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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 5242

04/02/2024 Authored by Hornstein

The bill was read for the first time and referred to the Committee on Transportation Finance and Policy

1.1 A bill for an act

1.2 relating to transportation; authorizing a Tribal worksite training program;

1.3 establishing a transportation facilities capital program; authorizing collection of

1.4 passenger rail user fees and revenue; modifying previous appropriations;

1.5 appropriating money for driver's license testing; amending Minnesota Statutes

1.6 2022, section 174.02, by adding a subdivision; Minnesota Statutes 2023

1.7 Supplement, section 174.634, subdivision 2, by adding a subdivision; Laws 2021,

1.8 First Special Session chapter 5, article 2, section 3; Laws 2023, chapter 68, article

1.9 2, sections 2, subdivisions 3, 4, 5, 7, 9; 3; proposing coding for new law in

1.10 Minnesota Statutes, chapter 174.

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

1.12 Section 1. Minnesota Statutes 2022, section 174.02, is amended by adding a subdivision

1.13 to read:

1.14 Subd. 11. Tribal worksite training program. The commissioner must establish a Tribal

1.15 worksite training program for state-funded construction projects. The commissioner may

1.16 enter into an agreement with any private, public, or Tribal entity for the planning, designing,

1.17 developing, and hosting of the program.

1.18 Sec. 2. [174.595] TRANSPORTATION FACILITIES CAPITAL PROGRAM.

1.19 Subdivision 1. Definitions. (a) For purposes of this section, the following terms have

1.20 the meanings given.

1.21 (b) "Capital building asset" includes but is not limited to district headquarters buildings,

1.22 truck stations, salt storage or other unheated storage buildings, deicing and anti-icing

1.23 facilities, fuel dispensing facilities, highway rest areas, and vehicle weigh and inspection

1.24 stations.

2.1 (c) "Commissioner" means the commissioner of transportation.

2.2 (d) "Department" means the Department of Transportation.

2.3 (e) "Program" means the transportation facilities capital program established in this
2.4 section.

2.5 Subd. 2. **Program established.** The commissioner must establish a transportation
2.6 facilities capital program in conformance with this section to provide for capital building
2.7 asset projects related to buildings and other capital facilities of the department.

2.8 Subd. 3. **Transportation facilities capital accounts.** (a) A transportation facilities
2.9 capital account is created in the trunk highway fund. The account consists of money
2.10 appropriated from the trunk highway fund for the purposes of the program and any other
2.11 money donated, allotted, transferred, or otherwise provided to the account by law.

2.12 (b) A transportation facilities capital subaccount is created in the bond proceeds account
2.13 in the trunk highway fund. The subaccount consists of trunk highway bond proceeds
2.14 appropriated to the commissioner for purposes of the program. Money in the subaccount
2.15 may only be expended on trunk highway purposes, including the purposes specified in this
2.16 section.

2.17 Subd. 4. **Implementation standards.** The commissioner must establish a process to
2.18 implement the program that includes allocation of funding based on review of eligible
2.19 projects as provided under subdivision 5 and prioritization as provided under subdivision
2.20 6. The process must be in conformance with trunk highway fund uses for the purposes of
2.21 constructing, improving, and maintaining the trunk highway system in the state pursuant
2.22 to the Minnesota Constitution, article XIV.

2.23 Subd. 5. **Eligible projects.** A project is eligible for the program under this section only
2.24 if the project:

2.25 (1) involves the construction, improvement, or maintenance of a capital building asset
2.26 that is part of the trunk highway system; and

2.27 (2) accomplishes at least one of the following:

2.28 (i) supports the programmatic mission of the department;

2.29 (ii) extends the useful life of existing buildings; or

2.30 (iii) renovates or constructs facilities to meet the department's current and future
2.31 operational needs.

3.1 Subd. 6. **Prioritization.** In prioritizing funding allocation among projects under this
 3.2 section, the commissioner must consider:

3.3 (1) whether a project ensures effective and efficient condition and operation of the
 3.4 facility;

3.5 (2) the urgency in ensuring the safe use of existing buildings;

3.6 (3) the project's total life-cycle cost;

3.7 (4) additional criteria for priorities otherwise specified in law that apply to a category
 3.8 listed in the act making an appropriation for the program; and

3.9 (5) any other criteria the commissioner deems necessary.

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

3.11 Sec. 3. Minnesota Statutes 2023 Supplement, section 174.634, subdivision 2, is amended
 3.12 to read:

3.13 **Subd. 2. Passenger rail account; transfers; appropriation.** (a) A passenger rail account
 3.14 is established in the special revenue fund. The account consists of funds as provided in this
 3.15 subdivision and any other money donated, allotted, transferred, collected, or otherwise
 3.16 provided to the account.

3.17 (b) By July 15 annually beginning in calendar year 2027, the commissioner of revenue
 3.18 must transfer an amount from the general fund to the passenger rail account that equals 50
 3.19 percent of the portion of the state general tax under section 275.025 levied on railroad
 3.20 operating property, as defined under section 273.13, subdivision 24, in the prior calendar
 3.21 year.

3.22 (c) Money in the account is annually appropriated to the commissioner of transportation
 3.23 for the ~~net~~ operating and capital maintenance costs of intercity passenger rail, which may
 3.24 include but are not limited to planning, designing, developing, constructing, equipping,
 3.25 administering, operating, promoting, maintaining, and improving passenger rail service
 3.26 within the state, after accounting for operating revenue, federal funds, and other sources.

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

3.28 Sec. 4. Minnesota Statutes 2023 Supplement, section 174.634, is amended by adding a
 3.29 subdivision to read:

3.30 Subd. 3. **Fee and revenue collection authorized.** In order to maintain a balanced
 3.31 transportation system in the state required by the public convenience and necessity, the

4.1 commissioner may, directly or through a contractor, vendor, operator, or partnership with
 4.2 a federal or state government entity, including Amtrak, collect a fee or other revenue related
 4.3 to passenger rail services within the state. Fees and revenue to be collected include but are
 4.4 not limited to fees and revenue generated through ticket sales and sales of on-board and
 4.5 promotional goods. Revenue may be collected as determined by the commissioner. Fees
 4.6 and revenue under this section are not subject to section 16A.1283.

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

4.8 Sec. 5. Laws 2021, First Special Session chapter 5, article 2, section 3, is amended to read:

4.9 **Sec. 3. BOND SALE EXPENSES** **\$ 413,000**

4.10 (a) This appropriation is to the commissioner
 4.11 of management and budget for bond sale
 4.12 expenses under Minnesota Statutes, sections
 4.13 16A.641, subdivision 8, and 167.50,
 4.14 subdivision 4.

4.15 (b) This appropriation is available in the
 4.16 amounts of:

- 4.17 (1) \$213,000 in fiscal year 2022;
- 4.18 (2) \$100,000 in fiscal year 2024; and
- 4.19 (3) \$100,000 in fiscal year 2025.

4.20 (c) The appropriation in this subdivision
 4.21 cancels pursuant to Minnesota Statutes, section
 4.22 16A.642, except that the commissioner of
 4.23 management and budget must count the start
 4.24 of authorization for issuance of state bonds as
 4.25 the first day of the fiscal year during which
 4.26 the bonds are available to be issued as
 4.27 specified under paragraph (b), and not as the
 4.28 date of enactment of this section.

4.29 **EFFECTIVE DATE.** This section is effective retroactively from June 27, 2021.

4.30 Sec. 6. Laws 2023, chapter 68, article 2, section 2, subdivision 3, is amended to read:

4.31 **Subd. 3. Transportation Facilities Capital**
 4.32 **Improvements** 87,440,000

5.1 This appropriation is for ~~capital improvements~~
 5.2 ~~to Department of Transportation facilities. The~~
 5.3 ~~improvements must: (1) support the~~
 5.4 ~~programmatic mission of the department; (2)~~
 5.5 ~~extend the useful life of existing buildings; or~~
 5.6 ~~(3) renovate or construct facilities to meet the~~
 5.7 ~~department's current and future operational~~
 5.8 ~~needs~~ the transportation facilities capital
 5.9 improvement program under Minnesota
 5.10 Statutes, section 174.595.

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

5.12 Sec. 7. Laws 2023, chapter 68, article 2, section 2, subdivision 4, is amended to read:

5.13 Subd. 4. **Trunk Highway 65; Anoka County** 68,750,000

5.14 This appropriation is for ~~one or more grants~~
 5.15 ~~to the city of Blaine, Anoka County, or both~~
 5.16 ~~for the~~ predesign, right-of-way acquisition,
 5.17 design, engineering, and construction of
 5.18 intersection improvements along Trunk
 5.19 Highway 65 at 99th Avenue Northeast; 105th
 5.20 Avenue Northeast; Anoka County State-Aid
 5.21 Highway 12; 109th Avenue Northeast; 117th
 5.22 Avenue Northeast; and the associated frontage
 5.23 roads and backage roads within the trunk
 5.24 highway system.

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

5.26 Sec. 8. Laws 2023, chapter 68, article 2, section 2, subdivision 5, is amended to read:

5.27 Subd. 5. **U.S. Highway 10; Coon Rapids** 30,000,000

5.28 This appropriation is for ~~a grant to Anoka~~
 5.29 ~~County for~~ preliminary engineering,
 5.30 environmental analysis, final design,
 5.31 right-of-way acquisition, construction, and
 5.32 construction administration of a third travel

6.1 lane in each direction of marked U.S. Highway
 6.2 10 from east of the interchange with Hanson
 6.3 Boulevard to Round Lake Boulevard in the
 6.4 city of Coon Rapids.

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

6.6 Sec. 9. Laws 2023, chapter 68, article 2, section 2, subdivision 7, is amended to read:

6.7 **Subd. 7. U.S. Highway 169 Interchange; Scott**
 6.8 **County** 4,200,000

6.9 This appropriation is ~~for a grant to Scott~~
 6.10 ~~County~~ to design and construct trunk highway
 6.11 improvements associated with an interchange
 6.12 at U.S. Highway 169, marked Trunk Highway
 6.13 282, and Scott County State-Aid Highway 9
 6.14 in the city of Jordan, including
 6.15 accommodations for bicycles and pedestrians
 6.16 and for bridge and road construction.

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

6.18 Sec. 10. Laws 2023, chapter 68, article 2, section 2, subdivision 9, is amended to read:

6.19 **Subd. 9. U.S. Highway 8; Chisago County** 42,000,000

6.20 This appropriation is ~~for a grant to Chisago~~
 6.21 ~~County~~ for predesign, design, engineering,
 6.22 and reconstruction of marked U.S. Highway
 6.23 8 from Karmel Avenue in Chisago City to
 6.24 marked Interstate Highway 35, including
 6.25 pedestrian and bike trails along and crossings
 6.26 of this segment of marked U.S. Highway 8.
 6.27 The reconstruction project may include
 6.28 expanding segments of marked U.S. Highway
 6.29 8 to four lanes, constructing or reconstructing
 6.30 frontage roads and backage roads, and
 6.31 realigning local roads to consolidate, remove,
 6.32 and relocate access onto and off of U.S.
 6.33 Highway 8. ~~This appropriation is for the~~

7.1 ~~portion of the project that is eligible for use~~
 7.2 ~~of proceeds of trunk highway bonds. This~~
 7.3 ~~appropriation is not available until the~~
 7.4 ~~commissioner of management and budget~~
 7.5 ~~determines that sufficient resources have been~~
 7.6 ~~committed from nonstate sources to complete~~
 7.7 ~~the project.~~

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

7.9 Sec. 11. Laws 2023, chapter 68, article 2, section 3, is amended to read:

7.10 **Sec. 3. BOND SALE EXPENSES** **\$ 610,000**

7.11 (a) This appropriation is to the commissioner
 7.12 of management and budget for bond sale
 7.13 expenses under Minnesota Statutes, sections
 7.14 16A.641, subdivision 8, and 167.50,
 7.15 subdivision 4.

7.16 (b) This appropriation is available in the
 7.17 amounts of:

- 7.18 (1) \$330,000 in fiscal year 2024;
- 7.19 (2) \$140,000 in fiscal year 2025; and
- 7.20 (3) \$140,000 in fiscal year 2026.

7.21 (c) The appropriation in this subdivision
 7.22 cancels pursuant to Minnesota Statutes, section
 7.23 16A.642, except that the commissioner of
 7.24 management and budget must count the start
 7.25 of authorization for issuance of state bonds as
 7.26 the first day of the fiscal year during which
 7.27 the bonds are available to be issued as
 7.28 specified under paragraph (b), and not as the
 7.29 date of enactment of this section.

7.30 EFFECTIVE DATE. This section is effective retroactively from May 25, 2023.

8.1 Sec. 12. **APPROPRIATION; DEPARTMENT OF PUBLIC SAFETY.**

8.2 \$2,039,000 in fiscal year 2025 is appropriated from the driver and vehicle services
8.3 operating account under Minnesota Statutes, section 299A.705, subdivision 1, to the
8.4 commissioner of public safety for additional staff and related operating costs to support
8.5 testing at driver's license examination stations.