Overview

This bill authorizes $5 million in state general obligation bonds to be spent as grants to cities and counties affected by the DM&E Powder River Basin project in southern Minnesota. The rail project will result in a substantial expansion of the railroad's coal traffic and has been a source of controversy for several cities and counties along the route. The grants would be for activities to mitigate the adverse effects of the project and could be used for, among other things, grade crossing protection and separation, noise mitigation efforts, and emergency vehicle modifications. Half the money would be allocated among cities on the basis of population and the other half among cities and counties on the basis of their increased exposure to rail traffic.

The bill also establishes a working group to assess the effects of the DM&E project and ways to maximize use of the DM&E line for Minnesota products.

Section

1 Appropriation. Appropriates $5 million from the bond proceeds fund to MnDOT for grants to cities and counties to mitigate the effects of the coal train expansion project of the Dakota, Minnesota, and Eastern (DM&E) railroad in southern Minnesota. Allows funding for grade crossing safety improvements, grade separations, pedestrian safety measures, noise mitigation, and emergency service improvements. Makes the appropriation available only after the DM&E project has been approved by the federal government and construction has begun.

Allocates the money as follows:
(1) $2.5 million for grants to named cities in proportion to their population

(2) $2.5 million for grants to named cities and counties in proportion to their exposure to increased train traffic.

2 Bond sale. Authorizes $5 million in state bonds for section 1.

3 Working group. Directs the commissioners of transportation and agriculture to convene a multiagency work group to assess the impacts of the DM&E project. Directs the group to develop recommendations on methods to:
   - maximize use of the DM&E line for Minnesota products
   - assure environmental protection
   - involve local government in siting issues and right-of-way acquisition
   - determine costs of the project to local government and private landowners

   Directs the commissioners to negotiate with the railroad to assure access for Minnesota shippers and assure minimal environmental and social impact. Requires the commissioners to report on costs of the project to local governments.

4 Appropriation. Appropriates $250,000 from the general fund to the commissioner of transportation for section 3.

5 Effective date. Makes all sections effective immediately.