

CHAPTER 174

DEPARTMENT OF TRANSPORTATION

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174.025 [Repealed, 1Sp2003 c 19 art 2 s 79]

174.03 DUTIES OF COMMISSIONER.

[For text of subds 1 to 8, see M.S.2002]

Subd. 9. **Forecast of revenues and expenditures.** In cooperation with the Department of Finance and as required by section 16A.103, the commissioner shall prepare in February and November of each year a forecast of highway user tax distribution fund and trunk highway fund revenues and expenditures. The forecast must include an analysis of economic information and the potential impact on highway user fund revenues, historical growth rate information, and other variables affecting revenue assumptions and forecasted future growth rates. The forecast must include an analysis of trunk highway bonding and the necessary debt service payments, and assumptions regarding federal transportation funds. The commissioner shall review the forecast information with the chairs of the senate and house of representatives committees with jurisdiction over finance, ways and means, and transportation finance and with legislative fiscal staff no later than two weeks before the forecast is released and shall inform the chairs and staff of changes made from previous forecasts.

History: 1Sp2003 c 19 art 2 s 41

174.031 [Repealed, 1Sp2003 c 19 art 2 s 79]

174.24 PUBLIC TRANSIT PARTICIPATION PROGRAM.

Subdivision 1. **Establishment; purpose.** A public transit participation program is established to carry out the objectives stated in section 174.21 by providing financial assistance from the state, including the greater Minnesota transit fund established in section 16A.88, to eligible recipients outside of the metropolitan area.

[For text of subds 2 to 3, see M.S.2002]

Subd. 3b. **Operating assistance; recipient classifications.** (a) The commissioner shall determine the total operating cost of any public transit system receiving or applying for assistance in accordance with generally accepted accounting principles. To be eligible for financial assistance, an applicant or recipient shall provide to the commissioner all financial records and other information and shall permit any inspection reasonably necessary to determine total operating cost and correspondingly the amount of assistance that may be paid to the applicant or recipient. Where more than one county or municipality contributes assistance to the operation of a public transit system, the commissioner shall identify one as lead agency for the purpose of receiving money under this section.

(b) Prior to distributing operating assistance to eligible recipients for any contract period, the commissioner shall place all recipients into one of the following classifications: urbanized area service, small urban area service, rural area service, and elderly and handicapped service. The commissioner shall distribute funds under this section so that the percentage of total operating cost paid by any recipient from local sources will not exceed the percentage for that recipient's classification, except as provided in an undue hardship case. The percentages must be: for urbanized area service and small

urban area service, 20 percent; for rural area service, 15 percent; and for elderly and handicapped service, 15 percent. The remainder of the total operating cost will be paid from state funds less any assistance received by the recipient from any federal source. For purposes of this subdivision, "local sources" means all local sources of funds and includes all operating revenue, tax levies, and contributions from public funds, except that the commissioner may exclude from the total assistance contract revenues derived from operations the cost of which is excluded from the computation of total operating cost. Total operating costs of the Duluth transit authority or a successor agency does not include costs related to the Superior, Wisconsin service contract and the Independent School District No. 709 service contract. For calendar years 2004 and 2005, to enable public transit systems to meet the provisions of this section, the commissioner may adjust payments of financial assistance to recipients that were under a contract with the department on January 1, 2003. Payments to such a recipient in calendar years 2004 and 2005 from the greater Minnesota transit fund may not be less than the payment to the recipient from that fund in calendar year 2003, except for reductions made necessary by reductions in base funding for those years.

(c) If a recipient informs the commissioner in writing after the establishment of these percentages but prior to the distribution of financial assistance for any year that paying its designated percentage of total operating cost from local sources will cause undue hardship, the commissioner may reduce the percentage to be paid from local sources by the recipient and increase the percentage to be paid from local sources by one or more other recipients inside or outside the classification. However, the commissioner may not reduce or increase any recipient's percentage under this paragraph for more than two years successively. If for any year the funds appropriated to the commissioner to carry out the purposes of this section are insufficient to allow the commissioner to pay the state share of total operating cost as provided in this paragraph, the commissioner shall reduce the state share in each classification to the extent necessary.

[For text of subd 3c, see M.S.2002]

Subd. 5. Method of payment, operating assistance. Payments for operating assistance under this section must be made in the following manner:

(a) For payments made from the general fund:

- (1) 50 percent of the total contract amount in the first month of operation;
- (2) 40 percent of the total contract amount in the seventh month of operation;
- (3) 9 percent of the total contract amount in the 12th month of operation; and
- (4) 1 percent of the total contract amount after the final audit.

(b) For payments made from the greater Minnesota transit fund:

- (1) 50 percent of the total contract amount in the seventh month of operation; and
- (2) 50 percent of the total contract amount in the 11th month of operation.

[For text of subs 5a and 6, see M.S.2002]

History: 1Sp2003 c 19 art 2 s 42-44

174.242 [Repealed, 1Sp2003 c 19 art 2 s 79]

174.30 OPERATING STANDARDS FOR SPECIAL TRANSPORTATION SERVICE.

Subdivision 1. Applicability. (a) The operating standards for special transportation service adopted under this section do not apply to special transportation provided by:

- (1) a common carrier operating on fixed routes and schedules;
- (2) a volunteer driver using a private automobile;
- (3) a school bus as defined in section 169.01, subdivision 6; or
- (4) an emergency ambulance regulated under chapter 144.

(b) The operating standards adopted under this section only apply to providers of special transportation service who receive grants or other financial assistance from

either the state or the federal government, or both, to provide or assist in providing that service; except that the operating standards adopted under this section do not apply to any nursing home licensed under section 144A.02, to any board and care facility licensed under section 144.50, or to any day training and habilitation services, day care, or group home facility licensed under sections 245A.01 to 245A.19 unless the facility or program provides transportation to nonresidents on a regular basis and the facility receives reimbursement, other than per diem payments, for that service under rules promulgated by the commissioner of human services.

(c) Notwithstanding paragraph (b), the operating standards adopted under this section do not apply to any vendor of services licensed under chapter 245B that provides transportation services to consumers or residents of other vendors licensed under chapter 245B and transports 15 or fewer persons, including consumers or residents and the driver.

[For text of subs 2 to 9, see M.S.2002]

History: 1Sp2003 c 14 art 3 s 1

174.50 MINNESOTA STATE TRANSPORTATION FUND.

[For text of subs 1 to 2, see M.S.2002]

Subd. 3. **Fund revenue; appropriation.** The commissioner of finance shall deposit in the fund as received all proceeds of Minnesota state transportation bonds, except accrued interest and premiums; all other money appropriated by law for the purposes of the fund; and all money granted to the state for these purposes by the federal government or any agency thereof. All such receipts are annually appropriated for the permanent construction and improvement purposes of the fund and shall be and remain available for expenditure in accordance with this section and applicable federal laws until the purposes for which the appropriations were made have been accomplished or abandoned. Upon certification to the commissioner of finance by the agency or subdivision to which any appropriation of bond proceeds has been made that the purpose thereof has been accomplished or abandoned, any unexpended balance of the appropriation, unless reappropriated by law, shall be transferred to the state bond fund and is appropriated to reduce the amount of tax otherwise required by the constitution to be levied for that fund. No money shall be transferred to the state transportation fund from the highway user tax distribution fund or any other fund created by article XIV of the Constitution.

[For text of subs 4 to 7, see M.S.2002]

History: 2003 c 112 art 2 s 50

174.51 MINNESOTA STATE TRANSPORTATION BONDS.

[For text of subd 1, see M.S.2002]

Subd. 2. **Sale; general obligations.** The bonds shall be sold upon sealed bids and upon notice, at a price, in form and denominations, bearing interest at a rate or rates, maturing in amounts and on dates, without option of prior redemption or subject to prepayment upon notice and at times and prices, payable at a bank or banks within or outside the state, with or without provisions for registration, conversion, exchange, and issuance of temporary bonds or notes in anticipation of the sale or delivery of definitive bonds, and in accordance with further provisions, as the commissioner of finance shall determine subject to the approval of the attorney general, but not subject to the provisions of chapter 14, including section 14.386. Each bond shall mature within 20 years from its date of issue and shall be executed by the commissioner of finance under official seal. The signature on the bonds and on any interest coupons and the seal may be printed or otherwise reproduced, except that each bond shall be authenticated by the manual signature on its face of the commissioner of finance or of a person authorized to sign on behalf of a bank designated by the commissioner as registrar or

other authenticating agent. The commissioner of finance shall ascertain and certify to the purchasers of the bonds the performance and existence of all acts, conditions, and things necessary to make them valid and binding general obligations of the state of Minnesota, subject to the approval of the attorney general.

[For text of subd 3, see M.S.2002]

Subd. 4. Account; appropriation. The commissioner of finance shall maintain in the state bond fund a separate bookkeeping account designated as the Minnesota state transportation bond account, to record receipts and disbursements of money transferred to the fund to pay Minnesota state transportation bonds and interest thereon, and of income from the investment of such money, which income shall be credited to the account in each fiscal year in an amount equal to the approximate average rate of return that year on all funds invested by the commissioner of finance, as determined by the commissioner of finance, times the average balance in the account that year.

Subd. 5. Money credited; appropriated. The premium and accrued interest received on each issue of Minnesota state transportation bonds shall be credited to the bond account. There shall also be credited to the bond account from the general fund in the state treasury, on November 1 in each year, a sum of money equal to the amount of the tax which article XI of the Constitution would otherwise require to be levied for collection in the following year, to increase the balance in the account to an amount sufficient to pay principal and interest due and to become due with respect to Minnesota state transportation bonds. All money so credited and all income from the investment thereof is annually appropriated to the bond account for the payment of such bonds and interest thereon, and shall be available in the bond account prior to the levy of a tax for the state bond fund in any year as required by article XI of the Constitution. No money shall be transferred to the Minnesota state transportation bond account from the highway user tax distribution fund or any other fund created by article XIV of the Constitution. The commissioner of finance is directed to make the appropriate entries in the accounts of the respective funds.

[For text of subd 6, see M.S.2002]

History: 2003 c 112 art 2 s 24,50

174.55 MAJOR TRANSPORTATION PROJECTS COMMISSION.

[For text of subd 1, see M.S.2002]

Subd. 2. Composition. The Major Transportation Projects Commission is composed of the governor or the governor's designee; four citizen members appointed by the governor and serving at the pleasure of the governor; seven senators appointed by the Subcommittee on Committees of the Committee on Rules and Administration, three of whom must not be members of the senate majority party; and seven members of the house of representatives appointed by the speaker, three of whom must not be members of the house majority party. The commissioner of transportation shall serve as a nonvoting member unless the commissioner is the governor's designee. The commission shall elect a chair from among its members. Nongovernment members of the commission shall receive compensation in accordance with section 15.059, subdivision 3. The commission expires June 30, 2003.

[For text of subs 3 to 6, see M.S.2002]

History: 1Sp2003 c 19 art 2 s 45

174.64 FUNCTIONS AND POWERS RELATING TO CARRIERS.

[For text of subs 1 to 3, see M.S.2002]

Subd. 4. Petition, notice, and hearing. (a) With respect to those matters within the commissioner's jurisdiction, the commissioner shall receive, hear, and determine all petitions filed with the commissioner in accordance with the procedures established by

law and may hold hearings and make determinations upon the commissioner's own motion to the same extent, and in every instance, in which the commissioner may do so upon petition.

(b) Upon receiving a petition filed pursuant to section 221.121, subdivision 1, or 221.151, the commissioner shall give notice of the filing of the petition to representatives of associations or other interested groups or persons who have registered their names with the commissioner for that purpose and to whomever the commissioner deems to be interested in the petition. The commissioner may grant or deny the request of the petition 30 days after notice of the filing has been fully given.

(c) If the commissioner receives a written objection and notice of intent to appear at a hearing to object to the petition from any person within 20 days of the notice having been fully given, the request of the petition must be granted or denied only after a contested case hearing has been conducted on the petition, unless the objection is withdrawn before the hearing. The commissioner may elect to hold a contested case hearing if no objections to the petition are received. If a timely objection is not received, or if received and withdrawn, and the request of the petition is denied without hearing, the petitioner may request within 30 days of receiving the notice of denial, and must be granted, a contested case hearing on the petition.

History: *1Sp2003 c 19 art 2 s 46*

174.70 PUBLIC SAFETY RADIO COMMUNICATIONS.

Subdivision 1. **Authority of commissioner.** The commissioner of transportation may exercise the powers granted in this chapter and in sections 403.21 to 403.34, to plan and implement the communications system as provided in sections 403.21 to 403.34.

[For text of subs 2 and 3, see M.S.2002]

History: *1Sp2003 c 1 art 2 s 135*