

## FORTY-SECOND DAY

St. Paul, Minnesota, Monday, April 20, 2015

The Senate met at 11:00 a.m. and was called to order by the President.

**CALL OF THE SENATE**

Senator Bakk imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. Dennis Morreim.

The members of the Senate gave the pledge of allegiance to the flag of the United States of America.

The roll was called, and the following Senators answered to their names:

Anderson	Eaton	Johnson	Osmek	Sieben
Bakk	Eken	Kent	Pappas	Skoe
Benson	Fischbach	Kiffmeyer	Pederson, J.	Sparks
Bonoff	Franzen	Koenen	Petersen, B.	Stumpf
Brown	Gazelka	Latz	Pratt	Thompson
Carlson	Goodwin	Limmer	Reinert	Tomassoni
Chamberlain	Hall	Lourey	Rest	Torres Ray
Champion	Hann	Marty	Rosen	Weber
Clausen	Hawj	Metzen	Ruud	Westrom
Cohen	Hayden	Miller	Saxhaug	Wiger
Dahle	Hoffman	Nelson	Scalze	Wiklund
Dahms	Housley	Newman	Schmit	
Dibble	Ingebrigtsen	Nienow	Senjem	
Dziedzic	Jensen	Ortman	Sheran	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

**REPORTS OF COMMITTEES**

Senator Bakk moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

**Senator Cohen from the Committee on Finance, to which was referred**

**S.F. No. 406:** A bill for an act relating to judiciary; reducing certain court-related fees; amending Minnesota Statutes 2014, section 357.021, subdivisions 2, 6.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

**"ARTICLE 1  
APPROPRIATIONS**

Section 1. **APPROPRIATIONS.**

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the general fund, or another named fund, and are available for the fiscal years indicated for each purpose. The figures "2016" and "2017" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2016, or June 30, 2017, respectively. "The first year" is fiscal year 2016. "The second year" is fiscal year 2017. "The biennium" is fiscal years 2016 and 2017. Appropriations for the fiscal year ending June 30, 2015, are effective the day following final enactment.

	<b><u>APPROPRIATIONS</u></b>	
	<b><u>Available for the Year</u></b>	
	<b><u>Ending June 30</u></b>	
	<b><u>2016</u></b>	<b><u>2017</u></b>
 Sec. 2. <b><u>SUPREME COURT</u></b>		
Subdivision 1. <b><u>Total Appropriation</u></b>	<b><u>\$ 46,951,000</u></b>	<b><u>\$ 48,166,000</u></b>
 <u>The amounts that may be spent for each purpose are specified in the following subdivisions.</u>		
Subd. 2. <b><u>Supreme Court Operations</u></b>	<u>33,651,000</u>	<u>34,866,000</u>
 <b><u>Contingent Account</u></b>		
<u>\$5,000 each year is for a contingent account for expenses necessary for the normal operation of the court for which no other reimbursement is provided.</u>		
Subd. 3. <b><u>Civil Legal Services</u></b>	<u>13,300,000</u>	<u>13,300,000</u>
 <b><u>Legal Services to Low-Income Clients in Family Law Matters</u></b>		
<u>\$948,000 each year is to improve the access of low-income clients to legal representation in family law matters. This appropriation must be distributed under Minnesota Statutes, section 480.242, to the qualified legal services program described in Minnesota Statutes, section 480.242, subdivision 2, paragraph (a).</u>		

Any unencumbered balance remaining in the first year does not cancel and is available in the second year.

Sec. 3. <u>COURT OF APPEALS</u>	\$	<u>11,517,000</u>	\$	<u>11,979,000</u>
Sec. 4. <u>DISTRICT COURTS</u>	\$	<u>267,886,000</u>	\$	<u>278,388,000</u>

**Jurors/Mileage**

\$1,591,000 each year is to increase the juror per diem and mileage reimbursement.

Sec. 5. <u>GUARDIAN AD LITEM BOARD</u>	\$	<u>14,303,000</u>	\$	<u>14,963,000</u>
Sec. 6. <u>TAX COURT</u>	\$	<u>2,068,000</u>	\$	<u>1,857,000</u>

**(a) Information Technology**

This appropriation includes funds for information technology project services and support subject to the provisions of Minnesota Statutes, section 16E.0466. Any ongoing information technology costs will be incorporated into the service level agreement and will be paid to the Office of MN.IT Services by the Tax Court under the rates and mechanism specified in that agreement.

**(b) Base Appropriation**

The base appropriation for the Tax Court shall be \$1,392,000 in fiscal year 2018 and \$1,392,000 in fiscal year 2019.

Sec. 7. <u>UNIFORM LAWS COMMISSION</u>	\$	<u>88,000</u>	\$	<u>93,000</u>
Sec. 8. <u>BOARD ON JUDICIAL STANDARDS</u>	\$	<u>486,000</u>	\$	<u>486,000</u>

**Major Disciplinary Actions**

\$125,000 each year is for special investigative and hearing costs for major disciplinary actions undertaken by the board. This appropriation does not cancel. Any unencumbered and unspent balances remain available for these expenditures in subsequent fiscal years.

Sec. 9. <u>BOARD OF PUBLIC DEFENSE</u>	\$	<u>77,155,000</u>	\$	<u>81,907,000</u>
--	----	-------------------	----	-------------------



<u>Appropriations by Fund</u>		
<u>General</u>	<u>51,988,000</u>	<u>47,098,000</u>
<u>State Government</u>		
<u>Special Revenue</u>	<u>7,000</u>	<u>7,000</u>
<u>Trunk Highway</u>	<u>2,295,000</u>	<u>2,325,000</u>

**(a) BCA Investment Initiative**

\$2,868,000 each year is from the general fund:

(1) for additional permanent latent fingerprint examiner positions;

(2) for additional permanent mitochondrial DNA analyst positions;

(3) to replace equipment and instruments in the forensic laboratory;

(4) to purchase supplies for the forensic laboratory;

(5) for additional permanent positions to form a digital forensics examination unit;

(6) for additional permanent positions to form a financial crimes unit; and

(7) for additional permanent positions to increase the capabilities of the predatory crimes section.

**(b) Livescan Replacement**

\$650,000 each year is from the general fund to replace electronic fingerprint capture equipment in criminal justice agencies around the state. The equipment is to be used to automatically submit the fingerprints to the bureau for identification of the person and processing.

**(c) Peace Officer-Involved Incident Investigations**

\$18,000 each year is from the general fund for investigations into peace officer-involved incidents under proposed Minnesota Statutes,

section 626.891 if enacted into law in the 2015 legislative session.

**(d) Report**

If the vehicle services special revenue account accrues an unallocated balance in excess of 50 percent of the previous fiscal year's expenditures, the commissioner shall submit a report to the chairs and ranking minority members of the house of representatives and senate committees with jurisdiction over transportation and public safety policy and finance. The report must contain specific policy and legislative recommendations for reducing the fund balance and avoiding future excessive fund balances. The report is due within three months of the fund balance exceeding the threshold established in this paragraph.

<u>Subd. 4. Fire Marshal</u>		<u>10,433,000</u>	<u>10,647,000</u>
	<u>Appropriations by Fund</u>		
<u>General</u>	<u>18,000</u>	<u>-0-</u>	
<u>Special Revenue</u>	<u>10,415,000</u>	<u>10,647,000</u>	

The special revenue fund appropriation is from the fire safety account in the special revenue fund and is for activities under Minnesota Statutes, section 299F.012.

**(a) Training**

\$1,700,000 each year is for an increase to the Minnesota Board of Firefighter Training. This amount must be added to the department's base budget for this activity.

**(b) Task Force 1**

\$1,110,000 each year is for an increase to Minnesota Task Force 1. This is a onetime appropriation.

**(c) Air Rescue**

\$190,000 each year is to fund the Minnesota Air Rescue Team. This is a onetime appropriation.

**Subd. 5. Alcohol and Gambling Enforcement** 2,338,000 2,373,000

Appropriations by Fund

<u>General</u>	<u>1,606,000</u>	<u>1,632,000</u>
<u>Special Revenue</u>	<u>732,000</u>	<u>741,000</u>

\$662,000 the first year and \$671,000 the second year are from the alcohol enforcement account in the special revenue fund. Of this appropriation, \$500,000 each year shall be transferred to the general fund.

\$70,000 each year is from the lawful gambling regulation account in the special revenue fund.

**Subd. 6. Office of Justice Programs** 38,068,000 37,679,000

Appropriations by Fund

<u>General</u>	<u>37,972,000</u>	<u>37,583,000</u>
<u>State Government</u>		
<u>Special Revenue</u>	<u>96,000</u>	<u>96,000</u>

**(a) OJP Administration Costs**

Up to 2.5 percent of the grant funds appropriated in this subdivision may be used by the commissioner to administer the grant program.

**(b) Youth Intervention Programs**

\$400,000 each year is for youth intervention programs under Minnesota Statutes, section 299A.73. This amount must be added to the department's base budget for this activity.

**(c) Crime Victim Services**

\$400,000 each year is for additional grants to organizations awarded grants in fiscal years 2014 and 2015. This is a onetime appropriation and is available through June 30, 2017.

**(d) Child Advocacy Centers**

\$100,000 each year is for child advocacy center grants under article 2, section 14. This is a onetime appropriation.

**(e) Prosecutor and Law Enforcement Training**

\$100,000 each year is for a grant to the Minnesota County Attorneys Association for prosecutor and law enforcement training. This is a onetime appropriation.

**(f) Sex Trafficking Investigations**

\$250,000 each year is for grants to state and local units of government for the following purposes:

(1) to support new or existing multijurisdictional entities to investigate sex trafficking crimes; and

(2) to provide technical assistance for sex trafficking crimes, including training and case consultation, to law enforcement agencies statewide.

This amount must be added to the department's base budget for this activity.

**(g) White Earth Band Grant**

\$176,000 the first year is for a grant to the White Earth Band of Chippewa Indians to be used by the band's law enforcement department for a server for law enforcement agencies in the counties of Clearwater, Becker, and Mahnomen, and the band's law enforcement department to store law enforcement data on.

**(h) Lifesaver Grants**

\$25,000 each year is for Lifesaver grants under article 2, section 15. This is a onetime appropriation.

**(i) Sexual Assault Prevention Grants**

\$50,000 each year is for sexual assault prevention grants under article 2, section 16. This is a onetime appropriation.



**(j) Emergency Shelter Facility For East African Women and Children**

\$100,000 each year is for a grant to complete and operate an emergency shelter facility for East African women and child victims of domestic abuse and trafficking. This is a onetime appropriation and is available through June 30, 2018.

**(k) Alternatives to Juvenile Detention**

\$100,000 each year is for grants under the alternatives to juvenile detention program under section article 2, section 13. This is a onetime appropriation.

**(l) Advocates for Family Peace**

\$75,000 each year is for a grant to the Advocates for Family Peace organization to provide services for victims of domestic violence. This is a onetime appropriation.

**(m) Opiate Antagonists**

\$250,000 the first year is for grants to emergency medical services programs, as defined in Minnesota Statutes, section 144.7401, subdivision 4, to purchase opiate antagonists and for training and education related to the use of these antagonists in the event of an opioid or heroin overdose. Grants must be distributed to all eight regional emergency medical services programs. This appropriation is available through June 30, 2017.

For purposes of this paragraph, "opiate antagonist" means naloxone hydrochloride or any similarly acting drug approved by the federal Food and Drug Administration for the treatment of drug overdose.

**(n) De-Escalation Training**

\$150,000 each year is for training state and local community safety personnel in the use of crisis de-escalation techniques.

When selecting a service provider for this training, the commissioner shall consult with the executive director of the Minnesota Peace Officer Standards and Training Board, and may consult with any postsecondary institution, any state or local governmental official, or any nongovernmental authority the commissioner determines to be relevant. Among any other criteria the commissioner may establish for the selection, the training provider shall have a demonstrated understanding of the transitions and challenges that veterans may experience during their re-entry into society following combat service. The commissioner shall ensure that training opportunities provided are reasonably distributed statewide. This is a onetime appropriation.

**Subd. 7. Emergency Communication Networks**

77,068,000

77,085,000

This appropriation is from the state government special revenue fund for 911 emergency telecommunications services.

**(a) Public Safety Answering Points**

\$13,664,000 each year is to be distributed as provided in Minnesota Statutes, section 403.113, subdivision 2.

This appropriation includes funds for information technology project services and support subject to the provisions of Minnesota Statutes, section 16E.0466. Any ongoing information technology costs will be incorporated into the service level agreement and will be paid to the Office of MN.IT Services by the Department of Public Safety under the rates and mechanism specified in that agreement.

**(b) Medical Resource Communication Centers**

\$683,000 each year is for grants to the Minnesota Emergency Medical Services Regulatory Board for the Metro East and Metro West Medical Resource

Communication Centers that were in operation before January 1, 2000.

**(c) ARMER Debt Service**

\$23,261,000 each year is to the commissioner of management and budget to pay debt service on revenue bonds issued under Minnesota Statutes, section 403.275.

Any portion of this appropriation not needed to pay debt service in a fiscal year may be used by the commissioner of public safety to pay cash for any of the capital improvements for which bond proceeds were appropriated by Laws 2005, chapter 136, article 1, section 9, subdivision 8; or Laws 2007, chapter 54, article 1, section 10, subdivision 8.

**(d) ARMER State Backbone Operating Costs**

\$9,650,000 each year is to the commissioner of transportation for costs of maintaining and operating the first and third phases of the statewide radio system backbone.

**(e) ARMER Improvements**

\$1,000,000 each year is to the Statewide Radio Board for costs of design, construction, and maintenance of, and improvements to, those elements of the statewide public safety radio and communication system that support mutual aid communications and emergency medical services or provide interim enhancement of public safety communication interoperability in those areas of the state where the statewide public safety radio and communication system is not yet implemented.

**Sec. 12. PEACE OFFICER STANDARDS AND TRAINING (POST) BOARD**

\$ 3,887,000 \$ 3,904,000

**(a) Excess Amounts Transferred**

This appropriation is from the peace officer training account in the special revenue fund. Any new receipts credited to that account in the first year in excess of \$3,887,000 must be

transferred and credited to the general fund. Any new receipts credited to that account in the second year in excess of \$3,904,000 must be transferred and credited to the general fund.

**(b) Peace Officer Training Reimbursements**

\$2,734,000 each year is for reimbursements to local governments for peace officer training costs.

Sec. 13. <b><u>PRIVATE DETECTIVE BOARD</u></b>	<b><u>\$</u></b>	<b><u>187,000</u></b>	<b><u>\$</u></b>	<b><u>189,000</u></b>
--	------------------	-----------------------	------------------	-----------------------

**Administrative Assistant**

\$65,000 each year is for an administrative assistant.

Sec. 14. <b><u>HUMAN RIGHTS</u></b>	<b><u>\$</u></b>	<b><u>4,407,000</u></b>	<b><u>\$</u></b>	<b><u>4,462,000</u></b>
-------------------------------------	------------------	-------------------------	------------------	-------------------------

**Increased Efficiency**

\$630,000 each year is for the acceleration of the investigation, enforcement, and final disposition of cases as well as the department's capacity in the area of legal analysis and fiscal management.

Sec. 15. **CORRECTIONS**

Subdivision 1. <b><u>Total Appropriation</u></b>	<b><u>\$</u></b>	<b><u>531,372,000</u></b>	<b><u>\$</u></b>	<b><u>542,353,000</u></b>
--	------------------	---------------------------	------------------	---------------------------

The amounts that may be spent for each purpose are specified in the following subdivisions.

Subd. 2. <b><u>Correctional Institutions</u></b>	<b><u>384,886,000</u></b>	<b><u>394,400,000</u></b>
--	---------------------------	---------------------------

**(a) Medical Services**

\$1,737,000 the first year and \$1,650,000 the second year are to expand offender medical services, including an electronic health records system.

**(b) Information Technology**

This appropriation includes funds for information technology project services and support subject to the provisions of

Minnesota Statutes, section 16E.0466. Any ongoing information technology costs will be incorporated into the service level agreement and will be paid to the Office of MN.IT Services by the Department of Corrections under the rates and mechanism specified in that agreement.

**(c) Fugitive Apprehension Unit**

\$270,000 each year is to increase the number of full-time equivalent positions in the department's fugitive apprehension unit.

**(d) Doula Services Grants**

\$30,000 each year is for grants to provide access to doula services as described in proposed Minnesota Statutes, section 241.89, subdivision 2, paragraph (b). This is a onetime appropriation.

**Subd. 3. Community Services**

121,274,000

122,288,000

**(a) Intensive Supervised Release Agents**

\$1,600,000 each year is to increase the number of supervision agents for offenders on intensive supervised release as described in Minnesota Statutes, section 244.13, subdivision 2.

**(b) Challenge Incarceration**

\$250,000 each year is to increase the number of supervision agents for offenders participating in the department's challenge incarceration program as described in Minnesota Statutes, section 244.172, subdivisions 2 and 3.

**(c) Community Corrections Act**

\$1,550,000 each year is added to the Community Corrections Act subsidy, as described in Minnesota Statutes, section 401.14.

**(d) County Probation Officer Reimbursements**

\$200,000 each year is added to the county probation officers reimbursement, as described in Minnesota Statutes, section 244.19, subdivision 6.

**(e) Scott County Correctional Services**

\$85,000 each year is for a probation caseload and workload reduction grant to Scott County to provide correctional services.

**Subd. 4. Operations Support**

25,212,000

25,665,000

**(a) Technology Needs**

\$900,000 each year is to support technology needs.

**(b) Information Technology**

This appropriation includes funds for information technology project services and support subject to the provisions of Minnesota Statutes, section 16E.0466. Any ongoing information technology costs will be incorporated into the service level agreement and will be paid to the Office of MN.IT Services by the Department of Corrections under the rates and mechanism specified in that agreement.

**Sec. 16. TRANSFERS**

**(a) MINNCOR**

Notwithstanding Minnesota Statutes, section 241.27, the commissioner of management and budget shall transfer \$500,000 each year from the Minnesota correctional industries revolving fund to the general fund. This is a onetime transfer.

**(b) Fire Safety**

The commissioner of management and budget shall transfer \$1,250,000 each year from the fire safety account to the general fund. This is a onetime transfer.

**Sec. 17. DISASTER ASSISTANCE  
CONTINGENCY AND FIRE SAFETY  
ACCOUNTS; TRANSFER.**

(a) No later than September 30, 2015, the commissioner of management and budget must estimate the amount of any positive unrestricted budgetary general fund balance at the close of the fiscal year ending June 30, 2015. If the actual positive general fund balance at the end of fiscal year 2015 is more than \$12,500,000 in excess of the positive general fund balance that was estimated by the commissioner at the end of the 2015 legislative session, \$10,000,000 from the fiscal year 2015 closing balance in the general fund is transferred to the disaster contingency account under Minnesota Statutes, section 12.221, subdivision 6, and \$2,500,000 is transferred to the fire safety account in the special revenue fund, under Minnesota Statutes, section 299F.012.

(b) If the actual positive general fund balance estimated at the end of fiscal year 2015 under paragraph (a) exceeds the positive general fund balance that was estimated by the commissioner at the end of the 2015 legislative session by \$12,500,000 or less, the amount of the difference between the actual and estimated positive general fund balance from the fiscal year 2015 closing balance is transferred to the disaster contingency account under Minnesota Statutes, section 12.221, subdivision 6, and the fire safety account in the special revenue fund under Minnesota Statutes, section 299F.012. The commissioner shall allocate the funds proportionately between the two accounts in this paragraph.

(c) No later than October 15, 2015, the commissioner of management and budget must notify the chairs and ranking minority members of the legislative committees with jurisdiction over the disaster contingency account and the fire safety account of:

(1) the amount of the positive unrestricted general fund balance estimated under paragraph (a); and

(2) the dollar amount transferred to the disaster contingency account and the fire safety account under this section.

## ARTICLE 2

### GRANT PROGRAMS AND OTHER FISCAL-RELATED CHANGES

Section 1. Minnesota Statutes 2014, section 12.221, subdivision 6, is amended to read:

Subd. 6. **Disaster assistance contingency account; appropriation.** (a) A disaster assistance contingency account is created in the special revenue fund in the state treasury. Money in the disaster assistance contingency account is appropriated to the commissioner of public safety to provide:

(1) cost-share for federal assistance under section 12A.15, subdivision 1; ~~and~~

(2) state public disaster assistance to eligible applicants under chapter 12B;

(3) cost-share for federal assistance from the Federal Highway Administration emergency relief program under United States Code, title 23, section 125; and

(4) cost-share for federal assistance from the United States Department of Agriculture, Natural Resources Conservation Service emergency watershed protection program under United States Code, title 16, sections 2203 to 2205.

(b) For appropriations under paragraph (a), clause (1), the amount appropriated is 100 percent of any nonfederal share for state agencies and local governments. Money appropriated under paragraph (a), clause (1), may be used to pay all or a portion of the nonfederal share for publicly owned capital improvement projects.

(c) For appropriations under paragraph (a), clause (2), the amount appropriated is the amount required to pay eligible claims under chapter 12B, as certified by the commissioner of public safety.

(d) By January 15 of each year, the commissioner of management and budget shall submit a report to the chairs and ranking minority members of the house of representatives Ways and Means Committee and the senate Finance Committee detailing state disaster assistance appropriations and expenditures under this subdivision during the previous calendar year.

(e) The governor's budget proposal submitted to the legislature under section 16A.11 must include recommended appropriations to the disaster assistance contingency account. The governor's appropriation recommendations must be informed by the commissioner of public safety's estimate of the amount of money that will be necessary to:

(1) provide 100 percent of the nonfederal share for state agencies and local governments that will receive federal financial assistance from FEMA during the next biennium; and

(2) fully pay all eligible claims under chapter 12B.

(f) Notwithstanding section 16A.28:

(1) funds appropriated or transferred to the disaster assistance contingency account do not lapse but remain in the account until appropriated; and



(2) funds appropriated from the disaster assistance contingency account do not lapse and are available until expended.

Sec. 2. Minnesota Statutes 2014, section 12B.15, subdivision 2, is amended to read:

Subd. 2. **Applicant.** "Applicant" means a local government or state government agency that applies for state disaster assistance under this chapter.

Sec. 3. Minnesota Statutes 2014, section 12B.15, is amended by adding a subdivision to read:

Subd. 3a. **County.** "County" or "county government" means each county in which a governmental unit is located in whole or in part, or a county board of commissioners as defined in chapter 375.

Sec. 4. Minnesota Statutes 2014, section 12B.25, subdivision 1, is amended to read:

Subdivision 1. **Payment required; eligibility criteria.** The director, serving as the governor's authorized representative, may enter into grant agreements with eligible applicants to provide state financial assistance made available as a result of a disaster that satisfies all of the following criteria:

(1) the state or applicable ~~local~~ county government declares a disaster or emergency during the incident period;

(2) damages suffered and eligible costs incurred are the direct result of the disaster;

(3) federal disaster assistance is not available to the applicant because the governor did not request a presidential declaration of major disaster, the president denied the governor's request, or the applicant is not eligible for federal disaster assistance because the state or county did not meet the per capita impact indicator under FEMA's Public Assistance Program;

(4) the applicant incurred eligible damages that, on a per capita basis, equal or exceed 50 percent of the countywide per capita impact indicator under FEMA's Public Assistance Program;

(5) the applicant assumes responsibility for 25 percent of the applicant's total eligible costs; and

(6) the applicant satisfies all requirements in this chapter.

Sec. 5. Minnesota Statutes 2014, section 12B.40, is amended to read:

#### **12B.40 APPLICATION PROCESS.**

(a) The director must develop application materials and may update the materials as needed. Application materials must include instructions and requirements for assistance under this chapter.

(b) ~~An applicant~~ A county government has 30 days from the end of the incident period or the president's official denial of the governor's request for a declaration of a major disaster to provide the director with written notice of intent to apply request that the governor declare a state disaster. ~~The director may deny an application due to a late notice of intent to apply a late request. The county government's request for a state disaster declaration must include:~~

(1) the cause, location of damage, and incident period;

(2) documentation of a local, tribal, county, or state disaster or emergency declaration in response to the disaster;

(3) a description of damages, an initial damage assessment, and the amount of eligible costs incurred by the applicant;

(4) a statement or evidence that the applicant has the ability to pay for at least 25 percent of total eligible costs incurred from the disaster; and

(5) a statement or evidence that the local government has incurred damages equal to or exceeding 50 percent of the federal countywide threshold in effect during the incident period.

~~(c) Within~~ An applicant has 60 days after the end of the incident period or the president's official denial of from the governor's request for a declaration of a major state disaster; the applicant must to submit a complete application for state public disaster assistance to the director. A complete application includes the following:

~~(1) the cause, location of damage, and incident period;~~

~~(2) documentation of a local, tribal, county, or state disaster or emergency declaration in response to the disaster;~~

~~(3) a description of damages, an initial damage assessment, and the amount of eligible costs incurred by the applicant;~~

~~(4) a statement or evidence that the applicant has the ability to pay for at least 25 percent of total eligible costs incurred from the disaster; and~~

~~(5) a statement or evidence that the local government has incurred damages equal to or exceeding 50 percent of the federal countywide threshold in effect during the incident period.~~

(d) The director must review the application and supporting documentation for completeness and may return the application with a request for more detailed information. The director may consult with local public officials to ensure the application reflects the extent and magnitude of the damage and to reconcile any differences. The application is not complete until the director receives all requested information.

(e) If the director returns an application with a request for more detailed information or for correction of deficiencies, the applicant must submit all required information within 30 days of the applicant's receipt of the director's request. The applicant's failure to provide the requested information in a timely manner without a reasonable explanation may be cause for denial of the application.

(f) The director has no more than 60 days from the receipt of a complete application to approve or deny the application, or the application is deemed approved. If the director denies an application, the director must send a denial letter. If the director approves an application or the application is automatically deemed approved after 60 days, the director must notify the applicant of the steps necessary to obtain reimbursement of eligible costs, including submission of invoices or other documentation substantiating the costs submitted for reimbursement.

Sec. 6. Minnesota Statutes 2014, section 169.475, subdivision 2, is amended to read:

Subd. 2. **Prohibition on use.** (a) No person may operate a motor vehicle while using a wireless communications device to compose, read, or send an electronic message, when the vehicle is in motion or a part of traffic.

(b) A person who violates paragraph (a) a second or subsequent time shall be required to pay a fine of \$300.

Sec. 7. Minnesota Statutes 2014, section 241.89, subdivision 2, is amended to read:

Subd. 2. **Requirements.** (a) The head of each correctional facility shall ensure that every woman incarcerated at the facility:

- (1) is tested for pregnancy, if under 50 years of age unless the inmate refuses the test;
- (2) if pregnant and agrees to testing, is tested for sexually transmitted diseases, including HIV;
- (3) if pregnant or has given birth in the past six weeks, is provided appropriate educational materials and resources related to pregnancy, childbirth, breastfeeding, and parenting;
- (4) if pregnant or has given birth in the past six weeks, has access to doula services if these services are provided by a certified doula without charge to the correctional facility or the incarcerated woman pays for the certified doula services;
- (5) if pregnant or has given birth in the past six months, has access to a mental health assessment and, if necessary, treatment;
- (6) if pregnant or has given birth in the past six months and determined to be suffering from a mental illness, has access to evidence-based mental health treatment including psychotropic medication;
- (7) if pregnant or has given birth in the past six months and determined to be suffering from postpartum depression, has access to evidence-based therapeutic care for the depression; and
- (8) if pregnant, is advised, orally or in writing, of applicable laws and policies governing incarcerated pregnant women.

(b) The commissioner of corrections, in consultation with the commissioner of health, may award grants to nonprofit organizations to provide access to doula services by a certified doula in accordance with paragraph (a), clause (4).

Sec. 8. Minnesota Statutes 2014, section 299A.73, subdivision 2, is amended to read:

Subd. 2. **Applications.** Applications for a grant-in-aid shall be made by the administering agency to the commissioner.

The grant-in-aid is contingent upon the agency having obtained from the community in which the youth intervention program is established local matching money ~~two times equal to~~ the amount of the grant that is sought. However, if the agency has previously been awarded a grant under this section, the local matching money must be two times the amount of the grant that is sought. The matching requirement is intended to leverage the investment of state and community dollars in supporting the efforts of the grantees to provide early intervention services to youth and their families.

The commissioner shall provide the application form, procedures for making application form, criteria for review of the application, and kinds of contributions in addition to cash that qualify as local matching money. No grant to any agency may exceed ~~\$50,000~~ \$75,000.

Sec. 9. Minnesota Statutes 2014, section 357.021, subdivision 2, is amended to read:

Subd. 2. **Fee amounts.** The fees to be charged and collected by the court administrator shall be as follows:

(1) In every civil action or proceeding in said court, including any case arising under the tax laws of the state that could be transferred or appealed to the Tax Court, the plaintiff, petitioner, or other moving party shall pay, when the first paper is filed for that party in said action, a fee of \$310, except in marriage dissolution actions the fee is \$340.

The defendant or other adverse or intervening party, or any one or more of several defendants or other adverse or intervening parties appearing separately from the others, shall pay, when the first paper is filed for that party in said action, a fee of \$310, except in marriage dissolution actions the fee is \$340. This subdivision does not apply to the filing of an Application for Discharge of Judgment. Section 548.181 applies to an Application for Discharge of Judgment.

The party requesting a trial by jury shall pay \$100.

The fees above stated shall be the full trial fee chargeable to said parties irrespective of whether trial be to the court alone, to the court and jury, or disposed of without trial, and shall include the entry of judgment in the action, but does not include copies or certified copies of any papers so filed or proceedings under chapter 103E, except the provisions therein as to appeals.

(2) Certified copy of any instrument from a civil or criminal proceeding, \$14, and \$8 for an uncertified copy.

(3) Issuing a subpoena, \$16 for each name.

(4) Filing a motion or response to a motion in civil, family, excluding child support, and guardianship cases, \$100.

(5) Issuing an execution and filing the return thereof; issuing a writ of attachment, injunction, habeas corpus, mandamus, quo warranto, certiorari, or other writs not specifically mentioned, \$55.

(6) Issuing a transcript of judgment, or for filing and docketing a transcript of judgment from another court, \$40.

(7) Filing and entering a satisfaction of judgment, partial satisfaction, or assignment of judgment, \$5.

(8) Certificate as to existence or nonexistence of judgments docketed, \$5 for each name certified to.

(9) Filing and indexing trade name; or recording basic science certificate; or recording certificate of physicians, osteopaths, chiropractors, veterinarians, or optometrists, \$5.

(10) For the filing of each partial, final, or annual account in all trusteeships, \$55.

(11) For the deposit of a will, \$27.

(12) For recording notary commission, \$20.

(13) Filing a motion or response to a motion for modification of child support, a fee of ~~\$100~~ \$50.

(14) All other services required by law for which no fee is provided, such fee as compares favorably with those herein provided, or such as may be fixed by rule or order of the court.

(15) In addition to any other filing fees under this chapter, a surcharge in the amount of \$75 must be assessed in accordance with section 259.52, subdivision 14, for each adoption petition filed in district court to fund the fathers' adoption registry under section 259.52.

The fees in clauses (3) and (5) need not be paid by a public authority or the party the public authority represents.

**EFFECTIVE DATE.** This section is effective August 1, 2015, and applies to filings made on or after that date.

Sec. 10. Minnesota Statutes 2014, section 401.10, subdivision 1, is amended to read:

Subdivision 1. **Aid calculations.** To determine the community corrections aid amount to be paid to each participating county, the commissioner of corrections must apply the following formula:

(1) For each of the 87 counties in the state, a percent score must be calculated for each of the following five factors:

(i) percent of the total state population aged ten to 24 residing within the county according to the most recent federal census, and, in the intervening years between the taking of the federal census, according to the most recent estimate of the state demographer;

(ii) percent of the statewide total number of felony case filings occurring within the county, as determined by the state court administrator;

(iii) percent of the statewide total number of juvenile case filings occurring within the county, as determined by the state court administrator;

(iv) percent of the statewide total number of gross misdemeanor case filings occurring within the county, as determined by the state court administrator; and

(v) percent of the total statewide number of convicted felony offenders who did not receive an executed prison sentence, as monitored and reported by the Sentencing Guidelines Commission.

The percents in items (ii) to (v) must be calculated by combining the most recent three-year period of available data. The percents in items (i) to (v) each must sum to 100 percent across the 87 counties.

(2) For each of the 87 counties, the county's percents in clause (1), items (i) to (v), must be weighted, summed, and divided by the sum of the weights to yield an average percent for each county, referred to as the county's "composite need percent." When performing this calculation, the weight for each of the percents in clause (1), items (i) to (v), is 1.0. The composite need percent must sum to 100 percent across the 87 counties.

(3) For each of the 87 counties, the county's "adjusted net tax capacity percent" is the county's adjusted net tax capacity amount, defined in the same manner as it is defined for cities in section 477A.011, subdivision 20, divided by the statewide total adjusted net tax capacity amount. The adjusted net tax capacity percent must sum to 100 percent across the 87 counties.

(4) For each of the 87 counties, the county's composite need percent must be divided by the county's adjusted net tax capacity percent to produce a ratio that, when multiplied by the county's composite need percent, results in the county's "tax base adjusted need percent."

(5) For each of the 87 counties, the county's tax base adjusted need percent must be added to twice the composite need percent, and the sum must be divided by 3, to yield the county's "weighted need percent."

(6) Each participating county's weighted need percent must be added to the weighted need percent of each other participating county to yield the "total weighted need percent for participating counties."

(7) Each participating county's weighted need percent must be divided by the total weighted need percent for participating counties to yield the county's "share percent." The share percents for participating counties must sum to 100 percent.

(8) Each participating county's "base funding amount" is the aid amount that the county received under this section for fiscal year 1995 plus the amount received in caseload or workload reduction, felony caseload reduction, and sex offender supervision grants in fiscal year 2015, as reported by the commissioner of corrections. In fiscal year 1997 and thereafter, no county's aid amount under this section may be less than its base funding amount, provided that the total amount appropriated for this purpose is at least as much as the aggregate base funding amount defined in clause (9).

(9) The "aggregate base funding amount" is equal to the sum of the base funding amounts for all participating counties. If a county that participated under this section ~~during fiscal year 1995~~ chooses not to participate in any given year, then the aggregate base funding amount must be reduced by that county's base funding amount. If a county that did not participate under this section in fiscal year 1995 chooses to participate ~~in any given year~~ on or after July 1, 2015, then the aggregate base funding amount must be increased by the amount of aid that the county would have received had it participated in fiscal year 1995 plus the estimated amount it would have received in caseload or workload reduction, felony caseload reduction, and sex offender supervision grants in fiscal year 2015, as reported by the commissioner of corrections, and the amount of increase shall be that county's base funding amount.

(10) In any given year, the total amount appropriated for this purpose first must be allocated to participating counties in accordance with each county's base funding amount. Then, any remaining amount in excess of the aggregate base funding amount must be allocated to participating counties in proportion to each county's share percent, and is referred to as the county's "formula amount."

Each participating county's "community corrections aid amount" equals the sum of (i) the county's base funding amount, and (ii) the county's formula amount.

(11) However, if in any year the total amount appropriated for the purpose of this section is less than the aggregate base funding amount, then each participating county's community corrections aid amount is the product of (i) the county's base funding amount multiplied by (ii) the ratio of the total amount appropriated to the aggregate base funding amount.

For each participating county, the county's community corrections aid amount calculated in this subdivision is the total amount of subsidy to which the county is entitled under sections 401.01 to 401.16.

Sec. 11. Laws 2013, chapter 86, article 1, section 7, is amended to read:

Sec. 7. TAX COURT	\$	1,023,000	\$	1,035,000
-------------------	----	-----------	----	-----------

(a) **Additional Resources**

\$161,000 each year is for ~~two law clerks, continuing legal education costs, and Westlaw costs~~ operating expenses. Any amount not expended in the first year does not cancel and is available in the second year.

**(b) Case Management System**

\$25,000 each year is for the implementation and maintenance of a modern case management system.

**EFFECTIVE DATE.** This section is effective retroactively from July 1, 2013.

Sec. 12. Laws 2013, chapter 86, article 1, section 9, is amended to read:

Sec. 9. <b>BOARD ON JUDICIAL STANDARDS</b>	\$	<b>756,000</b>	\$	<b>456,000</b>
--	----	----------------	----	----------------

**(a) Deficiencies**

\$300,000 the first year is for deficiencies occurring in fiscal year 2013. This appropriation is available for expenditure the day following final enactment.

**(b) Major Disciplinary Actions**

\$125,000 each year is for special investigative and hearing costs for major disciplinary actions undertaken by the board. This appropriation does not cancel. Any ~~encumbered~~ unencumbered and unspent balances remain available for these expenditures in subsequent fiscal years.

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

Sec. 13. **ALTERNATIVES TO JUVENILE DETENTION.**

Subdivision 1. **Grant.** The commissioner of public safety through the Office of Justice Programs may award a grant to an organization designated as a nonprofit by section 501(c)(3) of the Internal Revenue Code or a collaboration of organizations including one or more nonprofit organizations to conduct training, technical support, and peer learning opportunities for counties across the state interested in "Right on Crime" strategies, specifically juvenile detention reform and addressing disparities in the juvenile justice system to accomplish cost-effective interventions that leverage the strength of families and communities. The collaboration must include at least one organization that has a demonstrated history in working with Minnesota counties to address disparities in the juvenile justice system. The intent of the grant is to achieve the following objectives:

- (1) eliminate the inappropriate or unnecessary use of secure detention;
- (2) minimize rearrest and failure-to-appear rates pending adjudication;

(3) ensure appropriate conditions of confinement in secure facilities; and

(4) reduce racial and ethnic disparities.

Subd. 2. **Grant criteria.** (a) The grant recipient must:

(1) identify and support counties statewide in implementing the eight core strategies identified by the Annie E. Casey Foundation that are proven to address disparities in juvenile detention including collaboration, use of accurate data, objective admissions criteria and instruments, new or enhanced nonsecure alternatives to detention, case processing reforms, special detention cases, reducing racial disparities, and improving conditions of confinement;

(2) provide training, technical support, and peer-learning opportunities to counties as each county implements the eight core strategies under clause (1) throughout its county; and

(3) consistently collect, use, and report accurate data to diagnose system problems, adapt strategies, and assess the impact of various training and capacity-building activities.

(b) The grant recipient must match the grant amount dollar-for-dollar with money from private sector funds.

(c) A portion of the grant must be designated for counties to implement juvenile detention reform.

(d) The commissioner shall ensure that most of the grant money distributed under this section be used to benefit greater Minnesota.

Subd. 3. **Program evaluation.** The grant recipient must evaluate the effectiveness of its intervention and work with subcontracted organizations to collect data. The grant recipient must submit an evaluation plan to the commissioner delineating progress in meeting the objectives of the grant.

#### Sec. 14. **CHILD ADVOCACY CENTER GRANTS.**

Subdivision 1. **Establishment and purpose.** A grant program is established to provide stable funding and ensure the continued viability of core functions relating to abuse investigations, interviews, treatment, and related training. The grants ensure that victims of abuse have access to safe, secure facilities and that law enforcement has access to the tools necessary for the successful apprehension and conviction of predators of children and vulnerable adults.

Subd. 2. **Grants.** The commissioner of public safety shall award grants to child advocacy centers whose primary purpose is to coordinate the investigation, treatment, and management of abuse cases and to provide direct services to children and vulnerable adults. Grants may be used for:

(1) forensic interviews and child advocacy center interdisciplinary team investigations, programs, and facilities;

(2) mental health services for victims and families;

(3) specialized medical examinations;

(4) support and advocacy for victims and family members; and

(5) specialized training for child advocacy center staff and interdisciplinary team members.



Subd. 3. **Applications; eligibility.** (a) Any public or private organization that utilizes an interdisciplinary team of professionals, which includes law enforcement, child protection, prosecution, mental health, medical, and advocacy representatives, to investigate, treat, and manage child and vulnerable adult abuse cases, may apply to the commissioner for a grant under subdivision 2.

(b) The application shall be submitted in a form approved by the commissioner and shall include evidence that the organization has:

(1) a comfortable, private setting that is both physically and psychologically safe for children, vulnerable adults, and families;

(2) sound program, fiscal, and administrative practices;

(3) policies, practices, and procedures that are culturally competent. For the purpose of this paragraph, "culturally competent" means the capacity to function in more than one culture, requiring the ability to appreciate, understand, and interact with members of diverse populations within the local community;

(4) an interdisciplinary team for the investigation, treatment, and management of child and vulnerable adult abuse cases;

(5) a written set of interagency protocols for an interdisciplinary and coordinated approach to the investigation of child and vulnerable adult abuse;

(6) interviews to be conducted in a manner which is neutral and fact-finding and coordinated to avoid duplicative interviewing;

(7) specialized medical evaluation and treatment as part of the interdisciplinary team response, either at the center or through coordination with a referral to another appropriate medical provider;

(8) specialized trauma-informed mental health services as part of the interdisciplinary team response, either at the center or through coordination with the referral to other appropriate advocacy providers;

(9) a routine interdisciplinary case review process for the purpose of decision making, problem solving, systems coordination, and information sharing concerning case status and services needed by the child, vulnerable adult, or family;

(10) a comprehensive tracking system for monitoring case progress and tracking case outcomes for team members; and

(11) a process for evaluating the effectiveness and operation of the center.

Subd. 4. **Duties of grantees.** Every public or private organization that receives a grant under this section shall comply with all rules of the commissioner related to the administration of the grant programs.

Subd. 5. **Definitions.** For the purposes of this section, the following terms have the meanings given:

(1) "child" means an individual under the age of 18 years; and

(2) "vulnerable adult" has the meaning given in Minnesota Statutes, section 609.232, subdivision 11.

Sec. 15. **LIFESAVER GRANT PROGRAM.**

Subdivision 1. **Grant program.** The commissioner of public safety shall establish a lifesaver grant program to assist local law enforcement agencies with the costs of developing lifesaver rapid response programs designed to quickly find individuals with medical conditions that cause wandering and result in many of these individuals becoming lost and missing. The search and rescue program must electronically track a lost or missing vulnerable senior citizen or an individual who is mentally impaired due to autism, Down Syndrome, Alzheimer's disease, or other mental impairment that causes wandering. The lifesaver program participant wears a small transmitter on the wrist to allow the local law enforcement agency to electronically locate the participant, if necessary, using a radio receiver. Grants may be awarded to new and existing programs. The commissioner shall administer and promote the grant program throughout the state and serve as liaison to lifesaver programs.

Subd. 2. **Application; eligibility.** A county law enforcement agency or two or more county, or county and city law enforcement agencies may apply to the commissioner for a grant in a form and manner established by the commissioner. The application must include:

- (1) an estimate of the number of people who might qualify for lifesaver assistance;
- (2) an estimate of the start-up cost for new programs or expansion costs for existing programs;
- (3) a statement of the number of personnel available for tracking lost persons;
- (4) a statement of available local funding sources; and
- (5) other information requested by the commissioner.

Subd. 3. **Grant awards.** To the extent funds are available, the commissioner may award, on a first-come, first-served basis, grants of up to \$4,000 to eligible applicants to develop a new lifesaver program and up to \$2,000 to eligible applicants to expand an existing program. Recipients developing a new lifesaver program shall be given priority over recipients expanding an existing program. Grant recipients must be located throughout the state to the extent feasible and consistent with this section.

Subd. 4. **Uses of grant award.** (a) A grant recipient may use an award only for the following:

(1) to purchase emergency response kits, which shall include, at a minimum, equipment necessary to track and triangulate searches, transmitters, receivers, or any other related equipment; and

(2) to train search personnel.

(b) A grant recipient shall manage and provide for the operating costs of the lifesaver program after its initial development or expansion based on whether the grant is to develop a new program or expand an existing program.

Subd. 5. **Report by local agencies.** A grant recipient shall file a report with the commissioner itemizing the expenditures made to develop or expand its lifesaver program and how the recipient will provide for continued operating costs of the program.

Sec. 16. **PROGRAMS FOR SEXUAL ASSAULT PRIMARY PREVENTION.**

Subdivision 1. **Grants.** The commissioner of public safety shall award grants to programs that provide sexual assault primary prevention services to prevent initial perpetration or victimization of sexual assault.

Subd. 2. **Applications.** Any public or private nonprofit agency may apply to the commissioner for a grant. The commissioner may give preference to applications from an agency receiving a grant from the programs for victims of sexual assault under Minnesota Statutes, section 611A.211. The application shall be submitted in a form approved by the commissioner.

Subd. 3. **Duties of grantees.** Every public or private nonprofit agency that receives a grant to provide sexual assault primary prevention services shall comply with rules of the commissioner related to the administration of the grant programs.

Subd. 4. **Sexual assault.** For the purpose of this section, "sexual assault" means a violation of Minnesota Statutes, sections 609.342 to 609.3453."

Delete the title and insert:

"A bill for an act relating to criminal justice; appropriating money for courts, Guardian Ad Litem Board, Uniform Laws Commission, Board on Judicial Standards, Board of Public Defense, sentencing guidelines, public safety, Peace Officer Standards and Training (POST) Board, Private Detective Board, human rights, and corrections; modifying disaster assistance; establishing a minimum fine for a second or subsequent violation of prohibition on use of wireless communications devices while driving; excluding filing of Application for Discharge of Judgment from filing fee; lowering the fee for child support modification motions; establishing and modifying grant programs; requiring reports; amending Minnesota Statutes 2014, sections 12.221, subdivision 6; 12B.15, subdivision 2, by adding a subdivision; 12B.25, subdivision 1; 12B.40; 169.475, subdivision 2; 241.89, subdivision 2; 299A.73, subdivision 2; 357.021, subdivision 2; 401.10, subdivision 1; Laws 2013, chapter 86, article 1, sections 7; 9."

And when so amended the bill do pass. Amendments adopted. Report adopted.

**Senator Cohen from the Committee on Finance, to which was referred**

**H.F. No. 2225:** A bill for an act relating to agriculture; appropriating money for avian influenza emergency response activities.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 4, insert:

"Section 1. Minnesota Statutes 2014, section 16A.152, subdivision 8, is amended to read:

**Subd. 8. Report on budget reserve percentage.** (a) The commissioner of management and budget shall develop and annually review a methodology for evaluating the adequacy of the budget reserve based on the volatility of Minnesota's general fund tax structure. The review must take into consideration relevant statistical and economic literature. After completing the review, the commissioner may revise the methodology if necessary. The commissioner must use the methodology to annually estimate the percentage of the current biennium's general fund nondedicated revenues recommended as a budget reserve.

(b) By ~~January 15~~ August 31 of each year, the commissioner shall report the percentage of the current biennium's general fund nondedicated revenue that is recommended as a budget reserve to the chairs and ranking minority members of the ~~legislative committees with jurisdiction over the Department of Management and Budget~~ senate Finance Committee, the house of representatives Ways and Means Committee, and the senate and house of representatives committees on taxes. The report must also specify:

(1) whether the commissioner revised the recommendation as a result of significant changes in the mix of general fund taxes or the base of one or more general fund taxes;

(2) whether the commissioner revised the recommendation as a result of a revision to the methodology; and

(3) any additional appropriate information."

Page 1, line 6, delete "2015" and insert "2016"

Page 1, line 8, delete "and is available until"

Page 1, line 9, delete everything before the period

Page 1, line 10, delete "2015" and insert "2016"

Page 1, line 12, delete "and is available until June 30, 2016"

Page 1, line 13, after "enactment" insert "and the appropriations are available immediately"

Page 1, after line 13, insert:

**"Sec. 3. AVIAN INFLUENZA; FEDERAL FUNDS APPROPRIATION AND REPORTING.**

Any federal money received in fiscal years 2015 through 2017 by the commissioner of agriculture or the Board of Animal Health to address avian influenza is appropriated in the fiscal year when it is received. By May 8, 2015, the commissioner of management and budget shall report the anticipated federal funds appropriated under this section and their intended purpose to the Legislative Advisory Commission, consistent with the urgent federal funds request procedure under Minnesota Statutes, section 3.3005, subdivision 4. By January 15, 2018, the commissioner of management and budget shall report the actual federal funds received and appropriated under this section and their actual use to the Legislative Advisory Commission."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete "agriculture" and insert "the state budget"

Page 1, line 3, before the period, insert "; modifying reporting requirements for budget reserve recommendations"

Amend the title numbers accordingly

And when so amended the bill do pass. Amendments adopted. Report adopted.

**SECOND READING OF SENATE BILLS**

S.F. No. 406 was read the second time.

**SECOND READING OF HOUSE BILLS**

H.F. No. 2225 was read the second time.

**INTRODUCTION AND FIRST READING OF SENATE BILLS**

The following bill was read the first time.

**Senators Eken and Stumpf introduced–**

**S.F. No. 2102:** A bill for an act relating to capital investment; appropriating money for a regional charitable food distribution, warehouse and office facility to be located in Crookston; authorizing the sale and issuance of state bonds.

Referred to the Committee on Capital Investment.

**MOTIONS AND RESOLUTIONS**

Senator Dahle moved that the name of Senator Koenen be added as a co-author to S.F. No. 2096. The motion prevailed.

Senator Jensen moved that S.F. No. 767 be withdrawn from the Committee on Education and returned to its author. The motion prevailed.

**Senator Clausen introduced –**

**Senate Resolution No. 138:** A Senate resolution congratulating Jacob Donlan of Apple Valley, Minnesota, for receiving the Eagle Award.

Referred to the Committee on Rules and Administration.

**CONFIRMATION**

Senator Sieben moved that the report from the Committee on Rules and Administration, reported April 16, 2015, pertaining to appointments to the Campaign Finance and Public Disclosure Board, be taken from the table. The motion prevailed.

Senator Sieben moved that the foregoing report be now adopted. The motion prevailed.

Senator Sieben moved that in accordance with the report from the Committee on Rules and Administration, reported April 16, 2015, the Senate, having given its advice, do now consent to and confirm the appointment of:

**CAMPAIGN FINANCE AND PUBLIC DISCLOSURE BOARD**

Carol Flynn, 1235 Yale Pl., #1409, Minneapolis, Hennepin County, effective February 14, 2015, for a term expiring on January 7, 2019.

Daniel Rosen, 888 Colwell Bldg., 123 N. 3rd St., Minneapolis, Hennepin County, effective July 29, 2014, to complete a term expiring on January 1, 2018.

Christian Sande, 310 Clifton Ave., Minneapolis, Hennepin County, effective February 14, 2015, for a term expiring on January 7, 2019.

The motion prevailed. So the appointments were confirmed.

### RECESS

Senator Bakk moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a brief recess, the President called the Senate to order.

### CALL OF THE SENATE

Senator Reinert imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

### MOTIONS AND RESOLUTIONS - CONTINUED

#### SPECIAL ORDERS

Pursuant to Rule 26, Senator Bakk, Chair of the Committee on Rules and Administration, designated the following bills a Special Orders Calendar to be heard immediately:

S.F. Nos. 888 and 5.

#### SPECIAL ORDER

**S.F. No. 888:** A bill for an act relating to the operation of state government; providing appropriations for the legislature, governor's office, state auditor, attorney general, secretary of state, certain agencies, boards, councils, retirement funds, military affairs and veterans affairs, and senate building; making a transfer to the budget reserve; cancellation of certain appropriations; transferring money to the budget reserve; allowing prepay for certain software and information technology hosting services; providing reimbursement for reasonable accommodation; modifying grant agreement provisions; making changes to guaranteed energy-savings program, small business requirements, and targeted group businesses; changing certain requirements for the practice of cosmetology; assessing certain costs for Office of Administrative Hearings; changing a rehabilitation or renovation grant from the Minnesota Amateur Sports Commission; changing or establishing certain fees; modifying certain filing requirements for corporations; modifying provisions for accountants; modifying debt service provision for the legislative parking garage; requiring the same room numbers on signage in the Capitol to identify legacy rooms; providing in-lieu of rent evaluation; making changes to provisions for military and veterans affairs; changing provisions covering pari-mutuel horse racing; modifying provisions for cigarette and tobacco license; providing civil penalties; requiring reports; amending Minnesota Statutes 2014, sections 3.8843, subdivision 5; 16A.065; 16B.97, subdivision 1; 16B.98, subdivisions 1, 11; 16C.144; 16C.16, subdivision 2, by adding a subdivision; 16C.19; 155A.21; 155A.23, subdivision 8, by adding subdivisions; 155A.24, subdivision 2; 155A.25, subdivisions 1a, 5, by adding subdivisions;

155A.27, subdivisions 1, 2, 5a; 155A.271; 155A.29, subdivisions 1, 2, by adding a subdivision; 155A.30, subdivisions 5, 10; 161.1419, subdivision 8; 190.16, by adding a subdivision; 190.19, subdivisions 2a, 3; 192.26, by adding a subdivision; 192.38, subdivision 1; 192.501, by adding a subdivision; 197.133; 198.03, subdivisions 2, 3; 211B.37; 240.01, subdivision 22, by adding subdivisions; 240.011; 240.03; 240.08, subdivisions 2, 4, 5; 240.10; 240.13, subdivisions 5, 6; 240.135; 240.15, subdivisions 1, 6; 240.16, subdivision 1; 240.22; 240.23; 240A.09; 270C.722, subdivision 1; 270C.728, by adding a subdivision; 272.484; 297F.01, subdivision 14; 297F.03, subdivisions 5, 6; 297F.04, subdivision 1; 297F.13, subdivision 4; 297F.19, by adding a subdivision; 297F.20, by adding subdivisions; 297F.21, subdivision 1; 303.19; 304A.301, subdivisions 1, 5, 6, by adding a subdivision; 326A.01, subdivisions 2, 12, 13a, 15, 16; 326A.02, subdivisions 3, 5; 326A.05, subdivisions 1, 3; 326A.08, subdivision 7; 326A.10; 336A.09, subdivision 1; 364.09; 461.12, subdivision 8; Laws 2013, chapter 142, article 1, section 10; Laws 2014, chapter 287, section 25; proposing coding for new law in Minnesota Statutes, chapters 3; 16B; 297F; repealing Minnesota Statutes 2014, sections 155A.23, subdivision 6; 197.131; 197.132; 240.01, subdivisions 12, 23; 297F.185.

Senator Chamberlain moved to amend S.F. No. 888 as follows:

Page 22, delete section 2

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

### CALL OF THE SENATE

Senator Saxhaug imposed a call of the Senate for the balance of the proceedings on S.F. No. 888. The Sergeant at Arms was instructed to bring in the absent members.

The question was taken on the adoption of the Chamberlain amendment.

The roll was called, and there were yeas 28 and nays 36, as follows:

Those who voted in the affirmative were:

Anderson	Gazelka	Limmer	Osmek	Senjem
Benson	Hall	Miller	Pederson, J.	Thompson
Brown	Hann	Nelson	Petersen, B.	Weber
Chamberlain	Housley	Newman	Pratt	Westrom
Dahms	Ingebrigtsen	Nienow	Rosen	
Fischbach	Kiffmeyer	Ortman	Ruud	

Those who voted in the negative were:

Bakk	Dziedzic	Johnson	Rest	Tomassoni
Bonoff	Eaton	Kent	Saxhaug	Torres Ray
Carlson	Eken	Koenen	Scalze	Wiger
Champion	Franzen	Lourey	Sheran	Wiklund
Clausen	Hawj	Marty	Sieben	
Cohen	Hayden	Metzen	Skoe	
Dahle	Hoffman	Pappas	Sparks	
Dibble	Jensen	Reinert	Stumpf	

The motion did not prevail. So the amendment was not adopted.

Senator Ortman moved to amend S.F. No. 888 as follows:

Page 19, line 16, delete "65,495,000" and insert "71,797,000" and delete "67,691,000" and insert "74,289,000"

Page 21, line 11, delete "49,102,000" and insert "55,404,000" and delete "51,230,000" and insert "57,828,000"

Page 21, line 12, delete "\$51,234,000" and insert "\$57,832,000"

Page 21, line 13, delete "\$51,238,000" and insert "\$57,836,000"

Page 21, line 23, delete "\$500,000" and insert "\$2,603,000"

Page 22, delete section 2

Correct the subdivision and section totals and the appropriations by fund

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 31 and nays 33, as follows:

Those who voted in the affirmative were:

Anderson	Fischbach	Kiffmeyer	Osmek	Thompson
Benson	Gazelka	Limmer	Pederson, J.	Weber
Brown	Hall	Miller	Petersen, B.	Westrom
Chamberlain	Hann	Nelson	Pratt	
Clausen	Housley	Newman	Rosen	
Dahms	Ingebrigtsen	Nienow	Ruud	
Eken	Jensen	Ortman	Senjem	

Those who voted in the negative were:

Bakk	Dziedzic	Kent	Rest	Stumpf
Bonoff	Eaton	Koenen	Saxhaug	Tomassoni
Carlson	Franzen	Lourey	Scalze	Torres Ray
Champion	Hawj	Marty	Sheran	Wiger
Cohen	Hayden	Metzen	Sieben	Wiklund
Dahle	Hoffman	Pappas	Skoe	
Dibble	Johnson	Reinert	Sparks	

The motion did not prevail. So the amendment was not adopted.

Senator Nienow moved to amend S.F. No. 888 as follows:

Page 15, line 18, delete "7,522,000" and insert "12,104,000" and delete "7,530,000" and insert "15,824,000"

Page 15, line 23, delete "4,800,000" and insert "7,095,000" and delete "4,800,000" and insert "8,955,000"

Page 15, line 24, delete "2,139,000" and insert "4,434,000" and delete "2,139,000" and insert "6,294,000"

Page 22, delete section 2

Correct the subdivision and section totals and the appropriations by fund



Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion did not prevail. So the amendment was not adopted.

Senator Westrom moved to amend S.F. No. 888 as follows:

Page 56, after line 7, insert:

"Sec. 62. CAPITOL RESTORATION; WORK SCHEDULE.

The commissioner of administration is directed to negotiate a revised contract with the general contractor for the renovation of the Capitol building paid for with the appropriation under Laws 2013, chapter 143, article 12, section 21. The revised contract shall require the contractor to employ a full complement of construction workers in two shifts each day, five days per week, except on holidays."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 25 and nays 40, as follows:

Those who voted in the affirmative were:

Anderson	Fischbach	Kiffmeyer	Nienow	Rosen
Benson	Gazelka	Limmer	Ortman	Ruud
Brown	Hall	Miller	Osmek	Thompson
Chamberlain	Hann	Nelson	Pederson, J.	Weber
Dahms	Ingebrigtsen	Newman	Pratt	Westrom

Those who voted in the negative were:

Bakk	Dziedzic	Jensen	Petersen, B.	Sieben
Bonoff	Eaton	Johnson	Reinert	Skoe
Carlson	Eken	Kent	Rest	Sparks
Champion	Franzen	Koenen	Saxhaug	Stumpf
Clausen	Hawj	Lourey	Scalze	Tomassoni
Cohen	Hayden	Marty	Schmit	Torres Ray
Dahle	Hoffman	Metzen	Senjem	Wiger
Dibble	Housley	Pappas	Sheran	Wiklund

The motion did not prevail. So the amendment was not adopted.

Senator Anderson moved to amend S.F. No. 888 as follows:

Page 2, line 19, delete "70,913,000" and insert "69,886,000" and delete "71,811,000" and insert "69,886,000"

Page 2, line 22, delete "70,785,000" and insert "69,758,000" and delete "71,683,000" and insert "69,758,000"

Page 2, line 27, delete "23,372,000" and insert "22,633,000" and delete "23,976,000" and insert "22,633,000"

Page 3, line 25, delete "17,017,000" and insert "16,729,000" and delete "17,311,000" and insert "16,729,000"

Page 3, line 27, delete "16,889,000" and insert "16,601,000" and delete "17,183,000" and insert "16,601,000"

Page 3, line 29, delete "\$6,678,000" and insert "\$6,564,000" and delete "\$6,793,000" and insert "\$6,564,000"

Page 4, line 17, delete "3,615,000" and insert "3,567,000" and delete "3,616,000" and insert "3,519,000"

Page 5, line 5, delete "2,322,000" and insert "2,258,000" and delete "2,333,000" and insert "2,223,000"

Page 5, line 31, delete "1,164,000" and insert "1,150,000" and delete "1,028,000" and insert "1,000,000"

Page 6, line 18, delete "7,630,000" and insert "7,627,000" and delete "7,633,000" and insert "7,627,000"

Page 6, line 21, delete "380,000" and insert "377,000" and delete "383,000" and insert "377,000"

Page 7, line 3, delete "2,526,000" and insert "2,431,000" and delete "2,622,000" and insert "2,431,000"

Page 7, line 28, delete "25,141,000" and insert "25,010,000" and delete "22,890,000" and insert "22,625,000"

Page 7, line 32, delete "10,009,000" and insert "9,911,000" and delete "9,144,000" and insert "8,946,000"

Page 8, line 31, delete "1,975,000" and insert "1,942,000" and delete "2,009,000" and insert "1,942,000"

Page 10, line 33, delete "340,000" and insert "335,000" and delete "345,000" and insert "335,000"

Page 10, line 35, delete "22,277,000" and insert "21,990,000" and delete "23,569,000" and insert "22,990,000"

Page 11, line 12, delete "146,587,000" and insert "144,766,000" and delete "147,067,000" and insert "143,392,000"

Page 11, line 15, delete "142,352,000" and insert "140,531,000" and delete "142,832,000" and insert "139,157,000"

Page 11, line 20, delete "117,971,000" and insert "116,150,000" and delete "118,451,000" and insert "114,776,000"

Page 11, line 22, delete "113,736,000" and insert "111,915,000" and delete "114,216,000" and insert "110,541,000"

Page 13, line 21, delete "4,300,000" and insert "4,266,000" and delete "300,000" and insert "266,000"

Page 13, line 26, delete "396,000" and insert "392,000" and delete "401,000" and insert "392,000"

Page 13, line 28, delete "359,000" and insert "354,000" and delete "364,000" and insert "354,000"

Page 13, line 30, delete "381,000" and insert "375,000" and delete "386,000" and insert "375,000"

Page 13, line 31, delete "569,000" and insert "562,000" and delete "576,000" and insert "562,000"

Page 14, line 3, delete "23,086,000" and insert "22,845,000" and delete "23,326,000" and insert "22,839,000"

Page 14, line 7, delete "22,515,000" and insert "22,274,000" and delete "22,955,000" and insert "22,468,000"

Page 14, line 8, delete "\$22,322,000" and insert "\$21,835,000"

Page 14, line 12, delete "\$430,000" and insert "\$189,000" and delete "\$870,000" and insert "\$383,000"

Page 14, line 15, delete everything after the period

Page 14, delete line 16 and insert "This is a onetime appropriation."

Page 15, line 18, delete "7,522,000" and insert "7,514,000" and delete "7,530,000" and insert "7,514,000"

Page 15, line 22, delete "583,000" and insert "575,000" and delete "591,000" and insert "575,000"

Page 16, line 8, delete "350,000" and insert "251,000" and delete "350,000" and insert "251,000"

Page 16, line 9, delete "639,000" and insert "628,000" and delete "641,000" and insert "618,000"

Page 16, line 13, delete "784,000" and insert "774,000" and delete "794,000" and insert "774,000"

Page 16, line 15, delete "2,565,000" and insert "2,546,000" and delete "2,584,000" and insert "2,546,000"

Page 16, line 16, delete "321,000" and insert "317,000" and delete "325,000" and insert "317,000"

Correct the subdivision and section totals and the appropriations by fund

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 29 and nays 36, as follows:

Those who voted in the affirmative were:

Anderson	Fischbach	Kiffmeyer	Ortman	Ruud
Benson	Gazelka	Limmer	Osmek	Senjem
Brown	Hall	Miller	Pederson, J.	Thompson
Chamberlain	Hann	Nelson	Petersen, B.	Weber
Dahms	Housley	Newman	Pratt	Westrom
Eken	Ingebrigtsen	Nienow	Rosen	

Those who voted in the negative were:

Bakk	Dziedzic	Kent	Saxhaug	Tomassoni
Bonoff	Eaton	Koenen	Scalze	Torres Ray
Carlson	Franzen	Lourey	Schmit	Wiger
Champion	Hawj	Marty	Sheran	Wiklund
Clausen	Hayden	Metzen	Sieben	
Cohen	Hoffman	Pappas	Skoe	
Dahle	Jensen	Reinert	Sparks	
Dibble	Johnson	Rest	Stumpf	

The motion did not prevail. So the amendment was not adopted.

Senator Gazelka moved to amend S.F. No. 888 as follows:

Page 22, after line 15, insert:

"Sec. 39. INCREASES.

Each agency, except the departments of military and veterans affairs, that receives an appropriation under this article, must apply the portion of any increase that reflects a 1.8% increase over its base appropriation for fiscal year 2015 to salary increases for employees that have a salary on the last day of fiscal year 2015 that is at the top of the range for their position."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 28 and nays 37, as follows:

Those who voted in the affirmative were:

Anderson	Gazelka	Limmer	Osmek	Senjem
Benson	Hall	Miller	Pederson, J.	Thompson
Brown	Hann	Nelson	Petersen, B.	Weber
Chamberlain	Housley	Newman	Pratt	Westrom
Dahms	Ingebrigtsen	Nienow	Rosen	
Fischbach	Kiffmeyer	Ortman	Ruud	

Those who voted in the negative were:

Bakk	Dziedzic	Johnson	Rest	Stumpf
Bonoff	Eaton	Kent	Saxhaug	Tomassoni
Carlson	Eken	Koenen	Scalze	Torres Ray
Champion	Franzen	Lourey	Schmit	Wiger
Clausen	Hawj	Marty	Sheran	Wiklund
Cohen	Hayden	Metzen	Sieben	
Dahle	Hoffman	Pappas	Skoe	
Dibble	Jensen	Reinert	Sparks	

The motion did not prevail. So the amendment was not adopted.

Senator Gazelka moved to amend S.F. No. 888 as follows:

Page 23, after line 33, insert:

"Sec. 4. Minnesota Statutes 2014, section 16A.1283, is amended to read:

**16A.1283 LEGISLATIVE APPROVAL REQUIRED FOR FEES.**

(a) Notwithstanding any law to the contrary, an executive branch state agency may not impose a new fee or increase an existing fee unless the new fee or increase is approved by law. An agency must not propose a fee or fine increase of more than ten percent in a biennium over the same fee or fine in law at the start of the same biennium. For purposes of this section, a fee is any charge for goods, services, regulation, or licensure, and, notwithstanding paragraph (b), clause (3), includes charges for admission to or for use of public facilities owned by the state.

(b) This section does not apply to:

(1) charges billed within or between state agencies, or billed to federal agencies;

(2) the Minnesota State Colleges and Universities system;

(3) charges for goods and services provided for the direct and primary use of a private individual, business, or other entity;

(4) charges that authorize use of state-owned lands and minerals administered by the commissioner of natural resources by the issuance of leases, easements, cooperative farming agreements, and land and water crossing licenses and charges for sales of state-owned lands administered by the commissioner of natural resources; or

(5) state park fees and charges established by commissioner's order.

(c) An executive branch agency may reduce a fee that was set by rule before July 1, 2001, without legislative approval. Chapter 14 does not apply to fee reductions under this paragraph.

**EFFECTIVE DATE.** This section is effective August 1, 2016."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Senator Dahms moved to amend S.F. No. 888 as follows:

Page 11, line 12, delete "146,587,000" and insert "144,120,000" and delete "147,067,000" and insert "138,746,000"

Page 11, line 15, delete "142,352,000" and insert "140,120,000" and delete "142,832,000" and insert "138,746,000"

Page 11, line 20, delete "117,971,000" and insert "115,739,000" and delete "118,451,000" and insert "114,365,000"

Page 11, line 22, delete "113,736,000" and insert "111,504,000" and delete "114,216,000" and insert "110,130,000"

Page 12, line 27, delete "1,153,000" and insert "971,000"

Page 12, line 31, delete "1,081,000" and insert "899,000"

Page 13, line 3, delete everything after the period

Page 13, delete lines 4 and 5

Page 16, line 15, delete "2,565,000" and insert "1,346,000" and delete "2,584,000" and insert "1,346,000"

Page 32, delete section 21

Page 48, delete section 53

Page 65, line 18, reinstate the stricken language

Page 75, delete sections 4 and 5

Page 79, delete section 9

Correct the subdivision and section totals and the appropriations by fund

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 30 and nays 35, as follows:

Those who voted in the affirmative were:

Anderson	Fischbach	Kiffmeyer	Ortman	Ruud
Benson	Gazelka	Limmer	Osmek	Senjem
Brown	Hall	Miller	Pederson, J.	Sparks
Chamberlain	Hann	Nelson	Petersen, B.	Thompson
Dahms	Housley	Newman	Pratt	Weber
Eken	Ingebrigtsen	Nienow	Rosen	Westrom

Those who voted in the negative were:

Bakk	Dibble	Jensen	Pappas	Sieben
Bonoff	Dziedzic	Johnson	Reinert	Skoe
Carlson	Eaton	Kent	Rest	Stumpf
Champion	Franzen	Koenen	Saxhaug	Tomassoni
Clausen	Hawj	Lourey	Scalze	Torres Ray
Cohen	Hayden	Marty	Schmit	Wiger
Dahle	Hoffman	Metzen	Sheran	Wiklund

The motion did not prevail. So the amendment was not adopted.

Senator Petersen, B. moved to amend S.F. No. 888 as follows:

Page 56, after line 7, insert:

"Sec. 62. **SOCCER STADIUM.**

No state funds may be appropriated or tax expenditures used to fund the construction of a new major league soccer stadium. The state may not incur debt of the state to fund construction of a new major league soccer stadium."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Senator Champion moved to amend the Petersen, B. amendment to S.F. No. 888 as follows:

Page 1, line 5, after "stadium" insert "until approved by the legislature"

Page 1, line 6, after "stadium" insert "until approved by the legislature"

The motion did not prevail. So the amendment to the amendment was not adopted.

The question was taken on the adoption of the Petersen, B. amendment.

The roll was called, and there were yeas 61 and nays 4, as follows:

Those who voted in the affirmative were:

Anderson	Eaton	Johnson	Pappas	Sparks
Bakk	Eken	Kent	Pederson, J.	Stumpf
Benson	Fischbach	Kiffmeyer	Petersen, B.	Thompson
Bonoff	Franzen	Limmer	Pratt	Tomassoni
Brown	Gazelka	Lourey	Reinert	Torres Ray
Carlson	Hall	Marty	Rest	Weber
Chamberlain	Hann	Metzen	Ruud	Westrom
Clausen	Hawj	Miller	Saxhaug	Wiger
Cohen	Hayden	Nelson	Scalze	Wiklund
Dahle	Hoffman	Newman	Schmit	
Dahms	Housley	Nienow	Senjem	
Dibble	Ingebrigtsen	Ortman	Sieben	
Dziedzic	Jensen	Osmeck	Skoe	

Those who voted in the negative were:

Champion	Koenen	Rosen	Sheran
----------	--------	-------	--------

The motion prevailed. So the amendment was adopted.

Senator Pederson, J. moved to amend S.F. No. 888 as follows:

Page 56, line 20, after "government" insert "and to private employers"

Page 56, line 21, after "employees" insert "and full-time private sector employees"

Page 57, after line 26, insert:

"(2) "private sector employee" means a full-time employee of a private employer;"

Page 57, line 27, delete "(2)" and insert "(3)"

Page 57, line 29, delete "(3)" and insert "(4)"

Page 57, line 30, after "government" insert "or private employer"

Page 57, line 31, after "government" insert "and private employers"

Page 57, line 32, after "employees" insert "or to private employers to reimburse them for salary and benefits paid to their private sector employees"

Page 58, lines 3 and 6, after "government" insert "or private employer"

Page 58, line 4, after "government" insert "and private employers"

Page 58, lines 10 and 14, after "government" insert "and private employers"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 30 and nays 33, as follows:

Those who voted in the affirmative were:

Anderson	Fischbach	Ingebrigtsen	Newman	Ruud
Benson	Franzen	Jensen	Nienow	Schmit
Bonoff	Gazelka	Kent	Ortman	Senjem
Chamberlain	Hall	Kiffmeyer	Osmek	Thompson
Clausen	Hann	Limmer	Pederson, J.	Weber
Dahms	Housley	Nelson	Pratt	Westrom

Those who voted in the negative were:

Bakk	Eaton	Lourey	Rosen	Stumpf
Carlson	Eken	Marty	Saxhaug	Tomassoni
Champion	Hawj	Metzen	Scalze	Torres Ray
Cohen	Hayden	Pappas	Sheran	Wiger
Dahle	Hoffman	Petersen, B.	Sieben	Wiklund
Dibble	Johnson	Reinert	Skoe	
Dziedzic	Koenen	Rest	Sparks	

The motion did not prevail. So the amendment was not adopted.

Senator Chamberlain moved to amend S.F. No. 888 as follows:

Page 23, after line 20, insert:

"Sec. 3. Minnesota Statutes 2014, section 15A.0815, subdivision 3, is amended to read:

Subd. 3. **Group II salary limits.** The salary for a position listed in this subdivision shall not exceed 120 percent of the salary of the governor. This limit must be adjusted annually on January 1. The new limit must equal the limit for the prior year increased by the percentage increase, if any, in the Consumer Price Index for all urban consumers from October of the second prior year to October of the immediately prior year. The commissioner of management and budget must publish the limit on the department's Web site. This subdivision applies to the following positions:

Executive director of Gambling Control Board;

Commissioner, Iron Range Resources and Rehabilitation Board;

Commissioner, Bureau of Mediation Services;

Ombudsman for Mental Health and Developmental Disabilities;

~~Chair, Metropolitan Council;~~

School trust lands director;

Executive director of pari-mutuel racing; and

Commissioner, Public Utilities Commission.

Sec. 4. Minnesota Statutes 2014, section 15A.0815, is amended by adding a subdivision to read:

Subd. 4a. **Group IV salary limits.** Each position listed in this subdivision is a part-time position and the salary for each position in this subdivision may not exceed 60 percent of the salary of the governor:

Chair, Metropolitan Council."



Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 29 and nays 34, as follows:

Those who voted in the affirmative were:

Anderson	Fischbach	Jensen	Ortman	Ruud
Benson	Gazelka	Kiffmeyer	Osmek	Senjem
Chamberlain	Hall	Limmer	Pederson, J.	Thompson
Clausen	Hann	Nelson	Petersen, B.	Weber
Dahms	Housley	Newman	Pratt	Westrom
Eken	Ingebrigtsen	Nienow	Rosen	

Those who voted in the negative were:

Bakk	Dziedzic	Kent	Rest	Sparks
Bonoff	Eaton	Koenen	Saxhaug	Stumpf
Carlson	Franzen	Lourey	Scalze	Tomassoni
Champion	Hawj	Marty	Schmit	Torres Ray
Cohen	Hayden	Metzen	Sheran	Wiger
Dahle	Hoffman	Pappas	Sieben	Wiklund
Dibble	Johnson	Reinert	Skoe	

The motion did not prevail. So the amendment was not adopted.

Senator Osmek moved to amend S.F. No. 888 as follows:

Page 53, after line 15, insert:

"Sec. 56. Minnesota Statutes 2014, section 473.123, subdivision 3, is amended to read:

Subd. 3. **Membership; appointment; qualifications.** (a) Sixteen members must be appointed by the governor from districts defined by this section. Each council member must reside in the council district represented. Each council district must be represented by one member of the council.

(b) In addition to the notice required by section 15.0597, subdivision 4, notice of vacancies and expiration of terms must be published in newspapers of general circulation in the metropolitan area and the appropriate districts. The governing bodies of the statutory and home rule charter cities, counties, and towns having territory in the district for which a member is to be appointed must be notified in writing. The notices must describe the appointments process and invite participation and recommendations on the appointment.

(c) The governor shall create a nominating committee, composed of seven metropolitan citizens appointed by the governor, to nominate persons for appointment to the council from districts. Three of the committee members must be local elected officials. Following the submission of applications as provided under section 15.0597, subdivision 5, the nominating committee shall conduct public meetings, after appropriate notice, to accept statements from or on behalf of persons who have applied or been nominated for appointment and to allow consultation with and secure the advice of the public and local elected officials. The committee shall hold the meeting on each appointment in the district or in a reasonably convenient and accessible location in the part of the metropolitan area in which the district is located. The committee may consolidate meetings. Following the meetings, the committee shall submit to the governor a list of nominees for each appointment. The governor is not required to appoint from the list.

~~(d) Before making an appointment~~ After receiving the list of nominees from the nominating committee and prior to selecting a nominee, the governor shall consult with all members of the legislature from the council district for which the member is to be appointed.

~~(e) Appointments to the council are subject to the advice and consent of the senate as provided in section 15.066~~ After the governor selects a nominee, the governor must provide written notice of the name of the nominee to each local government in the district that received written notice pursuant to paragraph (b). The governing body of each local government in the district has 90 days from the date of the notice to consider the nominee and pass a resolution in support of or in opposition to the nominee. A copy of the resolution must be transmitted to the governor within 90 days from the date of the notice. A local government that does not pass a resolution shall be deemed to oppose the nominee. After the 90-day period expires for each local government in the district, if a majority of local governments have passed resolutions in support of the nominee, the governor shall submit the nominee for advice and consent of the senate as provided in section 15.066. If a majority of local governments in the district have not passed resolutions in support of the nominee when the 90-day period expires for each local government, the governor shall select another nominee from the list required in paragraph (c) or request the nominating committee to submit a new list of nominees. After each redistricting, the Geographical Information Systems Office of the Legislative Coordinating Commission must create a list of all local governments wholly or partially located in each district.

(f) Members of the council must be appointed to reflect fairly the various demographic, political, and other interests in the metropolitan area and the districts.

(g) Members of the council must be persons knowledgeable about urban and metropolitan affairs.

(h) Any vacancy in the office of a council member shall immediately be filled for the unexpired term. In filling a vacancy, the governor may forgo the requirements of paragraph (c) if the governor has made appointments in full compliance with the requirements of this subdivision within the preceding 12 months shall follow the appointment process provided in this subdivision.

(i) A council member may be removed by the majority of local governments in the member's district by submitting resolutions to the chair of the council as provided by this paragraph. The governing body of a local government may, at any time, adopt a resolution stating that the governing body is seeking to remove the council member representing the district. The local government must transmit the resolution to the chair of the council. Within ten days of receiving the resolution, the chair must transmit to each local government in the district a copy of the resolution and a notice that states that the council member will be removed from office if the chair receives, within 90 days of the date of the notice, resolutions from a majority of local governments in the district requesting removal of the council member. Within 30 days after the expiration of the 90-day period, the chair shall determine if a majority of local governments in the district have submitted resolutions requesting removal of the member. If so, the member must be immediately removed from office and the resulting vacancy shall be filled in the manner prescribed by paragraph (h). This paragraph does not apply to the chair.

(j) For purposes of this subdivision, "local government" means a home rule charter or statutory city, or town.

**EFFECTIVE DATE.** This section is effective the day following final enactment. This section does not apply to members that have been appointed and confirmed prior to the effective date. This

section applies to the appointment and confirmation of any member on or after the effective date. For individuals that have been appointed by the governor but not confirmed by the senate on the effective date, the 90-day period described in section 473.123, subdivision 3, paragraph (e), starts on the effective date. This section applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 57. Minnesota Statutes 2014, section 473.123, subdivision 4, is amended to read:

**Subd. 4. Chair; appointment, officers, selection; duties and compensation.** (a) The chair of the Metropolitan Council shall be appointed by the governor as the 17th voting member thereof by and with the advice and consent of the senate to serve at the pleasure of the governor to represent the metropolitan area at large. Senate confirmation shall be as provided by section 15.066. No local government approval is required to confirm the chair.

The chair of the Metropolitan Council shall, if present, preside at meetings of the council, have the primary responsibility for meeting with local elected officials, serve as the principal legislative liaison, present to the governor and the legislature, after council approval, the council's plans for regional governance and operations, serve as the principal spokesperson of the council, and perform other duties assigned by the council or by law.

(b) The Metropolitan Council shall elect other officers as it deems necessary for the conduct of its affairs for a one-year term. A secretary and treasurer need not be members of the Metropolitan Council. Meeting times and places shall be fixed by the Metropolitan Council and special meetings may be called by a majority of the members of the Metropolitan Council or by the chair. The chair and each Metropolitan Council member shall be reimbursed for actual and necessary expenses.

(c) Each member of the council shall attend and participate in council meetings and meet regularly with local elected officials and legislative members from the council member's district. Each council member shall serve on at least one division committee for transportation, environment, or community development.

(d) In the performance of its duties the Metropolitan Council may adopt policies and procedures governing its operation, establish committees, and, when specifically authorized by law, make appointments to other governmental agencies and districts.

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

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 29 and nays 34, as follows:

Those who voted in the affirmative were:

Anderson	Fischbach	Kiffmeyer	Osmek	Senjem
Benson	Gazelka	Limmer	Pederson, J.	Stumpf
Bonoff	Hall	Nelson	Petersen, B.	Thompson
Chamberlain	Hann	Newman	Pratt	Weber
Clausen	Housley	Nienow	Rosen	Westrom
Dahms	Ingebrigtsen	Ortman	Ruud	

Those who voted in the negative were:

Bakk	Eaton	Johnson	Reinert	Skoe
Carlson	Eken	Kent	Rest	Sparks
Champion	Franzen	Koenen	Saxhaug	Tomassoni
Cohen	Hawj	Lourey	Scalze	Torres Ray
Dahle	Hayden	Marty	Schmit	Wiger
Dibble	Hoffman	Metzen	Sheran	Wiklund
Dziedzic	Jensen	Pappas	Sieben	

The motion did not prevail. So the amendment was not adopted.

Senator Osmek moved to amend S.F. No. 888 as follows:

Page 82, after line 23, insert:

#### **"ARTICLE 6**

#### **METROPOLITAN COUNCIL ABOLISHED**

Section 1. Minnesota Statutes 2014, section 3.886, subdivision 4, is amended to read:

Subd. 4. **Powers and duties.** (a) The Legislative Water Commission shall review water policy reports and recommendations of the Environmental Quality Board, the Board of Water and Soil Resources, the Pollution Control Agency, the Department of Natural Resources, ~~the Metropolitan Council~~, and other water-related reports as may be required by law or the legislature.

(b) The commission may conduct public hearings and otherwise secure data and comments.

(c) The commission shall make recommendations as it deems proper to assist the legislature in formulating legislation.

(d) Data or information compiled by the Legislative Water Commission or its subcommittees shall be made available to the Legislative-Citizen Commission on Minnesota Resources, the Clean Water Council, and standing and interim committees of the legislature on request of the chair of the respective commission, council, or committee.

(e) The commission shall coordinate with the Clean Water Council.

Sec. 2. Minnesota Statutes 2014, section 4A.02, is amended to read:

#### **4A.02 STATE DEMOGRAPHER.**

(a) The commissioner shall appoint a state demographer. The demographer must be professionally competent in demography and must possess demonstrated ability based upon past performance.

(b) The demographer shall:

(1) continuously gather and develop demographic data relevant to the state;

(2) design and test methods of research and data collection;

(3) periodically prepare population projections for the state and designated regions and periodically prepare projections for each county or other political subdivision of the state as necessary to carry out the purposes of this section;

(4) review, comment on, and prepare analysis of population estimates and projections made by state agencies, political subdivisions, other states, federal agencies, or nongovernmental persons, institutions, or commissions;

(5) serve as the state liaison with the United States Bureau of the Census, coordinate state and federal demographic activities to the fullest extent possible, and aid the legislature in preparing a census data plan and form for each decennial census;

(6) compile an annual study of population estimates on the basis of county, regional, or other political or geographical subdivisions as necessary to carry out the purposes of this section and section 4A.03;

(7) by January 1 of each year, issue a report to the legislature containing an analysis of the demographic implications of the annual population study and population projections;

(8) prepare maps for all counties in the state, all municipalities with a population of 10,000 or more, and other municipalities as needed for census purposes, according to scale and detail recommended by the United States Bureau of the Census, with the maps of cities showing precinct boundaries;

(9) prepare an estimate of population and of the number of households for each governmental subdivision ~~for which the Metropolitan Council does not prepare an annual estimate~~, and convey the estimates to the governing body of each political subdivision by June 1 of each year;

(10) direct, under section 414.01, subdivision 14, and certify population and household estimates of annexed or detached areas of municipalities or towns after being notified of the order or letter of approval by the chief administrative law judge of the State Office of Administrative Hearings;

(11) prepare, for any purpose for which a population estimate is required by law or needed to implement a law, a population estimate of a municipality or town whose population is affected by action under section 379.02 or 414.01, subdivision 14; and

(12) prepare an estimate of average household size for each statutory or home rule charter city with a population of 2,500 or more by June 1 of each year.

(c) A governing body may challenge an estimate made under paragraph (b) by filing their specific objections in writing with the state demographer by June 24. If the challenge does not result in an acceptable estimate, the governing body may have a special census conducted by the United States Bureau of the Census. The political subdivision must notify the state demographer by July 1 of its intent to have the special census conducted. The political subdivision must bear all costs of the special census. Results of the special census must be received by the state demographer by the next April 15 to be used in that year's June 1 estimate to the political subdivision under paragraph (b).

(d) The state demographer shall certify the estimates of population and household size to the commissioner of revenue by July 15 each year, including any estimates still under objection.

(e) The state demographer may contract for the development of data and research required under this chapter, including, but not limited to, population estimates and projections, the preparation of maps, and other estimates.

Sec. 3. Minnesota Statutes 2014, section 6.80, subdivision 3, is amended to read:

Subd. 3. **Review process.** (a) Upon receipt of an application from a local government unit, the state auditor shall review the application. The state auditor shall dismiss an application if the application proposes a waiver of rules or exemption from enforcement of laws that would result in due process violations, violations of federal law or the state or federal constitution, or the loss of services to people who are entitled to them.

(b) The state auditor shall determine whether a law from which an exemption for enforcement is sought is a procedural law, specifying how a local government unit is to achieve an outcome, rather than a substantive law prescribing the outcome or otherwise establishing policy. For the purposes of this section, "procedural law" does not include a statutory notice requirement. In making the determination, the state auditor shall consider whether the law specifies such requirements as:

- (1) who must deliver a service;
- (2) where the service must be delivered;
- (3) to whom and in what form reports regarding the service must be made; and
- (4) how long or how often the service must be made available to a given recipient.

(c) If the application requests a waiver of a rule or temporary, limited exemptions from enforcement of a procedural law over which ~~the Metropolitan Council~~ or a metropolitan agency has jurisdiction, the state auditor shall also transmit a copy of the application to the ~~council~~ or applicable metropolitan agency, ~~whichever has jurisdiction~~, for review and comment. The ~~council~~ or agency shall report its comments to the board within 60 days of the date the application was transmitted to the ~~council~~ or agency. The ~~council~~ or agency may point out any resources or technical assistance it may be able to provide a local government unit submitting a request under this section.

(d) Within 15 days after receipt of the application, the state auditor shall transmit a copy of it to the commissioner of each agency having jurisdiction over a rule or law from which a waiver or exemption is sought. The agency may mail a notice that it has received an application for a waiver or exemption to all persons who have registered with the agency under section 14.14, subdivision 1a, identifying the rule or law from which a waiver or exemption is requested. If no agency has jurisdiction over the rule or law, the state auditor shall transmit a copy of the application to the attorney general. The agency shall inform the state auditor of its agreement with or objection to and grounds for objection to the waiver or exemption request within 60 days of the date when the application was transmitted to it. An agency's failure to do so is considered agreement to the waiver or exemption. The state auditor shall decide whether to grant a waiver or exemption at the end of the 60-day response period. Interested persons may submit written comments to the state auditor on the waiver or exemption request up to the end of the 60-day response period.

(e) If the exclusive representative of the affected employees of the requesting local government unit objects to the waiver or exemption request it may inform the state auditor of the objection to and the grounds for the objection to the waiver or exemption request within 60 days of the receipt of the application.

Sec. 4. Minnesota Statutes 2014, section 10.60, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** For purposes of this section:

(1) "political subdivision" means a county, statutory or home rule charter city, town, school district, or other municipal corporation, ~~and the Metropolitan Council~~ and a metropolitan or regional agency;

(2) "publication" means a document printed with public money by an elected or appointed official of a state agency or political subdivision that is intended to be distributed publicly outside of the state agency or political subdivision;

(3) "state agency" means an entity in the executive, judicial, or legislative branch of state government; and

(4) "Web site" means a site maintained on the World Wide Web that is available for unrestricted public access and that is maintained with public money by an elected or appointed official of a state agency or political subdivision.

Sec. 5. Minnesota Statutes 2014, section 10A.01, subdivision 24, is amended to read:

Subd. 24. **Metropolitan governmental unit.** "Metropolitan governmental unit" means any of the seven counties in the metropolitan area as defined in section 473.121, subdivision 2, a regional railroad authority established by one or more of those counties under section 398A.03, a city with a population of over 50,000 located in the seven-county metropolitan area, ~~the Metropolitan Council~~, or a metropolitan agency as defined in section 473.121, subdivision 5a.

Sec. 6. Minnesota Statutes 2014, section 10A.01, subdivision 31, is amended to read:

Subd. 31. **Political subdivision.** "Political subdivision" means ~~the Metropolitan Council~~, a metropolitan agency as defined in section 473.121, subdivision 5a, or a municipality as defined in section 471.345, subdivision 1.

Sec. 7. Minnesota Statutes 2014, section 10A.01, subdivision 32, is amended to read:

Subd. 32. **Population.** "Population" means the population established by the most recent federal census, by a special census taken by the United States Bureau of the Census, ~~by an estimate made by the Metropolitan Council~~, or by an estimate made by the state demographer under section 4A.02, whichever has the latest stated date of count or estimate.

Sec. 8. Minnesota Statutes 2014, section 10A.01, subdivision 35, is amended to read:

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

(1) member of the legislature;

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

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

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

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

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

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

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

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

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

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

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

~~(13) (12) member or chief administrator of a metropolitan agency;~~

~~(14) (13) director of the Division of Alcohol and Gambling Enforcement in the Department of Public Safety;~~

~~(15) (14) member or executive director of the Higher Education Facilities Authority;~~

~~(16) (15) member of the board of directors or president of Enterprise Minnesota, Inc.;~~

~~(17) (16) member of the board of directors or executive director of the Minnesota State High School League;~~

~~(18) (17) member of the Minnesota Ballpark Authority established in section 473.755;~~

~~(19) (18) citizen member of the Legislative-Citizen Commission on Minnesota Resources;~~

~~(20) (19) manager of a watershed district, or member of a watershed management organization as defined under section 103B.205, subdivision 13;~~

~~(21) (20) supervisor of a soil and water conservation district;~~

~~(22) (21) director of Explore Minnesota Tourism;~~

~~(23) (22) citizen member of the Lessard-Sams Outdoor Heritage Council established in section 97A.056;~~

~~(24) (23) citizen member of the Clean Water Council established in section 114D.30;~~

~~(25) (24) member or chief executive of the Minnesota Sports Facilities Authority established in section 473J.07;~~

~~(26) (25) district court judge, appeals court judge, or Supreme Court justice;~~

~~(27) (26) county commissioner;~~

~~(28) (27) member of the Greater Minnesota Regional Parks and Trails Commission; or~~



~~(29)~~ (28) member of the Destination Medical Center Corporation established in section 469.41.

Sec. 9. Minnesota Statutes 2014, section 13.201, is amended to read:

**13.201 RIDESHARE DATA.**

The following data on participants, collected by the Minnesota Department of Transportation ~~and the Metropolitan Council~~ to administer rideshare programs, are classified as private under section 13.02, subdivision 12: residential address and telephone number; beginning and ending work hours; current mode of commuting to and from work; and type of rideshare service information requested.

Sec. 10. Minnesota Statutes 2014, section 13.685, is amended to read:

**13.685 MUNICIPAL UTILITY CUSTOMER DATA.**

Data on customers of municipal electric utilities are private data on individuals or nonpublic data, but may be released to:

(1) a law enforcement agency that requests access to the data in connection with an investigation;

(2) a school for purposes of compiling pupil census data;

~~(3) the Metropolitan Council for use in studies or analyses required by law;~~

~~(4)~~ (3) a public child support authority for purposes of establishing or enforcing child support;  
or

~~(5)~~ (4) a person where use of the data directly advances the general welfare, health, or safety of the public; the commissioner of administration may issue advisory opinions construing this clause pursuant to section 13.072.

Sec. 11. Minnesota Statutes 2014, section 13.72, subdivision 9, is amended to read:

Subd. 9. **Rideshare data.** The following data on participants, collected by the Minnesota Department of Transportation ~~and the Metropolitan Council~~ to administer rideshare programs, are classified as private under section 13.02, subdivision 12: residential address and telephone number; beginning and ending work hours; current mode of commuting to and from work; and type of rideshare service information requested.

Sec. 12. Minnesota Statutes 2014, section 15.0597, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** As used in this section, the following terms shall have the meanings given them.

(a) "Agency" means (1) a state board, commission, council, committee, authority, task force, including an advisory task force created under section 15.014 or 15.0593, a group created by executive order of the governor, or other similar multimember agency created by law and having statewide jurisdiction; and (2) ~~the Metropolitan Council~~, a metropolitan agency, Capitol Area Architectural and Planning Board, and any agency with a regional jurisdiction created in this state pursuant to an interstate compact.

(b) "Vacancy" or "vacant agency position" means (1) a vacancy in an existing agency, or (2) a new, unfilled agency position. Vacancy includes a position that is to be filled through appointment of a nonlegislator by a legislator or group of legislators; vacancy does not mean (1) a vacant position on

an agency composed exclusively of persons employed by a political subdivision or another agency, or (2) a vacancy to be filled by a person required to have a specific title or position.

(c) "Secretary" means the secretary of state.

Sec. 13. Minnesota Statutes 2014, section 15.0599, subdivision 1, is amended to read:

Subdivision 1. **Applicability.** For purposes of this section, "agency" means:

(1) a state board, commission, council, committee, authority, task force, including an advisory task force established under section 15.014 or 15.0593, other multimember agency, however designated, established by statute or order and having statewide jurisdiction;

(2) ~~the Metropolitan Council established by section 473.123;~~ a metropolitan agency as defined in section 473.121, subdivision 5a, or a multimember body, however designated, appointed by ~~the Metropolitan Council~~ or a metropolitan agency if the membership includes at least one person who is not a member of the ~~council~~ or the agency;

(3) a multimember body whose members are appointed by the legislature if the body has at least one nonlegislative member; and

(4) any other multimember body established by law with at least one appointed member, without regard to the appointing authority.

"Secretary" means the secretary of state.

Sec. 14. Minnesota Statutes 2014, section 15A.0815, subdivision 3, is amended to read:

Subd. 3. **Group II salary limits.** The salary for a position listed in this subdivision shall not exceed 120 percent of the salary of the governor. This limit must be adjusted annually on January 1. The new limit must equal the limit for the prior year increased by the percentage increase, if any, in the Consumer Price Index for all urban consumers from October of the second prior year to October of the immediately prior year. The commissioner of management and budget must publish the limit on the department's Web site. This subdivision applies to the following positions:

Executive director of Gambling Control Board;

Commissioner, Iron Range Resources and Rehabilitation Board;

Commissioner, Bureau of Mediation Services;

Ombudsman for Mental Health and Developmental Disabilities;

~~Chair, Metropolitan Council;~~

School trust lands director;

Executive director of pari-mutuel racing; and

Commissioner, Public Utilities Commission.

Sec. 15. Minnesota Statutes 2014, section 15B.11, subdivision 3, is amended to read:

Subd. 3. **Data classification and use.** (a) The advisory committee's comments and criticism under subdivision 1 are public data under section 13.03, subdivision 1.

(b) To advise the board on all architectural and planning matters, the advisory committee must be kept current about, and have access to, all data relating to the Capitol Area as the data is developed or being prepared. Some examples of these types of data are plans, studies, reports, and proposals.

(c) The obligation under paragraph (b) extends to data developed or being prepared by (1) the commissioner of administration; (2) the commissioner of employment and economic development; (3) ~~the Metropolitan Council~~; (4) the city of St. Paul; or (5) (4) one who is an architect, planner, agency, or organization and who is engaged in any work or planning relating to the Capitol Area.

(d) Paragraph (c), clause (5) (4), applies to all the developers or preparers whether they are public or private and whether or not they are retained by the board.

(e) If the data described in paragraph (b) is from a public employee or public agency it must be filed with the board promptly after it is prepared.

(f) The board may employ a reasonable amount of clerical and technical help to assist the committee to do its duties.

(g) When directed by the board, the advisory committee may serve as, or any of its members may serve on, the jury for a competition or as the architectural advisor for a competition under section 15B.10.

(h) The board must get the advice of its advisory committee before selecting the architectural advisor or jurors for a competition.

Sec. 16. Minnesota Statutes 2014, section 16A.88, subdivision 2, is amended to read:

Subd. 2. **Metropolitan area transit account.** The metropolitan area transit account is established within the transit assistance fund in the state treasury. All money in the account is annually appropriated to the ~~Metropolitan Council~~ commissioner of transportation for the funding of transit systems within the metropolitan area under sections 473.384, 473.386, 473.387, 473.388, and 473.405 to 473.449.

Sec. 17. Minnesota Statutes 2014, section 16C.073, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** The definitions in this subdivision apply to this section.

(a) "Copier paper" means paper purchased for use in copying machines.

(b) "Office paper" means notepads, loose-leaf fillers, tablets, and other paper commonly used in offices.

(c) "Postconsumer material" means a finished material that would normally be discarded as a solid waste, having completed its life cycle as a consumer item.

(d) "Practicable" means capable of being used, consistent with performance, in accordance with applicable specifications, and availability within a reasonable time.

(e) "Printing paper" means paper designed for printing, other than newsprint, such as offset and publication paper.

(f) "Public entity" means the state, an office, agency, or institution of the state, ~~the Metropolitan Council~~; a metropolitan agency, the Metropolitan Mosquito Control District, the legislature, the

courts, a county, a statutory or home rule charter city, a town, a school district, another special taxing district, or any contractor acting pursuant to a contract with a public entity.

(g) "Soy-based ink" means printing ink made from soy oil.

(h) "Uncoated" means not coated with plastic, clay, or other material used to create a glossy finish.

Sec. 18. Minnesota Statutes 2014, section 16C.285, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) For purposes of this section, the terms defined in this subdivision have the meanings given them.

(b) "Construction contract" means a contract or subcontract of any tier for work on a project.

(c) "Contractor" means a prime contractor or subcontractor, and does not include a material supplier.

(d) "Contracting authority" means a state agency, the Minnesota State Colleges and Universities, the University of Minnesota, ~~the Metropolitan Council~~, the Metropolitan Airports Commission, or a municipality that enters into a construction contract or authorizes or directs entering into a construction contract.

(e) "Municipality" means a county, town, home rule charter or statutory city, school district, housing and redevelopment authority, port authority, economic development authority, sports facilities authority, joint powers board or organization created under section 471.59 or other statute, special district, instrumentality, drainage authority, watershed district, destination medical center corporation, or other municipal corporation or political subdivision of the state authorized by law to enter into contracts.

(f) "Prime contractor" means a vendor that submits a bid or proposal or otherwise responds to a solicitation document of a contracting authority for work on a project or is awarded a construction contract by a contracting authority for work on a project. A prime contractor includes a construction manager for purposes of this section.

(g) "Principal" means an owner holding at least a 25 percent ownership interest in a business.

(h) "Project" means building, erection, construction, alteration, remodeling, demolition, or repair of buildings, real property, highways, roads, bridges, or other construction work performed pursuant to a construction contract.

(i) "Related entity" means:

(1) a firm, partnership, corporation, joint venture, or other legal entity substantially under the control of a contractor or vendor;

(2) a predecessor corporation or other legal entity having one or more of the same principals as the contractor or vendor;

(3) a subsidiary of a contractor or vendor;

(4) one or more principals of a contractor or vendor; and

(5) a person, firm, partnership, corporation, joint venture, or other legal entity that substantially controls a contractor or vendor.

(j) "Solicitation document" means an invitation to bid, bid specifications, request for proposals, request for qualifications, or other solicitation of contractors for purposes of a construction contract.

(k) "Subcontractor" means a vendor that seeks to enter into a subcontract or enters into a subcontract for work on a project.

(l) "Vendor" means a business, including a construction contractor or a natural person, and includes both if the natural person is engaged in a business.

Sec. 19. Minnesota Statutes 2014, section 43A.346, subdivision 1, is amended to read:

Subdivision 1. **Definition.** For purposes of this section, "terminated state employee" means a person who occupied a civil service position in the executive or legislative branch of state government, the Minnesota State Retirement System, the Public Employees Retirement Association, the Office of the Legislative Auditor, or a person who was employed by the former Metropolitan Council.

Sec. 20. Minnesota Statutes 2014, section 43A.346, subdivision 2, is amended to read:

Subd. 2. **Eligibility.** (a) This section applies to a terminated state employee who:

(1) for at least the five years immediately preceding separation under clause (2), was regularly scheduled to work 1,044 or more hours per year in a position covered by a pension plan administered by the Minnesota State Retirement System or the Public Employees Retirement Association;

(2) terminated state or former Metropolitan Council employment;

(3) at the time of termination under clause (2), met the age and service requirements necessary to receive an unreduced retirement annuity from the plan and satisfied requirements for the commencement of the retirement annuity or, for a terminated employee under the unclassified employees retirement plan, met the age and service requirements necessary to receive an unreduced retirement annuity from the plan and satisfied requirements for the commencement of the retirement annuity or elected a lump-sum payment; and

(4) agrees to accept a postretirement option position with the same or a different appointing authority, working a reduced schedule that is both (i) a reduction of at least 25 percent from the employee's number of previously regularly scheduled work hours; and (ii) 1,044 hours or less in state or former Metropolitan Council service.

(b) For purposes of this section, an unreduced retirement annuity includes a retirement annuity computed under a provision of law which permits retirement, without application of an earlier retirement reduction factor, whenever age plus years of allowable service total at least 90.

(c) For purposes of this section, as it applies to state employees who are members of the Public Employees Retirement Association who are at least age 62, the length of separation requirement and termination of service requirement prohibiting return to work agreements under section 353.01, subdivisions 11a and 28, are not applicable.

Sec. 21. Minnesota Statutes 2014, section 47.52, is amended to read:

#### **47.52 AUTHORIZATION.**

(a) With the prior approval of the commissioner, any bank doing business in this state may establish and maintain detached facilities provided the facilities are located within: (1) the

municipality in which the principal office of the applicant bank is located; or (2) 5,000 feet of its principal office measured in a straight line from the closest points of the closest structures involved; or (3) a municipality in which no bank is located at the time of application; or (4) a municipality having a population of more than 10,000; or (5) a municipality having a population of 10,000 or less, as determined by the commissioner from the latest available data from the state demographer, ~~or for municipalities located in the seven-county metropolitan area from the Metropolitan Council;~~ and all the banks having a principal office in the municipality have consented in writing to the establishment of the facility.

(b) A detached facility shall not be closer than 50 feet to a detached facility operated by any other bank and shall not be closer than 100 feet to the principal office of any other bank, the measurement to be made in the same manner as provided above. This paragraph shall not be applicable if the proximity to the facility or the bank is waived in writing by the other bank and filed with the application to establish a detached facility.

(c) A bank is allowed, in addition to other facilities, part-time deposit-taking locations at elementary and secondary schools located within the municipality in which the main banking house or a detached facility is located if they are established in connection with student education programs approved by the school administration and consistent with safe, sound banking practices.

(d) In addition to other facilities, a bank may operate part-time locations at nursing homes and senior citizen housing facilities located within the municipality in which the main banking house or a detached facility is located, or within the seven-county metropolitan area if the bank's main banking facility or a detached facility is located within the seven-county metropolitan area, if they are operated in a manner consistent with safe, sound banking practices.

Sec. 22. Minnesota Statutes 2014, section 65B.43, subdivision 20, is amended to read:

Subd. 20. **Political subdivision.** "Political subdivision" means any statutory or home rule charter city; county; town; school district; or ~~metropolitan council; board or~~ commission, or metropolitan agency operating under chapter 473.

Sec. 23. Minnesota Statutes 2014, section 85.016, is amended to read:

**85.016 BICYCLE TRAIL PROGRAM.**

The commissioner of natural resources shall establish a program for the development of bicycle trails utilizing the state trails authorized by section 85.015, other state parks and recreation land, and state forests. "Bicycle trail," as used in this section, has the meaning given in section 169.011. The program shall be coordinated with the local park trail grant program established by the commissioner pursuant to section 85.019, with the bikeway program established by the commissioner of transportation pursuant to section 160.265, and with existing and proposed local bikeways. ~~In the metropolitan area as defined in section 473.121, the program shall be developed in accordance with plans and priorities established by the Metropolitan Council.~~ The commissioner shall provide technical assistance to local units of government in planning and developing bicycle trails in local parks. The bicycle trail program shall, as a minimum, describe the location, design, construction, maintenance, and land acquisition needs of each component trail and shall give due consideration to the model standards for the establishment of recreational vehicle lanes promulgated by the commissioner of transportation pursuant to section 160.262. The program shall be developed after consultation with the state trail council and regional and local units of government and bicyclist organizations.

Sec. 24. Minnesota Statutes 2014, section 85.017, is amended to read:

**85.017 TRAIL REGISTRY.**

The commissioner of natural resources shall compile and maintain a current registry of cross-country skiing, hiking, horseback riding and snowmobiling trails in the state and shall publish and distribute the information in the manner prescribed in section 86A.11. The ~~Metropolitan Council~~, the commissioner of employment and economic development, the Minnesota Historical Society, and local units of government shall cooperate with and assist the commissioner in preparing the registry.

Sec. 25. Minnesota Statutes 2014, section 85.53, subdivision 3, is amended to read:

Subd. 3. **Metropolitan area distribution formula.** Money appropriated from the parks and trails fund to the ~~Metropolitan Council~~ commissioner of natural resources for metropolitan area parks and trails shall be distributed to implementing agencies, as defined in section 473.351, subdivision 1, paragraph (a), as grants according to the following formula:

(1) 45 percent of the money must be disbursed according to the allocation formula in section 473.351, subdivision 3, to each implementing agency;

(2) 31.5 percent of the money must be distributed based on each implementing agency's relative share of the most recent estimate of the population of the metropolitan area;

(3) 13.5 percent of the money must be distributed based on each implementing agency's relative share of nonlocal visits based on the most recent user visitation survey conducted by the ~~Metropolitan Council~~ Parks and Open Space Commission; and

(4) ten percent of the money must be distributed as grants to implementing agencies for land acquisition within ~~Metropolitan Council Parks and Open Space Commission~~ approved regional parks and trails master plan boundaries under the ~~council's~~ commissioner's park acquisition opportunity grant program. The ~~Metropolitan Council~~ commissioner must provide a match of \$2 of the ~~council's~~ commissioner's park bonds for every \$3 of state funds for the park acquisition opportunity grant program.

Sec. 26. Minnesota Statutes 2014, section 103B.155, is amended to read:

**103B.155 STATE WATER AND RELATED LAND RESOURCE PLAN.**

The commissioner of natural resources, in cooperation with other state and federal agencies, regional development commissions, ~~the Metropolitan Council~~, local governmental units, and citizens, shall prepare a statewide framework and assessment water and related land resources plan for presentation to the legislature by November 15, 1975, for its review and approval or disapproval. This plan must relate each of the programs of the Department of Natural Resources for specific aspects of water management to the others. The statewide plan must include:

(1) regulation of improvements and land development by abutting landowners of the beds, banks, and shores of lakes, streams, watercourses, and marshes by permit or otherwise to preserve them for beneficial use;

(2) regulation of construction of improvements on and prevention of encroachments in the flood plains of the rivers, streams, lakes, and marshes of the state;

- (3) reclamation or filling of wet and overflowed lands;
- (4) repair, improvement, relocation, modification or consolidation in whole or in part of previously established public drainage systems within the state;
- (5) preservation of wetland areas;
- (6) management of game and fish resources as related to water resources;
- (7) control of water weeds;
- (8) control or alleviation of damages by flood waters;
- (9) alteration of stream channels for conveyance of surface waters, navigation, and any other public purposes;
- (10) diversion or changing of watercourses in whole or in part;
- (11) regulation of the flow of streams and conservation of their waters;
- (12) regulation of lake water levels;
- (13) maintenance of water supply for municipal, domestic, industrial, recreational, agricultural, aesthetic, wildlife, fishery, or other public use;
- (14) sanitation and public health and regulation of uses of streams, ditches, or watercourses to dispose of waste and maintain water quality;
- (15) preventive or remedial measures to control or alleviate land and soil erosion and siltation of affected watercourses or bodies of water;
- (16) regulation of uses of water surfaces; and
- (17) identification of high priority regions for wetland preservation, enhancement, restoration, and establishment.

Sec. 27. Minnesota Statutes 2014, section 103B.231, subdivision 3a, is amended to read:

Subd. 3a. **Priority schedule.** (a) The Board of Water and Soil Resources in consultation with the state review agencies ~~and the Metropolitan Council~~ may develop a priority schedule for the revision of plans required under this chapter.

(b) The prioritization should be based on but not be limited to status of current plan, scheduled revision dates, anticipated growth and development, existing and potential problems, and regional water quality goals and priorities.

(c) The schedule will be used by the Board of Water and Soil Resources in consultation with the state review agencies ~~and the Metropolitan Council~~ to direct watershed management organizations of when they will be required to revise their plans.

(d) In the event that a plan expires prior to notification from the Board of Water and Soil Resources under this section, the existing plan, authorities, and official controls of a watershed management organization shall remain in full force and effect until a revision is approved.

(e) Watershed management organizations submitting plans and draft plan amendments for review prior to the board's priority review schedule, may proceed to adopt and implement the plan



revisions without formal board approval if the board fails to adjust its priority review schedule for plan review, and commence its statutory review process within 45 days of submittal of the plan revision or amendment.

Sec. 28. Minnesota Statutes 2014, section 103B.231, subdivision 7, is amended to read:

Subd. 7. **Review of draft plan.** (a) Upon completion of the plan but before final adoption by the organization, the organization must submit the draft plan for a 60-day review and comment period to all counties, ~~the Metropolitan Council~~, the state review agencies, the Board of Water and Soil Resources, soil and water conservation districts, towns, and statutory and home rule charter cities having territory within the watershed. A local government unit that expects that substantial amendment of its local comprehensive plan will be necessary to bring local water management into conformance with the watershed plan must describe as specifically as possible, within its comments, the amendments to the local plan that it expects will be necessary. If the county has a groundwater plan, the county must review and comment on the consistency of the watershed plan with the county groundwater plan. Differences among local governmental agencies regarding the plan must be mediated. ~~Notwithstanding sections 103D.401, 103D.405, and 473.165, the council shall review the plan in the same manner and with the same authority and effect as provided for the council's review of the comprehensive plans of local government units under section 473.175. The council shall comment on the apparent conformity with metropolitan system plans of any anticipated amendments to local comprehensive plans. The council shall advise the Board of Water and Soil Resources on whether the plan conforms with the management objectives and target pollution loads stated in the council's water resources plan and shall recommend changes in the plan that would satisfy the council's plan.~~

(b) The watershed management organization must respond in writing to any concerns expressed by the review agencies at least ten days before the public hearing.

(c) The watershed management organization must hold a public hearing on the draft plan no sooner than 14 days after the 60-day review period of the draft plan. The board or boards of the affected counties shall approve or disapprove projects in the capital improvement program which may require the provision of county funds pursuant to section 103B.251 or 103D.901, subdivision 2. Each county has up until the date of the public hearing on the draft plan to complete its review of the capital improvement program. If the county fails to complete its review within the prescribed period, unless an extension is agreed to by the organization the program shall be deemed approved. If the watershed extends into more than one county and one or more counties disapprove of all or part of a capital improvement program while the other county or counties approve, the program shall be submitted to the Board of Water and Soil Resources for review pursuant to subdivision 9.

Sec. 29. Minnesota Statutes 2014, section 103B.231, subdivision 9, is amended to read:

Subd. 9. **Approval by board.** After completion of the review under subdivision 7, the draft plan, any amendments thereto, all written comments received on the draft plan, a record of the public hearing, and a summary of changes incorporated as a result of the review process shall be submitted to ~~the Metropolitan Council~~, the state review agencies; and the Board of Water and Soil Resources for final review. The board shall review the plan for conformance with the requirements of sections 103B.205 to 103B.255, and chapter 103D. The board shall not prescribe a plan, but may disapprove all or parts of a plan which it determines is not in conformance with the requirements of sections 103B.205 to 103B.255, and chapter 103D. If the capital improvement program is the subject of a dispute between counties, the Board of Water and Soil Resources shall make a final decision on the

issue. The decision shall be binding on the organization and the counties involved. The board shall complete its review under this section within 90 days.

Sec. 30. Minnesota Statutes 2014, section 103B.231, subdivision 11, is amended to read:

Subd. 11. **Amendments.** To the extent and in the manner required by the adopted plan, all amendments to the adopted plan shall be submitted to the towns, cities, county, ~~the Metropolitan Council~~, the state review agencies, and the Board of Water and Soil Resources for review in accordance with the provisions of subdivisions 7 and 9. Amendments necessary to revise the plan to be consistent with the county groundwater plan, as required by subdivision 4, must be submitted for review in accordance with subdivisions 7 and 9. Minor amendments to a plan shall be reviewed in accordance with standards prescribed in the watershed management plan.

Sec. 31. Minnesota Statutes 2014, section 103B.235, subdivision 3, is amended to read:

Subd. 3. **Review.** After consideration but before adoption by the governing body, each local unit shall submit its water management plan to the watershed management organization for review for consistency with the watershed plan adopted pursuant to section 103B.231. If the county or counties having territory within the local unit have a state-approved and locally adopted groundwater plan, the local unit shall submit its plan to the county or counties for review. The county or counties have 45 days to review and comment on the plan. The organization shall approve or disapprove the local plan or parts of the plan. The organization shall have 60 days to complete its review; ~~provided, however, that the watershed management organization shall, as part of its review, take into account the comments submitted to it by the Metropolitan Council pursuant to subdivision 3a.~~ If the organization fails to complete its review within the prescribed period, the local plan shall be deemed approved unless an extension is agreed to by the local unit.

Sec. 32. Minnesota Statutes 2014, section 103B.255, subdivision 8, is amended to read:

Subd. 8. **Review of the draft plan.** (a) Upon completion of the groundwater plan but before final adoption by the county, the county shall submit the draft plan for a 60-day review and comment period to adjoining counties, ~~the Metropolitan Council~~, the state review agencies, the Board of Water and Soil Resources, each soil and water conservation district, town, statutory and home rule charter city, and watershed management organization having territory within the county. The county also shall submit the plan to any other county or watershed management organization or district in the affected groundwater system that could affect or be affected by implementation of the plan. Any political subdivision or watershed management organization that expects that substantial amendment of its plans would be necessary in order to bring them into conformance with the county groundwater plan shall describe as specifically as possible, within its comments, the amendments that it expects would be necessary and the cost of amendment and implementation. Reviewing entities have 60 days to review and comment. Differences among local governmental agencies regarding the plan must be mediated. ~~Notwithstanding sections 103D.401, 103D.405, and 473.165, the council shall review the plan in the same manner and with the same authority and effect as provided in section 473.175 for review of the comprehensive plans of local government units. The council shall comment on the apparent conformity with metropolitan system plans of any anticipated amendments to watershed plans and local comprehensive plans. The council shall advise the Board of Water and Soil Resources on whether the plan conforms with the management objectives stated in the council's water resources plan and shall recommend changes in the plan that would satisfy the council's plan.~~

(b) The county must respond in writing to any concerns expressed by the reviewing agencies within 30 days of receipt thereof.

(c) The county shall hold a public hearing on the draft plan no sooner than 30 days and no later than 45 days after the 60-day review period of the draft plan.

Sec. 33. Minnesota Statutes 2014, section 103B.255, subdivision 9, is amended to read:

Subd. 9. **Review by Metropolitan Council and state agencies.** After completion of the review under subdivision 8, the draft plan, any amendments thereto, all written comments received on the plan, a record of the public hearing, and a summary of changes incorporated as part of the review process must be submitted to ~~the Metropolitan Council,~~ the state review agencies; and the Board of Water and Soil Resources for final review. The state review agencies shall review and comment on the consistency of the plan with state laws and rules relating to water and related land resources. The state review agencies shall forward their comments to the board within 45 days after they receive the final review draft of the plan. A state review agency may request and receive up to a 30-day extension of this review period from the board.

Sec. 34. Minnesota Statutes 2014, section 103B.255, subdivision 12, is amended to read:

Subd. 12. **Amendments.** To the extent and in the manner required by the adopted plan, all amendments to the adopted plan must be submitted to the towns, cities, counties, ~~the Metropolitan Council,~~ the state review agencies, and the Board of Water and Soil Resources for review in accordance with the provisions of subdivisions 8 to 10.

Sec. 35. Minnesota Statutes 2014, section 103D.401, is amended to read:

#### **103D.401 WATERSHED MANAGEMENT PLAN.**

Subdivision 1. **Contents.** ~~(a)~~ The managers must adopt a watershed management plan for any or all of the purposes for which a watershed district may be established. The watershed management plan must give a narrative description of existing water and water-related problems within the watershed district, possible solutions to the problems, and the general objectives of the watershed district. The watershed management plan must also conform closely with watershed management plan guidelines as adopted and amended from time to time by the Board of Water and Soil Resources.

~~(b) The watershed management plan may include a separate section on proposed projects. If the watershed district is within the metropolitan area, the separate section of proposed projects or petitions for projects to be undertaken according to the watershed management plan is a comprehensive plan of the watershed district for purposes of review by the Metropolitan Council under section 473.165.~~

Subd. 2. **Review.** The managers must send a copy of the proposed watershed management plan to the county auditor of each county affected by the watershed district, the board, the commissioner, the director, the governing body of each municipality affected by the watershed district, and soil and water conservation districts affected by the watershed district. ~~For a watershed district within the metropolitan area, a copy of the proposed watershed management plan must also be submitted to the Metropolitan Council.~~

Subd. 3. **Director's and Metropolitan Council's recommendations.** After receiving the watershed management plan, the director ~~and the Metropolitan Council~~ must review and make

recommendations on the watershed management plan. By 60 days after receiving the plan, the director ~~and the Metropolitan Council~~ must send ~~their~~ recommendations on the watershed management plan to the board and a copy to the managers of the watershed district, the county auditor of each county affected by the watershed district, the governing bodies of all municipalities affected by the watershed district, and soil and water conservation districts affected by the watershed district. The board may extend the period for review and transmittal of the recommendations.

Subd. 4. **Hearing notice.** (a) The board must give notice and hold a watershed management plan hearing on the proposed watershed management plan by 45 days after receiving the director's ~~and Metropolitan Council's~~ recommendations.

(b) The board must give notice of the watershed management plan hearing by publication in a legal newspaper that is published in counties affected by the watershed district. The last publication must occur at least ten days before the watershed management plan hearing.

(c) The board must give notice of the watershed management plan hearing by mail to the auditors of counties and to the chief executive officials of municipalities affected by the watershed district.

(d) The notice must include:

(1) a statement that a copy of the proposed watershed management plan has been filed with the board, ~~the Metropolitan Council~~, where applicable, the auditors of counties affected by the proposed watershed district, the commissioner, the director, the governing body of each municipality affected by the watershed district, and the soil and water conservation districts affected by the watershed district;

(2) a general description of the purpose of the watershed district;

(3) a general description of the property included in the watershed district;

(4) a general description of the proposed watershed management plan;

(5) the date, time, and location of the hearing; and

(6) a statement that all persons affected or interested in the watershed district may attend and give statements at the watershed management plan hearing.

Subd. 5. **Board approval.** After the watershed management plan hearing, the board must, by order, prescribe and approve a watershed management plan for the watershed district. The board must send a copy of the order and approved watershed management plan to the managers, the county board of each county affected by the watershed district, the commissioner, the director, ~~the Metropolitan Council, where applicable~~, the governing body of each municipality affected by the watershed district, and soil and water conservation districts affected by the watershed district. The watershed management plan approved by the board is the watershed management plan for the watershed district.

Sec. 36. Minnesota Statutes 2014, section 103D.405, subdivision 3, is amended to read:

Subd. 3. **Review.** The managers must send a copy of the revised watershed management plan to the board, the county board and county auditor of each county affected by the watershed district, the director, the governing body of each municipality affected by the watershed district, and soil and water conservation districts affected by the watershed district, ~~and the Metropolitan Council, if the watershed district is within the metropolitan area.~~

Sec. 37. Minnesota Statutes 2014, section 103D.405, subdivision 4, is amended to read:

Subd. 4. **Director's and Metropolitan Council's recommendations.** The director ~~and the Metropolitan Council, if applicable,~~ must review and make recommendations on the revised watershed management plan. By 60 days after receiving the revised watershed management plan unless the time is extended by the board, the director ~~and the council~~ must send the recommendations on the revised watershed management plan to the board, and a copy of the recommendations to the managers, the county auditor of each county affected by the watershed district, the governing body of each municipality affected by the watershed district, and soil and water conservation districts affected by the watershed district.

Sec. 38. Minnesota Statutes 2014, section 103D.405, subdivision 5, is amended to read:

Subd. 5. **Notice.** (a) The board must give notice and hold a revised watershed management plan hearing on the proposed revised watershed management plan by 45 days after receiving the director's ~~and Metropolitan Council's~~ recommendation.

(b) The board must give notice of the revised watershed management plan hearing by publication in a legal newspaper published in counties affected by the watershed district. The last publication must occur at least ten days before the revised watershed management plan hearing.

(c) The board must give notice of the revised watershed management plan hearing by mail to the auditors of counties and to the chief executive officials of municipalities affected by the watershed district.

(d) The notice must include:

(1) a statement that a copy of the proposed revised watershed management plan has been filed with the board, ~~the Metropolitan Council, where applicable,~~ the auditors of counties affected by the proposed watershed district, the commissioner, the director, the governing body of each municipality affected by the watershed district, and the soil and water conservation districts affected by the watershed district;

(2) a general description of the purpose of the watershed district;

(3) a general description of the property included in the watershed district;

(4) a general description of the proposed revised watershed management plan;

(5) the date, time, and location of the hearing; and

(6) a statement that all persons affected or interested in the watershed district may attend and give statements at the revised watershed management plan hearing.

Sec. 39. Minnesota Statutes 2014, section 103D.405, subdivision 6, is amended to read:

Subd. 6. **Board order.** After the revised watershed management plan hearing, the board must prescribe a revised watershed management plan for the watershed district. The board must send a copy of the order and approved revised watershed management plan to the managers, the county board of each county affected by the watershed district, the commissioner, the director, ~~the Metropolitan Council, where applicable,~~ and soil and water conservation districts affected by the watershed district. The revised watershed management plan approved by the board is the revised watershed management plan for the watershed district.

Sec. 40. Minnesota Statutes 2014, section 103G.293, is amended to read:

**103G.293 STATEWIDE DROUGHT PLAN.**

The commissioner shall establish a plan to respond to drought-related emergencies and to prepare a statewide framework for drought response. ~~The plan must consider metropolitan water supply plans of the Metropolitan Council prepared under section 473.1565.~~ The plan must provide a framework for implementing drought response actions in a staged approach related to decreasing levels of flows. Permits issued under section 103G.271 must provide conditions on water appropriation consistent with the drought response plan established by this section.

Sec. 41. Minnesota Statutes 2014, section 114C.25, is amended to read:

**114C.25 GREEN STAR AWARD.**

A regulated entity may display at a facility a "green star" award designed by the commissioner if:

(1) the regulated entity qualifies for participation in the environmental improvement program under section 114C.22;

(2) the scope of the regulated entity's audit examines the facility's compliance with applicable environmental requirements;

(3) the regulated entity certifies that all violations that were identified in the audit of the facility were corrected within 90 days or within the time specified in an approved performance schedule or certifies that no violations were identified in the audit; and

(4) at least two years have elapsed since the final resolution of an enforcement action involving the regulated entity.

After consulting with each other, however, the commissioner or the county may issue an award if the enforcement action resulted from minor violations. ~~If the regulated entity is located in a metropolitan county, the commissioner and the county must also consult with the Metropolitan Council before issuing a green star award.~~

The award may be displayed for a period of two years from the time that the commissioner determines that the requirements of this section have been met. A facility submitting findings from its environmental management system is not eligible to receive an award unless the findings are part of an audit which examines the facility's compliance with applicable environmental requirements.

Sec. 42. Minnesota Statutes 2014, section 114D.30, subdivision 2, is amended to read:

Subd. 2. **Membership; appointment.** (a) The commissioners of natural resources, agriculture, health, and the Pollution Control Agency, and the executive director of the Board of Water and Soil Resources shall each appoint one person from their respective agency to serve as a nonvoting member of the council. Two members of the house of representatives, including one member from the majority party and one member from the minority party, appointed by the speaker and two senators, including one member from the majority party and one member from the minority party, appointed according to the rules of the senate shall serve at the pleasure of the appointing authority as nonvoting members of the council. Agency and legislative members appointed under this paragraph serve as nonvoting members of the council.

(b) ~~Nineteen~~ Eighteen voting members of the council shall be appointed by the governor as follows:

- (1) two members representing statewide farm organizations;
  - (2) two members representing business organizations;
  - (3) two members representing environmental organizations;
  - (4) one member representing soil and water conservation districts;
  - (5) one member representing watershed districts;
  - (6) one member representing nonprofit organizations focused on improvement of Minnesota lakes or streams;
  - (7) two members representing organizations of county governments, one member representing the interests of rural counties and one member representing the interests of counties in the seven-county metropolitan area;
  - (8) two members representing organizations of city governments;
  - (9) ~~one member representing the Metropolitan Council established under section 473.123;~~
  - (10) ~~(9)~~ (9) one member representing township officers;
  - (11) ~~(10)~~ (10) one member representing the interests of tribal governments;
  - (12) ~~(11)~~ (11) one member representing statewide hunting organizations;
  - (13) ~~(12)~~ (12) one member representing the University of Minnesota or a Minnesota state university;
- and
- (14) ~~(13)~~ (13) one member representing statewide fishing organizations.

Members appointed under this paragraph must not be registered lobbyists or legislators. In making appointments, the governor must attempt to provide for geographic balance. The members of the council appointed by the governor are subject to the advice and consent of the senate.

Sec. 43. Minnesota Statutes 2014, section 114D.30, subdivision 4, is amended to read:

Subd. 4. **Terms; compensation; removal.** The terms of members representing the state agencies ~~and the Metropolitan Council~~ are four years and are coterminous with the governor. The terms of other nonlegislative members of the council shall be as provided in section 15.059, subdivision 2. Members may serve until their successors are appointed and qualify. Compensation and removal of nonlegislative council members is as provided in section 15.059, subdivisions 3 and 4. Compensation of legislative members is as determined by the appointing authority. The Pollution Control Agency may reimburse legislative members for expenses. A vacancy on the council may be filled by the appointing authority provided in subdivision 1 for the remainder of the unexpired term.

Sec. 44. Minnesota Statutes 2014, section 116M.15, subdivision 1, is amended to read:

Subdivision 1. **Creation; membership.** The Urban Initiative Board is created and consists of the commissioner of employment and economic development, ~~the chair of the Metropolitan~~

~~Council~~, and eight members from the general public appointed by the governor. Six of the public members must be representatives from minority business enterprises. No more than four of the public members may be of one gender. All public members must be experienced in business or economic development.

Sec. 45. Minnesota Statutes 2014, section 118A.07, subdivision 1, is amended to read:

Subdivision 1. **Authority provided.** As used in this section, "governmental entity" means a city with a population in excess of 200,000; or a county that contains a city of that size; ~~or the Metropolitan Council.~~ If a governmental entity meets the requirements of subdivisions 2 and 3, it may exercise additional investment authority under subdivisions 4, 5, and 6.

Sec. 46. Minnesota Statutes 2014, section 124D.892, subdivision 1, is amended to read:

Subdivision 1. **Establishment.** (a) An Office of Desegregation/Integration is established in the Department of Education to coordinate and support activities related to student enrollment, student and staff recruitment and retention, transportation, and interdistrict cooperation among school districts.

(b) At the request of a school district involved in cooperative desegregation/integration efforts, the office shall perform any of the following activities:

(1) assist districts with interdistrict student transfers, including student recruitment, counseling, placement, and transportation;

(2) coordinate and disseminate information about schools and programs;

(3) assist districts with new magnet schools and programs;

(4) assist districts in providing staff development and in-service training; and

(5) coordinate and administer staff exchanges.

(c) The office shall collect data on the efficacy of districts' desegregation/integration efforts and make recommendations based on the data. ~~The office shall periodically consult with the Metropolitan Council to coordinate metropolitan school desegregation/integration efforts with the housing, social, economic, and infrastructure needs of the metropolitan area.~~ The office shall develop a process for resolving students' disputes and grievances about student transfers under a desegregation/integration plan.

Sec. 47. Minnesota Statutes 2014, section 134.201, subdivision 5, is amended to read:

Subd. 5. **General levy authority.** The board may levy for operation of public library service. This levy shall replace levies for operation of public library service by cities and counties authorized in section 134.07. The amount levied shall be spread on the net tax capacity of all taxable property in the district at a uniform tax rate.

(a) The maximum amount that may be levied by a board under this section is the greater of:

(1) the statewide average local support per capita for public library services for the most recent reporting period available, as certified by the commissioner of education, multiplied by the population of the district according to the most recent estimate of the state demographer ~~or the Metropolitan Council~~; or



(2) the total amount provided by participating counties and cities under section 134.34, subdivision 4, during the year preceding the first year of operation.

(b) For its first year of operation, the board shall levy an amount not less than the total dollar amount provided by participating cities and counties during the preceding year under section 134.34, subdivision 4.

Sec. 48. Minnesota Statutes 2014, section 145A.02, subdivision 16, is amended to read:

Subd. 16. **Population.** "Population" means the total number of residents of the state or any city or county as established by the last federal census, by a special census taken by the United States Bureau of the Census, or by the state demographer under section 4A.02, or by an estimate of city population prepared by the Metropolitan Council, whichever is the most recent as to the stated date of count or estimate.

Sec. 49. Minnesota Statutes 2014, section 160.265, subdivision 1, is amended to read:

Subdivision 1. **State bikeways.** The commissioner of transportation shall establish a program for the development of bikeways primarily on existing road rights-of-way. The program shall include a system of bikeways to be established, developed, maintained, and operated by the commissioner of transportation and a system of state grants for the development of local bikeways primarily on existing road rights-of-way. The program shall be coordinated with the local park trail grant program pursuant to section 85.019, with the bicycle trail program established by the commissioner of natural resources pursuant to section 85.016, with the development of the statewide transportation plan pursuant to section 174.03, and with existing and proposed local bikeways. ~~In the metropolitan area as defined in section 473.121, the program shall be developed in accordance with plans and priorities established by the Metropolitan Council.~~ The program shall be developed after consultation with the State Trail Council, local units of government, and bicyclist organizations. The program shall be administered in accordance with the provisions of sections 160.262 to 160.264 and standards promulgated pursuant thereto. The commissioner shall compile and maintain a current registry of bikeways in the state and shall publish and distribute the information contained in the registry in a form and manner suitable to assist persons wishing to use the bikeways. ~~The Metropolitan Council,~~ the commissioner of natural resources, the commissioner of employment and economic development, the Minnesota Historical Society, and local units of government shall cooperate with and assist the commissioner of transportation in preparing the registry. The commissioner shall have all powers necessary and convenient to establish the program pursuant to this section including but not limited to the authority to adopt rules pursuant to chapter 14.

Sec. 50. Minnesota Statutes 2014, section 174.93, subdivision 2, is amended to read:

Subd. 2. **Legislative report.** (a) By January 15, 2012, and by November 15 in every odd-numbered year thereafter, the commissioner shall prepare, ~~in collaboration with the Metropolitan Council~~, and submit a report electronically to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation policy and finance concerning the status of guideway projects (1) currently in study, planning, development, or construction; (2) identified in the transportation policy plan under section 473.146; or (3) identified in the comprehensive statewide freight and passenger rail plan under section 174.03, subdivision 1b.

(b) At a minimum, the report must include, for each guideway project:

- (1) a brief description of the project, including projected ridership;
- (2) a summary of the overall status and current phase of the project;
- (3) a timeline that includes (i) project phases or milestones; (ii) expected and known dates of commencement of each phase or milestone; and (iii) expected and known dates of completion of each phase or milestone;
- (4) a brief progress update on specific project phases or milestones completed since the last previous submission of a report under this subdivision; and
- (5) a summary financial plan that identifies, as reflected by the data and level of detail available in the latest phase of project development and to the extent available:
  - (i) capital expenditures, including expenditures to date and total projected expenditures, with a breakdown by committed and proposed sources of funds for the project;
  - (ii) estimated annual operations and maintenance expenditures reflecting the level of detail available in the current phase of the project development, with a breakdown by committed and proposed sources of funds for the project; and
  - (iii) if feasible, project expenditures by budget activity.
- (c) The report must also include a systemwide capacity analysis for investment in guideway expansion and maintenance that:
  - (1) provides a funding projection, annually over the ensuing ten years, and with a breakdown by committed and proposed sources of funds, of:
    - (i) total capital expenditures for guideways;
    - (ii) total operations and maintenance expenditures for guideways;
    - (iii) total funding available for guideways, including from projected or estimated farebox recovery; and
    - (iv) total funding available for transit service in the metropolitan area; and
  - (2) evaluates the availability of funds and distribution of sources of funds for guideway investments.
- (d) The projection under paragraph (c), clause (1), must be for all guideway lines for which state funds are reasonably expected to be expended in planning, development, construction, or revenue operation during the ensuing ten years.
- (e) Local units of government shall provide assistance and information in a timely manner as requested by the commissioner ~~or council~~ for completion of the report.

Sec. 51. Minnesota Statutes 2014, section 216C.145, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) The definitions in this subdivision apply to this section.

(b) "Community energy efficiency and renewable energy projects" means solar thermal water heating, solar electric or photovoltaic equipment, small wind energy conversion systems of less than 250 kW, anaerobic digester gas systems, microhydro systems up to 100 kW, heating and cooling

applications using solar thermal or ground source technology, and cost-effective energy efficiency projects installed in industrial, commercial, or public buildings, or health care facilities.

(c) "Health care facilities" means a hospital licensed under sections 144.50 to 144.56, or a nursing home licensed under chapter 144A.

(d) "Industrial customer" means a business that is classified under the North American Industrial Classification System under codes 21, 31 to 33, 48, 49, or 562.

(e) "Small business" means a business that employs 50 or fewer employees.

(f) "Unit of local government" means any home rule charter or statutory city, county, commission, district, authority, or other political subdivision or instrumentality of this state, including a sanitary district, park district, ~~the Metropolitan Council~~, a port authority, an economic development authority, or a housing and redevelopment authority.

Sec. 52. Minnesota Statutes 2014, section 216C.15, subdivision 1, is amended to read:

Subdivision 1. **Priorities and requirements.** The commissioner shall maintain an emergency conservation and allocation plan. The plan shall provide a variety of strategies and staged conservation measures to reduce energy use and, in the event of an energy supply emergency, shall establish guidelines and criteria for allocation of fuels to priority users. The plan shall contain alternative conservation actions and allocation plans to reasonably meet various foreseeable shortage circumstances and allow a choice of appropriate responses. The plan shall be consistent with requirements of federal emergency energy conservation and allocation laws and regulations, shall be based on reasonable energy savings or transfers from scarce energy resources and shall:

(1) give priority to individuals, institutions, agriculture, businesses, and public transit under contract with the commissioner of transportation ~~or the Metropolitan Council~~ which demonstrate they have engaged in energy-saving measures and shall include provisions to insure that:

(i) immediate allocations to individuals, institutions, agriculture, businesses, and public transit be based on needs at energy conservation levels;

(ii) successive allocations to individuals, institutions, agriculture, businesses, and public transit be based on needs after implementation of required action to increase energy conservation; and

(iii) needs of individuals, institutions, and public transit are adjusted to insure the health and welfare of the young, old and infirm;

(2) insure maintenance of reasonable job safety conditions and avoid environmental sacrifices;

(3) establish programs, controls, standards, priorities or quotas for the allocation, conservation, and consumption of energy resources; and for the suspension and modification of existing standards and the establishment of new standards affecting or affected by the use of energy resources, including those related to the type and composition of energy sources, and to the hours and days during which public buildings, commercial and industrial establishments, and other energy-consuming facilities may or are required to remain open;

(4) establish programs to control the use, sale or distribution of commodities, materials, goods or services;

(5) establish regional programs and agreements for the purpose of coordinating the energy resources, programs and actions of the state with those of the federal government, of local governments, and of other states and localities;

(6) determine at what level of an energy supply emergency situation the Pollution Control Agency shall be requested to ask the governor to petition the president for a temporary emergency suspension of air quality standards as required by the Clean Air Act, United States Code, title 42, section 7410f; and

(7) establish procedures for fair and equitable review of complaints and requests for special exemptions regarding emergency conservation measures or allocations.

Sec. 53. Minnesota Statutes 2014, section 216H.02, subdivision 2, is amended to read:

Subd. 2. **Climate change action plan.** By February 1, 2008, the commissioner of commerce, in consultation with the commissioners of the Pollution Control Agency, the Housing Finance Agency, and the Departments of Natural Resources, Agriculture, Employment and Economic Development, and Transportation, ~~and the chair of the Metropolitan Council~~, shall submit to the legislature a climate change action plan that meets the requirements of this section.

Sec. 54. Minnesota Statutes 2014, section 240.06, subdivision 2, is amended to read:

Subd. 2. **Hearings.** Before granting a class A license the commission shall conduct one or more public hearings in the area where the racetrack is or will be located. The commission shall also request comments on the application from the city council or town board of the city or town where the track is or will be located, or from the county board if it is to be located outside a city or town and from the appropriate regional development commission ~~or the Metropolitan Council, as the case may be.~~

Sec. 55. Minnesota Statutes 2014, section 270.12, subdivision 3, is amended to read:

Subd. 3. **Jurisdictions in two or more counties.** When a taxing jurisdiction lies in two or more counties, if the sales ratio studies prepared by the Department of Revenue show that the average levels of assessment in the several portions of the taxing jurisdictions in the different counties differ by more than five percent, the board may order the apportionment of the levy. When the sales ratio studies prepared by the Department of Revenue show that the average levels of assessment in the several portions of the taxing jurisdictions in the different counties differ by more than ten percent, the board shall order the apportionment of the levy unless (a) the proportion of total adjusted tax capacity in one of the counties is less than ten percent of the total adjusted tax capacity in the taxing jurisdiction and the average level of assessment in that portion of the taxing jurisdiction is the level which differs by more than five percent from the assessment level in any one of the other portions of the taxing jurisdiction; (b) significant changes have been made in the level of assessment in the taxing jurisdiction which have not been reflected in the sales ratio study, and those changes alter the assessment levels in the portions of the taxing jurisdiction so that the assessment level now differs by five percent or less; or (c) commercial, industrial, mineral, or public utility property predominates in one county within the taxing jurisdiction and another class of property predominates in another county within that same taxing jurisdiction. If one or more of these factors are present, the board may order the apportionment of the levy.

Notwithstanding any other provision, the levy for the Metropolitan Mosquito Control District, ~~Metropolitan Council~~, metropolitan transit district, and metropolitan transit area must be apportioned without regard to the percentage difference.

If, pursuant to this subdivision, the board apportions the levy, then that levy apportionment among the portions in the different counties shall be made in the same proportion as the adjusted tax capacity as determined by the commissioner in each portion is to the total adjusted tax capacity of the taxing jurisdiction.

For the purposes of this section, the average level of assessment in a taxing jurisdiction or portion thereof shall be the aggregate assessment sales ratio. Tax capacities as determined by the commissioner shall be the tax capacities as determined for the year preceding the year in which the levy to be apportioned is levied.

Actions pursuant to this subdivision shall be commenced subsequent to the annual meeting on April 15 of the State Board of Equalization, but notice of the action shall be given to the affected jurisdiction and the appropriate county auditors by the following June 30.

Apportionment of a levy pursuant to this subdivision shall be considered as a remedy to be taken after equalization pursuant to subdivision 2, and when equalization within the jurisdiction would disturb equalization within other jurisdictions of which the several portions of the jurisdiction in question are a part.

Sec. 56. Minnesota Statutes 2014, section 275.065, subdivision 3, is amended to read:

Subd. 3. **Notice of proposed property taxes.** (a) The county auditor shall prepare and the county treasurer shall deliver after November 10 and on or before November 24 each year, by first class mail to each taxpayer at the address listed on the county's current year's assessment roll, a notice of proposed property taxes. Upon written request by the taxpayer, the treasurer may send the notice in electronic form or by electronic mail instead of on paper or by ordinary mail.

(b) The commissioner of revenue shall prescribe the form of the notice.

(c) The notice must inform taxpayers that it contains the amount of property taxes each taxing authority proposes to collect for taxes payable the following year. In the case of a town, or in the case of the state general tax, the final tax amount will be its proposed tax. The notice must clearly state for each city that has a population over 500, county, school district, regional library authority established under section 134.201, and metropolitan taxing districts as defined in paragraph (i), the time and place of a meeting for each taxing authority in which the budget and levy will be discussed and public input allowed, prior to the final budget and levy determination. The taxing authorities must provide the county auditor with the information to be included in the notice on or before the time it certifies its proposed levy under subdivision 1. The public must be allowed to speak at that meeting, which must occur after November 24 and must not be held before 6:00 p.m. It must provide a telephone number for the taxing authority that taxpayers may call if they have questions related to the notice and an address where comments will be received by mail, except that no notice required under this section shall be interpreted as requiring the printing of a personal telephone number or address as the contact information for a taxing authority. If a taxing authority does not maintain public offices where telephone calls can be received by the authority, the authority may inform the county of the lack of a public telephone number and the county shall not list a telephone number for that taxing authority.

(d) The notice must state for each parcel:

(1) the market value of the property as determined under section 273.11, and used for computing property taxes payable in the following year and for taxes payable in the current year as each appears in the records of the county assessor on November 1 of the current year; and, in the case of residential property, whether the property is classified as homestead or nonhomestead. The notice must clearly inform taxpayers of the years to which the market values apply and that the values are final values;

(2) the items listed below, shown separately by county, city or town, and state general tax, agricultural homestead credit under section 273.1384, voter approved school levy, other local school levy, and the sum of the special taxing districts, and as a total of all taxing authorities:

(i) the actual tax for taxes payable in the current year; and

(ii) the proposed tax amount.

If the county levy under clause (2) includes an amount for a lake improvement district as defined under sections 103B.501 to 103B.581, the amount attributable for that purpose must be separately stated from the remaining county levy amount.

In the case of a town or the state general tax, the final tax shall also be its proposed tax unless the town changes its levy at a special town meeting under section 365.52. If a school district has certified under section 126C.17, subdivision 9, that a referendum will be held in the school district at the November general election, the county auditor must note next to the school district's proposed amount that a referendum is pending and that, if approved by the voters, the tax amount may be higher than shown on the notice. In the case of the city of Minneapolis, the levy for Minneapolis Park and Recreation shall be listed separately from the remaining amount of the city's levy. In the case of the city of St. Paul, the levy for the St. Paul Library Agency must be listed separately from the remaining amount of the city's levy. In the case of Ramsey County, any amount levied under section 134.07 may be listed separately from the remaining amount of the county's levy. In the case of a parcel where tax increment or the fiscal disparities areawide tax under chapter 276A or 473F applies, the proposed tax levy on the captured value or the proposed tax levy on the tax capacity subject to the areawide tax must each be stated separately and not included in the sum of the special taxing districts; and

(3) the increase or decrease between the total taxes payable in the current year and the total proposed taxes, expressed as a percentage.

For purposes of this section, the amount of the tax on homesteads qualifying under the senior citizens' property tax deferral program under chapter 290B is the total amount of property tax before subtraction of the deferred property tax amount.

(e) The notice must clearly state that the proposed or final taxes do not include the following:

(1) special assessments;

(2) levies approved by the voters after the date the proposed taxes are certified, including bond referenda and school district levy referenda;

(3) a levy limit increase approved by the voters by the first Tuesday after the first Monday in November of the levy year as provided under section 275.73;

(4) amounts necessary to pay cleanup or other costs due to a natural disaster occurring after the date the proposed taxes are certified;

(5) amounts necessary to pay tort judgments against the taxing authority that become final after the date the proposed taxes are certified; and

(6) the contamination tax imposed on properties which received market value reductions for contamination.

(f) Except as provided in subdivision 7, failure of the county auditor to prepare or the county treasurer to deliver the notice as required in this section does not invalidate the proposed or final tax levy or the taxes payable pursuant to the tax levy.

(g) If the notice the taxpayer receives under this section lists the property as nonhomestead, and satisfactory documentation is provided to the county assessor by the applicable deadline, and the property qualifies for the homestead classification in that assessment year, the assessor shall reclassify the property to homestead for taxes payable in the following year.

(h) In the case of class 4 residential property used as a residence for lease or rental periods of 30 days or more, the taxpayer must either:

(1) mail or deliver a copy of the notice of proposed property taxes to each tenant, renter, or lessee; or

(2) post a copy of the notice in a conspicuous place on the premises of the property.

The notice must be mailed or posted by the taxpayer by November 27 or within three days of receipt of the notice, whichever is later. A taxpayer may notify the county treasurer of the address of the taxpayer, agent, caretaker, or manager of the premises to which the notice must be mailed in order to fulfill the requirements of this paragraph.

(i) For purposes of this subdivision and subdivision 6, "metropolitan special taxing districts" means the following taxing districts in the seven-county metropolitan area that levy a property tax for any of the specified purposes listed below:

~~(1) Metropolitan Council under section 473.132, 473.167, 473.249, 473.325, 473.446, 473.521, 473.547, or 473.834;~~

~~(2) (1) Metropolitan Airports Commission under section 473.667, 473.671, or 473.672; and~~

~~(3) (2) Metropolitan Mosquito Control Commission under section 473.711.~~

For purposes of this section, any levies made by the regional rail authorities in the county of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, or Washington under chapter 398A shall be included with the appropriate county's levy.

(j) The governing body of a county, city, or school district may, with the consent of the county board, include supplemental information with the statement of proposed property taxes about the impact of state aid increases or decreases on property tax increases or decreases and on the level of services provided in the affected jurisdiction. This supplemental information may include information for the following year, the current year, and for as many consecutive preceding years as deemed appropriate by the governing body of the county, city, or school district. It may include only information regarding:

(1) the impact of inflation as measured by the implicit price deflator for state and local government purchases;

(2) population growth and decline;

(3) state or federal government action; and

(4) other financial factors that affect the level of property taxation and local services that the governing body of the county, city, or school district may deem appropriate to include.

The information may be presented using tables, written narrative, and graphic representations and may contain instruction toward further sources of information or opportunity for comment.

Sec. 57. Minnesota Statutes 2014, section 275.066, is amended to read:

**275.066 SPECIAL TAXING DISTRICTS; DEFINITION.**

For the purposes of property taxation and property tax state aids, the term "special taxing districts" includes the following entities:

(1) watershed districts under chapter 103D;

(2) sanitary districts under sections 442A.01 to 442A.29;

(3) regional sanitary sewer districts under sections 115.61 to 115.67;

(4) regional public library districts under section 134.201;

(5) park districts under chapter 398;

(6) regional railroad authorities under chapter 398A;

(7) hospital districts under sections 447.31 to 447.38;

(8) St. Cloud Metropolitan Transit Commission under sections 458A.01 to 458A.15;

(9) Duluth Transit Authority under sections 458A.21 to 458A.37;

(10) regional development commissions under sections 462.381 to 462.398;

(11) housing and redevelopment authorities under sections 469.001 to 469.047;

(12) port authorities under sections 469.048 to 469.068;

(13) economic development authorities under sections 469.090 to 469.1081;

~~(14) Metropolitan Council under sections 473.123 to 473.549;~~

~~(15)~~ (14) Metropolitan Airports Commission under sections 473.601 to 473.679;

~~(16)~~ (15) Metropolitan Mosquito Control Commission under sections 473.701 to 473.716;

~~(17)~~ (16) Morrison County Rural Development Financing Authority under Laws 1982, chapter 437, section 1;

~~(18)~~ (17) Croft Historical Park District under Laws 1984, chapter 502, article 13, section 6;

~~(19)~~ (18) East Lake County Medical Clinic District under Laws 1989, chapter 211, sections 1 to 6;



~~(20)~~ (19) Floodwood Area Ambulance District under Laws 1993, chapter 375, article 5, section 39;

~~(21)~~ (20) Middle Mississippi River Watershed Management Organization under sections 103B.211 and 103B.241;

~~(22)~~ (21) emergency medical services special taxing districts under section 144F.01;

~~(23)~~ (22) a county levying under the authority of section 103B.241, 103B.245, or 103B.251;

~~(24)~~ (23) Southern St. Louis County Special Taxing District; Chris Jensen Nursing Home under Laws 2003, First Special Session chapter 21, article 4, section 12;

~~(25)~~ (24) an airport authority created under section 360.0426; and

~~(26)~~ (25) any other political subdivision of the state of Minnesota, excluding counties, school districts, cities, and towns, that has the power to adopt and certify a property tax levy to the county auditor, as determined by the commissioner of revenue.

Sec. 58. Minnesota Statutes 2014, section 275.62, subdivision 3, is amended to read:

Subd. 3. **Population estimate.** For the purposes of this section, the population of a local governmental unit shall be that established by the last federal census, by a census taken under section 275.14; or by an estimate made by the ~~Metropolitan Council~~ or by the state demographer made under section 4A.02, whichever is the most recent as to the stated date of count or estimate for the calendar year preceding the current levy year.

Sec. 59. Minnesota Statutes 2014, section 275.70, subdivision 4, is amended to read:

Subd. 4. **Population; number of households.** "Population" or "number of households" means the population or number of households for the local governmental unit as established by the last federal census, by a census taken under section 275.14; or by an estimate made by the ~~metropolitan council~~ or by the state demographer under section 4A.02, whichever is most recent as to the stated date of the count or estimate up to and including June 1 of the current levy year.

Sec. 60. Minnesota Statutes 2014, section 297A.70, subdivision 2, is amended to read:

Subd. 2. **Sales to government.** (a) All sales, except those listed in paragraph (b), to the following governments and political subdivisions, or to the listed agencies or instrumentalities of governments and political subdivisions, are exempt:

(1) the United States and its agencies and instrumentalities;

(2) school districts, local governments, the University of Minnesota, state universities, community colleges, technical colleges, state academies, the Perpich Minnesota Center for Arts Education, and an instrumentality of a political subdivision that is accredited as an optional/special function school by the North Central Association of Colleges and Schools;

(3) hospitals and nursing homes owned and operated by political subdivisions of the state of tangible personal property and taxable services used at or by hospitals and nursing homes;

~~(4) notwithstanding paragraph (d), the sales and purchases by the Metropolitan Council of vehicles and repair parts to equip operations provided for in section 473.4051 are exempt through December 31, 2016;~~

(5) (4) other states or political subdivisions of other states, if the sale would be exempt from taxation if it occurred in that state; and

(6) (5) public libraries, public library systems, multicounty, multitype library systems as defined in section 134.001, county law libraries under chapter 134A, state agency libraries, the state library under section 480.09, and the Legislative Reference Library.

(b) This exemption does not apply to the sales of the following products and services:

(1) building, construction, or reconstruction materials purchased by a contractor or a subcontractor as a part of a lump-sum contract or similar type of contract with a guaranteed maximum price covering both labor and materials for use in the construction, alteration, or repair of a building or facility;

(2) construction materials purchased by tax exempt entities or their contractors to be used in constructing buildings or facilities which will not be used principally by the tax exempt entities;

(3) the leasing of a motor vehicle as defined in section 297B.01, subdivision 11, except for leases entered into by the United States or its agencies or instrumentalities;

(4) lodging as defined under section 297A.61, subdivision 3, paragraph (g), clause (2), and prepared food, candy, soft drinks, and alcoholic beverages as defined in section 297A.67, subdivision 2, except for lodging, prepared food, candy, soft drinks, and alcoholic beverages purchased directly by the United States or its agencies or instrumentalities; or

(5) goods or services purchased by a local government as inputs to a liquor store, gas or electric utility, solid waste hauling service, solid waste recycling service, landfill, golf course, marina, campground, cafe, or laundromat.

(c) As used in this subdivision, "school districts" means public school entities and districts of every kind and nature organized under the laws of the state of Minnesota, and any instrumentality of a school district, as defined in section 471.59.

(d) For purposes of the exemption granted under this subdivision, "local governments" has the following meaning:

(1) for the period prior to January 1, 2016, local governments means statutory or home rule charter cities, counties, and townships;

(2) for the period of January 1, 2016, to December 31, 2016, local governments means statutory or home rule charter cities, counties, and townships; special districts as defined under section 6.465; ~~except for the Metropolitan Council under sections 473.123 to 473.549~~; any instrumentality of a statutory or home rule charter city, county, or township as defined in section 471.59; and any joint powers board or organization created under section 471.59; and

(3) beginning January 1, 2017, local governments means statutory or home rule charter cities, counties, and townships; special districts as defined under section 6.465; any instrumentality of a statutory or home rule charter city, county, or township as defined in section 471.59; and any joint powers board or organization created under section 471.59.

Sec. 61. Minnesota Statutes 2014, section 297A.70, subdivision 3, is amended to read:

Subd. 3. **Sales of certain goods and services to government.** (a) The following sales to or use by the specified governments and political subdivisions of the state are exempt:

(1) repair and replacement parts for emergency rescue vehicles, fire trucks, and fire apparatus to a political subdivision;

(2) machinery and equipment, except for motor vehicles, used directly for mixed municipal solid waste management services at a solid waste disposal facility as defined in section 115A.03, subdivision 10;

(3) chore and homemaking services to a political subdivision of the state to be provided to elderly or disabled individuals;

(4) telephone services to the Office of MN.IT Services that are used to provide telecommunications services through the MN.IT services revolving fund;

(5) firefighter personal protective equipment as defined in paragraph (b), if purchased or authorized by and for the use of an organized fire department, fire protection district, or fire company regularly charged with the responsibility of providing fire protection to the state or a political subdivision;

(6) bullet-resistant body armor that provides the wearer with ballistic and trauma protection, if purchased by a law enforcement agency of the state or a political subdivision of the state, or a licensed peace officer, as defined in section 626.84, subdivision 1;

(7) motor vehicles purchased or leased by political subdivisions of the state if the vehicles are exempt from registration under section 168.012, subdivision 1, paragraph (b), exempt from taxation under section 473.448, or exempt from the motor vehicle sales tax under section 297B.03, clause (12);

(8) equipment designed to process, dewater, and recycle biosolids for wastewater treatment facilities of political subdivisions, and materials incidental to installation of that equipment;

(9) the removal of trees, bushes, or shrubs for the construction and maintenance of roads, trails, or firebreaks when purchased by an agency of the state or a political subdivision of the state;

(10) purchases by ~~the Metropolitan Council~~ or the Department of Transportation of vehicles and repair parts to equip operations provided for in section 174.90, including, but not limited to, the Northstar Corridor Rail project; and

(11) purchases of water used directly in providing public safety services by an organized fire department, fire protection district, or fire company regularly charged with the responsibility of providing fire protection to the state or a political subdivision.

(b) For purposes of this subdivision, "firefighters personal protective equipment" means helmets, including face shields, chin straps, and neck liners; bunker coats and pants, including pant suspenders; boots; gloves; head covers or hoods; wildfire jackets; protective coveralls; goggles; self-contained breathing apparatus; canister filter masks; personal alert safety systems; spanner belts; optical or thermal imaging search devices; and all safety equipment required by the Occupational Safety and Health Administration.

(c) For purchases of items listed in paragraph (a), clause (10), the tax must be imposed and collected as if the rate under section 297A.62, subdivision 1, applied and then refunded in the manner provided in section 297A.75.

Sec. 62. Minnesota Statutes 2014, section 297A.992, subdivision 4, is amended to read:

Subd. 4. **Joint powers board.** (a) The joint powers board must consist of one or more commissioners of each county that is in the metropolitan transportation area, appointed by its county board, ~~and the chair of the Metropolitan Council~~, who must have voting rights, subject to subdivision 3, clause (4). The joint powers board has the powers and duties provided in this section and section 471.59.

(b) The joint powers board may utilize no more than three-fourths of one percent of the proceeds of the taxes imposed under this section for ordinary administrative expenses incurred in carrying out the provisions of this section. Any additional administrative expenses must be paid by the participating counties.

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

Sec. 63. Minnesota Statutes 2014, section 297A.992, subdivision 5, is amended to read:

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

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

(c) The joint powers board shall establish a GEARS Committee, which must consist of:

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

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

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

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

(d) Each city representative must be elected at a meeting of cities in the metropolitan transportation area, which must be convened for that purpose by the Association of Metropolitan Municipalities.

(e) The committee shall evaluate grant applications following objective criteria established by the joint powers board, and must provide to the joint powers board a selection list of transportation projects that includes a priority ranking.

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

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

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

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

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

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

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

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

Sec. 64. Minnesota Statutes 2014, section 352.01, subdivision 2a, is amended to read:

Subd. 2a. **Included employees.** (a) "State employee" includes:

(1) employees of the Minnesota Historical Society;

(2) employees of the State Horticultural Society;

(3) employees of the Minnesota Crop Improvement Association;

(4) employees of the adjutant general whose salaries are paid from federal funds and who are not covered by any federal civilian employees retirement system;

(5) employees of the Minnesota State Colleges and Universities who are employed under the university or college activities program;

(6) currently contributing employees covered by the system who are temporarily employed by the legislature during a legislative session or any currently contributing employee employed for any special service as defined in subdivision 2b, clause (8);

(7) employees of the legislature who are appointed without a limit on the duration of their employment and persons employed or designated by the legislature or by a legislative committee or commission or other competent authority to conduct a special inquiry, investigation, examination, or installation;

(8) trainees who are employed on a full-time established training program performing the duties of the classified position for which they will be eligible to receive immediate appointment at the completion of the training period;

(9) employees of the Minnesota Safety Council;

(10) any employees who are on authorized leave of absence from the Transit Operating Division of the former Metropolitan Transit Commission and who are employed by the labor organization which is the exclusive bargaining agent representing employees of the Transit Operating Division;

(11) employees of the ~~Metropolitan Council~~, Metropolitan Parks and Open Space Commission, Metropolitan Sports Facilities Commission, or Metropolitan Mosquito Control Commission unless excluded under subdivision 2b or are covered by another public pension fund or plan under section 473.415, subdivision 3;

(12) judges of the Tax Court;

(13) personnel who were employed on June 30, 1992, by the University of Minnesota in the management, operation, or maintenance of its heating plant facilities, whose employment transfers to an employer assuming operation of the heating plant facilities, so long as the person is employed at the University of Minnesota heating plant by that employer or by its successor organization;

(14) personnel who are employed as seasonal employees in the classified or unclassified service;

(15) persons who are employed by the Department of Commerce as a peace officer in the Commerce Fraud Bureau under section 45.0135 who have attained the mandatory retirement age specified in section 43A.34, subdivision 4;

(16) employees of the University of Minnesota unless excluded under subdivision 2b, clause (3);

(17) employees of the Middle Management Association whose employment began after July 1, 2007, and to whom section 352.029 does not apply;

(18) employees of the Minnesota Government Engineers Council to whom section 352.029 does not apply;

(19) employees of the Minnesota Sports Facilities Authority;

(20) employees of the Minnesota Association of Professional Employees;

(21) employees of the Minnesota State Retirement System;

(22) employees of the State Agricultural Society;

(23) employees of the Gillette Children's Hospital Board who were employed in the state unclassified service at the former Gillette Children's Hospital on March 28, 1974; and

(24) if approved for coverage by the Board of Directors of Conservation Corps Minnesota, employees of Conservation Corps Minnesota so employed on June 30, 2003.

(b) Employees specified in paragraph (a), clause (13), are included employees under paragraph (a) if employer and employee contributions are made in a timely manner in the amounts required by section 352.04. Employee contributions must be deducted from salary. Employer contributions are the sole obligation of the employer assuming operation of the University of Minnesota heating plant facilities or any successor organizations to that employer.

Sec. 65. Minnesota Statutes 2014, section 352.01, subdivision 2b, is amended to read:

Subd. 2b. **Excluded employees.** "State employee" does not include:

(1) persons who are:

(i) students employed by the University of Minnesota, or within the Minnesota State Colleges and Universities system, unless approved for coverage by the Board of Regents of the University of Minnesota or the Board of Trustees of the Minnesota State Colleges and Universities, whichever applies;

(ii) employed as interns for a period not to exceed six months unless included under subdivision 2a, paragraph (a), clause (8);

(iii) employed as trainee employees unless included under subdivision 2a, paragraph (a), clause (8); or

(iv) employed in the student worker classification as designated by Minnesota Management and Budget;

(2) employees who are:

(i) eligible for membership in the state Teachers Retirement Association, unless the person is an employee of the Department of Education who elected to be covered by the general state employees retirement plan of the Minnesota State Retirement System instead of the Teachers Retirement Association;

(ii) employees of the state who, in any year, were credited with 12 months of allowable service as a public school teacher and, as such, are members of a retirement plan governed by chapter 354 or 354A unless the employment is incidental employment as a state employee that is not covered by a retirement plan governed by chapter 354 or 354A;

(iii) employees of the state who are employed by the Board of Trustees of the Minnesota State Colleges and Universities in an unclassified position that is listed in section 43A.08, subdivision 1, clause (9);

(iv) persons employed by the Board of Trustees of the Minnesota State Colleges and Universities who elected retirement coverage other than by the general state employees retirement plan of the Minnesota State Retirement System under Minnesota Statutes 1994, section 136C.75;

(v) officers or enlisted personnel in the National Guard or in the naval militia who are assigned to permanent peacetime duty and who are or are required to be members of a federal retirement system under federal law;

(vi) persons employed by the Department of Military Affairs as full-time firefighters and who, as such, are members of the public employees police and fire retirement plan;

(vii) members of the State Patrol retirement plan under section 352B.011, subdivision 10; and

~~(viii) off-duty police officers while employed by the Metropolitan Council and persons employed as full-time police officers by the Metropolitan Council and who, as such, are members of the public employees police and fire retirement plan; and~~

~~(ix) (viii) employees of the state who have elected to transfer account balances derived from state service to the unclassified state employees retirement program under section 352D.02, subdivision 1d;~~

(3) employees of the University of Minnesota who are excluded from coverage by action of the Board of Regents;

(4) election judges and persons who are employed solely to administer elections;

(5) persons who are:

(i) engaged in public work for the state but who are employed by contractors when the performance of the contract is authorized by the legislature or other competent authority;

(ii) employed to perform professional services where the service is incidental to the person's regular professional duties and where compensation is paid on a per diem basis; or

(iii) compensated on a fee payment basis or as an independent contractor;

(6) persons who are employed:

(i) on a temporary basis by the house of representatives, the senate, or a legislative commission or agency under the jurisdiction of the Legislative Coordinating Commission;

(ii) as a temporary employee on or after July 1 for a period ending on or before October 15 of that calendar year for the Minnesota State Agricultural Society or the Minnesota State Fair, or as an employee at any time for a special event held on the fairgrounds;

(iii) by the executive branch as a temporary employee in the classified service or as an executive branch temporary employee in the unclassified service if appointed for a definite period not to exceed six months, and if employment is less than six months, then in any 12-month period;

(iv) by the adjutant general if employed on an unlimited intermittent or temporary basis in the classified service or in the unclassified service for the support of Army or Air National Guard training facilities; and

(v) by a state or federal program for training or rehabilitation as a temporary employee if employed for a limited period from an area of economic distress and if other than a skilled or supervisory personnel position or other than a position that has civil service status covered by the retirement system; ~~and~~



~~(vi) by the Metropolitan Council or a statutory board of the Metropolitan Council where the members of the board are appointed by the Metropolitan Council as a temporary employee if the appointment does not exceed six months;~~

(7) receivers, jurors, notaries public, and court employees who are not in the judicial branch as defined in section 43A.02, subdivision 25, except referees and adjusters employed by the Department of Labor and Industry;

(8) patient and inmate help who perform services in state charitable, penal, and correctional institutions, including a Minnesota Veterans Home;

(9) employees of the Sibley House Association;

(10) persons who are:

(i) members of any state board or commission who serve the state intermittently and are paid on a per diem basis, the secretary, secretary-treasurer, and treasurer of those boards if their compensation is \$5,000 or less per year, or, if they are legally prohibited from serving more than three years, and the board of managers of the State Agricultural Society and its treasurer unless the treasurer is also its full-time secretary;

(ii) examination monitors employed by a department, agency, commission, or board of the state to conduct examinations that are required by law; or

(iii) appointees serving as a member of a fact-finding commission or an adjustment panel, an arbitrator, or a labor referee under chapter 179;

(11) emergency employees who are in the classified service, but if an emergency employee, within the same pay period, becomes a provisional or probationary employee on other than a temporary basis, the employee must be considered a "state employee" retroactively to the beginning of the pay period;

(12) persons who are members of a religious order who are excluded from coverage under the federal Old Age, Survivors, Disability, and Health Insurance Program for the performance of service as specified in United States Code, title 42, section 410(a)(8)(A), as amended, if no irrevocable election of coverage has been made under section 3121(r) of the Internal Revenue Code of 1986, as amended;

(13) members of trades who are employed by the successor to the Metropolitan Waste Control Commission, who have trade union pension plan coverage under a collective bargaining agreement, and who are first employed after June 1, 1977;

(14) foreign citizens who are employed under a work permit of less than three years or under an H-1b visa or a J-1 visa that is initially valid for less than three years of employment, unless notice of a visa extension which allows them to work for three or more years as of the date that the extension is granted and is supplied to the retirement plan, in which case the person is eligible for coverage from the date of the extension; and

(15) reemployed annuitants of the general state employees retirement plan, the military affairs personnel retirement plan, the transportation department pilots retirement plan, the state fire marshal employees retirement plan, or the correctional state employees retirement plan during the course of that reemployment.

Sec. 66. Minnesota Statutes 2014, section 352.03, subdivision 1, is amended to read:

Subdivision 1. **Membership of board; election; term.** (a) The policy-making function of the system is vested in a board of 11 members known as the board of directors. This board shall consist of:

(1) three members appointed by the governor, one of whom must be a constitutional officer or appointed state official and two of whom must be public members knowledgeable in pension matters;

(2) four state employees elected by active members and former members eligible for a deferred annuity from the general state employees retirement plan, excluding employees and deferred annuitants for whom a board member is designated;

(3) one employee of the ~~Metropolitan Council's~~ Department of Transportation's transit operations or its successor agency designated by the executive committee of the labor organization that is the exclusive bargaining agent representing employees of the transit division;

(4) one employee who is a member of the State Patrol retirement plan elected by active members and former members eligible for a deferred annuity from that plan;

(5) one employee who is a member of the correctional state employees retirement plan established under this chapter elected by active members and former members eligible for a deferred annuity from that plan; and

(6) one retired employee of a plan included in the system, elected by disabled and retired employees of the plans administered by the system at a time and in a manner determined by the board.

(b) The terms of the four elected state employees under paragraph (a), clause (2), must be staggered, with two of the state employee board positions elected each biennium, whose terms of office begin on the first Monday in May after their election. Elected members and the appointed member of the ~~Metropolitan Council's~~ Department of Transportation's transit operations hold office for a term of four years and until their successors are elected or appointed, and have qualified.

(c) An employee or former employee of the system is not eligible for membership on the board of directors. A state employee on leave of absence is not eligible for election or reelection to membership on the board of directors.

(d) The term of any board member who is on leave for more than six months automatically ends on expiration of the term of office.

Sec. 67. Minnesota Statutes 2014, section 352.04, subdivision 6, is amended to read:

Subd. 6. **Quasi-state agencies; employer contributions.** For those of their employees who are covered by the system, the State Horticultural Society, the Disabled American Veterans, Department of Minnesota, Veterans of Foreign Wars, Department of Minnesota, the Minnesota Crop Improvement Association, the Minnesota Historical Society, the Armory Building Commission, the Minnesota Safety Council, ~~the Metropolitan Council and any of its statutory boards~~, the employer of persons described in section 352.01, subdivision 2a, paragraph (a), clause (15), and any other agency employing employees covered by this system, respectively, shall also pay into the retirement fund the amount required by subdivision 3.

Sec. 68. Minnesota Statutes 2014, section 352D.02, subdivision 1, is amended to read:

Subdivision 1. **Coverage.** (a) Employees enumerated in paragraph (c), clauses (2), (3), (4), (6) to (14), and (16) to (18), if they are in the unclassified service of the state ~~or Metropolitan Council~~ and are eligible for coverage under the general state employees retirement plan under chapter 352, are participants in the unclassified program under this chapter unless the employee gives notice to the executive director of the Minnesota State Retirement System within one year following the commencement of employment in the unclassified service that the employee desires coverage under the general state employees retirement plan. For the purposes of this chapter, an employee who does not file notice with the executive director is deemed to have exercised the option to participate in the unclassified program.

(b) Persons referenced in paragraph (c), clause (5), are participants in the unclassified program under this chapter unless the person was eligible to elect different coverage under section 3A.07 and elected retirement coverage by the applicable alternative retirement plan. Persons referenced in paragraph (c), clause (15), are participants in the unclassified program under this chapter for judicial employment in excess of the service credit limit in section 490.121, subdivision 22.

(c) Enumerated employees and referenced persons are:

(1) the governor, the lieutenant governor, the secretary of state, the state auditor, and the attorney general;

(2) an employee in the Office of the Governor, Lieutenant Governor, Secretary of State, State Auditor, Attorney General;

(3) an employee of the State Board of Investment;

(4) the head of a department, division, or agency created by statute in the unclassified service, an acting department head subsequently appointed to the position, or an employee enumerated in section 15A.0815 or 15A.083, subdivision 4;

(5) a member of the legislature;

(6) a full-time unclassified employee of the legislature or a commission or agency of the legislature who is appointed without a limit on the duration of the employment or a temporary legislative employee having shares in the supplemental retirement fund as a result of former employment covered by this chapter, whether or not eligible for coverage under the Minnesota State Retirement System;

(7) a person who is employed in a position established under section 43A.08, subdivision 1, clause (3), or in a position authorized under a statute creating or establishing a department or agency of the state, which is at the deputy or assistant head of department or agency or director level;

~~(8) the regional administrator, or executive director of the Metropolitan Council, general counsel, division directors, operations managers, and other positions as designated by the council, all of which may not exceed 27 positions at the council and the chair;~~

~~(9)~~ (8) the commissioner, deputy commissioner, and not to exceed nine positions of the Minnesota Office of Higher Education in the unclassified service, as designated by the Minnesota Office of Higher Education before January 1, 1992, or subsequently redesignated with the approval

of the board of directors of the Minnesota State Retirement System, unless the person has elected coverage by the individual retirement account plan under chapter 354B;

~~(10)~~ (9) the clerk of the appellate courts appointed under article VI, section 2, of the Constitution of the state of Minnesota, the state court administrator and judicial district administrators;

~~(11)~~ (10) the chief executive officers of correctional facilities operated by the Department of Corrections and of hospitals and nursing homes operated by the Department of Human Services;

~~(12)~~ (11) an employee whose principal employment is at the state ceremonial house;

~~(13)~~ (12) an employee of the Agricultural Utilization Research Institute;

~~(14)~~ (13) an employee of the State Lottery who is covered by the managerial plan established under section 43A.18, subdivision 3;

~~(15)~~ (14) a judge who has exceeded the service credit limit in section 490.121, subdivision 22;

~~(16)~~ (15) an employee of Enterprise Minnesota, Inc.;

~~(17)~~ (16) a person employed by the Minnesota State Colleges and Universities as faculty or in an eligible unclassified administrative position as defined in section 354B.20, subdivision 6, who was employed by the former state university or the former community college system before May 1, 1995, and elected unclassified program coverage prior to May 1, 1995; and

~~(18)~~ (17) a person employed by the Minnesota State Colleges and Universities who was employed in state service before July 1, 1995, who subsequently is employed in an eligible unclassified administrative position as defined in section 354B.20, subdivision 6, and who elects coverage by the unclassified program.

Sec. 69. Minnesota Statutes 2014, section 353.50, subdivision 7, is amended to read:

Subd. 7. **MERF division account contributions.** (a) After June 30, 2010, the member and employer contributions to the MERF division account are governed by this subdivision.

(b) An active member covered by the MERF division must make an employee contribution of 9.75 percent of the total salary of the member as defined in section 353.01, subdivision 10. The employee contribution must be made by payroll deduction by the member's employing unit under section 353.27, subdivision 4, and is subject to the provisions of section 353.27, subdivisions 7, 7a, 7b, 12, 12a, and 12b.

(c) The employer regular contribution to the MERF division account with respect to an active MERF division member is 9.75 percent of the total salary of the member as defined in section 353.01, subdivision 10.

(d) The employer additional contribution to the MERF division account with respect to an active member of the MERF division is 2.68 percent of the total salary of the member as defined in section 353.01, subdivision 10, plus the employing unit's share of \$3,900,000 that the employing unit paid or is payable to the former Minneapolis Employees Retirement Fund under Minnesota Statutes 2008, section 422A.101, subdivision 1a, 2, or 2a, during calendar year 2009, as was certified by the former executive director of the former Minneapolis Employees Retirement Fund.

(e) Annually after June 30, 2012, the employer supplemental contribution to the MERF division account by the city of Minneapolis, Special School District No. 1, Minneapolis, a

Minneapolis-owned public utility, improvement, or municipal activity, Hennepin county, ~~the Metropolitan Council~~, the Metropolitan Airports Commission, and the Minnesota State Colleges and Universities system is the larger of the following:

(1) the amount by which the total actuarial required contribution determined under section 356.215 by the approved actuary retained by the Public Employees Retirement Association in the most recent actuarial valuation of the MERF division and based on a June 30, 2031, amortization date, after subtracting the contributions under paragraphs (b), (c), and (d), exceeds \$22,750,000 or \$24,000,000, whichever applies; or

(2) the amount of \$27,000,000, but the total supplemental contribution amount plus the contributions under paragraphs (c) and (d) may not exceed \$34,000,000. Each employing unit's share of the total employer supplemental contribution amount is equal to the applicable portion specified in paragraph (h). The initial total actuarial required contribution after June 30, 2012, must be calculated using the mortality assumption change recommended on September 30, 2009, for the Minneapolis Employees Retirement Fund by the approved consulting actuary retained by the Minneapolis Employees Retirement Fund board.

(f) Before January 31, each employing unit must be invoiced for its share of the total employer supplemental contribution amount under paragraph (e). The amount is payable by the employing unit in two parts. The first half of the amount due is payable on or before the July 31 following the date of the invoice, and the second half of the amount due is payable on or before December 15. Each invoice must be based on the actuarial valuation report prepared under section 356.215 and the standards for actuarial work promulgated by the Legislative Commission on Pensions and Retirement as of the valuation date occurring 18 months earlier.

(g) Notwithstanding any provision of paragraph (c), (d), or (e) to the contrary, as of August 1 annually, if the amount of the retirement annuities and benefits paid from the MERF division account during the preceding fiscal year, multiplied by the factor of 1.035, exceeds the market value of the assets of the MERF division account on the preceding June 30, plus state aid of \$9,000,000, \$22,750,000, or \$24,000,000, whichever applies, plus the amounts payable under paragraphs (b), (c), (d), and (e) during the preceding fiscal year, multiplied by the factor of 1.035, the balance calculated is a special additional employer contribution. The special additional employer contribution under this paragraph is payable in addition to any employer contribution required under paragraphs (c), (d), and (e), and is payable on or before the following June 30. The special additional employer contribution under this paragraph must be allocated as specified in paragraph (h).

(h) The employer supplemental contribution under paragraph (e) or the special additional employer contribution under paragraph (g) must be allocated between the city of Minneapolis, Special School District No. 1, Minneapolis, any Minneapolis-owned public utility, improvement, or municipal activity, the Minnesota State Colleges and Universities system, Hennepin County, ~~the Metropolitan Council~~, and the Metropolitan Airports Commission in proportion to their share of the actuarial accrued liability of the former Minneapolis Employees Retirement Fund as of July 1, 2009, as calculated by the approved actuary retained under section 356.214 as part of the actuarial valuation prepared as of July 1, 2009, under section 356.215 and the Standards for Actuarial Work adopted by the Legislative Commission on Pensions and Retirement.

(i) The employer contributions under paragraphs (c), (d), (e), and (g) must be paid as provided in section 353.28.

(j) Contributions under this subdivision are subject to the provisions of section 353.27, subdivisions 4, 7, 7a, 7b, 11, 12, 12a, 12b, 13, and 14.

Sec. 70. Minnesota Statutes 2014, section 353.64, subdivision 7a, is amended to read:

Subd. 7a. **Pension coverage for certain metropolitan transit police officers.** A person who is employed as a police officer on or after the first day of the first payroll period after July 1, 1993, and before July 1, 2016, by the Metropolitan Council and who is not eligible for coverage under the agreement with the Secretary of the federal Department of Health and Human Services making the provisions of the federal Old Age, Survivors, and Disability Insurance Act because the person's position is excluded from application under United States Code, sections 418(d)(5)(A) and 418(d)(8)(D), and under section 355.07, is a member of the public employees police and fire fund and is considered to be a police officer within the meaning of this section. The Metropolitan Council shall deduct the employee contribution from the salary of each police officer as required by section 353.65, subdivision 2, shall make the employer contribution for each police officer as required by section 353.65, subdivision 3, and shall meet the employer recording and reporting requirements in section 353.65, subdivision 4.

Sec. 71. Minnesota Statutes 2014, section 363A.44, subdivision 1, is amended to read:

Subdivision 1. **Scope.** (a) No department, agency of the state, ~~the Metropolitan Council~~, or an agency subject to section 473.143, subdivision 1, shall execute a contract for goods or services or an agreement for goods or services in excess of \$500,000 with a business that has 40 or more full-time employees in this state or a state where the business has its primary place of business on a single day during the prior 12 months, unless the business has an equal pay certificate or it has certified in writing that it is exempt. A certificate is valid for four years.

(b) This section does not apply to a business with respect to a specific contract if the commissioner of administration determines that application of this section would cause undue hardship to the contracting entity. This section does not apply to a contract to provide goods and services to individuals under chapters 43A, 62A, 62C, 62D, 62E, 256B, 256I, 256L, and 268A, with a business that has a license, certification, registration, provider agreement, or provider enrollment contract that is prerequisite to providing those goods and services. This section does not apply to contracts entered into by the State Board of Investment for investment options under section 352.965, subdivision 4.

Sec. 72. Minnesota Statutes 2014, section 373.40, subdivision 1, is amended to read:

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

(a) "Bonds" means an obligation as defined under section 475.51.

(b) "Capital improvement" means acquisition or betterment of public lands, buildings, or other improvements within the county for the purpose of a county courthouse, administrative building, health or social service facility, correctional facility, jail, law enforcement center, hospital, morgue, library, park, qualified indoor ice arena, roads and bridges, public works facilities, fairground buildings, and records and data storage facilities, and the acquisition of development rights in the form of conservation easements under chapter 84C. An improvement must have an expected useful life of five years or more to qualify. "Capital improvement" does not include a recreation or sports facility building (such as, but not limited to, a gymnasium, ice arena, racquet sports

facility, swimming pool, exercise room or health spa), unless the building is part of an outdoor park facility and is incidental to the primary purpose of outdoor recreation. For purposes of this section, "capital improvement" includes expenditures for purposes described in this paragraph that have been incurred by a county before approval of a capital improvement plan, if such expenditures are included in a capital improvement plan approved on or before the date of the public hearing under subdivision 2 regarding issuance of bonds for such expenditures.

(c) "Metropolitan county" means a county located in the seven-county metropolitan area as defined in section 473.121 or a county with a population of 90,000 or more.

(d) "Population" means the population established by the most recent of the following (determined as of the date the resolution authorizing the bonds was adopted):

- (1) the federal decennial census,
- (2) a special census conducted under contract by the United States Bureau of the Census, or
- (3) a population estimate made either by the Metropolitan Council or by the state demographer under section 4A.02.

(e) "Qualified indoor ice arena" means a facility that meets the requirements of section 373.43.

Sec. 73. Minnesota Statutes 2014, section 383A.81, subdivision 3, is amended to read:

Subd. 3. **Matching funds.** In expending funds under this section, the county shall seek matching funds from contamination cleanup funds administered by the commissioner of the Department of Employment and Economic Development, ~~the Metropolitan Council,~~ the federal government, the private sector, and any other source.

Sec. 74. Minnesota Statutes 2014, section 383B.81, subdivision 3, is amended to read:

Subd. 3. **Matching funds.** In expending funds under this section the county shall seek matching funds from contamination cleanup funds administered by the commissioners of the Department of Employment and Economic Development, ~~the Metropolitan Council,~~ the federal government, the private sector and any other source.

Sec. 75. Minnesota Statutes 2014, section 398A.04, subdivision 1, is amended to read:

Subdivision 1. **General.** An authority may exercise all the powers necessary or desirable to implement the powers specifically granted in this section, and in exercising the powers is deemed to be performing an essential governmental function and exercising a part of the sovereign power of the state, and is a local government unit and political subdivision of the state. Without limiting the generality of the foregoing, the authority may:

(a) sue and be sued, have a seal, which may but need not be affixed to documents as directed by the board, make and perform contracts, and have perpetual succession;

(b) acquire real and personal property within or outside its taxing jurisdiction, by purchase, gift, devise, condemnation, conditional sale, lease, lease purchase, or otherwise; or for purposes, including the facilitation of an economic development project pursuant to section 383B.81 or 469.091 or 469.175, subdivision 7, that also improve rail service;

(c) hold, manage, control, sell, convey, lease, mortgage, or otherwise dispose of real or personal property; and

(d) make grants or otherwise appropriate funds to the Department of Transportation, ~~the Metropolitan Council~~, or any other state or local governmental unit for the purposes described in subdivision 2 with respect to railroad facilities located or to be located within the authority's jurisdiction, whether or not the facilities will be acquired, constructed, owned, or operated by the authority.

Sec. 76. Minnesota Statutes 2014, section 398A.04, subdivision 2a, is amended to read:

Subd. 2a. **Bus rapid transit development.** A regional rail authority may exercise the powers conferred under this section to: plan, establish, acquire, develop, purchase, enlarge, extend, improve, maintain, equip, regulate, and protect; and pay costs of construction and operation of a bus rapid transit system located within its county on transitways ~~included in and approved by the Metropolitan Council's 2030 Transportation Policy Plan~~. This subdivision applies only to the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 77. Minnesota Statutes 2014, section 414.02, subdivision 3, is amended to read:

Subd. 3. **Relevant factors, order.** (a) In arriving at a decision, the chief administrative law judge shall consider the following factors:

(1) present population and number of households, past population and projected population growth for the subject area;

(2) quantity of land within the subject area; the natural terrain including recognizable physical features, general topography, major watersheds, soil conditions and such natural features as rivers, lakes and major bluffs;

(3) present pattern of physical development, planning, and intended land uses in the subject area including residential, industrial, commercial, agricultural, and institutional land uses and the impact of the proposed action on those uses;

(4) the present transportation network and potential transportation issues, including proposed highway development;

(5) land use controls and planning presently being utilized in the subject area, ~~including comprehensive plans, policies of the Metropolitan Council~~; and whether there are inconsistencies between proposed development and existing land use controls;

(6) existing levels of governmental services being provided to the subject area, including water and sewer service, fire rating and protection, law enforcement, street improvements and maintenance, administrative services, and recreational facilities and the impact of the proposed action on the delivery of the services;

(7) existing or potential environmental problems and whether the proposed action is likely to improve or resolve these problems;

(8) fiscal impact on the subject area and adjacent units of local government, including present bonded indebtedness; local tax rates of the county, school district, and other governmental units, including, where applicable, the net tax capacity of platted and unplatted lands and the division of homestead and nonhomestead property; and other tax and governmental aid issues;

(9) relationship and effect of the proposed action on affected and adjacent school districts and communities;



(10) whether delivery of services to the subject area can be adequately and economically delivered by the existing government;

(11) analysis of whether necessary governmental services can best be provided through the proposed action or another type of boundary adjustment;

(12) degree of contiguity of the boundaries of the subject area and adjacent units of local government; and

(13) analysis of the applicability of the State Building Code.

(b) Based upon these factors, the chief administrative law judge may order the incorporation on finding that:

(1) the property to be incorporated is now, or is about to become, urban or suburban in character; or

(2) that the existing township form of government is not adequate to protect the public health, safety, and welfare; or

(3) the proposed incorporation would be in the best interests of the area under consideration.

(c) The chief administrative law judge may deny the incorporation if the area, or a part thereof, would be better served by annexation to an adjacent municipality.

(d) The chief administrative law judge may alter the boundaries of the proposed incorporation by increasing or decreasing the area to be incorporated so as to include only that property which is now, or is about to become, urban or suburban in character, or may exclude property that may be better served by another unit of government. The chief administrative law judge may also alter the boundaries of the proposed incorporation so as to follow visible, clearly recognizable physical features for municipal boundaries.

(e) In all cases, the chief administrative law judge shall set forth the factors which are the basis for the decision.

(f) Notwithstanding any other provision of law to the contrary relating to the number of wards which may be established, the chief administrative law judge may provide for election of council members by wards, not less than three nor more than seven in number, whose limits are prescribed in the chief administrative law judge's order upon a finding that area representation is required to accord proper representation in the proposed incorporated area because of uneven population density in different parts thereof or the existence of agricultural lands therein which are in the path of suburban development, but after four years from the effective date of an incorporation the council of the municipality may by resolution adopted by a four-fifths vote abolish the ward system and provide for the election of all council members at large as in other municipalities.

(g) The chief administrative law judge's order for incorporation shall provide for the election of municipal officers in accordance with section 414.09. The plan of government shall be "Optional Plan A", provided that an alternate plan may be adopted pursuant to section 412.551, at any time.

(h) The ordinances of the township in which the new municipality is located shall continue in effect until repealed by the governing body of the new municipality.

Sec. 78. Minnesota Statutes 2014, section 414.031, subdivision 4, is amended to read:

Subd. 4. **Relevant factors, order.** (a) In arriving at a decision, the presiding administrative law judge shall consider the following sources and factors:

(1) recordings and public documents from joint informational meetings under section 414.0333 relevant to other factors listed in this subdivision;

(2) present population and number of households, past population and projected population growth of the annexing municipality and subject area and adjacent units of local government;

(3) quantity of land within the subject area and adjacent units of local government; and natural terrain including recognizable physical features, general topography, major watersheds, soil conditions and such natural features as rivers, lakes and major bluffs;

(4) degree of contiguity of the boundaries between the annexing municipality and the subject area;

(5) present pattern of physical development, planning, and intended land uses in the subject area and the annexing municipality including residential, industrial, commercial, agricultural and institutional land uses and the impact of the proposed action on those land uses;

(6) the present transportation network and potential transportation issues, including proposed highway development;

(7) land use controls and planning presently being utilized in the annexing municipality and the subject area, including comprehensive plans for development in the area ~~and plans and policies of the Metropolitan Council~~, and whether there are inconsistencies between proposed development and existing land use controls and the reasons therefore;

(8) existing levels of governmental services being provided in the annexing municipality and the subject area, including water and sewer service, fire rating and protection, law enforcement, street improvements and maintenance, administrative services, and recreational facilities and the impact of the proposed action on the delivery of said services;

(9) the implementation of previous annexation agreements and orders;

(10) existing or potential environmental problems and whether the proposed action is likely to improve or resolve these problems;

(11) plans and programs by the annexing municipality for providing needed and enhanced governmental services to the subject area in a cost-effective and feasible manner within a reasonable time from the date of the annexation;

(12) an analysis of the fiscal impact on the annexing municipality, the subject area, and adjacent units of local government, including net tax capacity and the present bonded indebtedness, and the local tax rates of the county, school district, and township;

(13) relationship and effect of the proposed action on affected and adjacent school districts and communities;

(14) adequacy of town government to deliver services to the subject area;

(15) analysis of whether necessary governmental services can best be provided through the proposed action or another type of boundary adjustment;

(16) if only a part of a township is annexed, the ability of the remainder of the township to continue or the feasibility of it being incorporated separately or being annexed to another municipality; and

(17) information received by the presiding administrative law judge from the tour required under subdivision 3a.

(b) Based upon the factors, the presiding administrative law judge may order the annexation on finding:

(1) that the subject area is now, or is about to become, urban or suburban in character;

(2) that municipal government in the area proposed for annexation is required to protect the public health, safety, and welfare; or

(3) that the annexation would be in the best interest of the subject area.

(c) If only a part of a township is to be annexed, the presiding administrative law judge shall consider whether the remainder of the township can continue to carry on the functions of government without undue hardship.

(d) The presiding administrative law judge shall deny the annexation on finding that the increase in revenues for the annexing municipality bears no reasonable relation to the monetary value of benefits conferred upon the annexed area.

(e) The presiding administrative law judge may deny the annexation on finding:

(1) that annexation of all or a part of the property to an adjacent municipality would better serve the interests of the residents of the property; or

(2) that the remainder of the township would suffer undue hardship.

(f) The presiding administrative law judge may alter the boundaries of the area to be annexed by increasing or decreasing the area so as to include only that property which is now or is about to become urban or suburban in character or to add property of such character abutting the area proposed for annexation in order to preserve or improve the symmetry of the area, or to exclude property that may better be served by another unit of government.

(g) The presiding administrative law judge may also alter the boundaries of the proposed annexation so as to follow visible, clearly recognizable physical features.

(h) If the presiding administrative law judge determines that part of the area would be better served by another municipality or township, the presiding administrative law judge may initiate and approve annexation by conducting further hearings and issuing orders pursuant to subdivisions 3 and 4.

(i) In all cases, the presiding administrative law judge shall set forth the factors which are the basis for the decision.

Sec. 79. Minnesota Statutes 2014, section 462A.04, subdivision 1, is amended to read:

Subdivision 1. **Creation; members.** There is created a public body corporate and politic to be known as the "Minnesota Housing Finance Agency," which shall perform the governmental functions and exercise the sovereign powers delegated to it in this chapter in furtherance of the public

policies and purposes declared in section 462A.02. The agency shall consist of the state auditor and six public members appointed by the governor with advice and consent of the senate. No more than three public members shall reside in the metropolitan area of jurisdiction of the Metropolitan Council as ~~provided~~ defined in section 473.123, subdivision 1 473.121, subdivision 2, and no more than one public member shall reside in any one of the development regions established under the provisions of sections 462.381 to 462.396. Each member shall hold office until a successor has been appointed and has qualified. A certificate of appointment or reappointment of any member shall be conclusive evidence of the due and proper appointment of the member.

Sec. 80. Minnesota Statutes 2014, section 462A.07, subdivision 11, is amended to read:

Subd. 11. **Cooperative relationships.** It may establish cooperative relationships with such regional county and multicounty housing authorities as may be established, ~~including the Metropolitan Council~~, and may develop priorities for the utilization of agency resources and assistance within a region in cooperation with regional county and multicounty housing authorities.

Sec. 81. Minnesota Statutes 2014, section 462A.222, subdivision 4, is amended to read:

Subd. 4. **Distribution plan.** (a) By October 1, 1990, the Metropolitan Council, in consultation with the agency and representatives of local government and housing and redevelopment authorities, shall develop and submit to the agency a plan for allocating tax credits in 1991 and thereafter in the metropolitan area, based on regional housing needs and priorities. The agency may amend the distribution plan after consultation with ~~the Metropolitan Council~~, representatives of local governments, and housing and redevelopment authorities.

(b) By October 1, 1990, the agency, in consultation with representatives of local government and housing and redevelopment authorities, shall develop a plan for allocating tax credits in 1991 and thereafter in greater Minnesota, based on regional housing needs and priorities. The agency may amend the distribution plan after consultation with representatives of local governments and housing and redevelopment authorities.

(c) In preparing the distribution plans, ~~the Metropolitan Council and the~~ agency shall estimate the number of households in the metropolitan area and in greater Minnesota, respectively, who are paying more than 50 percent of their income for rent and the cost of providing sufficient rental or other assistance so that no household pays more than 50 percent of its income for rent. In addition, ~~the Metropolitan Council and the~~ agency shall identify the nature and scope of existing programs which primarily serve families at 60 percent of the median income and individuals at 30 percent of the median income.

Sec. 82. Minnesota Statutes 2014, section 462C.04, subdivision 2, is amended to read:

Subd. 2. **Program review.** A public hearing shall be held on each program after one publication of notice in a newspaper circulating generally in the city, at least 15 days before the hearing. On or before the day on which notice of the public hearing is published, the city shall submit the program to the metropolitan council, ~~if the city is located in the metropolitan area as defined in section 473.121, subdivision 2, or to the regional development commission for the area in which the city is located,~~ if any, for review and comment. The appropriate reviewing agency shall comment on:

(a) whether the program furthers local and regional housing policies and is consistent with the Metropolitan Development Guide, if the city is located in the metropolitan area, or adopted policies of the regional development commission; and

(b) the compatibility of the program with the housing portion of the comprehensive plan of the city, if any.

Review of the program may be conducted either by the board of the reviewing agency or by the staff of the agency. Any comment submitted by the reviewing agency to the city must be presented to the body considering the proposed program at the public hearing held on the program.

A member or employee of the reviewing agency shall be permitted to present the comments of the reviewing agency at the public hearing. After conducting the public hearing, the program may be adopted with or without amendment, provided that any amendments must not be inconsistent with the comments, if any, of the reviewing agency and must not contain any material changes from the program submitted to the reviewing agency other than changes in the financial aspects of any proposed issue of bonds or obligations. If any material change other than a change in the financial aspects of a proposed issue of bonds or obligations, or any change which is inconsistent with the comments of the reviewing agency is adopted, the amended program shall be resubmitted to the appropriate reviewing agency for review and comment, and a public hearing shall be held on the amended program after one publication of notice in a newspaper circulating generally in the city at least 15 days before the hearing. The amended program shall be considered after the public hearing in the same manner as consideration of the initial program.

Sec. 83. Minnesota Statutes 2014, section 462C.071, subdivision 2, is amended to read:

Subd. 2. **Limitation; origination period.** During the first ten months of an origination period, a city may make loans financed with proceeds of mortgage bonds for the purchase of existing housing. Loans financed with the proceeds of mortgage bonds for new housing in the metropolitan area may be made during the first ten months of an origination period only if at least one of the following conditions is met:

- (1) the new housing is located in a redevelopment area;
- (2) the new housing is replacing a structurally substandard structure or structures;
- (3) the new housing is located on a parcel purchased by the city or conveyed to the city under section 282.01, subdivision 1; or
- (4) the new housing is part of a housing affordability initiative, other than those financed with the proceeds from the sale of bonds, in which federal, state, or local assistance is used to substantially improve the terms of the financing or to substantially write down the purchase price of the new housing; or
- ~~(5) the new housing is located in a city that has entered into a housing affordability agreement with the metropolitan council.~~

Upon expiration of the first ten-month period, a city may make loans financed with the proceeds of mortgage bonds for the purchase of new and existing housing.

Sec. 84. Minnesota Statutes 2014, section 465.82, subdivision 1, is amended to read:

Subdivision 1. **Adoption and state agency review.** Each governing body that proposes to take part in a combination under sections 465.81 to 465.86 must by resolution adopt a plan for cooperation and combination. The plan must address each item in this section. The plan must be specific for any item that will occur within three years and may be general or set forth alternative

proposals for an item that will occur more than three years in the future. For a metropolitan area local government unit, the plan must be submitted to the Metropolitan Council for review and comment. The council may point out any resources or technical assistance it may be able to provide a governing body submitting a plan under this subdivision. Significant modifications and specific resolutions of items must be submitted to the council, if appropriate, for review and comment. In the official newspaper of each local government unit proposing to take part in the combination, the governing body shall publish at least a summary of the adopted plans, and each significant modification and resolution of items, and, if appropriate, the results of each council review and comment. If a territory of a unit is to be apportioned between or among two or more units contiguous to the unit that is to be apportioned, the plan must specify the area that will become a part of each remaining unit.

Sec. 85. Minnesota Statutes 2014, section 469.174, subdivision 26, is amended to read:

Subd. 26. **Population.** "Population" means the population established as of December 31 by the most recent of the following:

- (1) the federal census;
- (2) a special census conducted under contract with the United States Bureau of the Census; and
- (3) a population estimate made by the Metropolitan Council; and
- (4) (3) a population estimate made by the state demographer under section 4A.02.

The population so established applies to the following calendar year.

Sec. 86. Minnesota Statutes 2014, section 469.351, subdivision 2, is amended to read:

Subd. 2. **Designation of transit improvement areas.** A transit improvement area must increase the effectiveness of a transit project by incorporating one or more public transit modes with commercial, residential, or mixed-use development and by providing for safe and pedestrian-friendly use. The commissioner, in consultation with affected state and regional agencies, must designate transit improvement areas that meet the objectives under this subdivision. Affected state and regional agencies include, but are not limited to, the Minnesota Department of Transportation; and the Minnesota Housing Finance Agency; and the Metropolitan Council for transit improvement areas located in the seven-county metropolitan region. To be eligible for designation, an applicant must submit a transit area improvement plan according to the requirements and timelines established by the commissioner. At a minimum, the plan must include the information specified under subdivision 3. The commissioner may modify an applicant's plan to better achieve the objectives of transit improvement areas. The commissioner must notify applicants of the designations and must provide a statement of any changes to an applicant's plan with justification for all changes.

Sec. 87. Minnesota Statutes 2014, section 471.425, subdivision 1, is amended to read:

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

(a) "Contract" means any written legal document or documents signed by both parties in which the terms and conditions of any interest or other penalty for late payments are clearly stated.

(b) "Date of receipt" means the completed delivery of the goods or services or the satisfactory installation, assembly or specified portion thereof, or the receipt of the invoice for the delivery of the goods or services, whichever is later.

(c) "Governing board" means the elected or appointed board of the municipality and includes, but is not limited to, city councils, town boards and county boards.

(d) "Municipality" means any home rule charter or statutory city, county, town, school district, political subdivision or agency of local government. "Municipality" means ~~the Metropolitan Council or any board or an~~ agency created under chapter 473.

Sec. 88. Minnesota Statutes 2014, section 471.9997, is amended to read:

**471.9997 FEDERALLY ASSISTED RENTAL HOUSING; IMPACT STATEMENT.**

At least 12 months before termination of participation in a federally assisted rental housing program, including project-based Section 8 and Section 236 rental housing, the owner of the federally assisted rental housing must submit a statement regarding the impact of termination on the residents of the rental housing to the governing body of the local government unit in which the housing is located. The impact statement must identify the number of units that will no longer be subject to rent restrictions imposed by the federal program, the estimated rents that will be charged as compared to rents charged under the federal program, and actions the owner will take to assist displaced tenants in obtaining other housing. A copy of the impact statement must be provided to each resident of the affected building; and to the Minnesota Housing Finance Agency; ~~and, if the property is located in the metropolitan area as defined in section 473.121, subdivision 2, the Metropolitan Council.~~

Sec. 89. Minnesota Statutes 2014, section 473.121, subdivision 2, is amended to read:

Subd. 2. **Metropolitan area or area.** "Metropolitan area" or "area" means the area ~~over which the Metropolitan Council has jurisdiction;~~ including only the counties of Anoka; Carver; Dakota excluding the city of Northfield; Hennepin excluding the cities of Hanover and Rockford; Ramsey; Scott excluding the city of New Prague; and Washington.

Sec. 90. Minnesota Statutes 2014, section 473.142, is amended to read:

**473.142 SMALL BUSINESSES.**

(a) ~~The Metropolitan Council and~~ agencies specified in section 473.143, subdivision 1, may award up to a six percent preference in the amount bid for specified goods or services to small targeted group businesses and veteran-owned small businesses designated under section 16C.16.

(b) ~~The council and~~ Each agency specified in section 473.143, subdivision 1, may designate a purchase of goods or services for award only to small targeted group businesses designated under section 16C.16 if the ~~council or~~ agency determines that at least three small targeted group businesses are likely to bid. ~~The council and~~ Each agency specified in section 473.143, subdivision 1, may designate a purchase of goods or services for award only to veteran-owned small businesses designated under section 16C.16 if the ~~council or~~ agency determines that at least three veteran-owned small businesses are likely to bid.

(c) ~~The council and~~ Each agency specified in section 473.143, subdivision 1, as a condition of awarding a construction contract or approving a contract for consultant, professional, or

technical services, may set goals that require the prime contractor to subcontract a portion of the contract to small targeted group businesses and veteran-owned small businesses designated under section 16C.16. The ~~council~~ or agency must establish a procedure for granting waivers from the subcontracting requirement when qualified small targeted group businesses and veteran-owned small businesses are not reasonably available. The ~~council~~ or agency may establish financial incentives for prime contractors who exceed the goals for use of subcontractors and financial penalties for prime contractors who fail to meet goals under this paragraph. The subcontracting requirements of this paragraph do not apply to prime contractors who are small targeted group businesses and veteran-owned small businesses. At least 75 percent of the value of the subcontracts awarded to small targeted group businesses under this paragraph must be performed by the business to which the subcontract is awarded or by another small targeted group business. At least 75 percent of the value of the subcontracts awarded to veteran-owned small businesses under this paragraph must be performed by the business to which the subcontract is awarded or another veteran-owned small business.

(d) ~~The council and~~ Each agency listed in section 473.143, subdivision 1, are is encouraged to purchase from small targeted group businesses and veteran-owned small businesses designated under section 16C.16 when making purchases that are not subject to competitive bidding procedures.

(e) ~~The council and~~ Each agency may adopt rules to implement this section.

(f) Each ~~council~~ or agency contract must require the prime contractor to pay any subcontractor within ten days of the prime contractor's receipt of payment from the ~~council~~ or agency for undisputed services provided by the subcontractor. The contract must require the prime contractor to pay interest of 1-1/2 percent per month or any part of a month to the subcontractor on any undisputed amount not paid on time to the subcontractor. The minimum monthly interest penalty payment for an unpaid balance of \$100 or more is \$10. For an unpaid balance of less than \$100, the prime contractor shall pay the actual penalty due to the subcontractor. A subcontractor who prevails in a civil action to collect interest penalties from a prime contractor must be awarded its costs and disbursements, including attorney fees, incurred in bringing the action.

(g) This section does not apply to procurement financed in whole or in part with federal funds if the procurement is subject to federal disadvantaged, minority, or women business enterprise regulations. ~~The council and~~ Each agency shall report to the commissioner of administration on compliance with this section. The information must be reported at the time and in the manner requested by the commissioner.

Sec. 91. Minnesota Statutes 2014, section 473.1425, is amended to read:

#### **473.1425 WORKING CAPITAL FUND.**

~~The Metropolitan Council or~~ A metropolitan agency defined in section 473.121, subdivision 5a, to the extent allowed by other law or contract, may grant available money that has been appropriated for socially or economically disadvantaged business programs to a guaranty fund administered by a nonprofit organization that makes or guarantees working capital loans to businesses owned and operated by socially or economically disadvantaged persons as defined in Code of Federal Regulations, title 49, section 23.5. The purpose of loans made or guaranteed by the organization must be to provide short-term working capital to enable eligible businesses to be awarded contracts for goods and services or for construction related services from government agencies.



Sec. 92. Minnesota Statutes 2014, section 473.143, is amended to read:

**473.143 AFFIRMATIVE ACTION PLANS.**

Subdivision 1. **Application.** For purposes of this section, "agency" means a metropolitan agency as defined in section 473.121, except the Metropolitan Parks and Open Space Commission. Agency also means the Metropolitan Mosquito Control Commission. For purposes of this section, "commissioner" means the commissioner of the state Department of Management and Budget.

Subd. 2. **Development and contents.** ~~The council and~~ Each agency shall develop an affirmative action plan and submit its plan to the commissioner for approval. The commissioner may not approve a plan unless the commissioner determines that it will be effective in assuring that employment positions are equally accessible to all qualified persons, in eliminating the underutilization of qualified members of protected groups, in providing a supportive work environment to all employees, regardless of race, religion, sex, national origin, or disability, and in dealing with discrimination complaints. For purposes of this section, "protected group" has the meaning given it in section 43A.02, subdivision 33. A plan must contain at least the elements required in this subdivision.

(a) It must identify protected groups that are underrepresented in the ~~council's or~~ agency's work force.

(b) It must designate a person responsible for directing and implementing the affirmative action program and assign the specific responsibilities and duties of that person. The person responsible for implementing the program shall report directly to the ~~council's or~~ agency's chief operating officer regarding the person's affirmative action duties. The person responsible for the affirmative action program shall review examination and other selection criteria to assure compliance with law. This person shall be involved in the filling of all vacancies in the ~~council or~~ agency work force, to the extent necessary to facilitate attainment of affirmative action goals.

(c) It must describe the methods by which the plan will be communicated to employees and to other persons.

(d) It must describe methods for recruiting members of protected groups. These methods may include internship programs, cooperation with union apprenticeship programs, and other steps necessary to expand the number of protected group members in applicant pools.

(e) It must describe internal procedures in accordance with this paragraph for processing complaints of alleged discrimination from job applicants and employees. The procedures must provide for an initial determination of whether the complaint is properly a discrimination complaint subject to the procedure under the affirmative action plan. Complaints filed under the discrimination procedures that allege reprisals against an employee for opposing a forbidden practice or for filing a charge, testifying, or participating in an investigation, proceeding, or hearing relating to a forbidden practice are appealable to the chief operating officer of the ~~council or~~ agency. Procedures under this paragraph must be distinct from any procedures available under a union contract or personnel policy for nondiscrimination complaints. Use of procedures developed under this paragraph is not a prerequisite to filing charges with a governmental enforcement agency, nor does it limit a person's right to file these charges.

(f) It must set goals and timetables to eliminate underutilization of members of each protected group in the ~~council or~~ agency work force.

(g) It must provide a plan for retaining and promoting protected group members in the ~~council~~ or agency work force. This plan should encourage training opportunities for protected group members, to the extent necessary to eliminate underutilization in specific parts of the work force.

(h) It must describe methods of auditing, evaluating, and reporting program success, including a procedure that requires a preemployment review of all hiring decisions for occupational groups with unmet affirmative action goals.

(i) It must provide for training of management and supervisory personnel in implementation of the plan and in dealing with alleged acts of discrimination in the workplace.

(j) It must provide for periodic surveying of the ~~council~~ or agency work force to determine employee attitudes toward implementation of the plan.

(k) It must provide for creation of an employee committee to advise on implementation of the plan and on any changes needed in the plan.

Subd. 3. **Harassment.** ~~The council and~~ Each agency shall adopt written policies forbidding harassment based on sex, disability, or race in their workplaces and establishing implementation plans and grievance procedures to deal with complaints of harassment based on sex, disability, or race.

Subd. 4. **Performance evaluation.** The evaluation of the performance of each supervisory and managerial employee of the ~~council and the~~ agencies must include evaluation of the person's performance in implementing the ~~council's or~~ agency's affirmative action plan and in preventing forbidden discrimination in the workplace.

Subd. 5. **Report.** By March 1 each year, the commissioner shall report to the legislature on affirmative action progress of ~~the council and of~~ each agency. The report must include:

(1) an audit of the record of ~~the council and~~ each agency to determine compliance with affirmative action goals and to evaluate overall progress in attainment of overall affirmative action objectives;

(2) if ~~the council or~~ any agency has failed to make satisfactory progress toward its affirmative action goals, a list of unmet goals and an analysis of why the failure occurred;

(3) a summary of all personnel actions taken by ~~the council and~~ each agency during the past calendar year, categorized by occupational group, protected group status, and full-time, part-time, temporary, and seasonal status; and

(4) a summary of discrimination complaints and lawsuits against ~~the council and~~ each agency filed or resolved during the past calendar year, including the basis for the complaints and lawsuits.

For purposes of this subdivision, "personnel action" means a new hire, promotion, transfer, demotion, layoff, recall from layoff, suspension with or without pay, letter of reprimand, involuntary termination, other disciplinary action, and voluntary termination.

~~The council and~~ Each agency shall report to the commissioner all information that the commissioner requests to make the report required by this subdivision. In providing this information, the ~~council and~~ agencies are not required to reveal information that is not public data under chapter 13.

~~The council and~~ Each agency shall submit these reports at the time and in the manner requested by the commissioner. The commissioner shall report to the legislature on the failure of ~~the council or an agency~~ to file the required report in a timely manner.

Subd. 6. **Coordination.** The commissioner or a designee shall meet with affirmative action officers of ~~the council and~~ all of the agencies to share successful techniques and foster innovative means to implement affirmative action plans and eliminate discrimination in the workplace.

Subd. 7. **Coordination with legislature.** ~~The council and~~ Each agency shall facilitate legislative oversight of equal opportunity practices by providing the legislature access, including access to computerized records if compatible systems exist, to public data maintained by the agency. ~~The council and~~ agencies must not provide access to information that is not public data as defined in section 13.02, subdivision 8a.

Sec. 93. Minnesota Statutes 2014, section 473.144, is amended to read:

#### **473.144 CERTIFICATES OF COMPLIANCE FOR CONTRACTS.**

(a) For all contracts for goods and services in excess of \$100,000, ~~neither the council nor an~~ no agency listed in section 473.143, subdivision 1, shall accept any bid or proposal for a contract or agreement from any business having more than 40 full-time employees within this state on a single working day during the previous 12 months, unless the firm or business has an affirmative action plan for the employment of minority persons, women, and qualified disabled individuals submitted to the commissioner of human rights for approval. ~~Neither the council nor an~~ No agency listed in section 473.143, subdivision 1, shall execute the contract or agreement until the affirmative action plan has been approved by the commissioner of human rights. Receipt of a certificate of compliance from the commissioner of human rights signifies that a business has an approved affirmative action plan. A certificate is valid for two years. Section 363A.36 governs revocation of certificates. The rules adopted by the commissioner of human rights under section 363A.37 apply to this section.

(b) This paragraph applies to a contract for goods or services in excess of \$100,000 to be entered into between ~~the council or an~~ agency listed in section 473.143, subdivision 1, and a business that is not subject to paragraph (a), but that has more than 40 full-time employees on a single working day during the previous 12 months in the state where the business has its primary place of business. ~~The council or the~~ agency may not execute a contract or agreement with a business covered by this paragraph unless the business has a certificate of compliance issued by the commissioner under paragraph (a) or the business certifies to the contracting agency that it is in compliance with federal affirmative action requirements.

Sec. 94. Minnesota Statutes 2014, section 473.145, is amended to read:

#### **473.145 DEVELOPMENT GUIDE.**

The ~~Metropolitan Council~~ commissioner of administration shall prepare and adopt, after appropriate study and such public hearings as may be necessary, a comprehensive development guide for the metropolitan area. It shall consist of a compilation of policy statements, goals, standards, programs, and maps prescribing guides for the orderly and economical development, public and private, of the metropolitan area. The comprehensive development guide shall recognize and encompass physical, social, or economic needs of the metropolitan area and those future developments which will have an impact on the entire area including but not limited to such matters

as land use, parks and open space land needs, the necessity for and location of airports, highways, transit facilities, public hospitals, libraries, schools, and other public buildings.

Sec. 95. Minnesota Statutes 2014, section 473.146, subdivision 1, is amended to read:

Subdivision 1. **Requirement.** The ~~council~~ commissioner of administration shall adopt a long-range comprehensive policy plan for transportation and wastewater treatment. The plans must substantially conform to all policy statements, purposes, goals, standards, and maps in the development guide ~~developed and adopted by the council~~ required under this chapter. Each policy plan must include, to the extent appropriate to the functions, services, and systems covered, the following:

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

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

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

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

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

(6) a statement of the relationship of the policy plan to other policy plans and chapters of the ~~Metropolitan~~ development guide; and

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

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

Sec. 96. Minnesota Statutes 2014, section 473.146, subdivision 3, is amended to read:

Subd. 3. **Development guide: Transportation.** The transportation chapter must include policies relating to all transportation forms and be designed to promote the legislative determinations, policies, and goals set forth in section 473.371. In addition to the requirements of subdivision 1

regarding the contents of the policy plan, the nontransit element of the transportation chapter must include the following:

- (1) a statement of the needs and problems of the metropolitan area with respect to the functions covered, including the present and prospective demand for and constraints on access to regional business concentrations and other major activity centers and the constraints on and acceptable levels of development and vehicular trip generation at such centers;
- (2) the objectives of and the policies to be forwarded by the policy plan;
- (3) a general description of the physical facilities and services to be developed;
- (4) a statement as to the general location of physical facilities and service areas;
- (5) a general statement of timing and priorities in the development of those physical facilities and service areas;
- (6) a detailed statement, updated every two years, of timing and priorities for improvements and expenditures needed on the metropolitan highway system;
- (7) a general statement on the level of public expenditure appropriate to the facilities; and
- (8) a long-range assessment of air transportation trends and factors that may affect airport development in the metropolitan area and policies and strategies that will ensure a comprehensive, coordinated, and timely investigation and evaluation of alternatives for airport development.

The ~~council~~ commissioner of administration shall develop the nontransit element in consultation with the transportation advisory board and the Metropolitan Airports Commission and cities having an airport located within or adjacent to its corporate boundaries. ~~The council shall also take,~~ taking into consideration the airport development and operations plans and activities of the commission. The ~~council~~ commissioner of administration shall transmit the results to the state Department of Transportation.

Sec. 97. Minnesota Statutes 2014, section 473.146, subdivision 4, is amended to read:

Subd. 4. **Transportation planning.** (a) ~~The Metropolitan Council is the designated commissioner and affected local governments shall cooperate to designate a planning agency for any long-range comprehensive transportation planning required by section 134 of the Federal Highway Act of 1962, Section 4 of Urban Mass Transportation Act of 1964 and Section 112 of Federal Aid Highway Act of 1973 and other federal transportation laws. The council designated planning agency shall assure administration and coordination of transportation planning with appropriate state, regional and other agencies, counties, and municipalities.~~

(b) ~~The council designated planning agency shall establish an advisory body consisting of citizens and representatives of municipalities, counties, and state agencies in fulfillment of the planning responsibilities of the council designated planning agency. The membership of the advisory body must consist of:~~

- (1) the commissioner of transportation or the commissioner's designee;
- (2) the commissioner of the Pollution Control Agency or the commissioner's designee;
- (3) one member of the Metropolitan Airports Commission appointed by the commission;

- (4) one person appointed by the ~~council~~ commissioner to represent nonmotorized transportation;
- (5) one person appointed by the ~~commissioner of transportation~~ to represent the freight transportation industry;
- (6) two persons appointed by the ~~council~~ commissioner to represent public transit;
- (7) ten elected officials of cities within the metropolitan area, including one representative from each first-class city, appointed by the Association of Metropolitan Municipalities;
- (8) one member of the county board of each county in the seven-county metropolitan area, appointed by the respective county boards; and
- (9) eight citizens appointed by the ~~council~~ commissioner, one from each ~~council precinct~~; and Metropolitan Airports Commission district.
- ~~(10) one member of the council, appointed by the council.~~

The ~~council~~ designated planning agency shall appoint a chair from among the members of the advisory body.

Sec. 98. Minnesota Statutes 2014, section 473.146, is amended by adding a subdivision to read:

Subd. 5. **Consultation with agency; predrafting notice.** (a) In preparing or amending the policy plan, the commissioner of administration shall consult with and make use of the expertise of the affected metropolitan agency. The agency shall cooperate with the commissioner and make its records, studies, plans, and other information available to the commissioner.

(b) Before beginning to prepare a substantial revision of a policy plan, the office shall publish notice and request comments from the public. At least 90 days before publication of the predrafting notice, the office shall submit a draft of the notice to the affected metropolitan agency for review and comment. The predrafting notice must include a statement of the subjects expected to be covered by the policy and implementation plans; a summary of important problems, issues, and matters that are expected to be addressed in the plans; and a summary of the studies and other information required as the basis of the plans. All interested persons must be afforded an opportunity to submit data or views on the predrafting notice, either orally or in writing.

(c) Before adopting a policy plan or substantial revision, the commissioner shall submit the proposed plan to the affected metropolitan agency for its review, and the agency shall report its comments to the commissioner within 90 days.

Sec. 99. Minnesota Statutes 2014, section 473.146, is amended by adding a subdivision to read:

Subd. 6. **Hearing; adoption.** The office shall hold a public hearing on the proposed policy plan at a time and place in the metropolitan area determined by the commissioner. Not less than 15 days before the hearing, the commissioner shall publish notice in a newspaper or newspapers having general circulation in the metropolitan area, stating the date, time, and place of hearing, and the place where the proposed policy plan and agency comments may be examined by any interested person. At any hearing, interested persons must be permitted to present their views on the policy plan, and the hearing may be continued from time to time. After receipt of the agency's report and the hearing, the commissioner may revise the proposed plan giving appropriate consideration to all comments received and thereafter shall adopt the plan by resolution.

Sec. 100. Minnesota Statutes 2014, section 473.146, is amended by adding a subdivision to read:

Subd. 7. **Effect.** Adopted policy plans must be followed by the office and the affected metropolitan agency.

Sec. 101. Minnesota Statutes 2014, section 473.146, is amended by adding a subdivision to read:

Subd. 8. **Amendment.** An amendment to a policy plan may be initiated by the commissioner or by an affected metropolitan agency. At least every five years, the commissioner shall engage in a comprehensive review of the policy plan and revise the plan as necessary. The commissioner shall amend a policy plan in accordance with the procedures established in this section.

Sec. 102. Minnesota Statutes 2014, section 473.8011, is amended to read:

#### **473.8011 METROPOLITAN AGENCY RECYCLING GOAL.**

By December 31, 1993, ~~the Metropolitan Council~~, each metropolitan agency as defined in section 473.121, and the Metropolitan Mosquito Control District established in section 473.702 shall recycle at least 40 percent by weight of the solid waste generated by their offices or other operations. The commissioner shall provide information and technical assistance to ~~the council~~, agencies; and the district to implement effective recycling programs.

By August 1 of each year, ~~the council~~, each agency; and the district shall submit to the Pollution Control Agency a report for the previous fiscal year describing recycling rates, specified by the county in which the ~~council~~, agency; or operation is located, and progress toward meeting the recycling goal. The Pollution Control Agency shall incorporate the recycling rates reported in the respective county's recycling rates for the previous fiscal year.

If the goal is not met, ~~the council~~, agency; or district must include in its 1994 report reasons for not meeting the goal and a plan for meeting it in the future.

Sec. 103. Minnesota Statutes 2014, section 473.910, subdivision 3, is amended to read:

Subd. 3. **Membership.** The board shall be composed of ~~13~~ 12 members. Three members must be appointed by the Minneapolis City Council from among its members; three by the Hennepin County Board, from among its members; one by the Minneapolis Park Board, from among its members; ~~one by the Metropolitan Council, from among its members~~; two members of the public appointed by the Minneapolis City Council; two members of the public appointed by the Hennepin County Board; and one member appointed by the member of Congress from the fifth district or the member's designee. The public members must reside or do business in the affected area.

Sec. 104. Minnesota Statutes 2014, section 477A.011, subdivision 3, is amended to read:

Subd. 3. **Population.** "Population" means the population estimated or established as of July 15 in an aid calculation year by the most recent federal census, by a special census conducted under contract with the United States Bureau of the Census, ~~by a population estimate made by the Metropolitan Council pursuant to section 473.24~~, or by a population estimate of the state demographer made pursuant to section 4A.02, whichever is the most recent as to the stated date of the count or estimate for the preceding calendar year, and which has been certified to the commissioner of revenue on or before July 15 of the aid calculation year. The term "per capita" refers to population as defined by this subdivision. A revision of an estimate or count is effective for these purposes only if it is certified to the commissioner on or before July 15 of the aid calculation

year. Clerical errors in the certification or use of the estimates and counts established as of July 15 in the aid calculation year are subject to correction within the time periods allowed under section 477A.014.

Sec. 105. Minnesota Statutes 2014, section 477A.011, subdivision 38, is amended to read:

Subd. 38. **Household size.** "Household size" means the average number of persons per household in the jurisdiction as most recently estimated and reported by the state demographer ~~and Metropolitan Council~~ as of July 15 of the aid calculation year. A revision to an estimate or enumeration is effective for these purposes only if it is certified to the commissioner on or before July 15 of the aid calculation year. Clerical errors in the certification or use of estimates and counts established as of July 15 in the aid calculation year are subject to correction within the time periods allowed under section 477A.014.

Sec. 106. Minnesota Statutes 2014, section 477A.0124, subdivision 2, is amended to read:

Subd. 2. **Definitions.** (a) For the purposes of this section, the following terms have the meanings given them.

(b) "County program aid" means the sum of "county need aid," "county tax base equalization aid," and "county transition aid."

(c) "Age-adjusted population" means a county's population multiplied by the county age index.

(d) "County age index" means the percentage of the population over age 65 within the county divided by the percentage of the population over age 65 within the state, except that the age index for any county may not be greater than 1.8 nor less than 0.8.

(e) "Population over age 65" means the population over age 65 established as of July 15 in an aid calculation year by the most recent federal census, by a special census conducted under contract with the United States Bureau of the Census, ~~by a population estimate made by the Metropolitan Council,~~ or by a population estimate of the state demographer made pursuant to section 4A.02, whichever is the most recent as to the stated date of the count or estimate for the preceding calendar year and which has been certified to the commissioner of revenue on or before July 15 of the aid calculation year. A revision to an estimate or count is effective for these purposes only if certified to the commissioner on or before July 15 of the aid calculation year. Clerical errors in the certification or use of estimates and counts established as of July 15 in the aid calculation year are subject to correction within the time periods allowed under section 477A.014.

(f) "Part I crimes" means the three-year average annual number of Part I crimes reported for each county by the Department of Public Safety for the most recent years available. By July 1 of each year, the commissioner of public safety shall certify to the commissioner of revenue the number of Part I crimes reported for each county for the three most recent calendar years available.

(g) "Households receiving food stamps" means the average monthly number of households receiving food stamps for the three most recent years for which data is available. By July 1 of each year, the commissioner of human services must certify to the commissioner of revenue the average monthly number of households in the state and in each county that receive food stamps, for the three most recent calendar years available.

(h) "County net tax capacity" means the county's adjusted net tax capacity under section 273.1325.



Sec. 107. Minnesota Statutes 2014, section 572A.02, subdivision 5, is amended to read:

Subd. 5. **Decision factors.** In disputes brought under this section, the arbitration panel shall consider the following factors in making a decision:

(1) present population and number of households, past population, and projected population growth of the subject area and adjacent units of local government;

(2) quantity of land within the subject area and adjacent units of local government; and natural terrain including recognizable physical features, general topography, major watersheds, soil conditions, and such natural features as rivers, lakes, and major bluffs;

(3) degree of contiguity of the boundaries between the municipality and the subject area;

(4) present pattern of physical development, planning, and intended land uses in the subject area and the municipality including residential, industrial, commercial, agricultural, and institutional land uses and the impact of the proposed action on those land uses;

(5) the present transportation network and potential transportation issues, including proposed highway development;

(6) land use controls and planning presently being utilized in the municipality and the subject area, including comprehensive plans for development in the area ~~and plans and policies of the Metropolitan Council~~, and whether there are inconsistencies between proposed development and existing land use controls and the reasons therefore;

(7) existing levels of governmental services being provided in the municipality and the subject area, including water and sewer service, fire rating and protection, law enforcement, street improvements and maintenance, administrative services, and recreational facilities and the impact of the proposed action on the delivery of said services;

(8) existing or potential environmental problems and whether the proposed action is likely to improve or resolve these problems;

(9) plans and programs by the municipality for providing needed governmental services to the subject area;

(10) an analysis of the fiscal impact on the municipality, the subject area, and adjacent units of local government, including net tax capacity and the present bonded indebtedness, and the local tax rates of the county, school district, and township;

(11) relationship and effect of the proposed action on affected and adjacent school districts and communities;

(12) adequacy of town government to deliver services to the subject area;

(13) analysis of whether necessary governmental services can best be provided through the proposed action or another type of boundary adjustment; and

(14) if only a part of a township is annexed, the ability of the remainder of the township to continue or the feasibility of it being incorporated separately or being annexed to another municipality.

Any party to the proceeding may present evidence and testimony on any of the above factors at the hearing on the matter.

Sec. 108. Minnesota Statutes 2014, section 604B.04, subdivision 7, is amended to read:

Subd. 7. **Governmental unit immunity.** No cause of action may be maintained against a governmental unit as defined in section 462.384, subdivision 2, including governmental units acting jointly under section 471.59, for damages or harm resulting from the collection, publication, or dissemination of year 2000 solution information to other governmental units or to the ~~Metropolitan Council~~ or metropolitan agencies.

Sec. 109. Minnesota Statutes 2014, section 609.2231, subdivision 11, is amended to read:

Subd. 11. **Transit operators.** (a) A person is guilty of a gross misdemeanor if (1) the person assaults a transit operator, or intentionally throws or otherwise transfers bodily fluids onto a transit operator; and (2) the transit operator is acting in the course of the operator's duties and is operating a transit vehicle, aboard a transit vehicle, or otherwise responsible for a transit vehicle. A person convicted under this paragraph may be sentenced to imprisonment for not more than one year or to payment of a fine of not more than \$3,000, or both.

(b) For the purposes of this subdivision, "transit operator" means a driver or operator of a transit vehicle that is used to provide any of the following services:

(1) public transit, as defined in section 174.22, subdivision 7;

(2) light rail transit service;

(3) special transportation service under section 473.386, whether provided by the ~~Metropolitan Council~~ Department of Transportation or by other providers under contract with the ~~council department~~; or

(4) commuter rail service.

Sec. 110. Minnesota Statutes 2014, section 609.594, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** As used in this section:

(1) "critical public service facility" includes railroad yards and stations, bus stations, airports, and other mass transit facilities; oil refineries; storage areas or facilities for hazardous materials, hazardous substances, or hazardous wastes; and bridges;

(2) "pipeline" has the meaning given in section 609.6055, subdivision 1; and

(3) "utility" includes: (i) any organization defined as a utility in section 216C.06, subdivision 18; (ii) any telecommunications carrier or telephone company regulated under chapter 237; and (iii) any local utility or enterprise formed for the purpose of providing electrical or gas heating and power, telephone, water, sewage, wastewater, or other related utility service, which is owned, controlled, or regulated by a town, a statutory or home rule charter city, a county, a port development authority, ~~the Metropolitan Council~~, a district heating authority, a regional commission or other regional government unit, or a combination of these governmental units.

Sec. 111. Minnesota Statutes 2014, section 609.6055, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) As used in this section, the following terms have the meanings given.

(b) "Critical public service facility" includes buildings and other physical structures, and fenced in or otherwise enclosed property, of railroad yards and stations, bus stations, airports, and other mass transit facilities; oil refineries; and storage areas or facilities for hazardous materials, hazardous substances, or hazardous wastes. The term also includes nonpublic portions of bridges. The term does not include railroad tracks extending beyond a critical public service facility.

(c) "Pipeline" includes an aboveground pipeline, a belowground pipeline housed in an underground structure, and any equipment, facility, or building located in this state that is used to transport natural or synthetic gas, crude petroleum or petroleum fuels or oil or their derivatives, or hazardous liquids, to or within a distribution, refining, manufacturing, or storage facility that is located inside or outside of this state. Pipeline does not include service lines.

(d) "Utility" includes:

(1) any organization defined as a utility in section 216C.06, subdivision 18;

(2) any telecommunications carrier or telephone company regulated under chapter 237; and

(3) any local utility or enterprise formed for the purpose of providing electrical or gas heating and power, telephone, water, sewage, wastewater, or other related utility service, which is owned, controlled, or regulated by a town, a statutory or home rule charter city, a county, a port development authority, ~~the Metropolitan Council~~, a district heating authority, a regional commission or other regional government unit, or a combination of these governmental units.

The term does not include property located above buried power or telecommunications lines or property located below suspended power or telecommunications lines, unless the property is fenced in or otherwise enclosed.

(e) "Utility line" includes power, telecommunications, and transmissions lines as well as related equipment owned or controlled by a utility.

#### Sec. 112. **BONDS.**

Bonds and other debt authorized by any sections of statute affected by this article that are outstanding on the effective date of this article must be paid and retired according to those sections and the terms of the bonds or other debt instruments. The auditors of the metropolitan counties shall see to the administration of this section.

#### Sec. 113. **REPEALER.**

(a) Minnesota Statutes 2014, sections 3.8841; 103B.235, subdivision 3a; 238.43, subdivision 5; 297A.992, subdivision 12; 462.382; 462C.071, subdivision 4; 473.121, subdivisions 3 and 8; 473.123, subdivisions 1, 2a, 3, 3a, 3e, 4, and 8; 473.125; 473.127; 473.129; 473.1293; 473.132; 473.165; 473.24; 473.242; 473.245; 473.246; 473.249, subdivisions 1 and 2; 473.25; 473.251; 473.253; 473.254; 473.255; 473.3875; and 473.915, are repealed.

(b) Minnesota Rules, parts 5800.0010; 5800.0020; 5800.0030; 5800.0040; 5800.0050; 5800.0060; 5800.0070; 5800.0080; 5800.0090; 5800.0100; 5800.0110; 5800.0120; 5800.0130; 5800.0140; and 5800.0150, are repealed.

Sec. 114. **EFFECTIVE DATE.**

This article is effective July 1, 2015.

**ARTICLE 7**

**PUBLIC SAFETY RADIO COMMUNICATION**

Section 1. Minnesota Statutes 2014, section 403.30, subdivision 1, is amended to read:

Subdivision 1. **Standing appropriation; costs covered.** The amount necessary to pay debt service costs and reserves for bonds issued by the Metropolitan Council under section 403.27 before July 1, 2016, or by the commissioner of management and budget under section 403.275 is appropriated from the 911 emergency telecommunications service account established under section 403.11 to the commissioner of management and budget. The commissioner of management and budget shall transmit the necessary amounts to the Metropolitan Council as requested by the council auditors of the metropolitan counties as requested by the auditors.

This appropriation shall be used to pay annual debt service costs and reserves for bonds issued pursuant to section 403.27 or 403.275 prior to use of fee money to pay other costs or to support other appropriations.

Sec. 2. Minnesota Statutes 2014, section 403.31, subdivision 4, is amended to read:

Subd. 4. **Powers of government units.** To accomplish any duty imposed on it by the ~~council~~ or radio board, the governing body of every local government in the metropolitan area may exercise the powers granted any municipality by chapters 117, 412, 429, and 475 and by sections 115.46, 444.075, and 471.59.

Sec. 3. Minnesota Statutes 2014, section 403.31, subdivision 5, is amended to read:

Subd. 5. **Deficiency tax levies.** If the governing body of any local government using the first or second phase system fails to meet any payment to the board under subdivision 1 when due, the ~~Metropolitan Council~~ local government governing body may certify to the auditor of the county in which the government unit is located the amount required for payment of the amount due with interest at six percent per year. The auditor shall levy and extend the amount due, with interest, as a tax upon all taxable property in the government unit for the next calendar year, free from any existing limitations imposed by law or charter. This tax shall be collected in the same manner as the general taxes of the government unit, and the proceeds of the tax, when collected, shall be paid by the county treasurer to the board and credited to the government unit for which the tax was levied.

Sec. 4. Minnesota Statutes 2014, section 403.36, subdivision 1, is amended to read:

Subdivision 1. **Membership.** (a) The commissioner of public safety shall convene and chair the Statewide Radio Board to develop a project plan for a statewide, shared, trunked public safety radio communication system. The system may be referred to as "Allied Radio Matrix for Emergency Response," or "ARMER."

(b) The board consists of the following members or their designees:

- (1) the commissioner of public safety;
- (2) the commissioner of transportation;

- (3) the state chief information officer;
- (4) the commissioner of natural resources;
- (5) the chief of the Minnesota State Patrol;
- ~~(6) the chair of the Metropolitan Council;~~
- ~~(7)~~ (6) two elected city officials, one from the nine-county metropolitan area and one from Greater Minnesota, appointed by the governing body of the League of Minnesota Cities;
- ~~(8)~~ (7) two elected county officials, one from the nine-county metropolitan area and one from Greater Minnesota, appointed by the governing body of the Association of Minnesota Counties;
- ~~(9)~~ (8) two sheriffs, one from the nine-county metropolitan area and one from Greater Minnesota, appointed by the governing body of the Minnesota Sheriffs' Association;
- ~~(10)~~ (9) two chiefs of police, one from the nine-county metropolitan area and one from Greater Minnesota, appointed by the governor after considering recommendations made by the Minnesota Chiefs' of Police Association;
- ~~(11)~~ (10) two fire chiefs, one from the nine-county metropolitan area and one from Greater Minnesota, appointed by the governor after considering recommendations made by the Minnesota Fire Chiefs' Association;
- ~~(12)~~ (11) two representatives of emergency medical service providers, one from the nine-county metropolitan area and one from Greater Minnesota, appointed by the governor after considering recommendations made by the Minnesota Ambulance Association;
- ~~(13)~~ (12) the chair of the regional radio board for the metropolitan area; and
- ~~(14)~~ (13) a representative of Greater Minnesota elected by those units of government in phase three and any subsequent phase of development as defined in the statewide, shared radio and communication plan, who have submitted a plan to the Statewide Radio Board and where development has been initiated.

(c) The Statewide Radio Board shall coordinate the appointment of board members representing Greater Minnesota with the appointing authorities and may designate the geographic region or regions from which an appointed board member is selected where necessary to provide representation from throughout the state.

#### Sec. 5. **BONDS AND CERTIFICATES.**

Debt obligations authorized and issued under Minnesota Statutes, section 403.27, before the effective date of this article must be paid for and retired according to that section and the terms of those obligations and their bond indentures and trust agreements. The metropolitan county auditors shall administer this section.

#### Sec. 6. **REPEALER.**

Minnesota Statutes 2014, sections 403.27; 403.29, subdivision 4; and 403.32, are repealed.

#### Sec. 7. **EFFECTIVE DATE.**

This article is effective July 1, 2015.

**ARTICLE 8****FISCAL DISPARITIES**

Section 1. Minnesota Statutes 2014, section 473F.02, subdivision 7, is amended to read:

Subd. 7. **Population.** "Population" means the most recent estimate of the population of a municipality made by the ~~Metropolitan Council under section 473.24~~ state demographer and filed with the commissioner of revenue as of July 15 of the year in which a municipality's distribution net tax capacity is calculated.

Sec. 2. Minnesota Statutes 2014, section 473F.02, subdivision 8, is amended to read:

Subd. 8. **Municipality.** "Municipality" means a city, town, or township located in whole or part within the area, but not the cities of New Prague or Northfield. If a municipality is located partly within and partly without the area, the references in sections 473F.01 to 473F.13 to property or any portion thereof subject to taxation or taxing jurisdiction within the municipality are to such property or portion thereof as is located in that portion of the municipality within the area, except that the fiscal capacity of such a municipality shall be computed upon the basis of the valuation and population of the entire municipality.

A municipality shall be excluded from the area if its municipal comprehensive zoning and planning policies conscientiously exclude most commercial-industrial development, for reasons other than preserving an agricultural use. The ~~Metropolitan Council and the commissioner of administration and the commissioner of revenue~~ shall jointly make this determination annually and shall notify those municipalities that are ineligible to participate in the tax base sharing program provided in this chapter for the following year.

Sec. 3. Minnesota Statutes 2014, section 473F.08, subdivision 3, is amended to read:

Subd. 3. **Apportionment of levy.** The county auditor shall apportion the levy of each governmental unit in the auditor's county in the manner prescribed by this subdivision. The auditor shall:

(a) by August 20, determine the areawide portion of the levy for each governmental unit by multiplying the local tax rate of the governmental unit for the preceding levy year times the distribution value set forth in subdivision 2, clause (b);

(b) by September 5, determine the local portion of the current year's levy by subtracting the resulting amount from clause (a) from the governmental unit's current year's levy; and

(c) for determinations made under clause (a) in the case of school districts, for taxes payable in 2002, exclude the general education tax rate and the portion of the referendum tax rate attributable to the first \$415 per pupil unit from the local tax rate for the preceding levy year;

~~(d) for determinations made under clause (a) in the case of the Metropolitan Council, for taxes payable in 2002, exclude the transit operating tax rate from the local tax rate for the preceding levy year; and~~

~~(e) for determinations made under clause (a) in the case of transit opt-out cities, for taxes payable in 2002, exclude the opt-out transit rate from the local tax rate for the preceding levy year.~~

Sec. 4. Minnesota Statutes 2014, section 473F.08, subdivision 5, is amended to read:

Subd. 5. **Areawide tax rate.** On or before August 25 of each year, the county auditor shall certify to the administrative auditor that portion of the levy of each governmental unit determined under subdivisions 3, clause (a), and 3a, ~~and 3b~~. The administrative auditor shall then determine the areawide tax rate sufficient to yield an amount equal to the sum of such levies from the areawide net tax capacity. On or before September 1 of each year, the administrative auditor shall certify the areawide tax rate to each of the county auditors.

Sec. 5. Minnesota Statutes 2014, section 473F.08, subdivision 7a, is amended to read:

Subd. 7a. **Certification of values; payment.** The administrative auditor shall determine for each county the difference between the total levy on distribution value pursuant to subdivisions 3, clause (a), and 3a, ~~and 3b~~, within the county and the total tax on contribution value pursuant to subdivision 6, within the county. On or before May 16 of each year, the administrative auditor shall certify the differences so determined to each county auditor. In addition, the administrative auditor shall certify to those county auditors for whose county the total tax on contribution value exceeds the total levy on distribution value the settlement the county is to make to the other counties of the excess of the total tax on contribution value over the total levy on distribution value in the county. On or before June 15 and November 15 of each year, each county treasurer in a county having a total tax on contribution value in excess of the total levy on distribution value shall pay one-half of the excess to the other counties in accordance with the administrative auditors certification.

Sec. 6. Minnesota Statutes 2014, section 473F.13, subdivision 1, is amended to read:

Subdivision 1. **Certification of change in status.** If a municipality is dissolved, is consolidated with all or part of another municipality, annexes territory, has a portion of its territory detached from it, or is newly incorporated, the secretary of state shall immediately certify that fact to the commissioner of revenue. The secretary of state shall also certify to the commissioner of revenue the current population of the new, enlarged, or successor municipality, if determined by the chief administrative law judge of the state Office of Administrative Hearings incident to consolidation, annexation, or incorporation proceedings. The population so certified shall govern for purposes of sections 473F.01 to 473F.13 until the ~~Metropolitan Council~~ state demographer files its first population estimate as of a later date with the commissioner of revenue. If an annexation of unincorporated land occurs without proceedings before the chief administrative law judge, the population of the annexing municipality as previously determined shall continue to govern for purposes of sections 473F.01 to 473F.13 until the ~~Metropolitan Council~~ state demographer files its first population estimate as of a later date with the commissioner of revenue.

Sec. 7. **REPEALER.**

Minnesota Statutes 2014, sections 473F.02, subdivision 21; and 473F.08, subdivision 3b, are repealed.

Sec. 8. **EFFECTIVE DATE.**

This article is effective July 1, 2016.

## ARTICLE 9

### METROPOLITAN LAND USE PLANNING

Section 1. **REPEALER.**

Minnesota Statutes 2014, sections 473.175; 473.181, subdivisions 2 and 5; 473.191; 473.206; 473.208; 473.851; 473.852, subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 9, and 10; 473.853; 473.854; 473.856; 473.857; 473.858; 473.859; 473.86; 473.861; 473.862; 473.864; 473.865; 473.866; 473.867, subdivisions 1, 2, 3, 5, and 6; 473.869; 473.87; and 473.871, are repealed.

Sec. 2. **EFFECTIVE DATE.**

This article is effective July 1, 2016.

**ARTICLE 10**

**METROPOLITAN AIRPORTS COMMISSION**

Section 1. Minnesota Statutes 2014, section 473.192, subdivision 2, is amended to read:

Subd. 2. **Definitions.** For purposes of this section, "metropolitan area" has the meaning given it in section 473.121, subdivision 2. "Transportation policy plan" means the plan adopted by the ~~Metropolitan Council~~ commissioner of administration pursuant to section 473.145. "Municipality" has the meaning provided by section 462.352, subdivision 2.

Sec. 2. Minnesota Statutes 2014, section 473.192, subdivision 3, is amended to read:

Subd. 3. **Ordinance.** A municipality in the metropolitan area that, in part or in whole, is within the aircraft noise zones designated in the transportation policy plan may adopt and enforce ordinances and controls to regulate building construction methods and materials for the purpose of attenuating aircraft noise in habitable buildings in and around the noise zone. The ordinance or control shall not apply to remodeling or rehabilitating an existing residential building nor to the construction of an appurtenance to an existing residential building. An ordinance adopted by a municipality must be adequate to implement the ~~Metropolitan Council's~~ guidelines of the commissioner of administration for land use compatibility with aircraft noise. Section 326B.121 does not apply to ordinances adopted under this section.

Sec. 3. Minnesota Statutes 2014, section 473.602, is amended to read:

**473.602 DECLARATION OF PURPOSES.**

It is the purpose of sections 473.601 to 473.679 to:

(1) promote the public welfare and national security; serve public interest, convenience, and necessity; promote air navigation and transportation, international, national, state, and local, in and through this state; promote the efficient, safe, and economical handling of air commerce; assure the inclusion of this state in national and international programs of air transportation; and to those ends to develop the full potentialities of the metropolitan area in this state as an aviation center, and to correlate that area with all aviation facilities in the entire state so as to provide for the most economical and effective use of aeronautic facilities and services in that area;

(2) assure the residents of the metropolitan area of the minimum environmental impact from air navigation and transportation, and to that end provide for noise abatement, control of airport area land use, and other protective measures; and

(3) promote the overall goals of the state's environmental policies and minimize the public's exposure to noise and safety hazards around airports.



To achieve these purposes, the corporation shall cooperate with and assist the Metropolitan Council commissioner of administration, the federal government, the commissioner of transportation of this state, the Pollution Control Agency, and others engaged in aeronautics or the promotion and regulation of aeronautics and shall seek to coordinate its activities with the aeronautical activities of these bodies.

Sec. 4. Minnesota Statutes 2014, section 473.604, subdivision 1, is amended to read:

Subdivision 1. **Composition.** The commission consists of:

(1) the mayor of each of the cities, or a qualified voter appointed by the mayor, for the term of office as mayor;

(2) eight members, appointed by the governor, one from each of the following agency districts, based on the Metropolitan Council plan MC2013-1A, on file with the Geographical Information Systems Office of the Legislative Coordinating Commission and published on its Web site on April 9, 2013:

- (i) district A, consisting of council districts 1 and 2;
- (ii) district B, consisting of council districts 3 and 4;
- (iii) district C, consisting of council districts 5 and 6;
- (iv) district D, consisting of council districts 7 and 8;
- (v) district E, consisting of council districts 9 and 10;
- (vi) district F, consisting of council districts 11 and 12;
- (vii) district G, consisting of council districts 13 and 14; and
- (viii) district H, consisting of council districts 15 and 16.

Each member shall be a resident of the district represented. For appointments after June 2, 2006, a member must have resided in the district for at least six months and in the state for at least one year immediately preceding the appointment. The terms of the members from districts A, B, F, and H expire on January 1, 2007. The terms of the members from districts C, D, E, and G expire on January 5, 2009. The successors of each member must be appointed to four-year terms. Before making an appointment, the governor shall consult with each member of the legislature from the district for which the member is to be appointed, to solicit the legislator's recommendation on the appointment;

(3) four members appointed by the governor from outside of the metropolitan area to reflect fairly the various regions and interests throughout the state that are affected by the operation of the commission's major airport and airport system. Two of these members must be residents of statutory or home rule charter cities, towns, or counties containing an airport designated by the commissioner of transportation as a key airport. The other two must be residents of statutory or home rule charter cities, towns, or counties containing an airport designated by the commissioner of transportation as an intermediate airport. The members must be appointed by the governor as follows: one for a term of one year, one for a term of two years, one for a term of three years, and one for a term of four years. All of the terms start on July 1, 1989. The successors of each member must be appointed to four-year terms commencing on the first Monday in January of each fourth year after the expiration of the original term. Before making an appointment, the governor shall consult each member of the

legislature representing the municipality or county from which the member is to be appointed, to solicit the legislator's recommendation on the appointment; and

(4) a chair appointed by the governor for a term of four years. The chair may be removed at the pleasure of the governor.

Sec. 5. Minnesota Statutes 2014, section 473.604, is amended by adding a subdivision to read:

Subd. 1a. **Redistricting.** The legislature shall redraw the boundaries of the districts after each decennial federal census so that each district has substantially equal population. Redistricting is effective in the year ending in the numeral "3." Within 60 days after a redistricting plan takes effect, the governor shall appoint members from the newly drawn districts to serve terms as provided under subdivision 2.

Sec. 6. Minnesota Statutes 2014, section 473.608, subdivision 19, is amended to read:

Subd. 19. **Acoustical barriers.** The corporation shall construct an acoustical barrier in or along the perimeter of maintenance areas of the Minneapolis-St. Paul International Airport. It also shall construct acoustical barriers along the perimeter of runways of such airport where it is reasonably necessary, practical and safe to do so according to the standards of the Federal Aviation Administration. All barriers shall conform to specifications approved by the Pollution Control Agency. For purposes of this subdivision, an acoustical barrier is a wall, fence, natural barrier such as an earthen barrier or trees designed to abate noise. The corporation shall also confer and cooperate with any entity which it creates for the purpose of studying and implementing sound abatement programs and with representatives of persons residing in the vicinity of any airport who desire to explore means for relieving the area of the detrimental effects of aircraft noise.

Notwithstanding the provisions of any other law none of the construction authorized by this subdivision shall be subject to review or approval by the ~~Metropolitan Council~~ commissioner of administration.

Sec. 7. Minnesota Statutes 2014, section 473.611, subdivision 5, is amended to read:

Subd. 5. **New or existing airports.** Any long-term comprehensive plans adopted by the commission for the betterment and enlargement of existing airports, for the acquisition and construction of new airports, and for the categories of use of airports owned or controlled by the commission shall be consistent with the development guide of the ~~Metropolitan Council~~ commissioner of administration.

Sec. 8. Minnesota Statutes 2014, section 473.638, is amended to read:

#### **473.638 CONTROL MEASURE INVOLVING TAKING.**

Subd. 2. **Retention or sale of property.** The commission may retain any property now owned by it ~~or acquired under subdivision 1~~ and use it for a lawful purpose, or it may provide for the sale or other disposition of the property in accordance with a redevelopment plan in the same manner and upon the same terms as the housing and redevelopment authority and governing body of a municipality under the provisions of section 469.029, all subject to existing land use and development control measures approved by the ~~council~~ commissioner of administration.

Subd. 3. **Sharing of costs.** The Metropolitan Airports Commission and any other government unit in the metropolitan area may enter into an agreement under which the cost of acquiring a

property and the proceeds from the sale or other disposition of it under subdivision 2 are to be shared by the commission and such government unit. The commission, ~~the Metropolitan Council,~~ or any government unit may also enter into any agreements with the United States or the state of Minnesota, or any agency or subdivision of either, and do all acts and things required by state or federal law or rules as a condition or consideration for the loan or grant of funds or property for the purpose of land acquisition or improvement under subdivisions 1 and 2.

Sec. 9. Minnesota Statutes 2014, section 473.64, is amended to read:

**473.64 GOVERNMENTS IN AIRPORT DEVELOPMENT AREA; TAX SHARING.**

The governing bodies of government units located wholly or partly in an airport development area shall jointly study and decide upon a plan for the sharing of property tax revenues derived from property located in an airport development area. If 80 percent of the government units having territory within the airport development area agree upon a plan, the plan is effective, and all government units shall enter into whatever agreements may be necessary for this purpose. The plan, however, may not impair the existing contract obligations of any government unit. This section does not apply to the Metropolitan Airports Commission ~~or the council.~~

Sec. 10. Minnesota Statutes 2014, section 473.655, is amended to read:

**473.655 PUBLIC AND GOVERNMENTAL PURPOSES.**

It is hereby determined and declared that the purposes of sections 473.601 to 473.679 are public and governmental; that the development of the metropolitan airports system by the corporation be consistent with the transportation chapter of the Metropolitan Council's Development Guide and promote the public safety and welfare of the state; and that the development, extension, maintenance, and operation of the system in such a manner as to assure the residents of the metropolitan area of the minimum environmental impact from air navigation and transportation, with provision for noise abatement, control of airport area land use, and other protective measures, is essential to the development of air navigation and transportation in and through this state, and is necessary in order to assure the inclusion of this state in national and international systems of air transportation, benefits the people of the state as a whole, renders a general public service, and provides employment, and is of great public economic benefit.

Sec. 11. Minnesota Statutes 2014, section 473.661, subdivision 4, is amended to read:

Subd. 4. **Noise mitigation.** (a) According to the schedule in paragraph (b), commission funds must be dedicated (1) to supplement the implementation of corrective land use management measures approved by the Federal Aviation Administration as part of the commission's Federal Aviation Regulations, part 150 noise compatibility program, and (2) for soundproofing and accompanying air conditioning of residences, schools, and other public buildings when there is a demonstrated need because of aircraft noise, regardless of the location of the building to be soundproofed.

(b) The noise mitigation program described in paragraph (a) shall be funded by the commission from whatever source of funds according to the following schedule:

In 1993, an amount equal to 20 percent of the passenger facilities charges revenue amount budgeted by the commission for 1993;

In 1994, an amount equal to 20 percent of the passenger facilities charges revenue amount budgeted by the commission for 1994;

In 1995, an amount equal to 35 percent of the passenger facilities charges revenue amount budgeted by the commission for 1995; and

In 1996 and 1997, an amount equal to 40 percent of the passenger facilities charges revenue amount budgeted by the commission for 1996.

(c) From 1996 to 2002, the commission shall spend no less than \$185,000,000 from any source of funds for insulation and accompanying air conditioning of residences, schools, and other publicly owned buildings where there is a demonstrated need because of aircraft noise; and property acquisition, limited to residences, schools, and other publicly owned buildings, within the noise impacted area. In addition, the corporation shall insulate and air condition four schools in Minneapolis and two schools in Richfield that are located in the 1996 60 Ldn contour.

(d) Before the commission constructs a new runway at Minneapolis-St. Paul International Airport, the commission shall determine the probable levels of noise that will result in various parts of the metropolitan area from the operation of aircraft on the new runway and shall develop a program to mitigate noise in those parts of the metropolitan area that are located outside the 1996 65 Ldn contour but will be located within the 65 Ldn contour as established after the new runway is in operation. Based upon this determination, the commission shall reserve in its annual budget, until noise mitigation measures are completed, an amount of money necessary to implement this noise mitigation program in the newly impacted areas.

(e) The commission's capital improvement projects, program, and plan must reflect the requirements of this section. As part of the commission's report to the legislature under section 473.621, subdivision 1a, the commission must provide a description and the status of each noise mitigation project implemented under this section.

~~(f) Within 180 days of submitting the commission's and the Metropolitan Council's report and recommendations on major airport planning to the legislature as required by Minnesota Statutes 2012, section 473.618, the commission, with the assistance of its sound abatement advisory committee, shall make a recommendation to the state Advisory Council on Metropolitan Airport Planning regarding proposed mitigation activities and appropriate funding levels for mitigation activities at Minneapolis-St. Paul International Airport and in the neighboring communities. The recommendation shall examine mitigation measures to the 60 Ldn level. The state Advisory Council on Metropolitan Airport Planning shall review the recommendation and comment to the legislature within 60 days after the recommendation is submitted to the council.~~

Sec. 12. Minnesota Statutes 2014, section 473.667, subdivision 8, is amended to read:

Subd. 8. **Refunding deficiencies.** If in any year the revenues available for transfer to the debt service fund are or will in the judgment of the commission be insufficient to produce the balance required thereon on October 10 under the provisions of subdivision 4, or to make any interest or principal payment due on certificates of indebtedness issued under the provisions of subdivision 10, the commission may, ~~with the approval of the council,~~ issue refunding bonds and appropriate the proceeds to the debt service fund in the amount needed to restore the deficiency, provided that the refunding bonds shall not mature earlier than the date or dates when the commission estimates that the revenues from enforced or increased rates, fees, charges, and rentals will be sufficient to pay them and to meet all other requirements of the debt service fund as stated in subdivision 4.

Sec. 13. **REPEALER.**

Minnesota Statutes 2014, section 473.621, subdivision 6, is repealed.

Sec. 14. **EFFECTIVE DATE.**

This article is effective July 1, 2016.

## ARTICLE 11

### METROPOLITAN AGRICULTURAL PRESERVES

Section 1. Minnesota Statutes 2014, section 473H.04, subdivision 3, is amended to read:

Subd. 3. **Maps to Met-Council Minnesota planning.** The authority shall provide the Metropolitan Council commissioner of administration with suitable maps showing any lands certified eligible pursuant to subdivision 1 or decertified pursuant to subdivision 2. The Metropolitan Council commissioner of administration shall maintain maps of the metropolitan area showing all certified long-term agricultural lands.

Sec. 2. Minnesota Statutes 2014, section 473H.06, subdivision 1, is amended to read:

Subdivision 1. **Application.** Upon receipt of an application, the authority shall determine if all material required in section 473H.05 has been submitted and, if so, shall determine that the application is complete. When used in this chapter, the term "date of application" means the date the application is determined complete by the authority. Within five days of the date of application, the authority shall forward the completed and signed application to the county recorder, and copies to the county auditor, the county assessor, the Metropolitan Council commissioner of administration, and the county soil and water conservation district.

Sec. 3. Minnesota Statutes 2014, section 473H.06, subdivision 5, is amended to read:

Subd. 5. **Maps; reports.** The Metropolitan Council commissioner of administration shall maintain agricultural preserve maps, illustrating (a) certified long-term agricultural lands; and (b) lands covenanted as agricultural preserves. The council commissioner of administration shall make yearly reports to the Department of Agriculture and such other agencies as the council commissioner of administration deems appropriate.

Sec. 4. Minnesota Statutes 2014, section 473H.08, subdivision 4, is amended to read:

Subd. 4. **Notice to others.** Upon receipt of the notice provided in subdivision 2, or upon notice served by the authority as provided in subdivision 3, the authority shall forward the original notice to the county recorder for recording, or to the registrar of titles if the land is registered, and shall notify the county auditor, county assessor, the Metropolitan Council commissioner of administration, and the county soil and water conservation district of the date of expiration. Designation as an agricultural preserve and all benefits and limitations accruing through sections 473H.02 to 473H.17 for the preserve shall cease on the date of expiration. The restrictive covenant contained in the application shall terminate on the date of expiration.

Sec. 5. **REPEALER.**

Minnesota Statutes 2014, section 473H.02, subdivisions 7 and 8, are repealed.

Sec. 6. **EFFECTIVE DATE.**

This article is effective July 1, 2016.

## ARTICLE 12

### PARKS AND OPEN SPACE

Section 1. Minnesota Statutes 2014, section 473.121, subdivision 14, is amended to read:

Subd. 14. **Regional recreation open space.** "Regional recreation open space" means land and water areas, or interests therein, and facilities determined by the Metropolitan Council commissioner of administration to be of regional importance in providing for a balanced system of public outdoor recreation for the metropolitan area, including but not limited to park reserves, major linear parks and trails, large recreation parks, and conservatories, zoos, and other special use facilities.

Sec. 2. Minnesota Statutes 2014, section 473.147, is amended to read:

#### **473.147 REGIONAL RECREATION OPEN SPACE SYSTEM POLICY PLAN.**

Subdivision 1. **Requirements.** The Metropolitan Council commissioner of administration after consultation with the Parks and Open Space Commission, municipalities, park districts and counties in the metropolitan area, and after appropriate public hearings, shall prepare and adopt a long-range system policy plan for regional recreation open space as part of the council's Metropolitan Development Guide. The plan shall substantially conform to all policy statements, purposes, goals, standards, and maps in development guide sections and comprehensive plans as developed and adopted by the council pursuant to the chapters of the Minnesota Statutes directly relating to the council commissioner of administration. The policy plan shall identify generally the areas which should be acquired by a public agency to provide a system of regional recreation open space comprising park district, county and municipal facilities which, together with state facilities, reasonably will meet the outdoor recreation needs of the people of the metropolitan area and shall establish priorities for acquisition and development. The policy plan shall estimate the cost of the recommended acquisitions and development, including an analysis of what portion of the funding is proposed to come from the state, Metropolitan Council Parks and Open Space Commission's levies, and cities, counties, and towns in the metropolitan area, respectively. In preparing or amending the policy plan the council commissioner of administration shall consult with and make maximum use of the expertise of the commission. The policy plan shall include a five-year capital improvement program, which shall be revised periodically, and shall establish criteria and priorities for the allocation of funds for such acquisition and development. The legislature in each bonding measure shall designate an anticipated level of funding for this acquisition and development for each of the two succeeding bienniums.

Subd. 2. **Review, comment, hearing; revision.** Before adopting the policy plan, the council commissioner of administration shall submit the proposed plan to the parks and open space commission for its review, and the commission shall report its comments to the council commissioner of administration within 60 days. The council commissioner of administration shall hold a public hearing on the proposed policy plan at such time and place in the metropolitan area as it shall determine. Not less than 15 days before the hearing, the council commissioner of administration shall publish notice thereof in a newspaper or newspapers having general circulation in the metropolitan area, stating the date, time and place of hearing, and the place where the proposed policy plan and commission comments may be examined by any interested person. At any hearing interested persons shall be permitted to present their views on the policy plan, and the

hearing may be continued from time to time. After receipt of the commission's report and hearing, the ~~council~~ commissioner of administration may revise the proposed plan giving appropriate consideration to all comments received, and thereafter shall adopt the plan by resolution. An amendment to the policy plan may be proposed by the ~~council~~ commissioner of administration or by the parks and open space commission. At least every four years the ~~council~~ commissioner of administration shall engage in a comprehensive review of the policy plan, development guide sections, comprehensive plans, capital improvement programs and other plans in substantial conformance with the requirements of subdivision 1 which have been adopted by the ~~council~~ commissioner of administration.

Sec. 3. Minnesota Statutes 2014, section 473.301, subdivision 2, is amended to read:

Subd. 2. **Policy plan.** "Policy plan" means a plan adopted by the ~~council~~ commissioner of administration pursuant to section 473.147, generally describing the extent, type and location of regional recreation open space needed for the metropolitan area and the timing of its acquisition and development.

Sec. 4. Minnesota Statutes 2014, section 473.303, is amended to read:

#### **473.303 METROPOLITAN PARKS AND OPEN SPACE COMMISSION.**

Subdivision 1. **General.** A Metropolitan Parks and Open Space Commission is established as an agency of the council to carry out the purposes and activities specified in sections 473.301 to 473.341 and to serve as the governing body of the district and shall be organized and structured as provided in this section.

Subd. 2. **Membership; appointments.** (a) The agency commission consists of eight members, plus a chair appointed as provided in subdivision 3. The ~~Metropolitan Council~~ governor shall appoint the eight members on a nonpartisan basis after consultation with the members of the legislature from the district for which the member is to be appointed. The consultation with legislators in the affected district must include informing each legislator of the name, address, and background of each candidate for appointment and soliciting and reporting to the appointments committee the recommendation of each legislator on the appointment.

(b) In addition to the notice required in section 15.0597, subdivision 4, notice of vacancies and expiration of terms must be published in newspapers of general circulation in the metropolitan area and the appropriate districts. The ~~council~~ commission shall notify in writing the governing bodies of the statutory and home rule charter cities, counties, and towns having territory in the district for which the member is to be appointed. The notices must describe the appointment process and invite participation and recommendations on the appointment.

(c) The ~~council~~ commission shall establish an appointments committee, composed of members of the ~~council~~ governing bodies of the implementing agencies, to screen and review candidates. Following the submission of member applications to the ~~Metropolitan Council~~ as provided under section 15.0597, subdivision 5, the appointments committee shall conduct public meetings, following appropriate notice, to accept statements from or on behalf of persons who have applied or been nominated for appointment and to allow consultation with and secure the advice of the public and local elected officials. The committee shall hold the meeting on each appointment in the district or in a reasonably convenient and accessible location in the part of the metropolitan area in which the district is located. The committee may consolidate meetings. Following the meetings, the committee shall submit to the ~~council~~ commission a written report that lists the persons who

have applied or been nominated or recommended for the position, along with a description of the background and qualifications of each. In making its recommendation, the committee specifically shall consider evidence of the candidate's commitment to regularly communicate on issues before the agency with ~~Metropolitan Council members~~, legislators and local elected officials in the district, and the committee shall report its findings on this subject in its written report to the council commission.

(d) One member shall be appointed from each of the following agency districts:

(1) district A, consisting of ~~council districts 1 and 2~~ Metropolitan Airports Commission district A;

(2) district B, consisting of ~~council districts 3 and 4~~ Metropolitan Airports Commission district B;

(3) district C, consisting of ~~council districts 5 and 6~~ Metropolitan Airports Commission district C;

(4) district D, consisting of ~~council districts 7 and 8~~ Metropolitan Airports Commission district D;

(5) district E, consisting of ~~council districts 9 and 10~~ Metropolitan Airports Commission district E;

(6) district F, consisting of ~~council districts 11 and 12~~ Metropolitan Airports Commission district F;

(7) district G, consisting of ~~council districts 13 and 14~~ Metropolitan Airports Commission district G; and

(8) district H, consisting of ~~council districts 15 and 16~~ Metropolitan Airports Commission district H.

Subd. 3. **Chair.** The chair of the commission shall be appointed by the council governor and shall be the ninth member of the commission and shall meet all qualifications established for members, except the chair need only reside within the metropolitan area. The chair shall preside at all meetings of the commission, if present, and shall perform all other duties and functions assigned by the commission or by law. The commission may appoint from among its members a vice-chair to act for the chair during temporary absence or disability.

Subd. 3a. **Members; duties.** Each member shall communicate regularly with ~~Metropolitan Council members~~; legislators; and local government officials in the district the member represents.

Subd. 4. **Qualifications.** Each member shall be a resident of the commission district for which appointed and shall not during terms of office as a commission member ~~hold the office of Metropolitan Council member~~, or be a member of any metropolitan agency or hold any judicial office.

Subd. 4a. **Terms.** Following each apportionment of Metropolitan ~~Council~~ Airports Commission districts, as provided under section ~~473.123, subdivision 3a~~ 473.604, subdivision 1a, the ~~Metropolitan Council governor~~ shall appoint a chair and eight commission members from newly drawn districts. The terms of members and chairs are as follows: members representing commission districts A, B, C, and D, and the chair of the commission, for terms ending the first Monday in



January of the year ending in the numeral "7"; members representing commission districts E, F, G, and H, for terms ending the first Monday in January of the year ending in the numeral "5." Thereafter the term of each member and the chair is four years, with terms ending the first Monday in January, except that all terms expire on the effective date of the next apportionment. The chair shall continue to serve until a successor is appointed and qualified. A member shall continue to serve the commission district until a successor is appointed and qualified; except that, following each apportionment, the member shall continue to serve at large until the ~~Metropolitan Council~~ governor appoints eight commission members as provided under subdivision 2, to serve terms as provided under this subdivision. The appointments to the commission must be made by the first Monday in May of the year in which the term ends.

Subd. 5. **Vacancies; removal.** If the office of any commission member or the chair becomes vacant, the vacancy shall be filled by appointment in the same manner the original appointment was made. Members, other than the chair, may be removed by the ~~council~~ governor only for cause. The chair may be removed at the pleasure of the ~~council~~ governor.

Subd. 6. **Compensation.** Members and the chair shall serve without compensation but shall be reimbursed for all actual and necessary expenses incurred in the performance of duties as determined by the ~~Metropolitan Council~~ Legislative Coordinating Commission.

Sec. 5. Minnesota Statutes 2014, section 473.313, is amended to read:

#### **473.313 MASTER PLANS.**

Subdivision 1. **Adoption.** Each park district located wholly or partially within the metropolitan area, and each county in the metropolitan area not wholly within a park district, shall prepare, after consultation with all affected municipalities, and submit to the ~~Metropolitan Council~~ commissioner of administration, and from time to time revise and resubmit to the ~~council~~ commissioner of administration, a master plan and annual budget for the acquisition and development of regional recreation open space located within the district or county, consistent with the ~~council's~~ commissioner of administration's policy plan.

Subd. 2. **Council Commissioner of administration review.** The ~~Metropolitan Council~~ commissioner of administration shall review with the advice of the commission, each master plan to determine whether it is consistent with the ~~council's~~ commissioner of administration's policy plan. If it is not consistent, the ~~council~~ commissioner of administration shall return the plan with its comments to the municipalities, park district or county for revision and resubmittal.

Sec. 6. Minnesota Statutes 2014, section 473.315, subdivision 1, is amended to read:

Subdivision 1. **To metro local governments.** The ~~Metropolitan Council~~ with the advice of the commission may make grants, from any funds available to it for recreation open space purposes, to any implementing agency, as defined in section 473.351, to cover the cost, or any portion of the cost, of acquiring or developing regional recreation open space in accordance with the policy plan; and all such agencies may enter into contracts for this purpose or rights or interests therein. The cost of acquisition shall include any payments required for relocation pursuant to sections 117.50 to 117.56.

Sec. 7. Minnesota Statutes 2014, section 473.325, is amended to read:

**473.325 SALES OF G.O. REFUNDING BONDS.**

Subdivision 1. **Up to \$40,000,000 outstanding.** The Metropolitan ~~Council~~ Parks and Open Space Commission may by resolution authorize the issuance of general obligation bonds of the ~~council~~ commission such that the amount outstanding and undischarged at any time shall not exceed \$40,000,000, for which its full faith and credit and taxing powers shall be pledged, for the acquisition and betterment of regional recreation open space in accordance with sections 473.301 to 473.341. The Metropolitan ~~Council~~ Parks and Open Space Commission may also issue general obligation bonds for the purpose of refunding outstanding obligations issued hereunder. The amount of refunding bonds that may be issued from time to time shall not be subject to the dollar limitation contained in this subdivision nor shall such refunding bonds be included in computing the amount of bonds that may be issued within such dollar limitation.

Subd. 2. **Chapter 475 applies; exceptions.** The Metropolitan ~~Council~~ Parks and Open Space Commission shall sell and issue the bonds in the manner provided in chapter 475, and shall have the same powers and duties as a municipality issuing bonds under that law, except that the approval of a majority of the electors shall not be required and the net debt limitations shall not apply. The terms of each series of bonds shall be fixed so that the amount of principal and interest on all outstanding and undischarged bonds, together with the bonds proposed to be issued, due in any year shall not exceed 0.01209 percent of estimated market value of all taxable property in the metropolitan area as last finally equalized prior to a proposed issue. The bonds shall be secured in accordance with section 475.61, subdivision 1, and any taxes required for their payment shall be levied by the ~~council~~ commission, shall not affect the amount or rate of taxes which may be levied by the ~~council~~ commission for other purposes, shall be spread against all taxable property in the metropolitan area and shall not be subject to limitation as to rate or amount. Any taxes certified by the ~~council~~ commission to the county auditors for collection shall be reduced by the amount received by the ~~council~~ commission from the commissioner of management and budget or the federal government for the purpose of paying the principal and interest on bonds to which the levy relates. The ~~council~~ commission shall certify the fact and amount of all money so received to the county auditors, and the auditors shall reduce the levies previously made for the bonds in the manner and to the extent provided in section 475.61, subdivision 3.

Subd. 3. **Temporary loans.** The Metropolitan ~~Council~~ Parks and Open Space Commission shall have the power, after the authorization of bonds pursuant to this section, to provide funds immediately required for the purposes of sections 473.301 to 473.341, by effecting temporary loans upon such terms as it shall by resolution determine, evidenced by notes due in not exceeding 24 months from the date thereof, payable to the order of the lender or to the bearer, to be repaid with interest from the proceeds of such bonds when issued and delivered to the purchaser thereof. Such temporary loans may be made without public advertisement.

Subd. 4. **Full faith, credit switch.** In the event that the full faith and credit pledge of the Metropolitan ~~Council~~ Parks and Open Space Commission for the payment of principal and interest on the bonds issued under this section is superseded and replaced by the full faith and credit pledge of the state of Minnesota, by binding and irrevocable legislation, such action shall extinguish the full faith and credit pledge theretofore made for all bonds and the interest thereon issued pursuant to this section.

Sec. 8. Minnesota Statutes 2014, section 473.334, subdivision 1, is amended to read:

Subdivision 1. **Generally.** In determining the special benefit received by regional recreation open space system property as defined in sections 473.301 to 473.351 from an improvement for which a special assessment is determined, the governing body shall not consider any use of the property other than as regional recreation open space property at the time the special assessment is determined. The ~~Metropolitan Council~~ commission shall not be bound by the determination of the governing body of the city but may pay a lesser amount, as agreed upon by the ~~Metropolitan Council~~ commission and the governing body of the city, as they determine is the measure of benefit to the land from the improvement.

Sec. 9. Minnesota Statutes 2014, section 473.341, is amended to read:

#### **473.341 TAX EQUIVALENTS.**

In the year in which the ~~Metropolitan Council~~ commission or an implementing agency as defined in section 473.351 acquires fee title to any real property included in the regional recreation open space system, the ~~Metropolitan Council~~ commission shall grant sufficient funds to the appropriate implementing agency to make the tax equivalent payment required in this section. The ~~council~~ commission shall determine the total amount of property taxes levied on the real property for municipal or township purposes for collection in the year in which title passed. The municipality or township in which the real property is situated shall be paid 180 percent of the total tax amount determined by the ~~council~~ commission. If the implementing agency has granted a life estate to the seller of the real property and the seller is obligated to pay property taxes on the property, this tax equivalent shall not be paid until the life estate ends. All amounts paid pursuant to this section are costs of acquisition of the real property acquired.

Sec. 10. Minnesota Statutes 2014, section 473.351, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** The definitions in this subdivision apply to this section.

(a) "Implementing agency" means the counties of Anoka, Washington, Ramsey, Scott, Carver, Dakota, the city of St. Paul, the city of Bloomington, the Minneapolis Park and Recreation Board, and the Three Rivers Park District.

(b) "Operation and maintenance expenditures" means the cost of providing for the operation and maintenance of waters, lands, and facilities that are a part of the metropolitan area regional park and open space system, including but not limited to, the provision of fire, police, maintenance, forestry, rehabilitation expenses pertaining to routine care, and the allocation of the administrative overhead costs of the regional park and open space systems.

(c) "Operation and maintenance money" means money appropriated by the legislature to the commissioner of employment and economic development for distribution by the ~~Metropolitan Council~~ Parks and Open Space Commission.

(d) "Regional recreation open space systems" means those parks that have been designated by the ~~Metropolitan Council~~ commissioner of administration under section 473.145.

Sec. 11. Minnesota Statutes 2014, section 473.351, subdivision 2, is amended to read:

Subd. 2. **Metropolitan Council Parks and Open Space Commission obligation.** Annually before August 1 the ~~Metropolitan Council~~ commission shall distribute grant money received from the commissioner of natural resources to fund the operation and maintenance expenditures of the implementing agencies for the operation and maintenance of regional park and open space

systems. ~~The Metropolitan Council commission shall annually report to the legislature the amount distributed to each implementing agency and its estimate of the percentage of operation and maintenance expenditures paid for with operation and maintenance money.~~

Sec. 12. Minnesota Statutes 2014, section 473.351, subdivision 3, is amended to read:

Subd. 3. **Allocation formula.** By July 1 of every year each implementing agency must submit to the Metropolitan Parks and Open Space Commission a statement of the next annual anticipated operation and maintenance expenditures of the regional recreation open space parks systems within their respective jurisdictions and the previous year's actual expenditures. After reviewing the actual expenditures submitted and by July 15 of each year, ~~the Metropolitan Parks and Open Space Commission shall forward to the Metropolitan Council the funding requests from the implementing agencies based on the actual expenditures made.~~ The Metropolitan Council shall distribute the operation and maintenance money as follows:

(1) 40 percent based on the use that each implementing agency's regional recreation open space system has in proportion to the total use of the metropolitan regional recreation open space system;

(2) 40 percent based on the operation and maintenance expenditures made in the previous year by each implementing agency in proportion to the total operation and maintenance expenditures of all of the implementing agencies; and

(3) 20 percent based on the acreage that each implementing agency's regional recreation open space system has in proportion to the total acreage of the metropolitan regional recreation open space system. The 80 percent natural resource management land acreage of the park reserves must be divided by four in calculating the distribution under this clause.

Each implementing agency must receive no less than 40 percent of its actual operation and maintenance expenses to be incurred in the current calendar year budget as submitted to the parks and open space commission. If the available operation and maintenance money is less than the total amount determined by the formula including the preceding, the implementing agencies will share the available money in proportion to the amounts they would otherwise be entitled to under the formula.

Sec. 13. **BONDS.**

Bonds authorized by Minnesota Statutes, section 473.325, that are outstanding on the effective date of this article must be paid and retired according to those sections and the terms of the bonds. The auditors of the metropolitan counties shall see to the administration of this section.

Sec. 14. **ASSET ALLOCATION.**

Assets of the Metropolitan Council attributable to the regional recreation open space systems defined in Minnesota Statutes, section 473.351, shall be transferred to the Metropolitan Parks and Open Space Commission.

Sec. 15. **TAX EQUIVALENTS.**

If tax equivalents under Minnesota Statutes, section 473.341, are owned by an implementing agency as defined in Minnesota Statutes, section 473.351, to a municipality as defined in Minnesota Statutes, section 473.301, that is not an implementing agency, on the termination of a life estate, the implementing agency must make the payment.

Sec. 16. **REPEALER.**

Minnesota Statutes 2014, section 473.121, subdivision 12, is repealed.

Sec. 17. **EFFECTIVE DATE.**

This article is effective July 1, 2016.

**ARTICLE 13**

**TRANSPORTATION**

Section 1. Minnesota Statutes 2014, section 117.57, subdivision 3, is amended to read:

Subd. 3. **Relation to regional railroad authorities.** An authority shall not be adjudged to have a superior public use to that of a regional railroad authority as defined in section 398A.01, a railroad property which has been identified and approved as a light rail corridor by the former Metropolitan Council under chapter 473, or a state trail covered by section 85.015.

Sec. 2. Minnesota Statutes 2014, section 160.165, subdivision 1, is amended to read:

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

(1) "project" means construction work to maintain, construct, reconstruct, or improve a street or highway or for a rail transit project;

(2) "substantial business impacts" means impairment of road access, parking, or visibility for one or more business establishments as a result of a project, for a minimum period of one month; and

(3) "transportation authority" means the commissioner, as to trunk highways and rail transit projects; the county board, as to county state-aid highways and county highways; the town board, as to town roads; and statutory or home rule charter cities, as to city streets; ~~the Metropolitan Council, for rail transit projects located entirely within the metropolitan area as defined in section 473.121, subdivision 2; and the commissioner, for all other rail transit projects.~~

Sec. 3. Minnesota Statutes 2014, section 160.93, subdivision 1, is amended to read:

Subdivision 1. **Fees authorized.** To improve efficiency and provide more options to individuals traveling in a trunk highway corridor, the commissioner of transportation may charge user fees to owners or operators of single-occupant vehicles using dynamic shoulder lanes as designated by the commissioner and any designated high-occupancy vehicle lanes. The fees may be collected using electronic or other toll-collection methods and may vary in amount with the time of day and level of traffic congestion within the corridor. The commissioner shall ~~consult with the Metropolitan Council~~ and obtain necessary federal authorizations before implementing user fees on a high-occupancy vehicle lane or dynamic shoulder lane. Fees under this section are not subject to section 16A.1283.

Sec. 4. Minnesota Statutes 2014, section 160.93, subdivision 2, is amended to read:

Subd. 2. **Deposit of revenues; appropriation.** (a) Except as provided in subdivision 2a, money collected from fees authorized under subdivision 1 must be deposited in a high-occupancy vehicle lane user fee account in the special revenue fund. A separate account must be established for each trunk highway corridor. Money in the account is appropriated to the commissioner.

(b) From this appropriation the commissioner shall first repay the trunk highway fund and any other fund source for money spent to install, equip, or modify the corridor for the purposes of subdivision 1, and then shall pay all the costs of implementing and administering the fee collection system for that corridor.

(c) The commissioner shall spend remaining money in the account as follows:

(1) one-half must be spent for transportation capital improvements within the corridor; and

(2) one-half must be ~~transferred to the Metropolitan Council~~ spent for expansion and improvement of bus transit services within the corridor beyond the level of service provided on the date of implementation of subdivision 1.

Sec. 5. Minnesota Statutes 2014, section 160.93, subdivision 2a, is amended to read:

Subd. 2a. **I-35W high-occupancy vehicle and dynamic shoulder lane account.** (a) An I-35W high-occupancy vehicle and dynamic shoulder lane account is established in the special revenue fund. Money collected from fees authorized under subdivision 1 for the marked Interstate Highway 35W (I-35W) corridor must be deposited in the account and used as described in this subdivision. Money in the account is appropriated to the commissioner.

(b) During the first year of revenue operations, the commissioner shall use the money received in that year to pay the costs of operating and administering the fee collection system within the corridor, up to \$1,000,000. Any remaining money must be ~~transferred to the Metropolitan Council~~ used for improvement of bus transit services within the I-35W corridor including transit capital expenses.

(c) During the second and subsequent years of revenue operations, the commissioner shall use money in the account as follows:

(1) each year, allocate the lesser amount of \$1,000,000 or 75 percent of the revenues for operating and administering the fee collection system within the corridor;

(2) ~~transfer~~ use the remaining amount up to the amount allocated under clause (1) ~~to the Metropolitan Council~~ for improvement of bus transit within the corridor including capital expenses; and

(3) allocate any remaining amount as follows: (i) 25 percent to ~~the commissioner for operating and administering~~ operate and administer the fee collection system within the corridor and for transportation capital improvements that are consistent with the goals of the urban partnership agreement and that are located within the corridor and (ii) 75 percent ~~to the Metropolitan Council~~ for improvement of bus transit services within the corridor including transit capital expenses.

Sec. 6. Minnesota Statutes 2014, section 162.09, subdivision 4, is amended to read:

Subd. 4. **Federal census is conclusive.** (a) In determining whether any city has a population of 5,000 or more, the last federal census shall be conclusive, except as otherwise provided in this subdivision.

(b) The governing body of a city may contract with the United States Bureau of the Census to take a special census. A certified copy of the results of the census shall be filed with the appropriate state authorities by the city. The result of the census shall be the population of the city for the purposes of any law providing that population is a required qualification for distribution of highway aids under

chapter 162. The special census shall remain in effect until the next federal census is completed and filed. The expense of taking the special census shall be paid by the city.

(c) If an entire area not heretofore incorporated as a city is incorporated as such during the interval between federal censuses, its population shall be determined by its incorporation census. The incorporation census shall be determinative of the population of the city only until the next federal census.

(d) The population of a city created by the consolidation of two or more previously incorporated cities shall be determined by the most recent population estimate of the ~~Metropolitan Council~~ or state demographer, until the first federal decennial census or special census taken after the consolidation.

(e) The population of a city that is not receiving a municipal state-aid street fund apportionment shall be determined, upon request of the city, by the most recent population estimate of the ~~Metropolitan Council~~ or state demographer. A municipal state-aid street fund apportionment received by the city must be based on this population estimate until the next federal decennial census or special census.

(f) A city that is found in the most recent federal decennial census to have a population of less than 5,000 is deemed for the purposes of this chapter and the Minnesota Constitution, article XIV, to have a population of 5,000 or more under the following circumstances: (1) immediately before the most recent federal decennial census, the city was receiving municipal state-aid street fund distributions; and (2) the population of the city was found in the most recent federal decennial census to be less than 5,000. Following the end of the first calendar year that ends in "5" after the decennial census and until the next decennial census, the population of any city must be determined under paragraphs (a) to (e).

Sec. 7. Minnesota Statutes 2014, section 169.306, is amended to read:

**169.306 USE OF SHOULDERS BY BUSES.**

(a) A road authority, as defined in section 160.02, subdivision 25, is authorized to permit transit buses and Metro Mobility buses use of a shoulder, as designated by the road authority, of a freeway or expressway, as defined in section 160.02, in Minnesota.

(b) If a road authority permits the use of a freeway or expressway shoulder by transit buses, the road authority shall permit the use on that shoulder of a bus (1) with a seating capacity of 40 passengers or more operated by a motor carrier of passengers, as defined in section 221.012, subdivision 26, while operating in intrastate commerce or (2) providing regular route transit service, as defined in section 174.22, subdivision 8, or Metro Mobility services, and operated by or under contract with the ~~Metropolitan Council~~ Department of Transportation, a local transit authority, or a transit authority created by the legislature. Drivers of these buses must have adequate training in the requirements of paragraph (c), as determined by the commissioner.

(c) Buses authorized to use the shoulder under this section may be operated on the shoulder only when main-line traffic speeds are less than 35 miles per hour, except as provided for in paragraph (f). Drivers of buses being operated on the shoulder may not exceed the speed of main-line traffic by more than 15 miles per hour and may never exceed 35 miles per hour, except as provided for in paragraph (f). Drivers of buses being operated on the shoulder must yield to merging, entering, and exiting traffic and must yield to other vehicles on the shoulder. Buses operated on the shoulder must be registered with the Department of Transportation.

(d) For the purposes of this section, the term "Metro Mobility bus" means a motor vehicle of not less than 20 feet in length engaged in providing special transportation services under section 473.386 that is:

(1) operated by or under contract with a public or private entity receiving financial assistance to provide transit services from the ~~Metropolitan Council~~ or the commissioner of transportation; and

(2) authorized by a road authority to use freeway or expressway shoulders.

(e) This section does not apply to the operation of buses on dynamic shoulder lanes.

(f) The commissioner may authorize different operating conditions and maximum speeds, not to exceed the posted speed limit, based upon an engineering study and recommendation by the road authority. The engineering study must be conducted by the road authority and must conform with the manual and specifications adopted under section 169.06, subdivision 1, and applicable state and federal standards. The road authority shall consult the public transit operator before recommending operating conditions different from those authorized by law.

Sec. 8. Minnesota Statutes 2014, section 169.781, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** For purposes of sections 169.781 to 169.783:

(a) "Commercial motor vehicle":

(1) means a motor vehicle as defined in section 169.011, subdivision 16, paragraph (a), or combination of motor vehicles used to transport passengers or property if the motor vehicle:

(i) has a gross vehicle weight of more than 26,000 pounds;

(ii) is a vehicle in a combination of more than 26,000 pounds;

(iii) is a bus;

(iv) is of any size and is used in the transportation of hazardous materials that are required to be placarded under Code of Federal Regulations, title 49, parts 100-185; or

(v) is a spotter truck; and

(2) does not include (i) a school bus or Head Start bus displaying a certificate under section 169.451, or (ii) a bus operated by the ~~Metropolitan Council~~ Department of Transportation or by a local transit commission created in chapter 458A.

(b) "Commissioner" means the commissioner of public safety.

(c) "Owner" means a person who owns, or has control, under a lease of more than 30 days' duration, of one or more commercial motor vehicles.

Sec. 9. Minnesota Statutes 2014, section 169.791, subdivision 5, is amended to read:

Subd. 5. **Exemptions.** Buses or other commercial vehicles operated by the ~~Metropolitan Council~~ commissioner of transportation, commercial vehicles required to file proof of insurance pursuant to chapter 221, and school buses as defined in section 171.01, subdivision 45, are exempt from this section.

Sec. 10. Minnesota Statutes 2014, section 169.792, subdivision 11, is amended to read:



Subd. 11. **Exemptions.** Buses or other commercial vehicles operated by the ~~Metropolitan Council~~ Department of Transportation, commercial vehicles required to file proof of insurance pursuant to chapter 221, and school buses as defined in section 171.01, subdivision 45, are exempt from this section.

Sec. 11. Minnesota Statutes 2014, section 174.03, subdivision 1, is amended to read:

Subdivision 1. **Statewide transportation plan; priorities; schedule of expenditures.** In order to best meet the present and future transportation needs of the public, to insure a strong state economy, to make most efficient use of public and private funds, to lessen adverse environmental impacts of the transportation sector, and to promote the more efficient use of energy and other resources for transportation purposes, the commissioner shall:

(1) three months after notification that the department is ready to commence operations and prior to the drafting of the statewide transportation plan, hold public hearings as may be appropriate solely for the purpose of receiving suggestions for future transportation alternatives and priorities for the state. The ~~Metropolitan Council~~, regional development commissions, and port authorities shall appear at the hearings and submit information concerning transportation-related planning undertaken and accomplished by these agencies. Other political subdivisions may appear and submit such information at the hearings. These hearings shall be completed no later than six months from the date of the commissioner's notification;

(2) develop, adopt, revise, and monitor a statewide transportation plan, taking into account the suggestions and information submitted at the public hearings held pursuant to clause (1). The plan shall incorporate all modes of transportation including bicycle commutation and recreation and provide for the interconnection and coordination of different modes of transportation. The commissioner shall evaluate all transportation programs and facilities proposed for inclusion in the plan in terms of economic costs and benefits, safety aspects, impact on present and planned land uses, environmental effects, energy efficiency, national transportation policies and priorities, and availability of federal and other financial assistance;

(3) based upon the statewide transportation plan, develop statewide transportation priorities and schedule authorized public capital improvements and other authorized public transportation expenditures pursuant to the priorities. As permitted by the federal Surface Transportation Program and subject to available funding, the commissioner shall give serious consideration to prioritizing for funding ~~those~~ trunk highway projects in the metropolitan area, as defined in section 473.121, subdivision 2, that are consistent with policies included in the ~~Metropolitan Council's~~ metropolitan development guide, transportation policy plan, and regional development framework, and that have been awarded funding through the federal Surface Transportation Program. In responding to an unforeseen, catastrophic event affecting the state transportation system, the commissioner may, upon written notification to the chairs of the senate and house of representatives committees with jurisdiction over transportation policy and finance, prioritize projects without regard to availability of federal funding; and

(4) complete the plan and priorities required by this subdivision no later than July 1, 1978. Upon completion of the plan and priorities, the commissioner shall prepare and periodically revise, as necessary, the schedule of authorized public transportation expenditures. The plan, priorities, and schedule are exempt from the provisions of the Administrative Procedure Act.

Sec. 12. Minnesota Statutes 2014, section 174.03, subdivision 4, is amended to read:

Subd. 4. **Other duties.** The commissioner shall:

- (1) construct and maintain transportation facilities as authorized by law;
- (2) cooperate with, and may provide technical and financial assistance to, the ~~Metropolitan Council~~ and regional development commissions in the regional transportation planning process, in accordance with mutually acceptable terms and conditions;
- (3) cooperate with, and may provide planning and technical assistance upon the request of, any political subdivision or other governmental agency in accordance with mutually accepted terms and conditions, except as otherwise restricted by law; and
- (4) develop, revise, and monitor a statewide rail transportation plan as part of the statewide transportation planning process, including a study and evaluation of alternative methods for insuring adequate and economical transportation of agricultural commodities, supplies, and other goods to and from rural areas of the state. The plan shall include an analysis of rail lines in the state for the purpose of determining (i) eligibility of rail lines for assistance under federal and state rail assistance programs, (ii) eligibility of rail lines for inclusion in the state rail bank, and (iii) the actions required by the state to insure the continuation of rail service that meets essential state needs and objectives.

Sec. 13. Minnesota Statutes 2014, section 174.03, subdivision 5, is amended to read:

Subd. 5. **Regional transportation planning.** ~~The Metropolitan Council, pursuant to section 473.146, and the~~ regional development commissions shall develop regional long-range transportation policy plans in cooperation with the commissioner and local units of government. Upon promulgation of the statewide transportation plan, and periodically as necessary thereafter, each regional policy plan shall be reviewed and amended, if necessary, by the appropriate regional agency to insure that the regional policy plan is not in conflict with the statewide transportation plan.

Sec. 14. Minnesota Statutes 2014, section 174.03, subdivision 6a, is amended to read:

Subd. 6a. **Economic analysis of nonhighway alternatives.** If the commissioner considers congestion pricing, tolls, mileage pricing, or public-private partnerships in order to meet the transportation needs of commuters in the department's metropolitan district between 2001 and 2020, the commissioner shall, in cooperation with the ~~Metropolitan Council~~ and the regional railroad authorities in the district, compare the economics of these financing methods with the economics of nonhighway alternatives for moving commuters. The commissioner shall analyze the economics as they relate to both individuals and to the transportation system.

Sec. 15. Minnesota Statutes 2014, section 174.04, subdivision 1, is amended to read:

Subdivision 1. **Review of application.** Any state agency which receives an application from a regional development commission, ~~metropolitan council~~, public transit commission, airport commission, port authority, or other political subdivision of the state, or any nonpublic organization, for financial assistance for transportation planning, capital expenditures, or operations to any state or federal agency, shall first submit the application to the commissioner of transportation. The commissioner shall review the application to determine whether it contains matters that substantially affect the statewide transportation plan and priorities. If the application does not contain such matters, the commissioner shall within 15 days after receipt return the application to the applicant political subdivision or nonpublic organization for forwarding to the appropriate

agency. If the application contains such matters, the commissioner shall review and comment on the application as being consistent with the plan and priorities. The commissioner shall return the application together with comments within 45 days after receipt to the applicant political subdivision or nonpublic organization for forwarding with the commissioner's comments to the appropriate agency.

Sec. 16. Minnesota Statutes 2014, section 174.04, subdivision 2, is amended to read:

Subd. 2. **Designated agent.** A regional development commission, ~~metropolitan council~~, public transit commission, airport commission, port authority, or any other political subdivision of the state, or any nonpublic organization, may designate the commissioner as its agent to receive and disburse funds by entering into an agreement with the commissioner prescribing the terms and conditions of the receipt and expenditure of the funds in accordance with federal and state laws, rules, and regulations.

Sec. 17. Minnesota Statutes 2014, section 174.247, is amended to read:

**174.247 ANNUAL TRANSIT REPORT.**

(a) By February 15 annually, the commissioner shall submit a report to the legislature on transit services outside the metropolitan area. ~~The Metropolitan Council and~~ Any public transit system receiving assistance under section 174.24 shall provide assistance in creating the report, as requested by the commissioner.

(b) The report must include, at a minimum, the following:

- (1) a descriptive overview of public transit in Minnesota;
- (2) a descriptive summary of funding sources and assistance programs;
- (3) a summary of each public transit system receiving assistance under section 174.24;
- (4) data that identifies use of volunteers in providing transit service;
- (5) financial data that identifies for each public transit system and for each transit system classification under section 174.24, subdivision 3b:
  - (i) the operating and capital costs;
  - (ii) each of the funding sources used to provide financial assistance; and
  - (iii) for federal funds, the amount from each specific federal program under which funding is provided;
- (6) a summary of the differences in program implementation requirements and aid recipient eligibility between federal aid and state sources of funds;
- (7) in each odd-numbered year, an analysis of public transit system needs and operating expenditures on an annual basis, which must include a methodology for identifying monetary needs, and calculations of:
  - (i) the total monetary needs for all public transit systems, for the year of the report and the ensuing five years;
  - (ii) the total expenditures from local sources for each transit system classification;

(iii) the comprehensive transit assistance percentage for each transit system classification, which equals (A) the expenditures identified under item (ii), for a transit system classification, divided by (B) the amounts identified under subitem (A), plus the sum of state sources of funds plus federal funds provided to all transit systems in that classification; and

(iv) the amount of surplus or insufficient funds available for paying capital and operating costs to fully implement the greater Minnesota transit investment plan under section 174.24, subdivision 1a.

Sec. 18. Minnesota Statutes 2014, section 174.285, subdivision 4, is amended to read:

Subd. 4. **Membership.** (a) The council is composed of the following ~~13~~ 12 members:

- (1) one representative from the Office of the Governor;
- (2) one representative from the Council on Disability;
- (3) one representative from the Minnesota Public Transit Association;
- (4) the commissioner of transportation or a designee;
- (5) the commissioner of human services or a designee;
- (6) the commissioner of health or a designee;
- ~~(7) the chair of the Metropolitan Council or a designee;~~
- ~~(8) (7) the commissioner of education or a designee;~~
- ~~(9) (8) the commissioner of veterans affairs or a designee;~~
- ~~(10) (9) one representative from the Board on Aging;~~
- ~~(11) (10) the commissioner of employment and economic development or a designee;~~
- ~~(12) (11) the commissioner of commerce or a designee; and~~
- ~~(13) (12) the commissioner of management and budget or a designee.~~

(b) All appointments required by paragraph (a) must be completed by August 1, 2010.

(c) The commissioner of transportation or a designee shall convene the first meeting of the council within two weeks after the members have been appointed to the council. The members shall elect a chair from their membership at the first meeting.

(d) The Department of Transportation and the Department of Human Services shall provide necessary staff support for the council.

Sec. 19. Minnesota Statutes 2014, section 174.30, subdivision 4, is amended to read:

Subd. 4. **Vehicle and equipment inspection; rules; decal; complaint contact information.**

(a) The commissioner shall inspect or provide for the inspection of vehicles at least annually. In addition to scheduled annual inspections and reinspections scheduled for the purpose of verifying that deficiencies have been corrected, unannounced inspections of any vehicle may be conducted.

(b) On determining that a vehicle or vehicle equipment is in a condition that is likely to cause an accident or breakdown, the commissioner shall require the vehicle to be taken out of service

immediately. The commissioner shall require that vehicles and equipment not meeting standards be repaired and brought into conformance with the standards and shall require written evidence of compliance from the operator before allowing the operator to return the vehicle to service.

(c) The commissioner shall provide in the rules procedures for inspecting vehicles, removing unsafe vehicles from service, determining and requiring compliance, and reviewing driver qualifications.

(d) The commissioner shall design a distinctive decal to be issued to special transportation service providers with a current certificate of compliance under this section. A decal is valid for one year from the last day of the month in which it is issued. A person who is subject to the operating standards adopted under this section may not provide special transportation service in a vehicle that does not conspicuously display a decal issued by the commissioner.

(e) Special transportation service providers shall prominently display in each vehicle all contact information for the commissioner of transportation for the submission of complaints regarding the transportation services provided to ~~that an individual. All vehicles providing service under section 473.386 shall display contact information for the Metropolitan Council. All other special transportation service vehicles shall display contact information for the commissioner of transportation.~~

Sec. 20. Minnesota Statutes 2014, section 174.37, subdivision 2, is amended to read:

Subd. 2. **Members.** The advisory committee must consist of the following members:

(a) The commissioner of transportation shall appoint up to 18 public members, as follows: one member from each of the department's seven greater Minnesota districts; four members from the department's metropolitan district; and no more than seven members at large. Each of the members at large must represent nonmotorized interests or organizations.

(b) The commissioners of each of the following state agencies shall appoint an employee of the agency to serve as a member: administration, education, health, natural resources, public safety, transportation, and pollution control. ~~The chair of the Metropolitan Council shall appoint an employee of the council to serve as a member.~~ The director of Explore Minnesota Tourism shall appoint an employee of the agency to serve as a member. The division administrator of the Federal Highway Administration may appoint an employee of the agency to serve as a member.

(c) Members of the committee shall serve four-year terms.

Sec. 21. Minnesota Statutes 2014, section 174.90, is amended to read:

#### **174.90 COMMUTER RAIL OPERATION.**

The commissioner may contract for operation of commuter rail facilities with ~~the Metropolitan Council or other~~ public or private entities and shall commence revenue service after an appropriate period of start-up to ensure satisfactory performance. The commissioner shall coordinate with transit providers to ensure integration of the commuter rail system with bus and light rail transit service to avoid duplication of service and to ensure the greatest access to commuter rail lines in suburban and urban areas.

Sec. 22. Minnesota Statutes 2014, section 174.93, subdivision 1, is amended to read:

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

(1) "commissioner" means the commissioner of transportation;

(2) "guideway" means a form of transportation service provided to the public on a regular and ongoing basis, that operates on exclusive or controlled rights-of-way or rails in whole or in part, and includes each line for intercity passenger rail, commuter rail, light rail transit, streetcars, and bus rapid transit; and

(3) "local unit of government" means a county, statutory or home rule charter city, town, or other political subdivision including, but not limited to, a regional railroad authority or joint powers board.

(b) For purposes of this section, "sources of funds" includes, but is not limited to, money from federal aid, state appropriations, ~~the Metropolitan Council~~, special taxing districts, local units of government, fare box recovery, and nonpublic sources.

(c) For purposes of this section, "budget activity" includes, but is not limited to, environmental analysis, land acquisition, easements, design, preliminary and final engineering, acquisition of vehicles and rolling stock, track improvement and rehabilitation, and construction.

Sec. 23. Minnesota Statutes 2014, section 174.93, subdivision 2, is amended to read:

Subd. 2. **Legislative report.** (a) By January 15, 2012, and by November 15 in every odd-numbered year thereafter, the commissioner shall prepare, ~~in collaboration with the Metropolitan Council~~, and submit a report electronically to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation policy and finance concerning the status of guideway projects (1) currently in study, planning, development, or construction; (2) identified in the transportation policy plan under section 473.146; or (3) identified in the comprehensive statewide freight and passenger rail plan under section 174.03, subdivision 1b.

(b) At a minimum, the report must include, for each guideway project:

(1) a brief description of the project, including projected ridership;

(2) a summary of the overall status and current phase of the project;

(3) a timeline that includes (i) project phases or milestones; (ii) expected and known dates of commencement of each phase or milestone; and (iii) expected and known dates of completion of each phase or milestone;

(4) a brief progress update on specific project phases or milestones completed since the last previous submission of a report under this subdivision; and

(5) a summary financial plan that identifies, as reflected by the data and level of detail available in the latest phase of project development and to the extent available:

(i) capital expenditures, including expenditures to date and total projected expenditures, with a breakdown by committed and proposed sources of funds for the project;

(ii) estimated annual operations and maintenance expenditures reflecting the level of detail available in the current phase of the project development, with a breakdown by committed and proposed sources of funds for the project; and

(iii) if feasible, project expenditures by budget activity.

(c) The report must also include a systemwide capacity analysis for investment in guideway expansion and maintenance that:

(1) provides a funding projection, annually over the ensuing ten years, and with a breakdown by committed and proposed sources of funds, of:

(i) total capital expenditures for guideways;

(ii) total operations and maintenance expenditures for guideways;

(iii) total funding available for guideways, including from projected or estimated farebox recovery; and

(iv) total funding available for transit service in the metropolitan area; and

(2) evaluates the availability of funds and distribution of sources of funds for guideway investments.

(d) The projection under paragraph (c), clause (1), must be for all guideway lines for which state funds are reasonably expected to be expended in planning, development, construction, or revenue operation during the ensuing ten years.

(e) Local units of government shall provide assistance and information in a timely manner as requested by the commissioner or council for completion of the report.

Sec. 24. Minnesota Statutes 2014, section 221.012, subdivision 38, is amended to read:

**Subd. 38. Small vehicle passenger service.** (a) "Small vehicle passenger service" means a service provided by a person engaged in the for-hire transportation of passengers in a vehicle designed to transport seven or fewer persons, including the driver.

(b) In the metropolitan area as defined in section 473.121, subdivision 2, "small vehicle passenger service" also includes for-hire transportation of persons who are certified by the ~~Metropolitan Council~~ commissioner to use special transportation service provided under section 473.386, in a vehicle designed to transport not more than 15 persons including the driver, that is equipped with a wheelchair lift and at least three wheelchair securement positions.

(c) Small vehicle passenger service does not include a motor carrier of railroad employees.

Sec. 25. Minnesota Statutes 2014, section 221.022, is amended to read:

**221.022 EXCEPTION.**

The powers granted to the commissioner under sections 221.012 to 221.293 do not include the power to ~~regulate any service or vehicles operated by the Metropolitan Council or to register passenger transportation service provided under contract to the department or the Metropolitan Council.~~ A provider of passenger transportation service under contract to the department ~~or the Metropolitan Council~~ may not also provide service as a motor carrier of passengers without first having registered under section 221.0252.

Sec. 26. Minnesota Statutes 2014, section 221.031, subdivision 3a, is amended to read:

Subd. 3a. **Contractor or recipient of transportation assistance.** (a) Notwithstanding subdivision 3, providers of passenger transportation service under contract to and with operating assistance from the department ~~or the Metropolitan Council~~ must comply with rules for driver qualifications; driving of motor vehicles; parts and accessories necessary for safe operation; hours of service of drivers; inspection, repair, and maintenance; and the rules adopted in section 221.0314, subdivision 8, for accident reporting.

(b) This subdivision does not apply to (1) a local transit commission, (2) a transit authority created by the legislature, (3) special transportation service certified by the commissioner under section 174.30, or (4) special transportation service defined in section 174.29, subdivision 1, when provided by a volunteer driver operating a private passenger vehicle defined in section 169.011, subdivision 52.

Sec. 27. Minnesota Statutes 2014, section 275.066, is amended to read:

**275.066 SPECIAL TAXING DISTRICTS; DEFINITION.**

For the purposes of property taxation and property tax state aids, the term "special taxing districts" includes the following entities:

- (1) watershed districts under chapter 103D;
- (2) sanitary districts under sections 442A.01 to 442A.29;
- (3) regional sanitary sewer districts under sections 115.61 to 115.67;
- (4) regional public library districts under section 134.201;
- (5) park districts under chapter 398;
- (6) regional railroad authorities under chapter 398A;
- (7) hospital districts under sections 447.31 to 447.38;
- (8) St. Cloud Metropolitan Transit Commission under sections 458A.01 to 458A.15;
- (9) Duluth Transit Authority under sections 458A.21 to 458A.37;
- (10) regional development commissions under sections 462.381 to 462.398;
- (11) housing and redevelopment authorities under sections 469.001 to 469.047;
- (12) port authorities under sections 469.048 to 469.068;
- (13) economic development authorities under sections 469.090 to 469.1081;
- (14) ~~Metropolitan Council~~ Area Transit Board under ~~sections 473.123 to 473.549~~ section 473.446;
- (15) Metropolitan Airports Commission under sections 473.601 to 473.679;
- (16) Metropolitan Mosquito Control Commission under sections 473.701 to 473.716;
- (17) Morrison County Rural Development Financing Authority under Laws 1982, chapter 437, section 1;
- (18) Croft Historical Park District under Laws 1984, chapter 502, article 13, section 6;



- (19) East Lake County Medical Clinic District under Laws 1989, chapter 211, sections 1 to 6;
- (20) Floodwood Area Ambulance District under Laws 1993, chapter 375, article 5, section 39;
- (21) Middle Mississippi River Watershed Management Organization under sections 103B.211 and 103B.241;
- (22) emergency medical services special taxing districts under section 144F.01;
- (23) a county levying under the authority of section 103B.241, 103B.245, or 103B.251;
- (24) Southern St. Louis County Special Taxing District; Chris Jensen Nursing Home under Laws 2003, First Special Session chapter 21, article 4, section 12;
- (25) an airport authority created under section 360.0426; and
- (26) any other political subdivision of the state of Minnesota, excluding counties, school districts, cities, and towns, that has the power to adopt and certify a property tax levy to the county auditor, as determined by the commissioner of revenue.

Sec. 28. Minnesota Statutes 2014, section 297A.992, subdivision 4, is amended to read:

Subd. 4. **Joint powers board.** (a) The joint powers board must consist of one or more commissioners of each county that is in the metropolitan transportation area, appointed by its county board, ~~and the chair of the Metropolitan Council~~, who must have voting rights, subject to subdivision 3, clause (4). The joint powers board has the powers and duties provided in this section and section 471.59.

(b) The joint powers board may utilize no more than three-fourths of one percent of the proceeds of the taxes imposed under this section for ordinary administrative expenses incurred in carrying out the provisions of this section. Any additional administrative expenses must be paid by the participating counties.

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

Sec. 29. Minnesota Statutes 2014, section 297A.992, subdivision 5, is amended to read:

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

(b) The joint powers board shall establish a timeline and procedures for the award of grants, and may award grants only to the state and political subdivisions. The board shall define objective criteria for the award of grants, ~~which must include, but not be limited to, consistency with the most recent version of the transportation policy plan adopted by the Metropolitan Council under section~~

473.146. The joint powers board shall maximize the availability and use of federal funds in projects funded under this section.

(c) The joint powers board shall establish a GEARS Committee, which must consist of:

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

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

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

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

(d) Each city representative must be elected at a meeting of cities in the metropolitan transportation area, which must be convened for that purpose by the Association of Metropolitan Municipalities.

(e) The committee shall evaluate grant applications following objective criteria established by the joint powers board, and must provide to the joint powers board a selection list of transportation projects that includes a priority ranking.

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

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

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

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

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

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

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

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

Sec. 30. Minnesota Statutes 2014, section 398A.04, subdivision 2, is amended to read:

Subd. 2. **Railroad acquisition and operation.** The authority may plan, establish, acquire, develop, construct, purchase, enlarge, extend, improve, maintain, equip, operate, regulate, and protect railroads and railroad facilities, including but not limited to terminal buildings, roadways, crossings, bridges, causeways, tunnels, equipment, and rolling stock. The authority may not expend state or federal funds to engage in planning for or development of light rail transit or commuter rail transit, unless this activity is consistent with a plan adopted by the department of transportation under section 174.84 ~~and a plan adopted by the metropolitan council under section 473.399~~, and is carried out pursuant to a memorandum of understanding executed by the authority and the commissioner ~~after appropriate consultation with the metropolitan council.~~

Sec. 31. Minnesota Statutes 2014, section 398A.04, subdivision 2a, is amended to read:

Subd. 2a. **Bus rapid transit development.** A regional rail authority may exercise the powers conferred under this section to: plan, establish, acquire, develop, purchase, enlarge, extend, improve, maintain, equip, regulate, and protect; and pay costs of construction and operation of a bus rapid transit system located within its county on transitways ~~included in and approved by the Metropolitan Council's 2030 Transportation Policy Plan.~~ This subdivision applies only to the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 32. Minnesota Statutes 2014, section 398A.04, subdivision 9, is amended to read:

Subd. 9. **Agreements.** The authority may enter into joint powers agreements under section 471.59 or other agreements with the municipality or municipalities named in the organization agreement; with other municipalities situated in the counties named in the resolution, respecting the matters referred to in section 398A.06; with another authority; or with a state agency; ~~or with the Metropolitan Council~~ about any matter subject to this chapter.

Sec. 33. Minnesota Statutes 2014, section 473.146, subdivision 4, is amended to read:

Subd. 4. **Transportation planning.** (a) ~~The Metropolitan Council is the designated commissioner and affected local governments shall cooperate to designate a planning agency for any long-range comprehensive transportation planning required by section 134 of the Federal Highway Act of 1962, Section 4 of Urban Mass Transportation Act of 1964 and Section 112 of Federal Aid Highway Act of 1973 and other federal transportation laws. The council designated planning agency shall assure administration and coordination of transportation planning with appropriate state, regional and other agencies, counties, and municipalities.~~

(b) ~~The council designated planning agency shall establish an advisory body consisting of citizens and representatives of municipalities, counties, and state agencies in fulfillment of the planning responsibilities of the council designated planning agency. The membership of the advisory body must consist of:~~

- (1) the commissioner of transportation or the commissioner's designee;
- (2) the commissioner of the Pollution Control Agency or the commissioner's designee;
- (3) one member of the Metropolitan Airports Commission appointed by the commission;

- (4) one person appointed by the ~~council~~ commissioner to represent nonmotorized transportation;
- (5) one person appointed by the commissioner ~~of transportation~~ to represent the freight transportation industry;
- (6) two persons appointed by the ~~council~~ commissioner to represent public transit;
- (7) ten elected officials of cities within the metropolitan area, including one representative from each first-class city, appointed by the Association of Metropolitan Municipalities;
- (8) one member of the county board of each county in the seven-county metropolitan area, appointed by the respective county boards; and
- (9) eight citizens appointed by the ~~council~~ commissioner, one from each ~~council precinct~~; and Metropolitan Airports Commission district.
- ~~(10) one member of the council, appointed by the council.~~

The ~~council~~ designated planning agency shall appoint a chair from among the members of the advisory body.

Sec. 34. Minnesota Statutes 2014, section 473.1466, is amended to read:

**473.1466 TRANSPORTATION SYSTEM PERFORMANCE EVALUATION.**

- (a) Prior to each major revision of the transportation policy plan, the ~~council~~ commissioner of administration must carry out a performance evaluation of the metropolitan area's transportation system as a whole. The performance evaluation must:
  - (1) evaluate the area's ability to meet the need for effective and efficient transportation of goods and people;
  - (2) evaluate trends and their impacts on the area's transportation system;
  - (3) assess the region's success in meeting the currently adopted regional transportation benchmarks; and
  - (4) include an evaluation of the regional transit system, including a comparison with peer metropolitan regions with regard to key operating and investment measurements.
- (b) The ~~council~~ must commissioner shall update the evaluation of the regional transit system every two years.
- (c) The ~~council~~ commissioner shall use the results of the performance evaluation to make recommendations for improving the system in each revision of the transportation policy plan.
- (d) The ~~council~~ must commissioner shall conduct a peer review of the performance evaluation using at least two nationally recognized transportation and transit consultants.
- (e) The ~~council~~ must commissioner shall submit the performance evaluation to the chairs and ranking minority members of the house of representatives and senate committees and divisions with jurisdiction over transportation finance and policy.

Sec. 35. Minnesota Statutes 2014, section 473.166, is amended to read:

**473.166 CONTROLLED ACCESS; APPROVAL.**

Before acquiring land for or constructing a controlled access highway in the area, ~~the state Transportation Department or a local government unit~~ proposing the acquisition or construction shall submit to the ~~council~~ commissioner of transportation a statement describing the proposed project. The statement must be in the form and detail required by the ~~council~~ commissioner. The ~~council~~ commissioner of transportation, in cooperation with the commissioner of administration, shall review the statement to ascertain its consistency with ~~its~~ the policy plan and the development guide. No project may be undertaken unless the ~~council determines~~ commissioners of transportation and administration determine that it is consistent with the policy plan. This approval is in addition to the requirements of any other statute, ordinance or rule.

Sec. 36. Minnesota Statutes 2014, section 473.167, subdivision 2, is amended to read:

Subd. 2. **Loans for acquisition.** (a) The ~~council~~ commissioner of transportation may make loans to counties, towns, and statutory and home rule charter cities within the metropolitan area for the purchase of property within the right-of-way of a state trunk highway shown on an official map adopted pursuant to section 394.361 or 462.359 or for the purchase of property within the proposed right-of-way of a principal or intermediate arterial highway designated by the ~~council~~ commissioner of transportation as a part of the metropolitan highway system plan and approved by the ~~council~~ commissioner of administration pursuant to section 473.166. The loans shall be made by the ~~council~~ commissioner of transportation, from the fund established pursuant to this subdivision, for purchases approved by the ~~council~~ commissioner of transportation. The loans shall bear no interest.

(b) The ~~council~~ commissioner of transportation shall make loans only:

(1) to accelerate the acquisition of primarily undeveloped property when there is a reasonable probability that the property will increase in value before highway construction, and to update an expired environmental impact statement on a project for which the right-of-way is being purchased;

(2) to avert the imminent conversion or the granting of approvals which would allow the conversion of property to uses which would jeopardize its availability for highway construction;

(3) to advance planning and environmental activities on highest priority major metropolitan river crossing projects, under the transportation development guide chapter/policy plan; or

(4) to take advantage of open market opportunities when developed properties become available for sale, provided all parties involved are agreeable to the sale and funds are available.

(c) The ~~council~~ commissioner of transportation shall not make loans for the purchase of property at a price which exceeds the fair market value of the property or which includes the costs of relocating or moving persons or property. The eminent domain process may be used to settle differences of opinion as to fair market value, provided all parties agree to the process.

(d) A private property owner may elect to receive the purchase price either in a lump sum or in not more than four annual installments without interest on the deferred installments. If the purchase agreement provides for installment payments, the ~~council~~ commissioner of transportation shall make the loan in installments corresponding to those in the purchase agreement. The recipient of an acquisition loan shall convey the property for the construction of the highway at the same price which the recipient paid for the property. The price may include the costs of preparing environmental

documents that were required for the acquisition and that were paid for with money that the recipient received from the loan fund. Upon notification by the ~~council~~ commissioner of transportation that the plan to construct the highway has been abandoned or the anticipated location of the highway changed, the recipient shall sell the property at market value in accordance with the procedures required for the disposition of the property. All rents and other money received because of the recipient's ownership of the property and all proceeds from the conveyance or sale of the property shall be paid to the ~~council~~ commissioner of transportation. If a recipient is not permitted to include in the conveyance price the cost of preparing environmental documents that were required for the acquisition, then the recipient is not required to repay the ~~council~~ commissioner an amount equal to 40 percent of the money received from the loan fund and spent in preparing the environmental documents.

(e) ~~The proceeds of the tax authorized by subdivision 3, all money paid to the council commissioner of transportation by recipients of loans, and all interest on the proceeds and payments shall be maintained as a separate fund. For administration of the loan program, the council commissioner of transportation may expend from the fund each year an amount no greater than three percent of the amount of the proceeds for that year.~~

Sec. 37. Minnesota Statutes 2014, section 473.167, subdivision 2a, is amended to read:

Subd. 2a. **Loans for acquisition and relocation.** (a) The ~~council~~ commissioner of transportation may make loans to acquiring authorities within the metropolitan area to purchase homestead property located in a proposed state trunk highway right-of-way or project, and to provide relocation assistance. Acquiring authorities are authorized to accept the loans and to acquire the property. Except as provided in this subdivision, the loans shall be made as provided in subdivision 2. Loans shall be in the amount of the fair market value of the homestead property plus relocation costs and less salvage value. Before construction of the highway begins, the acquiring authority shall convey the property to the commissioner of transportation at the same price it paid, plus relocation costs and less its salvage value. Acquisition and assistance under this subdivision must conform to sections 117.50 to 117.56.

(b) The ~~council~~ commissioner of transportation may make loans only when:

(1) the owner of affected homestead property requests acquisition and relocation assistance from an acquiring authority;

(2) federal or other state financial participation is not available;

(3) the owner is unable to sell the homestead property at its appraised market value because the property is located in a proposed state trunk highway right-of-way or project as indicated on an official map or plat adopted under section 160.085, 394.361, or 462.359; and

(4) the ~~council~~ commissioner of transportation agrees to and approves the fair market value of the homestead property, which approval shall not be unreasonably withheld.

(c) For purposes of this subdivision, the following terms have the meanings given them.

(1) "Acquiring authority" means counties, towns, and statutory and home rule charter cities in the metropolitan area.

(2) "Homestead property" means: (i) a single-family dwelling occupied by the owner, and the surrounding land, not exceeding a total of ten acres; or (ii) a manufactured home, as defined in section 327B.01, subdivision 13.

(3) "Salvage value" means the probable sale price of the dwelling and other property that is severable from the land if offered for sale on the condition that it be removed from the land at the buyer's expense, allowing a reasonable time to find a buyer with knowledge of the possible uses of the property, including separate use of serviceable components and scrap when there is no other reasonable prospect of sale.

Sec. 38. Minnesota Statutes 2014, section 473.168, subdivision 2, is amended to read:

Subd. 2. **Exclusive lanes; multipassenger transit.** ~~The Metropolitan Council commissioner of transportation~~ may require that any freeway constructed in the metropolitan area on which actual construction has not been commenced by April 12, 1974 include provisions for exclusive lanes for buses and, as the ~~council commissioner of transportation~~ may determine, other forms of multipassenger transit. ~~The council commissioner of transportation,~~ in making its determination, must demonstrate that the exclusive lanes are necessary to implement the transportation policy plan of the development guide.

Sec. 39. Minnesota Statutes 2014, section 473.223, is amended to read:

**473.223 FEDERAL AID.**

For the purposes of this section the term "governmental subdivision" includes municipalities, counties and other political subdivisions generally. If federal aid for transportation programs and projects is otherwise unavailable to an existing agency or governmental subdivision, the ~~Metropolitan Council commissioner of transportation~~ may cooperate with the government of the United States and any agency or department thereof and the affected agency or other governmental subdivision in establishing metropolitan area eligibility to receive federal aid, and may comply with the provisions of the laws of the United States and any rules and regulations made thereunder for the expenditure of federal moneys upon such projects as are proposed for federal assistance. ~~The Metropolitan Council commissioner of transportation~~ may accept federal aid and other aid, either public or private, for and in behalf of the metropolitan area or any governmental subdivision of the state, for transportation programs and projects within the metropolitan area upon such terms and conditions as are or may be prescribed by the laws of the United States and any rules or regulations made thereunder, and is authorized to act as agent of any governmental subdivision of the state with jurisdiction in the metropolitan area upon request of such subdivision in accepting the aid in its behalf for such programs or projects financed either in whole or in part by federal aid. The governing body of any such subdivision is authorized to designate the ~~Metropolitan Council commissioner of transportation~~ as its agent for such purposes and to enter into an agreement with the ~~council commissioner of transportation~~ prescribing the terms and conditions of the agency relationship in accordance with state and federal laws, rules and regulations. ~~The Metropolitan Council commissioner of transportation~~ is authorized to designate an appropriate state agency as its agent for such purposes and to enter into an agreement with such agency prescribing the terms and conditions of the agency relationship in accordance with state and federal laws, rules and regulations.

Nothing contained herein shall limit any separate authority of agencies or governmental subdivisions of the state to contract for and receive federal aid.

Sec. 40. [473.37] DEFINITIONS.

Subdivision 1. **Commissioner.** "Commissioner" means the commissioner of transportation for the purposes of sections 473.371 to 473.449.

Subd. 2. **Department.** "Department" means the Department of Transportation for the purposes of sections 473.371 to 473.449.

Sec. 41. Minnesota Statutes 2014, section 473.375, is amended to read:

**473.375 POWERS AND DUTIES OF ~~COUNCIL~~ COMMISSIONER; ADVISORY COMMITTEE.**

Subd. 9a. **Transportation Accessibility Advisory Committee.** ~~The council~~commissioner shall establish a Transportation Accessibility Advisory Committee consisting of 15 members and a chair to advise the ~~council~~commissioner on the development and management of policies regarding accessibility of all aspects of fixed regular route and special transportation services for persons with disabilities. The Transportation Accessibility Advisory Committee shall also advise the ~~council~~commissioner on long-range plans to meet the accessible transportation needs of the disability community. The Transportation Accessibility Advisory Committee must include elderly persons, persons with disabilities, other users of special transportation services, and representatives of appropriate agencies for elderly persons and persons with disabilities. At least half the Transportation Accessibility Advisory Committee members must be persons who are both ADA-certified and users of public transit in the metropolitan area. Two of the appointments to the Transportation Accessibility Advisory Committee must be made by the Council on Disability ~~in consultation with the chair of the Metropolitan Council.~~

Subd. 11. **Ride sharing.** ~~The council~~commissioner shall administer a ride-sharing program in the metropolitan area, ~~except for the including a statewide vanpool leasing program conducted by the commissioner of transportation and shall cooperate with the commissioner in the conduct of ride-sharing activities in areas where the commissioner's programs and the council's program overlap.~~ ~~The council~~commissioner may contract for services in operating the program.

Subd. 12. **Assistance.** ~~The council~~commissioner shall offer, use, and apply ~~its~~the department's services to assist and advise transit providers in the metropolitan transit area in the planning, promotion, development, operation, and evaluation of programs and projects which are undertaken or proposed to be undertaken ~~by contract with the council,~~ and shall seek out and select recipients of this assistance and advice.

Subd. 13. **Financial assistance.** ~~The council~~commissioner may provide financial assistance to public transit providers as provided in sections 473.371 to 473.449. ~~The council may not use the proceeds of bonds issued under section 473.39 to provide capital assistance to private, for-profit operators of public transit, unless the operators provide service under a contract with the council, the former regional transit board, or recipients of financial assistance under sections 473.371 to 473.449.~~

No political subdivision within the metropolitan area may apply for federal transit assistance unless its application has been submitted to and approved by the ~~council~~commissioner.



Subd. 14. **Coordination.** The ~~council~~ commissioner shall coordinate transit operations within the metropolitan area and shall establish a transit information program to provide transit users with accurate information on transit schedules and service.

Subd. 15. **Performance standards.** The ~~council~~ commissioner may establish performance standards for recipients of financial assistance.

Sec. 42. Minnesota Statutes 2014, section 473.384, is amended to read:

**473.384 CONTRACTS.**

Subdivision 1. **Contracts required.** The ~~council~~ commissioner shall make contracts with eligible recipients for financial assistance to transit service within the metropolitan area. The ~~council~~ commissioner may not give financial assistance to another transit provider without first having executed a contract. The provisions of this section do not apply to contracts made under sections section 473.386 and 473.388.

Subd. 2. **Eligibility.** To be eligible to receive financial assistance by contract under this section a recipient must be:

(a) a county, statutory or home rule charter city or town or combination thereof, or public authority organized and existing pursuant to chapter 398A, providing financial assistance to or providing or operating public transit; ~~or~~

(b) a private provider of public transit; or

(c) a transit provider formerly under contract with one or more local government units to provide replacement service under the replacement service program established in Laws 1984, chapter 654, article 3, section 123.

Subd. 3. **Applications.** The ~~council~~ commissioner shall establish procedures and standards for review and approval of applications for financial assistance under this section. An applicant must provide the ~~council~~ commissioner with the financial and other information the ~~council~~ commissioner requires to carry out ~~its~~ the commissioner's duties. The ~~council~~ commissioner may specify procedures, including public hearing requirements, to be followed by applicants that are cities, towns, or counties or combinations thereof in conducting transit studies and formulating service plans under subdivisions 4 and 5.

Subd. 4. **Transit study.** The ~~council~~ commissioner shall require that prior to applying for financial assistance by contract under clause (a) of subdivision 2, the applicant must prepare and submit a transit study which includes the following elements:

(a) a determination of existing and future transit needs within the area to be served, and an assessment of the adequacy of existing service to meet the needs;

(b) an assessment of the level and type of service required to meet unmet needs;

(c) an assessment of existing and future resources available for the financing of transit service; and

(d) the type or types of any new government arrangements or agreements needed to provide adequate service.

The transit study for any applicant may be done by the ~~council~~ commissioner.

Subd. 5. **Service plan.** The council commissioner shall, before making a contract with an eligible recipient, require the submission of a service plan which includes the following elements:

(a) a description of the service proposed for financial assistance, including vehicles, routes, and schedules;

(b) an assessment of the extent to which the proposed service meets the needs as determined by the transit study;

(c) a description of the contract administration and review process if the operation of the proposed service is to be done by a private contractor;

(d) a description of the amount required to establish and operate the proposed service and the proposed sources of the required amount including operating revenue, other local sources, and assistance from the council commissioner and from federal sources;

(e) the fare structure of the proposed service; and

(f) projections of usage of the system.

The council commissioner may specify procedures, including public hearing requirements, to be followed by applicants that are cities, towns, or counties or combinations thereof in conducting transit studies and formulating service plans.

Subd. 6. **Financial assistance for certain providers.** The council commissioner shall provide financial assistance to recipients who were receiving assistance by contract with the commissioner of transportation under Minnesota Statutes 1982, section 174.24, subdivision 3, on July 1, 1984, so that the percentage of total operating cost, as defined by the council commissioner, paid by the recipient from all local sources of revenue, including operating revenue, does not exceed the percentage for the recipient's classification as determined by the commissioner of transportation under the commissioner's final contract with the recipient. The remainder of the total operating cost must be paid by the council commissioner less all assistance received by the recipient for that purpose from any federal source.

If a recipient informs the council commissioner in writing prior to the distribution of financial assistance for any year that paying its designated percentage of total operating cost from local sources will cause undue hardship, the council commissioner may adjust the percentage as it deems equitable. If for any year the funds available to the council commissioner are insufficient to allow the council commissioner to pay its share of total operating cost for those recipients, the council commissioner shall reduce its share in each classification to the extent necessary.

Subd. 7. **Transit operations impact assessment.** Prior to entering into a contract for operating assistance with a recipient, the council commissioner shall evaluate the effect, if any, of the contract on the ridership, routes, schedules, fares, and staffing levels of the existing and proposed service provided by the council commissioner. The council commissioner may enter into the contract only if it determines that the service to be assisted under the contract will not impose an undue hardship on the ridership or financial condition of the council's commissioner's transit operations. The requirements of this subdivision do not apply to contracts for assistance to recipients who, as part of a negotiated cost-sharing arrangement with the council commissioner, pay a substantial part of the cost of services that directly benefit the recipient as an institution or organization.

Subd. 8. **Paratransit contracts.** In executing and administering contracts for paratransit projects, the ~~council~~ commissioner has the powers and duties ~~given to the commissioner of transportation~~ specified in section 174.255, subdivisions 1 and 2, relating to disability accessibility and insurance coverage. The provisions of section 174.255, subdivision 3, apply to paratransit projects which receive assistance by contract with the ~~council~~ commissioner.

Sec. 43. Minnesota Statutes 2014, section 473.385, is amended to read:

#### **473.385 TRANSIT SERVICE AREAS.**

Subdivision 1. **Definitions.** (a) "Fully developed service area" means the fully developed area, as defined in the ~~Metropolitan Council's~~ development guide prepared by the commissioner of administration, plus the cities of Mendota Heights, Maplewood, North St. Paul, and Little Canada.

(b) "Regular route transit" has the meaning given it in section 174.22, subdivision 8, except that, for purposes of this section, the term does not include services on fixed routes and schedules that are primarily intended to provide circulator service within a community or adjacent communities rather than feeder service to the system of metropolitan regular route transit operated by the ~~council~~ commissioner of transportation.

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

(1) services that are not regular route services;

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

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

~~(4) regular route services provided under section 473.388;~~

~~(5)~~ (4) regular route services to recipients who, as part of a negotiated cost-sharing arrangement with the ~~council~~ commissioner, pay at least 50 percent of the cost of the service that directly benefits the recipient as an institution or organization; or

~~(6)~~ (5) regular route services that will not be operated for a reasonable subsidy by the ~~council~~ commissioner.

Sec. 44. Minnesota Statutes 2014, section 473.386, is amended to read:

#### **473.386 SPECIAL TRANSPORTATION SERVICE.**

Subdivision 1. **Service objectives.** The ~~council~~ commissioner shall implement a special transportation service, as defined in section 174.29, in the metropolitan area. The service has the following objectives:

(a) to provide greater access to transportation for the elderly, people with disabilities, and others with special transportation needs in the metropolitan area;

(b) to develop an integrated system of special transportation service providing transportation tailored to meet special individual needs in the most cost-efficient manner; and

(c) to use existing public, private, and private nonprofit providers of service when feasible and cost-efficient, to supplement rather than replace existing service, and to increase the productivity of all special transportation vehicles available in the area.

**Subd. 2. Service contracts; management.** (a) The ~~council~~ commissioner may contract for services necessary for the provision of special transportation. Transportation service provided under a contract must specify the service to be provided, the standards that must be met, and the rates for operating and providing special transportation services.

(b) The ~~council~~ commissioner shall establish management policies for the service and may contract with a service administrator for day-to-day administration and management of the service. Any contract must delegate to the service administrator clear authority to administer and manage the delivery of the service pursuant to ~~council~~ department management policies and must establish performance and compliance standards for the service administrator. The ~~council~~ commissioner may provide directly day to day administration and management of the service and may own or lease vehicles used to provide the service.

(c) The ~~council~~ commissioner shall ensure that the service administrator establishes a system for registering and expeditiously responding to complaints by users, informing users of how to register complaints, and requiring providers to report on incidents that impair the safety and well-being of users or the quality of the service.

(d) The ~~council~~ commissioner shall report on ~~its~~ the department's special transportation services as part of the program evaluation provided for in section 473.13, subdivision 1a.

(e) The ~~council~~ commissioner shall provide, on an annual basis, an opportunity for users and other interested persons to provide testimony to the ~~council~~ commissioner concerning services provided under this section.

**Subd. 2a. Eligibility application and verification; penalty for fraudulent certification.** (a) If the ~~council~~ commissioner requires a person to be certified as eligible for special transportation services, an applicant for certification must submit an application form and the applicant's eligibility must be verified by a type of professional specified by the ~~council~~ commissioner. The ~~council~~ commissioner shall:

(1) require the applicant to sign the application form and certify that the application information is accurate; and

(2) require the person verifying the applicant's eligibility to sign the eligibility verification form and certify that the verifying information is accurate.

(b) The penalty provided for in section 174.295, subdivision 4, applies to the certifications by the applicant and the person verifying the applicant's eligibility. The ~~council~~ commissioner must include a notice of the penalty for fraudulent certification in the application form and the eligibility verification form.

**Subd. 3. Duties of ~~council~~ commissioner.** In implementing the special transportation service, the ~~council~~ commissioner shall:

- (a) encourage participation in the service by public, private, and private nonprofit providers of special transportation currently receiving capital or operating assistance from a public agency;
- (b) when feasible and cost-efficient, contract with public, private, and private nonprofit providers that have demonstrated their ability to effectively provide service at a reasonable cost;
- (c) encourage individuals using special transportation to use the type of service most appropriate to their particular needs;
- (d) encourage shared rides to the greatest extent practicable;
- (e) encourage public agencies that provide transportation to eligible individuals as a component of human services and educational programs to coordinate with this service and to allow reimbursement for transportation provided through the service at rates that reflect the public cost of providing that transportation;
- (f) establish criteria to be used in determining individual eligibility for special transportation services;
- (g) consult with the Transportation Accessibility Advisory Committee in a timely manner before changes are made in the provision of special transportation services;
- (h) provide for effective administration and enforcement of ~~council~~ department policies and standards; and
- (i) ensure that, taken as a whole including (i) contracts with public, private, and private nonprofit providers, the geographic coverage area of the special transportation service is continuous within the boundaries of the ~~transit taxing district, as defined as of March 1, 2006, in section 473.446, subdivision 2~~ metropolitan area.

Subd. 4. **Coordination required.** The ~~council~~ commissioner may not grant any financial assistance to any recipient that proposes to use any part of the grant to provide special transportation service in the metropolitan area unless the program is coordinated with the ~~council's~~ commissioner's special transportation service in the manner determined by the ~~council~~ commissioner. The ~~council~~ commissioner is not required to provide funding for transportation services from a residence to a service site and home again when the services are used by individuals in conjunction with their participation in human service developmental achievement center programs in which transportation to and from the program is a required and funded component of those programs.

Subd. 5. **Equitable allocation and annual reallocation.** The ~~council~~ commissioner shall distribute all available funding under this section in a manner designed to achieve an equitable allocation of special transportation services based on the proportion of the number of elderly, disabled, or economically disadvantaged individuals with special transportation needs who actually use the special transportation service.

Subd. 6. **Operating and service standards.** A person operating or assisting the operation of a vehicle may leave the vehicle to enter premises in order to help a passenger who does not require emergency ambulance service. Operators and assistants shall provide the help necessary for door-through-door service, including help in entering and leaving the vehicle and help through the exterior entrance and over any exterior steps at either departure or destination buildings, provided that both the steps and the wheelchair are in good repair. If an operator or assistant refuses help because of the condition of the steps or the wheelchair, the operator of the service shall send letters

to the service administrator designated by the ~~council~~ commissioner, who shall notify the person denied service describing the corrective measures necessary to qualify for service.

Subd. 8. **Vehicle title transfer; conditions.** The ~~Metropolitan Council~~ commissioner may transfer to a special transportation service provider or a provider of taxi services the title to a vehicle formerly used to provide special transportation service under this section. If the ~~council~~ commissioner transfers title to a provider of taxi services, it may do so only to a provider of taxi services that is licensed by a city whose taxi licensing ordinance requires (1) criminal background checks and annual driving record checks for drivers, and (2) inspection of vehicles at least annually.

Sec. 45. Minnesota Statutes 2014, section 473.387, subdivision 2, is amended to read:

Subd. 2. **Administration.** The ~~council~~ commissioner shall design and administer the programs under this section. The ~~council~~ commissioner may request proposals for projects to demonstrate methods of achieving the purposes of programs administered under this section. The ~~council~~ commissioner shall design or ensure the design of programs that will provide better access for the targeted service groups to places of employment and activity throughout the metropolitan area, using regular route transit, paratransit, taxis, car or van pools, or other means of conveyance. The ~~council~~ commissioner may organize the services by providing to individuals, directly or indirectly, reduced fares or passes on public transit or vouchers to be used to purchase transportation; by contracting with public and private providers; by arrangements with government agencies, civic and community organizations or nonprofit groups providing assistance to the targeted service groups; by arrangements with prospective employers, with employment, education, retail, medical, or other activity centers, or with local governments; or by any other methods designed to improve service and reduce costs to the targeted service groups.

Sec. 46. Minnesota Statutes 2014, section 473.387, subdivision 3, is amended to read:

Subd. 3. **Job seekers.** The ~~council~~ commissioner shall establish a program and policies to increase the availability and utility of public transit services and reduce transportation costs for persons who are seeking employment and who lack private means of transportation.

Sec. 47. Minnesota Statutes 2014, section 473.387, subdivision 4, is amended to read:

Subd. 4. **Transit disadvantaged.** The ~~council~~ commissioner shall establish a program and policies to reduce transportation costs for persons who are, because of limited incomes, age, disability, or other reasons, especially dependent on public transit for common mobility.

Sec. 48. Minnesota Statutes 2014, section 473.3875, is amended to read:

#### **473.3875 TRANSIT FOR LIVABLE COMMUNITIES.**

The ~~council~~ commissioner shall establish a transit for livable communities demonstration program fund. The ~~council~~ commissioner shall adopt guidelines for selecting and evaluating demonstration projects for funding. The selection guidelines must include provisions evaluating projects:

- (1) interrelating development or redevelopment and transit;
- (2) interrelating affordable housing and employment growth areas;
- (3) helping intensify land use that leads to more compact development or redevelopment;

- (4) coordinating school transportation and public transit service; or
- (5) implementing recommendations of the transit redesign plan; or
- (6) ~~otherwise promoting the goals of the Metropolitan Livable Communities Act.~~

Sec. 49. Minnesota Statutes 2014, section 473.39, subdivision 1, is amended to read:

Subdivision 1. **General authority.** The ~~council~~ Metropolitan Area Transit Board established in section 473.446, subdivision 1c, may issue general obligation bonds subject to the volume limitations in this section to provide funds to implement the ~~council's~~ transit capital improvement program for the metropolitan area and may issue general obligation bonds not subject to the limitations for the refunding of outstanding bonds or certificates of indebtedness of the ~~former Metropolitan Council~~, the former regional transit board or the former metropolitan transit commission, and judgments against the former regional transit board or the former metropolitan transit commission or the ~~former Metropolitan Council~~. The ~~council~~ Metropolitan Area Transit Board may not issue obligations pursuant to this subdivision, other than refunding bonds, in excess of the amount specifically authorized by law. Except as otherwise provided in sections 473.371 to 473.449, the ~~council board~~ shall provide for the issuance, sale, and security of the bonds in the manner provided in chapter 475, and has the same powers and duties as a municipality issuing bonds under that law, except that no election is required and the net debt limitations in chapter 475 do not apply to the bonds. The obligations are not a debt of the state or any municipality or political subdivision within the meaning of any debt limitation or requirement pertaining to those entities. Neither the state, nor any municipality or political subdivision except the ~~council~~ Metropolitan Area Transit Board, nor any member or officer or employee of the ~~council board~~, is liable on the obligations. The obligations may be secured by taxes levied without limitation of rate or amount upon all taxable property in the transit taxing district and transit area as provided in section 473.446, subdivision 1, clause ~~(e)~~ (a). As part of its levy made under section 473.446, subdivision 1, clause ~~(e)~~ (a), the ~~council~~ Metropolitan Area Transit Board shall levy the amounts necessary to provide full and timely payment of the obligations and transfer the proceeds to the appropriate ~~council~~ account for payment of the obligations. The taxes must be levied, certified, and collected in accordance with the terms and conditions of the indebtedness.

Sec. 50. Minnesota Statutes 2014, section 473.39, subdivision 2, is amended to read:

Subd. 2. **Legal investments.** Certificates of indebtedness, bonds, or other obligations issued by ~~the council~~ under this section to which tax levies have been pledged pursuant to section 473.446, are proper for investment of any funds by a bank, savings bank, savings association, credit union, trust company, insurance company, or public or municipal corporation, and may be pledged by any bank, savings bank, savings association, credit union, or trust company as security for the deposit of public money.

Sec. 51. Minnesota Statutes 2014, section 473.39, subdivision 2a, is amended to read:

Subd. 2a. **Uses of investment income.** Interest or other investment earnings on the proceeds of bonds issued under this section and on a debt service account for bonds issued under this section must be used only to:

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

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

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

(4) redeem or purchase the bonds; or

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

Sec. 52. Minnesota Statutes 2014, section 473.39, subdivision 5, is amended to read:

Subd. 5. **Anticipation of grants.** In addition to other authority granted in this section, the council Metropolitan Area Transit Board may exercise the authority granted to an issuing political subdivision by section 475.522.

Sec. 53. Minnesota Statutes 2014, section 473.391, is amended to read:

#### **473.391 ROUTE PLANNING AND SCHEDULING.**

Subdivision 1. **Contracts.** The council commissioner may contract with other operators or local governments for route planning and scheduling services in any configuration of new or reconfiguration of existing transit services and routes.

Subd. 2. **Route elimination; service reduction.** The council commissioner shall, before making a determination to eliminate or reduce service on existing transit routes, consider:

(1) the level of subsidy per passenger on each route;

(2) the availability and proximity of alternative transit routes; and

(3) the percentage of transit dependent riders, including youth, elderly, low-income, and disabled riders currently using each route.

Sec. 54. Minnesota Statutes 2014, section 473.3925, is amended to read:

#### **473.3925 BUS PURCHASES.**

The ~~Metropolitan Council~~ commissioner, in preparing bid specifications for bus purchases, shall ensure that the specifications conform, to the greatest extent practicable, with products that are manufactured in this state.

Sec. 55. Minnesota Statutes 2014, section 473.399, is amended to read:

#### **473.399 TRANSIT WAYS; LIGHT RAIL TRANSIT AND COMMUTER RAIL IN THE METROPOLITAN AREA.**

Subdivision 1. **General requirements.** (a) The council commissioner of administration must identify in its transportation policy plan those heavily traveled corridors where development of a transitway may be feasible and cost-effective. Modes of providing service in a transitway may include bus rapid transit, light rail transit, commuter rail, or other available systems or technologies that improve transit service.



(b) After the completion of environmental studies and receipt of input from the governing body of each statutory and home rule charter city, county, and town in which a transitway is proposed to be constructed, the council commissioner must designate the locally preferred alternative transit mode with respect to the corridor.

(c) The council commissioner shall ensure that any light rail transit facilities that are designated as the locally preferred alternative and that are to be constructed in the metropolitan area will be acquired, developed, owned, and capable of operation in an efficient, cost-effective, and coordinated manner in coordination with buses and other transportation modes and facilities.

(d) Construction of light rail transit facilities in a particular transit corridor may not commence unless and until that mode is designated as the locally preferred alternative for that corridor by the council commissioner.

Subd. 1a. **Integrated transportation system.** The commissioner of transportation and the Metropolitan Council shall ensure that light rail transit and commuter rail facilities are planned, designed, and implemented: (1) to move commuters and transit users into and out of, as well as within, the metropolitan area, and (2) to ensure that rail transit lines will interface with each other and other transportation facilities and services so as to provide a unified, integrated, and efficient multimodal transportation system.

Subd. 5. **Availability of light rail transit information.** The Metropolitan Council commissioner shall maintain in a centralized location on an Internet Web site, for each light rail transit line operated by the council commissioner and for each year of operation of the line:

- (1) financial data, including revenue by source and operating and capital expenses; and
- (2) ridership information, including ridership and passenger miles.

Sec. 56. Minnesota Statutes 2014, section 473.3994, is amended to read:

#### **473.3994 LIGHT RAIL TRANSIT; DESIGN PLANS.**

Subd. 1a. ~~**Designation of Responsible authority.**~~ For each proposed light rail transit facility in the metropolitan area, the ~~governor must designate either the Metropolitan Council or the state of Minnesota acting through the commissioner of transportation as is~~ the entity responsible for planning, designing, acquiring, constructing, and equipping the facility. ~~Notwithstanding such designation, the commissioner and the council may enter into one or more cooperative agreements with respect to the planning, designing, acquiring, constructing, or equipping of a particular light rail transit facility that provide for the parties to exercise their respective authorities in support of the project in a manner that best serves the project and the public:~~

Subd. 2. **Preliminary design plans; public hearing.** Before final design plans are prepared for a light rail transit facility in the metropolitan area, the ~~responsible authority commissioner~~ and the regional railroad authority or authorities in whose jurisdiction the line or lines are located must hold a public hearing on the physical design component of the preliminary design plans. The ~~responsible authority commissioner~~ and the regional railroad authority or authorities in whose jurisdiction the line or lines are located must provide appropriate public notice of the hearing and publicity to ensure that affected parties have an opportunity to present their views at the hearing. The ~~responsible authority commissioner~~ shall summarize the proceedings and testimony and maintain the record of a hearing held under this section, including any written statements submitted.

Subd. 3. **Preliminary design plans; local approval.** At least 30 days before the hearing under subdivision 2, the ~~responsible authority~~ commissioner shall submit the physical design component of the preliminary design plans to the governing body of each statutory and home rule charter city, county, and town in which the route is proposed to be located. The city, county, or town shall hold a public hearing. Within 45 days after the hearing under subdivision 2, the city, county, or town shall review and approve or disapprove the plans for the route to be located in the city, county, or town. A local unit of government that disapproves the plans shall describe specific amendments to the plans that, if adopted, would cause the local unit to withdraw its disapproval. Failure to approve or disapprove the plans in writing within 45 days after the hearing is deemed to be approval, unless an extension of time is agreed to by the city, county, or town and the ~~responsible authority~~ commissioner.

Subd. 4. **Preliminary design plans; council commissioner hearing.** If the governing body of one or more cities, counties, or towns disapproves the preliminary design plans within the period allowed under subdivision 3, the ~~council commissioner~~ shall hold a hearing on the plans, giving ~~the commissioner of transportation, if the responsible authority,~~ any disapproving local governmental units; and other persons an opportunity to present their views on the plans. The ~~council commissioner~~ may conduct independent study as it deems desirable and may mediate and attempt to resolve disagreements about the plans. Within 60 days after the hearing, the ~~council commissioner~~ shall review the plans and shall decide what amendments to the plans, if any, must be made to accommodate the objections presented by the disapproving local governmental units. Amendments to the plans as decided by the ~~council commissioner~~ must be made before continuing the planning and designing process.

Subd. 5. **Final design plans.** (a) If the final design plans incorporate a substantial change from the preliminary design plans with respect to location, length, or termini of routes; general dimension, elevation, or alignment of routes and crossings; location of tracks above ground, below ground, or at ground level; or station locations, before beginning construction, the ~~responsible authority~~ commissioner shall submit the changed component of the final design plans to the governing body of each statutory and home rule city, county, and town in which the changed component is proposed to be located. Within 60 days after the submission of the plans, the city, county, or town shall review and approve or disapprove the changed component located in the city, county, or town. A local unit of government that disapproves the change shall describe specific amendments to the plans that, if adopted, would cause the local unit to withdraw its disapproval. Failure to approve or disapprove the changed plans in writing within the time period is deemed to be approval, unless an extension is agreed to by the city, county, or town and the ~~responsible authority~~ commissioner.

(b) If the governing body of one or more cities, counties, or towns disapproves the changed plans within the period allowed under paragraph (a), the ~~council commissioner~~ shall review the final design plans under the same procedure and with the same effect as provided in subdivision 4 for preliminary design plans.

Subd. 7. **Council Commissioner review.** ~~If the commissioner is the responsible authority,~~ Before proceeding with construction of a light rail transit facility, the ~~commissioner of transportation~~ must submit preliminary and final design plans to the Metropolitan Council commissioner of administration. The ~~council commissioner of administration~~ must review the plans for consistency with the council's commissioner of administration's development guide and approve the plans.

Subd. 8. **Metropolitan significance.** This section does not diminish or replace the authority of the ~~council~~ commissioner under section 473.173.

Subd. 9. **Light rail transit operating costs.** (a) Before submitting an application for federal assistance for light rail transit facilities in the metropolitan area, the ~~Metropolitan Council~~ commissioner must prepare an estimate of the amount of operating subsidy which will be required to operate light rail transit in the corridor to which the federal assistance would be applied. The estimate must indicate the amount of operating subsidy estimated to be required in each of the first ten years of operation of the light rail transit facility. ~~If the commissioner of transportation is the responsible authority, the commissioner must provide information requested by the council that is necessary to make the estimate.~~

(b) The ~~council~~ commissioner must review and evaluate the estimate developed under paragraph (a) with regard to the effect of operating the light rail transit facility on the currently available mechanisms for financing transit in the metropolitan area.

Subd. 10. **Corridor Management Committee.** (a) The ~~responsible authority~~ commissioner must establish a Corridor Management Committee to advise the ~~responsible authority~~ commissioner in the design and construction of light rail transit in each corridor to be constructed. ~~The Corridor Management Committee for each corridor shall consist of the following members:~~

(1) one member appointed by each city and county in which the corridor is located;

(2) the commissioner of transportation or a designee of the commissioner who shall serve as chair of the committee;

~~(3) two members appointed by the Metropolitan Council, one of whom shall be designated as the chair of the committee;~~

~~(4) (3) one member appointed by the Metropolitan Airports Commission, if the designated corridor provides direct service to the Minneapolis-St. Paul International Airport; and~~

~~(5) (4) one member appointed by the president of the University of Minnesota, if the designated corridor provides direct service to the university.~~

(b) The Corridor Management Committee shall advise the ~~responsible authority~~ commissioner on issues relating to environmental review, preliminary design, preliminary engineering, final design, implementation method, and construction of light rail transit in the corridor.

Subd. 14. **~~Transfer of facility after construction.~~** ~~If the commissioner of transportation is the responsible authority for a particular light rail transit facility, the commissioner must transfer to the Metropolitan Council all facilities constructed and all equipment and property acquired in developing the facility upon completion of construction.~~

Sec. 57. Minnesota Statutes 2014, section 473.3995, is amended to read:

**473.3995 LIGHT RAIL TRANSIT; DESIGN-BUILD METHOD.**

(a) ~~A responsible authority~~ The commissioner may use a design-build method of project development and construction for light rail transit. Notwithstanding any law to the contrary, ~~a responsible authority~~ the commissioner may award a design-build contract on the basis of requests for proposals or requests for qualifications without bids. "Design-build method of project development and construction" means a project delivery system in which a single contractor is

responsible for both the design and construction of the project and bids the design and construction together.

(b) If a ~~responsible authority~~ the commissioner utilizes a design-build method of project development and construction for light rail transit, the requirements and procedures in sections 161.3410 to 161.3426 apply to the procurement, subject to the following conditions and exceptions:

(1) ~~if the Metropolitan Council is the responsible authority for a particular light rail transit project, when used in sections 161.3410 to 161.3426, (i) the terms "commissioner," "Minnesota Department of Transportation," "department," "state agencies," and "road authority" refer to the Metropolitan Council, and (ii) the term "state" refers to the Metropolitan Council except in references to state law or in references to the state as a geographical location;~~

(2) ~~(1)~~ the provisions of section 161.3412, subdivisions 3 and 4, are not applicable to the procurement; and

(3) ~~(2)~~ if any federal funds are used in developing or constructing the light rail transit project, any provisions in sections 161.3410 to 161.3426 that are inconsistent with, or prohibited by, any federal law, regulation, or other requirement are not applicable to the procurement.

Sec. 58. Minnesota Statutes 2014, section 473.3997, is amended to read:

**473.3997 FEDERAL FUNDING; LIGHT RAIL TRANSIT.**

(a) Upon completion of the alternatives analysis and draft environmental impact statement, and selection of the locally preferred alternative, for each light rail transit facility, the ~~responsible authority~~ commissioner may prepare an application for federal assistance for the light rail transit facility. ~~If the commissioner is the responsible authority, the application must be reviewed and approved by the Metropolitan Council before it is submitted by the commissioner. In reviewing the application the council must consider the operating cost estimate developed under section 473.3994, subdivision 9.~~

(b) ~~Except for the designated responsible authority for a particular light rail transit facility, No political subdivision in the metropolitan area may on its own apply for federal assistance for light rail transit planning or construction.~~

Sec. 59. Minnesota Statutes 2014, section 473.405, is amended to read:

**473.405 POWERS.**

Subdivision 1. **General.** ~~The Metropolitan Council~~ commissioner has the powers and duties prescribed by this section and sections 473.407 to 473.449 and all powers necessary or convenient to discharge its duties.

Subd. 3. **Condemnation.** ~~The council~~ commissioner may for transit purposes acquire property, franchises, easements, or property rights or interests of any kind by condemnation proceedings pursuant to chapter 117. Except as provided in subdivision 9, ~~the council~~ commissioner may take possession of any property for which condemnation proceedings have been commenced at any time after the filing of the petition describing the property in the proceedings. ~~The council~~ commissioner may contract with an operator or other persons for the use by the operator or person of any property under the ~~council's~~ commissioner's control.

Subd. 4. **Transit systems.** The council commissioner may engineer, construct, equip, and operate transit and paratransit systems, projects, or any parts thereof, including road lanes or rights-of-way, terminal facilities, maintenance and garage facilities, ramps, parking areas, and any other facilities useful for or related to any public transit or paratransit system or project. The council commissioner may sell or lease naming rights with regard to light rail transit stations and apply revenues from sales or leases to light rail transit operating costs.

Subd. 5. **Acquisition of transit systems.** The council commissioner may acquire by purchase, lease, gift, or condemnation proceedings any existing public transit system or any part thereof, including all or any part of the plant, equipment, shares of stock, property, real, personal, or mixed, rights in property, reserve funds, special funds, franchises, licenses, patents, permits and papers, documents and records belonging to any operator of a public transit system within the metropolitan area, and may in connection therewith assume any or all liabilities of any operator of a public transit system. The council commissioner may take control of and operate a system immediately following the filing and approval of the initial petition for condemnation, if the council commissioner, in its the commissioner's discretion, determines this to be necessary, and may take possession of all right, title and other powers of ownership in all properties and facilities described in the petition. Control must be taken by resolution which is effective upon service of a copy on the condemnee and the filing of the resolution in the condemnation action. In the determination of the fair value of the existing public transit system, there must not be included any value attributable to expenditures for improvements made by the former Metropolitan Transit Commission or Council.

Subd. 9. **Condemnation of public or public service corporation property.** The fact that property is owned by or is in charge of a public agency or a public service corporation organized for a purpose specified in section 301B.01, or is already devoted to a public use or to use by the corporation or was acquired therefor by condemnation may not prevent its acquisition by the council commissioner by condemnation, but if the property is in actual public use or in actual use by the corporation for any purpose of interest or benefit to the public, the taking by the council commissioner by condemnation may not be authorized unless the court finds and determines that there is greater public necessity for the proposed use by the council commissioner than for the existing use.

Subd. 10. **Voluntary transfer of public property.** Any state department or other agency of the state government or any county, municipality, or other public agency may sell, lease, grant, transfer, or convey to the council department, with or without consideration, any facilities or any part or parts thereof or any real or personal property or interest therein which may be useful to the council department for any authorized purpose. In any case where the construction of a facility has not been completed, the public agency concerned may also transfer, sell, assign, and set over to the council department, with or without consideration, any existing contract for the construction of the facilities.

Subd. 12. **Management contracts.** Notwithstanding any of the other provisions of this section and sections 473.407 to 473.449, the council commissioner may, in lieu of directly operating any public transit system or any part thereof, enter into contracts for management services. The contracts may provide for compensation, incentive fees, the employment of personnel, the services provided, and other terms and conditions that the council commissioner deems proper. The contracts must provide that the compensation of personnel who work full time or substantially full time providing management or other services for the council commissioner is public data under chapter 13.

The ~~council~~ commissioner may not permit a contract manager to supervise or manage internal audit activities. Internal audit activity must be supervised and managed directly by the ~~council~~ commissioner. The ~~council~~ commissioner shall advertise for bids and select contracts for management services through competitive bidding. The term of the contract may not be longer than two years. The contract must include clear operating objectives, stating the service policies and goals of the ~~council~~ commissioner in terms of the movement of various passenger groups, and performance criteria, by means of which success in achieving the operating objectives can be measured. The ~~council~~ commissioner shall consider and determine the feasibility and desirability of having all its transit management services provided internally by employees of the ~~council~~ department.

The employees of any public transit system operated pursuant to the provisions of this subdivision for the purpose of resolving any dispute arising under any existing or new collective bargaining agreement relating to the terms or conditions of their employment, may either engage in a concerted refusal to work or to invoke the processes of final and binding arbitration as provided by chapter 572, subject to any applicable provisions of the agreement not inconsistent with law.

Subd. 15. **Relocation of displaced persons.** The ~~council~~ commissioner may plan for and assist in the relocation of individuals, families, business concerns, nonprofit organizations, and others displaced by operations of the ~~council~~ department, and may make relocation payments in accordance with federal regulations.

Sec. 60. Minnesota Statutes 2014, section 473.4051, subdivision 1, is amended to read:

Subdivision 1. **Operator.** The ~~council~~ commissioner shall operate all light rail transit facilities and services located in the metropolitan area upon completion of construction of the facilities and the commencement of revenue service using the facilities. The ~~council~~ commissioner may not allow the commencement of revenue service until after an appropriate period of acceptance testing to ensure safe and satisfactory performance. In assuming the operation of the system, the ~~council~~ commissioner must comply with section 473.415. The ~~council~~ commissioner shall coordinate operation of the light rail transit system with bus service to avoid duplication of service on a route served by light rail transit and to ensure the widest possible access to light rail transit lines in both suburban and urban areas by means of a feeder bus system.

Sec. 61. Minnesota Statutes 2014, section 473.4056, subdivision 1, is amended to read:

Subdivision 1. **Adoption of standards.** (a) ~~By January 1, 2015, the Metropolitan Council shall adopt and may thereafter~~ The commissioner of transportation may amend standards for the design of light rail vehicles that are reasonably necessary to provide access for, and to protect the health and safety of, persons who use the service. All light rail transit vehicles procured on and after January 1, 2015, must conform to the standards then in effect.

(b) The Transportation Accessibility Advisory Committee must review the standards and all subsequent amendments before the ~~Metropolitan Council adopts them~~ standards go into effect.

(c) The ~~Metropolitan Council~~ commissioner shall post adopted standards, including amendments, on its Web site.

Sec. 62. Minnesota Statutes 2014, section 473.4057, subdivision 1, is amended to read:

Subdivision 1. **General.** Notwithstanding the provisions of sections 174.82 and 174.90, the ~~Metropolitan Council~~ commissioner must operate and maintain commuter rail facilities and services in any corridor that is located in whole or in part in the metropolitan area. ~~The council's operation and maintenance of the facilities and services must commence upon completion of the planning, development, and construction of the commuter rail facilities by the commissioner of transportation and the commencement of prerevenue service this state.~~

Sec. 63. Minnesota Statutes 2014, section 473.4057, subdivision 2, is amended to read:

Subd. 2. **Commuter rail equipment, supplies, and materials.** The ~~council~~ commissioner is authorized to acquire equipment, supplies, and materials, including rolling stock, necessary for any commuter rail service that is subject to this section. This authority may be exercised either before or after the commencement of revenue service on a particular commuter rail line.

Sec. 64. Minnesota Statutes 2014, section 473.4057, subdivision 3, is amended to read:

Subd. 3. **Commuter rail improvements.** After the commencement of revenue service in a particular commuter rail corridor, the ~~council~~ commissioner is responsible for planning, development, design, acquisition, construction, and equipping of any improvements to commuter rail facilities or service in that corridor.

Sec. 65. Minnesota Statutes 2014, section 473.4057, subdivision 4, is amended to read:

Subd. 4. **Procurement for commuter rail; best value alternative.** (a) Notwithstanding the provisions of section 471.345, for purchases related to the ~~council's~~ commissioner's maintenance and operation of commuter rail lines, the ~~council~~ commissioner may award a contract for the purchase of supplies, materials, equipment or the rental thereof, or the construction, alteration, improvement, repair, or maintenance of real or personal property to the vendor or contractor offering the best value under a request for proposals.

(b) For the purposes of this section, "best value" describes a result intended in the acquisition of goods and services described in paragraph (a). Price must be one of the evaluation criteria when acquiring such goods and services. Other evaluation criteria may include, but are not limited to, environmental considerations, quality, and vendor performance. A best value determination must be based on the evaluation criteria detailed in the solicitation document. If criteria other than price are used, the solicitation document must state the relative importance of price and other factors.

Sec. 66. Minnesota Statutes 2014, section 473.4057, subdivision 6, is amended to read:

Subd. 6. **Agreements with other parties.** The ~~council~~ commissioner may enter into memoranda of understanding, joint powers agreements, or other agreements with public or private entities including, without limitation, political subdivisions, regional railroad authorities, metropolitan planning organizations, joint powers boards, ~~the commissioner of transportation~~, or railroads, to carry out its responsibilities under this section.

Sec. 67. Minnesota Statutes 2014, section 473.4057, subdivision 7, is amended to read:

Subd. 7. **Expenditure of funds and exercise of powers.** In carrying out its responsibilities under this section and notwithstanding any other law to the contrary, the ~~council~~ commissioner may expend funds and exercise, ~~both inside and outside the metropolitan area~~, those powers in this chapter that are necessary or convenient for those purposes. The jurisdiction of the metropolitan transit police under section 473.405 extends to offenses relating to the operation, property, facilities,

equipment, employees, and passengers of any commuter rail facilities and services that are subject to this section.

Sec. 68. Minnesota Statutes 2014, section 473.4057, subdivision 8, is amended to read:

Subd. 8. **Application of section 174.82.** ~~Except for those provisions that provide that the commissioner of transportation is responsible for operating and maintaining commuter rail, The provisions of section 174.82 apply to commuter rail facilities and services that are subject to this section. Without limitation as to its application, the provisions of section 174.82 apply when the council is carrying out its responsibilities for commuter rail under this section to the same extent as those provisions would apply if the council were carrying out its responsibilities under contract to the commissioner.~~

Sec. 69. Minnesota Statutes 2014, section 473.407, subdivision 1, is amended to read:

Subdivision 1. **Authorization.** ~~The council commissioner~~ may appoint peace officers, as defined in section 626.84, subdivision 1, paragraph (c), and establish a law enforcement agency, as defined in section 626.84, subdivision 1, paragraph (f), known as the Metropolitan Transit Police, to police its transit property and routes, to carry out investigations, and to make arrests under sections 629.30 and 629.34. The jurisdiction of the law enforcement agency is limited to offenses relating to ~~council~~ the department's transit property, equipment, employees, and passengers. The jurisdiction of the Metropolitan Transit Police shall include traffic lanes designed for bus or transit use, freeway or expressway shoulders in the seven-county metropolitan area used by authorized transit buses and Metro Mobility buses under section 169.306, and high-occupancy vehicle lanes used by transit buses. Upon request from, or under an agreement with, any law enforcement agency and subject to the availability of its personnel and other resources, the Metropolitan Transit Police may exercise general law enforcement agency authority to assist any law enforcement agency in implementing or carrying out law enforcement activities, programs, or initiatives. ~~If the commissioner of transportation contracts with the Metropolitan Council for operation of commuter rail facilities under section 174.90,~~ The jurisdiction of the Metropolitan Transit Police extends to offenses relating to the operation, property, facilities, equipment, employees, and passengers of the commuter rail facilities located in and outside of the metropolitan area.

Sec. 70. Minnesota Statutes 2014, section 473.407, subdivision 3, is amended to read:

Subd. 3. **Policy for notice of investigations.** The transit police must develop a policy for notifying the law enforcement agency with primary jurisdiction when it has initiated surveillance or investigation of any person within the jurisdiction of that agency. ~~The council~~ commissioner shall train all of its peace officers regarding the application of this policy.

Sec. 71. Minnesota Statutes 2014, section 473.407, subdivision 4, is amended to read:

Subd. 4. **Chief law enforcement officer.** ~~The regional administrator~~ commissioner shall appoint a peace officer employed full time to be the chief law enforcement officer and to be responsible for the management of the metropolitan transit police. The chief law enforcement officer shall possess the necessary police and management experience to manage a law enforcement agency. The chief law enforcement officer may appoint, discipline, and discharge all transit police personnel. All police managerial and supervisory personnel must be full-time employees of the Metropolitan Transit Police. Supervisory personnel must be on duty and available any time transit police are on duty. The chief law enforcement officer may not hire part-time peace officers as defined in section 626.84, subdivision 1, paragraph (d), except that the chief may appoint peace officers to work on a



part-time basis not to exceed 30 full-time equivalents. A part-time officer must maintain an active peace officer license with the officer's full-time law enforcement employer.

Sec. 72. Minnesota Statutes 2014, section 473.407, subdivision 5, is amended to read:

Subd. 5. **Emergencies.** (a) The ~~council~~ commissioner shall ensure that all emergency vehicles used by transit police are equipped with radios capable of receiving and transmitting on the same frequencies utilized by the law enforcement agencies that have primary jurisdiction.

(b) When the transit police receive an emergency call they shall notify the public safety agency with primary jurisdiction and coordinate the appropriate response.

(c) Transit police officers shall notify the primary jurisdictions of their response to any emergency.

Sec. 73. Minnesota Statutes 2014, section 473.408, is amended to read:

#### **473.408 FARE POLICY.**

Subd. 2. **Fare policy.** (a) Fares and fare collection systems shall be established and administered to accomplish the following purposes:

(1) to encourage and increase transit and paratransit ridership with an emphasis on regular ridership;

(2) to restrain increases in the average operating subsidy per passenger;

(3) to ensure that no riders on any route pay more in fares than the average cost of providing the service on that route;

(4) to ensure that operating revenues are proportioned to the cost of providing the service so as to reduce any disparity in the subsidy per passenger on routes in the transit system; and

(5) to implement the social fares as set forth in subdivision 2b.

(b) The plan must contain a statement of the policies that will govern the imposition of user charges for various types of transit service and the policies that will govern decisions by the ~~council~~ commissioner to change fare policy.

Subd. 2a. **Regular route fares.** The ~~council~~ commissioner shall establish and enforce uniform fare policies for regular route transit in the metropolitan area. The policies must be consistent with the requirements of this section and the ~~council's~~ transportation policy plan. The ~~council~~ commissioner and other operators shall charge a base fare and any surcharges for peak hours and distance of service in accordance with the ~~council's~~ commissioner's fares policies. The ~~council~~ commissioner shall approve all fare schedules.

Subd. 2b. **Social fares.** For the purposes of raising revenue for improving public safety on transit vehicles and at transit hubs or stops, the ~~council~~ commissioner shall review and may adjust its social fares as they relate to passengers under the age of 18 during high crime times provided that the increased revenues are dedicated to improving the safety of all passengers.

Subd. 4. **Circulation fares.** The ~~council~~ commissioner and other operators may charge a reduced fare for service on any route providing circulation service in a downtown area or community activity center. The ~~council~~ commissioner and other operators shall not contribute more than 50 percent of

the operating deficit of any such route that is confined to a downtown area or community activity center. The boundaries of service districts eligible for reduced fares under this subdivision must be approved by the ~~council~~ commissioner.

Subd. 6. **Monthly passes.** The ~~council~~ commissioner may offer monthly passes for regular route bus service for sale to the general public.

Subd. 7. **Employee discount passes.** The ~~council~~ commissioner may offer passes for regular route bus service for sale to employers at a special discount.

Subd. 8. **Charitable organization discount passes.** The ~~council~~ commissioner may offer passes, including tokens, for regular route bus service for sale to charitable organizations, described in section 501(c)(3) of the Internal Revenue Code, at a special discount.

Subd. 9. **Youth discount passes.** (a) The ~~council~~ commissioner may offer passes, including tokens, for regular route bus service to charitable organizations, described in section 501(c)(3) of the Internal Revenue Code, free of charge. Any passes provided under this subdivision must be:

- (1) distributed to and used solely by a person who is under 16 years of age; and
- (2) restricted to use on a bus that is not operating at full capacity at the time of use of the bus pass.

(b) The ~~council~~ commissioner may establish additional requirements and terms of use of the passes, including but not limited to charging a fee to the charitable organization for any printing or production costs, restricting times of bus pass use to certain or nonpeak hours of operation, and establishing oversight and auditing of the charitable organization with regard to bus pass distribution and use.

Subd. 10. **Transit service for disabled veterans.** (a) On and after July 1, 2009, the ~~council~~ commissioner shall provide regular route transit, as defined in section 473.385, subdivision 1, free of charge for veterans, as defined in section 197.447, certified as disabled. For purposes of this section, "certified as disabled" means certified in writing by the United States Department of Veterans Affairs or the state commissioner of veterans affairs as having a permanent service-connected disability.

(b) The requirements under this subdivision apply to operators of regular route transit (1) receiving financial assistance under section 473.388, or (2) operating under section 473.405, subdivision 12.

Sec. 74. Minnesota Statutes 2014, section 473.409, is amended to read:

**473.409 AGREEMENTS WITH ~~COUNCIL~~ COMMISSIONER; ENCOURAGEMENT OF TRANSIT USE.**

A state department or agency, including the legislative branch, any local governmental unit, or a metropolitan agency may enter into an agreement with the ~~council~~ commissioner and other operators for the purpose of encouraging the use of transit by its employees residing in the metropolitan area. The agreement may provide for, among other things: (a) the advance purchase of tokens, tickets or other devices from the ~~council~~ commissioner or other operator for use in lieu of fares on vehicles operated by the ~~council~~ commissioner or other operator; and (b) special transit service for employees to and from their place of employment, at fares to be agreed upon by the contracting parties. The tokens, tickets, or other devices or services may be made available to

employees at reduced rates. Any such agreement and arrangement by a state department or agency shall be submitted to the commissioner of administration for approval before execution. Any operating deficits or subsidy resulting from such agreements shall be assumed by the contracting department, agency, governmental unit, or other commission, unless otherwise provided in an agreement approved by the council commissioner.

Sec. 75. Minnesota Statutes 2014, section 473.41, subdivision 1, is amended to read:

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

(b) "Transit authority" means:

(1) a statutory or home rule charter city, with respect to rights-of-way at bus stop and train stop locations, transit shelters, and transit passenger seating facilities owned by the city or established pursuant to a vendor contract with the city;

(2) the ~~Metropolitan Council~~ commissioner of transportation, with respect to transit shelters and transit passenger seating facilities owned by the council Department of Transportation or established pursuant to a vendor contract with the council department; or

(3) a replacement service provider under section 473.388, with respect to rights-of-way at bus stop and train stop locations, transit shelters, and transit passenger seating facilities owned by the provider or established pursuant to a vendor contract with the provider.

(c) "Transit shelter" means a wholly or partially enclosed structure provided for public use as a waiting area in conjunction with light rail transit, bus rapid transit, or regular route transit.

Sec. 76. Minnesota Statutes 2014, section 473.411, subdivision 5, is amended to read:

Subd. 5. **Use of public roadways and appurtenances.** The council commissioner may use for the purposes of sections 473.405 to 473.449 upon the conditions stated in this subdivision any state highway or other public roadway, parkway, or lane, or any bridge or tunnel or other appurtenance of a roadway, without payment of any compensation, provided the use does not interfere unreasonably with the public use or maintenance of the roadway or appurtenance or entail any substantial additional costs for maintenance. The provisions of this subdivision do not apply to the property of any common carrier railroad or common carrier railroads. The consent of the public agency in charge of such state highway or other public highway or roadway or appurtenance is not required; except that if the council commissioner seeks to use a designated parkway for regular route service in the city of Minneapolis, it must obtain permission from and is subject to reasonable limitations imposed by a joint board consisting of two representatives ~~from the council of the department~~, two members of the board of park commissioners, and a fifth member jointly selected by the other members of the board. If the use is a designated Minneapolis parkway for regular route service adjacent to the city of Minneapolis, it must obtain permission from and is subject to reasonable limitations imposed by a joint board consisting of two representatives ~~from the council of the department~~, two members of the board of park commissioners, and a fifth member jointly selected by other members of the board. The joint board must include a nonvoting member appointed by the council of commissioner and residing in the city in which the parkway is located.

The board of park commissioners and the council commissioner may designate persons to sit on the joint board. In considering a request by the council commissioner to use designated

parkways for additional routes or trips, the joint board consisting of the council commissioner or ~~their~~ the commissioner's designees, the board of park commissioners or ~~their~~ the commissioner's designees, and the fifth member, shall base its decision to grant or deny the request based on the criteria to be established by the joint board. The decision to grant or deny the request must be made within 45 days of the date of the request. The park board must be notified immediately by the council commissioner of any temporary route detours. If the park board objects to the temporary route detours within five days of being notified, the joint board must convene and decide whether to grant the request, otherwise the request is deemed granted. If the agency objects to the proposed use or claims reimbursement from the council commissioner for additional cost of maintenance, it may commence an action against the council department in the district court of the county wherein the highway, roadway, or appurtenance, or major portion thereof, is located. The proceedings in the action must conform to the Rules of Civil Procedure applicable to the district courts. The court shall sit without jury. If the court determines that the use in question interferes unreasonably with the public use or maintenance of the roadway or appurtenance, it shall enjoin the use by the council commissioner. If the court determines that the use in question does not interfere unreasonably with the public use or maintenance of the roadway or appurtenance, but that it entails substantial additional maintenance costs, the court shall award judgment to the agency for the amount of the additional costs. Otherwise the court shall award judgment to the council department. An aggrieved party may appeal from the judgment of the district court in the same manner as is provided for such appeals in other civil actions. The council commissioner may also use land within the right-of-way of any state highway or other public roadway for the erection of traffic-control devices, other signs, and passenger shelters upon the conditions stated in this subdivision ~~and subject only to the approval of the commissioner of transportation where required by statute~~, and subject to the express provisions of other applicable statutes and to federal requirements where necessary to qualify for federal aid.

Sec. 77. Minnesota Statutes 2014, section 473.415, subdivision 1, is amended to read:

Subdivision 1. **Includes no worse off clause.** If the council commissioner acquires an existing transit system, the council commissioner shall assume and observe all existing labor contracts and pension obligations. All employees of such system except executive and administrative officers who are necessary for the system operation ~~thereof by the council~~ shall be transferred to and appointed as employees of the council department for the purposes of the transit system, subject to all the rights and benefits of sections 473.405 to 473.449. ~~Such~~ The employees shall be given seniority credit and sick leave, vacation, insurance, and pension credits in accordance with the records or labor agreements from the acquired transit system. The council department shall assume the obligations of any transit system acquired by it with regard to wages, salaries, hours, working conditions, sick leave, health and welfare and pension or retirement provisions for employees. The council department and the employees, through their representatives for collective bargaining purposes, shall take whatever action may be necessary to have pension trust funds presently under the joint control of the acquired system and the participating employees through their representatives transferred to the trust fund to be established, maintained and administered jointly by the council department and the participating employees through their representatives. No employee of any acquired system who is transferred to a position with the council department shall by reason of such transfer be placed in any worse position with respect to workers' compensation, pension, seniority, wages, sick leave, vacation, health and welfare insurance or any other benefits than the employee enjoyed as an employee of such acquired system.

Sec. 78. Minnesota Statutes 2014, section 473.416, is amended to read:

**473.416 RIGHTS OF SYSTEM WORKERS IN TAKEOVER OF TRANSIT SYSTEM.**

Whenever the ~~council~~ commissioner directly operates any public transit system, or any part thereof, or enters into any management contract or other arrangement for the operation of a system, the ~~council~~ commissioner shall take the action necessary to extend to employees of the affected public transit systems, in accordance with seniority, the first opportunity for reasonably comparable employment in any available nonsupervisory jobs in respect to such operations for which they can qualify after a reasonable training period. The employment must not result in any worsening of the employee's position in the employee's former employment nor any loss of wages, hours, working conditions, seniority, fringe benefits, and rights and privileges pertaining thereto. The ~~council~~ commissioner may enter into an agreement specifying fair and equitable arrangements to protect the interests of employees who may be affected if the ~~council~~ commissioner should acquire any interest in or purchase any facilities or other property of a privately owned and operated transit system, or construct, improve, or reconstruct any facilities or other property acquired from any system, or provide by contract or otherwise for the operation of transportation facilities or equipment in competition with, or supplementary to, the service provided by an existing transit system. The agreement, specifying the terms and conditions of the protective arrangements, must comply with any applicable requirements of this chapter, and with the requirements of any federal law or regulation if federal aid is involved. The agreement may provide for final and binding arbitration of any dispute.

Sec. 79. Minnesota Statutes 2014, section 473.42, is amended to read:

**473.42 EMPLOYER CONTRIBUTIONS FOR CERTAIN EMPLOYEES.**

Notwithstanding any contrary provisions of section 352.029, the ~~council~~ state shall make the employer contributions required pursuant to section 352.04, subdivision 3, for any employee who was on authorized leave of absence from the transit operating division of the former Metropolitan Transit Commission who is employed by the labor organization which is the exclusive bargaining agent representing Metro Transit Division employees of the council and who is covered by the Minnesota State Retirement System in addition to all other employer contributions the ~~council~~ state is required to make.

Sec. 80. Minnesota Statutes 2014, section 473.436, subdivision 2, is amended to read:

Subd. 2. **Legal investments.** Certificates of indebtedness, bonds, or other obligations issued by the ~~council~~ Metropolitan Area Transit Board to which tax levies have been pledged pursuant to section 473.446, subdivision 1, shall be proper for investment of any funds by any bank, savings bank, savings association, credit union, trust company, insurance company or public or municipal corporation, and may be pledged by any bank, savings bank, savings association, credit union, or trust company as security for the deposit of public moneys.

Sec. 81. Minnesota Statutes 2014, section 473.436, subdivision 3, is amended to read:

Subd. 3. **Tax exempt.** Certificates of indebtedness, bonds, or other obligations ~~of the council~~ issued under section 473.39 or this section shall be deemed and treated as instrumentalities of a public government agency.

Sec. 82. Minnesota Statutes 2014, section 473.436, subdivision 6, is amended to read:

Subd. 6. **Temporary borrowing.** On or after the first day of any fiscal year, the ~~council~~ Metropolitan Area Transit Board may borrow money which may be used or expended by the ~~council commissioner of transportation for any purpose, including but not limited to~~ current expenses, capital expenditures and the discharge of any obligation or indebtedness ~~of the council related to metropolitan area transit purposes.~~ The indebtedness must be represented by a note or notes which may be issued from time to time in any denomination and sold at public or private sale pursuant to a resolution authorizing the issuance. The resolution must set forth the form and manner of execution of the notes and shall contain other terms and conditions the ~~council~~ board deems necessary or desirable to provide security for the holders of the notes. The note or notes are payable from committed or appropriated money from taxes, grants or loans of the state or federal government made to the ~~council board or the commissioner,~~ or other revenues of the ~~council commissioner for metropolitan area transit purposes,~~ and the money may be pledged to the payment of the notes. ~~The council is~~ board and the commissioner are authorized to pledge to the payment of the note or notes taxes levied by it under section 473.446, subdivision 1, clause (a), and if taxes are so pledged the ~~council shall transfer~~ amounts received from the levy shall be transferred to the council board for payment of the note or notes. To the extent the notes are not paid from the grant or loan money pledged for the payment thereof, the principal and interest of the notes must be paid from any taxes received by the ~~council board~~ and any income and revenue received by or accrued to the ~~council commissioner~~ during the fiscal year in which the note or notes were issued, or other money ~~of the council~~ lawfully available therefor.

Sec. 83. Minnesota Statutes 2014, section 473.446, subdivision 1, is amended to read:

Subdivision 1. **Metropolitan area transit tax.** (a) For the purposes of sections 473.405 to 473.449 and the metropolitan transit system, except as otherwise provided in this subdivision, the ~~council~~ Metropolitan Area Transit Board established in subdivision 1c, shall levy each year upon all taxable property within the metropolitan area, defined in section 473.121, subdivision 2, a transit tax consisting of:

(1) an amount necessary to provide full and timely payment of certificates of indebtedness, bonds, including refunding bonds or other obligations issued or to be issued under section 473.39 ~~by the council~~ for purposes of acquisition and betterment of property and other improvements of a capital nature and to which the former Metropolitan Council, or the Metropolitan Area Transit Board, as applicable, has specifically pledged tax levies under this clause; and

(2) an additional amount necessary to provide full and timely payment of certificates of indebtedness issued by the former Metropolitan Council or the Metropolitan Area Transit Board, after consultation with the commissioner of management and budget, if revenues to the metropolitan area transit fund in the fiscal year in which the indebtedness is issued increase over those revenues in the previous fiscal year by a percentage less than the percentage increase for the same period in the revised Consumer Price Index for all urban consumers for the St. Paul-Minneapolis metropolitan area prepared by the United States Department of Labor.

(b) Indebtedness to which property taxes have been pledged under paragraph (a), clause (2), that is incurred in any fiscal year may not exceed the amount necessary to make up the difference between (1) the amount that the ~~council commissioner of transportation~~ received or expects to receive in that fiscal year from the metropolitan area transit fund and (2) the amount the former Metropolitan Council or the commissioner received from that fund in the previous fiscal year multiplied by the

percentage increase for the same period in the revised Consumer Price Index for all urban consumers for the St. Paul-Minneapolis metropolitan area prepared by the United States Department of Labor.

Sec. 84. Minnesota Statutes 2014, section 473.446, is amended by adding a subdivision to read:

**Subd. 1c. Metropolitan Area Transit Board.** (a) A Metropolitan Area Transit Board is established, consisting of one commissioner of each county included in whole or in part within the transit taxing district designated in subdivision 2. Each of those county boards must appoint its initial member to the Metropolitan Area Transit Board by June 1, 2015.

(b) The board must annually set the levy as required under this section, and may issue obligations as provided in section 473.39, and borrow as provided in section 473.436. Each member's term on the board ends four years after the date of appointment or when the member ceases to be a county commissioner. The county board will appoint a successor member to represent the county on the transit board.

(c) The board may utilize no more than ... percent of the proceeds of the tax imposed under this section for ordinary administrative expenses incurred in carrying out the provisions of this section and sections 473.436 and 473.39. Any additional administrative expenses must be paid by the participating counties.

Sec. 85. Minnesota Statutes 2014, section 473.446, subdivision 2, is amended to read:

**Subd. 2. Transit taxing district.** The metropolitan transit taxing district is hereby designated as that portion of the metropolitan transit area lying within the following named cities, towns, or unorganized territory within the counties indicated:

(a) Anoka County. Anoka, Blaine, Centerville, Columbia Heights, Coon Rapids, Fridley, Circle Pines, Hilltop, Lexington, Lino Lakes, Spring Lake Park;

(b) Carver County. Chanhassen, the city of Chaska;

(c) Dakota County. Apple Valley, Burnsville, Eagan, Inver Grove Heights, Lilydale, Mendota, Mendota Heights, Rosemount, South St. Paul, Sunfish Lake, West St. Paul;

(d) Ramsey County. All of the territory within Ramsey County;

(e) Hennepin County. Bloomington, Brooklyn Center, Brooklyn Park, Champlin, Chanhassen, Crystal, Deephaven, Eden Prairie, Edina, Excelsior, Golden Valley, Greenwood, Hopkins, Long Lake, Maple Grove, Medicine Lake, Minneapolis, Minnetonka, Minnetonka Beach, Mound, New Hope, Orono, Osseo, Plymouth, Richfield, Robbinsdale, St. Anthony, St. Louis Park, Shorewood, Spring Park, Tonka Bay, Wayzata, Woodland, the unorganized territory of Hennepin County;

(f) Scott County. Prior Lake, Savage, Shakopee;

(g) Washington County. Baytown, the city of Stillwater, White Bear Lake, Bayport, Birchwood, Cottage Grove, Dellwood, Lake Elmo, Landfall, Mahtomedi, Newport, Oakdale, Oak Park Heights, Pine Springs, St. Paul Park, Willernie, Woodbury.

~~The Metropolitan Council in its sole discretion~~ commissioner of transportation may provide transit service by contract beyond the boundaries of the metropolitan transit taxing district or to cities and towns within the taxing district ~~which are receiving financial assistance under section 473.388~~; upon petition therefor by an interested city, township or political subdivision within the

metropolitan transit area. The ~~Metropolitan Council~~ commissioner of transportation may establish ~~such the terms and conditions as it deems~~ deemed necessary and advisable for providing the transit service, including such combination of fares and direct payments by the petitioner as that will compensate ~~the council~~ for the full capital and operating cost of the service and the related administrative activities ~~of the council~~. The amount of the levy made by any municipality to pay for the service shall be disregarded when calculation of levies subject to limitations is made; ~~provided that cities and towns receiving financial assistance under section 473.388 shall not make a special levy under this subdivision without having first exhausted the available local transit funds as defined in section 473.388.~~ The ~~council shall~~ commissioner is not be obligated to extend service beyond the boundaries of the taxing district, ~~or to cities and towns within the taxing district which are receiving financial assistance under section 473.388,~~ under any law or contract unless or until payment therefor is received.

Sec. 86. Minnesota Statutes 2014, section 473.446, subdivision 3, is amended to read:

Subd. 3. **Certification and collection.** Each county treasurer shall collect and make settlement of the taxes levied under subdivisions 1 and 1a with the ~~treasurer of the council~~ commissioner of transportation. The levy of transit taxes pursuant to this section shall not affect the amount or rate of taxes which may be levied by any county or municipality ~~or by the council~~ for other purposes authorized by law and shall be in addition to any other property tax authorized by law.

Sec. 87. Minnesota Statutes 2014, section 473.446, subdivision 8, is amended to read:

Subd. 8. **State review.** The commissioner of revenue shall certify the ~~council's~~ levy limitation under this section to the ~~council~~ Metropolitan Area Transit Board by August 1 of the levy year. The ~~council~~ board must certify its proposed property tax levy under this section to the commissioner of revenue by September 1 of the levy year. The commissioner of revenue shall annually determine whether the property tax for transit purposes certified ~~by the council~~ for levy ~~following the adoption of its proposed budget by the board~~ is within the levy limitation imposed by subdivisions 1 and 1b. The commissioner shall also annually determine whether the transit tax imposed on all taxable property within the metropolitan transit area but outside of the metropolitan transit taxing district is within the levy limitation imposed by subdivision 1a. The determination must be completed prior to September 10 of each year. If current information regarding market valuation in any county is not transmitted to the commissioner in a timely manner, the commissioner may estimate the current market valuation within that county for purposes of making the calculations.

Sec. 88. Minnesota Statutes 2014, section 473.448, is amended to read:

**473.448 TRANSIT ASSETS EXEMPT FROM TAX BUT MUST PAY ASSESSMENTS.**

(a) Notwithstanding any other provision of law to the contrary, the properties, moneys, and other assets of the ~~council~~ department used for transit operations in the metropolitan area or for special transportation services in the metropolitan area and all revenues or other income from the ~~council's department's~~ transit operations in the metropolitan area or special transportation services in the metropolitan area are exempt from all taxation, licenses, or fees imposed by the state or by any county, municipality, political subdivision, taxing district, or other public agency or body of the state, except to the extent that the property is subject to the sales and use tax under chapter 297A.

(b) Notwithstanding paragraph (a), the ~~council's~~ department's transit properties are subject to special assessments levied by a political subdivision for a local improvement in amounts



proportionate to and not exceeding the special benefit received by the properties from the improvement.

Sec. 89. Minnesota Statutes 2014, section 473.449, is amended to read:

**473.449 ACT EXCLUSIVE.**

The exercise by the ~~council~~ commissioner of the powers provided in sections 473.405 to 473.449 shall not be subject to regulation by or the jurisdiction or control of any other public body or agency, either state, county, or municipal, except as specifically provided in this chapter.

Sec. 90. **TRANSFER PROVISIONS.**

Subdivision 1. **General.** The Metropolitan Council's powers and duties related to transit financing, coordination, and operation are transferred to the commissioner of transportation. Minnesota Statutes, section 15.039, applies to the transfer of the council's powers, duties, and assets to the commissioner to the extent practicable.

Subd. 2. **Legislative proposal.** (a) The commissioner of transportation shall prepare and submit to the legislature by February 1, 2016, proposed legislation to integrate the department's metropolitan area transit powers and duties with its other transportation powers and duties.

(b) The proposal must include the following elements:

(1) the Metropolitan Council transit operations shall become MnDOT Metropolitan Transit Division (MTD);

(2) a dedicated account adequate for MTD transit operations shall be established separate from road and bridge, greater Minnesota transit, and other transportation department funds and accounts;

(3) MTD must fully advertise publicly owned and operated transit for the metropolitan area;

(4) MTD shall continue to operate and maintain regional fleet buses, trains, and routes with a process set up to transfer ownership of the regional fleet buses, trains, and appurtenances to MTD;

(5) MCTO Union Local 1005 employees who were absorbed into Metropolitan Council headquarters shall be given an opportunity to transfer to the new MTD by a process in the legislative proposal;

(6) MCTO Union Local 1005 employees at the time of the transfer from the Metropolitan Council to MTD shall be transferred to MTD and that the collective bargaining agreement in effect for Transfer Union Local 1005 at the time of the transfer continue in effect unchanged; and

(7) replacement services, contract services, and similar transit services that use MTD fare boxes, radio system, transit supervision, police, security, maintenance, mechanical, and other services may continue to do so if a fee is paid to MTD for the reasonable value of the services.

Sec. 91. **REPEALER.**

Minnesota Statutes 2014, sections 174.22, subdivision 3; 473.167, subdivisions 3 and 4; 473.388, subdivisions 1, 2, 3, 4, 5, and 7; 473.39, subdivision 4; 473.3993, subdivision 4; 473.3999; 473.411, subdivisions 3 and 4; and 473.4461, are repealed.

Sec. 92. **EFFECTIVE DATE.**

Sections 28, 82, and 84 to 86, are effective for taxes levied in 2019, payable in 2020, and thereafter. Section 35 is effective the day following final enactment. The remainder of this article is effective July 1, 2019.

## ARTICLE 14

### WATER AND SOLID WASTE MANAGEMENT

#### Section 1. [115.651] METROPOLITAN AREA SANITARY SEWER DISTRICT.

Subdivision 1. **Definition.** For the purposes of this section, "Metropolitan Area Sanitary Sewer District" or "metropolitan district" means a sanitary sewer district as defined in the meaning of sections 115.61 to 115.67 that encompasses the metropolitan area, as defined in section 473.121, subdivision 2.

Subd. 2. **Powers.** In addition to the powers and duties enumerated in sections 115.61 to 115.67, the metropolitan district has the powers and duties stated in this section.

Subd. 3. **Ordinances; penalties.** The metropolitan district shall have the power to adopt ordinances relating to the operation of any interceptors or treatment works operated by it and may provide penalties for ordinance violations not exceeding the maximum that may be specified for a misdemeanor. Any rule prescribing a penalty for violation shall be published at least once in a newspaper having general circulation in the metropolitan area.

Subd. 4. **Gifts; grants; loans.** The metropolitan district may accept gifts, may apply for and accept grants or loans of money or other property from the United States, the state, or any person for any of its purposes, including any grant available under the federal Water Pollution Control Act Amendments of 1972, whether for construction, research or pilot project implementation; may enter into any agreement required by the grant or loan; and may hold, use, and dispose of the money or property in accordance with the terms of the gift, grant, loan, or agreement. The metropolitan district has all powers necessary to comply with the federal Water Pollution Control Act Amendments of 1972 and any associated grant offered to it including, but not limited to, the power to enter into contracts with, or to impose charges upon, persons using the metropolitan disposal system as it shall determine to be necessary for the recovery of treatment works and interceptor costs paid with federal grant funds. These costs shall be recovered by local government units on behalf of the metropolitan district to the greatest extent practicable.

Subd. 5. **Joint or cooperative action.** The metropolitan district may act under the provisions of section 471.59, or any other appropriate law providing for joint or cooperative action between government units.

Subd. 6. **May acquire property.** The metropolitan district may acquire, by purchase, lease, condemnation, gift, or grant, any real or personal property including positive and negative easements and water and air rights, and it may construct, enlarge, improve, replace, repair, maintain, and operate any interceptor or treatment works determined to be necessary or convenient for the collection and disposal of sewage in the metropolitan area. Any local government unit and the commissioners of transportation and natural resources are authorized to convey to the metropolitan district any facilities owned or controlled by it, or permit the metropolitan district to use any facilities owned or controlled by it subject to the rights of the holders of any bonds issued with respect thereto, with or without compensation, and without an election or approval by any other government agency. All powers conferred by this subdivision may be exercised within or without the metropolitan area as

may be necessary for the metropolitan district to exercise its powers or accomplish its purposes. The metropolitan district may hold property for its purposes and may lease any property not needed for its purposes, upon the terms and in the manner as it shall deem advisable. Unless otherwise provided, the right to acquire lands and property rights by condemnation shall be exercised in accordance with chapter 117 and shall apply to any interest in property owned by any local government unit, provided that no property devoted to an actual public use at the time, or held to be devoted to public use within a reasonable time, shall be acquired unless a court of competent jurisdiction determines that the use proposed by the district is paramount to that use. Except for property in actual public use, the metropolitan district may take possession of any property for which condemnation proceedings have been commenced at any time after the issuance of a court order appointing commissioners for its condemnation.

Subd. 7. **Nonfranchise required.** The metropolitan district may construct or maintain its systems or facilities in, along, on, under, over, or through public streets, bridges, viaducts, and other public rights-of-way without first obtaining a franchise from any local government unit having jurisdiction over them, but the facilities shall be constructed and maintained in accordance with the ordinances and resolutions of any government unit relating to construction, installation, and maintenance of similar facilities in public properties and shall not obstruct the public use of rights-of-way.

Subd. 8. **Surplus property.** The metropolitan district may sell or otherwise dispose of any real or personal property acquired by it that is no longer required for accomplishment of its purposes. The property may be sold in the manner provided by section 469.065, as far as practical. The metropolitan district may give the notice of sale as it shall deem appropriate. When the metropolitan district determines that any property or any interceptor or treatment works that have been acquired from a local government unit without compensation is no longer required, but is required as a local facility by the government unit from which it was acquired, the metropolitan district may by resolution transfer it to the government unit.

Subd. 9. **Pacts with other governments.** The metropolitan district may contract with the United States or its agency, any state or its agency, or any local government unit, agency, or subdivision, for the joint use of any facility owned by the metropolitan district or the entity, for the operation by the entity of any system or facility of the metropolitan district, or for the performance of any service on the metropolitan district's behalf, on terms agreed upon by the contracting parties.

## Sec. 2. [115.652] TOTAL WATERSHED MANAGEMENT.

The metropolitan district may enter into agreements with other governmental bodies and agencies and spend funds to implement total watershed management. "Total watershed management" means identifying and quantifying at a watershed level the (1) sources of pollution, both point and nonpoint, (2) causes of conditions that may or may not be a result of pollution, and (3) means of reducing pollution or alleviating adverse conditions. The purpose of total watershed management is to achieve the best water quality for waters of the state receiving the effluent of the metropolitan disposal system for the lowest total costs, without regard to who will incur those costs.

## Sec. 3. [115.653] SEWER SERVICE FUNCTION.

Subdivision 1. **Duty of metropolitan district; existing; new facilities.** The metropolitan district shall assume ownership of all existing interceptors and treatment works that will be needed for the collection, treatment, and disposal of sewage in the metropolitan area, in the manner and subject to

the conditions prescribed in subdivision 2, and shall thereafter acquire, construct, equip, operate, and maintain all additional interceptors and treatment works that will be needed for those purposes. The metropolitan district shall assume ownership of all treatment works owned by a local government unit if any part of the treatment works will be needed for the stated purposes.

Subd. 2. **Method of acquisition; existing debt.** The metropolitan district may require any local government unit to transfer to the metropolitan district all of its rights, titles, and interest in any interceptors or treatment works, and all necessary appurtenances owned by the local government unit that will be needed for the purpose stated in subdivision 1. Appropriate instruments of conveyance for the property shall be executed and delivered to the metropolitan district by the proper officers of each local government unit concerned. All persons regularly employed by a local government unit to operate and maintain any treatment works so transferred to the metropolitan district, on the date on which the transfer becomes effective, shall be employees of the metropolitan district, in the same manner and with the same options and rights as are reserved to employees of sanitary districts and joint boards under subdivision 3. The metropolitan district, upon assuming ownership of interceptors or treatment works, shall become obligated to pay to the local government unit amounts sufficient to pay when due all remaining principal of and interest on bonds issued by the local government unit for the acquisition or betterment of the interceptors or treatment works taken over. These amounts may be offset against any amount to be paid to the metropolitan district by the local government unit as provided in section 115.656.

Subd. 3. **Existing sanitary districts; joint sewer boards.** The employees shall perform duties prescribed by the metropolitan district. All subsequent collections of taxes, special assessments, or service charges levied or imposed by or for the Metropolitan Council must be transferred to the metropolitan district. Effective July 1, 2016, employees of the Metropolitan Council wastewater division are employees of the metropolitan district. The district shall make the employer's contributions to pension funds of its employees. The metropolitan district shall succeed to and become vested by action of law with all right, title, and interest in and to any property, real or personal, owned or operated by the Metropolitan Council in conjunction with its powers and duties related to wastewater. Prior to that date, the Metropolitan Council shall execute and deliver to the metropolitan district all deeds, conveyances, bills of sale, and other documents or instruments required to vest in the metropolitan district good and marketable title to all real or personal property, provided that vesting of the title must occur by operation of law and failure to execute and deliver the documents does not affect the vesting of title in the metropolitan district on the dates indicated in this subdivision. The metropolitan district shall become obligated to pay or assume all bonded or other debt and contract obligations incurred by the former Metropolitan Council wastewater division for the acquisition or betterment of any interceptors or treatment works.

Sec. 4. **[115.654] SEWAGE COLLECTION AND DISPOSAL; POWERS.**

Subdivision 1. **Identification of powers.** In addition to all other powers conferred upon or delegated to the metropolitan district, the metropolitan district shall have the powers specified in this section.

Subd. 2. **Right to discharge treated sewage.** The metropolitan district shall have the right to discharge the effluent from any treatment works operated by it into any waters of the state in accordance with any effluent or water quality standards lawfully adopted by the Pollution Control Agency.

Subd. 3. **Connections with metropolitan system.** The metropolitan district may require any person or local government unit in the metropolitan area to provide for the discharge of its sewage, directly or indirectly, into the metropolitan disposal system, or to connect part or all of any disposal system or part with the metropolitan disposal system wherever reasonable opportunity is provided; may regulate the manner in which the connections are made; may require any person or local government unit discharging sewage into the metropolitan disposal system to provide preliminary treatment; may prohibit the discharge into the metropolitan disposal system of any substance that it determines will or may be harmful to the system or any persons operating it; and may require any local government unit to discontinue the acquisition, betterment, or operation of any facility for its disposal system wherever adequate service is or will be provided by the metropolitan disposal system.

**Sec. 5. [115.655] VIOLATION OF WASTEWATER LAW; REMEDIES; PENALTIES.**

Subdivision 1. **Remedies available.** (a) For purposes of this section, "violation" means any discharge or action by a person that violates sections or rules, standards, variances, ordinances, limitations, orders, stipulations, agreements, schedules of compliance, or permits that are issued or adopted by the metropolitan district under sections 115.651 to 115.665.

(b) Each violation may be enforced by any one or a combination of the following: criminal prosecution, civil action, or other appropriate action in accordance with sections 115.651 to 115.665.

Subd. 2. **Criminal penalties; duties.** (a) Any person who commits a violation under subdivision 1 may be sentenced to imprisonment for not more than 90 days or to payment of a fine of not more than \$1,000, or both.

(b) County attorneys, sheriffs and other peace officers, and other officers authorized to enforce criminal laws shall take all action necessary to prosecute and punish violations.

Subd. 3. **Civil penalties.** A violation is subject to a penalty payable to the state, in an amount to be determined by the court, of not more than \$1,000 per day of violation. The civil penalty may be recovered by a civil action brought by the metropolitan district in the name of the state.

**Sec. 6. [115.656] ALLOCATION OF COSTS.**

Subdivision 1. **Allocation method.** Except as provided in subdivision 2, the estimated costs of operation, maintenance, and debt service of the metropolitan disposal system to be paid by the metropolitan district in each fiscal year, and the costs of acquisition and betterment of the system that are to be paid during the year from funds other than bond proceeds, including all expenses incurred by the metropolitan district pursuant to sections 115.653 to 115.665, are referred to in this section as current costs and shall be allocated among and paid by all local government units that will discharge sewage, directly or indirectly, into the metropolitan disposal system during the budget year according to an allocation method determined by the metropolitan district. The allocated costs may include an amount for a reserve or contingency fund and an amount for cash flow management. The cash-flow management fund so established must not exceed five percent of the metropolitan district's total waste control operating budget.

Subd. 2. **Allocation of treatment; interceptor costs; reserved capacity.** (a) In preparing each budget, the metropolitan district shall estimate the current costs of acquisition, betterment, and debt service of the treatment works in the metropolitan disposal system that will not be used to total capacity during the budget year and the percentage of capacity that will not be used, and shall deduct

the same percentage of the treatment works costs from the current costs allocated under subdivision 1. The metropolitan district shall also estimate the current costs of acquisition, betterment, and debt service of the interceptors in the metropolitan disposal system that will not be used to total capacity during the budget year, shall estimate the percentage of the total capacity that will not be used, and shall deduct the same percentage of interceptor costs from the current costs allocated under subdivision 1. The total amount so deducted with respect to all treatment works and interceptors in the system shall be allocated among and paid by the respective local government units in the metropolitan area through a metropolitan sewer availability charge for each new connection or increase in capacity demand to the metropolitan disposal system within each local government unit. Amounts collected through the metropolitan sewer availability charge (SAC) must be deposited in the metropolitan district's wastewater reserve capacity fund. Each fiscal year, an amount from the wastewater reserve capacity fund shall be transferred to the wastewater operating fund for the reserved capacity costs described in this paragraph. For the purposes of this subdivision, the amount transferred from the wastewater reserve capacity fund to the wastewater operating fund shall be referred to as the "SAC transfer amount."

(b) If, after appropriate study and a public hearing, the metropolitan district determines for the next fiscal year that a reduction of the SAC transfer amount is necessary or desirable to ensure adequate funds remain in the wastewater reserve capacity fund, based on a goal of maintaining at least the next year's estimated SAC transfer amount in the wastewater reserve capacity fund, the metropolitan district may reduce the SAC transfer amount for that fiscal year. If the metropolitan district reduces the SAC transfer amount for the next fiscal year, the metropolitan district must then increase the metropolitan sewer availability charge by an amount not less than the greater of six percent or the annual percentage change in the Consumer Price Index for the metropolitan region for the previous year plus three percentage points. For the purposes of this subdivision, any reduction in the SAC transfer amount shall be referred to as the "SAC transfer deficit." This paragraph expires at the end of calendar year 2015.

(c) The metropolitan district will record on a cumulative basis the total SAC transfer deficit. In any year that the wastewater reserve capacity fund has a year-end balance of at least two years' estimated SAC transfer amount, the metropolitan district shall increase the subsequent annual SAC transfer amount in excess of the amount required by paragraph (a) with the goal of eliminating the cumulative total SAC transfer deficit. The annual amount by which the metropolitan district increases the SAC transfer amount shall be determined by the metropolitan district after appropriate study and a public hearing.

Subd. 3. **Deferment of payments.** The metropolitan district may provide for the deferment of payment of all or part of the allocated costs that are allocated by the district to a local government unit in any year pursuant to subdivision 2, repayable at the time or times as the metropolitan district shall specify, with interest at the approximate average annual rate borne by metropolitan district bonds outstanding at the time of the deferment, as determined by the metropolitan district. The deferred costs shall be allocated to and paid by all local government units in the metropolitan area that will discharge sewage, directly or indirectly, into the metropolitan disposal system in the budget year for which the deferment is granted, in the same manner and proportions as costs are allocated under subdivision 1.

Subd. 4. **Direct charging of industrial users.** (a) For the purposes of this subdivision, the term "industrial discharger" means a recipient of wastewater treatment services that is required by

metropolitan district rules or procedures to have a permit issued by the metropolitan district in order to discharge sewage to the metropolitan disposal system.

(b) The metropolitan district may directly impose on all or any category of industrial dischargers all or any portion of the costs that would otherwise be allocated among and paid by local government units under subdivision 1. Any amounts imposed directly on industrial dischargers by the metropolitan district under this subdivision must be deducted from the amounts to be allocated among and paid by local government units under subdivision 1, and any charges imposed by a local government unit for the same purpose are of no further force and effect from and after the effective date of the metropolitan district's direct charges. Charges imposed under this subdivision are in addition to any other charges imposed on industrial dischargers by a local government unit and must be paid by the industrial discharger at intervals as may be established by the metropolitan district. The metropolitan district may impose interest charges upon delinquent payments.

(c) Charges by the metropolitan district to industrial dischargers under this subdivision including any interest charges, as well as any other charges or related fees owed by the industrial discharger pursuant to a discharge permit issued by the metropolitan district for the subject property, are a charge jointly and severally against the owners, lessees, and occupants of the property served. The metropolitan district may certify the unpaid amounts to the appropriate county auditor as a tax for collection as other taxes are collected on the property served. The proceeds of any tax collected pursuant to the metropolitan district's certification must be paid by the county treasurer to the metropolitan district when collected. Certification does not preclude the metropolitan district from recovery of delinquent amounts and interest under any other available remedy.

**Sec. 7. [115.6565] 1972 WATER POLLUTION CONTROL ACT; USE CHARGE SHARES.**

Each local government unit shall adopt a system of charges for the use and availability of the metropolitan disposal system that will assure that each recipient of waste treatment services within or served by the unit will pay its proportionate share of the costs allocated to the unit by the metropolitan district under section 115.656, as required by the federal Water Pollution Control Act Amendments of 1972, and any regulations issued pursuant to it. Each system of charges shall be adopted as soon as possible and shall be submitted to the metropolitan district. The metropolitan district shall review each system of charges to determine whether it complies with the federal law and regulations. If it determines that a system of charges does not comply, the adopting unit shall be notified and shall change its system to comply, and shall submit the changes to the metropolitan district for review. All subsequent changes in a system of charges proposed by a local government unit shall also be submitted to the metropolitan district for review.

**Sec. 8. [115.657] PAYMENTS TO METROPOLITAN DISTRICT.**

Subdivision 1. **Amounts due metropolitan district, when payable.** Charges payable to the metropolitan district by local government units may be made payable at the times during each year as the metropolitan district determines, but dates shall be fixed with reference to the dates on which tax, assessment, and revenue collections become available to the government units required to pay the charges.

Subd. 2. **Component municipalities; obligations to metropolitan district.** Each government unit shall pay to the metropolitan district all sums charged to it as provided in section 115.656, at the times and in the manner determined by the metropolitan district. The governing body of each

government unit shall take all action that may be necessary to provide the funds required for the payments and to make the same when due.

Subd. 3. **Powers of government units.** To accomplish any duty imposed on it by the metropolitan district, the governing body of every government unit in the metropolitan area may exercise the powers granted any municipality by chapters 117, 412, 429, 475, and sections 115.46, 444.075, and 471.59.

Subd. 4. **Deficiency tax levies.** If the governing body of any local government unit fails to meet any payment to the metropolitan district when due, the metropolitan district may certify to the auditor of the county in which the government unit is located the amount required for payment with interest at six percent per annum. The auditor shall levy and extend the amount as a tax upon all taxable property in the government unit for the next calendar year, free from any existing limitations imposed by law or charter. The tax shall be collected in the same manner as the general taxes of the government unit, and the proceeds, when collected, shall be paid by the county treasurer to the treasurer of the metropolitan district and credited to the government unit for which the tax was levied.

Sec. 9. **[115.658] CONSTRUCTION CONTRACTS SUBJECT TO UNIFORM MUNICIPAL BID LAW.**

Subdivision 1. **Bids for contracts.** All contracts for construction work, or for the purchase of materials, supplies, or equipment relating to the metropolitan disposal system shall be made as provided in section 471.345, subdivisions 3 to 6. Contracts subject to section 471.345, subdivision 3, shall be made by the metropolitan district by publishing once in a legal newspaper or trade paper published in a city of the first class not less than two weeks before the last day for submission of bids, notice that bids or proposals will be received. The notice shall state the nature of the work or purchase, the terms and conditions upon which the contract is to be awarded, and a time and place where bids will be received, opened, and read publicly. After the bids have been duly received, opened, read publicly, and recorded, the metropolitan district shall award the contract to the lowest responsible bidder or it may reject all bids and readvertise. Each contract shall be duly executed in writing and the party to whom the contract is awarded shall give sufficient bond or security to the board for the faithful performance of the contract as required by law. The metropolitan district shall have the right to set qualifications and specifications and to require bids to meet all the qualifications and specifications before being accepted. If the metropolitan district by an affirmative vote of two-thirds of its members declares that an emergency exists requiring the immediate purchase of materials or supplies at a cost in excess of the amount specified in section 471.345, subdivision 3, or in making emergency repairs, it shall not be necessary to advertise for bids.

Subd. 2. **Contracts over \$50,000; best value alternative.** As an alternative to the procurement method described in subdivision 1, the metropolitan district may issue a request for proposals and award the contract to the vendor or contractor offering the best value under a request for proposals as described in section 16C.28, subdivision 1, paragraph (a), clause (2), and paragraph (c).

Subd. 3. **Manager's authority.** The manager of wastewater services may, without prior approval of the metropolitan district and without advertising for bids, enter into any contract of the type referred to in subdivision 1 that is not in excess of the amount specified in section 471.345, subdivision 3.



Sec. 10. [115.659] DEBT OBLIGATIONS.

Subdivision 1. **Certificates of indebtedness.** At any time or times after approval of an annual budget, and in anticipation of the collection of tax and other revenues appropriated in the budget, the metropolitan district may, by resolution, authorize the issuance, negotiation, and sale, in the form and manner and upon the terms as it may determine, of general obligation certificates of indebtedness in aggregate principal amounts not exceeding 50 percent of the total amount of the appropriations, and maturing not later than April 1 following the close of the budget year. All receipts of tax and other revenues included in the budget, after the expenditure of appropriated funds, shall be irrevocably appropriated to a special fund to pay the principal of and the interest on the certificates when due. If the anticipated revenues are insufficient to pay the certificates and interest when due, the metropolitan district shall levy a tax in the amount of the deficiency on all taxable property in the metropolitan area, and shall appropriate this amount to the special fund, to be credited thereto from the first tax and other revenues received in the following budget year.

Subd. 2. **Emergency certificates.** If, in any budget year, the receipts of tax and other revenues should from some unforeseen cause become insufficient to pay the metropolitan district's current wastewater control expenses, or if any calamity or other public emergency should subject it to the necessity of making extraordinary wastewater control expenditures, the metropolitan district may make an emergency appropriation of an amount sufficient to meet the deficiency and may authorize the issuance, negotiation, and sale of certificates of indebtedness in this amount in the same manner and upon the same conditions as provided in subdivision 1, except that the metropolitan district shall forthwith levy on all taxable property in the metropolitan area a tax sufficient to pay the certificates and interest and shall appropriate all collections of the tax to a special fund created for that purpose. The certificates may mature not later than April 1 in the year following the year in which the tax is collectible.

Subd. 3. **General obligation bonds.** The metropolitan district may, by resolution, authorize the issuance of general obligation bonds for the acquisition or betterment of any interceptors or treatment works determined to be necessary or desirable for the metropolitan disposal system, or for the refunding of outstanding bonds, certificates of indebtedness, or judgments. The metropolitan district shall provide for the issuance and sale and for the security of the bonds in the manner provided in chapter 475 and shall have the same powers and duties as a municipality issuing bonds under that law, except that no election shall be required and the net debt limitations in chapter 475 shall not apply to the bonds. The metropolitan district may also pledge for the payment of the bonds any revenues receivable under section 115.656.

Subd. 4. **Revenue bonds.** (a) The metropolitan district may, by resolution, authorize the issuance of revenue bonds for any purpose for which general obligation bonds may be issued under subdivision 3. The bonds shall be sold, issued, and secured in the manner provided in chapter 475 for bonds payable solely from revenues, except as otherwise provided in this subdivision, and the metropolitan district shall have the same powers and duties as a municipality and the governing body of a municipality in issuing bonds under that chapter. The bonds shall be payable from and secured by a pledge of all or any part of revenues receivable under section 115.656; and shall not, and shall state they do not, represent or constitute a general obligation or debt of the metropolitan district; and shall not be included in the net debt of any city, county, or other subdivision of the state for the purpose of any net debt limitation. The proceeds of the bonds may be used to pay credit enhancement fees.

(b) The bonds may be secured by a bond resolution, or a trust indenture entered into by the metropolitan district with a corporate trustee within or outside the state, which shall define the revenues and bond proceeds pledged for the payment and security of the bonds. The pledge shall be a valid charge on the revenues received under section 115.656. No mortgage of or security interest in any tangible real or personal property shall be granted to the bondholders or the trustee, but they shall have a valid security interest in the revenues and bond proceeds received by the council and pledged to the payment of the bonds as against the claims of all persons in tort, contract, or otherwise, irrespective of whether the parties have notice and without possession or filing as provided in the Uniform Commercial Code or any other law, subject, however, to the rights of the holders of any general obligation bonds issued under subdivision 3. In the bond resolution or trust indenture, the metropolitan district may make covenants as it determines to be reasonable for the protection of the bondholders, including a covenant to issue general obligation bonds to refund the revenue bonds if and to the extent required to pay principal and interest on the bonds and to certify a deficiency tax levy as provided in section 115.657, subdivision 4.

(c) Neither the metropolitan district, nor any metropolitan district member, officer, or employee, nor any agent of the metropolitan district, nor any person executing the bonds shall be liable personally on the bonds by reason of their issuance. The bonds shall not be payable from, nor a charge upon, any funds other than the revenues and bond proceeds pledged to payment of the bonds, nor shall the metropolitan district be subject to liability or have the power to obligate itself to pay, or to pay the bonds from funds other than the revenues and bond proceeds pledged, and no holder or holders of bonds shall ever have the right to compel any exercise of the taxing power of the metropolitan district (except any deficiency tax levy the metropolitan district covenants to certify under section 115.657, subdivision 4) or any other public body, to the payment of principal of or interest on the bonds, nor to enforce payment against any property of the metropolitan district or other public body other than that expressly pledged for payment.

#### **Sec. 11. [115.661] DEPOSITORIES.**

The metropolitan district shall, from time to time, designate one or more national or state banks, or trust companies authorized to do a banking business, as official depositories for money of the metropolitan district, and shall require the treasurer to deposit all or a part of the money in the designated institutions. The designation shall be in writing and shall set forth all the terms and conditions upon which the deposits are made. The designation shall be signed by the chair and treasurer, and made a part of the minutes of the metropolitan district. Any bank or trust company so designated shall qualify as a depository by furnishing a corporate surety bond or collateral in the amounts required by section 118A.03. However, no bond or collateral shall be required to secure any deposit insofar as it is insured under federal law.

#### **Sec. 12. [115.662] MONEY, ACCOUNTS, AND INVESTMENTS.**

Subdivision 1. **Disposed of as budgeted; pledges.** All money from wastewater control operations received by the metropolitan district shall be deposited or invested by the treasurer and disposed of as the metropolitan district may direct in accordance with its waste control budget, provided that any money that has been pledged or dedicated by the metropolitan district to the payment of obligations or interest or associated expenses or for any other specific purpose authorized by law shall be paid by the treasurer into the fund to which it has been pledged.

Subd. 2. **Accounts.** The metropolitan district's treasurer shall establish funds and accounts that may be necessary or convenient to handle the receipts and disbursements of the metropolitan district in an orderly fashion.

Subd. 3. **Where to deposit; how to invest.** Money in the funds and accounts may be deposited in the official depositories of the metropolitan district or invested as provided in this subdivision. The amount not currently needed or required by law to be kept in cash on deposit may be invested in obligations authorized for the investment of public funds by section 118A.04. Money may also be held under certificates of deposit issued by any official depository of the metropolitan district.

Subd. 4. **Bond proceeds.** The use of proceeds of all bonds issued by the metropolitan district for the acquisition and betterment of interceptors or treatment works, and the use, other than investment, of all money in any sinking fund or funds of the metropolitan district, shall be governed by the provisions of chapter 475 and the provisions of resolutions authorizing the issuance of bonds.

Sec. 13. **[115.663] PROPERTY EXEMPT FROM TAXATION.**

Any properties, real or personal, owned, leased, controlled, used, or occupied by the metropolitan district for any purpose referred to in Minnesota Statutes 1984, section 473.502, are declared to be acquired, owned, leased, controlled, used, and occupied for public, governmental, and municipal purposes, and shall be exempt from taxation by the state or any political subdivision of the state, except to the extent that the property is subject to the sales and use tax under chapter 297A, provided that the properties shall be subject to special assessments levied by a political subdivision for a local improvement in amounts proportionate to and not exceeding the special benefit received by the properties from the improvement. No possible use of the properties in any manner different from their use as part of the metropolitan disposal system at the time shall be considered in determining the special benefit received by the properties. All the assessments shall be subject to final confirmation by the metropolitan district, whose determination of the benefits shall be conclusive upon the political subdivision levying the assessment.

Sec. 14. **[115.664] TAX LEVIES.**

The metropolitan district shall have power to levy taxes for debt service of the metropolitan disposal system upon all taxable property within the metropolitan area, without limitation of rate or amount and without affecting the amount or rate of taxes that may be levied by the metropolitan district for other purposes or by any local government unit in the area. The metropolitan district shall also have power to levy taxes as provided in section 115.657. Each of the county auditors shall annually assess and extend upon the tax rolls in the auditor's county the portion of the taxes levied by the metropolitan district in each year that is certified to the auditor by the metropolitan district. Each county treasurer shall collect and make settlement of the taxes with the metropolitan district in the same manner as with other political subdivisions.

Sec. 15. **[115.665] RELATION TO EXISTING LAWS.**

The provisions of sections 115.653 to 115.67 shall be given full effect notwithstanding any other law. The powers conferred on the metropolitan district under sections 115.653 to 115.67 shall in no way diminish or supersede the powers conferred on the Pollution Control Agency by chapters 115 and 116.

Sec. 16. **[115.666] SEVERABILITY.**

If any provision of sections 115.61 to 115.67 or its application to any person or circumstances is held to be invalid, the invalidity shall not affect other provisions or applications of sections 115.61 to 115.67, which can be given effect without the invalid provision or application, and to this end the provisions of sections 115.61 to 115.67 and their various applications are declared to be severable.

Sec. 17. Minnesota Statutes 2014, section 115.741, subdivision 2, is amended to read:

Subd. 2. **Geographic representation.** At least one of the water supply system operators and at least one of the wastewater treatment facility operators must be from outside the seven-county metropolitan area and one wastewater operator must come from the ~~Metropolitan Council~~ seven-county metropolitan area.

Sec. 18. Minnesota Statutes 2014, section 115A.151, is amended to read:

**115A.151 RECYCLING REQUIREMENTS; PUBLIC ENTITIES; COMMERCIAL BUILDINGS; SPORTS FACILITIES.**

(a) A public entity, the owner of a sports facility, and an owner of a commercial building shall:

(1) ensure that facilities under its control, from which mixed municipal solid waste is collected, also collect at least three recyclable materials, such as, but not limited to, paper, glass, plastic, and metal; and

(2) transfer all recyclable materials collected to a recycler.

(b) For the purposes of this section:

(1) "public entity" means the state, an office, agency, or institution of the state, ~~the Metropolitan Council~~; a metropolitan agency, the Metropolitan Mosquito Control Commission, the legislature, the courts, a county, a statutory or home rule charter city, a town, a school district, a special taxing district, or any entity that receives an appropriation from the state for a capital improvement project after August 1, 2002;

(2) "metropolitan agency" and ~~"Metropolitan Council,"~~ have has ~~the meanings meaning~~ given ~~them~~ in section 473.121;

(3) "Metropolitan Mosquito Control Commission" means the commission created in section 473.702;

(4) "commercial building" means a building that:

(i) is located in a metropolitan county, as defined in section 473.121;

(ii) contains a business classified in sectors 42 to 81 under the North American Industrial Classification System; and

(iii) contracts for four cubic yards or more per week of solid waste collection; and

(5) "sports facility" means a professional or collegiate sports facility at which competitions take place before a public audience.

Sec. 19. Minnesota Statutes 2014, section 115A.471, is amended to read:

**115A.471 PUBLIC ENTITIES; MANAGEMENT OF SOLID WASTE.**

(a) Prior to entering into or approving a contract for the management of mixed municipal solid waste ~~which~~ that would manage the waste using a waste management practice that is ranked lower on the list of preferred waste management practices in section 115A.02, paragraph (b), than the waste management practice selected for such waste in the county plan for the county in which the waste was generated, a public entity must:

(1) determine the potential liability to the public entity and its taxpayers for managing the waste in this manner;

(2) develop and implement a plan for managing the potential liability; and

(3) submit the information from clauses (1) and (2) to the agency.

(b) For the purpose of this subdivision, "public entity" means the state; an office, agency, or institution of the state; ~~the Metropolitan Council~~; a metropolitan agency; the Metropolitan Mosquito Control District; the legislature; the courts; a county; a statutory or home rule charter city; a town; a school district; another special taxing district; or any other general or special purpose unit of government in the state.

Sec. 20. Minnesota Statutes 2014, section 115A.52, is amended to read:

**115A.52 TECHNICAL ASSISTANCE FOR PROJECTS.**

The commissioner shall ensure the delivery of technical assistance for projects eligible under the program. The commissioner may contract or issue grants for the delivery of technical assistance by any state or federal agency, a regional development commission, ~~the Metropolitan Council~~, or private consultants and may use program funds to reimburse the agency, commission, ~~council~~, or consultants. The commissioner shall prepare and publish an inventory of sources of technical assistance, including studies, publications, agencies, and persons available. The commissioner shall ensure statewide benefit from projects assisted under the program by developing exchange and training programs for local officials and employees and by using the experience gained in projects to provide technical assistance and education for other solid waste management projects in the state.

Sec. 21. Minnesota Statutes 2014, section 116.16, subdivision 2, is amended to read:

Subd. 2. **Definitions.** In this section and sections 116.17 and 116.18:

(1) agency means the Minnesota Pollution Control Agency created by this chapter;

(2) municipality means any county, city, town, ~~the metropolitan council~~, or an Indian tribe or an authorized Indian tribal organization, and any other governmental subdivision of the state responsible by law for the prevention, control, and abatement of water pollution in any area of the state;

(3) water pollution control program means the Minnesota state water pollution control program created by subdivision 1;

(4) bond account means the Minnesota state water pollution control bond account created in the state bond fund by section 116.17, subdivision 4;

(5) terms defined in section 115.01 have the meanings therein given them;

(6) the eligible cost of any municipal project, except as otherwise provided in clause (7), includes (a) preliminary planning to determine the economic, engineering, and environmental feasibility of the project; (b) engineering, architectural, legal, fiscal, economic, sociological, project administrative costs of the agency and the municipality, and other investigations and studies; (c) surveys, designs, plans, working drawings, specifications, procedures, and other actions necessary to the planning, design, and construction of the project; (d) erection, building, acquisition, alteration, remodeling, improvement, and extension of disposal systems; (e) inspection and supervision of construction; and (f) all other expenses of the kinds enumerated in section 475.65;

(7) for state grants under the state independent grants program, the eligible cost includes the acquisition of land for stabilization ponds, the construction of collector sewers for totally unsewered statutory and home rule charter cities and towns described under section 368.01, subdivision 1 or 1a, that are in existence on January 1, 1985, and the provision of reserve capacity sufficient to serve the reasonable needs of the municipality for 20 years in the case of treatment works and 40 years in the case of sewer systems. For state grants under the state independent grants program, the eligible cost does not include the provision of service to seasonal homes, or cost increases from contingencies that exceed three percent of as-bid costs or cost increases from unanticipated site conditions that exceed an additional two percent of as-bid costs;

(8) authority means the Minnesota Public Facilities Authority established in section 446A.03.

Sec. 22. Minnesota Statutes 2014, section 116.182, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) For the purposes of this section, the terms defined in this subdivision have the meanings given them.

(b) "Agency" means the Pollution Control Agency.

(c) "Authority" means the Public Facilities Authority established in section 446A.03.

(d) "Commissioner" means the commissioner of the Pollution Control Agency.

(e) "Essential project components" means those components of a wastewater disposal system that are necessary to convey or treat a municipality's existing wastewater flows and loadings.

(f) "Municipality" means a county, home rule charter or statutory city, town, ~~the Metropolitan Council~~, an Indian tribe or an authorized Indian tribal organization; or any other governmental subdivision of the state responsible by law for the prevention, control, and abatement of water pollution in any area of the state.

(g) "Outstanding international resource value waters" are the surface waters of the state in the Lake Superior Basin, other than Class 7 waters and those waters designated as outstanding resource value waters.

(h) "Outstanding resource value waters" are those that have high water quality, wilderness characteristics, unique scientific or ecological significance, exceptional recreation value, or other special qualities that warrant special protection.

Sec. 23. Minnesota Statutes 2014, section 116D.04, subdivision 1a, is amended to read:

Subd. 1a. **Definitions.** For the purposes of this chapter, the following terms have the meanings given to them in this subdivision.

(a) "Natural resources" has the meaning given it in section 116B.02, subdivision 4.

(b) "Pollution, impairment or destruction" has the meaning given it in section 116B.02, subdivision 5.

(c) "Environmental assessment worksheet" means a brief document ~~which~~ that is designed to set out the basic facts necessary to determine whether an environmental impact statement is required for a proposed action.

(d) "Governmental action" means activities, including projects wholly or partially conducted, permitted, assisted, financed, regulated, or approved by units of government including the federal government.

(e) "Governmental unit" means any state agency and any general or special purpose unit of government in the state including, but not limited to, watershed districts organized under chapter 103D, counties, towns, cities, port authorities, housing authorities, and economic development authorities established under sections 469.090 to 469.108, but not including courts, school districts, Iron Range resources and rehabilitation, and regional development commissions ~~other than the Metropolitan Council.~~

Sec. 24. Minnesota Statutes 2014, section 116G.03, subdivision 5, is amended to read:

Subd. 5. **Regional development commission.** "Regional development commission" means any regional development commission created pursuant to sections 462.381 to 462.396 ~~and the Metropolitan Council created by chapter 473.~~

Sec. 25. Minnesota Statutes 2014, section 116G.15, subdivision 2, is amended to read:

Subd. 2. **Administration; duties.** (a) The commissioner of natural resources, after consultation with affected local units of government within the Mississippi River corridor critical area, may adopt rules under chapter 14 as are necessary for the administration of the Mississippi River corridor critical area program. Duties of the Environmental Quality Council or the Environmental Quality Board referenced in this chapter, related rules, and the governor's Executive Order No. 79-19, published in the State Register on March 12, 1979, that are related to the Mississippi River corridor critical area shall be the duties of the commissioner. All rules adopted by the board pursuant to these duties remain in effect and shall be enforced until amended or repealed by the commissioner in accordance with law. The commissioner shall work in consultation with the United States Army Corps of Engineers, the National Park Service, ~~the Metropolitan Council,~~ other agencies, and local units of government to ensure that the Mississippi River corridor critical area is managed as a multipurpose resource in a way that:

(1) conserves the scenic, environmental, recreational, mineral, economic, cultural, and historic resources and functions of the river corridor;

(2) maintains the river channel for transportation by providing and maintaining barging and fleeting areas in appropriate locations consistent with the character of the Mississippi River and riverfront;

(3) provides for the continuation, development, and redevelopment of a variety of urban uses, including industrial and commercial uses, and recreational and residential uses, where appropriate, within the Mississippi River corridor;

(4) utilizes certain reaches of the river as a source of water supply and as a receiving water for properly treated sewage, storm water, and industrial waste effluents; and

(5) protects and preserves the biological and ecological functions of the corridor.

~~(b) The Metropolitan Council shall incorporate the standards developed under this section into its planning and shall work with local units of government and the commissioner to ensure the standards are being adopted and implemented appropriately.~~

~~(c)~~ (b) The rules must be consistent with residential nonconformity provisions under sections 394.36 and 462.357.

Sec. 26. Minnesota Statutes 2014, section 116G.15, subdivision 5, is amended to read:

Subd. 5. **Application.** The standards established under this section shall be used:

(1) by local units of government when preparing or updating plans or modifying regulations;

(2) by state and regional agencies for permit regulation and in developing plans within their jurisdiction; and

~~(3) by the Metropolitan Council for reviewing plans and regulations; and~~

~~(4)~~ (3) by the commissioner when approving plans and regulations, and reviewing development permit applications.

Sec. 27. Minnesota Statutes 2014, section 116J.401, subdivision 2, is amended to read:

Subd. 2. **Duties; authorizations; limitations.** (a) The commissioner of employment and economic development shall:

(1) provide regional development commissions, ~~the Metropolitan Council~~, and units of local government with information, technical assistance, training, and advice on using federal and state programs;

(2) receive and administer the Small Cities Community Development Block Grant Program authorized by Congress under the Housing and Community Development Act of 1974, as amended;

(3) receive and administer the section 107 technical assistance program grants authorized by Congress under the Housing and Community Development Act of 1974, as amended;

(4) receive, administer, and supervise other state and federal grants and grant programs for planning, community affairs, community development purposes, employment and training services, and other state and federal programs assigned to the department by law or by the governor in accordance with section 4.07;

(5) receive applications for state and federal grants and grant programs for planning, community affairs, and community development purposes, and other state and federal programs assigned to the department by law or by the governor in accordance with section 4.07;



(6) act as the agent of, and cooperate with, the federal government in matters of mutual concern, including the administration of any federal funds granted to the state to aid in the performance of functions of the commissioner;

(7) provide consistent, integrated employment and training services across the state;

(8) administer the Wagner-Peyser Act, the Workforce Investment Act, and other federal employment and training programs;

(9) establish the standards for all employment and training services administered under this chapter and chapters 116L, 248, 268, and 268A;

(10) administer the aspects of the Minnesota family investment program, general assistance, and food stamps that relate to employment and training services, subject to the contract under section 116L.86, subdivision 1;

(11) obtain reports from local service units and service providers for the purpose of evaluating the performance of employment and training services;

(12) as requested, certify employment and training services, and decertify services that fail to comply with performance criteria according to standards established by the commissioner;

(13) develop standards for the contents and structure of the local service unit plans and plans for Indian tribe employment and training services, review and comment on those plans, and approve or disapprove the plans;

(14) supervise the county boards of commissioners, local service units, and any other units of government designated in federal or state law as responsible for employment and training programs;

(15) establish administrative standards and payment conditions for providers of employment and training services;

(16) enter into agreements with Indian tribes as necessary to provide employment and training services as appropriate funds become available;

(17) cooperate with the federal government and its employment and training agencies in any reasonable manner as necessary to qualify for federal aid for employment and training services and money;

(18) administer and supervise all forms of unemployment insurance provided for under federal and state laws;

(19) provide current state and substate labor market information and forecasts, in cooperation with other agencies;

(20) require all general employment and training programs that receive state funds to make available information about opportunities for women in nontraditional careers in the trades and technical occupations;

(21) consult with the Rehabilitation Council for the Blind on matters pertaining to programs and services for the blind and visually impaired;

(22) enter into agreements with other departments of the state and local units of government as necessary;

(23) establish and maintain administrative units necessary to perform administrative functions common to all divisions of the department;

(24) investigate, study, and undertake ways and means of promoting and encouraging the prosperous development and protection of the legitimate interest and welfare of Minnesota business, industry, and commerce, within and outside the state;

(25) locate markets for manufacturers and processors and aid merchants in locating and contacting markets;

(26) as necessary or useful for the proper execution of the powers and duties of the commissioner in promoting and developing Minnesota business, industry, and commerce, both within and outside the state, investigate and study conditions affecting Minnesota business, industry, and commerce; collect and disseminate information; and engage in technical studies, scientific investigations, statistical research, and educational activities;

(27) plan and develop an effective business information service both for the direct assistance of business and industry of the state and for the encouragement of business and industry outside the state to use economic facilities within the state;

(28) compile, collect, and develop periodically, or otherwise make available, information relating to current business conditions;

(29) conduct or encourage research designed to further new and more extensive uses of the natural and other resources of the state and designed to develop new products and industrial processes;

(30) study trends and developments in the industries of the state and analyze the reasons underlying the trends;

(31) study costs and other factors affecting successful operation of businesses within the state;

(32) make recommendations regarding circumstances promoting or hampering business and industrial development;

(33) serve as a clearing house for business and industrial problems of the state;

(34) advise small business enterprises regarding improved methods of accounting and bookkeeping;

(35) cooperate with interstate commissions engaged in formulating and promoting the adoption of interstate compacts and agreements helpful to business, industry, and commerce;

(36) cooperate with other state departments and with boards, commissions, and other state agencies in the preparation and coordination of plans and policies for the development of the state and for the use and conservation of its resources insofar as the use, conservation, and development may be appropriately directed or influenced by a state agency;

(37) in connection with state, county, and municipal public works projects, assemble and coordinate information relative to the status, scope, cost, and employment possibilities and availability of materials, equipment, and labor, and recommend limitations on the public works;

(38) gather current progress information with reference to public and private works projects of the state and its political subdivisions with reference to conditions of employment;

(39) inquire into and report to the governor, when requested by the governor, with respect to any program of public state improvements and its financing; and request and obtain information from other state departments or agencies as may be needed for the report;

(40) study changes in population and current trends and prepare plans and suggest policies for the development and conservation of the resources of the state;

(41) confer and cooperate with the executive, legislative, or planning authorities of the United States, neighboring states and provinces, and the counties and municipalities of neighboring states, for the purpose of bringing about a coordination between the development of neighboring provinces, states, counties, and municipalities and the development of this state;

(42) generally gather, compile, and make available statistical information relating to business, trade, commerce, industry, transportation, communication, natural resources, and other like subjects in this state, with authority to call upon other state departments for statistical data and results obtained by them and to arrange and compile that statistical information in a reasonable manner;

(43) publish documents and annually convene regional meetings to inform businesses, local government units, assistance providers, and other interested persons of changes in state and federal law related to economic development;

(44) annually convene conferences of providers of economic development-related financial and technical assistance for the purposes of exchanging information on economic development assistance, coordinating economic development activities, and formulating economic development strategies;

(45) provide business with information on the economic benefits of energy conservation and on the availability of energy conservation assistance;

(46) as part of the biennial budget process, prepare performance measures for each business loan or grant program within the jurisdiction of the commissioner. Measures include source of funds for each program, number of jobs proposed or promised at the time of application and the number of jobs created, estimated number of jobs retained, the average salary and benefits for the jobs resulting from the program, and the number of projects approved;

(47) provide a continuous program of education for business people;

(48) publish, disseminate, and distribute information and statistics;

(49) promote and encourage the expansion and development of markets for Minnesota products;

(50) promote and encourage the location and development of new businesses in the state as well as the maintenance and expansion of existing businesses and for that purpose cooperate with state and local agencies and individuals, both within and outside the state;

(51) advertise and disseminate information as to natural resources, desirable locations, and other advantages for the purpose of attracting businesses to locate in this state;

(52) aid the various communities in this state in attracting business to their communities;

(53) advise and cooperate with municipal, county, regional, and other planning agencies and planning groups within the state for the purpose of promoting coordination between the state and

localities as to plans and development in order to maintain a high level of gainful employment in private profitable production and achieve commensurate advancement in social and cultural welfare;

(54) coordinate the activities of statewide and local planning agencies, correlate information secured from them and from state departments and disseminate information and suggestions to the planning agencies;

(55) encourage and assist in the organization and functioning of local planning agencies where none exist; and

(56) adopt measures calculated to promote public interest in and understanding of the problems of planning and, to that end, may publish and distribute copies of any plan or any report and may employ other means of publicity and education that will give full effect to the provisions of sections 116J.60 to 116J.63.

(b) At the request of any governmental subdivision in paragraph (a), clause (53), the commissioner may provide planning assistance, which includes but is not limited to surveys, land use studies, urban renewal plans, technical services and other planning work to any city or other municipality in the state or perform similar planning work in any county or metropolitan or regional area in the state. The commissioner must not perform the planning work with respect to a metropolitan or regional area which is under the jurisdiction for planning purposes of a county, metropolitan, regional, or joint planning body, except at the request or with the consent of the respective county, metropolitan, regional, or joint planning body.

(c) The commissioner is authorized to:

(1) receive and expend money from municipal, county, regional, and other planning agencies;

(2) accept and disburse grants and other aids for planning purposes from the federal government and from other public or private sources;

(3) utilize money received under clause (2) for the employment of consultants and other temporary personnel to assist in the supervision or performance of planning work supported by money other than state-appropriated money;

(4) enter into contracts with agencies of the federal government, units of local government or combinations thereof, and with private persons that are necessary in the performance of the planning assistance function of the commissioner; and

(5) assist any local government unit in filling out application forms for the federal grants-in-aid.

(d) In furtherance of its planning functions, any city or town, however organized, may expend money and contract with agencies of the federal government, appropriate departments of state government, other local units of government, and with private persons.

Sec. 28. Minnesota Statutes 2014, section 473.121, subdivision 24, is amended to read:

Subd. 24. **Metropolitan disposal system.** "Metropolitan disposal system" means any or all of the interceptors or treatment works owned or operated by the metropolitan Council district.

Sec. 29. Minnesota Statutes 2014, section 473.149, subdivision 3, is amended to read:

Subd. 3. **Preparation; adoption; and revision.** (a) The solid waste policy plan shall be prepared, adopted, and revised as necessary in accordance with paragraphs (c) to (e), after consultation with the metropolitan counties.

(b) Revisions to the policy plan are exempt from the rulemaking provisions of chapter 14.

(c) Before beginning preparation of revisions to the policy plan, the commissioner shall publish a predrafting notice in the State Register that includes a statement of the subjects expected to be covered by the revisions, including a summary of the important problems and issues. The notice must solicit comments from the public and state that the comments must be received by the commissioner within 45 days of publication of the notice. The commissioner shall consider the comments in preparing the revisions.

(d) After publication of the predrafting notice and before adopting revisions to the policy plan, the commissioner shall publish a notice in the State Register that:

(1) contains a summary of the proposed revisions;

(2) invites public comment;

(3) lists locations where the proposed revised policy plan can be reviewed and states that copies of the proposed revised policy plan can also be obtained from the Pollution Control Agency;

(4) states a location for a public meeting on the revisions at a time no earlier than 30 days from the date of publication; and

(5) advises the public that they have 30 days from the date of the public meeting in clause (4) to submit comments on the revisions to the commissioner.

(e) At the meeting described in paragraph (d), clause (4), the public shall be given an opportunity to present their views on the policy plan revisions. The commissioner shall incorporate any amendments to the proposed revisions that, in the commissioner's view, will help to carry out the requirements of subdivisions 1, 2d, and 2e. At or before the time that policy plan revisions are finally adopted, the commissioner shall issue a report that addresses issues raised in the public comments. The report shall be made available to the public and mailed to interested persons who have submitted their names and addresses to the commissioner.

(f) The criteria and standards adopted in the policy plan for review of solid waste facility permits pursuant to section 473.823, subdivision 3; for issuance of certificates of need pursuant to section 473.823, subdivision 6; and for review of solid waste contracts pursuant to section 473.813 may be appealed to the Court of Appeals within 30 days after final adoption of the policy plan. The court may declare the challenged portion of the policy plan invalid if it violates constitutional provisions, is in excess of statutory authority of the commissioner, or was adopted without compliance with the procedures in this subdivision. The review shall be on the record created during the adoption of the policy plan, except that additional evidence may be included in the record if the court finds that the additional evidence is material and there were good reasons for failure to present it in the proceedings described in paragraphs (c) to (e).

(g) ~~The Metropolitan Council or~~ A metropolitan county, local government unit, commission, or person shall not acquire, construct, improve or operate any solid waste facility in the metropolitan area except in accordance with the plan and section 473.823, provided that no solid waste facility in

use when a plan is adopted shall be discontinued solely because it is not located in an area designated in the plan as acceptable for the location of such facilities.

Sec. 30. **REPEALER.**

Minnesota Statutes 2014, sections 115.66; 115A.03, subdivision 19; 473.1565; 473.501, subdivisions 1 and 3; 473.504, subdivisions 4, 5, 6, 9, 10, 11, and 12; 473.505; 473.511, subdivisions 1, 2, 3, and 4; 473.5111; 473.512; 473.513; 473.515; 473.5155; 473.516, subdivisions 1, 2, 3, and 4; 473.517, subdivisions 1, 3, 6, and 10; 473.519; 473.521; 473.523, subdivisions 1 and 1a; 473.524; 473.541; 473.542; 473.543, subdivisions 1, 2, 3, and 4; 473.545; 473.547; 473.549; and 473.834, subdivisions 1 and 2, are repealed.

Sec. 31. **EFFECTIVE DATE.**

This article is effective July 1, 2016.

**ARTICLE 15**

**METROPOLITAN SPORTS FACILITIES AUTHORITY**

Section 1. Minnesota Statutes 2014, section 473J.25, is amended by adding a subdivision to read:

Subd. 6. **Conforming changes.** By January 1, 2016, the authority must submit a bill to the chairs and ranking minority members of the committees in the house of representatives and the senate with primary jurisdiction over state and local government issues. The bill must:

- (1) provide for the transition of duties and obligations of the former commission to the authority;
- (2) specify unnecessary, outdated, and redundant statutes to be repealed; and
- (3) provide for any changes necessary relating to the abolition of the Metropolitan Council.

Sec. 2. **REPEALER.**

Minnesota Statutes 2014, section 473J.25, subdivision 5, is repealed.

**ARTICLE 16**

**CONFORMING AMENDMENTS**

Section 1. **REVISOR'S INSTRUCTION.**

The revisor of statutes shall prepare, in an appropriate bill for the 2016 session, conforming statutory amendments necessitated by this act.

**ARTICLE 17**

**APPLICATION**

Section 1. **METROPOLITAN COUNTIES.**

Unless the context indicates otherwise, articles 6 to 17 applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington."

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 26 and nays 37, as follows:

Those who voted in the affirmative were:

Anderson	Hall	Nelson	Petersen, B.	Weber
Benson	Hann	Newman	Pratt	Westrom
Chamberlain	Housley	Nienow	Rosen	
Dahms	Ingebrigtsen	Ortman	Ruud	
Fischbach	Kiffmeyer	Osmek	Senjem	
Gazelka	Limmer	Pederson, J.	Thompson	

Those who voted in the negative were:

Bakk	Dziedzic	Johnson	Rest	Stumpf
Bonoff	Eaton	Kent	Saxhaug	Tomassoni
Carlson	Eken	Koenen	Scalze	Torres Ray
Champion	Franzen	Lourey	Schmit	Wiger
Clausen	Hawj	Marty	Sheran	Wiklund
Cohen	Hayden	Metzen	Sieben	
Dahle	Hoffman	Pappas	Skoe	
Dibble	Jensen	Reinert	Sparks	

The motion did not prevail. So the amendment was not adopted.

Senator Senjem moved to amend S.F. No. 888 as follows:

Page 42, after line 14, insert:

"Sec. 39. Minnesota Statutes 2014, section 299F.011, is amended by adding a subdivision to read:

Subd. 4d. **Single-family dwelling; fire sprinklers.** (a) The State Building Code, the State Fire Code, or a political subdivision of the state by code, by ordinance, or in any other way, must not require the installation of fire sprinklers, any fire sprinkler system components, or automatic fire-extinguishing equipment or devices in any new or existing single-family detached dwelling unit.

(b) Nothing in this subdivision shall be construed to affect or limit a requirement for smoke or fire detectors, alarms, or their components."

Page 53, after line 2, insert:

"Sec. 56. Minnesota Statutes 2014, section 326B.809, is amended to read:

**326B.809 WRITTEN CONTRACT REQUIRED.**

(a) All agreements including proposals, estimates, bids, quotations, contracts, purchase orders, and change orders between a licensee and a customer for the performance of a licensee's services must be in writing and must contain the following:

- (1) a detailed summary of the services to be performed;
  - (2) a description of the specific materials to be used or a list of standard features to be included;
- and
- (3) the total contract price or a description of the basis on which the price will be calculated.

(b) Before entering into an agreement, the licensee shall provide a prospective customer with written performance guidelines for the services to be performed. Performance guidelines also must

be included or incorporated by reference in the agreement. All agreements shall be signed and dated by the licensee and customer.

(c) Before entering into an agreement, the licensee shall offer a prospective customer the option to install fire sprinklers, any fire sprinkler system components, or automatic fire-extinguishing equipment or devices in any new single-family detached dwelling unit. The offer shall be included or incorporated by reference in the agreement. All agreements shall be signed and dated by the licensee and customer.

~~(c)~~ (d) The licensee shall provide to the customer, at no charge, a signed and dated document at the time that the licensee and customer sign and date the document. Documents include agreements, performance guidelines, fire sprinkler opt-in forms, and mechanic's lien waivers."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 48 and nays 15, as follows:

Those who voted in the affirmative were:

Anderson	Eken	Kent	Osmek	Sheran
Bakk	Fischbach	Kiffmeyer	Pederson, J.	Skoe
Benson	Franzen	Koenen	Petersen, B.	Sparks
Bonoff	Gazelka	Limmer	Pratt	Stumpf
Carlson	Hall	Lourey	Reinert	Thompson
Chamberlain	Hann	Metzen	Rosen	Tomassoni
Clausen	Housley	Nelson	Ruud	Weber
Cohen	Ingebrigtsen	Newman	Saxhaug	Westrom
Dahle	Jensen	Nienow	Schmit	
Dahms	Johnson	Ortman	Senjem	

Those who voted in the negative were:

Champion	Eaton	Hoffman	Rest	Torres Ray
Dibble	Hawj	Marty	Scalze	Wiger
Dziedzic	Hayden	Pappas	Sieben	Wiklund

The motion prevailed. So the amendment was adopted.

S.F. No. 888 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 36 and nays 27, as follows:

Those who voted in the affirmative were:

Bakk	Dziedzic	Kent	Saxhaug	Tomassoni
Bonoff	Eaton	Koenen	Scalze	Torres Ray
Carlson	Franzen	Lourey	Schmit	Wiger
Champion	Hawj	Marty	Sheran	Wiklund
Clausen	Hayden	Metzen	Sieben	
Cohen	Hoffman	Pappas	Skoe	
Dahle	Jensen	Reinert	Sparks	
Dibble	Johnson	Rest	Stumpf	

Those who voted in the negative were:

Anderson	Benson	Chamberlain	Dahms	Eken
----------	--------	-------------	-------	------



Fischbach  
Gazelka  
Hall  
Hann  
Housley

Ingebrigtsen  
Kiffmeyer  
Limmer  
Nelson  
Newman

Nienow  
Ortman  
Osmek  
Pederson, J.  
Petersen, B.

Pratt  
Rosen  
Ruud  
Senjem  
Thompson

Weber  
Westrom

So the bill, as amended, was passed and its title was agreed to.

### SPECIAL ORDER

**S.F. No. 5:** A bill for an act relating to higher education; establishing a budget for higher education; appropriating money to the Office of Higher Education, the Board of Trustees of the Minnesota State Colleges and Universities, and the Board of Regents of the University of Minnesota; appropriating money for tuition relief; making various policy and technical changes to higher-education-related provisions; regulating the policies of postsecondary institutions relating to sexual harassment and sexual violence; providing goals, standards, programs, and grants; requiring reports; amending Minnesota Statutes 2014, sections 5.41, subdivisions 2, 3; 13.32, subdivision 6; 13.322, by adding a subdivision; 16C.075; 124D.09, by adding subdivisions; 124D.091, subdivision 1; 135A.15, subdivisions 1, 2, by adding subdivisions; 136A.01, by adding a subdivision; 136A.101, subdivisions 5a, 8; 136A.121, subdivision 20; 136A.125, subdivisions 2, 4, 4b; 136A.1701, subdivision 4; 136A.861, subdivision 1; 137.54; 177.23, subdivision 7; Laws 2014, chapter 312, article 13, section 47; proposing coding for new law in Minnesota Statutes, chapters 135A; 136A; 136F; 175; 626; repealing Minnesota Rules, part 4830.7500, subparts 2a, 2b.

Senator Bonoff moved to amend S.F. No. 5 as follows:

Page 27, line 25, delete everything after "to" and insert "credit reporting services if the office certifies that those services cannot be reasonably obtained if this section applies."

Page 27, delete line 26

The motion prevailed. So the amendment was adopted.

Senator Bonoff moved to amend S.F. No. 5 as follows:

Page 42, line 32, after the period, insert:

""Program area" includes only the areas of:

- (1) agriculture, food, and natural resources;
- (2) business management and administration;
- (3) human services;
- (4) engineering, manufacturing, and technology;
- (5) arts, communications, and information systems; and
- (6) health science technology."

The motion prevailed. So the amendment was adopted.

Senator Reinert moved to amend S.F. No. 5 as follows:

Page 26, after line 27, insert:

"Sec. 8. UNIVERSITY OF MINNESOTA BUDGET ALLOCATION REPORT.

The Board of Regents of the University of Minnesota shall report by February 1, 2016, to the chairs and ranking minority members of the legislative committees with primary jurisdiction over higher education finance on the factors it considers to allocate funds to separate campuses. The report must specifically, without limitation, address the issue of whether non-Twin Cities campuses are treated as single units for budget allocation purposes or treated as comprised of multiple units. The report must discuss the effect of treating a campus as a single unit and the reasons for that treatment."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

**CALL OF THE SENATE**

Senator Nienow imposed a call of the Senate for the balance of the proceedings on S.F. No. 5. The Sergeant at Arms was instructed to bring in the absent members.

Senator Nelson moved to amend S.F. No. 5 as follows:

Page 42, line 32, before the period, insert "and in an occupational field designated as high demand by the Department of Employment and Economic Development"

The motion prevailed. So the amendment was adopted.

Senator Ortman moved to amend S.F. No. 5 as follows:

Page 5, delete subdivision 18

Page 10, line 27, delete "605,644,000" and insert "614,751,000" and delete "625,634,000" and insert "640,887,000"

Page 18, after line 1, insert:

"Subd. 5. **Tuition Freeze**

The Board of Trustees may not set the tuition rate in any undergraduate degree-granting program for the 2015-2016 academic year at a rate greater than the 2014-2015 academic year rate. The student tuition relief may not be offset by increases in mandatory fees, charges, or other assessments to the student."

Page 42, delete article 5

Correct the section totals and the appropriation summary

Renumber the articles, sections and subdivisions in sequence and correct the internal references

Amend the title accordingly

Senator Dziejdzic moved to amend the Ortman amendment to S.F. No. 5 as follows:

Page 1, line 9, delete "and 2016-2017"

Page 1, line 10, delete "years" and insert "year"

The motion prevailed. So the amendment to the amendment was adopted.

Senator Dziejdzic requested division of the Ortman amendment, as amended, as follows:

First portion:

Page 18, after line 1, insert:

"Subd. 5. Tuition Freeze

The Board of Trustees may not set the tuition rate in any undergraduate degree-granting program for the 2015-2016 and 2016-2017 academic years at a rate greater than the 2014-2015 academic year rate. The student tuition relief may not be offset by increases in mandatory fees, charges, or other assessments to the student."

Renumber the articles, sections and subdivisions in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the first portion of the Ortman amendment, as amended.

The roll was called, and there were yeas 56 and nays 7, as follows:

Those who voted in the affirmative were:

Anderson	Eken	Kent	Reinert	Stumpf
Bakk	Fischbach	Kiffmeyer	Rest	Thompson
Benson	Franzen	Limmer	Rosen	Tomassoni
Carlson	Gazelka	Lourey	Ruud	Torres Ray
Chamberlain	Hall	Metzen	Saxhaug	Weber
Champion	Hann	Nelson	Scalze	Westrom
Clausen	Hayden	Newman	Schmit	Wiger
Cohen	Hoffman	Nienow	Senjem	Wiklund
Dahle	Housley	Ortman	Sheran	
Dahms	Ingebrigtsen	Osmek	Sieben	
Dibble	Jensen	Pederson, J.	Skoe	
Dziejdzic	Johnson	Pratt	Sparks	

Those who voted in the negative were:

Bonoff	Hawj	Marty	Petersen, B.
Eaton	Koenen	Pappas	

The motion prevailed. So the first portion of the Ortman amendment, as amended, was adopted.

Second portion:

Page 5, delete subdivision 18

Page 10, line 27, delete "605,644,000" and insert "614,751,000" and delete "625,634,000" and insert "640,887,000"

Page 42, delete article 5

Correct the section totals and the appropriation summary

Renumber the articles, sections and subdivisions in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the second portion of the Ortman amendment.

The roll was called, and there were yeas 23 and nays 40, as follows:

Those who voted in the affirmative were:

Anderson	Fischbach	Kiffmeyer	Osmek	Ruud
Benson	Gazelka	Limmer	Pederson, J.	Thompson
Chamberlain	Hall	Newman	Petersen, B.	Weber
Dahms	Hann	Nienow	Pratt	
Dziedzic	Ingebrigtsen	Ortman	Rosen	

Those who voted in the negative were:

Bakk	Eaton	Johnson	Reinert	Skoe
Bonoff	Eken	Kent	Rest	Sparks
Carlson	Franzen	Koenen	Saxhaug	Stumpf
Champion	Hawj	Lourey	Scalze	Tomassoni
Clausen	Hayden	Marty	Schmit	Torres Ray
Cohen	Hoffman	Metzen	Senjem	Westrom
Dahle	Housley	Nelson	Sheran	Wiger
Dibble	Jensen	Pappas	Sieben	Wiklund

The motion did not prevail. So the second portion of the Ortman amendment was not adopted.

Senator Nienow moved to amend S.F. No. 5 as follows:

Page 42, line 32, after the period, insert ""Program area" does not include the areas of fashion management, massage therapy, playwriting and screenwriting, or wine steward."

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 23 and nays 40, as follows:

Those who voted in the affirmative were:

Anderson	Gazelka	Limmer	Pederson, J.	Thompson
Benson	Hall	Newman	Petersen, B.	Weber
Chamberlain	Hann	Nienow	Pratt	Westrom
Dahms	Ingebrigtsen	Ortman	Rosen	
Fischbach	Kiffmeyer	Osmek	Ruud	

Those who voted in the negative were:

Bakk	Dibble	Hoffman	Marty	Scalze
Bonoff	Dziedzic	Housley	Metzen	Schmit
Carlson	Eaton	Jensen	Nelson	Senjem
Champion	Eken	Johnson	Pappas	Sheran
Clausen	Franzen	Kent	Reinert	Sieben
Cohen	Hawj	Koenen	Rest	Skoe
Dahle	Hayden	Lourey	Saxhaug	Sparks

Stumpf

Tomassoni

Torres Ray

Wiger

Wiklund

The motion did not prevail. So the amendment was not adopted.

Senator Hann moved to amend S.F. No. 5 as follows:

Page 9, line 21, delete "2,642,000" and insert "2,606,000" and delete "2,679,000" and insert "2,606,000"

Page 10, line 27, delete "605,644,000" and insert "605,680,000" and delete "625,634,000" and insert "625,707,000"

Correct the subdivision and section totals and the appropriations by fund

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 28 and nays 35, as follows:

Those who voted in the affirmative were:

Anderson	Gazelka	Limmer	Pederson, J.	Senjem
Benson	Hall	Nelson	Petersen, B.	Thompson
Chamberlain	Hann	Newman	Pratt	Weber
Dahms	Housley	Nienow	Rosen	Westrom
Eken	Ingebrigtsen	Ortman	Ruud	
Fischbach	Kiffmeyer	Osmek	Schmit	

Those who voted in the negative were:

Bakk	Dibble	Jensen	Pappas	Skoe
Bonoff	Dziedzic	Johnson	Reinert	Sparks
Carlson	Eaton	Kent	Rest	Stumpf
Champion	Franzen	Koenen	Saxhaug	Tomassoni
Clausen	Hawj	Lourey	Scalze	Torres Ray
Cohen	Hayden	Marty	Sheran	Wiger
Dahle	Hoffman	Metzen	Sieben	Wiklund

The motion did not prevail. So the amendment was not adopted.

S.F. No. 5 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 42 and nays 21, as follows:

Those who voted in the affirmative were:

Bakk	Dziedzic	Kent	Rest	Stumpf
Bonoff	Eaton	Koenen	Saxhaug	Tomassoni
Carlson	Eken	Lourey	Scalze	Torres Ray
Champion	Franzen	Marty	Schmit	Weber
Clausen	Hawj	Metzen	Senjem	Wiger
Cohen	Hayden	Nelson	Sheran	Wiklund
Dahle	Hoffman	Pappas	Sieben	
Dahms	Jensen	Pederson, J.	Skoe	
Dibble	Johnson	Reinert	Sparks	

Those who voted in the negative were:

Anderson	Hall	Limmer	Petersen, B.	Westrom
Benson	Hann	Newman	Pratt	
Chamberlain	Housley	Nienow	Rosen	
Fischbach	Ingebrigtsen	Ortman	Ruud	
Gazelka	Kiffmeyer	Osmek	Thompson	

So the bill, as amended, was passed and its title was agreed to.

#### **MOTIONS AND RESOLUTIONS - CONTINUED**

Senator Dibble moved that S.F. No. 1647, No. 145 on General Orders, be stricken and re-referred to the Committee on Finance. The motion prevailed.

#### **MEMBERS EXCUSED**

Senators Goodwin and Latz were excused from the Session of today at 1:00 p.m. Senator Schmit was excused from the Session of today from 1:50 to 2:15 p.m. Senators Brown and Miller were excused from the Session of today at 3:15 p.m.

#### **ADJOURNMENT**

Senator Bakk moved that the Senate do now adjourn until 12:00 noon, Tuesday, April 21, 2015. The motion prevailed.

JoAnne M. Zoff, Secretary of the Senate