

Senator ..... moves to amend the delete-everything amendment (SCS2082A-2) to S.F. No. 2082 as follows:

Page 107, after line 10, insert:

**"Sec. 78. DEPARTMENT OF TRANSPORTATION; COST PARTICIPATION  
POLICY UPDATE REQUIRED.**

Subdivision 1. Definitions. For purposes of this section, the following terms have the meanings given:

(1) "commissioner" means the commissioner of transportation;

(2) "cost participation policy" is the policy between the Department of Transportation and local units of government to determine the potential expenditure of trunk highway funds on elements of cooperative construction projects and maintenance responsibilities between the department and local units of government; and

(3) "department" means the Department of Transportation.

Subd. 2. Policy update. By March 1, 2026, the commissioner, in consultation with representatives of local units of government, must update and adopt the department's cost participation policy. The updated policy must identify the circumstances where local units of government will not be responsible for any trunk highway fund eligible construction project costs to deliver the project scope the department deems necessary. The policy may consider a local unit of government's ability to pay as a factor in determining the amount of local contribution, if any.

Subd. 3. Report. By February 1, 2026, the commissioner must submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation finance and policy. The report must:

(1) contain the department's draft cost participation policy;

(2) identify the local units of government consulted in developing the updated cost participation policy;

(3) identify and analyze all cost participation options explored by the commissioner and local units of government in determining the cost participation policy adopted by the commissioner; and

(4) propose legislation to enable the department to cover the cost of relocating utilities owned by local units of government with remaining service life when necessitated by a trunk highway construction project led by the department.

- 2.1 **EFFECTIVE DATE.** This section is effective the day following final enactment."
- 2.2 Renumber the sections in sequence and correct the internal references
- 2.3 Amend the title accordingly