preliminary engineering of light rail transit facilities;

(2) one member, in addition to those under clause (1), of the governing board of the Hennepin county regional railroad authority;

(3) one member of the governing board of each regional railroad authority not represented under clause (1) that applies for and receives state funding for planning of light rail transit facilities;

(4) two members of the metropolitan transit commission; and

(5) the commissioner of transportation or an employee of the department designated by the commissioner.

Appointments under clauses (1) to (3) are made by the respective authorities, and appointments under clause (4) are made by the commission. The regional transit board shall make the appointment for any appointing authority that fails to make the required appointments. Members serve at the pleasure of the agency making the appointment.

Subd. 3. CHAIR. The committee shall annually elect a chair from among its members.

Subd. 4. ADMINISTRATION. The regional transit board shall provide staff and administrative services for the committee. The organizations represented on the committee shall provide information, staff, and technical assistance for the committee as needed.

Sec. 14. [473.3993] LIGHT RAIL TRANSIT FACILITY PLANS; DEFINITIONS.

Subdivision 1. APPLICATION. The definitions in this section apply to section 473.169 and section 15.

Subd. 2. PRELIMINARY DESIGN PLAN. "Preliminary design plan" means a light rail transit plan that identifies:

(1) preliminary plans for the physical design of facilities, including location, length, and termini of routes; general dimension, elevation, alignment, and character of routes and crossings; whether the track is elevated, on the surface, or below ground; approximate station locations; and related park and ride, parking, and other transportation facilities; and a plan for handicapped access; and

(2) preliminary plans for intermodal coordination with bus operations and routes; ridership; capital costs; operating costs and revenues; funding for final design, construction, and operation; and an implementation method.

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Subd. 3. FINAL DESIGN PLAN. "Final design plan" means a light rail transit plan that includes the items in the preliminary design plan for the facilities proposed for construction, but with greater detail and specificity. The final design plan must include, at a minimum:

(1) final plans for the physical design of facilities, including the right-of-way definition; environmental impacts and mitigation measures; intermodal coordination with bus operations and routes; and civil engineering plans for vehicles, track, stations, parking, and access, including handicapped access; and

(2) final plans for civil engineering for electrification, communication, and other similar facilities; operational rules, procedures and strategies; capital costs; ridership; operating costs and revenues; financing for construction and operation; an implementation method; and other similar matters.

The final design plan must be stated with sufficient particularity and detail to allow the proposer to begin the acquisition and construction of operable facilities. If a turn-key implementation method is proposed, instead of civil engineering plans the final design plan must state detailed design criteria and performance standards for the facilities.

Sec. 15. [473.3996] LIGHT RAIL TRANSIT FACILITY DESIGN PLANS; REVIEW BY BOARD.

Subdivision 1. PRELIMINARY DESIGN PLANS. Before submitting the physical design component of final design plans of a light rail transit facility for local review under section 473.169, subdivision 5, the proposer shall submit preliminary design plans to the regional transit board for review. The board shall review the preliminary design plans to determine the compatibility of the plans with other light rail transit plans and facilities in the metropolitan area, the adequacy of the plans for handicapped accessibility, and the conformity of the plans with the regional light rail transit plan prepared under section 12. The board may comment on any aspect of the plans. The board has 90 days to complete its review, unless an extension of time is agreed to by the proposer. If the board determines that the plans do not satisfy the standards stated in this subdivision, the board shall recommend modifications in the plans that are necessary in order to satisfy the board. After adopting or amending the regional plan required by section 12, the board may again review any previously reviewed preliminary design plans and recommend modifications that are necessary to satisfy the board.

Subd. 2. FINAL DESIGN PLANS. Before acquiring or constructing light rail transit facilities, other than land for right of way, the proposer shall submit final design plans to the regional transit board for review. The board shall review the final design plans under the same schedule and according to the same standards as provided for its review of preliminary design plans. The board shall either approve the plans, or if it determines that the plans do not satisfy the standards, disapprove the plans, in whole or in part, and recommend modifications in the plans that are necessary to secure approval. A proposer may not

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proceed with acquisition or construction of a light rail transit facility, other than land for right of way, unless the final design plans for the facility have been approved by the board. Following approval of final design plans by the board, if a regional railroad authority wishes to select a bid or a response to a request for proposal that is more than ten percent higher than the capital costs indicated in the final design plans for the facility, the authority may not proceed with construction until it has resubmitted the final design plans to the transit board for further review and approval or disapproval. The board has 10 working days to review and approve or disapprove and recommend modification, unless an extension of time is agreed to by the authority.

Sec. 16. Minnesota Statutes 1988, section 473.404, subdivision 2, is amended to read:

Subd. 2. **MEMBERSHIP.** The transit commission consists of ~~three~~ five members appointed by the transit board. One member must be a resident of the city of Minneapolis, one must be a resident of the city of St. Paul, ~~and one~~ two must reside in the service area of the commission outside of Minneapolis and St. Paul, ~~and one may reside anywhere in the metropolitan area. At least one of the members from outside of Minneapolis and St. Paul must reside in the commission's full-peak and off-peak service area, as defined for tax purposes in section 473.446.~~ Appointments are ~~not~~ subject to the advice and consent of the senate.

Sec. 17. Minnesota Statutes 1988, section 473.404, subdivision 3, is amended to read:

Subd. 3. **TERMS.** The term of each member of the commission is three years and until a successor is appointed and qualified. ~~The initial terms of members commence on the first day after August 1, 1984; that all three members have been appointed and qualified of the first year of a term. One member must be appointed to an initial term of one year, one to an initial term of two years; and one to an initial term of three years. The terms of members of the transit commission appointed and serving on August 1, 1984, pursuant to Minnesota Statutes 1982, section 473.141, expire on the day that the terms of members appointed pursuant to this section commence.~~

Sec. 18. Minnesota Statutes 1988, section 473.404, subdivision 5, is amended to read:

Subd. 5. **QUALIFICATION.** Each member of the commission must have transit, governmental, or management experience. A member shall not during a term of office be a member of the metropolitan council, the regional transit board, the metropolitan waste control commission, the metropolitan airports commission, the metropolitan sports facilities commission, or any other independent regional commission, board, or agency, or hold any judicial office. Each member shall qualify by taking and subscribing to the oath of office prescribed by the Minnesota Constitution, article 5, section 5. The oath, duly certified by the official administering it, must be filed with the metropolitan council.

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Sec. 19. Minnesota Statutes 1988, section 473.4051, is amended to read:

473.4051 LIGHT RAIL TRANSIT OPERATION.

The transit commission ~~may enter into an agreement to provide for the operation of a~~ shall operate regional rail ~~railroad~~ authority light rail transit system facilities and services upon completion of construction of the system by the regional rail authority facilities and the commencement of revenue service using the facilities. ~~If a regional rail authority enters into an agreement with the transit commission for~~ The regional railroad authority and the commission may not allow the commencement of revenue service until after an appropriate period of acceptance testing to ensure satisfactory performance. In assuming the operation of the system, the transit commission must comply with the provisions of section 473.415. The commission shall coordinate operation of the light rail transit system with bus service to avoid duplication of service on a route served by light rail transit and to ensure the widest possible access to light rail transit lines in both suburban and urban areas by means of a feeder bus system. If the regional plan prepared by the transit board under section 12 calls for construction and operation of light rail transit facilities in a jurisdiction whose governing body has chosen not to organize and proceed under chapter 398A, the board may authorize the transit commission to implement the plan in that area.

Sec. 20. LIGHT RAIL PLANNING REQUIREMENTS.

Subdivision 1. DEVELOPMENT AND FINANCIAL PLAN. The regional transit board shall complete the initial light rail transit development and financial plan required in section 12, subdivision 2, by January 1, 1990. The metropolitan council has 45 days to complete its review of the initial plan. The transit board shall report to the legislature by February 15, 1990, on the plan and on the board's capital development and financing recommendations.

Subd. 2. COORDINATION PLAN. The board's light rail transit advisory committee shall prepare and recommend to the regional transit board the initial light rail transit coordination plan required by section 12, subdivision 3, by July 1, 1990. Before adopting the initial coordination plan, the transit board shall:

(1) submit the plan to the council and the commissioner of transportation for review and comment;

(2) assemble a peer review panel of transit and light rail transit experts of national stature to review and comment on the plan; and

(3) hold a public hearing on the plan to receive the comments and suggestions of the public.

The transit board may not include on the peer review panel any person who is employed by, or under contract as a consultant or for professional services to, regional railroad authorities, a firm employed as a consultant to regional rail-

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road authorities, the transit commission, or the transit commission's management contractor.

Subd. 3. TRANSPORTATION PLAN. Notwithstanding the provisions of section 473.146, by January 1, 1990, the council shall revise the light rail transit element of its transportation plan, taking into consideration all comprehensive plans and studies of corridors and preliminary design plans of regional railroad authorities.

Sec. 21. METROPOLITAN REGIONAL RAILROAD AUTHORITIES.

Subdivision 1. AUTHORITY. Nothing in this act should be interpreted to require the elimination of the regional railroad authorities in the metropolitan area or to forbid one or more authorities to act independently, so long as their activities are consistent with the regional light rail transit plan.

Subd. 2. ELIGIBILITY FOR FEDERAL FUNDS; SPECIAL PROVISION. (a) A regional railroad authority in the metropolitan area is specifically authorized to apply for and receive, in its own name, federal financial assistance.

(b) Nothing in this act may be interpreted or relied on by any person, political subdivision, or agency to forbid, restrict, or delay an application for federal financial assistance of any regional railroad authority in the metropolitan area acting independently, or to transfer to another entity the authority of a regional railroad authority to receive such assistance individually, independently, and directly for the planning, engineering, or construction of a regional railroad authority's light rail transit system.

(c) If a regional railroad authority in the metropolitan area has made application for a federal construction or capital grant for light rail transit by April 1, 1989, and the secretary of transportation preliminarily awards or indicates an intent to award federal funds to the regional railroad authority for that grant application, then the location of the light rail transit line, stations, yards and shops contained in that application is not subject to approval by the regional transit board, if the grant is awarded or a notice of intent to award the grant is received.

Sec. 22. SPECIAL TRANSIT SERVICES; DELIVERY STUDY.

Subdivision 1. STUDY REQUIRED. The regional transit board shall conduct a study of methods to improve the delivery of transportation services for the elderly, handicapped, and disabled, including persons with permanent sensory or mental impairments, whose transit needs cannot be fully accommodated through the use of existing public transit alternatives. The board shall direct its staff to:

(1) evaluate the potential for integrating metro mobility with other specialized transit;

(2) assess the role of nonprofits in providing cost-effective service;

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(3) identify transit issues for special populations in suburban areas; and

(4) evaluate the efficiency and usefulness of the current metro mobility administrative center computer system and identify suggestions for improvement.

Subd. 2. COMMUNITY INVOLVEMENT. The board shall actively involve interested parties in this process, including but not limited to:

(1) members of the transportation handicapped advisory committee;

(2) representatives of the department of human services;

(3) members of the transit providers advisory committee;

(4) representatives of nonprofit transit and social service providers;

(5) organizations representing the elderly, handicapped, and disabled communities; and

(6) interested members of the general public.

Subd. 3. REPORT. The board shall report to the legislature on the study and the board's findings and recommendations by December 1, 1989.

Sec. 23. APPOINTMENTS.

(a) Notwithstanding section 8, the terms of the initial members of the transit board appointed under section 8 begin July 1, 1989, and end as follows:

(1) for members representing districts A, B, C, and D, for the chair, and for the disabled person, on the first Monday in January of 1993;

(2) for all other members, on the first Monday in January of 1991.

The terms of members of the board appointed and serving on the effective date of this act expire on the day that the terms of members appointed under this section and section 8 commence.

(b) Notwithstanding sections 16 and 17, the initial term of one of the members added to the transit commission by section 16 is two years. At the time of appointment, the board shall designate the member appointed under section 16 to a two-year term and the member appointed to a three-year term. The board may not appoint the added members under this section and section 16 until the initial members of the transit board appointed under this section and section 8 have been appointed and have begun serving their terms.

Sec. 24. REPEALER.

Minnesota Statutes 1988, sections 473.169, subdivision 1; 473.1691; 473.17; 473.373, subdivision 4; and 473.398, are repealed.

New language is indicated by underline, deletions by ~~strikeout~~.

Sec. 25. APPLICATION.

Sections 1 to 24 are effective the day following final enactment. Sections 4 to 24 apply in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Presented to the governor May 30, 1989

Signed by the governor June 1, 1989, 10:55 p.m.

CHAPTER 340—H.F.No. 306

An act relating to trusts; providing for their creation, validity, administration, and supervision; providing for the sale of real property; relating to legal estates in real and personal property; relating to estates; amending Minnesota Statutes 1988, sections 315.365, subdivision 3; 500.17, subdivision 2; 501A.05; 501A.06; 502.73; 524.1-404; 525.56, subdivision 4; and 525.831; Laws 1987, chapter 60, section 10, as amended; proposing coding for new law as Minnesota Statutes, chapter 501B; proposing coding for new law in Minnesota Statutes, chapter 525; repealing Minnesota Statutes 1988, sections 500.13; 501.01; 501.02; 501.03; 501.04; 501.05; 501.06; 501.07; 501.08; 501.09; 501.10; 501.11; 501.115; 501.12; 501.125; 501.13; 501.14; 501.15; 501.155; 501.16; 501.17; 501.18; 501.19; 501.195; 501.20; 501.21; 501.211; 501.22; 501.23; 501.24; 501.25; 501.26; 501.27; 501.28; 501.29; 501.30; 501.31; 501.32; 501.33; 501.34; 501.35; 501.351; 501.36; 501.37; 501.38; 501.39; 501.40; 501.41; 501.42; 501.43; 501.44; 501.45; 501.46; 501.461; 501.48; 501.49; 501.50; 501.51; 501.52; 501.53; 501.54; 501.55; 501.56; 501.57; 501.58; 501.59; 501.60; 501.61; 501.62; 501.63; 501.64; 501.65; 501.66; 501.67; 501.71; 501.72; 501.73; 501.74; 501.75; 501.76; 501.77; 501.78; 501.79; 501.80; 501.805; and 501.81.

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

ARTICLE 1

TRUSTS

Section 1. **[501B.01] PURPOSES FOR WHICH EXPRESS TRUSTS MAY BE CREATED.**

An active express trust may be created for any lawful purpose.

Sec. 2. **[501B.02] PASSIVE TRUSTS ABOLISHED.**

Passive express trusts of real or personal property are abolished. An attempt to create a passive trust vests the entire estate granted in the beneficiary.

Sec. 3. **[501B.03] TERMINATION OF TRUST PURPOSES.**

New language is indicated by underline, deletions by ~~strikeout~~.