

SENATE
STATE OF MINNESOTA
EIGHTY-NINTH SESSION

S.F. No. 1376

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DATE	D-PG	OFFICIAL STATUS
03/05/2015	563	Introduction and first reading
		Referred to Transportation and Public Safety
03/11/2015		Comm report: To pass as amended and re-refer to Finance

1.1 A bill for an act
1.2 relating to transportation; providing for active transportation programs to support
1.3 bicycle, pedestrian, and other nonmotorized transportation activities; requiring a
1.4 legislative report; proposing coding for new law in Minnesota Statutes, chapter
1.5 174.

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

1.7 Section 1. [174.38] ACTIVE TRANSPORTATION PROGRAMS.

1.8 Subdivision 1. Definitions. (a) For purposes of this section, the following terms
1.9 have the meanings given them.

1.10 (b) "Administering authority" or "authority" means the commissioner of
1.11 transportation, the joint powers board under section 297A.992, or the council, as
1.12 appropriate.

1.13 (c) "Bond-eligible cost" means:

1.14 (1) expenditures under this section for acquisition of land or permanent easements,
1.15 predesign, design, preliminary and final engineering, environmental analysis, construction,
1.16 and reconstruction of publicly owned infrastructure in this state with a useful life of at
1.17 least ten years that provides for nonmotorized transportation;

1.18 (2) preparation of land for which a nonmotorized transportation route is established,
1.19 including demolition of structures and remediation of any hazardous conditions on the
1.20 land; and

1.21 (3) the unpaid principal on debt issued by a political subdivision for a nonmotorized
1.22 transportation project.

1.23 (d) "Council" means the Metropolitan Council, as defined under section 473.121,
1.24 subdivision 3.

2.1 Subd. 2. **Programs established.** (a) Upon availability of funds specifically provided
2.2 to an administering authority for purposes of this section, the authority shall establish a
2.3 program to support bicycling, pedestrian activities, and other forms of nonmotorized
2.4 transportation as provided in this section.

2.5 (b) Subject to the requirements of this section, the authority may provide grants
2.6 or other financial assistance for a project.

2.7 Subd. 3. **Active transportation accounts.** (a) An active transportation account
2.8 is established in the bond proceeds fund. The account consists of state bond proceeds
2.9 appropriated to the commissioner or the council. Money in the account may only be
2.10 expended on bond-eligible costs of a project receiving financial assistance under this
2.11 section. All uses of funds from the account must be for publicly owned property.

2.12 (b) A greater Minnesota active transportation account is established in the special
2.13 revenue fund. The account consists of funds as provided by law, and any other money
2.14 donated, allotted, transferred, or otherwise provided to the account. Money in the account
2.15 may only be expended on a project that is primarily located outside of metropolitan
2.16 counties, as defined in section 473.121, subdivision 4, and receiving financial assistance
2.17 as provided under this section.

2.18 (c) A metropolitan area active transportation account is established in the special
2.19 revenue fund. The account consists of funds as provided by law, and any other money
2.20 donated, allotted, transferred, or otherwise provided to the account. Money in the account
2.21 may only be expended on a project that is primarily located within metropolitan counties,
2.22 as defined in section 473.121, subdivision 4, and receiving financial assistance as provided
2.23 under this section.

2.24 Subd. 4. **Program administration.** (a) The authority shall establish program
2.25 requirements, including:

- 2.26 (1) eligibility for assistance, subject to the requirements under paragraph (b);
2.27 (2) a process for solicitation and application that minimizes applicant burdens; and
2.28 (3) procedures for award and payment of financial assistance.

2.29 (b) Eligible recipients of financial assistance under this section are:

2.30 (1) a political subdivision; and

2.31 (2) a tax-exempt organization under section 501(c)(3) of the Internal Revenue
2.32 Code, as amended.

2.33 (c) The authority shall make reasonable efforts to publicize each solicitation
2.34 for applications among all eligible recipients, and provide assistance in creating and
2.35 submitting applications.

3.1 (d) The authority may expend no more than one percent of available funds in a fiscal
3.2 year under this section on program administration.

3.3 Subd. 5. **State general obligation bond funds.** Minnesota Constitution, article XI,
3.4 section 5, clause (a), requires that state general obligation bonds be issued to finance only
3.5 the acquisition or betterment of public land, buildings, and other public improvements of
3.6 a capital nature. The legislature has determined that many nonmotorized transportation
3.7 infrastructure projects will constitute betterments and capital improvements within the
3.8 meaning of the Minnesota Constitution and capital expenditures under generally accepted
3.9 accounting principles, and will be financed more efficiently and economically under this
3.10 section than by direct appropriations for specific projects.

3.11 Subd. 6. **Use of funds.** (a) For a project funded through state bond proceeds under
3.12 this section, financial assistance is limited solely to bond-eligible costs.

3.13 (b) Subject to paragraph (a), the authority shall determine permissible uses of
3.14 financial assistance under this section, which must include:

3.15 (1) construction and maintenance of bicycle, trail, and pedestrian infrastructure,
3.16 including but not limited to bicycle facilities and centers, and safe routes to school
3.17 infrastructure; and

3.18 (2) noninfrastructure programming, including activities as specified in section
3.19 174.40, subdivision 7a, paragraph (b).

3.20 Subd. 7. **Project evaluation and selection.** The authority shall establish a project
3.21 evaluation and selection process under this section that is competitive, criteria-based, and
3.22 objective. The process must include criteria and prioritization of projects based on:

3.23 (1) inclusion of the project in a municipal or regional nonmotorized transportation
3.24 system plan;

3.25 (2) location of the project in a jurisdiction in which a complete streets policy, as
3.26 provided under section 174.75, is in effect;

3.27 (3) the extent to which the project supports development of continuous and
3.28 convenient safe routes to school;

3.29 (4) the extent to which the project supports development of routes to and connections
3.30 with educational facilities, centers of employment, governmental services, health care
3.31 facilities, food sources, transit facilities, and other community destinations;

3.32 (5) general benefits to public health and safety as a result of the project; and

3.33 (6) geographic equity in project benefits, as well as benefits in areas or locations
3.34 experiencing high rates of pedestrian or bicycle collisions, high rates of health disparities,
3.35 and high concentration of poverty.

4.1 Subd. 8. **Grant cancellation.** If, five years after execution of a grant agreement,
4.2 the authority determines that the grantee has not proceeded in a timely manner with
4.3 implementation of the project funded, the commissioner must cancel the grant and the
4.4 grantee must repay to the commissioner all grant money paid to the grantee. Section
4.5 16A.642 applies to any appropriations made from the bond proceeds fund to the
4.6 commissioner under this section that have not been awarded as financial assistance.

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

4.8 Sec. 2. **ACTIVE TRANSPORTATION PROGRAM DEVELOPMENT.**

4.9 (a) By October 1, 2015, the Advisory Committee on Nonmotorized Transportation
4.10 under Minnesota Statutes, section 174.37, shall develop and submit recommendations to
4.11 each administering authority under Minnesota Statutes, section 174.38, for developing
4.12 project evaluation and selection processes under Minnesota Statutes, section 174.38,
4.13 subdivision 7. The advisory committee may consult with representatives from the
4.14 Bicycle Alliance of Minnesota, Minnesota Chamber of Commerce, Metropolitan
4.15 Council Transportation Accessibility Advisory Committee, Minnesota Department of
4.16 Transportation district area transportation partnerships, Minnesota State Council on
4.17 Disability, organizations representing elderly populations, and public health organizations
4.18 with experience in active transportation.

4.19 (b) In its next annual report under Minnesota Statutes, section 174.37, subdivision
4.20 4, the advisory committee shall include a summary of the recommendations under this
4.21 section and submit a copy to the chairs and ranking minority members of the legislative
4.22 committees with jurisdiction over transportation policy and finance. The report is subject
4.23 to Minnesota Statutes, section 3.195.

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