

**SENATE  
STATE OF MINNESOTA  
NINETY-SECOND SESSION**

**S.F. No. 602**

(SENATE AUTHORS: COLEMAN)

DATE  
02/04/2021

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Introduction and first reading  
Referred to Transportation Finance and Policy

OFFICIAL STATUS

1.1 A bill for an act  
1.2 relating to transit; defining light rail transit and streetcars; prohibiting use of state  
1.3 funds for operating costs of future light rail lines; defining operating costs for  
1.4 purposes of state share of light rail operating costs; prohibiting use of state funds  
1.5 for capital costs of light rail; amending Minnesota Statutes 2020, sections 473.121,  
1.6 by adding subdivisions; 473.4051, subdivisions 2, 3.

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

1.8 Section 1. Minnesota Statutes 2020, section 473.121, is amended by adding a subdivision  
1.9 to read:

1.10 Subd. 37. **Light rail transit.** "Light rail transit" means an electrically powered passenger  
1.11 train that operates on a fixed two-rail route. Light rail transit operates in a dedicated  
1.12 right-of-way that is not shared with motor vehicles except for intersections where vehicles  
1.13 may cross the tracks. Light rail transit does not include streetcars.

1.14 **EFFECTIVE DATE; APPLICATION.** This section is effective July 1, 2021, and  
1.15 applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

1.16 Sec. 2. Minnesota Statutes 2020, section 473.121, is amended by adding a subdivision to  
1.17 read:

1.18 Subd. 38. **Streetcar.** "Streetcar" means a passenger car, other than light rail transit or  
1.19 rail cars, that operates on a fixed two-rail route. Streetcars operate primarily in mixed traffic,  
1.20 but may also operate in a dedicated right-of-way for a portion of a route.

1.21 **EFFECTIVE DATE; APPLICATION.** This section is effective July 1, 2021, and  
1.22 applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

2.1 Sec. 3. Minnesota Statutes 2020, section 473.4051, subdivision 2, is amended to read:

2.2 Subd. 2. **Operating costs.** (a) After operating revenue and federal money have been  
 2.3 used to pay for light rail transit operations, 50 percent of the remaining operating costs must  
 2.4 be paid by the state-

2.5 ~~(b) Notwithstanding paragraph (a),~~ for light rail transit lines in operation prior to July  
 2.6 1, 2021. For all light rail transit lines, light rail transit line extensions, or streetcar routes  
 2.7 that begin operations on or after July 1, 2021, all operating and ongoing capital maintenance  
 2.8 costs must be paid from nonstate sources for a segment of a light rail transit line or line  
 2.9 extension project that formally entered the engineering phase of the Federal Transit  
 2.10 Administration's "New Starts" capital investment grant program between August 1, 2016,  
 2.11 and December 31, 2016.

2.12 (b) For purposes of this subdivision, operating costs consist of the costs associated with  
 2.13 light rail transit or streetcar system daily operations and the maintenance costs associated  
 2.14 with keeping light rail transit or streetcar services and facilities operating. Operating costs  
 2.15 do not include costs incurred to construct new buildings or facilities, purchase new vehicles,  
 2.16 or make technology improvements.

2.17 **EFFECTIVE DATE; APPLICATION.** This section is effective July 1, 2021, and  
 2.18 applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

2.19 Sec. 4. Minnesota Statutes 2020, section 473.4051, subdivision 3, is amended to read:

2.20 Subd. 3. **Capital costs.** State money ~~may~~ must not be used ~~to pay more than ten percent~~  
 2.21 ~~of~~ for the total capital cost of a light rail transit project.

2.22 **EFFECTIVE DATE; APPLICATION.** This section is effective July 1, 2021, for  
 2.23 appropriations encumbered on or after that date and applies in the counties of Anoka, Carver,  
 2.24 Dakota, Hennepin, Ramsey, Scott, and Washington.