

CHAPTER 174

DEPARTMENT OF TRANSPORTATION

174.03 DUTIES OF COMMISSIONER.

174.24 PUBLIC TRANSIT PARTICIPATION PROGRAM.

174.03 DUTIES OF COMMISSIONER.*[For text of subs 1 to 8, see M.S.2006]*

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 one week following the release of the forecast and shall inform the chairs and staff of changes made from previous forecasts.

History: 2007 c 143 art 4 s 2**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 account established in section 16A.88, to eligible recipients outside of the metropolitan area.

[For text of subs 2 to 3, see M.S.2006]

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 disabled 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 disabled 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.

(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.2006]

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 account:

- (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 subds 5a and 6, see M.S.2006]

History: 2007 c 143 art 2 s 2–4

174.32 [Repealed, 2007 c 143 art 2 s 7]