

1.1 A bill for an act

1.2 relating to metropolitan government; amending transportation governance  
1.3 and finance; establishing a Regional Transportation Governance Board and a  
1.4 Metropolitan Transit Commission; providing for transfer of powers and duties  
1.5 from the Metropolitan Council and regional railroad authorities; establishing  
1.6 various powers and duties; establishing levy and bonding authority; providing  
1.7 for allocation of transportation funds; requiring legislative reports; making  
1.8 conforming and technical changes; amending Minnesota Statutes 2010, sections  
1.9 16A.88, subdivision 2; 297A.992, as amended; 398A.01, by adding subdivisions;  
1.10 398A.02; 398A.04, subdivision 2, by adding a subdivision; 473.143, subdivision  
1.11 1; 473.145; 473.146, subdivision 1; 473.166; 473.171; 473.192, subdivision 2;  
1.12 Minnesota Statutes 2011 Supplement, section 10A.01, subdivision 35; proposing  
1.13 coding for new law as Minnesota Statutes, chapter 473J; repealing Minnesota  
1.14 Statutes 2010, sections 297A.992, subdivisions 6, 11, 12; 398A.10; 473.146,  
1.15 subdivision 4; 473.375, subdivisions 11, 14; 473.391, subdivision 1; 473.399,  
1.16 subdivision 1a; 473.405, subdivision 4; 473.4051, subdivision 1; 473.4057,  
1.17 subdivision 1.

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

1.19 **ARTICLE 1**

1.20 **TRANSITION OF TRANSPORTATION FUNCTIONS**

1.21 Section 1. **REGIONAL TRANSPORTATION GOVERNANCE; TRANSFER OF**  
1.22 **POWERS, ADMINISTRATION, AND REPORTING.**

1.23 Subdivision 1. **Definition.** For purposes of this section, the following terms have  
1.24 the meanings given:

1.25 (1) "board" means the Regional Transportation Governance Board established under  
1.26 Minnesota Statutes, chapter 473J;

1.27 (2) "commission" means the Metropolitan Transit Commission established under  
1.28 Minnesota Statutes, chapter 473J;

2.1 (3) "metropolitan regional railroad authority" has the meaning given in section  
2.2 398A.01, subdivision 4b; and

2.3 (4) "responsibilities" includes powers, duties, rights, obligations, and other authority  
2.4 imposed by law.

2.5 **Subd. 2. Transfer of powers and duties; Metropolitan Council to board. (a)**  
2.6 Notwithstanding Minnesota Statutes, chapter 473 or any other law to the contrary, effective  
2.7 January 1, 2014, all powers and duties relating to the following are transferred from the  
2.8 Metropolitan Council's transportation division to the board: long-range transportation  
2.9 planning and policy development in the metropolitan area; programming of transit-related  
2.10 projects; receipt and allocation of state and federal transit funds; transit reporting; general  
2.11 coordination and oversight of transit systems in the Twin Cities metropolitan area; and  
2.12 coordination of regional aviation system planning.

2.13 (b) The board is a continuation of the Metropolitan Council as to those functions  
2.14 under paragraph (a) that are transferred to the board. Following the transfer the board shall  
2.15 carry out the assigned responsibilities as though the responsibilities of the Metropolitan  
2.16 Council had not been transferred, to the extent that such responsibilities do not conflict  
2.17 with the provisions of this act or other law. The transfer is not a new authority for the  
2.18 purpose of succession to all responsibilities of the Metropolitan Council as constituted at  
2.19 the time of the transfer.

2.20 (c) The transfer under this subdivision includes, but is not limited to, facilities and  
2.21 equipment that are reasonably attributable to the functions identified in paragraph (a).

2.22 **Subd. 3. Transfer of powers and duties; Metropolitan Council to commission.**

2.23 (a) Notwithstanding Minnesota Statutes, chapter 473 or any other law to the contrary,  
2.24 effective January 1, 2014, all powers and duties relating to the following are transferred  
2.25 from the Metropolitan Council's transportation division to the commission: operation of  
2.26 transit service, including the units and departments for Metro Transit, Metro Mobility,  
2.27 Transit Link, and other paratransit programs; ridesharing programs; private bus service,  
2.28 including those portions of the council's metropolitan transportation services department  
2.29 that manages contracts for transit service; and transit police.

2.30 (b) The commission is a continuation of the Metropolitan Council as to those  
2.31 functions under paragraph (a) that are transferred from the Metropolitan Council to  
2.32 the commission. Following the transfer the commission shall carry out the assigned  
2.33 responsibilities as though the responsibilities of the Metropolitan Council had not been  
2.34 transferred, to the extent that such responsibilities do not conflict with the provisions of  
2.35 this act or other law. The transfer is not a new authority for the purpose of succession to  
2.36 all responsibilities of the Metropolitan Council as constituted at the time of the transfer.

3.1 (c) The transfer under this subdivision includes but is not limited to buses, light rail  
3.2 trains and facilities, commuter rail trains and facilities, and other facilities and equipment,  
3.3 that are reasonably attributable the functions identified in paragraph (a).

3.4 **Subd. 4. Transfer of powers and duties; metropolitan regional rail authorities**  
3.5 **to board.** (a) Notwithstanding Minnesota Statutes, chapter 398A or any other law to the  
3.6 contrary, effective January 1, 2014, all powers and duties of each metropolitan regional  
3.7 rail authority are transferred to the board, except as provided in Minnesota Statutes,  
3.8 section 398A.012, subdivision 12.

3.9 (b) The board is a continuation of each metropolitan regional railroad authority as  
3.10 to those functions under paragraph (a) that are transferred to the board. Following the  
3.11 transfer the board shall carry out the assigned responsibilities as though the responsibilities  
3.12 of a metropolitan regional railroad authority had not been transferred, to the extent that  
3.13 such responsibilities do not conflict with the provisions of this act or other law. The  
3.14 transfer is not a new authority for the purpose of succession to all responsibilities of a  
3.15 metropolitan regional railroad authority as constituted at the time of the transfer.

3.16 (c) The transfer under this subdivision includes but is not limited to real property,  
3.17 facilities, and other equipment, that are reasonably attributable to the functions identified  
3.18 in paragraph (a).

3.19 **Subd. 5. Transfer provisions.** Minnesota Statutes, section 15.039, subdivisions  
3.20 1, 4, 5, 5a, 6, 7, and 8, apply to each transfer of powers and duties under this section,  
3.21 provided that "agency" means the Metropolitan Council, a metropolitan regional railroad  
3.22 authority, the Regional Transportation Governance Board, or the Metropolitan Transit  
3.23 Commission, as appropriate.

3.24 **Subd. 6. Appointments.** (a) By August 1, 2012, all appointing authorities shall  
3.25 make the first appointments to the board as provided under Minnesota Statutes, section  
3.26 473J.05.

3.27 (b) By August 1, 2012, all appointing authorities shall make the first appointments to  
3.28 the commission as provided under Minnesota Statutes, section 473J.50.

3.29 **Subd. 7. Transition planning.** (a) The board and the commission shall jointly  
3.30 develop a transition plan to implement the provisions of this act.

3.31 (b) The commissioner of administration shall provide staffing support to the board  
3.32 and to the commission until January 1, 2014, including but not limited to meeting  
3.33 space and staff. The commissioner of transportation, the Metropolitan Council, and any  
3.34 metropolitan regional rail authority shall provide assistance as requested by the board or  
3.35 by the commission.

4.1 Subd. 8. **Legislative report and bill.** By January 15, 2013, the board and the  
4.2 commission shall jointly submit a report to the legislative committees having jurisdiction  
4.3 over transportation policy and finance and metropolitan government. The report must:  
4.4 (1) provide a summary update on the status of transition planning and efforts;  
4.5 (2) contain a copy, whether draft or final, of the transition plan required under this  
4.6 section; and  
4.7 (3) identify in the form of a bill, and following consultation with legislative staff and  
4.8 the Office of the Revisor of Statutes, legislative changes to Minnesota Statutes to fully  
4.9 implement the provisions of this act, including but not limited to any changes to chapters  
4.10 473 and 473J, recodification, and conforming changes.

4.11 **EFFECTIVE DATE.** This section is effective the day following final enactment.

## 4.12 **ARTICLE 2**

### 4.13 **REGIONAL TRANSPORTATION GOVERNANCE**

4.14 Section 1. **[473J.01] DEFINITIONS.**

4.15 Subdivision 1. **Terms.** For the purposes of this chapter, the terms defined in section  
4.16 473.121 have the same meanings unless otherwise defined, and the terms defined in this  
4.17 section have the meanings given them.

4.18 Subd. 2. **Board.** "Board" means the Regional Transportation Governance Board  
4.19 established in this chapter.

4.20 Subd. 3. **Commission.** "Commission" means the Metropolitan Transit Commission  
4.21 established under this chapter.

4.22 Subd. 4. **Commissioner.** "Commissioner" means the commissioner of  
4.23 transportation.

4.24 Subd. 5. **Person.** "Person" means any natural individual, firm, partnership,  
4.25 cooperative, company, association, or corporation, or their lessees, trustees, or receivers.

4.26 Subd. 6. **Regional agency.** "Regional agency" means the Regional Transportation  
4.27 Governance Board or the Metropolitan Transit Commission.

4.28 Subd. 7. **Service area.** "Service area" means the geographical area over which a  
4.29 transit provider has primary jurisdiction for regular route transit and associated special  
4.30 transportation service required under the Americans with Disabilities Act.

4.31 Subd. 8. **Suburban transit provider.** "Suburban transit provider" means a transit  
4.32 provider that is not the Metropolitan Transit Commission.

4.33 Subd. 9. **Transit provider.** "Transit provider" means any political subdivision of  
4.34 the state that provides public transit within the metropolitan area.

5.1 Subd. 10. **Transit taxing district.** "Transit taxing district" means the metropolitan  
5.2 area.

5.3 **EFFECTIVE DATE.** This section is effective the day following final enactment.

5.4 Sec. 2. **[473J.05] REGIONAL TRANSPORTATION GOVERNANCE BOARD.**

5.5 Subdivision 1. **Board created.** The Regional Transportation Governance Board is  
5.6 established as a political subdivision of the state. The board has jurisdiction within the  
5.7 metropolitan area.

5.8 Subd. 2. **Membership; chair.** (a) The board is comprised of ..... members,  
5.9 appointed as follows:

5.10 (1) two county commissioners from each metropolitan county, appointed by the  
5.11 respective county boards;

5.12 (2) one member from each Metropolitan Council district, who is also an elected  
5.13 official of a city or town with in the district, appointed by the governor; and

5.14 (3) other members as specifically required under federal law for a metropolitan  
5.15 planning organization, appointed by the governor if appointment is necessary.

5.16 (b) A member of the board under paragraph (a), clauses (1) and (2), must be an  
5.17 elected official at the time of appointment or reappointment.

5.18 (c) The chair shall be selected by and from among the members of the board.

5.19 Subd. 3. **Vacancies.** If any board position becomes vacant, the vacancy must be  
5.20 filled in the same manner in which the last regular appointment for that position was  
5.21 made. An office shall be deemed vacant under the conditions specified in chapter 351.  
5.22 A person appointed to fill a vacancy serves to the end of the term of the person who  
5.23 vacated the position.

5.24 Subd. 4. **Terms.** (a) For the initial appointments under subdivision 2, paragraph  
5.25 (a), clause (1), each county board shall appoint one county commissioner to serve for a  
5.26 two-year term and one to serve a four-year term. Thereafter, each county commissioner  
5.27 appointed to serve on the board serves a four-year term and until a successor is appointed  
5.28 and takes office.

5.29 (b) For the initial appointments made under subdivision 2, paragraph (a), clause (2),  
5.30 members appointed to represent Metropolitan Council districts one to eight shall serve  
5.31 two-year terms, and members appointed to represent council districts nine to sixteen shall  
5.32 serve four-year terms. Thereafter, each member appointed to serve on the board serves a  
5.33 four-year term and until a successor is appointed and takes office.

5.34 (c) The chair serves for a term of two years and may serve as chair for no more than  
5.35 four consecutive terms.

6.1 Subd. 5. **Compensation, expenses.** Members of the board may be compensated as  
6.2 provided in section 15.0575, subdivision 3.

6.3 **EFFECTIVE DATE.** This section is effective the day following final enactment.

6.4 Sec. 3. **[473J.10] POWERS AND DUTIES; GENERAL OPERATION.**

6.5 Subdivision 1. **Scope of powers.** The board has and shall exercise those powers  
6.6 expressly provided by law, or as specifically necessary to enable it to perform and carry  
6.7 out the duties and responsibilities imposed upon it by law, including the specific powers  
6.8 enumerated in this section.

6.9 Subd. 2. **Roles and responsibilities.** The board is the entity with primary  
6.10 responsibility in the metropolitan area for:

6.11 (1) medium and long-range transportation planning, in coordination with the  
6.12 commissioner of transportation and the Metropolitan Airports Commission;

6.13 (2) development of regionwide transportation policies and procedures;

6.14 (3) allocation of funds to transit providers, as provided under section 473J.40;

6.15 (4) programming capital transit projects;

6.16 (5) coordination of transit service provided by transit providers;

6.17 (6) operation and maintenance of shared transit and other transportation facilities;

6.18 and

6.19 (7) evaluation of the transit system.

6.20 Subd. 3. **General authority.** The board may:

6.21 (1) adopt policies and procedures governing its operation;

6.22 (2) when specifically authorized by law, make appointments to other governmental  
6.23 agencies and districts

6.24 (3) apply to any public agency for permits, consents, authorizations, and approvals  
6.25 required for any project and take all actions necessary to comply with their conditions; and

6.26 (4) enter into joint powers agreements under section 471.59, or other agreements  
6.27 with a political subdivision or state agency, concerning matters under the purview of  
6.28 this chapter.

6.29 Subd. 4. **Advisory committees.** (a) The board shall establish and appoint persons  
6.30 to advisory committees to assist the board in the performance of its duties. Members of  
6.31 the advisory committees serve without compensation but may be reimbursed for their  
6.32 reasonable expenses as determined by the board. The board shall establish procedures for  
6.33 consideration of recommendations adopted by an advisory committee and submitted to  
6.34 the board.

6.35 (b) At a minimum, the committees must consist of:

- 7.1 (1) a citizen advisory committee;  
7.2 (2) a transportation management organization advisory committee;  
7.3 (3) a transit provider advisory committee, which must include at least one member  
7.4 representing each transit provider receiving financial assistance from the board; and  
7.5 (4) the transportation accessibility advisory committee as provided under section  
7.6 473.386.

7.7 Subd. 5. **Receipt of funds.** The board may accept gifts, apply for and use grants or  
7.8 loans of money or other property from the United States, the state, or any person for any  
7.9 board purpose and may enter into agreements required in connection therewith and may  
7.10 hold, use, and dispose of such moneys or property in accordance with the terms of the gift,  
7.11 grant, loan, or agreement relating thereto.

7.12 Subd. 6. **Contracting.** (a) The board may contract for the services of consultants  
7.13 who perform engineering, legal, or services of a professional nature.

7.14 (b) The board may enter into contracts including leases with any person, under  
7.15 terms the board may determine.

7.16 Subd. 7. **Property.** The board may acquire, own, hold, use, improve, operate,  
7.17 manage, maintain, lease, exchange, transfer, sell, or otherwise dispose of:

7.18 (1) personal or real property;

7.19 (2) franchises;

7.20 (3) easements; and

7.21 (4) property rights or interests.

7.22 Subd. 8. **Eminent domain.** (a) The board has all powers granted to a political  
7.23 subdivision in chapter 117 for the acquisition of property for a public purpose, except that  
7.24 it has no power of eminent domain with respect to property owned by another authority or  
7.25 political subdivision of Minnesota or any other state, or with respect to property owned  
7.26 or used by a railroad corporation unless the Surface Transportation Board or a successor  
7.27 agency, if any, or another authority with power to make the finding, has found that the  
7.28 public convenience and necessity permit discontinuance of rail service on the property.

7.29 (b) All property taken for the exercise of the powers granted under this chapter is  
7.30 declared to be taken for a public governmental purpose and as a matter of public necessity.

7.31 Subd. 9. **Transfer of public property.** Any state department or other agency of  
7.32 the state government or any county, municipality, or other public agency may sell, lease,  
7.33 grant, transfer, or convey to the board, with or without consideration, any facilities or any  
7.34 real or personal property, which may be useful to the council for any authorized purpose.

7.35 In any case where the construction of a facility has not been completed, the public agency

8.1 concerned may also transfer, sell, assign, and set over to the board, with or without  
8.2 consideration, any existing contract for the construction of the facilities.

8.3 Subd. 10. **Insurance, actions, liability, indemnity.** (a) The board may provide for  
8.4 self-insurance or otherwise provide for insurance relating to any of its property, rights, or  
8.5 revenue, workers' compensation, public liability, or any other risk or hazard arising from  
8.6 its activities. The board may indemnify and purchase and maintain insurance on behalf of  
8.7 any of its officers or employees against the risk or hazard at the expense of the board. The  
8.8 board may procure insurance against loss of or damage to property in the amounts, by  
8.9 reason of the risks, and from the insurers as it deems prudent.

8.10 (b) The board may sue and be sued. The board is subject to tort liability to the extent  
8.11 provided in chapter 466 and may procure insurance against the liability.

8.12 Subd. 11. **Data practices; open meetings.** Except as otherwise provided in this  
8.13 chapter, the board is subject to chapters 13 and 13D.

8.14 Subd. 12. **Public information.** (a) The board shall make publicly available all  
8.15 policies and procedures, policy and financial plans, and transportation programming  
8.16 documents it adopts or maintains.

8.17 (b) The board shall establish a website for purposes of providing information to the  
8.18 public concerning all actions taken by the board. At a minimum, the website must contain  
8.19 the information required under paragraph (a), notices of upcoming meetings, minutes of  
8.20 the board's meetings, and contact information for public comments.

8.21 Subd. 13. **Electronic reports.** For any legislative report required to be submitted by  
8.22 the board by law, in which the report may or must be submitted electronically, the board  
8.23 shall meet the requirements under section 3.195, subdivision 1.

8.24 **Sec. 4. [473J.12] POWERS AND DUTIES; TRANSIT.**

8.25 Subdivision 1. **Service and system coordination.** (a) The board shall coordinate all  
8.26 transit operations within the metropolitan area, and shall ensure the widest possible access  
8.27 to transit in both suburban and urban areas in an economical and efficient manner.

8.28 (b) The board and the commissioner of transportation shall ensure that transit is  
8.29 planned, designed, and implemented: (1) to move commuters and transit users into and  
8.30 out of, as well as within, the metropolitan area, and (2) to ensure that transit lines will  
8.31 interface with each other and other transportation facilities and services so as to provide a  
8.32 unified, integrated, and efficient multimodal transportation system.

8.33 Subd. 2. **Transit system development.** (a) The board may engineer, construct, and  
8.34 equip (1) transit systems, (2) paratransit systems, and (3) transportation projects. This  
8.35 authority includes, but is not limited to, road lanes or rights-of-way in coordination with a



9.1 road authority, terminal facilities, maintenance and garage facilities, ramps, parking areas,  
9.2 and any other useful or related facilities.

9.3 (b) The board may plan, establish, acquire, develop, construct, purchase, enlarge,  
9.4 extend, improve, maintain, equip, regulate, and protect railroads and railroad facilities,  
9.5 including but not limited to terminal buildings, roadways, crossings, bridges, causeways,  
9.6 tunnels, equipment, and rolling stock.

9.7 Subd. 3. **Transit information.** The board shall establish a transit information  
9.8 program to provide transit users with comprehensive, accurate information on transit  
9.9 schedules and service.

9.10 **Sec. 5. [473J.15] STAFFING AND EMPLOYEES.**

9.11 Subdivision 1. **Executive director.** (a) The board shall appoint an executive director  
9.12 as its principal administrative officer, who serves at the pleasure of the board.

9.13 (b) The executive director has the following powers and duties:

9.14 (1) take part in board discussions, but without a vote on formal board actions;

9.15 (2) keep the board fully apprised of its financial condition, including preparation and  
9.16 submission of an annual budget and other financial information as the board requests;

9.17 (3) prepare and submit for approval by the board an administrative code organizing  
9.18 and codifying the policies of the board;

9.19 (4) recommend to the board for adoption measures deemed necessary for efficient  
9.20 administration of the board;

9.21 (5) appoint on the basis of merit and fitness, and discipline and discharge all  
9.22 employees in accordance with the board's personnel policy, except (i) the general counsel,  
9.23 and (ii) metropolitan transit police officers;

9.24 (6) organize the work of board staff; and

9.25 (7) other duties as prescribed by the board.

9.26 (c) The executive director may be chosen from among the citizens of the nation at  
9.27 large, and shall be selected on the basis of training and experience in public administration.

9.28 Subd. 2. **General counsel.** The board may appoint a general counsel, who serves at  
9.29 the pleasure of the board.

9.30 Subd. 3. **Employees.** The board shall prescribe all terms and conditions for the  
9.31 employment of its employees including, but not limited to, adopting a compensation and  
9.32 classification plan for its employees. Employees of the board are public employees and are  
9.33 members of the Minnesota State Retirement System. Those employed by a predecessor of  
9.34 the board and transferred to it may at their option become members of the Minnesota State  
9.35 Retirement System or may continue as members of the public retirement association to

10.1 which they belonged as employees of the predecessor of the board. The board shall make  
10.2 the employer's contributions to pension funds of its employees.

10.3 Subd. 4. **Shared services.** The board may enter into agreements with a political  
10.4 subdivision or the state relating to performance of administrative functions of the board,  
10.5 including payroll and accounting, human resources, information technology services.

10.6 **EFFECTIVE DATE.** This section is effective the day following final enactment.

10.7 Sec. 6. **[473J.20] PLANNING AND PROGRAMMING.**

10.8 Subdivision 1. **Metropolitan planning organization.** The board is the designated  
10.9 planning agency for any long-range comprehensive transportation planning required by  
10.10 section 134 of the Federal Highway Act of 1962, section 4 of Urban Mass Transportation  
10.11 Act of 1964, and section 112 of Federal Aid Highway Act of 1973 and other federal  
10.12 transportation laws. The board shall assure administration and coordination of  
10.13 transportation planning with appropriate state, regional and other agencies, counties,  
10.14 and municipalities.

10.15 Subd. 2. **Long-range planning.** The board shall undertake long-range  
10.16 transportation planning and adopt plans as required under sections 473.145 and 473.146.

10.17 Subd. 3. **Transit capital improvement program.** The board shall adopt and  
10.18 regularly update a three-year transit capital improvement program. The program must  
10.19 include a capital investment component that sets forth a capital investment strategy and  
10.20 estimates the fiscal and other effects of the strategy. The component must specify, to the  
10.21 extent practicable, the capital improvements to be undertaken. For each improvement  
10.22 specified, the program must describe:

10.23 (1) need, function, objective, and relative priority;

10.24 (2) alternatives, including alternatives not involving capital expenditures;

10.25 (3) ownership and operating entity;

10.26 (4) location and schedule of development;

10.27 (5) environmental, social, and economic effects;

10.28 (6) cost;

10.29 (7) manner of finance and revenue sources, including federal and state funds, private  
10.30 funds, taxes, and user charges; and

10.31 (8) fiscal effects, including an estimate of annual operating costs and sources of  
10.32 revenue to pay the costs.

10.33 Subd. 4. **Transit service financial plan.** In each even-numbered year, the board  
10.34 shall adopt a financial plan for transit service for the succeeding three calendar years, in  
10.35 half-year segments. The financial plan must contain schedules of user charges and any

11.1 changes in user charges planned or anticipated by the board during the period of the  
11.2 plan. The financial plan must contain a proposed request for state financial assistance for  
11.3 the succeeding biennium.

11.4 Subd. 5. **Transportation improvement program.** (a) The board, jointly with the  
11.5 commissioner, shall adopt and annually update a transportation improvement program for  
11.6 the Department of Transportation's metropolitan district, as a component of the statewide  
11.7 transportation improvement program adopted by the commissioner.

11.8 (b) The transportation improvement program must be in conformance with federal  
11.9 law. Unless otherwise prohibited by federal law, the transportation improvement program  
11.10 must identify all projects and uses of funds by the board, including grants and loans to  
11.11 local units of government.

### 11.12 **ARTICLE 3**

#### 11.13 **TRANSPORTATION FINANCE**

##### 11.14 **Section 1. [473J.30] TAX LEVIES.**

11.15 Subdivision 1. **Levy authority; transportation capital and operations.** (a) The  
11.16 board shall levy a tax for transportation capital and operations within the metropolitan area,  
11.17 as provided in this section. The levy may not exceed the sum of (1) the base levy amount  
11.18 calculated under paragraph (b), plus (2) the transit shortfall levy amount calculated under  
11.19 paragraph (c), plus (3) the regional rail levy amount calculated under paragraph (d) or (e).

11.20 (b) For taxes payable in 2014, the base levy amount is equal to the average  
11.21 appropriation, in fiscal years 2010 through 2014, from the general fund to the Metropolitan  
11.22 Council for transit system operations. For taxes payable in 2015 and subsequent years,  
11.23 the base levy amount is increased each year by multiplying the base levy amount for  
11.24 the prior year by the sum of one plus the rate of increase, if any, in the implicit price  
11.25 deflator for government consumption expenditures and gross investment for state and  
11.26 local governments prepared by the Bureau of Economic Analysis of the United States  
11.27 Department of Commerce for the 12-month period ending March 31 of the calendar year  
11.28 prior to the calendar year the taxes are payable.

11.29 (c) The transit shortfall levy amount is equal to the greater of zero, or:

11.30 (1) the amount of (i) the actual total revenues credited to the metropolitan area transit  
11.31 account in the transit assistance fund for the fiscal year prior to the current fiscal year, less  
11.32 (ii) the total revenues projected by the commissioner of management and budget, in the  
11.33 latest February forecast under section 16A.103, to be credited to the metropolitan area  
11.34 transit account for the current fiscal year; plus

12.1 (2) the amount of (i) the actual total revenues credited to the metropolitan area  
12.2 transit account in the transit assistance fund for the fiscal year prior to the current fiscal  
12.3 year, less (ii) the total revenues projected by the commissioner of management and  
12.4 budget, in the February forecast under section 16A.103 created in the fiscal year prior  
12.5 to the current fiscal year, to be credited to the metropolitan area transit account for the  
12.6 fiscal year prior to the current fiscal year.

12.7 (d) For taxes payable in 2014, the regional rail levy amount is equal to the sum of  
12.8 results from the following calculation performed for each metropolitan regional railroad  
12.9 authority, as defined in section 398A.01, subdivision 4b: (1) 0.04835 percent of the total  
12.10 market value as provided to the board by the metropolitan regional railroad authority  
12.11 under section 398A.04, subdivision 12; less (2) a debt service levy, if any, for taxes  
12.12 payable in the next upcoming calendar year, as provided to the board by the metropolitan  
12.13 regional railroad authority under section 398A.04, subdivision 12.

12.14 (e) For taxes payable in 2015 and subsequent years, the regional rail levy amount in  
12.15 each year is equal to (1) the regional rail levy amount for the prior year, times the sum of  
12.16 (i) one plus (ii) the rate of increase, if any, in the implicit price deflator for government  
12.17 consumption expenditures and gross investment for state and local governments prepared  
12.18 by the Bureau of Economic Analysis of the United States Department of Commerce for  
12.19 the 12-month period ending March 31 of the calendar year prior to the calendar year the  
12.20 taxes are payable; less (2) the sum of debt service levies, if any, for taxes payable in the  
12.21 next upcoming calendar year, as provided to the board by each metropolitan regional  
12.22 railroad authority under section 398A.04, subdivision 12.

12.23 Subd. 2. **Levy authority; debt.** The board may levy the amount necessary to  
12.24 provide full and timely payment of certificates of indebtedness, bonds, including refunding  
12.25 bonds or other obligations issued or to be issued under section 473J.35 for purposes of  
12.26 acquisition and betterment of property and other improvements of a capital nature and to  
12.27 which the board has specifically pledged tax levies under this section.

12.28 Subd. 3. **Levy certification.** After adoption of the budget under section 473J.70,  
12.29 and no later than five working days following the date required under that section for final  
12.30 adoption, the board shall certify to the auditor of each metropolitan county the share of the  
12.31 tax to be levied within that county, which must be an amount bearing the same proportion  
12.32 to the total levy agreed on by the board as the net tax capacity of the county bears to the  
12.33 net tax capacity of the metropolitan area. The maximum amount of any levy made for the  
12.34 purpose of this chapter may not exceed the limits set under this section.

12.35 **EFFECTIVE DATE.** This section is effective for taxes payable in 2014 and  
12.36 thereafter.

13.1 Sec. 2. **[473J.35] BONDING.**

13.2 **Subdivision 1. General authority.** The board may issue general obligation bonds  
13.3 subject to the volume limitations in this section to provide funds to implement the board's  
13.4 transit capital improvement program and may issue general obligation bonds not subject  
13.5 to the limitations for the refunding of outstanding bonds or certificates of indebtedness of  
13.6 the board and judgments against the board. The board may not issue obligations pursuant  
13.7 to this subdivision, other than refunding bonds, in excess of the amount specifically  
13.8 authorized by law. The board shall provide for the issuance, sale, and security of the  
13.9 bonds in the manner provided in chapter 475, and has the same powers and duties as a  
13.10 municipality issuing bonds under that law, except that no election is required and the  
13.11 net debt limitations in chapter 475 do not apply to the bonds. The obligations are not  
13.12 a debt of the state or any municipality or political subdivision within the meaning of  
13.13 any debt limitation or requirement pertaining to those entities. Neither the state, nor  
13.14 any municipality or political subdivision except the board, nor any member or officer or  
13.15 employee of the board, is liable on the obligations. The obligations may be secured by  
13.16 taxes levied without limitation of rate or amount upon all taxable property in the transit  
13.17 taxing district and transit area as provided in section 473J.30, subdivision 2. As part of  
13.18 its levy made under section 473J.30, subdivision 2, the board shall levy the amounts  
13.19 necessary to provide full and timely payment of the obligations and transfer the proceeds  
13.20 to the appropriate board account for payment of the obligations. The taxes must be levied,  
13.21 certified, and collected in accordance with the terms and conditions of the indebtedness.

13.22 **Subd. 2. Legal investments.** Certificates of indebtedness, bonds, or other  
13.23 obligations issued by the board to which tax levies have been pledged pursuant to  
13.24 section 473J.30, subdivision 2, are proper for investment of any funds by a bank, savings  
13.25 bank, savings association, credit union, trust company, insurance company, or public  
13.26 or municipal corporation, and may be pledged by any bank, savings bank, savings  
13.27 association, credit union, or trust company as security for the deposit of public money.

13.28 **Subd. 3. Uses of investment income.** Interest or other investment earnings on the  
13.29 proceeds of bonds issued under this section and on a debt service account for bonds issued  
13.30 under this section must be used only to:

13.31 (1) pay capital expenditures and related expenses for which the obligations were  
13.32 authorized by this section;

13.33 (2) to pay debt service on the obligations or to reduce the board's property tax levy  
13.34 imposed to pay debt service on obligations issued under this section;

13.35 (3) pay rebate or yield reduction payments for the bonds to the United States;

13.36 (4) redeem or purchase the bonds; or

14.1 (5) make other payments with respect to the bonds that are necessary or desirable  
14.2 to comply with federal tax rules applicable to the bonds or to comply with covenants  
14.3 made with respect to the bonds.

14.4 Subd. 4. **Transit capital improvement program.** The board may not issue  
14.5 obligations pursuant to this section until the board adopts a three-year transit capital  
14.6 improvement program, as required under section 473J.20, subdivision 3.

14.7 Subd. 5. **Anticipation of grants.** In addition to other authority granted in this  
14.8 section, the board may exercise the authority granted to an issuing political subdivision  
14.9 by section 475.522.

14.10 Subd. 6. **Obligations.** After July 1, 2014, in addition to other authority in this  
14.11 section, the board may issue certificates of indebtedness, bonds, or other obligations under  
14.12 this section in an amount not exceeding \$..... for capital expenditures as prescribed in the  
14.13 board's transit capital improvement program and for related costs, including the costs of  
14.14 issuance and sale of the obligations.

14.15 Sec. 3. **[473J.40] ALLOCATION OF TRANSPORTATION FUNDS.**

14.16 Subdivision 1. **Transportation funding allocation manual.** (a) Subject to  
14.17 the requirements of this chapter, the board shall adopt and regularly revise a unified  
14.18 transportation funding allocation manual.

14.19 (b) The manual must identify all substantive policies, procedures, processes,  
14.20 standards, and guidelines used (1) by the board in allocating transportation funds, (2)  
14.21 by applicants for and recipients of financial assistance from the board. It must include  
14.22 but is not limited to:

14.23 (1) eligibility criteria for receipt of transportation funding;

14.24 (2) evaluation criteria for selection of transportation projects;

14.25 (3) a solicitation process and application requirements;

14.26 (4) minimum funding apportionments to transit providers; and

14.27 (5) policies and procedures for disbursement, audit, financial management, and  
14.28 general oversight of funding.

14.29 Subd. 2. **Board operations.** (a) The board shall retain and expend funds for board  
14.30 operations, including general administration, performance of the responsibilities under  
14.31 section 473J.10, planning and programming under section 473J.20, and debt service  
14.32 payments.

14.33 (b) Annually, the board may not expend on operations and administration more than  
14.34 five percent of the total from all discretionary sources of funds available to the board in

15.1 that year. Debt service payments are not included in the total calculation or limitation  
15.2 under this paragraph.

15.3 Subd. 3. **Financial assistance; general requirements, powers and duties.** (a) The  
15.4 board may only allocate funds under this section consistent with the transportation plans  
15.5 and programs required under section 473J.20 and the manual under subdivision 1.

15.6 (b) The board may make grants or loans of funds, and may establish requirements  
15.7 under contracts or agreements for allocation of funds.

15.8 Subd. 4. **Financial assistance; minimum apportionments to transit providers.**  
15.9 (a) The board shall provide minimum apportionments of funds to transit providers, without  
15.10 application, as provided in this subdivision.

15.11 (b) .....

15.12 Subd. 5. **Financial assistance; aid for transportation projects.** (a) The board  
15.13 shall award funds following the requirements of the manual under subdivision 1, and  
15.14 as provided in this subdivision.

15.15 (b) .....

15.16 Subd. 6. **Financial assistance; allocation of federal aid.** (a) The board shall  
15.17 allocate federal assistance following the requirements of the manual under subdivision 1,  
15.18 and as provided in this subdivision.

15.19 (b) .....

15.20 Subd. 7. **Metropolitan transportation sales tax.** The board shall oversee  
15.21 implementation of the metropolitan transportation sales tax as provided in section  
15.22 297A.992.

15.23 Subd. 8. **Legislative report.** (a) By January 15 annually, the board shall  
15.24 electronically submit a report to the legislative committees with jurisdiction over  
15.25 transportation finance and policy concerning fiscal operation of the board.

15.26 (b) The report must include, but is not limited, to:

15.27 (1) a review of the funding allocation manual required under subdivision 1; and

15.28 (2) funds received and allocations made for transit service and other transportation  
15.29 projects, with a breakdown for funds from:

15.30 (i) the metropolitan transit account in the transit assistance fund;

15.31 (ii) general obligation bonds of the state provided to the board, including for grants  
15.32 to another political subdivision;

15.33 (iii) board levies under section 473J.30;

15.34 (iv) bonds issued by the board under section 473J.35;

15.35 (v) the metropolitan transportation sales tax imposed under section 297A.992; and

15.36 (vi) each source of federal funds.

16.1 Sec. 4. [473J.70] FINANCIAL MANAGEMENT.

16.2 Subdivision 1. Annual budget. (a) On or before December 20 of each year,  
16.3 each regional agency shall adopt a final budget covering its anticipated receipts and  
16.4 disbursements for the ensuing year, and shall if so authorized decide upon the total amount  
16.5 necessary to be raised from ad valorem tax levies to meet its budget.

16.6 (b) The budget must provide:

16.7 (1) operating revenues from each source, including funds on hand at the beginning  
16.8 of the year;

16.9 (2) expenditures for:

16.10 (i) operation, maintenance, administration, and debt service;

16.11 (ii) each major category, including salaries and benefits, consultant services,  
16.12 materials and supplies, rent and utilities, overhead, and travel; and

16.13 (iii) each program to be undertaken;

16.14 (3) capital expenditures for the budget year;

16.15 (4) capital improvement funds estimated to be on hand at the beginning of the year  
16.16 and estimated to be received during the year from all sources and estimated cost of capital  
16.17 improvements to be paid out or expended during the year;

16.18 (5) estimated sources and uses of pass-through funds; and

16.19 (6) a listing, by contract or project, of expenditures for consultants and professional,  
16.20 technical, and other similar services for both the preceding fiscal year and those proposed  
16.21 or anticipated in the next year.

16.22 (c) In addition to the requirements under paragraph (b), in its annual budget the  
16.23 board must include:

16.24 (1) an overview of the transit capital improvement program required under section  
16.25 473J.20, subdivision 3; and

16.26 (2) the transit service financial plan required under section 473J.20, subdivision 4.

16.27 (d) Each regional agency shall consult with the state auditor and the legislative  
16.28 auditor on how to coherently and effectively communicate the budget information  
16.29 required under this subdivision.

16.30 (e) Each regional agency shall submit electronic copies of the budget to the  
16.31 legislative committees having jurisdiction over transportation policy and finance and  
16.32 metropolitan government. A submission under this paragraph is subject to section 3.195.

16.33 Subd. 2. Financial aid. A regional agency may accept financial aid from  
16.34 governmental units within the metropolitan area, from the state or federal government,  
16.35 and from private donors, if the conditions under which it is offered are not incompatible  
16.36 with the provisions of this chapter.



17.1 Subd. 3. **Accounts.** Each regional agency shall keep an accurate account of  
17.2 its receipts and disbursements. The board shall establish procedures for approval,  
17.3 disbursement, and audit of expenditures.

17.4 Subd. 4. **Audit.** The state auditor shall audit the books and accounts of each  
17.5 regional agency once each year, or as often as funds and personnel of the state auditor  
17.6 permit. The regional agency shall pay to the state the total cost and expenses of the  
17.7 examination, including the salaries paid to the auditors while actually engaged in making  
17.8 the examination. The general fund must be credited with all collections made for any  
17.9 examination.

## 17.10 **ARTICLE 4**

### 17.11 **METROPOLITAN TRANSIT COMMISSION**

#### 17.12 Section 1. **[473J.50] METROPOLITAN TRANSIT COMMISSION.**

17.13 Subdivision 1. **Commission created.** A metropolitan transit commission is  
17.14 established as a political subdivision of the state.

17.15 Subd. 2. **Membership; chair.** (a) The commission consists of five members,  
17.16 appointed as follows:

17.17 (1) one member from each county located in the metropolitan area having one or  
17.18 more cities of the first class, appointed by the respective county boards;

17.19 (2) one member from a county located in the metropolitan area outside of those  
17.20 counties appointing members under clause (1), appointed by mutual consent of the county  
17.21 boards in the metropolitan area, excluding those counties appointing members under  
17.22 clause (1); and

17.23 (3) one member from each city of the first class located in the metropolitan area,  
17.24 appointed by the respective city councils.

17.25 (b) The chair shall be selected by and from among the members of the commission.

17.26 Subd. 3. **Vacancies.** If any commission position becomes vacant, the vacancy  
17.27 must be filled in the same manner in which the last regular appointment for that position  
17.28 was made. An office shall be deemed vacant under the conditions specified in chapter  
17.29 351. A person appointed to fill a vacancy serves to the end of the term of the person  
17.30 who vacated the position.

17.31 Subd. 4. **Terms.** (a) Each member appointed to serve on the commission serves a  
17.32 four-year term and until a successor is appointed and takes office.

17.33 (b) The chair serves for a term of two years and may serve as chair for no more than  
17.34 four consecutive terms.

18.1 Subd. 5. **Qualifications.** Each member of the commission must have transit,  
18.2 governmental, or management experience. A member may not during a term of office  
18.3 on the commission be a member of the Regional Transportation Governance Board,  
18.4 the Metropolitan Council, a metropolitan agency, or any other independent regional  
18.5 commission, board, or agency, or hold any judicial office.

18.6 Subd. 6. **Compensation.** Members of the commission may be compensated as  
18.7 provided in section 15.0575, subdivision 3.

18.8 **EFFECTIVE DATE.** This section is effective the day following final enactment.

18.9 **Sec. 2. [473J.52] METROPOLITAN TRANSIT COMMISSION; POWERS AND**  
18.10 **DUTIES.**

18.11 Subdivision 1. **General responsibilities.** The commission is responsible for:

18.12 (1) management and operation of:

18.13 (i) Metro Transit bus, light rail transit, and commuter rail transit service;

18.14 (ii) Metro Mobility;

18.15 (iii) paratransit services and programs not otherwise provided by agreement with  
18.16 another transit provider; and

18.17 (iv) ridesharing programs; and

18.18 (2) administration of contracts for transit service within the commission's service  
18.19 area.

18.20 Subd. 2. **Contracting.** The commission may contract with other operators or local  
18.21 governments for route planning and scheduling services in any configuration of new, or  
18.22 reconfiguration of existing, transit services and routes. Prior to entering into an agreement  
18.23 under this subdivision for transit service, the commission must adopt standards and  
18.24 procedures for competitive bidding on service contracts.

18.25 Subd. 3. **Transfer of public property.** Any state department or other agency of the  
18.26 state government or any county, municipality, or other public agency may sell, lease, grant,  
18.27 transfer, or convey to the commission, with or without consideration, any facilities or any  
18.28 real or personal property, which may be useful to the commission for any authorized  
18.29 purpose. In any case where the construction of a facility has not been completed, the  
18.30 public agency concerned may also transfer, sell, assign, and set over to the commission,  
18.31 with or without consideration, any existing contract for the construction of the facilities.

18.32 Subd. 4. **Actions.** The commission may sue and be sued.

18.33 Subd. 5. **Data practices; open meetings.** Except as otherwise provided in this  
18.34 chapter, the commission is subject to chapters 13 and 13D.

19.1 Subd. 6. **Electronic reports.** For any legislative report required to be submitted by  
19.2 the committee by law, in which the report may or must be submitted electronically, the  
19.3 committee shall meet the requirements under section 3.195, subdivision 1.

19.4 Subd. 7. **Ride-sharing program.** The commission shall administer a ride-sharing  
19.5 program in the metropolitan area, except for the statewide vanpool leasing program  
19.6 conducted by the commissioner of transportation, and shall cooperate with the  
19.7 commissioner in the conduct of ride-sharing activities in areas where the commissioner's  
19.8 programs and the commission's program overlap. The commission shall establish a  
19.9 rideshare advisory committee to advise it in carrying out the program. The commission  
19.10 may contract for services in operating the program.

19.11 Subd. 8. **Light rail transit.** The commission shall operate all light rail transit  
19.12 facilities and services located in the metropolitan area, upon completion of construction  
19.13 of the facilities and the commencement of revenue service using the facilities. The  
19.14 commission may not allow the commencement of revenue service until after an  
19.15 appropriate period of acceptance testing to ensure safe and satisfactory performance.

19.16 Subd. 9. **Commuter rail.** Notwithstanding the provisions of sections 174.82 and  
19.17 174.90, the commission shall operate and maintain commuter rail facilities and services in  
19.18 any corridor that is located in whole or in part in the metropolitan area. The commission's  
19.19 operation and maintenance of the facilities and services must commence upon completion  
19.20 of the planning, development, and construction of the commuter rail facilities and the  
19.21 commencement of pre-revenue service.

19.22 Sec. 3. **[473J.55] METROPOLITAN TRANSIT COMMISSION; STAFFING**  
19.23 **AND EMPLOYEES.**

19.24 Subdivision 1. **General manager.** The commission shall appoint a general manager  
19.25 as its principal administrative officer, who serves at the pleasure of the commission.

19.26 Subd. 2. **General counsel.** The commission may appoint a general counsel, who  
19.27 serves at the pleasure of the commission.

19.28 Subd. 3. **Employees.** The commission shall prescribe all terms and conditions for  
19.29 the employment of its employees including, but not limited to, adopting a compensation  
19.30 and classification plan for its employees. Employees of the commission are public  
19.31 employees and are members of the Minnesota State Retirement System. Those employed  
19.32 by a predecessor of the commission and transferred to it may at their option become  
19.33 members of the Minnesota State Retirement System or may continue as members of the  
19.34 public retirement association to which they belonged as employees of the predecessor of

20.1 the commission. The commission shall make the employer's contributions to pension  
 20.2 funds of its employees.

20.3 **EFFECTIVE DATE.** This section is effective the day following final enactment.

## 20.4 **ARTICLE 5**

### 20.5 **SALES AND USE TAXES**

20.6 Section 1. Minnesota Statutes 2010, section 16A.88, subdivision 2, is amended to read:

20.7 Subd. 2. **Metropolitan area transit account.** The metropolitan area transit account  
 20.8 is established within the transit assistance fund in the state treasury. All money in the  
 20.9 account is annually appropriated to the ~~Metropolitan Council~~ Regional Transportation  
 20.10 Governance Board for the funding of transit systems within the metropolitan area under  
 20.11 ~~sections 473.384, 473.386, 473.387, 473.388, and 473.405 to 473.449~~ chapter 473J.

20.12 Sec. 2. Minnesota Statutes 2010, section 297A.992, as amended by Laws 2011 ... ,  
 20.13 is amended to read:

#### 20.14 **297A.992 METROPOLITAN TRANSPORTATION AREA SALES TAX.**

20.15 Subdivision 1. **Definitions.** For purposes of this section, the following terms have  
 20.16 the meanings given them:

20.17 (1) "board" means the Regional Transportation Governance Board established under  
 20.18 chapter 473J;

20.19 (2) "metropolitan transportation area" means the counties participating in the joint  
 20.20 powers agreement under subdivision 3;

20.21 ~~(2)~~ (3) "eligible county" means the county of Anoka, Carver, Dakota, Hennepin,  
 20.22 Ramsey, Scott, or Washington;

20.23 ~~(3)~~ (4) "committee" means the ~~Grant Evaluation and Ranking System (GEARS)~~  
 20.24 Committee on Transportation Investment Budgeting (CTIB);

20.25 ~~(4)~~ (5) "minimum guarantee county" means any metropolitan county or eligible  
 20.26 county that is participating in the joint powers agreement under subdivision 3, whose  
 20.27 proportion of the annual sales tax revenue under this section collected within that county  
 20.28 is less than or equal to three percent; and

20.29 ~~(5)~~ (6) "population" means the population, as defined in section 477A.011,  
 20.30 subdivision 3, estimated or established by July 15 of the year prior to the calendar year  
 20.31 in which the representatives will serve on the Grant Evaluation and Ranking System  
 20.32 Committee established under subdivision 5.

21.1 Subd. 2. **Authorization; rates.** (a) Notwithstanding section 297A.99, subdivisions  
 21.2 1, 2, and 3, or 477A.016, or any other law, the board of a county participating in a  
 21.3 joint powers agreement as specified in this section shall impose by resolution (1) a  
 21.4 transportation sales and use tax at a rate of one-quarter of one percent on retail sales and  
 21.5 uses taxable under this chapter, and (2) an excise tax of \$20 per motor vehicle, as defined  
 21.6 in section 297B.01, subdivision 11, purchased or acquired from any person engaged in the  
 21.7 business of selling motor vehicles at retail, occurring within the jurisdiction of the taxing  
 21.8 authority. The taxes authorized are to fund transportation improvements as specified in  
 21.9 this section, including debt service on obligations issued to finance such improvements  
 21.10 pursuant to subdivision 7.

21.11 (b) The tax imposed under this section is not included in determining if the total tax  
 21.12 on lodging in the city of Minneapolis exceeds the maximum allowed tax under Laws 1986,  
 21.13 chapter 396, section 5, as amended by Laws 2001, First Special Session chapter 5, article  
 21.14 12, section 87, or in determining a tax that may be imposed under any other limitations.

21.15 Subd. 3. **Joint powers agreement.** Before imposing the taxes authorized in  
 21.16 subdivision 2, an eligible county must declare by resolution of its county board to be part  
 21.17 of the metropolitan transportation area and must enter into a joint powers agreement. The  
 21.18 joint powers agreement:

21.19 (1) must form a ~~joint powers board~~ committee, as specified in subdivision 4;

21.20 (2) must provide a process that allows any eligible county, by resolution of its  
 21.21 county board, to join the ~~joint powers board~~ committee and impose the taxes authorized in  
 21.22 subdivision 2;

21.23 (3) may provide for withdrawal of a participating county before final termination of  
 21.24 the agreement; and

21.25 (4) may provide for a weighted voting system for ~~joint powers board decisions~~  
 21.26 committee recommendations.

21.27 Subd. 4. **Joint powers board Committee on Transportation Investment**  
 21.28 **Budgeting (CTIB).** (a) The ~~joint powers board~~ committee must consist of one or more  
 21.29 commissioners of each county that is in the metropolitan transportation area, appointed by  
 21.30 its county board, ~~and the chair of the Metropolitan Council, who must have voting rights,~~  
 21.31 ~~subject to subdivision 3, clause (4). The joint powers board has the powers and duties~~  
 21.32 ~~provided in this section and section 471.59.~~ The committee is an advisory body of the  
 21.33 Regional Transportation Governance Board, as provided under this section.

21.34 (b) The committee shall appoint a chair from among its members. The chair may not  
 21.35 be the same person who is chair of the board.

22.1 ~~The joint powers board~~ (c) Subject to authorization by the board, the committee  
22.2 may utilize ~~no more than~~ up to three-fourths of one percent of the proceeds of the taxes  
22.3 imposed under this section for ordinary administrative expenses incurred in carrying out  
22.4 the provisions of this section. Any additional administrative expenses must be paid by  
22.5 the participating counties.

22.6 ~~(c) The joint powers board may establish a technical advisory group that is separate~~  
22.7 ~~from the GEARS Committee. The group must consist of representatives of cities, counties,~~  
22.8 ~~or public agencies, including the Metropolitan Council. The technical advisory group~~  
22.9 ~~must be used solely for technical consultation purposes.~~

22.10 Subd. 4a. **Timeline; procedures; criteria.** The board shall establish a timeline and  
22.11 procedures for the award of grants under this section, and may award grants only to the  
22.12 state and political subdivisions. The board shall define objective criteria for the evaluation  
22.13 and award of grants, which must include, but not be limited to, consistency with (1) other  
22.14 transportation funding allocations made by the board, and (2) the most recent version of  
22.15 the transportation policy plan adopted by the board under section 473.146. The board shall  
22.16 maximize the availability and use of federal funds in projects funded.

22.17 Subd. 4b. **Grant awards and allocation.** (a) Upon receipt from the committee  
22.18 of the funding recommendation under subdivision 5, the board shall either (1) adopt  
22.19 the recommendation and fund projects at the amounts specifically provided in the  
22.20 recommendation; or (2) reject the recommendation and return it to the committee for  
22.21 further evaluation, with comments as appropriate. The board may not award grants under  
22.22 this section except following an adopted recommendation from the committee.

22.23 (b) The board may allocate grants for any transportation purpose, including but  
22.24 not limited to:

22.25 (1) assistance for highway and bridge projects;

22.26 (2) capital and operating assistance for regular route bus service, special  
22.27 transportation service, and paratransit service;

22.28 (3) capital and operating assistance for transit ways, including bus rapid transit;

22.29 (4) capital costs for park-and-ride facilities; and

22.30 (5) feasibility studies, planning, alternatives analyses, environmental studies,  
22.31 engineering, and property acquisition for transportation projects.

22.32 (c) Grants must be funded by the proceeds of the taxes imposed under this section,  
22.33 bonds, notes, or other obligations issued under subdivision 7.

22.34 (d) The board must annually award grants to each minimum guarantee county in an  
22.35 amount no less than the amount of sales tax revenue collected within that county.

23.1 (e) No more than 1.25 percent of the total awards may be annually allocated for  
 23.2 planning, studies, design, construction, maintenance, and operation of pedestrian programs  
 23.3 and bicycle programs and pathways.

23.4 ~~Subd. 5. Grant application and awards; Grant Evaluation and Ranking System~~  
 23.5 ~~(GEARS) Committee evaluation.~~ (a) The ~~joint powers board~~ committee shall establish a  
 23.6 grant application process and identify the amount of available funding for grant awards.  
 23.7 Grant applications must be submitted in a form prescribed by the ~~joint powers board~~  
 23.8 committee. An applicant must provide, in addition to all other information required by the  
 23.9 ~~joint powers board~~ committee, the estimated cost of the project, the amount of the grant  
 23.10 sought, possible sources of funding in addition to the grant sought, and identification  
 23.11 of any federal funds that will be utilized if the grant is awarded. A grant application  
 23.12 seeking transit capital funding must identify the source of money necessary to operate  
 23.13 the transit improvement.

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

23.20 ~~(c) (b) The joint powers board shall~~ committee may establish a ~~GEARS Committee~~  
 23.21 grant evaluation and ranking subcommittee (GEARS) to advise on evaluation of grant  
 23.22 applications, which if established must consist of:

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

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

23.27 (3) one additional elected city representative from each county for every additional  
 23.28 400,000 in population, or fraction of 400,000, in the county that is above 400,000 in  
 23.29 population; and

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

23.31 ~~(d) (c) Each city representative~~ under paragraph (b) must be elected at a meeting of  
 23.32 cities in the metropolitan transportation area, which must be convened for that purpose by  
 23.33 the Association of Metropolitan Municipalities.

23.34 ~~(e) (d) The committee shall evaluate grant applications following objective criteria~~  
 23.35 established by the ~~joint powers board~~, and must provide to the ~~joint powers board~~ a

24.1 ~~selection list of recommendation for funding transportation projects that includes funding~~  
24.2 ~~amounts and a priority ranking.~~

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

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

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

24.11 ~~(3) the Metropolitan Council finds the project to be inconsistent, and submits the~~  
24.12 ~~consistency issue for final determination to a panel, which determines the project to be~~  
24.13 ~~consistent. The panel is composed of a member appointed by the chair of the Metropolitan~~  
24.14 ~~Council, a member appointed by the joint powers board, and a member agreed upon by~~  
24.15 ~~both the chair and the joint powers board.~~

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

24.18 ~~(h) Notwithstanding the provisions of this section except subdivision 6a, of~~  
24.19 ~~the revenue collected under this section, the joint powers board shall allocate to the~~  
24.20 ~~Metropolitan Council, in fiscal years 2012 and 2013, an amount not less than 75 percent of~~  
24.21 ~~the net cost of operations for those transit ways that were receiving metropolitan sales tax~~  
24.22 ~~funds through an operating grant agreement on June 30, 2011.~~

24.23 ~~(i) The Metropolitan Council shall expend any funds allocated under paragraph (h)~~  
24.24 ~~for the operations of the specified transit ways solely within those counties that are in the~~  
24.25 ~~metropolitan transportation area.~~

24.26 ~~(j) Nothing in paragraph (h) or (i) prevents grant awards to the Metropolitan Council~~  
24.27 ~~for capital and operating assistance for transit ways and park-and-ride facilities.~~

24.28 ~~Subd. 6: Allocation of grant awards. (a) The board must allocate grant awards~~  
24.29 ~~only for the following transit purposes:~~

24.30 ~~(i) capital improvements to transit ways, including, but not limited to, commuter~~  
24.31 ~~rail rolling stock, light rail vehicles, and transit way buses;~~

24.32 ~~(ii) capital costs for park-and-ride facilities, as defined in section 174.256,~~  
24.33 ~~subdivision 2;~~

24.34 ~~(iii) feasibility studies, planning, alternatives analyses, environmental studies,~~  
24.35 ~~engineering, property acquisition for transit way purposes, and construction of transit~~  
24.36 ~~ways; and~~



25.1 ~~(iv) operating assistance for transit ways.~~

25.2 ~~(b) The joint powers board must annually award grants to each minimum guarantee~~  
 25.3 ~~county in an amount no less than the amount of sales tax revenue collected within that~~  
 25.4 ~~county.~~

25.5 ~~(c) No more than 1.25 percent of the total awards may be annually allocated for~~  
 25.6 ~~planning, studies, design, construction, maintenance, and operation of pedestrian programs~~  
 25.7 ~~and bicycle programs and pathways.~~

25.8 Subd. 6a. **Priority of fund uses.** The joint powers board shall allocate all revenues  
 25.9 from the taxes imposed under this section in conformance with the following priority order:

25.10 (1) payment of debt service necessary for the fiscal year on bonds or other  
 25.11 obligations issued prior to January 1, 2011, under subdivision 7; and

25.12 (2) as otherwise authorized under this section.

25.13 Subd. 7. **Bonds.** ~~(a) The joint powers board or any~~ Subject to authorization by  
 25.14 the board, a county, acting under a joint powers agreement as specified in this section,  
 25.15 may, by resolution;

25.16 (1) authorize, issue, and sell its bonds, notes, or other obligations for the purpose of  
 25.17 funding grants under subdivision 6; and

25.18 (2) The joint powers board or county may also, by resolution, issue bonds to refund  
 25.19 the bonds issued pursuant to this subdivision.

25.20 ~~(b) The bonds of the joint powers board must be limited obligations, payable solely~~  
 25.21 ~~from or secured by taxes levied under this section.~~

25.22 ~~(c)~~ The bonds of any county may be limited obligations, payable solely from or  
 25.23 secured by taxes levied under this section. A county may also pledge its full faith, credit,  
 25.24 and taxing power as additional security for the bonds.

25.25 ~~(d)~~ (c) Bonds may be issued in one or more series and sold without an election. The  
 25.26 bonds shall be secured, bear the interest rate or rates or a variable rate, have the rank or  
 25.27 priority, be executed in the manner, be payable in the manner, mature, and be subject to  
 25.28 the defaults, redemptions, repurchases, tender options, or other terms, and shall be sold  
 25.29 in such manner as ~~the joint powers board, the regional railroad authority, or the county~~  
 25.30 may determine.

25.31 ~~(e) The joint powers board or any regional railroad authority or~~ (d) Any county may  
 25.32 enter into and perform all contracts deemed necessary or desirable by it to issue and secure  
 25.33 the bonds, including an indenture of trust with a trustee within or without the state.

25.34 ~~(f)~~ (d) Except as otherwise provided in this subdivision, the bonds must be issued  
 25.35 and sold in the manner provided under chapter 475.

26.1 ~~(g) The joint powers board or any regional railroad authority wholly within the~~  
26.2 ~~metropolitan transportation area also may authorize, issue, and sell its bonds, notes, or~~  
26.3 ~~other obligations for the purposes, and in accordance with the procedures, set forth in~~  
26.4 ~~section 398A.07 to fund grants as provided in subdivision 6. The bonds of any regional~~  
26.5 ~~railroad authority may be limited obligations, payable solely from or secured by taxes~~  
26.6 ~~levied under this section. A regional railroad authority may also pledge its taxing powers~~  
26.7 ~~as additional security for the bonds.~~

26.8 Subd. 8. **Allocation of revenues.** After the deductions allowed in section 297A.99,  
26.9 subdivision 11, the commissioner of revenue shall remit the proceeds of the taxes imposed  
26.10 under this section on a monthly basis, as directed by the joint powers board under this  
26.11 section.

26.12 Subd. 9. **Administration, collection, enforcement.** Except as otherwise provided  
26.13 in this section, the provisions of section 297A.99, subdivisions 4 and 6 to 12a, govern the  
26.14 administration, collection, and enforcement of the tax authorized under this section.

26.15 Subd. 10. **Termination of taxes.** (a) The taxes imposed under section 297A.99,  
26.16 subdivision 1, by a county that withdraws from the joint powers agreement pursuant to  
26.17 subdivision 3, clause (3), shall terminate when the county has satisfied its portion, as  
26.18 defined in the joint powers agreement, of all outstanding bonds or obligations entered into  
26.19 while the county was a member of the agreement.

26.20 (b) If the joint powers agreement under subdivision 3 is terminated, the taxes  
26.21 imposed under section 297A.99, subdivision 1, at the time of the agreement termination  
26.22 will terminate when all outstanding bonds or obligations are satisfied. The auditors of the  
26.23 counties in which the taxes are imposed shall see to the administration of this paragraph.

26.24 ~~Subd. 11. **Report.** The joint powers board shall report annually by February 1 to the~~  
26.25 ~~house of representatives and senate committees having jurisdiction over transportation~~  
26.26 ~~policy and finance concerning the revenues received and grants awarded.~~

26.27 ~~Subd. 12. **Grant awards to Metropolitan Council.** Any grant award under this~~  
26.28 ~~section made to the Metropolitan Council must supplement, and must not supplant,~~  
26.29 ~~operating and capital assistance provided by the state.~~

26.30 Sec. 3. **REPEALER.**

26.31 Minnesota Statutes 2010, section 297A.992, subdivisions 6, 11, and 12, are repealed.

27.1 **ARTICLE 6**

27.2 **CONFORMING CHANGES**

27.3 Section 1. Minnesota Statutes 2011 Supplement, section 10A.01, subdivision 35,  
27.4 is amended to read:

27.5 Subd. 35. **Public official.** "Public official" means any:

27.6 (1) member of the legislature;

27.7 (2) individual employed by the legislature as secretary of the senate, legislative  
27.8 auditor, chief clerk of the house of representatives, revisor of statutes, or researcher,  
27.9 legislative analyst, or attorney in the Office of Senate Counsel and Research or House  
27.10 Research;

27.11 (3) constitutional officer in the executive branch and the officer's chief administrative  
27.12 deputy;

27.13 (4) solicitor general or deputy, assistant, or special assistant attorney general;

27.14 (5) commissioner, deputy commissioner, or assistant commissioner of any state  
27.15 department or agency as listed in section 15.01 or 15.06, or the state chief information  
27.16 officer;

27.17 (6) member, chief administrative officer, or deputy chief administrative officer of a  
27.18 state board or commission that has either the power to adopt, amend, or repeal rules under  
27.19 chapter 14, or the power to adjudicate contested cases or appeals under chapter 14;

27.20 (7) individual employed in the executive branch who is authorized to adopt, amend,  
27.21 or repeal rules under chapter 14 or adjudicate contested cases under chapter 14;

27.22 (8) executive director of the State Board of Investment;

27.23 (9) deputy of any official listed in clauses (7) and (8);

27.24 (10) judge of the Workers' Compensation Court of Appeals;

27.25 (11) administrative law judge or compensation judge in the State Office of  
27.26 Administrative Hearings or unemployment law judge in the Department of Employment  
27.27 and Economic Development;

27.28 (12) member, regional administrator, division director, general counsel, or operations  
27.29 manager of the Metropolitan Council;

27.30 (13) member or chief administrator of a metropolitan agency;

27.31 (14) director of the Division of Alcohol and Gambling Enforcement in the  
27.32 Department of Public Safety;

27.33 (15) member or executive director of the Higher Education Facilities Authority;

27.34 (16) member of the board of directors or president of Enterprise Minnesota, Inc.;

28.1 (17) member of the board of directors or executive director of the Minnesota State  
28.2 High School League;

28.3 (18) member of the Minnesota Ballpark Authority established in section 473.755;

28.4 (19) citizen member of the Legislative-Citizen Commission on Minnesota Resources;

28.5 (20) manager of a watershed district, or member of a watershed management  
28.6 organization as defined under section 103B.205, subdivision 13;

28.7 (21) supervisor of a soil and water conservation district;

28.8 (22) director of Explore Minnesota Tourism;

28.9 (23) citizen member of the Lessard-Sams Outdoor Heritage Council established in  
28.10 section 97A.056; ~~or~~

28.11 (24) a citizen member of the Clean Water Council established in section 114D.30;

28.12 (25) member, executive director, or general counsel of the Regional Transportation  
28.13 Governance Board; or

28.14 (26) member, general manager, or general counsel of the Metropolitan Transit  
28.15 Commission.

28.16 **EFFECTIVE DATE.** This section is effective the day following final enactment.

28.17 Sec. 2. Minnesota Statutes 2010, section 398A.01, is amended by adding a subdivision  
28.18 to read:

28.19 Subd. 4a. **Metropolitan area.** "Metropolitan area" has the meaning given in section  
28.20 473.121, subdivision 2.

28.21 **EFFECTIVE DATE.** This section is effective the day following final enactment.

28.22 Sec. 3. Minnesota Statutes 2010, section 398A.01, is amended by adding a subdivision  
28.23 to read:

28.24 Subd. 4b. **Metropolitan regional railroad authority.** "Metropolitan regional  
28.25 railroad authority" means any regional railroad authority that is organized as provided  
28.26 under section 398A.03, before the effective date of this subdivision, by one or more  
28.27 political subdivisions located whether wholly or in part within the metropolitan area.

28.28 **EFFECTIVE DATE.** This section is effective the day following final enactment.

28.29 Sec. 4. Minnesota Statutes 2010, section 398A.02, is amended to read:

28.30 **398A.02 PURPOSE.**

29.1 The purpose of ~~the Regional Railroad Authorities Act~~ this chapter is to provide a  
 29.2 means whereby one or more municipalities located outside of the metropolitan area,  
 29.3 with state and federal aids as may be available, may provide for the preservation and  
 29.4 improvement of local rail service for agriculture, industry, or passenger traffic and provide  
 29.5 for the preservation of abandoned rail right-of-way for future transportation uses, when  
 29.6 determined to be practicable and necessary for the public welfare, particularly in the case  
 29.7 of abandonment of local rail lines.

29.8 Sec. 5. Minnesota Statutes 2010, section 398A.04, subdivision 2, is amended to read:

29.9 Subd. 2. **Railroad acquisition and operation.** The authority may plan, establish,  
 29.10 acquire, develop, construct, purchase, enlarge, extend, improve, maintain, equip, operate,  
 29.11 regulate, and protect railroads and railroad facilities, including but not limited to terminal  
 29.12 buildings, roadways, crossings, bridges, causeways, tunnels, equipment, and rolling  
 29.13 stock. The authority may not expend state or federal funds to engage in planning for  
 29.14 or development of light rail transit or commuter rail transit, unless (1) this activity is  
 29.15 consistent with a plan plans adopted by the department of transportation under section  
 29.16 sections 174.03 and 174.84, by the Regional Transportation Governance Board and a plan  
 29.17 adopted by the metropolitan council under section 473.399, and (2) is carried out pursuant  
 29.18 to a memorandum of understanding executed by the authority and the commissioner  
 29.19 after appropriate consultation with the metropolitan council Regional Transportation  
 29.20 Governance Board.

29.21 Sec. 6. Minnesota Statutes 2010, section 398A.04, is amended by adding a subdivision  
 29.22 to read:

29.23 Subd. 12. **Limitations; metropolitan area.** (a) No municipality located whether  
 29.24 wholly or in part within the metropolitan area, may on or after the effective date of  
 29.25 this subdivision, adopt an organization resolution, as provided under section 398A.03,  
 29.26 subdivision 1, to establish a regional railroad authority under this chapter.

29.27 (b) Notwithstanding any provisions of this chapter to the contrary, a metropolitan  
 29.28 regional railroad authority does not have the powers and duties of a regional railroad  
 29.29 authority otherwise provided under this chapter, except:

29.30 (1) as specifically necessary to levy a tax under subdivision 8, solely in an amount  
 29.31 necessary to pay the principal and interest on obligations issued under section 398A.07  
 29.32 prior to the effective date of this subdivision;

29.33 (2) to perform the notification required under paragraph (c); and

30.1 (3) as provided under section 398A.03, subdivisions 5, 6, and 7, only as necessary to  
 30.2 carry out those powers and duties retained under this subdivision.

30.3 (c) Annually by March 31, a metropolitan regional railroad authority shall notify the  
 30.4 Regional Transportation Governance Board of a debt service levy, if any, which is equal  
 30.5 to the amount to be levied under paragraph (b), clause (1), for taxes payable in the next  
 30.6 upcoming calendar year. By March 31, 2013, a metropolitan regional railroad authority  
 30.7 shall notify the Regional Transportation Governance Board of the total market value,  
 30.8 which is equal to the market value of all taxable property situated within the municipality  
 30.9 or municipalities named in the organization resolution of the regional railroad authority, as  
 30.10 identified for the levy limit under subdivision 8.

30.11 **EFFECTIVE DATE.** This section is effective the day following final enactment.

30.12 Sec. 7. Minnesota Statutes 2010, section 473.143, subdivision 1, is amended to read:

30.13 Subdivision 1. **Application.** For purposes of this section, "agency" means a  
 30.14 metropolitan agency as defined in section 473.121, except the Metropolitan Parks and  
 30.15 Open Space Commission. Agency also means (1) the Metropolitan Mosquito Control  
 30.16 Commission, (2) the Regional Transportation Governance Board under section 473J.05,  
 30.17 and the Metropolitan Transit Commission under section 473.50. For purposes of this  
 30.18 section, "commissioner" means the commissioner of the state Department of Management  
 30.19 and Budget.

30.20 Sec. 8. Minnesota Statutes 2010, section 473.145, is amended to read:

30.21 **473.145 REGIONAL DEVELOPMENT ~~GUIDE~~ FRAMEWORK.**

30.22 (a) The Metropolitan Council and the Regional Transportation Governance  
 30.23 Board under chapter 473J shall in coordination prepare and respectively adopt, after  
 30.24 appropriate study and such public hearings as may be necessary, a comprehensive regional  
 30.25 development ~~guide~~ framework for the metropolitan area. It ~~shall~~ must consist of a  
 30.26 compilation of policy statements, goals, standards, programs, and maps prescribing guides  
 30.27 for the orderly and economical development, public and private, of the metropolitan  
 30.28 area. The ~~comprehensive regional~~ development ~~guide~~ framework must recognize  
 30.29 and encompass physical, social, or economic needs of the metropolitan area and those  
 30.30 future developments which will have an impact on the entire area, including but not  
 30.31 limited to such matters as: land use, parks and open space land needs, the necessity for  
 30.32 and location of airports, highways, transit facilities, public hospitals, libraries, schools,  
 30.33 and other public buildings.

31.1 (b) The Regional Transportation Governance Board is responsible for the  
 31.2 transportation portion of the regional development framework, and the Metropolitan  
 31.3 Council is responsible for the remaining portions of the framework.

31.4 Sec. 9. Minnesota Statutes 2010, section 473.146, subdivision 1, is amended to read:

31.5 Subdivision 1. **Requirement.** (a) The council shall adopt a long-range  
 31.6 comprehensive policy plan for ~~transportation and~~ wastewater treatment. The Regional  
 31.7 Transportation Governance Board under chapter 473J shall adopt a long-range  
 31.8 comprehensive transportation policy plan.

31.9 (b) ~~The plans~~ Each policy plan required under paragraph (a) must substantially  
 31.10 conform to all policy statements, purposes, goals, standards, and maps in the regional  
 31.11 development ~~guide developed and adopted by the council under this chapter~~ framework  
 31.12 under section 473.145. Each policy plan must include, to the extent appropriate to the  
 31.13 functions, services, and systems covered, the following:

31.14 (1) forecasts of changes in the general levels and distribution of population,  
 31.15 households, employment, land uses, and other relevant matters, for the metropolitan area  
 31.16 and appropriate subareas;

31.17 (2) a statement of issues, problems, needs, and opportunities with respect to the  
 31.18 functions, services, and systems covered;

31.19 (3) a statement of the ~~council's~~ goals, objectives, and priorities with respect to the  
 31.20 functions, services, and systems covered, addressing areas and populations to be served,  
 31.21 the levels, distribution, and staging of services; a general description of the facility  
 31.22 systems required to support the services; the estimated cost of improvements required to  
 31.23 achieve ~~the council's~~ goals for the regional systems, including an analysis of what portion  
 31.24 of the funding for each improvement is proposed to come from the state, Metropolitan  
 31.25 Council or Regional Transportation Governance Board levies, and cities, counties, and  
 31.26 towns in the metropolitan area, respectively, and other similar matters;

31.27 (4) a statement of policies to effectuate the ~~council's~~ goals, objectives, and priorities;

31.28 (5) a statement of the fiscal implications of ~~the council's~~ each policy plan, including  
 31.29 a statement of: (i) the resources available under existing fiscal policy; (ii) the adequacy  
 31.30 of resources under existing fiscal policy and any shortfalls and unattended needs; (iii)  
 31.31 additional resources, if any, that are or may be required to effectuate the ~~council's~~ goals,  
 31.32 objectives, and priorities; and (iv) any changes in existing fiscal policy, on regional  
 31.33 revenues and intergovernmental aids respectively, that are expected or that the council has  
 31.34 recommended or may recommend;

32.1 (6) a statement of the relationship of ~~the~~ each policy plan to other policy plans and  
 32.2 ~~chapters of the Metropolitan~~ regional development Guide framework;

32.3 (7) a statement of the relationships to local comprehensive plans prepared under  
 32.4 sections 473.851 to 473.871; and

32.5 (8) additional general information as may be necessary to develop ~~the~~ each policy  
 32.6 plan or as may be required by the laws relating to the metropolitan agency and function  
 32.7 covered by ~~the~~ that policy plan.

32.8 Sec. 10. Minnesota Statutes 2010, section 473.166, is amended to read:

32.9 **473.166 CONTROLLED ACCESS; APPROVAL.**

32.10 Before acquiring land for or constructing a controlled access highway in the area, the  
 32.11 ~~state Transportation Department~~ commissioner of transportation or local government unit  
 32.12 proposing the acquisition or construction shall submit to the council and to the Regional  
 32.13 Transportation Board under chapter 473J a statement describing the proposed project. The  
 32.14 statement must be in the form and detail jointly required by the council and the board. The  
 32.15 council and the board shall in coordination review the statement to ascertain its consistency  
 32.16 with ~~its policy plan and the regional development guide framework~~, and the board shall  
 32.17 review the statement to ascertain its consistency with the transportation policy plan. No  
 32.18 project may be undertaken unless the council ~~determines~~ and the board determine that it is  
 32.19 consistent with the regional development framework and the transportation policy plan.  
 32.20 This approval is in addition to the requirements of any other statute, ordinance or rule.

32.21 Sec. 11. Minnesota Statutes 2010, section 473.171, is amended to read:

32.22 **473.171 ~~COUNCIL~~ REVIEW; APPLICATIONS FOR FEDERAL AND STATE**  
 32.23 **AID.**

32.24 Subdivision 1. **Federal.** The ~~council~~ applicable regional entity shall review all  
 32.25 applications of a metropolitan agency, independent commission, board or agency, and  
 32.26 local governmental units for funds, grants, loans or loan guarantees from the United  
 32.27 States of America or agencies thereof submitted in connection with proposed matters of  
 32.28 metropolitan significance, all other applications by metropolitan agencies, independent  
 32.29 commissions, boards and agencies, and local governmental units for grants, loans, or  
 32.30 loan guarantees from the United States of America or any agency thereof if review by a  
 32.31 regional agency is required by federal law or the federal agency, and all applications for  
 32.32 grants, loans, or allocations from funds made available by the United States of America to  
 32.33 the metropolitan area for regional facilities pursuant to a federal revenue sharing or similar



33.1 program requiring that the funds be received and granted or allocated or that the grants  
33.2 and allocations be approved by a regional agency.

33.3 Subd. 2. **State.** The ~~council~~ applicable regional entity shall review all applications  
33.4 or requests of a metropolitan agency, independent commission, board or agency, and  
33.5 local governmental units for state funds allocated or granted for proposed matters of  
33.6 metropolitan significance, and all other applications by metropolitan agencies, independent  
33.7 commissions, boards, agencies, and local governmental units for state funds if review by a  
33.8 regional agency is required by state law or the granting state agency.

33.9 Subd. 3. **Definition.** For purposes of this section, "applicable regional entity"  
33.10 means, as appropriate, (1) the Regional Transportation Governance Board, with respect to  
33.11 matters that primarily or substantially deal with transportation; or (2) the council, with  
33.12 respect to with any other matters.

33.13 Sec. 12. Minnesota Statutes 2010, section 473.192, subdivision 2, is amended to read:

33.14 Subd. 2. **Definitions.** For purposes of this section, "metropolitan area" has the  
33.15 meaning given it in section 473.121, subdivision 2. "Transportation policy plan" means  
33.16 the plan adopted by the ~~Metropolitan Council~~ Regional Transportation Governance Board  
33.17 pursuant to section ~~473.145~~ 473.146. "Municipality" has the meaning provided by section  
33.18 462.352, subdivision 2.

33.19 Sec. 13. **REPEALER.**

33.20 Minnesota Statutes 2010, sections 398A.10; 473.146, subdivision 4; 473.375,  
33.21 subdivisions 11 and 14; 473.391, subdivision 1; 473.399, subdivision 1a; 473.405,  
33.22 subdivision 4; 473.4051, subdivision 1; and 473.4057, subdivision 1, are repealed.

## 33.23 ARTICLE 7

### 33.24 APPLICATION; EFFECTIVE DATE

33.25 Section 1. **APPLICATION.**

33.26 This act applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,  
33.27 Scott, and Washington.

33.28 Sec. 2. **EFFECTIVE DATE.**

33.29 Unless specifically specified otherwise, articles 1 to 7 are effective January 1, 2014.