

**SENATE
STATE OF MINNESOTA
NINETIETH SESSION**

S.F. No. 3908

(SENATE AUTHORS: OSMEK)

DATE
04/09/2018

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Introduction and first reading
Referred to Capital Investment

OFFICIAL STATUS

1.1 A bill for an act
1.2 relating to capital investment; establishing certain prerequisites for the Metropolitan
1.3 Council and political subdivisions related to application for federal funds for transit
1.4 capital projects; amending Minnesota Statutes 2017 Supplement, section 473.4485,
1.5 subdivision 1a, by adding a subdivision.

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

1.7 Section 1. Minnesota Statutes 2017 Supplement, section 473.4485, subdivision 1a, is
1.8 amended to read:

1.9 Subd. 1a. **Guideway Capital project projects; requests to legislature.** A state agency
1.10 or local unit of government that submits a request to the legislature to obtain state funds for
1.11 a guideway or busway project shall, as part of the request, provide a summary financial
1.12 plan for the project that presents the following information as reflected by the data and level
1.13 of detail available in the latest phase of project development:

1.14 (1) capital expenditures and funding sources for the project, including expenditures to
1.15 date and total projected or estimated expenditures, with a breakdown by committed and
1.16 proposed sources of funds; and

1.17 (2) estimated annual operations and maintenance expenditures for the project, with a
1.18 breakdown by committed and proposed sources of funds.

1.19 **EFFECTIVE DATE; APPLICATION.** This section is effective January 8, 2019, for
1.20 requests submitted on or after that date. This section applies in the counties of Anoka,
1.21 Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

2.1 Sec. 2. Minnesota Statutes 2017 Supplement, section 473.4485, is amended by adding a
2.2 subdivision to read:

2.3 Subd. 1b. **Capital projects; federal funding.** (a) Unless the requirements under
2.4 paragraphs (b) to (d) have been met, a state agency and any local unit of government are
2.5 prohibited from submitting an application or request for federal funds, or entering into an
2.6 agreement that provides federal funds, for a guideway or busway capital project.

2.7 (b) The state agency or local unit of government must develop a summary financial plan
2.8 that meets the requirements under subdivision 1a, and must prepare an estimate of the transit
2.9 facility's life cycle cost that, at a minimum:

2.10 (1) identifies the comprehensive costs of (i) initial construction, including but not limited
2.11 to design, engineering, environmental analysis, land acquisition, and construction, and (ii)
2.12 capital maintenance, repair, replacement, improvements, and facility expansion;

2.13 (2) uses the greater of 25 years or the design life of the facility; and

2.14 (3) is developed using a standard methodology and assumptions that are identified in
2.15 detail as part of the analysis.

2.16 (c) The state agency or local unit of government must submit the financial plan and life
2.17 cycle cost estimate to the legislative auditor. The legislative auditor must review the
2.18 submission, including the data, assumptions, and methodology, and provide comment to
2.19 the state agency or local unit of government.

2.20 (d) The state agency or local unit of government must make reasonable efforts to present
2.21 the financial plan, life cycle cost estimate, and legislative auditor comments to the members
2.22 and staff of the legislative committees having jurisdiction over capital investment and
2.23 transportation finance, and to the Legislative Commission on Metropolitan Government.

2.24 (e) This subdivision does not apply to federal funds made available to a state agency or
2.25 local unit of government using a formula-based distribution that is not project specific.

2.26 **EFFECTIVE DATE; APPLICATION.** This section is effective January 8, 2019, for
2.27 applications or requests submitted on or after that date and agreements entered into on or
2.28 after that date. This section applies in the counties of Anoka, Carver, Dakota, Hennepin,
2.29 Ramsey, Scott, and Washington.