

# House Research Act Summary

**CHAPTER:** 479

**SESSION:** 2000 Regular Session

**TOPIC:** Omnibus Transportation Appropriations Bill

**Date:** June 1, 2000

**Analyst:** John Williams, 651-296-5045

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## Overview

This bill appropriates \$538 million for highways. Of this amount \$454 million will go for state highways, with the money designated for metro bottleneck alleviation, Greater Minnesota interregional corridors, bridges, and right-of-way purchase. This money will be available for up to three years. Of this money \$277.5 million comes from the general fund, \$76.5 from the unappropriated balance in the trunk highway fund, and \$100 million from the sale of state trunk highway bonds. (MnDOT's complete list of projects to be funded from the appropriations in this bill can be found at [www.dot.state.mn.us/newsrels/00/000609funding.html](http://www.dot.state.mn.us/newsrels/00/000609funding.html))

Another \$69 million goes to local roads and bridges, and \$15 million goes to the highway account in the transportation revolving loan fund for state or local highways.

The bill appropriates \$25.9 million for transit-related activities, including \$3.7 million going for metropolitan transit operations and \$872,000 for operating and capital assistance for Greater Minnesota transit systems. Bus transitways in the metro area receive \$6.3 million, metro-area bus garages receive \$10 million, and another \$5 million goes to transit advantages on state highways.

A total of about \$5 million in FY 2001 appropriations from the trunk highway fund made in the 1999 appropriations bill to agencies other than MnDOT would be transferred to the general fund, and payment of another \$4.8 million by MnDOT in state sales tax is made a responsibility of the general fund rather than trunk highway fund. The bill has several provisions intended to prevent such expenditures from being made from the trunk highway fund in future bienniums.

Studies of metro freeway ramp meters and the metropolitan council's metro mobility program are directed. Study groups would be created for the DM&E rail project in southern Minnesota and for a proposed statewide 800mhz public safety radio system. A major transportation projects commission

would be created, consisting of legislators and governor appointees, to review and comment on MnDOT plans for major projects.

The bill would prohibit spending any state funds for construction and equipment of commuter rail facilities unless specifically appropriated by the legislature. MnDOT would be prohibited from applying to the federal government for any federal funds for the Hiawatha Avenue light rail transit project other than federal funds that can only be used for transit capital projects.

Other provisions in the amendment include a dealer licensing exemption for dealers in fire fighting equipment, an authorization for vehicle registration suspension for license taxes paid with a bad check, and increased state responsibility for furnishing and maintaining cameras for driver's license agents.

**Section**

**FY00 FY01**

**Article 1**

**Transportation Appropriations**

1	<b>Appropriations summary.</b>	<b>(Dollars in thousands)</b>
	<b>The revisor correction bill, chapter 499, section 5, provides that unless otherwise specified appropriations in this act are available until spent.</b>	
	Transportation	566,551
	Public Safety	119
	Metropolitan Council	20,000
	Trade and economic development *	750
	Finance	15,100
	Total *	602,520
	Summary by fund:	
	Trunk Highway Bond proceeds account	100,100
	Trunk Highway Fund	102,298
	General Fund *	400,122
	<b>* - These numbers were reduced by \$750,000 as a result of the governor's line-item veto of the appropriation in section 5.</b>	
2	<b>Transportation.</b>	
	<b>Subd. 1. Total appropriation</b>	566,551
	Summary by fund:	
	Trunk highway bond proceeds account	100,000
	Trunk highway fund	102,179
	General fund	364,372
	<b>Subd. 2. Trunk highway construction</b>	100,000
	From the proceeds of the bond sale under section 7, for bridge replacement and reconstruction, alleviation of metro bottlenecks, improvement of interregional corridors, highway-related advantages to transit, and right-of-way acquisition. Limits program delivery costs to \$14 million. Requires MnDOT to demonstrate to the finance department that the use of debt financing to accelerate a project is cost-effective before the appropriation may be used.	

<b>Subd. 3. State road construction.</b>	359,000
Summary by fund:	
Trunk highway fund	76,500
General fund	282,500
(a) Metropolitan area bottlenecks	177,000
(b) Greater Minnesota interregional corridors	177,000
(c) bus transitways or highway-related transit advantages	5,000
Restricts program deliver costs to \$50,000,000 of this appropriation.	
Provides that the appropriation expires June 30,2003, and that any unspent portion reverts to the trunk highway fund on that date. Requires the department to report to legislative committees by February 1, 2003, on any projects that would be canceled or delayed as a result of the appropriation's expiration.	
<b>Subd. 4. Report.</b>	
Requires MnDOT to report annually from 2000 to 2002 on the status of projects funded under subdivisions 2 and 3.	
<b>Subd. 5. Local roads.</b>	30,000
Directs MnDOT to transfer \$23.8 million to the county state-aid highway fund and \$6.2 million to the municipal state-aid street fund. Provides that these appropriations are added to the FY 2001 appropriations for county and municipal state aids made in the 1999 transportation appropriations bill.	
<b>Subd. 6. Trunk highway facilities.</b>	25,674
From the trunk highway fund.	
(a) St. Cloud headquarters addition	10,350
(b) Detroit Lakes headquarters addition	8,724
(c) Transportation management center in Roseville. Requires MnDOT to sell the present traffic management center building within three years of the completion of the new facility, to an entity other than the state or a state agency, unless no fair market value offers have been received.	5,000
(d) Moorhead truck station	1,600
(e) Cancels the \$514,000 appropriation made in 1966 for an addition to the truck station in Dilworth.	
<b>Subd. 7. Rail service improvement.</b>	5,000
From the general fund, for the Minnesota rail service improvement program.	
<b>Subd. 8. Northstar corridor study</b>	100
From the general fund, to study the feasibility of extending the Northstar commuter rail corridor to north of Little Falls.	
<b>Subd. 9. DM&amp;E Working group.</b>	100
From the general fund, for a working group composed of commissioners of transportation, public safety, pollution/control agency, agriculture, and trade and economic development, and director of Minnesota Planning. Designates the director of Minnesota Planning as the chair. Requires the working group to (1) evaluate the federal surface transportation board's environmental impact statement of the DM&E railroad's southern Minnesota corridor project, (2) make recommendations to the legislature on moving Minnesota products on the DM&E rail line while minimizing adverse effects. Requires an interim	

report to the legislature by January 15, 2001, and a final report within 6 months of the draft EIS.

**Subd. 10. Port development assistance.** 2,000

From the general fund, for loans and grants under the port development assistance program. Limits funds to capital improvements constructed after July 1, 2000. Requires projects funded from this appropriation to be publicly owned.

**Subd. 11. Local bridges.** 39,000

From the general fund, for grants to political subdivisions for construction and reconstruction of key bridges. Allows grants to be used for matching federal aid, preliminary engineering and environmental studies, abandoning bridges that will not be replaced, and constructing streets or roads where more economical than replacing a bridge.

**Subd. 12. Sales tax.** 4,800

From the general fund, to pay sales tax that may not be paid from the trunk highway fund under article 2, section 4.

**The revisor's correction bill, chapter 499, section 40, provides that this appropriation is one-time only.**

**Subd. 13. Transit** 872

From the general fund, for grants to Greater Minnesota transit systems for capital and operating assistance. Allows up to \$450,000 to be used for operating assistance. Specifies that the appropriation does not add to the budget base.

**Subd. 14. Major projects commission.** 5

From the trunk highway fund, for expenses, including expenses of non-legislative members, of the major transportation projects commission established under 22.

3 **Metropolitan council.** From the general fund. 20,000

**Subd. 1. Total appropriation.**

**Subd. 2. Bus garages.** 10,000

**Subd. 3. Transit ways.** For bus transit ways, including construction and right-of-way acquisition. 6,300

(a) Metropolitan transit operations (one-time appropriation) 3,700

4 **Public safety.** From the trunk highway fund. 119,000

**Subd. 1. Driver's license photographic equipment.** For grants to driver's license agents to pay for leasing and maintaining photographic equipment.

**Subd. 2. Training facility.** Cancels the remaining balance of the 1998 appropriation for a State Patrol training facility at Camp Ripley.

5 **Trade and economic development.** From the general fund for a grant to the Upper Minnesota Valley regional development commission for the Minnesota River tourism initiative. 750,000

**This appropriation was vetoed by the governor.**

6 **Finance.** 15,100

Summary by fund:

Trunk highway bond proceeds account	100
General fund	15,000
<b>Subd. 1. Bond sale expenses.</b>	100
From the bond proceeds account for expenses of the trunk highway bond sale under section 7.	
<b>Subd. 2. Transportation revolving loan fund</b>	15,000
For transfer from the general fund to highway account in transportation revolving loan fund (TRLF).	15,000

- 7 **Bond sale authorization.** Authorizes sale of up to \$100.1 million in trunk highway bonds.
- 8 **Ramp meter study.** Directs MnDOT to limit all ramp meters on metropolitan freeways and expressways to a flashing yellow light only, during a period to be determined by the department. Allows temporary traffic restrictions on entrance ramps in the interests of public safety. Directs MnDOT to study and report to the legislature by February 1, 2001, on the traffic flow and highway safety consequences from limiting ramp meters to yellow lights during the study period.
- 9 **Metro mobility study.** Requires the metropolitan council to report to the appropriate legislative committees on the future of metro mobility. Requires the report to include strategies, alternatives, and options for:
- (1) increasing availability of metro mobility service to meet current and future demand,
  - (2) integrating metro mobility into new and expanded services under the regional transit master plan,
  - (3) integrating private taxi services into the system, and
  - (4) changing state or federal law, including fare provisions, to increase effectiveness of the service.
- Requires the council to consult with its transportation accessibility advisory council in performing the study and preparing the report. Requires the report to be submitted by February 1, 2001.
- 10 **Statewide radio system study.** Directs the commissioners of administration, transportation, and public safety to convene a planning committee to report to the legislature on a plan to develop an 800 mhz statewide public safety radio system. Requires the plan to include future needs, implementation potential, and guidelines for governance. Requires reports to be made to local governments and major user groups outside the metropolitan area. Requires a report to the legislature by February 1, 2001.
- 11 **Light rail transit federal funds.** Prohibits MnDOT from applying to the federal government for any federal funds for the Hiawatha Avenue light rail transit project other than federal fund that may only be used for transit capital projects. Specifies that the section does not prohibit the department from using funds identified in the statewide transportation improvement program for this project.
- 12 **Repeal of vehicle light provision.** Repeals the July 31, 2000, sunset date for a provision in the 1999 transportation appropriations bill that allows red and white lights on vehicles making deliveries to residences.
- 13 **Supplemental agreements.** Allows MnDOT to make supplemental agreements to trunk highway contracts. Requires payment of supplemental agreements within 30 days of approval of the work or submission of invoice by the contractor, whichever is later.
- 14 **Trunk highway bond sale bids.** Provides that trunk highway bonds be sold under competitive bids, repealing the provision that requires them to be sold on sealed bids.

- 15 **Suspension of registration.** Allows the department of public safety to suspend the registration of a vehicle where the tax was paid by a dishonored check to a deputy registrar. Allows the suspension to continue until the check has been paid in full. This section would be effective immediately.
- 16 **Fire truck dealers exempt from licensing.** Exempts motor vehicle dealers who exclusively sell firefighting equipment to local governments from the motor vehicle dealer licensing requirement. Allows such dealers to obtain dealer plates to allow firefighting equipment to be transported from the source of supply to the dealer's place of business, to storage, or to the purchaser. This section would be effective immediately.
- 17 **Exemption from regulation.** Repeals the exemption given to motor carriers of passengers from the law governing temporary vehicle identification cards. This section would allow such cards to be given to passenger carriers under section 28. This section would be effective immediately.
- 18 **Driver's license photographic equipment.** Requires the department of public safety to maintain the photographic equipment of all driver's license agents who were appointed as of January 1, 2000. Repeals the law that requires all agents appointed before 1999 who do not have department-furnished equipment, and all agents appointed in 1999 and after, to obtain and maintain their own equipment.
- Repeals the law that allows agents who have photographic equipment provided by the department before 1999 to retain the equipment until the agent's appointment terminates.
- Amends the law that provides that when an existing agent retires, dies, or ceases operation, and a new agent is appointed in an existing office, the department provides and maintains the photographic equipment for the new agent if the equipment were provided before 1999. Under this change the department would be required to provide and maintain the equipment if it were provided before 2000.
- 19 **Commission created.** Creates a major transportation projects commission.
- Subd. 1. Purpose.** States the purpose of the commission as being to review and comment on proposed major transportation projects.
- Subd. 2. Membership.** Provides that the commission consists of the governor or the governor's designee, 4 appointees of the governor, 7 senators, and 7 representatives. Provides that 3 of the senators and 3 of the representatives must not be members of the majority party. Designates the commissioner of transportation as a nonvoting member, unless the commissioner is the governor's designee. Provides for election of the chair by the commission.
- Subd. 3. Duties.** Directs the commission to review reports submitted under subdivision 4, and make comments to the governor and legislature by September 30 of each year.
- Subd. 4. Report by department.** Requires the department of transportation to report to the commission by July 15 of each year. Requires the report to list projects that are candidates for major transportation projects, and projects that may potentially be major transportation projects except for the lack of an environmental impact statement. Requires the report to include funding and implementation for each project.
- Subd. 5. Major transportation project defined.** Defines a major transportation project as one that (1) involves the department of transportation, (2) has a total cost of more than \$5 million, (3) is a critical element of the regional and state transportation system, and (4) has a completed draft environmental impact statement.
- Subd. 6. Construction of projects; legislative review.** Prohibits the department from constructing a major transportation project without first submitting it to the commission for review and comment.
- Provides that transportation projects that consists of separate contiguous projects that

don't qualify individually as major transportation projects, but which when aggregated over a six-year period would qualify, may not be constructed by the department without first being submitted to the commission for review.

This subdivision would be effective July 1, 2001. The remainder of the section would be effective July 1, 2000.

- 20 **Commuter rail expenditures.** Prohibits the spending of any state funds for commuter rail construction or equipment purchase unless the funds have been appropriated specifically for those purposes. This section would be effective immediately.
- 21 **Exemption from regulation.** Repeals the exemption given to motor carriers of passengers from the law governing temporary vehicle identification cards. This section would allow such cards to be given to passenger carriers under section 23. This section would be effective immediately.
- 22 **Floater cards.** Allows floater cards (vehicle identification cards for motor carriers that may be transferred between vehicles) to be used only for vehicles that have had a motor carrier safety compliance inspection within the past 12 months or have a current Commercial Vehicle Safety Alliance decal (issued by another state that belongs to the CVSA). This section would be effective immediately.
- 23 **Temporary vehicle identification cards.** Allows issuance of temporary vehicle identification cards to motor carrier vehicles only for special or extraordinary events. Allows such cards to be issued only for vehicles that have had a motor carrier safety compliance inspection within the past 12 months or have a current Commercial Vehicle Safety Alliance decal (issued by another state that belongs to the CVSA). This section would be effective immediately.
- 24 **Light rail transit stations.** Allows the metropolitan council to sell or lease naming rights to light rail transit stations and apply the revenue to LRT operating costs.

## Article 2

### Trunk Highway Fund

- 1 **Prohibition against appropriations.** Prohibits the finance department and other state agencies from including in their budgets for the 2002-03 biennium any expenditure from the trunk highway fund that is not for a highway purpose, as jointly determined by the finance department and attorney general. Specifies that a "nonhighway purpose" is any purpose other than construction, improvement, or maintenance of highways.
- Requires that at the time the biennial budget is submitted to the legislature the finance department and attorney general must report to legislative transportation committees on any expenditure from the trunk highway fund that is similar to the appropriations transferred from the trunk highway fund to the general fund under sections 5 to 20 of this article. Requires the report to explain the highway purpose of the expenditure.
- The revisor correction bill, chapter 499, section 41, provides that the report of the finance department and attorney general must provide, for each appropriation explained in the report, a recommended fund from which the appropriation should be made.**
- 323 **Emergency medical service fees.** Provides that fees collected by the emergency medical services regulatory board for ambulance service licenses, and fines collected by the board for licensee violations, are deposited in the general fund rather than trunk highway fund. These provisions implement the elimination of trunk highway funding for the board under sections 14-15.
- 4 **Expenditures from trunk highway fund.** Amends the law that prohibits the commissioner of transportation from spending trunk highway funds for anything but a trunk highway purpose, by providing that the following are not highway purposes: payment of sales tax, BCA laboratory

expenses, tourism kiosks, Minnesota safety council, tort claims, driver education, emergency medical service regulatory board expenses, and the Mississippi River parkway commission.

- **Transfers of FY 2001 appropriations.** Transfers the following appropriations for FY 2001, 20520 made in the 1999 transportation appropriations bill, from the trunk highway fund to the general fund:

Bureau of criminal apprehension laboratory (public safety), \$1,656,000

Tourism information (DTED), \$766,000

Minnesota safety council, \$67,000

Tort claims (finance), \$600,000

Driver education curriculum (DCFL), \$21,000

Emergency medical service regulatory board, \$1,773,000

Mississippi river parkway commission (legislature), \$39,000

**The revisor corrections bill, chapter 499, section 42, provides that subject to the report made under article 2, section 1, the F. Y. 2001 appropriations changed in sections 5 to 20 from the trunk highway fund to the general fund are one-time only.**