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HOUSE FILE No. 2753

FIRST COMMITTEE ENGROSSMENT

February 8, 2010

Authored by Morrow, Beard, Hortman, Swails, Lieder and others
The bill was read for the first time and referred to the Committee on Finance

Referred by Chair to Transportation Finance and Policy Division.

March 16, 2010

Returned to the Committee on Finance as Amended.

1.1 A bill for an act
1.2 relating to transportation; amending the appropriation for trunk highway bonds;
1.3 authorizing issuance and sale of trunk highway bonds; appropriating money;
1.4 amending Laws 2008, chapter 152, article 2, section 3, subdivision 2.

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

1.6 Section 1. Laws 2008, chapter 152, article 2, section 3, subdivision 2, is amended to
1.7 read:

1.8 Subd. 2. **State Road Construction** 1,717,694,000

1.9 (a) For the actual construction,
1.10 reconstruction, and improvement of
1.11 trunk highways, including design-build
1.12 contracts and consultant usage to support
1.13 these activities. This includes the cost
1.14 of actual payments to landowners for
1.15 lands acquired for highway rights-of-way,
1.16 payments to lessees, interest subsidies, and
1.17 relocation expenses. This appropriation is in
1.18 the following amounts:

1.19 (1) \$417,694,000 in fiscal year 2009, and the
1.20 commissioner may use up to \$71,008,000 of
1.21 this amount for program delivery;

2.1 (2) \$500,000,000 in fiscal year 2010, and the
2.2 commissioner may use up to \$85,000,000 of
2.3 this amount for program delivery; ~~and~~

2.4 (3) \$200,000,000 in each fiscal year for fiscal
2.5 years 2011 and 2012, and the commissioner
2.6 may use up to \$34,000,000 of the amount in
2.7 each fiscal year for program delivery; and

2.8 (4) \$100,000,000 in each fiscal year for
2.9 fiscal years ~~2011 through 2018~~ 2013 through
2.10 2016, and the commissioner may use up to
2.11 \$17,000,000 of the amount in each fiscal year
2.12 for program delivery.

2.13 (b) Of the amount in fiscal year 2009,
2.14 \$40,000,000 is for construction of
2.15 interchanges involving a trunk highway,
2.16 where the interchange will promote economic
2.17 development, increase employment, relieve
2.18 growing traffic congestion, and promote
2.19 traffic safety. The amount under this
2.20 paragraph must be allocated 50 percent to
2.21 the department's metropolitan district, and 50
2.22 percent to districts in greater Minnesota.

2.23 (c) Of the amount in fiscal years 2009
2.24 and 2010, the commissioner shall use
2.25 \$300,000,000 each year for predesign,
2.26 design, preliminary engineering,
2.27 right-of-way acquisition, construction,
2.28 reconstruction, and maintenance of bridges
2.29 in the trunk highway bridge improvement
2.30 program under Minnesota Statutes, section
2.31 165.14.

2.32 (d) Of the total appropriation under this
2.33 subdivision, the commissioner shall use at
2.34 least \$50,000,000 for accelerating transit

3.1 facility improvements on or adjacent to trunk
3.2 highways.

3.3 (e) Of the total appropriation under this
3.4 subdivision provided to the Department of
3.5 Transportation's district 7, the commissioner
3.6 shall first expend funds as necessary to
3.7 accelerate all projects that (1) are on a trunk
3.8 highway classified as a medium priority
3.9 interregional corridor, (2) are included in the
3.10 district's long-range transportation plan, but
3.11 are not included in the state transportation
3.12 improvement program or the ten-year
3.13 highway work plan, and (3) expand capacity
3.14 from a two-lane highway to a freeway
3.15 or expressway, as defined in Minnesota
3.16 Statutes, section 160.02, subdivision 19. The
3.17 commissioner shall establish as the highest
3.18 priority under this paragraph any project that
3.19 currently has a final environmental impact
3.20 statement completed. The requirement
3.21 under this paragraph does not change the
3.22 department's funding allocation process
3.23 or the amount otherwise allocated to each
3.24 transportation district.

3.25 (f) The appropriation in this subdivision
3.26 cancel as specified under section 16A.642,
3.27 except that the commissioner of management
3.28 and budget shall count the start of
3.29 authorization for issuance of state bonds as
3.30 the first day of the fiscal year during which
3.31 the bonds are to be issued, as specified under
3.32 paragraph (a), clause (1), (2), (3), or (4),
3.33 respectively, and not as the date of final
3.34 enactment of this subdivision.

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

4.1 Sec. 2. **STATE ROAD CONSTRUCTION APPROPRIATION.**

4.2 \$30,000,000 is appropriated from the bond proceeds account in the trunk highway
4.3 fund in fiscal year 2011 to the commissioner of transportation for the actual construction,
4.4 reconstruction, and improvement of trunk highways, including design-build contracts and
4.5 consultant usage to support these activities. This includes the cost of actual payments to
4.6 landowners for lands acquired for highway rights-of-way, payments to lessees, interest
4.7 subsidies, and relocation expenses. The commissioner may use up to \$5,100,000 of this
4.8 amount for program delivery.

4.9 Sec. 3. **INTERCHANGE ACCOUNT APPROPRIATION.**

4.10 \$70,000,000 is appropriated from the bond proceeds account in the trunk highway
4.11 fund in fiscal year 2011 to the commissioner of transportation for construction of
4.12 interchanges involving a trunk highway, where the interchange will promote economic
4.13 development, increase employment, relieve growing traffic congestion, and promote traffic
4.14 safety. The amount under this paragraph must be allocated 50 percent to the department's
4.15 metropolitan district, and 50 percent to districts in greater Minnesota.

4.16 Sec. 4. **BOND SALE EXPENSES.**

4.17 \$100,000 is appropriated to the commissioner of finance for bond sale expenses
4.18 under Minnesota Statutes, sections 16A.641, subdivision 8, and 167.50, subdivision 4.

4.19 Sec. 5. **TRUNK HIGHWAY BONDS AUTHORIZATION.**

4.20 To provide the money appropriated in sections 2, 3, and 4 from the bond proceeds
4.21 account in the trunk highway fund, the commissioner of management and budget shall
4.22 sell and issue bonds of the state in an amount up to \$100,100,000 in the manner, upon the
4.23 terms, and with the effect prescribed by Minnesota Statutes, sections 167.50 to 167.52,
4.24 and by the Minnesota Constitution, article XIV, section 11, at the times and in the amounts
4.25 requested by the commissioner of transportation. The proceeds of the bonds, except
4.26 accrued interest and any premium received from the sale of the bonds, must be deposited
4.27 in the bond proceeds account in the trunk highway fund.

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