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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 1380

03/02/2015 Authored by Barrett

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

1.1 A bill for an act
1.2 relating to transportation; proposing a constitutional amendment to allocate motor
1.3 vehicle sales tax revenue exclusively to fund roads; proposing amendments to
1.4 Minnesota Constitution, article XIV, sections 5, 12, and 13; amending Minnesota
1.5 Statutes 2014, sections 16A.88, subdivision 1; 297B.09.

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

1.7 ARTICLE 1
1.8 CONSTITUTIONAL AMENDMENTS

1.9 Section 1. CONSTITUTIONAL AMENDMENTS PROPOSED.

1.10 An amendment to the Minnesota Constitution is proposed to the people. If the
1.11 amendment is adopted, article XIV, section 5, will read:

1.12 Sec. 5. There is hereby created a highway user tax distribution fund to be used solely
1.13 for highway purposes as specified in this article. The fund consists of the proceeds of
1.14 any taxes authorized by sections 9 ~~and~~, 10, and 12 of this article. The net proceeds of
1.15 the taxes shall be apportioned: 62 percent to the trunk highway fund; 29 percent to the
1.16 county state-aid highway fund; nine percent to the municipal state-aid street fund. Five
1.17 percent of the net proceeds of the highway user tax distribution fund may be set aside
1.18 and apportioned by law to one or more of the three foregoing funds. The balance of the
1.19 highway user tax distribution fund shall be transferred to the trunk highway fund, the
1.20 county state-aid highway fund, and the municipal state-aid street fund in accordance
1.21 with the percentages set forth in this section. No change in the apportionment of the five
1.22 percent may be made within six years of the last previous change.

1.23 article XIV, section 12, will read:

2.1 Sec. 12. ~~Beginning with the fiscal year starting July 1, 2007, 63.75 percent of The~~
 2.2 ~~revenue from a tax imposed by the state on the sale of a new or used motor vehicle~~
 2.3 ~~must be apportioned for the transportation purposes described in section 13, then the~~
 2.4 ~~revenue apportioned for transportation purposes must be increased by ten percent for each~~
 2.5 ~~subsequent fiscal year through June 30, 2011, and then the revenue must be apportioned~~
 2.6 ~~100 percent for transportation purposes after June 30, 2011~~ deposited in the highway
 2.7 user tax distribution fund.

2.8 article XIV, section 13, will be repealed.

2.9 Sec. 2. **SUBMISSION TO VOTERS.**

2.10 The proposed amendment must be submitted to the people at the 2016 general
 2.11 election. The question submitted must be:

2.12 "Shall the Minnesota Constitution be amended to dedicate revenue from the existing
 2.13 tax on the sale of new and used motor vehicles exclusively to fund roads, effective July
 2.14 1, 2017?

2.15 Yes
 2.16 No "

2.17 Sec. 3. **EFFECTIVE DATE.**

2.18 If the constitutional amendments in this article are adopted, section 1 is effective
 2.19 July 1, 2017.

2.20 **ARTICLE 2**

2.21 **STATUTORY PROVISIONS**

2.22 Section 1. Minnesota Statutes 2014, section 16A.88, subdivision 1, is amended to read:

2.23 Subdivision 1. **Transit assistance fund established.** A transit assistance fund is
 2.24 established within the state treasury. The fund receives money ~~distributed under section~~
 2.25 ~~297B.09, subdivision 1, and other money~~ as specified by law. Money in the fund must
 2.26 be allocated to the greater Minnesota transit account under subdivision 1a and or the
 2.27 metropolitan area transit account under subdivision 2 ~~in the manner specified in section~~
 2.28 ~~297B.09, subdivision 1, and must be used solely for transit purposes under the Minnesota~~
 2.29 ~~Constitution, article XIV, section 13.~~

2.30 Sec. 2. Minnesota Statutes 2014, section 297B.09, is amended to read:

2.31 **297B.09 ALLOCATION OF REVENUE.**

3.1 Subdivision 1. **Deposit of revenues.** ~~(a) Money collected and received under this~~
3.2 ~~chapter must be deposited as provided in this subdivision.~~

3.3 ~~(b) 60 percent of the money collected and received must be deposited in the highway~~
3.4 ~~user tax distribution fund, 36 percent must be deposited in the metropolitan area transit~~
3.5 ~~account under section 16A.88, and four percent must be deposited in the greater Minnesota~~
3.6 ~~transit account under section 16A.88.~~

3.7 ~~(c) It is the intent of the legislature that the allocations under paragraph (b) remain~~
3.8 ~~unchanged for fiscal year 2012 and all subsequent fiscal years.~~

3.9 Sec. 3. **EFFECTIVE DATE.**

3.10 If the constitutional amendments in article 1 are adopted, this article is effective
3.11 July 1, 2017.

APPENDIX
Article locations in 15-2583

ARTICLE 1	CONSTITUTIONAL AMENDMENTS	Page.Ln 1.7
ARTICLE 2	STATUTORY PROVISIONS	Page.Ln 2.20