

1.1 A bill for an act
1.2 relating to transit; providing for certain transit service consolidation in the Twin
1.3 Cities metropolitan area; establishing implementation requirements; establishing
1.4 a task force; requiring a study; requiring reports; amending Minnesota Statutes
1.5 2024, sections 473.385, subdivision 2; 473.388, by adding a subdivision; proposing
1.6 coding for new law in Minnesota Statutes, chapter 473.

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

1.8 Section 1. **[473.376] UNIFIED COMPREHENSIVE TRANSIT.**

1.9 Subdivision 1. **Metropolitan Council authority.** The council is the exclusive operator
1.10 for transit service in the metropolitan area, which may include service under an agreement
1.11 with the council.

1.12 Subd. 2. **Local governmental unit authority.** (a) A local governmental unit located
1.13 wholly or in part in the metropolitan area is prohibited from expending money for direct
1.14 operation of transit service and related facilities, except under an agreement with the council
1.15 as provided in section 473.384 or 473.386.

1.16 (b) A local governmental unit must not enter into an agreement that obligates any
1.17 expenditure on or after July 1, 2027, that is otherwise prohibited under paragraph (a).

1.18 Subd. 3. **Application.** (a) The requirements under subdivisions 1 and 2, paragraph (a),
1.19 apply beginning July 1, 2027.

1.20 (b) The requirements under subdivision 2, paragraph (a), do not apply to money expended
1.21 under an agreement first entered into before the effective date of this section.

1.22 (c) The requirements under this section do not apply to the Board of Regents of the
1.23 University of Minnesota.

2.1 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
 2.2 final enactment. The requirements of this section pertaining to the Metropolitan Council
 2.3 apply in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

2.4 Sec. 2. Minnesota Statutes 2024, section 473.385, subdivision 2, is amended to read:

2.5 Subd. 2. **Service areas.** The council may provide financial assistance (whether directly
 2.6 or through another entity) to private, for-profit operators of public transit only for the
 2.7 following services:

2.8 (1) services that are not regular route services;

2.9 (2) regular route services provided on June 2, 1989, by a private, for-profit operator
 2.10 under contract with the former regional transit board or under a certificate of convenience
 2.11 and necessity issued by the commissioner of transportation;

2.12 (3) regular route services outside of the fully developed service area that are not operated
 2.13 on June 2, 1989, by the former Metropolitan Transit Commission;

2.14 (4) on or before June 30, 2027, regular route services provided under section 473.388;

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

2.18 (6) regular route services that will not be operated for a reasonable subsidy by the council.

2.19 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
 2.20 final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,
 2.21 Scott, and Washington.

2.22 Sec. 3. Minnesota Statutes 2024, section 473.388, is amended by adding a subdivision to
 2.23 read:

2.24 **Subd. 9. Expiration.** The authority and requirements under this section expire on June
 2.25 30, 2027.

2.26 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
 2.27 final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,
 2.28 Scott, and Washington.

3.1 Sec. 4. **CONSOLIDATED METROPOLITAN AREA TRANSIT**
3.2 **IMPLEMENTATION.**

3.3 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have
3.4 the meanings given.

3.5 (b) "Council" means the Metropolitan Council.

3.6 (c) "Implementation plan" means the implementation plan for consolidation of transit
3.7 service as provided under this section.

3.8 (d) "Metropolitan area" has the meaning given in Minnesota Statutes, section 473.121,
3.9 subdivision 2.

3.10 (e) "Task force" means the Transit Consolidation Task Force established in this section.

3.11 Subd. 2. **Implementation requirements.** (a) The council must implement consolidation
3.12 of transit into unified comprehensive service operated by the council in conformance with
3.13 Minnesota Statutes, section 473.376, and the implementation plan.

3.14 (b) The council must make reasonable efforts to enter into agreements with each private
3.15 entity that operates transit for a replacement service program under Minnesota Statutes,
3.16 section 473.388. An agreement must provide for continuing substantially similar transit
3.17 service for at least one year following initial commencement of consolidated transit.

3.18 Subd. 3. **Implementation plan.** (a) In consultation with the task force under this section,
3.19 the council must develop an implementation plan for exclusive unified transit service
3.20 operation by the council, except for transit service provided by the University of Minnesota.
3.21 By February 1, 2027, the council must develop a preliminary draft of the implementation
3.22 plan.

3.23 (b) At a minimum, the plan must include:

3.24 (1) identification and analysis of considerations, processes, and actions necessary to
3.25 implement transit operations and service consolidation with the council;

3.26 (2) a requirement of transit service coverage continuity that maintains substantially
3.27 similar transit service routes and service levels for at least one year following initial
3.28 commencement of consolidated transit, which must include regular route and special
3.29 transportation service but may exclude routes identified in the highest tier of per-passenger
3.30 subsidy under the high-subsidy transit service analysis in Laws 2025, First Special Session
3.31 chapter 8, article 2, section 120;

4.1 (3) subject to the requirements in clause (2), an analysis of modifications to transit routes
 4.2 and service levels offered by replacement service providers under Minnesota Statutes,
 4.3 section 473.388;

4.4 (4) an implementation schedule in conformance with the requirements under Minnesota
 4.5 Statutes, sections 473.376 and 473.388, subdivision 9;

4.6 (5) an analysis of fiscal impacts, including operational and administrative costs and
 4.7 efficiencies;

4.8 (6) an assessment of transit rider impacts;

4.9 (7) an assessment of relevant or impacted agreements, including any contracts,
 4.10 memorandums of understanding, joint powers agreements, and leases;

4.11 (8) an assessment of transit staffing and employment impacts;

4.12 (9) an assessment of transit facilities, vehicles, equipment, and real property, which must
 4.13 include analysis of any disposition of assets; and

4.14 (10) a review of any other consequential implementation considerations or expected
 4.15 outcomes identified by the task force, the council, or a transit provider.

4.16 Subd. 4. **Task force; establishment.** The council must convene a Transit Consolidation
 4.17 Task Force to advise and provide recommendations on the implementation process for
 4.18 unified transit in the metropolitan area.

4.19 Subd. 5. **Task force; membership; chair.** (a) The task force is composed of the following
 4.20 members:

4.21 (1) the chair of the Metropolitan Council or a designee;

4.22 (2) the commissioner of transportation or a designee;

4.23 (3) two members representing cities participating in the replacement service program
 4.24 under Minnesota Statutes, section 473.388, appointed by the Suburban Transit Association;

4.25 (4) one member representing a city in the metropolitan area that is not participating in
 4.26 the replacement service program, appointed by the Association of Metropolitan
 4.27 Municipalities;

4.28 (5) one member representing a city in the metropolitan area that is not substantially
 4.29 served by transit, appointed by the Association of Metropolitan Municipalities;

5.1 (6) three members representing counties in the metropolitan area, with at least one
 5.2 member from a county that contains a city of the first class, appointed by the Association
 5.3 of Minnesota Counties;

5.4 (7) one member appointed by the Transportation Advisory Board under Minnesota
 5.5 Statutes, section 473.146; and

5.6 (8) one member appointed by the Transportation Accessibility Advisory Committee
 5.7 under Minnesota Statutes, section 473.375, subdivision 9a.

5.8 (b) The appointing authorities under paragraph (a) must make the appointments and
 5.9 designations by August 15, 2026.

5.10 (c) At its first meeting, the task force must elect a chair or cochairs by a majority vote
 5.11 of those members present and may elect a vice-chair as necessary.

5.12 Subd. 6. **Task force; meetings.** (a) The chair of the Metropolitan Council must convene
 5.13 the first meeting of the task force no later than September 15, 2026.

5.14 (b) The task force must meet at least monthly and as necessary to accomplish the duties
 5.15 under subdivision 7.

5.16 (c) The task force is subject to the Open Meeting Law under Minnesota Statutes, chapter
 5.17 13D.

5.18 Subd. 7. **Task force; duties.** (a) The task force must:

5.19 (1) assist the council to develop an implementation plan as provided in subdivision 3 to
 5.20 consolidate transit service in the metropolitan area;

5.21 (2) review and provide recommendations to the council on transit consolidation
 5.22 implementation activities; and

5.23 (3) provide a draft legislative proposal for changes in law necessary to transit
 5.24 consolidation implementation, including but not limited to conforming statutory changes
 5.25 and any repeal of obsolete provisions.

5.26 (b) In assisting with developing the implementation plan, the task force must consult
 5.27 with affected stakeholders, including but not limited to other local units of government and
 5.28 transit riders.

5.29 Subd. 8. **Task force; administration.** (a) The council must provide administrative and
 5.30 staff support for the task force.

6.1 (b) Upon request of the task force, the Metropolitan Council, the commissioner of
 6.2 transportation, and local units of government must provide information and technical
 6.3 assistance in a timely fashion.

6.4 (c) Compensation, removal, and vacancies for the task force are governed by Minnesota
 6.5 Statutes, section 15.0575.

6.6 Subd. 9. **Report.** By February 1, 2027, the council and task force must jointly submit a
 6.7 report on transit consolidation to the chairs and ranking minority members of the legislative
 6.8 committees with jurisdiction over transportation. At a minimum, the report must:

6.9 (1) summarize the activities of the task force, including information on each of the task
 6.10 force's duties;

6.11 (2) provide the preliminary draft of the implementation plan; and

6.12 (3) identify transit consolidation implementation actions to date.

6.13 Subd. 10. **Resources.** Notwithstanding Minnesota Statutes, section 473.388, subdivision
 6.14 4, the council may expend the amount reasonably necessary to support the task force and
 6.15 develop the implementation plan using money otherwise allocated under that section.

6.16 Subd. 11. **Task force; expiration.** The task force expires on July 1, 2027.

6.17 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
 6.18 final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,
 6.19 Scott, and Washington.

6.20 Sec. 5. **TRANSIT SERVICE ENHANCEMENT STUDY.**

6.21 (a) The Metropolitan Council must perform a study of bus service enhancement options
 6.22 in the communities served by the replacement service program under Minnesota Statutes,
 6.23 section 473.388. At a minimum, the study must:

6.24 (1) identify, evaluate, and prioritize corridors for potential additional bus rapid transit,
 6.25 express bus, or commuter bus service;

6.26 (2) develop initial concepts with mode and route alignment for the highest priority
 6.27 corridors under clause (1);

6.28 (3) analyze regular route transit and special transportation service levels; and

6.29 (4) recommend projects and service modifications to improve transit service within the
 6.30 communities.

7.1 (b) By February 1, 2028, the Metropolitan Council must submit a report on the study to
7.2 the chairs and ranking minority members of the legislative committees with jurisdiction
7.3 over transportation finance and policy and to the Hennepin County Board of Commissioners.

7.4 At a minimum, the report must:

7.5 (1) summarize the study; and

7.6 (2) provide information on each of the requirements under paragraph (a), clauses (1) to
7.7 (4).

7.8 (c) The council must use existing resources to conduct the study and submit the report
7.9 under this section.

7.10 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
7.11 final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,
7.12 Scott, and Washington.