

SENATE
STATE OF MINNESOTA
EIGHTY-NINTH SESSION

S.F. No. 2094

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DATE	D-PG	OFFICIAL STATUS
04/17/2015		Introduction and first reading Referred to State and Local Government

A bill for an act

1.1 relating to local and state government; abolishing the Metropolitan Council;
1.2 transferring duties to the commissioners of administration and natural resources;
1.3 transferring transportation and transit-related functions to Department of
1.4 Transportation; making conforming amendments to public safety radio
1.5 communication laws, fiscal disparity laws; providing for payment of bonds and
1.6 other debt obligations; repealing metropolitan land use planning provisions;
1.7 ending Metropolitan Council oversight of Metropolitan Airports Commission;
1.8 transferring Metropolitan Council powers and authority to Metropolitan Parks
1.9 and Open Space Commission; creating metropolitan area sanitary sewer
1.10 district; appropriating money; amending Minnesota Statutes 2014, sections
1.11 3.886, subdivision 4; 4A.02; 6.80, subdivision 3; 10.60, subdivision 1; 10A.01,
1.12 subdivisions 24, 31, 32, 35; 13.201; 13.685; 13.72, subdivision 9; 15.0597,
1.13 subdivision 1; 15.0599, subdivision 1; 15A.0815, subdivision 3; 15B.11,
1.14 subdivision 3; 16A.88, subdivision 2; 16C.073, subdivision 1; 16C.285,
1.15 subdivision 1; 43A.346, subdivisions 1, 2; 47.52; 65B.43, subdivision 20;
1.16 85.016; 85.017; 85.53, subdivision 3; 103B.155; 103B.231, subdivisions 3a, 7,
1.17 9, 11; 103B.235, subdivision 3; 103B.255, subdivisions 8, 9, 12; 103D.401;
1.18 103D.405, subdivisions 3, 4, 5, 6; 103G.293; 114C.25; 114D.30, subdivisions 2,
1.19 4; 115.741, subdivision 2; 115A.151; 115A.471; 115A.52; 116.16, subdivision
1.20 2; 116.182, subdivision 1; 116D.04, subdivision 1a; 116G.03, subdivision 5;
1.21 116G.15, subdivisions 2, 5; 116J.401, subdivision 2; 116M.15, subdivision
1.22 1; 117.57, subdivision 3; 118A.07, subdivision 1; 124D.892, subdivision 1;
1.23 134.201, subdivision 5; 145A.02, subdivision 16; 160.165, subdivision 1;
1.24 160.265, subdivision 1; 160.93, subdivisions 1, 2, 2a; 162.09, subdivision 4;
1.25 169.306; 169.781, subdivision 1; 169.791, subdivision 5; 169.792, subdivision
1.26 11; 174.03, subdivisions 1, 4, 5, 6a; 174.04, subdivisions 1, 2; 174.247; 174.285,
1.27 subdivision 4; 174.30, subdivision 4; 174.37, subdivision 2; 174.90; 174.93,
1.28 subdivisions 1, 2; 216C.145, subdivision 1; 216C.15, subdivision 1; 216H.02,
1.29 subdivision 2; 221.012, subdivision 38; 221.022; 221.031, subdivision 3a;
1.30 240.06, subdivision 2; 270.12, subdivision 3; 275.065, subdivision 3; 275.066;
1.31 275.62, subdivision 3; 275.70, subdivision 4; 297A.70, subdivisions 2, 3;
1.32 297A.992, subdivisions 4, 5; 352.01, subdivisions 2a, 2b; 352.03, subdivision 1;
1.33 352.04, subdivision 6; 352D.02, subdivision 1; 353.50, subdivision 7; 353.64,
1.34 subdivision 7a; 363A.44, subdivision 1; 373.40, subdivision 1; 383A.81,
1.35 subdivision 3; 383B.81, subdivision 3; 398A.04, subdivisions 1, 2, 2a, 9;
1.36 403.30, subdivision 1; 403.31, subdivisions 4, 5; 403.36, subdivision 1; 414.02,
1.37 subdivision 3; 414.031, subdivision 4; 462A.04, subdivision 1; 462A.07,
1.38 subdivision 11; 462A.222, subdivision 4; 462C.04, subdivision 2; 462C.071,
1.39

2.1 subdivision 2; 465.82, subdivision 1; 469.174, subdivision 26; 469.351,
 2.2 subdivision 2; 471.425, subdivision 1; 471.9997; 473.121, subdivisions 2, 14,
 2.3 24; 473.142; 473.1425; 473.143; 473.144; 473.145; 473.146, subdivisions 1, 3,
 2.4 4, by adding subdivisions; 473.1466; 473.147; 473.149, subdivision 3; 473.166;
 2.5 473.167, subdivisions 2, 2a; 473.168, subdivision 2; 473.192, subdivisions 2,
 2.6 3; 473.223; 473.301, subdivision 2; 473.303; 473.313; 473.315, subdivision 1;
 2.7 473.325; 473.334, subdivision 1; 473.341; 473.351, subdivisions 1, 2, 3; 473.375;
 2.8 473.384; 473.385; 473.386; 473.387, subdivisions 2, 3, 4; 473.3875; 473.39,
 2.9 subdivisions 1, 2, 2a, 5; 473.391; 473.3925; 473.399; 473.3994; 473.3995;
 2.10 473.3997; 473.405; 473.4051, subdivision 1; 473.4056, subdivision 1; 473.4057,
 2.11 subdivisions 1, 2, 3, 4, 6, 7, 8; 473.407, subdivisions 1, 3, 4, 5; 473.408; 473.409;
 2.12 473.41, subdivision 1; 473.411, subdivision 5; 473.415, subdivision 1; 473.416;
 2.13 473.42; 473.436, subdivisions 2, 3, 6; 473.446, subdivisions 1, 2, 3, 8, by adding
 2.14 a subdivision; 473.448; 473.449; 473.602; 473.604, subdivision 1, by adding a
 2.15 subdivision; 473.608, subdivision 19; 473.611, subdivision 5; 473.638; 473.64;
 2.16 473.655; 473.661, subdivision 4; 473.667, subdivision 8; 473.8011; 473.910,
 2.17 subdivision 3; 473F.02, subdivisions 7, 8; 473F.08, subdivisions 3, 5, 7a; 473F.13,
 2.18 subdivision 1; 473H.04, subdivision 3; 473H.06, subdivisions 1, 5; 473H.08,
 2.19 subdivision 4; 473J.25, by adding a subdivision; 477A.011, subdivisions 3, 38;
 2.20 477A.0124, subdivision 2; 572A.02, subdivision 5; 604B.04, subdivision 7;
 2.21 609.2231, subdivision 11; 609.594, subdivision 1; 609.6055, subdivision 1;
 2.22 proposing coding for new law in Minnesota Statutes, chapters 115; 473; repealing
 2.23 Minnesota Statutes 2014, sections 3.8841; 103B.235, subdivision 3a; 115.66;
 2.24 115A.03, subdivision 19; 174.22, subdivision 3; 238.43, subdivision 5; 297A.992,
 2.25 subdivision 12; 403.27; 403.29, subdivision 4; 403.32; 462.382; 462C.071,
 2.26 subdivision 4; 473.121, subdivisions 3, 8, 12; 473.123, subdivisions 1, 2a, 3, 3a,
 2.27 3e, 4, 8; 473.125; 473.127; 473.129; 473.1293; 473.132; 473.1565; 473.165;
 2.28 473.167, subdivisions 3, 4; 473.175; 473.181, subdivisions 2, 5; 473.191;
 2.29 473.206; 473.208; 473.24; 473.242; 473.245; 473.246; 473.249, subdivisions 1,
 2.30 2; 473.25; 473.251; 473.253; 473.254; 473.255; 473.3875; 473.388, subdivisions
 2.31 1, 2, 3, 4, 5, 7; 473.39, subdivision 4; 473.3993, subdivision 4; 473.3999;
 2.32 473.411, subdivisions 3, 4; 473.4461; 473.501, subdivisions 1, 3; 473.504,
 2.33 subdivisions 4, 5, 6, 9, 10, 11, 12; 473.505; 473.511, subdivisions 1, 2, 3, 4;
 2.34 473.5111; 473.512; 473.513; 473.515; 473.5155; 473.516, subdivisions 1, 2, 3, 4;
 2.35 473.517, subdivisions 1, 3, 6, 10; 473.519; 473.521; 473.523, subdivisions 1, 1a;
 2.36 473.524; 473.541; 473.542; 473.543, subdivisions 1, 2, 3, 4; 473.545; 473.547;
 2.37 473.549; 473.621, subdivision 6; 473.834, subdivisions 1, 2; 473.851; 473.852,
 2.38 subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 9, 10; 473.853; 473.854; 473.856; 473.857;
 2.39 473.858; 473.859; 473.86; 473.861; 473.862; 473.864; 473.865; 473.866;
 2.40 473.867, subdivisions 1, 2, 3, 5, 6; 473.869; 473.87; 473.871; 473.915; 473F.02,
 2.41 subdivision 21; 473F.08, subdivision 3b; 473H.02, subdivisions 7, 8; 473J.25,
 2.42 subdivision 5; Minnesota Rules, parts 5800.0010; 5800.0020; 5800.0030;
 2.43 5800.0040; 5800.0050; 5800.0060; 5800.0070; 5800.0080; 5800.0090;
 2.44 5800.0100; 5800.0110; 5800.0120; 5800.0130; 5800.0140; 5800.0150.

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

2.46 **ARTICLE 1**

2.47 **METROPOLITAN COUNCIL ABOLISHED**

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

2.49 Subd. 4. **Powers and duties.** (a) The Legislative Water Commission shall review
 2.50 water policy reports and recommendations of the Environmental Quality Board, the Board
 2.51 of Water and Soil Resources, the Pollution Control Agency, the Department of Natural

3.1 Resources, ~~the Metropolitan Council~~, and other water-related reports as may be required
3.2 by law or the legislature.

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

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

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

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

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

3.13 **4A.02 STATE DEMOGRAPHER.**

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

3.17 (b) The demographer shall:

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

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

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

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

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

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

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

3.34 (8) prepare maps for all counties in the state, all municipalities with a population
3.35 of 10,000 or more, and other municipalities as needed for census purposes, according to

4.1 scale and detail recommended by the United States Bureau of the Census, with the maps
4.2 of cities showing precinct boundaries;

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

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

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

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

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

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

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

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

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

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

5.7 (1) who must deliver a service;

5.8 (2) where the service must be delivered;

5.9 (3) to whom and in what form reports regarding the service must be made; and

5.10 (4) how long or how often the service must be made available to a given recipient.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

6.32 (1) member of the legislature;

- 7.1 (2) individual employed by the legislature as secretary of the senate, legislative
 7.2 auditor, chief clerk of the house of representatives, revisor of statutes, or researcher,
 7.3 legislative analyst, fiscal analyst, or attorney in the Office of Senate Counsel, Research,
 7.4 and Fiscal Analysis, House Research, or the House Fiscal Analysis Department;
- 7.5 (3) constitutional officer in the executive branch and the officer's chief administrative
 7.6 deputy;
- 7.7 (4) solicitor general or deputy, assistant, or special assistant attorney general;
- 7.8 (5) commissioner, deputy commissioner, or assistant commissioner of any state
 7.9 department or agency as listed in section 15.01 or 15.06, or the state chief information
 7.10 officer;
- 7.11 (6) member, chief administrative officer, or deputy chief administrative officer of a
 7.12 state board or commission that has either the power to adopt, amend, or repeal rules under
 7.13 chapter 14, or the power to adjudicate contested cases or appeals under chapter 14;
- 7.14 (7) individual employed in the executive branch who is authorized to adopt, amend,
 7.15 or repeal rules under chapter 14 or adjudicate contested cases under chapter 14;
- 7.16 (8) executive director of the State Board of Investment;
- 7.17 (9) deputy of any official listed in clauses (7) and (8);
- 7.18 (10) judge of the Workers' Compensation Court of Appeals;
- 7.19 (11) administrative law judge or compensation judge in the State Office of
 7.20 Administrative Hearings or unemployment law judge in the Department of Employment
 7.21 and Economic Development;
- 7.22 ~~(12) member, regional administrator, division director, general counsel, or operations~~
 7.23 ~~manager of the Metropolitan Council;~~
- 7.24 ~~(13)~~ (12) member or chief administrator of a metropolitan agency;
- 7.25 ~~(14)~~ (13) director of the Division of Alcohol and Gambling Enforcement in the
 7.26 Department of Public Safety;
- 7.27 ~~(15)~~ (14) member or executive director of the Higher Education Facilities Authority;
- 7.28 ~~(16)~~ (15) member of the board of directors or president of Enterprise Minnesota, Inc.;
- 7.29 ~~(17)~~ (16) member of the board of directors or executive director of the Minnesota
 7.30 State High School League;
- 7.31 ~~(18)~~ (17) member of the Minnesota Ballpark Authority established in section 473.755;
- 7.32 ~~(19)~~ (18) citizen member of the Legislative-Citizen Commission on Minnesota
 7.33 Resources;
- 7.34 ~~(20)~~ (19) manager of a watershed district, or member of a watershed management
 7.35 organization as defined under section 103B.205, subdivision 13;
- 7.36 ~~(21)~~ (20) supervisor of a soil and water conservation district;

8.1 ~~(22)~~ (21) director of Explore Minnesota Tourism;

8.2 ~~(23)~~ (22) citizen member of the Lessard-Sams Outdoor Heritage Council established

8.3 in section 97A.056;

8.4 ~~(24)~~ (23) citizen member of the Clean Water Council established in section 114D.30;

8.5 ~~(25)~~ (24) member or chief executive of the Minnesota Sports Facilities Authority

8.6 established in section 473J.07;

8.7 ~~(26)~~ (25) district court judge, appeals court judge, or Supreme Court justice;

8.8 ~~(27)~~ (26) county commissioner;

8.9 ~~(28)~~ (27) member of the Greater Minnesota Regional Parks and Trails Commission; or

8.10 ~~(29)~~ (28) member of the Destination Medical Center Corporation established in

8.11 section 469.41.

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

8.13 **13.201 RIDESHARE DATA.**

8.14 The following data on participants, collected by the Minnesota Department of

8.15 Transportation ~~and the Metropolitan Council~~ to administer rideshare programs, are

8.16 classified as private under section 13.02, subdivision 12: residential address and telephone

8.17 number; beginning and ending work hours; current mode of commuting to and from work;

8.18 and type of rideshare service information requested.

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

8.20 **13.685 MUNICIPAL UTILITY CUSTOMER DATA.**

8.21 Data on customers of municipal electric utilities are private data on individuals or

8.22 nonpublic data, but may be released to:

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

8.24 investigation;

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

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

8.27 ~~(4)~~ (3) a public child support authority for purposes of establishing or enforcing

8.28 child support; or

8.29 ~~(5)~~ (4) a person where use of the data directly advances the general welfare, health,

8.30 or safety of the public; the commissioner of administration may issue advisory opinions

8.31 construing this clause pursuant to section 13.072.

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

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

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

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

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

9.15 (b) "Vacancy" or "vacant agency position" means (1) a vacancy in an existing
 9.16 agency, or (2) a new, unfilled agency position. Vacancy includes a position that is to
 9.17 be filled through appointment of a nonlegislator by a legislator or group of legislators;
 9.18 vacancy does not mean (1) a vacant position on an agency composed exclusively of
 9.19 persons employed by a political subdivision or another agency, or (2) a vacancy to be filled
 9.20 by a person required to have a specific title or position.

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

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

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

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

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

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

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

10.3 "Secretary" means the secretary of state.

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

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

10.12 Executive director of Gambling Control Board;

10.13 Commissioner, Iron Range Resources and Rehabilitation Board;

10.14 Commissioner, Bureau of Mediation Services;

10.15 Ombudsman for Mental Health and Developmental Disabilities;

10.16 ~~Chair, Metropolitan Council;~~

10.17 School trust lands director;

10.18 Executive director of pari-mutuel racing; and

10.19 Commissioner, Public Utilities Commission.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

11.27 (f) "Public entity" means the state, an office, agency, or institution of the state, ~~the~~
11.28 ~~Metropolitan Council~~, a metropolitan agency, the Metropolitan Mosquito Control District,
11.29 the legislature, the courts, a county, a statutory or home rule charter city, a town, a school
11.30 district, another special taxing district, or any contractor acting pursuant to a contract
11.31 with a public entity.

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

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

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

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

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

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

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

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

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

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

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

12.27 (i) "Related entity" means:

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

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

12.32 (3) a subsidiary of a contractor or vendor;

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

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

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

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

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

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

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

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

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

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

13.20 (2) terminated state or former Metropolitan Council employment;

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

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

13.32 (b) For purposes of this section, an unreduced retirement annuity includes a
13.33 retirement annuity computed under a provision of law which permits retirement, without

14.1 application of an earlier retirement reduction factor, whenever age plus years of allowable
14.2 service total at least 90.

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

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

14.8 **47.52 AUTHORIZATION.**

14.9 (a) With the prior approval of the commissioner, any bank doing business in this
14.10 state may establish and maintain detached facilities provided the facilities are located
14.11 within: (1) the municipality in which the principal office of the applicant bank is located;
14.12 or (2) 5,000 feet of its principal office measured in a straight line from the closest points of
14.13 the closest structures involved; or (3) a municipality in which no bank is located at the
14.14 time of application; or (4) a municipality having a population of more than 10,000; or (5)
14.15 a municipality having a population of 10,000 or less, as determined by the commissioner
14.16 from the latest available data from the state demographer, ~~or for municipalities located~~
14.17 ~~in the seven-county metropolitan area from the Metropolitan Council~~, and all the banks
14.18 having a principal office in the municipality have consented in writing to the establishment
14.19 of the facility.

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

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

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

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

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

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

15.6 **85.016 BICYCLE TRAIL PROGRAM.**

15.7 The commissioner of natural resources shall establish a program for the development
15.8 of bicycle trails utilizing the state trails authorized by section 85.015, other state parks
15.9 and recreation land, and state forests. "Bicycle trail," as used in this section, has the
15.10 meaning given in section 169.011. The program shall be coordinated with the local park
15.11 trail grant program established by the commissioner pursuant to section 85.019, with the
15.12 bikeway program established by the commissioner of transportation pursuant to section
15.13 160.265, and with existing and proposed local bikeways. ~~In the metropolitan area as~~
15.14 ~~defined in section 473.121, the program shall be developed in accordance with plans~~
15.15 ~~and priorities established by the Metropolitan Council.~~ The commissioner shall provide
15.16 technical assistance to local units of government in planning and developing bicycle trails
15.17 in local parks. The bicycle trail program shall, as a minimum, describe the location,
15.18 design, construction, maintenance, and land acquisition needs of each component trail and
15.19 shall give due consideration to the model standards for the establishment of recreational
15.20 vehicle lanes promulgated by the commissioner of transportation pursuant to section
15.21 160.262. The program shall be developed after consultation with the state trail council and
15.22 regional and local units of government and bicyclist organizations.

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

15.24 **85.017 TRAIL REGISTRY.**

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

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

15.32 Subd. 3. **Metropolitan area distribution formula.** Money appropriated from the
15.33 parks and trails fund to the ~~Metropolitan Council~~ commissioner of natural resources for

16.1 metropolitan area parks and trails shall be distributed to implementing agencies, as defined
 16.2 in section 473.351, subdivision 1, paragraph (a), as grants according to the following
 16.3 formula:

16.4 (1) 45 percent of the money must be disbursed according to the allocation formula in
 16.5 section 473.351, subdivision 3, to each implementing agency;

16.6 (2) 31.5 percent of the money must be distributed based on each implementing
 16.7 agency's relative share of the most recent estimate of the population of the metropolitan
 16.8 area;

16.9 (3) 13.5 percent of the money must be distributed based on each implementing
 16.10 agency's relative share of nonlocal visits based on the most recent user visitation survey
 16.11 conducted by the Metropolitan ~~Council~~ Parks and Open Space Commission; and

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

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

16.19 **103B.155 STATE WATER AND RELATED LAND RESOURCE PLAN.**

16.20 The commissioner of natural resources, in cooperation with other state and
 16.21 federal agencies, regional development commissions, ~~the Metropolitan Council~~, local
 16.22 governmental units, and citizens, shall prepare a statewide framework and assessment
 16.23 water and related land resources plan for presentation to the legislature by November
 16.24 15, 1975, for its review and approval or disapproval. This plan must relate each of
 16.25 the programs of the Department of Natural Resources for specific aspects of water
 16.26 management to the others. The statewide plan must include:

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

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

16.32 (3) reclamation or filling of wet and overflowed lands;

16.33 (4) repair, improvement, relocation, modification or consolidation in whole or in part
 16.34 of previously established public drainage systems within the state;

16.35 (5) preservation of wetland areas;

- 17.1 (6) management of game and fish resources as related to water resources;
- 17.2 (7) control of water weeds;
- 17.3 (8) control or alleviation of damages by flood waters;
- 17.4 (9) alteration of stream channels for conveyance of surface waters, navigation,
- 17.5 and any other public purposes;
- 17.6 (10) diversion or changing of watercourses in whole or in part;
- 17.7 (11) regulation of the flow of streams and conservation of their waters;
- 17.8 (12) regulation of lake water levels;
- 17.9 (13) maintenance of water supply for municipal, domestic, industrial, recreational,
- 17.10 agricultural, aesthetic, wildlife, fishery, or other public use;
- 17.11 (14) sanitation and public health and regulation of uses of streams, ditches, or
- 17.12 watercourses to dispose of waste and maintain water quality;
- 17.13 (15) preventive or remedial measures to control or alleviate land and soil erosion
- 17.14 and siltation of affected watercourses or bodies of water;
- 17.15 (16) regulation of uses of water surfaces; and
- 17.16 (17) identification of high priority regions for wetland preservation, enhancement,
- 17.17 restoration, and establishment.

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

17.19 Subd. 3a. **Priority schedule.** (a) The Board of Water and Soil Resources in

17.20 consultation with the state review agencies ~~and the Metropolitan Council~~ may develop a

17.21 priority schedule for the revision of plans required under this chapter.

17.22 (b) The prioritization should be based on but not be limited to status of current plan,

17.23 scheduled revision dates, anticipated growth and development, existing and potential

17.24 problems, and regional water quality goals and priorities.

17.25 (c) The schedule will be used by the Board of Water and Soil Resources in

17.26 consultation with the state review agencies ~~and the Metropolitan Council~~ to direct

17.27 watershed management organizations of when they will be required to revise their plans.

17.28 (d) In the event that a plan expires prior to notification from the Board of Water and

17.29 Soil Resources under this section, the existing plan, authorities, and official controls

17.30 of a watershed management organization shall remain in full force and effect until a

17.31 revision is approved.

17.32 (e) Watershed management organizations submitting plans and draft plan

17.33 amendments for review prior to the board's priority review schedule, may proceed to adopt

17.34 and implement the plan revisions without formal board approval if the board fails to adjust

18.1 its priority review schedule for plan review, and commence its statutory review process
18.2 within 45 days of submittal of the plan revision or amendment.

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

18.4 Subd. 7. **Review of draft plan.** (a) Upon completion of the plan but before
18.5 final adoption by the organization, the organization must submit the draft plan for a
18.6 60-day review and comment period to all counties, ~~the Metropolitan Council,~~ the state
18.7 review agencies, the Board of Water and Soil Resources, soil and water conservation
18.8 districts, towns, and statutory and home rule charter cities having territory within the
18.9 watershed. A local government unit that expects that substantial amendment of its local
18.10 comprehensive plan will be necessary to bring local water management into conformance
18.11 with the watershed plan must describe as specifically as possible, within its comments,
18.12 the amendments to the local plan that it expects will be necessary. If the county has
18.13 a groundwater plan, the county must review and comment on the consistency of the
18.14 watershed plan with the county groundwater plan. Differences among local governmental
18.15 agencies regarding the plan must be mediated. ~~Notwithstanding sections 103D.401,~~
18.16 ~~103D.405, and 473.165, the council shall review the plan in the same manner and with~~
18.17 ~~the same authority and effect as provided for the council's review of the comprehensive~~
18.18 ~~plans of local government units under section 473.175. The council shall comment on~~
18.19 ~~the apparent conformity with metropolitan system plans of any anticipated amendments~~
18.20 ~~to local comprehensive plans. The council shall advise the Board of Water and Soil~~
18.21 ~~Resources on whether the plan conforms with the management objectives and target~~
18.22 ~~pollution loads stated in the council's water resources plan and shall recommend changes~~
18.23 ~~in the plan that would satisfy the council's plan.~~

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

18.26 (c) The watershed management organization must hold a public hearing on the draft
18.27 plan no sooner than 14 days after the 60-day review period of the draft plan. The board
18.28 or boards of the affected counties shall approve or disapprove projects in the capital
18.29 improvement program which may require the provision of county funds pursuant to section
18.30 103B.251 or 103D.901, subdivision 2. Each county has up until the date of the public
18.31 hearing on the draft plan to complete its review of the capital improvement program. If
18.32 the county fails to complete its review within the prescribed period, unless an extension is
18.33 agreed to by the organization the program shall be deemed approved. If the watershed
18.34 extends into more than one county and one or more counties disapprove of all or part of a

19.1 capital improvement program while the other county or counties approve, the program shall
19.2 be submitted to the Board of Water and Soil Resources for review pursuant to subdivision 9.

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

19.4 Subd. 9. **Approval by board.** After completion of the review under subdivision
19.5 7, the draft plan, any amendments thereto, all written comments received on the draft
19.6 plan, a record of the public hearing, and a summary of changes incorporated as a result
19.7 of the review process shall be submitted to ~~the Metropolitan Council~~, the state review
19.8 agencies; and the Board of Water and Soil Resources for final review. The board shall
19.9 review the plan for conformance with the requirements of sections 103B.205 to 103B.255,
19.10 and chapter 103D. The board shall not prescribe a plan, but may disapprove all or parts
19.11 of a plan which it determines is not in conformance with the requirements of sections
19.12 103B.205 to 103B.255, and chapter 103D. If the capital improvement program is the
19.13 subject of a dispute between counties, the Board of Water and Soil Resources shall make
19.14 a final decision on the issue. The decision shall be binding on the organization and the
19.15 counties involved. The board shall complete its review under this section within 90 days.

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

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

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

19.26 Subd. 3. **Review.** After consideration but before adoption by the governing body,
19.27 each local unit shall submit its water management plan to the watershed management
19.28 organization for review for consistency with the watershed plan adopted pursuant to
19.29 section 103B.231. If the county or counties having territory within the local unit have a
19.30 state-approved and locally adopted groundwater plan, the local unit shall submit its plan
19.31 to the county or counties for review. The county or counties have 45 days to review and
19.32 comment on the plan. The organization shall approve or disapprove the local plan or
19.33 parts of the plan. The organization shall have 60 days to complete its review; ~~provided,~~

20.1 however, that the watershed management organization shall, as part of its review, take into
20.2 account the comments submitted to it by the Metropolitan Council pursuant to subdivision
20.3 3a. If the organization fails to complete its review within the prescribed period, the local
20.4 plan shall be deemed approved unless an extension is agreed to by the local unit.

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

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

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

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

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

20.33 Subd. 9. **Review by Metropolitan Council and state agencies.** After completion
20.34 of the review under subdivision 8, the draft plan, any amendments thereto, all written

21.1 comments received on the plan, a record of the public hearing, and a summary of changes
 21.2 incorporated as part of the review process must be submitted to ~~the Metropolitan Council,~~
 21.3 the state review agencies, and the Board of Water and Soil Resources for final review.
 21.4 The state review agencies shall review and comment on the consistency of the plan with
 21.5 state laws and rules relating to water and related land resources. The state review agencies
 21.6 shall forward their comments to the board within 45 days after they receive the final
 21.7 review draft of the plan. A state review agency may request and receive up to a 30-day
 21.8 extension of this review period from the board.

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

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

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

21.15 **103D.401 WATERSHED MANAGEMENT PLAN.**

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

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

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

22.1 Subd. 3. **Director's and Metropolitan Council's recommendations.** After
22.2 receiving the watershed management plan, the director and the Metropolitan Council
22.3 must review and make recommendations on the watershed management plan. By 60
22.4 days after receiving the plan, the director and the Metropolitan Council must send their
22.5 recommendations on the watershed management plan to the board and a copy to the
22.6 managers of the watershed district, the county auditor of each county affected by the
22.7 watershed district, the governing bodies of all municipalities affected by the watershed
22.8 district, and soil and water conservation districts affected by the watershed district. The
22.9 board may extend the period for review and transmittal of the recommendations.

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

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

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

22.20 (d) The notice must include:

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

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

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

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

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

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

22.32 Subd. 5. **Board approval.** After the watershed management plan hearing, the board
22.33 must, by order, prescribe and approve a watershed management plan for the watershed
22.34 district. The board must send a copy of the order and approved watershed management
22.35 plan to the managers, the county board of each county affected by the watershed
22.36 district, the commissioner, the director, the Metropolitan Council, where applicable, the

23.1 governing body of each municipality affected by the watershed district, and soil and water
 23.2 conservation districts affected by the watershed district. The watershed management plan
 23.3 approved by the board is the watershed management plan for the watershed district.

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

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

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

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

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

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

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

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

23.32 (d) The notice must include:

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

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

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

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

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

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

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

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

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

24.22 **103G.293 STATEWIDE DROUGHT PLAN.**

24.23 The commissioner shall establish a plan to respond to drought-related emergencies
 24.24 and to prepare a statewide framework for drought response. ~~The plan must consider~~
 24.25 ~~metropolitan water supply plans of the Metropolitan Council prepared under section~~
 24.26 ~~473.1565.~~ The plan must provide a framework for implementing drought response actions
 24.27 in a staged approach related to decreasing levels of flows. Permits issued under section
 24.28 103G.271 must provide conditions on water appropriation consistent with the drought
 24.29 response plan established by this section.

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

24.31 **114C.25 GREEN STAR AWARD.**

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

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

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

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

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

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

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

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

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

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

25.32 (1) two members representing statewide farm organizations;

25.33 (2) two members representing business organizations;

25.34 (3) two members representing environmental organizations;

25.35 (4) one member representing soil and water conservation districts;

- 26.1 (5) one member representing watershed districts;
- 26.2 (6) one member representing nonprofit organizations focused on improvement of
26.3 Minnesota lakes or streams;
- 26.4 (7) two members representing organizations of county governments, one member
26.5 representing the interests of rural counties and one member representing the interests of
26.6 counties in the seven-county metropolitan area;
- 26.7 (8) two members representing organizations of city governments;
- 26.8 ~~(9) one member representing the Metropolitan Council established under section~~
26.9 ~~473.123;~~
- 26.10 ~~(10) (9) one member representing township officers;~~
- 26.11 ~~(11) (10) one member representing the interests of tribal governments;~~
- 26.12 ~~(12) (11) one member representing statewide hunting organizations;~~
- 26.13 ~~(13) (12) one member representing the University of Minnesota or a Minnesota~~
26.14 ~~state university; and~~
- 26.15 ~~(14) (13) one member representing statewide fishing organizations.~~

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

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

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

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

26.31 Subdivision 1. **Creation; membership.** The Urban Initiative Board is created
26.32 and consists of the commissioner of employment and economic development, ~~the chair~~
26.33 ~~of the Metropolitan Council~~, and eight members from the general public appointed by
26.34 the governor. Six of the public members must be representatives from minority business

27.1 enterprises. No more than four of the public members may be of one gender. All public
27.2 members must be experienced in business or economic development.

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

27.4 Subdivision 1. **Authority provided.** As used in this section, "governmental entity"
27.5 means a city with a population in excess of 200,000; or a county that contains a city of
27.6 that size, or the Metropolitan Council. If a governmental entity meets the requirements of
27.7 subdivisions 2 and 3, it may exercise additional investment authority under subdivisions 4,
27.8 5, and 6.

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

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

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

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

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

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

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

27.21 (5) coordinate and administer staff exchanges.

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

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

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

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

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

28.7 (2) the total amount provided by participating counties and cities under section
28.8 134.34, subdivision 4, during the year preceding the first year of operation.

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

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

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

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

28.19 Subdivision 1. **State bikeways.** The commissioner of transportation shall establish a
28.20 program for the development of bikeways primarily on existing road rights-of-way. The
28.21 program shall include a system of bikeways to be established, developed, maintained,
28.22 and operated by the commissioner of transportation and a system of state grants for the
28.23 development of local bikeways primarily on existing road rights-of-way. The program
28.24 shall be coordinated with the local park trail grant program pursuant to section 85.019,
28.25 with the bicycle trail program established by the commissioner of natural resources
28.26 pursuant to section 85.016, with the development of the statewide transportation plan
28.27 pursuant to section 174.03, and with existing and proposed local bikeways. ~~In the~~
28.28 ~~metropolitan area as defined in section 473.121, the program shall be developed in~~
28.29 ~~accordance with plans and priorities established by the Metropolitan Council.~~ The
28.30 program shall be developed after consultation with the State Trail Council, local units of
28.31 government, and bicyclist organizations. The program shall be administered in accordance
28.32 with the provisions of sections 160.262 to 160.264 and standards promulgated pursuant
28.33 thereto. The commissioner shall compile and maintain a current registry of bikeways in
28.34 the state and shall publish and distribute the information contained in the registry in a

29.1 form and manner suitable to assist persons wishing to use the bikeways. The ~~Metropolitan~~
29.2 ~~Council~~, the commissioner of natural resources, the commissioner of employment and
29.3 economic development, the Minnesota Historical Society, and local units of government
29.4 shall cooperate with and assist the commissioner of transportation in preparing the
29.5 registry. The commissioner shall have all powers necessary and convenient to establish
29.6 the program pursuant to this section including but not limited to the authority to adopt
29.7 rules pursuant to chapter 14.

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

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

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

29.18 (1) a brief description of the project, including projected ridership;

29.19 (2) a summary of the overall status and current phase of the project;

29.20 (3) a timeline that includes (i) project phases or milestones; (ii) expected and known
29.21 dates of commencement of each phase or milestone; and (iii) expected and known dates
29.22 of completion of each phase or milestone;

29.23 (4) a brief progress update on specific project phases or milestones completed since
29.24 the last previous submission of a report under this subdivision; and

29.25 (5) a summary financial plan that identifies, as reflected by the data and level of
29.26 detail available in the latest phase of project development and to the extent available:

29.27 (i) capital expenditures, including expenditures to date and total projected
29.28 expenditures, with a breakdown by committed and proposed sources of funds for the
29.29 project;

29.30 (ii) estimated annual operations and maintenance expenditures reflecting the level
29.31 of detail available in the current phase of the project development, with a breakdown by
29.32 committed and proposed sources of funds for the project; and

29.33 (iii) if feasible, project expenditures by budget activity.

29.34 (c) The report must also include a systemwide capacity analysis for investment in
29.35 guideway expansion and maintenance that:

30.1 (1) provides a funding projection, annually over the ensuing ten years, and with a
30.2 breakdown by committed and proposed sources of funds, of:

30.3 (i) total capital expenditures for guideways;

30.4 (ii) total operations and maintenance expenditures for guideways;

30.5 (iii) total funding available for guideways, including from projected or estimated
30.6 farebox recovery; and

30.7 (iv) total funding available for transit service in the metropolitan area; and

30.8 (2) evaluates the availability of funds and distribution of sources of funds for
30.9 guideway investments.

30.10 (d) The projection under paragraph (c), clause (1), must be for all guideway lines
30.11 for which state funds are reasonably expected to be expended in planning, development,
30.12 construction, or revenue operation during the ensuing ten years.

30.13 (e) Local units of government shall provide assistance and information in a timely
30.14 manner as requested by the commissioner ~~or council~~ for completion of the report.

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

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

30.18 (b) "Community energy efficiency and renewable energy projects" means solar
30.19 thermal water heating, solar electric or photovoltaic equipment, small wind energy
30.20 conversion systems of less than 250 kW, anaerobic digester gas systems, microhydro
30.21 systems up to 100 kW, heating and cooling applications using solar thermal or ground
30.22 source technology, and cost-effective energy efficiency projects installed in industrial,
30.23 commercial, or public buildings, or health care facilities.

30.24 (c) "Health care facilities" means a hospital licensed under sections 144.50 to
30.25 144.56, or a nursing home licensed under chapter 144A.

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

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

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

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

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

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

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

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

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

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

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

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

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

31.35 (6) determine at what level of an energy supply emergency situation the Pollution
31.36 Control Agency shall be requested to ask the governor to petition the president for a

32.1 temporary emergency suspension of air quality standards as required by the Clean Air Act,
32.2 United States Code, title 42, section 7410f; and

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

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

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

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

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

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

32.20 Subd. 3. **Jurisdictions in two or more counties.** When a taxing jurisdiction
32.21 lies in two or more counties, if the sales ratio studies prepared by the Department of
32.22 Revenue show that the average levels of assessment in the several portions of the taxing
32.23 jurisdictions in the different counties differ by more than five percent, the board may order
32.24 the apportionment of the levy. When the sales ratio studies prepared by the Department
32.25 of Revenue show that the average levels of assessment in the several portions of the
32.26 taxing jurisdictions in the different counties differ by more than ten percent, the board
32.27 shall order the apportionment of the levy unless (a) the proportion of total adjusted tax
32.28 capacity in one of the counties is less than ten percent of the total adjusted tax capacity in
32.29 the taxing jurisdiction and the average level of assessment in that portion of the taxing
32.30 jurisdiction is the level which differs by more than five percent from the assessment
32.31 level in any one of the other portions of the taxing jurisdiction; (b) significant changes
32.32 have been made in the level of assessment in the taxing jurisdiction which have not been
32.33 reflected in the sales ratio study, and those changes alter the assessment levels in the

33.1 portions of the taxing jurisdiction so that the assessment level now differs by five percent
 33.2 or less; or (c) commercial, industrial, mineral, or public utility property predominates in
 33.3 one county within the taxing jurisdiction and another class of property predominates in
 33.4 another county within that same taxing jurisdiction. If one or more of these factors are
 33.5 present, the board may order the apportionment of the levy.

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

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

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

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

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

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

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

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

33.33 (c) The notice must inform taxpayers that it contains the amount of property taxes
 33.34 each taxing authority proposes to collect for taxes payable the following year. In the case of
 33.35 a town, or in the case of the state general tax, the final tax amount will be its proposed tax.

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

34.16 (d) The notice must state for each parcel:

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

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

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

34.28 (ii) the proposed tax amount.

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

34.32 In the case of a town or the state general tax, the final tax shall also be its proposed
34.33 tax unless the town changes its levy at a special town meeting under section 365.52. If a
34.34 school district has certified under section 126C.17, subdivision 9, that a referendum will
34.35 be held in the school district at the November general election, the county auditor must
34.36 note next to the school district's proposed amount that a referendum is pending and that, if

35.1 approved by the voters, the tax amount may be higher than shown on the notice. In the
35.2 case of the city of Minneapolis, the levy for Minneapolis Park and Recreation shall be
35.3 listed separately from the remaining amount of the city's levy. In the case of the city of
35.4 St. Paul, the levy for the St. Paul Library Agency must be listed separately from the
35.5 remaining amount of the city's levy. In the case of Ramsey County, any amount levied
35.6 under section 134.07 may be listed separately from the remaining amount of the county's
35.7 levy. In the case of a parcel where tax increment or the fiscal disparities areawide tax
35.8 under chapter 276A or 473F applies, the proposed tax levy on the captured value or the
35.9 proposed tax levy on the tax capacity subject to the areawide tax must each be stated
35.10 separately and not included in the sum of the special taxing districts; and

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

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

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

35.18 (1) special assessments;

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

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

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

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

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

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

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

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

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

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

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

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

36.13 ~~(1) Metropolitan Council under section 473.132, 473.167, 473.249, 473.325,~~
 36.14 ~~473.446, 473.521, 473.547, or 473.834;~~

36.15 ~~(2) (1) Metropolitan Airports Commission under section 473.667, 473.671, or~~
 36.16 ~~473.672; and~~

36.17 ~~(3) (2) Metropolitan Mosquito Control Commission under section 473.711.~~

36.18 For purposes of this section, any levies made by the regional rail authorities in the
 36.19 county of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, or Washington under chapter
 36.20 398A shall be included with the appropriate county's levy.

36.21 (j) The governing body of a county, city, or school district may, with the consent
 36.22 of the county board, include supplemental information with the statement of proposed
 36.23 property taxes about the impact of state aid increases or decreases on property tax
 36.24 increases or decreases and on the level of services provided in the affected jurisdiction.

36.25 This supplemental information may include information for the following year, the current
 36.26 year, and for as many consecutive preceding years as deemed appropriate by the governing
 36.27 body of the county, city, or school district. It may include only information regarding:

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

36.30 (2) population growth and decline;

36.31 (3) state or federal government action; and

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

37.1 The information may be presented using tables, written narrative, and graphic
 37.2 representations and may contain instruction toward further sources of information or
 37.3 opportunity for comment.

37.4 Sec. 57. Minnesota Statutes 2014, section 275.066, is amended to read:

37.5 **275.066 SPECIAL TAXING DISTRICTS; DEFINITION.**

37.6 For the purposes of property taxation and property tax state aids, the term "special
 37.7 taxing districts" includes the following entities:

- 37.8 (1) watershed districts under chapter 103D;
- 37.9 (2) sanitary districts under sections 442A.01 to 442A.29;
- 37.10 (3) regional sanitary sewer districts under sections 115.61 to 115.67;
- 37.11 (4) regional public library districts under section 134.201;
- 37.12 (5) park districts under chapter 398;
- 37.13 (6) regional railroad authorities under chapter 398A;
- 37.14 (7) hospital districts under sections 447.31 to 447.38;
- 37.15 (8) St. Cloud Metropolitan Transit Commission under sections 458A.01 to 458A.15;
- 37.16 (9) Duluth Transit Authority under sections 458A.21 to 458A.37;
- 37.17 (10) regional development commissions under sections 462.381 to 462.398;
- 37.18 (11) housing and redevelopment authorities under sections 469.001 to 469.047;
- 37.19 (12) port authorities under sections 469.048 to 469.068;
- 37.20 (13) economic development authorities under sections 469.090 to 469.1081;
- 37.21 ~~(14) Metropolitan Council under sections 473.123 to 473.549;~~
- 37.22 ~~(15) (14) Metropolitan Airports Commission under sections 473.601 to 473.679;~~
- 37.23 ~~(16) (15) Metropolitan Mosquito Control Commission under sections 473.701 to~~
 37.24 ~~473.716;~~
- 37.25 ~~(17) (16) Morrison County Rural Development Financing Authority under Laws~~
 37.26 ~~1982, chapter 437, section 1;~~
- 37.27 ~~(18) (17) Croft Historical Park District under Laws 1984, chapter 502, article 13,~~
 37.28 ~~section 6;~~
- 37.29 ~~(19) (18) East Lake County Medical Clinic District under Laws 1989, chapter 211,~~
 37.30 ~~sections 1 to 6;~~
- 37.31 ~~(20) (19) Floodwood Area Ambulance District under Laws 1993, chapter 375,~~
 37.32 ~~article 5, section 39;~~
- 37.33 ~~(21) (20) Middle Mississippi River Watershed Management Organization under~~
 37.34 ~~sections 103B.211 and 103B.241;~~
- 37.35 ~~(22) (21) emergency medical services special taxing districts under section 144F.01;~~

38.1 ~~(23)~~ (22) a county levying under the authority of section 103B.241, 103B.245,
38.2 or 103B.251;

38.3 ~~(24)~~ (23) Southern St. Louis County Special Taxing District; Chris Jensen Nursing
38.4 Home under Laws 2003, First Special Session chapter 21, article 4, section 12;

38.5 ~~(25)~~ (24) an airport authority created under section 360.0426; and

38.6 ~~(26)~~ (25) any other political subdivision of the state of Minnesota, excluding
38.7 counties, school districts, cities, and towns, that has the power to adopt and certify a
38.8 property tax levy to the county auditor, as determined by the commissioner of revenue.

38.9 Sec. 58. Minnesota Statutes 2014, section 275.62, subdivision 3, is amended to read:

38.10 Subd. 3. **Population estimate.** For the purposes of this section, the population of a
38.11 local governmental unit shall be that established by the last federal census, by a census
38.12 taken under section 275.14; or by an estimate made by the ~~Metropolitan Council~~ or by the
38.13 state demographer made under section 4A.02, whichever is the most recent as to the stated
38.14 date of count or estimate for the calendar year preceding the current levy year.

38.15 Sec. 59. Minnesota Statutes 2014, section 275.70, subdivision 4, is amended to read:

38.16 Subd. 4. **Population; number of households.** "Population" or "number of
38.17 households" means the population or number of households for the local governmental
38.18 unit as established by the last federal census, by a census taken under section 275.14; or by
38.19 an estimate made by the ~~metropolitan council~~ or by the state demographer under section
38.20 4A.02, whichever is most recent as to the stated date of the count or estimate up to and
38.21 including June 1 of the current levy year.

38.22 Sec. 60. Minnesota Statutes 2014, section 297A.70, subdivision 2, is amended to read:

38.23 Subd. 2. **Sales to government.** (a) All sales, except those listed in paragraph (b),
38.24 to the following governments and political subdivisions, or to the listed agencies or
38.25 instrumentalities of governments and political subdivisions, are exempt:

38.26 (1) the United States and its agencies and instrumentalities;

38.27 (2) school districts, local governments, the University of Minnesota, state universities,
38.28 community colleges, technical colleges, state academies, the Perpich Minnesota Center for
38.29 Arts Education, and an instrumentality of a political subdivision that is accredited as an
38.30 optional/special function school by the North Central Association of Colleges and Schools;

38.31 (3) hospitals and nursing homes owned and operated by political subdivisions of
38.32 the state of tangible personal property and taxable services used at or by hospitals and
38.33 nursing homes;

39.1 ~~(4) notwithstanding paragraph (d), the sales and purchases by the Metropolitan~~
 39.2 ~~Council of vehicles and repair parts to equip operations provided for in section 473.4051~~
 39.3 ~~are exempt through December 31, 2016;~~

39.4 ~~(5)~~ (4) other states or political subdivisions of other states, if the sale would be
 39.5 exempt from taxation if it occurred in that state; and

39.6 ~~(6)~~ (5) public libraries, public library systems, multicounty, multitype library systems
 39.7 as defined in section 134.001, county law libraries under chapter 134A, state agency
 39.8 libraries, the state library under section 480.09, and the Legislative Reference Library.

39.9 (b) This exemption does not apply to the sales of the following products and services:

39.10 (1) building, construction, or reconstruction materials purchased by a contractor
 39.11 or a subcontractor as a part of a lump-sum contract or similar type of contract with a
 39.12 guaranteed maximum price covering both labor and materials for use in the construction,
 39.13 alteration, or repair of a building or facility;

39.14 (2) construction materials purchased by tax exempt entities or their contractors to
 39.15 be used in constructing buildings or facilities which will not be used principally by the
 39.16 tax exempt entities;

39.17 (3) the leasing of a motor vehicle as defined in section 297B.01, subdivision 11,
 39.18 except for leases entered into by the United States or its agencies or instrumentalities;

39.19 (4) lodging as defined under section 297A.61, subdivision 3, paragraph (g), clause
 39.20 (2), and prepared food, candy, soft drinks, and alcoholic beverages as defined in section
 39.21 297A.67, subdivision 2, except for lodging, prepared food, candy, soft drinks, and alcoholic
 39.22 beverages purchased directly by the United States or its agencies or instrumentalities; or

39.23 (5) goods or services purchased by a local government as inputs to a liquor store, gas
 39.24 or electric utility, solid waste hauling service, solid waste recycling service, landfill, golf
 39.25 course, marina, campground, cafe, or laundromat.

39.26 (c) As used in this subdivision, "school districts" means public school entities and
 39.27 districts of every kind and nature organized under the laws of the state of Minnesota, and
 39.28 any instrumentality of a school district, as defined in section 471.59.

39.29 (d) For purposes of the exemption granted under this subdivision, "local
 39.30 governments" has the following meaning:

39.31 (1) for the period prior to January 1, 2016, local governments means statutory or
 39.32 home rule charter cities, counties, and townships;

39.33 (2) for the period of January 1, 2016, to December 31, 2016, local governments
 39.34 means statutory or home rule charter cities, counties, and townships; special districts as
 39.35 defined under section 6.465, ~~except for the Metropolitan Council under sections 473.123~~
 39.36 ~~to 473.549~~; any instrumentality of a statutory or home rule charter city, county, or

40.1 township as defined in section 471.59; and any joint powers board or organization created
40.2 under section 471.59; and

40.3 (3) beginning January 1, 2017, local governments means statutory or home rule
40.4 charter cities, counties, and townships; special districts as defined under section 6.465; any
40.5 instrumentality of a statutory or home rule charter city, county, or township as defined in
40.6 section 471.59; and any joint powers board or organization created under section 471.59.

40.7 Sec. 61. Minnesota Statutes 2014, section 297A.70, subdivision 3, is amended to read:

40.8 Subd. 3. **Sales of certain goods and services to government.** (a) The following
40.9 sales to or use by the specified governments and political subdivisions of the state are
40.10 exempt:

40.11 (1) repair and replacement parts for emergency rescue vehicles, fire trucks, and
40.12 fire apparatus to a political subdivision;

40.13 (2) machinery and equipment, except for motor vehicles, used directly for mixed
40.14 municipal solid waste management services at a solid waste disposal facility as defined in
40.15 section 115A.03, subdivision 10;

40.16 (3) chore and homemaking services to a political subdivision of the state to be
40.17 provided to elderly or disabled individuals;

40.18 (4) telephone services to the Office of MN.IT Services that are used to provide
40.19 telecommunications services through the MN.IT services revolving fund;

40.20 (5) firefighter personal protective equipment as defined in paragraph (b), if purchased
40.21 or authorized by and for the use of an organized fire department, fire protection district, or
40.22 fire company regularly charged with the responsibility of providing fire protection to the
40.23 state or a political subdivision;

40.24 (6) bullet-resistant body armor that provides the wearer with ballistic and trauma
40.25 protection, if purchased by a law enforcement agency of the state or a political subdivision
40.26 of the state, or a licensed peace officer, as defined in section 626.84, subdivision 1;

40.27 (7) motor vehicles purchased or leased by political subdivisions of the state if the
40.28 vehicles are exempt from registration under section 168.012, subdivision 1, paragraph (b),
40.29 exempt from taxation under section 473.448, or exempt from the motor vehicle sales tax
40.30 under section 297B.03, clause (12);

40.31 (8) equipment designed to process, dewater, and recycle biosolids for wastewater
40.32 treatment facilities of political subdivisions, and materials incidental to installation of
40.33 that equipment;

41.1 (9) the removal of trees, bushes, or shrubs for the construction and maintenance
 41.2 of roads, trails, or firebreaks when purchased by an agency of the state or a political
 41.3 subdivision of the state;

41.4 (10) purchases by ~~the Metropolitan Council or~~ the Department of Transportation of
 41.5 vehicles and repair parts to equip operations provided for in section 174.90, including,
 41.6 but not limited to, the Northstar Corridor Rail project; and

41.7 (11) purchases of water used directly in providing public safety services by an
 41.8 organized fire department, fire protection district, or fire company regularly charged with
 41.9 the responsibility of providing fire protection to the state or a political subdivision.

41.10 (b) For purposes of this subdivision, "firefighters personal protective equipment"
 41.11 means helmets, including face shields, chin straps, and neck liners; bunker coats and
 41.12 pants, including pant suspenders; boots; gloves; head covers or hoods; wildfire jackets;
 41.13 protective coveralls; goggles; self-contained breathing apparatus; canister filter masks;
 41.14 personal alert safety systems; spanner belts; optical or thermal imaging search devices;
 41.15 and all safety equipment required by the Occupational Safety and Health Administration.

41.16 (c) For purchases of items listed in paragraph (a), clause (10), the tax must be
 41.17 imposed and collected as if the rate under section 297A.62, subdivision 1, applied and
 41.18 then refunded in the manner provided in section 297A.75.

41.19 Sec. 62. Minnesota Statutes 2014, section 297A.992, subdivision 4, is amended to read:

41.20 Subd. 4. **Joint powers board.** (a) The joint powers board must consist of one
 41.21 or more commissioners of each county that is in the metropolitan transportation area,
 41.22 appointed by its county board, ~~and the chair of the Metropolitan Council,~~ who must have
 41.23 voting rights, subject to subdivision 3, clause (4). The joint powers board has the powers
 41.24 and duties provided in this section and section 471.59.

41.25 (b) The joint powers board may utilize no more than three-fourths of one percent of
 41.26 the proceeds of the taxes imposed under this section for ordinary administrative expenses
 41.27 incurred in carrying out the provisions of this section. Any additional administrative
 41.28 expenses must be paid by the participating counties.

41.29 (c) The joint powers board may establish a technical advisory group that is separate
 41.30 from the GEARS Committee. The group must consist of representatives of cities, counties,
 41.31 or public agencies, ~~including the Metropolitan Council.~~ The technical advisory group
 41.32 must be used solely for technical consultation purposes.

41.33 Sec. 63. Minnesota Statutes 2014, section 297A.992, subdivision 5, is amended to read:

42.1 Subd. 5. **Grant application and awards; Grant Evaluation and Ranking System**
42.2 **(GEARS) Committee.** (a) The joint powers board shall establish a grant application
42.3 process and identify the amount of available funding for grant awards. Grant applications
42.4 must be submitted in a form prescribed by the joint powers board. An applicant must
42.5 provide, in addition to all other information required by the joint powers board, the
42.6 estimated cost of the project, the amount of the grant sought, possible sources of funding
42.7 in addition to the grant sought, and identification of any federal funds that will be utilized
42.8 if the grant is awarded. A grant application seeking transit capital funding must identify
42.9 the source of money necessary to operate the transit improvement.

42.10 (b) The joint powers board shall establish a timeline and procedures for the award of
42.11 grants, and may award grants only to the state and political subdivisions. The board shall
42.12 define objective criteria for the award of grants, ~~which must include, but not be limited to,~~
42.13 ~~consistency with the most recent version of the transportation policy plan adopted by the~~
42.14 ~~Metropolitan Council under section 473.146.~~ The joint powers board shall maximize the
42.15 availability and use of federal funds in projects funded under this section.

42.16 (c) The joint powers board shall establish a GEARS Committee, which must consist
42.17 of:

42.18 (1) one county commissioner from each county that is in the metropolitan
42.19 transportation area, appointed by its county board;

42.20 (2) one elected city representative from each county that is in the metropolitan
42.21 transportation area; and

42.22 (3) one additional elected city representative from each county for every additional
42.23 400,000 in population, or fraction of 400,000, in the county that is above 400,000 in
42.24 population; and.

42.25 ~~(4) the chair of the Metropolitan Council Transportation Committee.~~

42.26 (d) Each city representative must be elected at a meeting of cities in the metropolitan
42.27 transportation area, which must be convened for that purpose by the Association of
42.28 Metropolitan Municipalities.

42.29 (e) The committee shall evaluate grant applications following objective criteria
42.30 established by the joint powers board, and must provide to the joint powers board a
42.31 selection list of transportation projects that includes a priority ranking.

42.32 ~~(f) A grant award for a transit project located within the metropolitan area, as defined~~
42.33 ~~in section 473.121, subdivision 2, may be funded only after the Metropolitan Council~~
42.34 ~~reviews the project for consistency with the transit portion of the Metropolitan Council~~
42.35 ~~policy plan and one of the following occurs:~~

42.36 ~~(1) the Metropolitan Council finds the project to be consistent;~~

43.1 ~~(2) the Metropolitan Council initially finds the project to be inconsistent, but after a~~
 43.2 ~~good faith effort to resolve the inconsistency through negotiations with the joint powers~~
 43.3 ~~board, agrees that the grant award may be funded; or~~

43.4 ~~(3) the Metropolitan Council finds the project to be inconsistent, and submits the~~
 43.5 ~~consistency issue for final determination to a panel, which determines the project to be~~
 43.6 ~~consistent. The panel is composed of a member appointed by the chair of the Metropolitan~~
 43.7 ~~Council, a member appointed by the joint powers board, and a member agreed upon by~~
 43.8 ~~both the chair and the joint powers board.~~

43.9 ~~(g) (f) Grants must be funded by the proceeds of the taxes imposed under this section,~~
 43.10 ~~bonds, notes, or other obligations issued by the joint powers board under subdivision 7.~~

43.11 ~~(h) Notwithstanding the provisions of this section except subdivision 6a, of~~
 43.12 ~~the revenue collected under this section, the joint powers board shall allocate to the~~
 43.13 ~~Metropolitan Council, in fiscal years 2012 and 2013, an amount not less than 75 percent of~~
 43.14 ~~the net cost of operations for those transitways that were receiving metropolitan sales tax~~
 43.15 ~~funds through an operating grant agreement on June 30, 2011.~~

43.16 ~~(i) The Metropolitan Council shall expend any funds allocated under paragraph (h)~~
 43.17 ~~for the operations of the specified transitways solely within those counties that are in the~~
 43.18 ~~metropolitan transportation area.~~

43.19 ~~(j) Nothing in paragraph (h) or (i) prevents grant awards to the Metropolitan Council~~
 43.20 ~~for capital and operating assistance for transitways and park-and-ride facilities.~~

43.21 Sec. 64. Minnesota Statutes 2014, section 352.01, subdivision 2a, is amended to read:

43.22 Subd. 2a. **Included employees.** (a) "State employee" includes:

43.23 (1) employees of the Minnesota Historical Society;

43.24 (2) employees of the State Horticultural Society;

43.25 (3) employees of the Minnesota Crop Improvement Association;

43.26 (4) employees of the adjutant general whose salaries are paid from federal funds and
 43.27 who are not covered by any federal civilian employees retirement system;

43.28 (5) employees of the Minnesota State Colleges and Universities who are employed
 43.29 under the university or college activities program;

43.30 (6) currently contributing employees covered by the system who are temporarily
 43.31 employed by the legislature during a legislative session or any currently contributing
 43.32 employee employed for any special service as defined in subdivision 2b, clause (8);

43.33 (7) employees of the legislature who are appointed without a limit on the duration
 43.34 of their employment and persons employed or designated by the legislature or by a

44.1 legislative committee or commission or other competent authority to conduct a special
44.2 inquiry, investigation, examination, or installation;

44.3 (8) trainees who are employed on a full-time established training program
44.4 performing the duties of the classified position for which they will be eligible to receive
44.5 immediate appointment at the completion of the training period;

44.6 (9) employees of the Minnesota Safety Council;

44.7 (10) any employees who are on authorized leave of absence from the Transit
44.8 Operating Division of the former Metropolitan Transit Commission and who are employed
44.9 by the labor organization which is the exclusive bargaining agent representing employees
44.10 of the Transit Operating Division;

44.11 (11) employees of the ~~Metropolitan Council~~, Metropolitan Parks and Open Space
44.12 Commission, Metropolitan Sports Facilities Commission, or Metropolitan Mosquito
44.13 Control Commission unless excluded under subdivision 2b or are covered by another
44.14 public pension fund or plan under section 473.415, subdivision 3;

44.15 (12) judges of the Tax Court;

44.16 (13) personnel who were employed on June 30, 1992, by the University of
44.17 Minnesota in the management, operation, or maintenance of its heating plant facilities,
44.18 whose employment transfers to an employer assuming operation of the heating plant
44.19 facilities, so long as the person is employed at the University of Minnesota heating plant
44.20 by that employer or by its successor organization;

44.21 (14) personnel who are employed as seasonal employees in the classified or
44.22 unclassified service;

44.23 (15) persons who are employed by the Department of Commerce as a peace officer
44.24 in the Commerce Fraud Bureau under section 45.0135 who have attained the mandatory
44.25 retirement age specified in section 43A.34, subdivision 4;

44.26 (16) employees of the University of Minnesota unless excluded under subdivision
44.27 2b, clause (3);

44.28 (17) employees of the Middle Management Association whose employment began
44.29 after July 1, 2007, and to whom section 352.029 does not apply;

44.30 (18) employees of the Minnesota Government Engineers Council to whom section
44.31 352.029 does not apply;

44.32 (19) employees of the Minnesota Sports Facilities Authority;

44.33 (20) employees of the Minnesota Association of Professional Employees;

44.34 (21) employees of the Minnesota State Retirement System;

44.35 (22) employees of the State Agricultural Society;

45.1 (23) employees of the Gillette Children's Hospital Board who were employed in the
45.2 state unclassified service at the former Gillette Children's Hospital on March 28, 1974; and

45.3 (24) if approved for coverage by the Board of Directors of Conservation Corps
45.4 Minnesota, employees of Conservation Corps Minnesota so employed on June 30, 2003.

45.5 (b) Employees specified in paragraph (a), clause (13), are included employees under
45.6 paragraph (a) if employer and employee contributions are made in a timely manner in the
45.7 amounts required by section 352.04. Employee contributions must be deducted from
45.8 salary. Employer contributions are the sole obligation of the employer assuming operation
45.9 of the University of Minnesota heating plant facilities or any successor organizations to
45.10 that employer.

45.11 Sec. 65. Minnesota Statutes 2014, section 352.01, subdivision 2b, is amended to read:

45.12 Subd. 2b. **Excluded employees.** "State employee" does not include:

45.13 (1) persons who are:

45.14 (i) students employed by the University of Minnesota, or within the Minnesota State
45.15 Colleges and Universities system, unless approved for coverage by the Board of Regents
45.16 of the University of Minnesota or the Board of Trustees of the Minnesota State Colleges
45.17 and Universities, whichever applies;

45.18 (ii) employed as interns for a period not to exceed six months unless included under
45.19 subdivision 2a, paragraph (a), clause (8);

45.20 (iii) employed as trainee employees unless included under subdivision 2a, paragraph
45.21 (a), clause (8); or

45.22 (iv) employed in the student worker classification as designated by Minnesota
45.23 Management and Budget;

45.24 (2) employees who are:

45.25 (i) eligible for membership in the state Teachers Retirement Association, unless the
45.26 person is an employee of the Department of Education who elected to be covered by the
45.27 general state employees retirement plan of the Minnesota State Retirement System instead
45.28 of the Teachers Retirement Association;

45.29 (ii) employees of the state who, in any year, were credited with 12 months of
45.30 allowable service as a public school teacher and, as such, are members of a retirement plan
45.31 governed by chapter 354 or 354A unless the employment is incidental employment as a
45.32 state employee that is not covered by a retirement plan governed by chapter 354 or 354A;

45.33 (iii) employees of the state who are employed by the Board of Trustees of the
45.34 Minnesota State Colleges and Universities in an unclassified position that is listed in
45.35 section 43A.08, subdivision 1, clause (9);

46.1 (iv) persons employed by the Board of Trustees of the Minnesota State Colleges and
 46.2 Universities who elected retirement coverage other than by the general state employees
 46.3 retirement plan of the Minnesota State Retirement System under Minnesota Statutes
 46.4 1994, section 136C.75;

46.5 (v) officers or enlisted personnel in the National Guard or in the naval militia who
 46.6 are assigned to permanent peacetime duty and who are or are required to be members of a
 46.7 federal retirement system under federal law;

46.8 (vi) persons employed by the Department of Military Affairs as full-time firefighters
 46.9 and who, as such, are members of the public employees police and fire retirement plan;

46.10 (vii) members of the State Patrol retirement plan under section 352B.011,
 46.11 subdivision 10; and

46.12 ~~(viii) off-duty police officers while employed by the Metropolitan Council and~~
 46.13 ~~persons employed as full-time police officers by the Metropolitan Council and who, as~~
 46.14 ~~such, are members of the public employees police and fire retirement plan; and~~

46.15 ~~(ix) (viii)~~ employees of the state who have elected to transfer account balances
 46.16 derived from state service to the unclassified state employees retirement program under
 46.17 section 352D.02, subdivision 1d;

46.18 (3) employees of the University of Minnesota who are excluded from coverage by
 46.19 action of the Board of Regents;

46.20 (4) election judges and persons who are employed solely to administer elections;

46.21 (5) persons who are:

46.22 (i) engaged in public work for the state but who are employed by contractors when the
 46.23 performance of the contract is authorized by the legislature or other competent authority;

46.24 (ii) employed to perform professional services where the service is incidental to the
 46.25 person's regular professional duties and where compensation is paid on a per diem basis; or

46.26 (iii) compensated on a fee payment basis or as an independent contractor;

46.27 (6) persons who are employed:

46.28 (i) on a temporary basis by the house of representatives, the senate, or a legislative
 46.29 commission or agency under the jurisdiction of the Legislative Coordinating Commission;

46.30 (ii) as a temporary employee on or after July 1 for a period ending on or before
 46.31 October 15 of that calendar year for the Minnesota State Agricultural Society or the
 46.32 Minnesota State Fair, or as an employee at any time for a special event held on the
 46.33 fairgrounds;

46.34 (iii) by the executive branch as a temporary employee in the classified service or
 46.35 as an executive branch temporary employee in the unclassified service if appointed for a

47.1 definite period not to exceed six months, and if employment is less than six months, then
47.2 in any 12-month period;

47.3 (iv) by the adjutant general if employed on an unlimited intermittent or temporary
47.4 basis in the classified service or in the unclassified service for the support of Army or
47.5 Air National Guard training facilities; and

47.6 (v) by a state or federal program for training or rehabilitation as a temporary
47.7 employee if employed for a limited period from an area of economic distress and if other
47.8 than a skilled or supervisory personnel position or other than a position that has civil
47.9 service status covered by the retirement system; and

47.10 ~~(vi) by the Metropolitan Council or a statutory board of the Metropolitan Council~~
47.11 ~~where the members of the board are appointed by the Metropolitan Council as a temporary~~
47.12 ~~employee if the appointment does not exceed six months;~~

47.13 (7) receivers, jurors, notaries public, and court employees who are not in the judicial
47.14 branch as defined in section 43A.02, subdivision 25, except referees and adjusters
47.15 employed by the Department of Labor and Industry;

47.16 (8) patient and inmate help who perform services in state charitable, penal, and
47.17 correctional institutions, including a Minnesota Veterans Home;

47.18 (9) employees of the Sibley House Association;

47.19 (10) persons who are:

47.20 (i) members of any state board or commission who serve the state intermittently and
47.21 are paid on a per diem basis, the secretary, secretary-treasurer, and treasurer of those
47.22 boards if their compensation is \$5,000 or less per year, or, if they are legally prohibited
47.23 from serving more than three years, and the board of managers of the State Agricultural
47.24 Society and its treasurer unless the treasurer is also its full-time secretary;

47.25 (ii) examination monitors employed by a department, agency, commission, or board
47.26 of the state to conduct examinations that are required by law; or

47.27 (iii) appointees serving as a member of a fact-finding commission or an adjustment
47.28 panel, an arbitrator, or a labor referee under chapter 179;

47.29 (11) emergency employees who are in the classified service, but if an emergency
47.30 employee, within the same pay period, becomes a provisional or probationary employee
47.31 on other than a temporary basis, the employee must be considered a "state employee"
47.32 retroactively to the beginning of the pay period;

47.33 (12) persons who are members of a religious order who are excluded from coverage
47.34 under the federal Old Age, Survivors, Disability, and Health Insurance Program for the
47.35 performance of service as specified in United States Code, title 42, section 410(a)(8)(A),

48.1 as amended, if no irrevocable election of coverage has been made under section 3121(r) of
 48.2 the Internal Revenue Code of 1986, as amended;

48.3 (13) members of trades who are employed by the successor to the Metropolitan
 48.4 Waste Control Commission, who have trade union pension plan coverage under a
 48.5 collective bargaining agreement, and who are first employed after June 1, 1977;

48.6 (14) foreign citizens who are employed under a work permit of less than three
 48.7 years or under an H-1b visa or a J-1 visa that is initially valid for less than three years of
 48.8 employment, unless notice of a visa extension which allows them to work for three or
 48.9 more years as of the date that the extension is granted and is supplied to the retirement
 48.10 plan, in which case the person is eligible for coverage from the date of the extension; and

48.11 (15) reemployed annuitants of the general state employees retirement plan, the
 48.12 military affairs personnel retirement plan, the transportation department pilots retirement
 48.13 plan, the state fire marshal employees retirement plan, or the correctional state employees
 48.14 retirement plan during the course of that reemployment.

48.15 Sec. 66. Minnesota Statutes 2014, section 352.03, subdivision 1, is amended to read:

48.16 Subdivision 1. **Membership of board; election; term.** (a) The policy-making
 48.17 function of the system is vested in a board of 11 members known as the board of directors.
 48.18 This board shall consist of:

48.19 (1) three members appointed by the governor, one of whom must be a constitutional
 48.20 officer or appointed state official and two of whom must be public members knowledgeable
 48.21 in pension matters;

48.22 (2) four state employees elected by active members and former members eligible for
 48.23 a deferred annuity from the general state employees retirement plan, excluding employees
 48.24 and deferred annuitants for whom a board member is designated;

48.25 (3) one employee of the ~~Metropolitan Council's~~ Department of Transportation's
 48.26 transit operations or its successor agency designated by the executive committee of the
 48.27 labor organization that is the exclusive bargaining agent representing employees of the
 48.28 transit division;

48.29 (4) one employee who is a member of the State Patrol retirement plan elected by
 48.30 active members and former members eligible for a deferred annuity from that plan;

48.31 (5) one employee who is a member of the correctional state employees retirement
 48.32 plan established under this chapter elected by active members and former members
 48.33 eligible for a deferred annuity from that plan; and

49.1 (6) one retired employee of a plan included in the system, elected by disabled and
49.2 retired employees of the plans administered by the system at a time and in a manner
49.3 determined by the board.

49.4 (b) The terms of the four elected state employees under paragraph (a), clause
49.5 (2), must be staggered, with two of the state employee board positions elected each
49.6 biennium, whose terms of office begin on the first Monday in May after their election.
49.7 Elected members and the appointed member of the ~~Metropolitan Council's~~ Department
49.8 of Transportation's transit operations hold office for a term of four years and until their
49.9 successors are elected or appointed, and have qualified.

49.10 (c) An employee or former employee of the system is not eligible for membership
49.11 on the board of directors. A state employee on leave of absence is not eligible for election
49.12 or reelection to membership on the board of directors.

49.13 (d) The term of any board member who is on leave for more than six months
49.14 automatically ends on expiration of the term of office.

49.15 Sec. 67. Minnesota Statutes 2014, section 352.04, subdivision 6, is amended to read:

49.16 Subd. 6. **Quasi-state agencies; employer contributions.** For those of their
49.17 employees who are covered by the system, the State Horticultural Society, the Disabled
49.18 American Veterans, Department of Minnesota, Veterans of Foreign Wars, Department of
49.19 Minnesota, the Minnesota Crop Improvement Association, the Minnesota Historical
49.20 Society, the Armory Building Commission, the Minnesota Safety Council, ~~the~~
49.21 ~~Metropolitan Council and any of its statutory boards,~~ the employer of persons described in
49.22 section 352.01, subdivision 2a, paragraph (a), clause (15), and any other agency employing
49.23 employees covered by this system, respectively, shall also pay into the retirement fund the
49.24 amount required by subdivision 3.

49.25 Sec. 68. Minnesota Statutes 2014, section 352D.02, subdivision 1, is amended to read:

49.26 Subdivision 1. **Coverage.** (a) Employees enumerated in paragraph (c), clauses (2),
49.27 (3), (4), (6) to (14), and (16) to (18), if they are in the unclassified service of the state ~~or~~
49.28 ~~Metropolitan Council~~ and are eligible for coverage under the general state employees
49.29 retirement plan under chapter 352, are participants in the unclassified program under this
49.30 chapter unless the employee gives notice to the executive director of the Minnesota State
49.31 Retirement System within one year following the commencement of employment in the
49.32 unclassified service that the employee desires coverage under the general state employees
49.33 retirement plan. For the purposes of this chapter, an employee who does not file notice

50.1 with the executive director is deemed to have exercised the option to participate in the
50.2 unclassified program.

50.3 (b) Persons referenced in paragraph (c), clause (5), are participants in the unclassified
50.4 program under this chapter unless the person was eligible to elect different coverage under
50.5 section 3A.07 and elected retirement coverage by the applicable alternative retirement
50.6 plan. Persons referenced in paragraph (c), clause (15), are participants in the unclassified
50.7 program under this chapter for judicial employment in excess of the service credit limit in
50.8 section 490.121, subdivision 22.

50.9 (c) Enumerated employees and referenced persons are:

50.10 (1) the governor, the lieutenant governor, the secretary of state, the state auditor,
50.11 and the attorney general;

50.12 (2) an employee in the Office of the Governor, Lieutenant Governor, Secretary
50.13 of State, State Auditor, Attorney General;

50.14 (3) an employee of the State Board of Investment;

50.15 (4) the head of a department, division, or agency created by statute in the unclassified
50.16 service, an acting department head subsequently appointed to the position, or an employee
50.17 enumerated in section 15A.0815 or 15A.083, subdivision 4;

50.18 (5) a member of the legislature;

50.19 (6) a full-time unclassified employee of the legislature or a commission or agency of
50.20 the legislature who is appointed without a limit on the duration of the employment or a
50.21 temporary legislative employee having shares in the supplemental retirement fund as a
50.22 result of former employment covered by this chapter, whether or not eligible for coverage
50.23 under the Minnesota State Retirement System;

50.24 (7) a person who is employed in a position established under section 43A.08,
50.25 subdivision 1, clause (3), or in a position authorized under a statute creating or establishing
50.26 a department or agency of the state, which is at the deputy or assistant head of department
50.27 or agency or director level;

50.28 ~~(8) the regional administrator, or executive director of the Metropolitan Council,~~
50.29 ~~general counsel, division directors, operations managers, and other positions as designated~~
50.30 ~~by the council, all of which may not exceed 27 positions at the council and the chair;~~

50.31 ~~(9)~~ (8) the commissioner, deputy commissioner, and not to exceed nine positions
50.32 of the Minnesota Office of Higher Education in the unclassified service, as designated
50.33 by the Minnesota Office of Higher Education before January 1, 1992, or subsequently
50.34 redesignated with the approval of the board of directors of the Minnesota State Retirement
50.35 System, unless the person has elected coverage by the individual retirement account
50.36 plan under chapter 354B;

51.1 ~~(10)~~ (9) the clerk of the appellate courts appointed under article VI, section 2, of the
 51.2 Constitution of the state of Minnesota, the state court administrator and judicial district
 51.3 administrators;

51.4 ~~(11)~~ (10) the chief executive officers of correctional facilities operated by the
 51.5 Department of Corrections and of hospitals and nursing homes operated by the Department
 51.6 of Human Services;

51.7 ~~(12)~~ (11) an employee whose principal employment is at the state ceremonial house;

51.8 ~~(13)~~ (12) an employee of the Agricultural Utilization Research Institute;

51.9 ~~(14)~~ (13) an employee of the State Lottery who is covered by the managerial plan
 51.10 established under section 43A.18, subdivision 3;

51.11 ~~(15)~~ (14) a judge who has exceeded the service credit limit in section 490.121,
 51.12 subdivision 22;

51.13 ~~(16)~~ (15) an employee of Enterprise Minnesota, Inc.;

51.14 ~~(17)~~ (16) a person employed by the Minnesota State Colleges and Universities as
 51.15 faculty or in an eligible unclassified administrative position as defined in section 354B.20,
 51.16 subdivision 6, who was employed by the former state university or the former community
 51.17 college system before May 1, 1995, and elected unclassified program coverage prior to
 51.18 May 1, 1995; and

51.19 ~~(18)~~ (17) a person employed by the Minnesota State Colleges and Universities who
 51.20 was employed in state service before July 1, 1995, who subsequently is employed in an
 51.21 eligible unclassified administrative position as defined in section 354B.20, subdivision
 51.22 6, and who elects coverage by the unclassified program.

51.23 Sec. 69. Minnesota Statutes 2014, section 353.50, subdivision 7, is amended to read:

51.24 Subd. 7. **MERF division account contributions.** (a) After June 30, 2010, the
 51.25 member and employer contributions to the MERF division account are governed by this
 51.26 subdivision.

51.27 (b) An active member covered by the MERF division must make an employee
 51.28 contribution of 9.75 percent of the total salary of the member as defined in section 353.01,
 51.29 subdivision 10. The employee contribution must be made by payroll deduction by the
 51.30 member's employing unit under section 353.27, subdivision 4, and is subject to the
 51.31 provisions of section 353.27, subdivisions 7, 7a, 7b, 12, 12a, and 12b.

51.32 (c) The employer regular contribution to the MERF division account with respect
 51.33 to an active MERF division member is 9.75 percent of the total salary of the member as
 51.34 defined in section 353.01, subdivision 10.

52.1 (d) The employer additional contribution to the MERF division account with respect
52.2 to an active member of the MERF division is 2.68 percent of the total salary of the member
52.3 as defined in section 353.01, subdivision 10, plus the employing unit's share of \$3,900,000
52.4 that the employing unit paid or is payable to the former Minneapolis Employees
52.5 Retirement Fund under Minnesota Statutes 2008, section 422A.101, subdivision 1a, 2,
52.6 or 2a, during calendar year 2009, as was certified by the former executive director of the
52.7 former Minneapolis Employees Retirement Fund.

52.8 (e) Annually after June 30, 2012, the employer supplemental contribution to
52.9 the MERF division account by the city of Minneapolis, Special School District No. 1,
52.10 Minneapolis, a Minneapolis-owned public utility, improvement, or municipal activity,
52.11 Hennepin county, ~~the Metropolitan Council~~, the Metropolitan Airports Commission, and
52.12 the Minnesota State Colleges and Universities system is the larger of the following:

52.13 (1) the amount by which the total actuarial required contribution determined under
52.14 section 356.215 by the approved actuary retained by the Public Employees Retirement
52.15 Association in the most recent actuarial valuation of the MERF division and based on a
52.16 June 30, 2031, amortization date, after subtracting the contributions under paragraphs (b),
52.17 (c), and (d), exceeds \$22,750,000 or \$24,000,000, whichever applies; or

52.18 (2) the amount of \$27,000,000, but the total supplemental contribution amount
52.19 plus the contributions under paragraphs (c) and (d) may not exceed \$34,000,000. Each
52.20 employing unit's share of the total employer supplemental contribution amount is equal
52.21 to the applicable portion specified in paragraph (h). The initial total actuarial required
52.22 contribution after June 30, 2012, must be calculated using the mortality assumption
52.23 change recommended on September 30, 2009, for the Minneapolis Employees Retirement
52.24 Fund by the approved consulting actuary retained by the Minneapolis Employees
52.25 Retirement Fund board.

52.26 (f) Before January 31, each employing unit must be invoiced for its share of the
52.27 total employer supplemental contribution amount under paragraph (e). The amount is
52.28 payable by the employing unit in two parts. The first half of the amount due is payable
52.29 on or before the July 31 following the date of the invoice, and the second half of the
52.30 amount due is payable on or before December 15. Each invoice must be based on the
52.31 actuarial valuation report prepared under section 356.215 and the standards for actuarial
52.32 work promulgated by the Legislative Commission on Pensions and Retirement as of the
52.33 valuation date occurring 18 months earlier.

52.34 (g) Notwithstanding any provision of paragraph (c), (d), or (e) to the contrary, as of
52.35 August 1 annually, if the amount of the retirement annuities and benefits paid from the
52.36 MERF division account during the preceding fiscal year, multiplied by the factor of 1.035,

53.1 exceeds the market value of the assets of the MERF division account on the preceding
53.2 June 30, plus state aid of \$9,000,000, \$22,750,000, or \$24,000,000, whichever applies,
53.3 plus the amounts payable under paragraphs (b), (c), (d), and (e) during the preceding
53.4 fiscal year, multiplied by the factor of 1.035, the balance calculated is a special additional
53.5 employer contribution. The special additional employer contribution under this paragraph
53.6 is payable in addition to any employer contribution required under paragraphs (c), (d), and
53.7 (e), and is payable on or before the following June 30. The special additional employer
53.8 contribution under this paragraph must be allocated as specified in paragraph (h).

53.9 (h) The employer supplemental contribution under paragraph (e) or the special
53.10 additional employer contribution under paragraph (g) must be allocated between the city
53.11 of Minneapolis, Special School District No. 1, Minneapolis, any Minneapolis-owned
53.12 public utility, improvement, or municipal activity, the Minnesota State Colleges and
53.13 Universities system, Hennepin County, ~~the Metropolitan Council~~, and the Metropolitan
53.14 Airports Commission in proportion to their share of the actuarial accrued liability of the
53.15 former Minneapolis Employees Retirement Fund as of July 1, 2009, as calculated by the
53.16 approved actuary retained under section 356.214 as part of the actuarial valuation prepared
53.17 as of July 1, 2009, under section 356.215 and the Standards for Actuarial Work adopted by
53.18 the Legislative Commission on Pensions and Retirement.

53.19 (i) The employer contributions under paragraphs (c), (d), (e), and (g) must be paid as
53.20 provided in section 353.28.

53.21 (j) Contributions under this subdivision are subject to the provisions of section
53.22 353.27, subdivisions 4, 7, 7a, 7b, 11, 12, 12a, 12b, 13, and 14.

53.23 Sec. 70. Minnesota Statutes 2014, section 353.64, subdivision 7a, is amended to read:

53.24 Subd. 7a. **Pension coverage for certain metropolitan transit police officers.** A
53.25 person who is employed as a police officer on or after the first day of the first payroll
53.26 period after July 1, 1993, and before July 1, 2016, by the Metropolitan Council and who is
53.27 not eligible for coverage under the agreement with the Secretary of the federal Department
53.28 of Health and Human Services making the provisions of the federal Old Age, Survivors,
53.29 and Disability Insurance Act because the person's position is excluded from application
53.30 under United States Code, sections 418(d)(5)(A) and 418(d)(8)(D), and under section
53.31 355.07, is a member of the public employees police and fire fund and is considered to be a
53.32 police officer within the meaning of this section. The Metropolitan Council shall deduct
53.33 the employee contribution from the salary of each police officer as required by section
53.34 353.65, subdivision 2, shall make the employer contribution for each police officer as

54.1 required by section 353.65, subdivision 3, and shall meet the employer recording and
54.2 reporting requirements in section 353.65, subdivision 4.

54.3 Sec. 71. Minnesota Statutes 2014, section 363A.44, subdivision 1, is amended to read:

54.4 Subdivision 1. **Scope.** (a) No department, agency of the state, ~~the Metropolitan~~
54.5 ~~Council~~, or an agency subject to section 473.143, subdivision 1, shall execute a contract
54.6 for goods or services or an agreement for goods or services in excess of \$500,000 with a
54.7 business that has 40 or more full-time employees in this state or a state where the business
54.8 has its primary place of business on a single day during the prior 12 months, unless the
54.9 business has an equal pay certificate or it has certified in writing that it is exempt. A
54.10 certificate is valid for four years.

54.11 (b) This section does not apply to a business with respect to a specific contract if
54.12 the commissioner of administration determines that application of this section would
54.13 cause undue hardship to the contracting entity. This section does not apply to a contract
54.14 to provide goods and services to individuals under chapters 43A, 62A, 62C, 62D, 62E,
54.15 256B, 256I, 256L, and 268A, with a business that has a license, certification, registration,
54.16 provider agreement, or provider enrollment contract that is prerequisite to providing those
54.17 goods and services. This section does not apply to contracts entered into by the State
54.18 Board of Investment for investment options under section 352.965, subdivision 4.

54.19 Sec. 72. Minnesota Statutes 2014, section 373.40, subdivision 1, is amended to read:

54.20 Subdivision 1. **Definitions.** For purposes of this section, the following terms have
54.21 the meanings given.

54.22 (a) "Bonds" means an obligation as defined under section 475.51.

54.23 (b) "Capital improvement" means acquisition or betterment of public lands,
54.24 buildings, or other improvements within the county for the purpose of a county courthouse,
54.25 administrative building, health or social service facility, correctional facility, jail, law
54.26 enforcement center, hospital, morgue, library, park, qualified indoor ice arena, roads
54.27 and bridges, public works facilities, fairground buildings, and records and data storage
54.28 facilities, and the acquisition of development rights in the form of conservation easements
54.29 under chapter 84C. An improvement must have an expected useful life of five years or more
54.30 to qualify. "Capital improvement" does not include a recreation or sports facility building
54.31 (such as, but not limited to, a gymnasium, ice arena, racquet sports facility, swimming
54.32 pool, exercise room or health spa), unless the building is part of an outdoor park facility
54.33 and is incidental to the primary purpose of outdoor recreation. For purposes of this section,
54.34 "capital improvement" includes expenditures for purposes described in this paragraph that

55.1 have been incurred by a county before approval of a capital improvement plan, if such
 55.2 expenditures are included in a capital improvement plan approved on or before the date of
 55.3 the public hearing under subdivision 2 regarding issuance of bonds for such expenditures.

55.4 (c) "Metropolitan county" means a county located in the seven-county metropolitan
 55.5 area as defined in section 473.121 or a county with a population of 90,000 or more.

55.6 (d) "Population" means the population established by the most recent of the
 55.7 following (determined as of the date the resolution authorizing the bonds was adopted):

55.8 (1) the federal decennial census,

55.9 (2) a special census conducted under contract by the United States Bureau of the
 55.10 Census, or

55.11 (3) a population estimate made ~~either by the Metropolitan Council or by the state~~
 55.12 demographer under section 4A.02.

55.13 (e) "Qualified indoor ice arena" means a facility that meets the requirements of
 55.14 section 373.43.

55.15 Sec. 73. Minnesota Statutes 2014, section 383A.81, subdivision 3, is amended to read:

55.16 Subd. 3. **Matching funds.** In expending funds under this section, the county shall
 55.17 seek matching funds from contamination cleanup funds administered by the commissioner
 55.18 of the Department of Employment and Economic Development, ~~the Metropolitan Council,~~
 55.19 the federal government, the private sector, and any other source.

55.20 Sec. 74. Minnesota Statutes 2014, section 383B.81, subdivision 3, is amended to read:

55.21 Subd. 3. **Matching funds.** In expending funds under this section the county
 55.22 shall seek matching funds from contamination cleanup funds administered by the
 55.23 commissioners of the Department of Employment and Economic Development, ~~the~~
 55.24 ~~Metropolitan Council,~~ the federal government, the private sector and any other source.

55.25 Sec. 75. Minnesota Statutes 2014, section 398A.04, subdivision 1, is amended to read:

55.26 Subdivision 1. **General.** An authority may exercise all the powers necessary or
 55.27 desirable to implement the powers specifically granted in this section, and in exercising
 55.28 the powers is deemed to be performing an essential governmental function and exercising
 55.29 a part of the sovereign power of the state, and is a local government unit and political
 55.30 subdivision of the state. Without limiting the generality of the foregoing, the authority may:

55.31 (a) sue and be sued, have a seal, which may but need not be affixed to documents as
 55.32 directed by the board, make and perform contracts, and have perpetual succession;

56.1 (b) acquire real and personal property within or outside its taxing jurisdiction, by
 56.2 purchase, gift, devise, condemnation, conditional sale, lease, lease purchase, or otherwise;
 56.3 or for purposes, including the facilitation of an economic development project pursuant to
 56.4 section 383B.81 or 469.091 or 469.175, subdivision 7, that also improve rail service;

56.5 (c) hold, manage, control, sell, convey, lease, mortgage, or otherwise dispose of real
 56.6 or personal property; and

56.7 (d) make grants or otherwise appropriate funds to the Department of Transportation;
 56.8 ~~the Metropolitan Council~~, or any other state or local governmental unit for the purposes
 56.9 described in subdivision 2 with respect to railroad facilities located or to be located within
 56.10 the authority's jurisdiction, whether or not the facilities will be acquired, constructed,
 56.11 owned, or operated by the authority.

56.12 Sec. 76. Minnesota Statutes 2014, section 398A.04, subdivision 2a, is amended to read:

56.13 Subd. 2a. **Bus rapid transit development.** A regional rail authority may exercise
 56.14 the powers conferred under this section to: plan, establish, acquire, develop, purchase,
 56.15 enlarge, extend, improve, maintain, equip, regulate, and protect; and pay costs of
 56.16 construction and operation of a bus rapid transit system located within its county on
 56.17 transitways ~~included in and approved by the Metropolitan Council's 2030 Transportation~~
 56.18 ~~Policy Plan~~. This subdivision applies only to the counties of Anoka, Carver, Dakota,
 56.19 Hennepin, Ramsey, Scott, and Washington.

56.20 Sec. 77. Minnesota Statutes 2014, section 414.02, subdivision 3, is amended to read:

56.21 Subd. 3. **Relevant factors, order.** (a) In arriving at a decision, the chief
 56.22 administrative law judge shall consider the following factors:

56.23 (1) present population and number of households, past population and projected
 56.24 population growth for the subject area;

56.25 (2) quantity of land within the subject area; the natural terrain including recognizable
 56.26 physical features, general topography, major watersheds, soil conditions and such natural
 56.27 features as rivers, lakes and major bluffs;

56.28 (3) present pattern of physical development, planning, and intended land uses in the
 56.29 subject area including residential, industrial, commercial, agricultural, and institutional
 56.30 land uses and the impact of the proposed action on those uses;

56.31 (4) the present transportation network and potential transportation issues, including
 56.32 proposed highway development;

57.1 (5) land use controls and planning presently being utilized in the subject area,
57.2 ~~including comprehensive plans, policies of the Metropolitan Council;~~ and whether there
57.3 are inconsistencies between proposed development and existing land use controls;

57.4 (6) existing levels of governmental services being provided to the subject area,
57.5 including water and sewer service, fire rating and protection, law enforcement, street
57.6 improvements and maintenance, administrative services, and recreational facilities and the
57.7 impact of the proposed action on the delivery of the services;

57.8 (7) existing or potential environmental problems and whether the proposed action is
57.9 likely to improve or resolve these problems;

57.10 (8) fiscal impact on the subject area and adjacent units of local government,
57.11 including present bonded indebtedness; local tax rates of the county, school district, and
57.12 other governmental units, including, where applicable, the net tax capacity of platted and
57.13 unplatted lands and the division of homestead and nonhomestead property; and other
57.14 tax and governmental aid issues;

57.15 (9) relationship and effect of the proposed action on affected and adjacent school
57.16 districts and communities;

57.17 (10) whether delivery of services to the subject area can be adequately and
57.18 economically delivered by the existing government;

57.19 (11) analysis of whether necessary governmental services can best be provided
57.20 through the proposed action or another type of boundary adjustment;

57.21 (12) degree of contiguity of the boundaries of the subject area and adjacent units
57.22 of local government; and

57.23 (13) analysis of the applicability of the State Building Code.

57.24 (b) Based upon these factors, the chief administrative law judge may order the
57.25 incorporation on finding that:

57.26 (1) the property to be incorporated is now, or is about to become, urban or suburban
57.27 in character; or

57.28 (2) that the existing township form of government is not adequate to protect the
57.29 public health, safety, and welfare; or

57.30 (3) the proposed incorporation would be in the best interests of the area under
57.31 consideration.

57.32 (c) The chief administrative law judge may deny the incorporation if the area, or a
57.33 part thereof, would be better served by annexation to an adjacent municipality.

57.34 (d) The chief administrative law judge may alter the boundaries of the proposed
57.35 incorporation by increasing or decreasing the area to be incorporated so as to include only
57.36 that property which is now, or is about to become, urban or suburban in character, or may

58.1 exclude property that may be better served by another unit of government. The chief
58.2 administrative law judge may also alter the boundaries of the proposed incorporation so as
58.3 to follow visible, clearly recognizable physical features for municipal boundaries.

58.4 (e) In all cases, the chief administrative law judge shall set forth the factors which
58.5 are the basis for the decision.

58.6 (f) Notwithstanding any other provision of law to the contrary relating to the number
58.7 of wards which may be established, the chief administrative law judge may provide
58.8 for election of council members by wards, not less than three nor more than seven in
58.9 number, whose limits are prescribed in the chief administrative law judge's order upon a
58.10 finding that area representation is required to accord proper representation in the proposed
58.11 incorporated area because of uneven population density in different parts thereof or the
58.12 existence of agricultural lands therein which are in the path of suburban development, but
58.13 after four years from the effective date of an incorporation the council of the municipality
58.14 may by resolution adopted by a four-fifths vote abolish the ward system and provide for
58.15 the election of all council members at large as in other municipalities.

58.16 (g) The chief administrative law judge's order for incorporation shall provide for the
58.17 election of municipal officers in accordance with section 414.09. The plan of government
58.18 shall be "Optional Plan A", provided that an alternate plan may be adopted pursuant
58.19 to section 412.551, at any time.

58.20 (h) The ordinances of the township in which the new municipality is located shall
58.21 continue in effect until repealed by the governing body of the new municipality.

58.22 Sec. 78. Minnesota Statutes 2014, section 414.031, subdivision 4, is amended to read:

58.23 Subd. 4. **Relevant factors, order.** (a) In arriving at a decision, the presiding
58.24 administrative law judge shall consider the following sources and factors:

58.25 (1) recordings and public documents from joint informational meetings under
58.26 section 414.0333 relevant to other factors listed in this subdivision;

58.27 (2) present population and number of households, past population and projected
58.28 population growth of the annexing municipality and subject area and adjacent units of
58.29 local government;

58.30 (3) quantity of land within the subject area and adjacent units of local government;
58.31 and natural terrain including recognizable physical features, general topography, major
58.32 watersheds, soil conditions and such natural features as rivers, lakes and major bluffs;

58.33 (4) degree of contiguity of the boundaries between the annexing municipality and
58.34 the subject area;

59.1 (5) present pattern of physical development, planning, and intended land uses in the
59.2 subject area and the annexing municipality including residential, industrial, commercial,
59.3 agricultural and institutional land uses and the impact of the proposed action on those
59.4 land uses;

59.5 (6) the present transportation network and potential transportation issues, including
59.6 proposed highway development;

59.7 (7) land use controls and planning presently being utilized in the annexing
59.8 municipality and the subject area, including comprehensive plans for development in
59.9 the area ~~and plans and policies of the Metropolitan Council~~, and whether there are
59.10 inconsistencies between proposed development and existing land use controls and the
59.11 reasons therefore;

59.12 (8) existing levels of governmental services being provided in the annexing
59.13 municipality and the subject area, including water and sewer service, fire rating and
59.14 protection, law enforcement, street improvements and maintenance, administrative
59.15 services, and recreational facilities and the impact of the proposed action on the delivery
59.16 of said services;

59.17 (9) the implementation of previous annexation agreements and orders;

59.18 (10) existing or potential environmental problems and whether the proposed action
59.19 is likely to improve or resolve these problems;

59.20 (11) plans and programs by the annexing municipality for providing needed and
59.21 enhanced governmental services to the subject area in a cost-effective and feasible manner
59.22 within a reasonable time from the date of the annexation;

59.23 (12) an analysis of the fiscal impact on the annexing municipality, the subject area,
59.24 and adjacent units of local government, including net tax capacity and the present bonded
59.25 indebtedness, and the local tax rates of the county, school district, and township;

59.26 (13) relationship and effect of the proposed action on affected and adjacent school
59.27 districts and communities;

59.28 (14) adequacy of town government to deliver services to the subject area;

59.29 (15) analysis of whether necessary governmental services can best be provided
59.30 through the proposed action or another type of boundary adjustment;

59.31 (16) if only a part of a township is annexed, the ability of the remainder of the
59.32 township to continue or the feasibility of it being incorporated separately or being annexed
59.33 to another municipality; and

59.34 (17) information received by the presiding administrative law judge from the tour
59.35 required under subdivision 3a.

60.1 (b) Based upon the factors, the presiding administrative law judge may order the
60.2 annexation on finding:

60.3 (1) that the subject area is now, or is about to become, urban or suburban in character;

60.4 (2) that municipal government in the area proposed for annexation is required to
60.5 protect the public health, safety, and welfare; or

60.6 (3) that the annexation would be in the best interest of the subject area.

60.7 (c) If only a part of a township is to be annexed, the presiding administrative law
60.8 judge shall consider whether the remainder of the township can continue to carry on the
60.9 functions of government without undue hardship.

60.10 (d) The presiding administrative law judge shall deny the annexation on finding that
60.11 the increase in revenues for the annexing municipality bears no reasonable relation to the
60.12 monetary value of benefits conferred upon the annexed area.

60.13 (e) The presiding administrative law judge may deny the annexation on finding:

60.14 (1) that annexation of all or a part of the property to an adjacent municipality would
60.15 better serve the interests of the residents of the property; or

60.16 (2) that the remainder of the township would suffer undue hardship.

60.17 (f) The presiding administrative law judge may alter the boundaries of the area to be
60.18 annexed by increasing or decreasing the area so as to include only that property which
60.19 is now or is about to become urban or suburban in character or to add property of such
60.20 character abutting the area proposed for annexation in order to preserve or improve the
60.21 symmetry of the area, or to exclude property that may better be served by another unit
60.22 of government.

60.23 (g) The presiding administrative law judge may also alter the boundaries of the
60.24 proposed annexation so as to follow visible, clearly recognizable physical features.

60.25 (h) If the presiding administrative law judge determines that part of the area would
60.26 be better served by another municipality or township, the presiding administrative law
60.27 judge may initiate and approve annexation by conducting further hearings and issuing
60.28 orders pursuant to subdivisions 3 and 4.

60.29 (i) In all cases, the presiding administrative law judge shall set forth the factors
60.30 which are the basis for the decision.

60.31 Sec. 79. Minnesota Statutes 2014, section 462A.04, subdivision 1, is amended to read:

60.32 Subdivision 1. **Creation; members.** There is created a public body corporate and
60.33 politic to be known as the "Minnesota Housing Finance Agency," which shall perform
60.34 the governmental functions and exercise the sovereign powers delegated to it in this
60.35 chapter in furtherance of the public policies and purposes declared in section 462A.02.

61.1 The agency shall consist of the state auditor and six public members appointed by the
61.2 governor with advice and consent of the senate. No more than three public members shall
61.3 reside in the metropolitan area of jurisdiction of the Metropolitan Council as provided
61.4 defined in section 473.123, subdivision 1 473.121, subdivision 2, and no more than one
61.5 public member shall reside in any one of the development regions established under the
61.6 provisions of sections 462.381 to 462.396. Each member shall hold office until a successor
61.7 has been appointed and has qualified. A certificate of appointment or reappointment of any
61.8 member shall be conclusive evidence of the due and proper appointment of the member.

61.9 Sec. 80. Minnesota Statutes 2014, section 462A.07, subdivision 11, is amended to read:

61.10 Subd. 11. **Cooperative relationships.** It may establish cooperative relationships
61.11 with such regional county and multicounty housing authorities as may be established,
61.12 ~~including the Metropolitan Council~~, and may develop priorities for the utilization of
61.13 agency resources and assistance within a region in cooperation with regional county and
61.14 multicounty housing authorities.

61.15 Sec. 81. Minnesota Statutes 2014, section 462A.222, subdivision 4, is amended to read:

61.16 Subd. 4. **Distribution plan.** (a) By October 1, 1990, the Metropolitan Council, in
61.17 consultation with the agency and representatives of local government and housing and
61.18 redevelopment authorities, shall develop and submit to the agency a plan for allocating
61.19 tax credits in 1991 and thereafter in the metropolitan area, based on regional housing
61.20 needs and priorities. The agency may amend the distribution plan after consultation
61.21 with ~~the Metropolitan Council~~, representatives of local governments, and housing and
61.22 redevelopment authorities.

61.23 (b) By October 1, 1990, the agency, in consultation with representatives of local
61.24 government and housing and redevelopment authorities, shall develop a plan for allocating
61.25 tax credits in 1991 and thereafter in greater Minnesota, based on regional housing needs
61.26 and priorities. The agency may amend the distribution plan after consultation with
61.27 representatives of local governments and housing and redevelopment authorities.

61.28 (c) In preparing the distribution plans, the ~~Metropolitan Council~~ and the agency shall
61.29 estimate the number of households in the metropolitan area and in greater Minnesota,
61.30 respectively, who are paying more than 50 percent of their income for rent and the cost
61.31 of providing sufficient rental or other assistance so that no household pays more than 50
61.32 percent of its income for rent. In addition, the ~~Metropolitan Council~~ and the agency shall
61.33 identify the nature and scope of existing programs which primarily serve families at 60
61.34 percent of the median income and individuals at 30 percent of the median income.

62.1 Sec. 82. Minnesota Statutes 2014, section 462C.04, subdivision 2, is amended to read:

62.2 Subd. 2. **Program review.** A public hearing shall be held on each program after
62.3 one publication of notice in a newspaper circulating generally in the city, at least 15
62.4 days before the hearing. On or before the day on which notice of the public hearing is
62.5 published, the city shall submit the program to the ~~metropolitan council, if the city is~~
62.6 ~~located in the metropolitan area as defined in section 473.121, subdivision 2, or to the~~
62.7 regional development commission for the area in which the city is located, if any, for
62.8 review and comment. The appropriate reviewing agency shall comment on:

62.9 (a) whether the program furthers local and regional housing policies and is consistent
62.10 with the Metropolitan Development Guide, if the city is located in the metropolitan area,
62.11 or adopted policies of the regional development commission; and

62.12 (b) the compatibility of the program with the housing portion of the comprehensive
62.13 plan of the city, if any.

62.14 Review of the program may be conducted either by the board of the reviewing
62.15 agency or by the staff of the agency. Any comment submitted by the reviewing agency to
62.16 the city must be presented to the body considering the proposed program at the public
62.17 hearing held on the program.

62.18 A member or employee of the reviewing agency shall be permitted to present the
62.19 comments of the reviewing agency at the public hearing. After conducting the public
62.20 hearing, the program may be adopted with or without amendment, provided that any
62.21 amendments must not be inconsistent with the comments, if any, of the reviewing agency
62.22 and must not contain any material changes from the program submitted to the reviewing
62.23 agency other than changes in the financial aspects of any proposed issue of bonds or
62.24 obligations. If any material change other than a change in the financial aspects of a proposed
62.25 issue of bonds or obligations, or any change which is inconsistent with the comments of the
62.26 reviewing agency is adopted, the amended program shall be resubmitted to the appropriate
62.27 reviewing agency for review and comment, and a public hearing shall be held on the
62.28 amended program after one publication of notice in a newspaper circulating generally in
62.29 the city at least 15 days before the hearing. The amended program shall be considered
62.30 after the public hearing in the same manner as consideration of the initial program.

62.31 Sec. 83. Minnesota Statutes 2014, section 462C.071, subdivision 2, is amended to read:

62.32 Subd. 2. **Limitation; origination period.** During the first ten months of an
62.33 origination period, a city may make loans financed with proceeds of mortgage bonds for
62.34 the purchase of existing housing. Loans financed with the proceeds of mortgage bonds

63.1 for new housing in the metropolitan area may be made during the first ten months of an
63.2 origination period only if at least one of the following conditions is met:

63.3 (1) the new housing is located in a redevelopment area;

63.4 (2) the new housing is replacing a structurally substandard structure or structures;

63.5 (3) the new housing is located on a parcel purchased by the city or conveyed to the
63.6 city under section 282.01, subdivision 1; or

63.7 (4) the new housing is part of a housing affordability initiative, other than those
63.8 financed with the proceeds from the sale of bonds, in which federal, state, or local
63.9 assistance is used to substantially improve the terms of the financing or to substantially
63.10 write down the purchase price of the new housing; ~~or.~~

63.11 ~~(5) the new housing is located in a city that has entered into a housing affordability~~
63.12 ~~agreement with the metropolitan council.~~

63.13 Upon expiration of the first ten-month period, a city may make loans financed with
63.14 the proceeds of mortgage bonds for the purchase of new and existing housing.

63.15 Sec. 84. Minnesota Statutes 2014, section 465.82, subdivision 1, is amended to read:

63.16 Subdivision 1. **Adoption and state agency review.** Each governing body that
63.17 proposes to take part in a combination under sections 465.81 to 465.86 must by resolution
63.18 adopt a plan for cooperation and combination. The plan must address each item in this
63.19 section. The plan must be specific for any item that will occur within three years and
63.20 may be general or set forth alternative proposals for an item that will occur more than
63.21 three years in the future. ~~For a metropolitan area local government unit, the plan must be~~
63.22 ~~submitted to the Metropolitan Council for review and comment. The council may point~~
63.23 ~~out any resources or technical assistance it may be able to provide a governing body~~
63.24 ~~submitting a plan under this subdivision. Significant modifications and specific resolutions~~
63.25 ~~of items must be submitted to the council, if appropriate, for review and comment.~~

63.26 In the official newspaper of each local government unit proposing to take part in the
63.27 combination, the governing body shall publish at least a summary of the adopted plans;
63.28 and each significant modification and resolution of items, ~~and, if appropriate, the results of~~
63.29 ~~each council review and comment.~~ If a territory of a unit is to be apportioned between or
63.30 among two or more units contiguous to the unit that is to be apportioned, the plan must
63.31 specify the area that will become a part of each remaining unit.

63.32 Sec. 85. Minnesota Statutes 2014, section 469.174, subdivision 26, is amended to read:

63.33 Subd. 26. **Population.** "Population" means the population established as of
63.34 December 31 by the most recent of the following:

- 64.1 (1) the federal census;
- 64.2 (2) a special census conducted under contract with the United States Bureau of
- 64.3 the Census; and
- 64.4 ~~(3) a population estimate made by the Metropolitan Council; and~~
- 64.5 ~~(4)~~ (3) a population estimate made by the state demographer under section 4A.02.
- 64.6 The population so established applies to the following calendar year.

64.7 Sec. 86. Minnesota Statutes 2014, section 469.351, subdivision 2, is amended to read:

64.8 Subd. 2. **Designation of transit improvement areas.** A transit improvement area

64.9 must increase the effectiveness of a transit project by incorporating one or more public

64.10 transit modes with commercial, residential, or mixed-use development and by providing

64.11 for safe and pedestrian-friendly use. The commissioner, in consultation with affected state

64.12 and regional agencies, must designate transit improvement areas that meet the objectives

64.13 under this subdivision. Affected state and regional agencies include, but are not limited

64.14 to, the Minnesota Department of Transportation; and the Minnesota Housing Finance

64.15 Agency; ~~and the Metropolitan Council for transit improvement areas located in the~~

64.16 ~~seven-county metropolitan region.~~ To be eligible for designation, an applicant must submit

64.17 a transit area improvement plan according to the requirements and timelines established

64.18 by the commissioner. At a minimum, the plan must include the information specified

64.19 under subdivision 3. The commissioner may modify an applicant's plan to better achieve

64.20 the objectives of transit improvement areas. The commissioner must notify applicants

64.21 of the designations and must provide a statement of any changes to an applicant's plan

64.22 with justification for all changes.

64.23 Sec. 87. Minnesota Statutes 2014, section 471.425, subdivision 1, is amended to read:

64.24 Subdivision 1. **Definitions.** For the purposes of this section, the following terms

64.25 have the meanings here given them.

64.26 (a) "Contract" means any written legal document or documents signed by both

64.27 parties in which the terms and conditions of any interest or other penalty for late payments

64.28 are clearly stated.

64.29 (b) "Date of receipt" means the completed delivery of the goods or services or the

64.30 satisfactory installation, assembly or specified portion thereof, or the receipt of the invoice

64.31 for the delivery of the goods or services, whichever is later.

64.32 (c) "Governing board" means the elected or appointed board of the municipality and

64.33 includes, but is not limited to, city councils, town boards and county boards.

65.1 (d) "Municipality" means any home rule charter or statutory city, county, town,
 65.2 school district, political subdivision or agency of local government. "Municipality" means
 65.3 ~~the Metropolitan Council or any board or~~ an agency created under chapter 473.

65.4 Sec. 88. Minnesota Statutes 2014, section 471.9997, is amended to read:

65.5 **471.9997 FEDERALLY ASSISTED RENTAL HOUSING; IMPACT**
 65.6 **STATEMENT.**

65.7 At least 12 months before termination of participation in a federally assisted rental
 65.8 housing program, including project-based Section 8 and Section 236 rental housing, the
 65.9 owner of the federally assisted rental housing must submit a statement regarding the
 65.10 impact of termination on the residents of the rental housing to the governing body of
 65.11 the local government unit in which the housing is located. The impact statement must
 65.12 identify the number of units that will no longer be subject to rent restrictions imposed
 65.13 by the federal program, the estimated rents that will be charged as compared to rents
 65.14 charged under the federal program, and actions the owner will take to assist displaced
 65.15 tenants in obtaining other housing. A copy of the impact statement must be provided to
 65.16 each resident of the affected building; and to the Minnesota Housing Finance Agency;
 65.17 ~~and, if the property is located in the metropolitan area as defined in section 473.121,~~
 65.18 ~~subdivision 2, the Metropolitan Council.~~

65.19 Sec. 89. Minnesota Statutes 2014, section 473.121, subdivision 2, is amended to read:

65.20 Subd. 2. **Metropolitan area or area.** "Metropolitan area" or "area" means the area
 65.21 ~~over which the Metropolitan Council has jurisdiction;~~ including only the counties of
 65.22 Anoka; Carver; Dakota excluding the city of Northfield; Hennepin excluding the cities of
 65.23 Hanover and Rockford; Ramsey; Scott excluding the city of New Prague; and Washington.

65.24 Sec. 90. Minnesota Statutes 2014, section 473.142, is amended to read:

65.25 **473.142 SMALL BUSINESSES.**

65.26 (a) ~~The Metropolitan Council and~~ agencies specified in section 473.143, subdivision
 65.27 1, may award up to a six percent preference in the amount bid for specified goods
 65.28 or services to small targeted group businesses and veteran-owned small businesses
 65.29 designated under section 16C.16.

65.30 (b) ~~The council and~~ Each agency specified in section 473.143, subdivision 1, may
 65.31 designate a purchase of goods or services for award only to small targeted group businesses
 65.32 designated under section 16C.16 if the ~~council or~~ agency determines that at least three
 65.33 small targeted group businesses are likely to bid. ~~The council and~~ Each agency specified

66.1 in section 473.143, subdivision 1, may designate a purchase of goods or services for award
66.2 only to veteran-owned small businesses designated under section 16C.16 if the ~~council~~ or
66.3 agency determines that at least three veteran-owned small businesses are likely to bid.

66.4 (c) ~~The council and~~ Each agency specified in section 473.143, subdivision 1, as a
66.5 condition of awarding a construction contract or approving a contract for consultant,
66.6 professional, or technical services, may set goals that require the prime contractor
66.7 to subcontract a portion of the contract to small targeted group businesses and
66.8 veteran-owned small businesses designated under section 16C.16. The ~~council~~ or agency
66.9 must establish a procedure for granting waivers from the subcontracting requirement
66.10 when qualified small targeted group businesses and veteran-owned small businesses are
66.11 not reasonably available. The ~~council~~ or agency may establish financial incentives for
66.12 prime contractors who exceed the goals for use of subcontractors and financial penalties
66.13 for prime contractors who fail to meet goals under this paragraph. The subcontracting
66.14 requirements of this paragraph do not apply to prime contractors who are small targeted
66.15 group businesses and veteran-owned small businesses. At least 75 percent of the value of
66.16 the subcontracts awarded to small targeted group businesses under this paragraph must
66.17 be performed by the business to which the subcontract is awarded or by another small
66.18 targeted group business. At least 75 percent of the value of the subcontracts awarded to
66.19 veteran-owned small businesses under this paragraph must be performed by the business
66.20 to which the subcontract is awarded or another veteran-owned small business.

66.21 (d) ~~The council and~~ Each agency listed in section 473.143, subdivision 1, ~~are~~ is
66.22 encouraged to purchase from small targeted group businesses and veteran-owned small
66.23 businesses designated under section 16C.16 when making purchases that are not subject to
66.24 competitive bidding procedures.

66.25 (e) ~~The council and~~ Each agency may adopt rules to implement this section.

66.26 (f) Each ~~council~~ or agency contract must require the prime contractor to pay any
66.27 subcontractor within ten days of the prime contractor's receipt of payment from the
66.28 ~~council~~ or agency for undisputed services provided by the subcontractor. The contract
66.29 must require the prime contractor to pay interest of 1-1/2 percent per month or any
66.30 part of a month to the subcontractor on any undisputed amount not paid on time to the
66.31 subcontractor. The minimum monthly interest penalty payment for an unpaid balance of
66.32 \$100 or more is \$10. For an unpaid balance of less than \$100, the prime contractor shall
66.33 pay the actual penalty due to the subcontractor. A subcontractor who prevails in a civil
66.34 action to collect interest penalties from a prime contractor must be awarded its costs and
66.35 disbursements, including attorney fees, incurred in bringing the action.

67.1 (g) This section does not apply to procurement financed in whole or in part
67.2 with federal funds if the procurement is subject to federal disadvantaged, minority, or
67.3 women business enterprise regulations. ~~The council and~~ Each agency shall report to the
67.4 commissioner of administration on compliance with this section. The information must be
67.5 reported at the time and in the manner requested by the commissioner.

67.6 Sec. 91. Minnesota Statutes 2014, section 473.1425, is amended to read:

67.7 **473.1425 WORKING CAPITAL FUND.**

67.8 ~~The Metropolitan Council or~~ A metropolitan agency defined in section 473.121,
67.9 subdivision 5a, to the extent allowed by other law or contract, may grant available money
67.10 that has been appropriated for socially or economically disadvantaged business programs
67.11 to a guaranty fund administered by a nonprofit organization that makes or guarantees
67.12 working capital loans to businesses owned and operated by socially or economically
67.13 disadvantaged persons as defined in Code of Federal Regulations, title 49, section
67.14 23.5. The purpose of loans made or guaranteed by the organization must be to provide
67.15 short-term working capital to enable eligible businesses to be awarded contracts for goods
67.16 and services or for construction related services from government agencies.

67.17 Sec. 92. Minnesota Statutes 2014, section 473.143, is amended to read:

67.18 **473.143 AFFIRMATIVE ACTION PLANS.**

67.19 Subdivision 1. **Application.** For purposes of this section, "agency" means a
67.20 metropolitan agency as defined in section 473.121, except the Metropolitan Parks and
67.21 Open Space Commission. Agency also means the Metropolitan Mosquito Control
67.22 Commission. For purposes of this section, "commissioner" means the commissioner of
67.23 the state Department of Management and Budget.

67.24 Subd. 2. **Development and contents.** ~~The council and~~ Each agency shall develop
67.25 an affirmative action plan and submit its plan to the commissioner for approval. The
67.26 commissioner may not approve a plan unless the commissioner determines that it will
67.27 be effective in assuring that employment positions are equally accessible to all qualified
67.28 persons, in eliminating the underutilization of qualified members of protected groups, in
67.29 providing a supportive work environment to all employees, regardless of race, religion,
67.30 sex, national origin, or disability, and in dealing with discrimination complaints. For
67.31 purposes of this section, "protected group" has the meaning given it in section 43A.02,
67.32 subdivision 33. A plan must contain at least the elements required in this subdivision.

67.33 (a) It must identify protected groups that are underrepresented in the ~~council's or~~
67.34 agency's work force.

68.1 (b) It must designate a person responsible for directing and implementing the
68.2 affirmative action program and assign the specific responsibilities and duties of that
68.3 person. The person responsible for implementing the program shall report directly to the
68.4 ~~council's or~~ agency's chief operating officer regarding the person's affirmative action
68.5 duties. The person responsible for the affirmative action program shall review examination
68.6 and other selection criteria to assure compliance with law. This person shall be involved in
68.7 the filling of all vacancies in the ~~council or~~ agency work force, to the extent necessary to
68.8 facilitate attainment of affirmative action goals.

68.9 (c) It must describe the methods by which the plan will be communicated to
68.10 employees and to other persons.

68.11 (d) It must describe methods for recruiting members of protected groups. These
68.12 methods may include internship programs, cooperation with union apprenticeship
68.13 programs, and other steps necessary to expand the number of protected group members
68.14 in applicant pools.

68.15 (e) It must describe internal procedures in accordance with this paragraph for
68.16 processing complaints of alleged discrimination from job applicants and employees.
68.17 The procedures must provide for an initial determination of whether the complaint is
68.18 properly a discrimination complaint subject to the procedure under the affirmative action
68.19 plan. Complaints filed under the discrimination procedures that allege reprisals against
68.20 an employee for opposing a forbidden practice or for filing a charge, testifying, or
68.21 participating in an investigation, proceeding, or hearing relating to a forbidden practice
68.22 are appealable to the chief operating officer of the ~~council or~~ agency. Procedures under
68.23 this paragraph must be distinct from any procedures available under a union contract or
68.24 personnel policy for nondiscrimination complaints. Use of procedures developed under
68.25 this paragraph is not a prerequisite to filing charges with a governmental enforcement
68.26 agency, nor does it limit a person's right to file these charges.

68.27 (f) It must set goals and timetables to eliminate underutilization of members of each
68.28 protected group in the ~~council or~~ agency work force.

68.29 (g) It must provide a plan for retaining and promoting protected group members in
68.30 the ~~council or~~ agency work force. This plan should encourage training opportunities for
68.31 protected group members, to the extent necessary to eliminate underutilization in specific
68.32 parts of the work force.

68.33 (h) It must describe methods of auditing, evaluating, and reporting program success,
68.34 including a procedure that requires a preemployment review of all hiring decisions for
68.35 occupational groups with unmet affirmative action goals.

69.1 (i) It must provide for training of management and supervisory personnel in
 69.2 implementation of the plan and in dealing with alleged acts of discrimination in the
 69.3 workplace.

69.4 (j) It must provide for periodic surveying of the ~~council~~ or agency work force to
 69.5 determine employee attitudes toward implementation of the plan.

69.6 (k) It must provide for creation of an employee committee to advise on
 69.7 implementation of the plan and on any changes needed in the plan.

69.8 Subd. 3. **Harassment.** ~~The council and~~ Each agency shall adopt written policies
 69.9 forbidding harassment based on sex, disability, or race in their workplaces and establishing
 69.10 implementation plans and grievance procedures to deal with complaints of harassment
 69.11 based on sex, disability, or race.

69.12 Subd. 4. **Performance evaluation.** The evaluation of the performance of each
 69.13 supervisory and managerial employee of the ~~council and the agencies~~ must include
 69.14 evaluation of the person's performance in implementing the ~~council's or agency's~~
 69.15 affirmative action plan and in preventing forbidden discrimination in the workplace.

69.16 Subd. 5. **Report.** By March 1 each year, the commissioner shall report to the
 69.17 legislature on affirmative action progress of ~~the council and of~~ each agency. The report
 69.18 must include:

69.19 (1) an audit of the record of ~~the council and~~ each agency to determine compliance
 69.20 with affirmative action goals and to evaluate overall progress in attainment of overall
 69.21 affirmative action objectives;

69.22 (2) if ~~the council or~~ any agency has failed to make satisfactory progress toward its
 69.23 affirmative action goals, a list of unmet goals and an analysis of why the failure occurred;

69.24 (3) a summary of all personnel actions taken by ~~the council and~~ each agency during
 69.25 the past calendar year, categorized by occupational group, protected group status, and
 69.26 full-time, part-time, temporary, and seasonal status; and

69.27 (4) a summary of discrimination complaints and lawsuits against ~~the council and~~
 69.28 each agency filed or resolved during the past calendar year, including the basis for the
 69.29 complaints and lawsuits.

69.30 For purposes of this subdivision, "personnel action" means a new hire, promotion,
 69.31 transfer, demotion, layoff, recall from layoff, suspension with or without pay, letter of
 69.32 reprimand, involuntary termination, other disciplinary action, and voluntary termination.

69.33 ~~The council and~~ Each agency shall report to the commissioner all information that
 69.34 the commissioner requests to make the report required by this subdivision. In providing
 69.35 this information, the ~~council and~~ agencies are not required to reveal information that is
 69.36 not public data under chapter 13.

70.1 ~~The council and~~ Each agency shall submit these reports at the time and in the manner
 70.2 requested by the commissioner. The commissioner shall report to the legislature on the
 70.3 failure of ~~the council or~~ an agency to file the required report in a timely manner.

70.4 Subd. 6. **Coordination.** The commissioner or a designee shall meet with affirmative
 70.5 action officers of ~~the council and~~ all of the agencies to share successful techniques
 70.6 and foster innovative means to implement affirmative action plans and eliminate
 70.7 discrimination in the workplace.

70.8 Subd. 7. **Coordination with legislature.** ~~The council and~~ Each agency shall
 70.9 facilitate legislative oversight of equal opportunity practices by providing the legislature
 70.10 access, including access to computerized records if compatible systems exist, to public
 70.11 data maintained by the agency. ~~The council and~~ agencies must not provide access to
 70.12 information that is not public data as defined in section 13.02, subdivision 8a.

70.13 Sec. 93. Minnesota Statutes 2014, section 473.144, is amended to read:

70.14 **473.144 CERTIFICATES OF COMPLIANCE FOR CONTRACTS.**

70.15 (a) For all contracts for goods and services in excess of \$100,000, ~~neither the council~~
 70.16 ~~nor an~~ no agency listed in section 473.143, subdivision 1, shall accept any bid or proposal
 70.17 for a contract or agreement from any business having more than 40 full-time employees
 70.18 within this state on a single working day during the previous 12 months, unless the firm or
 70.19 business has an affirmative action plan for the employment of minority persons, women,
 70.20 and qualified disabled individuals submitted to the commissioner of human rights for
 70.21 approval. ~~Neither the council nor an~~ No agency listed in section 473.143, subdivision 1,
 70.22 shall execute the contract or agreement until the affirmative action plan has been approved
 70.23 by the commissioner of human rights. Receipt of a certificate of compliance from the
 70.24 commissioner of human rights signifies that a business has an approved affirmative
 70.25 action plan. A certificate is valid for two years. Section 363A.36 governs revocation
 70.26 of certificates. The rules adopted by the commissioner of human rights under section
 70.27 363A.37 apply to this section.

70.28 (b) This paragraph applies to a contract for goods or services in excess of \$100,000
 70.29 to be entered into between ~~the council or~~ an agency listed in section 473.143, subdivision
 70.30 1, and a business that is not subject to paragraph (a), but that has more than 40 full-time
 70.31 employees on a single working day during the previous 12 months in the state where the
 70.32 business has its primary place of business. ~~The council or the~~ agency may not execute a
 70.33 contract or agreement with a business covered by this paragraph unless the business has a
 70.34 certificate of compliance issued by the commissioner under paragraph (a) or the business

71.1 certifies to the contracting agency that it is in compliance with federal affirmative action
71.2 requirements.

71.3 Sec. 94. Minnesota Statutes 2014, section 473.145, is amended to read:

71.4 **473.145 DEVELOPMENT GUIDE.**

71.5 The ~~Metropolitan Council~~ commissioner of administration shall prepare and adopt,
71.6 after appropriate study and such public hearings as may be necessary, a comprehensive
71.7 development guide for the metropolitan area. It shall consist of a compilation of policy
71.8 statements, goals, standards, programs, and maps prescribing guides for the orderly and
71.9 economical development, public and private, of the metropolitan area. The comprehensive
71.10 development guide shall recognize and encompass physical, social, or economic needs of
71.11 the metropolitan area and those future developments which will have an impact on the
71.12 entire area including but not limited to such matters as land use, parks and open space
71.13 land needs, the necessity for and location of airports, highways, transit facilities, public
71.14 hospitals, libraries, schools, and other public buildings.

71.15 Sec. 95. Minnesota Statutes 2014, section 473.146, subdivision 1, is amended to read:

71.16 Subdivision 1. **Requirement.** The ~~council~~ commissioner of administration
71.17 shall adopt a long-range comprehensive policy plan for transportation and wastewater
71.18 treatment. The plans must substantially conform to all policy statements, purposes, goals,
71.19 standards, and maps in the development guide ~~developed and adopted by the council~~
71.20 required under this chapter. Each policy plan must include, to the extent appropriate to the
71.21 functions, services, and systems covered, the following:

71.22 (1) forecasts of changes in the general levels and distribution of population,
71.23 households, employment, land uses, and other relevant matters, for the metropolitan area
71.24 and appropriate subareas;

71.25 (2) a statement of issues, problems, needs, and opportunities with respect to the
71.26 functions, services, and systems covered;

71.27 (3) a statement of ~~the council's~~ goals, objectives, and priorities with respect to the
71.28 functions, services, and systems covered, addressing areas and populations to be served,
71.29 the levels, distribution, and staging of services; a general description of the facility systems
71.30 required to support the services; the estimated cost of improvements required to achieve the
71.31 ~~council's~~ goals for the regional systems, including an analysis of what portion of the funding
71.32 for each improvement is proposed to come from the state, ~~Metropolitan Council levies, and~~
71.33 cities, counties, and towns in the metropolitan area, respectively, and other similar matters;

71.34 (4) a statement of policies to effectuate the ~~council's~~ goals, objectives, and priorities;

72.1 (5) a statement of the fiscal implications of the ~~council's~~ plan, including a statement
 72.2 of: (i) the resources available under existing fiscal policy; (ii) the adequacy of resources
 72.3 under existing fiscal policy and any shortfalls and unattended needs; (iii) additional
 72.4 resources, if any, that are or may be required to effectuate the ~~council's~~ commissioner of
 72.5 administration's goals, objectives, and priorities; and (iv) any changes in existing fiscal
 72.6 policy, on regional revenues and intergovernmental aids respectively, that are expected or
 72.7 ~~that the council has recommended or may recommend~~ in the plan;

72.8 (6) a statement of the relationship of the policy plan to other policy plans and
 72.9 chapters of the Metropolitan development guide; and

72.10 (7) ~~a statement of the relationships to local comprehensive plans prepared under~~
 72.11 ~~sections 473.851 to 473.871; and~~

72.12 (8) additional general information as may be necessary to develop the policy plan or
 72.13 as may be required by the laws relating to the metropolitan agency and function covered
 72.14 by the policy plan.

72.15 Sec. 96. Minnesota Statutes 2014, section 473.146, subdivision 3, is amended to read:

72.16 Subd. 3. **Development guide: Transportation.** The transportation chapter must
 72.17 include policies relating to all transportation forms and be designed to promote the
 72.18 legislative determinations, policies, and goals set forth in section 473.371. In addition to
 72.19 the requirements of subdivision 1 regarding the contents of the policy plan, the nontransit
 72.20 element of the transportation chapter must include the following:

72.21 (1) a statement of the needs and problems of the metropolitan area with respect to
 72.22 the functions covered, including the present and prospective demand for and constraints
 72.23 on access to regional business concentrations and other major activity centers and the
 72.24 constraints on and acceptable levels of development and vehicular trip generation at
 72.25 such centers;

72.26 (2) the objectives of and the policies to be forwarded by the policy plan;

72.27 (3) a general description of the physical facilities and services to be developed;

72.28 (4) a statement as to the general location of physical facilities and service areas;

72.29 (5) a general statement of timing and priorities in the development of those physical
 72.30 facilities and service areas;

72.31 (6) a detailed statement, updated every two years, of timing and priorities for
 72.32 improvements and expenditures needed on the metropolitan highway system;

72.33 (7) a general statement on the level of public expenditure appropriate to the
 72.34 facilities; and

73.1 (8) a long-range assessment of air transportation trends and factors that may affect
 73.2 airport development in the metropolitan area and policies and strategies that will ensure
 73.3 a comprehensive, coordinated, and timely investigation and evaluation of alternatives
 73.4 for airport development.

73.5 The ~~council~~ commissioner of administration shall develop the nontransit element
 73.6 in consultation with the transportation advisory board and the Metropolitan Airports
 73.7 Commission and cities having an airport located within or adjacent to its corporate
 73.8 boundaries. ~~The council shall also take,~~ taking into consideration the airport development
 73.9 and operations plans and activities of the commission. The ~~council~~ commissioner of
 73.10 administration shall transmit the results to the state Department of Transportation.

73.11 Sec. 97. Minnesota Statutes 2014, section 473.146, subdivision 4, is amended to read:

73.12 Subd. 4. **Transportation planning.** (a) ~~The Metropolitan Council is the designated~~
 73.13 commissioner and affected local governments shall cooperate to designate a planning
 73.14 agency for any long-range comprehensive transportation planning required by section
 73.15 134 of the Federal Highway Act of 1962, Section 4 of Urban Mass Transportation
 73.16 Act of 1964 and Section 112 of Federal Aid Highway Act of 1973 and other federal
 73.17 transportation laws. The council designated planning agency shall assure administration
 73.18 and coordination of transportation planning with appropriate state, regional and other
 73.19 agencies, counties, and municipalities.

73.20 (b) The ~~council~~ designated planning agency shall establish an advisory body
 73.21 consisting of citizens and representatives of municipalities, counties, and state agencies in
 73.22 fulfillment of the planning responsibilities of the ~~council~~ designated planning agency. The
 73.23 membership of the advisory body must consist of:

73.24 (1) the commissioner of transportation or the commissioner's designee;

73.25 (2) the commissioner of the Pollution Control Agency or the commissioner's
 73.26 designee;

73.27 (3) one member of the Metropolitan Airports Commission appointed by the
 73.28 commission;

73.29 (4) one person appointed by the ~~council~~ commissioner to represent nonmotorized
 73.30 transportation;

73.31 (5) one person appointed by the commissioner ~~of transportation~~ to represent the
 73.32 freight transportation industry;

73.33 (6) two persons appointed by the ~~council~~ commissioner to represent public transit;

74.1 (7) ten elected officials of cities within the metropolitan area, including one
 74.2 representative from each first-class city, appointed by the Association of Metropolitan
 74.3 Municipalities;

74.4 (8) one member of the county board of each county in the seven-county metropolitan
 74.5 area, appointed by the respective county boards; and

74.6 (9) eight citizens appointed by the ~~council~~ commissioner, one from each ~~council~~
 74.7 ~~precinct~~; and Metropolitan Airports Commission district.

74.8 ~~(10) one member of the council, appointed by the council.~~

74.9 The ~~council~~ designated planning agency shall appoint a chair from among the
 74.10 members of the advisory body.

74.11 Sec. 98. Minnesota Statutes 2014, section 473.146, is amended by adding a subdivision
 74.12 to read:

74.13 Subd. 5. Consultation with agency; predrafting notice. (a) In preparing or
 74.14 amending the policy plan, the commissioner of administration shall consult with and make
 74.15 use of the expertise of the affected metropolitan agency. The agency shall cooperate with
 74.16 the commissioner and make its records, studies, plans, and other information available to
 74.17 the commissioner.

74.18 (b) Before beginning to prepare a substantial revision of a policy plan, the office shall
 74.19 publish notice and request comments from the public. At least 90 days before publication
 74.20 of the predrafting notice, the office shall submit a draft of the notice to the affected
 74.21 metropolitan agency for review and comment. The predrafting notice must include a
 74.22 statement of the subjects expected to be covered by the policy and implementation plans; a
 74.23 summary of important problems, issues, and matters that are expected to be addressed in
 74.24 the plans; and a summary of the studies and other information required as the basis of the
 74.25 plans. All interested persons must be afforded an opportunity to submit data or views on
 74.26 the predrafting notice, either orally or in writing.

74.27 (c) Before adopting a policy plan or substantial revision, the commissioner shall
 74.28 submit the proposed plan to the affected metropolitan agency for its review, and the
 74.29 agency shall report its comments to the commissioner within 90 days.

74.30 Sec. 99. Minnesota Statutes 2014, section 473.146, is amended by adding a subdivision
 74.31 to read:

74.32 Subd. 6. Hearing; adoption. The office shall hold a public hearing on the proposed
 74.33 policy plan at a time and place in the metropolitan area determined by the commissioner.
 74.34 Not less than 15 days before the hearing, the commissioner shall publish notice in a

75.1 newspaper or newspapers having general circulation in the metropolitan area, stating
 75.2 the date, time, and place of hearing, and the place where the proposed policy plan and
 75.3 agency comments may be examined by any interested person. At any hearing, interested
 75.4 persons must be permitted to present their views on the policy plan, and the hearing may
 75.5 be continued from time to time. After receipt of the agency's report and the hearing,
 75.6 the commissioner may revise the proposed plan giving appropriate consideration to all
 75.7 comments received and thereafter shall adopt the plan by resolution.

75.8 Sec. 100. Minnesota Statutes 2014, section 473.146, is amended by adding a
 75.9 subdivision to read:

75.10 Subd. 7. **Effect.** Adopted policy plans must be followed by the office and the
 75.11 affected metropolitan agency.

75.12 Sec. 101. Minnesota Statutes 2014, section 473.146, is amended by adding a
 75.13 subdivision to read:

75.14 Subd. 8. **Amendment.** An amendment to a policy plan may be initiated by
 75.15 the commissioner or by an affected metropolitan agency. At least every five years, the
 75.16 commissioner shall engage in a comprehensive review of the policy plan and revise the
 75.17 plan as necessary. The commissioner shall amend a policy plan in accordance with the
 75.18 procedures established in this section.

75.19 Sec. 102. Minnesota Statutes 2014, section 473.8011, is amended to read:

75.20 **473.8011 METROPOLITAN AGENCY RECYCLING GOAL.**

75.21 By December 31, 1993, ~~the Metropolitan Council;~~ each metropolitan agency as
 75.22 defined in section 473.121, and the Metropolitan Mosquito Control District established in
 75.23 section 473.702 shall recycle at least 40 percent by weight of the solid waste generated
 75.24 by their offices or other operations. The commissioner shall provide information and
 75.25 technical assistance to ~~the council;~~ agencies; and the district to implement effective
 75.26 recycling programs.

75.27 By August 1 of each year, ~~the council;~~ each agency; and the district shall submit to
 75.28 the Pollution Control Agency a report for the previous fiscal year describing recycling
 75.29 rates, specified by the county in which the ~~council;~~ agency; or operation is located,
 75.30 and progress toward meeting the recycling goal. The Pollution Control Agency shall
 75.31 incorporate the recycling rates reported in the respective county's recycling rates for
 75.32 the previous fiscal year.

76.1 If the goal is not met, the ~~council~~, agency, or district must include in its 1994 report
76.2 reasons for not meeting the goal and a plan for meeting it in the future.

76.3 Sec. 103. Minnesota Statutes 2014, section 473.910, subdivision 3, is amended to read:

76.4 Subd. 3. **Membership.** The board shall be composed of ~~13~~ 12 members. Three
76.5 members must be appointed by the Minneapolis City Council from among its members;
76.6 three by the Hennepin County Board, from among its members; one by the Minneapolis
76.7 Park Board, from among its members; ~~one by the Metropolitan Council, from among~~
76.8 ~~its members~~; two members of the public appointed by the Minneapolis City Council;
76.9 two members of the public appointed by the Hennepin County Board; and one member
76.10 appointed by the member of Congress from the fifth district or the member's designee.
76.11 The public members must reside or do business in the affected area.

76.12 Sec. 104. Minnesota Statutes 2014, section 477A.011, subdivision 3, is amended to read:

76.13 Subd. 3. **Population.** "Population" means the population estimated or established as
76.14 of July 15 in an aid calculation year by the most recent federal census, by a special census
76.15 conducted under contract with the United States Bureau of the Census, ~~by a population~~
76.16 ~~estimate made by the Metropolitan Council pursuant to section 473.24~~, or by a population
76.17 estimate of the state demographer made pursuant to section 4A.02, whichever is the most
76.18 recent as to the stated date of the count or estimate for the preceding calendar year, and
76.19 which has been certified to the commissioner of revenue on or before July 15 of the aid
76.20 calculation year. The term "per capita" refers to population as defined by this subdivision.
76.21 A revision of an estimate or count is effective for these purposes only if it is certified to
76.22 the commissioner on or before July 15 of the aid calculation year. Clerical errors in the
76.23 certification or use of the estimates and counts established as of July 15 in the aid calculation
76.24 year are subject to correction within the time periods allowed under section 477A.014.

76.25 Sec. 105. Minnesota Statutes 2014, section 477A.011, subdivision 38, is amended to
76.26 read:

76.27 Subd. 38. **Household size.** "Household size" means the average number of persons
76.28 per household in the jurisdiction as most recently estimated and reported by the state
76.29 demographer ~~and Metropolitan Council~~ as of July 15 of the aid calculation year. A
76.30 revision to an estimate or enumeration is effective for these purposes only if it is certified
76.31 to the commissioner on or before July 15 of the aid calculation year. Clerical errors in the
76.32 certification or use of estimates and counts established as of July 15 in the aid calculation
76.33 year are subject to correction within the time periods allowed under section 477A.014.

77.1 Sec. 106. Minnesota Statutes 2014, section 477A.0124, subdivision 2, is amended to
77.2 read:

77.3 Subd. 2. **Definitions.** (a) For the purposes of this section, the following terms
77.4 have the meanings given them.

77.5 (b) "County program aid" means the sum of "county need aid," "county tax base
77.6 equalization aid," and "county transition aid."

77.7 (c) "Age-adjusted population" means a county's population multiplied by the county
77.8 age index.

77.9 (d) "County age index" means the percentage of the population over age 65 within
77.10 the county divided by the percentage of the population over age 65 within the state, except
77.11 that the age index for any county may not be greater than 1.8 nor less than 0.8.

77.12 (e) "Population over age 65" means the population over age 65 established as of
77.13 July 15 in an aid calculation year by the most recent federal census, by a special census
77.14 conducted under contract with the United States Bureau of the Census, ~~by a population~~
77.15 ~~estimate made by the Metropolitan Council,~~ or by a population estimate of the state
77.16 demographer made pursuant to section 4A.02, whichever is the most recent as to the stated
77.17 date of the count or estimate for the preceding calendar year and which has been certified
77.18 to the commissioner of revenue on or before July 15 of the aid calculation year. A revision
77.19 to an estimate or count is effective for these purposes only if certified to the commissioner
77.20 on or before July 15 of the aid calculation year. Clerical errors in the certification or use of
77.21 estimates and counts established as of July 15 in the aid calculation year are subject to
77.22 correction within the time periods allowed under section 477A.014.

77.23 (f) "Part I crimes" means the three-year average annual number of Part I crimes
77.24 reported for each county by the Department of Public Safety for the most recent years
77.25 available. By July 1 of each year, the commissioner of public safety shall certify to the
77.26 commissioner of revenue the number of Part I crimes reported for each county for the
77.27 three most recent calendar years available.

77.28 (g) "Households receiving food stamps" means the average monthly number of
77.29 households receiving food stamps for the three most recent years for which data is
77.30 available. By July 1 of each year, the commissioner of human services must certify to the
77.31 commissioner of revenue the average monthly number of households in the state and in
77.32 each county that receive food stamps, for the three most recent calendar years available.

77.33 (h) "County net tax capacity" means the county's adjusted net tax capacity under
77.34 section 273.1325.

77.35 Sec. 107. Minnesota Statutes 2014, section 572A.02, subdivision 5, is amended to read:

78.1 Subd. 5. **Decision factors.** In disputes brought under this section, the arbitration
78.2 panel shall consider the following factors in making a decision:

78.3 (1) present population and number of households, past population, and projected
78.4 population growth of the subject area and adjacent units of local government;

78.5 (2) quantity of land within the subject area and adjacent units of local government;
78.6 and natural terrain including recognizable physical features, general topography, major
78.7 watersheds, soil conditions, and such natural features as rivers, lakes, and major bluffs;

78.8 (3) degree of contiguity of the boundaries between the municipality and the subject
78.9 area;

78.10 (4) present pattern of physical development, planning, and intended land uses in the
78.11 subject area and the municipality including residential, industrial, commercial, agricultural,
78.12 and institutional land uses and the impact of the proposed action on those land uses;

78.13 (5) the present transportation network and potential transportation issues, including
78.14 proposed highway development;

78.15 (6) land use controls and planning presently being utilized in the municipality and
78.16 the subject area, including comprehensive plans for development in the area ~~and plans~~
78.17 ~~and policies of the Metropolitan Council~~, and whether there are inconsistencies between
78.18 proposed development and existing land use controls and the reasons therefore;

78.19 (7) existing levels of governmental services being provided in the municipality
78.20 and the subject area, including water and sewer service, fire rating and protection,
78.21 law enforcement, street improvements and maintenance, administrative services, and
78.22 recreational facilities and the impact of the proposed action on the delivery of said services;

78.23 (8) existing or potential environmental problems and whether the proposed action is
78.24 likely to improve or resolve these problems;

78.25 (9) plans and programs by the municipality for providing needed governmental
78.26 services to the subject area;

78.27 (10) an analysis of the fiscal impact on the municipality, the subject area, and
78.28 adjacent units of local government, including net tax capacity and the present bonded
78.29 indebtedness, and the local tax rates of the county, school district, and township;

78.30 (11) relationship and effect of the proposed action on affected and adjacent school
78.31 districts and communities;

78.32 (12) adequacy of town government to deliver services to the subject area;

78.33 (13) analysis of whether necessary governmental services can best be provided
78.34 through the proposed action or another type of boundary adjustment; and

79.1 (14) if only a part of a township is annexed, the ability of the remainder of the
 79.2 township to continue or the feasibility of it being incorporated separately or being annexed
 79.3 to another municipality.

79.4 Any party to the proceeding may present evidence and testimony on any of the above
 79.5 factors at the hearing on the matter.

79.6 Sec. 108. Minnesota Statutes 2014, section 604B.04, subdivision 7, is amended to read:

79.7 Subd. 7. **Governmental unit immunity.** No cause of action may be maintained
 79.8 against a governmental unit as defined in section 462.384, subdivision 2, including
 79.9 governmental units acting jointly under section 471.59, for damages or harm resulting
 79.10 from the collection, publication, or dissemination of year 2000 solution information to
 79.11 other governmental units or to ~~the Metropolitan Council or~~ metropolitan agencies.

79.12 Sec. 109. Minnesota Statutes 2014, section 609.2231, subdivision 11, is amended to
 79.13 read:

79.14 Subd. 11. **Transit operators.** (a) A person is guilty of a gross misdemeanor if
 79.15 (1) the person assaults a transit operator, or intentionally throws or otherwise transfers
 79.16 bodily fluids onto a transit operator; and (2) the transit operator is acting in the course
 79.17 of the operator's duties and is operating a transit vehicle, aboard a transit vehicle, or
 79.18 otherwise responsible for a transit vehicle. A person convicted under this paragraph
 79.19 may be sentenced to imprisonment for not more than one year or to payment of a fine of
 79.20 not more than \$3,000, or both.

79.21 (b) For the purposes of this subdivision, "transit operator" means a driver or operator
 79.22 of a transit vehicle that is used to provide any of the following services:

79.23 (1) public transit, as defined in section 174.22, subdivision 7;

79.24 (2) light rail transit service;

79.25 (3) special transportation service under section 473.386, whether provided by the
 79.26 ~~Metropolitan Council~~ Department of Transportation or by other providers under contract
 79.27 with the ~~council~~ department; or

79.28 (4) commuter rail service.

79.29 Sec. 110. Minnesota Statutes 2014, section 609.594, subdivision 1, is amended to read:

79.30 Subdivision 1. **Definitions.** As used in this section:

79.31 (1) "critical public service facility" includes railroad yards and stations, bus stations,
 79.32 airports, and other mass transit facilities; oil refineries; storage areas or facilities for
 79.33 hazardous materials, hazardous substances, or hazardous wastes; and bridges;

80.1 (2) "pipeline" has the meaning given in section 609.6055, subdivision 1; and

80.2 (3) "utility" includes: (i) any organization defined as a utility in section 216C.06,
80.3 subdivision 18; (ii) any telecommunications carrier or telephone company regulated under
80.4 chapter 237; and (iii) any local utility or enterprise formed for the purpose of providing
80.5 electrical or gas heating and power, telephone, water, sewage, wastewater, or other related
80.6 utility service, which is owned, controlled, or regulated by a town, a statutory or home
80.7 rule charter city, a county, a port development authority, ~~the Metropolitan Council~~, a
80.8 district heating authority, a regional commission or other regional government unit, or a
80.9 combination of these governmental units.

80.10 Sec. 111. Minnesota Statutes 2014, section 609.6055, subdivision 1, is amended to read:

80.11 Subdivision 1. **Definitions.** (a) As used in this section, the following terms have
80.12 the meanings given.

80.13 (b) "Critical public service facility" includes buildings and other physical structures,
80.14 and fenced in or otherwise enclosed property, of railroad yards and stations, bus stations,
80.15 airports, and other mass transit facilities; oil refineries; and storage areas or facilities for
80.16 hazardous materials, hazardous substances, or hazardous wastes. The term also includes
80.17 nonpublic portions of bridges. The term does not include railroad tracks extending beyond
80.18 a critical public service facility.

80.19 (c) "Pipeline" includes an aboveground pipeline, a belowground pipeline housed in
80.20 an underground structure, and any equipment, facility, or building located in this state that
80.21 is used to transport natural or synthetic gas, crude petroleum or petroleum fuels or oil or
80.22 their derivatives, or hazardous liquids, to or within a distribution, refining, manufacturing,
80.23 or storage facility that is located inside or outside of this state. Pipeline does not include
80.24 service lines.

80.25 (d) "Utility" includes:

80.26 (1) any organization defined as a utility in section 216C.06, subdivision 18;

80.27 (2) any telecommunications carrier or telephone company regulated under chapter
80.28 237; and

80.29 (3) any local utility or enterprise formed for the purpose of providing electrical or gas
80.30 heating and power, telephone, water, sewage, wastewater, or other related utility service,
80.31 which is owned, controlled, or regulated by a town, a statutory or home rule charter city,
80.32 a county, a port development authority, ~~the Metropolitan Council~~, a district heating
80.33 authority, a regional commission or other regional government unit, or a combination of
80.34 these governmental units.

81.1 The term does not include property located above buried power or
 81.2 telecommunications lines or property located below suspended power or
 81.3 telecommunications lines, unless the property is fenced in or otherwise enclosed.

81.4 (e) "Utility line" includes power, telecommunications, and transmissions lines as
 81.5 well as related equipment owned or controlled by a utility.

81.6 Sec. 112. **BONDS.**

81.7 Bonds and other debt authorized by any sections of statute affected by this article
 81.8 that are outstanding on the effective date of this article must be paid and retired according
 81.9 to those sections and the terms of the bonds or other debt instruments. The auditors of the
 81.10 metropolitan counties shall see to the administration of this section.

81.11 Sec. 113. **REPEALER.**

81.12 (a) Minnesota Statutes 2014, sections 3.8841; 103B.235, subdivision 3a; 238.43,
 81.13 subdivision 5; 297A.992, subdivision 12; 462.382; 462C.071, subdivision 4; 473.121,
 81.14 subdivisions 3 and 8; 473.123, subdivisions 1, 2a, 3, 3a, 3e, 4, and 8; 473.125; 473.127;
 81.15 473.129; 473.1293; 473.132; 473.165; 473.24; 473.242; 473.245; 473.246; 473.249,
 81.16 subdivisions 1 and 2; 473.25; 473.251; 473.253; 473.254; 473.255; 473.3875; and
 81.17 473.915, are repealed.

81.18 (b) Minnesota Rules, parts 5800.0010; 5800.0020; 5800.0030; 5800.0040;
 81.19 5800.0050; 5800.0060; 5800.0070; 5800.0080; 5800.0090; 5800.0100; 5800.0110;
 81.20 5800.0120; 5800.0130; 5800.0140; and 5800.0150, are repealed.

81.21 Sec. 114. **EFFECTIVE DATE.**

81.22 This article is effective July 1, 2015.

81.23 **ARTICLE 2**

81.24 **PUBLIC SAFETY RADIO COMMUNICATION**

81.25 Section 1. Minnesota Statutes 2014, section 403.30, subdivision 1, is amended to read:

81.26 Subdivision 1. **Standing appropriation; costs covered.** The amount necessary to
 81.27 pay debt service costs and reserves for bonds issued by the Metropolitan Council under
 81.28 section 403.27 before July 1, 2016, or by the commissioner of management and budget
 81.29 under section 403.275 is appropriated from the 911 emergency telecommunications service
 81.30 account established under section 403.11 to the commissioner of management and budget.
 81.31 The commissioner of management and budget shall transmit the necessary amounts to the

82.1 ~~Metropolitan Council as requested by the council~~ auditors of the metropolitan counties as
 82.2 requested by the auditors.

82.3 This appropriation shall be used to pay annual debt service costs and reserves for
 82.4 bonds issued pursuant to section 403.27 or 403.275 prior to use of fee money to pay other
 82.5 costs or to support other appropriations.

82.6 Sec. 2. Minnesota Statutes 2014, section 403.31, subdivision 4, is amended to read:

82.7 Subd. 4. **Powers of government units.** To accomplish any duty imposed on it
 82.8 by the ~~council or~~ radio board, the governing body of every local government in the
 82.9 metropolitan area may exercise the powers granted any municipality by chapters 117, 412,
 82.10 429, and 475 and by sections 115.46, 444.075, and 471.59.

82.11 Sec. 3. Minnesota Statutes 2014, section 403.31, subdivision 5, is amended to read:

82.12 Subd. 5. **Deficiency tax levies.** If the governing body of any local government using
 82.13 the first or second phase system fails to meet any payment to the board under subdivision
 82.14 1 when due, the ~~Metropolitan Council~~ local government governing body may certify to
 82.15 the auditor of the county in which the government unit is located the amount required
 82.16 for payment of the amount due with interest at six percent per year. The auditor shall
 82.17 levy and extend the amount due, with interest, as a tax upon all taxable property in the
 82.18 government unit for the next calendar year, free from any existing limitations imposed by
 82.19 law or charter. This tax shall be collected in the same manner as the general taxes of the
 82.20 government unit, and the proceeds of the tax, when collected, shall be paid by the county
 82.21 treasurer to the board and credited to the government unit for which the tax was levied.

82.22 Sec. 4. Minnesota Statutes 2014, section 403.36, subdivision 1, is amended to read:

82.23 Subdivision 1. **Membership.** (a) The commissioner of public safety shall convene
 82.24 and chair the Statewide Radio Board to develop a project plan for a statewide, shared,
 82.25 trunked public safety radio communication system. The system may be referred to as
 82.26 "Allied Radio Matrix for Emergency Response," or "ARMER."

82.27 (b) The board consists of the following members or their designees:

- 82.28 (1) the commissioner of public safety;
- 82.29 (2) the commissioner of transportation;
- 82.30 (3) the state chief information officer;
- 82.31 (4) the commissioner of natural resources;
- 82.32 (5) the chief of the Minnesota State Patrol;
- 82.33 ~~(6) the chair of the Metropolitan Council;~~

83.1 ~~(7)~~ (6) two elected city officials, one from the nine-county metropolitan area and one
 83.2 from Greater Minnesota, appointed by the governing body of the League of Minnesota
 83.3 Cities;

83.4 ~~(8)~~ (7) two elected county officials, one from the nine-county metropolitan area
 83.5 and one from Greater Minnesota, appointed by the governing body of the Association
 83.6 of Minnesota Counties;

83.7 ~~(9)~~ (8) two sheriffs, one from the nine-county metropolitan area and one from Greater
 83.8 Minnesota, appointed by the governing body of the Minnesota Sheriffs' Association;

83.9 ~~(10)~~ (9) two chiefs of police, one from the nine-county metropolitan area and one
 83.10 from Greater Minnesota, appointed by the governor after considering recommendations
 83.11 made by the Minnesota Chiefs' of Police Association;

83.12 ~~(11)~~ (10) two fire chiefs, one from the nine-county metropolitan area and one from
 83.13 Greater Minnesota, appointed by the governor after considering recommendations made
 83.14 by the Minnesota Fire Chiefs' Association;

83.15 ~~(12)~~ (11) two representatives of emergency medical service providers, one from the
 83.16 nine-county metropolitan area and one from Greater Minnesota, appointed by the governor
 83.17 after considering recommendations made by the Minnesota Ambulance Association;

83.18 ~~(13)~~ (12) the chair of the regional radio board for the metropolitan area; and

83.19 ~~(14)~~ (13) a representative of Greater Minnesota elected by those units of government
 83.20 in phase three and any subsequent phase of development as defined in the statewide,
 83.21 shared radio and communication plan, who have submitted a plan to the Statewide Radio
 83.22 Board and where development has been initiated.

83.23 (c) The Statewide Radio Board shall coordinate the appointment of board members
 83.24 representing Greater Minnesota with the appointing authorities and may designate the
 83.25 geographic region or regions from which an appointed board member is selected where
 83.26 necessary to provide representation from throughout the state.

83.27 **Sec. 5. BONDS AND CERTIFICATES.**

83.28 Debt obligations authorized and issued under Minnesota Statutes, section 403.27,
 83.29 before the effective date of this article must be paid for and retired according to that
 83.30 section and the terms of those obligations and their bond indentures and trust agreements.
 83.31 The metropolitan county auditors shall administer this section.

83.32 **Sec. 6. REPEALER.**

83.33 Minnesota Statutes 2014, sections 403.27; 403.29, subdivision 4; and 403.32, are
 83.34 repealed.

84.1 Sec. 7. **EFFECTIVE DATE.**

84.2 This article is effective July 1, 2015.

84.3 **ARTICLE 3**

84.4 **FISCAL DISPARITIES**

84.5 Section 1. Minnesota Statutes 2014, section 473F.02, subdivision 7, is amended to read:

84.6 Subd. 7. **Population.** "Population" means the most recent estimate of the
84.7 population of a municipality made by the ~~Metropolitan Council under section 473.24~~ state
84.8 demographer and filed with the commissioner of revenue as of July 15 of the year in which
84.9 a municipality's distribution net tax capacity is calculated.

84.10 Sec. 2. Minnesota Statutes 2014, section 473F.02, subdivision 8, is amended to read:

84.11 Subd. 8. **Municipality.** "Municipality" means a city, town, or township located
84.12 in whole or part within the area, but not the cities of New Prague or Northfield. If a
84.13 municipality is located partly within and partly without the area, the references in sections
84.14 473F.01 to 473F.13 to property or any portion thereof subject to taxation or taxing
84.15 jurisdiction within the municipality are to such property or portion thereof as is located
84.16 in that portion of the municipality within the area, except that the fiscal capacity of such
84.17 a municipality shall be computed upon the basis of the valuation and population of the
84.18 entire municipality.

84.19 A municipality shall be excluded from the area if its municipal comprehensive zoning
84.20 and planning policies conscientiously exclude most commercial-industrial development,
84.21 for reasons other than preserving an agricultural use. ~~The Metropolitan Council and the~~
84.22 commissioner of administration and the commissioner of revenue shall jointly make
84.23 this determination annually and shall notify those municipalities that are ineligible to
84.24 participate in the tax base sharing program provided in this chapter for the following year.

84.25 Sec. 3. Minnesota Statutes 2014, section 473F.08, subdivision 3, is amended to read:

84.26 Subd. 3. **Apportionment of levy.** The county auditor shall apportion the levy
84.27 of each governmental unit in the auditor's county in the manner prescribed by this
84.28 subdivision. The auditor shall:

84.29 (a) by August 20, determine the areawide portion of the levy for each governmental
84.30 unit by multiplying the local tax rate of the governmental unit for the preceding levy year
84.31 times the distribution value set forth in subdivision 2, clause (b);

85.1 (b) by September 5, determine the local portion of the current year's levy by
 85.2 subtracting the resulting amount from clause (a) from the governmental unit's current
 85.3 year's levy; and

85.4 (c) for determinations made under clause (a) in the case of school districts, for
 85.5 taxes payable in 2002, exclude the general education tax rate and the portion of the
 85.6 referendum tax rate attributable to the first \$415 per pupil unit from the local tax rate for
 85.7 the preceding levy year; ;

85.8 ~~(d) for determinations made under clause (a) in the case of the Metropolitan Council,~~
 85.9 ~~for taxes payable in 2002, exclude the transit operating tax rate from the local tax rate~~
 85.10 ~~for the preceding levy year; and~~

85.11 ~~(e) for determinations made under clause (a) in the case of transit opt-out cities,~~
 85.12 ~~for taxes payable in 2002, exclude the opt-out transit rate from the local tax rate for the~~
 85.13 ~~preceding levy year.~~

85.14 Sec. 4. Minnesota Statutes 2014, section 473F.08, subdivision 5, is amended to read:

85.15 Subd. 5. **Areawide tax rate.** On or before August 25 of each year, the county auditor
 85.16 shall certify to the administrative auditor that portion of the levy of each governmental unit
 85.17 determined under subdivisions 3, clause (a), and 3a, ~~and 3b.~~ The administrative auditor
 85.18 shall then determine the areawide tax rate sufficient to yield an amount equal to the sum of
 85.19 such levies from the areawide net tax capacity. On or before September 1 of each year, the
 85.20 administrative auditor shall certify the areawide tax rate to each of the county auditors.

85.21 Sec. 5. Minnesota Statutes 2014, section 473F.08, subdivision 7a, is amended to read:

85.22 Subd. 7a. **Certification of values; payment.** The administrative auditor shall
 85.23 determine for each county the difference between the total levy on distribution value
 85.24 pursuant to subdivisions 3, clause (a), and 3a, ~~and 3b,~~ within the county and the total tax
 85.25 on contribution value pursuant to subdivision 6, within the county. On or before May 16
 85.26 of each year, the administrative auditor shall certify the differences so determined to each
 85.27 county auditor. In addition, the administrative auditor shall certify to those county auditors
 85.28 for whose county the total tax on contribution value exceeds the total levy on distribution
 85.29 value the settlement the county is to make to the other counties of the excess of the total tax
 85.30 on contribution value over the total levy on distribution value in the county. On or before
 85.31 June 15 and November 15 of each year, each county treasurer in a county having a total tax
 85.32 on contribution value in excess of the total levy on distribution value shall pay one-half of
 85.33 the excess to the other counties in accordance with the administrative auditors certification.

86.1 Sec. 6. Minnesota Statutes 2014, section 473F.13, subdivision 1, is amended to read:

86.2 Subdivision 1. **Certification of change in status.** If a municipality is dissolved,
 86.3 is consolidated with all or part of another municipality, annexes territory, has a portion
 86.4 of its territory detached from it, or is newly incorporated, the secretary of state shall
 86.5 immediately certify that fact to the commissioner of revenue. The secretary of state shall
 86.6 also certify to the commissioner of revenue the current population of the new, enlarged, or
 86.7 successor municipality, if determined by the chief administrative law judge of the state
 86.8 Office of Administrative Hearings incident to consolidation, annexation, or incorporation
 86.9 proceedings. The population so certified shall govern for purposes of sections 473F.01 to
 86.10 473F.13 until the ~~Metropolitan Council~~ state demographer files its first population estimate
 86.11 as of a later date with the commissioner of revenue. If an annexation of unincorporated
 86.12 land occurs without proceedings before the chief administrative law judge, the population
 86.13 of the annexing municipality as previously determined shall continue to govern for
 86.14 purposes of sections 473F.01 to 473F.13 until the ~~Metropolitan Council~~ state demographer
 86.15 files its first population estimate as of a later date with the commissioner of revenue.

86.16 Sec. 7. **REPEALER.**

86.17 Minnesota Statutes 2014, sections 473F.02, subdivision 21; and 473F.08, subdivision
 86.18 3b, are repealed.

86.19 Sec. 8. **EFFECTIVE DATE.**

86.20 This article is effective July 1, 2016.

86.21 ARTICLE 4

86.22 METROPOLITAN LAND USE PLANNING

86.23 Section 1. **REPEALER.**

86.24 Minnesota Statutes 2014, sections 473.175; 473.181, subdivisions 2 and 5; 473.191;
 86.25 473.206; 473.208; 473.851; 473.852, subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 9, and 10; 473.853;
 86.26 473.854; 473.856; 473.857; 473.858; 473.859; 473.86; 473.861; 473.862; 473.864;
 86.27 473.865; 473.866; 473.867, subdivisions 1, 2, 3, 5, and 6; 473.869; 473.87; and 473.871,
 86.28 are repealed.

86.29 Sec. 2. **EFFECTIVE DATE.**

86.30 This article is effective July 1, 2016.

87.1 **ARTICLE 5**

87.2 **METROPOLITAN AIRPORTS COMMISSION**

87.3 Section 1. Minnesota Statutes 2014, section 473.192, subdivision 2, is amended to read:

87.4 Subd. 2. **Definitions.** For purposes of this section, "metropolitan area" has the
 87.5 meaning given it in section 473.121, subdivision 2. "Transportation policy plan" means
 87.6 the plan adopted by the ~~Metropolitan Council~~ commissioner of administration pursuant
 87.7 to section 473.145. "Municipality" has the meaning provided by section 462.352,
 87.8 subdivision 2.

87.9 Sec. 2. Minnesota Statutes 2014, section 473.192, subdivision 3, is amended to read:

87.10 Subd. 3. **Ordinance.** A municipality in the metropolitan area that, in part or in
 87.11 whole, is within the aircraft noise zones designated in the transportation policy plan may
 87.12 adopt and enforce ordinances and controls to regulate building construction methods and
 87.13 materials for the purpose of attenuating aircraft noise in habitable buildings in and around
 87.14 the noise zone. The ordinance or control shall not apply to remodeling or rehabilitating
 87.15 an existing residential building nor to the construction of an appurtenance to an existing
 87.16 residential building. An ordinance adopted by a municipality must be adequate to
 87.17 implement the ~~Metropolitan Council's~~ guidelines of the commissioner of administration
 87.18 for land use compatibility with aircraft noise. Section 326B.121 does not apply to
 87.19 ordinances adopted under this section.

87.20 Sec. 3. Minnesota Statutes 2014, section 473.602, is amended to read:

87.21 **473.602 DECLARATION OF PURPOSES.**

87.22 It is the purpose of sections 473.601 to 473.679 to:

- 87.23 (1) promote the public welfare and national security; serve public interest,
 87.24 convenience, and necessity; promote air navigation and transportation, international,
 87.25 national, state, and local, in and through this state; promote the efficient, safe, and
 87.26 economical handling of air commerce; assure the inclusion of this state in national
 87.27 and international programs of air transportation; and to those ends to develop the full
 87.28 potentialities of the metropolitan area in this state as an aviation center, and to correlate
 87.29 that area with all aviation facilities in the entire state so as to provide for the most
 87.30 economical and effective use of aeronautic facilities and services in that area;
- 87.31 (2) assure the residents of the metropolitan area of the minimum environmental
 87.32 impact from air navigation and transportation, and to that end provide for noise abatement,
 87.33 control of airport area land use, and other protective measures; and

88.1 (3) promote the overall goals of the state's environmental policies and minimize the
88.2 public's exposure to noise and safety hazards around airports.

88.3 To achieve these purposes, the corporation shall cooperate with and assist the
88.4 ~~Metropolitan Council~~ commissioner of administration, the federal government, the
88.5 commissioner of transportation of this state, the Pollution Control Agency, and others
88.6 engaged in aeronautics or the promotion and regulation of aeronautics and shall seek to
88.7 coordinate its activities with the aeronautical activities of these bodies.

88.8 Sec. 4. Minnesota Statutes 2014, section 473.604, subdivision 1, is amended to read:

88.9 Subdivision 1. **Composition.** The commission consists of:

88.10 (1) the mayor of each of the cities, or a qualified voter appointed by the mayor,
88.11 for the term of office as mayor;

88.12 (2) eight members, appointed by the governor, one from each of the following
88.13 agency districts, based on the Metropolitan Council plan MC2013-1A, on file with the
88.14 Geographical Information Systems Office of the Legislative Coordinating Commission
88.15 and published on its Web site on April 9, 2013:

- 88.16 (i) district A, consisting of council districts 1 and 2;
- 88.17 (ii) district B, consisting of council districts 3 and 4;
- 88.18 (iii) district C, consisting of council districts 5 and 6;
- 88.19 (iv) district D, consisting of council districts 7 and 8;
- 88.20 (v) district E, consisting of council districts 9 and 10;
- 88.21 (vi) district F, consisting of council districts 11 and 12;
- 88.22 (vii) district G, consisting of council districts 13 and 14; and
- 88.23 (viii) district H, consisting of council districts 15 and 16.

88.24 Each member shall be a resident of the district represented. For appointments after June 2,
88.25 2006, a member must have resided in the district for at least six months and in the state
88.26 for at least one year immediately preceding the appointment. The terms of the members
88.27 from districts A, B, F, and H expire on January 1, 2007. The terms of the members from
88.28 districts C, D, E, and G expire on January 5, 2009. The successors of each member must
88.29 be appointed to four-year terms. Before making an appointment, the governor shall
88.30 consult with each member of the legislature from the district for which the member is to
88.31 be appointed, to solicit the legislator's recommendation on the appointment;

88.32 (3) four members appointed by the governor from outside of the metropolitan area to
88.33 reflect fairly the various regions and interests throughout the state that are affected by the
88.34 operation of the commission's major airport and airport system. Two of these members
88.35 must be residents of statutory or home rule charter cities, towns, or counties containing an

89.1 airport designated by the commissioner of transportation as a key airport. The other two
 89.2 must be residents of statutory or home rule charter cities, towns, or counties containing an
 89.3 airport designated by the commissioner of transportation as an intermediate airport. The
 89.4 members must be appointed by the governor as follows: one for a term of one year, one for
 89.5 a term of two years, one for a term of three years, and one for a term of four years. All of the
 89.6 terms start on July 1, 1989. The successors of each member must be appointed to four-year
 89.7 terms commencing on the first Monday in January of each fourth year after the expiration
 89.8 of the original term. Before making an appointment, the governor shall consult each
 89.9 member of the legislature representing the municipality or county from which the member
 89.10 is to be appointed, to solicit the legislator's recommendation on the appointment; and
 89.11 (4) a chair appointed by the governor for a term of four years. The chair may be
 89.12 removed at the pleasure of the governor.

89.13 Sec. 5. Minnesota Statutes 2014, section 473.604, is amended by adding a subdivision
 89.14 to read:

89.15 Subd. 1a. **Redistricting.** The legislature shall redraw the boundaries of the districts
 89.16 after each decennial federal census so that each district has substantially equal population.
 89.17 Redistricting is effective in the year ending in the numeral "3." Within 60 days after a
 89.18 redistricting plan takes effect, the governor shall appoint members from the newly drawn
 89.19 districts to serve terms as provided under subdivision 2.

89.20 Sec. 6. Minnesota Statutes 2014, section 473.608, subdivision 19, is amended to read:

89.21 Subd. 19. **Acoustical barriers.** The corporation shall construct an acoustical barrier
 89.22 in or along the perimeter of maintenance areas of the Minneapolis-St. Paul International
 89.23 Airport. It also shall construct acoustical barriers along the perimeter of runways of
 89.24 such airport where it is reasonably necessary, practical and safe to do so according to
 89.25 the standards of the Federal Aviation Administration. All barriers shall conform to
 89.26 specifications approved by the Pollution Control Agency. For purposes of this subdivision,
 89.27 an acoustical barrier is a wall, fence, natural barrier such as an earthen barrier or trees
 89.28 designed to abate noise. The corporation shall also confer and cooperate with any entity
 89.29 which it creates for the purpose of studying and implementing sound abatement programs
 89.30 and with representatives of persons residing in the vicinity of any airport who desire to
 89.31 explore means for relieving the area of the detrimental effects of aircraft noise.

89.32 Notwithstanding the provisions of any other law none of the construction authorized
 89.33 by this subdivision shall be subject to review or approval by the ~~Metropolitan Council~~
 89.34 commissioner of administration.

90.1 Sec. 7. Minnesota Statutes 2014, section 473.611, subdivision 5, is amended to read:

90.2 Subd. 5. **New or existing airports.** Any long-term comprehensive plans adopted
90.3 by the commission for the betterment and enlargement of existing airports, for the
90.4 acquisition and construction of new airports, and for the categories of use of airports
90.5 owned or controlled by the commission shall be consistent with the development guide of
90.6 the ~~Metropolitan Council~~ commissioner of administration.

90.7 Sec. 8. Minnesota Statutes 2014, section 473.638, is amended to read:

90.8 **473.638 CONTROL MEASURE INVOLVING TAKING.**

90.9 Subd. 2. **Retention or sale of property.** The commission may retain any property
90.10 now owned by it ~~or acquired under subdivision 1~~ and use it for a lawful purpose, or
90.11 it may provide for the sale or other disposition of the property in accordance with a
90.12 redevelopment plan in the same manner and upon the same terms as the housing and
90.13 redevelopment authority and governing body of a municipality under the provisions of
90.14 section 469.029, all subject to existing land use and development control measures
90.15 approved by the ~~council~~ commissioner of administration.

90.16 Subd. 3. **Sharing of costs.** The Metropolitan Airports Commission and any other
90.17 government unit in the metropolitan area may enter into an agreement under which
90.18 the cost of acquiring a property and the proceeds from the sale or other disposition of
90.19 it under subdivision 2 are to be shared by the commission and such government unit.
90.20 The commission, ~~the Metropolitan Council~~, or any government unit may also enter
90.21 into any agreements with the United States or the state of Minnesota, or any agency or
90.22 subdivision of either, and do all acts and things required by state or federal law or rules as
90.23 a condition or consideration for the loan or grant of funds or property for the purpose of
90.24 land acquisition or improvement under subdivisions 1 and 2.

90.25 Sec. 9. Minnesota Statutes 2014, section 473.64, is amended to read:

90.26 **473.64 GOVERNMENTS IN AIRPORT DEVELOPMENT AREA; TAX**
90.27 **SHARING.**

90.28 The governing bodies of government units located wholly or partly in an airport
90.29 development area shall jointly study and decide upon a plan for the sharing of property
90.30 tax revenues derived from property located in an airport development area. If 80 percent
90.31 of the government units having territory within the airport development area agree
90.32 upon a plan, the plan is effective, and all government units shall enter into whatever
90.33 agreements may be necessary for this purpose. The plan, however, may not impair the

91.1 existing contract obligations of any government unit. This section does not apply to the
 91.2 Metropolitan Airports Commission ~~or the council~~.

91.3 Sec. 10. Minnesota Statutes 2014, section 473.655, is amended to read:

91.4 **473.655 PUBLIC AND GOVERNMENTAL PURPOSES.**

91.5 It is hereby determined and declared that the purposes of sections 473.601 to
 91.6 473.679 are public and governmental; that the development of the metropolitan airports
 91.7 system by the corporation be consistent with the transportation chapter of the Metropolitan
 91.8 Council's Development Guide and promote the public safety and welfare of the state; and
 91.9 that the development, extension, maintenance, and operation of the system in such a
 91.10 manner as to assure the residents of the metropolitan area of the minimum environmental
 91.11 impact from air navigation and transportation, with provision for noise abatement, control
 91.12 of airport area land use, and other protective measures, is essential to the development of
 91.13 air navigation and transportation in and through this state, and is necessary in order to
 91.14 assure the inclusion of this state in national and international systems of air transportation,
 91.15 benefits the people of the state as a whole, renders a general public service, and provides
 91.16 employment, and is of great public economic benefit.

91.17 Sec. 11. Minnesota Statutes 2014, section 473.661, subdivision 4, is amended to read:

91.18 Subd. 4. **Noise mitigation.** (a) According to the schedule in paragraph (b),
 91.19 commission funds must be dedicated (1) to supplement the implementation of corrective
 91.20 land use management measures approved by the Federal Aviation Administration as part
 91.21 of the commission's Federal Aviation Regulations, part 150 noise compatibility program,
 91.22 and (2) for soundproofing and accompanying air conditioning of residences, schools,
 91.23 and other public buildings when there is a demonstrated need because of aircraft noise,
 91.24 regardless of the location of the building to be soundproofed.

91.25 (b) The noise mitigation program described in paragraph (a) shall be funded by the
 91.26 commission from whatever source of funds according to the following schedule:

91.27 In 1993, an amount equal to 20 percent of the passenger facilities charges revenue
 91.28 amount budgeted by the commission for 1993;

91.29 In 1994, an amount equal to 20 percent of the passenger facilities charges revenue
 91.30 amount budgeted by the commission for 1994;

91.31 In 1995, an amount equal to 35 percent of the passenger facilities charges revenue
 91.32 amount budgeted by the commission for 1995; and

91.33 In 1996 and 1997, an amount equal to 40 percent of the passenger facilities charges
 91.34 revenue amount budgeted by the commission for 1996.

92.1 (c) From 1996 to 2002, the commission shall spend no less than \$185,000,000 from
 92.2 any source of funds for insulation and accompanying air conditioning of residences,
 92.3 schools, and other publicly owned buildings where there is a demonstrated need because
 92.4 of aircraft noise; and property acquisition, limited to residences, schools, and other
 92.5 publicly owned buildings, within the noise impacted area. In addition, the corporation
 92.6 shall insulate and air condition four schools in Minneapolis and two schools in Richfield
 92.7 that are located in the 1996 60 Ldn contour.

92.8 (d) Before the commission constructs a new runway at Minneapolis-St. Paul
 92.9 International Airport, the commission shall determine the probable levels of noise that
 92.10 will result in various parts of the metropolitan area from the operation of aircraft on
 92.11 the new runway and shall develop a program to mitigate noise in those parts of the
 92.12 metropolitan area that are located outside the 1996 65 Ldn contour but will be located
 92.13 within the 65 Ldn contour as established after the new runway is in operation. Based
 92.14 upon this determination, the commission shall reserve in its annual budget, until noise
 92.15 mitigation measures are completed, an amount of money necessary to implement this
 92.16 noise mitigation program in the newly impacted areas.

92.17 (e) The commission's capital improvement projects, program, and plan must reflect
 92.18 the requirements of this section. As part of the commission's report to the legislature under
 92.19 section 473.621, subdivision 1a, the commission must provide a description and the status
 92.20 of each noise mitigation project implemented under this section.

92.21 ~~(f) Within 180 days of submitting the commission's and the Metropolitan Council's~~
 92.22 ~~report and recommendations on major airport planning to the legislature as required by~~
 92.23 ~~Minnesota Statutes 2012, section 473.618, the commission, with the assistance of its~~
 92.24 ~~sound abatement advisory committee, shall make a recommendation to the state Advisory~~
 92.25 ~~Council on Metropolitan Airport Planning regarding proposed mitigation activities and~~
 92.26 ~~appropriate funding levels for mitigation activities at Minneapolis-St. Paul International~~
 92.27 ~~Airport and in the neighboring communities. The recommendation shall examine~~
 92.28 ~~mitigation measures to the 60 Ldn level. The state Advisory Council on Metropolitan~~
 92.29 ~~Airport Planning shall review the recommendation and comment to the legislature within~~
 92.30 ~~60 days after the recommendation is submitted to the council.~~

92.31 Sec. 12. Minnesota Statutes 2014, section 473.667, subdivision 8, is amended to read:

92.32 Subd. 8. **Refunding deficiencies.** If in any year the revenues available for transfer
 92.33 to the debt service fund are or will in the judgment of the commission be insufficient to
 92.34 produce the balance required thereon on October 10 under the provisions of subdivision 4,
 92.35 or to make any interest or principal payment due on certificates of indebtedness issued

93.1 under the provisions of subdivision 10, the commission may, ~~with the approval of the~~
 93.2 ~~council~~, issue refunding bonds and appropriate the proceeds to the debt service fund in
 93.3 the amount needed to restore the deficiency, provided that the refunding bonds shall not
 93.4 mature earlier than the date or dates when the commission estimates that the revenues
 93.5 from enforced or increased rates, fees, charges, and rentals will be sufficient to pay them
 93.6 and to meet all other requirements of the debt service fund as stated in subdivision 4.

93.7 Sec. 13. **REPEALER.**

93.8 Minnesota Statutes 2014, section 473.621, subdivision 6, is repealed.

93.9 Sec. 14. **EFFECTIVE DATE.**

93.10 This article is effective July 1, 2016.

93.11 **ARTICLE 6**

93.12 **METROPOLITAN AGRICULTURAL PRESERVES**

93.13 Section 1. Minnesota Statutes 2014, section 473H.04, subdivision 3, is amended to read:

93.14 Subd. 3. **Maps to Met-Council Minnesota planning.** The authority shall provide
 93.15 the ~~Metropolitan Council~~ commissioner of administration with suitable maps showing any
 93.16 lands certified eligible pursuant to subdivision 1 or decertified pursuant to subdivision
 93.17 2. The ~~Metropolitan Council~~ commissioner of administration shall maintain maps of the
 93.18 metropolitan area showing all certified long-term agricultural lands.

93.19 Sec. 2. Minnesota Statutes 2014, section 473H.06, subdivision 1, is amended to read:

93.20 Subdivision 1. **Application.** Upon receipt of an application, the authority shall
 93.21 determine if all material required in section 473H.05 has been submitted and, if so, shall
 93.22 determine that the application is complete. When used in this chapter, the term "date of
 93.23 application" means the date the application is determined complete by the authority.
 93.24 Within five days of the date of application, the authority shall forward the completed and
 93.25 signed application to the county recorder, and copies to the county auditor, the county
 93.26 assessor, the ~~Metropolitan Council~~ commissioner of administration, and the county soil
 93.27 and water conservation district.

93.28 Sec. 3. Minnesota Statutes 2014, section 473H.06, subdivision 5, is amended to read:

93.29 Subd. 5. **Maps; reports.** The ~~Metropolitan Council~~ commissioner of administration
 93.30 shall maintain agricultural preserve maps, illustrating (a) certified long-term agricultural
 93.31 lands; and (b) lands covenanted as agricultural preserves. The ~~council~~ commissioner of

94.1 administration shall make yearly reports to the Department of Agriculture and such other
 94.2 agencies as the ~~council~~ commissioner of administration deems appropriate.

94.3 Sec. 4. Minnesota Statutes 2014, section 473H.08, subdivision 4, is amended to read:

94.4 Subd. 4. **Notice to others.** Upon receipt of the notice provided in subdivision 2,
 94.5 or upon notice served by the authority as provided in subdivision 3, the authority shall
 94.6 forward the original notice to the county recorder for recording, or to the registrar of
 94.7 titles if the land is registered, and shall notify the county auditor, county assessor, the
 94.8 ~~Metropolitan Council~~ commissioner of administration, and the county soil and water
 94.9 conservation district of the date of expiration. Designation as an agricultural preserve and
 94.10 all benefits and limitations accruing through sections 473H.02 to 473H.17 for the preserve
 94.11 shall cease on the date of expiration. The restrictive covenant contained in the application
 94.12 shall terminate on the date of expiration.

94.13 Sec. 5. **REPEALER.**

94.14 Minnesota Statutes 2014, section 473H.02, subdivisions 7 and 8, are repealed.

94.15 Sec. 6. **EFFECTIVE DATE.**

94.16 This article is effective July 1, 2016.

94.17 **ARTICLE 7**

94.18 **PARKS AND OPEN SPACE**

94.19 Section 1. Minnesota Statutes 2014, section 473.121, subdivision 14, is amended to read:

94.20 Subd. 14. **Regional recreation open space.** "Regional recreation open space"
 94.21 means land and water areas, or interests therein, and facilities determined by the
 94.22 ~~Metropolitan Council~~ commissioner of administration to be of regional importance in
 94.23 providing for a balanced system of public outdoor recreation for the metropolitan area,
 94.24 including but not limited to park reserves, major linear parks and trails, large recreation
 94.25 parks, and conservatories, zoos, and other special use facilities.

94.26 Sec. 2. Minnesota Statutes 2014, section 473.147, is amended to read:

94.27 **473.147 REGIONAL RECREATION OPEN SPACE SYSTEM POLICY PLAN.**

94.28 Subdivision 1. **Requirements.** The ~~Metropolitan Council~~ commissioner
 94.29 of administration after consultation with the Parks and Open Space Commission,
 94.30 municipalities, park districts and counties in the metropolitan area, and after appropriate

95.1 public hearings, shall prepare and adopt a long-range system policy plan for regional
 95.2 recreation open space as part of the ~~council's~~ Metropolitan Development Guide. The
 95.3 plan shall substantially conform to all policy statements, purposes, goals, standards, and
 95.4 maps in development guide sections and comprehensive plans as developed and adopted
 95.5 by the ~~council pursuant to the chapters of the Minnesota Statutes directly relating to the~~
 95.6 ~~council~~ commissioner of administration. The policy plan shall identify generally the areas
 95.7 which should be acquired by a public agency to provide a system of regional recreation
 95.8 open space comprising park district, county and municipal facilities which, together with
 95.9 state facilities, reasonably will meet the outdoor recreation needs of the people of the
 95.10 metropolitan area and shall establish priorities for acquisition and development. The
 95.11 policy plan shall estimate the cost of the recommended acquisitions and development,
 95.12 including an analysis of what portion of the funding is proposed to come from the state,
 95.13 Metropolitan ~~Council~~ Parks and Open Space Commission's levies, and cities, counties,
 95.14 and towns in the metropolitan area, respectively. In preparing or amending the policy
 95.15 plan the ~~council~~ commissioner of administration shall consult with and make maximum
 95.16 use of the expertise of the commission. The policy plan shall include a five-year capital
 95.17 improvement program, which shall be revised periodically, and shall establish criteria and
 95.18 priorities for the allocation of funds for such acquisition and development. The legislature
 95.19 in each bonding measure shall designate an anticipated level of funding for this acquisition
 95.20 and development for each of the two succeeding bienniums.

95.21 Subd. 2. **Review, comment, hearing; revision.** Before adopting the policy plan, the
 95.22 ~~council~~ commissioner of administration shall submit the proposed plan to the parks and
 95.23 open space commission for its review, and the commission shall report its comments to
 95.24 the ~~council~~ commissioner of administration within 60 days. The ~~council~~ commissioner
 95.25 of administration shall hold a public hearing on the proposed policy plan at such time
 95.26 and place in the metropolitan area as it shall determine. Not less than 15 days before
 95.27 the hearing, the ~~council~~ commissioner of administration shall publish notice thereof in
 95.28 a newspaper or newspapers having general circulation in the metropolitan area, stating
 95.29 the date, time and place of hearing, and the place where the proposed policy plan and
 95.30 commission comments may be examined by any interested person. At any hearing
 95.31 interested persons shall be permitted to present their views on the policy plan, and the
 95.32 hearing may be continued from time to time. After receipt of the commission's report
 95.33 and hearing, the ~~council~~ commissioner of administration may revise the proposed plan
 95.34 giving appropriate consideration to all comments received, and thereafter shall adopt the
 95.35 plan by resolution. An amendment to the policy plan may be proposed by the ~~council~~
 95.36 commissioner of administration or by the parks and open space commission. At least every

96.1 four years the ~~council~~ commissioner of administration shall engage in a comprehensive
 96.2 review of the policy plan, development guide sections, comprehensive plans, capital
 96.3 improvement programs and other plans in substantial conformance with the requirements
 96.4 of subdivision 1 which have been adopted by the ~~council~~ commissioner of administration.

96.5 Sec. 3. Minnesota Statutes 2014, section 473.301, subdivision 2, is amended to read:

96.6 Subd. 2. **Policy plan.** "Policy plan" means a plan adopted by the ~~council~~
 96.7 commissioner of administration pursuant to section 473.147, generally describing the
 96.8 extent, type and location of regional recreation open space needed for the metropolitan
 96.9 area and the timing of its acquisition and development.

96.10 Sec. 4. Minnesota Statutes 2014, section 473.303, is amended to read:

96.11 **473.303 METROPOLITAN PARKS AND OPEN SPACE COMMISSION.**

96.12 Subdivision 1. **General.** A Metropolitan Parks and Open Space Commission is
 96.13 established ~~as an agency of the council~~ to carry out the purposes and activities specified in
 96.14 sections 473.301 to 473.341 and to serve as the governing body of the district and shall
 96.15 be organized and structured as provided in this section.

96.16 Subd. 2. **Membership; appointments.** (a) The ~~agency~~ commission consists of
 96.17 eight members, plus a chair appointed as provided in subdivision 3. The ~~Metropolitan~~
 96.18 ~~Council~~ governor shall appoint the eight members on a nonpartisan basis after consultation
 96.19 with the members of the legislature from the district for which the member is to be
 96.20 appointed. The consultation with legislators in the affected district must include informing
 96.21 each legislator of the name, address, and background of each candidate for appointment
 96.22 and soliciting and reporting to the appointments committee the recommendation of each
 96.23 legislator on the appointment.

96.24 (b) In addition to the notice required in section 15.0597, subdivision 4, notice of
 96.25 vacancies and expiration of terms must be published in newspapers of general circulation
 96.26 in the metropolitan area and the appropriate districts. The ~~council~~ commission shall notify
 96.27 in writing the governing bodies of the statutory and home rule charter cities, counties, and
 96.28 towns having territory in the district for which the member is to be appointed. The notices
 96.29 must describe the appointment process and invite participation and recommendations
 96.30 on the appointment.

96.31 (c) The ~~council~~ commission shall establish an appointments committee, composed
 96.32 of members of the ~~council~~ governing bodies of the implementing agencies, to screen and
 96.33 review candidates. Following the submission of member applications ~~to the Metropolitan~~
 96.34 ~~Council~~ as provided under section 15.0597, subdivision 5, the appointments committee

97.1 shall conduct public meetings, following appropriate notice, to accept statements from or
 97.2 on behalf of persons who have applied or been nominated for appointment and to allow
 97.3 consultation with and secure the advice of the public and local elected officials. The
 97.4 committee shall hold the meeting on each appointment in the district or in a reasonably
 97.5 convenient and accessible location in the part of the metropolitan area in which the
 97.6 district is located. The committee may consolidate meetings. Following the meetings, the
 97.7 committee shall submit to the ~~council~~ commission a written report that lists the persons
 97.8 who have applied or been nominated or recommended for the position, along with a
 97.9 description of the background and qualifications of each. In making its recommendation,
 97.10 the committee specifically shall consider evidence of the candidate's commitment to
 97.11 regularly communicate on issues before the agency with ~~Metropolitan Council members,~~
 97.12 legislators and local elected officials in the district, and the committee shall report its
 97.13 findings on this subject in its written report to the ~~council~~ commission.

97.14 (d) One member shall be appointed from each of the following agency districts:

97.15 (1) district A, consisting of ~~council districts 1 and 2~~ Metropolitan Airports
 97.16 Commission district A;

97.17 (2) district B, consisting of ~~council districts 3 and 4~~ Metropolitan Airports
 97.18 Commission district B;

97.19 (3) district C, consisting of ~~council districts 5 and 6~~ Metropolitan Airports
 97.20 Commission district C;

97.21 (4) district D, consisting of ~~council districts 7 and 8~~ Metropolitan Airports
 97.22 Commission district D;

97.23 (5) district E, consisting of ~~council districts 9 and 10~~ Metropolitan Airports
 97.24 Commission district E;

97.25 (6) district F, consisting of ~~council districts 11 and 12~~ Metropolitan Airports
 97.26 Commission district F;

97.27 (7) district G, consisting of ~~council districts 13 and 14~~ Metropolitan Airports
 97.28 Commission district G; and

97.29 (8) district H, consisting of ~~council districts 15 and 16~~ Metropolitan Airports
 97.30 Commission district H.

97.31 Subd. 3. **Chair.** The chair of the commission shall be appointed by the ~~council~~
 97.32 governor and shall be the ninth member of the commission and shall meet all qualifications
 97.33 established for members, except the chair need only reside within the metropolitan area.
 97.34 The chair shall preside at all meetings of the commission, if present, and shall perform
 97.35 all other duties and functions assigned by the commission or by law. The commission

98.1 may appoint from among its members a vice-chair to act for the chair during temporary
98.2 absence or disability.

98.3 Subd. 3a. **Members; duties.** Each member shall communicate regularly with
98.4 ~~Metropolitan Council members~~, legislators, and local government officials in the district
98.5 the member represents.

98.6 Subd. 4. **Qualifications.** Each member shall be a resident of the commission district
98.7 for which appointed and shall not during terms of office as a commission member ~~hold the~~
98.8 ~~office of Metropolitan Council member~~, or be a member of any metropolitan agency or
98.9 hold any judicial office.

98.10 Subd. 4a. **Terms.** Following each apportionment of Metropolitan Council Airports
98.11 Commission districts, as provided under section ~~473.123, subdivision 3a~~ 473.604,
98.12 subdivision 1a, the ~~Metropolitan Council~~ governor shall appoint a chair and eight
98.13 commission members from newly drawn districts. The terms of members and chairs are
98.14 as follows: members representing commission districts A, B, C, and D, and the chair of
98.15 the commission, for terms ending the first Monday in January of the year ending in the
98.16 numeral "7"; members representing commission districts E, F, G, and H, for terms ending
98.17 the first Monday in January of the year ending in the numeral "5." Thereafter the term of
98.18 each member and the chair is four years, with terms ending the first Monday in January,
98.19 except that all terms expire on the effective date of the next apportionment. The chair shall
98.20 continue to serve until a successor is appointed and qualified. A member shall continue
98.21 to serve the commission district until a successor is appointed and qualified; except that,
98.22 following each apportionment, the member shall continue to serve at large until the
98.23 ~~Metropolitan Council~~ governor appoints eight commission members as provided under
98.24 subdivision 2, to serve terms as provided under this subdivision. The appointments to the
98.25 commission must be made by the first Monday in May of the year in which the term ends.

98.26 Subd. 5. **Vacancies; removal.** If the office of any commission member or the chair
98.27 becomes vacant, the vacancy shall be filled by appointment in the same manner the original
98.28 appointment was made. Members, other than the chair, may be removed by the ~~council~~
98.29 governor only for cause. The chair may be removed at the pleasure of the ~~council~~ governor.

98.30 Subd. 6. **Compensation.** Members and the chair shall serve without compensation
98.31 but shall be reimbursed for all actual and necessary expenses incurred in the performance of
98.32 duties as determined by the ~~Metropolitan Council~~ Legislative Coordinating Commission.

98.33 Sec. 5. Minnesota Statutes 2014, section 473.313, is amended to read:

98.34 **473.313 MASTER PLANS.**

99.1 Subdivision 1. **Adoption.** Each park district located wholly or partially within the
 99.2 metropolitan area, and each county in the metropolitan area not wholly within a park
 99.3 district, shall prepare, after consultation with all affected municipalities, and submit to the
 99.4 ~~Metropolitan Council~~ commissioner of administration, and from time to time revise and
 99.5 resubmit to the ~~council~~ commissioner of administration, a master plan and annual budget
 99.6 for the acquisition and development of regional recreation open space located within the
 99.7 district or county, consistent with the ~~council's~~ commissioner of administration's policy
 99.8 plan.

99.9 Subd. 2. **Council Commissioner of administration review.** The Metropolitan
 99.10 ~~Council~~ commissioner of administration shall review with the advice of the commission,
 99.11 each master plan to determine whether it is consistent with the ~~council's~~ commissioner
 99.12 of administration's policy plan. If it is not consistent, the ~~council~~ commissioner of
 99.13 administration shall return the plan with its comments to the municipalities, park district
 99.14 or county for revision and resubmittal.

99.15 Sec. 6. Minnesota Statutes 2014, section 473.315, subdivision 1, is amended to read:

99.16 Subdivision 1. **To metro local governments.** ~~The Metropolitan Council with the~~
 99.17 ~~advice of the~~ commission may make grants, from any funds available to it for recreation
 99.18 open space purposes, to any implementing agency, as defined in section 473.351, to cover
 99.19 the cost, or any portion of the cost, of acquiring or developing regional recreation open
 99.20 space in accordance with the policy plan; and all such agencies may enter into contracts
 99.21 for this purpose or rights or interests therein. The cost of acquisition shall include any
 99.22 payments required for relocation pursuant to sections 117.50 to 117.56.

99.23 Sec. 7. Minnesota Statutes 2014, section 473.325, is amended to read:

99.24 **473.325 SALES OF G.O. REFUNDING BONDS.**

99.25 Subdivision 1. **Up to \$40,000,000 outstanding.** The Metropolitan ~~Council~~ Parks
 99.26 and Open Space Commission may by resolution authorize the issuance of general
 99.27 obligation bonds of the ~~council~~ commission such that the amount outstanding and
 99.28 undischarged at any time shall not exceed \$40,000,000, for which its full faith and credit
 99.29 and taxing powers shall be pledged, for the acquisition and betterment of regional
 99.30 recreation open space in accordance with sections 473.301 to 473.341. The Metropolitan
 99.31 ~~Council~~ Parks and Open Space Commission may also issue general obligation bonds
 99.32 for the purpose of refunding outstanding obligations issued hereunder. The amount of
 99.33 refunding bonds that may be issued from time to time shall not be subject to the dollar

100.1 limitation contained in this subdivision nor shall such refunding bonds be included in
100.2 computing the amount of bonds that may be issued within such dollar limitation.

100.3 Subd. 2. **Chapter 475 applies; exceptions.** The Metropolitan ~~Council~~ Parks and
100.4 Open Space Commission shall sell and issue the bonds in the manner provided in chapter
100.5 475, and shall have the same powers and duties as a municipality issuing bonds under
100.6 that law, except that the approval of a majority of the electors shall not be required and
100.7 the net debt limitations shall not apply. The terms of each series of bonds shall be fixed
100.8 so that the amount of principal and interest on all outstanding and undischarged bonds,
100.9 together with the bonds proposed to be issued, due in any year shall not exceed 0.01209
100.10 percent of estimated market value of all taxable property in the metropolitan area as last
100.11 finally equalized prior to a proposed issue. The bonds shall be secured in accordance with
100.12 section 475.61, subdivision 1, and any taxes required for their payment shall be levied by
100.13 the ~~council~~ commission, shall not affect the amount or rate of taxes which may be levied
100.14 by the ~~council~~ commission for other purposes, shall be spread against all taxable property
100.15 in the metropolitan area and shall not be subject to limitation as to rate or amount. Any
100.16 taxes certified by the ~~council~~ commission to the county auditors for collection shall be
100.17 reduced by the amount received by the ~~council~~ commission from the commissioner of
100.18 management and budget or the federal government for the purpose of paying the principal
100.19 and interest on bonds to which the levy relates. The ~~council~~ commission shall certify the
100.20 fact and amount of all money so received to the county auditors, and the auditors shall
100.21 reduce the levies previously made for the bonds in the manner and to the extent provided
100.22 in section 475.61, subdivision 3.

100.23 Subd. 3. **Temporary loans.** The Metropolitan ~~Council~~ Parks and Open Space
100.24 Commission shall have the power, after the authorization of bonds pursuant to this section,
100.25 to provide funds immediately required for the purposes of sections 473.301 to 473.341, by
100.26 effecting temporary loans upon such terms as it shall by resolution determine, evidenced
100.27 by notes due in not exceeding 24 months from the date thereof, payable to the order of
100.28 the lender or to the bearer, to be repaid with interest from the proceeds of such bonds
100.29 when issued and delivered to the purchaser thereof. Such temporary loans may be made
100.30 without public advertisement.

100.31 Subd. 4. **Full faith, credit switch.** In the event that the full faith and credit pledge
100.32 of the Metropolitan ~~Council~~ Parks and Open Space Commission for the payment of
100.33 principal and interest on the bonds issued under this section is superseded and replaced
100.34 by the full faith and credit pledge of the state of Minnesota, by binding and irrevocable
100.35 legislation, such action shall extinguish the full faith and credit pledge theretofore made
100.36 for all bonds and the interest thereon issued pursuant to this section.

101.1 Sec. 8. Minnesota Statutes 2014, section 473.334, subdivision 1, is amended to read:

101.2 Subdivision 1. **Generally.** In determining the special benefit received by regional
101.3 recreation open space system property as defined in sections 473.301 to 473.351 from an
101.4 improvement for which a special assessment is determined, the governing body shall not
101.5 consider any use of the property other than as regional recreation open space property at
101.6 the time the special assessment is determined. The ~~Metropolitan Council~~ commission shall
101.7 not be bound by the determination of the governing body of the city but may pay a lesser
101.8 amount, as agreed upon by the ~~Metropolitan Council~~ commission and the governing body
101.9 of the city, as they determine is the measure of benefit to the land from the improvement.

101.10 Sec. 9. Minnesota Statutes 2014, section 473.341, is amended to read:

101.11 **473.341 TAX EQUIVALENTS.**

101.12 In the year in which the ~~Metropolitan Council~~ commission or an implementing
101.13 agency as defined in section 473.351 acquires fee title to any real property included in
101.14 the regional recreation open space system, the ~~Metropolitan Council~~ commission shall
101.15 grant sufficient funds to the appropriate implementing agency to make the tax equivalent
101.16 payment required in this section. The ~~council~~ commission shall determine the total
101.17 amount of property taxes levied on the real property for municipal or township purposes
101.18 for collection in the year in which title passed. The municipality or township in which the
101.19 real property is situated shall be paid 180 percent of the total tax amount determined by
101.20 the ~~council~~ commission. If the implementing agency has granted a life estate to the seller
101.21 of the real property and the seller is obligated to pay property taxes on the property, this
101.22 tax equivalent shall not be paid until the life estate ends. All amounts paid pursuant to this
101.23 section are costs of acquisition of the real property acquired.

101.24 Sec. 10. Minnesota Statutes 2014, section 473.351, subdivision 1, is amended to read:

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

101.26 (a) "Implementing agency" means the counties of Anoka, Washington, Ramsey,
101.27 Scott, Carver, Dakota, the city of St. Paul, the city of Bloomington, the Minneapolis Park
101.28 and Recreation Board, and the Three Rivers Park District.

101.29 (b) "Operation and maintenance expenditures" means the cost of providing for the
101.30 operation and maintenance of waters, lands, and facilities that are a part of the metropolitan
101.31 area regional park and open space system, including but not limited to, the provision of fire,
101.32 police, maintenance, forestry, rehabilitation expenses pertaining to routine care, and the
101.33 allocation of the administrative overhead costs of the regional park and open space systems.

102.1 (c) "Operation and maintenance money" means money appropriated by the
102.2 legislature to the commissioner of employment and economic development for distribution
102.3 by the Metropolitan ~~Council~~ Parks and Open Space Commission.

102.4 (d) "Regional recreation open space systems" means those parks that have been
102.5 designated by the ~~Metropolitan Council~~ commissioner of administration under section
102.6 473.145.

102.7 Sec. 11. Minnesota Statutes 2014, section 473.351, subdivision 2, is amended to read:

102.8 Subd. 2. **Metropolitan Council Parks and Open Space Commission obligation.**

102.9 Annually before August 1 the ~~Metropolitan Council~~ commission shall distribute grant
102.10 money received from the commissioner of natural resources to fund the operation and
102.11 maintenance expenditures of the implementing agencies for the operation and maintenance
102.12 of regional park and open space systems. The ~~Metropolitan Council~~ commission shall
102.13 annually report to the legislature the amount distributed to each implementing agency and
102.14 its estimate of the percentage of operation and maintenance expenditures paid for with
102.15 operation and maintenance money.

102.16 Sec. 12. Minnesota Statutes 2014, section 473.351, subdivision 3, is amended to read:

102.17 Subd. 3. **Allocation formula.** By July 1 of every year each implementing agency
102.18 must submit to the Metropolitan Parks and Open Space Commission a statement of the
102.19 next annual anticipated operation and maintenance expenditures of the regional recreation
102.20 open space parks systems within their respective jurisdictions and the previous year's
102.21 actual expenditures. After reviewing the actual expenditures submitted and by July 15
102.22 of each year, the Metropolitan Parks and Open Space Commission shall ~~forward to the~~
102.23 ~~Metropolitan Council~~ the funding requests from the implementing agencies based on the
102.24 ~~actual expenditures made.~~ The ~~Metropolitan Council~~ shall distribute the operation and
102.25 maintenance money as follows:

102.26 (1) 40 percent based on the use that each implementing agency's regional recreation
102.27 open space system has in proportion to the total use of the metropolitan regional recreation
102.28 open space system;

102.29 (2) 40 percent based on the operation and maintenance expenditures made in the
102.30 previous year by each implementing agency in proportion to the total operation and
102.31 maintenance expenditures of all of the implementing agencies; and

102.32 (3) 20 percent based on the acreage that each implementing agency's regional
102.33 recreation open space system has in proportion to the total acreage of the metropolitan
102.34 regional recreation open space system. The 80 percent natural resource management

103.1 land acreage of the park reserves must be divided by four in calculating the distribution
103.2 under this clause.

103.3 Each implementing agency must receive no less than 40 percent of its actual
103.4 operation and maintenance expenses to be incurred in the current calendar year budget
103.5 as submitted to the parks and open space commission. If the available operation and
103.6 maintenance money is less than the total amount determined by the formula including the
103.7 preceding, the implementing agencies will share the available money in proportion to the
103.8 amounts they would otherwise be entitled to under the formula.

103.9 Sec. 13. **BONDS.**

103.10 Bonds authorized by Minnesota Statutes, section 473.325, that are outstanding
103.11 on the effective date of this article must be paid and retired according to those sections
103.12 and the terms of the bonds. The auditors of the metropolitan counties shall see to the
103.13 administration of this section.

103.14 Sec. 14. **ASSET ALLOCATION.**

103.15 Assets of the Metropolitan Council attributable to the regional recreation open
103.16 space systems defined in Minnesota Statutes, section 473.351, shall be transferred to the
103.17 Metropolitan Parks and Open Space Commission.

103.18 Sec. 15. **TAX EQUIVALENTS.**

103.19 If tax equivalents under Minnesota Statutes, section 473.341, are owned by an
103.20 implementing agency as defined in Minnesota Statutes, section 473.351, to a municipality
103.21 as defined in Minnesota Statutes, section 473.301, that is not an implementing agency, on
103.22 the termination of a life estate, the implementing agency must make the payment.

103.23 Sec. 16. **REPEALER.**

103.24 Minnesota Statutes 2014, section 473.121, subdivision 12, is repealed.

103.25 Sec. 17. **EFFECTIVE DATE.**

103.26 This article is effective July 1, 2016.

103.27 **ARTICLE 8**

103.28 **TRANSPORTATION**

103.29 Section 1. Minnesota Statutes 2014, section 117.57, subdivision 3, is amended to read:

104.1 Subd. 3. **Relation to regional railroad authorities.** An authority shall not be
 104.2 adjudged to have a superior public use to that of a regional railroad authority as defined in
 104.3 section 398A.01, a railroad property which has been identified and approved as a light rail
 104.4 corridor by the former Metropolitan Council under chapter 473, or a state trail covered
 104.5 by section 85.015.

104.6 Sec. 2. Minnesota Statutes 2014, section 160.165, subdivision 1, is amended to read:

104.7 Subdivision 1. **Definitions.** For the purposes of this section, the following terms
 104.8 have the meanings given:

104.9 (1) "project" means construction work to maintain, construct, reconstruct, or
 104.10 improve a street or highway or for a rail transit project;

104.11 (2) "substantial business impacts" means impairment of road access, parking, or
 104.12 visibility for one or more business establishments as a result of a project, for a minimum
 104.13 period of one month; and

104.14 (3) "transportation authority" means the commissioner, as to trunk highways and rail
 104.15 transit projects; the county board, as to county state-aid highways and county highways;
 104.16 the town board, as to town roads; and statutory or home rule charter cities, as to city
 104.17 streets; ~~the Metropolitan Council, for rail transit projects located entirely within the~~
 104.18 ~~metropolitan area as defined in section 473.121, subdivision 2; and the commissioner,~~
 104.19 ~~for all other rail transit projects.~~

104.20 Sec. 3. Minnesota Statutes 2014, section 160.93, subdivision 1, is amended to read:

104.21 Subdivision 1. **Fees authorized.** To improve efficiency and provide more options to
 104.22 individuals traveling in a trunk highway corridor, the commissioner of transportation may
 104.23 charge user fees to owners or operators of single-occupant vehicles using dynamic shoulder
 104.24 lanes as designated by the commissioner and any designated high-occupancy vehicle
 104.25 lanes. The fees may be collected using electronic or other toll-collection methods and may
 104.26 vary in amount with the time of day and level of traffic congestion within the corridor.
 104.27 The commissioner shall ~~consult with the Metropolitan Council and~~ obtain necessary
 104.28 federal authorizations before implementing user fees on a high-occupancy vehicle lane or
 104.29 dynamic shoulder lane. Fees under this section are not subject to section 16A.1283.

104.30 Sec. 4. Minnesota Statutes 2014, section 160.93, subdivision 2, is amended to read:

104.31 Subd. 2. **Deposit of revenues; appropriation.** (a) Except as provided in subdivision
 104.32 2a, money collected from fees authorized under subdivision 1 must be deposited in a
 104.33 high-occupancy vehicle lane user fee account in the special revenue fund. A separate

105.1 account must be established for each trunk highway corridor. Money in the account is
 105.2 appropriated to the commissioner.

105.3 (b) From this appropriation the commissioner shall first repay the trunk highway
 105.4 fund and any other fund source for money spent to install, equip, or modify the corridor
 105.5 for the purposes of subdivision 1, and then shall pay all the costs of implementing and
 105.6 administering the fee collection system for that corridor.

105.7 (c) The commissioner shall spend remaining money in the account as follows:

105.8 (1) one-half must be spent for transportation capital improvements within the
 105.9 corridor; and

105.10 (2) one-half must be ~~transferred to the Metropolitan Council~~ spent for expansion
 105.11 and improvement of bus transit services within the corridor beyond the level of service
 105.12 provided on the date of implementation of subdivision 1.

105.13 Sec. 5. Minnesota Statutes 2014, section 160.93, subdivision 2a, is amended to read:

105.14 Subd. 2a. **I-35W high-occupancy vehicle and dynamic shoulder lane account.**

105.15 (a) An I-35W high-occupancy vehicle and dynamic shoulder lane account is established in
 105.16 the special revenue fund. Money collected from fees authorized under subdivision 1 for
 105.17 the marked Interstate Highway 35W (I-35W) corridor must be deposited in the account
 105.18 and used as described in this subdivision. Money in the account is appropriated to the
 105.19 commissioner.

105.20 (b) During the first year of revenue operations, the commissioner shall use the
 105.21 money received in that year to pay the costs of operating and administering the fee
 105.22 collection system within the corridor, up to \$1,000,000. Any remaining money must be
 105.23 ~~transferred to the Metropolitan Council~~ used for improvement of bus transit services
 105.24 within the I-35W corridor including transit capital expenses.

105.25 (c) During the second and subsequent years of revenue operations, the commissioner
 105.26 shall use money in the account as follows:

105.27 (1) each year, allocate the lesser amount of \$1,000,000 or 75 percent of the revenues
 105.28 for operating and administering the fee collection system within the corridor;

105.29 (2) ~~transfer~~ use the remaining amount up to the amount allocated under clause (1) ~~to~~
 105.30 ~~the Metropolitan Council~~ for improvement of bus transit within the corridor including
 105.31 capital expenses; and

105.32 (3) allocate any remaining amount as follows: (i) 25 percent to ~~the commissioner for~~
 105.33 ~~operating and administering~~ operate and administer the fee collection system within the
 105.34 corridor and for transportation capital improvements that are consistent with the goals
 105.35 of the urban partnership agreement and that are located within the corridor and (ii) 75

106.1 percent to the ~~Metropolitan Council~~ for improvement of bus transit services within the
106.2 corridor including transit capital expenses.

106.3 Sec. 6. Minnesota Statutes 2014, section 162.09, subdivision 4, is amended to read:

106.4 Subd. 4. **Federal census is conclusive.** (a) In determining whether any city has
106.5 a population of 5,000 or more, the last federal census shall be conclusive, except as
106.6 otherwise provided in this subdivision.

106.7 (b) The governing body of a city may contract with the United States Bureau of the
106.8 Census to take a special census. A certified copy of the results of the census shall be filed
106.9 with the appropriate state authorities by the city. The result of the census shall be the
106.10 population of the city for the purposes of any law providing that population is a required
106.11 qualification for distribution of highway aids under chapter 162. The special census shall
106.12 remain in effect until the next federal census is completed and filed. The expense of taking
106.13 the special census shall be paid by the city.

106.14 (c) If an entire area not heretofore incorporated as a city is incorporated as such
106.15 during the interval between federal censuses, its population shall be determined by its
106.16 incorporation census. The incorporation census shall be determinative of the population of
106.17 the city only until the next federal census.

106.18 (d) The population of a city created by the consolidation of two or more previously
106.19 incorporated cities shall be determined by the most recent population estimate of the
106.20 ~~Metropolitan Council~~ or state demographer, until the first federal decennial census or
106.21 special census taken after the consolidation.

106.22 (e) The population of a city that is not receiving a municipal state-aid street fund
106.23 apportionment shall be determined, upon request of the city, by the most recent population
106.24 estimate of the ~~Metropolitan Council~~ or state demographer. A municipal state-aid street
106.25 fund apportionment received by the city must be based on this population estimate until
106.26 the next federal decennial census or special census.

106.27 (f) A city that is found in the most recent federal decennial census to have a
106.28 population of less than 5,000 is deemed for the purposes of this chapter and the Minnesota
106.29 Constitution, article XIV, to have a population of 5,000 or more under the following
106.30 circumstances: (1) immediately before the most recent federal decennial census, the city
106.31 was receiving municipal state-aid street fund distributions; and (2) the population of the
106.32 city was found in the most recent federal decennial census to be less than 5,000. Following
106.33 the end of the first calendar year that ends in "5" after the decennial census and until the next
106.34 decennial census, the population of any city must be determined under paragraphs (a) to (e).

107.1 Sec. 7. Minnesota Statutes 2014, section 169.306, is amended to read:

107.2 **169.306 USE OF SHOULDERS BY BUSES.**

107.3 (a) A road authority, as defined in section 160.02, subdivision 25, is authorized to
107.4 permit transit buses and Metro Mobility buses use of a shoulder, as designated by the road
107.5 authority, of a freeway or expressway, as defined in section 160.02, in Minnesota.

107.6 (b) If a road authority permits the use of a freeway or expressway shoulder by transit
107.7 buses, the road authority shall permit the use on that shoulder of a bus (1) with a seating
107.8 capacity of 40 passengers or more operated by a motor carrier of passengers, as defined in
107.9 section 221.012, subdivision 26, while operating in intrastate commerce or (2) providing
107.10 regular route transit service, as defined in section 174.22, subdivision 8, or Metro Mobility
107.11 services, and operated by or under contract with the ~~Metropolitan Council~~ Department of
107.12 Transportation, a local transit authority, or a transit authority created by the legislature.

107.13 Drivers of these buses must have adequate training in the requirements of paragraph

107.14 (c), as determined by the commissioner.

107.15 (c) Buses authorized to use the shoulder under this section may be operated on
107.16 the shoulder only when main-line traffic speeds are less than 35 miles per hour, except
107.17 as provided for in paragraph (f). Drivers of buses being operated on the shoulder may
107.18 not exceed the speed of main-line traffic by more than 15 miles per hour and may never
107.19 exceed 35 miles per hour, except as provided for in paragraph (f). Drivers of buses being
107.20 operated on the shoulder must yield to merging, entering, and exiting traffic and must yield
107.21 to other vehicles on the shoulder. Buses operated on the shoulder must be registered with
107.22 the Department of Transportation.

107.23 (d) For the purposes of this section, the term "Metro Mobility bus" means a motor
107.24 vehicle of not less than 20 feet in length engaged in providing special transportation
107.25 services under section 473.386 that is:

107.26 (1) operated by or under contract with a public or private entity receiving financial
107.27 assistance to provide transit services from the ~~Metropolitan Council~~ or the commissioner
107.28 of transportation; and

107.29 (2) authorized by a road authority to use freeway or expressway shoulders.

107.30 (e) This section does not apply to the operation of buses on dynamic shoulder lanes.

107.31 (f) The commissioner may authorize different operating conditions and maximum
107.32 speeds, not to exceed the posted speed limit, based upon an engineering study and
107.33 recommendation by the road authority. The engineering study must be conducted by the
107.34 road authority and must conform with the manual and specifications adopted under section
107.35 169.06, subdivision 1, and applicable state and federal standards. The road authority shall

108.1 consult the public transit operator before recommending operating conditions different
108.2 from those authorized by law.

108.3 Sec. 8. Minnesota Statutes 2014, section 169.781, subdivision 1, is amended to read:

108.4 Subdivision 1. **Definitions.** For purposes of sections 169.781 to 169.783:

108.5 (a) "Commercial motor vehicle":

108.6 (1) means a motor vehicle as defined in section 169.011, subdivision 16, paragraph
108.7 (a), or combination of motor vehicles used to transport passengers or property if the
108.8 motor vehicle:

108.9 (i) has a gross vehicle weight of more than 26,000 pounds;

108.10 (ii) is a vehicle in a combination of more than 26,000 pounds;

108.11 (iii) is a bus;

108.12 (iv) is of any size and is used in the transportation of hazardous materials that are
108.13 required to be placarded under Code of Federal Regulations, title 49, parts 100-185; or

108.14 (v) is a spotter truck; and

108.15 (2) does not include (i) a school bus or Head Start bus displaying a certificate

108.16 under section 169.451, or (ii) a bus operated by the ~~Metropolitan Council~~ Department of
108.17 Transportation or by a local transit commission created in chapter 458A.

108.18 (b) "Commissioner" means the commissioner of public safety.

108.19 (c) "Owner" means a person who owns, or has control, under a lease of more than 30
108.20 days' duration, of one or more commercial motor vehicles.

108.21 Sec. 9. Minnesota Statutes 2014, section 169.791, subdivision 5, is amended to read:

108.22 Subd. 5. **Exemptions.** Buses or other commercial vehicles operated by the
108.23 ~~Metropolitan Council~~ commissioner of transportation, commercial vehicles required to file
108.24 proof of insurance pursuant to chapter 221, and school buses as defined in section 171.01,
108.25 subdivision 45, are exempt from this section.

108.26 Sec. 10. Minnesota Statutes 2014, section 169.792, subdivision 11, is amended to read:

108.27 Subd. 11. **Exemptions.** Buses or other commercial vehicles operated by the
108.28 ~~Metropolitan Council~~ Department of Transportation, commercial vehicles required to file
108.29 proof of insurance pursuant to chapter 221, and school buses as defined in section 171.01,
108.30 subdivision 45, are exempt from this section.

108.31 Sec. 11. Minnesota Statutes 2014, section 174.03, subdivision 1, is amended to read:

109.1 Subdivision 1. **Statewide transportation plan; priorities; schedule of**
109.2 **expenditures.** In order to best meet the present and future transportation needs of the
109.3 public, to insure a strong state economy, to make most efficient use of public and private
109.4 funds, to lessen adverse environmental impacts of the transportation sector, and to
109.5 promote the more efficient use of energy and other resources for transportation purposes,
109.6 the commissioner shall:

109.7 (1) three months after notification that the department is ready to commence
109.8 operations and prior to the drafting of the statewide transportation plan, hold public
109.9 hearings as may be appropriate solely for the purpose of receiving suggestions for future
109.10 transportation alternatives and priorities for the state. ~~The Metropolitan Council,~~ regional
109.11 development commissions, and port authorities shall appear at the hearings and submit
109.12 information concerning transportation-related planning undertaken and accomplished by
109.13 these agencies. Other political subdivisions may appear and submit such information at
109.14 the hearings. These hearings shall be completed no later than six months from the date of
109.15 the commissioner's notification;

109.16 (2) develop, adopt, revise, and monitor a statewide transportation plan, taking into
109.17 account the suggestions and information submitted at the public hearings held pursuant
109.18 to clause (1). The plan shall incorporate all modes of transportation including bicycle
109.19 commutation and recreation and provide for the interconnection and coordination of
109.20 different modes of transportation. The commissioner shall evaluate all transportation
109.21 programs and facilities proposed for inclusion in the plan in terms of economic costs
109.22 and benefits, safety aspects, impact on present and planned land uses, environmental
109.23 effects, energy efficiency, national transportation policies and priorities, and availability
109.24 of federal and other financial assistance;

109.25 (3) based upon the statewide transportation plan, develop statewide transportation
109.26 priorities and schedule authorized public capital improvements and other authorized
109.27 public transportation expenditures pursuant to the priorities. As permitted by the federal
109.28 Surface Transportation Program and subject to available funding, the commissioner shall
109.29 give serious consideration to prioritizing for funding ~~those~~ trunk highway projects in
109.30 the metropolitan area, as defined in section 473.121, subdivision 2, that are consistent
109.31 with policies included in the ~~Metropolitan Council's~~ metropolitan development guide,
109.32 transportation policy plan, and regional development framework, and that have been
109.33 awarded funding through the federal Surface Transportation Program. In responding to an
109.34 unforeseen, catastrophic event affecting the state transportation system, the commissioner
109.35 may, upon written notification to the chairs of the senate and house of representatives

110.1 committees with jurisdiction over transportation policy and finance, prioritize projects
 110.2 without regard to availability of federal funding; and

110.3 (4) complete the plan and priorities required by this subdivision no later than July
 110.4 1, 1978. Upon completion of the plan and priorities, the commissioner shall prepare
 110.5 and periodically revise, as necessary, the schedule of authorized public transportation
 110.6 expenditures. The plan, priorities, and schedule are exempt from the provisions of the
 110.7 Administrative Procedure Act.

110.8 Sec. 12. Minnesota Statutes 2014, section 174.03, subdivision 4, is amended to read:

110.9 Subd. 4. **Other duties.** The commissioner shall:

110.10 (1) construct and maintain transportation facilities as authorized by law;

110.11 (2) cooperate with, and may provide technical and financial assistance to, the

110.12 ~~Metropolitan Council~~ and regional development commissions in the regional transportation
 110.13 planning process, in accordance with mutually acceptable terms and conditions;

110.14 (3) cooperate with, and may provide planning and technical assistance upon the
 110.15 request of, any political subdivision or other governmental agency in accordance with
 110.16 mutually accepted terms and conditions, except as otherwise restricted by law; and

110.17 (4) develop, revise, and monitor a statewide rail transportation plan as part of the
 110.18 statewide transportation planning process, including a study and evaluation of alternative
 110.19 methods for insuring adequate and economical transportation of agricultural commodities,
 110.20 supplies, and other goods to and from rural areas of the state. The plan shall include an
 110.21 analysis of rail lines in the state for the purpose of determining (i) eligibility of rail lines
 110.22 for assistance under federal and state rail assistance programs, (ii) eligibility of rail lines
 110.23 for inclusion in the state rail bank, and (iii) the actions required by the state to insure the
 110.24 continuation of rail service that meets essential state needs and objectives.

110.25 Sec. 13. Minnesota Statutes 2014, section 174.03, subdivision 5, is amended to read:

110.26 Subd. 5. **Regional transportation planning.** ~~The Metropolitan Council, pursuant~~
 110.27 ~~to section 473.146, and the regional development commissions shall develop regional~~
 110.28 long-range transportation policy plans in cooperation with the commissioner and local
 110.29 units of government. Upon promulgation of the statewide transportation plan, and
 110.30 periodically as necessary thereafter, each regional policy plan shall be reviewed and
 110.31 amended, if necessary, by the appropriate regional agency to insure that the regional
 110.32 policy plan is not in conflict with the statewide transportation plan.

110.33 Sec. 14. Minnesota Statutes 2014, section 174.03, subdivision 6a, is amended to read:

111.1 Subd. 6a. **Economic analysis of nonhighway alternatives.** If the commissioner
 111.2 considers congestion pricing, tolls, mileage pricing, or public-private partnerships in order
 111.3 to meet the transportation needs of commuters in the department's metropolitan district
 111.4 between 2001 and 2020, the commissioner shall, in cooperation with the ~~Metropolitan~~
 111.5 ~~Council~~ and the regional railroad authorities in the district, compare the economics
 111.6 of these financing methods with the economics of nonhighway alternatives for moving
 111.7 commuters. The commissioner shall analyze the economics as they relate to both
 111.8 individuals and to the transportation system.

111.9 Sec. 15. Minnesota Statutes 2014, section 174.04, subdivision 1, is amended to read:

111.10 Subdivision 1. **Review of application.** Any state agency which receives an
 111.11 application from a regional development commission, ~~metropolitan council~~, public transit
 111.12 commission, airport commission, port authority, or other political subdivision of the
 111.13 state, or any nonpublic organization, for financial assistance for transportation planning,
 111.14 capital expenditures, or operations to any state or federal agency, shall first submit the
 111.15 application to the commissioner of transportation. The commissioner shall review the
 111.16 application to determine whether it contains matters that substantially affect the statewide
 111.17 transportation plan and priorities. If the application does not contain such matters, the
 111.18 commissioner shall within 15 days after receipt return the application to the applicant
 111.19 political subdivision or nonpublic organization for forwarding to the appropriate agency.
 111.20 If the application contains such matters, the commissioner shall review and comment on
 111.21 the application as being consistent with the plan and priorities. The commissioner shall
 111.22 return the application together with comments within 45 days after receipt to the applicant
 111.23 political subdivision or nonpublic organization for forwarding with the commissioner's
 111.24 comments to the appropriate agency.

111.25 Sec. 16. Minnesota Statutes 2014, section 174.04, subdivision 2, is amended to read:

111.26 Subd. 2. **Designated agent.** A regional development commission, ~~metropolitan~~
 111.27 ~~council~~, public transit commission, airport commission, port authority, or any other
 111.28 political subdivision of the state, or any nonpublic organization, may designate the
 111.29 commissioner as its agent to receive and disburse funds by entering into an agreement
 111.30 with the commissioner prescribing the terms and conditions of the receipt and expenditure
 111.31 of the funds in accordance with federal and state laws, rules, and regulations.

111.32 Sec. 17. Minnesota Statutes 2014, section 174.247, is amended to read:

111.33 **174.247 ANNUAL TRANSIT REPORT.**

112.1 (a) By February 15 annually, the commissioner shall submit a report to the legislature
 112.2 on transit services outside the metropolitan area. ~~The Metropolitan Council and Any~~
 112.3 public transit system receiving assistance under section 174.24 shall provide assistance
 112.4 in creating the report, as requested by the commissioner.

112.5 (b) The report must include, at a minimum, the following:

112.6 (1) a descriptive overview of public transit in Minnesota;

112.7 (2) a descriptive summary of funding sources and assistance programs;

112.8 (3) a summary of each public transit system receiving assistance under section 174.24;

112.9 (4) data that identifies use of volunteers in providing transit service;

112.10 (5) financial data that identifies for each public transit system and for each transit
 112.11 system classification under section 174.24, subdivision 3b:

112.12 (i) the operating and capital costs;

112.13 (ii) each of the funding sources used to provide financial assistance; and

112.14 (iii) for federal funds, the amount from each specific federal program under which
 112.15 funding is provided;

112.16 (6) a summary of the differences in program implementation requirements and aid
 112.17 recipient eligibility between federal aid and state sources of funds;

112.18 (7) in each odd-numbered year, an analysis of public transit system needs and
 112.19 operating expenditures on an annual basis, which must include a methodology for
 112.20 identifying monetary needs, and calculations of:

112.21 (i) the total monetary needs for all public transit systems, for the year of the report
 112.22 and the ensuing five years;

112.23 (ii) the total expenditures from local sources for each transit system classification;

112.24 (iii) the comprehensive transit assistance percentage for each transit system
 112.25 classification, which equals (A) the expenditures identified under item (ii), for a transit
 112.26 system classification, divided by (B) the amounts identified under subitem (A), plus the
 112.27 sum of state sources of funds plus federal funds provided to all transit systems in that
 112.28 classification; and

112.29 (iv) the amount of surplus or insufficient funds available for paying capital and
 112.30 operating costs to fully implement the greater Minnesota transit investment plan under
 112.31 section 174.24, subdivision 1a.

112.32 Sec. 18. Minnesota Statutes 2014, section 174.285, subdivision 4, is amended to read:

112.33 Subd. 4. **Membership.** (a) The council is composed of the following ~~13~~ 12 members:

112.34 (1) one representative from the Office of the Governor;

112.35 (2) one representative from the Council on Disability;

- 113.1 (3) one representative from the Minnesota Public Transit Association;
- 113.2 (4) the commissioner of transportation or a designee;
- 113.3 (5) the commissioner of human services or a designee;
- 113.4 (6) the commissioner of health or a designee;
- 113.5 ~~(7) the chair of the Metropolitan Council or a designee;~~
- 113.6 ~~(8)~~ (7) the commissioner of education or a designee;
- 113.7 ~~(9)~~ (8) the commissioner of veterans affairs or a designee;
- 113.8 ~~(10)~~ (9) one representative from the Board on Aging;
- 113.9 ~~(11)~~ (10) the commissioner of employment and economic development or a designee;
- 113.10 ~~(12)~~ (11) the commissioner of commerce or a designee; and
- 113.11 ~~(13)~~ (12) the commissioner of management and budget or a designee.
- 113.12 (b) All appointments required by paragraph (a) must be completed by August 1, 2010.
- 113.13 (c) The commissioner of transportation or a designee shall convene the first meeting
- 113.14 of the council within two weeks after the members have been appointed to the council.
- 113.15 The members shall elect a chair from their membership at the first meeting.
- 113.16 (d) The Department of Transportation and the Department of Human Services shall
- 113.17 provide necessary staff support for the council.

113.18 Sec. 19. Minnesota Statutes 2014, section 174.30, subdivision 4, is amended to read:

113.19 Subd. 4. **Vehicle and equipment inspection; rules; decal; complaint contact**

113.20 **information.** (a) The commissioner shall inspect or provide for the inspection of

113.21 vehicles at least annually. In addition to scheduled annual inspections and reinspections

113.22 scheduled for the purpose of verifying that deficiencies have been corrected, unannounced

113.23 inspections of any vehicle may be conducted.

113.24 (b) On determining that a vehicle or vehicle equipment is in a condition that is likely

113.25 to cause an accident or breakdown, the commissioner shall require the vehicle to be taken

113.26 out of service immediately. The commissioner shall require that vehicles and equipment

113.27 not meeting standards be repaired and brought into conformance with the standards

113.28 and shall require written evidence of compliance from the operator before allowing the

113.29 operator to return the vehicle to service.

113.30 (c) The commissioner shall provide in the rules procedures for inspecting vehicles,

113.31 removing unsafe vehicles from service, determining and requiring compliance, and

113.32 reviewing driver qualifications.

113.33 (d) The commissioner shall design a distinctive decal to be issued to special

113.34 transportation service providers with a current certificate of compliance under this section.

113.35 A decal is valid for one year from the last day of the month in which it is issued. A person

114.1 who is subject to the operating standards adopted under this section may not provide
 114.2 special transportation service in a vehicle that does not conspicuously display a decal
 114.3 issued by the commissioner.

114.4 (e) Special transportation service providers shall prominently display in each vehicle
 114.5 ~~all~~ contact information for the commissioner of transportation for the submission of
 114.6 complaints regarding the transportation services provided to ~~that~~ an individual. ~~All~~
 114.7 ~~vehicles providing service under section 473.386 shall display contact information for~~
 114.8 ~~the Metropolitan Council. All other special transportation service vehicles shall display~~
 114.9 ~~contact information for the commissioner of transportation.~~

114.10 Sec. 20. Minnesota Statutes 2014, section 174.37, subdivision 2, is amended to read:

114.11 Subd. 2. **Members.** The advisory committee must consist of the following members:

114.12 (a) The commissioner of transportation shall appoint up to 18 public members, as
 114.13 follows: one member from each of the department's seven greater Minnesota districts; four
 114.14 members from the department's metropolitan district; and no more than seven members at
 114.15 large. Each of the members at large must represent nonmotorized interests or organizations.

114.16 (b) The commissioners of each of the following state agencies shall appoint
 114.17 an employee of the agency to serve as a member: administration, education, health,
 114.18 natural resources, public safety, transportation, and pollution control. ~~The chair of the~~
 114.19 ~~Metropolitan Council shall appoint an employee of the council to serve as a member.~~ The
 114.20 director of Explore Minnesota Tourism shall appoint an employee of the agency to serve
 114.21 as a member. The division administrator of the Federal Highway Administration may
 114.22 appoint an employee of the agency to serve as a member.

114.23 (c) Members of the committee shall serve four-year terms.

114.24 Sec. 21. Minnesota Statutes 2014, section 174.90, is amended to read:

114.25 **174.90 COMMUTER RAIL OPERATION.**

114.26 The commissioner may contract for operation of commuter rail facilities with ~~the~~
 114.27 ~~Metropolitan Council or other~~ public or private entities and shall commence revenue
 114.28 service after an appropriate period of start-up to ensure satisfactory performance. The
 114.29 commissioner shall coordinate with transit providers to ensure integration of the commuter
 114.30 rail system with bus and light rail transit service to avoid duplication of service and to
 114.31 ensure the greatest access to commuter rail lines in suburban and urban areas.

114.32 Sec. 22. Minnesota Statutes 2014, section 174.93, subdivision 1, is amended to read:

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

115.3 (1) "commissioner" means the commissioner of transportation;

115.4 (2) "guideway" means a form of transportation service provided to the public on a
115.5 regular and ongoing basis, that operates on exclusive or controlled rights-of-way or rails
115.6 in whole or in part, and includes each line for intercity passenger rail, commuter rail, light
115.7 rail transit, streetcars, and bus rapid transit; and

115.8 (3) "local unit of government" means a county, statutory or home rule charter city,
115.9 town, or other political subdivision including, but not limited to, a regional railroad
115.10 authority or joint powers board.

115.11 (b) For purposes of this section, "sources of funds" includes, but is not limited to,
115.12 money from federal aid, state appropriations, ~~the Metropolitan Council~~, special taxing
115.13 districts, local units of government, fare box recovery, and nonpublic sources.

115.14 (c) For purposes of this section, "budget activity" includes, but is not limited
115.15 to, environmental analysis, land acquisition, easements, design, preliminary and
115.16 final engineering, acquisition of vehicles and rolling stock, track improvement and
115.17 rehabilitation, and construction.

115.18 Sec. 23. Minnesota Statutes 2014, section 174.93, subdivision 2, is amended to read:

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

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

115.28 (1) a brief description of the project, including projected ridership;

115.29 (2) a summary of the overall status and current phase of the project;

115.30 (3) a timeline that includes (i) project phases or milestones; (ii) expected and known
115.31 dates of commencement of each phase or milestone; and (iii) expected and known dates
115.32 of completion of each phase or milestone;

115.33 (4) a brief progress update on specific project phases or milestones completed since
115.34 the last previous submission of a report under this subdivision; and

116.1 (5) a summary financial plan that identifies, as reflected by the data and level of
116.2 detail available in the latest phase of project development and to the extent available:

116.3 (i) capital expenditures, including expenditures to date and total projected
116.4 expenditures, with a breakdown by committed and proposed sources of funds for the
116.5 project;

116.6 (ii) estimated annual operations and maintenance expenditures reflecting the level
116.7 of detail available in the current phase of the project development, with a breakdown by
116.8 committed and proposed sources of funds for the project; and

116.9 (iii) if feasible, project expenditures by budget activity.

116.10 (c) The report must also include a systemwide capacity analysis for investment in
116.11 guideway expansion and maintenance that:

116.12 (1) provides a funding projection, annually over the ensuing ten years, and with a
116.13 breakdown by committed and proposed sources of funds, of:

116.14 (i) total capital expenditures for guideways;

116.15 (ii) total operations and maintenance expenditures for guideways;

116.16 (iii) total funding available for guideways, including from projected or estimated
116.17 farebox recovery; and

116.18 (iv) total funding available for transit service in the metropolitan area; and

116.19 (2) evaluates the availability of funds and distribution of sources of funds for
116.20 guideway investments.

116.21 (d) The projection under paragraph (c), clause (1), must be for all guideway lines
116.22 for which state funds are reasonably expected to be expended in planning, development,
116.23 construction, or revenue operation during the ensuing ten years.

116.24 (e) Local units of government shall provide assistance and information in a timely
116.25 manner as requested by the commissioner or council for completion of the report.

116.26 Sec. 24. Minnesota Statutes 2014, section 221.012, subdivision 38, is amended to read:

116.27 Subd. 38. **Small vehicle passenger service.** (a) "Small vehicle passenger service"
116.28 means a service provided by a person engaged in the for-hire transportation of passengers
116.29 in a vehicle designed to transport seven or fewer persons, including the driver.

116.30 (b) In the metropolitan area as defined in section 473.121, subdivision 2, "small
116.31 vehicle passenger service" also includes for-hire transportation of persons who are
116.32 certified by the ~~Metropolitan Council~~ commissioner to use special transportation service
116.33 provided under section 473.386, in a vehicle designed to transport not more than 15
116.34 persons including the driver, that is equipped with a wheelchair lift and at least three
116.35 wheelchair securement positions.

117.1 (c) Small vehicle passenger service does not include a motor carrier of railroad
117.2 employees.

117.3 Sec. 25. Minnesota Statutes 2014, section 221.022, is amended to read:

117.4 **221.022 EXCEPTION.**

117.5 The powers granted to the commissioner under sections 221.012 to 221.293 do not
117.6 include the power to ~~regulate any service or vehicles operated by the Metropolitan Council~~
117.7 ~~or to register passenger transportation service provided under contract to the department or~~
117.8 ~~the Metropolitan Council.~~ A provider of passenger transportation service under contract
117.9 to the department ~~or the Metropolitan Council~~ may not also provide service as a motor
117.10 carrier of passengers without first having registered under section 221.0252.

117.11 Sec. 26. Minnesota Statutes 2014, section 221.031, subdivision 3a, is amended to read:

117.12 Subd. 3a. **Contractor or recipient of transportation assistance.** (a)

117.13 Notwithstanding subdivision 3, providers of passenger transportation service under
117.14 contract to and with operating assistance from the department ~~or the Metropolitan Council~~
117.15 must comply with rules for driver qualifications; driving of motor vehicles; parts and
117.16 accessories necessary for safe operation; hours of service of drivers; inspection, repair,
117.17 and maintenance; and the rules adopted in section 221.0314, subdivision 8, for accident
117.18 reporting.

117.19 (b) This subdivision does not apply to (1) a local transit commission, (2) a transit
117.20 authority created by the legislature, (3) special transportation service certified by the
117.21 commissioner under section 174.30, or (4) special transportation service defined in section
117.22 174.29, subdivision 1, when provided by a volunteer driver operating a private passenger
117.23 vehicle defined in section 169.011, subdivision 52.

117.24 Sec. 27. Minnesota Statutes 2014, section 275.066, is amended to read:

117.25 **275.066 SPECIAL TAXING DISTRICTS; DEFINITION.**

117.26 For the purposes of property taxation and property tax state aids, the term "special
117.27 taxing districts" includes the following entities:

- 117.28 (1) watershed districts under chapter 103D;
117.29 (2) sanitary districts under sections 442A.01 to 442A.29;
117.30 (3) regional sanitary sewer districts under sections 115.61 to 115.67;
117.31 (4) regional public library districts under section 134.201;
117.32 (5) park districts under chapter 398;
117.33 (6) regional railroad authorities under chapter 398A;

- 118.1 (7) hospital districts under sections 447.31 to 447.38;
- 118.2 (8) St. Cloud Metropolitan Transit Commission under sections 458A.01 to 458A.15;
- 118.3 (9) Duluth Transit Authority under sections 458A.21 to 458A.37;
- 118.4 (10) regional development commissions under sections 462.381 to 462.398;
- 118.5 (11) housing and redevelopment authorities under sections 469.001 to 469.047;
- 118.6 (12) port authorities under sections 469.048 to 469.068;
- 118.7 (13) economic development authorities under sections 469.090 to 469.1081;
- 118.8 (14) Metropolitan Council Area Transit Board under sections ~~473.123 to 473.549~~
- 118.9 section 473.446;
- 118.10 (15) Metropolitan Airports Commission under sections 473.601 to 473.679;
- 118.11 (16) Metropolitan Mosquito Control Commission under sections 473.701 to 473.716;
- 118.12 (17) Morrison County Rural Development Financing Authority under Laws 1982,
- 118.13 chapter 437, section 1;
- 118.14 (18) Croft Historical Park District under Laws 1984, chapter 502, article 13, section 6;
- 118.15 (19) East Lake County Medical Clinic District under Laws 1989, chapter 211,
- 118.16 sections 1 to 6;
- 118.17 (20) Floodwood Area Ambulance District under Laws 1993, chapter 375, article
- 118.18 5, section 39;
- 118.19 (21) Middle Mississippi River Watershed Management Organization under sections
- 118.20 103B.211 and 103B.241;
- 118.21 (22) emergency medical services special taxing districts under section 144F.01;
- 118.22 (23) a county levying under the authority of section 103B.241, 103B.245, or
- 118.23 103B.251;
- 118.24 (24) Southern St. Louis County Special Taxing District; Chris Jensen Nursing Home
- 118.25 under Laws 2003, First Special Session chapter 21, article 4, section 12;
- 118.26 (25) an airport authority created under section 360.0426; and
- 118.27 (26) any other political subdivision of the state of Minnesota, excluding counties,
- 118.28 school districts, cities, and towns, that has the power to adopt and certify a property tax
- 118.29 levy to the county auditor, as determined by the commissioner of revenue.

118.30 Sec. 28. Minnesota Statutes 2014, section 297A.992, subdivision 4, is amended to read:

118.31 Subd. 4. **Joint powers board.** (a) The joint powers board must consist of one

118.32 or more commissioners of each county that is in the metropolitan transportation area,

118.33 appointed by its county board, ~~and the chair of the Metropolitan Council,~~ who must have

118.34 voting rights, subject to subdivision 3, clause (4). The joint powers board has the powers

118.35 and duties provided in this section and section 471.59.

119.1 (b) The joint powers board may utilize no more than three-fourths of one percent of
 119.2 the proceeds of the taxes imposed under this section for ordinary administrative expenses
 119.3 incurred in carrying out the provisions of this section. Any additional administrative
 119.4 expenses must be paid by the participating counties.

119.5 (c) The joint powers board may establish a technical advisory group that is separate
 119.6 from the GEARS Committee. The group must consist of representatives of cities, counties,
 119.7 or public agencies, ~~including the Metropolitan Council~~. The technical advisory group
 119.8 must be used solely for technical consultation purposes.

119.9 Sec. 29. Minnesota Statutes 2014, section 297A.992, subdivision 5, is amended to read:

119.10 Subd. 5. **Grant application and awards; Grant Evaluation and Ranking System**
 119.11 **(GEARS) Committee.** (a) The joint powers board shall establish a grant application
 119.12 process and identify the amount of available funding for grant awards. Grant applications
 119.13 must be submitted in a form prescribed by the joint powers board. An applicant must
 119.14 provide, in addition to all other information required by the joint powers board, the
 119.15 estimated cost of the project, the amount of the grant sought, possible sources of funding
 119.16 in addition to the grant sought, and identification of any federal funds that will be utilized
 119.17 if the grant is awarded. A grant application seeking transit capital funding must identify
 119.18 the source of money necessary to operate the transit improvement.

119.19 (b) The joint powers board shall establish a timeline and procedures for the award of
 119.20 grants, and may award grants only to the state and political subdivisions. The board shall
 119.21 define objective criteria for the award of grants, ~~which must include, but not be limited to,~~
 119.22 ~~consistency with the most recent version of the transportation policy plan adopted by the~~
 119.23 ~~Metropolitan Council under section 473.146.~~ The joint powers board shall maximize the
 119.24 availability and use of federal funds in projects funded under this section.

119.25 (c) The joint powers board shall establish a GEARS Committee, which must consist
 119.26 of:

119.27 (1) one county commissioner from each county that is in the metropolitan
 119.28 transportation area, appointed by its county board;

119.29 (2) one elected city representative from each county that is in the metropolitan
 119.30 transportation area; and

119.31 (3) one additional elected city representative from each county for every additional
 119.32 400,000 in population, or fraction of 400,000, in the county that is above 400,000 in
 119.33 population; and

119.34 ~~(4) the chair of the Metropolitan Council Transportation Committee.~~

120.1 (d) Each city representative must be elected at a meeting of cities in the metropolitan
 120.2 transportation area, which must be convened for that purpose by the Association of
 120.3 Metropolitan Municipalities.

120.4 (e) The committee shall evaluate grant applications following objective criteria
 120.5 established by the joint powers board, and must provide to the joint powers board a
 120.6 selection list of transportation projects that includes a priority ranking.

120.7 ~~(f) A grant award for a transit project located within the metropolitan area, as defined~~
 120.8 ~~in section 473.121, subdivision 2, may be funded only after the Metropolitan Council~~
 120.9 ~~reviews the project for consistency with the transit portion of the Metropolitan Council~~
 120.10 ~~policy plan and one of the following occurs:~~

120.11 ~~(1) the Metropolitan Council finds the project to be consistent;~~

120.12 ~~(2) the Metropolitan Council initially finds the project to be inconsistent, but after a~~
 120.13 ~~good faith effort to resolve the inconsistency through negotiations with the joint powers~~
 120.14 ~~board, agrees that the grant award may be funded; or~~

120.15 ~~(3) the Metropolitan Council finds the project to be inconsistent, and submits the~~
 120.16 ~~consistency issue for final determination to a panel, which determines the project to be~~
 120.17 ~~consistent. The panel is composed of a member appointed by the chair of the Metropolitan~~
 120.18 ~~Council, a member appointed by the joint powers board, and a member agreed upon by~~
 120.19 ~~both the chair and the joint powers board.~~

120.20 ~~(g)~~ (f) Grants must be funded by the proceeds of the taxes imposed under this section,
 120.21 bonds, notes, or other obligations issued by the joint powers board under subdivision 7.

120.22 ~~(h) Notwithstanding the provisions of this section except subdivision 6a, of~~
 120.23 ~~the revenue collected under this section, the joint powers board shall allocate to the~~
 120.24 ~~Metropolitan Council, in fiscal years 2012 and 2013, an amount not less than 75 percent of~~
 120.25 ~~the net cost of operations for those transitways that were receiving metropolitan sales tax~~
 120.26 ~~funds through an operating grant agreement on June 30, 2011.~~

120.27 ~~(i) The Metropolitan Council shall expend any funds allocated under paragraph (h)~~
 120.28 ~~for the operations of the specified transitways solely within those counties that are in the~~
 120.29 ~~metropolitan transportation area.~~

120.30 ~~(j) Nothing in paragraph (h) or (i) prevents grant awards to the Metropolitan Council~~
 120.31 ~~for capital and operating assistance for transitways and park-and-ride facilities.~~

120.32 Sec. 30. Minnesota Statutes 2014, section 398A.04, subdivision 2, is amended to read:

120.33 Subd. 2. **Railroad acquisition and operation.** The authority may plan, establish,
 120.34 acquire, develop, construct, purchase, enlarge, extend, improve, maintain, equip, operate,
 120.35 regulate, and protect railroads and railroad facilities, including but not limited to terminal

121.1 buildings, roadways, crossings, bridges, causeways, tunnels, equipment, and rolling
 121.2 stock. The authority may not expend state or federal funds to engage in planning for or
 121.3 development of light rail transit or commuter rail transit, unless this activity is consistent
 121.4 with a plan adopted by the department of transportation under section 174.84 ~~and a plan~~
 121.5 ~~adopted by the metropolitan council under section 473.399~~, and is carried out pursuant to
 121.6 a memorandum of understanding executed by the authority and the commissioner ~~after~~
 121.7 ~~appropriate consultation with the metropolitan council.~~

121.8 Sec. 31. Minnesota Statutes 2014, section 398A.04, subdivision 2a, is amended to read:

121.9 Subd. 2a. **Bus rapid transit development.** A regional rail authority may exercise
 121.10 the powers conferred under this section to: plan, establish, acquire, develop, purchase,
 121.11 enlarge, extend, improve, maintain, equip, regulate, and protect; and pay costs of
 121.12 construction and operation of a bus rapid transit system located within its county on
 121.13 transitways ~~included in and approved by the Metropolitan Council's 2030 Transportation~~
 121.14 ~~Policy Plan.~~ This subdivision applies only to the counties of Anoka, Carver, Dakota,
 121.15 Hennepin, Ramsey, Scott, and Washington.

121.16 Sec. 32. Minnesota Statutes 2014, section 398A.04, subdivision 9, is amended to read:

121.17 Subd. 9. **Agreements.** The authority may enter into joint powers agreements under
 121.18 section 471.59 or other agreements with the municipality or municipalities named in the
 121.19 organization agreement; with other municipalities situated in the counties named in the
 121.20 resolution, respecting the matters referred to in section 398A.06; with another authority;
 121.21 or with a state agency; ~~or with the Metropolitan Council~~ about any matter subject to
 121.22 this chapter.

121.23 Sec. 33. Minnesota Statutes 2014, section 473.146, subdivision 4, is amended to read:

121.24 Subd. 4. **Transportation planning.** (a) ~~The Metropolitan Council is the designated~~
 121.25 commissioner and affected local governments shall cooperate to designate a planning
 121.26 agency for any long-range comprehensive transportation planning required by section
 121.27 134 of the Federal Highway Act of 1962, Section 4 of Urban Mass Transportation
 121.28 Act of 1964 and Section 112 of Federal Aid Highway Act of 1973 and other federal
 121.29 transportation laws. The council designated planning agency shall assure administration
 121.30 and coordination of transportation planning with appropriate state, regional and other
 121.31 agencies, counties, and municipalities.

121.32 (b) ~~The council~~ designated planning agency shall establish an advisory body
 121.33 consisting of citizens and representatives of municipalities, counties, and state agencies in

- 122.1 fulfillment of the planning responsibilities of the ~~council~~ designated planning agency. The
- 122.2 membership of the advisory body must consist of:
- 122.3 (1) the commissioner of transportation or the commissioner's designee;
- 122.4 (2) the commissioner of the Pollution Control Agency or the commissioner's
- 122.5 designee;
- 122.6 (3) one member of the Metropolitan Airports Commission appointed by the
- 122.7 commission;
- 122.8 (4) one person appointed by the ~~council~~ commissioner to represent nonmotorized
- 122.9 transportation;
- 122.10 (5) one person appointed by the commissioner ~~of transportation~~ to represent the
- 122.11 freight transportation industry;
- 122.12 (6) two persons appointed by the ~~council~~ commissioner to represent public transit;
- 122.13 (7) ten elected officials of cities within the metropolitan area, including one
- 122.14 representative from each first-class city, appointed by the Association of Metropolitan
- 122.15 Municipalities;
- 122.16 (8) one member of the county board of each county in the seven-county metropolitan
- 122.17 area, appointed by the respective county boards; and
- 122.18 (9) eight citizens appointed by the ~~council~~ commissioner, one from each ~~council~~
- 122.19 ~~precinct~~; and Metropolitan Airports Commission district.
- 122.20 ~~(10) one member of the council, appointed by the council.~~
- 122.21 The ~~council~~ designated planning agency shall appoint a chair from among the
- 122.22 members of the advisory body.

122.23 Sec. 34. Minnesota Statutes 2014, section 473.1466, is amended to read:

122.24 **473.1466 TRANSPORTATION SYSTEM PERFORMANCE EVALUATION.**

- 122.25 (a) Prior to each major revision of the transportation policy plan, the ~~council~~
- 122.26 commissioner of administration must carry out a performance evaluation of the
- 122.27 metropolitan area's transportation system as a whole. The performance evaluation must:
- 122.28 (1) evaluate the area's ability to meet the need for effective and efficient
- 122.29 transportation of goods and people;
- 122.30 (2) evaluate trends and their impacts on the area's transportation system;
- 122.31 (3) assess the region's success in meeting the currently adopted regional
- 122.32 transportation benchmarks; and
- 122.33 (4) include an evaluation of the regional transit system, including a comparison with
- 122.34 peer metropolitan regions with regard to key operating and investment measurements.

123.1 (b) The ~~council must~~ commissioner shall update the evaluation of the regional
123.2 transit system every two years.

123.3 (c) The ~~council~~ commissioner shall use the results of the performance evaluation to
123.4 make recommendations for improving the system in each revision of the transportation
123.5 policy plan.

123.6 (d) The ~~council must~~ commissioner shall conduct a peer review of the performance
123.7 evaluation using at least two nationally recognized transportation and transit consultants.

123.8 (e) The ~~council must~~ commissioner shall submit the performance evaluation to
123.9 the chairs and ranking minority members of the house of representatives and senate
123.10 committees and divisions with jurisdiction over transportation finance and policy.

123.11 Sec. 35. Minnesota Statutes 2014, section 473.166, is amended to read:

123.12 **473.166 CONTROLLED ACCESS; APPROVAL.**

123.13 Before acquiring land for or constructing a controlled access highway in the
123.14 area, ~~the state Transportation Department or a~~ local government unit proposing the
123.15 acquisition or construction shall submit to the ~~council~~ commissioner of transportation a
123.16 statement describing the proposed project. The statement must be in the form and detail
123.17 required by the ~~council~~ commissioner. The ~~council~~ commissioner of transportation, in
123.18 cooperation with the commissioner of administration, shall review the statement to
123.19 ascertain its consistency with ~~its~~ the policy plan and the development guide. No project
123.20 may be undertaken unless the ~~council determines~~ commissioners of transportation and
123.21 administration determine that it is consistent with the policy plan. This approval is in
123.22 addition to the requirements of any other statute, ordinance or rule.

123.23 Sec. 36. Minnesota Statutes 2014, section 473.167, subdivision 2, is amended to read:

123.24 Subd. 2. **Loans for acquisition.** (a) The ~~council~~ commissioner of transportation
123.25 may make loans to counties, towns, and statutory and home rule charter cities within the
123.26 metropolitan area for the purchase of property within the right-of-way of a state trunk
123.27 highway shown on an official map adopted pursuant to section 394.361 or 462.359 or for
123.28 the purchase of property within the proposed right-of-way of a principal or intermediate
123.29 arterial highway designated by the ~~council~~ commissioner of transportation as a part of
123.30 the metropolitan highway system plan and approved by the ~~council~~ commissioner of
123.31 administration pursuant to section 473.166. The loans shall be made by the ~~council~~
123.32 commissioner of transportation, from the fund established pursuant to this subdivision,
123.33 for purchases approved by the ~~council~~ commissioner of transportation. The loans shall
123.34 bear no interest.

124.1 (b) The ~~council~~ commissioner of transportation shall make loans only:

124.2 (1) to accelerate the acquisition of primarily undeveloped property when there
124.3 is a reasonable probability that the property will increase in value before highway
124.4 construction, and to update an expired environmental impact statement on a project for
124.5 which the right-of-way is being purchased;

124.6 (2) to avert the imminent conversion or the granting of approvals which would allow
124.7 the conversion of property to uses which would jeopardize its availability for highway
124.8 construction;

124.9 (3) to advance planning and environmental activities on highest priority major
124.10 metropolitan river crossing projects, under the transportation development guide
124.11 chapter/policy plan; or

124.12 (4) to take advantage of open market opportunities when developed properties
124.13 become available for sale, provided all parties involved are agreeable to the sale and
124.14 funds are available.

124.15 (c) The ~~council~~ commissioner of transportation shall not make loans for the purchase
124.16 of property at a price which exceeds the fair market value of the property or which
124.17 includes the costs of relocating or moving persons or property. The eminent domain
124.18 process may be used to settle differences of opinion as to fair market value, provided
124.19 all parties agree to the process.

124.20 (d) A private property owner may elect to receive the purchase price either in a
124.21 lump sum or in not more than four annual installments without interest on the deferred
124.22 installments. If the purchase agreement provides for installment payments, the ~~council~~
124.23 commissioner of transportation shall make the loan in installments corresponding to those
124.24 in the purchase agreement. The recipient of an acquisition loan shall convey the property
124.25 for the construction of the highway at the same price which the recipient paid for the
124.26 property. The price may include the costs of preparing environmental documents that were
124.27 required for the acquisition and that were paid for with money that the recipient received
124.28 from the loan fund. Upon notification by the ~~council~~ commissioner of transportation that
124.29 the plan to construct the highway has been abandoned or the anticipated location of the
124.30 highway changed, the recipient shall sell the property at market value in accordance with the
124.31 procedures required for the disposition of the property. All rents and other money received
124.32 because of the recipient's ownership of the property and all proceeds from the conveyance
124.33 or sale of the property shall be paid to the ~~council~~ commissioner of transportation. If
124.34 a recipient is not permitted to include in the conveyance price the cost of preparing
124.35 environmental documents that were required for the acquisition, then the recipient is not

125.1 required to repay the ~~council~~ commissioner an amount equal to 40 percent of the money
 125.2 received from the loan fund and spent in preparing the environmental documents.

125.3 (e) The ~~proceeds of the tax authorized by subdivision 3,~~ all money paid to the
 125.4 ~~council~~ commissioner of transportation by recipients of loans, and all interest on the
 125.5 proceeds and payments shall be maintained as a separate fund. For administration of the
 125.6 loan program, the ~~council~~ commissioner of transportation may expend from the fund each
 125.7 year an amount no greater than three percent of the amount of the proceeds for that year.

125.8 Sec. 37. Minnesota Statutes 2014, section 473.167, subdivision 2a, is amended to read:

125.9 Subd. 2a. **Loans for acquisition and relocation.** (a) The ~~council~~ commissioner
 125.10 of transportation may make loans to acquiring authorities within the metropolitan area
 125.11 to purchase homestead property located in a proposed state trunk highway right-of-way
 125.12 or project, and to provide relocation assistance. Acquiring authorities are authorized to
 125.13 accept the loans and to acquire the property. Except as provided in this subdivision,
 125.14 the loans shall be made as provided in subdivision 2. Loans shall be in the amount of
 125.15 the fair market value of the homestead property plus relocation costs and less salvage
 125.16 value. Before construction of the highway begins, the acquiring authority shall convey the
 125.17 property to the commissioner of transportation at the same price it paid, plus relocation
 125.18 costs and less its salvage value. Acquisition and assistance under this subdivision must
 125.19 conform to sections 117.50 to 117.56.

125.20 (b) The ~~council~~ commissioner of transportation may make loans only when:

125.21 (1) the owner of affected homestead property requests acquisition and relocation
 125.22 assistance from an acquiring authority;

125.23 (2) federal or other state financial participation is not available;

125.24 (3) the owner is unable to sell the homestead property at its appraised market value
 125.25 because the property is located in a proposed state trunk highway right-of-way or project as
 125.26 indicated on an official map or plat adopted under section 160.085, 394.361, or 462.359; and

125.27 (4) the ~~council~~ commissioner of transportation agrees to and approves the fair market
 125.28 value of the homestead property, which approval shall not be unreasonably withheld.

125.29 (c) For purposes of this subdivision, the following terms have the meanings given
 125.30 them.

125.31 (1) "Acquiring authority" means counties, towns, and statutory and home rule
 125.32 charter cities in the metropolitan area.

125.33 (2) "Homestead property" means: (i) a single-family dwelling occupied by the
 125.34 owner, and the surrounding land, not exceeding a total of ten acres; or (ii) a manufactured
 125.35 home, as defined in section 327B.01, subdivision 13.

126.1 (3) "Salvage value" means the probable sale price of the dwelling and other property
 126.2 that is severable from the land if offered for sale on the condition that it be removed from
 126.3 the land at the buyer's expense, allowing a reasonable time to find a buyer with knowledge
 126.4 of the possible uses of the property, including separate use of serviceable components and
 126.5 scrap when there is no other reasonable prospect of sale.

126.6 Sec. 38. Minnesota Statutes 2014, section 473.168, subdivision 2, is amended to read:

126.7 Subd. 2. **Exclusive lanes; multipassenger transit.** The ~~Metropolitan Council~~
 126.8 commissioner of transportation may require that any freeway constructed in the
 126.9 metropolitan area on which actual construction has not been commenced by April 12,
 126.10 1974 include provisions for exclusive lanes for buses and, as the ~~council~~ commissioner
 126.11 of transportation may determine, other forms of multipassenger transit. The ~~council~~
 126.12 commissioner of transportation, in making its determination, must demonstrate that
 126.13 the exclusive lanes are necessary to implement the transportation policy plan of the
 126.14 development guide.

126.15 Sec. 39. Minnesota Statutes 2014, section 473.223, is amended to read:

126.16 **473.223 FEDERAL AID.**

126.17 For the purposes of this section the term "governmental subdivision" includes
 126.18 municipalities, counties and other political subdivisions generally. If federal aid for
 126.19 transportation programs and projects is otherwise unavailable to an existing agency or
 126.20 governmental subdivision, the ~~Metropolitan Council~~ commissioner of transportation
 126.21 may cooperate with the government of the United States and any agency or department
 126.22 thereof and the affected agency or other governmental subdivision in establishing
 126.23 metropolitan area eligibility to receive federal aid, and may comply with the provisions
 126.24 of the laws of the United States and any rules and regulations made thereunder for the
 126.25 expenditure of federal moneys upon such projects as are proposed for federal assistance.
 126.26 The ~~Metropolitan Council~~ commissioner of transportation may accept federal aid and
 126.27 other aid, either public or private, for and in behalf of the metropolitan area or any
 126.28 governmental subdivision of the state, for transportation programs and projects within the
 126.29 metropolitan area upon such terms and conditions as are or may be prescribed by the laws
 126.30 of the United States and any rules or regulations made thereunder, and is authorized to act
 126.31 as agent of any governmental subdivision of the state with jurisdiction in the metropolitan
 126.32 area upon request of such subdivision in accepting the aid in its behalf for such programs
 126.33 or projects financed either in whole or in part by federal aid. The governing body of
 126.34 any such subdivision is authorized to designate the ~~Metropolitan Council~~ commissioner

127.1 of transportation as its agent for such purposes and to enter into an agreement with
 127.2 ~~the council~~ commissioner of transportation prescribing the terms and conditions of the
 127.3 agency relationship in accordance with state and federal laws, rules and regulations.
 127.4 The ~~Metropolitan Council~~ commissioner of transportation is authorized to designate an
 127.5 appropriate state agency as its agent for such purposes and to enter into an agreement with
 127.6 such agency prescribing the terms and conditions of the agency relationship in accordance
 127.7 with state and federal laws, rules and regulations.

127.8 Nothing contained herein shall limit any separate authority of agencies or
 127.9 governmental subdivisions of the state to contract for and receive federal aid.

127.10 Sec. 40. **[473.37] DEFINITIONS.**

127.11 Subdivision 1. **Commissioner.** "Commissioner" means the commissioner of
 127.12 transportation for the purposes of sections 473.371 to 473.449.

127.13 Subd. 2. **Department.** "Department" means the Department of Transportation for
 127.14 the purposes of sections 473.371 to 473.449.

127.15 Sec. 41. Minnesota Statutes 2014, section 473.375, is amended to read:

127.16 **473.375 POWERS AND DUTIES OF ~~COUNCIL~~ COMMISSIONER;**
 127.17 **ADVISORY COMMITTEE.**

127.18 Subd. 9a. **Transportation Accessibility Advisory Committee.** The ~~council~~
 127.19 commissioner shall establish a Transportation Accessibility Advisory Committee
 127.20 consisting of 15 members and a chair to advise the ~~council~~ commissioner on the
 127.21 development and management of policies regarding accessibility of all aspects of
 127.22 fixed regular route and special transportation services for persons with disabilities.
 127.23 The Transportation Accessibility Advisory Committee shall also advise the ~~council~~
 127.24 commissioner on long-range plans to meet the accessible transportation needs of the
 127.25 disability community. The Transportation Accessibility Advisory Committee must include
 127.26 elderly persons, persons with disabilities, other users of special transportation services, and
 127.27 representatives of appropriate agencies for elderly persons and persons with disabilities. At
 127.28 least half the Transportation Accessibility Advisory Committee members must be persons
 127.29 who are both ADA-certified and users of public transit in the metropolitan area. Two of
 127.30 the appointments to the Transportation Accessibility Advisory Committee must be made
 127.31 by the Council on Disability ~~in consultation with the chair of the Metropolitan Council.~~

127.32 Subd. 11. **Ride sharing.** The ~~council~~ commissioner shall administer a ride-sharing
 127.33 program in the metropolitan area, ~~except for the~~ including a statewide vanpool leasing
 127.34 program ~~conducted by the commissioner of transportation and shall cooperate with the~~

128.1 ~~commissioner in the conduct of ride-sharing activities in areas where the commissioner's~~
 128.2 ~~programs and the council's program overlap.~~ The ~~council~~ commissioner may contract for
 128.3 services in operating the program.

128.4 Subd. 12. **Assistance.** The ~~council~~ commissioner shall offer, use, and apply its the
 128.5 department's services to assist and advise transit providers in the metropolitan transit area
 128.6 in the planning, promotion, development, operation, and evaluation of programs and
 128.7 projects which are undertaken or proposed to be undertaken ~~by contract with the council,~~
 128.8 and shall seek out and select recipients of this assistance and advice.

128.9 Subd. 13. **Financial assistance.** The ~~council~~ commissioner may provide financial
 128.10 assistance to public transit providers as provided in sections 473.371 to 473.449. ~~The~~
 128.11 ~~council may not use the proceeds of bonds issued under section 473.39 to provide capital~~
 128.12 ~~assistance to private, for-profit operators of public transit, unless the operators provide~~
 128.13 ~~service under a contract with the council, the former regional transit board, or recipients~~
 128.14 ~~of financial assistance under sections 473.371 to 473.449.~~

128.15 No political subdivision within the metropolitan area may apply for federal transit
 128.16 assistance unless its application has been submitted to and approved by the ~~council~~
 128.17 commissioner.

128.18 Subd. 14. **Coordination.** The ~~council~~ commissioner shall coordinate transit
 128.19 operations within the metropolitan area and shall establish a transit information program
 128.20 to provide transit users with accurate information on transit schedules and service.

128.21 Subd. 15. **Performance standards.** The ~~council~~ commissioner may establish
 128.22 performance standards for recipients of financial assistance.

128.23 Sec. 42. Minnesota Statutes 2014, section 473.384, is amended to read:

128.24 **473.384 CONTRACTS.**

128.25 Subdivision 1. **Contracts required.** The ~~council~~ commissioner shall make contracts
 128.26 with eligible recipients for financial assistance to transit service within the metropolitan
 128.27 area. The ~~council~~ commissioner may not give financial assistance to another transit
 128.28 provider without first having executed a contract. The provisions of this section do not
 128.29 apply to contracts made under ~~sections~~ section 473.386 ~~and 473.388.~~

128.30 Subd. 2. **Eligibility.** To be eligible to receive financial assistance by contract under
 128.31 this section a recipient must be:

128.32 (a) a county, statutory or home rule charter city or town or combination thereof, or
 128.33 public authority organized and existing pursuant to chapter 398A, providing financial
 128.34 assistance to or providing or operating public transit; ~~or~~

128.35 (b) a private provider of public transit; or

129.1 (c) a transit provider formerly under contract with one or more local government
 129.2 units to provide replacement service under the replacement service program established in
 129.3 Laws 1984, chapter 654, article 3, section 123.

129.4 Subd. 3. **Applications.** The ~~council~~ commissioner shall establish procedures and
 129.5 standards for review and approval of applications for financial assistance under this
 129.6 section. An applicant must provide the ~~council~~ commissioner with the financial and other
 129.7 information the ~~council~~ commissioner requires to carry out ~~its~~ the commissioner's duties.
 129.8 The ~~council~~ commissioner may specify procedures, including public hearing requirements,
 129.9 to be followed by applicants that are cities, towns, or counties or combinations thereof in
 129.10 conducting transit studies and formulating service plans under subdivisions 4 and 5.

129.11 Subd. 4. **Transit study.** The ~~council~~ commissioner shall require that prior to
 129.12 applying for financial assistance by contract under clause (a) of subdivision 2, the
 129.13 applicant must prepare and submit a transit study which includes the following elements:

129.14 (a) a determination of existing and future transit needs within the area to be served,
 129.15 and an assessment of the adequacy of existing service to meet the needs;

129.16 (b) an assessment of the level and type of service required to meet unmet needs;

129.17 (c) an assessment of existing and future resources available for the financing of
 129.18 transit service; and

129.19 (d) the type or types of any new government arrangements or agreements needed to
 129.20 provide adequate service.

129.21 The transit study for any applicant may be done by the ~~council~~ commissioner.

129.22 Subd. 5. **Service plan.** The ~~council~~ commissioner shall, before making a contract
 129.23 with an eligible recipient, require the submission of a service plan which includes the
 129.24 following elements:

129.25 (a) a description of the service proposed for financial assistance, including vehicles,
 129.26 routes, and schedules;

129.27 (b) an assessment of the extent to which the proposed service meets the needs as
 129.28 determined by the transit study;

129.29 (c) a description of the contract administration and review process if the operation of
 129.30 the proposed service is to be done by a private contractor;

129.31 (d) a description of the amount required to establish and operate the proposed service
 129.32 and the proposed sources of the required amount including operating revenue, other local
 129.33 sources, and assistance from the ~~council~~ commissioner and from federal sources;

129.34 (e) the fare structure of the proposed service; and

129.35 (f) projections of usage of the system.

130.1 The ~~council~~ commissioner may specify procedures, including public hearing
130.2 requirements, to be followed by applicants that are cities, towns, or counties or
130.3 combinations thereof in conducting transit studies and formulating service plans.

130.4 Subd. 6. **Financial assistance for certain providers.** The ~~council~~ commissioner
130.5 shall provide financial assistance to recipients who were receiving assistance by contract
130.6 with the commissioner of transportation under Minnesota Statutes 1982, section 174.24,
130.7 subdivision 3, on July 1, 1984, so that the percentage of total operating cost, as defined by
130.8 the ~~council~~ commissioner, paid by the recipient from all local sources of revenue, including
130.9 operating revenue, does not exceed the percentage for the recipient's classification as
130.10 determined by the commissioner of ~~transportation~~ under the commissioner's final contract
130.11 with the recipient. The remainder of the total operating cost must be paid by the ~~council~~
130.12 commissioner less all assistance received by the recipient for that purpose from any
130.13 federal source.

130.14 If a recipient informs the ~~council~~ commissioner in writing prior to the distribution of
130.15 financial assistance for any year that paying its designated percentage of total operating
130.16 cost from local sources will cause undue hardship, the ~~council~~ commissioner may adjust
130.17 the percentage as it deems equitable. If for any year the funds available to the ~~council~~
130.18 commissioner are insufficient to allow the ~~council~~ commissioner to pay its share of total
130.19 operating cost for those recipients, the ~~council~~ commissioner shall reduce its share in
130.20 each classification to the extent necessary.

130.21 Subd. 7. **Transit operations impact assessment.** Prior to entering into a contract
130.22 for operating assistance with a recipient, the ~~council~~ commissioner shall evaluate the
130.23 effect, if any, of the contract on the ridership, routes, schedules, fares, and staffing
130.24 levels of the existing and proposed service provided by the ~~council~~ commissioner. The
130.25 ~~council~~ commissioner may enter into the contract only if it determines that the service
130.26 to be assisted under the contract will not impose an undue hardship on the ridership or
130.27 financial condition of the ~~council's~~ commissioner's transit operations. The requirements
130.28 of this subdivision do not apply to contracts for assistance to recipients who, as part of a
130.29 negotiated cost-sharing arrangement with the ~~council~~ commissioner, pay a substantial part
130.30 of the cost of services that directly benefit the recipient as an institution or organization.

130.31 Subd. 8. **Paratransit contracts.** In executing and administering contracts for
130.32 paratransit projects, the ~~council~~ commissioner has the powers and duties ~~given to the~~
130.33 ~~commissioner of transportation~~ specified in section 174.255, subdivisions 1 and 2, relating
130.34 to disability accessibility and insurance coverage. The provisions of section 174.255,
130.35 subdivision 3, apply to paratransit projects which receive assistance by contract with
130.36 the ~~council~~ commissioner.

131.1 Sec. 43. Minnesota Statutes 2014, section 473.385, is amended to read:

131.2 **473.385 TRANSIT SERVICE AREAS.**

131.3 Subdivision 1. **Definitions.** (a) "Fully developed service area" means the fully
131.4 developed area, as defined in the ~~Metropolitan Council's~~ development guide prepared by
131.5 the commissioner of administration, plus the cities of Mendota Heights, Maplewood,
131.6 North St. Paul, and Little Canada.

131.7 (b) "Regular route transit" has the meaning given it in section 174.22, subdivision 8,
131.8 except that, for purposes of this section, the term does not include services on fixed routes
131.9 and schedules that are primarily intended to provide circulator service within a community
131.10 or adjacent communities rather than feeder service to the system of metropolitan regular
131.11 route transit operated by the ~~council~~ commissioner of transportation.

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

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

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

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

131.21 ~~(4) regular route services provided under section 473.388;~~

131.22 ~~(5)~~ (4) regular route services to recipients who, as part of a negotiated cost-sharing
131.23 arrangement with the ~~council~~ commissioner, pay at least 50 percent of the cost of the
131.24 service that directly benefits the recipient as an institution or organization; or

131.25 ~~(6)~~ (5) regular route services that will not be operated for a reasonable subsidy by
131.26 the ~~council~~ commissioner.

131.27 Sec. 44. Minnesota Statutes 2014, section 473.386, is amended to read:

131.28 **473.386 SPECIAL TRANSPORTATION SERVICE.**

131.29 Subdivision 1. **Service objectives.** The ~~council~~ commissioner shall implement a
131.30 special transportation service, as defined in section 174.29, in the metropolitan area.

131.31 The service has the following objectives:

131.32 (a) to provide greater access to transportation for the elderly, people with disabilities,
131.33 and others with special transportation needs in the metropolitan area;

132.1 (b) to develop an integrated system of special transportation service providing
 132.2 transportation tailored to meet special individual needs in the most cost-efficient manner;
 132.3 and

132.4 (c) to use existing public, private, and private nonprofit providers of service when
 132.5 feasible and cost-efficient, to supplement rather than replace existing service, and to
 132.6 increase the productivity of all special transportation vehicles available in the area.

132.7 Subd. 2. **Service contracts; management.** (a) The ~~council~~ commissioner may
 132.8 contract for services necessary for the provision of special transportation. Transportation
 132.9 service provided under a contract must specify the service to be provided, the standards
 132.10 that must be met, and the rates for operating and providing special transportation services.

132.11 (b) The ~~council~~ commissioner shall establish management policies for the service
 132.12 and may contract with a service administrator for day-to-day administration and
 132.13 management of the service. Any contract must delegate to the service administrator
 132.14 clear authority to administer and manage the delivery of the service pursuant to ~~council~~
 132.15 department management policies and must establish performance and compliance
 132.16 standards for the service administrator. The ~~council~~ commissioner may provide directly
 132.17 day to day administration and management of the service and may own or lease vehicles
 132.18 used to provide the service.

132.19 (c) The ~~council~~ commissioner shall ensure that the service administrator establishes
 132.20 a system for registering and expeditiously responding to complaints by users, informing
 132.21 users of how to register complaints, and requiring providers to report on incidents that
 132.22 impair the safety and well-being of users or the quality of the service.

132.23 (d) The ~~council~~ commissioner shall report on ~~its~~ the department's special
 132.24 transportation services as part of the program evaluation provided for in section 473.13,
 132.25 subdivision 1a.

132.26 (e) The ~~council~~ commissioner shall provide, on an annual basis, an opportunity for
 132.27 users and other interested persons to provide testimony to the ~~council~~ commissioner
 132.28 concerning services provided under this section.

132.29 Subd. 2a. **Eligibility application and verification; penalty for fraudulent**
 132.30 **certification.** (a) If the ~~council~~ commissioner requires a person to be certified as eligible
 132.31 for special transportation services, an applicant for certification must submit an application
 132.32 form and the applicant's eligibility must be verified by a type of professional specified by
 132.33 the ~~council~~ commissioner. The ~~council~~ commissioner shall:

132.34 (1) require the applicant to sign the application form and certify that the application
 132.35 information is accurate; and

133.1 (2) require the person verifying the applicant's eligibility to sign the eligibility
133.2 verification form and certify that the verifying information is accurate.

133.3 (b) The penalty provided for in section 174.295, subdivision 4, applies to the
133.4 certifications by the applicant and the person verifying the applicant's eligibility. The
133.5 ~~council~~ commissioner must include a notice of the penalty for fraudulent certification in
133.6 the application form and the eligibility verification form.

133.7 Subd. 3. **Duties of ~~council~~ commissioner.** In implementing the special
133.8 transportation service, the ~~council~~ commissioner shall:

133.9 (a) encourage participation in the service by public, private, and private nonprofit
133.10 providers of special transportation currently receiving capital or operating assistance
133.11 from a public agency;

133.12 (b) when feasible and cost-efficient, contract with public, private, and private
133.13 nonprofit providers that have demonstrated their ability to effectively provide service at
133.14 a reasonable cost;

133.15 (c) encourage individuals using special transportation to use the type of service
133.16 most appropriate to their particular needs;

133.17 (d) encourage shared rides to the greatest extent practicable;

133.18 (e) encourage public agencies that provide transportation to eligible individuals as a
133.19 component of human services and educational programs to coordinate with this service
133.20 and to allow reimbursement for transportation provided through the service at rates that
133.21 reflect the public cost of providing that transportation;

133.22 (f) establish criteria to be used in determining individual eligibility for special
133.23 transportation services;

133.24 (g) consult with the Transportation Accessibility Advisory Committee in a timely
133.25 manner before changes are made in the provision of special transportation services;

133.26 (h) provide for effective administration and enforcement of ~~council~~ department
133.27 policies and standards; and

133.28 (i) ensure that, taken as a whole including contracts with public, private, and private
133.29 nonprofit providers, the geographic coverage area of the special transportation service is
133.30 continuous within the boundaries of the ~~transit taxing district, as defined as of March 1,~~
133.31 ~~2006, in section 473.446, subdivision 2~~ metropolitan area.

133.32 Subd. 4. **Coordination required.** The ~~council~~ commissioner may not grant any
133.33 financial assistance to any recipient that proposes to use any part of the grant to provide
133.34 special transportation service in the metropolitan area unless the program is coordinated
133.35 with the ~~council's~~ commissioner's special transportation service in the manner determined
133.36 by the ~~council~~ commissioner. The ~~council~~ commissioner is not required to provide

134.1 funding for transportation services from a residence to a service site and home again when
 134.2 the services are used by individuals in conjunction with their participation in human
 134.3 service developmental achievement center programs in which transportation to and from
 134.4 the program is a required and funded component of those programs.

134.5 Subd. 5. **Equitable allocation and annual reallocation.** The ~~council~~ commissioner
 134.6 shall distribute all available funding under this section in a manner designed to achieve
 134.7 an equitable allocation of special transportation services based on the proportion of the
 134.8 number of elderly, disabled, or economically disadvantaged individuals with special
 134.9 transportation needs who actually use the special transportation service.

134.10 Subd. 6. **Operating and service standards.** A person operating or assisting the
 134.11 operation of a vehicle may leave the vehicle to enter premises in order to help a passenger
 134.12 who does not require emergency ambulance service. Operators and assistants shall
 134.13 provide the help necessary for door-through-door service, including help in entering and
 134.14 leaving the vehicle and help through the exterior entrance and over any exterior steps at
 134.15 either departure or destination buildings, provided that both the steps and the wheelchair
 134.16 are in good repair. If an operator or assistant refuses help because of the condition of
 134.17 the steps or the wheelchair, the operator of the service shall send letters to the service
 134.18 administrator designated by the ~~council~~ commissioner, who shall notify the person denied
 134.19 service describing the corrective measures necessary to qualify for service.

134.20 Subd. 8. **Vehicle title transfer; conditions.** The ~~Metropolitan Council~~
 134.21 commissioner may transfer to a special transportation service provider or a provider of taxi
 134.22 services the title to a vehicle formerly used to provide special transportation service under
 134.23 this section. If the ~~council~~ commissioner transfers title to a provider of taxi services, it
 134.24 may do so only to a provider of taxi services that is licensed by a city whose taxi licensing
 134.25 ordinance requires (1) criminal background checks and annual driving record checks for
 134.26 drivers, and (2) inspection of vehicles at least annually.

134.27 Sec. 45. Minnesota Statutes 2014, section 473.387, subdivision 2, is amended to read:

134.28 Subd. 2. **Administration.** The ~~council~~ commissioner shall design and administer
 134.29 the programs under this section. The ~~council~~ commissioner may request proposals for
 134.30 projects to demonstrate methods of achieving the purposes of programs administered under
 134.31 this section. The ~~council~~ commissioner shall design or ensure the design of programs that
 134.32 will provide better access for the targeted service groups to places of employment and
 134.33 activity throughout the metropolitan area, using regular route transit, paratransit, taxis, car
 134.34 or van pools, or other means of conveyance. The ~~council~~ commissioner may organize
 134.35 the services by providing to individuals, directly or indirectly, reduced fares or passes on

135.1 public transit or vouchers to be used to purchase transportation; by contracting with public
 135.2 and private providers; by arrangements with government agencies, civic and community
 135.3 organizations or nonprofit groups providing assistance to the targeted service groups; by
 135.4 arrangements with prospective employers, with employment, education, retail, medical, or
 135.5 other activity centers, or with local governments; or by any other methods designed to
 135.6 improve service and reduce costs to the targeted service groups.

135.7 Sec. 46. Minnesota Statutes 2014, section 473.387, subdivision 3, is amended to read:

135.8 Subd. 3. **Job seekers.** The ~~council~~ commissioner shall establish a program and
 135.9 policies to increase the availability and utility of public transit services and reduce
 135.10 transportation costs for persons who are seeking employment and who lack private
 135.11 means of transportation.

135.12 Sec. 47. Minnesota Statutes 2014, section 473.387, subdivision 4, is amended to read:

135.13 Subd. 4. **Transit disadvantaged.** The ~~council~~ commissioner shall establish a
 135.14 program and policies to reduce transportation costs for persons who are, because of
 135.15 limited incomes, age, disability, or other reasons, especially dependent on public transit
 135.16 for common mobility.

135.17 Sec. 48. Minnesota Statutes 2014, section 473.3875, is amended to read:

135.18 **473.3875 TRANSIT FOR LIVABLE COMMUNITIES.**

135.19 The ~~council~~ commissioner shall establish a transit for livable communities
 135.20 demonstration program fund. The ~~council~~ commissioner shall adopt guidelines for
 135.21 selecting and evaluating demonstration projects for funding. The selection guidelines
 135.22 must include provisions evaluating projects:

- 135.23 (1) interrelating development or redevelopment and transit;
 135.24 (2) interrelating affordable housing and employment growth areas;
 135.25 (3) helping intensify land use that leads to more compact development or
 135.26 redevelopment;
 135.27 (4) coordinating school transportation and public transit service; or
 135.28 (5) implementing recommendations of the transit redesign plan; ~~or~~
 135.29 (6) otherwise promoting the goals of the Metropolitan Livable Communities Act.

135.30 Sec. 49. Minnesota Statutes 2014, section 473.39, subdivision 1, is amended to read:

135.31 Subdivision 1. **General authority.** The ~~council~~ Metropolitan Area Transit Board
 135.32 established in section 473.446, subdivision 1c, may issue general obligation bonds subject

136.1 to the volume limitations in this section to provide funds to implement the ~~council's~~ transit
 136.2 capital improvement program for the metropolitan area and may issue general obligation
 136.3 bonds not subject to the limitations for the refunding of outstanding bonds or certificates of
 136.4 indebtedness of the former Metropolitan Council, the former regional transit board or the
 136.5 former metropolitan transit commission, and judgments against the former regional transit
 136.6 board or the former metropolitan transit commission or the former Metropolitan Council.
 136.7 The ~~council~~ Metropolitan Area Transit Board may not issue obligations pursuant to this
 136.8 subdivision, other than refunding bonds, in excess of the amount specifically authorized
 136.9 by law. Except as otherwise provided in sections 473.371 to 473.449, the ~~council~~ board
 136.10 shall provide for the issuance, sale, and security of the bonds in the manner provided in
 136.11 chapter 475, and has the same powers and duties as a municipality issuing bonds under
 136.12 that law, except that no election is required and the net debt limitations in chapter 475 do
 136.13 not apply to the bonds. The obligations are not a debt of the state or any municipality or
 136.14 political subdivision within the meaning of any debt limitation or requirement pertaining
 136.15 to those entities. Neither the state, nor any municipality or political subdivision except the
 136.16 ~~council~~ Metropolitan Area Transit Board, nor any member or officer or employee of the
 136.17 ~~council~~ board, is liable on the obligations. The obligations may be secured by taxes levied
 136.18 without limitation of rate or amount upon all taxable property in the transit taxing district
 136.19 and transit area as provided in section 473.446, subdivision 1, clause ~~(e)~~ (a). As part of its
 136.20 levy made under section 473.446, subdivision 1, clause ~~(e)~~ (a), the ~~council~~ Metropolitan
 136.21 Area Transit Board shall levy the amounts necessary to provide full and timely payment of
 136.22 the obligations and transfer the proceeds to the appropriate ~~council~~ account for payment of
 136.23 the obligations. The taxes must be levied, certified, and collected in accordance with the
 136.24 terms and conditions of the indebtedness.

136.25 Sec. 50. Minnesota Statutes 2014, section 473.39, subdivision 2, is amended to read:

136.26 Subd. 2. **Legal investments.** Certificates of indebtedness, bonds, or other
 136.27 obligations issued ~~by the council~~ under this section to which tax levies have been pledged
 136.28 pursuant to section 473.446, are proper for investment of any funds by a bank, savings
 136.29 bank, savings association, credit union, trust company, insurance company, or public
 136.30 or municipal corporation, and may be pledged by any bank, savings bank, savings
 136.31 association, credit union, or trust company as security for the deposit of public money.

136.32 Sec. 51. Minnesota Statutes 2014, section 473.39, subdivision 2a, is amended to read:

137.1 Subd. 2a. **Uses of investment income.** Interest or other investment earnings on the
 137.2 proceeds of bonds issued under this section and on a debt service account for bonds issued
 137.3 under this section must be used only to:

137.4 (1) pay capital expenditures and related expenses for which the obligations were
 137.5 authorized by this section;

137.6 (2) to pay debt service on the obligations or to reduce the council's property tax levy
 137.7 imposed to pay debt service on obligations issued under this section;

137.8 (3) pay rebate or yield reduction payments for the bonds to the United States;

137.9 (4) redeem or purchase the bonds; or

137.10 (5) make other payments with respect to the bonds that are necessary or desirable
 137.11 to comply with federal tax rules applicable to the bonds or to comply with covenants
 137.12 made with respect to the bonds.

137.13 Sec. 52. Minnesota Statutes 2014, section 473.39, subdivision 5, is amended to read:

137.14 Subd. 5. **Anticipation of grants.** In addition to other authority granted in this
 137.15 section, the council Metropolitan Area Transit Board may exercise the authority granted to
 137.16 an issuing political subdivision by section 475.522.

137.17 Sec. 53. Minnesota Statutes 2014, section 473.391, is amended to read:

137.18 **473.391 ROUTE PLANNING AND SCHEDULING.**

137.19 Subdivision 1. **Contracts.** The council commissioner may contract with other
 137.20 operators or local governments for route planning and scheduling services in any
 137.21 configuration of new or reconfiguration of existing transit services and routes.

137.22 Subd. 2. **Route elimination; service reduction.** The council commissioner shall,
 137.23 before making a determination to eliminate or reduce service on existing transit routes,
 137.24 consider:

137.25 (1) the level of subsidy per passenger on each route;

137.26 (2) the availability and proximity of alternative transit routes; and

137.27 (3) the percentage of transit dependent riders, including youth, elderly, low-income,
 137.28 and disabled riders currently using each route.

137.29 Sec. 54. Minnesota Statutes 2014, section 473.3925, is amended to read:

137.30 **473.3925 BUS PURCHASES.**

137.31 The ~~Metropolitan Council~~ commissioner, in preparing bid specifications for bus
 137.32 purchases, shall ensure that the specifications conform, to the greatest extent practicable,
 137.33 with products that are manufactured in this state.

138.1 Sec. 55. Minnesota Statutes 2014, section 473.399, is amended to read:

138.2 **473.399 TRANSIT WAYS; LIGHT RAIL TRANSIT AND COMMUTER RAIL**
 138.3 **IN THE METROPOLITAN AREA.**

138.4 Subdivision 1. **General requirements.** (a) The ~~council~~ commissioner of
 138.5 administration must identify in its transportation policy plan those heavily traveled
 138.6 corridors where development of a transitway may be feasible and cost-effective. Modes of
 138.7 providing service in a transitway may include bus rapid transit, light rail transit, commuter
 138.8 rail, or other available systems or technologies that improve transit service.

138.9 (b) After the completion of environmental studies and receipt of input from the
 138.10 governing body of each statutory and home rule charter city, county, and town in which a
 138.11 transitway is proposed to be constructed, the ~~council~~ commissioner must designate the
 138.12 locally preferred alternative transit mode with respect to the corridor.

138.13 (c) The ~~council~~ commissioner shall ensure that any light rail transit facilities that
 138.14 are designated as the locally preferred alternative and that are to be constructed in the
 138.15 metropolitan area will be acquired, developed, owned, and capable of operation in an
 138.16 efficient, cost-effective, and coordinated manner in coordination with buses and other
 138.17 transportation modes and facilities.

138.18 (d) Construction of light rail transit facilities in a particular transit corridor may not
 138.19 commence unless and until that mode is designated as the locally preferred alternative for
 138.20 that corridor by the ~~council~~ commissioner.

138.21 Subd. 1a. **Integrated transportation system.** The commissioner of ~~transportation~~
 138.22 ~~and the Metropolitan Council~~ shall ensure that light rail transit and commuter rail facilities
 138.23 are planned, designed, and implemented: (1) to move commuters and transit users into and
 138.24 out of, as well as within, the metropolitan area, and (2) to ensure that rail transit lines will
 138.25 interface with each other and other transportation facilities and services so as to provide a
 138.26 unified, integrated, and efficient multimodal transportation system.

138.27 Subd. 5. **Availability of light rail transit information.** The ~~Metropolitan Council~~
 138.28 commissioner shall maintain in a centralized location on an Internet Web site, for each
 138.29 light rail transit line operated by the ~~council~~ commissioner and for each year of operation
 138.30 of the line:

138.31 (1) financial data, including revenue by source and operating and capital expenses;

138.32 and

138.33 (2) ridership information, including ridership and passenger miles.

138.34 Sec. 56. Minnesota Statutes 2014, section 473.3994, is amended to read:

138.35 **473.3994 LIGHT RAIL TRANSIT; DESIGN PLANS.**

139.1 Subd. 1a. **Designation of Responsible authority.** For each proposed light
 139.2 rail transit facility in the metropolitan area, the ~~governor must designate either the~~
 139.3 ~~Metropolitan Council or the state of Minnesota acting through the commissioner of~~
 139.4 transportation as is the entity responsible for planning, designing, acquiring, constructing,
 139.5 and equipping the facility. ~~Notwithstanding such designation, the commissioner and the~~
 139.6 ~~council may enter into one or more cooperative agreements with respect to the planning,~~
 139.7 ~~designing, acquiring, constructing, or equipping of a particular light rail transit facility~~
 139.8 ~~that provide for the parties to exercise their respective authorities in support of the project~~
 139.9 ~~in a manner that best serves the project and the public.~~

139.10 Subd. 2. **Preliminary design plans; public hearing.** Before final design plans are
 139.11 prepared for a light rail transit facility in the metropolitan area, the ~~responsible authority~~
 139.12 commissioner and the regional railroad authority or authorities in whose jurisdiction the
 139.13 line or lines are located must hold a public hearing on the physical design component of
 139.14 the preliminary design plans. The ~~responsible authority~~ commissioner and the regional
 139.15 railroad authority or authorities in whose jurisdiction the line or lines are located must
 139.16 provide appropriate public notice of the hearing and publicity to ensure that affected
 139.17 parties have an opportunity to present their views at the hearing. The ~~responsible authority~~
 139.18 commissioner shall summarize the proceedings and testimony and maintain the record of
 139.19 a hearing held under this section, including any written statements submitted.

139.20 Subd. 3. **Preliminary design plans; local approval.** At least 30 days before the
 139.21 hearing under subdivision 2, the ~~responsible authority~~ commissioner shall submit the
 139.22 physical design component of the preliminary design plans to the governing body of each
 139.23 statutory and home rule charter city, county, and town in which the route is proposed to
 139.24 be located. The city, county, or town shall hold a public hearing. Within 45 days after
 139.25 the hearing under subdivision 2, the city, county, or town shall review and approve
 139.26 or disapprove the plans for the route to be located in the city, county, or town. A local
 139.27 unit of government that disapproves the plans shall describe specific amendments to the
 139.28 plans that, if adopted, would cause the local unit to withdraw its disapproval. Failure to
 139.29 approve or disapprove the plans in writing within 45 days after the hearing is deemed to
 139.30 be approval, unless an extension of time is agreed to by the city, county, or town and
 139.31 the ~~responsible authority~~ commissioner.

139.32 Subd. 4. **Preliminary design plans; ~~council~~ commissioner hearing.** If the
 139.33 governing body of one or more cities, counties, or towns disapproves the preliminary
 139.34 design plans within the period allowed under subdivision 3, the ~~council~~ commissioner
 139.35 shall hold a hearing on the plans, giving ~~the commissioner of transportation,~~ if the
 139.36 ~~responsible authority,~~ any disapproving local governmental units; and other persons

140.1 an opportunity to present their views on the plans. The ~~council~~ commissioner may
140.2 conduct independent study as it deems desirable and may mediate and attempt to resolve
140.3 disagreements about the plans. Within 60 days after the hearing, the ~~council~~ commissioner
140.4 shall review the plans and shall decide what amendments to the plans, if any, must be
140.5 made to accommodate the objections presented by the disapproving local governmental
140.6 units. Amendments to the plans as decided by the ~~council~~ commissioner must be made
140.7 before continuing the planning and designing process.

140.8 Subd. 5. **Final design plans.** (a) If the final design plans incorporate a substantial
140.9 change from the preliminary design plans with respect to location, length, or termini
140.10 of routes; general dimension, elevation, or alignment of routes and crossings; location
140.11 of tracks above ground, below ground, or at ground level; or station locations, before
140.12 beginning construction, the ~~responsible authority~~ commissioner shall submit the changed
140.13 component of the final design plans to the governing body of each statutory and home
140.14 rule city, county, and town in which the changed component is proposed to be located.
140.15 Within 60 days after the submission of the plans, the city, county, or town shall review
140.16 and approve or disapprove the changed component located in the city, county, or town. A
140.17 local unit of government that disapproves the change shall describe specific amendments
140.18 to the plans that, if adopted, would cause the local unit to withdraw its disapproval.
140.19 Failure to approve or disapprove the changed plans in writing within the time period is
140.20 deemed to be approval, unless an extension is agreed to by the city, county, or town and
140.21 the ~~responsible authority~~ commissioner.

140.22 (b) If the governing body of one or more cities, counties, or towns disapproves the
140.23 changed plans within the period allowed under paragraph (a), the ~~council~~ commissioner
140.24 shall review the final design plans under the same procedure and with the same effect as
140.25 provided in subdivision 4 for preliminary design plans.

140.26 Subd. 7. **Council Commissioner review.** ~~If the commissioner is the responsible~~
140.27 ~~authority,~~ Before proceeding with construction of a light rail transit facility, the
140.28 commissioner of transportation must submit preliminary and final design plans to the
140.29 ~~Metropolitan Council~~ commissioner of administration. The ~~council~~ commissioner of
140.30 administration must review the plans for consistency with the ~~council's~~ commissioner of
140.31 administration's development guide and approve the plans.

140.32 Subd. 8. **Metropolitan significance.** This section does not diminish or replace the
140.33 authority of the ~~council~~ commissioner under section 473.173.

140.34 Subd. 9. **Light rail transit operating costs.** (a) Before submitting an application for
140.35 federal assistance for light rail transit facilities in the metropolitan area, the ~~Metropolitan~~
140.36 ~~Council~~ commissioner must prepare an estimate of the amount of operating subsidy which

141.1 will be required to operate light rail transit in the corridor to which the federal assistance
 141.2 would be applied. The estimate must indicate the amount of operating subsidy estimated
 141.3 to be required in each of the first ten years of operation of the light rail transit facility. If
 141.4 ~~the commissioner of transportation is the responsible authority, the commissioner must~~
 141.5 ~~provide information requested by the council that is necessary to make the estimate.~~

141.6 (b) The ~~council~~ commissioner must review and evaluate the estimate developed
 141.7 under paragraph (a) with regard to the effect of operating the light rail transit facility on
 141.8 the currently available mechanisms for financing transit in the metropolitan area.

141.9 Subd. 10. **Corridor Management Committee.** (a) ~~The responsible authority~~
 141.10 commissioner must establish a Corridor Management Committee to advise the ~~responsible~~
 141.11 ~~authority~~ commissioner in the design and construction of light rail transit in each corridor
 141.12 to be constructed. The Corridor Management Committee for each corridor shall consist of
 141.13 the following members:

141.14 (1) one member appointed by each city and county in which the corridor is located;

141.15 (2) the commissioner of transportation or a designee of the commissioner who shall
 141.16 serve as chair of the committee;

141.17 ~~(3) two members appointed by the Metropolitan Council, one of whom shall be~~
 141.18 ~~designated as the chair of the committee;~~

141.19 ~~(4)~~ (3) one member appointed by the Metropolitan Airports Commission, if the
 141.20 designated corridor provides direct service to the Minneapolis-St. Paul International
 141.21 Airport; and

141.22 ~~(5)~~ (4) one member appointed by the president of the University of Minnesota, if the
 141.23 designated corridor provides direct service to the university.

141.24 (b) The Corridor Management Committee shall advise the ~~responsible authority~~
 141.25 commissioner on issues relating to environmental review, preliminary design, preliminary
 141.26 engineering, final design, implementation method, and construction of light rail transit
 141.27 in the corridor.

141.28 Subd. 14. ~~**Transfer of facility after construction.**~~ If the commissioner of
 141.29 ~~transportation is the responsible authority for a particular light rail transit facility, the~~
 141.30 ~~commissioner must transfer to the Metropolitan Council all facilities constructed and~~
 141.31 ~~all equipment and property acquired in developing the facility upon completion of~~
 141.32 ~~construction.~~

141.33 Sec. 57. Minnesota Statutes 2014, section 473.3995, is amended to read:

141.34 **473.3995 LIGHT RAIL TRANSIT; DESIGN-BUILD METHOD.**

142.1 (a) ~~A responsible authority~~ The commissioner may use a design-build method of
 142.2 project development and construction for light rail transit. Notwithstanding any law
 142.3 to the contrary, ~~a responsible authority~~ the commissioner may award a design-build
 142.4 contract on the basis of requests for proposals or requests for qualifications without bids.
 142.5 "Design-build method of project development and construction" means a project delivery
 142.6 system in which a single contractor is responsible for both the design and construction of
 142.7 the project and bids the design and construction together.

142.8 (b) If ~~a responsible authority~~ the commissioner utilizes a design-build method
 142.9 of project development and construction for light rail transit, the requirements and
 142.10 procedures in sections 161.3410 to 161.3426 apply to the procurement, subject to the
 142.11 following conditions and exceptions:

142.12 ~~(1) if the Metropolitan Council is the responsible authority for a particular light rail~~
 142.13 ~~transit project, when used in sections 161.3410 to 161.3426, (i) the terms "commissioner,"~~
 142.14 ~~"Minnesota Department of Transportation," "department," "state agencies," and "road~~
 142.15 ~~authority" refer to the Metropolitan Council, and (ii) the term "state" refers to the~~
 142.16 ~~Metropolitan Council except in references to state law or in references to the state as~~
 142.17 ~~a geographical location;~~

142.18 ~~(2) (1)~~ the provisions of section 161.3412, subdivisions 3 and 4, are not applicable
 142.19 to the procurement; and

142.20 ~~(3) (2)~~ if any federal funds are used in developing or constructing the light rail
 142.21 transit project, any provisions in sections 161.3410 to 161.3426 that are inconsistent with,
 142.22 or prohibited by, any federal law, regulation, or other requirement are not applicable
 142.23 to the procurement.

142.24 Sec. 58. Minnesota Statutes 2014, section 473.3997, is amended to read:

142.25 **473.3997 FEDERAL FUNDING; LIGHT RAIL TRANSIT.**

142.26 (a) Upon completion of the alternatives analysis and draft environmental impact
 142.27 statement, and selection of the locally preferred alternative, for each light rail transit
 142.28 facility, the ~~responsible authority~~ commissioner may prepare an application for federal
 142.29 assistance for the light rail transit facility. ~~If the commissioner is the responsible authority,~~
 142.30 ~~the application must be reviewed and approved by the Metropolitan Council before it is~~
 142.31 ~~submitted by the commissioner. In reviewing the application the council must consider the~~
 142.32 ~~operating cost estimate developed under section 473.3994, subdivision 9.~~

142.33 (b) ~~Except for the designated responsible authority for a particular light rail transit~~
 142.34 ~~facility, No political subdivision in the metropolitan area may on its own apply for federal~~
 142.35 ~~assistance for light rail transit planning or construction.~~

143.1 Sec. 59. Minnesota Statutes 2014, section 473.405, is amended to read:

143.2 **473.405 POWERS.**

143.3 Subdivision 1. **General.** The ~~Metropolitan Council~~ commissioner has the powers
143.4 and duties prescribed by this section and sections 473.407 to 473.449 and all powers
143.5 necessary or convenient to discharge its duties.

143.6 Subd. 3. **Condemnation.** The ~~council~~ commissioner may for transit purposes
143.7 acquire property, franchises, easements, or property rights or interests of any kind by
143.8 condemnation proceedings pursuant to chapter 117. Except as provided in subdivision 9,
143.9 the ~~council~~ commissioner may take possession of any property for which condemnation
143.10 proceedings have been commenced at any time after the filing of the petition describing
143.11 the property in the proceedings. The ~~council~~ commissioner may contract with an operator
143.12 or other persons for the use by the operator or person of any property under the ~~council's~~
143.13 commissioner's control.

143.14 Subd. 4. **Transit systems.** The ~~council~~ commissioner may engineer, construct,
143.15 equip, and operate transit and paratransit systems, projects, or any parts thereof, including
143.16 road lanes or rights-of-way, terminal facilities, maintenance and garage facilities, ramps,
143.17 parking areas, and any other facilities useful for or related to any public transit or
143.18 paratransit system or project. The ~~council~~ commissioner may sell or lease naming rights
143.19 with regard to light rail transit stations and apply revenues from sales or leases to light
143.20 rail transit operating costs.

143.21 Subd. 5. **Acquisition of transit systems.** The ~~council~~ commissioner may acquire by
143.22 purchase, lease, gift, or condemnation proceedings any existing public transit system or
143.23 any part thereof, including all or any part of the plant, equipment, shares of stock, property,
143.24 real, personal, or mixed, rights in property, reserve funds, special funds, franchises,
143.25 licenses, patents, permits and papers, documents and records belonging to any operator
143.26 of a public transit system within the metropolitan area, and may in connection therewith
143.27 assume any or all liabilities of any operator of a public transit system. The ~~council~~
143.28 commissioner may take control of and operate a system immediately following the filing
143.29 and approval of the initial petition for condemnation, if the ~~council~~ commissioner, in its
143.30 the commissioner's discretion, determines this to be necessary, and may take possession
143.31 of all right, title and other powers of ownership in all properties and facilities described
143.32 in the petition. Control must be taken by resolution which is effective upon service of a
143.33 copy on the condemnee and the filing of the resolution in the condemnation action. In
143.34 the determination of the fair value of the existing public transit system, there must not
143.35 be included any value attributable to expenditures for improvements made by the former
143.36 ~~Metropolitan Transit Commission or Council~~.

144.1 Subd. 9. **Condemnation of public or public service corporation property.** The
144.2 fact that property is owned by or is in charge of a public agency or a public service
144.3 corporation organized for a purpose specified in section 301B.01, or is already devoted
144.4 to a public use or to use by the corporation or was acquired therefor by condemnation
144.5 may not prevent its acquisition by the ~~eouncil~~ commissioner by condemnation, but if the
144.6 property is in actual public use or in actual use by the corporation for any purpose of
144.7 interest or benefit to the public, the taking by the ~~eouncil~~ commissioner by condemnation
144.8 may not be authorized unless the court finds and determines that there is greater public
144.9 necessity for the proposed use by the ~~eouncil~~ commissioner than for the existing use.

144.10 Subd. 10. **Voluntary transfer of public property.** Any state department or other
144.11 agency of the state government or any county, municipality, or other public agency
144.12 may sell, lease, grant, transfer, or convey to the ~~eouncil~~ department, with or without
144.13 consideration, any facilities or any part or parts thereof or any real or personal property or
144.14 interest therein which may be useful to the ~~eouncil~~ department for any authorized purpose.
144.15 In any case where the construction of a facility has not been completed, the public agency
144.16 concerned may also transfer, sell, assign, and set over to the ~~eouncil~~ department, with or
144.17 without consideration, any existing contract for the construction of the facilities.

144.18 Subd. 12. **Management contracts.** Notwithstanding any of the other provisions of
144.19 this section and sections 473.407 to 473.449, the ~~eouncil~~ commissioner may, in lieu of
144.20 directly operating any public transit system or any part thereof, enter into contracts for
144.21 management services. The contracts may provide for compensation, incentive fees, the
144.22 employment of personnel, the services provided, and other terms and conditions that the
144.23 ~~eouncil~~ commissioner deems proper. The contracts must provide that the compensation of
144.24 personnel who work full time or substantially full time providing management or other
144.25 services for the ~~eouncil~~ commissioner is public data under chapter 13.

144.26 The ~~eouncil~~ commissioner may not permit a contract manager to supervise or
144.27 manage internal audit activities. Internal audit activity must be supervised and managed
144.28 directly by the ~~eouncil~~ commissioner. The ~~eouncil~~ commissioner shall advertise for bids
144.29 and select contracts for management services through competitive bidding. The term of
144.30 the contract may not be longer than two years. The contract must include clear operating
144.31 objectives, stating the service policies and goals of the ~~eouncil~~ commissioner in terms of
144.32 the movement of various passenger groups, and performance criteria, by means of which
144.33 success in achieving the operating objectives can be measured. The ~~eouncil~~ commissioner
144.34 shall consider and determine the feasibility and desirability of having all its transit
144.35 management services provided internally by employees of the ~~eouncil~~ department.

145.1 The employees of any public transit system operated pursuant to the provisions of
145.2 this subdivision for the purpose of resolving any dispute arising under any existing or new
145.3 collective bargaining agreement relating to the terms or conditions of their employment,
145.4 may either engage in a concerted refusal to work or to invoke the processes of final and
145.5 binding arbitration as provided by chapter 572, subject to any applicable provisions of
145.6 the agreement not inconsistent with law.

145.7 Subd. 15. **Relocation of displaced persons.** The ~~council~~ commissioner may plan
145.8 for and assist in the relocation of individuals, families, business concerns, nonprofit
145.9 organizations, and others displaced by operations of the ~~council~~ department, and may
145.10 make relocation payments in accordance with federal regulations.

145.11 Sec. 60. Minnesota Statutes 2014, section 473.4051, subdivision 1, is amended to read:

145.12 Subdivision 1. **Operator.** The ~~council~~ commissioner shall operate all light rail
145.13 transit facilities and services located in the metropolitan area upon completion of
145.14 construction of the facilities and the commencement of revenue service using the facilities.
145.15 The ~~council~~ commissioner may not allow the commencement of revenue service until after
145.16 an appropriate period of acceptance testing to ensure safe and satisfactory performance. In
145.17 assuming the operation of the system, the ~~council~~ commissioner must comply with section
145.18 473.415. The ~~council~~ commissioner shall coordinate operation of the light rail transit
145.19 system with bus service to avoid duplication of service on a route served by light rail
145.20 transit and to ensure the widest possible access to light rail transit lines in both suburban
145.21 and urban areas by means of a feeder bus system.

145.22 Sec. 61. Minnesota Statutes 2014, section 473.4056, subdivision 1, is amended to read:

145.23 Subdivision 1. **Adoption of standards.** (a) ~~By January 1, 2015, the Metropolitan~~
145.24 ~~Council shall adopt and may thereafter~~ The commissioner of transportation may amend
145.25 standards for the design of light rail vehicles that are reasonably necessary to provide
145.26 access for, and to protect the health and safety of, persons who use the service. All light
145.27 rail transit vehicles procured on and after January 1, 2015, must conform to the standards
145.28 then in effect.

145.29 (b) The Transportation Accessibility Advisory Committee must review the standards
145.30 and all subsequent amendments before the ~~Metropolitan Council adopts them~~ standards
145.31 go into effect.

145.32 (c) The ~~Metropolitan Council~~ commissioner shall post adopted standards, including
145.33 amendments, on its Web site.

146.1 Sec. 62. Minnesota Statutes 2014, section 473.4057, subdivision 1, is amended to read:

146.2 Subdivision 1. **General.** Notwithstanding the provisions of sections 174.82 and
146.3 174.90, the ~~Metropolitan Council~~ commissioner must operate and maintain commuter
146.4 rail facilities and services in any corridor that is located in ~~whole or in part in the~~
146.5 ~~metropolitan area. The council's operation and maintenance of the facilities and services~~
146.6 ~~must commence upon completion of the planning, development, and construction of the~~
146.7 ~~commuter rail facilities by the commissioner of transportation and the commencement~~
146.8 ~~of prerevenue service~~ this state.

146.9 Sec. 63. Minnesota Statutes 2014, section 473.4057, subdivision 2, is amended to read:

146.10 Subd. 2. **Commuter rail equipment, supplies, and materials.** The ~~council~~
146.11 commissioner is authorized to acquire equipment, supplies, and materials, including
146.12 rolling stock, necessary for any commuter rail service that is subject to this section. This
146.13 authority may be exercised either before or after the commencement of revenue service on
146.14 a particular commuter rail line.

146.15 Sec. 64. Minnesota Statutes 2014, section 473.4057, subdivision 3, is amended to read:

146.16 Subd. 3. **Commuter rail improvements.** After the commencement of revenue
146.17 service in a particular commuter rail corridor, the ~~council~~ commissioner is responsible
146.18 for planning, development, design, acquisition, construction, and equipping of any
146.19 improvements to commuter rail facilities or service in that corridor.

146.20 Sec. 65. Minnesota Statutes 2014, section 473.4057, subdivision 4, is amended to read:

146.21 Subd. 4. **Procurement for commuter rail; best value alternative.** (a)
146.22 Notwithstanding the provisions of section 471.345, for purchases related to the
146.23 ~~council's~~ commissioner's maintenance and operation of commuter rail lines, the ~~council~~
146.24 commissioner may award a contract for the purchase of supplies, materials, equipment or
146.25 the rental thereof, or the construction, alteration, improvement, repair, or maintenance
146.26 of real or personal property to the vendor or contractor offering the best value under
146.27 a request for proposals.

146.28 (b) For the purposes of this section, "best value" describes a result intended in the
146.29 acquisition of goods and services described in paragraph (a). Price must be one of the
146.30 evaluation criteria when acquiring such goods and services. Other evaluation criteria
146.31 may include, but are not limited to, environmental considerations, quality, and vendor
146.32 performance. A best value determination must be based on the evaluation criteria detailed

147.1 in the solicitation document. If criteria other than price are used, the solicitation document
147.2 must state the relative importance of price and other factors.

147.3 Sec. 66. Minnesota Statutes 2014, section 473.4057, subdivision 6, is amended to read:

147.4 Subd. 6. **Agreements with other parties.** The ~~council~~ commissioner may enter into
147.5 memoranda of understanding, joint powers agreements, or other agreements with public
147.6 or private entities including, without limitation, political subdivisions, regional railroad
147.7 authorities, metropolitan planning organizations, joint powers boards, ~~the commissioner~~
147.8 ~~of transportation~~, or railroads, to carry out its responsibilities under this section.

147.9 Sec. 67. Minnesota Statutes 2014, section 473.4057, subdivision 7, is amended to read:

147.10 Subd. 7. **Expenditure of funds and exercise of powers.** In carrying out its
147.11 responsibilities under this section and notwithstanding any other law to the contrary,
147.12 the ~~council~~ commissioner may expend funds and exercise, ~~both inside and outside the~~
147.13 ~~metropolitan area~~, those powers in this chapter that are necessary or convenient for those
147.14 purposes. The jurisdiction of the metropolitan transit police under section 473.405 extends
147.15 to offenses relating to the operation, property, facilities, equipment, employees, and
147.16 passengers of any commuter rail facilities and services that are subject to this section.

147.17 Sec. 68. Minnesota Statutes 2014, section 473.4057, subdivision 8, is amended to read:

147.18 Subd. 8. **Application of section 174.82.** ~~Except for those provisions that provide~~
147.19 ~~that the commissioner of transportation is responsible for operating and maintaining~~
147.20 ~~commuter rail~~, The provisions of section 174.82 apply to commuter rail facilities and
147.21 services that are subject to this section. ~~Without limitation as to its application, the~~
147.22 ~~provisions of section 174.82 apply when the council is carrying out its responsibilities for~~
147.23 ~~commuter rail under this section to the same extent as those provisions would apply if the~~
147.24 ~~council were carrying out its responsibilities under contract to the commissioner.~~

147.25 Sec. 69. Minnesota Statutes 2014, section 473.407, subdivision 1, is amended to read:

147.26 Subdivision 1. **Authorization.** The ~~council~~ commissioner may appoint peace
147.27 officers, as defined in section 626.84, subdivision 1, paragraph (c), and establish a
147.28 law enforcement agency, as defined in section 626.84, subdivision 1, paragraph (f),
147.29 known as the Metropolitan Transit Police, to police its transit property and routes, to
147.30 carry out investigations, and to make arrests under sections 629.30 and 629.34. The
147.31 jurisdiction of the law enforcement agency is limited to offenses relating to ~~council~~ the
147.32 department's transit property, equipment, employees, and passengers. The jurisdiction of

148.1 the Metropolitan Transit Police shall include traffic lanes designed for bus or transit use,
148.2 freeway or expressway shoulders in the seven-county metropolitan area used by authorized
148.3 transit buses and Metro Mobility buses under section 169.306, and high-occupancy vehicle
148.4 lanes used by transit buses. Upon request from, or under an agreement with, any law
148.5 enforcement agency and subject to the availability of its personnel and other resources,
148.6 the Metropolitan Transit Police may exercise general law enforcement agency authority
148.7 to assist any law enforcement agency in implementing or carrying out law enforcement
148.8 activities, programs, or initiatives. ~~If the commissioner of transportation contracts with~~
148.9 ~~the Metropolitan Council for operation of commuter rail facilities under section 174.90,~~
148.10 The jurisdiction of the Metropolitan Transit Police extends to offenses relating to the
148.11 operation, property, facilities, equipment, employees, and passengers of the commuter rail
148.12 facilities located in and outside of the metropolitan area.

148.13 Sec. 70. Minnesota Statutes 2014, section 473.407, subdivision 3, is amended to read:

148.14 Subd. 3. **Policy for notice of investigations.** The transit police must develop a
148.15 policy for notifying the law enforcement agency with primary jurisdiction when it has
148.16 initiated surveillance or investigation of any person within the jurisdiction of that agency.
148.17 ~~The council~~ commissioner shall train all of its peace officers regarding the application
148.18 of this policy.

148.19 Sec. 71. Minnesota Statutes 2014, section 473.407, subdivision 4, is amended to read:

148.20 Subd. 4. **Chief law enforcement officer.** ~~The regional administrator~~ commissioner
148.21 shall appoint a peace officer employed full time to be the chief law enforcement officer
148.22 and to be responsible for the management of the metropolitan transit police. The chief
148.23 law enforcement officer shall possess the necessary police and management experience
148.24 to manage a law enforcement agency. The chief law enforcement officer may appoint,
148.25 discipline, and discharge all transit police personnel. All police managerial and supervisory
148.26 personnel must be full-time employees of the Metropolitan Transit Police. Supervisory
148.27 personnel must be on duty and available any time transit police are on duty. The chief law
148.28 enforcement officer may not hire part-time peace officers as defined in section 626.84,
148.29 subdivision 1, paragraph (d), except that the chief may appoint peace officers to work on a
148.30 part-time basis not to exceed 30 full-time equivalents. A part-time officer must maintain
148.31 an active peace officer license with the officer's full-time law enforcement employer.

148.32 Sec. 72. Minnesota Statutes 2014, section 473.407, subdivision 5, is amended to read:

149.1 Subd. 5. **Emergencies.** (a) The ~~council~~ commissioner shall ensure that all
 149.2 emergency vehicles used by transit police are equipped with radios capable of receiving
 149.3 and transmitting on the same frequencies utilized by the law enforcement agencies that
 149.4 have primary jurisdiction.

149.5 (b) When the transit police receive an emergency call they shall notify the public
 149.6 safety agency with primary jurisdiction and coordinate the appropriate response.

149.7 (c) Transit police officers shall notify the primary jurisdictions of their response
 149.8 to any emergency.

149.9 Sec. 73. Minnesota Statutes 2014, section 473.408, is amended to read:

149.10 **473.408 FARE POLICY.**

149.11 Subd. 2. **Fare policy.** (a) Fares and fare collection systems shall be established and
 149.12 administered to accomplish the following purposes:

149.13 (1) to encourage and increase transit and paratransit ridership with an emphasis
 149.14 on regular ridership;

149.15 (2) to restrain increases in the average operating subsidy per passenger;

149.16 (3) to ensure that no riders on any route pay more in fares than the average cost of
 149.17 providing the service on that route;

149.18 (4) to ensure that operating revenues are proportioned to the cost of providing the
 149.19 service so as to reduce any disparity in the subsidy per passenger on routes in the transit
 149.20 system; and

149.21 (5) to implement the social fares as set forth in subdivision 2b.

149.22 (b) The plan must contain a statement of the policies that will govern the imposition
 149.23 of user charges for various types of transit service and the policies that will govern
 149.24 decisions by the ~~council~~ commissioner to change fare policy.

149.25 Subd. 2a. **Regular route fares.** The ~~council~~ commissioner shall establish and
 149.26 enforce uniform fare policies for regular route transit in the metropolitan area. The policies
 149.27 must be consistent with the requirements of this section and the ~~council's~~ transportation
 149.28 policy plan. The ~~council~~ commissioner and other operators shall charge a base fare and
 149.29 any surcharges for peak hours and distance of service in accordance with the ~~council's~~
 149.30 commissioner's fares policies. The ~~council~~ commissioner shall approve all fare schedules.

149.31 Subd. 2b. **Social fares.** For the purposes of raising revenue for improving public
 149.32 safety on transit vehicles and at transit hubs or stops, the ~~council~~ commissioner shall
 149.33 review and may adjust its social fares as they relate to passengers under the age of 18
 149.34 during high crime times provided that the increased revenues are dedicated to improving
 149.35 the safety of all passengers.

150.1 Subd. 4. **Circulation fares.** The ~~council~~ commissioner and other operators may
150.2 charge a reduced fare for service on any route providing circulation service in a downtown
150.3 area or community activity center. The ~~council~~ commissioner and other operators shall not
150.4 contribute more than 50 percent of the operating deficit of any such route that is confined to
150.5 a downtown area or community activity center. The boundaries of service districts eligible
150.6 for reduced fares under this subdivision must be approved by the ~~council~~ commissioner.

150.7 Subd. 6. **Monthly passes.** The ~~council~~ commissioner may offer monthly passes
150.8 for regular route bus service for sale to the general public.

150.9 Subd. 7. **Employee discount passes.** The ~~council~~ commissioner may offer passes
150.10 for regular route bus service for sale to employers at a special discount.

150.11 Subd. 8. **Charitable organization discount passes.** The ~~council~~ commissioner
150.12 may offer passes, including tokens, for regular route bus service for sale to charitable
150.13 organizations, described in section 501(c)(3) of the Internal Revenue Code, at a special
150.14 discount.

150.15 Subd. 9. **Youth discount passes.** (a) The ~~council~~ commissioner may offer passes,
150.16 including tokens, for regular route bus service to charitable organizations, described in
150.17 section 501(c)(3) of the Internal Revenue Code, free of charge. Any passes provided
150.18 under this subdivision must be:

150.19 (1) distributed to and used solely by a person who is under 16 years of age; and

150.20 (2) restricted to use on a bus that is not operating at full capacity at the time of
150.21 use of the bus pass.

150.22 (b) The ~~council~~ commissioner may establish additional requirements and terms of
150.23 use of the passes, including but not limited to charging a fee to the charitable organization
150.24 for any printing or production costs, restricting times of bus pass use to certain or nonpeak
150.25 hours of operation, and establishing oversight and auditing of the charitable organization
150.26 with regard to bus pass distribution and use.

150.27 Subd. 10. **Transit service for disabled veterans.** (a) On and after July 1, 2009, the
150.28 ~~council~~ commissioner shall provide regular route transit, as defined in section 473.385,
150.29 subdivision 1, free of charge for veterans, as defined in section 197.447, certified as
150.30 disabled. For purposes of this section, "certified as disabled" means certified in writing by
150.31 the United States Department of Veterans Affairs or the state commissioner of veterans
150.32 affairs as having a permanent service-connected disability.

150.33 (b) The requirements under this subdivision apply to operators of regular route
150.34 transit (1) receiving financial assistance under section 473.388, or (2) operating under
150.35 section 473.405, subdivision 12.

151.1 Sec. 74. Minnesota Statutes 2014, section 473.409, is amended to read:

151.2 **473.409 AGREEMENTS WITH ~~COUNCIL~~ COMMISSIONER;**
 151.3 **ENCOURAGEMENT OF TRANSIT USE.**

151.4 A state department or agency, including the legislative branch, any local
 151.5 governmental unit, or a metropolitan agency may enter into an agreement with the ~~council~~
 151.6 commissioner and other operators for the purpose of encouraging the use of transit by its
 151.7 employees residing in the metropolitan area. The agreement may provide for, among other
 151.8 things: (a) the advance purchase of tokens, tickets or other devices from the ~~council~~
 151.9 commissioner or other operator for use in lieu of fares on vehicles operated by the ~~council~~
 151.10 commissioner or other operator; and (b) special transit service for employees to and from
 151.11 their place of employment, at fares to be agreed upon by the contracting parties. The
 151.12 tokens, tickets, or other devices or services may be made available to employees at
 151.13 reduced rates. Any such agreement and arrangement by a state department or agency shall
 151.14 be submitted to the commissioner of administration for approval before execution. Any
 151.15 operating deficits or subsidy resulting from such agreements shall be assumed by the
 151.16 contracting department, agency, governmental unit, or other commission, unless otherwise
 151.17 provided in an agreement approved by the ~~council~~ commissioner.

151.18 Sec. 75. Minnesota Statutes 2014, section 473.41, subdivision 1, is amended to read:

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

151.21 (b) "Transit authority" means:

151.22 (1) a statutory or home rule charter city, with respect to rights-of-way at bus stop and
 151.23 train stop locations, transit shelters, and transit passenger seating facilities owned by the
 151.24 city or established pursuant to a vendor contract with the city;

151.25 (2) the ~~Metropolitan Council~~ commissioner of transportation, with respect to transit
 151.26 shelters and transit passenger seating facilities owned by the ~~council~~ Department of
 151.27 Transportation or established pursuant to a vendor contract with the ~~council~~ department; or

151.28 (3) a replacement service provider under section 473.388, with respect to
 151.29 rights-of-way at bus stop and train stop locations, transit shelters, and transit passenger
 151.30 seating facilities owned by the provider or established pursuant to a vendor contract
 151.31 with the provider.

151.32 (c) "Transit shelter" means a wholly or partially enclosed structure provided for
 151.33 public use as a waiting area in conjunction with light rail transit, bus rapid transit, or
 151.34 regular route transit.

152.1 Sec. 76. Minnesota Statutes 2014, section 473.411, subdivision 5, is amended to read:

152.2 Subd. 5. **Use of public roadways and appurtenances.** The ~~council~~ commissioner
152.3 may use for the purposes of sections 473.405 to 473.449 upon the conditions stated in this
152.4 subdivision any state highway or other public roadway, parkway, or lane, or any bridge
152.5 or tunnel or other appurtenance of a roadway, without payment of any compensation,
152.6 provided the use does not interfere unreasonably with the public use or maintenance of
152.7 the roadway or appurtenance or entail any substantial additional costs for maintenance.
152.8 The provisions of this subdivision do not apply to the property of any common carrier
152.9 railroad or common carrier railroads. The consent of the public agency in charge of such
152.10 state highway or other public highway or roadway or appurtenance is not required; except
152.11 that if the ~~council~~ commissioner seeks to use a designated parkway for regular route
152.12 service in the city of Minneapolis, it must obtain permission from and is subject to
152.13 reasonable limitations imposed by a joint board consisting of two representatives ~~from~~
152.14 ~~the council~~ of the department, two members of the board of park commissioners, and a
152.15 fifth member jointly selected by the other members of the board. If the use is a designated
152.16 Minneapolis parkway for regular route service adjacent to the city of Minneapolis, it must
152.17 obtain permission from and is subject to reasonable limitations imposed by a joint board
152.18 consisting of two representatives ~~from the council~~ of the department, two members of the
152.19 board of park commissioners, and a fifth member jointly selected by other members of
152.20 the board. The joint board must include a nonvoting member appointed by the ~~council~~ of
152.21 commissioner and residing in the city in which the parkway is located.

152.22 The board of park commissioners and the ~~council~~ commissioner may designate
152.23 persons to sit on the joint board. In considering a request by the ~~council~~ commissioner
152.24 to use designated parkways for additional routes or trips, the joint board consisting
152.25 of the ~~council~~ commissioner or ~~their~~ the commissioner's designees, the board of park
152.26 commissioners or ~~their~~ the commissioner's designees, and the fifth member, shall base its
152.27 decision to grant or deny the request based on the criteria to be established by the joint
152.28 board. The decision to grant or deny the request must be made within 45 days of the date
152.29 of the request. The park board must be notified immediately by the ~~council~~ commissioner
152.30 of any temporary route detours. If the park board objects to the temporary route detours
152.31 within five days of being notified, the joint board must convene and decide whether to grant
152.32 the request, otherwise the request is deemed granted. If the agency objects to the proposed
152.33 use or claims reimbursement from the ~~council~~ commissioner for additional cost of
152.34 maintenance, it may commence an action against the ~~council~~ department in the district court
152.35 of the county wherein the highway, roadway, or appurtenance, or major portion thereof,
152.36 is located. The proceedings in the action must conform to the Rules of Civil Procedure

153.1 applicable to the district courts. The court shall sit without jury. If the court determines
 153.2 that the use in question interferes unreasonably with the public use or maintenance of the
 153.3 roadway or appurtenance, it shall enjoin the use by the ~~council~~ commissioner. If the court
 153.4 determines that the use in question does not interfere unreasonably with the public use
 153.5 or maintenance of the roadway or appurtenance, but that it entails substantial additional
 153.6 maintenance costs, the court shall award judgment to the agency for the amount of the
 153.7 additional costs. Otherwise the court shall award judgment to the ~~council~~ department. An
 153.8 aggrieved party may appeal from the judgment of the district court in the same manner as
 153.9 is provided for such appeals in other civil actions. The ~~council~~ commissioner may also use
 153.10 land within the right-of-way of any state highway or other public roadway for the erection
 153.11 of traffic-control devices, other signs, and passenger shelters upon the conditions stated in
 153.12 this subdivision ~~and subject only to the approval of the commissioner of transportation~~
 153.13 ~~where required by statute~~, and subject to the express provisions of other applicable statutes
 153.14 and to federal requirements where necessary to qualify for federal aid.

153.15 Sec. 77. Minnesota Statutes 2014, section 473.415, subdivision 1, is amended to read:

153.16 Subdivision 1. **Includes no worse off clause.** If the ~~council~~ commissioner acquires
 153.17 an existing transit system, the ~~council~~ commissioner shall assume and observe all existing
 153.18 labor contracts and pension obligations. All employees of such system except executive
 153.19 and administrative officers who are necessary for the system operation thereof by the
 153.20 ~~council~~ shall be transferred to and appointed as employees of the ~~council~~ department for
 153.21 the purposes of the transit system, subject to all the rights and benefits of sections 473.405
 153.22 to 473.449. ~~Such~~ The employees shall be given seniority credit and sick leave, vacation,
 153.23 insurance, and pension credits in accordance with the records or labor agreements from
 153.24 the acquired transit system. The ~~council~~ department shall assume the obligations of any
 153.25 transit system acquired by it with regard to wages, salaries, hours, working conditions,
 153.26 sick leave, health and welfare and pension or retirement provisions for employees. The
 153.27 ~~council~~ department and the employees, through their representatives for collective
 153.28 bargaining purposes, shall take whatever action may be necessary to have pension trust
 153.29 funds presently under the joint control of the acquired system and the participating
 153.30 employees through their representatives transferred to the trust fund to be established,
 153.31 maintained and administered jointly by the ~~council~~ department and the participating
 153.32 employees through their representatives. No employee of any acquired system who is
 153.33 transferred to a position with the ~~council~~ department shall by reason of such transfer be
 153.34 placed in any worse position with respect to workers' compensation, pension, seniority,

154.1 wages, sick leave, vacation, health and welfare insurance or any other benefits than the
 154.2 employee enjoyed as an employee of such acquired system.

154.3 Sec. 78. Minnesota Statutes 2014, section 473.416, is amended to read:

154.4 **473.416 RIGHTS OF SYSTEM WORKERS IN TAKEOVER OF TRANSIT**
 154.5 **SYSTEM.**

154.6 Whenever the ~~council~~ commissioner directly operates any public transit system, or
 154.7 any part thereof, or enters into any management contract or other arrangement for the
 154.8 operation of a system, the ~~council~~ commissioner shall take the action necessary to extend
 154.9 to employees of the affected public transit systems, in accordance with seniority, the first
 154.10 opportunity for reasonably comparable employment in any available nonsupervisory
 154.11 jobs in respect to such operations for which they can qualify after a reasonable training
 154.12 period. The employment must not result in any worsening of the employee's position in
 154.13 the employee's former employment nor any loss of wages, hours, working conditions,
 154.14 seniority, fringe benefits, and rights and privileges pertaining thereto. The ~~council~~
 154.15 commissioner may enter into an agreement specifying fair and equitable arrangements to
 154.16 protect the interests of employees who may be affected if the ~~council~~ commissioner should
 154.17 acquire any interest in or purchase any facilities or other property of a privately owned
 154.18 and operated transit system, or construct, improve, or reconstruct any facilities or other
 154.19 property acquired from any system, or provide by contract or otherwise for the operation
 154.20 of transportation facilities or equipment in competition with, or supplementary to, the
 154.21 service provided by an existing transit system. The agreement, specifying the terms and
 154.22 conditions of the protective arrangements, must comply with any applicable requirements
 154.23 of this chapter, and with the requirements of any federal law or regulation if federal aid is
 154.24 involved. The agreement may provide for final and binding arbitration of any dispute.

154.25 Sec. 79. Minnesota Statutes 2014, section 473.42, is amended to read:

154.26 **473.42 EMPLOYER CONTRIBUTIONS FOR CERTAIN EMPLOYEES.**

154.27 Notwithstanding any contrary provisions of section 352.029, the ~~council~~ state shall
 154.28 make the employer contributions required pursuant to section 352.04, subdivision 3,
 154.29 for any employee who was on authorized leave of absence from the transit operating
 154.30 division of the former Metropolitan Transit Commission who is employed by the labor
 154.31 organization which is the exclusive bargaining agent representing Metro Transit Division
 154.32 employees of the council and who is covered by the Minnesota State Retirement System
 154.33 in addition to all other employer contributions the ~~council~~ state is required to make.

155.1 Sec. 80. Minnesota Statutes 2014, section 473.436, subdivision 2, is amended to read:

155.2 Subd. 2. **Legal investments.** Certificates of indebtedness, bonds, or other
155.3 obligations issued by the ~~council~~ Metropolitan Area Transit Board to which tax levies have
155.4 been pledged pursuant to section 473.446, subdivision 1, shall be proper for investment of
155.5 any funds by any bank, savings bank, savings association, credit union, trust company,
155.6 insurance company or public or municipal corporation, and may be pledged by any bank,
155.7 savings bank, savings association, credit union, or trust company as security for the
155.8 deposit of public moneys.

155.9 Sec. 81. Minnesota Statutes 2014, section 473.436, subdivision 3, is amended to read:

155.10 Subd. 3. **Tax exempt.** Certificates of indebtedness, bonds, or other obligations of
155.11 ~~the council~~ issued under section 473.39 or this section shall be deemed and treated as
155.12 instrumentalities of a public government agency.

155.13 Sec. 82. Minnesota Statutes 2014, section 473.436, subdivision 6, is amended to read:

155.14 Subd. 6. **Temporary borrowing.** On or after the first day of any fiscal year, the
155.15 ~~council~~ Metropolitan Area Transit Board may borrow money which may be used or
155.16 expended by the ~~council~~ commissioner of transportation for ~~any purpose, including but~~
155.17 ~~not limited to~~ current expenses, capital expenditures and the discharge of any obligation or
155.18 indebtedness ~~of the council~~ related to metropolitan area transit purposes. The indebtedness
155.19 must be represented by a note or notes which may be issued from time to time in any
155.20 denomination and sold at public or private sale pursuant to a resolution authorizing the
155.21 issuance. The resolution must set forth the form and manner of execution of the notes
155.22 and shall contain other terms and conditions the ~~council~~ board deems necessary or
155.23 desirable to provide security for the holders of the notes. The note or notes are payable
155.24 from committed or appropriated money from taxes, grants or loans of the state or federal
155.25 government made to the ~~council~~ board or the commissioner, or other revenues of the
155.26 ~~council~~ commissioner for metropolitan area transit purposes, and the money may be
155.27 pledged to the payment of the notes. The ~~council~~ is board and the commissioner are
155.28 authorized to pledge to the payment of the note or notes taxes levied ~~by it~~ under section
155.29 473.446, subdivision 1, clause (a), and if taxes are so pledged the ~~council~~ shall transfer
155.30 amounts received from the levy shall be transferred to the council board for payment
155.31 of the note or notes. To the extent the notes are not paid from the grant or loan money
155.32 pledged for the payment thereof, the principal and interest of the notes must be paid from
155.33 any taxes received by the ~~council~~ board and any income and revenue received by or

156.1 accrued to the ~~council~~ commissioner during the fiscal year in which the note or notes were
 156.2 issued, or other money of ~~the council~~ lawfully available therefor.

156.3 Sec. 83. Minnesota Statutes 2014, section 473.446, subdivision 1, is amended to read:

156.4 Subdivision 1. **Metropolitan area transit tax.** (a) For the purposes of sections
 156.5 473.405 to 473.449 and the metropolitan transit system, except as otherwise provided in
 156.6 this subdivision, the ~~council~~ Metropolitan Area Transit Board established in subdivision
 156.7 1c, shall levy each year upon all taxable property within the metropolitan area, defined in
 156.8 section 473.121, subdivision 2, a transit tax consisting of:

156.9 (1) an amount necessary to provide full and timely payment of certificates of
 156.10 indebtedness, bonds, including refunding bonds or other obligations issued or to be
 156.11 issued under section 473.39 ~~by the council~~ for purposes of acquisition and betterment of
 156.12 property and other improvements of a capital nature and to which the former Metropolitan
 156.13 Council, or the Metropolitan Area Transit Board, as applicable, has specifically pledged
 156.14 tax levies under this clause; and

156.15 (2) an additional amount necessary to provide full and timely payment of certificates
 156.16 of indebtedness issued by the former Metropolitan Council or the Metropolitan Area
 156.17 Transit Board, after consultation with the commissioner of management and budget, if
 156.18 revenues to the metropolitan area transit fund in the fiscal year in which the indebtedness
 156.19 is issued increase over those revenues in the previous fiscal year by a percentage less than
 156.20 the percentage increase for the same period in the revised Consumer Price Index for all
 156.21 urban consumers for the St. Paul-Minneapolis metropolitan area prepared by the United
 156.22 States Department of Labor.

156.23 (b) Indebtedness to which property taxes have been pledged under paragraph (a),
 156.24 clause (2), that is incurred in any fiscal year may not exceed the amount necessary to make
 156.25 up the difference between (1) the amount that the ~~council~~ commissioner of transportation
 156.26 received or expects to receive in that fiscal year from the metropolitan area transit fund and
 156.27 (2) the amount the former Metropolitan Council or the commissioner received from that
 156.28 fund in the previous fiscal year multiplied by the percentage increase for the same period
 156.29 in the revised Consumer Price Index for all urban consumers for the St. Paul-Minneapolis
 156.30 metropolitan area prepared by the United States Department of Labor.

156.31 Sec. 84. Minnesota Statutes 2014, section 473.446, is amended by adding a subdivision
 156.32 to read:

156.33 Subd. 1c. Metropolitan Area Transit Board. (a) A Metropolitan Area Transit
 156.34 Board is established, consisting of one commissioner of each county included in whole

157.1 or in part within the transit taxing district designated in subdivision 2. Each of those
 157.2 county boards must appoint its initial member to the Metropolitan Area Transit Board by
 157.3 June 1, 2015.

157.4 (b) The board must annually set the levy as required under this section, and may
 157.5 issue obligations as provided in section 473.39, and borrow as provided in section
 157.6 473.436. Each member's term on the board ends four years after the date of appointment
 157.7 or when the member ceases to be a county commissioner. The county board will appoint a
 157.8 successor member to represent the county on the transit board.

157.9 (c) The board may utilize no more than ... percent of the proceeds of the tax imposed
 157.10 under this section for ordinary administrative expenses incurred in carrying out the
 157.11 provisions of this section and sections 473.436 and 473.39. Any additional administrative
 157.12 expenses must be paid by the participating counties.

157.13 Sec. 85. Minnesota Statutes 2014, section 473.446, subdivision 2, is amended to read:

157.14 Subd. 2. **Transit taxing district.** The metropolitan transit taxing district is hereby
 157.15 designated as that portion of the metropolitan transit area lying within the following
 157.16 named cities, towns, or unorganized territory within the counties indicated:

157.17 (a) Anoka County. Anoka, Blaine, Centerville, Columbia Heights, Coon Rapids,
 157.18 Fridley, Circle Pines, Hilltop, Lexington, Lino Lakes, Spring Lake Park;

157.19 (b) Carver County. Chanhassen, the city of Chaska;

157.20 (c) Dakota County. Apple Valley, Burnsville, Eagan, Inver Grove Heights, Lilydale,
 157.21 Mendota, Mendota Heights, Rosemount, South St. Paul, Sunfish Lake, West St. Paul;

157.22 (d) Ramsey County. All of the territory within Ramsey County;

157.23 (e) Hennepin County. Bloomington, Brooklyn Center, Brooklyn Park, Champlin,
 157.24 Chanhassen, Crystal, Deephaven, Eden Prairie, Edina, Excelsior, Golden Valley,
 157.25 Greenwood, Hopkins, Long Lake, Maple Grove, Medicine Lake, Minneapolis,
 157.26 Minnetonka, Minnetonka Beach, Mound, New Hope, Orono, Osseo, Plymouth, Richfield,
 157.27 Robbinsdale, St. Anthony, St. Louis Park, Shorewood, Spring Park, Tonka Bay, Wayzata,
 157.28 Woodland, the unorganized territory of Hennepin County;

157.29 (f) Scott County. Prior Lake, Savage, Shakopee;

157.30 (g) Washington County. Baytown, the city of Stillwater, White Bear Lake, Bayport,
 157.31 Birchwood, Cottage Grove, Dellwood, Lake Elmo, Landfall, Mahtomedi, Newport,
 157.32 Oakdale, Oak Park Heights, Pine Springs, St. Paul Park, Willernie, Woodbury.

157.33 ~~The Metropolitan Council in its sole discretion~~ commissioner of transportation
 157.34 may provide transit service by contract beyond the boundaries of the metropolitan
 157.35 transit taxing district or to cities and towns within the taxing district ~~which are receiving~~

158.1 ~~financial assistance under section 473.388~~, upon petition therefor by an interested city,
 158.2 township or political subdivision within the metropolitan transit area. The ~~Metropolitan~~
 158.3 ~~Council~~ commissioner of transportation may establish such the terms and conditions as it
 158.4 ~~deems~~ deemed necessary and advisable for providing the transit service, including such
 158.5 combination of fares and direct payments by the petitioner as that will compensate ~~the~~
 158.6 ~~council~~ for the full capital and operating cost of the service and the related administrative
 158.7 activities ~~of the council~~. The amount of the levy made by any municipality to pay for the
 158.8 service shall be disregarded when calculation of levies subject to limitations is made;
 158.9 ~~provided that cities and towns receiving financial assistance under section 473.388 shall~~
 158.10 ~~not make a special levy under this subdivision without having first exhausted the available~~
 158.11 ~~local transit funds as defined in section 473.388~~. The ~~council shall~~ commissioner is not
 158.12 ~~be obligated to extend service beyond the boundaries of the taxing district, or to cities~~
 158.13 ~~and towns within the taxing district which are receiving financial assistance under section~~
 158.14 ~~473.388~~, under any law or contract unless or until payment therefor is received.

158.15 Sec. 86. Minnesota Statutes 2014, section 473.446, subdivision 3, is amended to read:

158.16 Subd. 3. **Certification and collection.** Each county treasurer shall collect and make
 158.17 settlement of the taxes levied under subdivisions 1 and 1a with the ~~treasurer of the council~~
 158.18 commissioner of transportation. The levy of transit taxes pursuant to this section shall not
 158.19 affect the amount or rate of taxes which may be levied by any county or municipality ~~or~~
 158.20 ~~by the council~~ for other purposes authorized by law and shall be in addition to any other
 158.21 property tax authorized by law.

158.22 Sec. 87. Minnesota Statutes 2014, section 473.446, subdivision 8, is amended to read:

158.23 Subd. 8. **State review.** The commissioner of revenue shall certify the ~~council's~~ levy
 158.24 limitation under this section to the ~~council~~ Metropolitan Area Transit Board by August 1
 158.25 of the levy year. The ~~council~~ board must certify its proposed property tax levy under this
 158.26 section to the commissioner of revenue by September 1 of the levy year. The commissioner
 158.27 of revenue shall annually determine whether the property tax for transit purposes certified
 158.28 ~~by the council~~ for levy ~~following the adoption of its proposed budget~~ by the board is
 158.29 within the levy limitation imposed by subdivisions 1 and 1b. The commissioner shall also
 158.30 annually determine whether the transit tax imposed on all taxable property within the
 158.31 metropolitan transit area but outside of the metropolitan transit taxing district is within the
 158.32 levy limitation imposed by subdivision 1a. The determination must be completed prior to
 158.33 September 10 of each year. If current information regarding market valuation in any county

159.1 is not transmitted to the commissioner in a timely manner, the commissioner may estimate
 159.2 the current market valuation within that county for purposes of making the calculations.

159.3 Sec. 88. Minnesota Statutes 2014, section 473.448, is amended to read:

159.4 **473.448 TRANSIT ASSETS EXEMPT FROM TAX BUT MUST PAY**
 159.5 **ASSESSMENTS.**

159.6 (a) Notwithstanding any other provision of law to the contrary, the properties,
 159.7 moneys, and other assets of the ~~council~~ department used for transit operations in the
 159.8 metropolitan area or for special transportation services in the metropolitan area and
 159.9 all revenues or other income from the ~~council's~~ department's transit operations in the
 159.10 metropolitan area or special transportation services in the metropolitan area are exempt
 159.11 from all taxation, licenses, or fees imposed by the state or by any county, municipality,
 159.12 political subdivision, taxing district, or other public agency or body of the state, except to
 159.13 the extent that the property is subject to the sales and use tax under chapter 297A.

159.14 (b) Notwithstanding paragraph (a), the ~~council's~~ department's transit properties are
 159.15 subject to special assessments levied by a political subdivision for a local improvement in
 159.16 amounts proportionate to and not exceeding the special benefit received by the properties
 159.17 from the improvement.

159.18 Sec. 89. Minnesota Statutes 2014, section 473.449, is amended to read:

159.19 **473.449 ACT EXCLUSIVE.**

159.20 The exercise by the ~~council~~ commissioner of the powers provided in sections
 159.21 473.405 to 473.449 shall not be subject to regulation by or the jurisdiction or control of
 159.22 any other public body or agency, either state, county, or municipal, except as specifically
 159.23 provided in this chapter.

159.24 Sec. 90. **TRANSFER PROVISIONS.**

159.25 Subdivision 1. General. The Metropolitan Council's powers and duties related
 159.26 to transit financing, coordination, and operation are transferred to the commissioner of
 159.27 transportation. Minnesota Statutes, section 15.039, applies to the transfer of the council's
 159.28 powers, duties, and assets to the commissioner to the extent practicable.

159.29 Subd. 2. Legislative proposal. (a) The commissioner of transportation shall prepare
 159.30 and submit to the legislature by February 1, 2016, proposed legislation to integrate the
 159.31 department's metropolitan area transit powers and duties with its other transportation
 159.32 powers and duties.

159.33 (b) The proposal must include the following elements:

160.1 (1) the Metropolitan Council transit operations shall become MnDOT Metropolitan
160.2 Transit Division (MTD);

160.3 (2) a dedicated account adequate for MTD transit operations shall be established
160.4 separate from road and bridge, greater Minnesota transit, and other transportation
160.5 department funds and accounts;

160.6 (3) MTD must fully advertise publicly owned and operated transit for the
160.7 metropolitan area;

160.8 (4) MTD shall continue to operate and maintain regional fleet buses, trains, and
160.9 routes with a process set up to transfer ownership of the regional fleet buses, trains, and
160.10 appurtenances to MTD;

160.11 (5) MCTO Union Local 1005 employees who were absorbed into Metropolitan
160.12 Council headquarters shall be given an opportunity to transfer to the new MTD by a
160.13 process in the legislative proposal;

160.14 (6) MCTO Union Local 1005 employees at the time of the transfer from the
160.15 Metropolitan Council to MTD shall be transferred to MTD and that the collective
160.16 bargaining agreement in effect for Transfer Union Local 1005 at the time of the transfer
160.17 continue in effect unchanged; and

160.18 (7) replacement services, contract services, and similar transit services that use MTD
160.19 fare boxes, radio system, transit supervision, police, security, maintenance, mechanical,
160.20 and other services may continue to do so if a fee is paid to MTD for the reasonable value
160.21 of the services.

160.22 Sec. 91. **APPROPRIATION.**

160.23 \$..... is appropriated in fiscal year 2016 from the general fund to the commissioner
160.24 of transportation, for the purposes of this article.

160.25 Sec. 92. **REPEALER.**

160.26 Minnesota Statutes 2014, sections 174.22, subdivision 3; 473.167, subdivisions
160.27 3 and 4; 473.388, subdivisions 1, 2, 3, 4, 5, and 7; 473.39, subdivision 4; 473.3993,
160.28 subdivision 4; 473.3999; 473.411, subdivisions 3 and 4; and 473.4461, are repealed.

160.29 Sec. 93. **EFFECTIVE DATE.**

160.30 Sections 28, 82, and 84 to 86, are effective for taxes levied in 2019, payable in 2020,
160.31 and thereafter. Section 35 is effective the day following final enactment. The remainder of
160.32 this article is effective July 1, 2019.

161.1 **ARTICLE 9**161.2 **WATER AND SOLID WASTE MANAGEMENT**161.3 Section 1. **[115.651] METROPOLITAN AREA SANITARY SEWER DISTRICT.**

161.4 **Subdivision 1. Definition.** For the purposes of this section, "Metropolitan Area
161.5 Sanitary Sewer District" or "metropolitan district" means a sanitary sewer district as
161.6 defined in the meaning of sections 115.61 to 115.67 that encompasses the metropolitan
161.7 area, as defined in section 473.121, subdivision 2.

161.8 **Subd. 2. Powers.** In addition to the powers and duties enumerated in sections
161.9 115.61 to 115.67, the metropolitan district has the powers and duties stated in this section.

161.10 **Subd. 3. Ordinances; penalties.** The metropolitan district shall have the power to
161.11 adopt ordinances relating to the operation of any interceptors or treatment works operated
161.12 by it and may provide penalties for ordinance violations not exceeding the maximum that
161.13 may be specified for a misdemeanor. Any rule prescribing a penalty for violation shall be
161.14 published at least once in a newspaper having general circulation in the metropolitan area.

161.15 **Subd. 4. Gifts; grants; loans.** The metropolitan district may accept gifts, may
161.16 apply for and accept grants or loans of money or other property from the United States, the
161.17 state, or any person for any of its purposes, including any grant available under the federal
161.18 Water Pollution Control Act Amendments of 1972, whether for construction, research or
161.19 pilot project implementation; may enter into any agreement required by the grant or loan;
161.20 and may hold, use, and dispose of the money or property in accordance with the terms
161.21 of the gift, grant, loan, or agreement. The metropolitan district has all powers necessary
161.22 to comply with the federal Water Pollution Control Act Amendments of 1972 and any
161.23 associated grant offered to it including, but not limited to, the power to enter into contracts
161.24 with, or to impose charges upon, persons using the metropolitan disposal system as it shall
161.25 determine to be necessary for the recovery of treatment works and interceptor costs paid
161.26 with federal grant funds. These costs shall be recovered by local government units on
161.27 behalf of the metropolitan district to the greatest extent practicable.

161.28 **Subd. 5. Joint or cooperative action.** The metropolitan district may act under
161.29 the provisions of section 471.59, or any other appropriate law providing for joint or
161.30 cooperative action between government units.

161.31 **Subd. 6. May acquire property.** The metropolitan district may acquire, by
161.32 purchase, lease, condemnation, gift, or grant, any real or personal property including
161.33 positive and negative easements and water and air rights, and it may construct, enlarge,
161.34 improve, replace, repair, maintain, and operate any interceptor or treatment works
161.35 determined to be necessary or convenient for the collection and disposal of sewage in the

162.1 metropolitan area. Any local government unit and the commissioners of transportation
162.2 and natural resources are authorized to convey to the metropolitan district any facilities
162.3 owned or controlled by it, or permit the metropolitan district to use any facilities owned
162.4 or controlled by it subject to the rights of the holders of any bonds issued with respect
162.5 thereto, with or without compensation, and without an election or approval by any other
162.6 government agency. All powers conferred by this subdivision may be exercised within or
162.7 without the metropolitan area as may be necessary for the metropolitan district to exercise
162.8 its powers or accomplish its purposes. The metropolitan district may hold property for its
162.9 purposes and may lease any property not needed for its purposes, upon the terms and in
162.10 the manner as it shall deem advisable. Unless otherwise provided, the right to acquire
162.11 lands and property rights by condemnation shall be exercised in accordance with chapter
162.12 117 and shall apply to any interest in property owned by any local government unit,
162.13 provided that no property devoted to an actual public use at the time, or held to be devoted
162.14 to public use within a reasonable time, shall be acquired unless a court of competent
162.15 jurisdiction determines that the use proposed by the district is paramount to that use.
162.16 Except for property in actual public use, the metropolitan district may take possession
162.17 of any property for which condemnation proceedings have been commenced at any time
162.18 after the issuance of a court order appointing commissioners for its condemnation.

162.19 Subd. 7. **Nonfranchise required.** The metropolitan district may construct or
162.20 maintain its systems or facilities in, along, on, under, over, or through public streets,
162.21 bridges, viaducts, and other public rights-of-way without first obtaining a franchise
162.22 from any local government unit having jurisdiction over them, but the facilities shall be
162.23 constructed and maintained in accordance with the ordinances and resolutions of any
162.24 government unit relating to construction, installation, and maintenance of similar facilities
162.25 in public properties and shall not obstruct the public use of rights-of-way.

162.26 Subd. 8. **Surplus property.** The metropolitan district may sell or otherwise
162.27 dispose of any real or personal property acquired by it that is no longer required for
162.28 accomplishment of its purposes. The property may be sold in the manner provided by
162.29 section 469.065, as far as practical. The metropolitan district may give the notice of sale
162.30 as it shall deem appropriate. When the metropolitan district determines that any property
162.31 or any interceptor or treatment works that have been acquired from a local government
162.32 unit without compensation is no longer required, but is required as a local facility by the
162.33 government unit from which it was acquired, the metropolitan district may by resolution
162.34 transfer it to the government unit.

162.35 Subd. 9. **Pacts with other governments.** The metropolitan district may contract
162.36 with the United States or its agency, any state or its agency, or any local government unit,

163.1 agency, or subdivision, for the joint use of any facility owned by the metropolitan district
163.2 or the entity, for the operation by the entity of any system or facility of the metropolitan
163.3 district, or for the performance of any service on the metropolitan district's behalf, on
163.4 terms agreed upon by the contracting parties.

163.5 Sec. 2. **[115.652] TOTAL WATERSHED MANAGEMENT.**

163.6 The metropolitan district may enter into agreements with other governmental
163.7 bodies and agencies and spend funds to implement total watershed management. "Total
163.8 watershed management" means identifying and quantifying at a watershed level the (1)
163.9 sources of pollution, both point and nonpoint, (2) causes of conditions that may or may
163.10 not be a result of pollution, and (3) means of reducing pollution or alleviating adverse
163.11 conditions. The purpose of total watershed management is to achieve the best water
163.12 quality for waters of the state receiving the effluent of the metropolitan disposal system for
163.13 the lowest total costs, without regard to who will incur those costs.

163.14 Sec. 3. **[115.653] SEWER SERVICE FUNCTION.**

163.15 Subdivision 1. **Duty of metropolitan district; existing; new facilities.** The
163.16 metropolitan district shall assume ownership of all existing interceptors and treatment
163.17 works that will be needed for the collection, treatment, and disposal of sewage in the
163.18 metropolitan area, in the manner and subject to the conditions prescribed in subdivision
163.19 2, and shall thereafter acquire, construct, equip, operate, and maintain all additional
163.20 interceptors and treatment works that will be needed for those purposes. The metropolitan
163.21 district shall assume ownership of all treatment works owned by a local government unit if
163.22 any part of the treatment works will be needed for the stated purposes.

163.23 Subd. 2. **Method of acquisition; existing debt.** The metropolitan district may
163.24 require any local government unit to transfer to the metropolitan district all of its rights,
163.25 titles, and interest in any interceptors or treatment works, and all necessary appurtenances
163.26 owned by the local government unit that will be needed for the purpose stated in subdivision
163.27 1. Appropriate instruments of conveyance for the property shall be executed and delivered
163.28 to the metropolitan district by the proper officers of each local government unit concerned.
163.29 All persons regularly employed by a local government unit to operate and maintain any
163.30 treatment works so transferred to the metropolitan district, on the date on which the transfer
163.31 becomes effective, shall be employees of the metropolitan district, in the same manner and
163.32 with the same options and rights as are reserved to employees of sanitary districts and
163.33 joint boards under subdivision 3. The metropolitan district, upon assuming ownership of
163.34 interceptors or treatment works, shall become obligated to pay to the local government

164.1 unit amounts sufficient to pay when due all remaining principal of and interest on bonds
164.2 issued by the local government unit for the acquisition or betterment of the interceptors or
164.3 treatment works taken over. These amounts may be offset against any amount to be paid
164.4 to the metropolitan district by the local government unit as provided in section 115.656.

164.5 Subd. 3. **Existing sanitary districts; joint sewer boards.** The employees shall
164.6 perform duties prescribed by the metropolitan district. All subsequent collections of taxes,
164.7 special assessments, or service charges levied or imposed by or for the Metropolitan
164.8 Council must be transferred to the metropolitan district. Effective July 1, 2016, employees
164.9 of the Metropolitan Council wastewater division are employees of the metropolitan
164.10 district. The district shall make the employer's contributions to pension funds of its
164.11 employees. The metropolitan district shall succeed to and become vested by action of
164.12 law with all right, title, and interest in and to any property, real or personal, owned or
164.13 operated by the Metropolitan Council in conjunction with its powers and duties related
164.14 to wastewater. Prior to that date, the Metropolitan Council shall execute and deliver to
164.15 the metropolitan district all deeds, conveyances, bills of sale, and other documents or
164.16 instruments required to vest in the metropolitan district good and marketable title to all
164.17 real or personal property, provided that vesting of the title must occur by operation of law
164.18 and failure to execute and deliver the documents does not affect the vesting of title in the
164.19 metropolitan district on the dates indicated in this subdivision. The metropolitan district
164.20 shall become obligated to pay or assume all bonded or other debt and contract obligations
164.21 incurred by the former Metropolitan Council wastewater division for the acquisition or
164.22 betterment of any interceptors or treatment works.

164.23 Sec. 4. **[115.654] SEWAGE COLLECTION AND DISPOSAL; POWERS.**

164.24 Subdivision 1. **Identification of powers.** In addition to all other powers conferred
164.25 upon or delegated to the metropolitan district, the metropolitan district shall have the
164.26 powers specified in this section.

164.27 Subd. 2. **Right to discharge treated sewage.** The metropolitan district shall have
164.28 the right to discharge the effluent from any treatment works operated by it into any waters
164.29 of the state in accordance with any effluent or water quality standards lawfully adopted
164.30 by the Pollution Control Agency.

164.31 Subd. 3. **Connections with metropolitan system.** The metropolitan district may
164.32 require any person or local government unit in the metropolitan area to provide for the
164.33 discharge of its sewage, directly or indirectly, into the metropolitan disposal system,
164.34 or to connect part or all of any disposal system or part with the metropolitan disposal
164.35 system wherever reasonable opportunity is provided; may regulate the manner in which

165.1 the connections are made; may require any person or local government unit discharging
165.2 sewage into the metropolitan disposal system to provide preliminary treatment; may
165.3 prohibit the discharge into the metropolitan disposal system of any substance that it
165.4 determines will or may be harmful to the system or any persons operating it; and may
165.5 require any local government unit to discontinue the acquisition, betterment, or operation
165.6 of any facility for its disposal system wherever adequate service is or will be provided by
165.7 the metropolitan disposal system.

165.8 **Sec. 5. [115.655] VIOLATION OF WASTEWATER LAW; REMEDIES;**
165.9 **PENALTIES.**

165.10 Subdivision 1. **Remedies available.** (a) For purposes of this section, "violation"
165.11 means any discharge or action by a person that violates sections or rules, standards,
165.12 variances, ordinances, limitations, orders, stipulations, agreements, schedules of
165.13 compliance, or permits that are issued or adopted by the metropolitan district under
165.14 sections 115.651 to 115.665.

165.15 (b) Each violation may be enforced by any one or a combination of the following:
165.16 criminal prosecution, civil action, or other appropriate action in accordance with sections
165.17 115.651 to 115.665.

165.18 Subd. 2. **Criminal penalties; duties.** (a) Any person who commits a violation
165.19 under subdivision 1 may be sentenced to imprisonment for not more than 90 days or to
165.20 payment of a fine of not more than \$1,000, or both.

165.21 (b) County attorneys, sheriffs and other peace officers, and other officers authorized
165.22 to enforce criminal laws shall take all action necessary to prosecute and punish violations.

165.23 Subd. 3. **Civil penalties.** A violation is subject to a penalty payable to the state, in
165.24 an amount to be determined by the court, of not more than \$1,000 per day of violation.

165.25 The civil penalty may be recovered by a civil action brought by the metropolitan district
165.26 in the name of the state.

165.27 **Sec. 6. [115.656] ALLOCATION OF COSTS.**

165.28 Subdivision 1. **Allocation method.** Except as provided in subdivision 2, the
165.29 estimated costs of operation, maintenance, and debt service of the metropolitan disposal
165.30 system to be paid by the metropolitan district in each fiscal year, and the costs of
165.31 acquisition and betterment of the system that are to be paid during the year from funds
165.32 other than bond proceeds, including all expenses incurred by the metropolitan district
165.33 pursuant to sections 115.653 to 115.665, are referred to in this section as current costs
165.34 and shall be allocated among and paid by all local government units that will discharge

166.1 sewage, directly or indirectly, into the metropolitan disposal system during the budget year
166.2 according to an allocation method determined by the metropolitan district. The allocated
166.3 costs may include an amount for a reserve or contingency fund and an amount for cash
166.4 flow management. The cash-flow management fund so established must not exceed five
166.5 percent of the metropolitan district's total waste control operating budget.

166.6 **Subd. 2. Allocation of treatment; interceptor costs; reserved capacity. (a)**
166.7 In preparing each budget, the metropolitan district shall estimate the current costs of
166.8 acquisition, betterment, and debt service of the treatment works in the metropolitan
166.9 disposal system that will not be used to total capacity during the budget year and the
166.10 percentage of capacity that will not be used, and shall deduct the same percentage of
166.11 the treatment works costs from the current costs allocated under subdivision 1. The
166.12 metropolitan district shall also estimate the current costs of acquisition, betterment, and
166.13 debt service of the interceptors in the metropolitan disposal system that will not be
166.14 used to total capacity during the budget year, shall estimate the percentage of the total
166.15 capacity that will not be used, and shall deduct the same percentage of interceptor costs
166.16 from the current costs allocated under subdivision 1. The total amount so deducted with
166.17 respect to all treatment works and interceptors in the system shall be allocated among
166.18 and paid by the respective local government units in the metropolitan area through a
166.19 metropolitan sewer availability charge for each new connection or increase in capacity
166.20 demand to the metropolitan disposal system within each local government unit. Amounts
166.21 collected through the metropolitan sewer availability charge (SAC) must be deposited in
166.22 the metropolitan district's wastewater reserve capacity fund. Each fiscal year, an amount
166.23 from the wastewater reserve capacity fund shall be transferred to the wastewater operating
166.24 fund for the reserved capacity costs described in this paragraph. For the purposes of this
166.25 subdivision, the amount transferred from the wastewater reserve capacity fund to the
166.26 wastewater operating fund shall be referred to as the "SAC transfer amount."

166.27 (b) If, after appropriate study and a public hearing, the metropolitan district
166.28 determines for the next fiscal year that a reduction of the SAC transfer amount is
166.29 necessary or desirable to ensure adequate funds remain in the wastewater reserve capacity
166.30 fund, based on a goal of maintaining at least the next year's estimated SAC transfer
166.31 amount in the wastewater reserve capacity fund, the metropolitan district may reduce the
166.32 SAC transfer amount for that fiscal year. If the metropolitan district reduces the SAC
166.33 transfer amount for the next fiscal year, the metropolitan district must then increase the
166.34 metropolitan sewer availability charge by an amount not less than the greater of six percent
166.35 or the annual percentage change in the Consumer Price Index for the metropolitan region
166.36 for the previous year plus three percentage points. For the purposes of this subdivision,

167.1 any reduction in the SAC transfer amount shall be referred to as the "SAC transfer deficit."
167.2 This paragraph expires at the end of calendar year 2015.

167.3 (c) The metropolitan district will record on a cumulative basis the total SAC transfer
167.4 deficit. In any year that the wastewater reserve capacity fund has a year-end balance of at
167.5 least two years' estimated SAC transfer amount, the metropolitan district shall increase the
167.6 subsequent annual SAC transfer amount in excess of the amount required by paragraph (a)
167.7 with the goal of eliminating the cumulative total SAC transfer deficit. The annual amount
167.8 by which the metropolitan district increases the SAC transfer amount shall be determined
167.9 by the metropolitan district after appropriate study and a public hearing.

167.10 Subd. 3. **Deferment of payments.** The metropolitan district may provide for the
167.11 deferment of payment of all or part of the allocated costs that are allocated by the district
167.12 to a local government unit in any year pursuant to subdivision 2, repayable at the time or
167.13 times as the metropolitan district shall specify, with interest at the approximate average
167.14 annual rate borne by metropolitan district bonds outstanding at the time of the deferment, as
167.15 determined by the metropolitan district. The deferred costs shall be allocated to and paid by
167.16 all local government units in the metropolitan area that will discharge sewage, directly or
167.17 indirectly, into the metropolitan disposal system in the budget year for which the deferment
167.18 is granted, in the same manner and proportions as costs are allocated under subdivision 1.

167.19 Subd. 4. **Direct charging of industrial users.** (a) For the purposes of this
167.20 subdivision, the term "industrial discharger" means a recipient of wastewater treatment
167.21 services that is required by metropolitan district rules or procedures to have a permit
167.22 issued by the metropolitan district in order to discharge sewage to the metropolitan
167.23 disposal system.

167.24 (b) The metropolitan district may directly impose on all or any category of industrial
167.25 dischargers all or any portion of the costs that would otherwise be allocated among and
167.26 paid by local government units under subdivision 1. Any amounts imposed directly on
167.27 industrial dischargers by the metropolitan district under this subdivision must be deducted
167.28 from the amounts to be allocated among and paid by local government units under
167.29 subdivision 1, and any charges imposed by a local government unit for the same purpose
167.30 are of no further force and effect from and after the effective date of the metropolitan
167.31 district's direct charges. Charges imposed under this subdivision are in addition to any
167.32 other charges imposed on industrial dischargers by a local government unit and must be
167.33 paid by the industrial discharger at intervals as may be established by the metropolitan
167.34 district. The metropolitan district may impose interest charges upon delinquent payments.

167.35 (c) Charges by the metropolitan district to industrial dischargers under this
167.36 subdivision including any interest charges, as well as any other charges or related fees

168.1 owed by the industrial discharger pursuant to a discharge permit issued by the metropolitan
168.2 district for the subject property, are a charge jointly and severally against the owners,
168.3 lessees, and occupants of the property served. The metropolitan district may certify the
168.4 unpaid amounts to the appropriate county auditor as a tax for collection as other taxes
168.5 are collected on the property served. The proceeds of any tax collected pursuant to the
168.6 metropolitan district's certification must be paid by the county treasurer to the metropolitan
168.7 district when collected. Certification does not preclude the metropolitan district from
168.8 recovery of delinquent amounts and interest under any other available remedy.

168.9 Sec. 7. **[115.6565] 1972 WATER POLLUTION CONTROL ACT; USE CHARGE**
168.10 **SHARES.**

168.11 Each local government unit shall adopt a system of charges for the use and
168.12 availability of the metropolitan disposal system that will assure that each recipient of
168.13 waste treatment services within or served by the unit will pay its proportionate share of the
168.14 costs allocated to the unit by the metropolitan district under section 115.656, as required
168.15 by the federal Water Pollution Control Act Amendments of 1972, and any regulations
168.16 issued pursuant to it. Each system of charges shall be adopted as soon as possible and
168.17 shall be submitted to the metropolitan district. The metropolitan district shall review each
168.18 system of charges to determine whether it complies with the federal law and regulations. If
168.19 it determines that a system of charges does not comply, the adopting unit shall be notified
168.20 and shall change its system to comply, and shall submit the changes to the metropolitan
168.21 district for review. All subsequent changes in a system of charges proposed by a local
168.22 government unit shall also be submitted to the metropolitan district for review.

168.23 Sec. 8. **[115.657] PAYMENTS TO METROPOLITAN DISTRICT.**

168.24 Subdivision 1. **Amounts due metropolitan district, when payable.** Charges
168.25 payable to the metropolitan district by local government units may be made payable at the
168.26 times during each year as the metropolitan district determines, but dates shall be fixed
168.27 with reference to the dates on which tax, assessment, and revenue collections become
168.28 available to the government units required to pay the charges.

168.29 Subd. 2. **Component municipalities; obligations to metropolitan district.** Each
168.30 government unit shall pay to the metropolitan district all sums charged to it as provided in
168.31 section 115.656, at the times and in the manner determined by the metropolitan district.
168.32 The governing body of each government unit shall take all action that may be necessary to
168.33 provide the funds required for the payments and to make the same when due.

169.1 Subd. 3. **Powers of government units.** To accomplish any duty imposed on it by
169.2 the metropolitan district, the governing body of every government unit in the metropolitan
169.3 area may exercise the powers granted any municipality by chapters 117, 412, 429, 475,
169.4 and sections 115.46, 444.075, and 471.59.

169.5 Subd. 4. **Deficiency tax levies.** If the governing body of any local government
169.6 unit fails to meet any payment to the metropolitan district when due, the metropolitan
169.7 district may certify to the auditor of the county in which the government unit is located the
169.8 amount required for payment with interest at six percent per annum. The auditor shall
169.9 levy and extend the amount as a tax upon all taxable property in the government unit for
169.10 the next calendar year, free from any existing limitations imposed by law or charter. The
169.11 tax shall be collected in the same manner as the general taxes of the government unit, and
169.12 the proceeds, when collected, shall be paid by the county treasurer to the treasurer of the
169.13 metropolitan district and credited to the government unit for which the tax was levied.

169.14 Sec. 9. **[115.658] CONSTRUCTION CONTRACTS SUBJECT TO UNIFORM**
169.15 **MUNICIPAL BID LAW.**

169.16 Subdivision 1. **Bids for contracts.** All contracts for construction work, or for the
169.17 purchase of materials, supplies, or equipment relating to the metropolitan disposal system
169.18 shall be made as provided in section 471.345, subdivisions 3 to 6. Contracts subject to
169.19 section 471.345, subdivision 3, shall be made by the metropolitan district by publishing
169.20 once in a legal newspaper or trade paper published in a city of the first class not less than
169.21 two weeks before the last day for submission of bids, notice that bids or proposals will
169.22 be received. The notice shall state the nature of the work or purchase, the terms and
169.23 conditions upon which the contract is to be awarded, and a time and place where bids will
169.24 be received, opened, and read publicly. After the bids have been duly received, opened,
169.25 read publicly, and recorded, the metropolitan district shall award the contract to the lowest
169.26 responsible bidder or it may reject all bids and readvertise. Each contract shall be duly
169.27 executed in writing and the party to whom the contract is awarded shall give sufficient
169.28 bond or security to the board for the faithful performance of the contract as required by
169.29 law. The metropolitan district shall have the right to set qualifications and specifications
169.30 and to require bids to meet all the qualifications and specifications before being accepted.
169.31 If the metropolitan district by an affirmative vote of two-thirds of its members declares
169.32 that an emergency exists requiring the immediate purchase of materials or supplies at a
169.33 cost in excess of the amount specified in section 471.345, subdivision 3, or in making
169.34 emergency repairs, it shall not be necessary to advertise for bids.

170.1 Subd. 2. **Contracts over \$50,000; best value alternative.** As an alternative to the
170.2 procurement method described in subdivision 1, the metropolitan district may issue a
170.3 request for proposals and award the contract to the vendor or contractor offering the
170.4 best value under a request for proposals as described in section 16C.28, subdivision 1,
170.5 paragraph (a), clause (2), and paragraph (c).

170.6 Subd. 3. **Manager's authority.** The manager of wastewater services may, without
170.7 prior approval of the metropolitan district and without advertising for bids, enter into
170.8 any contract of the type referred to in subdivision 1 that is not in excess of the amount
170.9 specified in section 471.345, subdivision 3.

170.10 Sec. 10. [115.659] **DEBT OBLIGATIONS.**

170.11 Subdivision 1. **Certificates of indebtedness.** At any time or times after approval
170.12 of an annual budget, and in anticipation of the collection of tax and other revenues
170.13 appropriated in the budget, the metropolitan district may, by resolution, authorize the
170.14 issuance, negotiation, and sale, in the form and manner and upon the terms as it may
170.15 determine, of general obligation certificates of indebtedness in aggregate principal
170.16 amounts not exceeding 50 percent of the total amount of the appropriations, and maturing
170.17 not later than April 1 following the close of the budget year. All receipts of tax and other
170.18 revenues included in the budget, after the expenditure of appropriated funds, shall be
170.19 irrevocably appropriated to a special fund to pay the principal of and the interest on the
170.20 certificates when due. If the anticipated revenues are insufficient to pay the certificates
170.21 and interest when due, the metropolitan district shall levy a tax in the amount of the
170.22 deficiency on all taxable property in the metropolitan area, and shall appropriate this
170.23 amount to the special fund, to be credited thereto from the first tax and other revenues
170.24 received in the following budget year.

170.25 Subd. 2. **Emergency certificates.** If, in any budget year, the receipts of tax and
170.26 other revenues should from some unforeseen cause become insufficient to pay the
170.27 metropolitan district's current wastewater control expenses, or if any calamity or other
170.28 public emergency should subject it to the necessity of making extraordinary wastewater
170.29 control expenditures, the metropolitan district may make an emergency appropriation of
170.30 an amount sufficient to meet the deficiency and may authorize the issuance, negotiation,
170.31 and sale of certificates of indebtedness in this amount in the same manner and upon the
170.32 same conditions as provided in subdivision 1, except that the metropolitan district shall
170.33 forthwith levy on all taxable property in the metropolitan area a tax sufficient to pay the
170.34 certificates and interest and shall appropriate all collections of the tax to a special fund

171.1 created for that purpose. The certificates may mature not later than April 1 in the year
171.2 following the year in which the tax is collectible.

171.3 Subd. 3. **General obligation bonds.** The metropolitan district may, by resolution,
171.4 authorize the issuance of general obligation bonds for the acquisition or betterment of
171.5 any interceptors or treatment works determined to be necessary or desirable for the
171.6 metropolitan disposal system, or for the refunding of outstanding bonds, certificates of
171.7 indebtedness, or judgments. The metropolitan district shall provide for the issuance and
171.8 sale and for the security of the bonds in the manner provided in chapter 475 and shall have
171.9 the same powers and duties as a municipality issuing bonds under that law, except that no
171.10 election shall be required and the net debt limitations in chapter 475 shall not apply to
171.11 the bonds. The metropolitan district may also pledge for the payment of the bonds any
171.12 revenues receivable under section 115.656.

171.13 Subd. 4. **Revenue bonds.** (a) The metropolitan district may, by resolution, authorize
171.14 the issuance of revenue bonds for any purpose for which general obligation bonds may be
171.15 issued under subdivision 3. The bonds shall be sold, issued, and secured in the manner
171.16 provided in chapter 475 for bonds payable solely from revenues, except as otherwise
171.17 provided in this subdivision, and the metropolitan district shall have the same powers
171.18 and duties as a municipality and the governing body of a municipality in issuing bonds
171.19 under that chapter. The bonds shall be payable from and secured by a pledge of all or any
171.20 part of revenues receivable under section 115.656; and shall not, and shall state they
171.21 do not, represent or constitute a general obligation or debt of the metropolitan district;
171.22 and shall not be included in the net debt of any city, county, or other subdivision of the
171.23 state for the purpose of any net debt limitation. The proceeds of the bonds may be used
171.24 to pay credit enhancement fees.

171.25 (b) The bonds may be secured by a bond resolution, or a trust indenture entered into
171.26 by the metropolitan district with a corporate trustee within or outside the state, which shall
171.27 define the revenues and bond proceeds pledged for the payment and security of the bonds.
171.28 The pledge shall be a valid charge on the revenues received under section 115.656. No
171.29 mortgage of or security interest in any tangible real or personal property shall be granted to
171.30 the bondholders or the trustee, but they shall have a valid security interest in the revenues
171.31 and bond proceeds received by the council and pledged to the payment of the bonds as
171.32 against the claims of all persons in tort, contract, or otherwise, irrespective of whether the
171.33 parties have notice and without possession or filing as provided in the Uniform Commercial
171.34 Code or any other law, subject, however, to the rights of the holders of any general
171.35 obligation bonds issued under subdivision 3. In the bond resolution or trust indenture,
171.36 the metropolitan district may make covenants as it determines to be reasonable for the

172.1 protection of the bondholders, including a covenant to issue general obligation bonds to
172.2 refund the revenue bonds if and to the extent required to pay principal and interest on the
172.3 bonds and to certify a deficiency tax levy as provided in section 115.657, subdivision 4.

172.4 (c) Neither the metropolitan district, nor any metropolitan district member, officer, or
172.5 employee, nor any agent of the metropolitan district, nor any person executing the bonds
172.6 shall be liable personally on the bonds by reason of their issuance. The bonds shall not be
172.7 payable from, nor a charge upon, any funds other than the revenues and bond proceeds
172.8 pledged to payment of the bonds, nor shall the metropolitan district be subject to liability
172.9 or have the power to obligate itself to pay, or to pay the bonds from funds other than the
172.10 revenues and bond proceeds pledged, and no holder or holders of bonds shall ever have the
172.11 right to compel any exercise of the taxing power of the metropolitan district (except any
172.12 deficiency tax levy the metropolitan district covenants to certify under section 115.657,
172.13 subdivision 4) or any other public body, to the payment of principal of or interest on the
172.14 bonds, nor to enforce payment against any property of the metropolitan district or other
172.15 public body other than that expressly pledged for payment.

172.16 Sec. 11. **[115.661] DEPOSITORIES.**

172.17 The metropolitan district shall, from time to time, designate one or more national or
172.18 state banks, or trust companies authorized to do a banking business, as official depositories
172.19 for money of the metropolitan district, and shall require the treasurer to deposit all or
172.20 a part of the money in the designated institutions. The designation shall be in writing
172.21 and shall set forth all the terms and conditions upon which the deposits are made. The
172.22 designation shall be signed by the chair and treasurer, and made a part of the minutes of
172.23 the metropolitan district. Any bank or trust company so designated shall qualify as a
172.24 depository by furnishing a corporate surety bond or collateral in the amounts required by
172.25 section 118A.03. However, no bond or collateral shall be required to secure any deposit
172.26 insofar as it is insured under federal law.

172.27 Sec. 12. **[115.662] MONEY, ACCOUNTS, AND INVESTMENTS.**

172.28 Subdivision 1. **Disposed of as budgeted; pledges.** All money from wastewater
172.29 control operations received by the metropolitan district shall be deposited or invested by
172.30 the treasurer and disposed of as the metropolitan district may direct in accordance with its
172.31 waste control budget, provided that any money that has been pledged or dedicated by the
172.32 metropolitan district to the payment of obligations or interest or associated expenses or
172.33 for any other specific purpose authorized by law shall be paid by the treasurer into the
172.34 fund to which it has been pledged.

173.1 Subd. 2. **Accounts.** The metropolitan district's treasurer shall establish funds and
173.2 accounts that may be necessary or convenient to handle the receipts and disbursements of
173.3 the metropolitan district in an orderly fashion.

173.4 Subd. 3. **Where to deposit; how to invest.** Money in the funds and accounts may
173.5 be deposited in the official depositories of the metropolitan district or invested as provided
173.6 in this subdivision. The amount not currently needed or required by law to be kept in cash
173.7 on deposit may be invested in obligations authorized for the investment of public funds
173.8 by section 118A.04. Money may also be held under certificates of deposit issued by any
173.9 official depository of the metropolitan district.

173.10 Subd. 4. **Bond proceeds.** The use of proceeds of all bonds issued by the
173.11 metropolitan district for the acquisition and betterment of interceptors or treatment
173.12 works, and the use, other than investment, of all money in any sinking fund or funds of
173.13 the metropolitan district, shall be governed by the provisions of chapter 475 and the
173.14 provisions of resolutions authorizing the issuance of bonds.

173.15 Sec. 13. **[115.663] PROPERTY EXEMPT FROM TAXATION.**

173.16 Any properties, real or personal, owned, leased, controlled, used, or occupied by
173.17 the metropolitan district for any purpose referred to in Minnesota Statutes 1984, section
173.18 473.502, are declared to be acquired, owned, leased, controlled, used, and occupied for
173.19 public, governmental, and municipal purposes, and shall be exempt from taxation by the
173.20 state or any political subdivision of the state, except to the extent that the property is
173.21 subject to the sales and use tax under chapter 297A, provided that the properties shall be
173.22 subject to special assessments levied by a political subdivision for a local improvement in
173.23 amounts proportionate to and not exceeding the special benefit received by the properties
173.24 from the improvement. No possible use of the properties in any manner different from
173.25 their use as part of the metropolitan disposal system at the time shall be considered in
173.26 determining the special benefit received by the properties. All the assessments shall be
173.27 subject to final confirmation by the metropolitan district, whose determination of the
173.28 benefits shall be conclusive upon the political subdivision levying the assessment.

173.29 Sec. 14. **[115.664] TAX LEVIES.**

173.30 The metropolitan district shall have power to levy taxes for debt service of the
173.31 metropolitan disposal system upon all taxable property within the metropolitan area,
173.32 without limitation of rate or amount and without affecting the amount or rate of taxes that
173.33 may be levied by the metropolitan district for other purposes or by any local government
173.34 unit in the area. The metropolitan district shall also have power to levy taxes as provided

174.1 in section 115.657. Each of the county auditors shall annually assess and extend upon
 174.2 the tax rolls in the auditor's county the portion of the taxes levied by the metropolitan
 174.3 district in each year that is certified to the auditor by the metropolitan district. Each county
 174.4 treasurer shall collect and make settlement of the taxes with the metropolitan district in the
 174.5 same manner as with other political subdivisions.

174.6 Sec. 15. **[115.665] RELATION TO EXISTING LAWS.**

174.7 The provisions of sections 115.653 to 115.67 shall be given full effect
 174.8 notwithstanding any other law. The powers conferred on the metropolitan district under
 174.9 sections 115.653 to 115.67 shall in no way diminish or supersede the powers conferred on
 174.10 the Pollution Control Agency by chapters 115 and 116.

174.11 Sec. 16. **[115.666] SEVERABILITY.**

174.12 If any provision of sections 115.61 to 115.67 or its application to any person or
 174.13 circumstances is held to be invalid, the invalidity shall not affect other provisions or
 174.14 applications of sections 115.61 to 115.67, which can be given effect without the invalid
 174.15 provision or application, and to this end the provisions of sections 115.61 to 115.67 and
 174.16 their various applications are declared to be severable.

174.17 Sec. 17. Minnesota Statutes 2014, section 115.741, subdivision 2, is amended to read:

174.18 Subd. 2. **Geographic representation.** At least one of the water supply system
 174.19 operators and at least one of the wastewater treatment facility operators must be from
 174.20 outside the seven-county metropolitan area and one wastewater operator must come from
 174.21 the ~~Metropolitan Council~~ seven-county metropolitan area.

174.22 Sec. 18. Minnesota Statutes 2014, section 115A.151, is amended to read:

174.23 **115A.151 RECYCLING REQUIREMENTS; PUBLIC ENTITIES;**
 174.24 **COMMERCIAL BUILDINGS; SPORTS FACILITIES.**

174.25 (a) A public entity, the owner of a sports facility, and an owner of a commercial
 174.26 building shall:

174.27 (1) ensure that facilities under its control, from which mixed municipal solid waste
 174.28 is collected, also collect at least three recyclable materials, such as, but not limited to,
 174.29 paper, glass, plastic, and metal; and

174.30 (2) transfer all recyclable materials collected to a recycler.

174.31 (b) For the purposes of this section:

175.1 (1) "public entity" means the state, an office, agency, or institution of the state,
 175.2 ~~the Metropolitan Council~~, a metropolitan agency, the Metropolitan Mosquito Control
 175.3 Commission, the legislature, the courts, a county, a statutory or home rule charter city, a
 175.4 town, a school district, a special taxing district, or any entity that receives an appropriation
 175.5 from the state for a capital improvement project after August 1, 2002;

175.6 (2) "metropolitan agency" ~~and "Metropolitan Council,"~~ have has the meanings
 175.7 meaning given ~~them~~ in section 473.121;

175.8 (3) "Metropolitan Mosquito Control Commission" means the commission created
 175.9 in section 473.702;

175.10 (4) "commercial building" means a building that:

175.11 (i) is located in a metropolitan county, as defined in section 473.121;

175.12 (ii) contains a business classified in sectors 42 to 81 under the North American
 175.13 Industrial Classification System; and

175.14 (iii) contracts for four cubic yards or more per week of solid waste collection; and

175.15 (5) "sports facility" means a professional or collegiate sports facility at which
 175.16 competitions take place before a public audience.

175.17 Sec. 19. Minnesota Statutes 2014, section 115A.471, is amended to read:

175.18 **115A.471 PUBLIC ENTITIES; MANAGEMENT OF SOLID WASTE.**

175.19 (a) Prior to entering into or approving a contract for the management of mixed
 175.20 municipal solid waste ~~which~~ that would manage the waste using a waste management
 175.21 practice that is ranked lower on the list of preferred waste management practices in section
 175.22 115A.02, paragraph (b), than the waste management practice selected for such waste in
 175.23 the county plan for the county in which the waste was generated, a public entity must:

175.24 (1) determine the potential liability to the public entity and its taxpayers for
 175.25 managing the waste in this manner;

175.26 (2) develop and implement a plan for managing the potential liability; and

175.27 (3) submit the information from clauses (1) and (2) to the agency.

175.28 (b) For the purpose of this subdivision, "public entity" means the state; an office,
 175.29 agency, or institution of the state; ~~the Metropolitan Council~~; a metropolitan agency; the
 175.30 Metropolitan Mosquito Control District; the legislature; the courts; a county; a statutory or
 175.31 home rule charter city; a town; a school district; another special taxing district; or any
 175.32 other general or special purpose unit of government in the state.

175.33 Sec. 20. Minnesota Statutes 2014, section 115A.52, is amended to read:

175.34 **115A.52 TECHNICAL ASSISTANCE FOR PROJECTS.**

176.1 The commissioner shall ensure the delivery of technical assistance for projects
176.2 eligible under the program. The commissioner may contract or issue grants for the delivery
176.3 of technical assistance by any state or federal agency, a regional development commission,
176.4 ~~the Metropolitan Council~~, or private consultants and may use program funds to reimburse
176.5 the agency, commission, ~~council~~, or consultants. The commissioner shall prepare and
176.6 publish an inventory of sources of technical assistance, including studies, publications,
176.7 agencies, and persons available. The commissioner shall ensure statewide benefit from
176.8 projects assisted under the program by developing exchange and training programs for
176.9 local officials and employees and by using the experience gained in projects to provide
176.10 technical assistance and education for other solid waste management projects in the state.

176.11 Sec. 21. Minnesota Statutes 2014, section 116.16, subdivision 2, is amended to read:

176.12 Subd. 2. **Definitions.** In this section and sections 116.17 and 116.18:

176.13 (1) agency means the Minnesota Pollution Control Agency created by this chapter;

176.14 (2) municipality means any county, city, town, ~~the metropolitan council~~, or an Indian
176.15 tribe or an authorized Indian tribal organization, and any other governmental subdivision
176.16 of the state responsible by law for the prevention, control, and abatement of water
176.17 pollution in any area of the state;

176.18 (3) water pollution control program means the Minnesota state water pollution
176.19 control program created by subdivision 1;

176.20 (4) bond account means the Minnesota state water pollution control bond account
176.21 created in the state bond fund by section 116.17, subdivision 4;

176.22 (5) terms defined in section 115.01 have the meanings therein given them;

176.23 (6) the eligible cost of any municipal project, except as otherwise provided in
176.24 clause (7), includes (a) preliminary planning to determine the economic, engineering,
176.25 and environmental feasibility of the project; (b) engineering, architectural, legal, fiscal,
176.26 economic, sociological, project administrative costs of the agency and the municipality,
176.27 and other investigations and studies; (c) surveys, designs, plans, working drawings,
176.28 specifications, procedures, and other actions necessary to the planning, design, and
176.29 construction of the project; (d) erection, building, acquisition, alteration, remodeling,
176.30 improvement, and extension of disposal systems; (e) inspection and supervision of
176.31 construction; and (f) all other expenses of the kinds enumerated in section 475.65;

176.32 (7) for state grants under the state independent grants program, the eligible cost
176.33 includes the acquisition of land for stabilization ponds, the construction of collector
176.34 sewers for totally unsewered statutory and home rule charter cities and towns described
176.35 under section 368.01, subdivision 1 or 1a, that are in existence on January 1, 1985, and the

177.1 provision of reserve capacity sufficient to serve the reasonable needs of the municipality
177.2 for 20 years in the case of treatment works and 40 years in the case of sewer systems. For
177.3 state grants under the state independent grants program, the eligible cost does not include
177.4 the provision of service to seasonal homes, or cost increases from contingencies that
177.5 exceed three percent of as-bid costs or cost increases from unanticipated site conditions
177.6 that exceed an additional two percent of as-bid costs;

177.7 (8) authority means the Minnesota Public Facilities Authority established in section
177.8 446A.03.

177.9 Sec. 22. Minnesota Statutes 2014, section 116.182, subdivision 1, is amended to read:

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

177.12 (b) "Agency" means the Pollution Control Agency.

177.13 (c) "Authority" means the Public Facilities Authority established in section 446A.03.

177.14 (d) "Commissioner" means the commissioner of the Pollution Control Agency.

177.15 (e) "Essential project components" means those components of a wastewater
177.16 disposal system that are necessary to convey or treat a municipality's existing wastewater
177.17 flows and loadings.

177.18 (f) "Municipality" means a county, home rule charter or statutory city, town, ~~the~~
177.19 ~~Metropolitan Council~~, an Indian tribe or an authorized Indian tribal organization; or any
177.20 other governmental subdivision of the state responsible by law for the prevention, control,
177.21 and abatement of water pollution in any area of the state.

177.22 (g) "Outstanding international resource value waters" are the surface waters of the
177.23 state in the Lake Superior Basin, other than Class 7 waters and those waters designated as
177.24 outstanding resource value waters.

177.25 (h) "Outstanding resource value waters" are those that have high water quality,
177.26 wilderness characteristics, unique scientific or ecological significance, exceptional
177.27 recreation value, or other special qualities that warrant special protection.

177.28 Sec. 23. Minnesota Statutes 2014, section 116D.04, subdivision 1a, is amended to read:

177.29 Subd. 1a. **Definitions.** For the purposes of this chapter, the following terms have the
177.30 meanings given to them in this subdivision.

177.31 (a) "Natural resources" has the meaning given it in section 116B.02, subdivision 4.

177.32 (b) "Pollution, impairment or destruction" has the meaning given it in section
177.33 116B.02, subdivision 5.

178.1 (c) "Environmental assessment worksheet" means a brief document ~~which~~ that
178.2 is designed to set out the basic facts necessary to determine whether an environmental
178.3 impact statement is required for a proposed action.

178.4 (d) "Governmental action" means activities, including projects wholly or partially
178.5 conducted, permitted, assisted, financed, regulated, or approved by units of government
178.6 including the federal government.

178.7 (e) "Governmental unit" means any state agency and any general or special purpose
178.8 unit of government in the state including, but not limited to, watershed districts organized
178.9 under chapter 103D, counties, towns, cities, port authorities, housing authorities, and
178.10 economic development authorities established under sections 469.090 to 469.108, but not
178.11 including courts, school districts, Iron Range resources and rehabilitation, and regional
178.12 development commissions ~~other than the Metropolitan Council.~~

178.13 Sec. 24. Minnesota Statutes 2014, section 116G.03, subdivision 5, is amended to read:

178.14 Subd. 5. **Regional development commission.** "Regional development commission"
178.15 means any regional development commission created pursuant to sections 462.381 to
178.16 462.396 ~~and the Metropolitan Council created by chapter 473.~~

178.17 Sec. 25. Minnesota Statutes 2014, section 116G.15, subdivision 2, is amended to read:

178.18 Subd. 2. **Administration; duties.** (a) The commissioner of natural resources, after
178.19 consultation with affected local units of government within the Mississippi River corridor
178.20 critical area, may adopt rules under chapter 14 as are necessary for the administration of
178.21 the Mississippi River corridor critical area program. Duties of the Environmental Quality
178.22 Council or the Environmental Quality Board referenced in this chapter, related rules, and
178.23 the governor's Executive Order No. 79-19, published in the State Register on March 12,
178.24 1979, that are related to the Mississippi River corridor critical area shall be the duties of
178.25 the commissioner. All rules adopted by the board pursuant to these duties remain in effect
178.26 and shall be enforced until amended or repealed by the commissioner in accordance with
178.27 law. The commissioner shall work in consultation with the United States Army Corps of
178.28 Engineers, the National Park Service, ~~the Metropolitan Council,~~ other agencies, and local
178.29 units of government to ensure that the Mississippi River corridor critical area is managed
178.30 as a multipurpose resource in a way that:

178.31 (1) conserves the scenic, environmental, recreational, mineral, economic, cultural,
178.32 and historic resources and functions of the river corridor;

179.1 (2) maintains the river channel for transportation by providing and maintaining
 179.2 barging and fleeting areas in appropriate locations consistent with the character of the
 179.3 Mississippi River and riverfront;

179.4 (3) provides for the continuation, development, and redevelopment of a variety of
 179.5 urban uses, including industrial and commercial uses, and recreational and residential
 179.6 uses, where appropriate, within the Mississippi River corridor;

179.7 (4) utilizes certain reaches of the river as a source of water supply and as a receiving
 179.8 water for properly treated sewage, storm water, and industrial waste effluents; and

179.9 (5) protects and preserves the biological and ecological functions of the corridor.

179.10 ~~(b) The Metropolitan Council shall incorporate the standards developed under~~
 179.11 ~~this section into its planning and shall work with local units of government and the~~
 179.12 ~~commissioner to ensure the standards are being adopted and implemented appropriately.~~

179.13 ~~(e)~~ (b) The rules must be consistent with residential nonconformity provisions under
 179.14 sections 394.36 and 462.357.

179.15 Sec. 26. Minnesota Statutes 2014, section 116G.15, subdivision 5, is amended to read:

179.16 Subd. 5. **Application.** The standards established under this section shall be used:

179.17 (1) by local units of government when preparing or updating plans or modifying
 179.18 regulations;

179.19 (2) by state and regional agencies for permit regulation and in developing plans
 179.20 within their jurisdiction; and

179.21 ~~(3) by the Metropolitan Council for reviewing plans and regulations; and~~

179.22 ~~(4)~~ (3) by the commissioner when approving plans and regulations, and reviewing
 179.23 development permit applications.

179.24 Sec. 27. Minnesota Statutes 2014, section 116J.401, subdivision 2, is amended to read:

179.25 Subd. 2. **Duties; authorizations; limitations.** (a) The commissioner of employment
 179.26 and economic development shall:

179.27 (1) provide regional development commissions, ~~the Metropolitan Council,~~ and
 179.28 units of local government with information, technical assistance, training, and advice on
 179.29 using federal and state programs;

179.30 (2) receive and administer the Small Cities Community Development Block Grant
 179.31 Program authorized by Congress under the Housing and Community Development Act of
 179.32 1974, as amended;

180.1 (3) receive and administer the section 107 technical assistance program grants
180.2 authorized by Congress under the Housing and Community Development Act of 1974, as
180.3 amended;

180.4 (4) receive, administer, and supervise other state and federal grants and grant
180.5 programs for planning, community affairs, community development purposes,
180.6 employment and training services, and other state and federal programs assigned to the
180.7 department by law or by the governor in accordance with section 4.07;

180.8 (5) receive applications for state and federal grants and grant programs for planning,
180.9 community affairs, and community development purposes, and other state and federal
180.10 programs assigned to the department by law or by the governor in accordance with section
180.11 4.07;

180.12 (6) act as the agent of, and cooperate with, the federal government in matters of
180.13 mutual concern, including the administration of any federal funds granted to the state to
180.14 aid in the performance of functions of the commissioner;

180.15 (7) provide consistent, integrated employment and training services across the state;

180.16 (8) administer the Wagner-Peyser Act, the Workforce Investment Act, and other
180.17 federal employment and training programs;

180.18 (9) establish the standards for all employment and training services administered
180.19 under this chapter and chapters 116L, 248, 268, and 268A;

180.20 (10) administer the aspects of the Minnesota family investment program, general
180.21 assistance, and food stamps that relate to employment and training services, subject to the
180.22 contract under section 116L.86, subdivision 1;

180.23 (11) obtain reports from local service units and service providers for the purpose of
180.24 evaluating the performance of employment and training services;

180.25 (12) as requested, certify employment and training services, and decertify services
180.26 that fail to comply with performance criteria according to standards established by the
180.27 commissioner;

180.28 (13) develop standards for the contents and structure of the local service unit plans
180.29 and plans for Indian tribe employment and training services, review and comment on those
180.30 plans, and approve or disapprove the plans;

180.31 (14) supervise the county boards of commissioners, local service units, and any other
180.32 units of government designated in federal or state law as responsible for employment and
180.33 training programs;

180.34 (15) establish administrative standards and payment conditions for providers of
180.35 employment and training services;

181.1 (16) enter into agreements with Indian tribes as necessary to provide employment
181.2 and training services as appropriate funds become available;

181.3 (17) cooperate with the federal government and its employment and training
181.4 agencies in any reasonable manner as necessary to qualify for federal aid for employment
181.5 and training services and money;

181.6 (18) administer and supervise all forms of unemployment insurance provided for
181.7 under federal and state laws;

181.8 (19) provide current state and substate labor market information and forecasts, in
181.9 cooperation with other agencies;

181.10 (20) require all general employment and training programs that receive state funds
181.11 to make available information about opportunities for women in nontraditional careers
181.12 in the trades and technical occupations;

181.13 (21) consult with the Rehabilitation Council for the Blind on matters pertaining to
181.14 programs and services for the blind and visually impaired;

181.15 (22) enter into agreements with other departments of the state and local units of
181.16 government as necessary;

181.17 (23) establish and maintain administrative units necessary to perform administrative
181.18 functions common to all divisions of the department;

181.19 (24) investigate, study, and undertake ways and means of promoting and encouraging
181.20 the prosperous development and protection of the legitimate interest and welfare of
181.21 Minnesota business, industry, and commerce, within and outside the state;

181.22 (25) locate markets for manufacturers and processors and aid merchants in locating
181.23 and contacting markets;

181.24 (26) as necessary or useful for the proper execution of the powers and duties of the
181.25 commissioner in promoting and developing Minnesota business, industry, and commerce,
181.26 both within and outside the state, investigate and study conditions affecting Minnesota
181.27 business, industry, and commerce; collect and disseminate information; and engage in
181.28 technical studies, scientific investigations, statistical research, and educational activities;

181.29 (27) plan and develop an effective business information service both for the direct
181.30 assistance of business and industry of the state and for the encouragement of business and
181.31 industry outside the state to use economic facilities within the state;

181.32 (28) compile, collect, and develop periodically, or otherwise make available,
181.33 information relating to current business conditions;

181.34 (29) conduct or encourage research designed to further new and more extensive uses
181.35 of the natural and other resources of the state and designed to develop new products
181.36 and industrial processes;

182.1 (30) study trends and developments in the industries of the state and analyze the
182.2 reasons underlying the trends;

182.3 (31) study costs and other factors affecting successful operation of businesses within
182.4 the state;

182.5 (32) make recommendations regarding circumstances promoting or hampering
182.6 business and industrial development;

182.7 (33) serve as a clearing house for business and industrial problems of the state;

182.8 (34) advise small business enterprises regarding improved methods of accounting
182.9 and bookkeeping;

182.10 (35) cooperate with interstate commissions engaged in formulating and promoting
182.11 the adoption of interstate compacts and agreements helpful to business, industry, and
182.12 commerce;

182.13 (36) cooperate with other state departments and with boards, commissions, and other
182.14 state agencies in the preparation and coordination of plans and policies for the development
182.15 of the state and for the use and conservation of its resources insofar as the use, conservation,
182.16 and development may be appropriately directed or influenced by a state agency;

182.17 (37) in connection with state, county, and municipal public works projects, assemble
182.18 and coordinate information relative to the status, scope, cost, and employment possibilities
182.19 and availability of materials, equipment, and labor, and recommend limitations on the
182.20 public works;

182.21 (38) gather current progress information with reference to public and private
182.22 works projects of the state and its political subdivisions with reference to conditions of
182.23 employment;

182.24 (39) inquire into and report to the governor, when requested by the governor, with
182.25 respect to any program of public state improvements and its financing; and request and
182.26 obtain information from other state departments or agencies as may be needed for the report;

182.27 (40) study changes in population and current trends and prepare plans and suggest
182.28 policies for the development and conservation of the resources of the state;

182.29 (41) confer and cooperate with the executive, legislative, or planning authorities of
182.30 the United States, neighboring states and provinces, and the counties and municipalities
182.31 of neighboring states, for the purpose of bringing about a coordination between the
182.32 development of neighboring provinces, states, counties, and municipalities and the
182.33 development of this state;

182.34 (42) generally gather, compile, and make available statistical information relating to
182.35 business, trade, commerce, industry, transportation, communication, natural resources,
182.36 and other like subjects in this state, with authority to call upon other state departments for

183.1 statistical data and results obtained by them and to arrange and compile that statistical
183.2 information in a reasonable manner;

183.3 (43) publish documents and annually convene regional meetings to inform
183.4 businesses, local government units, assistance providers, and other interested persons of
183.5 changes in state and federal law related to economic development;

183.6 (44) annually convene conferences of providers of economic development-related
183.7 financial and technical assistance for the purposes of exchanging information on economic
183.8 development assistance, coordinating economic development activities, and formulating
183.9 economic development strategies;

183.10 (45) provide business with information on the economic benefits of energy
183.11 conservation and on the availability of energy conservation assistance;

183.12 (46) as part of the biennial budget process, prepare performance measures for each
183.13 business loan or grant program within the jurisdiction of the commissioner. Measures
183.14 include source of funds for each program, number of jobs proposed or promised at the
183.15 time of application and the number of jobs created, estimated number of jobs retained, the
183.16 average salary and benefits for the jobs resulting from the program, and the number of
183.17 projects approved;

183.18 (47) provide a continuous program of education for business people;

183.19 (48) publish, disseminate, and distribute information and statistics;

183.20 (49) promote and encourage the expansion and development of markets for
183.21 Minnesota products;

183.22 (50) promote and encourage the location and development of new businesses in the
183.23 state as well as the maintenance and expansion of existing businesses and for that purpose
183.24 cooperate with state and local agencies and individuals, both within and outside the state;

183.25 (51) advertise and disseminate information as to natural resources, desirable
183.26 locations, and other advantages for the purpose of attracting businesses to locate in this
183.27 state;

183.28 (52) aid the various communities in this state in attracting business to their
183.29 communities;

183.30 (53) advise and cooperate with municipal, county, regional, and other planning
183.31 agencies and planning groups within the state for the purpose of promoting coordination
183.32 between the state and localities as to plans and development in order to maintain a high
183.33 level of gainful employment in private profitable production and achieve commensurate
183.34 advancement in social and cultural welfare;

184.1 (54) coordinate the activities of statewide and local planning agencies, correlate
184.2 information secured from them and from state departments and disseminate information
184.3 and suggestions to the planning agencies;

184.4 (55) encourage and assist in the organization and functioning of local planning
184.5 agencies where none exist; and

184.6 (56) adopt measures calculated to promote public interest in and understanding of
184.7 the problems of planning and, to that end, may publish and distribute copies of any plan
184.8 or any report and may employ other means of publicity and education that will give full
184.9 effect to the provisions of sections 116J.60 to 116J.63.

184.10 (b) At the request of any governmental subdivision in paragraph (a), clause (53),
184.11 the commissioner may provide planning assistance, which includes but is not limited to
184.12 surveys, land use studies, urban renewal plans, technical services and other planning work
184.13 to any city or other municipality in the state or perform similar planning work in any
184.14 county or metropolitan or regional area in the state. The commissioner must not perform
184.15 the planning work with respect to a metropolitan or regional area which is under the
184.16 jurisdiction for planning purposes of a county, metropolitan, regional, or joint planning
184.17 body, except at the request or with the consent of the respective county, metropolitan,
184.18 regional, or joint planning body.

184.19 (c) The commissioner is authorized to:

184.20 (1) receive and expend money from municipal, county, regional, and other planning
184.21 agencies;

184.22 (2) accept and disburse grants and other aids for planning purposes from the federal
184.23 government and from other public or private sources;

184.24 (3) utilize money received under clause (2) for the employment of consultants and
184.25 other temporary personnel to assist in the supervision or performance of planning work
184.26 supported by money other than state-appropriated money;

184.27 (4) enter into contracts with agencies of the federal government, units of local
184.28 government or combinations thereof, and with private persons that are necessary in the
184.29 performance of the planning assistance function of the commissioner; and

184.30 (5) assist any local government unit in filling out application forms for the federal
184.31 grants-in-aid.

184.32 (d) In furtherance of its planning functions, any city or town, however organized,
184.33 may expend money and contract with agencies of the federal government, appropriate
184.34 departments of state government, other local units of government, and with private persons.

184.35 Sec. 28. Minnesota Statutes 2014, section 473.121, subdivision 24, is amended to read:

185.1 Subd. 24. **Metropolitan disposal system.** "Metropolitan disposal system" means
185.2 any or all of the interceptors or treatment works owned or operated by the metropolitan
185.3 ~~Council~~ district.

185.4 Sec. 29. Minnesota Statutes 2014, section 473.149, subdivision 3, is amended to read:

185.5 Subd. 3. **Preparation; adoption; and revision.** (a) The solid waste policy plan
185.6 shall be prepared, adopted, and revised as necessary in accordance with paragraphs (c)
185.7 to (e), after consultation with the metropolitan counties.

185.8 (b) Revisions to the policy plan are exempt from the rulemaking provisions of
185.9 chapter 14.

185.10 (c) Before beginning preparation of revisions to the policy plan, the commissioner
185.11 shall publish a predrafting notice in the State Register that includes a statement of the
185.12 subjects expected to be covered by the revisions, including a summary of the important
185.13 problems and issues. The notice must solicit comments from the public and state that the
185.14 comments must be received by the commissioner within 45 days of publication of the
185.15 notice. The commissioner shall consider the comments in preparing the revisions.

185.16 (d) After publication of the predrafting notice and before adopting revisions to the
185.17 policy plan, the commissioner shall publish a notice in the State Register that:

185.18 (1) contains a summary of the proposed revisions;

185.19 (2) invites public comment;

185.20 (3) lists locations where the proposed revised policy plan can be reviewed and states
185.21 that copies of the proposed revised policy plan can also be obtained from the Pollution
185.22 Control Agency;

185.23 (4) states a location for a public meeting on the revisions at a time no earlier than
185.24 30 days from the date of publication; and

185.25 (5) advises the public that they have 30 days from the date of the public meeting in
185.26 clause (4) to submit comments on the revisions to the commissioner.

185.27 (e) At the meeting described in paragraph (d), clause (4), the public shall be given an
185.28 opportunity to present their views on the policy plan revisions. The commissioner shall
185.29 incorporate any amendments to the proposed revisions that, in the commissioner's view,
185.30 will help to carry out the requirements of subdivisions 1, 2d, and 2e. At or before the time
185.31 that policy plan revisions are finally adopted, the commissioner shall issue a report that
185.32 addresses issues raised in the public comments. The report shall be made available to the
185.33 public and mailed to interested persons who have submitted their names and addresses to
185.34 the commissioner.

186.1 (f) The criteria and standards adopted in the policy plan for review of solid waste
 186.2 facility permits pursuant to section 473.823, subdivision 3; for issuance of certificates of
 186.3 need pursuant to section 473.823, subdivision 6; and for review of solid waste contracts
 186.4 pursuant to section 473.813 may be appealed to the Court of Appeals within 30 days
 186.5 after final adoption of the policy plan. The court may declare the challenged portion of
 186.6 the policy plan invalid if it violates constitutional provisions, is in excess of statutory
 186.7 authority of the commissioner, or was adopted without compliance with the procedures
 186.8 in this subdivision. The review shall be on the record created during the adoption of the
 186.9 policy plan, except that additional evidence may be included in the record if the court
 186.10 finds that the additional evidence is material and there were good reasons for failure to
 186.11 present it in the proceedings described in paragraphs (c) to (e).

186.12 (g) ~~The Metropolitan Council or~~ A metropolitan county, local government unit,
 186.13 commission, or person shall not acquire, construct, improve or operate any solid waste
 186.14 facility in the metropolitan area except in accordance with the plan and section 473.823,
 186.15 provided that no solid waste facility in use when a plan is adopted shall be discontinued
 186.16 solely because it is not located in an area designated in the plan as acceptable for the
 186.17 location of such facilities.

186.18 Sec. 30. **REPEALER.**

186.19 Minnesota Statutes 2014, sections 115.66; 115A.03, subdivision 19; 473.1565;
 186.20 473.501, subdivisions 1 and 3; 473.504, subdivisions 4, 5, 6, 9, 10, 11, and 12; 473.505;
 186.21 473.511, subdivisions 1, 2, 3, and 4; 473.5111; 473.512; 473.513; 473.515; 473.5155;
 186.22 473.516, subdivisions 1, 2, 3, and 4; 473.517, subdivisions 1, 3, 6, and 10; 473.519;
 186.23 473.521; 473.523, subdivisions 1 and 1a; 473.524; 473.541; 473.542; 473.543,
 186.24 subdivisions 1, 2, 3, and 4; 473.545; 473.547; 473.549; and 473.834, subdivisions 1
 186.25 and 2, are repealed.

186.26 Sec. 31. **EFFECTIVE DATE.**

186.27 This article is effective July 1, 2016.

186.28 **ARTICLE 10**

186.29 **METROPOLITAN SPORTS FACILITIES AUTHORITY**

186.30 Section 1. Minnesota Statutes 2014, section 473J.25, is amended by adding a
 186.31 subdivision to read:

186.32 Subd. 6. **Conforming changes.** By January 1, 2016, the authority must submit
 186.33 a bill to the chairs and ranking minority members of the committees in the house of

187.1 representatives and the senate with primary jurisdiction over state and local government
187.2 issues. The bill must:
187.3 (1) provide for the transition of duties and obligations of the former commission to
187.4 the authority;
187.5 (2) specify unnecessary, outdated, and redundant statutes to be repealed; and
187.6 (3) provide for any changes necessary relating to the abolition of the Metropolitan
187.7 Council.

187.8 **Sec. 2. REPEALER.**

187.9 Minnesota Statutes 2014, section 473J.25, subdivision 5, is repealed.

187.10 **ARTICLE 11**

187.11 **CONFORMING AMENDMENTS**

187.12 **Section 1. REVISOR'S INSTRUCTION.**

187.13 The revisor of statutes shall prepare, in an appropriate bill for the 2016 session,
187.14 conforming statutory amendments necessitated by this act.

187.15 **ARTICLE 12**

187.16 **APPLICATION**

187.17 **Section 1. METROPOLITAN COUNTIES.**

187.18 Unless the context indicates otherwise, this act applies in the counties of Anoka,
187.19 Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

APPENDIX
Article locations in 15-4180

ARTICLE 1	METROPOLITAN COUNCIL ABOLISHED	Page.Ln 2.46
ARTICLE 2	PUBLIC SAFETY RADIO COMMUNICATION	Page.Ln 81.23
ARTICLE 3	FISCAL DISPARITIES	Page.Ln 84.3
ARTICLE 4	METROPOLITAN LAND USE PLANNING	Page.Ln 86.21
ARTICLE 5	METROPOLITAN AIRPORTS COMMISSION	Page.Ln 87.1
ARTICLE 6	METROPOLITAN AGRICULTURAL PRESERVES	Page.Ln 93.11
ARTICLE 7	PARKS AND OPEN SPACE	Page.Ln 94.17
ARTICLE 8	TRANSPORTATION	Page.Ln 103.27
ARTICLE 9	WATER AND SOLID WASTE MANAGEMENT	Page.Ln 161.1
ARTICLE 10	METROPOLITAN SPORTS FACILITIES AUTHORITY	Page.Ln 186.28
ARTICLE 11	CONFORMING AMENDMENTS	Page.Ln 187.10
ARTICLE 12	APPLICATION	Page.Ln 187.15

3.8841 LEGISLATIVE COMMISSION ON METROPOLITAN GOVERNMENT.

Subdivision 1. **Established.** The Legislative Commission on Metropolitan Government is established to oversee the Metropolitan Council's operating and capital budgets, work program, and capital improvement program.

Subd. 2. **Membership.** The commission consists of four senators appointed by the senate Subcommittee on Committees of the Committee on Rules and Administration, three senators appointed by the senate minority leader, four state representatives appointed by the speaker of the house, and three state representatives appointed by the house minority leader. All members must reside in or represent a portion of the seven-county metropolitan area. The appointing authorities must ensure balanced geographic representation. Each appointing authority must make appointments as soon as possible after the opening of the next regular session of the legislature in each odd-numbered year.

Subd. 3. **Terms; vacancies.** Members of the commission serve for a two-year term beginning upon appointment and expiring upon appointment of a successor after the opening of the next regular session of the legislature in the odd-numbered year. A vacancy in the membership of the commission must be filled for the unexpired term in a manner that will preserve the representation established by this section.

Subd. 4. **Chair.** The commission must meet as soon as practicable after members are appointed in each odd-numbered year to elect its chair and other officers as it may determine necessary. A chair serves a two-year term, expiring in the odd-numbered year after a successor is elected. The chair must alternate biennially between the senate and the house of representatives.

Subd. 5. **Compensation.** Members serve without compensation but may be reimbursed for their reasonable expenses as members of the legislature.

Subd. 6. **Staff.** Legislative staff must provide administrative and research assistance to the commission.

Subd. 7. **Meetings; procedures.** The commission meets at the call of the chair. If there is a quorum, the commission may take action by a simple majority vote of commission members present.

Subd. 8. **Powers; duties; Metropolitan Council levy, budget oversight.** The commission must monitor, review, and make recommendations to the Metropolitan Council and to the legislature for the following calendar year on:

- (1) the tax rate and dollar amount of the Metropolitan Council's property tax levies and any proposed increases in the rate or dollar amount of tax;
- (2) any request for an increase in the debt of the Metropolitan Council;
- (3) the overall work and role of the Metropolitan Council;
- (4) the Metropolitan Council's proposed operating and capital budgets, work program, and capital improvement program; and
- (5) the Metropolitan Council's implementation of the operating and capital budgets, work program, and capital improvement program.

Subd. 9. **Powers; duties; Metropolitan Council appointments oversight.** The commission must monitor appointments to the Metropolitan Council and may make recommendations on appointments to the nominating committee under section 473.123, subdivision 3, or to the governor before the governor makes the appointments. The commission may also make recommendations to the senate before appointments are presented to the senate for its advice and consent.

103B.235 LOCAL WATER MANAGEMENT PLANS.

Subd. 3a. **Review by Metropolitan Council.** Concurrently with its submission of its local water management plan to the watershed management organization as provided in subdivision 3, each local unit of government shall submit its water management plan to the Metropolitan Council for review and comment by the council. The council shall have 45 days to review and comment upon the local plan or parts of the plan with respect to consistency with the council's comprehensive development guide for the metropolitan area. The council's 45-day review period shall run concurrently with the 60-day review period by the watershed management organization provided in subdivision 3. The Metropolitan Council shall submit its comments to the watershed management organization and shall send a copy of its comments to the local government unit. If the Metropolitan Council fails to complete its review and make comments to the watershed

APPENDIX

Repealed Minnesota Statutes: 15-4180

management organization within the 45-day period, the watershed management organization shall complete its review as provided in subdivision 3.

115.66 SEVERABILITY.

If any provision of sections 115.61 to 115.67 or the application thereof to any person or circumstances is held to be invalid, such 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 the various applications thereof are declared to be severable.

115A.03 DEFINITIONS.

Subd. 19. **Metropolitan Council.** "Metropolitan Council" means the council established in chapter 473.

174.22 DEFINITIONS.

Subd. 3. **Metropolitan Council.** "Metropolitan Council" means the council established by section 473.123.

238.43 REGIONAL CHANNEL.

Subd. 5. **Regional channel entity.** The Cable Communications Board may designate a regional channel entity prior to July 1, 1985. If the Cable Communications Board does not designate an entity by June 30, 1985, the Metropolitan Council shall appoint the governing body of the regional channel entity which must consist of 15 members appointed to three-year terms. In making the initial appointments the Metropolitan Council shall designate one-third of the appointees to serve one-year terms, one-third to serve two-year terms, and one-third to serve three-year terms. In the case of a vacancy the council shall appoint a person to fill the vacancy for the remainder of the unexpired term. The Metropolitan Council shall name three appointees from the recommendations received from the Association of Metropolitan Municipalities and three from the recommendations received from the cable communications companies operating in the metropolitan area.

297A.992 METROPOLITAN TRANSPORTATION AREA SALES TAX.

Subd. 12. **Grant awards to Metropolitan Council.** Any grant award under this section made to the Metropolitan Council must supplement, and must not supplant, operating and capital assistance provided by the state.

403.27 REVENUE BONDS; OBLIGATIONS.

Subdivision 1. **Authorization.** After consulting with the commissioner of management and budget, the council, if requested by a vote of at least two-thirds of all of the members of the Metropolitan Radio Board, may, by resolution, authorize the issuance of its revenue bonds for any of the following purposes to:

- (1) provide funds for regionwide mutual aid and emergency medical services communications;
- (2) provide funds for the elements of the first phase of the regionwide public safety radio communication system that the board determines are of regionwide benefit and support mutual aid and emergency medical services communication including, but not limited to, costs of master controllers of the backbone;
- (3) provide money for the second phase of the public safety radio communication system;
- (4) to the extent money is available after meeting the needs described in clauses (1) to (3), provide money to reimburse local units of government for amounts expended for capital improvements to the first phase system previously paid for by the local government units; or
- (5) refund bonds issued under this section.

Subd. 2. **Procedure.** 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 sections 403.21 to 403.34 and the council shall have the same powers and duties as a municipality and its governing body in issuing bonds under chapter 475. The bonds may be sold at any price and at public or private sale as determined by the council.

APPENDIX

Repealed Minnesota Statutes: 15-4180

The bonds shall be payable from and secured by a pledge of the emergency telephone service fee provided in chapter 403 and shall not represent or constitute a general obligation or debt of the council and shall not be included in the net debt of any city, county, or other subdivision of the state for the purpose of any debt limitation.

Subd. 3. **Limitations.** (a) The principal amount of the bonds issued pursuant to subdivision 1, exclusive of any original issue discount, shall not exceed the amount of \$10,000,000 plus the amount the council determines necessary to pay the costs of issuance, fund reserves, debt service, and pay for any bond insurance or other credit enhancement.

(b) In addition to the amount authorized under paragraph (a), the council may issue bonds under subdivision 1 in a principal amount of \$3,306,300, plus the amount the council determines necessary to pay the cost of issuance, fund reserves, debt service, and any bond insurance or other credit enhancement. The proceeds of bonds issued under this paragraph may not be used to finance portable or subscriber radio sets.

Subd. 4. **Security.** The bonds may be secured by a bond resolution or a trust indenture entered into by the council with a corporate trustee within or outside the state which shall define the fee pledged for the payment and security of the bonds and for payment of all necessary and reasonable debt service expenses until all the bonds referred to in subdivision 1 are fully paid or discharged in accordance with law. The pledge shall be a valid charge on the emergency telephone service fee provided in chapter 403. 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 section 403.32. In the bond resolution or trust indenture, the council may make covenants as it determines to be reasonable for the protection of the bondholders.

Neither the council, nor any council member, officer, employee, or agent of the council, nor any person executing the bonds shall be liable personally on the bonds by reason of their issuance. The bonds are not payable from, and are not a charge upon, any funds other than the revenues and bond proceeds pledged to their payment. The council is not subject to any liability on the bonds and has no power to obligate itself to pay or to pay the bonds from funds other than the revenues and bond proceeds pledged. No holder of bonds has the right to compel any exercise of the taxing power of the council, except any deficiency tax levy the council covenants to certify under section 403.31, or any other public body, to the payment of principal of or interest on the bonds. No holder of bonds has the right to enforce payment of principal or interest against any property of the council or other public body other than that expressly pledged for the payment of the bonds.

403.29 USE OF BOND PROCEEDS.

Subd. 4. **Use of bond proceeds.** The use of proceeds of all bonds issued by the Metropolitan Council for the purposes enumerated in section 403.27, subdivision 1, other than investment of all money on hand in any sinking fund or funds of the council, shall be governed by the provisions of chapter 475, the provisions of resolutions authorizing the issuance of the bonds, and by the trust indenture.

403.32 SALE OF GENERAL OBLIGATION BONDS.

Subdivision 1. **Amount; purposes.** The Metropolitan Council may by resolution authorize the issuance of general obligation bonds of the council, in an amount outstanding and undischarged at any time not more than \$3,000,000, for which its full faith and credit and taxing powers shall be pledged for the council's share of the first phase. The Metropolitan Council may also issue general obligation bonds to refund outstanding obligations issued under this section. 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 the refunding bonds be included in computing the amount of bonds that may be issued within that dollar limitation.

Subd. 2. **Sale, terms, security.** The Metropolitan Council 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 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, shall not affect the amount or rate of taxes which may be levied by the council for other

APPENDIX

Repealed Minnesota Statutes: 15-4180

purposes, and shall be 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.

Subd. 3. **Temporary loans.** The Metropolitan Council may, after the authorization of bonds under this section, provide funds immediately required for the purposes of subdivision 1 by effecting temporary loans upon terms as it shall by resolution determine, evidenced by notes due in not exceeding 24 months from their date, payable to the order of the lender or to the bearer, to be repaid with interest from the proceeds of the bonds when issued and delivered to the purchaser. The temporary loans may be made without public advertisement.

462.382 APPLICATION.

The provisions of sections 462.381 to 462.398 have no application to the Metropolitan Council created by or the region defined by Laws 1967, chapter 896.

462C.071 SINGLE-FAMILY MORTGAGE BONDS; LIMITATIONS.

Subd. 4. **Redevelopment area.** A city located within the metropolitan area must submit to the Metropolitan Council the resolution adopted by the governing body of the city finding an area to be a redevelopment area and a map of the redevelopment area.

473.121 DEFINITIONS.

Subd. 3. **Metropolitan Council or council.** "Metropolitan Council" or "council" means the Metropolitan Council established by section 473.123.

Subd. 8. **Metropolitan significance.** "Metropolitan significance" means a status determined by the Metropolitan Council pursuant to the rules and procedures established by section 473.173.

Subd. 12. **Metropolitan Parks and Open Space Commission.** "Metropolitan Parks and Open Space Commission" means the commission established in sections 473.302 to 473.341.

473.123 METROPOLITAN COUNCIL.

Subdivision 1. **Creation.** A Metropolitan Council with jurisdiction in the metropolitan area is established as a public corporation and political subdivision of the state. It shall be under the supervision and control of 17 members, all of whom shall be residents of the metropolitan area.

Subd. 2a. **Terms.** Following each apportionment of council districts, as provided under subdivision 3a, council members must be appointed from newly drawn districts as provided in subdivision 3a. Each council member, other than the chair, must reside in the council district represented. Each council district must be represented by one member of the council. The terms of members end with the term of the governor, except that all terms expire on the effective date of the next apportionment. A member serves at the pleasure of the governor. A member shall continue to serve the member's district until a successor is appointed and qualified; except that, following each apportionment, the member shall continue to serve at large until the governor appoints 16 council members, one from each of the newly drawn council districts as provided under subdivision 3a, to serve terms as provided under this section. The appointment to the council must be made by the first Monday in March of the year in which the term ends.

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

APPENDIX

Repealed Minnesota Statutes: 15-4180

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, 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.

(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.

Subd. 3a. **Redistricting.** The legislature shall redraw the boundaries of the council 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 2a.

Subd. 3e. **District boundaries.** 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, is adopted and constitutes the redistricting plan required by subdivision 3a. The boundaries of each Metropolitan Council district are as described in that plan.

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.

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.

Subd. 8. **General counsel.** The council may appoint a general counsel to serve at the pleasure of the council.

473.125 REGIONAL ADMINISTRATOR.

The Metropolitan Council shall appoint a regional administrator to serve at the council's pleasure as the principal administrative officer for the Metropolitan Council. The regional administrator shall organize the work of the council staff. The regional administrator shall appoint on the basis of merit and fitness, and discipline and discharge all employees in accordance with the council's personnel policy, except the general counsel, as provided in section 473.123, subdivision 8. The regional administrator must ensure that all policy decisions of the council are carried out. The regional administrator shall attend meetings of the council and may take part in discussions but may not vote. The regional administrator shall recommend to the council for adoption measures deemed necessary for efficient administration of the council, keep the council

APPENDIX

Repealed Minnesota Statutes: 15-4180

fully apprised of the financial condition of the council, and prepare and submit an annual budget to the council for approval. The regional administrator shall prepare and submit for approval by the council an administrative code organizing and codifying the policies of the council, and perform other duties as prescribed by the council. The regional administrator may be chosen from among the citizens of the nation at large, and shall be selected on the basis of training and experience in public administration.

473.127 ADVISORY COMMITTEES.

The Metropolitan Council may establish and appoint persons to advisory committees to assist the Metropolitan Council in the performance of its duties. Members of the advisory committees shall serve without compensation but shall be reimbursed for their reasonable expenses as determined by the Metropolitan Council.

473.129 POWERS OF METROPOLITAN COUNCIL.

Subdivision 1. **General powers.** The Metropolitan Council shall have and exercise all powers which may be necessary or convenient to enable it to perform and carry out the duties and responsibilities now existing or which may hereafter be imposed upon it by law. Such powers include the specific powers enumerated in this section.

Subd. 2. **Employees.** The Metropolitan Council shall prescribe all terms and conditions for the employment of its employees including, but not limited to, adopting a compensation and classification plan for its employees. Employees of the Metropolitan Council are public employees and are members of the Minnesota State Retirement System. Those employed by a predecessor of the Metropolitan Council and transferred to it may at their option become members of the Minnesota State Retirement System or may continue as members of the public retirement association to which they belonged as employees of the predecessor of the Metropolitan Council. The Metropolitan Council shall make the employer's contributions to pension funds of its employees.

Subd. 3. **Consulting contracts.** The Metropolitan Council may contract for the services of consultants who perform engineering, legal, or services of a professional nature. Such contracts shall not be subject to the requirements of any law relating to public bidding.

Subd. 4. **Gifts and appropriations.** The Metropolitan Council may accept gifts, apply for and use grants or loans of money or other property from the United States, the state, or any person for any Metropolitan Council purpose and may enter into agreements required in connection therewith and may hold, use, and dispose of such moneys or property in accordance with the terms of the gift, grant, loan, or agreement relating thereto.

Subd. 5. **Local governmental participation.** The Metropolitan Council may (1) participate as a party in any proceedings originating under chapter 414, if the proceedings involve the change in a boundary of a governmental unit in the metropolitan area, and (2) conduct studies of the feasibility of annexing, enlarging, or consolidating units in the metropolitan area.

Subd. 6. **On metro agencies.** The Metropolitan Council shall appoint from its membership a member to serve with each metropolitan agency. Each member of the Metropolitan Council so appointed on each of such agencies shall serve without a vote.

Subd. 7. **Property.** The council may acquire, own, hold, use, improve, operate, maintain, lease, exchange, transfer, sell, or otherwise dispose of personal or real property, franchises, easements, or property rights or interests of any kind.

Subd. 8. **Insurance.** The council may provide for self-insurance or otherwise provide for insurance relating to any of its property, rights, or revenue, workers' compensation, public liability, or any other risk or hazard arising from its activities, and may provide for insuring any of its officers or employees against the risk or hazard at the expense of the council. If the council provides for self-insurance, against its liability and the liability of its officers, employees, and agents for damages resulting from its torts and those of its officers, employees, and agents, including its obligation to pay basic economic loss benefits under sections 65B.41 to 65B.71, it shall be entitled to deduct from damages and basic economic loss benefits all money paid or payable to the persons seeking damages and benefits from all governmental entities providing medical, hospital, and disability benefits except for payments made under the Minnesota family investment program or medical assistance program.

Subd. 9. **Investigations.** When necessary and proper to the performance of its duties, the council may enter in a reasonable manner upon any premises for the purpose of making any reasonably necessary or proper investigations and examinations. The entry is not a trespass. The council is liable for any actual and consequential loss, injury, or damage from the entry.

APPENDIX

Repealed Minnesota Statutes: 15-4180

When necessary and proper to the performance of its duties, the council or its authorized agents may require the production of accounts, books, records, memoranda, correspondence, and other documents and papers of a person receiving financial assistance from the council, may inspect and copy them, and may have access to and may inspect the lands, buildings, facilities, or equipment of the person.

Subd. 10. **Employee health and wellness.** The council may provide a program for health and wellness services for council employees and provide necessary staff, funds, equipment, and facilities.

Subd. 11. **External use of existing service capacity.** For purposes of this subdivision, "service capacity" means an existing service or operation carried out by the council as authorized by law, or existing council real or personal property, for which the council on a temporary basis has capacity available for use outside the council. Notwithstanding other law, the council may enter into arrangements to provide service capacity to other governmental entities or the private sector on the terms and conditions it considers appropriate. In providing service capacity, the council:

(1) may not commit to providing the service capacity for a period in excess of five years; and

(2) must receive compensation for providing the service capacity in at least an amount sufficient to recover the actual costs of providing the service capacity including, but not limited to, the costs of materials and supplies, employee salaries and benefits, and administrative overhead.

Subd. 12. **Best value procurement alternative.** (a) Notwithstanding the provisions of section 471.345, the council may award a contract for the purchase of transit vehicles to the vendor or contractor offering the best value under a request for proposals. For the purposes of this subdivision, "transit vehicles" means buses and coaches, commuter rail locomotives and coach cars, light rail vehicles, and paratransit vehicles that are used to provide transit and special transportation service pursuant to sections 473.371 to 473.449.

(b) For the purposes of this subdivision, "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. Other evaluation criteria may include, but are not limited to, environmental considerations, quality, and vendor or contractor performance. The evaluation criteria must be included in the solicitation document as well as the relative importance of price and other factors.

473.1293 ENERGY FORWARD PRICING MECHANISMS.

Subdivision 1. **Definitions.** The following definitions apply in this section.

(a) "Energy" means natural gas, heating oil, diesel fuel, or any other energy source, except electric, used in Metropolitan Council operations.

(b) "Forward pricing mechanism" means either:

(1) a contract or financial instrument that obligates an entity to buy or sell a specified amount of an energy commodity at a future date and at a set price; or

(2) an option to buy or sell the contract or financial instrument.

Subd. 2. **Authority provided.** Notwithstanding any other law to the contrary, the council may use forward pricing mechanisms for budget risk reduction.

Subd. 3. **Conditions.** (a) Forward pricing transactions made under this section must be made only under the conditions in paragraphs (b), (c), and (d).

(b) The amount of energy forward priced must not exceed the estimated energy usage for council operations for the period of time covered by the forward pricing mechanism.

(c) The holding period and expiration date for any forward pricing mechanism must not exceed 24 months from the trade date of the transaction.

(d) Separate accounts must be established for each operational energy for which forward pricing mechanisms are used under this section.

Subd. 4. **Written policies and procedures.** Before exercising authority under subdivision 2, the council must have written policies and procedures governing the use of forward pricing mechanisms.

Subd. 5. **Oversight process.** (a) Before exercising authority under subdivision 2, the governing body of the council must establish an oversight process that provides for review of the council's use of forward pricing mechanisms.

(b) The process must include:

(1) internal or external audit reviews;

(2) quarterly reports to, and review by, an internal investment committee; and

(3) internal management control.

473.132 SHORT-TERM INDEBTEDNESS.

The council may issue certificates of indebtedness or capital notes to purchase equipment to be owned and used by the council and having an expected useful life of at least as long as the terms of the certificates or notes. The certificates or notes shall be payable in not more than five years and shall be issued on such terms and in such manner as the council may determine, and for this purpose the council may secure payment of the certificates or notes by resolution or by trust indenture entered into by the council with a corporate trustee within or outside the state, and by a mortgage in the equipment financed. The total principal amount of the notes or certificates issued in a fiscal year should not exceed one-half of one percent of the tax capacity of the metropolitan area for that year. The full faith and credit of the council shall be pledged to the payment of the certificates or notes, and a tax levy shall be made for the payment of the principal and interest on the certificates or notes, in accordance with section 475.61, as in the case of bonds issued by a municipality. The tax levy authorized by this section must be deducted from the amount of taxes the council is otherwise authorized to levy under section 473.249.

473.1565 METROPOLITAN AREA WATER SUPPLY PLANNING ACTIVITIES; ADVISORY COMMITTEE.

Subdivision 1. **Planning activities.** (a) The Metropolitan Council must carry out planning activities addressing the water supply needs of the metropolitan area as defined in section 473.121, subdivision 2. The planning activities must include, at a minimum:

(1) development and maintenance of a base of technical information needed for sound water supply decisions including surface and groundwater availability analyses, water demand projections, water withdrawal and use impact analyses, modeling, and similar studies;

(2) development and periodic update of a metropolitan area master water supply plan, prepared in cooperation with and subject to the approval of the commissioner of natural resources, that:

(i) provides guidance for local water supply systems and future regional investments;

(ii) emphasizes conservation, interjurisdictional cooperation, and long-term sustainability;

and

(iii) addresses the reliability, security, and cost-effectiveness of the metropolitan area water supply system and its local and subregional components;

(3) recommendations for clarifying the appropriate roles and responsibilities of local, regional, and state government in metropolitan area water supply;

(4) recommendations for streamlining and consolidating metropolitan area water supply decision-making and approval processes; and

(5) recommendations for the ongoing and long-term funding of metropolitan area water supply planning activities and capital investments.

(b) The council must carry out the planning activities in this subdivision in consultation with the Metropolitan Area Water Supply Advisory Committee established in subdivision 2.

Subd. 2. **Advisory committee.** (a) A Metropolitan Area Water Supply Advisory Committee is established to assist the council in its planning activities in subdivision 1. The advisory committee has the following membership:

(1) the commissioner of agriculture or the commissioner's designee;

(2) the commissioner of health or the commissioner's designee;

(3) the commissioner of natural resources or the commissioner's designee;

(4) the commissioner of the Pollution Control Agency or the commissioner's designee;

(5) two officials of counties that are located in the metropolitan area, appointed by the governor;

(6) five officials of noncounty local governmental units that are located in the metropolitan area, appointed by the governor;

(7) the chair of the Metropolitan Council or the chair's designee, who is chair of the advisory committee; and

(8) one official each from the counties of Chisago, Isanti, Sherburne, and Wright, appointed by the governor.

A local government unit in each of the seven counties in the metropolitan area and Chisago, Isanti, Sherburne, and Wright Counties must be represented in the 11 appointments made under clauses (5), (6), and (8).

APPENDIX

Repealed Minnesota Statutes: 15-4180

(b) Members of the advisory committee appointed by the governor serve at the pleasure of the governor. Members of the advisory committee serve without compensation but may be reimbursed for their reasonable expenses as determined by the Metropolitan Council. The advisory committee expires December 31, 2016.

(c) The council must consider the work and recommendations of the advisory committee when the council is preparing its regional development framework.

Subd. 3. **Reports to legislature.** The council must submit reports to the legislature regarding its findings, recommendations, and continuing planning activities under subdivision 1. These reports shall be included in the "Minnesota Water Plan" required in section 103B.151, and five-year interim reports may be provided as necessary.

473.165 COUNCIL REVIEW; INDEPENDENT COMMISSION, BOARD, AGENCY.

(1) The Metropolitan Council shall review all long-term comprehensive plans of each independent commission, board, or agency prepared for its operation and development within the metropolitan area but only if such plan is determined by the council to have an areawide effect, a multicompany effect, or to have a substantial effect on metropolitan development. Each plan shall be submitted to the council before any action is taken to place the plan or any part thereof, into effect.

(2) No action shall be taken to place any plan or any part thereof, into effect until 60 days have lapsed after the date of its submission to the council, or until the council finds and notifies the submitting commission, board, or agency that the plan is consistent with its comprehensive guide for the metropolitan area and the orderly and economic development of the metropolitan area, whichever first occurs. If, within 60 days after the date of submission, the council finds that a plan, or any part thereof, is inconsistent with its comprehensive guide for the metropolitan area or detrimental to the orderly and economic development of the metropolitan area, or any part thereof, it may direct that the operation of the plan, or such part thereof, be indefinitely suspended; provided that the council shall not direct the suspension of any plan or part thereof of any sanitary sewer district operating within the metropolitan area which pertains to the location and construction of a regional sewer plant or plants or the expansion or improvement of the present Minneapolis-St. Paul sanitary district treatment plant. An affected commission, board, or agency may appeal the decision of the Metropolitan Council suspending a plan, or part thereof, to the entire membership of the Metropolitan Council for public hearing. If the Metropolitan Council and the affected commission, board, or agency are unable to agree as to an adjustment of the plan, so that it may receive the council's approval, then a record of the disagreeing positions of the Metropolitan Council and the affected commission, board, or agency shall be made and the Metropolitan Council shall prepare a recommendation in connection therewith for consideration and disposition by the next regular session of the legislature.

473.167 HIGHWAY PROJECTS.

Subd. 3. **Tax.** The council may levy a tax on all taxable property in the metropolitan area, as defined in section 473.121, to provide funds for loans made pursuant to subdivisions 2 and 2a. This tax for the right-of-way acquisition loan fund shall be certified by the council, levied, and collected in the manner provided by section 473.13. The tax shall be in addition to that authorized by section 473.249 and any other law and shall not affect the amount or rate of taxes which may be levied by the council or any metropolitan agency or local governmental unit. The amount of the levy shall be as determined and certified by the council, provided that the tax levied by the Metropolitan Council for the right-of-way acquisition loan fund shall not exceed \$2,828,379 for taxes payable in 2004 and \$2,828,379 for taxes payable in 2005. The amount of the levy for taxes payable in 2006 and subsequent years shall not exceed the product of (1) the Metropolitan Council's property tax levy limitation under this subdivision for the previous year, multiplied by (2) one plus a percentage equal to the growth in the implicit price deflator as defined in section 275.70, subdivision 2.

Subd. 4. **State review.** The commissioner of revenue shall certify the council's levy limitation under this section to the council by August 1 of the levy year. The council must certify its proposed property tax levy to the commissioner of revenue by September 1 of the levy year. The commissioner of revenue shall annually determine whether the property tax for the right-of-way acquisition loan fund certified by the Metropolitan Council for levy following the adoption of its proposed budget is within the levy limitation imposed by this section. The determination must be completed prior to September 10 of each year. If current information

APPENDIX

Repealed Minnesota Statutes: 15-4180

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 calculation.

473.175 REVIEW OF COMPREHENSIVE PLANS.

Subdivision 1. **For compatibility, conformity.** The council shall review the comprehensive plans of local governmental units, prepared and submitted pursuant to sections 473.851 to 473.871, to determine their compatibility with each other and conformity with metropolitan system plans. The council shall review and comment on the apparent consistency of the comprehensive plans with adopted plans of the council. The council may require a local governmental unit to modify any comprehensive plan or part thereof if, upon the adoption of findings and a resolution, the council concludes that the plan is more likely than not to have a substantial impact on or contain a substantial departure from metropolitan system plans. A local unit of government may challenge a council action under this subdivision by following the procedures set forth in section 473.866.

Subd. 2. **120-day limit.** Within 120 days following receipt of a comprehensive plan of a local governmental unit, unless a time extension is mutually agreed to, the council shall return to the local governmental unit a statement containing its comments and, by resolution, its decision, if any, to require modifications to assure conformance with the metropolitan system plans.

No action shall be taken by any local governmental unit to place any such comprehensive plan or part thereof into effect until the council has returned the statement to the unit and until the local governmental unit has incorporated any modifications in the plan required by a final decision, order, or judgment made pursuant to section 473.866. If within 120 days, unless a time extension is mutually agreed to, the council fails to complete its written statement the plans shall be deemed approved and may be placed into effect. Any amendment to a plan subsequent to the council's review shall be submitted to and acted upon by the council in the same manner as the original plan. The written statement of the council shall be filed with the plan of the local government unit at all places where the plan is required by law to be kept on file.

Subd. 3. **Enforcement to get conforming plan.** If a local governmental unit fails to adopt a comprehensive plan in accordance with sections 473.851 to 473.871 or if the council after a public hearing by resolution finds that a plan substantially departs from metropolitan system plans and that the local governmental unit has not adopted a plan with modifications required pursuant to section 473.866 within nine months following a final decision, order, or judgment made pursuant to section 473.866, the council may commence civil proceedings to enforce the provisions of sections 473.851 to 473.871 by appropriate legal action in the district court where the local governmental unit is located.

473.181 ADDITIONAL COUNCIL REVIEW.

Subd. 2. **Parks.** The council shall review local government park master plans pursuant to section 473.313.

Subd. 5. **Airports.** The council shall review Metropolitan Airports Commission capital projects pursuant to section 473.621, subdivision 6. The plans of the Metropolitan Airports Commission and the development of the metropolitan airports system by the commission shall, as provided in sections 473.611, subdivision 5, and 473.655, be consistent with the development guide of the council.

473.191 LOCAL PLANNING ASSISTANCE.

Subdivision 1. **Comprehensive community planning.** The Metropolitan Council may, at the request of local governmental units, enter into contracts or make other arrangements with local governmental units and others for the provision of services for and assistance with comprehensive community planning. This may include:

(a) Assistance in the preparation, as a guide for long-range development, of general physical plans with respect to the pattern and intensity of land use and the provision of public facilities together with long-range fiscal plans for such development;

(b) Programming of capital improvements based on a determination of relative urgency, together with definitive financing plans for the improvements to be constructed in the earlier years of the program;

(c) Coordination of all related plans of the departments or subdivision of the government concerned;

(d) Intergovernmental coordination of all related planned activities among the state and local governmental agencies concerned; and

APPENDIX

Repealed Minnesota Statutes: 15-4180

(e) Preparation of regulatory and administrative measures in support of the foregoing.
Subd. 2. **Water resources.** The Metropolitan Council may provide technical assistance to cities, counties, and towns to expedite adoption and enforcement of local ordinances under sections 103F.121, 103F.201 to 103F.221, and 473.206 to 473.208.

473.206 LOCAL ORDINANCES.

Each county, city or town in the metropolitan area shall be provided with standards, criteria and suggested model ordinances and may, after review and comment by the Metropolitan Council, adopt ordinances which provide for the protection of the resources that are the subject of the standards, criteria, and model ordinances.

473.208 COOPERATION.

In adopting and enforcing the ordinances for which standards and criteria are provided by section 473.206, counties, cities and towns shall consult and cooperate with affected soil and water conservation districts, watershed districts, and lake conservation districts on matters of common concern.

473.24 POPULATION ESTIMATES.

(a) The Metropolitan Council shall annually prepare an estimate of population for each county, city, and town in the metropolitan area and an estimate of the number of households and average household size for each city in the metropolitan area with a population of 2,500 or more, and an estimate of population over age 65 for each county in the metropolitan area, and convey the estimates to the governing body of each county, city, or town by June 1 each year. In the case of a city or town that is located partly within and partly without the metropolitan area, the Metropolitan Council shall estimate the proportion of the total population and the average size of households that reside within the area. The Metropolitan Council may prepare an estimate of the population and of the average household size for any other political subdivision located in the metropolitan area.

(b) A governing body may challenge an estimate made under this section by filing its specific objections in writing with the Metropolitan Council 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 Metropolitan Council on or before 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 Metropolitan Council by the next April 15 to be used in that year's June 1 estimate under this section. The Metropolitan Council shall certify the estimates of population and the average household size to the state demographer and to the commissioner of revenue by July 15 each year, including any estimates still under objection.

473.242 URBAN RESEARCH.

Where studies have not been otherwise authorized by law the Metropolitan Council may study the feasibility of programs relating but not limited to water supply, refuse disposal, surface water drainage, communication, transportation, and other subjects of concern to the peoples of the metropolitan area, may institute demonstration projects in connection therewith, and may accept gifts for such purposes as otherwise authorized in this section.

473.245 REPORTS.

On or before January 15 of each year, the Metropolitan Council shall report to the legislature. The report shall include:

(1) A statement of the Metropolitan Council's receipts and expenditures by category since the preceding report;

(2) A detailed budget for the year in which the report is filed and the following year including an outline of its program for such period;

(3) An explanation of any policy plan and other comprehensive plan adopted in whole or in part for the metropolitan area and the review comments of the affected metropolitan agency;

(4) Summaries of any studies and the recommendations resulting therefrom made by the Metropolitan Council, and a listing of all applications for federal money made by governmental units within the metropolitan area submitted to the Metropolitan Council;

APPENDIX

Repealed Minnesota Statutes: 15-4180

(5) A listing of plans of local governmental units and proposed matters of metropolitan significance submitted to the Metropolitan Council;

(6) A detailed report on the progress of any project undertaken by the council pursuant to sections 473.194 to 473.201; and

(7) Recommendations of the Metropolitan Council for metropolitan area legislation, including the organization and functions of the Metropolitan Council and the metropolitan agencies.

473.246 COUNCIL'S SUBMISSIONS TO LEGISLATIVE COMMISSION.

The Metropolitan Council shall submit to the Legislative Commission on Metropolitan Government information on the council's tax rates and dollar amounts levied for the current year, proposed property tax rates and levies, operating and capital budgets, work program, capital improvement program, and any other information requested by the commission, for review by the legislative commission, as provided in section 3.8841.

473.249 TAX LEVY.

Subdivision 1. **Indexed limit.** (a) The Metropolitan Council may levy a tax on all taxable property in the metropolitan area defined in section 473.121 to provide funds for the purposes of sections 473.121 to 473.249 and for the purpose of carrying out other responsibilities of the council as provided by law. This tax for general purposes shall be levied and collected in the manner provided by section 473.13.

(b) The property tax levied by the Metropolitan Council for general purposes shall not exceed \$10,522,329 for taxes payable in 2004 and \$10,522,329 for taxes payable in 2005.

(c) The property tax levy limitation for general purposes for taxes payable in 2006 and subsequent years shall not exceed the product of: (1) the Metropolitan Council's property tax levy limitation for general purposes for the previous year determined under this subdivision multiplied by (2) one plus a percentage equal to the growth in the implicit price deflator as defined in section 275.70, subdivision 2.

Subd. 2. **Deadlines; estimates.** The commissioner of revenue shall certify the council's levy limitation under this section to the council by August 1 of the levy year. The council must certify its proposed property tax levy to the commissioner of revenue by September 1 of the levy year. The commissioner of revenue shall annually determine whether the ad valorem property tax certified by the Metropolitan Council for levy following the adoption of its proposed budget is within the levy limitation imposed by this section. The determination shall be completed prior to September 10 of each year. If current information regarding gross tax capacity in any county is not transmitted to the commissioner in a timely manner, the commissioner may estimate the current gross tax capacity within that county for purposes of making the calculation.

473.25 LIVABLE COMMUNITIES CRITERIA AND GUIDELINES.

(a) The council shall establish criteria for uses of the fund provided in section 473.251 that are consistent with and promote the purposes of this article and the policies of the Metropolitan Development Guide adopted by the council including, but not limited to:

(1) helping to change long-term market incentives that adversely impact creation and preservation of living-wage jobs in the fully developed area;

(2) creating incentives for developing communities to include a full range of housing opportunities;

(3) creating incentives to preserve and rehabilitate affordable housing in the fully developed area; and

(4) creating incentives for all communities to implement compact and efficient development.

(b) The council shall establish guidelines for the livable community demonstration account for projects that the council would consider funding with either grants or loans. The guidelines must provide that the projects will:

(1) interrelate development or redevelopment and transit;

(2) interrelate affordable housing and employment growth areas;

(3) intensify land use that leads to more compact development or redevelopment;

(4) involve development or redevelopment that mixes incomes of residents in housing, including introducing or reintroducing higher value housing in lower income areas to achieve a mix of housing opportunities; or

APPENDIX

Repealed Minnesota Statutes: 15-4180

(5) encourage public infrastructure investments which connect urban neighborhoods and suburban communities, attract private sector redevelopment investment in commercial and residential properties adjacent to the public improvement, and provide project area residents with expanded opportunities for private sector employment.

(c) The council shall establish guidelines governing who may apply for a grant or loan from the fund, providing priority for proposals using innovative partnerships between government, private for-profit, and nonprofit sectors.

(d) The council shall prepare an annual plan for distribution of the fund based on the criteria for project and applicant selection.

(e) The council shall prepare and submit to the legislature, as provided in section 3.195, an annual report on the metropolitan livable communities fund. The report must include information on the amount of money in the fund, the amount distributed, to whom the funds were distributed and for what purposes, and an evaluation of the effectiveness of the projects funded in meeting the policies and goals of the council. The report may make recommendations to the legislature on changes to Laws 1995, chapter 255.

473.251 METROPOLITAN LIVABLE COMMUNITIES FUND.

The metropolitan livable communities fund is created and consists of the following accounts:

- (1) the tax base revitalization account;
- (2) the livable communities demonstration account;
- (3) the local housing incentives account; and
- (4) the inclusionary housing account.

473.253 LIVABLE COMMUNITIES DEMONSTRATION ACCOUNT.

Subdivision 1. **Sources of funds.** The council shall credit to the livable communities demonstration account the revenues provided in this subdivision. This tax shall be levied and collected in the manner provided by section 473.13. The levy shall not exceed the following amount for the years specified:

- (1) for taxes payable in 2004 and 2005, \$8,259,070; and
- (2) for taxes payable in 2006 and subsequent years, the product of (i) the property tax levy limit under this subdivision for the previous year multiplied by (ii) one plus a percentage equal to the growth in the implicit price deflator as defined in section 275.70, subdivision 2.

Subd. 2. **Distribution of funds.** The council shall use the funds in the livable communities demonstration account to make grants or loans to municipalities participating in the local housing incentives program under section 473.254 or to metropolitan area counties or development authorities to fund the initiatives specified in section 473.25, paragraph (b), in participating municipalities. A grant to a metropolitan county or a development authority must be used for a project in a participating municipality. For the purpose of this section, "development authority" means a statutory or home rule charter city, housing and redevelopment authority, economic development authority, or port authority.

473.254 LOCAL HOUSING INCENTIVES ACCOUNT.

Subdivision 1. **Participation.** (a) A municipality may elect to participate in the local housing incentive account program. If the election to participate occurs by November 15 of any year, it is effective commencing the next calendar year; otherwise it is effective commencing the next succeeding calendar year. An election to participate in the program is effective until revoked according to paragraph (b). A municipality is subject to this section only in those calendar years for which its election to participate in the program is effective. For purposes of this section, municipality means a municipality electing to participate in the local housing incentive account program for the calendar year in question, unless the context indicates otherwise.

(b) A municipality may revoke its election to participate in the local housing incentive account program. If the revocation occurs by November 15 of any year, it is effective commencing the next calendar year; otherwise it is effective commencing the next succeeding calendar year. After revoking its election to participate in the program, a municipality may again elect to participate in the program according to paragraph (a).

(c) A municipality that elects to participate may receive grants or loans from the tax base revitalization account, livable communities demonstration account, or the local housing incentive account. A municipality that does not participate is not eligible to receive a grant under sections

APPENDIX

Repealed Minnesota Statutes: 15-4180

116J.551 to 116J.557. The council, when making discretionary funding decisions, shall give consideration to a municipality's participation in the local housing incentives program.

Subd. 2. **Affordable, life-cycle goals.** The council shall negotiate with each municipality to establish affordable and life-cycle housing goals for that municipality that are consistent with and promote the policies of the Metropolitan Council as provided in the adopted Metropolitan Development Guide. The council shall adopt, by resolution after a public hearing, the negotiated affordable and life-cycle housing goals for each municipality by January 15, 1996, and by January 15 in each succeeding year for each municipality newly electing to participate in the program or for each municipality with which new housing goals have been negotiated. By June 30, 1996, and by June 30 in each succeeding year for each municipality newly electing to participate in the program or for each municipality with which new housing goals have been negotiated, each municipality shall identify to the council the actions it plans to take to meet the established housing goals.

Subd. 3a. **Affordable, life-cycle housing opportunities amount.** (a) Each municipality's "affordable and life-cycle housing opportunities amount" for that year must be determined annually by the council using the method in this subdivision. The affordable and life-cycle housing opportunities amount must be determined for each calendar year for all municipalities in the metropolitan area.

(b) The council must allocate to each municipality its portion of the \$1,000,000 of the revenue generated by the levy authorized in section 473.249 which is credited to the local housing incentives account pursuant to subdivision 5, paragraph (b). The allocation must be made by determining the amount levied for and payable in each municipality in the previous calendar year pursuant to the council levy in section 473.249 divided by the total amount levied for and payable in the metropolitan area in the previous calendar year pursuant to such levy and multiplying that result by \$1,000,000.

(c) The council must also determine the amount levied for and payable in each municipality in the previous calendar year pursuant to the council levy in section 473.253, subdivision 1.

(d) A municipality's affordable and life-cycle housing opportunities amount for the calendar year is the sum of the amounts determined under paragraphs (b) and (c).

(e) By August 1 of each year, the council must notify each municipality of its affordable and life-cycle housing opportunities amount for the following calendar year determined by the method in this subdivision.

Subd. 4. **Affordable and life-cycle housing requirement.** (a) A municipality that does not spend 85 percent of its affordable and life-cycle housing opportunities amount to create affordable and life-cycle housing opportunities in the previous calendar year must do one of the following with the affordable and life-cycle housing opportunities amount for the previous year as determined under subdivision 3a:

(1) distribute it to the local housing incentives account; or

(2) distribute it to the housing and redevelopment authority of the city or county in which the municipality is located to create affordable and life-cycle housing opportunities in the municipality.

(b) A municipality may enter into agreements with adjacent municipalities to cooperatively provide affordable and life-cycle housing. The housing may be provided in any of the cooperating municipalities, but must meet the combined housing goals of each participating municipality.

Subd. 5. **Sources of funds.** (a) The council shall credit to the local housing incentives account any revenues derived from municipalities under subdivision 4, paragraph (a), clause (1).

(b) The council shall annually credit \$1,000,000 of the revenues generated by the levy authorized in section 473.249 to the local housing incentives account.

(c) The council shall annually transfer \$500,000 from the livable communities demonstration account to the local housing incentives account.

Subd. 6. **Distribution of funds.** The funds in the account must be distributed annually by the council to municipalities that:

(1) have not met their affordable and life-cycle housing goals as determined by the council; and

(2) are actively funding projects designed to help meet the goals.

Funds may also be distributed to a development authority for a project in an eligible municipality. The funds distributed by the council must be matched on a dollar-for-dollar basis by the municipality or development authority receiving the funds. When distributing funds in the account, the council must give priority to projects that (1) are in municipalities that have contribution net tax capacities that exceed their distribution net tax capacities by more than \$200 per household, (2) demonstrate the proposed project will link employment opportunities with affordable and life-cycle housing, and (3) provide matching funds from a source other than the required affordable and life-cycle housing opportunities amount under subdivision 3 or 3a, as

APPENDIX

Repealed Minnesota Statutes: 15-4180

applicable. For the purposes of this subdivision, "municipality" means a statutory or home rule charter city or town in the metropolitan area and "development authority" means a housing and redevelopment authority, economic development authority, or port authority.

Subd. 7. **Report to council.** By July 1, 2004, and by July 1 in each succeeding year, each municipality must certify to the council whether or not it has spent 85 percent of its affordable and life-cycle housing opportunities amount, as determined under subdivision 3a, in the previous calendar year to create affordable and life-cycle housing opportunities. The council may verify each municipality's certification.

Subd. 8. **Later election to participate.** If a municipality did not participate for one or more years and elects later to participate, the municipality must, with respect to its affordable and life-cycle housing opportunities amount for the calendar year preceding the participating calendar year:

(1) establish that it spent such amount on affordable and life-cycle housing during that preceding calendar year; or

(2) agree to spend such amount from the preceding calendar year on affordable and life-cycle housing in the participating calendar year, in addition to its affordable and life-cycle housing opportunities amount for the participating calendar year; or

(3) distribute such amount to the local housing incentives account.

The council will determine which investments count toward the required affordable and life-cycle housing opportunities amount by comparing the municipality to participating municipalities similar in terms of stage of development and demographics. If it determines it to be in the best interests of the region, the council may waive a reasonable portion of the amount.

Subd. 9. **Report to legislature.** By February 1 of each year, the council must report to the legislature the municipalities that have elected to participate and not to participate under subdivision 1. This report must be filed as provided in section 3.195.

Subd. 10. **Metro report card.** The Metropolitan Council shall present to the legislature and release to the public by November 15, 1996, and each year thereafter a comprehensive report card on affordable and life-cycle housing in each municipality in the metropolitan area. The report card must include information on government, nonprofit, and marketplace efforts.

473.255 INCLUSIONARY HOUSING ACCOUNT.

Subdivision 1. **Definitions.** (a) "Inclusionary housing development" means a new construction development, including owner-occupied or rental housing, or a combination of both, with a variety of prices and designs which serve families with a range of incomes and housing needs.

(b) "Municipality" means a statutory or home rule charter city or town participating in the local housing incentives program under section 473.254.

(c) "Development authority" means a housing and redevelopment authority, economic development authority, or port authority.

Subd. 2. **Application criteria.** The Metropolitan Council must give preference to economically viable proposals to the degree that they: (1) use innovative building techniques or materials to lower construction costs while maintaining high quality construction and livability; (2) are located in communities that have demonstrated a willingness to waive local restrictions which otherwise would increase costs of construction; and (3) include units affordable to households with incomes at or below 80 percent of area median income.

Priority shall be given to proposals where at least 15 percent of the owner-occupied units are affordable to households at or below 60 percent of the area annual median income and at least ten percent of the rental units are affordable to households at or below 30 percent of area annual median income.

An inclusionary housing development may include resale limitations on its affordable units. The limitations may include a minimum ownership period before a purchaser may profit on the sale of an affordable unit.

Cost savings from regulatory incentives must be reflected in the sale of all residences in an inclusionary development.

Subd. 3. **Inclusionary housing incentives.** The Metropolitan Council may work with municipalities and developers to provide incentives to inclusionary housing developments such as waiver of service availability charges and other regulatory incentives that would result in identifiable cost avoidance or reductions for an inclusionary housing development.

Subd. 4. **Inclusionary housing grants.** The council shall use funds in the inclusionary housing account to make grants or loans to municipalities or development authorities to fund the production of inclusionary housing developments that are located in municipalities that offer

APPENDIX

Repealed Minnesota Statutes: 15-4180

incentives to assist in the production of inclusionary housing. Such incentives include but are not limited to: density bonuses, reduced setbacks and parking requirements, decreased road widths, flexibility in site development standards and zoning code requirements, waiver of permit or impact fees, fast-track permitting and approvals, or any other regulatory incentives that would result in identifiable cost avoidance or reductions that contribute to the economic feasibility of inclusionary housing.

Subd. 5. **Grant application.** A grant application must at a minimum include the location of the inclusionary development, the type of housing to be produced, the number of affordable units to be produced, the monthly rent, or purchase price of the affordable units, and the incentives provided by the municipality to achieve development of the affordable units.

473.3875 TRANSIT FOR LIVABLE COMMUNITIES.

The council shall establish a transit for livable communities demonstration program fund. The council 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;
- (5) implementing recommendations of the transit redesign plan; or
- (6) otherwise promoting the goals of the Metropolitan Livable Communities Act.

473.388 REPLACEMENT SERVICE PROGRAM.

Subdivision 1. **Program established.** A replacement service program is established to continue the metropolitan transit service demonstration program established in Minnesota Statutes 1982, section 174.265, as provided in this section.

Subd. 2. **Replacement service; eligibility.** The council may provide assistance under the program to a statutory or home rule charter city or town or combination thereof, that:

- (a) is located in the metropolitan transit taxing district;
- (b) is not served by the council bus service or is served only with council bus routes which begin or end within the applying city or town or combination thereof; and
- (c) has fewer than four scheduled runs of council bus service during off-peak hours as defined by the Metropolitan Council.

Eligible cities or towns or combinations thereof may apply on behalf of a transit operator with whom they propose to contract for service.

The council may not provide assistance under this section to a statutory or home rule charter city or town unless the city or town,

(i) was receiving assistance under Minnesota Statutes 1982, section 174.265, by July 1, 1984,

(ii) had submitted an application for assistance under that section by July 1, 1984, or

(iii) had submitted a letter of intent to apply for assistance under that section by July 1, 1984, and submits an application for assistance under this section by July 1, 1988. A statutory or home rule charter city or town has an additional 12-month extension if it notified the former regional transit board before July 1, 1988, that the city or town is in the process of completing a transportation evaluation study that includes an assessment of the local transit needs of the city or town.

Subd. 3. **Application for assistance.** An application for assistance under this section must:

- (a) describe the existing service provided to the applicant by the council, including the estimated number of passengers carried and the routes, schedules, and fares;
- (b) describe the transit service proposed for funding under the demonstration program, including the anticipated number of passengers and the routes, schedules, and fares; and
- (c) indicate the total amount of available local transit funds, the portion of the available local transit funds proposed to be used to subsidize replacement services, and the amount of assistance requested for the replacement services.

Subd. 4. **Financial assistance.** (a) The council must grant the requested financial assistance if it determines that the proposed service is intended to replace the service to the applying city or town or combination thereof by the council and that the proposed service will meet the needs of the applicant at least as efficiently and effectively as the existing service.

APPENDIX

Repealed Minnesota Statutes: 15-4180

(b) The amount of assistance which the council must provide to a system under this section may not be less than the sum of the amounts determined for each municipality comprising the system as follows:

(1) the transit operating assistance grants received under this subdivision by the municipality in calendar year 2001 or the tax revenues for transit services levied by the municipality for taxes payable in 2001, including that portion of the levy derived from the areawide pool under section 473F.08, subdivision 3, clause (a), plus the portion of the municipality's aid under section 273.1398, subdivision 2, attributable to the transit levy; times

(2) the ratio of (i) an amount equal to 3.74 percent of the state revenues generated from the taxes imposed under chapter 297B for the current fiscal year to (ii) the total transit operating assistance grants received under this subdivision in calendar year 2001 or the tax revenues for transit services levied by all replacement service municipalities under this section for taxes payable in 2001, including that portion of the levy derived from the areawide pool under section 473F.08, subdivision 3, clause (a), plus the portion of homestead and agricultural credit aid under section 273.1398, subdivision 2, attributable to nondebt transit levies, times

(3) the ratio of (i) the municipality's total taxable market value for taxes payable in 2006 divided by the municipality's total taxable market value for taxes payable in 2001, to (ii) the total taxable market value of all property located in replacement service municipalities for taxes payable in 2006 divided by the total taxable market value of all property located in replacement service municipalities for taxes payable in 2001.

(c) The council shall pay the amount to be provided to the recipient from the funds the council receives in the metropolitan area transit account under section 16A.88.

Subd. 5. Other assistance. A city or town receiving assistance or levying a transit tax under this section may also receive assistance from the council under section 473.384. In applying for assistance under that section an applicant must describe the portion of its available local transit funds or local transit taxes which are not obligated to subsidize its replacement transit service and which the applicant proposes to use to subsidize additional service. An applicant which has exhausted its available local transit funds or local transit taxes may use any other local subsidy funds to complete the required local share.

Subd. 7. Local levy option. (a) A statutory or home rule charter city or town that is eligible for assistance under this section may levy a tax for payment of obligations issued by the municipality for capital expenditures for transit and other related activities, provided that property taxes were pledged to satisfy the obligations, and provided that legislative appropriations are insufficient to satisfy the obligations.

(b) This subdivision is consistent with the transit redesign plan. Eligible municipalities opting to operate under this subdivision shall continue to meet the regional performance standards established by the council.

(c) Within the designated Americans with Disabilities Act area, Metro Mobility remains the obligation of the state.

473.39 BORROWING MONEY.

Subd. 4. Transit capital improvement program. The council may not issue obligations pursuant to this section until the council adopts a three-year transit capital improvement program. The program must include a capital investment component that sets forth a capital investment strategy and estimates the fiscal and other effects of the strategy. The component must specify, to the extent practicable, the capital improvements to be undertaken. For each improvement specified, the program must describe: (1) need, function, objective, and relative priority; (2) alternatives, including alternatives not involving capital expenditures; (3) ownership and operating entity; (4) location and schedule of development; (5) environmental, social, and economic effects; (6) cost; (7) manner of finance and revenue sources, including federal and state funds, private funds, taxes, and user charges; and (8) fiscal effects, including an estimate of annual operating costs and sources of revenue to pay the costs.

473.3993 LIGHT RAIL TRANSIT FACILITY PLANS; DEFINITIONS.

Subd. 4. Responsible authority. "Responsible authority" means either the Metropolitan Council or the state of Minnesota acting through the commissioner of transportation, as designated by the governor under section 473.3994, subdivision 1a, for a particular light rail transit facility.

473.3999 LIGHT RAIL TRANSIT CONSTRUCTION; COUNCIL AUTHORITY.

APPENDIX

Repealed Minnesota Statutes: 15-4180

The Metropolitan Council may exercise the powers granted in this chapter and in other applicable law, as necessary, to plan, design, acquire, construct, and equip light rail transit facilities in the metropolitan area as defined in section 473.121, subdivision 2.

473.411 TRANSIT AND HIGHWAY SYSTEMS.

Subd. 3. **Services of Department of Transportation.** The council may make use of engineering and other technical and professional services, including regular staff and qualified consultants, which the commissioner of transportation can furnish, upon fair and reasonable reimbursement for the cost thereof; provided, that the council has final authority over the employment of any services from other sources which it may deem necessary for such purposes. The commissioner of transportation may furnish all engineering, legal, and other services, if so requested by the council and upon fair and reasonable reimbursement for the cost thereof by the council, for the purposes stated in this subdivision, including the acquisition by purchase, condemnation, or otherwise in the name of the council of all lands, waters, easements, or other rights or interests in lands or waters required by the council. No purchase of service agreements may be made under this subdivision which are not included in the budget of the council.

Subd. 4. **State highways; joint use for transit and highway purposes.** Wherever the joint construction or use of a state highway is feasible in fulfilling the purposes of sections 473.405 to 473.449, the council shall enter into an agreement with the commissioner of transportation therefor, evidenced by a memorandum setting forth the terms of the agreement. Either the council or the commissioner of transportation may acquire any additional lands, waters, easements or other rights or interests required for joint use in accordance with the agreement, or joint acquisition may be made by condemnation as provided by section 117.016 and the provisions of sections 473.405 to 473.449. Under the agreement each party shall pay to the other party reasonable compensation for the costs of any services performed at the request of the other party which may include any costs of engineering, design, acquisition of property, construction of the facilities, and for the use thereof so far as attributable to and necessary for the purposes. The council may not agree to acquisitions or expenditures under this subdivision which are not included in its budget.

473.4461 ADDITIONS TO TRANSIT TAXING DISTRICT.

Notwithstanding any provision of section 473.446 or any other law, the Metropolitan Council may not levy a tax under section 473.446, subdivision 1, in any city or town not included in the transit taxing district as it existed on January 1, 2001, unless the council and the governing body of that city or town have agreed on a service expansion plan.

473.501 DEFINITIONS.

Subdivision 1. **Terms.** The terms defined in this section shall have the meanings given them for the purposes of sections 473.501 to 473.549 unless otherwise provided or indicated by the context.

Subd. 3. **Local government unit or government unit.** "Local government unit" or "government unit" means any municipal or public corporation or governmental subdivision or agency located in whole or in part in the metropolitan area, authorized by law to provide for the collection and disposal of sewage.

473.504 WASTEWATER SERVICES, POWERS.

Subd. 4. **Rules, penalties.** The council shall have the power to adopt rules relating to the operation of any interceptors or treatment works operated by it, and may provide penalties for the violation thereof not exceeding the maximum which 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. 5. **Gifts, grants, loans.** The council 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 whether for construction, research, or pilot project implementation, may enter into any agreement required in connection therewith, and may hold, use, and dispose of such money or property in accordance with the terms of the gift, grant, loan, or agreement relating thereto.

Subd. 6. **Joint or cooperative action.** The council may act under the provisions of section 471.59, or any other appropriate law providing for joint or cooperative action between government units.

APPENDIX

Repealed Minnesota Statutes: 15-4180

Subd. 9. **May get property.** The council 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 or permit the use of any such facilities owned or controlled by it by the council, subject to the rights of the holders of any bonds issued with respect thereto, with or without compensation, without an election or approval by any other government agency. All powers conferred by this subdivision may be exercised both within or without the metropolitan area as may be necessary for the exercise by the council of its powers or the accomplishment of its purposes. The council may hold such property for its purposes, and may lease any such property so far as not needed for its purposes, upon such terms and in such 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 property or interest therein owned by any local government unit; provided, that no such property devoted to an actual public use at the time, or held to be devoted to such use within a reasonable time, shall be so acquired unless a court of competent jurisdiction shall determine that the use proposed by the board is paramount to such use. Except in case of property in actual public use, the council 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. 10. **Nonfranchise required.** The council 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 such facilities shall be constructed and maintained in accordance with the ordinances and resolutions of any such government unit relating to construction, installation, and maintenance of similar facilities in such public properties and shall not obstruct the public use of such rights-of-way.

Subd. 11. **Surplus property.** The council may sell or otherwise dispose of any real or personal property acquired by it which is no longer required for accomplishment of its purposes.

Subd. 12. **Pacts with other governments.** The council may contract with the United States or any agency thereof, any state or agency thereof, or any local government unit or governmental agency or subdivision, for the joint use of any facility owned by the council or such entity, for the operation by such entity of any system or facility of the council, or for the performance on the council's behalf of any service, on such terms as may be agreed upon by the contracting parties.

473.505 TOTAL WATERSHED MANAGEMENT.

The Metropolitan Council 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.

473.511 SEWER SERVICE FUNCTION.

Subdivision 1. **Duty of council; existing, new facilities.** At any time after January 1, 1970, until July 1, 1994, the former Metropolitan Waste Control Commission, and after July 1, 1994, the council shall assume ownership of all existing interceptors and treatment works which will be needed to implement the council's comprehensive plan for the collection, treatment, and disposal of sewage in the metropolitan area, in the manner and subject to the conditions prescribed in subdivisions 2 and 4, and shall thereafter acquire, construct, equip, operate and maintain all additional interceptors and treatment works which will be needed for such purpose. The council shall assume ownership of all treatment works owned by a local government unit if any part of such treatment works will be needed for such purpose.

Subd. 2. **Method of acquisition; existing debt.** The council may require any local government unit to transfer to the council, all of its right, title and interest in any interceptors or treatment works and all necessary appurtenances thereto owned by such local government unit which will be needed for the purpose stated in subdivision 1. Appropriate instruments of

APPENDIX

Repealed Minnesota Statutes: 15-4180

conveyance for all such property shall be executed and delivered to the council 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 council, on the date on which the transfer becomes effective, shall be employees of the council, 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 council, upon assuming ownership of any such interceptors or treatment works, shall become obligated to pay to such local government unit amounts sufficient to pay when due all remaining principal of and interest on bonds issued by such local government unit for the acquisition or betterment of the interceptors or treatment works taken over. Such amounts may be offset against any amount to be paid to the council by the local government unit as provided in section 473.517.

Subd. 3. Existing sanitary districts, joint sewer boards. Effective January 1, 1971, the corporate existence of the Minneapolis-St. Paul Sanitary District, the North Suburban Sanitary Sewer District, and any joint board created by agreement among local government units under section 471.59, to provide interceptors and treatment works for such local government units, terminate. All persons regularly employed by such sanitary districts and joint boards on that date or on any earlier date on which the former waste control commission pursuant to subdivisions 1 and 2 assumed ownership and control of any interceptors or treatment works owned or operated by such sanitary districts and joint boards, and who are employees of the commission on July 1, 1994, are employees of the council. Members of trades who are employed by the former Metropolitan Waste Control Commission, who have trade union pension coverage under a collective bargaining agreement, and who elected exclusion from coverage under section 473.512, or who are first employed after July 1, 1977, may not be covered by the Minnesota State Retirement System. The council shall make the employer's contributions to pension funds of its employees. Such employees shall perform such duties as may be prescribed by the council. All funds of such sanitary districts and joint boards then on hand, and all subsequent collections of taxes, special assessments or service charges levied or imposed by or for such sanitary districts or joint boards must be transferred to the council. The local government units otherwise entitled to such cash, taxes, assessments, or service charges must be credited with such amounts, and such credits must be offset against any amounts to be paid by them to the council as provided in section 473.517. The former Metropolitan Waste Control Commission, and on July 1, 1994, the council 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 such sanitary districts and joint boards. Prior to that date the proper officers of such sanitary districts and joint boards, or the former Metropolitan Waste Control Commission, shall execute and deliver to the council all deeds, conveyances, bills of sale, and other documents or instruments required to vest in the council good and marketable title to all such 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 former Metropolitan Waste Control Commission or the council on the dates indicated in this subdivision. The council shall become obligated to pay or assume all bonded or other debt and contract obligations incurred by the former Metropolitan Waste Control Commission, or by such sanitary districts and joint boards, or incurred by local government units for the acquisition or betterment of any interceptors or treatment works owned or operated by such sanitary districts or joint boards.

Subd. 4. Current value of existing facilities. When the council assumes the ownership of any existing interceptors or treatment works as provided in subdivision 2 or 3, the local government unit or units which paid part or all of the cost of such facility, directly or pursuant to contracts for reimbursement of costs, shall be entitled to receive a credit against amounts to be allocated to them under section 473.517, which may be spread over such period not exceeding 30 years as the council shall determine, and an additional credit equal to interest on the unused credit balance from time to time at the rate of four percent per annum. The amount of such credit shall equal the current value of the facility computed by the council in the manner provided in this subdivision at the time the council acquires it. The original cost of a facility shall be computed as the total actual costs of constructing it, including engineering, legal, and administrative costs, less any part of it paid from federal or state funds and less the principal amount of any then outstanding bonds which were issued to finance its construction. The original cost shall be multiplied by a factor equal to a current cost index divided by the same cost index at the time of construction, to determine replacement cost. The cost indices used shall be the Engineering News Record Construction Cost Indices for facilities or parts thereof completed before 1930, and the United States Public Health Service Federal Water Pollution Control Values for Sewer and Treatment Plant Construction, as applied to facilities or parts thereof completed in or after 1930. The current value of the facility shall be the replacement cost depreciated by 4.00 percent per

APPENDIX

Repealed Minnesota Statutes: 15-4180

annum from the date of construction of treatment works, 2.50 percent per annum from the date of construction of interceptors which operate under pressure, and 1.25 percent per annum from the date of construction of interceptors which do not operate under pressure; and decreased further by a reasonable allowance for obsolescence if the council determines that the facility or any part thereof will not be useful for council purposes for at least the remaining period required to depreciate it fully, assuming no salvage value. The current value of each such facility shall be credited to each local government unit in proportion to the amount of the construction cost paid by that unit, as determined by the council, taking into account reimbursements previously made under contracts between any of the local government units. The council shall prepare an itemized statement of the amount of credit each local government unit is entitled to receive under this subdivision, and the years and amounts of installments of principal and interest thereon, and shall cause it to be mailed or delivered to the governing body of each local government unit concerned. All credits allowed under this subdivision shall be used to finance current costs allocated to the local government unit by the council or for other sewer costs, and the credits shall not be considered as proceeds from the sale of municipal property so as to permit their use for other purposes. At its option, the council may make a periodic payment to each local government unit in the amount of the credits provided pursuant to this subdivision, in lieu of a credit against amounts to be allocated to such local government units under section 473.517.

473.5111 TRANSFER, DISPOSAL OF NONMETROPOLITAN INTERCEPTOR.

Subdivision 1. **Definitions.** In this section, the definitions in this subdivision apply, except as otherwise expressly provided or indicated by the context.

(a) The term "in good operating condition" with reference to an interceptor means that the facility is currently operational and that the pipes or sewer mains portion only of the facility is expected to have structural integrity, as appropriate for the proposed use of the pipe, for a period of ten or more years after the date of a determination or certification of good operating condition under this section.

(b) The term "interceptor" has the meaning given it in section 473.121, subdivision 23, and includes a designated portion of an interceptor.

(c) The term "local government unit," with respect to an interceptor that is a storm sewer, means a local governmental unit as defined in section 473.121, subdivision 6. The term local government unit, with respect to an interceptor that is not a storm sewer, means a local government unit as defined in section 473.501, subdivision 3.

(d) The term "storm sewer" means a facility that currently carries exclusively water runoff, surface water, or other drainage, rather than sewage.

(e) The term "use as a local facility" includes use as either a sanitary sewer or a storm sewer.

Subd. 2. **Nonmetropolitan status determination.** The council may determine that an interceptor is no longer needed to implement the council's comprehensive plan for the collection, treatment, and disposal of sewage in the metropolitan area. If the council makes the determination, it may use the procedures in this section to sell, transfer, abandon, or otherwise dispose of the interceptor.

Subd. 3. **Local benefit determination; transfer to benefited community.** (a) If the council uses the procedures in this section, it must, with regard to each interceptor for which the determination is made in subdivision 2, determine whether or not the interceptor continues to be of benefit for use as a local facility for one or more local government units. If the council determines that the interceptor does not continue to be of benefit as a local facility, it must notify each local government unit in which the interceptor is located, of this determination.

(b) Such a government unit may notify the council in writing within 90 days from receipt of notice that it believes the interceptor provides a local benefit to the government unit and that it desires to take possession of the interceptor. The council may extend the time for a government unit to provide this notice. If a government unit delivers a written notice to the council in accordance with this paragraph, the council must transfer the interceptor at no cost to the government unit by preparing and transmitting a bill of sale for the facility and quitclaim deeds for any property rights associated with the facility that are no longer needed for the council's purposes. Upon receipt of the bill of sale, the government unit is the owner of the interceptor and thereafter responsible for its operation and maintenance.

(c) If the council does not receive notice from a government unit under paragraph (b), the council may sell, transfer, abandon, or otherwise dispose of the interceptor in such manner as it may deem fit.

APPENDIX

Repealed Minnesota Statutes: 15-4180

Subd. 4. **Preliminary council determinations; notice to local government units.** If the council determines that an interceptor continues to be of benefit for use as a local facility for one or more local government units, it must designate those units that are so benefited and the portions of the interceptor that should properly be transferred to the benefited units. It must also determine whether the interceptor is in good operating condition and, if not, the necessary repairs, and their cost, needed to put the interceptor in good operating condition. The council must provide written notice to each designated unit of the council's determinations in this subdivision.

Subd. 5. **Contested case; administrative and judicial review.** (a) The council's preliminary determinations under subdivision 4 may be contested by a local government unit which has been designated by the council under that subdivision. The unit has 90 days from receiving notice of the council's determinations under subdivision 4 within which to make a written request to the council for a hearing on the council's determinations. The unit in its request for hearing must specify the determinations with which it disagrees and its position with regard to those determinations. If within 90 days no designated unit has requested a hearing in writing, the council's preliminary determinations become its final decision with respect to the determinations under subdivision 4 and the final decision is binding on all designated units. If a designated unit requests a hearing, the request for hearing must be granted and the hearing must be conducted by the Office of Administrative Hearings in the manner provided by chapter 14 for contested cases. The subject of the hearing must extend only to those council determinations under subdivision 4 for which a hearing has been requested. The council and all local government units designated by the council under subdivision 4 are parties to the contested case proceeding.

(b) Charges of the Office of Administrative Hearings must be divided equally among the council and those parties who requested a hearing under paragraph (a). Otherwise, each party is responsible for its own costs and expenses in the proceeding.

(c) After receipt of the report of the Office of Administrative Hearings, the council must make a final decision with respect to the determinations in subdivision 4. Any party to the contested case proceeding who is aggrieved by the final decision of the council may make a judicial appeal in the manner provided in chapter 14 for contested cases.

Subd. 6. **Council options.** (a) If the council's final decision after a proceeding under subdivision 5 is that the interceptor does not continue to be of benefit for use as a local facility, it may sell, transfer, abandon, or otherwise dispose of the interceptor in such manner as it may deem fit.

(b) If the council's final decision is that the interceptor continues to be of benefit for use as a local facility, but is not in good operating condition, it may either:

(1) continue to operate the interceptor until sold, transferred, abandoned, or otherwise disposed of in such manner as it may deem fit; or

(2) repair the interceptor as necessary to put the interceptor in good operating condition, certify that it is in good operating condition, and proceed under subdivision 7.

(c) If the council's final decision is that the interceptor continues to be of benefit for use as a local facility and is in good operating condition, it must proceed under subdivision 7.

Subd. 7. **Transfer agreement; local benefit charge; transfer to benefited community.** (a) This subdivision applies if an interceptor designated in subdivision 2 continues to be of benefit as a local facility and is determined or, after repair is certified, by the council to be in good operating condition.

(b) The council and each local government unit that has been determined to have a benefit in accordance with the procedures in this section must negotiate and enter into an agreement governing transfer of an interceptor that has been determined to have benefit for use as a local facility.

(c) The agreement may provide for the council to share in the cost of emergency repairs to the transferred interceptor for an agreed warranty period not exceeding ten years beyond the later of:

(1) the date of the preliminary council determination of good operating condition in subdivision 4; or

(2) the date of the certification in subdivision 6, paragraph (b), clause (2).

(d) The agreement may also contain arrangements between one or more local government units concerning shared use, ownership, operation, or maintenance of the transferred interceptor.

(e) If the interceptor is not a storm sewer and is not transferred in its entirety to local government units, the council must charge a local benefit charge for the portions of the interceptor not transferred.

(f) The charge must begin on the later of:

(1) two years from the date of the determination in subdivision 2; or

APPENDIX

Repealed Minnesota Statutes: 15-4180

(2) the day after the completion of any contested case proceeding under subdivision 5, including any judicial appeals.

(g) The local benefit charge must be:

(1) based on the costs of overhead, operation, maintenance, rehabilitation, and debt service of that portion of the interceptor not transferred;

(2) charged to all local government units which have not taken ownership of their allocated portion of the interceptor; and

(3) allocated in accordance with the final decision of the council under subdivision 5.

(h) The local benefit charge is considered a charge payable by the local government unit to the council under section 473.521 and must continue to be paid by the local government unit until the interceptor is transferred to it.

(i) If the facility is a storm sewer and is not transferred in its entirety to the benefited local government unit or units by the later of:

(1) two years from the date of the determination in subdivision 2; or

(2) the day after the completion of any contested case proceeding under subdivision 5, including any judicial appeals,

then the facility is transferred effective on the later of the dates in clauses (1) and (2), by operation of law, to the unit or units determined to have a benefit in accordance with the procedures under this section.

(j) The transfer is not dependent on an agreement between the council and the local government unit or units and is at no cost to the receiving unit.

(k) The local government unit is thereafter the owner of the interceptor and responsible for its operation and maintenance.

(l) The council must prepare and transmit to the appropriate government unit or units bills of sale for the facility, and quitclaim deeds for any property rights associated with the facility which are no longer needed for the council's purposes.

Subd. 8. Power to operate, maintain, and repair facility. Until such time as an interceptor is sold, transferred, abandoned, or otherwise disposed of under this section, the council has all powers under this chapter to operate, maintain, and repair the interceptor. After transfer of an interceptor, the council has all powers under this chapter to provide emergency repairs under any agreed warranty period incorporated into a transfer agreement under subdivision 7.

473.512 PENSION EXCLUSION FOR CERTAIN LABOR SERVICE EMPLOYEES.

Subdivision 1. Qualification, conditions. A member of a trade who is employed by the former metropolitan waste control commission, and on July 1, 1994, is employed by the council, on a permanent basis with trade union pension plan coverage pursuant to a collective bargaining agreement shall be excluded from coverage by the Minnesota State Retirement System if the member was first employed on or after June 1, 1977 or, if the member was first employed prior to June 1, 1977, has elected to be excluded from coverage by the Minnesota State Retirement System pursuant to subdivision 2, and has accepted a refund of contributions pursuant to subdivision 3.

Subd. 2. Deadline, effect. A member of a trade entitled under subdivision 1 to make an election of exclusion from pension coverage by the Minnesota State Retirement System may make the election of exclusion no later than August 1, 1977 on forms provided by the executive director of the Minnesota State Retirement System. The election of exclusion from coverage shall be a one time election irrevocable while employed in such capacity and shall have retroactive application to the first day of membership in the Minnesota State Retirement System.

Subd. 3. Refund. Upon electing to be excluded from coverage as provided in subdivision 2 and making a valid application, a member of a trade shall be entitled to a refund of both the accumulated employee and the employer contributions made pursuant to Minnesota Statutes 1976, section 352.04, subdivision 3, on behalf of the member plus interest at the rate of 3-1/2 percent per annum compounded annually from the date of commencement of coverage, computed to the first day of the month in which the refund is processed and shall be based on fiscal year balances. The application for the refund may be made without the waiting period provided for in section 352.22, subdivision 1. No repayment of a refund made under this section shall be permitted.

473.513 MUNICIPAL PLANS AND PROGRAMS.

As soon as practicable after the adoption of the first policy plan by the council as provided in section 473.146, and before undertaking the construction of any extensions or additions to its disposal system or the substantial alteration or improvement of its existing disposal system, each local government unit shall adopt a similar policy plan for the collection, treatment and disposal

APPENDIX

Repealed Minnesota Statutes: 15-4180

of sewage for which the local government unit is responsible, coordinated with the council's plan, and may revise the same as often as it deems necessary. Each such plan shall be submitted forthwith to the council for review and shall be subject to the approval of the council as to those features affecting the council's responsibilities as determined by the council. Any such features disapproved by the council shall be modified in accordance with the council's recommendations. No construction of new sewers or other disposal facilities, and no substantial alteration or improvement of any existing sewers or other disposal facilities involving such features, shall be undertaken by any local government unit unless its governing body shall first find the same to be in accordance with its comprehensive plan and program as approved by the council. At the time each local government unit makes application to the Minnesota Pollution Control Agency for a permit to alter or improve its disposal system it shall file with the council a copy of the application together with design data and a location map of the project.

473.515 SEWAGE COLLECTION AND DISPOSAL; POWERS.

Subdivision 1. **Identification of powers.** In addition to all other powers conferred upon or delegated to the council hereunder, it shall have the powers specified in this section.

Subd. 2. **Right to discharge treated sewage.** The council 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 council 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 any disposal system or part thereof with the metropolitan disposal system wherever reasonable opportunity therefor is provided; may regulate the manner in which such connections are made; may require any person or local government unit discharging sewage into the metropolitan disposal system to provide preliminary treatment therefor; may prohibit the discharge into the metropolitan disposal system of any substance which 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 and so far as adequate service is or will be provided by the metropolitan disposal system.

473.5155 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 473.501 to 473.549 or rules, standards, variances, limitations, orders, stipulations, agreements, schedules of compliance, or permits that are issued or adopted by the council under sections 473.501 to 473.549.

(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 473.501 to 473.549.

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 council in the name of the state.

473.516 WASTE FACILITIES; SEWAGE SLUDGE DISPOSAL.

Subdivision 1. **Acquisition and operation.** Without limiting the grant or enumeration of any of the powers conferred on the council under sections 473.501 to 473.549, the council shall have the specific power to acquire by purchase, lease, condemnation, gift or grant any real or personal property, positive and negative easements and water and air rights, and it may construct, enlarge, improve, replace, repair, maintain and operate waste facilities in the metropolitan area deemed to be necessary or convenient in connection with the processing or disposal of waste resulting from sewage treatment, and the council may contract for the maintenance and operation of such waste facilities, subject to the bidding requirements of section 473.523. The council may accept for processing waste derived from outside the metropolitan area in the state, as well as waste derived from within the metropolitan area, and may fix and collect fees and charges for the acceptance of waste as the council determines to be reasonable.

APPENDIX

Repealed Minnesota Statutes: 15-4180

Subd. 2. **General requirements.** With respect to its activities under this section, the council shall be subject to and comply with the applicable provisions of this chapter. Property acquired by the council under this section shall be subject to the provisions of section 473.545. Any site or facility owned or operated for or by the council shall conform to the policy plan adopted under section 473.149. The council shall contract with private persons for the construction, maintenance, and operation of waste facilities, subject to the bidding requirements of section 473.523, where the facilities are adequate and available for use and competitive with other means of providing the same service.

Subd. 3. **Local restrictions.** Counties and local units of government may impose conditions respecting the construction, operation, inspection, monitoring, and maintenance of a waste facility of the council and conditions respecting the sale, gift, delivery, storage, use, and disposal of sewage sludge of the council on private property as a soil conditioner or amendment, but only in the manner and only to the extent authorized and approved by the council and the Pollution Control Agency as being consistent with the establishment and use of the council's waste facilities and the disposal of the council's sewage sludge on private property in accordance with the council's plan, adopted under Minnesota Statutes 1992, section 473.153, and agency permits and rules. Counties may exercise the enforcement powers granted under section 473.811, subdivision 5c, in the manner and to the extent authorized and approved in accordance with this subdivision.

Subd. 4. **Technical monitoring; sewage sludge disposal.** Each sewage sludge disposal facility of the council, or site used for the disposal of sewage sludge of the council, shall be required to have an agency permit issued pursuant to agency rules for permitting sewage sludge disposal facilities and sites. Each permit shall require a regular monitoring and testing program to be carried out by the council. A regular inspection program shall be conducted by the agency or a county under contract to the agency. The council shall reimburse the agency quarterly for the cost of the program, and the amounts reimbursed are hereby appropriated to the agency for the purposes of the program. The council shall attempt to the greatest practical extent to provide a sludge quality that permits desired nutrient loadings and minimizes elements not essential for plant growth when sludge is disposed of on private property as a soil conditioner or amendment. The council shall provide recipients with information on the facility generating the sludge and the content of the sludge taken from its various treatment facilities.

473.517 ALLOCATION OF COSTS.

Subdivision 1. **Allocation method.** Except as provided in subdivision 3, the estimated costs of operation, maintenance, and debt service of the metropolitan disposal system to be paid by the council in each fiscal year, and the costs of acquisition and betterment of the system which are to be paid during the year from funds other than bond proceeds, including all expenses incurred by the council pursuant to sections 473.501 to 473.545, are referred to in this section as current costs, and shall be allocated among and paid by all local government units which will discharge sewage, directly or indirectly, into the metropolitan disposal system during the budget year according to an allocation method determined by the council. 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 council's total wastewater services operating budget.

Subd. 3. **Allocation of treatment, interceptor costs; reserved capacity.** (a) In preparing each budget the council shall estimate the current costs of acquisition, betterment, and debt service, only, of the treatment works in the metropolitan disposal system which will not be used to total capacity during the budget year, and the percentage of such capacity which will not be used, and shall deduct the same percentage of such treatment works costs from the current costs allocated under subdivision 1. The council shall also estimate the current costs of acquisition, betterment, and debt service, only, 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 council'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

APPENDIX

Repealed Minnesota Statutes: 15-4180

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 council 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 council may reduce the SAC transfer amount for that fiscal year. If the council reduces the SAC transfer amount for the next fiscal year, the council must then increase the metropolitan sewer availability charge 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." The provisions of this paragraph expire at the end of calendar year 2015.

(c) The council 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 council 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 council increases the SAC transfer amount shall be determined by the council after appropriate study and a public hearing.

Subd. 6. Deferral of payments. (a) Upon request of a local government unit, the council may provide for the deferral of payment of all or part of the allocated costs that are allocated by the council to that local government unit in any year pursuant to subdivision 1, repayable at the time or times specified by the council, with interest as determined by the council. A deferral must not result in an increase to the allocated costs which are allocated by the council to other local government units in any year pursuant to subdivision 1.

(b) Upon request of a local government unit, the council may provide for the deferral of payment of all or part of the allocated costs which are allocated by the council to a local government unit in any year pursuant to subdivision 3, repayable at such time or times as the council shall specify, with interest at the approximate average annual rate borne by council bonds outstanding at the time of the deferral, as determined by the council. Such deferred costs shall be allocated to and paid by all local government units in the metropolitan area which will discharge sewage, directly or indirectly, into the metropolitan disposal system in the budget year for which the deferral is granted, in the same manner and proportions as costs are allocated under subdivision 1.

Subd. 10. Direct charging of industrial users. (a) The term "industrial discharger" for the purposes of this subdivision means a recipient of wastewater treatment services that is required by council rules or procedures to have a permit issued by the council in order to discharge sewage to the metropolitan disposal system.

(b) The council 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 council 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 council'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 such intervals as may be established by the council. The council may impose interest charges upon delinquent payments.

(c) Charges by the council 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 council for the subject property, are a charge jointly and severally against the owners, lessees, and occupants of the property served. The council may certify such 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 council's certification must be paid by the county treasurer to the council when collected. Certification does not preclude the council from recovery of delinquent amounts and interest under any other available remedy.

473.519 1972 U.S. 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 which will assure that each recipient of waste treatment

APPENDIX

Repealed Minnesota Statutes: 15-4180

services within or served by the unit will pay its proportionate share of the costs allocated to the unit by the council under section 473.517, as required by the federal Water Pollution Control Act amendments of 1972, and any regulations issued pursuant thereto. Each system of charges shall be submitted to the council if requested by the council.

473.521 PAYMENTS TO COUNCIL.

Subdivision 1. **Amounts due council, when payable.** Charges payable to the council by local government units may be made payable at such times during each year as the council determines, but such 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 such charges.

Subd. 2. **Component municipalities, obligations to council.** Each government unit shall pay to the council all sums charged to it as provided in section 473.517, at the times and in the manner determined by the council. The governing body of each such government unit shall take all action that may be necessary to provide the funds required for such payments and to make the same when due.

Subd. 3. **Powers of government units.** To accomplish any duty imposed on it by the council, the governing body of every government unit in the metropolitan area may exercise the powers granted any municipality by chapters 117, 412, 429, 475, 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 council hereunder when due, the Metropolitan Council may certify to the auditor of the county in which the government unit is located the amount required for payment of such amount with interest at six percent per annum. The auditor shall levy and extend such 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. Such tax shall be collected in the same manner as the general taxes of the government unit, and the proceeds thereof, when collected, shall be paid by the county treasurer to the treasurer of the council and credited to the government unit for which the tax was levied.

473.523 CONSTRUCTION CONTRACTS SUBJECT TO MUNICIPAL BID LAW.

Subdivision 1. **Contracts for metropolitan disposal system.** 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 council 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. Such notice shall state the nature of the work or purchase and the terms and conditions upon which the contract is to be awarded, and a time and place where such bids will be received, opened, and read publicly. After such bids have been duly received, opened, read publicly, and recorded, the council shall award such 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 council for the faithful performance of the contract as required by law. The council shall have the right to set qualifications and specifications and to require bids to meet all such qualifications and specifications before being accepted. If the council 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. 1a. **Contracts over \$50,000; best value alternative.** As an alternative to the procurement method described in subdivision 1, the council 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).

473.524 CAPITAL INTENSIVE PUBLIC SERVICES.

The council may exercise the authority it had under Minnesota Statutes 2012, sections 471A.01 to 471A.12, for the purposes of fulfilling its wastewater services responsibilities under sections 473.501 to 473.549. The wastewater facilities designed or built under the authority provided by Minnesota Statutes 2012, sections 471A.01 to 471A.12, deemed necessary by the

APPENDIX

Repealed Minnesota Statutes: 15-4180

council to accomplish its responsibilities under this chapter must remain under the ownership of the council.

473.541 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 council may by resolution authorize the issuance, negotiation, and sale, in such form and manner and upon such terms as it may determine, of general obligation certificates of indebtedness in aggregate principal amounts not exceeding 50 percent of the total amount of such 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 for some reason the anticipated revenues are insufficient to pay the certificates and interest thereon when due, the council 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 council's current wastewater services expenses, or if any calamity or other public emergency should subject it to the necessity of making extraordinary wastewater services expenditures, the council 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. The council may levy on all taxable property in the metropolitan area a tax sufficient to pay the certificates and interest thereon, and shall appropriate all collections of such tax to a special fund created for that purpose. The certificates may mature not later than April in the year following the year in which any levied tax is collectible.

Subd. 3. **General obligation bonds.** The council 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 council shall provide for the issuance and sale and for the security of such 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 such bonds. The council may also pledge for the payment of such bonds any revenues receivable under section 473.517.

Subd. 4. **Revenue bonds.** (a) The council 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 council shall have the same powers and duties as a municipality and its governing body 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 473.517, shall not, and shall state they do not, represent or constitute a general obligation or debt of the council, 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 council 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 473.517. 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 such parties have notice thereof 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 council may make such 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 473.521, subdivision 4.

APPENDIX

Repealed Minnesota Statutes: 15-4180

(c) Neither the council, nor any council member, officer, employee, or agent of the council, 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 the payment thereof, nor shall the council be subject to any liability thereon 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 council (except any deficiency tax levy the council covenants to certify under section 473.521, subdivision 4) or any other public body, to the payment of principal of or interest on the bonds, nor to enforce payment thereof against any property of the council or other public body other than that expressly pledged for the payment thereof.

473.542 DEPOSITORIES.

The council 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 moneys of the council, and thereupon shall require the treasurer to deposit all or a part of such moneys in such institutions. Such designation shall be in writing and shall set forth all the terms and conditions upon which the deposits are made, and shall be signed by the chair and treasurer, and made a part of the minutes of the council. 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.

473.543 MONEYS, ACCOUNTS AND INVESTMENTS.

Subdivision 1. **Disposed of as budgeted; pledges.** All moneys from wastewater services operations received by the council shall be deposited or invested by the treasurer and disposed of as the council may direct in accordance with its wastewater services budget; provided that any moneys that have been pledged or dedicated by the Metropolitan Council to the payment of obligations or interest thereon or expenses incident thereto, or for any other specific purpose authorized by law, shall be paid by the treasurer into the fund to which they have been pledged.

Subd. 2. **Accounts.** The council's treasurer shall establish such funds and accounts as may be necessary or convenient to handle the receipts and disbursements of the council in an orderly fashion.

Subd. 3. **Where to deposit; how to invest.** The moneys on hand in said funds and accounts may be deposited in the official depositories of the council or invested as hereinafter provided. The amount thereof 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 chapter 118A. Such moneys may also be held under certificates of deposit issued by any official depository of the council.

Subd. 4. **Bond proceeds.** The use of proceeds of all bonds issued by the council for the acquisition and betterment of interceptors or treatment works, and the use, other than investment, of all moneys on hand in any sinking fund or funds of the council, shall be governed by the provisions of chapter 475, and the provisions of resolutions authorizing the issuance of such bonds.

473.545 PROPERTY EXEMPT FROM TAXATION.

Any properties, real or personal, owned, leased, controlled, used, or occupied by the council for any purpose referred to in sections 473.501 to 473.549 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 such 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 such improvement. No possible use of any such 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 such properties. All such assessments shall be subject to final confirmation by the Metropolitan Council, whose determination of the benefits shall be conclusive upon the political subdivision levying the assessment.

473.547 TAX LEVIES.

APPENDIX

Repealed Minnesota Statutes: 15-4180

The council 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 which may be levied by the council for other purposes or by any local government unit in the area. The council shall also have power to levy taxes as provided in section 473.521. 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 council in each year which is certified to the auditor by the council. Each county treasurer shall collect and make settlement of such taxes with the council in the same manner as with other political subdivisions.

473.549 RELATION TO EXISTING LAWS.

The provisions of sections 473.501 to 473.549 shall be given full effect notwithstanding the provisions of any law not consistent therewith. The powers conferred on the council under sections 473.501 to 473.545 shall in no way diminish or supersede the powers conferred on the Pollution Control Agency by sections 103F.701 to 103F.755 and chapters 115 and 116.

473.621 POWERS OF CORPORATION.

Subd. 6. **Capital projects; review.** All Minneapolis-St. Paul International Airport capital projects of the commission requiring the expenditure of more than \$5,000,000 shall be submitted to the Metropolitan Council for review. All other capital projects of the commission requiring the expenditure of more than \$2,000,000 shall be submitted to the Metropolitan Council for review. No such project that has a significant effect on the orderly and economic development of the metropolitan area may be commenced without the approval of the Metropolitan Council. In addition to any other criteria applied by the Metropolitan Council in reviewing a proposed project, the council shall not approve a proposed project unless the council finds that the commission has completed a process intended to provide affected municipalities the opportunity for discussion and public participation in the commission's decision-making process. An "affected municipality" is any municipality that (1) is adjacent to a commission airport, (2) is within the noise zone of a commission airport, as defined in the Metropolitan Development Guide, or (3) has notified the commission's secretary that it considers itself an "affected municipality." The council must at a minimum determine that the commission:

- (a) provided adequate and timely notice of the proposed project to each affected municipality;
- (b) provided to each affected municipality a complete description of the proposed project;
- (c) provided to each affected municipality notices, agendas, and meeting minutes of all commission meetings, including advisory committee meetings, at which the proposed project was to be discussed or voted on in order to provide the municipalities the opportunity to solicit public comment and participate in the project development on an ongoing basis; and
- (d) considered the comments of each affected municipality.

473.834 DEBT SERVICE; SOLID WASTE BONDS.

Subdivision 1. **Certain cities and towns; exemption.** Each city or town in which a solid waste disposal facility is operating after January 1, 1980, shall be permanently exempt from the payments required by this section, if the facility is a commercial facility disposing of mixed municipal solid waste under an agency permit.

Subd. 2. **Allocation of debt service.** The annual debt service on the council's solid waste bonds, issued under Minnesota Statutes 1990, section 473.831, shall be annually apportioned and certified by the council to each county in the metropolitan area, in the proportion that the net tax capacity of all taxable property within each county bears to the net tax capacity of the taxable property in all the counties, except that the apportionment to each county shall first be adjusted to reflect exemptions from payment required by subdivision 1.

473.851 LEGISLATIVE FINDINGS AND PURPOSE.

The legislature finds and declares that the local governmental units within the metropolitan area are interdependent, that the growth and patterns of urbanization within the area create the need for additional state, metropolitan and local public services and facilities and increase the danger of air and water pollution and water shortages, and that developments in one local governmental unit may affect the provision of regional capital improvements for sewers, transportation, airports, water supply, and regional recreation open space. Since problems of urbanization and development transcend local governmental boundaries, there is a need for

APPENDIX

Repealed Minnesota Statutes: 15-4180

the adoption of coordinated plans, programs and controls by all local governmental units in order to protect the health, safety and welfare of the residents of the metropolitan area and to ensure coordinated, orderly, and economic development. Therefore, it is the purpose of sections 462.355, 473.175, and 473.851 to 473.871 to (1) establish requirements and procedures to accomplish comprehensive local planning with land use controls consistent with planned, orderly and staged development and the metropolitan system plans, and (2) to provide assistance to local governmental units within the metropolitan area for the preparation of plans and official controls appropriate for their areas and consistent with metropolitan system plans.

473.852 DEFINITIONS.

Subdivision 1. **Terms.** As used in sections 462.355, 473.175, and 473.851 to 473.871, the following terms shall have the meanings given them.

Subd. 2. **Advisory Metropolitan Land Use Committee or advisory committee.** "Advisory Metropolitan Land Use Committee" or "advisory committee" means an advisory committee established by the Metropolitan Council pursuant to section 473.853.

Subd. 3. **Applicable planning statute.** "Applicable planning statute" means sections 394.21 to 394.37 for counties and sections 462.351 to 462.364 for cities and towns.

Subd. 4. **Capital improvement program.** "Capital improvement program" means an itemized program for a five-year prospective period, and any amendments thereto, subject to at least biennial review, setting forth the schedule, timing, and details of specific contemplated capital improvements by year, together with their estimated cost, the need for each improvement, financial sources, and the financial impact that the improvements will have on the local governmental unit.

Subd. 5. **Comprehensive plan.** "Comprehensive plan" means the comprehensive plan of each local governmental unit described in sections 473.858 to 473.862, and any amendments to the plan.

Subd. 6. **Fiscal devices.** "Fiscal devices" means the valuation of property pursuant to section 273.111, the designation of urban and rural service districts, pursuant to section 272.67, and the establishment of development districts pursuant to sections 469.124 to 469.133, and any other statutes authorizing the creation of districts in which the use of tax increment bonding is authorized.

Subd. 7. **Local governmental unit or unit.** "Local governmental unit" or "unit" means all cities, counties and towns lying in whole or in part within the metropolitan area, but does not include school districts.

Subd. 8. **Metropolitan system plans.** "Metropolitan system plans" means the transportation portion of the Metropolitan Development Guide, and the policy plans, and capital budgets for metropolitan wastewater service, transportation, and regional recreation open space.

Subd. 9. **Official controls or controls.** "Official controls" or "controls" means ordinances and rules which control the physical development of a city, county or town or any part thereof or any detail thereof and implement the general objectives of the comprehensive plan. Official controls may include ordinances establishing zoning, subdivision controls, site plan regulations, sanitary codes, building codes and official maps.

Subd. 10. **Private sewer facility.** "Private sewer facility" means a single lot, multiple lot or other sewage collection or treatment facility owned, constructed or operated by any person other than a local governmental unit or the council.

473.853 ADVISORY COMMITTEE.

The council shall establish an advisory metropolitan land use committee pursuant to section 473.127, comprised of 16 members, one from each council district, and as many additional members as are necessary to provide representation from each metropolitan county, plus a chair. At least one-half of the members of the advisory committee shall be elected officials of local governmental units. The members shall be appointed for the same period as the term of the council member for the district in which the member resides.

473.854 GUIDELINES.

The council shall prepare and adopt guidelines and procedures relating to the requirements and provisions of sections 462.355, 473.175, and 473.851 to 473.871 which will provide

APPENDIX

Repealed Minnesota Statutes: 15-4180

assistance to local governmental units in accomplishing the provisions of sections 462.355, 473.175, and 473.851 to 473.871.

473.856 METROPOLITAN SYSTEM STATEMENTS; AMENDMENTS.

The council shall prepare and transmit to each affected local governmental unit a metropolitan system statement when the council updates or revises its comprehensive development guide for the metropolitan area in conjunction with the decennial review required under section 473.864, subdivision 2, and when the council amends or modifies a metropolitan system plan. The statement shall contain information relating to the unit and appropriate surrounding territory that the council determines necessary for the unit to consider in reviewing the unit's comprehensive plan. The statement may include:

(1) the timing, character, function, location, projected capacity, and conditions on use for existing or planned metropolitan public facilities, as specified in metropolitan system plans, and for state and federal public facilities to the extent known to the council; and

(2) the population, employment, and household projections which have been used by the council as a basis for its metropolitan system plans.

Within nine months after receiving a system statement for an amendment to a metropolitan system plan, and within three years after receiving a system statement issued in conjunction with the decennial review required under section 473.864, subdivision 2, each affected local governmental unit shall review its comprehensive plan to determine if an amendment is necessary to ensure continued conformity with metropolitan system plans. If an amendment is necessary, the governmental unit shall prepare the amendment and submit it to the council for review pursuant to sections 462.355, 473.175, and 473.851 to 473.871.

473.857 SYSTEM STATEMENTS; RECONCILIATION PROCEDURES.

Subdivision 1. **Request for hearing.** If a local governmental unit and the council are unable to resolve disagreements over the content of a system statement, the unit may by resolution request that a hearing be conducted by the advisory committee or by the state Office of Administrative Hearings for the purpose of considering amendments to the system statement. The request shall be made by the unit within 60 days after receipt of the system statement and shall be accompanied by a description of the disagreement together with specified proposed amendments to the system statement. If no request for a hearing is received by the council within 60 days, the statement shall be final.

Subd. 2. **Within 60 days; report.** A hearing shall be conducted within 60 days after the request, provided that the advisory committee or the administrative law judge shall consolidate hearings on related requests. The 60-day period within which the hearing shall be conducted may be extended or suspended by mutual agreement of the council and the local governmental unit. The hearing shall not consider the need for or reasonableness of the metropolitan system plans or parts thereof. The hearing shall afford all interested persons an opportunity to testify and present evidence. The advisory committee or administrative law judge may employ the appropriate technical and professional services of the office of dispute resolution for the purpose of evaluating disputes of fact. The proceedings shall not be deemed a contested case. Within 30 days after the hearing, the advisory committee or the administrative law judge shall report to the council respecting the proposed amendments to the system statements. The report shall contain findings of fact, conclusions, and recommendations and shall apportion the costs of the proceedings among the parties.

Subd. 3. **Final determination.** Within 30 days of receipt of the report, the council, by resolution containing findings of fact and conclusions, shall make a final determination respecting the proposed amendments. At any point in the reconciliation procedure established by this section, the council and a local governmental unit may resolve their disagreement by stipulation.

473.858 COMPREHENSIVE PLANS; LOCAL GOVERNMENTAL UNITS.

Subdivision 1. **No conflicting zoning, fiscal device, official control.** Within nine months following the receipt of a metropolitan system statement for an amendment to a metropolitan system plan and within three years following the receipt of a metropolitan system statement issued in conjunction with the decennial review required under section 473.864, subdivision 2, every local governmental unit shall have reviewed and, if necessary, amended its comprehensive plan in accordance with sections 462.355, 473.175, and 473.851 to 473.871 and the applicable planning statute and shall have submitted the plan to the Metropolitan Council for review pursuant to section 473.175. The provisions of sections 462.355, 473.175, and 473.851 to 473.871 shall

APPENDIX

Repealed Minnesota Statutes: 15-4180

supersede the provisions of the applicable planning statute wherever a conflict may exist. If the comprehensive municipal plan is in conflict with the zoning ordinance, the zoning ordinance shall be brought into conformance with the plan by local government units in conjunction with the review and, if necessary, amendment of its comprehensive plan required under section 473.864, subdivision 2. A local government unit shall not adopt any fiscal device or official control which is in conflict with its comprehensive plan, including any amendments to the plan, or which permits activity in conflict with metropolitan system plans, as defined by section 473.852, subdivision 8. The comprehensive plan shall provide guidelines for the timing and sequence of the adoption of official controls to ensure planned, orderly, and staged development and redevelopment consistent with the comprehensive plan. For purposes of this section, a fiscal device or official control shall not be considered to be in conflict with a local government unit's comprehensive plan or to permit an activity in conflict with metropolitan system plans if such fiscal device or official control is adopted to ensure the planned, orderly, and staged development of urbanization or redevelopment areas designated in the comprehensive plan pursuant to section 473.859, subdivision 5.

Subd. 2. **Adjacent review, comment.** Local governmental units shall submit their proposed plans to adjacent governmental units, affected special districts lying in whole or in part within the metropolitan area, and affected school districts for review and comment at least six months prior to submission of the plan to the council and shall submit copies to them on the submission of the plan to the council. For minor plan amendments, the council may prescribe a shorter review and comment period, or may waive the review and comment period if the minor plan amendments involve lands that are not contiguous to other local governmental units.

Subd. 3. **When to council.** The plans shall be submitted to the council following recommendation by the planning agency of the unit and after consideration but before final approval by the governing body of the unit.

Subd. 4. **Status of old, new programs, plans, controls.** Comprehensive plans, capital improvement programs, sewer policy plans and official controls of local governmental units adopted prior to the requirements of sections 462.355, 473.175, and 473.851 to 473.871 shall remain in force and effect until amended, repealed or superseded by plans or controls adopted pursuant to sections 462.355, 473.175, and 473.851 to 473.871. Existing comprehensive plans, capital improvement programs, sewer policy plans, and official controls may be amended and new capital improvement programs and official controls may be prepared and adopted prior to the submission to the council of comprehensive plans required by sections 462.355, 473.175, and 473.851 to 473.871.

473.859 COMPREHENSIVE PLAN CONTENT.

Subdivision 1. **Contents.** The comprehensive plan shall contain objectives, policies, standards and programs to guide public and private land use, development, redevelopment and preservation for all lands and waters within the jurisdiction of the local governmental unit through 1990 and may extend through any year thereafter which is evenly divisible by five. Each plan shall specify expected industrial and commercial development, planned population distribution, and local public facility capacities upon which the plan is based. Each plan shall contain a discussion of the use of the public facilities specified in the metropolitan system statement and the effect of the plan on adjacent local governmental units and affected school districts. Existing plans and official controls may be used in whole or in part following modification, as necessary, to satisfy the requirements of sections 462.355, 473.175, and 473.851 to 473.871. Each plan may contain an intergovernmental coordination element that describes how its planned land uses and urban services affect other communities, adjacent local government units, the region, and the state, and that includes guidelines for joint planning and decision making with other communities, school districts, and other jurisdictions for siting public schools, building public facilities, and sharing public services.

Each plan may contain an economic development element that identifies types of mixed use development, expansion facilities for businesses, and methods for developing a balanced and stable economic base.

The comprehensive plan may contain any additional matter which may be included in a comprehensive plan of the local governmental unit pursuant to the applicable planning statute.

Subd. 2. **Land use plan.** (a) A land use plan shall include the water management plan required by section 103B.235, and shall designate the existing and proposed location, intensity and extent of use of land and water, including lakes, wetlands, rivers, streams, natural drainage courses, and adjoining land areas that affect water natural resources, for agricultural, residential, commercial, industrial and other public and private purposes, or any combination of such purposes.

APPENDIX

Repealed Minnesota Statutes: 15-4180

(b) A land use plan shall contain a protection element, as appropriate, for historic sites, the matters listed in the water management plan required by section 103B.235, and an element for protection and development of access to direct sunlight for solar energy systems.

(c) A land use plan shall also include a housing element containing standards, plans and programs for providing adequate housing opportunities to meet existing and projected local and regional housing needs, including but not limited to the use of official controls and land use planning to promote the availability of land for the development of low and moderate income housing.

(d) A land use plan shall also include the local government's goals, intentions, and priorities concerning aggregate and other natural resources, transportation infrastructure, land use compatibility, habitat, agricultural preservation, and other planning priorities, considering information regarding supply from the Minnesota Geological Survey Information Circular No. 46.

Subd. 2a. Application of subdivision 2, paragraph (d). Subdivision 2, paragraph (d), applies only to land use plans adopted or amended by the governing body in relation to aggregate or when the governing body is presented with a written application for adoption or amendment of a land use plan relating to aggregate, from a landowner after August 1, 2001, in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Subd. 3. Public facilities plan. A public facilities plan shall describe the character, location, timing, sequence, function, use and capacity of existing and future public facilities of the local governmental unit. A public facilities plan must be in at least such detail as may be necessary to establish existing or potential effects on or departures from metropolitan system plans and to protect metropolitan system plans. A public facilities plan shall contain at least the following parts:

(1) a transportation plan describing, designating and scheduling the location, extent, function and capacity of existing and proposed local public and private transportation services and facilities;

(2) a sewer policy plan describing, designating and scheduling the areas to be sewered by the public system, the existing and planned capacities of the public system, the standards and conditions under which the installation of private sewer systems will be permitted, and to the extent practicable, the areas not suitable for public or private systems because of public health, safety and welfare considerations;

(3) a parks and open space plan describing, designating and scheduling the existing and proposed parks and recreation open spaces within the jurisdiction; and

(4) a water supply plan as described in section 103G.291, subdivision 3.

Subd. 4. Implementation program. An implementation program shall describe public programs, fiscal devices and other specific actions to be undertaken in stated sequence to implement the comprehensive plan and ensure conformity with metropolitan system plans. An implementation program must be in at least such detail as may be necessary to establish existing or potential effects on or departures from metropolitan system plans and to protect metropolitan system plans. An implementation program shall contain at least the following parts:

(1) a description of official controls, addressing at least the matters of zoning, subdivision, water supply, and private sewer systems, and a schedule for the preparation, adoption, and administration of such controls;

(2) a capital improvement program for transportation, sewers, parks, water supply, and open space facilities; and

(3) a housing implementation program, including official controls to implement the housing element of the land use plan, which will provide sufficient existing and new housing to meet the local unit's share of the metropolitan area need for low and moderate income housing.

Subd. 5. Urbanization and redevelopment areas. The comprehensive plans may designate, when appropriate, five-year urbanization areas and shall specify in the capital improvement program the timing and sequence of major local public facilities and in the implementation program official controls which will ensure that urbanization occurs only in urbanization areas and in accordance with the plan.

The comprehensive plans may designate, when appropriate, redevelopment areas and may, as appropriate, specify in the capital improvement program the timing and sequence of local public facilities and in the implementation program the fiscal devices or official controls that will ensure that redevelopment occurs in accordance with the plan.

Subd. 6. Plan review. The council shall prepare guidelines for the preparation of the water supply plans required in subdivision 3, clause (4). The plans must be submitted to the council as part of the decennial review required under section 473.864, subdivision 2. The council shall

APPENDIX

Repealed Minnesota Statutes: 15-4180

review the plans under section 473.175, subdivision 1, after submitting them to affected counties that have adopted groundwater plans under section 103B.255 for their review and comment.

473.86 CITIES.

Except as provided in the metropolitan system statement, comprehensive plans of cities shall include the matters specified in section 473.859.

473.861 TOWNS.

Subdivision 1. **As in section 473.859.** Except as provided in the metropolitan system statement, comprehensive plans of towns shall include the matters specified in section 473.859.

Subd. 2. **Plan preparation.** Each town within the counties of Anoka, Carver, Dakota, Scott, and Washington, authorized to plan under sections 462.351 to 462.364, or under special law, shall by resolution determine whether it will prepare the comprehensive plan for its jurisdiction. Each such town also shall specify, pursuant to agreement with the county within which it is situated, any parts of its plan and official controls, if any, the preparation of which it delegates to the county.

Subd. 3. **Use county.** Towns within counties which have adopted comprehensive plans applicable to the town shall, to the maximum extent, use county preparation of their comprehensive plans.

473.862 METRO COUNTIES OTHER THAN HENNEPIN, RAMSEY, ANOKA, AND DAKOTA.

Subdivision 1. **Contents of plan.** Comprehensive plans of counties shall contain at least the following:

(a) Except for the counties of Hennepin, Ramsey, Anoka, and Dakota, a land use plan as specified in section 473.859, subdivision 2, for all unincorporated territory within the county;

(b) A public facilities plan which shall include all appropriate matters specified in section 473.859, subdivision 3, including a transportation plan, and a description of existing and projected solid waste disposal sites and facilities;

(c) An implementation program, as specified in section 473.859, subdivision 4.

Subd. 2. **Town planning.** Each county other than Hennepin, Ramsey, Anoka, and Dakota shall prepare, with the participation and assistance of the town, the comprehensive plan for any town within the county which has not taken action by resolution pursuant to section 473.861, subdivision 2 and shall prepare all or part of any plan delegated to it pursuant to section 473.861, subdivision 2.

Subd. 3. **Towns that cannot plan.** Each county other than Hennepin, Ramsey, Anoka, and Dakota shall prepare, with the participation and assistance of the town, the comprehensive plan for each town within the county not authorized to plan under sections 462.351 to 462.364, or under special law.

473.864 PLANS; ADOPTION; AMENDMENT.

Subdivision 1. **When adopted.** Each local governmental unit shall adopt its comprehensive plan with required modifications within nine months following a final decision, order, or judgment made pursuant to section 473.866.

Subd. 2. **Decennial review.** By December 31, 1998, and at least once every ten years thereafter, each local governmental unit shall review and, if necessary, amend its entire comprehensive plan and its fiscal devices and official controls. Such review and, if necessary, amendment shall ensure that, as provided in section 473.865, the fiscal devices and official controls of each local government unit are not in conflict with its comprehensive plan. Upon completion of review and, if necessary, amendment of its comprehensive plan, fiscal devices, and official controls as required by this section, each local government unit shall either:

(a) submit to the Metropolitan Council the entire current comprehensive plan together with written certification by the governing body of the local government unit that it has complied with this section and that no amendments to its plan or fiscal devices or official controls are necessary; or

(b)(1) submit the entire updated comprehensive plan and amendment or amendments to its comprehensive plan necessitated by its review to the Metropolitan Council for review; and

(2) submit the amendment or amendments to its fiscal devices or official controls necessitated by its review to the Metropolitan Council for information purposes as provided by section 473.865.

APPENDIX

Repealed Minnesota Statutes: 15-4180

Except as otherwise provided in this paragraph, local governments shall consider, in preparing their updated comprehensive plans, amendments to metropolitan system plans in effect on December 31, 1996. For metropolitan system plans, or amendments thereto, adopted after December 31, 1996, local governments shall review their comprehensive plans to determine if an amendment is necessary to conform to the metropolitan system plans. If an amendment is necessary, the local government shall prepare the amendment and submit it to the council for review by September 30, 1999, or nine months after the council transmits the metropolitan system plan amendment to the local government, whichever is later.

The periodic review required in this subdivision shall be in addition to the review required by section 473.856.

The Metropolitan Council may grant extensions to local government units in order to allow local government units to complete the review and, if necessary, amendment required by this subdivision. Such extensions, if granted by the Metropolitan Council, must include a timetable and plan for completion of the review and amendment.

Amendments to comprehensive plans of local governmental units shall be prepared, submitted, and adopted in conformance with guidelines adopted by the Metropolitan Council pursuant to section 473.854.

473.865 ADOPTION; CONFLICTS, AMENDMENT OF CONTROLS, DEVICES.

Subdivision 1. **Control copies to council.** Each local governmental unit shall adopt official controls as described in its adopted comprehensive plan and shall submit copies of the official controls to the council within 30 days following adoption thereof, for information purposes only.

Subd. 2. **No conflict with plans.** A local governmental unit shall not adopt any official control or fiscal device which is in conflict with its comprehensive plan or which permits activity in conflict with metropolitan system plans.

Subd. 3. **Amendments.** If an official control conflicts with a comprehensive plan as the result of an amendment to the plan, the official control shall be amended by the unit within nine months following the amendment to the plan so as to not conflict with the amended comprehensive plan.

473.866 CONTESTED CASES; ADMINISTRATIVE AND JUDICIAL REVIEW.

The council's decision to require modification under section 473.175 may be contested by the affected local governmental unit. The unit shall have 60 days within which to request a hearing on the council's decision to require modification. If within 60 days the unit has not requested a hearing, the council shall make its final decision with respect to the required modifications. If an affected unit requests a hearing, the request for hearing shall be granted, and the hearing shall be conducted within 60 days by the state Office of Administrative Hearings in the manner provided by chapter 14 for contested cases. The 60-day period within which the hearing shall be conducted may be extended by mutual agreement of the council and the affected local governmental unit. The subject of the hearing shall not extend to questions concerning the need for or reasonableness of the metropolitan system plans or any part thereof. In the report of the administrative law judge the costs of the hearing shall be apportioned among the parties to the proceeding. Within 30 days after the receipt of the report the council shall, by resolution containing findings of fact and conclusions, make a final decision with respect to the required modifications of the comprehensive plan. Any party to the proceeding aggrieved by the decision of the council may appeal to the court in the manner provided in chapter 14 for contested cases. The record on appeal shall consist of: (1) the administrative law judge's record and report, and (2) the findings, conclusions and final decision of the council. The scope of review shall be that of section 14.69, provided that: (1) the court shall not give preference to either the administrative law judge's record and report or the findings, conclusions and final decision of the council, and (2) the decision of the court shall be based upon a preponderance of the evidence as contained in the record on appeal. The costs of the appeal shall be apportioned by the court.

473.867 PLANNING ASSISTANCE; GRANTS; LOANS.

Subdivision 1. **Advisory materials, models, assistance.** The council shall prepare and provide advisory materials, model plan provisions and official controls, and on the request of a local governmental unit may provide assistance, to accomplish the purposes of sections 462.355, 473.175, and 473.851 to 473.871. The council may also provide specific technical and legal assistance in connection with the preparation, adoption and defense of plans, programs, and controls.

APPENDIX

Repealed Minnesota Statutes: 15-4180

Subd. 2. **Planning assistance fund.** The council may establish a planning assistance fund as a separate bookkeeping account in its general fund for the purpose of making grants and loans to local governmental units under this section. The council shall adopt uniform procedures for the award, disbursement and repayment of grants and loans.

Subd. 3. **Loans, grants.** Local governmental units may apply, contract for and receive loans and grants as provided herein, and the provisions of chapter 475 shall not apply to loans made pursuant hereto. Applications for grants and loans shall be submitted to the council describing the activities for which the grant or loan funds will be used; the persons which the grantee or borrower plans to use in performing the grant contract; services and activities which will be paid for by funds of the grantee or borrower; the grantee or borrower's need and ability to pay for the contract services; and other information as the council may reasonably request. Grants and loans shall be made subject to contracts between the council and the recipient specifying the use and disbursement of the funds and, for loans, the terms and conditions of repayment, and other appropriate matters. In making grants and loans, the council shall base its decisions on the recipient's demonstrated need and available financial resources.

Subd. 5. **Loan terms.** Loans made by the council shall be payable on such terms and conditions as the council determines appropriate, provided that no loan shall carry an interest rate nor be for a term in excess of five years. Funds received in payment of loans shall be credited to the planning assistance fund and shall be used for additional loans or grants under this section.

Subd. 6. **Assistance for plan updates.** The council shall give priority for the use of loan and grant funds available under this section to local governmental units for review and amendment of local comprehensive plans and fiscal devices and official controls, as required by section 473.864, subdivision 2. The council shall consult with affected local government units to evaluate the need for technical and financial assistance.

473.869 EXTENSION.

A local governmental unit may by resolution request that the council extend the time for fulfilling the requirements of sections 462.355, subdivision 1a, 473.175, and 473.851 to 473.871. A request for extension shall be accompanied by a description of the activities previously undertaken by a local governmental unit in fulfillment of the requirements of sections 462.355, 473.175, and 473.851 to 473.871, and an explanation of the reasons necessitating and justifying the request. Upon a finding of exceptional circumstances or undue hardship, the council may, in its discretion, grant by resolution a request for extension and may attach reasonable requirements or conditions to the extension.

473.87 LEVY FOR INCREASED COSTS.

The increased costs to a municipality of implementing sections 473.175; 473.858, subdivisions 1 to 3; 473.859 to 473.862; and 473.866 shall be deemed a levy and the proceeds of any tax levied under this section shall be deposited in the municipal treasury in a separate fund and expended only for the purposes authorized by this section.

473.871 NEW MUNICIPAL SEWER SYSTEMS.

Notwithstanding the provisions of sections 462.355, 473.175, and 473.851 to 473.871 the council shall have no authority under this chapter to require a local governmental unit to construct a new sewer system.

473.915 PROCUREMENTS.

All proposed Metropolitan Council procurements over \$125,000,000 must be reviewed by the members of the Legislative Advisory Commission under section 3.30 and the ranking minority members of the house of representatives and senate committees or divisions responsible for overseeing the items subject to the proposed procurement. The chair of the Metropolitan Council shall give notice to the Legislative Advisory Commission secretary when a procurement over \$125,000,000 is being considered. The commission shall take testimony on the procurements.

473F.02 DEFINITIONS.

APPENDIX

Repealed Minnesota Statutes: 15-4180

Subd. 21. **Metropolitan Council.** "Metropolitan Council" or "council" means the Metropolitan Council created by section 473.123.

473F.08 NET TAX CAPACITY.

Subd. 3b. **Livable communities fund.** (a) The Hennepin County auditor shall certify the city of Bloomington's interest payments for 1987 for the bonds which were sold for highway improvements pursuant to Laws 1986, chapter 391, section 2, paragraph (g), and which were certified as an addition to the city of Bloomington's areawide levy for taxes payable in 1988.

(b) For taxes payable in 1996 through taxes payable in 1999, the Hennepin County auditor shall certify the amount calculated by subtracting the amount certified under subdivision 3a from the amount in paragraph (a). For taxes payable in 2000 and subsequent years, the Hennepin County auditor shall certify the amount calculated in paragraph (a).

(c) The Metropolitan Council may annually certify to the Ramsey County auditor the amount calculated under paragraph (b), or a lesser amount, but not to exceed \$5,000,000, to be used to provide funds for the cleanup of polluted lands in the metropolitan area.

(d) The amount certified under paragraph (c) shall be certified annually by the Ramsey County auditor to the administrative auditor as an addition to the Metropolitan Council's areawide levy under subdivision 5.

473H.02 DEFINITIONS.

Subd. 7. **Long-term agricultural land.** "Long-term agricultural land" means land in the metropolitan area designated for agricultural use in local or county comprehensive plans adopted and reviewed pursuant to sections 473.175, and 473.851 to 473.871, and which has been zoned specifically for agricultural use permitting a maximum residential density of not more than one unit per quarter/quarter.

Subd. 8. **Metropolitan area.** "Metropolitan area" has the meaning given it in section 473.121, subdivision 2.

**473J.25 METROPOLITAN SPORTS FACILITIES COMMISSION ASSETS;
LIABILITIES TO AUTHORITY.**

Subd. 5. **Conforming changes.** The Metropolitan Sports Facilities Commission shall submit a technical bill to the 2013 legislature making any cross-reference, grammatical, or other conforming changes necessary as a result of Laws 2012, chapter 299. This bill shall be submitted by February 12, 2013.

5800.0010 PURPOSE.

Minnesota Statutes, section 473.173, requires that the Metropolitan Council adopt and put into effect rules establishing standards, guidelines, and procedures for determining whether any proposed project is of metropolitan significance. This chapter will be used in the review of all such projects. The purpose of this chapter is to assure that the total effect of a proposed project alleged to be of metropolitan significance is considered and the orderly and economic development of the area is promoted. It is not the council's intent to use this chapter to stop development, but rather to work out differences among parties and arrive at consensus.

5800.0020 DEFINITIONS.

Subpart 1. **Scope.** As used in this chapter, the following terms have the meanings given them.

Subp. 2. **Adjacent governmental unit.** "Adjacent governmental unit" means all local governmental units and independent commissions whose jurisdiction includes or adjoins, in whole or in part, that of the governmental unit(s) in which the proposed project is located.

Subp. 3. **Affected governmental unit, state agency, or metropolitan agency.** "Affected governmental unit," "state agency," or "metropolitan agency" means all local governmental units, independent commissions, and state or metropolitan agencies whose legal rights, duties, or privileges may be substantially affected by a proposed project.

Subp. 4. **Bad faith.** "Bad faith" means a conscious and willful decision to act in a manner intending to mislead, deceive, or distort the truth, including but not limited to making a claim which one knows to be groundless or unfounded.

Subp. 5. **Chair.** "Chair" means the chair of the Metropolitan Council.

Subp. 6. **Commercial-agricultural area.** "Commercial-agricultural area" means those lands certified by local governments as eligible for agricultural preserves under the Agricultural Preserves Act, Minnesota Statutes, sections 473H.01 to 473H.18.

Subp. 7. **Comprehensive plan or local comprehensive plan.** "Comprehensive plan" or "local comprehensive plan" means a comprehensive plan of a local governmental unit as required by the Metropolitan Land Planning Act, Minnesota Statutes, sections 473.851 to 473.871.

Subp. 8. **Comprehensive sewer plan.** "Comprehensive sewer plan" means a plan required by the Metropolitan Waste Control Commission which describes the collection, treatment, and disposal of all sanitary sewage, including the installation, operation, and maintenance of on-site sewage disposal facilities.

Subp. 9. **Independent commission, board, or agency.** "Independent commission," "board," or "agency" means governmental entities with jurisdictions lying in whole or in part within the metropolitan area, including independent or special school districts whose administrative offices were located within the metropolitan area as of April 15, 1976, but not including the metropolitan agencies.

Subp. 10. **Land Use Advisory Committee or advisory committee.** "Land Use Advisory Committee" or "advisory committee" means an advisory committee established by the Metropolitan Council pursuant to Minnesota Statutes, section 473.853.

Subp. 11. **Local governmental unit or unit.** "Local governmental unit" or "unit" means any city, town, county, school district, special district, or other political subdivision or public corporation, other than a metropolitan agency, lying in whole or part within the metropolitan area.

Subp. 12. **Mainline.** "Mainline" means those lanes of a highway that carry through traffic.

Subp. 13. **Metropolitan agency.** "Metropolitan agency" means the Metropolitan Waste Control Commission, the Regional Transit Board, the Metropolitan Transit Commission, and other agencies as the legislature may designate.

Subp. 14. **Metropolitan area.** "Metropolitan 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 city of Hanover, Ramsey, Scott excluding the city of New Prague, and Washington.

Subp. 15. **Metropolitan Council or council.** "Metropolitan Council" or "council" means the Metropolitan Council established by Minnesota Statutes, section 473.123.

Subp. 16. **Metropolitan Development Guide.** "Metropolitan Development Guide" means the comprehensive development guide prepared by the council to achieve the orderly and economic development of the metropolitan area.

APPENDIX

Repealed Minnesota Rule: 15-4180

Subp. 17. **Metropolitan highway.** "Metropolitan highway" means those highways identified in the Transportation Guide/Policy Plan to serve the region. They include both interstate freeways and major arterials.

Subp. 18. **Metropolitan system.** "Metropolitan system" means the regional airport, transportation, sewer, recreation open space, and solid waste facilities and plans for facilities outlined in the Metropolitan Development Guide.

Subp. 19. **Metropolitan significance review or significance review.** "Metropolitan significance review" or "significance review" means a review conducted by the Metropolitan Council according to this chapter.

Subp. 20. **Party.** "Party" means the requester, sponsor, and local governmental unit(s) in which the proposed project is located and any person whose legal rights, duties, or privileges may be substantially affected by a significance review who is admitted as a party by the significance review committee, administrative law judge, or council. The council will not be a party to a significance review except when it initiates the review.

Subp. 21. **Person.** "Person" means any individual, association, trust, partnership, joint venture, public or private corporation, metropolitan agency, local governmental unit, independent commission, state agency, government or governmental subdivision, unit, or agency other than a court of law.

Subp. 22. **Petition.** "Petition" means a document containing signatures submitted to the council according to the procedures for initiation of a significance review, which contains, at the time that the signatures are added, a description of what the petition is for, a reference to the metropolitan significance rules, and a brief summary of the reason for the petition.

Subp. 23. **Phased proposed project.** "Phased proposed project" means a proposed project which is divided into separate stages or segments, one or more of which may be of metropolitan significance.

Subp. 24. **Policy plan or guide chapter.** "Policy plan" or "guide chapter" means the Metropolitan Development Guide chapter adopted pursuant to Minnesota Statutes, section 473.145, the policy plans for metropolitan agencies adopted pursuant to Minnesota Statutes, section 473.146, the Recreation Open Space Development Guide/Policy Plan, adopted pursuant to Minnesota Statutes, section 473.147, the Solid Waste Management Development Guide/Policy Plan, adopted pursuant to Minnesota Statutes, section 473.149, and amendments to any of these plans. These plans or chapters are incorporated by reference in this chapter. They are available through the Minitex interlibrary loan system and subject to frequent change. The policy plans or guide chapters referenced in any metropolitan significance review will be those in effect at the time the review is initiated.

Subp. 25. **Proposed project.** "Proposed project" means a project or action involving the construction, installation, establishment, siting, demolition, reconstruction, or improvement of any structure or facility, or the subdivision or drilling, extraction, clearing, excavation, or other alteration of any lands or waters, planned or proposed to be undertaken, in whole or in part within the metropolitan area, by any person.

Subp. 26. **Public agency.** "Public agency" means a local governmental unit, metropolitan agency, independent commission, state agency, or any government or governmental subdivision, unit, or agency other than a court of law.

Subp. 27. **Publicly subsidized; public subsidy.** "Publicly subsidized" means a direct expenditure or in kind contribution by a state, regional, or local governmental unit to a private project (one that is not publicly financed) for any purpose for which the governmental unit is not reimbursed; or a long-term loan by a state, regional, or local governmental unit to a private project. Public subsidy is determined by how the funds are used and not by the source of the revenues provided. Public subsidy includes, but is not limited to, the purposes in items A to E.

A. Construction of utility improvements without special assessment to the benefited properties of 20 percent or more of the total collective cost of the improvement.

B. Acquisition of property and site development, including demolition, clearance, and relocation together with transfer of title to the property to a private party at a price below the actual costs of acquisition and development.

C. Construction of private, on-site improvements including drainage facilities, site grading, parking, lighting, landscaping, and related improvements.

D. Construction or payment for construction of buildings to be used by one or more private parties for commercial or industrial purposes. Construction may include parking facilities, foundations, building construction, interior furnishings, equipment, and related costs.

APPENDIX
Repealed Minnesota Rule: 15-4180

E. Construction or reconstruction of a county state aid or state trunk highway improvement that is determined necessary to serve increased traffic from a major private project. Highway improvements may include roadway upgrading, bridges, overpasses, entrance and exit roadway improvements, and other improvements.

Public subsidy does not include land sold at market value but below the local governmental unit's cost of acquiring and preparing the land for sale.

Subp. 28. **Publicly financed facility.** "Publicly financed facility" means a facility where a governmental jurisdiction has an ongoing obligation to pay operating costs or debt service for the facility or the ultimate responsibility to pay off bonds should other revenue sources fail.

Subp. 29. **Requester.** "Requester" means any person requesting the initiation of a metropolitan significance review.

Subp. 30. **Review period.** "Review period" means the 90-day period for a metropolitan significance review which begins on the effective date of an order to commence a significance review and automatically terminates on the 90th day following unless a suspension or extension of the review period is authorized under part 5800.0100, subpart 1 or 5800.0140, subparts 4 and 6.

Subp. 31. **Service or serve.** "Service" or "serve" means personal service or service by first class United States mail, postage prepaid and addressed to the person or party at the last known address of the person or party. Service by mail will be complete upon the placing of the item to be served in the mail.

Subp. 32. **Sewer policy plan.** "Sewer policy plan" means a component of the local comprehensive plan which describes the areas to be seweraged with public facilities and a schedule for providing service to them, existing flows and flow projections for the public sewer system, standards and conditions for the installation of private systems, and areas not suitable for public or private systems.

Subp. 33. **Sponsor.** "Sponsor" means any person proposing to undertake or develop a proposed project.

Subp. 34. **State agency.** "State agency" means the state of Minnesota or any agency, board, commission, department, or educational institution of the state.

Subp. 35. **Substantial.** "Substantial" is a relative term. It imports a considerable amount or value in opposition to that which is inconsequential or small, something serious as opposed to trivial, something essential, material, or fundamental.

5800.0030 STANDARDS FOR REVIEW.

Unless a proposed project is exempt, the chair of the Metropolitan Council must issue a preliminary finding of metropolitan significance if a proposed project may cause any of the effects listed in part 5800.0040. The same criteria will be used by the council when it makes the final determination of metropolitan significance following the council review process. A proposed project may be found to be of metropolitan significance only if it meets one or more of these criteria.

5800.0040 CRITERIA TO FIND METROPOLITAN SIGNIFICANCE.

Subpart 1. **Generally.** For the purposes of parts 5800.0070 and 5800.0130, a proposed project listed in subparts 2 to 4 has metropolitan significance if the requirements of the applicable subpart are met.

Subp. 2. **Proposed project affecting a metropolitan system.** A proposed project affecting a metropolitan system has metropolitan significance if it:

A. May result in a substantial change in the timing, staging, and capacity or service area of local facilities in a council-approved local sewer policy plan or comprehensive sewer plan.

B. May result in a wastewater flow that substantially exceeds the flow projection for the local governmental unit as indicated in the Water Resources Management Development Guide/Policy Plan, Part 1. Sewage Treatment and Handling.

C. May require a new national pollution discharge elimination system permit or state disposal system permit or a substantial change to an existing permit.

D. May result in substantially less restrictive standards and conditions to be adopted for the installation or management of private on-site sewer facilities than those described in the comprehensive plan.

E. May have a substantial impact on the use of regional recreation and open space facilities or natural resources within the regional recreation open space system. Impacts on the use

APPENDIX
Repealed Minnesota Rule: 15-4180

of recreation and open space facilities include but are not limited to traffic, safety, noise, visual obstructions (for example, to scenic overlooks), impaired use of the facilities, or interference with the operation or maintenance of the facilities. Impacts on natural resources include but are not limited to the impact on the level, flow, or quality of a facility's water resources (lakes, streams, wetlands) and impact on a facility's wildlife populations or habitats (migration routes, breeding sites, plant communities).

F. May preclude or substantially limit the future acquisition of land in an area identified in the capital improvement program of the council's Recreation Open Space Development Guide/Policy Plan.

G. May substantially affect either the function of a metropolitan airport identified in the council's Aviation Development Guide/Policy Plan or the land use within an airport search area.

H. Is substantially inconsistent with the "Guidelines for Land Use Compatibility with Aircraft Noise" contained in the Aviation Development Guide/Policy Plan.

I. May result in a substantial change to existing or proposed metropolitan highways, highway interchanges, or intersections with metropolitan highways, or to local roadways that have interchanges with metropolitan highways. Substantial changes to the mainline, interchanges, and intersections include an increase in volume that will overload the facility, or a difference in timing, design, or location from that indicated in the Transportation Guide/Policy Plan. Changes to local roadways include changes in timing, staging, volume, capacity, design, location, or functional classification.

J. May result in a substantial change in transit service or facilities inconsistent with the Transportation Guide/Policy Plan.

K. May have a substantial impact on the use of solid waste facilities identified in the Solid Waste Management Development Guide/Policy Plan. Impacts on the use of these facilities include, but are not limited to, disruption of planned facility staging, facility access, or other interference with the operation and maintenance of the facilities.

Subp. 3. **Proposed publicly subsidized project.** A proposed publicly subsidized project has metropolitan significance if it may threaten a publicly financed facility.

Subp. 4. **Proposed project affecting a local governmental unit.** A proposed project affecting a local governmental unit has metropolitan significance if it:

A. May have a substantial physical effect on a local governmental unit other than the local unit in which the proposed project is located. More specifically, a proposed project may be of metropolitan significance if it adversely affects existing or proposed land use or development in another local government with respect to traffic, storm water runoff, groundwater pollution, air or noise pollution, increased security needs (police, fire) or other similar impacts.

B. May result in the substantial disruption of agricultural use in the commercial-agricultural area of a local governmental unit other than the local unit in which the proposed project is located.

5800.0050 EXEMPT PROJECTS.

Subpart 1. **Generally.** The chair will not commence a metropolitan significance review if a proposed project falls in one or more of the exempt categories in subparts 2 to 5.

Subp. 2. **Local comprehensive plan exemption.** A proposed project that is consistent with a council-approved local comprehensive plan is exempt from review for metropolitan system effects. The council shall determine whether a proposed project is consistent for system effects with the local plan.

Subp. 3. **Previous approval.** Any proposed project of a metropolitan agency or the Metropolitan Airports Commission which is within an area of that agency's operational authority or which has been or will be subject to approval by the council as part of a regional policy plan; any proposed project which has been previously approved by the council in accordance with Minnesota Statutes, section 473.167; or any proposed project for which a final determination has been made in a metropolitan significance review is exempt from review unless the proposed project has been materially altered subsequent to the final determination.

Subp. 4. **Emergency project.** Any proposed project which must be immediately undertaken to prevent or mitigate an emergency is exempt from review. The following standards will form the basis for determining if an emergency exists:

- A. the degree to which the alleged emergency circumstances were foreseeable;
- B. whether alternate means can alleviate the emergency; and

APPENDIX
Repealed Minnesota Rule: 15-4180

C. the probable effect of the proposed project in mitigating the emergency circumstances.

Subp. 5. **Minor alterations.** Any proposed project consisting exclusively of administrative or maintenance activity or a negligible improvement, expansion, or change of use or use intensity is exempt from review.

Subp. 6. **Lapse of time; vested rights.** Any proposed project for which 30 days have elapsed since a negative declaration on an Environmental Assessment Worksheet as described in part 4410.1700, or a determination of adequacy on an Environmental Impact Statement as described in part 4400.2800, or in the event no environmental review is required, any proposed project for which 30 days have elapsed since a local governmental unit has approved a plan amendment or rezoning to accommodate the proposed project is exempt from review. A metropolitan significance review cannot be initiated on any proposed project where a sponsor has vested rights.

5800.0060 INITIATION OF REVIEW.

Subpart 1. **By requesters.** A metropolitan significance review may be requested by:

- A. a resolution from the unit of government in which the proposed project is located;
- B. a resolution from an affected local governmental unit, school district, or other independent commission;
- C. a petition signed by the smaller of the following: at least 5,000 residents of the metropolitan area 18 years of age or older, or that number of residents 18 years of age or older of an affected local governmental unit which equals or exceeds 50 percent of the number of persons who voted in that affected governmental unit during the most recently held state general election. The petition must designate at least one and no more than three persons to act as requesters on behalf of the petitioner;
- D. a resolution or letter from a duly authorized executive officer or governing body of state agency;
- E. a resolution or letter from a duly authorized executive officer or governing body of a sponsor; or
- F. a resolution from an affected metropolitan agency.

Subp. 2. **By council.** The council may review proposed projects of metropolitan significance regardless of whether the council has received a request to initiate a review.

Subp. 3. **Information submission.** A request for review under subpart 1 must be accompanied by an information submission. The purpose of the information submission is to demonstrate an arguable claim of metropolitan significance. An information submission must contain the following:

- A. the names and addresses of the requester, the sponsor, and the governmental unit(s) in which the proposed project is located;
- B. a description of the proposed project including its planned character, location, function, use, and size;
- C. a statement of the criteria contained in the appropriate subpart of part 5800.0040 which cause the proposed project to be of metropolitan significance, and a discussion of why it is not exempt; and
- D. a statement of the effect the proposed project will have on metropolitan systems or existing or planned land use or development, or if publicly subsidized, the effects on a publicly financed facility, including the facts and opinion upon which the statement is based.

5800.0070 PRELIMINARY FINDING OF METROPOLITAN SIGNIFICANCE.

Subpart 1. **Review of information submission.** Upon receipt of a request accompanied by an information submission, the chair must within ten working days examine the materials and make a preliminary finding of metropolitan significance based on the following requirements:

- A. the request complies with and satisfies the requirements of part 5800.0060;
- B. the significance review has not been requested in bad faith;
- C. the information submission arguably demonstrates that a metropolitan system or existing or planned land use or development will be affected by the proposed project or that a publicly subsidized project has an effect on a publicly financed facility; and
- D. the proposed project is not exempt.

APPENDIX
Repealed Minnesota Rule: 15-4180

After receiving a request to commence a metropolitan significance review, but before making a preliminary finding of metropolitan significance, the chair may meet with any of the parties and may request additional information.

Subp. 2. **Scoping of issues.** In the preliminary finding, the chair will identify which of the issues raised in the information submission are legitimate for significance review and specify any other issues which should be included in the significance review. Only these issues will be included in the scope of review at the public hearing, unless the significance review committee gives at least seven days notice before the public hearing to all parties that additional issues will be added to the scope of review. A description of the issues will be included with the notice.

5800.0080 COMMENCEMENT AND DETERMINATION NOT TO COMMENCE.

Subpart 1. **Council initiation.** A significance review initiated by the council will commence on the day the council adopts an order to commence a significance review.

Subp. 2. **Initiation by requesters.** If the chair determines that the request complies with and satisfies the requirements of part 5800.0060, the chair will commence the significance review by issuing an order for commencement effective as of the date of the order. The order will include the chair's preliminary finding of metropolitan significance. If the chair decides not to commence a significance review, the chair must immediately inform the parties of the determination and basis for it.

Subp. 3. **Appeal.** Person(s) requesting a review, the governmental unit(s) in which the proposed project is located, and the sponsor may appeal the chair's decision not to commence the significance review to the council by submitting a written request within seven days following notification of the chair's determination. The council must review this request at a public hearing and either direct the issuance of an order for commencement or affirm the chair's decision.

Subp. 4. **Notice of commencement of significance review.** The council must serve notice of the commencement of a significance review on all parties, adjacent governmental units, metropolitan agencies, and the Land Use Advisory Committee within five days following the determination to commence a review. The notice will contain the order for commencement, the information submission or a summary of the submission, an order to the sponsor to suspend action on the proposed project, and a schedule for the metropolitan significance review. Notice that the significance review has been commenced will be published in the next following issue of the council bulletin, as described in Minnesota Statutes, section 473.247.

Subp. 5. **Review period.** The council will complete a metropolitan significance review within 90 days following commencement unless suspended or extended under part 5800.0100, subpart 1, or 5800.0140, subparts 4 and 6.

Subp. 6. **Implementation hold during review period.** Upon commencement of a metropolitan significance review, no person will commence site alteration on a proposed project until the council's issuance of a final determination concerning the proposed project or the expiration of the significance review period, whichever occurs first.

5800.0090 SIGNIFICANCE REVIEW COMMITTEE.

Immediately following the commencement of a significance review, the chair will appoint a significance review committee composed of no more than seven or fewer than three individuals all of whom are members of the council or the Land Use Advisory Committee. The chair will appoint at least one council member and one Land Use Advisory Committee member to all significance review committees and will designate one of the review committee members to be the chair of the committee.

5800.0100 REVIEW ALTERNATIVES.

Subpart 1. **Mediation.** The chair may determine that the proposed project under review is more suited to mediation than to a formal public hearing process and may suspend the metropolitan significance review for up to 30 days to bring the parties together to resolve differences. The resolution of these differences will be outlined in a written agreement. The agreement must be signed by all parties and must be accepted by the council. If the parties do not reach agreement within the suspension period, the significance review will resume. Any party may appeal the chair's decision to use mediation by submitting a written request to the council within seven days following the chair's decision. The council must review this request and either direct use of the public hearing process or affirm the chair's decision.

Subp. 2. **Public hearing process.** Unless mediation resolves the differences among the parties, the significance review will include a formal public hearing.

APPENDIX
Repealed Minnesota Rule: 15-4180

Subp. 3. **Use of an administrative law judge.** At any time before beginning the public hearing, the significance review committee may decide to use an administrative law judge appointed by the Office of Administrative Hearings for conducting the public hearing. A hearing held by an administrative law judge will be conducted in accordance with the rules of the Office of Administrative Hearings for contested cases, parts 1400.5010 to 1400.8400, to the extent those rules are not inconsistent with the time periods and procedures specified in this chapter. The report of the administrative law judge appointed by the significance review committee will be transmitted to the review committee. The committee will review the report and may use it as a basis for developing committee findings and recommendations. Any party may make a request for delegation of responsibility to an administrative law judge.

Subp. 4. **Phased proposed project.** When undertaking a significance review of a phased proposed project, the council may consider the total project or any separate independently viable stage. In determining independent viability, the council will consider whether a particular stage is viable without subsequent development, the interrelationship between the stage and subsequent development and whether the stage would foreclose the option of making modifications to mitigate metropolitan system effects. Any significance review of a separate stage will not preclude subsequent significance review of other stages.

5800.0110 STEPS IN HEARING PROCESS.

Subpart 1. **Preliminary statement.** Within 30 days after the review is commenced, the sponsor, the requester, and the governmental unit in which the proposed project is located must submit to the significance review committee or administrative law judge a preliminary statement containing information, facts, and opinions regarding the following:

- A. the applicability to the proposed project of part 5800.0030;
- B. the significance and effect of the proposed project on metropolitan systems or on local governments or, if publicly subsidized, the effects on a publicly financed facility; and
- C. the appropriate remedy.

In addition, the sponsor must indicate all other governmental reviews and approvals required in connection with the proposed project, and their current status.

Subp. 2. **Submissions.** The sponsor and the local governmental unit within which the proposed project is located must submit the following to the significance review committee or administrative law judge:

- A. copies of any information given by the sponsor to any local governmental unit required to approve the proposed project; and
- B. a copy of the findings, report, or determination made by the local government on the proposed project.

Subp. 3. **Participation by nonparties.** The significance review committee will decide the manner and extent of participation by persons other than the parties.

Subp. 4. **Significance review report.** At least ten days before the public hearing conducted by the significance review committee or the administrative law judge, council staff will prepare a written report on the proposed project. This report will not contain any findings or recommendations about the metropolitan significance of the proposed project. The report will be sent to all parties and made available to the public. Parties may submit statements about the report to the significance review committee at any time before the close of the record of the public hearing. The report will contain:

- A. a listing, including sources, of all information submitted to the committee or to the administrative law judge;
- B. a description of the proposed project;
- C. the criteria listed in part 5800.0040 that apply to the proposed project; and
- D. a summary of the issues presented in each of the preliminary statements, including any disagreements regarding facts of the proposed project.

Subp. 5. **Council information.** The council may enter information related to the review of the proposed project into the record of the public hearing. This material and its authors will be subject to examination at the public hearing.

Subp. 6. **Additional information.** On its own initiative or at the request of a party, the significance review committee may request additional information from any party before the close of the public hearing. If a party does not reasonably comply with a request, the significance review committee may order that the subject matter of the information to be produced be

APPENDIX
Repealed Minnesota Rule: 15-4180

considered established for purposes of the significance review in accordance with the claims of the party requesting the information or refuse to allow the party failing to produce the information to support or oppose designated claims or prohibit the party from introducing the designated information into the hearing record.

Subp. 7. **Public hearing.** The significance review committee or an administrative law judge appointed by the committee must hold at least one public hearing on the proposed project. Notice of this public hearing must be published in the council bulletin and served on all parties at least 15 days prior to the hearing. The public hearing must be conducted in a manner designed to protect the rights of all persons and parties and to ensure fundamental fairness. Public hearings conducted by an administrative law judge will be governed by parts 1400.5010 to 1400.8400. Public hearings conducted by the significance review committee will be conducted according to the council's hearing procedures as contained in Procedures for Adopting or Amending a Chapter of the Metropolitan Development Guide. This publication is incorporated by reference in this chapter. It is available through the Minitex interlibrary loan system and subject to frequent change.

5800.0120 COMMITTEE REPORT TO COUNCIL.

Following the public hearing and the receipt of the report of the administrative law judge, if any, the significance review committee must adopt a committee report with findings of fact, conclusions, and recommendations to the Metropolitan Council.

The committee's report will be based on information submitted before the close of the record of the public hearing. Committee members may use their experience, technical competence, and specialized knowledge in the evaluation of this information. In addition, the report may include comments on the consistency of the proposed project with council plans and policies.

The findings of fact, conclusions, and recommendations of the significance review committee will be served on all parties and immediately transmitted to the council. All information and material considered by the significance review committee will be made available to council members.

5800.0130 COUNCIL DETERMINATION.

Subpart 1. **Consideration of findings of fact, conclusions, and recommendations.** The council will consider the committee report and all information submitted before the close of the record of the public hearing in making a final determination on the proposed project. The council may hold additional meetings to consider the proposed project or direct the significance review committee to conduct further specific significance review activity.

Subp. 2. **Metropolitan Council final determination.** The council, after review and consideration of the metropolitan significance review committee's report, must adopt a final determination including findings of fact, conclusions, and recommendations with regard to the metropolitan significance of the proposed project. The council must find that the proposed project is or is not of metropolitan significance, based on the conclusion that it does or does not cause one or more of the effects contained in the appropriate subpart in part 5800.0040. The council may also comment on the consistency of the proposed project with other council plans and policies. Lack of consistency with council plans and policies other than those listed in part 5800.0040 will not constitute a basis for a determination of metropolitan significance.

Subp. 3. **Proposed projects of metropolitan significance.** Upon a determination of metropolitan significance, the final determination also must indicate:

A. whether an amendment to a regional policy plan would eliminate the determination of metropolitan significance and further, whether the council intends to initiate an amendment to the affected policy plan to achieve consistency between its plan and the proposed project; or

B. whether the proposed project should be suspended for up to one year from the date of final determination. If the council orders a suspension, the order may contain conditions or modifications to the proposed project which, if complied with, would cause the council to eliminate the suspension; or

C. without ordering a suspension, how the proposed project could be modified to eliminate the determination of metropolitan significance.

Subp. 4. **Notice to parties.** Copies of the council determination will be served on all parties within seven days following its adoption.

Subp. 5. **Elimination of suspension.** The sponsor of any proposed project suspended by the council with conditions or modifications may request removal of the suspension based on meeting the conditions of the suspension. Upon receipt of a request for removal of the suspension, the

APPENDIX
Repealed Minnesota Rule: 15-4180

council will hold a public hearing to consider the request. Parties to the significance review will be notified at least 15 days before the public hearing on the removal and given an opportunity to speak at the hearing concerning compliance with the conditions of suspension.

5800.0140 PROCEDURAL OPTIONS.

Subpart 1. **Bad faith.** The council may dismiss with prejudice any significance review which it finds has been initiated in bad faith. This determination will not be made without allowing the parties to hear, rebut, and present evidence regarding the dismissal.

Subp. 2. **Withdrawal of review.** At any time during the conduct of a significance review, the requester or sponsor may request that the council withdraw the proposed project from significance review, setting forth the reasons for the request. If all the parties agree, the council may grant the request and allow a proposed project to be withdrawn from review.

Subp. 3. **Settlement.** The parties to a significance review may execute a settlement agreement with regard to the proposed project at any time before the issuance of a final determination. The agreement must be in writing, signed by all parties, and will be subject to acceptance or rejection by the council.

Subp. 4. **Suspension.** The council may suspend a significance review for not more than 90 days to allow the council to review a plan amendment for the proposed project under the provisions of the Metropolitan Land Planning Act. The council also may suspend a significance review for not more than 90 days to await the decision of a public agency whose authorization is required for the proposed project to proceed. In the event that the agency denies authorization for the proposed project, the council may dismiss the metropolitan significance review.

The sponsor and the requester may agree to suspend any of the time periods specified for a significance review. The agreement must be approved by the significance review committee. If the council initiates a significance review, the council and the sponsor may agree to suspend any of the time periods.

The council may suspend a significance review to await the submission of adequate supporting information.

Subp. 5. **Review coordination.** When appropriate, the council will coordinate the significance review with other reviews, such as the environmental review process.

Subp. 6. **Extension.** At any time before the council determination, the significance review committee and the parties may agree to extend the review period in order to collect more information. The time extension must be specified in a written agreement between the committee and the parties. The council, acting on its own initiative, also may extend the time period of a significance review to await the submission of adequate supporting information.

5800.0150 JUDICIAL REVIEW.

A final determination adopted by the council and a determination by the council not to commence a significance review constitute final decisions by the council for purposes of judicial review.