

1.1 **Senator Rest from the Committee on Taxes, to which was referred**

1.2 **S.F. No. 3157:** A bill for an act relating to transportation; establishing a budget for  
 1.3 transportation; appropriating money for transportation purposes, including Department of  
 1.4 Transportation, Metropolitan Council, and Department of Public Safety activities; authorizing  
 1.5 the sale and issuance of state bonds; modifying various provisions governing transportation  
 1.6 finance, including vehicle registration, drivers' licenses, and the motor vehicle sales tax;  
 1.7 authorizing the Metropolitan Council to impose a metropolitan region sales tax for roads,  
 1.8 transit, and active transportation projects; amending various provisions relating to  
 1.9 transportation, motor vehicles, drivers, driver's education, bicycle safety, traffic safety,  
 1.10 transit safety, license plates, rail safety, and the Metropolitan Council; requiring reports and  
 1.11 studies; creating an advisory council; establishing a Metropolitan Council governance  
 1.12 commission; making technical changes; amending Minnesota Statutes 2022, sections 3.9741,  
 1.13 subdivision 5; 13.69, subdivision 1; 13.6905, by adding a subdivision; 115E.042, subdivisions  
 1.14 2, 3, 4, 5, 6; 123B.90, subdivision 2; 151.37, subdivision 12; 160.262, subdivision 3; 160.266,  
 1.15 subdivisions 1b, 6, by adding a subdivision; 161.045, subdivision 3; 161.088, subdivisions  
 1.16 1, 2, 4, 5, by adding subdivisions; 161.45, subdivisions 1, 2; 161.46, subdivision 2; 161.53;  
 1.17 162.145, subdivisions 2, 3, 4; 168.002, by adding a subdivision; 168.013, subdivisions 1a,  
 1.18 8; 168.1293, subdivision 7; 168.1295, subdivision 5; 168.1296, subdivision 5; 168.1298,  
 1.19 subdivision 5; 168.27, subdivisions 11, 31; 168.326; 168.327, subdivisions 1, 2, 3, 5b, by  
 1.20 adding a subdivision; 168.33, subdivision 7; 168.345, subdivision 2; 168.381, subdivision  
 1.21 4; 168A.152, subdivision 2; 168A.29, subdivision 1; 168A.31, subdivision 2; 168D.06;  
 1.22 168D.07; 169.011, subdivision 27; 169.09, subdivision 13, by adding a subdivision; 169.14,  
 1.23 by adding a subdivision; 169.18, subdivisions 3, 11; 169.222, subdivision 4, by adding a  
 1.24 subdivision; 169.345, subdivision 2; 169.475, subdivisions 2, 3; 169A.60, subdivision 16;  
 1.25 171.01, by adding a subdivision; 171.042; 171.05, subdivision 2; 171.06, subdivisions 2,  
 1.26 3, as amended, by adding a subdivision; 171.061, subdivision 4; 171.07, subdivisions 11,  
 1.27 15; 171.0705, by adding a subdivision; 171.12, subdivision 1a; 171.13, subdivisions 1, 1a,  
 1.28 7; 171.26; 171.29, subdivision 2; 171.36; 174.01, by adding a subdivision; 174.03,  
 1.29 subdivision 1c; 174.38, subdivisions 3, 6; 219.015, subdivision 2; 219.1651; 222.37,  
 1.30 subdivision 1; 256.9752, by adding a subdivision; 270C.15; 297A.61, subdivision 7; 297A.64,  
 1.31 subdivisions 1, 2; 297A.94; 297A.99, subdivision 1; 297B.02, subdivision 1; 297B.09;  
 1.32 299A.01, by adding a subdivision; 299A.55; 299A.705, subdivisions 1, 3, by adding a  
 1.33 subdivision; 357.021, subdivisions 6, 7; 360.915, subdivision 6; 473.146, subdivision 1, by  
 1.34 adding a subdivision; 473.3994, subdivisions 1a, 4, 7, 9, 14; 473.3995; 473.3997; 473.405,  
 1.35 subdivision 4; 473.859, by adding a subdivision; 609.855, subdivisions 1, 3, 7, by adding  
 1.36 a subdivision; Laws 2005, First Special Session chapter 6, article 3, section 103; Laws 2018,  
 1.37 chapter 214, article 1, section 16, subdivision 11, as amended; Laws 2021, First Special  
 1.38 Session chapter 5, article 1, sections 2, subdivision 2; 4, subdivision 5; article 4, section  
 1.39 143; Laws 2022, chapter 39, section 2; proposing coding for new law in Minnesota Statutes,  
 1.40 chapters 4; 123B; 160; 161; 162; 168; 169; 171; 174; 219; 290; 297A; 299A; 473; proposing  
 1.41 coding for new law as Minnesota Statutes, chapter 168E; repealing Minnesota Statutes  
 1.42 2022, sections 167.45; 168.121, subdivision 5; 168.1282, subdivision 5; 168.1294,  
 1.43 subdivision 5; 168.1299, subdivision 4; 168B.15; 169.829, subdivision 2; 299A.705,  
 1.44 subdivision 2; 360.915, subdivision 5; Minnesota Rules, parts 7411.0530; 7411.0535.

1.45 Reports the same back with the recommendation that the bill be amended as follows:

1.46 Page 6, delete line 34 and insert:

1.47 "**(a) Operations and Maintenance** 415,137,000 425,258,000"

1.48 Page 7, delete lines 1 to 4 and insert:

1.49 "**Appropriations by Fund**

1.50 2024 2025

2.1	<u>General</u>	<u>3,000,000</u>	<u>-0-</u>
2.2	<u>Trunk Highway</u>	<u>412,137,000</u>	<u>425,258,000"</u>

2.3 Page 7, delete line 29 and insert:

2.4	<u>"(1) Planning and Research</u>	<u>32,679,000</u>	<u>33,465,000"</u>
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2.5 Page 8, delete lines 24 to 28 and insert:

2.6	<u>"(2) Program Delivery</u>	<u>284,751,000</u>	<u>273,985,000</u>
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2.7 Appropriations by Fund

2.8		<u>2024</u>	<u>2025</u>
2.9	<u>General</u>	<u>23,743,000</u>	<u>2,000,000</u>
2.10	<u>Trunk Highway</u>	<u>261,008,000</u>	<u>271,985,000"</u>

2.11 Page 10, delete line 15 and insert:

2.12	<u>"(c) State Road Construction</u>	<u>1,210,213,000</u>	<u>1,179,045,000"</u>
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2.13 Page 11, delete lines 12 to 15 and insert:

2.14 "The base for this appropriation is  
 2.15 \$1,166,813,000 in each of fiscal years 2026  
 2.16 and 2027.

2.17	<u>(d) Corridors of Commerce</u>	<u>25,000,000</u>	<u>30,000,000"</u>
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2.18 Page 11, delete lines 21 to 24 and insert:

2.19	<u>"(e) Highway Debt Service</u>	<u>270,205,000</u>	<u>297,377,000"</u>
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2.20 Page 11, line 25, delete "\$267,097,000" and insert "\$267,205,000"

2.21 Page 11, line 26, delete "\$294,280,000" and insert "\$294,377,000"

2.22 Page 12, delete line 19 and insert:

2.23	<u>"(a) County State-Aid Highways</u>	<u>969,647,000</u>	<u>1,037,326,000"</u>
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2.24 Page 13, delete line 13 and insert:

2.25	<u>"(b) Municipal State-Aid Streets</u>	<u>235,772,000</u>	<u>247,104,000"</u>
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2.26 Page 35, delete section 2 and insert:

2.27 "Sec. 2. DEPARTMENT OF  
 2.28 TRANSPORTATION

2.29	<u>Subdivision 1. Corridors of Commerce</u>	<u>\$</u>	<u>350,000,000</u>
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3.1 (a) This appropriation is to the commissioner  
 3.2 of transportation for the corridors of commerce  
 3.3 program under Minnesota Statutes, section  
 3.4 161.088. The commissioner may use up to 17  
 3.5 percent of the amount for program delivery.

3.6 (b) This appropriation is available in the  
 3.7 amounts of:

3.8 (1) \$175,000,000 in fiscal year 2024; and

3.9 (2) \$175,000,000 in fiscal year 2025.

3.10 (c) The appropriation in this subdivision  
 3.11 cancel as specified under Minnesota Statutes,  
 3.12 section 16A.642, except that the commissioner  
 3.13 of management and budget must count the  
 3.14 start of authorization for issuance of state  
 3.15 bonds as the first day of the fiscal year during  
 3.16 which the bonds are available to be issued as  
 3.17 specified under paragraph (b), and not as the  
 3.18 date of enactment of this section.

3.19 **Subd. 2. State Road Construction** 200,000,000

3.20 (a) This appropriation is to the commissioner  
 3.21 of transportation for construction,  
 3.22 reconstruction, and improvement of trunk  
 3.23 highways, including design-build contracts,  
 3.24 internal department costs associated with  
 3.25 delivering the construction program, and  
 3.26 consultant usage to support these activities.  
 3.27 The commissioner may use up to 17 percent  
 3.28 of the amount for program delivery.

3.29 (b) This appropriation is available in the  
 3.30 amounts of:

3.31 (1) \$100,000,000 in fiscal year 2024; and

3.32 (2) \$100,000,000 in fiscal year 2025.

4.1 (c) The appropriation in this subdivision  
 4.2 cancels as specified under Minnesota Statutes,  
 4.3 section 16A.642, except that the commissioner  
 4.4 of management and budget must count the  
 4.5 start of authorization for issuance of state  
 4.6 bonds as the first day of the fiscal year during  
 4.7 which the bonds are available to be issued as  
 4.8 specified under paragraph (b), and not as the  
 4.9 date of enactment of this section."

4.10 Page 36, delete section 3 and insert:

4.11 "Sec. 3. BOND SALE EXPENSES \$ 550,000

4.12 (a) This appropriation is to the commissioner  
 4.13 of management and budget for bond sale  
 4.14 expenses under Minnesota Statutes, sections  
 4.15 16A.641, subdivision 8, and 167.50,  
 4.16 subdivision 4.

4.17 (b) This appropriation is available in the  
 4.18 amounts of:

4.19 (1) \$275,000 in fiscal year 2024; and

4.20 (2) \$275,000 in fiscal year 2025."

4.21 Page 41, delete section 7

4.22 Page 42, delete sections 8 and 9

4.23 Page 43, delete sections 10 and 11

4.24 Page 44, delete sections 13 and 14

4.25 Page 45, delete section 15

4.26 Page 51, line 10, delete "three-quarters" and insert "one-half"

4.27 Page 51, delete lines 16 to 17 and insert:

4.28 "Subd. 4. **Deposit.** Proceeds of the metropolitan sales tax must be deposited as follows:

4.29 (1) 83 percent in the metropolitan area transit account under section 16A.88; and

4.30 (2) 17 percent in the county state-aid highway fund."

5.1 Page 51, line 24, after "4" insert ", clause (1),"

5.2 Page 53, delete subdivision 2

5.3 Page 53, line 13, delete "allocated to the"

5.4 Page 53, line 14, delete "council under subdivision 2, clause (1),"

5.5 Page 54, line 12, delete "subdivision 2, clause (2)" and insert "section 297A.9925,  
5.6 subdivision 4, clause (2)"

5.7 Page 176, delete lines 22 to 26 and insert:

5.8 "(d) The commissioner must not allocate an amount of credits totaling more than  
5.9 \$2,000,000 each year. If the entire annual amount is not allocated in the taxable year  
5.10 beginning after December 31, 2023, and before January 1, 2025, any remaining amount is  
5.11 available for the taxable year beginning after December 31, 2024, and before January 1,  
5.12 2026. The commissioner must not award any credits for taxable years beginning after  
5.13 December 31, 2025."

5.14 Page 176, delete lines 27 to 28

5.15 Renumber the subdivisions and sections in sequence

5.16 Amend the title numbers accordingly

5.17 And when so amended the bill do pass and be re-referred to the Committee on Finance.

5.18 Amendments adopted. Report adopted.



5.19 .....  
5.20 (Committee Chair)

5.21 April 13, 2023.....  
5.22 (Date of Committee recommendation)