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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-SIXTH
SESSION

HOUSE FILE No. **3846**

May 13, 2010

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The bill was read for the first time and referred to the Committee on Finance

1.1 A bill for an act
1.2 relating to metropolitan transit; changing the formula for assistance by the
1.3 Metropolitan Council to cities and towns with replacement transit service;
1.4 amending Minnesota Statutes 2008, section 473.388, subdivision 4.

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

1.6 Section 1. Minnesota Statutes 2008, section 473.388, subdivision 4, is amended to read:

1.7 Subd. 4. **Financial assistance.** (a) The council must grant the requested financial
1.8 assistance if it determines that the proposed service is intended to replace the service to
1.9 the applying city or town or combination thereof by the council and that the proposed
1.10 service will meet the needs of the applicant at least as efficiently and effectively as the
1.11 existing service.

1.12 (b) The amount of assistance which the council must provide to a system under this
1.13 section may not be less than the sum of the amounts determined for each municipality
1.14 comprising the system as follows:

1.15 (1) the transit operating assistance grants received under this subdivision by the
1.16 municipality in calendar year 2001 or the tax revenues for transit services levied by the
1.17 municipality for taxes payable in 2001, including that portion of the levy derived from
1.18 the areawide pool under section 473F.08, subdivision 3, clause (a), plus the portion of
1.19 the municipality's aid under section 273.1398, subdivision 2, attributable to the transit
1.20 levy; times

1.21 (2) the ratio of (i) an amount equal to ~~3.74~~ 6.25 percent of the state revenues
1.22 generated from the taxes imposed under chapter 297B for the current fiscal year to (ii)
1.23 the total transit operating assistance grants received under this subdivision in calendar
1.24 year 2001 or the tax revenues for transit services levied by all replacement service

2.1 municipalities under this section for taxes payable in 2001, including that portion of the
2.2 levy derived from the areawide pool under section 473F.08, subdivision 3, clause (a), plus
2.3 the portion of homestead and agricultural credit aid under section 273.1398, subdivision 2,
2.4 attributable to nondebt transit levies, times

2.5 (3) the ratio of (i) the municipality's total taxable market value for taxes payable
2.6 in 2006 divided by the municipality's total taxable market value for taxes payable in
2.7 2001, to (ii) the total taxable market value of all property located in replacement service
2.8 municipalities for taxes payable in 2006 divided by the total taxable market value of all
2.9 property located in replacement service municipalities for taxes payable in 2001.

2.10 (c) The council shall pay the amount to be provided to the recipient from the funds
2.11 the council receives in the metropolitan area transit account under section 16A.88.