

State Transit Funding Allocation

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I. Policy

The Metropolitan Council shall allocate funds it receives from the State of Minnesota for metropolitan area transit operations to Council activities and replacement service municipalities established under Minnesota Statutes (MS) Section 473.388.

State General Fund Appropriations are allocated:

As directed in law, then
 State obligations to Metro Mobility, Blue Line, Green Line and Northstar CR operations, then
 Regional bus and planning services.

Motor Vehicle Sales Tax Revenues are allocated:

As directed in law, then
 State obligations not funded by State General Fund Appropriations, then
 Regional bus and planning services.

Replacement Service Municipalities defined under MS Section 473.388 are collectively allocated:

Financial assistance under MS Section 473.388 Subdivision 4, and
 Supplemental financial assistance in an amount equal to 4.3% percent of:

- 1) 14.5% of total statewide MVST revenues, plus
- 2) State General Fund Appropriations not directed in law, minus
- 3) State funding needed to meet federal and state obligations.

Payment of supplemental financial assistance not directed in Statute shall be held back from any transit service provider not in compliance with established reporting requirements.

II. Purpose of policy

This policy establishes the responsibilities and expectations for the allocation of funding received from the State of Minnesota for metropolitan area transit operations.

III. Background and reasons for policy

The State of Minnesota provides funding for metropolitan area transit operations through General Fund Appropriations and 36% of the money collected and received under MS Chapter 297B Sales Tax on Motor Vehicles. The transit system in the metropolitan area includes the services provided by the Council and replacement service municipalities. The Council is responsible for allocating funding among all service providers.



For the period between January 1, 2018 and June 30, 2019, the minimum supplemental financial assistance to be allocated to replacement service municipalities is defined in MS Section 473.388 Subdivision 4a as 0.35 percent of the total state revenues generated from taxes imposed under MS Chapter 297B.

Allocation of supplemental financial assistance between individual replacement service municipalities shall be in the manner determined by agreement of the replacement service municipalities. The allocation methodology may specify eligibility based on a municipality’s transit service operating reserve. Absent an agreement between the replacement service municipalities, the Regional Administrator shall determine the amount to be allocated to a replacement service municipality.

IV. Implementation/Accountability

The Regional Administrator shall establish the framework and accountability for the effective implementation of the policy.

The Council shall publish the State Transit Funding Allocation policy, implementing procedures, financial information and reporting requirements on the Council’s website.

Implementing Procedures:

- 3-2-7a State Transit Funding Allocation

Links:

Revision/Review Tracking

Date	Revision No.	Review Only – No changes
	1	