

CHAPTER 351—S.F.No. 2540

An act relating to transportation; modifying or adding provisions relating to school bus transportation, transportation construction impacts on business, rest areas, highways, bridges, transportation contracts, variances from rules and engineering standards for local streets and highways, tax-exempt vehicles, license plates, deputy registrars, impounds, towing, quick clearance of highway obstructions, pedestrians, intersection gridlock, bus and type III vehicle operation, various traffic regulations, cargo tank vehicle weight exemptions, drivers' licenses, transportation department goals and mission, the Disadvantaged Business Enterprise Collaborative, transit, a Minnesota Council of Transportation Access, complete streets, a Commuter Rail Corridor Coordinating Committee, railroad track safety, motor carriers, allocation of traffic fines, airport authorities, property acquisition for highways, town road interest extinguishment nullification, Northstar commuter rail, roundabouts design, and a pilot program to obtain federal assistance for transportation projects; providing for bus service during Hastings bridge construction; requiring reports; making technical and clarifying changes; appropriating money; amending Minnesota Statutes 2008, sections 161.14, by adding subdivisions; 161.3426, subdivision 3, by adding a subdivision; 162.02, subdivision 3a; 162.09, subdivision 3a; 165.14, subdivisions 4, 5; 168.002, by adding a subdivision; 168.12, subdivision 2a; 168.123, subdivisions 1, 2, by adding a subdivision; 168.1255, subdivision 1; 168.1293; 168.33, subdivision 2; 168B.06, subdivision 1; 168B.07, subdivision 3; 169.041, subdivision 5, by adding a subdivision; 169.15; 169.26, by adding a subdivision; 169.306; 169.79, subdivision 3; 169.87, by adding a subdivision; 171.321, subdivision 2; 174.01, subdivisions 1, 2; 174.02, subdivision 1a; 174.22, by adding a subdivision; 174.23, subdivisions 1, 2; 174.24, subdivisions 2, 3b, by adding a subdivision; 174.247; 174.86, subdivision 5; 219.01; 221.012, subdivision 38, by adding a subdivision; 360.061, subdivision 3; 473.167, subdivision 2a; 473.411, subdivision 5; 514.18, subdivision 1a; Minnesota Statutes 2009 Supplement, sections 123B.92, subdivision 1; 160.165; 161.14, subdivision 62; 168.012, subdivision 1; 168.12, subdivision 5; 169.71, subdivision 1; 171.02, subdivision 2b; 174.24, subdivisions 1a, 5; 299D.03, subdivision 5; Laws 2008, chapter 287, article 1, section 122; Laws 2008, chapter 350, article 1, section 5; Laws 2009, chapter 36, article 1, section 3, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 160; 174; 221; 383D; repealing Minnesota Statutes 2008, section 169.041, subdivisions 3, 4.

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

Section 1. Minnesota Statutes 2009 Supplement, section 123B.92, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** For purposes of this section and section 125A.76, the terms defined in this subdivision have the meanings given to them.

(a) "Actual expenditure per pupil transported in the regular and excess transportation categories" means the quotient obtained by dividing:

(1) the sum of:

(i) all expenditures for transportation in the regular category, as defined in paragraph (b), clause (1), and the excess category, as defined in paragraph (b), clause (2), plus

(ii) an amount equal to one year's depreciation on the district's school bus fleet and mobile units computed on a straight line basis at the rate of 15 percent per year for districts operating a program under section 124D.128 for grades 1 to 12 for all students in the district and 12-1/2 percent per year for other districts of the cost of the fleet, plus

(iii) an amount equal to one year's depreciation on the district's type III vehicles, as defined in section 169.011, subdivision 71, which must be used a majority of the time for pupil transportation purposes, computed on a straight line basis at the rate of 20 percent per year of the cost of the type three school buses by:

(2) the number of pupils eligible for transportation in the regular category, as defined in paragraph (b), clause (1), and the excess category, as defined in paragraph (b), clause (2).

(b) "Transportation category" means a category of transportation service provided to pupils as follows:

(1) Regular transportation is:

(i) transportation to and from school during the regular school year for resident elementary pupils residing one mile or more from the public or nonpublic school they attend, and resident secondary pupils residing two miles or more from the public or nonpublic school they attend, excluding desegregation transportation and noon kindergarten transportation; but with respect to transportation of pupils to and from nonpublic schools, only to the extent permitted by sections 123B.84 to 123B.87;

(ii) transportation of resident pupils to and from language immersion programs;

(iii) transportation of a pupil who is a custodial parent and that pupil's child between the pupil's home and the child care provider and between the provider and the school, if the home and provider are within the attendance area of the school;

(iv) transportation to and from or board and lodging in another district, of resident pupils of a district without a secondary school; and

(v) transportation to and from school during the regular school year required under subdivision 3 for nonresident elementary pupils when the distance from the attendance area border to the public school is one mile or more, and for nonresident secondary pupils when the distance from the attendance area border to the public school is two miles or more, excluding desegregation transportation and noon kindergarten transportation.

For the purposes of this paragraph, a district may designate a licensed day care facility, school day care facility, respite care facility, the residence of a relative, or the residence of a person chosen by the pupil's parent or guardian, or an after school program for children operated by a political subdivision of the state, as the home of a pupil for part or all of the day, if requested by the pupil's parent or guardian, and if that facility ~~or~~ residence, or program is within the attendance area of the school the pupil attends.

(2) Excess transportation is:

(i) transportation to and from school during the regular school year for resident secondary pupils residing at least one mile but less than two miles from the public or nonpublic school they attend, and transportation to and from school for resident pupils residing less than one mile from school who are transported because of extraordinary traffic, drug, or crime hazards; and

(ii) transportation to and from school during the regular school year required under subdivision 3 for nonresident secondary pupils when the distance from the attendance area border to the school is at least one mile but less than two miles from the public school they attend, and for nonresident pupils when the distance from the attendance area border to the school is less than one mile from the school and who are transported because of extraordinary traffic, drug, or crime hazards.

(3) Desegregation transportation is transportation within and outside of the district during the regular school year of pupils to and from schools located outside their normal attendance areas under a plan for desegregation mandated by the commissioner or under court order.

(4) "Transportation services for pupils with disabilities" is:

(i) transportation of pupils with disabilities who cannot be transported on a regular school bus between home or a respite care facility and school;

(ii) necessary transportation of pupils with disabilities from home or from school to other buildings, including centers such as developmental achievement centers, hospitals, and treatment centers where special instruction or services required by sections 125A.03 to 125A.24, 125A.26 to 125A.48, and 125A.65 are provided, within or outside the district where services are provided;

(iii) necessary transportation for resident pupils with disabilities required by sections 125A.12, and 125A.26 to 125A.48;

(iv) board and lodging for pupils with disabilities in a district maintaining special classes;

(v) transportation from one educational facility to another within the district for resident pupils enrolled on a shared-time basis in educational programs, and necessary transportation required by sections 125A.18, and 125A.26 to 125A.48, for resident pupils with disabilities who are provided special instruction and services on a shared-time basis or if resident pupils are not transported, the costs of necessary travel between public and private schools or neutral instructional sites by essential personnel employed by the district's program for children with a disability;

(vi) transportation for resident pupils with disabilities to and from board and lodging facilities when the pupil is boarded and lodged for educational purposes; and

(vii) services described in clauses (i) to (vi), when provided for pupils with disabilities in conjunction with a summer instructional program that relates to the pupil's individual education plan or in conjunction with a learning year program established under section 124D.128.

For purposes of computing special education initial aid under section 125A.76, subdivision 2, the cost of providing transportation for children with disabilities includes (A) the additional cost of transporting a homeless student from a temporary nonshelter home in another district to the school of origin, or a formerly homeless student from a

permanent home in another district to the school of origin but only through the end of the academic year; and (B) depreciation on district-owned school buses purchased after July 1, 2005, and used primarily for transportation of pupils with disabilities, calculated according to paragraph (a), clauses (ii) and (iii). Depreciation costs included in the disabled transportation category must be excluded in calculating the actual expenditure per pupil transported in the regular and excess transportation categories according to paragraph (a).

(5) "Nonpublic nonregular transportation" is:

(i) transportation from one educational facility to another within the district for resident pupils enrolled on a shared-time basis in educational programs, excluding transportation for nonpublic pupils with disabilities under clause (4);

(ii) transportation within district boundaries between a nonpublic school and a public school or a neutral site for nonpublic school pupils who are provided pupil support services pursuant to section 123B.44; and

(iii) late transportation home from school or between schools within a district for nonpublic school pupils involved in after-school activities.

(c) "Mobile unit" means a vehicle or trailer designed to provide facilities for educational programs and services, including diagnostic testing, guidance and counseling services, and health services. A mobile unit located off nonpublic school premises is a neutral site as defined in section 123B.41, subdivision 13.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 2. Minnesota Statutes 2009 Supplement, section 160.165, is amended to read:

160.165 MITIGATING TRANSPORTATION CONSTRUCTION IMPACTS ON BUSINESS.

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

(1) "project" means construction work to maintain, construct, reconstruct, or improve a street or highway or for a rail transit project;

(2) "substantial business impacts" means impairment of road access, parking, or visibility for one or more business establishments as a result of a project, for a minimum period of one month; and

(3) "transportation authority" means the commissioner, as to trunk highways; the county board, as to county state-aid highways and county highways; the town board, as to town roads; ~~and~~ statutory or home rule charter cities, as to city streets; the Metropolitan Council, for rail transit projects located entirely within the metropolitan area as defined in section 473.121, subdivision 2; and the commissioner, for all other rail transit projects.

Subd. 2. **Business liaison.** (a) Before beginning construction work on a project, a transportation authority shall identify whether the project is anticipated to include substantial business impacts. For such projects, the transportation authority shall designate an individual to serve as business liaison between the transportation authority and affected businesses.

(b) The business liaison shall consult with affected businesses before and during construction to investigate means of mitigating project impacts to businesses.

The mitigation considered must include signage. The business liaison shall provide information to the identified businesses before and during construction, concerning project duration and timetables, lane and road closures, detours, access impacts, customer parking impacts, visibility, noise, dust, vibration, and public participation opportunities.

Subd. 3. **Exception.** This section does not apply to construction work in connection with the Central Corridor light rail transit line that will connect downtown Minneapolis and downtown St. Paul.

EFFECTIVE DATE. Subdivision 1 is effective July 1, 2012. Subdivision 3 is effective July 1, 2010.

Sec. 3. **[160.2755] PROHIBITED ACTIVITIES AT REST AREAS.**

Subdivision 1. **Prohibited activities.** It is unlawful at rest areas to:

(1) dispose of travel-related trash and rubbish, except if depositing it in a designated receptacle;

(2) dump household or commercial trash and rubbish into containers or anywhere else on site; or

(3) drain or dump refuse or waste from any trailer, recreational vehicle, or other vehicle except where receptacles are provided and designated to receive the refuse or waste.

Subd. 2. **Penalty.** Violation of this section is a petty misdemeanor.

EFFECTIVE DATE. This section is effective August 1, 2010, and applies to acts committed on or after that date.

Sec. 4. Minnesota Statutes 2009 Supplement, section 161.14, subdivision 62, is amended to read:

Subd. 62. **Clearwater County Veterans Memorial Highway.** (a) The following described route is designated the "Clearwater County Veterans Memorial Highway": that portion of Legislative Route No. 168, marked on August 1, 2009, as Trunk Highway 200, from its intersection with Clearwater County State-Aid Highway ~~37~~ 39 to its intersection with Legislative Route No. 169, marked on August 1, 2009, as Trunk Highway 92; and that portion of Route No. 169 to its intersection with Clearwater County State-Aid Highway 5.

(b) The commissioner shall adopt a suitable marking design to mark this highway and erect appropriate signs, subject to section 161.139.

Sec. 5. Minnesota Statutes 2008, section 161.14, is amended by adding a subdivision to read:

Subd. 66. **Veterans Memorial Highway.** Legislative Route No. 31, signed as Trunk Highway 200 as of the effective date of this section, from the border with North Dakota to the city of Mahnomon, is designated as the "Veterans Memorial Highway." The commissioner shall adopt a suitable design to mark this highway and erect appropriate signs, subject to section 161.139.

Sec. 6. Minnesota Statutes 2008, section 161.14, is amended by adding a subdivision to read:

Subd. 67. **Becker County Veterans Memorial Highway.** **Marked Trunk Highway 34, from its intersection with Washington Avenue in Detroit Lakes to its intersection with County State-Aid Highway 39; and marked Trunk Highway 87, from its intersection with County State-Aid Highway 33 to its intersection with County State-Aid Highway 39, is named and designated the "Becker County Veterans Memorial Highway." Subject to section 161.139, the commissioner shall adopt a suitable marking design to mark this highway and erect appropriate signs.**

Sec. 7. Minnesota Statutes 2008, section 161.14, is amended by adding a subdivision to read:

Subd. 68. **Granite City Crossing.** **The bridge over the Mississippi River on marked Trunk Highway 23 in St. Cloud is designated "Granite City Crossing." The commissioner of transportation shall adopt a suitable design to mark this bridge and erect appropriate signs, subject to section 161.139.**

Sec. 8. Minnesota Statutes 2008, section 161.14, is amended by adding a subdivision to read:

Subd. 69. **Veterans Memorial Highway.** **Marked Trunk Highway 59 from the city of Karlstad to the border with Canada is designated as the "Veterans Memorial Highway." The commissioner shall adopt a suitable design to mark this highway and erect appropriate signs, subject to section 161.139.**

Sec. 9. Minnesota Statutes 2008, section 161.3426, subdivision 3, is amended to read:

Subd. 3. **Stipulated fee.** The commissioner shall award a stipulated fee not less than two-tenths of one percent of the department's estimated cost of design and construction to each short-listed, responsible proposer who provides a responsive but unsuccessful proposal. When the request for proposals specifies a maximum price, the stipend shall be awarded if the proposal is responsive in all other aspects but comes in above the maximum price. If the commissioner does not award a contract, all short-listed proposers must receive the stipulated fee. If the commissioner cancels the contract before reviewing the technical proposals, the commissioner shall award each design-builder on the short list a stipulated fee of not less than two-tenths of one percent of the commissioner's estimated cost of design and construction. The commissioner shall pay the stipulated fee to each proposer within 90 days after the award of the contract or the decision not to award a contract. In consideration for paying the stipulated fee, the commissioner may use any ideas or information contained in the proposals in connection with any contract awarded for the project or in connection with a subsequent procurement, without any obligation to pay any additional compensation to the unsuccessful proposers. Notwithstanding the other provisions of this subdivision, an unsuccessful short-list proposer may elect to waive the stipulated fee. If an unsuccessful short-list proposer elects to waive the stipulated fee, the commissioner may not use ideas and information contained in that proposer's proposal. Upon the request of the commissioner, a proposer who waived a stipulated fee may withdraw the waiver, in which case the commissioner shall pay the stipulated fee to the proposer and thereafter may use ideas and information in the proposer's proposal.

Sec. 10. Minnesota Statutes 2008, section 161.3426, is amended by adding a subdivision to read:

Subd. 6. **Reissue of request for proposals.** If the commissioner rejects all bids or does not execute the contract, the commissioner may reissue the request for proposals and allow only short-listed teams to resubmit proposals. The commissioner shall then pay a reasonable stipulated fee to each short-listed, responsible proposer who provides a responsive but unsuccessful proposal in response to the reissued request for proposals. When the reissued request for proposals specifies a maximum price, the stipend shall be awarded if the proposal is responsive in all other aspects but comes in above the maximum price.

Sec. 11. Minnesota Statutes 2008, section 162.02, subdivision 3a, is amended to read:

Subd. 3a. **Variations from rules and engineering standards.** (a) The commissioner may grant variations from the rules and from the engineering standards developed pursuant to section 162.021 or 162.07, subdivision 2. A political subdivision in which a county state-aid highway is located or is proposed to be located may submit a written request to the commissioner for a variance for that highway. The commissioner shall comply with section 174.75, subdivision 5, in evaluating a variance request related to a complete streets project.

(b) The commissioner shall publish notice of the request in the State Register and give notice to all persons known to the commissioner to have an interest in the matter. The commissioner may grant or deny the variance within 30 days of providing notice of the request. If a written objection to the request is received within seven days of providing notice, the variance shall be granted or denied only after a contested case hearing has been held on the request. If no timely objection is received and the variance is denied without hearing, the political subdivision may request, within 30 days of receiving notice of denial, and shall be granted a contested case hearing.

(c) For purposes of this subdivision, "political subdivision" includes (1) an agency of a political subdivision which has jurisdiction over parks, and (2) a regional park authority.

Sec. 12. Minnesota Statutes 2008, section 162.09, subdivision 3a, is amended to read:

Subd. 3a. **Variations from rules and engineering standards.** (a) The commissioner may grant variations from the rules and from the engineering standards developed pursuant to section 162.13, subdivision 2. A political subdivision in which a municipal state-aid street is located or is proposed to be located may submit a written request to the commissioner for a variance for that street. The commissioner shall comply with section 174.75, subdivision 5, in evaluating a variance request related to a complete streets project.

(b) The commissioner shall publish notice of the request in the State Register and give notice to all persons known to the commissioner to have an interest in the matter. The commissioner may grant or deny the variance within 30 days of providing notice of the request. If a written objection to the request is received within seven days of providing notice, the variance shall be granted or denied only after a contested case hearing has been held on the request. If no timely objection is received and the variance is denied without hearing, the political subdivision may request, within 30 days of receiving notice of denial, and shall be granted a contested case hearing.

(c) For purposes of this subdivision, "political subdivision" includes (1) an agency of a political subdivision which has jurisdiction over parks, and (2) a regional park authority.

Sec. 13. Minnesota Statutes 2008, section 165.14, subdivision 4, is amended to read:

Subd. 4. **Prioritization of bridge projects.** (a) The commissioner shall classify all bridges in the program into tier 1, 2, or 3 bridges, where tier 1 is the highest tier. Unless the commissioner identifies a reason for proceeding otherwise, before commencing bridge projects in a lower tier, all bridge projects within a higher tier must to the extent feasible be selected and funded in the approved state transportation improvement program, at any stage in the project development process, solicited for bids, in contract negotiation, under construction, or completed.

(b) The classification of each tier is as follows:

(1) tier 1 consists of any bridge in the program that (i) has an average daily traffic count that is above 1,000 and has a sufficiency rating that is at or below 50, or (ii) is identified by the commissioner as a priority project;

(2) tier 2 consists of any bridge that is not a tier 1 bridge, and (i) is classified as fracture-critical, or (ii) has a sufficiency rating that is at or below 80; and

(3) tier 3 consists of any other bridge in the program that is not a tier 1 or tier 2 bridge.

(c) By June 30, 2018, all tier 1 and tier 2 bridges originally included in the program must be under contract for repair or replacement with a new bridge that contains a load-path-redundant design, except that a specific bridge may remain in continued service if the reasons are documented in the report required under subdivision 5.

(d) All bridge projects funded under this section in fiscal year 2012 or later must include bicycle and pedestrian accommodations if both sides of the bridge are located in a city or the bridge links a pedestrian way, shared-use path, trail, or scenic bikeway.

Bicycle and pedestrian accommodations would not be required if:

(1) a comprehensive assessment demonstrates that there is an absence of need for bicycle and pedestrian accommodations for the life of the bridge; or

(2) there is a reasonable alternative bicycle and pedestrian crossing within one-quarter mile of the bridge project.

All bicycle and pedestrian accommodations should enable a connection to any existing bicycle and pedestrian infrastructure in close proximity to the bridge. All pedestrian facilities must meet or exceed federal accessibility requirements as outlined in Title II of the Americans with Disabilities Act, codified in United States Code, title 42, chapter 126, subchapter II, and Section 504 of the Rehabilitation Act of 1973, codified in United States Code, title 29, section 794.

(e) The commissioner shall establish criteria for determining the priority of bridge projects within each tier, and must include safety considerations as a criterion.

EFFECTIVE DATE. This section is effective July 1, 2010.

Sec. 14. Minnesota Statutes 2008, section 165.14, subdivision 5, is amended to read:

Subd. 5. **Statewide transportation planning report.** In conjunction with each update to the Minnesota statewide transportation plan, or at least every six years, the commissioner shall submit a report to the chairs and ranking minority members of the house of representatives and senate committees with jurisdiction over transportation finance. The report must include:

(1) an explanation of the criteria and decision-making processes used to prioritize bridge projects;

(2) a historical and projected analysis of the extent to which all trunk highway bridges meet bridge performance targets and comply with the accessibility requirements of Title II of the Americans with Disabilities Act of 1990, Public Law 101-336;

(3) a summary of bridge projects (i) completed in the previous six years or since the last update to the Minnesota statewide transportation plan, and (ii) currently in progress under the program;

(4) a summary of bridge projects scheduled in the next four fiscal years and included in the state transportation improvement program;

(5) a projection of annual needs over the next 20 years;

(6) a calculation of funding necessary to meet the completion date under subdivision 4, paragraph (c), compared to the total amount of bridge-related funding available; and

(7) for any tier 1 fracture-critical bridge that is repaired but not replaced, an explanation of the reasons for repair instead of replacement.

Sec. 15. Minnesota Statutes 2008, section 168.002, is amended by adding a subdivision to read:

Subd. 31a. **Special plates.** Unless otherwise specified, "special plates" or "special plate" means plates, or a single motorcycle plate, that are designed with wording or graphics that differ from a regular Minnesota passenger automobile plate or motorcycle plate.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 16. Minnesota Statutes 2009 Supplement, section 168.012, subdivision 1, is amended to read:

Subdivision 1. **Vehicles exempt from tax, fees, or plate display.** (a) The following vehicles are exempt from the provisions of this chapter requiring payment of tax and registration fees, except as provided in subdivision 1c:

(1) vehicles owned and used solely in the transaction of official business by the federal government, the state, or any political subdivision;

(2) vehicles owned and used exclusively by educational institutions and used solely in the transportation of pupils to and from those institutions;

(3) vehicles used solely in driver education programs at nonpublic high schools;

(4) vehicles owned by nonprofit charities and used exclusively to transport disabled persons for charitable, religious, or educational purposes;

(5) vehicles owned by nonprofit charities and used exclusively for disaster response and related activities;

(6) vehicles owned by ambulance services licensed under section 144E.10 that are equipped and specifically intended for emergency response or providing ambulance services; and

(7) vehicles owned by a commercial driving school licensed under section 171.34, or an employee of a commercial driving school licensed under section 171.34, and the vehicle is used exclusively for driver education and training.

(b) Provided the general appearance of the vehicle is unmistakable, the following vehicles are not required to register or display number plates:

(1) vehicles owned by the federal government, ~~municipal~~;

(2) fire apparatuses, including fire-suppression support vehicles, owned or leased by the state or a political subdivision;

(3) police patrols, owned or leased by the state or a political subdivision; and

(4) ambulances, ~~the general appearance of which is unmistakable, are not required to register or display number plates~~ owned or leased by the state or a political subdivision.

(c) Unmarked vehicles used in general police work, liquor investigations, or arson investigations, and passenger automobiles, pickup trucks, and buses owned or operated by the Department of Corrections, must be registered and must display appropriate license number plates, furnished by the registrar at cost. Original and renewal applications for these license plates authorized for use in general police work and for use by the Department of Corrections must be accompanied by a certification signed by the appropriate chief of police if issued to a police vehicle, the appropriate sheriff if issued to a sheriff's vehicle, the commissioner of corrections if issued to a Department of Corrections vehicle, or the appropriate officer in charge if issued to a vehicle of any other law enforcement agency. The certification must be on a form prescribed by the commissioner and state that the vehicle will be used exclusively for a purpose authorized by this section.

(d) Unmarked vehicles used by the Departments of Revenue and Labor and Industry, fraud unit, in conducting seizures or criminal investigations must be registered and must display passenger vehicle classification license number plates, furnished at cost by the registrar. Original and renewal applications for these passenger vehicle license plates must be accompanied by a certification signed by the commissioner of revenue or the commissioner of labor and industry. The certification must be on a form prescribed by the commissioner and state that the vehicles will be used exclusively for the purposes authorized by this section.

(e) Unmarked vehicles used by the Division of Disease Prevention and Control of the Department of Health must be registered and must display passenger vehicle classification license number plates. These plates must be furnished at cost by the registrar. Original and renewal applications for these passenger vehicle license plates must be accompanied by a certification signed by the commissioner of health. The certification must be on a form prescribed by the commissioner and state that the vehicles will be used exclusively for the official duties of the Division of Disease Prevention and Control.

(f) Unmarked vehicles used by staff of the Gambling Control Board in gambling investigations and reviews must be registered and must display passenger vehicle classification license number plates. These plates must be furnished at cost by the registrar. Original and renewal applications for these passenger vehicle license plates must be accompanied by a certification signed by the board chair. The certification must be on a form prescribed by the commissioner and state that the vehicles will be used exclusively for the official duties of the Gambling Control Board.

(g) Unmarked vehicles used in general investigation, surveillance, supervision, and monitoring by the staff of the Department of Human Services Office of Special Investigations and the executive director of the Minnesota sex offender program must be registered and must display passenger vehicle classification license number plates, furnished by the registrar at cost. Original and renewal applications for passenger vehicle license plates must be accompanied by a certification signed by the commissioner of human services. The certification must be on a form prescribed by the commissioner and state that the vehicles must be used exclusively for the official duties of the Office of Special Investigations and the executive director of the Minnesota sex offender program.

(h) Each state hospital and institution for persons who are mentally ill and developmentally disabled may have one vehicle without the required identification on the sides of the vehicle. The vehicle must be registered and must display passenger vehicle classification license number plates. These plates must be furnished at cost by the registrar. Original and renewal applications for these passenger vehicle license plates must be accompanied by a certification signed by the hospital administrator. The certification must be on a form prescribed by the commissioner and state that the vehicles will be used exclusively for the official duties of the state hospital or institution.

(i) Each county social service agency may have vehicles used for child and vulnerable adult protective services without the required identification on the sides of the vehicle. The vehicles must be registered and must display passenger vehicle classification license number plates. These plates must be furnished at cost by the registrar. Original and renewal applications for these passenger vehicle license plates must be accompanied by a certification signed by the agency administrator. The certification must be on a form prescribed by the commissioner and state that the vehicles will be used exclusively for the official duties of the social service agency.

(j) All other motor vehicles must be registered and display tax-exempt number plates, furnished by the registrar at cost, except as provided in subdivision 1c. All vehicles required to display tax-exempt number plates must have the name of the state department or political subdivision, nonpublic high school operating a driver education program, licensed commercial driving school, or other qualifying organization or entity, plainly displayed on both sides of the vehicle. This identification must be in a color giving contrast with that of the part of the vehicle on which it is placed and must endure throughout the term of the registration. The identification must not be on a removable plate or placard and must be kept clean and visible at all times; except that a removable plate or placard may be utilized on vehicles leased or loaned to a political subdivision or to a nonpublic high school driver education program.

Sec. 17. Minnesota Statutes 2008, section 168.12, subdivision 2a, is amended to read:

Subd. 2a. **Personalized plates; rules.** (a) The commissioner may issue personalized plates or, if requested for special plates issued under section 168.123 for veterans, 168.124 for medal of honor recipients, or 168.125 for former prisoners of war, applicable personalized special veterans plates, to an applicant who:

(1) is an owner of a passenger automobile including a passenger automobile registered as a classic car, pioneer car, collector car, or street rod; any truck with a manufacturer's nominal rated capacity of one ton or less and resembling a pickup truck; a motorcycle, including a classic motorcycle; a motorized bicycle; a commuter van as defined in section 168.126; or a recreational vehicle;

- (2) pays a onetime fee of \$100 and any other fees required by this chapter;
- (3) pays the registration tax required by this chapter for the motor vehicle; and
- (4) complies with this chapter and rules governing registration of motor vehicles and licensing of drivers.

(b) The commissioner shall charge a replacement fee for personalized license plates and personalized special veterans plates issued under section 168.123 as specified in subdivision 5. This fee must be paid by the applicant whenever the personalized plates are required to be replaced by law, except that as provided in section 168.124, subdivision 3, and 168.125, subdivision 1b, no fee may be charged to replace plates issued under those sections.

(c) In lieu of the registration number assigned as provided in subdivision 1, personalized plates and personalized special veterans plates must have imprinted on them a series of not more than seven numbers and letters, or five numbers and letters for personalized special veterans plates, in any combination and, as applicable, satisfy the design requirements of section 168.123, 168.124, or 168.125. When an applicant has once obtained personalized plates or personalized special veterans plates, the applicant shall have a prior claim for similar personalized plates or personalized special veterans plates in the next succeeding year as long as current motor vehicle registration is maintained.

(d) The commissioner shall adopt rules in the manner provided by chapter 14, regulating the issuance and transfer of personalized plates and personalized special veterans plates. No words or combination of letters placed on these plates may be used for commercial advertising, be of an obscene, indecent, or immoral nature, or be of a nature that would offend public morals or decency. The call signals or letters of a radio or television station are not commercial advertising for the purposes of this subdivision.

(e) Despite the provisions of subdivision 1, personalized plates and personalized special veterans plates issued under this subdivision may be transferred to another motor vehicle listed in paragraph (a) and owned by the applicant, upon the payment of a fee of \$5.

(f) The commissioner may by rule specify the format for notification.

(g) A personalized plate or personalized special veterans plate issued for a classic car, pioneer car, collector car, street rod, or classic motorcycle may not be transferred to a vehicle not eligible for such a plate.

(h) Despite any law to the contrary, if the personalized license plates are lost, stolen, or destroyed, the applicant may apply and must be issued duplicate license plates bearing the same combination of letters and numbers and the same design as (1) the former personalized plates or personalized special veterans plates under section 168.123 upon the payment of the fee required by section 168.29 or (2) the former personalized special veterans plates issued under section 168.124 or 168.125, without charge.

(i) A personalized vertical motorcycle plate may be issued upon payment of an additional payment of \$100. The vertical plate must have not more than four identification characters, cannot be a duplication of any current or reserved license plate, and must meet the requirements in paragraph (d).

Sec. 18. Minnesota Statutes 2009 Supplement, section 168.12, subdivision 5, is amended to read:

Subd. 5. **Additional fee.** (a) In addition to any fee otherwise authorized or any tax otherwise imposed upon any vehicle, the payment of which is required as a condition to the issuance of any plate or plates, the commissioner shall impose the fee specified in paragraph (b) that is calculated to cover the cost of manufacturing and issuing the plate or plates, except for plates issued to disabled veterans as defined in section 168.031 and plates issued pursuant to section 168.124, 168.125, or 168.27, subdivisions 16 and 17, for passenger automobiles. The commissioner shall issue graphic design plates only for vehicles registered pursuant to section 168.017 and recreational vehicles registered pursuant to section 168.013, subdivision 1g.

(b) Unless otherwise specified or exempted by statute, the following plate and validation sticker fees apply for the original, duplicate, or replacement issuance of a plate in a plate year:

License Plate	Single	Double
Regular and Disability	\$ 4.50	\$ 6.00
Special	\$ 8.50	\$ 10.00
Personalized (Replacement)	\$ 10.00	\$ 14.00
Collector Category	\$ 13.50	\$ 15.00
Emergency Vehicle Display	\$ 3.00	\$ 6.00
Utility Trailer Self-Adhesive	\$ 2.50	
<u>Vertical Motorcycle Plate</u>	<u>\$ 100.00</u>	<u>NA</u>
Stickers		
Duplicate year	\$ 1.00	\$ 1.00
International Fuel Tax Agreement	\$ 2.50	

(c) For vehicles that require two of the categories above, the registrar shall only charge the higher of the two fees and not a combined total.

Sec. 19. Minnesota Statutes 2008, section 168.123, subdivision 1, is amended to read:

Subdivision 1. **General requirements; fees.** (a) On payment of a fee of \$10 for each set of two plates, or for a single plate in the case of a motorcycle plate, payment of the registration tax required by law, and compliance with other applicable laws relating to vehicle registration and licensing, as applicable, the commissioner shall issue:

(1) special veteran's plates to an applicant who served in the active military service in a branch of the armed forces of the United States or of a nation or society allied with the United States in conducting a foreign war, was discharged under honorable conditions, and is a registered owner of a passenger automobile, recreational motor vehicle, or truck resembling a pickup truck and having a manufacturer's nominal rated capacity of one ton, but which is not a commercial motor vehicle as defined in section 169.011, subdivision 16; or

(2) a veteran's special motorcycle plate as described in subdivision 2, paragraph (a), (f), (h), ~~or (i), or (j),~~ or another special plate designed by the commissioner to an applicant who is a registered owner of a motorcycle and meets the criteria listed in this paragraph and in subdivision 2, paragraph (a), (f), (h), ~~or (i), or (j).~~ Plates issued under this clause

must be the same size as regular motorcycle plates. Special motorcycle license plates issued under this clause are not subject to section 168.1293.

(b) The additional fee of \$10 is payable for each set of veteran's plates, is payable only when the plates are issued, and is not payable in a year in which stickers are issued instead of plates.

(c) The veteran must have a certified copy of the veteran's discharge papers, indicating character of discharge, at the time of application. If an applicant served in the active military service in a branch of the armed forces of a nation or society allied with the United States in conducting a foreign war and is unable to obtain a record of that service and discharge status, the commissioner of veterans affairs may certify the applicant as qualified for the veterans' plates provided under this section.

(d) For license plates issued for one-ton trucks described in paragraph (a), clause (1), the commissioner shall collect a surcharge of \$5 on each \$10 fee collected under paragraph (a). The surcharge must be deposited in the vehicle services operating account in the special revenue fund.

Sec. 20. Minnesota Statutes 2008, section 168.123, subdivision 2, is amended to read:

Subd. 2. **Design.** The commissioner of veterans affairs shall design the emblem for the veterans' special plates, subject to the approval of the commissioner, that satisfy the following requirements:

(a) For a Vietnam veteran who served after July 1, 1961, and before July 1, 1978, in the active military service in a branch of the armed forces of the United States or a nation or society allied with the United States the special plates must bear the inscription "VIETNAM VET" and the letters "V" and "V" with the first letter directly above the second letter and both letters just preceding the first numeral of the special plate number.

(b) For a veteran stationed on the island of Oahu, Hawaii, or offshore, during the attack on Pearl Harbor on December 7, 1941, the special plates must bear the inscription "PEARL HARBOR SURVIVOR" and the letters "P" and "H" with the first letter directly above the second letter and both letters just preceding the first numeral of the special plate number.

(c) For a veteran who served during World War I or World War II, the plates must bear the inscription "WORLD WAR VET" and:

(1) for a World War I veteran, the characters "W" and "I" with the first character directly above the second character and both characters just preceding the first numeral of the special plate number; or

(2) for a World War II veteran, the characters "W" and "II" with the first character directly above the second character and both characters just preceding the first numeral of the special plate number.

(d) For a veteran who served during the Korean Conflict, the special plates must bear the inscription "KOREAN VET" and the letters "K" and "V" with the first letter directly above the second letter and both letters just preceding the first numeral of the special plate number.

(e) For a combat wounded veteran who is a recipient of the purple heart medal, the plates must bear the inscription "COMBAT WOUNDED VET" and have a facsimile on an

emblem of the official purple heart medal and the letters "C" over "W" with the first letter directly over the second letter just preceding the first numeral of the special plate number.

(f) For a Persian Gulf War veteran, the plates must bear the inscription "GULF WAR VET" and the letters "G" and "W" with the first letter directly above the second letter and both letters just preceding the first numeral of the special plate number. For the purposes of this section, "Persian Gulf War veteran" means a person who served on active duty after August 1, 1990, in a branch of the armed forces of the United States or a nation or society allied with the United States or the United Nations during Operation Desert Shield, Operation Desert Storm, or other military operation in the Persian Gulf area combat zone as designated in United States Presidential Executive Order No. 12744, dated January 21, 1991.

(g) For a veteran who served in the Laos War after July 1, 1961, and before July 1, 1978, the special plates must bear the inscription "LAOS WAR VET" and the letters "L" and "V" with the first letter directly above the second letter and both letters just preceding the first numeral of the special plate number.

(h) For a veteran who is the recipient of:

(1) the Iraq Campaign Medal, the special plates must be inscribed with a facsimile of that medal and must bear the inscription "IRAQ WAR VET" directly below the special plate number;

(2) the Afghanistan Campaign Medal, the special plates must be inscribed with a facsimile of that medal and must bear the inscription "AFGHAN WAR VET" directly below the special plate number; or

(3) the Global War on Terrorism Expeditionary Medal, the special plates must be inscribed with a facsimile of that medal and must bear the inscription "GWOT VETERAN" directly below the special plate number; or

(4) the Armed Forces Expeditionary Medal, the special plates must bear an appropriate inscription that includes a facsimile of that medal.

(i) For a veteran who is the recipient of the Global War on Terrorism Service Medal, the special plates must be inscribed with a facsimile of that medal and must bear the inscription "GWOT VETERAN" directly below the special plate number. In addition, any member of the National Guard or other military reserves who has been ordered to federally funded state active service under United States Code, title 32, as defined in section 190.05, subdivision 5b, and who is the recipient of the Global War on Terrorism Service Medal, is eligible for the license plate described in this paragraph, irrespective of whether that person qualifies as a veteran under section 197.447.

(j) For a veteran who is the recipient of the Korean Defense Service Medal, the special plates must be inscribed with a facsimile of that medal and must bear the inscription "KOREAN DEFENSE SERVICE" directly below the special plate number.

(k) For a veteran who is a recipient of the Bronze Star medal, the plates must bear the inscription "BRONZE STAR VET" and have a facsimile or an emblem of the official Bronze Star medal.

(l) For a veteran who is a recipient of the Silver Star medal, the plates must bear the inscription "SILVER STAR VET" and have a facsimile or an emblem of the official Silver Star medal.

Sec. 21. Minnesota Statutes 2008, section 168.123, is amended by adding a subdivision to read:

Subd. 2b. **Eligibility; combat wounded plate.** A member of the United States armed forces who is serving actively in the military and who is a recipient of the purple heart medal is also eligible for the license plate under subdivision 2, paragraph (e). The commissioner of public safety shall ensure that information regarding the required proof of eligibility for any applicant under this subdivision who has not yet been issued military discharge papers is distributed to the public officials responsible for administering this section.

EFFECTIVE DATE. This section is effective August 1, 2010.

Sec. 22. Minnesota Statutes 2008, section 168.1255, subdivision 1, is amended to read:

Subdivision 1. **General requirements and procedures.** The commissioner shall issue special veteran contribution plates or a single motorcycle plate to an applicant who:

- (1) is a veteran, as defined in section 197.447;
- (2) is a registered owner of a passenger automobile, recreational vehicle, one-ton pickup truck, or motorcycle;
- (3) pays a fee of \$10 to cover the costs of handling and manufacturing the plates;
- (4) pays the registration tax required under section 168.013;
- (5) pays the fees required under this chapter;
- (6) pays an additional onetime World War II memorial contribution of \$30, which the department shall retain until all start-up costs associated with the development and issuing of the plates have been recovered, after which the commissioner shall deposit contributions in the World War II donation match account; and
- (7) complies with this chapter and rules governing the registration of motor vehicles and licensing of drivers.

EFFECTIVE DATE. This section is effective August 1, 2010.

Sec. 23. Minnesota Statutes 2008, section 168.1293, is amended to read:

168.1293 CERTAIN SPECIAL PLATES; AUTHORIZATION, DISCONTINUANCE.

Subdivision 1. **Definition.** For purposes of this section ~~and section 168.1297,~~ the following terms have the meanings given them:

(1) "new special plate" or "proposed special plate" means a special plate ~~authorized by sections 168.12, subdivisions 2b and 2e, 168.1235, and 168.129, to have wording and graphics that differ from a Minnesota passenger vehicle plate.~~ that is not authorized under this chapter and for which legislation authorizing the plate, including but not limited to a bill or amendment, is introduced or presented to the legislature; and

(2) "proximate special plate" means a special plate (i) authorized under section 168.12, subdivisions 2b and 2e; 168.1235; or 168.129; or (ii) authorized in law on or after August 1, 2010.

Subd. 1a. **Establishment of plate.** The commissioner may only establish a special plate as authorized under this chapter. This requirement does not apply to alternative or additional designs for a special plate.

Subd. 2. **Submissions to commissioner.** (a) A person, legal entity, or other requester, however organized, that plans to seek legislation establishing a new special plate, or is a proponent of a new special plate, shall submit the following information and fee to the commissioner:

(1) The requester shall submit a request for the special plate being sought, describing the proposed special plate in general terms, the purpose of the plate, and the proposed fee or minimum contribution required for the plate.

(2) The requester shall submit the results of a scientific sample survey of Minnesota motor vehicle owners that indicates that at least 10,000 motor vehicle owners intend to purchase the proposed plate with the proposed fee or minimum contribution. The requester's plan to undertake the survey must be reported to the commissioner before the survey is undertaken. The survey must be performed independently of the requester by another person or legal entity, however organized, that conducts similar sample surveys in the normal course of business.

(3) The requester shall submit an application fee of \$20,000, to cover the cost of reviewing the application for a new plate and developing the new special plate if authorized by law. State funds may not be used to pay the application fee. This requirement does not apply if legislation or a bill introduced to the legislature proposing the new special plate contains a mechanism by which all costs incurred by the commissioner for development and implementation of the plate are covered, provided that the application fee subsequently does apply if such a mechanism is not enacted in the law authorizing the new special plate.

(4) The requester shall submit a marketing strategy that contains (i) short-term and long-term marketing plans for the requested plate, and (ii) a financial analysis showing the anticipated revenues and the planned expenditures of any fee or contribution derived from the requested plate.

(b) The requester shall submit the information required under paragraph (a) to the commissioner at least 120 days before the convening of the next regular legislative session at which the requester will submit the proposal.

Subd. 2a. **Information for legislature.** (a) Within 15 days of the introduction of a bill proposing a new special plate, the commissioner shall submit a briefing to the chairs and ranking minority members of the house of representatives and senate committees to which the bill was referred. At a minimum, the briefing must:

(1) summarize the requirements for a special plate under this section; and

(2) identify which of the requirements have been met for the proposed special plate.

(b) If a proposed special plate is a topic of discussion at a legislative committee hearing, the commissioner shall make every reasonable effort to provide testimony. The testimony must include the information required in the briefing under paragraph (a).

(c) Notwithstanding section 3.195, the commissioner may submit the briefing under paragraph (a) by submitting an electronic version rather than a printed version.

Subd. 3. **Design; redesign.** (a) If the proposed ~~new~~ special plate sought by the requester is approved by law, the requester shall submit the proposed design for the plate

to the commissioner as soon as practicable, but not later than 120 days after the effective date of the law authorizing issuance of the plate. The commissioner is responsible for selecting the final design for the special plate.

(b) The requester that originally requested a new special plate subsequently approved by law may not submit a new design for the plate within the five years following the date of first issuance of the plate unless the inventory of those plates has been exhausted. The requester may deplete the remaining inventory of the plates by reimbursing the commissioner for the cost of the plates.

Subd. 4. **Refund of fee.** If the special plate requested is not authorized in the legislative session at which authorization was sought, the commissioner shall, if applicable, refund \$17,500 of the application fee to the requester.

Subd. 5. **Discontinuance of plate.** (a) The commissioner shall discontinue the issuance or renewal of any proximate special plate ~~authorized by sections 168.12, subdivisions 2b and 2c, 168.1235, and 168.129,~~ if (1) fewer than 1,000 sets of those plates are currently registered at the end of the first six years during which the plates are available, or (2) fewer than 1,000 sets of those plates are currently registered at the end of any subsequent two-year period following the first six years of availability.

(b) The commissioner shall discontinue the issuance or renewal of any proximate special plate ~~authorized by sections 168.12, subdivisions 2b and 2c, 168.1235, and 168.129,~~ and distribution of any contributions resulting from that plate, if the commissioner determines that (1) the fund or requester receiving the contributions no longer exists, (2) the requester has stopped providing services that are authorized to be funded from the contribution proceeds, (3) the requester has requested discontinuance, or (4) contributions have been used in violation of subdivision 6.

(c) Nothing in this subdivision applies to plates issued under section 168.123, 168.124, 168.125, 168.1251, or 168.1255.

(d) Upon commencing discontinuance of a proximate special plate under this subdivision, the commissioner (1) shall not issue the plate, including as a duplicate; and (2) shall allow retention of any existing plate for the regular period. For purposes of this paragraph, "regular period" may be, as appropriate, the period specified under section 168.12, subdivision 1; the time until issuance of a duplicate plate for that vehicle; or as otherwise provided by law.

Subd. 6. **Use of contributions.** Contributions made as a condition of obtaining a proximate special plate ~~authorized by sections 168.12, subdivisions 2b and 2c, 168.1235, and 168.129,~~ and interest earned on the contributions, may not be spent for commercial or for-profit purposes.

Subd. 7. **Deposit of fee; appropriation.** The commissioner shall deposit the application fee under subdivision 2, paragraph (a), clause (3), in the vehicle services operating account of the special revenue fund under section 299A.705. An amount sufficient to pay the department's cost in implementing and administering this section, including payment of refunds under subdivision 4, is appropriated to the commissioner.

Sec. 24. Minnesota Statutes 2008, section 168.33, subdivision 2, is amended to read:

Subd. 2. **Deputy registrars.** (a) The commissioner may appoint, and for cause discontinue, a deputy registrar for any statutory or home rule charter city as the public

interest and convenience may require, without regard to whether the county auditor of the county in which the city is situated has been appointed as the deputy registrar for the county or has been discontinued as the deputy registrar for the county, and without regard to whether the county in which the city is situated has established a county license bureau that issues motor vehicle licenses as provided in section 373.32.

(b) The commissioner may appoint, and for cause discontinue, a deputy registrar for any statutory or home rule charter city as the public interest and convenience may require, if the auditor for the county in which the city is situated chooses not to accept appointment as the deputy registrar for the county or is discontinued as a deputy registrar, or if the county in which the city is situated has not established a county license bureau that issues motor vehicle licenses as provided in section 373.32. The individual appointed by the commissioner as a deputy registrar for any statutory or home rule charter city must be a resident of the county in which the city is situated.

(c) The commissioner may appoint, and for cause discontinue, the county auditor of each county as a deputy registrar.

(d) Despite any other provision, a person other than a county auditor or a director of a county license bureau, who was appointed by the registrar before August 1, 1976, as a deputy registrar for any statutory or home rule charter city, may continue to serve as deputy registrar and may be discontinued for cause only by the commissioner. The county auditor who appointed the deputy registrars is responsible for the acts of deputy registrars appointed by the auditor.

(e) Each deputy, before entering upon the discharge of duties, shall take and subscribe an oath to faithfully discharge the duties and to uphold the laws of the state.

(f) If a deputy registrar appointed under this subdivision is not an officer or employee of a county or statutory or home rule charter city, the deputy shall in addition give bond to the state in the sum of \$10,000, or a larger sum as may be required by the commissioner, conditioned upon the faithful discharge of duties as deputy registrar.

(g) ~~Until January 1, 2012,~~ A corporation governed by chapter 302A or 317A may be appointed a deputy registrar. Upon application by an individual serving as a deputy registrar and the giving of the requisite bond as provided in this subdivision, personally assured by the individual or another individual approved by the commissioner, a corporation named in an application then becomes the duly appointed and qualified successor to the deputy registrar. ~~The appointment of any corporation as a deputy registrar expires January 1, 2012. The commissioner shall appoint an individual as successor to the corporation as a deputy registrar. The commissioner shall appoint as the successor agent to a corporation whose appointment expires under this paragraph an officer of the corporation if the officer applies for appointment before July 1, 2012.~~

(h) Each deputy registrar appointed under this subdivision shall keep and maintain office locations approved by the commissioner for the registration of vehicles and the collection of taxes and fees on vehicles.

(i) The deputy registrar shall keep records and make reports to the commissioner as the commissioner requires. The records must be maintained at the offices of the deputy registrar. The records and offices of the deputy registrar must at all times be open to the inspection of the commissioner or the commissioner's agents. The deputy registrar shall report to the commissioner by the next working day following receipt all registrations made and taxes and fees collected by the deputy registrar.

(j) The filing fee imposed under subdivision 7 must be deposited in the treasury of the place for which appointed or, if not a public official, a deputy shall retain the filing fee, but the registration tax and any additional fees for delayed registration the deputy registrar has collected the deputy registrar shall deposit by the next working day following receipt in an approved state depository to the credit of the state through the commissioner of management and budget. The place for which the deputy registrar is appointed through its governing body must provide the deputy registrar with facilities and personnel to carry out the duties imposed by this subdivision if the deputy is a public official. In all other cases, the deputy shall maintain a suitable facility for serving the public.

Sec. 25. Minnesota Statutes 2008, section 168B.06, subdivision 1, is amended to read:

Subdivision 1. **Written notice of impound.** (a) When an impounded vehicle is taken into custody, the unit of government or impound lot operator taking it into custody shall give written notice of the taking within five days to the registered vehicle owner and any lienholders.

(b) The notice must:

(1) set forth the date and place of the taking;

(2) provide the year, make, model, and serial number of the impounded motor vehicle, if such information can be reasonably obtained, and the place where the vehicle is being held;

(3) inform the owner and any lienholders of their right to reclaim the vehicle under section 168B.07;

(4) state that failure of the owner or lienholders to:

(i) exercise their right to reclaim the vehicle within the appropriate time allowed under section 168B.051, subdivision 1, 1a, or 2, and under the conditions set forth in section 168B.07, subdivision 1, constitutes a waiver by them of all right, title, and interest in the vehicle and a consent to the transfer of title to and disposal or sale of the vehicle pursuant to section 168B.08; or

(ii) exercise their right to reclaim the contents of the vehicle within the appropriate time allowed and under the conditions set forth in section 168B.07, subdivision 3, constitutes a waiver by them of all right, title, and interest in the contents and consent to sell or dispose of the contents under section 168B.08; and

(5) state that a vehicle owner who provides to the impound lot operator documentation from a government or nonprofit agency or legal aid office that the owner is homeless, receives relief based on need, or is eligible for legal aid services, ~~or has a household income at or below 50 percent of state median income~~ has the unencumbered right to retrieve any and all contents without charge.

Sec. 26. Minnesota Statutes 2008, section 168B.07, subdivision 3, is amended to read:

Subd. 3. **Retrieval of contents.** (a) For purposes of this subdivision:

(1) "contents" does not include any permanently affixed mechanical or nonmechanical automobile parts; automobile body parts; or automobile accessories, including audio or video players; and

(2) "relief based on need" includes, but is not limited to, receipt of MFIP and Diversionary Work Program, medical assistance, general assistance, general assistance medical care, emergency general assistance, Minnesota supplemental aid, MSA-emergency assistance, MinnesotaCare, Supplemental Security Income, energy assistance, emergency assistance, food stamps, earned income tax credit, or Minnesota working family tax credit.

(b) A unit of government or impound lot operator shall establish reasonable procedures for retrieval of vehicle contents, and may establish reasonable procedures to protect the safety and security of the impound lot and its personnel.

(c) At any time before the expiration of the waiting periods provided in section 168B.051, a registered owner who provides documentation from a government or nonprofit agency or legal aid office that the registered owner is homeless, receives relief based on need, or is eligible for legal aid services, ~~or has a household income at or below 50 percent of state median income~~ has the unencumbered right to retrieve any and all contents without charge and regardless of whether the registered owner pays incurred charges or fees, transfers title, or reclaims the vehicle.

Sec. 27. Minnesota Statutes 2008, section 169.041, subdivision 5, is amended to read:

Subd. 5. **Towing prohibited.** ~~Unless the vehicle is described in subdivision 4,~~ (a) A towing authority may not tow a motor vehicle because:

(1) the vehicle has expired registration tabs that have been expired for less than 90 days; or

(2) the vehicle is at a parking meter on which the time has expired and the vehicle has fewer than five unpaid parking tickets;

(b) A towing authority may tow a motor vehicle, notwithstanding paragraph (a), if:

(1) the vehicle is parked in violation of snow emergency regulations;

(2) the vehicle is parked in a rush-hour restricted parking area;

(3) the vehicle is blocking a driveway, alley, or fire hydrant;

(4) the vehicle is parked in a bus lane, or at a bus stop, during hours when parking is prohibited;

(5) the vehicle is parked within 30 feet of a stop sign and visually blocking the stop sign;

(6) the vehicle is parked in a disability transfer zone or disability parking space without a disability parking certificate or disability license plates;

(7) the vehicle is parked in an area that has been posted for temporary restricted parking (A) at least 12 hours in advance in a home rule charter or statutory city having a population under 50,000, or (B) at least 24 hours in advance in another political subdivision;

(8) the vehicle is parked within the right-of-way of a controlled-access highway or within the traveled portion of a public street when travel is allowed there;

(9) the vehicle is unlawfully parked in a zone that is restricted by posted signs to use by fire, police, public safety, or emergency vehicles;

(10) the vehicle is unlawfully parked on property at the Minneapolis-St. Paul International Airport owned by the Metropolitan Airports Commission;

(11) a law enforcement official has probable cause to believe that the vehicle is stolen, or that the vehicle constitutes or contains evidence of a crime and impoundment is reasonably necessary to obtain or preserve the evidence;

(12) the driver, operator, or person in physical control of the vehicle is taken into custody and the vehicle is impounded for safekeeping;

(13) a law enforcement official has probable cause to believe that the owner, operator, or person in physical control of the vehicle has failed to respond to five or more citations for parking or traffic offenses;

(14) the vehicle is unlawfully parked in a zone that is restricted by posted signs to use by taxicabs;

(15) the vehicle is unlawfully parked and prevents egress by a lawfully parked vehicle;

(16) the vehicle is parked, on a school day during prohibited hours, in a school zone on a public street where official signs prohibit parking; or

(17) the vehicle is a junk, abandoned, or unauthorized vehicle, as defined in section 168B.011, and subject to immediate removal under chapter 168B.

Sec. 28. Minnesota Statutes 2008, section 169.041, is amended by adding a subdivision to read:

Subd. 5a. **Quick clearance.** (a) For purposes of this subdivision:

(1) "road" includes the roadway, a lane for vehicular traffic, shoulder, on-ramp, and off-ramp of a street or highway, including a parkway; and

(2) "obstructions" includes motor vehicles, debris, personal property, and cargo.

(b) Within the Department of Transportation's eight-county metropolitan district, the department and the State Patrol may move, remove, or cause to remove obstructions from a road if:

(1) there has been a traffic incident involving a collision, accident, or spilled load;

(2) the obstructions block a road or aggravate an emergency on a road; and

(3) the department cooperates with the State Patrol and private towing or recovery companies authorized by the State Patrol concerning towing of the vehicle and removal of other obstructions.

(c) The State Patrol shall make a reasonable effort to contact the owner of the motor vehicle or other obstructions before undertaking an action under this subdivision.

(d) The department shall make a reasonable effort to allow the owner of the motor vehicle to arrange for its removal, taking into account any time delay and safety issues, and shall give due consideration to having the vehicle towed by a licensed towing service capable of safely moving the vehicle.

(e) Towing charges accrued by the owner or owners of the vehicle must be reasonable for the type of vehicle removed and the circumstances surrounding its removal.

Sec. 29. Minnesota Statutes 2008, section 169.15, is amended to read:

169.15 IMPEDING TRAFFIC; INTERSECTION GRIDLOCK.

Subdivision 1. Impeding traffic; drive at slow speed. No person shall drive a motor vehicle at such a slow speed as to impede or block the normal and reasonable movement of traffic except when reduced speed is necessary for safe operation or in compliance with law or except when the vehicle is temporarily unable to maintain a greater speed due to a combination of the weight of the vehicle and the grade of the highway.

Subd. 2. Intersection gridlock; stop or block traffic. (a) Except as provided in paragraph (b), a driver of a vehicle shall not enter an intersection controlled by a traffic-control signal until the driver is able to move the vehicle immediately, continuously, and completely through the intersection without impeding or blocking the subsequent movement of cross traffic.

(b) Paragraph (a) does not apply to movement of a vehicle made:

(1) at the direction of a city-authorized traffic-control agent or a peace officer;

(2) to facilitate passage of an authorized emergency vehicle with its emergency lights activated; or

(3) to make a turn, as permitted under section 169.19, that allows the vehicle to safely leave the intersection.

(c) A violation of this subdivision does not constitute grounds for suspension or revocation of the violator's driver's license.

EFFECTIVE DATE. This section is effective January 1, 2011, and applies to acts committed on or after that date.

Sec. 30. Minnesota Statutes 2008, section 169.26, is amended by adding a subdivision to read:

Subd. 4. Pedestrians; penalty. (a) A pedestrian shall not pass through, around, over, or under any crossing gate or barrier at a railroad grade crossing while the gate or barrier is closed or is being opened or closed.

(b) A pedestrian shall not enter, remain upon, or traverse over a railroad track, grade crossing, or pedestrian walkway crossing a railroad track when an audible bell or clearly visible electric or mechanical signal device is operational and warning of the presence, approach, passage, or departure of a railroad train.

(c) A person who violates this subdivision is subject to a fine of up to \$100.

Sec. 31. Minnesota Statutes 2008, section 169.306, is amended to read:

169.306 USE OF SHOULDERS BY BUSES.

(a) The commissioner of transportation ~~may~~ is authorized to permit the use by transit buses and Metro Mobility buses of a shoulder, as designated by the commissioner, of a freeway or expressway, as defined in section 160.02, ~~in the seven-county metropolitan area in Minnesota.~~

(b) If the commissioner permits the use of a freeway or expressway shoulder by transit buses, the commissioner shall ~~also~~ permit the use on that shoulder of a bus (1) with

a seating capacity of 40 passengers or more operated by a motor carrier of passengers, as defined in section 221.012, subdivision 26, while operating in intrastate commerce or (2) providing regular route transit service, as defined in section 174.22, subdivision 8, or Metro Mobility services, and operated by or under contract with the Metropolitan Council, a local transit authority, or a transit authority created by the legislature. Drivers of these buses must have adequate training in the requirements of paragraph (c), as determined by the commissioner.

(c) Buses authorized to use the shoulder under this section may be operated on the shoulder only when main-line traffic speeds are less than 35 miles per hour. Drivers of buses being operated on the shoulder may not exceed the speed of main-line traffic by more than 15 miles per hour and may never exceed 35 miles per hour. Drivers of buses being operated on the shoulder must yield to merging, entering, and exiting traffic and must yield to other vehicles on the shoulder. Buses operated on the shoulder must be registered with the Department of Transportation.

(d) For the purposes of this section, the term "Metro Mobility bus" means a motor vehicle of not less than 20 feet in length engaged in providing special transportation services under section 473.386 that is:

(1) operated by ~~the Metropolitan Council, or operated by~~ or under contract with a public or private entity receiving financial assistance to provide transit services from the Metropolitan Council or the commissioner of transportation; and

(2) authorized by the ~~council~~ commissioner to use freeway or expressway shoulders.

(e) This section does not apply to the operation of buses on dynamic shoulder lanes.

Sec. 32. Minnesota Statutes 2009 Supplement, section 169.71, subdivision 1, is amended to read:

Subdivision 1. **Prohibitions generally; exceptions.** (a) A person shall not drive or operate any motor vehicle with:

(1) a windshield cracked or discolored to an extent to limit or obstruct proper vision;

(2) any objects suspended between the driver and the windshield, other than:

(i) sun visors;

(ii) rearview mirrors;

(iii) driver feedback and safety-monitoring equipment when mounted immediately behind, slightly above, or slightly below the rearview mirror;

~~(iii)~~ (iv) global positioning systems or navigation systems when mounted or located near the bottommost portion of the windshield; and

~~(iv)~~ (v) electronic toll collection devices; or

(3) any sign, poster, or other nontransparent material upon the front windshield, sidewings, or side or rear windows of the vehicle, other than a certificate or other paper required to be so displayed by law or authorized by the state director of the Division of Emergency Management or the commissioner of public safety.

(b) Paragraph (a), clauses (2) and (3), do not apply to law enforcement vehicles.

(c) Paragraph (a), clause (2), does not apply to authorized emergency vehicles.

Sec. 33. Minnesota Statutes 2008, section 169.79, subdivision 3, is amended to read:

Subd. 3. **Rear display of single plate.** If the vehicle is a motorcycle, motor scooter, motorized bicycle, motorcycle sidecar, trailer registered at greater than 3,000 pounds gross vehicle weight (GVW), semitrailer, or vehicle displaying a dealer plate, then one license plate must be displayed horizontally or vertically, for a motorcycle issued vertical license plates under section 168.12, subdivision 2a, with the identifying numbers and letters facing outward from the vehicle and must be mounted ~~in the upright position~~ on the rear of the vehicle.

Sec. 34. Minnesota Statutes 2009 Supplement, section 169.865, subdivision 1, is amended to read:

Subdivision 1. **Six-axle vehicles.** (a) A road authority may issue an annual permit authorizing a vehicle or combination of vehicles with a total of six or more axles to haul raw or unprocessed agricultural products and be operated with a gross vehicle weight of up to:

(1) 90,000 pounds; and

(2) 99,000 pounds during the period set by the commissioner under section 169.826, subdivision 1.

(b) Notwithstanding subdivision ~~4~~ 3, paragraph (a), clause (4), a vehicle or combination of vehicles operated under this subdivision and transporting only sealed intermodal containers may be operated on an interstate highway if allowed by the United States Department of Transportation.

(c) The fee for a permit issued under this subdivision is \$300.

EFFECTIVE DATE. This section is effective retroactively from July 1, 2008.

Sec. 35. Minnesota Statutes 2008, section 169.87, is amended by adding a subdivision to read:

Subd. 7. **Cargo tank vehicles.** (a) Weight restrictions imposed by the commissioner under subdivisions 1 and 2 do not apply to cargo tank vehicles with two or three permanent axles when delivering propane for heating or dyed fuel oil on seasonally weight-restricted roads if the vehicle is loaded at no more than 50 percent capacity of the cargo tank.

(b) To be exempt from weight restrictions under paragraph (a), a cargo tank vehicle used for propane must have an operating gauge on the cargo tank that shows the amount of propane as a percent of capacity of the cargo tank. Documentation of the capacity of the cargo tank must be available on the cargo tank or in the cab of the vehicle. For purposes of this subdivision, propane weighs 4.2 pounds per gallon.

(c) To be exempt from weight restrictions under paragraph (a), a cargo tank vehicle used for dyed fuel oil must utilize the forward two tank compartments and must carry documentation of the empty weight of the cargo tank vehicle from a certified scale in the cab of the vehicle. For purposes of this subdivision, dyed fuel oil weighs seven pounds per gallon.

(d) To the extent practicable, cargo tank vehicles that are exempt from weight restrictions under paragraph (a) shall complete deliveries on seasonally weight restricted roads by 12:00 p.m. and before the last week of April.

Sec. 36. Minnesota Statutes 2009 Supplement, section 171.02, subdivision 2b, is amended to read:

Subd. 2b. **Exception for type III vehicle drivers.** (a) Notwithstanding subdivision 2, the holder of a class A, B, C, or D driver's license, without a school bus endorsement, may operate a type III vehicle described in section 169.011, subdivision 71, paragraph (h), under the conditions in paragraphs (b) through (o).

(b) The operator is an employee of the entity that owns, leases, or contracts for the school bus.

(c) The operator's employer has adopted and implemented a policy that provides for annual training and certification of the operator in:

- (1) safe operation of a type III vehicle;
- (2) understanding student behavior, including issues relating to students with disabilities;
- (3) encouraging orderly conduct of students on the bus and handling incidents of misconduct appropriately;
- (4) knowing and understanding relevant laws, rules of the road, and local school bus safety policies;
- (5) handling emergency situations;
- (6) proper use of seat belts and child safety restraints;
- (7) performance of pretrip vehicle inspections;
- (8) safe loading and unloading of students, including, but not limited to:
 - (i) utilizing a safe location for loading and unloading students at the curb, on the nontraffic side of the roadway, or at off-street loading areas, driveways, yards, and other areas to enable the student to avoid hazardous conditions;
 - (ii) refraining from loading and unloading students in a vehicular traffic lane, on the shoulder, in a designated turn lane, or a lane adjacent to a designated turn lane;
 - (iii) avoiding a loading or unloading location that would require a pupil to cross a road, or ensuring that the driver or an aide personally escort the pupil across the road if it is not reasonably feasible to avoid such a location; ~~and~~
 - (iv) placing the type III vehicle in "park" during loading and unloading; and
 - (v) escorting a pupil across the road under clause (iii) only after the motor is stopped, the ignition key is removed, the brakes are set, and the vehicle is otherwise rendered immobile; and

(9) compliance with paragraph (k), concerning reporting certain convictions to the employer within ten days of the date of conviction.

(d) A background check or background investigation of the operator has been conducted that meets the requirements under section 122A.18, subdivision 8, or 123B.03 for school district employees; section 144.057 or chapter 245C for day care employees; or section 171.321, subdivision 3, for all other persons operating a ~~type A~~ or type III vehicle under this subdivision.

(e) Operators shall submit to a physical examination as required by section 171.321, subdivision 2.

(f) The operator's employer requires preemployment drug ~~and alcohol~~ testing of applicants for operator positions. Current operators must comply with the employer's policy under section 181.951, subdivisions 2, 4, and 5. Notwithstanding any law to the contrary, the operator's employer may use a breathalyzer or similar device to fulfill random alcohol testing requirements.

(g) The operator's driver's license is verified annually by the entity that owns, leases, or contracts for the ~~school bus~~ type III vehicle as required under section 171.321, subdivision 5.

(h) A person who sustains a conviction, as defined under section 609.02, of violating section 169A.25, 169A.26, 169A.27, or 169A.31, or whose driver's license is revoked under sections 169A.50 to 169A.53 of the implied consent law, or who is convicted of violating or whose driver's license is revoked under a similar statute or ordinance of another state, is precluded from operating a type III vehicle for five years from the date of conviction.

(i) A person who has ever been convicted of a disqualifying offense as defined in section 171.3215, subdivision 1, paragraph (c), may not operate a type III vehicle under this subdivision.

(j) A person who sustains a conviction, as defined under section 609.02, of a moving offense in violation of chapter 169 within three years of the first of three other moving offenses is precluded from operating a type III vehicle for one year from the date of the last conviction.

(k) An operator who sustains a conviction as described in paragraph (h), (i), or (j) while employed by the entity that owns, leases, or contracts for the school bus, shall report the conviction to the employer within ten days of the date of the conviction.

(l) Students riding the type III vehicle must have training required under section 123B.90, subdivision 2.

(m) Documentation of meeting the requirements listed in this subdivision must be maintained under separate file at the business location for each type III vehicle operator. The business manager, school board, governing body of a nonpublic school, or any other entity that owns, leases, or contracts for the type III vehicle operating under this subdivision is responsible for maintaining these files for inspection.

(n) The type III vehicle must bear a current certificate of inspection issued under section 169.451.

(o) An employee of a school or of a school district, who is not employed for the sole purpose of operating a type III vehicle, is exempt from paragraphs (e) and (f).

EFFECTIVE DATE. This section is effective July 1, 2010.

Sec. 37. Minnesota Statutes 2008, section 171.321, subdivision 2, is amended to read:

Subd. 2. **Rules.** (a) The commissioner of public safety shall prescribe rules governing (1) the physical qualifications of school bus drivers and tests required to obtain a school bus endorsement, and (2) the physical qualifications of type III vehicle drivers.

(b) The rules under paragraph (a) must provide that an applicant for a school bus endorsement or renewal is exempt from the physical qualifications and medical examination required to operate a school bus upon providing evidence of being medically examined and certified within the preceding 24 months as physically qualified to operate a commercial motor vehicle, pursuant to Code of Federal Regulations, title 49, part 391, subpart E, or rules of the commissioner of transportation incorporating those federal regulations. The commissioner shall accept physical examinations for school bus drivers conducted by medical examiners authorized as provided by Code of Federal Regulations, title 49, chapter 3, part 391, subpart E.

~~(b)~~ (c) The commissioner of public safety, in conjunction with the commissioner of education, shall adopt rules prescribing a training program for Head Start bus drivers. The program must provide for initial classroom and behind-the-wheel training, and annual in-service training. The program must provide training in defensive driving, human relations, emergency and accident procedures, vehicle maintenance, traffic laws, and use of safety equipment. The program must provide that the training will be conducted by the contract operator for a Head Start agency, the Head Start grantee, a licensed driver training school, or by another person or entity approved by both commissioners.

(d) The commissioner may exempt a type III vehicle driver from the physical qualifications required to operate a type III vehicle upon receiving evidence of the driver having been medically examined and certified within the preceding 24 months as physically qualified to operate a commercial motor vehicle as provided for applicants for a school bus endorsement under paragraph (b).

Sec. 38. Minnesota Statutes 2008, section 174.01, subdivision 1, is amended to read:

Subdivision 1. **Department created.** In order to provide ~~a balanced~~ an integrated transportation system, ~~including~~ of aeronautics, highways, motor carriers, ports, public transit, railroads, and pipelines, and including facilities for walking and bicycling, a Department of Transportation is created. The department is the principal agency of the state for development, implementation, administration, consolidation, and coordination of state transportation policies, plans, and programs.

Sec. 39. Minnesota Statutes 2008, section 174.01, subdivision 2, is amended to read:

Subd. 2. **Transportation goals.** The goals of the state transportation system are as follows:

(1) to ~~provide safe transportation~~ minimize fatalities and injuries for transportation users throughout the state;

(2) to provide multimodal and intermodal transportation ~~that enhances mobility and economic development and provides access to all persons and businesses in Minnesota while ensuring that there is no~~ facilities and services to increase access for all persons and businesses and to ensure economic well-being and quality of life without undue burden placed on any community;

(3) to provide a reasonable travel time for commuters;

(4) to enhance economic development and provide for the economical, efficient, and safe movement of goods to and from markets by rail, highway, and waterway;

(5) to encourage tourism by providing appropriate transportation to Minnesota facilities designed to attract tourists and to enhance the appeal, through transportation investments, of tourist destinations across the state;

(6) to provide transit services ~~throughout~~ to all counties in the state to meet the needs of transit users;

(7) to promote ~~productivity~~ accountability through ~~system~~ systematic management of system performance and productivity through the utilization of technological advancements;

(8) to maximize the long-term benefits received for each state transportation investment;

(9) to provide for and prioritize funding for of transportation investments that, at a minimum, preserves the transportation infrastructure ensures that the state's transportation infrastructure is maintained in a state of good repair;

(10) to ensure that the planning and implementation of all modes of transportation are consistent with the environmental and energy goals of the state;

(11) to promote and increase the use of high-occupancy vehicles and low-emission vehicles;

(12) to provide an air transportation system sufficient to encourage economic growth and allow all regions of the state the ability to participate in the global economy;

(13) to increase ~~transit~~ use of transit as a percentage of all trips statewide by giving highest priority to the transportation modes with the greatest people-moving capacity and lowest long-term economic and environmental cost;

(14) to promote and increase bicycling and walking as a percentage of all trips as ~~an~~ energy-efficient, nonpolluting, and ~~healthful form~~ healthy forms of transportation;

(15) to reduce greenhouse gas emissions from the state's transportation sector; and

(16) to accomplish these goals with minimal impact on the environment.

Sec. 40. Minnesota Statutes 2008, section 174.02, subdivision 1a, is amended to read:

Subd. 1a. **Mission; efficiency; legislative report, recommendations.** It is part of the department's mission that within the department's resources the commissioner shall endeavor to:

(1) prevent the waste or unnecessary spending of public money;

(2) use innovative fiscal and human resource practices to manage the state's resources and operate the department as efficiently as possible;

(3) minimize the degradation of air ~~and~~ water quality, and the climate, including reduction in greenhouse gas emissions;

(4) coordinate the department's activities wherever appropriate with the activities of other governmental agencies;

(5) use technology where appropriate to increase agency productivity, improve customer service, increase public access to information about government, and increase public participation in the business of government;

(6) utilize constructive and cooperative labor-management practices to the extent otherwise required by chapters 43A and 179A;

(7) report to the legislature on the performance of agency operations and the accomplishment of agency goals in the agency's biennial budget according to section 16A.10, subdivision 1; and

(8) recommend to the legislature appropriate changes in law necessary to carry out the mission and improve the performance of the department.

Sec. 41. [174.186] DISADVANTAGED BUSINESS ENTERPRISE COLLABORATIVE.

Subdivision 1. Establishment; purpose. (a) The commissioner of transportation shall convene regular meetings of the disadvantaged business enterprise program and workforce inclusion collaborative, as constituted by the commissioner as of January 1, 2010.

(b) The collaborative shall review and evaluate the commissioner's implementation of the disadvantaged business enterprise program, under Code of Federal Regulations, title 49, and recommend changes, including possible legislation, to improve the effectiveness of the program in this state. At a minimum, the collaborative shall review, evaluate, and recommend program changes where necessary in the following areas:

(1) an on-the-job training program to increase the diversity of the workforce on projects;

(2) on-the-job trainee tracking and retention;

(3) a mentor and protégé program for small, disadvantaged business entrepreneurs;

(4) requirements for participation of disadvantaged business enterprises at the time of letting bids for contracts;

(5) a coordinated access point to recruit disadvantaged business enterprises and a diverse workforce;

(6) objective measures for good-faith efforts to recruit disadvantaged business enterprises;

(7) a working capital fund for small disadvantaged business enterprises;

(8) increased transparency for results in the on-the-job training and disadvantaged business enterprise programs;

(9) civil rights program training;

(10) a targeted group business program for state-funded projects; and

(11) coding systems and dual goals for women and people of color.

(c) The commissioner shall provide staff and administrative support for the collaborative and shall establish policies and procedures for the collaborative, including quorum requirements and majority decision making.

(d) The representatives of the Department of Transportation with responsibility for civil rights and contracting shall participate in collaborative meetings and deliberations.

(e) Members of the collaborative do not receive compensation or reimbursement of expenses.

Subd. 2. **Powers and duties; report.** (a) The collaborative shall develop recommendations to the commissioner and to the legislature as provided in paragraph (b) designed to implement fully the federal Disadvantaged Business Enterprise program in this state and to improve the effectiveness of the program. These recommendations, including any draft legislation if the collaborative decides to recommend legislation, may include, but are not limited to, strategies, policies, and actions focused on:

(1) requiring bid proposals to include information on disadvantaged business enterprise participation;

(2) defining and implementing appropriate accountability measures when disadvantaged business enterprise contract goals are not met in accordance with Code of Federal Regulations, title 49;

(3) sponsoring disadvantaged business enterprise training and development workshops; and

(4) strengthening the content and frequency of department reporting requirements relating to the disadvantaged business enterprise program.

(b) The collaborative shall report its findings and legislative recommendations, including draft legislation if the collaborative decides to recommend legislation, to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over transportation policy and finance by February 1, 2011. The report must be made available electronically and available in print upon request.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 42. Minnesota Statutes 2008, section 174.22, is amended by adding a subdivision to read:

Subd. 14a. **State sources of funds.** "State sources of funds" means funding for the public transit participation program appropriated from (1) the general fund, and (2) the greater Minnesota transit account.

Sec. 43. Minnesota Statutes 2008, section 174.23, subdivision 1, is amended to read:

Subdivision 1. **General.** (a) The commissioner shall have all powers necessary and convenient to carry out the provisions of sections 174.21 to 174.27 including the power to:

(1) review applications for financial assistance, execute contracts, and obligate and expend program funds, upon conditions and limitations as the commissioner deems necessary for purposes of program and project implementation, operation, and evaluation;

(2) accept and disburse federal funds available for the purposes of sections 174.21 to 174.27, and such funds are appropriated to the commissioner; and

(3) act upon request as the designated agent of any eligible person for the receipt and disbursal of federal funds.

(b) The commissioner shall perform the duties and exercise the powers under sections 174.21 to 174.27 in coordination with and in furtherance of statewide, regional, and local transportation plans and transportation development programs. ~~The~~

~~commissioner shall set guidelines for financial assistance under the public transit subsidy program. The commissioner shall present any proposed guidelines regarding public transit financial assistance to a legislative committee composed of equal numbers appointed by the house of representatives local and urban affairs and senate transportation committees. The commissioner shall not implement any new guidelines regarding public transit financial assistance, between the period January 1, 1981 to April 15, 1982, without the prior approval of that committee.~~

Sec. 44. Minnesota Statutes 2008, section 174.23, subdivision 2, is amended to read:

Subd. 2. **Financial assistance; application, approval.** (a) The commissioner shall seek out and select eligible recipients of financial assistance under sections 174.21 to 174.27.

(b) The commissioner shall establish by rule the procedures and standards for review and approval of applications for financial assistance submitted to the commissioner pursuant to sections 174.21 to 174.27. Any applicant shall provide to the commissioner any financial or other information required by the commissioner to carry out the commissioner's duties. The commissioner may require local contributions from applicants as a condition for receiving financial assistance.

(c) Before the commissioner approves any grant, the application for the grant ~~shall~~ may be reviewed ~~and approved~~ by the appropriate regional development commission only for consistency with regional transportation plans and development guides. If an applicant proposes a project within the jurisdiction of a transit authority or commission or a transit system assisted or operated by a city or county, the application shall also be reviewed by that commission, authority, or political subdivision for consistency with its transit programs, policies, and plans. ~~Any regional development commission that has not adopted a transportation plan may review but may not approve or disapprove of any application.~~

Sec. 45. Minnesota Statutes 2009 Supplement, section 174.24, subdivision 1a, is amended to read:

Subd. 1a. ~~Transit service needs implementation~~ **Greater Minnesota transit investment plan.** (a) The commissioner shall develop a greater Minnesota transit service needs implementation investment plan that contains a goal of meeting at least 80 percent of ~~unmet total~~ total transit service needs in greater Minnesota by July 1, 2015, and meeting at least 90 percent of ~~unmet total~~ total transit service needs in greater Minnesota by July 1, 2025.

(b) The plan must include, but is not limited to, the following:

(1) an analysis of ridership and total transit service needs throughout greater Minnesota;

(2) a calculation of ~~unmet needs~~, ~~an assessment of~~ the level and type of service required to meet ~~unmet total transit service needs~~, for the transit system classifications as provided under subdivision 3b, paragraph (c), of urbanized area, small urban area, rural area, and elderly and disabled service;

(3) an analysis of costs and revenue options; ~~and~~;

(4) a plan to reduce ~~unmet total~~ total transit service needs as specified in this subdivision; and

(5) identification of the operating and capital costs necessary to meet 100 percent of the greater Minnesota transit targeted and projected bus service hours, as identified in the greater Minnesota transit plan, for 2010, 2015, 2020, 2025, and 2030.

(c) The plan must specifically address special transportation service ridership and needs. The plan must also provide that recipients of operating assistance under this section provide fixed route public transit service without charge for disabled veterans in accordance with subdivision 7. ~~The commissioner may amend the plan as necessary, and may use all or part of the 2001 greater Minnesota public transportation plan created by the Minnesota Department of Transportation.~~

Sec. 46. Minnesota Statutes 2008, section 174.24, subdivision 2, is amended to read:

Subd. 2. **Eligibility; application.** Any legislatively established public transit commission or authority, any county or statutory or home rule charter city providing financial assistance to or operating public transit, any private operator of public transit, or any combination thereof is eligible to receive financial assistance through the public transit participation program. Except as provided in subdivision 2b for assistance provided from federal funds, eligible recipients must be located outside of the metropolitan area.

Sec. 47. Minnesota Statutes 2008, section 174.24, is amended by adding a subdivision to read:

Subd. 2b. **Federal aid.** (a) The commissioner may accept and disburse federal funds received and appropriated under section 174.23, subdivision 1, as an additional source of funds for implementing the public transit participation program established in this section. This authority includes, but is not limited to:

(1) adopting administrative rules to establish financial assistance allocation priorities, identify factors to consider in reviewing an applicant's management plan, evaluate a request for financial assistance, and determine the amount of financial assistance to be provided; and

(2) establishing project selection criteria under the United States Code, title 49, section 5311, state management plan as approved by the Federal Transit Administration, United States Department of Transportation.

(b) If the commissioner accepts and disburses federal funds as provided in paragraph (a), the commissioner shall:

(1) maintain separate accounts for (i) state sources of funds, and (ii) federal sources of funding; and

(2) ensure that all state sources of funds are only used for assistance to eligible recipients as provided in subdivision 2.

Sec. 48. Minnesota Statutes 2008, section 174.24, subdivision 3b, is amended to read:

Subd. 3b. **Operating assistance; recipient classifications.** (a) The commissioner shall determine the total operating cost of any public transit system receiving or applying for assistance in accordance with generally accepted accounting principles. To be eligible for financial assistance, an applicant or recipient shall provide to the commissioner all financial records and other information and shall permit any inspection reasonably necessary to determine total operating cost and correspondingly the amount of assistance that may be paid to the applicant or recipient. Where more than one county or municipality

contributes assistance to the operation of a public transit system, the commissioner shall identify one as lead agency for the purpose of receiving money under this section.

(b) Prior to distributing operating assistance to eligible recipients for any contract period, the commissioner shall place all recipients into one of the following classifications: urbanized area service, small urban area service, rural area service, and elderly and disabled service.

(c) The commissioner shall distribute funds under this section so that the percentage of total contracted operating cost paid by any recipient from local sources will not exceed the percentage for that recipient's classification, except as provided in ~~an undue hardship case~~ this subdivision. The percentages must be:

- (1) for urbanized area service and small urban area service, 20 percent;
- (2) for rural area service, 15 percent; and
- (3) for elderly and disabled service, 15 percent.

Except as provided in a United States Department of Transportation program allowing or requiring a lower percentage to be paid from local sources, the remainder of the recipient's total contracted operating cost will be paid from state sources of funds less any assistance received by the recipient from any federal source the United States Department of Transportation.

(d) For purposes of this subdivision, "local sources" means all local sources of funds and includes all operating revenue, tax levies, and contributions from public funds, except that the commissioner may exclude from the total assistance contract revenues derived from operations the cost of which is excluded from the computation of total operating cost. ~~Total operating costs of the Duluth Transit Authority or a successor agency does not include costs related to the Superior, Wisconsin service contract and the Independent School District No. 709 service contract.~~

~~(c)~~ (e) If a recipient informs the commissioner in writing after the establishment of these percentages but prior to the distribution of financial assistance for any year that paying its designated percentage of total operating cost from local sources will cause undue hardship, the commissioner may reduce the percentage to be paid from local sources by the recipient and increase the percentage to be paid from local sources by one or more other recipients inside or outside the classification. However, the commissioner may not reduce or increase any recipient's percentage under this paragraph for more than two years successively. If for any year the funds appropriated to the commissioner to carry out the purposes of this section are insufficient to allow the commissioner to pay the state share of total operating cost as provided in this paragraph, the commissioner shall reduce the state share in each classification to the extent necessary.

Sec. 49. Minnesota Statutes 2009 Supplement, section 174.24, subdivision 5, is amended to read:

Subd. 5. **Method of payment, operating assistance.** Payments for operating assistance under this section from state sources of funds must be made in the following manner:

- (a) For payments made from the general fund:
 - (1) 50 percent of the total contract amount in or before the first month of operation;

(2) 40 percent of the total contract amount in or before the seventh month of operation;

(3) 9 percent of the total contract amount in or before the 12th month of operation; and

(4) 1 percent of the total contract amount after the final audit.

(b) For payments made from the greater Minnesota transit account:

(1) 50 percent of the total contract amount in or before the seventh month of operation; and

(2) 50 percent of the total contract amount in or before the 11th month of operation.

Sec. 50. Minnesota Statutes 2008, section 174.247, is amended to read:

174.247 ANNUAL TRANSIT REPORT.

(a) By February 15 annually, the commissioner shall submit a report to the legislature on transit services outside the metropolitan area. The Metropolitan Council and any public transit system receiving assistance under section 174.24 shall provide assistance in creating the report, as requested by the commissioner.

(b) The report must include, at a minimum, the following:

(1) a descriptive overview of public transit in Minnesota;

(2) a descriptive summary of funding sources and assistance programs;

(3) a summary of each public transit system receiving assistance under section 174.24;

(4) data that identifies use of volunteers in providing transit service;

(5) ~~financial data that identifies operating and capital costs, and funding sources,~~ for each public transit system and for each transit system classification under section 174.24, subdivision 3b:

(i) the operating and capital costs;

(ii) each of the funding sources used to provide financial assistance; and

(iii) for federal funds, the amount from each specific federal program under which funding is provided;

(6) a summary of the differences in program implementation requirements and aid recipient eligibility between federal aid and state sources of funds;

(7) in each odd-numbered year, an analysis of public transit system needs and operating expenditures on an annual basis, which must include a methodology for identifying monetary needs, and calculations of:

(i) the total monetary needs for all public transit systems, for the year of the report and the ensuing five years;

(ii) the total expenditures from local sources for each transit system classification;

(iii) the comprehensive transit assistance percentage for each transit system classification, which equals (A) the expenditures identified under clause (7), item (ii), for a transit system classification, divided by (B) the amounts identified under subitem (A),

plus the sum of state sources of funds plus federal funds provided to all transit systems in that classification; and

(iv) in each odd-numbered year, beginning in 2009, a calculation of the amounts the amount of surplus or insufficient funds available for (i) paying the state share of transit operating costs under section 174.24, subdivision 3b, and (ii) paying capital and operating costs to fully implement the transit service needs implementation greater Minnesota transit investment plan under section 174.24, subdivision 1a.

Sec. 51. [174.285] MINNESOTA COUNCIL ON TRANSPORTATION ACCESS.

Subdivision 1. Council established. A Minnesota Council on Transportation Access is established to study, evaluate, oversee, and make recommendations to improve the coordination, availability, accessibility, efficiency, cost-effectiveness, and safety of transportation services provided to the transit public. "Transit public" means those persons who utilize public transit and those who, because of mental or physical disability, income status, or age are unable to transport themselves and are dependent upon others for transportation services.

Subd. 2. Duties of council. In order to accomplish the purposes in subdivision 1, the council, following consultation with the legislative committees or divisions with jurisdiction over transportation policy and budget, or with appropriate legislative transportation subcommittees, shall adopt a biennial work plan that must incorporate the following activities:

(1) compile information on existing transportation alternatives for the transit public, and serve as a clearinghouse for information on services, funding sources, innovations, and coordination efforts;

(2) identify best practices and strategies that have been successful in Minnesota and in other states for coordination of local, regional, state, and federal funding and services;

(3) recommend statewide objectives for providing public transportation services for the transit public;

(4) identify barriers prohibiting coordination and accessibility of public transportation services and aggressively pursue the elimination of those barriers;

(5) recommend policies and procedures for coordinating local, regional, state, and federal funding and services for the transit public;

(6) identify stakeholders in providing services for the transit public, and seek input from them concerning barriers and appropriate strategies;

(7) recommend guidelines for developing transportation coordination plans throughout the state;

(8) encourage all state agencies participating in the council to purchase trips within the coordinated system;

(9) facilitate the creation and operation of transportation brokerages to match riders to the appropriate service, promote shared dispatching, compile and disseminate information on transportation options, and promote regional communication;

(10) encourage volunteer driver programs and recommend legislation to address liability and insurance issues;

- (11) recommend minimum performance standards for delivery of services;
- (12) identify methods to eliminate fraud and abuse in special transportation services;
- (13) develop a standard method for addressing liability insurance requirements for transportation services purchased, provided, or coordinated;
- (14) design and develop a contracting template for providing coordinated transportation services;
- (15) recommend an interagency uniform contracting and billing and accounting system for providing coordinated transportation services;
- (16) encourage the design and development of training programs for coordinated transportation services;
- (17) encourage the use of public school transportation vehicles for the transit public;
- (18) develop an allocation methodology that equitably distributes transportation funds to compensate units of government and all entities that provide coordinated transportation services;
- (19) identify policies and necessary legislation to facilitate vehicle sharing; and
- (20) advocate aggressively for eliminating barriers to coordination, implementing coordination strategies, enacting necessary legislation, and appropriating resources to achieve the council's objectives.

Subd. 3. **Coordination with legislative committees.** The council shall coordinate its meeting schedule and activities pursuant to its work plan, to the extent practicable, with legislative committees and divisions with jurisdiction over transportation budget and policy, or with appropriate subcommittees. The chairperson of the council shall act as a liaison with the chairs and ranking minority members of the legislative transportation committees, divisions, and appropriate subcommittees, in carrying out these duties.

Subd. 4. **Membership.** (a) The council is composed of the following 13 members:

- (1) one representative from the Office of the Governor;
- (2) one representative from the Council on Disability;
- (3) one representative from the Minnesota Public Transit Association;
- (4) the commissioner of transportation or a designee;
- (5) the commissioner of human services or a designee;
- (6) the commissioner of health or a designee;
- (7) the chair of the Metropolitan Council or a designee;
- (8) the commissioner of education or a designee;
- (9) the commissioner of veterans affairs or a designee;
- (10) one representative from the Board on Aging;
- (11) the commissioner of employment and economic development or a designee;
- (12) the commissioner of commerce or a designee; and
- (13) the commissioner of management and budget or a designee.

(b) All appointments required by paragraph (a) must be completed by August 1, 2010.

(c) The commissioner of transportation or a designee shall convene the first meeting of the council within two weeks after the members have been appointed to the council. The members shall elect a chairperson from their membership at the first meeting.

(d) The Department of Transportation and the Department of Human Services shall provide necessary staff support for the council.

Subd. 5. **Report.** By January 15 of each year, beginning in 2012, the council shall report its findings, recommendations, and activities to the governor's office and to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation, health, and human services, and to the legislature as provided under section 3.195.

Subd. 6. **Reimbursement.** Members of the council shall receive reimbursement of expenses from the commissioner of transportation as provided in section 15.059, subdivision 3.

Subd. 7. **Transfer of appropriation.** The amount appropriated to the Metropolitan Council in Laws 2009, chapter 36, article 1, section 4, subdivision 2, for the administrative expenses of the Minnesota Council on Transportation Access, and for other costs relating to the preparation of required reports, including the costs of hiring a consultant, is transferred to the Department of Transportation for the same purposes.

Subd. 8. **Expiration.** This section expires June 30, 2014.

Sec. 52. **[174.75] COMPLETE STREETS.**

Subdivision 1. **Definition.** "Complete streets" is the planning, scoping, design, implementation, operation, and maintenance of roads in order to reasonably address the safety and accessibility needs of users of all ages and abilities. Complete streets considers the needs of motorists, pedestrians, transit users and vehicles, bicyclists, and commercial and emergency vehicles moving along and across roads, intersections, and crossings in a manner that is sensitive to the local context and recognizes that the needs vary in urban, suburban, and rural settings.

Subd. 2. **Implementation.** The commissioner shall implement a complete streets policy after consultation with stakeholders, state and regional agencies, local governments, and road authorities. The commissioner, after such consultation, shall address relevant protocols, guidance, standards, requirements, and training, and shall integrate related principles of context-sensitive solutions.

Subd. 3. **Report.** Beginning in 2011, the commissioner shall report on the implementation of the complete streets policy in the agency's biennial budget submission under section 174.02.

Subd. 4. **Local road authorities.** Local road authorities are encouraged, but not required, to create and adopt complete streets policies for their roads that reflect local context and goals. Nothing in this section may be construed to prohibit a local road authority from adopting a complete streets policy that incorporates or exceeds statutory complete streets principles.

Subd. 5. **Variances from engineering standards.** (a) When evaluating a request for a variance from the engineering standards for state-aid projects under chapter 162 in

which the variance request is related to complete streets, the commissioner shall consider the latest edition of:

(1) A Policy on Geometric Design of Highways and Streets, from the American Association of State Highway and Transportation Officials; and

(2) for projects in urban areas, the Context Sensitive Solutions in Designing Major Urban Thoroughfares for Walkable Communities, from the Institute of Transportation Engineers.

(b) If the commissioner denies a variance request related to complete streets, the commissioner shall provide written reasons for the denial to the political subdivision that submitted the request.

Sec. 53. Minnesota Statutes 2008, section 174.86, subdivision 5, is amended to read:

Subd. 5. **Commuter Rail Corridor Coordinating Committee.** (a) A Commuter Rail Corridor Coordinating Committee ~~shall be~~ is established to advise the commissioner on issues relating to the alternatives analysis, environmental review, advanced corridor planning, preliminary engineering, final design, implementation method, construction of commuter rail, public involvement, land use, service, and safety. The Commuter Rail Corridor Coordinating Committee shall consist of:

(1) one member representing each significant funding partner in whose jurisdiction the line or lines are located;

(2) one member appointed by each county in which the corridors are located;

(3) one member appointed by each city in which advanced corridor plans indicate that a station may be located;

(4) two members appointed by the commissioner, one of whom shall be designated by the commissioner as the chair of the committee;

(5) one member appointed by each metropolitan planning organization through which the commuter rail line may pass; ~~and~~

(6) one member appointed by the president of the University of Minnesota, if a designated corridor provides direct service to the university; and

(7) two ex-officio members who are members of labor organizations operating in, and with authority for, trains or rail yards or stations junctioning with freight and commuter rail lines on corridors, with one member appointed by the speaker of the house and the other member appointed by the senate Rules and Administration Subcommittee on Committees.

(b) A joint powers board existing on April 1, 1999, consisting of local governments along a commuter rail corridor, shall perform the functions set forth in paragraph (a) in place of the committee.

(c) Notwithstanding section 15.059, subdivision 5, the committee does not expire.

Sec. 54. Minnesota Statutes 2008, section 219.01, is amended to read:

219.01 TRACK SAFETY STANDARDS; SAFETY TECHNOLOGY GRANTS.

(a) The track safety standards of the United States Department of Transportation and Federal Railroad Administration apply to railroad trackage and are the standards for the determination of unsafe trackage within the state.

(b) The commissioner of transportation shall apply to the Federal Railroad Administration under Public Law 110-432, the Railroad Safety Enhancement Act of 2008 (the act), for (1) railroad safety technology grant funding available under section 105 of the act and (2) development and installation of rail safety technology, including provision for switch position indicator signals in nonsignalized main track territory, under section 406 of the act. The commissioner shall respond and make application to the Federal Railroad Administration notice of funds availability under the Rail Safety Assurance Act in a timely manner and before the date of the program deadline to assure full consideration of the application. The commissioner shall (i) prioritize grant requests for the installation of switch indicator signals on all segments of nonsignalized track where posted speeds are in excess of 20 miles per hour and (ii) apply for grant funding in each year after 2010 until all nonsignalized track territory in the state has switch indicator signals installed and in operation.

(c) Prior to applying for funds under paragraph (b), the commissioner shall solicit grant requests from all eligible railroads. The commissioner shall submit written notice to the chairs of the legislative committees with jurisdiction over transportation policy and finance of an acceptance by a class I or class II railroad of federal grant program funding for switch point indicator monitor systems.

(d) Participating railroads shall provide the 20 percent nonfederal match. Railroads shall provide all technical documentation requested by the commissioner and required by the Federal Railroad Administration for the applications under paragraph (b). Railroads are responsible for developing, acquiring, and installing all rail safety technology obtained under this section in accordance with requirements established by the Federal Railroad Administration.

Sec. 55. Minnesota Statutes 2008, section 221.012, is amended by adding a subdivision to read:

Subd. 27a. **Motor carrier of railroad employees.** "Motor carrier of railroad employees" means a motor carrier engaged in the for-hire transportation of railroad employees of a class I or II common carrier, as defined in Code of Federal Regulations, title 49, part 1201, general instruction 1-1, under the terms of a contractual agreement with a common carrier, as defined in section 218.011, subdivision 10.

Sec. 56. Minnesota Statutes 2008, section 221.012, subdivision 38, is amended to read:

Subd. 38. **Small vehicle passenger service.** (a) "Small vehicle passenger service" means a service provided by a person engaged in the for-hire transportation of passengers in a vehicle designed to transport seven or fewer persons, including the driver.

(b) In the metropolitan area as defined in section 473.121, subdivision 2, "small vehicle passenger service" also includes for-hire transportation of persons who are certified by the Metropolitan Council to use special transportation service provided under section 473.386, in a vehicle designed to transport not more than 15 persons including the driver, that is equipped with a wheelchair lift and at least three wheelchair securement positions.

(c) Small vehicle passenger service does not include a motor carrier of railroad employees.

Sec. 57. **[221.0255] MOTOR CARRIER OF RAILROAD EMPLOYEES.**

(a) A motor carrier of railroad employees must meet the requirements specified in this section, is subject to section 221.291, and is otherwise exempt from the provisions of this chapter.

(b) A vehicle operator for a motor carrier of railroad employees who transports passengers must:

(1) have a valid driver's license under chapter 171; and

(2) submit to a physical examination.

(c) The carrier must implement a policy that provides for annual training and certification of the operator in:

(1) safe operation of the vehicle transporting railroad employees;

(2) knowing and understanding relevant laws, rules of the road, and safety policies;

(3) handling emergency situations;

(4) proper use of seat belts;

(5) performance of pretrip and posttrip vehicle inspections, and inspection record keeping; and

(6) proper maintenance of required records.

(d) The carrier must:

(1) perform a background check or background investigation of the operator;

(2) annually verify the operator's driver's license;

(3) document meeting the requirements in this subdivision, and maintain the file at the carrier's business location;

(4) maintain liability insurance in a minimum amount of \$5,000,000 regardless of the seating capacity of the vehicle; and

(5) maintain uninsured and underinsured coverage in a minimum amount of \$1,000,000.

If a party contracts with the motor carrier on behalf of the railroad to transport the railroad employees, then the insurance requirements may be satisfied by either that party or the motor carrier, so long as the motor carrier is a named insured or additional insured under any policy.

(e) A person who sustains a conviction of violating section 169A.25, 169A.26, 169A.27, or 169A.31, or whose driver's license is revoked under sections 169A.50 to 169A.53 of the implied consent law, or who is convicted of or has their driver's license revoked under a similar statute or ordinance of another state, may not operate a vehicle under this subdivision for five years from the date of conviction. A person who sustains a conviction of a moving offense in violation of chapter 169 within three years of the first of three other moving offenses may not operate a vehicle under this subdivision for one year from the date of the last conviction. A person who has ever been convicted of a

disqualifying offense as defined in section 171.3215, subdivision 1, paragraph (c), may not operate a vehicle under this subdivision.

(f) An operator who sustains a conviction as described in paragraph (e) while employed by the carrier shall report the conviction to the carrier within ten days of the date of the conviction.

(g) A carrier must implement a mandatory alcohol and controlled substance testing program as provided under sections 181.950 to 181.957 that consists of preemployment testing, postaccident testing, random testing, reasonable suspicion testing, return-to-duty testing, and follow-up testing.

(h) A motor carrier of railroad employees shall not allow or require a driver to drive or remain on duty for more than: ten hours after eight consecutive hours off duty; 15 hours of combined on-duty time and drive time since last obtaining eight consecutive hours of off-duty time; or 70 hours of on-duty and drive time in any period of eight consecutive days. After 24 hours off duty, a driver begins a new seven consecutive day period and on-duty time is reset to zero.

(i) An operator who encounters an emergency and cannot, because of that emergency, safely complete a transportation assignment within the ten-hour maximum driving time permitted under paragraph (h), may drive for not more than two additional hours in order to complete that transportation assignment or to reach a place offering safety for the occupants of the vehicle and security for the transport motor vehicle, if the transportation assignment reasonably could have been completed within the ten-hour period absent the emergency.

(j) A carrier shall maintain and retain for a period of six months accurate time records that show the time the driver reports for duty each day; the total number of hours of on-duty time for each driver for each day; the time the driver is released from duty each day; and the total number of hours driven each day.

(k) For purposes of this subdivision, the following terms have the meanings given:

(1) "conviction" has the meaning given in section 609.02; and

(2) "on-duty time" means all time at a terminal, facility, or other property of a contract carrier or on any public property waiting to be dispatched. On-duty time includes time spent inspecting, servicing, or conditioning the vehicle.

EFFECTIVE DATE. Paragraph (d), clause (5), is effective July 1, 2011.

Sec. 58. Minnesota Statutes 2009 Supplement, section 299D.03, subdivision 5, is amended to read:

Subd. 5. **Traffic fines and forfeited bail money.** (a) All fines and forfeited bail money collected from persons apprehended or arrested by officers of the State Patrol shall be transmitted by the person or officer collecting the fines, forfeited bail money, or installments thereof, on or before the tenth day after the last day of the month in which these moneys were collected, to the commissioner of management and budget. Except where a different disposition is required in this subdivision or section 387.213, or otherwise provided by law, three-eighths of these receipts must be deposited in the state treasury and credited to the state general fund. The other five-eighths of these receipts must be deposited in the state treasury and credited as follows: (1) the first ~~\$600,000~~ \$1,000,000 in each fiscal year must be credited to the Minnesota grade crossing safety

account in the special revenue fund, and (2) remaining receipts must be credited to the state trunk highway fund. If, however, the violation occurs within a municipality and the city attorney prosecutes the offense, and a plea of not guilty is entered, one-third of the receipts shall be deposited in the state treasury and credited to the state general fund, one-third of the receipts shall be paid to the municipality prosecuting the offense, and one-third shall be deposited in the state treasury and credited to the Minnesota grade crossing safety account or the state trunk highway fund as provided in this paragraph. When section 387.213 also is applicable to the fine, section 387.213 shall be applied before this paragraph is applied. All costs of participation in a nationwide police communication system chargeable to the state of Minnesota shall be paid from appropriations for that purpose.

(b) ~~Notwithstanding any other provisions of law,~~ All fines and forfeited bail money from violations of statutes governing the maximum weight of motor vehicles, collected from persons apprehended or arrested by employees of the state of Minnesota, by means of stationary or portable scales operated by these employees, shall be transmitted by the person or officer collecting the fines or forfeited bail money, on or before the tenth day after the last day of the month in which the collections were made, to the commissioner of management and budget. Five-eighths of these receipts shall be deposited in the state treasury and credited to the state highway user tax distribution fund. Three-eighths of these receipts shall be deposited in the state treasury and credited to the state general fund.

Sec. 59. Minnesota Statutes 2008, section 360.061, subdivision 3, is amended to read:

Subd. 3. **Municipality.** "Municipality" does not include a county unless the county owns or controls an airport, in which case such county may exercise all the powers granted by said sections to other municipalities. It specifically includes a town, an airport authority, the Metropolitan Airports Commission established and operated pursuant to chapter 473, and the state of Minnesota.

Sec. 60. **[383D.75] NEW LOCATION FOR DEPUTY REGISTRAR.**

Notwithstanding section 168.33, and rules adopted by the commissioner of public safety, limiting sites for the office of deputy registrar based on either the distance to an existing deputy registrar office or the annual volume of transactions processed by any deputy registrar, the commissioner of public safety shall permit the deputy registrar of motor vehicles agent number 128 and driver's license agent number 726 for Dakota County to move from the existing deputy registrar location in Burnsville to the Dakota County Burnhaven Library in Burnsville, with full authority to function as a registration and motor vehicle tax collection and driver's license bureau, at the Dakota County Burnhaven Library. All other provisions regarding the appointment and operation of a deputy registrar of motor vehicles and driver's license agent under sections 168.33 and 171.061, and Minnesota Rules, chapter 7406, not inconsistent with this section, apply to the office.

EFFECTIVE DATE; LOCAL APPROVAL. This section is effective the day after the governing body of the county of Dakota and its chief clerical officer timely complete their compliance with section 645.021, subdivisions 2 and 3.

Sec. 61. Minnesota Statutes 2008, section 473.167, subdivision 2a, is amended to read:

Subd. 2a. **Hardship Loans for acquisition and relocation.** (a) The council may make ~~hardship~~ loans to acquiring authorities within the metropolitan area to purchase homestead property located in a proposed state trunk highway right-of-way or project,

and to provide relocation assistance. Acquiring authorities are authorized to accept the loans and to acquire the property. Except as provided in this subdivision, the loans shall be made as provided in subdivision 2. Loans shall be in the amount of the fair market value of the homestead property plus relocation costs and less salvage value. Before construction of the highway begins, the acquiring authority shall convey the property to the commissioner of transportation at the same price it paid, plus relocation costs and less its salvage value. Acquisition and assistance under this subdivision must conform to sections 117.50 to 117.56.

(b) The council may make ~~hardship~~ loans only when:

(1) the owner of affected homestead property requests acquisition and relocation assistance from an acquiring authority;

(2) federal or state financial participation is not available;

(3) the owner is unable to sell the homestead property at its appraised market value because the property is located in a proposed state trunk highway right-of-way or project as indicated on an official map or plat adopted under section 160.085, 394.361, or 462.359; and

(4) the council agrees to and approves the fair market value of the homestead property, which approval shall not be unreasonably withheld; ~~and,~~

~~(5) the owner of the homestead property is burdened by circumstances that constitute a hardship, such as catastrophic medical expenses, a transfer of the homestead owner by the owner's employer to a distant site of employment, or inability of the owner to maintain the property due to physical or mental disability or the permanent departure of children from the homestead.~~

(c) For purposes of this subdivision, the following terms have the meanings given them.

(1) "Acquiring authority" means counties, towns, and statutory and home rule charter cities in the metropolitan area.

(2) "Homestead property" means: (i) a single-family dwelling occupied by the owner, and the surrounding land, not exceeding a total of ten acres; or (ii) a manufactured home, as defined in section 327B.01, subdivision 13.

(3) "Salvage value" means the probable sale price of the dwelling and other property that is severable from the land if offered for sale on the condition that it be removed from the land at the buyer's expense, allowing a reasonable time to find a buyer with knowledge of the possible uses of the property, including separate use of serviceable components and scrap when there is no other reasonable prospect of sale.

Sec. 62. Minnesota Statutes 2008, section 473.411, subdivision 5, is amended to read:

Subd. 5. **Use of public roadways and appurtenances.** The council may use for the purposes of sections 473.405 to 473.449 upon the conditions stated in this subdivision any state highway or other public roadway, parkway, or lane, or any bridge or tunnel or other appurtenance of a roadway, without payment of any compensation, provided the use does not interfere unreasonably with the public use or maintenance of the roadway or appurtenance or entail any substantial additional costs for maintenance. The provisions of this subdivision do not apply to the property of any common carrier railroad or common carrier railroads. The consent of the public agency in charge of such state highway or other

public highway or roadway or appurtenance is not required; except that if the council seeks to use a designated parkway for regular route service in the city of Minneapolis, it must obtain permission from and is subject to reasonable limitations imposed by a joint board consisting of two representatives from the council, two members of the board of park commissioners, and a fifth member jointly selected by the ~~representatives of the council and the park~~ other members of the board. If the use is a designated Minneapolis parkway for regular route service adjacent to the city of Minneapolis, it must obtain permission from and is subject to reasonable limitations imposed by a joint board consisting of two representatives from the council, two members of the board of park commissioners, and a fifth member jointly selected by other members of the board. The joint board must include a nonvoting member appointed by the council of the city in which the parkway is located.

The board of park commissioners and the council may designate persons to sit on the joint board. In considering a request by the council to use designated parkways for additional routes or trips, the joint board consisting of the council or their designees, the board of park commissioners or their designees, and the fifth member, shall base its decision to grant or deny the request based on the criteria to be established by the joint board. The decision to grant or deny the request must be made within 45 days of the date of the request. The park board must be notified immediately by the council of any temporary route detours. If the park board objects to the temporary route detours within five days of being notified, the joint board must convene and decide whether to grant the request, otherwise the request is deemed granted. If the agency objects to the proposed use or claims reimbursement from the council for additional cost of maintenance, it may commence an action against the council in the district court of the county wherein the highway, roadway, or appurtenance, or major portion thereof, is located. The proceedings in the action must conform to the Rules of Civil Procedure applicable to the district courts. The court shall sit without jury. If the court determines that the use in question interferes unreasonably with the public use or maintenance of the roadway or appurtenance, it shall enjoin the use by the council. If the court determines that the use in question does not interfere unreasonably with the public use or maintenance of the roadway or appurtenance, but that it entails substantial additional maintenance costs, the court shall award judgment to the agency for the amount of the additional costs. Otherwise the court shall award judgment to the council. An aggrieved party may appeal from the judgment of the district court in the same manner as is provided for such appeals in other civil actions. The council may also use land within the right-of-way of any state highway or other public roadway for the erection of traffic control devices, other signs, and passenger shelters upon the conditions stated in this subdivision and subject only to the approval of the commissioner of transportation where required by statute, and subject to the express provisions of other applicable statutes and to federal requirements where necessary to qualify for federal aid.

Sec. 63. Minnesota Statutes 2008, section 514.18, subdivision 1a, is amended to read:

Subd. 1a. **Towed motor vehicles.** A person who tows and stores a motor vehicle at the request of a law enforcement officer shall have a lien on the motor vehicle for the value of the storage and towing and the right to retain possession of the motor vehicle until the lien is lawfully discharged. This section does not apply to tows ~~authorized in section 169.041, subdivision 4, clause (1)~~ of vehicles parked in violation of snow emergency regulations.

Sec. 64. Laws 2008, chapter 287, article 1, section 122, is amended to read:

Sec. 122. **NULLIFICATION OF EXPEDITED TOWN ROAD EXTINGUISHMENT.**

(a) Any extinguishment of town interest in a town road under Minnesota Statutes, section 164.06, subdivision 2, is hereby nullified if:

(1) the interest was not recorded or filed with the county recorder but was recorded or filed with the county auditor prior to 1972;

(2) the state or a political subdivision has constructed or funded a road or bridge improvement on a right-of-way affected by the interest;

(3) the affected road was the only means of access to a property;

(4) the extinguishment took place within the last ten years; and

(5) a person whose only access to property was lost because of the extinguishment files a petition of a nullification with the town board stating that the person's property became landlocked because of the extinguishment and that the road satisfies all of the requirements of paragraph (a), clauses (1) to (4). A copy of the road order found filed or recorded with the county auditor must be attached to the petition. The town shall file the petition with the county auditor and record it with the county recorder.

(b) Notwithstanding Minnesota Statutes, sections 164.08, subdivision 1, and 541.023, for any nullification under paragraph (a), the affected road is hereby deemed to be a cartway. No additional damages or other payments may be required other than those paid at the time the fee interest was originally acquired and the order filed with the county auditor. A cartway created by this paragraph may be converted to a private driveway under Minnesota Statutes, section 164.08, subdivision 2.

(c) For purposes of this section, "affected road" means the road in which the town board extinguished its interest.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 65. Laws 2008, chapter 350, article 1, section 5, the effective date, is amended to read:

EFFECTIVE DATE. Paragraph (b) and paragraph (c), clause (1), are effective the day following final enactment and apply to any additional tax for a registration period that starts on or after March 1, ~~2011~~ 2012.

Sec. 66. Laws 2009, chapter 36, article 1, section 3, subdivision 3, is amended to read:

Subd. 3. State Roads

(a) Infrastructure Operations and Maintenance	251,643,000	245,892,000
--	-------------	-------------

The base appropriation for fiscal years 2012 and 2013 is \$257,395,000 for each year.

(b) Infrastructure Investment and Planning

(1) Infrastructure Investment Support

201,461,000

196,935,000

The base appropriation for fiscal years 2012 and 2013 is \$205,988,000 for each year.

\$266,000 the first year and \$266,000 the second year are available for grants to metropolitan planning organizations outside the seven-county metropolitan area.

\$75,000 the first year and \$75,000 the second year are for a transportation research contingent account to finance research projects that are reimbursable from the federal government or from other sources. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

\$600,000 the first year and \$600,000 the second year are available for grants for transportation studies outside the metropolitan area to identify critical concerns, problems, and issues. These grants are available (1) to regional development commissions; (2) in regions where no regional development commission is functioning, to joint powers boards established under agreement of two or more political subdivisions in the region to exercise the planning functions of a regional development commission; and (3) in regions where no regional development commission or joint powers board is functioning, to the department's district office for that region.

\$200,000 the second year is for grants to nonprofit job training centers for: (1) job training programs related to highway construction; and (2) business training for companies that are certified disadvantaged business enterprises.

(2) State Road Construction

551,300,000

598,700,000

The base appropriation for fiscal years 2012 and 2013 is \$635,000,000 for each year.

It is estimated that these appropriations will be funded as follows:

Appropriations by Fund

Federal Highway Aid	301,100,000	388,500,000
Highway User Taxes	250,200,000	210,200,000

The commissioner of transportation shall notify the chairs and ranking minority members of the senate and house of representatives committees with jurisdiction over transportation finance of any significant events that should cause these estimates to change.

This appropriation is for the actual construction, reconstruction, and improvement of trunk highways, including design-build contracts and consultant usage to support these activities. This includes the cost of actual payment to landowners for lands acquired for highway rights-of-way, payment to lessees, interest subsidies, and relocation expenses.

The commissioner may spend up to \$250,000 of trunk highway funds in fiscal year 2011 to pay the operating costs of bus service between Hastings and Minneapolis-St. Paul to mitigate the traffic impacts of the project involving construction of a bridge crossing the Mississippi River in the city of Hastings on marked Trunk Highway 61.

The commissioner shall expend up to one-half of one percent of the federal appropriations under this paragraph as grants to opportunity industrialization centers and other nonprofit job training centers for job training programs related to highway construction.

The commissioner may transfer up to \$15,000,000 each year to the transportation revolving loan fund.

The commissioner may receive money covering other shares of the cost of partnership projects. These receipts are appropriated to the commissioner for these projects.

(3) Highway Debt Service

101,170,000

173,400,000

\$86,517,000 the first year and \$157,304,000 the second year are for transfer to the state bond fund. If this appropriation is insufficient to make all transfers required in the year for which it is made, the commissioner of finance shall notify the Committee on Finance of the senate and the Committee on Ways and Means of the house of representatives of the amount of the deficiency and shall then transfer that amount under the statutory open appropriation. Any excess appropriation cancels to the trunk highway fund.

(c) **Electronic Communications** 5,177,000 5,177,000

Appropriations by Fund

General	9,000	9,000
Trunk Highway	5,168,000	5,168,000

The general fund appropriation is to equip and operate the Roosevelt signal tower for Lake of the Woods weather broadcasting.

EFFECTIVE DATE. This section is effective July 1, 2010.

Sec. 67. **ADDITIONAL DEPUTY REGISTRAR OF MOTOR VEHICLES FOR CITY OF FARMINGTON.**

Notwithstanding Minnesota Statutes, section 168.33, and rules adopted by the commissioner of public safety, limiting sites for the office of deputy registrar based on either the distance to an existing deputy registrar office or the annual volume of transactions processed by any deputy registrar, the commissioner of public safety shall appoint a municipal deputy registrar of motor vehicles for the city of Farmington to operate a new full-service Office of Deputy Registrar, with full authority to function as a registration and motor vehicle tax collection bureau, at the city hall in the city of Farmington. All other provisions regarding the appointment and operation of a deputy registrar of motor vehicles under Minnesota Statutes, section 168.33, and Minnesota Rules, chapter 7406, apply to the office.

EFFECTIVE DATE; LOCAL APPROVAL. This section is effective the day after the governing body of the city of Farmington and its chief clerical officer timely complete their compliance with Minnesota Statutes, section 645.021, subdivisions 2 and 3.

Sec. 68. **ROUNDBOUTS DESIGN.**

(a) The commissioner of transportation shall, as part of the next regular update of appropriate design and highway construction manuals, develop specifications or standards on the design of roundabouts. The specifications or standards must include consideration of the suitability of roundabout designs for commercial motor vehicles, as defined in

Minnesota Statutes, section 169.011, subdivision 16, and disabled persons as defined by Minnesota Statutes, section 256.481.

(b) In developing the specifications or standards, the commissioner shall consult with:

(1) the Minnesota Trucking Association;

(2) representatives, as identified by the commissioner, of persons who regularly obtain oversize or overweight permits under Minnesota Statutes, chapter 169, and are reasonably likely to travel on routes that would include a roundabout; and

(3) the Council on Disability established under Minnesota Statutes, section 256.482.

(c) The commissioner shall distribute the specifications or standards, or a similar advisory guidance document, to local road authorities.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 69. **TIFIA PILOT PROGRAM.**

(a) The commissioner of transportation may conduct a pilot program to apply for and receive financial assistance under the Transportation Infrastructure Finance and Innovation Act of 1998 (TIFIA), United States Code, title 23, chapter 6, or through other federal transportation loan, grant, or credit assistance programs. The assistance may include but is not limited to loans, loan guarantees, and lines of credit. The commissioner may enter into agreements to repay the financial assistance subject to the availability of state money or other dedicated revenue or resources, with the approval of Minnesota Management and Budget.

(b) The pilot program under this section is available for one transportation project identified by the commissioner.

(c) Upon completion of the transportation project under the pilot program, the commissioner shall submit a report on the pilot program to the chairs and ranking minority members of the house of representatives and senate committees having jurisdiction over transportation policy and finance. At a minimum, the report must: describe the transportation project undertaken and each financing mechanism utilized; analyze the effectiveness of each financing mechanism; evaluate the costs, risks, and benefits of additional participation in federal financial assistance programs; and provide any recommendations for related legislative changes. The report may be submitted electronically, and is subject to Minnesota Statutes, section 3.195, subdivision 1.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 70. **NORTHSTAR COMMUTER RAIL INFILL STATIONS IN CITIES OF RAMSEY AND COON RAPIDS.**

The Metropolitan Council shall consider designating Northstar commuter rail stations at the city of Ramsey in the vicinity of the city of Ramsey Municipal Center and in the city of Coon Rapids at Foley Boulevard.

Sec. 71. **REPORT ON FINANCING OF BRIDGE CONSTRUCTION.**

By January 15, 2011, the commissioner of transportation shall report to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation policy and finance on the feasibility of utilizing any potential value capture options or potential public-private partnerships, which may include charging tolls, for construction of a new bridge over the St. Croix River at or near Stillwater. The report must be submitted electronically.

Sec. 72. COMPLETE STREETS REPORTS.

The commissioner of transportation shall submit to the chairs and ranking minority members of the house of representatives and senate committees with jurisdiction over transportation policy and finance reports that:

(1) by January 15, 2011, summarize the department's complete streets initiatives, summarize steps taken to expedite and improve the transparency of the state-aid variance process related to complete streets, outline plans to develop and implement a complete streets policy, and identify any statutory barriers to complete streets implementation;

(2) by January 15, 2012, summarize the results of the collaboration under Minnesota Statutes, section 174.75, subdivision 3; identify modifications made to or recommended for protocols, guidance, standards, or other requirements to facilitate complete streets implementation; report status of development of complete streets performance indicators; outline other work planned related to the complete streets policy; and identify statutory recommendations to facilitate complete streets policy implementation; and

(3) by January 15, 2014, overview the department's implementation of complete streets policy; note updates to protocols, guidance, standards, or requirements; identify any recommendations for supporting local complete streets implementation under the state-aid standards variance process; and identify statutory recommendations to facilitate complete streets policy implementation.

The reports in clauses (1), (2), and (3) must be made available electronically and made available in print only upon request.

Sec. 73. [171.321] [Subd. 2, paragraph (e)] RULEMAKING EXCEPTION.

The actions of the commissioner of public safety in establishing physical qualifications for type III vehicle drivers are not rulemaking for purposes of Minnesota Statutes, chapter 14, are not subject to the Administrative Procedure Act contained in Minnesota Statutes, chapter 14, and are not subject to Minnesota Statutes, section 14.386.

Sec. 74. REPEALER.

Minnesota Statutes 2008, section 169.041, subdivisions 3 and 4, are repealed.

Presented to the governor May 12, 2010

Signed by the governor May 14, 2010, 8:03 p.m.