

Settlement with or any payment made to an injured person or to others on behalf of such injured person with the permission of such injured person or to anyone entitled to recover damages on account of injury or death of such person shall not constitute an admission of liability by the person making the payment or on whose behalf payment was made.

Subd. 3. **Property damage; settlement or payment.** Settlement with or any payment made to a person or on his behalf to others for damage to or destruction of property shall not constitute an admission of liability by the person making the payment or on whose behalf the payment was made.

Subd. 4. **Settlement or payment; admissibility of evidence.** Except in an action in which settlement and release has been pleaded as a defense, any settlement or payment referred to in subdivisions 2 and 3 shall be inadmissible in evidence on the trial of any legal action.

Subd. 5. **Credit for settlements and payments; refund.** All settlements and payments made under subdivisions 2 and 3 shall be credited against any final settlement or judgment; provided however that in the event that judgment is entered against the person seeking recovery or if a verdict is rendered for an amount less than the total of any such advance payments in favor of the recipient thereof, such person shall not be required to refund any portion of such advance payments voluntarily made. Upon motion to the court in the absence of a jury and upon proper proof thereof, prior to entry of judgment on a verdict, the court shall first apply the provisions of subdivision 1 and then shall reduce the amount of the damages so determined by the amount of the payments previously made to or on behalf of the person entitled to such damages.

Sec. 2. This act shall be effective in any action the trial of which is commenced after July 1, 1969.

Approved May 23, 1969.

---

CHAPTER 625—H. F. No. 420

[Coded in Part]

*An act relating to metropolitan public transit; amending Minnesota Statutes 1967, Chapter 221, by adding a section; and Sections 473A.05, Subdivisions 3, 7, and 8, and by adding a subdivision;*

**Changes or additions indicated by italics, deletions by ~~strikeout~~.**

473A.06, Subdivisions 3, 4, and 5; 473A.07, Subdivision 7; 473A.08; and 473A.14; repealing Minnesota Statutes 1967, Section 473A.07, Subdivision 6.

Be it enacted by the Legislature of the State of Minnesota:

Section 1. Minnesota Statutes 1967, Section 473A.05, Subdivision 3, is amended to read:

Subd. 3. **Metropolitan public transit; commissioners; compensation and expenses.** A commissioner shall receive no compensation for his services except as hereinafter provided, but shall be reimbursed for actual and necessary expenses incurred in the performance of his duties. Each commissioner shall be paid such sum as the commission may determine, not exceeding \$35 for each day or part thereof spent in attending meetings of the commission; provided, that no commissioner shall receive more than \$2,500 for such attendance ~~during the first 12 months beginning with and following the organization meeting, nor more than \$1,600 in any one calendar year there after.~~ The *chairman and the secretary* shall receive such compensation as the commission may determine, which may be in addition to ~~his~~ *their* compensation as a ~~commissioner~~ *commissioners* if ~~he is~~ *they are* such.

Sec. 2. Minnesota Statutes 1967, Section 473A.05, Subdivision 7, is amended to read:

Subd. 7. **Commission; legal status; general powers.** (a) The transit area, with the commission as its governing body, shall be a public corporation and a political subdivision of the state. All the powers vested and obligations or duties imposed upon the commission and acts of the commission by sections 473A.01 to 473A.18 shall be deemed to be those of the transit area wherever necessary or appropriate, and shall be exercised, performed, and discharged in behalf of the area by the commission in its name as a public corporation and with like force and effect as if done in the name of the area, and for all such purposes, the commission shall have the same status and powers as the area, *all subject to the provisions of Minnesota Statutes 1967, Section 473A.16.* The chairman and secretary of the commission shall have such powers as are delegated to them by the commission. ~~The commission may sue and be sued and may enter into contracts which may be necessary or proper.~~

~~Except as otherwise provided, the commission may acquire by purchase, lease, gift, or condemnation proceedings any real or personal property, franchises, easements, or other rights which may be necessary or proper and may acquire real property in such manner for use as terminal facilities, maintenance and garage facilities, ramps,~~

**Changes or additions indicated by italics, deletions by ~~strikeout~~.**

parking areas and other facilities useful for or related to any public transit system. The commission shall have power to acquire by purchase, lease, or gift or any part of the plant, equipment, shares of stock, property, real, personal, or mixed, rights in property, reserve funds, special funds, franchises, licenses, patents, permits and papers, documents and records belonging to any operator of a public transit system within the area, and to lease property and to transfer or convey by sale or otherwise any property or rights to others, or to exchange the same for other property or rights which are useful for its purposes, and may in connection therewith assume any or all liabilities of any operator of a public transit system. The commission, without limitation, may acquire or construct and equip terminal facilities, maintenance and garage facilities, ramps, transit lanes or rights of way, parking areas and other facilities useful for or related to any public transit system and may hold, use, improve, operate, maintain, lease, sell, or otherwise dispose of any of its property to others and may contract with any operator or other person for the use by any such operator or person of any such property or facilities under its control. The commission shall not acquire any existing public transit system or any part thereof by condemnation. In the determination of the fair value of the existing public transit system, there shall not be included any value attributable to expenditures for improvements by the transit commission.

*(b) The commission shall have the power to plan, engineer, construct, equip, and operate transit systems, transit projects, or any parts thereof, including transit lanes or rights-of-way, terminal facilities, maintenance and garage facilities, ramps, parking areas, and any other facilities useful for or related to any public transit system. The commission may acquire by purchase, lease, gift, or condemnation proceedings any real or personal property, franchises, easements, or other rights of any kind for such purposes, or which may be necessary or proper for the discharge of its powers and duties. The commission shall have the power to acquire by purchase, lease, gift, or condemnation proceedings any existing public transit system or any part thereof, including all or any part of the plant, equipment, shares of stock, property, real, personal, or mixed, rights in property, reserve funds, special funds, franchises, licenses, patents, permits and papers, documents and records belonging to any operator of a public transit system within the area, and may in connection therewith assume any or all liabilities of any operator of a public transit system. The commission may not acquire any existing public transit system until such acquisition has been approved by a majority of the metropolitan council. The commission may hold, use, improve, operate, maintain, lease, exchange, transfer, sell, or otherwise dispose of any of its prop-*

**Changes or additions indicated by italics, deletions by ~~strikeout~~.**

*erty or rights to others and may contract with any operator or other persons for the use by any such operator or person of any such property or facilities under its control.*

*The commission, if it proceeds to acquire any existing public transit system or any part thereof by condemnation, shall have the power to take control of and operate such system immediately following the filing and approval of the initial petition for condemnation, if the commission, in its discretion, determines such action to be necessary. This power shall include the possession of all right, title and other powers of ownership in all properties and facilities described in the petition. Such action shall be taken by resolution which shall be effective upon service of a copy thereof on the condemnee and the filing of the resolution in the condemnation action. In the determination of the fair value of the existing public transit system, there shall not be included any value attributable to expenditures for improvements made by the transit commission.*

*The commission may sue and be sued and may enter into contracts which may be necessary or proper. The commission may accept gifts, grants, or loans of money or other property from the United States, the state, or any person or entity for such purposes, may enter into any agreement required in connection therewith, may comply with any federal or state laws or regulations applicable thereto, 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. The commission may establish an executive committee, a finance committee, and such other committees of its members as it deems necessary or proper in furtherance of the provisions of sections 473A.01 to 473A.18, and may authorize them to exercise in the intervals between commission meetings any powers of the commission except those expressly required by law to be exercised by the commission.*

Sec. 3. Minnesota Statutes 1967, Section 473A.06, Subdivision 3, is amended to read:

Subd. 3. **Combination of mass transit and public highway systems; services of department of highways.** The mass transit system specified in subdivision 1 shall be designed, as far as practicable, so as to provide, in combination with ~~state~~ *public* highways, adequate means and facilities of maximum attainable efficiency for public transportation to, from, and within the metropolitan transit area, and to relieve the congestion, traffic hazards, and other objectionable conditions aforesaid on the ~~state~~ *public* highways caused by lack of adequate provisions for public transit. In planning, designing, and con-

**Changes or additions indicated by italics, deletions by ~~strikeout~~.**

structing the mass transit system the commission ~~shall~~ *may* make use of engineering and other technical and professional services, including regular staff and qualified consultants, which the commissioner of highways can furnish, upon fair and reasonable reimbursement for the cost thereof; provided, that the commission shall have final authority over the employment of any services from other sources which it may deem necessary for such purposes. The commissioner of highways ~~shall~~ *may* furnish all engineering, legal, and other services, *if so requested by the commission and* upon fair and reasonable reimbursement for the cost thereof by the commission, which ~~may be necessary for or in connection with the commission requests for the purposes stated in this subdivision, including~~ the acquisition by purchase, condemnation, or otherwise in the name of the commission of all lands, waters, easements, or other rights or interests in lands or waters required by the commission.

Sec. 4. Minnesota Statutes 1967, Section 473A.06, Subdivision 4, is amended to read:

**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 473A.01 to 473A.18, the commission ~~may~~ *shall* enter into an ~~arrangement agreement~~ with the commissioner of highways therefor, evidenced by a memorandum setting forth the terms of the ~~arrangement agreement~~. *Either the commission or the commissioner of highways shall may* acquire any additional lands, waters, easements or other rights or interests therein required for such joint use *in accordance with said agreement*, or joint acquisition may be made by condemnation as provided by section 117.015; *and the provisions of this chapter. Under any such arrangement the commission shall pay the department of highways fair and reasonable compensation for the cost of engineering, design, acquisition of property, and construction of the facilities and for the use thereof so far as attributable to and necessary for said purposes. Under any such 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 said purposes.*

Sec. 5. Minnesota Statutes 1967, Section 473A.06, Subdivision 5, is amended to read:

**Subd. 5. Use of public roadways and appurtenances.** The commission shall have the right to use for the purposes of sections

**Changes or additions indicated by italics, deletions by ~~strikeout~~.**

473A.01 to 473A.18 upon the conditions hereinafter stated any state highway or other public roadway or lane thereof, or any bridge or tunnel or other appurtenance of such roadway, without payment of any compensation therefor, provided such use does not interfere unreasonably with the public use or maintenance of the roadway or appurtenance or entail any substantial additional costs for maintenance thereof; provided further, that the provisions of this subdivision shall not apply to the property of any common carrier railroad or common carrier railroads. The consent of the public agency in charge of such state highway or other public highway or roadway or appurtenance shall not be required, but if such agency objects to the proposed use or claims reimbursement from the commission for additional cost of maintenance, it may commence an action against the commission in the district court of the county wherein such highway, roadway, or appurtenance, or major portion thereof, is located. The proceedings in such action shall conform to the rules of civil procedure applicable to the district courts. The court shall sit without jury. If the court determines that the use in question interferes unreasonably with the public use or maintenance of the roadway or appurtenance, it shall enjoin such use by the commission. If the court determines that the use in question does not interfere unreasonably with the public use or maintenance of the roadway or appurtenance, but that it entails substantial additional maintenance costs, the court shall award judgment to the agency for the amount of such additional costs. Otherwise the court shall award judgment to the commission. An aggrieved party may appeal from the judgment of the district court in the same manner as is provided for such appeals in other civil actions. *The commission may also use land within the right-of-way of any state highway or other public roadway for the erection of traffic control devices, other signs, and passenger shelters upon the conditions hereinafter stated and subject only to the approval of the commissioner of highways where required by statute, and subject to the express provisions of other applicable statutes and to federal requirements where necessary to qualify for federal aid.*

Sec. 6. *Minnesota Statutes 1967, Section 473A.07, Subdivision 6, is repealed.*

Sec. 7. Minnesota Statutes 1967, Section 473A.07, Subdivision 7, is amended to read:

Subd. 7. **Commission; borrowing money.** The commission, if authorized by vote of at least two-thirds of all its members, may borrow money on such terms, *in such amounts, and in such manner as it deems proper; and may issue certificates of indebtedness in anticipation of collection of the MTA wheelage tax upon like procedure*

**Changes or additions indicated by italics, deletions by ~~strikeout~~.**

~~and subject to like provisions and limitation as provided by section 412.261, and acts amendatory thereof or supplementary thereto. Any loan made under this subdivision and interest thereon shall be payable from collections of the MTA wheelage tax or from any other funds of the commission not otherwise appropriated by law and not otherwise pledged by resolution of the commission. Any such loans may be evidenced by promissory notes or certificates of indebtedness, to which the commission may pledge moneys received upon collection of the MTA wheelage tax or any property tax authorized by this chapter or as proceeds of bonds issued pursuant to the provisions of this chapter. Any such loans may also be secured by a security interest in the property acquired in whole or in part from the proceeds of the loan. Except as herein otherwise provided; any such obligation shall not constitute a charge, lien or encumbrance upon and shall not be enforced against any property of the commission except tax collections and bond proceeds specifically pledged by the commission and except for security interests granted by the commission; and in the enforcement or collection of such obligation, exercise of the taxing power of the commission may not be required unless the commission shall have specifically pledged tax levies or tax collections authorized by this chapter to the payment of the obligation. Such obligations shall not be considered a debt of the state or any municipality or political subdivision thereof within the meaning of any debt limitation or requirement pertaining to such entities, and neither the state nor any municipality or political subdivision thereof except the commission, nor any commissioner or officer or employee of the commission shall be liable thereon. Such obligations shall otherwise be deemed and treated as instrumentalities of a public government agency and as such, together with interest thereon, exempt from taxation.~~

Sec. 8. Minnesota Statutes 1967, Section 473A.14, is amended to read:

**473A.14 Property tax in lieu of wheelage tax if invalidated.** In case the provisions of sections 473A.01 to 473A.18 for levy or collection of the MTA wheelage tax shall be held invalid by the final decision of a court of competent jurisdiction so as to make such tax uncollectible, the commission shall, in lieu thereof, and subject to the further provisions hereof, annually levy a direct tax on all the taxable property in the transit area at a rate sufficient to produce an amount equivalent to the amount that would have been produced by the wheelage tax, or so much thereof as may be necessary for the purposes of sections 473A.01 to 473A.18; ~~other than the payment of principal and interest due on any revenue bonds issued pursuant to section 473A.08.~~ Such amount shall be determined by the commission on the basis of estimates furnished by the registrar of

**Changes or additions indicated by italics, deletions by strikeout.**

motor vehicles as to the number of class MTA motor vehicles in the year for which the property tax is levied. The total levy for any year shall not exceed the amount so determined or the sum of \$850,000, whichever is smaller, except that for the first taxable year for which such levy is made a sufficient additional sum may be included to compensate for any loss of revenue theretofore sustained by the commission by reason of invalidation of the wheelage tax; provided, that the foregoing limitations shall not apply to any taxes levied to cover any deficiency in moneys available for payment of the principal or interest on ~~tax anticipation certificates, securities or other evidences of indebtedness of the commission.~~ Property taxes levied under this section shall be certified by the commission to the county auditors of the transit area, extended, assessed, and collected in like manner as provided by law for the regular property taxes levied by the governing bodies of cities or villages. The proceeds of the taxes levied under this section shall be remitted by the respective county treasurers to the treasurer of the commission, who shall credit the same to the funds of the commission for use for the purposes of sections 473A.01 to 473A.18 in like manner as if derived from the proceeds of the MTA wheelage tax, subject to any applicable pledges or limitations on account of ~~tax anticipation certificates or other specific purposes securities or other evidences of indebtedness.~~ ~~At any time after making a tax levy under this section and certifying the same to the county auditors, the commission may issue general obligation certificates of indebtedness in anticipation of the collection of such taxes in like manner and upon like conditions as hereinbefore provided for the issuance of such certificates in anticipation of the collection of the MTA wheelage tax.~~

Sec. 9. Minnesota Statutes 1967, Chapter 221, is amended by adding a section to read:

*Sec. [221.295]. Notice to metropolitan transit commission. Notwithstanding any provision of any statute to the contrary, the metropolitan transit commission shall be notified by the public service commission of any matter pertaining to or affecting public transit or an existing or proposed transit system within the Twin Cities metropolitan transit area, which matter is formally or informally before the public service commission for action or which is under study, including the initiation of any request for action or study and prior to any hearings on other proceedings, whether ex parte or otherwise. Further, such notification shall in all cases be given in a manner, at such time, and with such information and data available to the public service commission so as to enable the metropolitan transit commission to meaningfully evaluate, participate in, and comment upon the matter. The public service commission shall not approve,*

**Changes or additions indicated by italics, deletions by ~~strikeout~~.**



*deny, or otherwise attempt to resolve or act upon any such matter until receipt of the comments and advice of the metropolitan transit commission with respect thereto, but if none are received it may act within 30 days after demand therefor upon the metropolitan transit commission, or otherwise by mutual agreement. If the public service commission takes action in any way contrary to or different from the comments and advice of the metropolitan transit commission, it shall specifically state the reasons and factual data for such action.*

Sec. 10. Minnesota Statutes 1967, Section 473A.05, is amended by adding a subdivision to read:

*Subd. 10. Commission budget; approval thereof. During the month of June in each year, the commission shall at its regular meeting establish a budget consisting of an operating expense budget for the current fiscal year, a capital expense budget for the current fiscal year, and a capital improvement program for the five fiscal years past the current fiscal year. The capital expense budget and the capital improvement program shall be submitted to the metropolitan council for its approval or disapproval and comment which shall be given within 60 days after submission. The absence of such approval or comment as to the items contained therein shall constitute approval of such items. If circumstances require a significant change in the budget or program, the commission shall submit the matter to the council for its approval within 30 days upon the above terms.*

*The commission and the council shall cooperate in such manner and provide such information so as to make possible meaningful evaluation of these items and of the comments thereon in implementation of the purposes of Minnesota Statutes 1967, Section 473B.06.*

Sec. 11. Minnesota Statutes 1967, Section 473A.08, is amended to read:

**473A.08 Bonds. Subdivision 1. Authority to issue, purposes.** The commission shall have authority to issue negotiable revenue bonds for any one or more of its powers and purposes, including the following: To construct and equip terminal facilities, maintenance and garage facilities, ramps, parking areas, or similar facilities used or useful in connection with a public transit system or part thereof; to acquire, improve, extend, or reconstruct any public transit system or any part thereof; to acquire any property or equipment useful for the construction, reconstruction, extension, improvement; or operation of any public transit system or any part thereof; to acquire any other real or personal property, franchises, easements, transit lanes, rights of way or other rights used or useful in connection

**Changes or additions indicated by italics, deletions by ~~strikeout~~.**

with a public transit system or any part thereof; and to refund ~~revenue~~ bonds issued for any such purposes.

**Subd. 2. Revenue bonds, resolution, terms, sales.** Revenue bonds under this section shall be issued in such amounts, times and series as the commission by resolution shall determine and shall mature within 40 years from their date. No election shall be necessary to authorize the issuance of revenue bonds by the commission. Such revenue bonds may be sold at public or private sale or may be issued in exchange for bonds refunded thereby or property acquisitions or contract obligations funded thereby. Except as otherwise provided by this section, the maturities, any right of prior redemption, execution, paying agency, provision for interest and other terms of the bonds shall be subject to the provisions of sections 475.54 to 475.56.

**Subd. 3. Revenue bonds, payment.** Revenue bonds issued under this section shall not constitute a debt of the state or of any municipal corporation or political subdivision and no *ad valorem* tax levy may be compelled for their payment *except as provided in section 473A.14*, but they shall be payable only from the revenues of the ~~public transit system or part thereof~~ *commission* pledged by the commission to payment of principal thereof and interest thereon, and they shall so recite. At or before the issuance of revenue bonds, the commission shall pledge and appropriate to the payment of principal and interest the *gross or net* revenues of the public transit system or some part thereof, ~~not to include the proceeds of any tax levy, after provision for reasonable and necessary expenses of operation and maintenance, and may pledge and appropriate other revenues of the commission, as described and defined in the authorizing resolution.~~

**Subd. 4. Revenue bond covenants, trust indenture.** By the authorizing resolution, the commission may provide covenants for the protection of the bondholders relating to disposition of bond proceeds and revenues; reserves and investment thereof; construction, acquisition, repair, replacement, operation and insurance of the public transit system facilities; accounting and reports; issuance of parity or subordinate lien bonds; rates and charges to be established or maintained; competing public transit systems and such other covenants as the commission shall find to be usual and reasonably necessary for the protection of transit system revenue bondholders. Among other covenants, the commission is authorized to covenant on behalf of the state that the state will not limit or alter the power and obligation of the commission to establish, increase and collect ~~such rates and charges as will be pledged moneys~~ sufficient to pay expenses of operation and maintenance and provide debt service on the bonds and to covenant on behalf of the state and each municipality or other political subdivi-

**Changes or additions indicated by italics, deletions by ~~strikeout~~.**

sion that no franchise, license, or permit shall be granted or renewed for any public transit system or part thereof which would compete with the public transit system or part thereof the revenues of which are pledged. The commission may also define the event or events of default and other requisites for suit by bondholders or their representatives, conditions of bond registration or replacement, and conditions upon which any covenant may be amended. Any terms, covenants, or conditions of revenue bonds to be provided by resolution of the commission may instead be set forth in a trust indenture with a corporation having trust powers appointed by the commission to represent and act for bondholders and to hold and disburse pledged ~~revenues~~ *moneys* and to perform such other duties as may be provided in the trust indenture, but no such trust indenture shall confer or authorize any mortgage lien on the real or operating properties or general funds of the commission.

Subd. 5. **Legal investments.** ~~Revenue~~ Bonds issued by the commission may be purchased by the state board of investment for any trust fund of the state or other fund administered by such board, and shall be proper for investment of any funds administered by such board, and shall be proper for investment of any funds by any savings bank, trust company, insurance company or public or municipal corporation, and may be pledged by any bank or trust company as security for the deposit of public moneys.

Subd. 6. **Tax exempt.** ~~Revenue~~ Bonds of the commission shall be deemed and treated as instrumentalities of a public government agency and as such, together with interest thereon, exempt from taxation.

Sec. 12. Minnesota Statutes 1967, Section 473A.05, Subdivision 8, is amended to read:

Subd. 8. **Operations.** Notwithstanding any of the other provisions of sections 473A.01 to 473A.18, the commission shall have powers, in lieu of directly operating any public transit system, or any part thereof, to enter into management contracts with any persons, firms, or corporations for the management of said system for such period or periods of time, and under such compensation and other terms and conditions as shall be deemed advisable and proper by the commission and such persons, firms, or corporations.

Such persons, firms, or corporations entering into management contracts with the commission may employ necessary personnel for the operation and maintenance of said system as well as perform consulting and supervisory services for the commission. An incentive fee may be included in any management contract that is negotiated. The

**Changes or additions indicated by *italics*, deletions by ~~strikeout~~.**

employees of any public transit system operated pursuant to the provisions of this subdivision shall, in case of any dispute arising under any existing or new collective bargaining agreement relating to the terms or conditions of their employment, have the right, for the purpose of resolving such dispute, either to engage in a concerted refusal to work or to invoke the processes of final and binding arbitration as provided by chapter 572, subject to any applicable provisions of the agreement not inconsistent with law.

*Whenever the commission shall directly operate any public transit system, or any part thereof, or enter into any management contract or other arrangement for the operation thereof, the commission shall take such action as may be necessary to extend to employees of affected public transit systems in the area, in accordance with seniority, the first opportunity for reasonably comparable employment in any available non-supervisory jobs in respect to such operations for which they can qualify after a reasonable training period. Such employment shall not result in any worsening of the employees position in his former employment nor any loss of wages, hours, working conditions, seniority, fringe benefits, and rights and privileges pertaining thereto.*

*The commission may enter into an agreement specifying fair and equitable arrangements to protect the interests of employees who may be affected if the commission should acquire any interest in or purchase any facilities or other property of a private transit system, or construct, improve, or reconstruct any such facilities or other such property acquired from any such system, or provide by contract or otherwise for the operation of mass transportation facilities or equipment in competition with, or supplementary to, the service provided by an existing transit system. Such agreement, specifying the terms and conditions of the protective arrangements, shall comply with any applicable requirements of this chapter, and with the requirements of any federal law or regulation if federal aid is involved. Such an agreement may provide for final and binding arbitration of any dispute.*

Approved May 24, 1969.

---

CHAPTER 626—H. F. No. 499

[Not Coded]

*An act creating an interim commission to study Ramsey county government; appropriating money therefor.*

Be it enacted by the Legislature of the State of Minnesota:

**Changes or additions indicated by italics, deletions by ~~strikeout~~.**