

**SENATE  
STATE OF MINNESOTA  
NINETIETH SESSION**

**S.F. No. 2093**

(SENATE AUTHORS: LANG)

DATE  
03/13/2017

D-PG

Introduction and first reading  
Referred to Transportation Finance and Policy

OFFICIAL STATUS

1.1 A bill for an act  
1.2 relating to transportation; providing for grants for freight railroad preservation and  
1.3 improvement; appropriating money; amending Minnesota Statutes 2016, section  
1.4 222.50, by adding a subdivision.

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

1.6 Section 1. Minnesota Statutes 2016, section 222.50, is amended by adding a subdivision  
1.7 to read:

1.8 Subd. 6a. Grants; freight railroad preservation and improvement. (a) The  
1.9 commissioner may make grants for freight railroad preservation and improvement as provided  
1.10 in this subdivision and for the purposes specified in subdivision 7.

1.11 (b) The following entities are eligible to receive grant funds under this subdivision:  
1.12 railroad companies that are classified by federal law or regulation as Class II Railroads,  
1.13 Class II Rail Carriers, Class III Railroads, or Class III Carriers; rail users; and local units  
1.14 of government. An eligible recipient may receive funds regardless of rail facility ownership.

1.15 (c) When awarding grants, the commissioner must prioritize projects:

1.16 (1) identified under subdivision 7, paragraph (a), clauses (2) and (3);

1.17 (2) on segments experiencing low rail service use; and

1.18 (3) for applicants who commit more than 20 percent of total project costs from nonstate  
1.19 and nonfederal sources.

1.20 (d) A grant under this subdivision must not exceed 80 percent of the total project cost.

2.1       Sec. 2. **FREIGHT RAILROAD PRESERVATION AND IMPROVEMENT GRANTS;**  
2.2       **APPROPRIATION.**

2.3       \$4,500,000 in fiscal year 2018 is appropriated from the general fund to the commissioner  
2.4       of transportation for freight railroad preservation and improvement grants under Minnesota  
2.5       Statutes, section 222.50, subdivision 6a. Notwithstanding Minnesota Statutes, section  
2.6       16A.28, this appropriation is available for three years after the year of appropriation.