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State of Minnesota

HOUSE OF REPRESENTATIVES

SPECIAL SESSION

H. F. No. 3

05/23/2017 Authored by Torkelson
The bill was read for the first time
Rules suspended, urgency declared
Read for the Second Time
Bill was laid on the Table

1.1 A bill for an act

1.2 relating to transportation; establishing a budget for transportation; appropriating

1.3 money for transportation purposes, including Department of Transportation,

1.4 Metropolitan Council, and Department of Public Safety activities; modifying

1.5 various provisions governing transportation policy and finance; allocating certain

1.6 sales and use tax revenue; establishing accounts; requiring reports; making technical

1.7 changes; authorizing sale and issuance of state bonds; amending Minnesota Statutes

1.8 2016, sections 53C.01, subdivision 2; 85.016; 117.189; 160.02, subdivision 27,

1.9 by adding subdivisions; 160.18, by adding a subdivision; 160.262, subdivisions

1.10 1, 3, 4; 160.266, subdivisions 3, 4, 5, by adding subdivisions; 161.04, subdivision

1.11 5; 161.081, subdivision 3; 161.088, subdivisions 4, 5, 7; 161.115, subdivision 190;

1.12 161.14, by adding a subdivision; 161.21, subdivision 1; 161.321, subdivision 6;

1.13 161.38, by adding a subdivision; 161.44, subdivisions 5, 6a, by adding a

1.14 subdivision; 168.013, subdivision 1a, by adding a subdivision; 168.021,

1.15 subdivisions 1, 2, 2a; 168.27, by adding a subdivision; 168.33, subdivision 2;

1.16 168A.09, subdivision 1; 168A.141; 168A.142; 169.011, subdivisions 34, 47, by

1.17 adding a subdivision; 169.14, by adding a subdivision; 169.18, subdivisions 5, 7;

1.18 169.224, subdivision 3; 169.345, subdivisions 1, 3; 169.442, subdivision 5; 169.443,

1.19 subdivision 2; 169.444, subdivision 2; 169.449, subdivision 1; 169.4501,

1.20 subdivisions 1, 2; 169.4503, subdivisions 4, 7, 14, 23, 30; 169.64, subdivision 8;

1.21 169.80, subdivision 1; 169.829, by adding a subdivision; 169.864, subdivisions 3,

1.22 4, by adding a subdivision; 169.865, subdivision 3; 171.02, subdivision 2b; 171.06,

1.23 subdivision 2a; 171.061, subdivision 3, as amended; 171.12, subdivision 6; 173.02,

1.24 subdivisions 18, 23, by adding subdivisions; 173.06, subdivision 1; 173.07,

1.25 subdivision 1; 173.08, by adding subdivisions; 173.13, subdivision 11; 173.16, by

1.26 adding subdivisions; 174.03, subdivisions 1a, 1c; 174.50, subdivisions 5, 6b, 6c,

1.27 7, by adding a subdivision; 174.56, by adding a subdivision; 174.93; 221.031, by

1.28 adding a subdivision; 222.49; 222.50, subdivision 6; 256B.15, subdivision 1a, as

1.29 amended; 297A.815, subdivision 3; 297A.94; 297A.992, by adding a subdivision;

1.30 297B.01, subdivision 16; 299D.03, subdivision 6; 398A.10, subdivisions 3, 4;

1.31 473.121, subdivision 2; 473.388, subdivision 4, by adding a subdivision; 473.39,

1.32 by adding a subdivision; 473.4051, subdivision 2; 473.857, subdivision 2; proposing

1.33 coding for new law in Minnesota Statutes, chapters 160; 168; 168A; 169; 173;

1.34 174; 473; repealing Minnesota Statutes 2016, sections 160.262, subdivision 2;

1.35 160.265; 160.266, subdivisions 1, 2; 161.115, subdivision 32; 165.15, subdivision

1.36 8; 169.4502, subdivision 5; 219.375, subdivision 4; Minnesota Rules, parts

1.37 8810.0800, subpart 3; 8810.1300, subpart 4; 8810.6000; 8810.6100; 8810.6300;

2.1 8810.6400; 8810.6500; 8810.6600; 8810.6700; 8810.6800; 8810.6900; 8810.7000;
2.2 8810.9910; 8810.9911; 8810.9912; 8810.9913.

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

2.4 **ARTICLE 1**

2.5 **TRANSPORTATION APPROPRIATIONS**

2.6 Section 1. **TRANSPORTATION APPROPRIATIONS**

2.7 The sums shown in the columns marked "Appropriations" are appropriated to the agencies
2.8 and for the purposes specified in this article. The appropriations are from the trunk highway
2.9 fund, or another named fund, and are available for the fiscal years indicated for each purpose.
2.10 Amounts for "Total Appropriation" and sums shown in the corresponding columns marked
2.11 "Appropriations by Fund" are summary only and do not have legal effect. Unless specified
2.12 otherwise, the amounts in the second year under "Appropriations by Fund" show the base
2.13 within the meaning of Minnesota Statutes, section 16A.11, subdivision 3, by fund. The
2.14 figures "2018" and "2019" used in this article mean that the appropriations listed under them
2.15 are available for the fiscal year ending June 30, 2018, or June 30, 2019, respectively. "The
2.16 first year" is fiscal year 2018. "The second year" is fiscal year 2019. "The biennium" is
2.17 fiscal years 2018 and 2019.

2.18		<u>APPROPRIATIONS</u>
2.19		<u>Available for the Year</u>
2.20		<u>Ending June 30</u>
2.21		<u>2018</u> <u>2019</u>

2.22 **Sec. 2. DEPARTMENT OF**
2.23 **TRANSPORTATION**

2.24	<u>Subdivision 1. Total Appropriation</u>	<u>\$ 2,949,912,000</u>	<u>\$ 2,868,755,000</u>
2.25	<u>Appropriations by Fund</u>		
2.26		<u>2018</u>	<u>2019</u>
2.27	<u>General</u>	<u>19,783,000</u>	<u>34,508,000</u>
2.28	<u>Airports</u>	<u>34,812,000</u>	<u>21,909,000</u>
2.29	<u>C.S.A.H.</u>	<u>762,071,000</u>	<u>789,636,000</u>
2.30	<u>M.S.A.S.</u>	<u>190,660,000</u>	<u>197,558,000</u>
2.31	<u>Trunk Highway</u>	<u>1,942,586,000</u>	<u>1,825,144,000</u>

2.32 The appropriations in this section are to the
2.33 commissioner of transportation. The amounts
2.34 that may be spent for each purpose are
2.35 specified in the following subdivisions.

3.1 Subd. 2. Multimodal Systems

3.2 (a) Aeronautics

3.3 <u>(1) Airport Development and Assistance</u>	<u>26,001,000</u>	<u>16,598,000</u>
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3.4 This appropriation is from the state airports
 3.5 fund and must be spent according to
 3.6 Minnesota Statutes, section 360.305,
 3.7 subdivision 4.

3.8 Notwithstanding Minnesota Statutes, section
 3.9 16A.28, subdivision 6, this appropriation is
 3.10 available for five years after the year of the
 3.11 appropriation. If the appropriation for either
 3.12 year is insufficient, the appropriation for the
 3.13 other year is available for it.

3.14 \$6,619,000 in the first year is for a grant to
 3.15 the Duluth Airport Authority for
 3.16 improvements at the Duluth International
 3.17 Airport and the Sky Harbor Airport in
 3.18 accordance with Minnesota Statutes, section
 3.19 360.017. For the purposes of this
 3.20 appropriation, the commissioner may waive
 3.21 the requirements of Minnesota Statutes,
 3.22 section 360.305, subdivision 4, paragraph (b).

3.23 This appropriation may be used to reimburse
 3.24 the Authority for costs incurred after March
 3.25 1, 2015. This is a onetime appropriation.

3.26 \$2,334,000 in the first year is for a grant to
 3.27 the city of Rochester for improvements to the
 3.28 passenger terminal building at the Rochester
 3.29 International Airport in accordance with
 3.30 Minnesota Statutes, section 360.017. For the
 3.31 purposes of this appropriation, the
 3.32 commissioner of transportation may waive the
 3.33 requirements of Minnesota Statutes, section
 3.34 360.305, subdivision 4, paragraph (b). This

4.1 appropriation may be used to reimburse the
4.2 city for costs incurred after May 1, 2016. This
4.3 is a onetime appropriation.

4.4 Notwithstanding Minnesota Statutes, section
4.5 360.017, \$250,000 in the first year is for a
4.6 grant to the city of St. Cloud for an air
4.7 transport optimization planning study for the
4.8 St. Cloud Regional Airport. The study must
4.9 be comprehensive and market-based, using
4.10 economic development and air service
4.11 expertise to research, analyze, and develop
4.12 models and strategies that maximize the return
4.13 on investments made to enhance the use and
4.14 impact of the St. Cloud Regional Airport. By
4.15 January 5, 2018, the city of St. Cloud shall
4.16 submit a report to the governor and the
4.17 members and staff of the legislative
4.18 committees with jurisdiction over capital
4.19 investment, transportation, and economic
4.20 development with recommendations based on
4.21 the findings of the study. This is a onetime
4.22 appropriation.

4.23 If the commissioner of transportation
4.24 determines that a balance remains in the state
4.25 airports fund following the appropriations
4.26 made in this article and that the appropriations
4.27 made are insufficient for advancing airport
4.28 development and assistance projects, an
4.29 amount necessary to advance the projects, not
4.30 to exceed the balance in the state airports fund,
4.31 is appropriated in each year to the
4.32 commissioner and must be spent according to
4.33 Minnesota Statutes, section 360.305,
4.34 subdivision 4. Within two weeks of a
4.35 determination under this contingent

5.1 appropriation, the commissioner of
 5.2 transportation must notify the commissioner
 5.3 of management and budget and the chairs,
 5.4 ranking minority members, and staff of the
 5.5 legislative committees with jurisdiction over
 5.6 transportation finance concerning the funds
 5.7 appropriated. Funds appropriated under this
 5.8 contingent appropriation do not adjust the base
 5.9 for fiscal years 2020 and 2021.

5.10 The base is \$15,298,000 in each of fiscal years
 5.11 2020 and 2021.

5.12 **(2) Aviation Support and Services** 6,710,000 6,854,000

5.13 Appropriations by Fund

	<u>2018</u>	<u>2019</u>
5.14		
5.15 <u>Airports</u>	<u>5,231,000</u>	<u>5,231,000</u>
5.16 <u>Trunk Highway</u>	<u>1,479,000</u>	<u>1,623,000</u>

5.17 **(3) Civil Air Patrol** 3,580,000 80,000

5.18 This appropriation is from the state airports
 5.19 fund for the Civil Air Patrol.

5.20 \$3,500,000 in the first year is for a grant to
 5.21 renovate a portion of and construct an addition
 5.22 to the training and maintenance facility located
 5.23 at the South St. Paul airport, and to furnish
 5.24 and equip the facility, including
 5.25 communications equipment. Notwithstanding
 5.26 Minnesota Statutes, section 16A.28,
 5.27 subdivision 6, this appropriation is available
 5.28 for five years after the year of the
 5.29 appropriation. This is a onetime appropriation.

5.30 **(b) Transit** 1,416,000 18,268,000

5.31 Appropriations by Fund

	<u>2018</u>	<u>2019</u>
5.32		
5.33 <u>General</u>	<u>570,000</u>	<u>17,395,000</u>
5.34 <u>Trunk Highway</u>	<u>846,000</u>	<u>873,000</u>

6.1 \$150,000 in each year is from the general fund
 6.2 for grants to transportation management
 6.3 organizations that provide services exclusively
 6.4 or primarily in the city located along the
 6.5 marked Interstate Highway 494 corridor
 6.6 having the highest population as of the
 6.7 effective date of this section. The
 6.8 commissioner must not retain any portion of
 6.9 the funds appropriated under this section.
 6.10 From the appropriation in each fiscal year, the
 6.11 commissioner must make grant payments in
 6.12 full by July 31. Permissible uses of funds
 6.13 under this grant include administrative
 6.14 expenses and programming and service
 6.15 expansion, including but not limited to
 6.16 staffing, communications, outreach and
 6.17 education program development, and
 6.18 operations management. This is a onetime
 6.19 appropriation.

6.20 The base from the general fund is \$17,245,000
 6.21 in each year for fiscal years 2020 and 2021.

6.22 <u>(c) Safe Routes to School</u>	<u>500,000</u>	<u>500,000</u>
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6.23 This appropriation is from the general fund
 6.24 for the safe routes to school program under
 6.25 Minnesota Statutes, section 174.40.

6.26 <u>(d) Passenger Rail</u>	<u>500,000</u>	<u>500,000</u>
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6.27 This appropriation is from the general fund
 6.28 for passenger rail system planning, alternatives
 6.29 analysis, environmental analysis, design, and
 6.30 preliminary engineering under Minnesota
 6.31 Statutes, sections 174.632 to 174.636.

6.32 <u>(e) Freight</u>		
6.33 <u>Freight and Commercial Vehicle Operations</u>	<u>8,506,000</u>	<u>6,578,000</u>

6.34 Appropriations by Fund

7.1		<u>2018</u>	<u>2019</u>
7.2	<u>General</u>	3,156,000	1,056,000
7.3	<u>Trunk Highway</u>	5,350,000	5,522,000
7.4	<u>\$1,100,000 in the first year is from the general</u>		
7.5	<u>fund for port development assistance grants</u>		
7.6	<u>under Minnesota Statutes, chapter 457A, to</u>		
7.7	<u>the city of Red Wing and to the Port Authority</u>		
7.8	<u>of Winona. Any improvements made with the</u>		
7.9	<u>proceeds of the grants must be publicly owned.</u>		
7.10	<u>This is a onetime appropriation and is</u>		
7.11	<u>available in the second year.</u>		
7.12	<u>\$800,000 in each year is from the general fund</u>		
7.13	<u>for additional rail safety and rail service</u>		
7.14	<u>activities.</u>		
7.15	<u>\$1,000,000 in the first year is from the general</u>		
7.16	<u>fund for a grant to the city of Grand Rapids to</u>		
7.17	<u>fund rail planning studies, design, and</u>		
7.18	<u>preliminary engineering relating to the</u>		
7.19	<u>construction of a freight rail line located in the</u>		
7.20	<u>counties of Itasca, St. Louis, and Lake to serve</u>		
7.21	<u>local producers and shippers. The city of</u>		
7.22	<u>Grand Rapids shall collaborate with the Itasca</u>		
7.23	<u>Economic Development Corporation and the</u>		
7.24	<u>Itasca County Regional Railroad Authority in</u>		
7.25	<u>the activities funded with the proceeds of this</u>		
7.26	<u>grant. This is a onetime appropriation and is</u>		
7.27	<u>available until June 30, 2019.</u>		
7.28	<u>Subd. 3. State Roads</u>		
7.29	<u>(a) Operations and Maintenance</u>	<u>340,475,000</u>	<u>329,435,000</u>
7.30	<u>The base is \$317,102,000 in fiscal year 2020</u>		
7.31	<u>and \$310,889,000 in fiscal year 2021.</u>		
7.32	<u>(b) Program Planning and Delivery</u>		
7.33	<u>(1) Planning and Research</u>	<u>34,107,000</u>	<u>32,403,000</u>

8.1 If a balance remains of this appropriation, the
 8.2 commissioner may transfer up to that amount
 8.3 for program delivery under clause (2).

8.4 Up to \$600,000 in the first year is for the
 8.5 highway construction costs and cost inflation
 8.6 study under article 3, section 133. This is a
 8.7 onetime appropriation.

8.8 \$130,000 in each year is available for
 8.9 administrative costs of the targeted group
 8.10 business program.

8.11 \$266,000 in each year is available for grants
 8.12 to metropolitan planning organizations outside
 8.13 the seven-county metropolitan area.

8.14 \$900,000 in each year is available for grants
 8.15 for transportation studies outside the
 8.16 metropolitan area to identify critical concerns,
 8.17 problems, and issues. These grants are
 8.18 available:

8.19 (1) to regional development commissions;
 8.20 (2) in regions where no regional development
 8.21 commission is functioning, to joint powers
 8.22 boards established under agreement of two or
 8.23 more political subdivisions in the region to
 8.24 exercise the planning functions of a regional
 8.25 development commission; and

8.26 (3) in regions where no regional development
 8.27 commission or joint powers board is
 8.28 functioning, to the Department of
 8.29 Transportation district office for that region.

8.30 The base is \$31,375,000 in fiscal year 2020
 8.31 and \$30,858,000 in fiscal year 2021.

8.32 **(2) Program Delivery** 229,148,000 222,845,000

9.1 This appropriation includes use of consultants
 9.2 to support development and management of
 9.3 projects.

9.4 Up to \$140,000 in the first year is for
 9.5 development, implementation, and reporting
 9.6 on project selection policy under article 3,
 9.7 section 124. This is a onetime appropriation.

9.8 \$1,000,000 in each year is available for
 9.9 management of contaminated and regulated
 9.10 material on property owned by the Department
 9.11 of Transportation, including mitigation of
 9.12 property conveyances, facility acquisition or
 9.13 expansion, chemical release at maintenance
 9.14 facilities, and spills on the trunk highway
 9.15 system where there is no known responsible
 9.16 party. If the appropriation for either year is
 9.17 insufficient, the appropriation for the other
 9.18 year is available for it.

9.19 The base is \$214,623,000 in fiscal year 2020
 9.20 and \$210,481,000 in fiscal year 2021.

9.21	<u>(c) State Road Construction</u>	<u>1,003,010,000</u>	<u>884,101,000</u>
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9.22 This appropriation is for the actual
 9.23 construction, reconstruction, and improvement
 9.24 of trunk highways, including design-build
 9.25 contracts, internal department costs associated
 9.26 with delivering the construction program,
 9.27 consultant usage to support these activities,
 9.28 and the cost of actual payments to landowners
 9.29 for lands acquired for highway rights-of-way,
 9.30 payment to lessees, interest subsidies, and
 9.31 relocation expenses.

9.32 This appropriation includes federal highway
 9.33 aid.

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

10.7 The commissioner may transfer up to
 10.8 \$15,000,000 each year to the transportation
 10.9 revolving loan fund.

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

10.14 The base is \$864,295,000 in fiscal year 2020
 10.15 and \$849,282,000 in fiscal year 2021.

10.16 **(d) Corridors of Commerce** 25,000,000 25,000,000

10.17 This appropriation is for the corridors of
 10.18 commerce program under Minnesota Statutes,
 10.19 section 161.088.

10.20 The commissioner may use up to 17 percent
 10.21 of the amount each year for program delivery.

10.22 **(e) Highway Debt Service** 224,079,000 242,325,000

10.23 \$214,579,000 in fiscal year 2018 and
 10.24 \$232,825,000 in fiscal year 2019 are for
 10.25 transfer to the state bond fund. If this
 10.26 appropriation is insufficient to make all
 10.27 transfers required in the year for which it is
 10.28 made, the commissioner of management and
 10.29 budget must transfer the deficiency amount
 10.30 under the statutory open appropriation and
 10.31 notify the chairs, ranking minority members,
 10.32 and staff of the legislative committees with
 10.33 jurisdiction over transportation finance and
 10.34 the chairs of the senate Finance Committee

11.1 and the house of representatives Ways and
 11.2 Means Committee of the amount of the
 11.3 deficiency. Any excess appropriation cancels
 11.4 to the trunk highway fund.

11.5 **(f) Statewide Radio Communications** 5,648,000 5,829,000

11.6	<u>Appropriations by Fund</u>	
11.7	<u>2018</u>	<u>2019</u>
11.8	<u>General</u> <u>3,000</u>	<u>3,000</u>
11.9	<u>Trunk Highway</u> <u>5,645,000</u>	<u>5,826,000</u>

11.10 \$3,000 in each year is from the general fund
 11.11 to equip and operate the Roosevelt signal
 11.12 tower for Lake of the Woods weather
 11.13 broadcasting.

11.14 **Subd. 4. Local Roads**

11.15 **(a) County State-Aid Roads** 769,071,000 796,636,000

11.16	<u>Appropriations by Fund</u>	
11.17	<u>2018</u>	<u>2019</u>
11.18	<u>C.S.A.H.</u> <u>762,071,000</u>	<u>789,636,000</u>
11.19	<u>General</u> <u>7,000,000</u>	<u>7,000,000</u>

11.20 The appropriation from the county state-aid
 11.21 highway fund is under Minnesota Statutes,
 11.22 sections 161.081 and 297A.815, subdivision
 11.23 3, and chapter 162, and is available until June
 11.24 30, 2027.

11.25 \$5,000,000 in each year is from the general
 11.26 fund for distribution to counties in the
 11.27 metropolitan area, as defined in Minnesota
 11.28 Statutes, section 473.121, subdivision 4, for
 11.29 construction, reconstruction, and maintenance
 11.30 of county highways, including county state-aid
 11.31 highways. The distribution must be calculated
 11.32 so that each county receives from this amount
 11.33 the percentage that its population, as defined
 11.34 in Minnesota Statutes, section 477A.011,

12.1 subdivision 3, estimated or established by July
12.2 15 of the year prior to the current calendar
12.3 year, bears to the total population of the
12.4 counties receiving funds under this rider. For
12.5 purposes of this rider, the population of each
12.6 county containing a statutory or home rule
12.7 charter city of the first class is calculated at
12.8 0.25 multiplied by that county's population as
12.9 otherwise determined. All projects must be
12.10 located outside cities of the first class. This is
12.11 a onetime appropriation.

12.12 \$2,000,000 in each year is from the general
12.13 fund for town roads, to be distributed in the
12.14 manner provided under Minnesota Statutes,
12.15 section 162.081. This is a onetime
12.16 appropriation.

12.17 If the commissioner of transportation
12.18 determines that a balance remains in the
12.19 county state-aid highway fund following the
12.20 appropriations and transfers made in this
12.21 paragraph, and that the appropriations made
12.22 are insufficient for advancing county state-aid
12.23 highway projects, an amount necessary to
12.24 advance the projects, not to exceed the balance
12.25 in the county state-aid highway fund, is
12.26 appropriated in each year to the commissioner.
12.27 Within two weeks of a determination under
12.28 this contingent appropriation, the
12.29 commissioner of transportation shall notify
12.30 the commissioner of management and budget
12.31 and the chairs, ranking minority members, and
12.32 staff of the legislative committees with
12.33 jurisdiction over transportation finance
12.34 concerning funds appropriated. The
12.35 commissioner shall identify in the next budget

13.1 submission to the legislature under Minnesota
 13.2 Statutes, section 16A.11, any amount that is
 13.3 appropriated under this paragraph.

13.4 **(b) Municipal State-Aid Roads** 190,660,000 197,558,000

13.5 This appropriation is from the municipal
 13.6 state-aid street fund under Minnesota Statutes,
 13.7 chapter 162, and is available until June 30,
 13.8 2027.

13.9 If the commissioner of transportation
 13.10 determines that a balance remains in the
 13.11 municipal state-aid street fund following the
 13.12 appropriations and transfers made in this
 13.13 paragraph, and that the appropriations made
 13.14 are insufficient for advancing municipal
 13.15 state-aid street projects, an amount necessary
 13.16 to advance the projects, not to exceed the
 13.17 balance in the municipal state-aid street fund,
 13.18 is appropriated in each year to the
 13.19 commissioner. Within two weeks of a
 13.20 determination under this contingent
 13.21 appropriation, the commissioner of
 13.22 transportation shall notify the commissioner
 13.23 of management and budget and the chairs,
 13.24 ranking minority members, and staff of the
 13.25 legislative committees with jurisdiction over
 13.26 transportation finance concerning funds
 13.27 appropriated. The commissioner shall identify
 13.28 in the next budget submission to the legislature
 13.29 under Minnesota Statutes, section 16A.11, any
 13.30 amount that is appropriated under this
 13.31 paragraph.

13.32 **(c) Small Cities Assistance** 8,000,000 8,000,000

13.33 This appropriation is from the general fund
 13.34 for the small cities assistance program under

14.1 Minnesota Statutes, section 162.145. This is
 14.2 a onetime appropriation.

14.3 **Subd. 5. Agency Management**

14.4 **(a) Agency Services** 44,316,000 45,206,000

14.5 **(b) Buildings** 28,585,000 29,439,000

14.6 Appropriations by Fund

14.7 2018 2019

14.8 General 54,000 54,000

14.9 Trunk Highway 28,531,000 29,385,000

14.10 Any money appropriated to the commissioner
 14.11 of transportation for building construction for
 14.12 any fiscal year before the first year is available
 14.13 to the commissioner during the biennium to
 14.14 the extent that the commissioner spends the
 14.15 money on the building construction projects
 14.16 for which the money was originally
 14.17 encumbered during the fiscal year for which
 14.18 it was appropriated. If the appropriation for
 14.19 either year is insufficient, the appropriation
 14.20 for the other year is available for it.

14.21 **(c) Tort Claims** 600,000 600,000

14.22 If the appropriation for either year is
 14.23 insufficient, the appropriation for the other
 14.24 year is available for it.

14.25 **Subd. 6. Transfers**

14.26 (a) With the approval of the commissioner of
 14.27 management and budget, the commissioner
 14.28 of transportation may transfer unencumbered
 14.29 balances among the appropriations from the
 14.30 trunk highway fund and the state airports fund
 14.31 made in this section. Transfers under this
 14.32 paragraph must not be made:

14.33 (1) between funds;

- 15.1 (2) from the appropriations for state road
15.2 construction or debt service; or
- 15.3 (3) from the appropriations for operations and
15.4 maintenance or program delivery, except for
15.5 a transfer to state road construction or debt
15.6 service.
- 15.7 (b) The commissioner of transportation must
15.8 immediately report transfers under paragraph
15.9 (a) to the chairs, ranking minority members,
15.10 and staff of the legislative committees with
15.11 jurisdiction over transportation finance. The
15.12 authority for the commissioner of
15.13 transportation to make transfers under
15.14 Minnesota Statutes, section 16A.285, is
15.15 superseded by the authority and requirements
15.16 under this paragraph.
- 15.17 (c) The commissioner of transportation must
15.18 transfer from the flexible highway account in
15.19 the county state-aid highway fund the entire
15.20 amount in each year to the county turnback
15.21 account in the county state-aid highway fund.
15.22 The funds transferred are for highway
15.23 turnback purposes under Minnesota Statutes,
15.24 section 161.081, subdivision 3.
- 15.25 **Subd. 7. Previous State Road Construction**
15.26 **Appropriations**
- 15.27 Any money appropriated to the commissioner
15.28 of transportation for state road construction
15.29 for any fiscal year before the first year is
15.30 available to the commissioner during the
15.31 biennium to the extent that the commissioner
15.32 spends the money on the state road
15.33 construction project for which the money was
15.34 originally encumbered during the fiscal year
15.35 for which it was appropriated.

16.1 Subd. 8. **Contingent Appropriations**

16.2 The commissioner of transportation, with the
16.3 approval of the governor and the written
16.4 approval of at least five members of a group
16.5 consisting of the members of the Legislative
16.6 Advisory Commission under Minnesota
16.7 Statutes, section 3.30, and the ranking minority
16.8 members of the legislative committees with
16.9 jurisdiction over transportation finance, may
16.10 transfer all or part of the unappropriated
16.11 balance in the trunk highway fund to an
16.12 appropriation:

16.13 (1) for trunk highway design, construction, or
16.14 inspection that takes advantage of an
16.15 unanticipated receipt of income to the trunk
16.16 highway fund or federal advanced construction
16.17 funding;

16.18 (2) for emergency trunk highway maintenance;
16.19 or

16.20 (3) to pay tort or environmental claims.

16.21 Nothing in this subdivision authorizes the
16.22 commissioner to increase the use of federal
16.23 advanced construction funding beyond
16.24 amounts specifically authorized. Any transfer
16.25 as a result of the use of federal advanced
16.26 construction funding must include an analysis
16.27 of the effects on the long-term trunk highway
16.28 fund balance. The amount transferred is
16.29 appropriated for the purpose of the account to
16.30 which it is transferred.

16.31 Sec. 3. **METROPOLITAN COUNCIL** \$ 121,031,000 \$ 129,820,000

18.1	<u>Appropriations by Fund</u>		
18.2		<u>2018</u>	<u>2019</u>
18.3	<u>General</u>	<u>127,000</u>	<u>130,000</u>
18.4	<u>Trunk Highway</u>	<u>426,000</u>	<u>443,000</u>
18.5	<u>(b) Public Safety Support</u>		<u>6,372,000</u> <u>6,569,000</u>
18.6	<u>Appropriations by Fund</u>		
18.7		<u>2018</u>	<u>2019</u>
18.8	<u>General</u>	<u>1,225,000</u>	<u>1,235,000</u>
18.9	<u>H.U.T.D.</u>	<u>1,366,000</u>	<u>1,366,000</u>
18.10	<u>Trunk Highway</u>	<u>3,781,000</u>	<u>3,968,000</u>
18.11	<u>(c) Public Safety Officer Survivor Benefits</u>		<u>640,000</u> <u>640,000</u>
18.12	<u>This appropriation is from the general fund</u>		
18.13	<u>for payment of public safety officer survivor</u>		
18.14	<u>benefits under Minnesota Statutes, section</u>		
18.15	<u>299A.44.</u>		
18.16	<u>If the appropriation for either year is</u>		
18.17	<u>insufficient, the appropriation for the other</u>		
18.18	<u>year is available for it.</u>		
18.19	<u>(d) Public Safety Officer Reimbursements</u>		<u>1,367,000</u> <u>1,367,000</u>
18.20	<u>This appropriation is from the general fund to</u>		
18.21	<u>be deposited in the public safety officer's</u>		
18.22	<u>benefit account. This money is available for</u>		
18.23	<u>reimbursements under Minnesota Statutes,</u>		
18.24	<u>section 299A.465.</u>		
18.25	<u>(e) Soft Body Armor Reimbursements</u>		<u>700,000</u> <u>700,000</u>
18.26	<u>Appropriations by Fund</u>		
18.27		<u>2018</u>	<u>2019</u>
18.28	<u>General</u>	<u>600,000</u>	<u>600,000</u>
18.29	<u>Trunk Highway</u>	<u>100,000</u>	<u>100,000</u>
18.30	<u>This appropriation is for soft body armor</u>		
18.31	<u>reimbursements under Minnesota Statutes,</u>		
18.32	<u>section 299A.38.</u>		
18.33	<u>(f) Technology and Support Service</u>		<u>3,777,000</u> <u>3,814,000</u>
18.34	<u>Appropriations by Fund</u>		

19.1		<u>2018</u>	<u>2019</u>
19.2	<u>General</u>	1,353,000	1,365,000
19.3	<u>H.U.T.D.</u>	19,000	19,000
19.4	<u>Trunk Highway</u>	2,405,000	2,430,000

19.5 **Subd. 3. State Patrol**

19.6	<u>(a) Patrolling Highways</u>	<u>95,689,000</u>	<u>93,323,000</u>
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19.7 Appropriations by Fund

19.8		<u>2018</u>	<u>2019</u>
19.9	<u>General</u>	5,787,000	37,000
19.10	<u>H.U.T.D.</u>	92,000	92,000
19.11	<u>Trunk Highway</u>	89,810,000	93,194,000

19.12 \$5,750,000 from the general fund in the first
 19.13 year is to purchase a helicopter for the State
 19.14 Patrol. This is a onetime appropriation.

19.15 From this appropriation, State Patrol trainee
 19.16 salaries as provided under Minnesota Statutes,
 19.17 section 299D.03, subdivision 6, must be
 19.18 provided as follows: (1) for trainees in the Law
 19.19 Enforcement Training Opportunity program,
 19.20 80 percent of the basic salary for patrol
 19.21 officers; and (2) for all other trainees, 100
 19.22 percent of the basic salary.

19.23	<u>(b) Commercial Vehicle Enforcement</u>	<u>8,455,000</u>	<u>8,826,000</u>
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19.24	<u>(c) Capitol Security</u>	<u>8,402,000</u>	<u>8,537,000</u>
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19.25 This appropriation is from the general fund.

19.26 The commissioner must not:

19.27 (1) spend any money from the trunk highway
 19.28 fund for capitol security; or

19.29 (2) permanently transfer any state trooper from
 19.30 the patrolling highways activity to capitol
 19.31 security.

20.1 The commissioner must not transfer any
 20.2 money appropriated to the commissioner under
 20.3 this section:

20.4 (1) to capitol security; or

20.5 (2) from capitol security.

20.6 **(d) Vehicle Crimes Unit** 761,000 773,000

20.7 This appropriation is from the highway user
 20.8 tax distribution fund.

20.9 This appropriation is to investigate:

20.10 (1) registration tax and motor vehicle sales tax
 20.11 liabilities from individuals and businesses that
 20.12 currently do not pay all taxes owed; and

20.13 (2) illegal or improper activity related to the
 20.14 sale, transfer, titling, and registration of motor
 20.15 vehicles.

20.16 **Subd. 4. Driver and Vehicle Services**

20.17 **(a) Vehicle Services** 30,745,000 31,159,000

20.18	<u>Appropriations by Fund</u>	
20.19	<u>2018</u>	<u>2019</u>
20.20	<u>Special Revenue</u> <u>22,509,000</u>	<u>22,923,000</u>
20.21	<u>H.U.T.D.</u> <u>8,236,000</u>	<u>8,236,000</u>

20.22 The special revenue fund appropriation is from
 20.23 the vehicle services operating account.

20.24 **(b) Driver Services** 32,014,000 32,725,000

20.25 This appropriation is from the driver services
 20.26 operating account in the special revenue fund.

20.27 \$156,000 in each year is to maintain the
 20.28 automated knowledge test system.

20.29 **(c) Minnesota Licensing and Registration System**
 20.30 **(MNLARS)** 8,000,000 8,000,000

20.31 This appropriation is for operations and
 20.32 maintenance of the driver and vehicle

21.1 information system known as the Minnesota
 21.2 Licensing and Registration System.

21.3 \$1,000,000 in the first year and \$5,265,000 in
 21.4 the second year are from the driver services
 21.5 operating account in the special revenue fund.

21.6 This is a onetime appropriation.

21.7 \$7,000,000 in the first year and \$2,735,000 in
 21.8 the second year are from the vehicle services
 21.9 operating account in the special revenue fund.

21.10 This is a onetime appropriation.

21.11 Subd. 5. Traffic Safety 941,000 962,000

21.12	<u>Appropriations by Fund</u>	
21.13	<u>2018</u>	<u>2019</u>
21.14	<u>General</u>	<u>470,000</u> <u>470,000</u>
21.15	<u>Trunk Highway</u>	<u>471,000</u> <u>492,000</u>

21.16 The appropriation from the general fund in
 21.17 each year is for maintenance of the crash
 21.18 record system.

21.19 Subd. 6. Pipeline Safety 1,422,000 1,439,000

21.20 This appropriation is from the pipeline safety
 21.21 account in the special revenue fund.

21.22 **Sec. 5. APPROPRIATION CANCELLATION.**

21.23 \$1,100,000 of the appropriation for port development assistance under Laws 2015,
 21.24 chapter 75, article 1, section 3, subdivision 2, paragraph (e), is canceled to the general fund
 21.25 on June 30, 2017.

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

21.27 **Sec. 6. APPROPRIATIONS BUDGET.**

21.28 (a) In the budget submission to the legislature under Minnesota Statutes, section 16A.11,
 21.29 for fiscal years 2020 and 2021, the commissioner of transportation, and the commissioner
 21.30 of public safety with respect to the transportation portion of the public safety budget, must
 21.31 present budget narratives and proposed appropriations for each appropriation established
 21.32 in sections 2 and 4.

22.1 (b) In the budget submission to the legislature under Minnesota Statutes, section 16A.11,
 22.2 for fiscal years 2020 and 2021, the metropolitan council must present budget narratives and
 22.3 the proposed appropriations, if any, for each of the following categories: metro mobility,
 22.4 contracted bus service, regular route bus service, light rail transit, commuter rail,
 22.5 transportation planning, and allocation to the regional administration.

22.6 **ARTICLE 2**

22.7 **TRANSPORTATION BONDS**

22.8 Section 1. **BOND APPROPRIATIONS.**

22.9 The sums shown in the column under "Appropriations" are appropriated from the bond
 22.10 proceeds account in the trunk highway fund to the state agencies or officials indicated, to
 22.11 be spent for public purposes. Appropriations of bond proceeds must be spent as authorized
 22.12 by the Minnesota Constitution, articles XI and XIV. Unless otherwise specified, money
 22.13 appropriated in this article for a capital program or project may be used to pay state agency
 22.14 staff costs that are attributed directly to the capital program or project in accordance with
 22.15 accounting policies adopted by the commissioner of management and budget.

22.16 **SUMMARY**

22.17 <u>Department of Transportation</u>	<u>\$ 940,000,000</u>
22.18 <u>Department of Management and Budget</u>	<u>940,000</u>
22.19 <u>TOTAL</u>	<u>\$ 940,940,000</u>

22.20 **APPROPRIATIONS**

22.21 **Sec. 2. DEPARTMENT OF**
 22.22 **TRANSPORTATION**

22.23 Subdivision 1. **Corridors of Commerce** **\$ 300,000,000**

22.24 This appropriation is to the commissioner of
 22.25 transportation for the corridors of commerce
 22.26 program under Minnesota Statutes, section
 22.27 161.088, and is available in amounts of:

22.28 (1) \$50,000,000 in fiscal year 2018;

22.29 (2) \$50,000,000 in fiscal year 2019;

22.30 (3) \$100,000,000 in fiscal year 2020; and

22.31 (4) \$100,000,000 in fiscal year 2021.

23.1 The commissioner may use up to 17 percent
23.2 of the amount each year for program delivery.

23.3 **Subd. 2. State Road Construction** **\$ 640,000,000**

23.4 This appropriation is to the commissioner of
23.5 transportation for construction, reconstruction,
23.6 and improvement of trunk highways, including
23.7 design-build contracts and use of consultants
23.8 to support these activities. This includes the
23.9 cost of actual payment to landowners for lands
23.10 acquired for highway rights-of-way, payment
23.11 to lessees, interest subsidies, and relocation
23.12 expenses.

23.13 This appropriation is available in the amounts
23.14 of:

23.15 (1) \$100,000,000 in fiscal year 2018;

23.16 (2) \$100,000,000 in fiscal year 2019;

23.17 (3) \$220,000,000 in fiscal year 2020; and

23.18 (4) \$220,000,000 in fiscal year 2021.

23.19 The commissioner may use up to 17 percent
23.20 of the amount each year for program delivery.

23.21 **Subd. 3. Cancellations**

23.22 The appropriations in this section cancel as
23.23 specified under Minnesota Statutes, section
23.24 16A.642, except that the commissioner of
23.25 management and budget shall count the start
23.26 of authorization for issuance of state bonds as
23.27 the first day of the fiscal year during which
23.28 the bonds are available to be issued as
23.29 specified under subdivision 1 or 2, and not as
23.30 the date of enactment of this section.

23.31 **Sec. 3. BOND SALE EXPENSES** **\$ 940,000**

24.1 This appropriation is to the commissioner of
 24.2 management and budget for bond sale
 24.3 expenses under Minnesota Statutes, sections
 24.4 16A.641, subdivision 8, and 167.50,
 24.5 subdivision 4, and is available in the amounts
 24.6 of:

24.7 (1) \$150,000 in fiscal year 2018;
 24.8 (2) \$150,000 in fiscal year 2019;
 24.9 (3) \$320,000 in fiscal year 2020; and
 24.10 (4) \$320,000 in fiscal year 2021.

24.11 **Sec. 4. BOND SALE AUTHORIZATION.**

24.12 To provide the money appropriated in this article from the bond proceeds account in the
 24.13 trunk highway fund, the commissioner of management and budget shall sell and issue bonds
 24.14 of the state in an amount up to \$940,940,000 in the manner, upon the terms, and with the
 24.15 effect prescribed by Minnesota Statutes, sections 167.50 to 167.52, and by the Minnesota
 24.16 Constitution, article XIV, section 11, at the times and in the amounts requested by the
 24.17 commissioner of transportation. The proceeds of the bonds, except accrued interest and any
 24.18 premium received from the sale of the bonds, must be deposited in the bond proceeds account
 24.19 in the trunk highway fund.

24.20 **Sec. 5. EFFECTIVE DATE.**

24.21 This article is effective July 1, 2017.

24.22 **ARTICLE 3**

24.23 **TRANSPORTATION POLICY AND FINANCE**

24.24 Section 1. Minnesota Statutes 2016, section 53C.01, subdivision 2, is amended to read:

24.25 Subd. 2. **Cash sale price.** "Cash sale price" means the price at which the seller would
 24.26 in good faith sell to the buyer, and the buyer would in good faith buy from the seller, the
 24.27 motor vehicle which is the subject matter of the retail installment contract, if such sale were
 24.28 a sale for cash, instead of a retail installment sale. The cash sale price may include any taxes,
 24.29 charges for delivery, servicing, repairing, or improving the motor vehicle, including
 24.30 accessories and their installation, and any other charges agreed upon between the parties.
 24.31 The cash price may ~~not~~ include a documentary fee or document administration fee ~~in excess~~

25.1 ~~of \$75 for services actually rendered to, for, or on behalf of, the retail buyer in preparing,~~
 25.2 ~~handling, and processing documents relating to the motor vehicle and the closing of the~~
 25.3 ~~retail sale authorized under section 168.27, subdivision 31. "Documentary fee" and "document~~
 25.4 ~~administration fee" do not include an optional electronic transfer fee as defined under~~
 25.5 ~~subdivision 14.~~

25.6 Sec. 2. Minnesota Statutes 2016, section 85.016, is amended to read:

25.7 **85.016 BICYCLE TRAIL PROGRAM.**

25.8 The commissioner of natural resources ~~shall~~ must establish a program for the development
 25.9 of bicycle trails utilizing the state trails authorized by section 85.015, other state parks and
 25.10 recreation land, and state forests. "Bicycle trail," as used in this section, has the meaning
 25.11 given in section 169.011. The program ~~shall~~ must be coordinated with the local park trail
 25.12 grant program established by the commissioner pursuant to section 85.019, with the ~~bikeway~~
 25.13 ~~program~~ state bicycle routes established by the commissioner of transportation pursuant to
 25.14 section ~~160.265~~ 160.266, and with existing and proposed local bikeways. In the metropolitan
 25.15 area as defined in section 473.121, the program ~~shall~~ must be developed in accordance with
 25.16 plans and priorities established by the Metropolitan Council. The commissioner ~~shall~~ must
 25.17 provide technical assistance to local units of government in planning and developing bicycle
 25.18 trails in local parks. The bicycle trail program ~~shall~~ must, as a minimum, describe the
 25.19 location, design, construction, maintenance, and land acquisition needs of each component
 25.20 trail and ~~shall give due consideration to the model standards for the establishment of~~
 25.21 ~~recreational vehicle lanes promulgated by the commissioner of transportation pursuant to~~
 25.22 ~~section 160.262~~. The program ~~shall~~ must be developed after consultation with the state trail
 25.23 council and regional and local units of government and bicyclist organizations.

25.24 Sec. 3. Minnesota Statutes 2016, section 117.189, is amended to read:

25.25 **117.189 PUBLIC SERVICE CORPORATION EXCEPTIONS.**

25.26 (a) Sections 117.031; 117.036; 117.055, subdivision 2, paragraph (b); 117.186; 117.187;
 25.27 117.188; and 117.52, subdivisions 1a and 4, do not apply to the use of eminent domain
 25.28 authority by public service corporations for any purpose other than construction or expansion
 25.29 of:

25.30 (1) a high-voltage transmission line of 100 kilovolts or more, or ancillary substations;

25.31 ~~or~~

26.1 (2) a natural gas, petroleum, or petroleum products pipeline, or ancillary compressor
 26.2 stations or pumping stations; or

26.3 (3) a light rail transit or bus rapid transit line.

26.4 (b) For purposes of an award of appraisal fees under section 117.085, the fees awarded
 26.5 may not exceed \$1,500 for all types of property except for a public service corporation's
 26.6 use of eminent domain for:

26.7 (1) a high-voltage transmission line, where the award may not exceed \$3,000; and

26.8 (2) a light rail transit or bus rapid transit line, where the award shall be as provided in
 26.9 section 117.085.

26.10 (c) For purposes of this section, "pipeline" does not include a natural gas distribution
 26.11 line transporting gas to an end user.

26.12 **EFFECTIVE DATE.** This section is effective retroactively from January 1, 2017.

26.13 Sec. 4. Minnesota Statutes 2016, section 160.02, is amended by adding a subdivision to
 26.14 read:

26.15 Subd. 1a. **Bikeway.** "Bikeway" means a bicycle lane, bicycle path, shared use path,
 26.16 bicycle route, or similar bicycle facility, regardless of whether designed for the exclusive
 26.17 use of bicycles or for shared use with other transportation modes.

26.18 Sec. 5. Minnesota Statutes 2016, section 160.02, subdivision 27, is amended to read:

26.19 Subd. 27. **Roadway; bicycle lane; bicycle route; bicycle path; bikeway.** The terms
 26.20 "roadway," "bicycle lane," "bicycle route," and "bicycle path;" ~~and "bikeway"~~ have the
 26.21 meanings given in section 169.011.

26.22 Sec. 6. Minnesota Statutes 2016, section 160.02, is amended by adding a subdivision to
 26.23 read:

26.24 Subd. 27a. **Shared use path.** "Shared use path" means a bicycle facility that is (1)
 26.25 physically separated from motorized vehicular traffic by an open space or barrier, (2) located
 26.26 within either the highway right-of-way or an independent right-of-way, and (3) available
 26.27 for use by other nonmotorized users.

27.1 Sec. 7. Minnesota Statutes 2016, section 160.18, is amended by adding a subdivision to
27.2 read:

27.3 Subd. 4. **Trunk highway appeal process.** (a) Notwithstanding chapter 14 and section
27.4 14.386, the commissioner must establish a concise, expedited process that allows an owner
27.5 or occupant of a property abutting a trunk highway to appeal a denial or revocation of an
27.6 access permit. The owner or occupant must initiate an appeal no later than 30 days after the
27.7 date the commissioner issues written notice of the denial or revocation of an access permit.
27.8 The process must provide the owner or occupant and Department of Transportation staff
27.9 the opportunity to present information supporting each party's respective position. The
27.10 hearing must be conducted by an administrative law judge assigned by the chief
27.11 administrative law judge. The administrative law judge must maintain a transcript of the
27.12 hearing and keep a record of all documents and data submitted at the hearing. Within 30
27.13 days of the hearing's conclusion, the administrative law judge must transmit to the
27.14 commissioner the record of the proceedings, along with a report and recommendation based
27.15 on the record made in the informal hearing. The commissioner must make a written decision
27.16 regarding the access permit.

27.17 (b) Section 15.99 does not apply to appeals under this subdivision.

27.18 Sec. 8. Minnesota Statutes 2016, section 160.262, subdivision 1, is amended to read:

27.19 Subdivision 1. ~~Model standards~~ **Bikeways; powers and duties; design guidelines.**
27.20 (a) The legislature determines that it is in the interests of the public health, safety and welfare,
27.21 to provide for the addition of bicycle and recreational vehicle lanes bikeways to proposed
27.22 and existing public highways. The commissioner of transportation shall adopt, in the manner
27.23 provided in chapter 14, model standards for the establishment of recreational vehicle lanes
27.24 on and along proposed and existing public highways. The model standards shall include
27.25 but not be limited to the following: (a) criteria for desirability of a lane in any given location,
27.26 (b) provision for maintenance of the lanes, and (c) the placement of the lanes in relation to
27.27 roads. The model standards shall govern state trunk highways. The commissioner of
27.28 transportation is authorized to plan, design, establish, and maintain bikeways on the
27.29 right-of-way of any trunk highway. The commissioner is responsible for the design and
27.30 construction of all bikeway projects within the right-of-way of any trunk highway. The
27.31 commissioner must consider the development of bikeways during the planning, design,
27.32 construction, reconstruction, or improvement of any trunk highway, or allow the
27.33 establishment of such bikeways within trunk highway right-of-way.

28.1 (b) The commissioner must maintain bikeway design guidelines consistent with the state
 28.2 transportation goals in section 174.01.

28.3 (c) The commissioner must compile and maintain a map of bikeways in the state and
 28.4 must publish and distribute the map's information at least once every two years in a form
 28.5 and manner suitable to assist persons wishing to use the bikeways.

28.6 (d) The commissioner must maintain bikeways within the limits of trunk highway
 28.7 right-of-way unless a written agreement or limited use permit provides otherwise.

28.8 Sec. 9. Minnesota Statutes 2016, section 160.262, subdivision 3, is amended to read:

28.9 Subd. 3. **Cooperation among agencies and governments.** The following departments
 28.10 and agencies ~~shall cooperate in providing on the nonmotorized transportation advisory~~
 28.11 committee identified in section 174.37 must provide information and advice for amendments
 28.12 ~~to the model standards~~ the bikeway design guidelines maintained by the commissioner of
 28.13 transportation: ~~the Departments of Agriculture, Transportation, Natural Resources,~~
 28.14 ~~Commerce, and Employment and Economic Development, and the Board of Water and Soil~~
 28.15 ~~Resources.~~ The commissioner may cooperate with and enter into agreements with the United
 28.16 States government, any department of the state of Minnesota, any unit of local government
 28.17 ~~and, any tribal government, or any public or private corporation in order to effect the purposes~~
 28.18 of this section.

28.19 Sec. 10. Minnesota Statutes 2016, section 160.262, subdivision 4, is amended to read:

28.20 Subd. 4. **Design-build bridges for nonmotorized vehicles.** For streets and highways,
 28.21 the commissioner ~~shall~~ must allow for the acceptance of performance-specification bids,
 28.22 made by the lowest responsible bidder, for constructing design-build bridges for ~~bicycle~~
 28.23 ~~paths, bicycle trails, bikeways~~ and pedestrian facilities that are:

28.24 (1) designed and used primarily for nonmotorized transportation, but may allow for
 28.25 motorized wheelchairs, golf carts, necessary maintenance vehicles and, when otherwise
 28.26 permitted by law, rule, or ordinance, snowmobiles; and

28.27 (2) located apart from any road or highway or protected by barriers, provided that a
 28.28 design-built bridge may cross over and above a road or highway.

29.1 Sec. 11. Minnesota Statutes 2016, section 160.266, is amended by adding a subdivision
29.2 to read:

29.3 Subd. 1a. **State bicycle route; definition.** For the purposes of this section, "state bicycle
29.4 route" means a linear series of one or more roads or bikeways that is designated for bicycle
29.5 travel, regardless of whether for exclusive use by bicycles or shared use with other modes
29.6 of transportation.

29.7 Sec. 12. Minnesota Statutes 2016, section 160.266, is amended by adding a subdivision
29.8 to read:

29.9 Subd. 1b. **State bicycle routes.** The commissioner of transportation must identify state
29.10 bicycle routes primarily on existing road right-of-way and trails. State bicycle routes must
29.11 be identified in cooperation with road and trail authorities, including the commissioner of
29.12 natural resources, and with the advice of the advisory committee on nonmotorized
29.13 transportation under section 174.37. In a metropolitan area, state bicycle routes must be
29.14 identified in coordination with the plans and priorities established by metropolitan planning
29.15 organizations, as defined in United States Code, title 23, section 134.

29.16 Sec. 13. Minnesota Statutes 2016, section 160.266, subdivision 3, is amended to read:

29.17 **Subd. 3. Connections with other bikeways.** (a) The commissioner, in cooperation with
29.18 road and trail authorities including the commissioner of natural resources, ~~shall~~ must:

29.19 (1) identify existing bikeways of regional significance that are in reasonable proximity
29.20 but not connected to the ~~bikeway~~ state bicycle routes established ~~in~~ under this section;
29.21 ~~including but not limited to the Lake Wobegon Trail in the counties of Stearns and Todd;~~
29.22 and

29.23 (2) support development of linkages between ~~bikeways identified under clause (1) and~~
29.24 ~~the~~ bikeway state bicycle routes established ~~in~~ under this section.

29.25 (b) The requirements of this subdivision are a secondary priority for use of funds available
29.26 under this section following establishment and enhancement of ~~the~~ bikeway state bicycle
29.27 routes ~~under subdivision 1~~ this section.

29.28 Sec. 14. Minnesota Statutes 2016, section 160.266, subdivision 4, is amended to read:

29.29 **Subd. 4. Cooperation with other entities.** The commissioner may contract and enter
29.30 into agreements with federal agencies, other state agencies, local governments, ~~and~~ tribal

30.1 governments, or private entities to establish, develop, maintain, and operate the bikeway
 30.2 state bicycle routes and to interpret associated natural and cultural resources.

30.3 Sec. 15. Minnesota Statutes 2016, section 160.266, subdivision 5, is amended to read:

30.4 Subd. 5. **Funding.** Bicycle Shared use paths included within the bikeway state bicycle
 30.5 routes and not administered by the commissioner of natural resources are eligible for funding
 30.6 from the environment and natural resources trust fund under chapter 116P, from the parks
 30.7 and trails grant program under section 85.535, from the local recreation grants program
 30.8 under section 85.019, subdivision 4b, and from other sources.

30.9 Sec. 16. Minnesota Statutes 2016, section 160.266, is amended by adding a subdivision
 30.10 to read:

30.11 Subd. 6. **Mississippi River Trail.** The Mississippi River Trail bikeway must originate
 30.12 at Itasca State Park in Clearwater, Beltrami, and Hubbard Counties, then generally parallel
 30.13 the Mississippi River through the cities of Bemidji in Beltrami County, Grand Rapids in
 30.14 Itasca County, Brainerd in Crow Wing County, Little Falls in Morrison County, Sauk Rapids
 30.15 in Benton County, St. Cloud in Stearns County, Minneapolis in Hennepin County, St. Paul
 30.16 in Ramsey County, Hastings in Dakota County, Red Wing in Goodhue County, Wabasha
 30.17 in Wabasha County, Winona in Winona County, and La Crescent in Houston County to
 30.18 Minnesota's boundary with Iowa and there terminate. Where opportunities exist, the bikeway
 30.19 may be designated on both sides of the Mississippi River.

30.20 Sec. 17. **[160.801] HIGHWAY SPONSORSHIP PROGRAM.**

30.21 Subdivision 1. **Sponsorship program.** (a) The commissioner is authorized to establish
 30.22 a program designed to encourage businesses, civic groups, or individuals to voluntarily
 30.23 assist with the improvement and maintenance of real property comprising the trunk highway
 30.24 system, including bicycle and pedestrian trails, roadside monuments, and historic sites.

30.25 (b) All support provided by volunteers or vendors must be carried out in a manner
 30.26 consistent with construction and maintenance plans approved by the commissioner after
 30.27 consultation with the volunteers.

30.28 (c) The commissioner may provide assistance to (1) enhance volunteer safety, and (2)
 30.29 facilitate the implementation and administration of the sponsorship program.

30.30 Subd. 2. **Agreements.** The commissioner may enter into volunteer agreements with
 30.31 businesses, civic groups, or individuals to support, maintain, and make improvements to

31.1 real property included in the trunk highway system. Agreements under this section are not
 31.2 subject to section 161.32.

31.3 Subd. 3. **Support activities.** (a) The volunteer support activities include but are not
 31.4 limited to:

31.5 (1) work to create, protect, and enhance pollinator habitat along highway rights-of-way;

31.6 (2) work to pick up litter along roadsides;

31.7 (3) work to install enhancements, including landscaping materials, on trunk highway
 31.8 property;

31.9 (4) financial support provided to the department for specific roadside improvements;

31.10 (5) financial support consisting of the sponsor hiring a professional landscape contractor
 31.11 to install vegetation, maintain landscape plantings, or pick up litter, or for other similar
 31.12 activities along a selected area of highway right-of-way; or

31.13 (6) installation of features that enhance the aesthetics of trunk highway property or the
 31.14 amenities available to highway users.

31.15 (b) All volunteer support activities must have prior commissioner approval.

31.16 Subd. 4. **Acknowledgment of sponsors.** The commissioner may erect signs to publicly
 31.17 recognize and express appreciation to businesses, civic groups, and individuals that provide
 31.18 volunteer funding or services under the sponsorship program.

31.19 Subd. 5. **Highway sponsorship program account; appropriation.** Funds received
 31.20 under this section must be deposited in the highway sponsorship program account, which
 31.21 is created in the special revenue fund. The account consists of funds as provided by law,
 31.22 and any other money donated, allotted, transferred, or otherwise provided to the account.
 31.23 Funds in the account are annually appropriated to the commissioner for the purpose specified
 31.24 in the volunteer agreement.

31.25 Subd. 6. **Prohibition.** The commissioner must not take action under this section that
 31.26 would result in the loss of federal highway funds or require payment of highway funds to
 31.27 the federal government.

31.28 Sec. 18. Minnesota Statutes 2016, section 161.04, subdivision 5, is amended to read:

31.29 Subd. 5. **Trunk highway emergency relief account.** (a) The trunk highway emergency
 31.30 relief account is created in the trunk highway fund. Money in the account is appropriated

32.1 to the commissioner to be used to fund relief activities related to an emergency, as defined
32.2 in section 161.32, subdivision 3, or under section 12A.16, subdivision 1.

32.3 (b) Reimbursements by the Federal Highway Administration for emergency relief
32.4 payments made from the trunk highway emergency relief account must be credited to the
32.5 account. Notwithstanding section 16A.28, money in the account is available until spent. If
32.6 the balance of the account at the end of a fiscal year is greater than \$10,000,000, the amount
32.7 above \$10,000,000 must be canceled to the trunk highway fund.

32.8 ~~(c) By September 1, 2012, and in every subsequent even-numbered year by September~~
32.9 ~~1, the commissioner shall submit a report to the chairs and ranking minority members of~~
32.10 ~~the senate and house of representatives committees having jurisdiction over transportation~~
32.11 ~~policy and finance. The report must include the balance, as well as details of payments made~~
32.12 ~~from and deposits made to the trunk highway emergency relief account since the last report.~~

32.13 Sec. 19. Minnesota Statutes 2016, section 161.081, subdivision 3, is amended to read:

32.14 Subd. 3. **Flexible highway account; turnback accounts.** (a) The flexible highway
32.15 account is created in the state treasury. Money in the account ~~shall be used~~ must be allocated
32.16 as follows:

32.17 (1) ~~in fiscal years 2009 and 2010, 100 percent of the excess sum, as calculated in~~
32.18 ~~paragraph (i), and in fiscal years 2011 and thereafter, 50~~ 16 percent of the ~~excess sum, as~~
32.19 ~~calculated in paragraph (i),~~ amount available in the flexible highway account for counties
32.20 in the metropolitan area, as defined in section 473.121, subdivision 4, ~~but for the purposes~~
32.21 ~~of the calculation cities of the first class will be excluded in the metropolitan area~~ distributed
32.22 proportionally based on the most recent estimate of county population excluding the
32.23 population of any city of the first class; and

32.24 (2) of the amount available in the flexible highway account less the amount under clause
32.25 (1), as determined by the commissioner under this section for:

32.26 (i) restoration of former trunk highways that have reverted to counties or to statutory or
32.27 home rule charter cities, or for trunk highways that will be restored and subsequently turned
32.28 back by agreement between the commissioner and the local road authority;

32.29 (ii) safety improvements on county highways, municipal highways, streets, or town
32.30 roads; and

32.31 (iii) routes of regional significance.

33.1 (b) For purposes of this subdivision, "restoration" means the level of effort required to
33.2 improve the route that will be turned back to an acceptable condition as determined by
33.3 agreement made between the commissioner and the county or city before the route is turned
33.4 back.

33.5 (c) The commissioner shall review the need for funds to restore highways that have been
33.6 or will be turned back. The commissioner shall determine, on a biennial basis, the percentage
33.7 of funds in the flexible highway account to be distributed to each district, and within each
33.8 district the percentage to be used for each of the purposes specified in paragraph (a). Money
33.9 in the account may be used for safety improvements and routes of regional significance
33.10 only after money is set aside to restore the identified turnbacks. The commissioner shall
33.11 make these determinations only after meeting and holding discussions with committees
33.12 selected by the statewide associations of both county commissioners and municipal officials.
33.13 The commissioner shall, to the extent feasible, annually allocate 50 percent of the funds in
33.14 the flexible highway account to the department's metropolitan district, and 50 percent to
33.15 districts in greater Minnesota.

33.16 (d) Money that will be used for the restoration of trunk highways that have reverted or
33.17 that will revert to cities must be deposited in the municipal turnback account, which is
33.18 created in the state treasury.

33.19 (e) Money that will be used for the restoration of trunk highways that have reverted or
33.20 that will revert to counties must be deposited in the county turnback account, which is
33.21 created in the state treasury.

33.22 (f) Money that will be used for safety improvements must be deposited in the highway
33.23 safety improvement account, which is created in the state treasury to be used as grants to
33.24 statutory or home rule charter cities, towns, and counties to assist in paying the costs of
33.25 constructing or reconstructing city streets, county highways, or town roads to reduce crashes,
33.26 deaths, injuries, and property damage.

33.27 (g) Money that will be used for routes of regional significance must be deposited in the
33.28 routes of regional significance account, which is created in the state treasury, and used as
33.29 grants to statutory or home rule charter cities, towns, and counties to assist in paying the
33.30 costs of constructing or reconstructing city streets, county highways, or town roads with
33.31 statewide or regional significance that have not been fully funded through other state, federal,
33.32 or local funding sources.

33.33 (h) As part of each biennial budget submission to the legislature, the commissioner ~~shall~~
33.34 must: (1) describe how the money in the flexible highway account will be apportioned

34.1 among the county turnback account, the municipal turnback account, the trunk highway
 34.2 fund for routes turned back to local governments by agreement, the highway safety
 34.3 improvement account, and the routes of regional significance account; and (2) specify the
 34.4 turnback projects likely to be funded with the amounts available in the county turnback
 34.5 account and municipal turnback account, and provide the cost associated with each project.

34.6 ~~(i) The excess sum is calculated as the sum of revenue within the flexible highway~~
 34.7 ~~account:~~

34.8 ~~(1) attributed to that portion of the gasoline excise tax rate under section 296A.07,~~
 34.9 ~~subdivision 3, in excess of 20 cents per gallon, and to that portion of the excise tax rates in~~
 34.10 ~~excess of the energy equivalent of a gasoline excise tax rate of 20 cents per gallon for E85~~
 34.11 ~~and M85 under section 296A.07, subdivision 3, and special fuel under section 296A.08,~~
 34.12 ~~subdivision 2;~~

34.13 ~~(2) attributed to a change in the passenger vehicle registration tax under section 168.013,~~
 34.14 ~~imposed on or after July 1, 2008, that exceeds (i) the amount collected in fiscal year 2008,~~
 34.15 ~~multiplied by (ii) the annual average United States Consumer Price Index for the calendar~~
 34.16 ~~year previous to the current calendar year, divided by the annual average United States~~
 34.17 ~~Consumer Price Index for calendar year 2007; and~~

34.18 ~~(3) attributed to that portion of the motor vehicle sales tax revenue in excess of the~~
 34.19 ~~percentage allocated to the flexible highway account in fiscal year 2007.~~

34.20 ~~(j) For purposes of this subdivision, the United States Consumer Price Index identified~~
 34.21 ~~in paragraph (i), clause (2), is for all urban consumers, United States city average, as~~
 34.22 ~~determined by the United States Department of Labor.~~

34.23 Sec. 20. Minnesota Statutes 2016, section 161.088, subdivision 4, is amended to read:

34.24 Subd. 4. **Project eligibility.** (a) ~~The commissioner shall establish~~ eligibility requirements
 34.25 for projects that can be funded under the program. ~~Eligibility must include~~ are:

34.26 (1) consistency with the statewide multimodal transportation plan under section 174.03;

34.27 (2) location of the project on an interregional corridor, for a project located outside of
 34.28 the Department of Transportation metropolitan district;

34.29 (3) placement into at least one project classification under subdivision 3;

34.30 (4) ~~a maximum~~ project construction work will commence within three years, or a longer
 34.31 length of time, as determined by the commissioner, until commencement of construction
 34.32 work on the project; and

35.1 (5) for each type of project classification under subdivision 3, a maximum allowable
 35.2 amount for the total project cost estimate, as determined by the commissioner with available
 35.3 data.

35.4 (b) A project whose construction is programmed in the state transportation improvement
 35.5 program is not eligible for funding under the program. This paragraph does not apply to a
 35.6 project that is programmed as result of selection under this section.

35.7 (c) A project may be, but is not required to be, identified in the 20-year state highway
 35.8 ~~capital~~ investment plan under section 174.03.

35.9 (d) For each project, the commissioner must consider all of the eligibility requirements
 35.10 under paragraph (a). The commissioner is prohibited from considering any eligibility
 35.11 requirement not specified under paragraph (a).

35.12 Sec. 21. Minnesota Statutes 2016, section 161.088, subdivision 5, is amended to read:

35.13 **Subd. 5. Project selection process; criteria.** (a) The commissioner ~~shall~~ must establish
 35.14 a process ~~for identification, evaluation, and selection of~~ to identify, evaluate, and select
 35.15 projects under the program. The process must be consistent with the requirements of this
 35.16 subdivision and must not include any additional evaluation criteria.

35.17 (b) As part of the project selection process, the commissioner ~~shall~~ must annually accept
 35.18 recommendations on candidate projects from area transportation partnerships and other
 35.19 interested stakeholders in each Department of Transportation district. The commissioner
 35.20 must determine the eligibility for each candidate project identified under this paragraph;
 35.21 ~~the commissioner shall determine eligibility, classify, and if appropriate, evaluate the project~~
 35.22 ~~for the program.~~ For each eligible project, the commissioner must classify and evaluate the
 35.23 project for the program, using all of the criteria established under paragraph (c).

35.24 (c) ~~Project evaluation and prioritization must be performed on the basis of objective~~
 35.25 ~~criteria, which must include~~ Projects must be evaluated using all of the following criteria:

35.26 (1) a return on investment measure that provides for comparison across eligible projects;

35.27 (2) measurable impacts on commerce and economic competitiveness;

35.28 (3) efficiency in the movement of freight, including but not limited to:

35.29 (i) measures of annual average daily traffic and commercial vehicle miles traveled, which
 35.30 may include data near the project location on that trunk highway or on connecting trunk
 35.31 and local highways; and

36.1 (ii) measures of congestion or travel time reliability, which may be within or near the
36.2 project limits, or both;

36.3 (4) improvements to traffic safety;

36.4 (5) connections to regional trade centers, local highway systems, and other transportation
36.5 modes;

36.6 (6) the extent to which the project addresses multiple transportation system policy
36.7 objectives and principles; ~~and~~

36.8 (7) support and consensus for the project among members of the surrounding community;
36.9 and

36.10 (8) regional balance throughout the state.

36.11 (d) The list of all projects evaluated must be made public and must include the score of
36.12 each project.

36.13 (e) As part of the project selection process, the commissioner may divide funding to be
36.14 separately available among projects within each classification under subdivision 3, and may
36.15 apply separate or modified criteria among those projects falling within each classification.

36.16 Sec. 22. Minnesota Statutes 2016, section 161.088, subdivision 7, is amended to read:

36.17 Subd. 7. **Legislative report; evaluation.** (a) ~~Starting in 2014,~~ Annually by November
36.18 1, the commissioner ~~shall~~ must electronically submit a report on the corridors of commerce
36.19 program to the chairs and ranking minority members of the legislative committees with
36.20 jurisdiction over transportation policy and finance. At a minimum, the report must include:

36.21 (1) a summary of the program, including a review of ~~the~~:

36.22 (i) project selection process details that address program design and implementation,
36.23 decision-making procedures, and eligibility ~~and criteria,~~ evaluation;

36.24 (ii) criteria measurement methodologies and criteria weighting used in project selection;
36.25 and

36.26 (iii) the policy that provides the weight given each criterion;

36.27 (2) a summary of program finance, including funds expended in the previous selection
36.28 cycle, any future operating costs assigned under subdivision 6, and total funds expended
36.29 since program inception;

36.30 ~~(2)~~ (3) a listing list of projects funded under the program in the previous selection cycle,
36.31 including:

- 37.1 (i) project classification;
- 37.2 (ii) a breakdown of project costs and funding sources; and
- 37.3 (iii) ~~any future operating costs assigned under subdivision 6; and~~
- 37.4 ~~(iv)~~ a brief project description that is comprehensible to a lay audience;
- 37.5 ~~(3)~~ (4) a listing comprehensive list of evaluated projects and candidate project
- 37.6 recommendations as required under subdivision 5, paragraph (b), including that identifies
- 37.7 for each project: eligibility, classification, evaluation results for each criterion, score, and
- 37.8 disposition in the selection process; and
- 37.9 ~~(4)~~ (5) any recommendations for changes to statutory requirements of the program.
- 37.10 (b) ~~Starting in 2016, and~~ In every even-numbered year thereafter, the commissioner
- 37.11 ~~shall~~ must incorporate into the report the results of an independent evaluation of impacts
- 37.12 and effectiveness of the program. The evaluation must be performed by agency staff or a
- 37.13 consultant. The individual or individuals performing the evaluation must have experience
- 37.14 in program evaluation, but must not be regularly involved in the program's implementation.
- 37.15 (c) Notwithstanding paragraph (a), a report is not required in a year in which:
- 37.16 (1) no project selection was completed during the preceding 12 months; and
- 37.17 (2) an evaluation under paragraph (b) is not due.

37.18 Sec. 23. Minnesota Statutes 2016, section 161.115, subdivision 190, is amended to read:

37.19 Subd. 190. **Route No. 259.** Beginning at a point on Statutory Route No. 100, at or near

37.20 Henderson; thence extending in a general southeasterly direction to a point ~~on Statutory~~

37.21 ~~Route No. 123~~, at or near Le Sueur.

37.22 **EFFECTIVE DATE.** This section is effective the day after the commissioner of

37.23 transportation receives a copy of the agreement between the commissioner of transportation

37.24 and the governing body of Le Sueur County to transfer jurisdiction of Legislative Route

37.25 No. 123 and after the commissioner notifies the revisor of statutes under section 141,

37.26 paragraph (b).

37.27 Sec. 24. Minnesota Statutes 2016, section 161.14, is amended by adding a subdivision to

37.28 read:

37.29 Subd. 86. **Senator Jim Metzen Memorial Highway.** That segment of marked U.S.

37.30 Highway 52 located within Dakota County is designated as "Senator Jim Metzen Memorial

38.1 Highway." Notwithstanding section 161.139, the commissioner shall adopt a suitable design
 38.2 to mark this highway and erect appropriate signs.

38.3 Sec. 25. Minnesota Statutes 2016, section 161.21, subdivision 1, is amended to read:

38.4 Subdivision 1. **Location and design of highways.** The commissioner may make or
 38.5 cause to be made such studies and investigations as the commissioner deems necessary for
 38.6 the purpose of determining the most advantageous location and design of trunk highways
 38.7 from the standpoint of both present and future traffic needs, and in making such
 38.8 determinations the commissioner may take into consideration the probable future
 38.9 development of both urban and rural areas and the effect of such development on future
 38.10 traffic needs as indicated by such studies and investigations and the location and design
 38.11 with respect to ~~recreational vehicle lane~~ bikeway establishment.

38.12 Sec. 26. Minnesota Statutes 2016, section 161.321, subdivision 6, is amended to read:

38.13 Subd. 6. **Rules; eligibility.** ~~(a)~~ The rules adopted by the commissioner of administration
 38.14 to define small businesses and to set time and other eligibility requirements for participation
 38.15 in programs under sections 16C.16 to 16C.19 apply to this section. The commissioner may
 38.16 promulgate other rules necessary to carry out this section.

38.17 ~~(b) In addition to other eligibility requirements, a small targeted group business or~~
 38.18 ~~veteran-owned small business is eligible for the bid preferences under this section only for~~
 38.19 ~~eight years following the latest of:~~

38.20 ~~(1) May 1, 2012;~~

38.21 ~~(2) for a targeted group business, the date of initial certification by the commissioner of~~
 38.22 ~~administration, as provided under section 16C.19;~~

38.23 ~~(3) for a veteran-owned small business, the date of initial certification by the United~~
 38.24 ~~States Department of Veterans Affairs, as provided under section 16C.19, paragraph (d);~~
 38.25 ~~or~~

38.26 ~~(4) for a veteran-owned small business, the release or discharge of any one of the owners~~
 38.27 ~~from military active service, as defined in section 190.05, subdivision 5, lasting for a period~~
 38.28 ~~of 179 days or longer.~~

39.1 Sec. 27. Minnesota Statutes 2016, section 161.38, is amended by adding a subdivision to
39.2 read:

39.3 Subd. 8. **Spending on trunk highway system.** The commissioner must maintain
39.4 information on expenditures by local road authorities from local funding sources for trunk
39.5 highway system projects.

39.6 Sec. 28. Minnesota Statutes 2016, section 161.44, subdivision 5, is amended to read:

39.7 Subd. 5. **Conveyance to highest bidder in certain cases.** If the larger tract has been
39.8 platted into lots or divided into smaller tracts and the commissioner elects to proceed under
39.9 this subdivision, ~~or if~~ the lands constituted an entire tract and the person from whom the
39.10 lands were acquired and the person's spouse are deceased, or ~~if~~ the offers as provided for
39.11 are not accepted and the amount of money not tendered within the time prescribed, the lands
39.12 may be sold and conveyed to the owner of the land abutting upon the lands in the same
39.13 manner and under the same terms provided under subdivision 2, or the commissioner may
39.14 sell the lands to the highest responsible bidder upon three weeks' published notice of such
39.15 sale in a newspaper or other periodical of general circulation in the general area where the
39.16 lands are located. All bids may be rejected and new bids received upon like advertisement.

39.17 Sec. 29. Minnesota Statutes 2016, section 161.44, subdivision 6a, is amended to read:

39.18 Subd. 6a. **Services of licensed real estate broker.** If the lands ~~remain unsold after being~~
39.19 ~~offered for sale to the highest bidder~~ are withdrawn from sale under subdivision 6b, the
39.20 commissioner may retain the services of a licensed real estate broker to find a buyer. The
39.21 sale price may be negotiated by the broker, but must not be less than 90 percent of the
39.22 appraised market value as determined by the commissioner. The broker's fee must be
39.23 established by prior agreement between the commissioner and the broker, and must not
39.24 exceed ten percent of the sale price for sales of \$10,000 or more. The broker's fee must be
39.25 paid to the broker from the proceeds of the sale.

39.26 Sec. 30. Minnesota Statutes 2016, section 161.44, is amended by adding a subdivision to
39.27 read:

39.28 Subd. 6b. **Unsold lands.** If lands remain unsold after being offered for sale to the highest
39.29 bidder, the commissioner may offer the remaining lands to any person who agrees to pay
39.30 the minimum bid established for the public sale. The sale must continue until all eligible
39.31 lands have been sold or the commissioner withdraws the remaining lands from sale. The
39.32 lands to be sold must be listed on the department's Unsold Property Inventory list.

40.1 Sec. 31. Minnesota Statutes 2016, section 168.013, subdivision 1a, is amended to read:

40.2 Subd. 1a. **Passenger automobile; hearse.** (a) On passenger automobiles as defined in
40.3 section 168.002, subdivision 24, and hearses, except as otherwise provided, the tax ~~shall be~~
40.4 is \$10 plus an additional tax equal to 1.25 percent of the base value.

40.5 (b) Subject to the classification provisions herein, "base value" means the manufacturer's
40.6 suggested retail price of the vehicle including destination charge using list price information
40.7 published by the manufacturer or determined by the registrar if no suggested retail price
40.8 exists, and shall not include the cost of each accessory or item of optional equipment
40.9 separately added to the vehicle and the suggested retail price.

40.10 (c) If the manufacturer's list price information contains a single vehicle identification
40.11 number followed by various descriptions and suggested retail prices, the registrar shall
40.12 select from those listings only the lowest price for determining base value.

40.13 (d) If unable to determine the base value because the vehicle is specially constructed,
40.14 or for any other reason, the registrar may establish such value upon the cost price to the
40.15 purchaser or owner as evidenced by a certificate of cost but not including Minnesota sales
40.16 or use tax or any local sales or other local tax.

40.17 (e) The registrar shall classify every vehicle in its proper base value class as follows:

40.18	FROM	TO
40.19	\$ 0	\$ 199.99
40.20	\$ 200	\$ 399.99

40.21 and thereafter a series of classes successively set in brackets having a spread of \$200
40.22 consisting of such number of classes as will permit classification of all vehicles.

40.23 (f) The base value for purposes of this section shall be the middle point between the
40.24 extremes of its class.

40.25 (g) The registrar shall establish the base value, when new, of every passenger automobile
40.26 and hearse registered prior to the effective date of Extra Session Laws 1971, chapter 31,
40.27 using list price information published by the manufacturer or any nationally recognized
40.28 firm or association compiling such data for the automotive industry. If unable to ascertain
40.29 the base value of any registered vehicle in the foregoing manner, the registrar may use any
40.30 other available source or method. The registrar shall calculate tax using base value
40.31 information available to dealers and deputy registrars at the time the application for
40.32 registration is submitted. The tax on all previously registered vehicles shall be computed

41.1 upon the base value thus determined taking into account the depreciation provisions of
41.2 paragraph (h).

41.3 (h) The annual additional tax must be computed upon a percentage of the base value as
41.4 follows: during the first year of vehicle life, upon 100 percent of the base value; for the
41.5 second year, 90 percent of such value; for the third year, 80 percent of such value; for the
41.6 fourth year, 70 percent of such value; for the fifth year, 60 percent of such value; for the
41.7 sixth year, 50 percent of such value; for the seventh year, 40 percent of such value; for the
41.8 eighth year, 30 percent of such value; for the ninth year, 20 percent of such value; for the
41.9 tenth year, ten percent of such value; for the 11th and each succeeding year, the sum of \$25.

41.10 (i) In no event shall the annual additional tax be less than \$25.

41.11 (j) For any vehicle previously registered in Minnesota and regardless of prior ownership,
41.12 the annual additional tax total amount due under this subdivision and subdivision 1m must
41.13 not exceed the smallest total amount of annual additional tax previously paid or due on the
41.14 vehicle.

41.15 **EFFECTIVE DATE.** This section is effective the day following final enactment, and
41.16 applies to taxes payable for a registration period starting on or after January 1, 2018.

41.17 Sec. 32. Minnesota Statutes 2016, section 168.013, is amended by adding a subdivision
41.18 to read:

41.19 Subd. 1m. **Electric vehicle.** In addition to the tax under subdivision 1a, a surcharge of
41.20 \$75 is imposed for an all-electric vehicle, as defined in section 169.011, subdivision 1a.
41.21 Notwithstanding subdivision 8, revenue from the fee imposed under this subdivision must
41.22 be deposited in the highway user tax distribution fund.

41.23 **EFFECTIVE DATE.** This section is effective the day following final enactment, and
41.24 applies to a registration period starting on or after January 1, 2018.

41.25 Sec. 33. Minnesota Statutes 2016, section 168.021, subdivision 1, is amended to read:

41.26 Subdivision 1. **Disability plates; application.** (a) When a motor vehicle registered under
41.27 section 168.017, a motorcycle, a motorized bicycle, a one-ton pickup truck, or a self-propelled
41.28 recreational vehicle is owned or primarily operated by a permanently physically disabled
41.29 person or a custodial parent or guardian of a permanently physically disabled ~~minor~~ person,
41.30 the owner may apply for and secure from the commissioner (1) immediately, a temporary
41.31 permit valid for 30 days if the applicant is eligible for the disability plates issued under this
41.32 section and (2) two disability plates with attached emblems, one plate to be attached to the

42.1 front, and one to the rear of the motor vehicle, truck, or recreational vehicle, or, in the case
42.2 of a motorcycle or a motorized bicycle, one disability plate the same size as a regular
42.3 motorcycle plate.

42.4 (b) The commissioner shall not issue more than one plate to the owner of a motorcycle
42.5 or a motorized bicycle and not more than one set of plates to any owner of another vehicle
42.6 described in paragraph (a) at the same time unless the state Council on Disability approves
42.7 the issuance of a second plate or set of plates to an owner.

42.8 (c) When the owner first applies for the disability plate or plates, the owner must submit
42.9 a medical statement in a format approved by the commissioner under section 169.345, or
42.10 proof of physical disability provided for in that section.

42.11 (d) No medical statement or proof of disability is required when an owner applies for a
42.12 plate or plates for one or more vehicles listed in paragraph (a) that are specially modified
42.13 for and used exclusively by permanently physically disabled persons.

42.14 (e) The owner of a vehicle listed in paragraph (a) may apply for and secure (i)
42.15 immediately, a permit valid for 30 days, if the applicant is eligible to receive the disability
42.16 plate or plates issued under this section, and (ii) a disability plate or plates for the vehicle
42.17 if:

42.18 (1) the owner employs a permanently physically disabled person who would qualify for
42.19 the disability plate or plates under this section; and

42.20 (2) the owner furnishes the motor vehicle to the physically disabled person for the
42.21 exclusive use of that person in the course of employment.

42.22 **EFFECTIVE DATE.** This section is effective January 1, 2018.

42.23 Sec. 34. Minnesota Statutes 2016, section 168.021, subdivision 2, is amended to read:

42.24 Subd. 2. **Plate design; furnished by commissioner.** The commissioner shall design
42.25 and furnish two disability plates, or one disability plate for a motorcycle or a motorized
42.26 bicycle that is the same size as a regular motorcycle plate, with attached emblem or emblems
42.27 to an eligible owner. The emblem must bear the internationally accepted wheelchair symbol,
42.28 as designated in section 326B.106, subdivision 9, approximately three inches square. The
42.29 emblem must be large enough to be visible plainly from a distance of 50 feet. An applicant
42.30 eligible for a disability plate or plates shall pay the motor vehicle registration fee authorized
42.31 by sections 168.013 and 168.09.

42.32 **EFFECTIVE DATE.** This section is effective January 1, 2018.

43.1 Sec. 35. Minnesota Statutes 2016, section 168.021, subdivision 2a, is amended to read:

43.2 Subd. 2a. **Plate transfer.** (a) When ownership of a vehicle described in subdivision 1,
43.3 is transferred, the owner of the vehicle shall remove the disability plate or plates. The buyer
43.4 of the motor vehicle is entitled to receive a regular plate or plates for the vehicle without
43.5 further cost for the remainder of the registration period.

43.6 (b) Notwithstanding section 168.12, subdivision 1, the disability plate or plates may be
43.7 transferred to a replacement vehicle on notification to the commissioner. However, the
43.8 disability plate or plates may not be transferred unless the replacement vehicle (1) is listed
43.9 under section 168.012, subdivision 1, and, in case of a single plate for a motorcycle or a
43.10 motorized bicycle, the replacement vehicle is a motorcycle or a motorized bicycle, and (2)
43.11 is owned or primarily operated by the permanently physically disabled person.

43.12 **EFFECTIVE DATE.** This section is effective January 1, 2018.

43.13 Sec. 36. **[168.1256] RETIRED LAW ENFORCEMENT SPECIAL PLATES.**

43.14 **Subdivision 1. Issuance of plates.** The commissioner shall issue retired law enforcement
43.15 license special plates or a single motorcycle plate to an applicant who:

43.16 (1) is a registered owner of a passenger automobile, noncommercial one-ton pickup
43.17 truck, motorcycle, or recreational vehicle;

43.18 (2) is a retired peace officer as defined in section 626.84, subdivision 1, paragraph (c)
43.19 or (d);

43.20 (3) provides a letter from the chief law enforcement officer affirming that the applicant
43.21 is a retired peace officer who served ten or more years and separated in good standing;

43.22 (4) pays a fee of \$10 for each set of plates, along with any other fees required by this
43.23 chapter;

43.24 (5) pays the registration tax as required under section 168.013; and

43.25 (6) complies with this chapter and rules governing registration of motor vehicles and
43.26 licensing of drivers.

43.27 **Subd. 2. Design.** The commissioner shall design an emblem and inscription for the
43.28 special plates, in consultation with interested law enforcement agencies and organizations.

43.29 **Subd. 3. Plates transfer.** On application to the commissioner and payment of a transfer
43.30 fee of \$5, special plates issued under this section may be transferred to another motor vehicle
43.31 if the subsequent vehicle is:

44.1 (1) qualified under subdivision 1, clause (1), to bear the special plates; and
44.2 (2) registered to the same individual to whom the special plates were originally issued.

44.3 Subd. 4. **Exemption.** Special plates issued under this section are not subject to section
44.4 168.1293, subdivision 2.

44.5 **EFFECTIVE DATE.** This section is effective January 1, 2018, for special retired law
44.6 enforcement plates issued on or after that date.

44.7 Sec. 37. **[168.1294] "START SEEING MOTORCYCLES" SPECIAL PLATES.**

44.8 Subdivision 1. **Issuance of plates.** The commissioner must issue "Start Seeing
44.9 Motorcycles" special license plates or a single motorcycle plate to an applicant who:

44.10 (1) is a registered owner of a passenger automobile, noncommercial one-ton pickup
44.11 truck, motorcycle, or recreational vehicle;

44.12 (2) pays a fee of \$10 for each set of plates;

44.13 (3) pays the registration tax as required under section 168.013, along with any other fees
44.14 required by this chapter;

44.15 (4) contributes a minimum of \$10 annually to the motorcycle safety fund, created under
44.16 section 171.06, subdivision 2a, paragraph (a), clause (1); and

44.17 (5) complies with this chapter and rules governing registration of motor vehicles and
44.18 licensing of drivers.

44.19 Subd. 2. **Design.** The representatives of American Bikers for Awareness, Training, and
44.20 Education of Minnesota must design the special plate to contain the inscription "Start Seeing
44.21 Motorcycles" between the bolt holes on the bottom of the plate with a design area on the
44.22 left side of the plate, subject to the approval of the commissioner.

44.23 Subd. 3. **Plates transfer.** On application to the commissioner and payment of a transfer
44.24 fee of \$5, special plates issued under this section may be transferred to another motor vehicle
44.25 if the subsequent vehicle is:

44.26 (1) qualified under subdivision 1, clause (1), to bear the special plates; and

44.27 (2) registered to the same individual to whom the special plates were originally issued.

44.28 Subd. 4. **Exemption.** Special plates issued under this section are not subject to section
44.29 168.1293, subdivision 2.

45.1 Subd. 5. Fees. Fees collected under subdivision 1, clause (2), and subdivision 3 are
45.2 credited to the vehicle services operating account in the special revenue fund.

45.3 Subd. 6. No refund. Contributions under this section must not be refunded.

45.4 EFFECTIVE DATE. This section is effective January 1, 2018, for special "Start Seeing
45.5 Motorcycles" plates issued on or after that date.

45.6 Sec. 38. Minnesota Statutes 2016, section 168.27, is amended by adding a subdivision to
45.7 read:

45.8 Subd. 31. Documentary fee. (a) A motor vehicle dealer may not charge a documentary
45.9 fee or document administration fee in excess of the amounts provided under paragraph (b)
45.10 for services actually rendered to, for, or on behalf of the retail buyer or lessee to prepare,
45.11 handle, and process documents for the closing of a motor vehicle retail sale or lease. The
45.12 fee must be separately stated on the sales agreement maintained under Minnesota Rules,
45.13 part 7400.5200, and may be excluded from the dealer's advertised price.

45.14 (b) For motor vehicle sales or leases made on or after July 1, 2017, through June 30,
45.15 2020, the maximum fee is \$100. For motor vehicle sales or leases made on or after July 1,
45.16 2020, the maximum fee is \$125.

45.17 (c) "Documentary fee" and "document administration fee" do not include an optional
45.18 electronic transfer fee as defined under section 53C.01, subdivision 14.

45.19 Sec. 39. Minnesota Statutes 2016, section 168.33, subdivision 2, is amended to read:

45.20 Subd. 2. Deputy registrars. (a) The commissioner may appoint, and for cause
45.21 discontinue, a deputy registrar for any statutory or home rule charter city as the public
45.22 interest and convenience may require, without regard to whether the county auditor of the
45.23 county in which the city is situated has been appointed as the deputy registrar for the county
45.24 or has been discontinued as the deputy registrar for the county, and without regard to whether
45.25 the county in which the city is situated has established a county license bureau that issues
45.26 motor vehicle licenses as provided in section 373.32.

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

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

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

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

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

46.15 (g) A corporation governed by chapter 302A or 317A may be appointed a deputy registrar.
46.16 Upon application by an individual serving as a deputy registrar and the giving of the requisite
46.17 bond as provided in this subdivision, personally assured by the individual or another
46.18 individual approved by the commissioner, a corporation named in an application then
46.19 becomes the duly appointed and qualified successor to the deputy registrar.

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

46.23 (i) The deputy registrar shall keep records and make reports to the commissioner as the
46.24 commissioner requires. The records must be maintained at the offices of the deputy registrar:
46.25 in a manner that complies with sections 13.05, subdivision 5, and 13.055. As an alternative
46.26 to paper copy storage, a deputy registrar may retain records and documents in a secure
46.27 electronic medium that complies with the security requirements under the United States
46.28 Federal Bureau of Investigation, Criminal Justice Information Services Division, Policy 5.4
46.29 or any successor policy, provided 60 days have elapsed since the transaction and subject to
46.30 standards established by the commissioner. The deputy registrar is responsible for all costs
46.31 associated with the conversion to electronic records and maintenance of the electronic
46.32 storage medium, including the destruction of existing paper records after conversion to the
46.33 electronic format. All queries and responses in the secure electronic medium, and all actions
46.34 in which data are entered, updated, accessed, or shared or disseminated by the deputy

47.1 registrar must be contained in a data audit trail. Data contained in the audit trail are public
 47.2 to the extent the data are not otherwise classified under this section. The records and offices
 47.3 of the deputy registrar must at all times be open to the inspection of the commissioner or
 47.4 the commissioner's agents. The deputy registrar shall report to the commissioner by the
 47.5 next working day following receipt all registrations made and taxes and fees collected by
 47.6 the deputy registrar.

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

47.16 Sec. 40. Minnesota Statutes 2016, section 168A.09, subdivision 1, is amended to read:

47.17 Subdivision 1. **Application, issuance, form, bond, and notice.** (a) In the event a
 47.18 certificate of title is lost, stolen, mutilated, ~~or~~ destroyed, or becomes illegible, the owner or
 47.19 legal representative of the owner named in the certificate may ~~make~~ submit an application
 47.20 to the department or a deputy registrar for a duplicate in a format prescribed by the
 47.21 department. The department ~~shall~~ or deputy registrar must issue a duplicate certificate of
 47.22 title if satisfied that the applicant is entitled ~~thereto~~ to the duplicate certificate of title. The
 47.23 duplicate certificate of title ~~shall~~ must be plainly marked as a duplicate and mailed or
 47.24 delivered to the owner. The department ~~shall~~ or deputy registrar must indicate in ~~its~~ the
 47.25 driver and vehicle information system records that a duplicate certificate of title has been
 47.26 issued. As a condition to issuing a duplicate certificate of title, the department may require
 47.27 a bond from the applicant in the manner and format prescribed in section 168A.07,
 47.28 subdivision 1, clause (2). The duplicate certificate of title ~~shall~~ must contain the legend:
 47.29 "This duplicate certificate of title may be subject to the rights of a person under the original
 47.30 certificate."

47.31 (b) On and after the effective date of this section, the commissioner must allow duplicate
 47.32 certificate of title issuance by a deputy registrar, subject to procedures established by the
 47.33 commissioner.

47.34 **EFFECTIVE DATE.** This section is effective August 1, 2018.

48.1 Sec. 41. **[168A.125] TRANSFER-ON-DEATH TITLE TO MOTOR VEHICLE.**

48.2 **Subdivision 1. Titled as transfer-on-death.** A natural person who is the owner of a
48.3 motor vehicle may have the motor vehicle titled in transfer-on-death or TOD form by
48.4 including in the application for the certificate of title a designation of a beneficiary or
48.5 beneficiaries to whom the motor vehicle must be transferred on death of the owner or the
48.6 last survivor of joint owners with rights of survivorship, subject to the rights of secured
48.7 parties.

48.8 **Subd. 2. Designation of beneficiary.** A motor vehicle is registered in transfer-on-death
48.9 form by designating on the certificate of title the name of the owner and the names of joint
48.10 owners with identification of rights of survivorship, followed by the words "transfer-on-death
48.11 to (name of beneficiary or beneficiaries)." The designation "TOD" may be used instead of
48.12 "transfer-on-death." A title in transfer-on-death form is not required to be supported by
48.13 consideration, and the certificate of title in which the designation is made is not required to
48.14 be delivered to the beneficiary or beneficiaries in order for the designation to be effective.
48.15 If the owner of the motor vehicle is married at the time of the designation, the designation
48.16 of a beneficiary other than the owner's spouse requires the spouse's written consent.

48.17 **Subd. 3. Interest of beneficiary.** The transfer-on-death beneficiary or beneficiaries have
48.18 no interest in the motor vehicle until the death of the owner or the last survivor of joint
48.19 owners with rights of survivorship. A beneficiary designation may be changed at any time
48.20 by the owner or by all joint owners with rights of survivorship, without the consent of the
48.21 beneficiary or beneficiaries, by filing an application for a new certificate of title.

48.22 **Subd. 4. Vesting of ownership in beneficiary.** Ownership of a motor vehicle titled in
48.23 transfer-on-death form vests in the designated beneficiary or beneficiaries on the death of
48.24 the owner or the last of the joint owners with rights of survivorship, subject to the rights of
48.25 secured parties. The transfer-on-death beneficiary or beneficiaries who survive the owner
48.26 may apply for a new certificate of title to the motor vehicle upon submitting a certified death
48.27 record of the owner of the motor vehicle. If no transfer-on-death beneficiary or beneficiaries
48.28 survive the owner of a motor vehicle, the motor vehicle must be included in the probate
48.29 estate of the deceased owner. A transfer of a motor vehicle to a transfer-on-death beneficiary
48.30 or beneficiaries is not a testamentary transfer.

48.31 **Subd. 5. Rights of creditors.** (a) This section does not limit the rights of any secured
48.32 party or creditor of the owner of a motor vehicle against a transfer-on-death beneficiary or
48.33 beneficiaries.

49.1 (b) The state or a county agency with a claim or lien authorized by section 246.53,
 49.2 256B.15, 261.04, or 270C.63 is a creditor for purposes of this subdivision. A claim authorized
 49.3 by section 256B.15 against the estate of an owner of a motor vehicle titled in
 49.4 transfer-on-death form voids any transfer-on-death conveyance of a motor vehicle as
 49.5 described in this section. A claim or lien under section 246.53, 261.04, or 270C.63 continues
 49.6 to apply against the designated beneficiary or beneficiaries after the transfer under this
 49.7 section if other assets of the deceased owner's estate are insufficient to pay the amount of
 49.8 the claim. The claim or lien continues to apply to the motor vehicle until the designated
 49.9 beneficiary sells or transfers it to a person against whom the claim or lien does not apply
 49.10 and who did not have actual notice or knowledge of the claim or lien.

49.11 Sec. 42. Minnesota Statutes 2016, section 168A.141, is amended to read:

49.12 **168A.141 MANUFACTURED HOME AFFIXED TO REAL PROPERTY.**

49.13 Subdivision 1. **Certificates surrendered for cancellation.** (a) When a manufactured
 49.14 home is to be affixed or is affixed, as defined in section 273.125, subdivision 8, paragraph
 49.15 (b), to real property, and ~~financed by the giving of a mortgage on the real property,~~ the
 49.16 owner of the manufactured home shall ~~shall~~ may surrender the manufacturer's certificate of origin
 49.17 or certificate of title to the department for cancellation. ~~The owner of so that~~ the manufactured
 49.18 home shall ~~give the department the address and legal description of the~~ becomes an
 49.19 improvement to real property. ~~The department may require the filing of other information~~
 49.20 and is no longer titled as personal property. The department must not issue a certificate of
 49.21 title for a manufactured home under chapter 168A if the manufacturer's certificate of origin
 49.22 is or has been surrendered under this subdivision, except as provided in section 168A.142.
 49.23 Upon surrender of the manufacturer's certificate of origin or the certificate of title, the
 49.24 department shall ~~shall~~ must issue notice of surrender to the owner, and upon recording an affidavit
 49.25 of affixation, which the county recorder or registrar of titles, as applicable, must accept, the
 49.26 manufactured home is deemed to be an improvement to real property. ~~The notice of surrender~~
 49.27 ~~may be recorded in the office of the county recorder or with the registrar of titles if the land~~
 49.28 ~~is registered but need not contain an acknowledgment.~~ An affidavit of affixation by the
 49.29 owner of the manufactured home must include the following information:

49.30 (1) the name, residence address, and mailing address of owner or owners of the
 49.31 manufactured home;

49.32 (2) the legal description of the real property in which the manufactured home is, or will
 49.33 be, located;

50.1 (3) a copy of the surrendered manufacturer's certificate of origin or certificate of title
50.2 and the notice of surrender;

50.3 (4) a written statement from the county auditor or county treasurer of the county where
50.4 the manufactured home is located stating that all property taxes payable in the current year,
50.5 as provided under section 273.125, subdivision 8, paragraph (b), have been paid, or are not
50.6 applicable;

50.7 (5) the name and address of the person designated by the applicant to record the original
50.8 affidavit of affixation with the county recorder or registrar of titles for the county where the
50.9 real property is located; and

50.10 (6) the signature of the person who executes the affidavit, properly executed before a
50.11 person authorized to authenticate an affidavit in this state.

50.12 (b) The person designated in paragraph (a), clause (5), must record, or arrange for the
50.13 recording of, the affidavit of affixation, accompanied by the fees for recording and for
50.14 issuing a certified copy of the notice, including all attachments, showing the recording date.
50.15 Upon obtaining the certified copy of the notice under this paragraph, the person designated
50.16 in the affidavit must deliver the certified copy to the county auditor of the county in which
50.17 the real property to which the manufactured home was affixed is located.

50.18 (c) The department is not liable for any errors, omissions, misstatements, or other
50.19 deficiencies or inaccuracies in documents presented to the department under this section,
50.20 if the documents presented appear to satisfy the requirements of this section. The department
50.21 has no obligation to investigate the accuracy of statements contained in the documents.

50.22 Subd. 1a. **Affidavit form.** An affidavit of affixation must be in substantially the following
50.23 form and must contain the following information.

50.24 **MANUFACTURED HOME AFFIDAVIT OF AFFIXATION**

50.25 PURSUANT TO MINNESOTA STATUTES, SECTION 168A.141

50.26 Homeowner, being duly sworn, on his or her oath, states as follows:

50.27 1. Homeowner owns the manufactured home ("home") described as follows:

50.28

50.29			<u>Manufacturer's</u>	<u>Model Name or</u>	<u>Manufacturer's</u>	
50.30	<u>New/Used</u>	<u>Year</u>	<u>Name</u>	<u>Model No.</u>	<u>Serial No.</u>	<u>Length/Width</u>

50.31 2. A copy of the surrendered manufacturer's certificate of origin or certificate of title is
50.32 attached.

51.1 3. A copy of the notice of surrender issued from the Minnesota Department of Public Safety
51.2 Driver and Vehicle Services is attached.

51.3 4. The home is or will be located at the following "Property Address":
51.4
51.5 Street or Route City County State Zip Code

51.6 5. The legal description of the property address ("land") is as follows or as attached hereto:
51.7
51.8
51.9

51.10 6. The homeowner is the owner of the land.

51.11 7. The home is, or must be promptly upon delivery, anchored to the land by attachment to
51.12 a permanent foundation and connected to appropriate residential utilities (e.g., water, gas,
51.13 electricity, sewer).

51.14 8. The homeowner intends that the home be an immovable permanent improvement to the
51.15 land, free of any personal property security interest.

51.16 9. A copy of the written statement from the county auditor or county treasurer of the county
51.17 in which the manufactured home is then located, stating that all property taxes payable in
51.18 the current year (pursuant to Minnesota Statutes, section 273.125, subdivision 8, paragraph
51.19 (b)), have been paid, or are not applicable, is attached.

51.20 10. The home must be assessed and taxed as an improvement to the land.

51.21 11. The name and address of the person designated by the homeowner to record the original
51.22 affidavit of surrender with the county recorder or registrar of titles of the county in which
51.23 the real estate is located is:

51.24 Name

51.25 Street Address

51.26 City, State, Zip Code

51.27 Phone

51.28 E-mail

51.29 IN WITNESS WHEREOF, homeowner(s) have executed this affidavit on this day of
51.30, 20...

51.31

51.32 Homeowner Signature Address

51.33

52.1 Printed Name City, State

52.2

52.3 Homeowner Signature (if applicable)

52.4

52.5 Printed Name

52.6 This instrument was drafted by, and when recorded return to:

52.7

52.8

52.9

52.10 Subscribed and sworn to before me this day of,

52.11

52.12 Signature of Notary Public or Other Official

52.13 Notary Stamp or Seal

52.14 (optional)

52.15 Lender's Statement of Intent:

52.16 The undersigned ("lender") intends that the home be immovable and a permanent
52.17 improvement to the land free of any personal property security interest.

52.18

52.19 Lender

52.20 By:

52.21 Authorized Signature

52.22 STATE OF

52.23) ss:

52.24 COUNTY OF

52.25 On the day of in the year before me, the undersigned, a Notary Public in and
52.26 for said state, personally appeared

52.27

52.28 personally known to me or proved to me on the basis of satisfactory evidence to be the
52.29 individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged
52.30 to me that he/she/they executed the same in his/her/their capacity(ies), and that by
52.31 his/her/their signature(s) on the instrument, the individual(s), or the person on behalf of
52.32 which the individual(s) acted, executed the instrument.

52.33

53.1 Notary Signature

53.2

53.3 Notary Printed Name

53.4 Notary Public, State of

53.5 Qualified in the County of

53.6 My commission expires

53.7 Official seal:

53.8 Subd. 2. **Perfected security interest ~~avoids cancellation~~ prevents surrender.** The

53.9 department may not cancel a certificate of title if, under this chapter, a security interest has

53.10 been perfected on the manufactured home. If a security interest has been perfected, the

53.11 department ~~shall~~ must notify the owner ~~and that~~ each secured party ~~that the~~ must release or

53.12 satisfy the security interest prior to proceeding with surrender of the manufacturer's certificate

53.13 of origin or certificate of title and a description of the security interest have been surrendered

53.14 to the department and that the department will not cancel the certificate of title until the

53.15 security interest is satisfied for cancellation. Permanent attachment to real property or the

53.16 recording of an affidavit of affixation does not extinguish an otherwise valid security interest

53.17 in or tax lien on the manufactured home, unless the requirements of section 168A.141,

53.18 subdivisions 1, 1a, and 2, including the release of any security interest, have been satisfied.

53.19 Subd. 3. **Notice of security interest ~~avoids surrender.~~** ~~The manufacturer's certificate~~

53.20 ~~of origin or the certificate of title need not be surrendered to the department under subdivision~~

53.21 ~~4~~ When a perfected security interest exists, or will exist, on the manufactured home at the

53.22 time the manufactured home is affixed to real property, if and the owner has not satisfied

53.23 the requirements of section 168A.141, subdivision 1, the owner of the manufactured home

53.24 files, or its secured party, may record a notice with the county recorder, or with the registrar

53.25 of titles, if the land is registered, stating that the manufactured home located on the property

53.26 is encumbered by a perfected security interest and is not an improvement to real property.

53.27 The notice must state the name and address of the secured party as set forth on the certificate

53.28 of title, the legal description of the real property, and the name and address of the record

53.29 fee owner of the real property on which the manufactured home is affixed. When the security

53.30 interest is released or satisfied, the secured party ~~shall~~ must attach a copy of the release or

53.31 satisfaction to a notice executed by the secured party containing the county recorder or

53.32 registrar of titles document number of the notice of security interest. The notice of release

53.33 or satisfaction must be ~~filed~~ recorded with the county recorder, or registrar of titles, if the

53.34 land is registered. Neither the notice described in this subdivision nor the security interest

54.1 on the certificate of title is deemed to be an encumbrance on the real property. The notices
54.2 provided for in this subdivision need not be acknowledged.

54.3 Sec. 43. Minnesota Statutes 2016, section 168A.142, is amended to read:

54.4 **168A.142 MANUFACTURED HOME UNAFFIXED FROM REALTY.**

54.5 Subdivision 1. **Certificate of title requirements.** The department ~~shall~~ must issue an
54.6 initial certificate of title or reissue a previously surrendered certificate of title for a
54.7 manufactured home to an applicant if:

54.8 (1) ~~for the purpose of affixing the manufactured home to real property,~~ the owner of the
54.9 manufactured home, or a previous owner, surrendered the manufacturer's certificate of
54.10 origin or certificate of title to the department as provided in section 168A.141, subdivision
54.11 1 ~~or 2~~;

54.12 (2) the applicant provides the written proof evidence specified in subdivision 2 ~~that the~~
54.13 ~~applicant owns (i) the manufactured home and (ii) the real property to which the~~
54.14 ~~manufactured home was affixed as provided under section 273.125, subdivision 8, paragraph~~
54.15 ~~(b)~~;

54.16 (3) ~~the applicant provides proof that no liens exist on the manufactured home, including~~
54.17 ~~liens on the real property to which it is affixed; and~~

54.18 (4) ~~(3)~~ the owner of the manufactured home ~~meets~~ fulfills the applicable application
54.19 requirements of section 168A.04₂; and

54.20 (4) the application is accompanied by a written statement from the county auditor or
54.21 county treasurer of the county in which the manufactured home is then located and affixed,
54.22 stating that all property taxes payable in the current year, as provided under section 273.125,
54.23 subdivision 8, paragraph (b), have been paid.

54.24 Subd. 2. **Proof Evidence of eligibility for reissuance.** (a) The proof evidence required
54.25 under subdivision 1, ~~clauses clause~~ (2) ~~and (3)~~, is as follows:

54.26 (1) an affidavit of severance recorded in the office of the county recorder or registrar of
54.27 titles, which they shall accept, and whichever applies to the real property, of the county ~~in~~
54.28 ~~which~~ where the affidavit of affixation or notice of surrender was recorded under as required
54.29 in section 168A.141, subdivision 1, and the affidavit of severance contains:

54.30 (i) the name, residence address, and mailing address of the owner or owners of the
54.31 manufactured home;

55.1 (ii) a description of the manufactured home being severed, including the name of the
55.2 manufacturer; ~~the make, model number, model year, and dimensions, and if available, the~~
55.3 make, model year, and manufacturer's serial number of the manufactured home; and whether
55.4 ~~the manufactured home is new or used~~, such information as may be available from the
55.5 previously recorded affidavit of affixation or notice of surrender as required in section
55.6 168A.141, subdivision 1; and

55.7 (iii) a statement of any facts or information known to the person executing the affidavit
55.8 that could affect the validity of the title of the manufactured home ~~or~~, ~~the existence or~~
55.9 ~~nonexistence of a security interest in the manufactured home or a lien on it, or~~, and a
55.10 statement that no such facts or information are known to the person executing the affidavit;

55.11 (2) as an attachment to the affidavit of severance, an opinion by an attorney admitted to
55.12 practice law in this state, stating:

55.13 (i) the nature of the examination of title performed prior to giving this opinion by the
55.14 person signing the opinion;

55.15 (ii) that the manufactured home and the real property on which it is located is not subject
55.16 to, or pending completion of a refinance, purchase, or sale transaction, and will not be
55.17 subject to any recorded mortgages, security interests, liens, or other encumbrances of any
55.18 kind;

55.19 (iii) that the person signing the opinion knows of no facts or circumstances that could
55.20 affect the validity of the title of the manufactured home or the existence or nonexistence of
55.21 any recorded mortgages, security interests, or other encumbrances of any kind, other than
55.22 property taxes payable in the year the affidavit is signed;

55.23 (iv) the person or persons owning record title to the real property to which the
55.24 manufactured home has been affixed and the nature and extent of the title owned by each
55.25 of these persons; and

55.26 (v) that the person signing the opinion has reviewed all provisions of the affidavit of
55.27 severance and certifies that they are correct and complete to the best of the knowledge of
55.28 the person signing the opinion;

55.29 (3) the name and address of the person ~~or~~, persons designated by the applicant to file a
55.30 ~~certified copy of the original~~ affidavit of severance with ~~the county auditor of the county~~
55.31 ~~in which the real estate is located, after the affidavit has been properly recorded in the office~~
55.32 ~~of~~ the county recorder or county registrar of titles, whichever applies to the real property;
55.33 and

56.1 (4) the signature of the person who executes the affidavit, properly executed before a
56.2 person authorized to authenticate an affidavit in this state.

56.3 (b) The person designated in paragraph (a), clause (3), ~~shall~~ must record, or arrange for
56.4 the recording of, the affidavit of severance as referenced in that item, accompanied by the
56.5 fees for recording and for issuing a certified copy of the affidavit, including all attachments,
56.6 showing the recording date.

56.7 (c) Upon obtaining the certified copy under paragraph (b), the person designated in the
56.8 affidavit ~~shall~~ must deliver the certified copy to the county auditor of the county in which
56.9 the real estate to which it was affixed is located.

56.10 (d) The department is not liable for any errors, omissions, misstatements, or other
56.11 deficiencies or inaccuracies in documents presented to the department under this section,
56.12 so long as the documents presented appear to satisfy the requirements of this section. The
56.13 department has no obligation to investigate the accuracy of statements contained in the
56.14 documents.

56.15 Subd. 3. Affidavit form. The affidavit of severance must be in substantially the following
56.16 form and must contain the following information.

56.17 **MANUFACTURED HOME AFFIDAVIT OF SEVERANCE**

56.18 **PURSUANT TO MINNESOTA STATUTES, SECTION 168A.142**

56.19 Homeowner, being duly sworn, on his or her oath, states as follows:

56.20 1. Homeowner owns the manufactured home ("home") described as follows:

56.21

			<u>Manufacturer's</u>	<u>Model Name or</u>	<u>Manufacturer's</u>	
<u>New/Used</u>	<u>Year</u>	<u>Name</u>	<u>Model No.</u>	<u>Serial No.</u>	<u>Length/Width</u>	

56.24 2. A copy of the previously surrendered manufacturer's certificate of origin or certificate of
56.25 title is attached (if available).

56.26 3. A copy of the notice of surrender issued from the Minnesota Department of Public Safety
56.27 Driver and Vehicle Services is attached (if available).

56.28 4. The home is or will be located at the following "Property Address":

56.29

56.30 Street or Route City County State Zip Code

56.31 5. The legal description of the property address ("land") is as follows or as attached:

56.32

57.1

57.2

57.3 6. The homeowner does not know of any facts or information that could affect the validity
57.4 of title of the manufactured home, except:

57.5

57.6

57.7 7. The homeowner does not know of any such security interest in the manufactured home
57.8 which has not been satisfied or released.

57.9 8. A copy of an opinion by an attorney admitted to practice law in Minnesota is attached,
57.10 which provides for the required title evidence as set forth in Minnesota Statutes, section
57.11 168A.142, subdivision 2, clause (2), items (i) to (v).

57.12 9. A copy of the written statement from the county auditor or county treasurer of the county
57.13 in which the manufactured home is then located, stating that all property taxes payable in
57.14 the current year (pursuant to Minnesota Statutes, section 273.125, subdivision 8, paragraph
57.15 (b)), have been paid, or are not applicable, is attached.

57.16 10. The name and address of the person designated by the homeowner to record the original
57.17 affidavit of surrender with the county recorder or registrar of titles of the county in which
57.18 the real estate is located is:

57.19 Name

57.20 Street Address

57.21 City, State, Zip Code

57.22 Phone

57.23 E-mail

57.24 IN WITNESS WHEREOF, homeowner(s) have executed this affidavit on this day of
57.25, 20...

57.26

57.27 Homeowner Signature Address
57.28

57.29 Printed Name City, State
57.30

57.31 Homeowner Signature (if applicable)
57.32

57.33 Printed Name

57.34 This instrument was drafted by, and when recorded return to:

58.1

58.2

58.3 Subscribed and sworn to before me this day of,

58.4

58.5 Signature of Notary Public or Other Official

58.6 Notary Stamp or Seal

58.7 **Sec. 44. [168A.143] MANUFACTURED HOMES; OWNERSHIP AT ISSUE.**

58.8 Subdivision 1. Requirements for certificate issuance or reissuance. When an applicant
58.9 is unable to obtain from or locate previous owners no longer holding an interest in the
58.10 manufactured home based on a certificate of title, or to locate, obtain, or produce the original
58.11 certificate of origin or certificate of title for a manufactured home, and there is no evidence
58.12 of a surrendered certificate of title or manufacturer's statement of origin as provided in
58.13 section 168A.141, subdivision 1, which has not otherwise been unaffixed or is being
58.14 unaffixed as provided in section 168A.142, the department must issue or reissue a certificate
58.15 of title to a manufactured home when the applicant submits:

58.16 (1) the application, pursuant to the requirements of section 168A.04, in a form prescribed
58.17 by the department;

58.18 (2) an affidavit that:

58.19 (i) identifies the name of the manufacturer and dimensions, and if available, the make,
58.20 model number, model year, and manufacturer's serial number of the manufactured home;
58.21 and

58.22 (ii) certifies the applicant is the owner of the manufactured home, has physical possession
58.23 of the manufactured home, knows of no facts or circumstances that materially affect the
58.24 validity of the title of the manufactured home as represented in the application, and provides
58.25 copies of such ownership documents, so far as the documents exist, including by way of
58.26 example:

58.27 (A) bill of sale;

58.28 (B) financing, replevin, or foreclosure documents;

58.29 (C) appraisal;

58.30 (D) insurance certification;

58.31 (E) personal property tax bill;

59.1 (F) landlord certification;

59.2 (G) affidavit of survivorship or estate documents;

59.3 (H) divorce decree; or

59.4 (I) court order;

59.5 (3) an affidavit by an attorney admitted to practice law in this state stating:

59.6 (i) the attorney has performed a search of the Minnesota Department of Public Safety
59.7 Driver and Vehicles Services records within 120 days of the date of application to obtain a
59.8 certificate of origin or certificate of title on behalf of the applicant, but was unable to
59.9 determine the names or locations of one or more owners or prior owners of the manufactured
59.10 home;

59.11 (ii) if applicable, the attorney was unable to successfully contact one or more owners,
59.12 or prior owners, after providing written notice 45 days prior to the registered and last known
59.13 owner by certified mail at the address shown on Driver and Vehicles Services records, or
59.14 if the last known address is different from Driver and Vehicles Services records, then also
59.15 the last known address as known to the applicant;

59.16 (iii) if the attorney is unable to contact one or more owners, or previous owners, by
59.17 sending a letter by certified mail, then the attorney must present to the department, as an
59.18 attachment to its affidavit, the returned letter as evidence of the attempted contact, or the
59.19 acknowledgment of receipt of the letter, together with an affidavit of nonresponse; and

59.20 (iv) the attorney knows of no facts or circumstances that materially affect the validity
59.21 of the title of the manufactured home as represented in the application, other than property
59.22 taxes payable in the year the affidavit is signed; and

59.23 (4) payment for required current year taxes and fees as prescribed by the department.

59.24 **Subd. 2. Satisfaction of manufactured home security lien; release.** A security interest
59.25 perfected under this chapter may be canceled seven years from the perfection date for a
59.26 manufactured home, upon the request of the owner of the manufactured home, if the owner
59.27 has paid the lien in full or the lien has been abandoned and the owner is unable to locate
59.28 the lienholder to obtain a lien release. The owner must send a letter to the lienholder by
59.29 certified mail, return receipt requested, stating the reason for the release and requesting a
59.30 lien release. If the owner is unable to obtain a lien release by sending a letter by certified
59.31 mail, then the owner must present to the department the returned letter as evidence of the
59.32 attempted contact, or the acknowledgment of receipt of the letter, together with a copy of
59.33 the letter and an owner affidavit of nonresponse.

60.1 Subd. 3. **Suspension or revocation of certificate.** (a) Pursuant to section 168A.23, the
60.2 department may revoke a previously issued certificate of title issued under this section.

60.3 (b) The department is not liable for any errors, omissions, misstatements, or other
60.4 deficiencies or inaccuracies in documents submitted to the department under this section,
60.5 provided the documents submitted appear to satisfy the requirements of this section. The
60.6 department is not required to investigate the accuracy of statements contained in submitted
60.7 documents.

60.8 Sec. 45. Minnesota Statutes 2016, section 169.011, is amended by adding a subdivision
60.9 to read:

60.10 Subd. 1a. **All-electric vehicle.** (a) "All-electric vehicle" means an electric vehicle that
60.11 is solely able to be powered by an electric motor drawing current from rechargeable storage
60.12 batteries, fuel cells, or other portable sources of electrical current.

60.13 (b) All-electric vehicle excludes a plug-in hybrid electric vehicle.

60.14 **EFFECTIVE DATE.** This section is effective the day following final enactment, and
60.15 applies to a registration period starting on or after January 1, 2018.

60.16 Sec. 46. Minnesota Statutes 2016, section 169.011, subdivision 34, is amended to read:

60.17 Subd. 34. **Head Start bus.** (a) "Head Start bus" means a motor vehicle used to transport
60.18 children and parents to or from a Head Start facility, or to or from Head Start-related
60.19 activities, by the Head Start grantee, or by someone under an agreement with the Head Start
60.20 grantee. A Head Start bus does not include a motor vehicle transporting children or parents
60.21 to or from a Head Start facility for which parents or guardians receive direct compensation
60.22 from a Head Start grantee, a motor coach operating under charter carrier authority, or a
60.23 transit bus providing services as defined in section 174.22, subdivision 7. A Head Start bus
60.24 may be a type A, B, C, or D bus ~~or type III vehicle, as described in subdivision 71.~~

60.25 (b) A Head Start bus manufactured after December 31, 1994, must meet the same
60.26 standards as a type A, B, C, or D school bus, except that a Head Start bus is not required to
60.27 be equipped with the warning signals required for a school bus under section 169.442,
60.28 subdivision 1. A Head Start bus that is not equipped as a school bus must be painted colors
60.29 other than national school bus yellow.

61.1 Sec. 47. Minnesota Statutes 2016, section 169.011, subdivision 47, is amended to read:

61.2 Subd. 47. **Neighborhood electric vehicle.** "Neighborhood electric vehicle" means an
61.3 electrically powered motor vehicle that has three or four wheels, and has a speed attainable
61.4 in one mile of at least 20 miles per hour but not more than 25 miles per hour on a paved
61.5 level surface.

61.6 Sec. 48. Minnesota Statutes 2016, section 169.14, is amended by adding a subdivision to
61.7 read:

61.8 Subd. 5h. **St. Louis County Road 128.** Notwithstanding any provision to the contrary
61.9 in this section, the speed limit on St. Louis County Road 128 in Eagles Nest Township
61.10 between marked Trunk Highway 169 and County Road 989 is 40 miles per hour. The county
61.11 engineer must erect appropriate signs displaying the 40 miles per hour speed limit.

61.12 **EFFECTIVE DATE.** This section is effective the day following final enactment. The
61.13 new speed limit is effective when the required signs are erected.

61.14 Sec. 49. Minnesota Statutes 2016, section 169.18, subdivision 5, is amended to read:

61.15 Subd. 5. **Driving left of roadway center; exception.** (a) No vehicle shall be driven to
61.16 the left side of the center of the roadway in overtaking and passing another vehicle proceeding
61.17 in the same direction unless such left side is clearly visible and is free of oncoming traffic
61.18 for a sufficient distance ahead to permit such overtaking and passing to be completely made
61.19 without interfering with the safe operation of any vehicle approaching from the opposite
61.20 direction or any vehicle overtaken. In every event the overtaking vehicle must return to the
61.21 right-hand side of the roadway before coming within 100 feet of any vehicle approaching
61.22 from the opposite direction.

61.23 (b) Except on a one-way roadway, no vehicle shall, in overtaking and passing another
61.24 vehicle or at any other time, be driven to the left half of the roadway under the following
61.25 conditions:

61.26 (1) when approaching the crest of a grade or upon a curve in the highway where the
61.27 driver's view along the highway is obstructed within a distance of 700 feet;

61.28 (2) when approaching within 100 feet of any underpass or tunnel, railroad grade crossing,
61.29 intersection within a city, or intersection outside of a city if the presence of the intersection
61.30 is marked by warning signs; or

62.1 (3) where official signs are in place prohibiting passing, or a distinctive centerline is
 62.2 marked, which distinctive line also so prohibits passing, as declared in the Manual on
 62.3 Uniform Traffic Control Devices adopted by the commissioner.

62.4 (c) Notwithstanding paragraph (b), clause (3), a motor vehicle may be driven to the left
 62.5 side of the roadway to safely overtake a bicycle under the following circumstances:

62.6 (1) the bicycle is proceeding in the same direction as the motor vehicle;

62.7 (2) the driver of the motor vehicle either (i) provides a safe clearance distance, in no
 62.8 case less than the greater of three feet or one-half the width of the motor vehicle, or (ii)
 62.9 completely enters the left lane of the highway;

62.10 (3) the operator of the bicycle is not (i) making a left turn, or (ii) signaling that the bicycle
 62.11 operator intends to make a left turn; and

62.12 (4) the driver of the motor vehicle complies with all other applicable requirements under
 62.13 this section.

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

62.15 Sec. 50. Minnesota Statutes 2016, section 169.18, subdivision 7, is amended to read:

62.16 Subd. 7. **Laned highway.** When any roadway has been divided into two or more clearly
 62.17 marked lanes for traffic, the following rules, in addition to all others consistent herewith,
 62.18 shall apply:

62.19 (a) A vehicle shall be driven as nearly as practicable entirely within a single lane and
 62.20 shall not be moved from such lane until the driver has first ascertained that such movement
 62.21 can be made with safety.

62.22 (b) Upon a roadway which is not a one-way roadway and which is divided into three
 62.23 lanes, a vehicle shall not be driven in the center lane except when overtaking and passing
 62.24 another vehicle where the roadway is clearly visible and such center lane is clear of traffic
 62.25 within a safe distance, or in preparation for a left turn or where such center lane is at the
 62.26 time allocated exclusively to traffic moving in the direction the vehicle is proceeding, and
 62.27 is signposted to give notice of such allocation. The left lane of a three-lane roadway which
 62.28 is not a one-way roadway shall not be used for overtaking and passing another vehicle.

62.29 (c) Official signs may be erected directing slow-moving traffic to use a designated lane
 62.30 or allocating specified lanes to traffic moving in the same direction, and drivers of vehicles
 62.31 shall obey the directions of every such sign.

63.1 (d) Whenever a bicycle lane has been established on a roadway, any person operating
63.2 a motor vehicle on such roadway shall not drive in the bicycle lane except to perform parking
63.3 maneuvers in order to park where parking is permitted, to enter or leave the highway, or to
63.4 prepare for a turn as provided in section 169.19, subdivision 1, or to stop a school bus for
63.5 the purpose of receiving or discharging any person provided the school bus is equipped and
63.6 identified as provided in sections 169.441 and 169.442, subdivision 1, and the flashing red
63.7 signals are activated and stop-signal arm is extended.

63.8 Sec. 51. Minnesota Statutes 2016, section 169.224, subdivision 3, is amended to read:

63.9 Subd. 3. **Operation.** (a) A neighborhood electric vehicle or a medium-speed electric
63.10 vehicle may not be operated on a street or highway with a speed limit greater than 35 miles
63.11 per hour, except to make a direct crossing of that street or highway.

63.12 (b) A person may operate a three-wheeled neighborhood electric vehicle without a
63.13 two-wheeled vehicle endorsement, provided the person has a valid driver's license issued
63.14 under chapter 171.

63.15 Sec. 52. Minnesota Statutes 2016, section 169.345, subdivision 1, is amended to read:

63.16 Subdivision 1. **Scope of privilege.** (a) A vehicle described in section 168.021, subdivision
63.17 1, paragraph (a), that prominently displays the certificate authorized by this section or that
63.18 bears the disability plate or plates issued under section 168.021 may be parked by or solely
63.19 for the benefit of a physically disabled person:

63.20 (1) in a designated parking space for disabled persons, as provided in section 169.346;

63.21 (2) in a metered parking space without obligation to pay the meter fee and without time
63.22 restrictions unless time restrictions are separately posted on official signs; and

63.23 (3) without time restrictions in a nonmetered space where parking is otherwise allowed
63.24 for passenger vehicles but restricted to a maximum period of time and that does not
63.25 specifically prohibit the exercise of disabled parking privileges in that space.

63.26 A person may park the vehicle for a physically disabled person in a parking space described
63.27 in clause (1) or (2) only when actually transporting the physically disabled person for the
63.28 sole benefit of that person and when the parking space is within a reasonable distance from
63.29 the drop-off point.

63.30 (b) For purposes of this subdivision, a certificate is prominently displayed if it is displayed
63.31 so that it may be viewed from the front and rear of the motor vehicle by hanging it from the
63.32 rearview mirror attached to the front windshield of the motor vehicle or, in the case of a

64.1 motorcycle or a motorized bicycle, is secured to the vehicle. If there is no rearview mirror
 64.2 or if the certificate holder's disability precludes placing the certificate on the mirror, the
 64.3 certificate must be displayed on the dashboard of the vehicle. No part of the certificate may
 64.4 be obscured.

64.5 (c) Notwithstanding paragraph (a), clauses (1), (2), and (3), this section does not permit
 64.6 parking in areas prohibited by sections 169.32 and 169.34, in designated no parking spaces,
 64.7 or in parking spaces reserved for specified purposes or vehicles. A local governmental unit
 64.8 may, by ordinance, prohibit parking on any street or highway to create a fire lane, or to
 64.9 accommodate heavy traffic during morning and afternoon rush hours and these ordinances
 64.10 also apply to physically disabled persons.

64.11 **EFFECTIVE DATE.** This section is effective January 1, 2018.

64.12 Sec. 53. Minnesota Statutes 2016, section 169.345, subdivision 3, is amended to read:

64.13 Subd. 3. **Identifying certificate.** (a) The commissioner shall issue (1) immediately, a
 64.14 permit valid for 30 days if the person is eligible for the certificate issued under this section
 64.15 and (2) an identifying certificate for a vehicle described in section 168.021, subdivision 1,
 64.16 paragraph (a), when a physically disabled applicant submits proof of physical disability
 64.17 under subdivision 2a. The commissioner shall design separate certificates for persons with
 64.18 permanent and temporary disabilities that can be readily distinguished from each other from
 64.19 outside a vehicle at a distance of 25 feet or, in the case of a motorcycle or a motorized
 64.20 bicycle, can be readily secured to the motorcycle or motorized bicycle. An applicant may
 64.21 be issued up to two certificates if the applicant has not been issued disability plates under
 64.22 section 168.021.

64.23 (b) The operator of a vehicle displaying a certificate has the parking privileges provided
 64.24 in subdivision 1 only while the vehicle is actually parked while transporting a physically
 64.25 disabled person.

64.26 (c) The commissioner shall cancel all certificates issued to an applicant who fails to
 64.27 comply with the requirements of this subdivision.

64.28 **EFFECTIVE DATE.** This section is effective January 1, 2018.

64.29 Sec. 54. Minnesota Statutes 2016, section 169.442, subdivision 5, is amended to read:

64.30 Subd. 5. **White strobe lamps on certain buses transporting children.** ~~(a)~~
 64.31 Notwithstanding section 169.55, subdivision 1, or 169.57, subdivision 3, paragraph (b), or
 64.32 other law to the contrary, a school bus that is subject to and complies with the equipment

65.1 requirements of subdivision 1 and section 169.441, subdivision 1, or a Head Start bus ~~that~~
65.2 ~~is not a type III vehicle defined in section 169.011, subdivision 71,~~ may be equipped with
65.3 a flashing strobe lamp. ~~The lamp may be used only as provided in this subdivision.~~

65.4 ~~(b) The lamp must be permanently mounted on the longitudinal centerline of the bus~~
65.5 ~~roof not less than two feet forward of the rear roof edge.~~

65.6 ~~(c) The strobe lamp may be lighted only when atmospheric conditions or terrain restrict~~
65.7 ~~the visibility of school bus lamps and signals or Head Start bus lamps and signals so as to~~
65.8 ~~require use of the bright strobe lamp to alert motorists to the presence of the school bus or~~
65.9 ~~Head Start bus. A strobe lamp may not be lighted unless the school bus or Head Start bus~~
65.10 ~~is actually being used as a school bus or Head Start bus.~~

65.11 Sec. 55. Minnesota Statutes 2016, section 169.443, subdivision 2, is amended to read:

65.12 **Subd. 2. Use of stop-signal arm.** (a) The stop-signal arm system of a school bus must
65.13 be used in conjunction with the flashing red signals only when the school bus is stopped on
65.14 a street or highway to load or unload school children.

65.15 (b) A local authority, including the governing body of an Indian tribe, may by ordinance
65.16 require that a school bus activate the stop-signal arm system and flashing red signals while
65.17 stopped to unload school children at a location other than a location on a street or highway.
65.18 The ordinance must designate each location where the requirement is imposed. The
65.19 requirement is effective only if the local authority has erected signs at or near the location
65.20 to provide adequate notice that other vehicles are required to obey section 169.444,
65.21 subdivision 1, when those signals are activated.

65.22 (c) A school bus driver is prohibited from loading or unloading passengers in a designated
65.23 right-turn lane or in a lane immediately adjacent to a designated right-turn lane unless:

65.24 (1) a school bus stop designated by the district transportation safety director is located
65.25 in the right-turn lane;

65.26 (2) the driver stops the bus at the extreme right side of the right-turn lane; and

65.27 (3) the driver activates the prewarning flashing amber signals, flashing red signals, and
65.28 stop-signal arm, unless the school board or its designee, based on safety considerations,
65.29 provides written direction to the driver not to do so.

66.1 Sec. 56. Minnesota Statutes 2016, section 169.444, subdivision 2, is amended to read:

66.2 Subd. 2. **Violations by drivers; penalties.** (a) A person who fails to stop a vehicle or
66.3 to keep it stopped, as required in subdivision 1, or who violates subdivision 1a, is guilty of
66.4 a misdemeanor punishable by a fine of not less than ~~\$300~~ \$500.

66.5 (b) A person is guilty of a gross misdemeanor if the person fails to stop a motor vehicle
66.6 or to keep it stopped, as required in subdivision 1, or who violates subdivision 1a, and
66.7 commits either or both of the following acts:

66.8 (1) passes or attempts to pass the school bus in a motor vehicle on the right-hand,
66.9 passenger-door side of the bus; or

66.10 (2) passes or attempts to pass the school bus in a motor vehicle when a school child is
66.11 outside of and on the street or highway used by the school bus or on the adjacent sidewalk.

66.12 **EFFECTIVE DATE.** This section is effective August 1, 2017, and applies to violations
66.13 committed on and after that date.

66.14 Sec. 57. Minnesota Statutes 2016, section 169.449, subdivision 1, is amended to read:

66.15 Subdivision 1. **Rules.** The commissioner of public safety shall adopt rules governing
66.16 the operation of school buses used for transportation of school children, when owned or
66.17 operated by a school or privately owned and operated under a contract with a school, ~~and~~
66.18 ~~these rules must be made a part of that contract by reference.~~ Each school, its officers and
66.19 employees, and each person employed under the contract is subject to these rules.

66.20 Sec. 58. Minnesota Statutes 2016, section 169.4501, subdivision 1, is amended to read:

66.21 Subdivision 1. **National standards adopted.** Except as provided in sections 169.4502
66.22 and 169.4503, the construction, design, equipment, and color of types A, B, C, D school
66.23 buses and multifunction school activity buses used for the transportation of school children
66.24 shall meet the requirements of the "bus body and chassis specifications" in the ~~2010~~ most
66.25 recent edition of the "National School Transportation Specifications and Procedures" adopted
66.26 by the National Congress on School Transportation. Except as provided in section 169.4504,
66.27 the construction, design, and equipment of types A, B, C, D school buses and multifunction
66.28 school activity buses used for the transportation of students with disabilities also shall meet
66.29 the requirements of the "specially equipped school bus specifications" in the ~~2010~~ National
66.30 School Transportation Specifications and Procedures. The "bus body and chassis
66.31 specifications" and "specially equipped school bus specifications" sections of the ~~2010~~ most
66.32 recent edition of the "National School Transportation Specifications and Procedures,"

67.1 adopted by the ~~Fifteenth~~ National Congress on School Transportation, are incorporated by
67.2 reference in this chapter.

67.3 Sec. 59. Minnesota Statutes 2016, section 169.4501, subdivision 2, is amended to read:

67.4 Subd. 2. **Applicability.** (a) The standards adopted in this section and sections 169.4502
67.5 and 169.4503, govern the construction, design, equipment, and color of school buses used
67.6 for the transportation of school children, when owned or leased and operated by a school
67.7 or privately owned or leased and operated under a contract with a school. Each school, its
67.8 officers and employees, and each person employed under the contract is subject to these
67.9 standards.

67.10 (b) The standards apply to school buses manufactured after ~~December 31, 2012~~ August
67.11 1 of the year following a year in which a revised edition of the National School Transportation
67.12 Specifications and Procedures is adopted. Buses complying with the standards when
67.13 manufactured need not comply with standards established later except as specifically provided
67.14 for by law.

67.15 (c) A school bus manufactured on or before ~~December 31, 2012,~~ the date provided by
67.16 paragraph (b) must conform to the Minnesota standards in effect on the date the vehicle
67.17 was manufactured except as specifically provided for in law.

67.18 (d) A new bus body may be remounted on a used chassis provided that the remounted
67.19 vehicle meets state and federal standards for new buses which are current at the time of the
67.20 remounting. Permission must be obtained from the commissioner of public safety before
67.21 the remounting is done. A used bus body may not be remounted on a new or used chassis.

67.22 Sec. 60. Minnesota Statutes 2016, section 169.4503, subdivision 4, is amended to read:

67.23 Subd. 4. **Certification.** Upon request, a body manufacturer, or school bus dealer, ~~or~~
67.24 ~~certified Minnesota commercial vehicle inspector who is also an employee of an organization~~
67.25 ~~purchasing a school bus shall~~ must provide preliminary certification to the Department of
67.26 Public Safety that the product meets Minnesota standards. ~~Final certification will be granted~~
67.27 ~~within 30 days upon reinspection by the Department of Public Safety.~~

67.28 Sec. 61. Minnesota Statutes 2016, section 169.4503, subdivision 7, is amended to read:

67.29 Subd. 7. **Floor construction.** The metal floor ~~shall~~ must be covered with plywood. The
67.30 plywood ~~shall~~ must be ~~at least 19/32~~ five-ply nominal five-eighths inches thick, and must
67.31 equal or exceed properties of exterior-type softwood plywood, grade C-D, as specified in
67.32 ~~product~~ the standard PSI-183 issued by the United States Department of Commerce. All of

68.1 the plywood's exposed edges must be sealed. Type A-I buses must be equipped with nominal
 68.2 one-half inch thick plywood or an equivalent material that meets the requirements of this
 68.3 subdivision. Equivalent material may be used to replace plywood, provided it has insulation
 68.4 R value, deterioration, sound abatement, and moisture resistance properties that are equal
 68.5 to or exceed the properties of the plywood it is replacing. The floor shall ~~shall~~ must be level from
 68.6 front to back, and side to side, except in wheel housing, toe board, and driver's seat platform
 68.7 areas.

68.8 Sec. 62. Minnesota Statutes 2016, section 169.4503, subdivision 14, is amended to read:

68.9 Subd. 14. **Insulation.** (a) Thermal insulation is required. It shall be fire-resistant, UL
 68.10 approved, with minimum R-value of 5.5. Insulation shall be installed so as to prevent
 68.11 sagging.

68.12 ~~(b) Floor insulation is required. It shall be five-ply nominal five-eighths-inch-thick~~
 68.13 ~~plywood, and shall equal or exceed properties of the exterior-type softwood plywood, C-D~~
 68.14 ~~Grade, as specified in the standard issued by United States Department of Commerce. All~~
 68.15 ~~exposed edges on plywood shall be sealed. Type A-I buses shall be equipped with nominal~~
 68.16 ~~one-half-inch-thick plywood or equivalent material meeting the above requirements.~~
 68.17 ~~Equivalent material may be used to replace plywood, provided it has an equal or greater~~
 68.18 ~~insulation R value, deterioration, sound abatement, and moisture resistance properties.~~

68.19 Sec. 63. Minnesota Statutes 2016, section 169.4503, subdivision 23, is amended to read:

68.20 Subd. 23. **Windows.** (a) Windshield, entrance, and rear emergency exit doors must be
 68.21 of approved safety glass. Laminated or tempered glass (AS-2 or AS-3) is permitted in all
 68.22 other windows. All glass shall be federally approved and marked as provided in section
 68.23 169.74. The windshield may be of uniform tint throughout or may have a horizontal gradient
 68.24 band starting slightly above the line of vision and gradually decreasing in light transmission
 68.25 to 20 percent or less at the top of the windshield.

68.26 (b) The use of tinted glass, as approved by section 169.71, is permitted on side windows
 68.27 and rear windows except for the entrance door, ~~the first window behind the service door,~~
 68.28 and the window to the left of the driver. The window to the left of the driver, and the upper
 68.29 service door windows, ~~and the window immediately behind the entrance door~~ must be
 68.30 thermal glass. Regardless of a bus's date of manufacture, the window immediately behind
 68.31 the entrance door does not need to be made of thermal glass. The window to the left of the
 68.32 driver for type A buses need not be thermal glass.

69.1 Sec. 64. Minnesota Statutes 2016, section 169.4503, subdivision 30, is amended to read:

69.2 Subd. 30. **Video or mobile surveillance systems.** Camera heads for video or mobile
69.3 surveillance may be mounted in the driver compartment area, midbus, or on a rear interior
69.4 bulkhead in the student passenger area. For buses manufactured or retrofitted with a
69.5 surveillance system after December 31, 2012, cameras mounted midbus must be parallel
69.6 to a seat back, must not have any sharp edges, must not extend outward more than ~~three~~
69.7 3-1/2 inches, and must be located within 24 inches of the top of the side window of the bus.

69.8 Sec. 65. Minnesota Statutes 2016, section 169.64, subdivision 8, is amended to read:

69.9 Subd. 8. **Strobe lamp.** (a) Notwithstanding sections 169.55, subdivision 1; 169.57,
69.10 subdivision 3, paragraph (b); or any other law to the contrary, a vehicle may be equipped
69.11 with a 360-degree flashing strobe lamp that emits a white light with a flash rate of 60 to
69.12 120 flashes a minute, and the lamp may be used as provided in this subdivision, if the vehicle
69.13 is:

69.14 (1) a school bus that is subject to and complies with the equipment requirements of
69.15 sections 169.441, subdivision 1, and 169.442, subdivision 1, or a Head Start bus ~~that is not~~
69.16 ~~a type III vehicle as defined in section 169.011, subdivision 71.~~ The lamp shall be
69.17 ~~permanently mounted on the longitudinal centerline of the bus roof not less than two feet~~
69.18 ~~nor more than seven feet forward of the rear roof edge. It shall~~ must operate from a separate
69.19 switch containing an indicator lamp to show when the strobe lamp is in use. ~~The strobe~~
69.20 ~~lamp may be lighted only when atmospheric conditions or terrain restrict the visibility of~~
69.21 ~~school bus lamps and signals or Head Start bus lamps and signals so as to require use of~~
69.22 ~~the bright strobe lamp to alert motorists to the presence of the school bus or Head Start bus.~~
69.23 ~~A strobe lamp may not be lighted unless the school bus or Head Start bus is actually being~~
69.24 ~~used as a school bus or Head Start bus; or~~

69.25 (2) a road maintenance vehicle owned or under contract to the Department of
69.26 Transportation or a road authority of a county, home rule or statutory city, or town, but the
69.27 strobe lamp may only be operated while the vehicle is actually engaged in snow removal
69.28 during daylight hours.

69.29 (b) Notwithstanding sections 169.55, subdivision 1; 169.57, subdivision 3, paragraph
69.30 (b); or any other law to the contrary, a vehicle may be equipped with a 360-degree flashing
69.31 strobe lamp that emits an amber light with a flash rate of 60 to 120 flashes a minute, and
69.32 the lamp may be used as provided in this subdivision, if the vehicle is a rural mail carrier
69.33 vehicle, provided that the strobe lamp is mounted at the highest practicable point on the

70.1 vehicle. The strobe lamp may only be operated while the vehicle is actually engaged during
70.2 daylight hours in the delivery of mail to residents on a rural mail route.

70.3 (c) A strobe lamp authorized by this section shall be of a double flash type certified to
70.4 the commissioner of public safety by the manufacturer as being weatherproof and having
70.5 a minimum effective light output of 200 candelas as measured by the Blondel-Rey formula.

70.6 Sec. 66. Minnesota Statutes 2016, section 169.80, subdivision 1, is amended to read:

70.7 Subdivision 1. **Limitations; misdemeanor.** (a) It is a misdemeanor for a person to drive
70.8 or move, or for the owner to cause or knowingly permit to be driven or moved, on a highway
70.9 a vehicle or vehicles of a size or weight exceeding the limitations stated in sections 169.80
70.10 to 169.88, or otherwise in violation of sections 169.80 to 169.88, other than section 169.81,
70.11 subdivision 5a, and the maximum size and weight of vehicles as prescribed in sections
70.12 169.80 to 169.88 shall be lawful throughout this state, and local authorities shall have no
70.13 power or authority to alter these limitations except as express authority may be granted in
70.14 sections 169.80 to 169.88.

70.15 (b) When all the axles of a vehicle or combination of vehicles are weighed separately
70.16 the sum of the weights of the axles so weighed shall be evidence of the total gross weight
70.17 of the vehicle or combination of vehicles so weighed.

70.18 (c) When each of the axles of any group that contains two or more consecutive axles of
70.19 a vehicle or combination of vehicles have been weighed separately the sum of the weights
70.20 of the axles so weighed shall be evidence of the total gross weight on the group of axles so
70.21 weighed.

70.22 (d) When, in any group of three or more consecutive axles of a vehicle or combination
70.23 of vehicles any axles have been weighed separately and two or more axles consecutive to
70.24 each other in the group have been weighed together, the sum of the weights of the axles
70.25 weighed separately and the axles weighed together shall be evidence of the total gross weight
70.26 of the group of axles so weighed.

70.27 (e) The provisions of sections 169.80 to 169.88 governing size, weight, and load shall
70.28 do not apply to a fire apparatus, or to a vehicle operated under the terms of a special permit
70.29 issued as provided by law.

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

71.1 Sec. 67. Minnesota Statutes 2016, section 169.829, is amended by adding a subdivision
71.2 to read:

71.3 Subd. 4. **Certain emergency vehicles.** The provisions of sections 169.80 to 169.88
71.4 governing size, weight, and load do not apply to a fire apparatus, a law enforcement special
71.5 response vehicle, or a licensed land emergency ambulance service vehicle.

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

71.7 Sec. 68. Minnesota Statutes 2016, section 169.864, is amended by adding a subdivision
71.8 to read:

71.9 Subd. 2a. **Special tire-hauling permit.** (a) The commissioner may issue a permit
71.10 authorizing a vehicle used exclusively to haul earthmover tires, if the vehicle:

71.11 (1) is a combination of vehicles with seven or more axles, consisting of a truck with
71.12 loader and trailer, which may be equipped with an auxiliary dolly;

71.13 (2) has a maximum gross vehicle weight of 108,000 pounds;

71.14 (3) has a maximum width of 144 inches;

71.15 (4) does not exceed the axle weight limits in sections 169.823, subdivision 1, clause (2),
71.16 and 169.824, by more than 22 percent;

71.17 (5) complies with the tire weight limits in section 169.823, or the tire manufacturer's
71.18 recommended load, whichever is less; and

71.19 (6) is operated only on the highways specified in subdivision 1, clause (5).

71.20 (b) The seasonal weight increases authorized under section 169.826, subdivision 1, do
71.21 not apply to permits issued under this subdivision.

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

71.23 Sec. 69. Minnesota Statutes 2016, section 169.864, subdivision 3, is amended to read:

71.24 Subd. 3. **Restrictions.** Vehicles issued permits under subdivisions 1 ~~and~~ 2, and 2a,
71.25 must comply with the following restrictions:

71.26 (1) the vehicle must be operated in compliance with seasonal load restrictions under
71.27 section 169.87;

71.28 (2) the vehicle may not be operated on the interstate highway system; and

72.1 (3) the vehicle may be operated on streets or highways under the control of local
72.2 authorities only upon the approval of the local authority; however, vehicles may have
72.3 reasonable access to terminals and facilities for food, fuel, repairs, and rest and for continuity
72.4 of route within one mile of the national network as provided by section 169.81, subdivision
72.5 3, and by Code of Federal Regulations, title 23, section 658.19.

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

72.7 Sec. 70. Minnesota Statutes 2016, section 169.864, subdivision 4, is amended to read:

72.8 Subd. 4. **Permit fee; appropriation.** Vehicle permits issued under subdivision 1, clause
72.9 (1), must be annual permits. The fee is \$850 for each vehicle combination and must be
72.10 deposited in the trunk highway fund. The fee for annual permits issued under subdivision
72.11 2 is \$300 for a 90,000-pound vehicle combination or \$500 for a 97,000-pound vehicle
72.12 combination. The fee for annual permits issued under subdivision 2a is \$850. An amount
72.13 sufficient to administer the permit program is appropriated from the trunk highway fund to
72.14 the commissioner for the costs of administering the permit program.

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

72.16 Sec. 71. Minnesota Statutes 2016, section 169.865, subdivision 3, is amended to read:

72.17 Subd. 3. **Requirements; restrictions.** (a) A vehicle or combination of vehicles operating
72.18 under this section:

72.19 (1) is subject to axle weight limitations under section 169.824, subdivision 1;

72.20 (2) is subject to seasonal load restrictions under section 169.87;

72.21 (3) is subject to bridge load limits posted under section 169.84;

72.22 (4) may only be operated on paved streets and highways other than interstate highways;

72.23 (5) may not be operated with loads that exceed the manufacturer's gross vehicle weight
72.24 rating as affixed to the vehicle, or other certification of gross vehicle weight rating complying
72.25 with Code of Federal Regulations, title 49, sections 567.4 to 567.7;

72.26 (6) must be issued a permit from each road authority having jurisdiction over a road on
72.27 which the vehicle is operated, if required;

72.28 (7) must comply with the requirements of section 169.851, subdivision 4; and

72.29 (8) must have brakes on all wheels.

73.1 (b) The percentage allowances for exceeding gross weights if transporting unfinished
73.2 forest products under section 168.013, subdivision 3, paragraph (b), or for the first haul of
73.3 unprocessed or raw farm products or unfinished forest products under section 168.013,
73.4 subdivision 3, paragraph (d), clause (3), do not apply to a vehicle or combination of vehicles
73.5 operated under this section.

73.6 (c) Notwithstanding paragraph (a), clause (4), a vehicle or combination of vehicles
73.7 hauling fluid milk under a permit issued by the commissioner of transportation may also
73.8 operate on interstate highways as provided under United States Code, title 23, section 127.

73.9 **Sec. 72. [169.869] ROAD CONSTRUCTION MATERIALS SPECIAL PERMIT.**

73.10 Subdivision 1. **Definition.** For purposes of this section, "road construction materials"
73.11 means street or highway construction materials, including but not limited to aggregate
73.12 material as defined in section 298.75, subdivision 1, paragraph (a), hot mix asphalt, plastic
73.13 concrete, cementitious materials, concrete admixtures, asphalt cement, and recycled road
73.14 materials.

73.15 Subd. 2. **Six-axle vehicles.** (a) A road authority may issue an annual permit authorizing
73.16 a vehicle or combination of vehicles with a total of six or more axles to haul road construction
73.17 materials and be operated with a gross vehicle weight of up to:

73.18 (1) 90,000 pounds; and

73.19 (2) 99,000 pounds during the period set by the commissioner under section 169.826,
73.20 subdivision 1.

73.21 (b) The fee for a permit issued under this subdivision is \$300, or a proportional amount
73.22 as provided in section 169.86, subdivision 5.

73.23 Subd. 3. **Seven-axle vehicles.** (a) A road authority may issue an annual permit authorizing
73.24 a vehicle or combination of vehicles with a total of seven or more axles to haul road
73.25 construction materials and be operated with a gross vehicle weight of up to:

73.26 (1) 97,000 pounds; and

73.27 (2) 99,000 pounds during the period set by the commissioner under section 169.826,
73.28 subdivision 1.

73.29 (b) The fee for a permit issued under this subdivision is \$500, or a proportional amount
73.30 as provided in section 169.86, subdivision 5.

73.31 Subd. 4. **Authority; restrictions.** A vehicle or combination of vehicles operating under
73.32 this section:

74.1 (1) may only be operated on paved or unpaved streets and highways, other than interstate
 74.2 highways;

74.3 (2) must comply with the requirements and restrictions in section 169.865, subdivision
 74.4 3, paragraph (a), clauses (1) to (3), (5), (7), and (8); and

74.5 (3) must be operated in compliance with truck route requirements and vehicle weight
 74.6 restrictions, as established under section 169.87, subdivision 1, by a local road authority or
 74.7 the commissioner.

74.8 Subd. 5. **Revenues.** Revenue from the permits issued by the commissioner under this
 74.9 section must be deposited in the bridge inspection and signing account under section 169.86,
 74.10 subdivision 5b.

74.11 Subd. 6. **Expiration date.** Upon request of the permit applicant, the expiration date for
 74.12 a permit issued under this section must be the same as the expiration date of the permitted
 74.13 vehicle's registration.

74.14 Subd. 7. **Permit information.** The commissioner must make information available to
 74.15 local road authorities on an Internet Web site that identifies permit issuances under this
 74.16 section and the counties in which a vehicle with a permit is intended to be operated.

74.17 Subd. 8. **Local preferred routes.** A local road authority may identify local preferred
 74.18 routes for operating a vehicle on local streets and highways under a permit issued in this
 74.19 section. A holder of a permit issued in this section and any person seeking to apply for a
 74.20 permit are encouraged to:

74.21 (1) upon request of a local road authority, provide comment on identification of preferred
 74.22 routes; and

74.23 (2) make reasonable efforts to operate a vehicle on the preferred routes when operating
 74.24 under the permit.

74.25 **EFFECTIVE DATE.** This section is effective January 1, 2018.

74.26 Sec. 73. Minnesota Statutes 2016, section 171.02, subdivision 2b, is amended to read:

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

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

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

75.3 (1) safe operation of a type III vehicle;

75.4 (2) understanding student behavior, including issues relating to students with disabilities;

75.5 (3) encouraging orderly conduct of students on the bus and handling incidents of
75.6 misconduct appropriately;

75.7 (4) knowing and understanding relevant laws, rules of the road, and local school bus
75.8 safety policies;

75.9 (5) handling emergency situations;

75.10 (6) proper use of seat belts and child safety restraints;

75.11 (7) performance of pretrip vehicle inspections;

75.12 (8) safe loading and unloading of students, including, but not limited to:

75.13 (i) utilizing a safe location for loading and unloading students at the curb, on the nontraffic
75.14 side of the roadway, or at off-street loading areas, driveways, yards, and other areas to
75.15 enable the student to avoid hazardous conditions;

75.16 (ii) refraining from loading and unloading students in a vehicular traffic lane, on the
75.17 shoulder, in a designated turn lane, or a lane adjacent to a designated turn lane;

75.18 (iii) avoiding a loading or unloading location that would require a pupil to cross a road,
75.19 or ensuring that the driver or an aide personally escort the pupil across the road if it is not
75.20 reasonably feasible to avoid such a location;

75.21 (iv) placing the type III vehicle in "park" during loading and unloading; and

75.22 (v) escorting a pupil across the road under item (iii) only after the motor is stopped, the
75.23 ignition key is removed, the brakes are set, and the vehicle is otherwise rendered immobile;
75.24 and

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

75.27 (d) A background check or background investigation of the operator has been conducted
75.28 that meets the requirements under section 122A.18, subdivision 8, or 123B.03 for school
75.29 district employees; section 144.057 or chapter 245C for day care employees; or section
75.30 171.321, subdivision 3, for all other persons operating a type III vehicle under this
75.31 subdivision.

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

76.3 (f) The operator's employer requires preemployment drug testing of applicants for
76.4 operator positions. Current operators must comply with the employer's policy under section
76.5 181.951, subdivisions 2, 4, and 5. Notwithstanding any law to the contrary, the operator's
76.6 employer may use a Breathalyzer or similar device to fulfill random alcohol testing
76.7 requirements.

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

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

76.15 (i) A person who has ever been convicted of a disqualifying offense as defined in section
76.16 171.3215, subdivision 1, paragraph (c), may not operate a type III vehicle under this
76.17 subdivision.

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

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

76.25 (l) An operator of a type III vehicle whose driver's license is suspended, revoked,
76.26 canceled, or disqualified by Minnesota, another state, or another jurisdiction must notify
76.27 the operator's employer in writing of the suspension, revocation, cancellation, lost privilege,
76.28 or disqualification. The operator must notify the operator's employer before the end of the
76.29 business day immediately following the day the operator received notice of the suspension,
76.30 revocation, cancellation, lost privilege, or disqualification.

76.31 (m) Students riding the type III vehicle must have training required under section
76.32 123B.90, subdivision 2.

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

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

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

77.10 Sec. 74. Minnesota Statutes 2016, section 171.06, subdivision 2a, is amended to read:

77.11 Subd. 2a. **Two-wheeled vehicle endorsement fee.** (a) The fee for any duplicate driver's
 77.12 license obtained for the purpose of adding a two-wheeled vehicle endorsement is increased
 77.13 by \$18.50 for each first such duplicate license and \$13 for each renewal thereof. The
 77.14 additional fee must be paid into the state treasury and credited as follows:

77.15 (1) \$11 of the additional fee for each first duplicate license, and \$7 of the additional fee
 77.16 for each renewal, must be credited to the motorcycle safety fund, which is hereby created;
 77.17 ~~provided that ten percent of fee receipts in excess of \$750,000 in a fiscal year must be~~
 77.18 ~~credited to the general fund.~~

77.19 (2) The remainder of the additional fee must be credited to the general fund.

77.20 (b) All application forms prepared by the commissioner for two-wheeled vehicle
 77.21 endorsements must clearly state the amount of the total fee that is dedicated to the motorcycle
 77.22 safety fund.

77.23 Sec. 75. Minnesota Statutes 2016, section 171.061, subdivision 3, as amended by Laws
 77.24 2017, chapter 76, section 12, is amended to read:

77.25 Subd. 3. **Application.** An applicant may file an application with an agent. The agent
 77.26 shall receive and accept applications in accordance with the laws and rules of the Department
 77.27 of Public Safety for a noncompliant driver's license or identification card; an enhanced
 77.28 driver's license or identification card; a REAL ID compliant driver's license or identification
 77.29 card; restricted license; duplicate license; instruction permit; or motorized bicycle operator's
 77.30 permit. Application records must be maintained at the office of the agent in a manner that
 77.31 complies with sections 13.05, subdivision 5, and 13.055. As an alternative to paper copy
 77.32 storage, an agent may retain records and documents in a secure electronic medium that

78.1 complies with the security requirements under the United States Federal Bureau of
78.2 Investigation, Criminal Justice Information Services Division, Policy 5.4 or any successor
78.3 policy, provided 60 days have elapsed since the transaction and subject to standards
78.4 established by the commissioner. The agent is responsible for all costs associated with the
78.5 conversion to electronic records and maintenance of the electronic storage medium, including
78.6 the destruction of existing paper records after conversion to the electronic format. All queries
78.7 and responses in the secure electronic medium, and all actions in which data are entered,
78.8 updated, accessed, or shared or disseminated by the agent must be contained in a data audit
78.9 trail. Data contained in the audit trail are public to the extent the data are not otherwise
78.10 classified under this section.

78.11 Sec. 76. Minnesota Statutes 2016, section 171.12, subdivision 6, is amended to read:

78.12 Subd. 6. **Certain convictions not recorded.** (a) Except as provided in paragraph (c),
78.13 the department ~~shall~~ must not keep on the record of a driver any conviction for a violation
78.14 of a speed limit of 55 miles per hour unless the violation consisted of a speed greater than
78.15 ten miles per hour in excess of the speed limit.

78.16 (b) Except as provided in paragraph (c), the department ~~shall~~ must not keep on the record
78.17 of a driver any conviction for a violation of a speed limit of 60 miles per hour unless the
78.18 violation consisted of a speed greater than:

78.19 ~~(1) ten miles per hour in excess of the speed limit, for any violation occurring on or after~~
78.20 ~~August 1, 2012, and before August 1, 2014; or~~

78.21 ~~(2) five miles per hour in excess of the speed limit, for any violation occurring on or~~
78.22 ~~after August 1, 2014.~~

78.23 (c) This subdivision does not apply to (1) a violation that occurs in a commercial motor
78.24 vehicle, or (2) a violation committed by a holder of a class A, B, or C commercial driver's
78.25 license or commercial driver learner's permit, without regard to whether the violation was
78.26 committed in a commercial motor vehicle or another vehicle.

78.27 Sec. 77. Minnesota Statutes 2016, section 173.02, is amended by adding a subdivision to
78.28 read:

78.29 Subd. 7a. **Abandoned and discontinued.** "Abandoned and discontinued" means an
78.30 outdoor advertising device that ceases to display advertising copy for a minimum of one
78.31 year and is not otherwise being actively marketed to display advertising copy.

79.1 Sec. 78. Minnesota Statutes 2016, section 173.02, is amended by adding a subdivision to
79.2 read:

79.3 Subd. 17a. **Conforming.** "Conforming" means an outdoor advertising device that
79.4 complies with the requirements of this chapter.

79.5 Sec. 79. Minnesota Statutes 2016, section 173.02, subdivision 18, is amended to read:

79.6 Subd. 18. **Commercial or industrial activity.** (a) "Commercial or industrial activity"
79.7 for the purposes of unzoned commercial or industrial areas means an activity generally
79.8 recognized as commercial or industrial by zoning authorities in this state, ~~except that,~~

79.9 (b) None of the following activities shall be considered commercial or industrial:

79.10 (1) outdoor advertising devices;

79.11 (2) agricultural, forestry, ranching, grazing, farming and related activities, including,
79.12 but not limited to, temporary wayside fresh produce stands;

79.13 (3) transient or temporary activities;

79.14 (4) activities not visible from the main-traveled way;

79.15 (5) activities more than 660 feet from the nearest edge of the right-of-way;

79.16 (6) activities conducted in a building principally used as a residence;

79.17 (7) railroad tracks and minor sidings;

79.18 (8) advertising located on vehicles or tractor trailers;

79.19 (9) commercial establishments or businesses that have ceased to exist or operate; or

79.20 (10) a business created to install new outdoor advertising devices.

79.21 Sec. 80. Minnesota Statutes 2016, section 173.02, is amended by adding a subdivision to
79.22 read:

79.23 Subd. 21a. **Nonconforming.** "Nonconforming" means an outdoor advertising device
79.24 that was lawfully erected and has been maintained lawfully but does not comply with the
79.25 requirements of this chapter. A nonconforming sign is one that remains in substantially the
79.26 same condition it was on the effective date of this chapter.

80.1 Sec. 81. Minnesota Statutes 2016, section 173.02, is amended by adding a subdivision to
80.2 read:

80.3 Subd. 21b. **Off-premise** "Off-premise" means an outdoor advertising device that
80.4 advertises or pertains to any business, product, person, activity, event, or service that is not
80.5 primarily conducted, sold, manufactured, offered, or located on the property where the sign
80.6 is located.

80.7 Sec. 82. Minnesota Statutes 2016, section 173.02, subdivision 23, is amended to read:

80.8 Subd. 23. **Scenic area.** "Scenic area" means an area within which control and regulation
80.9 of the erection and maintenance of advertising devices may be exercised to the extent herein
80.10 provided and such areas shall include only those established as such by the commissioner
80.11 of transportation. Scenic area includes a scenic byway under United States Code, title 23,
80.12 section 162.

80.13 Sec. 83. Minnesota Statutes 2016, section 173.02, is amended by adding a subdivision to
80.14 read:

80.15 Subd. 23a. **Scenic byways.** "Scenic byways" means roads that recognize outstanding
80.16 scenic, cultural, historic, natural, recreational, and archaeological qualities and landscapes
80.17 pursuant to United States Code, title 23, section 162.

80.18 Sec. 84. Minnesota Statutes 2016, section 173.06, subdivision 1, is amended to read:

80.19 Subdivision 1. **Authority.** The commissioner of transportation ~~shall~~ must adopt and
80.20 may modify, amend, or repeal rules governing the ~~issuance of permits or renewals thereof~~
80.21 ~~for the erection and maintenance of~~ legal nonconforming advertising devices within scenic
80.22 areas; provided that the commissioner shall not adopt, modify, amend, or repeal any rule
80.23 that will impair any agreement ~~with~~ between the state and the federal government under
80.24 this chapter. The commissioner of transportation may limit the application of any rule
80.25 adopted by the commissioner to exclude or include in whole or in part, specified areas within
80.26 the scenic area based upon use, nature of the surrounding community, or such other factors
80.27 as may make separate classification or rule necessary or desirable.

80.28 Sec. 85. Minnesota Statutes 2016, section 173.07, subdivision 1, is amended to read:

80.29 Subdivision 1. **Forms; content.** Application for permits or renewals thereof for the
80.30 placement ~~and maintenance~~ of advertising devices ~~within scenic areas shall~~ must be on
80.31 forms prescribed by the commissioner and ~~shall~~ contain ~~such~~ information as the commissioner

81.1 may require. No advertising device shall be placed without the consent of the owner or
 81.2 occupant of the land, and adequate proof of such consent shall be submitted to the
 81.3 commissioner at the time application is made for such permits or renewals. A permit is
 81.4 required to access state right-of-way to maintain an advertising device.

81.5 Sec. 86. Minnesota Statutes 2016, section 173.08, is amended by adding a subdivision to
 81.6 read:

81.7 Subd. 3. **Seed sign exemption.** Crop varietal and seed corn signs adjacent to interstate
 81.8 and primary highways may be erected if the device:

81.9 (1) is located on demonstration plats;

81.10 (2) is located on private property;

81.11 (3) does not violate section 160.27 or 160.2715; and

81.12 (4) does not reference an off-site address where the product may be sold.

81.13 Sec. 87. Minnesota Statutes 2016, section 173.08, is amended by adding a subdivision to
 81.14 read:

81.15 Subd. 4. **Violations; removal.** The Department of Transportation may remove signs
 81.16 that violate this section using the removal procedures under section 173.13, subdivision 11.

81.17 Sec. 88. Minnesota Statutes 2016, section 173.13, subdivision 11, is amended to read:

81.18 Subd. 11. **Removal of advertising device for noncompliance.** Advertising devices
 81.19 erected or maintained after June 8, 1971, not complying with ~~Laws 1971, chapter 883, and~~
 81.20 ~~not otherwise by Laws 1971, chapter 883, permitted to stand~~ this chapter may be removed
 81.21 by the commissioner upon 60 days prior written notice by certified mail to the owner ~~thereof~~
 81.22 of the advertising device and to the owner of the real property on which ~~such~~ the advertising
 81.23 device is located, ~~provided that~~. No notice ~~shall be~~ is required to be given to the owner of
 81.24 an advertising device whose name is not stated upon the advertising device or the structure
 81.25 on which it is displayed, unless the name of ~~such~~ the owner is otherwise reasonably known
 81.26 to the commissioner. The owner of the removed device is liable to the state for the costs of
 81.27 removal. The period of ~~such~~ notice shall be is computed from the date of mailing: to both
 81.28 the owner of the advertising device and the owner of the real property where the device is
 81.29 located. The department must store a removed outdoor advertising device for a minimum
 81.30 of 30 days prior to disposal. If the outdoor advertising device is not retrieved by the owner
 81.31 within 30 days of removal, the department may dispose of the outdoor advertising device.

82.1 The state is not liable for trespass actions or sign costs for outdoor advertising devices
82.2 removed under this subdivision if proper notice has been served.

82.3 Sec. 89. **[173.155] CHANGEABLE ELECTRONIC VARIABLE MESSAGE SIGNS.**

82.4 Subdivision 1. **Definition.** For the purposes of this section, "changeable electronic
82.5 variable message sign" or "CEVMS" means an outdoor advertising device that contains
82.6 light-emitting diodes or other technology to display copy visible during the day and during
82.7 the night, with the copy changes initiated electronically.

82.8 Subd. 2. **Prohibition.** Intermittent, animated, scrolling, full-motion video elements, or
82.9 moving lights are prohibited on outdoor advertising devices, including CEVMS.

82.10 Subd. 3. **Exceptions.** (a) Notwithstanding subdivision 2, a CEVMS is permissible if:

82.11 (1) the message does not change more frequently than once every six seconds;

82.12 (2) the transition between messages or copy does not exceed two seconds in duration;

82.13 (3) the message brightness does not exceed 0.3 foot-candles over ambient light, as
82.14 measured using a foot candle meter from the following distances:

82.15 (i) for signs with a nominal face size of 12 feet by 25 feet, from 150 feet;

82.16 (ii) for signs with a nominal face size of ten feet, six inches, by 36 feet, from 200 feet;

82.17 and

82.18 (iii) for signs with a nominal face size of 14 feet by 48 feet, from 250 feet; and

82.19 (4) the sign must not cause beams or rays of light to be directed at the traveled way if
82.20 the light is of such intensity or brilliance as to cause glare that impairs the vision of the
82.21 driver of a motor vehicle, or interfere with any driver's operation of a motor vehicle.

82.22 (b) The brightness measurement under paragraph (a), clause (3), must be conducted at
82.23 least 30 minutes after sunset or at least 30 minutes before sunrise. Each CEVMS must have
82.24 automatic dimming technology that adjusts the device's brightness levels in response to
82.25 changes in ambient light.

82.26 Sec. 90. Minnesota Statutes 2016, section 173.16, is amended by adding a subdivision to
82.27 read:

82.28 Subd. 6. **Stationary structure.** Advertising devices must:

82.29 (1) be stationary;

82.30 (2) be immobile;

83.1 (3) not have wheels; and

83.2 (4) be incapable of relocation without a permit.

83.3 Sec. 91. Minnesota Statutes 2016, section 173.16, is amended by adding a subdivision to
83.4 read:

83.5 Subd. 7. **Permanent business.** (a) A business that is located in an unzoned commercial
83.6 or industrial area must be in existence for at least three months before a permit may be
83.7 issued. An outdoor advertising device erected prior to receiving a permit is subject to
83.8 removal.

83.9 (b) A commercial establishment may demonstrate evidence of its existence by having
83.10 a Web site, a telephone number that is answered or has an answering machine identifying
83.11 the business, a storefront, pictorial evidence of the business, a building permit, or a lease.

83.12 Sec. 92. [173.265] **OUTDOOR ADVERTISING DEVICES; REMOVAL;**
83.13 **MAINTENANCE.**

83.14 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have
83.15 the meanings given them.

83.16 (b) "Destroyed" means that more than 50 percent of a nonconforming outdoor advertising
83.17 device's upright supports are physically damaged to a degree that normal repair practices
83.18 would require replacement of broken wooden supports or replacement of broken, bent, or
83.19 twisted supports for metal sign structures.

83.20 (c) "Reasonable repair and maintenance" means customary maintenance and change of
83.21 a sign's copy or message, and includes replacement of existing light fixtures with energy
83.22 efficient fixtures or installation of other energy efficiency improvements. Reasonable repair
83.23 and maintenance does not include:

83.24 (1) the addition of illumination;

83.25 (2) repair, reinstallation, erection, or maintenance for outdoor advertising devices that
83.26 are destroyed, as defined under paragraph (b);

83.27 (3) enlarging the nonconforming device;

83.28 (4) changing the device from a wood structure to a steel or concrete structure; or

83.29 (5) any change that would terminate nonconforming status.

84.1 (d) "Substantial change" means any action that does not constitute reasonable repair and
 84.2 maintenance.

84.3 Subd. 2. **Application.** This section applies only to outdoor advertising devices subject
 84.4 to state and federal regulation under United States Code, title 23, section 131, and any
 84.5 regulations adopted under that law.

84.6 Subd. 3. **Removal.** The department may remove a destroyed, abandoned, or discontinued
 84.7 outdoor advertising device, subject to the limitations provided under this chapter.

84.8 Subd. 4. **Reasonable repair and maintenance.** (a) The owner of an outdoor advertising
 84.9 device may perform reasonable repair and maintenance on any device, provided the device
 84.10 is not destroyed.

84.11 (b) Any action not constituting reasonable repair and maintenance will subject the outdoor
 84.12 advertising device to immediate removal under subdivision 3.

84.13 Subd. 5. **Substantial change.** Substantial changes to outdoor advertising devices are
 84.14 prohibited. A substantial change to a nonconforming outdoor advertising device will subject
 84.15 the sign to immediate removal under subdivision 3.

84.16 Sec. 93. Minnesota Statutes 2016, section 174.03, subdivision 1a, is amended to read:

84.17 Subd. 1a. **Revision of statewide multimodal transportation plan.** (a) The commissioner
 84.18 ~~shall~~ must revise the statewide multimodal transportation plan by January 15, ~~2013~~ 2022,
 84.19 and by January 15 of every ~~four~~ five years thereafter. Before final adoption of a revised
 84.20 plan, the commissioner ~~shall~~ must hold a hearing to receive public comment on the
 84.21 preliminary draft of the revised plan.

84.22 (b) Each revised statewide multimodal transportation plan must:

84.23 (1) incorporate the goals of the state transportation system in section 174.01;

84.24 (2) establish objectives, policies, and strategies for achieving those goals; and

84.25 (3) identify performance targets for measuring progress and achievement of transportation
 84.26 system goals, objectives, or policies.

84.27 Sec. 94. Minnesota Statutes 2016, section 174.03, subdivision 1c, is amended to read:

84.28 Subd. 1c. **Statewide highway ~~20-year capital investment plan.~~ By January 15, 2013,**
 84.29 ~~and in conjunction with~~ Within one year of each future revision of the statewide multimodal
 84.30 transportation plan under subdivision 1a, the commissioner ~~shall~~ must prepare a 20-year
 84.31 statewide highway ~~capital~~ investment plan that:

85.1 (1) incorporates performance measures and targets for assessing progress and achievement
85.2 of the state's transportation goals, objectives, and policies identified in this chapter for the
85.3 state trunk highway system, and those goals, objectives, and policies established in the
85.4 statewide multimodal transportation plan. Performance targets must be based on objectively
85.5 verifiable measures, and address, at a minimum, preservation and maintenance of the
85.6 structural condition of state highway bridges and pavements, safety, and mobility;

85.7 (2) summarizes trends and impacts for each performance target over the past five years;

85.8 (3) summarizes the amount and analyzes the impact of the department's capital
85.9 investments and priorities over the past five years on each performance target, including a
85.10 comparison of prior plan projected costs with actual costs;

85.11 (4) identifies the investments required to meet the established performance targets over
85.12 the next 20-year period;

85.13 (5) projects available state and federal funding over the 20-year period, including any
85.14 unique, competitive, time-limited, or focused funding opportunities;

85.15 (6) identifies strategies to ensure the most efficient use of existing transportation
85.16 infrastructure, and to maximize the performance benefits of projected available funding;

85.17 (7) establishes investment priorities for projected funding, including a schedule of major
85.18 projects or improvement programs for the 20-year period together with projected costs and
85.19 impact on performance targets; and

85.20 (8) identifies those performance targets identified under clause (1) not expected to meet
85.21 the target outcome over the 20-year period together with alternative strategies that could
85.22 be implemented to meet the targets.

85.23 **Sec. 95. [174.38] ACTIVE TRANSPORTATION PROGRAM.**

85.24 **Subdivision 1. Definitions.** (a) For purposes of this section, the following terms have
85.25 the meanings given them.

85.26 (b) "Active transportation" means bicycling, pedestrian activities, and other forms of
85.27 nonmotorized transportation.

85.28 (c) "Commissioner" means the commissioner of transportation.

85.29 **Subd. 2. Program established.** Subject to available funds, the commissioner must
85.30 establish a program to support active transportation.

86.1 Subd. 3. **Active transportation account.** An active transportation account is established
86.2 in the special revenue fund. The account consists of funds provided by law and any other
86.3 money donated, allotted, transferred, or otherwise provided to the account. Money in the
86.4 account must be expended only on a project that receives financial assistance under this
86.5 section.

86.6 Subd. 4. **Program administration.** (a) The commissioner must establish active
86.7 transportation program requirements, including:

86.8 (1) assistance eligibility, subject to the requirements under subdivision 5;

86.9 (2) a solicitation and application process that minimizes the burden on applicants; and

86.10 (3) procedures to award and pay financial assistance.

86.11 (b) The commissioner must annually conduct a solicitation for active transportation
86.12 projects under the program.

86.13 (c) The commissioner must make reasonable efforts to publicize each application
86.14 solicitation among all eligible recipients. The commissioner must assist applicants to create
86.15 and submit applications, with an emphasis on providing assistance in communities that are
86.16 historically and currently underrepresented in local or regional planning, including
86.17 communities of color, low-income households, people with disabilities, and people with
86.18 limited English proficiency.

86.19 (d) The commissioner may provide grants or other financial assistance for a project.

86.20 (e) The commissioner is prohibited from expending more than one percent of available
86.21 funds in a fiscal year under this section on program administration.

86.22 Subd. 5. **Eligibility.** Eligible recipients of financial assistance under this section are:

86.23 (1) a political subdivision; and

86.24 (2) a tax-exempt organization under section 501(c)(3) of the Internal Revenue Code, as
86.25 amended.

86.26 Subd. 6. **Use of funds.** The commissioner must determine permissible uses of financial
86.27 assistance under this section, which are limited to:

86.28 (1) construction and maintenance of bicycle, trail, and pedestrian infrastructure, including
86.29 but not limited to safe routes to school infrastructure and bicycle facilities and centers; and

86.30 (2) noninfrastructure programming, including activities as specified in section 174.40,
86.31 subdivision 7a, paragraph (b).

87.1 Subd. 7. Project evaluation and selection. (a) The commissioner must establish a
87.2 project evaluation and selection process that is competitive, criteria-based, and objective.

87.3 (b) The process must include criteria and prioritization of projects based on:

87.4 (1) the project's inclusion in a municipal or regional nonmotorized transportation system
87.5 plan;

87.6 (2) the extent to which policies or practices of the political subdivision encourage and
87.7 promote complete streets planning, design, and construction;

87.8 (3) the extent to which the project supports connections between communities and to
87.9 key destinations within a community;

87.10 (4) identified barriers or deficiencies in the nonmotorized transportation system;

87.11 (5) identified safety or health benefits;

87.12 (6) geographic equity in project benefits, with an emphasis on communities that are
87.13 historically and currently underrepresented in local or regional planning; and

87.14 (7) ability of a grantee to maintain the active transportation infrastructure following
87.15 project completion.

87.16 Sec. 96. Minnesota Statutes 2016, section 174.50, subdivision 5, is amended to read:

87.17 **Subd. 5. Certification and disbursement for project of political subdivision.** Before
87.18 disbursement of an appropriation made from the fund to the commissioner of transportation
87.19 for grants to subdivisions of the state, the commissioner ~~shall~~ must certify that:

87.20 ~~(1) that the project for which the grant is made has been reviewed as provided in~~
87.21 ~~subdivision 4;~~

87.22 ~~(2) that the project conforms to the program authorized by the appropriation law and~~
87.23 ~~rules adopted by the Department of Transportation consistent therewith; and~~

87.24 ~~(3) that~~ (2) the financing of any estimated cost of the project in excess of the amount of
87.25 the grant is assured by the appropriation of the proceeds of bonds or other funds of the
87.26 subdivision, or by a grant from an agency of the federal government, within the amount of
87.27 funds then appropriated to that agency and allocated by it to projects within the state, and
87.28 by an irrevocable undertaking, in a resolution of the governing body of the subdivision, to
87.29 use all funds so made available exclusively for the project, and to pay any additional amount
87.30 by which the cost exceeds the estimate through appropriation to the construction fund of
87.31 additional funds or the proceeds of additional bonds to be issued by the subdivision.

88.1 Sec. 97. Minnesota Statutes 2016, section 174.50, subdivision 6b, is amended to read:

88.2 Subd. 6b. **Bridge costs in smaller cities.** (a) The commissioner may make grants from
88.3 the state transportation fund to a home rule or statutory city with a population of 5,000 or
88.4 less for design, engineering, and construction of bridges on city streets.

88.5 ~~(b) Grants under this subdivision are subject to the procedures and criteria established~~
88.6 ~~under subdivisions 5, 6, and 7.~~

88.7 ~~(e)~~ (b) Grants may be used for:

88.8 (1) 100 percent of the design and engineering costs that are in excess of \$10,000;

88.9 (2) 100 percent of the bridge approach work costs that are in excess of \$10,000; and

88.10 (3) 100 percent of the bridge construction work costs.

88.11 Sec. 98. Minnesota Statutes 2016, section 174.50, subdivision 6c, is amended to read:

88.12 Subd. 6c. **Fracture-critical bridges.** ~~(a)~~ The commissioner may make a grant to any
88.13 political subdivision for replacement or rehabilitation of a fracture-critical bridge. To be
88.14 eligible for a grant under this subdivision, the project must produce a bridge structure:

88.15 (1) that is no longer classified as fracture critical, by having alternate load paths; and

88.16 (2) whose failure of a main component will not result in the collapse of the bridge.

88.17 ~~(b) A grant under this subdivision is subject to the procedures and criteria established~~
88.18 ~~under subdivisions 5 and 6.~~

88.19 Sec. 99. Minnesota Statutes 2016, section 174.50, is amended by adding a subdivision to
88.20 read:

88.21 Subd. 6d. **Major local bridges.** For an appropriation made specifically for purposes of
88.22 this subdivision, the commissioner may make a grant under this section to any political
88.23 subdivision for replacement or rehabilitation of a major local bridge in which the grant
88.24 award is \$7,000,000 or more. If in any year money appropriated for local bridge replacement
88.25 and rehabilitation projects under this subdivision remains available after all identified and
88.26 eligible projects under this subdivision have been funded, the commissioner may use the
88.27 remaining funds to make grants under this section for less than \$7,000,000.

88.28 Sec. 100. Minnesota Statutes 2016, section 174.50, subdivision 7, is amended to read:

88.29 Subd. 7. **Bridge grant program; rulemaking.** (a) The commissioner of transportation
88.30 shall develop rules, procedures for application for grants, conditions of grant administration,

89.1 standards, and criteria as provided under subdivision 6, including bridge specifications, in
89.2 cooperation with road authorities of political subdivisions, for use in the administration of
89.3 funds appropriated to the commissioner and for the administration of grants to subdivisions.
89.4 Grants under this section are subject to the procedures and criteria established in this
89.5 subdivision and in subdivisions 5 and 6.

89.6 (b) The maximum use of standardized bridges is encouraged. Regardless of the size of
89.7 the existing bridge, a bridge or replacement bridge is eligible for assistance from the state
89.8 transportation fund if a hydrological survey indicates that the bridge or replacement bridge
89.9 must be ten feet or more in length.

89.10 (c) As part of the standards or rules, the commissioner shall, in consultation with local
89.11 road authorities, establish a minimum distance between any two bridges that cross over the
89.12 same river, stream, or waterway, so that only one of the bridges is eligible for a grant under
89.13 this section. As appropriate, the commissioner may establish exceptions from the minimum
89.14 distance requirement or procedures for obtaining a variance.

89.15 (d) Political subdivisions may use grants made under this section to construct or
89.16 reconstruct bridges, including but not limited to:

89.17 (1) matching federal aid grants to construct or reconstruct key bridges;

89.18 (2) paying the costs to abandon an existing bridge that is deficient and in need of
89.19 replacement but where no replacement will be made; and

89.20 (3) paying the costs to construct a road or street to facilitate the abandonment of an
89.21 existing bridge if the commissioner determines that the bridge is deficient, and that
89.22 construction of the road or street is more economical than replacement of the existing bridge.

89.23 (e) Funds appropriated to the commissioner from the Minnesota state transportation
89.24 fund shall be segregated from the highway tax user distribution fund and other funds created
89.25 by article XIV of the Minnesota Constitution.

89.26 (f) Except as provided under subdivision 6d, the commissioner is prohibited from
89.27 awarding a grant under this section for a local bridge replacement or rehabilitation project
89.28 with a total project cost estimate of \$7,000,000 or more.

89.29 (g) Notwithstanding paragraph (f), the commissioner may award a grant under this
89.30 section for a portion of a local bridge replacement or rehabilitation project with a total
89.31 project cost estimate of \$7,000,000 or more if every other local bridge replacement or
89.32 rehabilitation project on the commissioner's priority list with a total project cost estimate
89.33 of less than \$7,000,000 has been fully funded.

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

90.2 Sec. 101. **[174.53] DEPARTMENT OF TRANSPORTATION EFFICIENCIES.**

90.3 (a) Beginning in fiscal years 2018 and 2019, the commissioner of transportation must
90.4 implement efficiencies equal to at least 15 percent of the appropriations made annually to
90.5 the commissioner from the trunk highway fund that are above base appropriations for fiscal
90.6 years 2018 and 2019.

90.7 (b) The efficiency savings resulting from the requirements in paragraph (a) are for the
90.8 construction, maintenance, or rehabilitation of trunk highways, including roads and bridges.

90.9 Sec. 102. Minnesota Statutes 2016, section 174.56, is amended by adding a subdivision
90.10 to read:

90.11 Subd. 4. **Availability of information.** The commissioner must maintain an Internet Web
90.12 site that displays information for each major highway project. At a minimum, the information
90.13 must include the report contents identified in subdivision 2.

90.14 Sec. 103. **[174.57] SNOW AND ICE CONTROL; APPROPRIATION.**

90.15 (a) In a fiscal year in which the commissioner expends more than 110 percent of the
90.16 established biennial expenditure level for snow and ice management, the commissioner may
90.17 use an additional amount for this purpose that does not exceed 50 percent of the
90.18 unappropriated balance in the trunk highway fund. The amount identified by the
90.19 commissioner under this paragraph is appropriated from the trunk highway fund to the
90.20 commissioner for snow and ice management purposes.

90.21 (b) Upon using the appropriation authority in this section, the commissioner must notify
90.22 the commissioner of management and budget and the chairs, ranking minority members,
90.23 and staff of the house of representatives and senate committees having jurisdiction over
90.24 transportation finance. The notification must at a minimum identify the established biennial
90.25 expenditure level for snow and ice management and the amount appropriated under this
90.26 section.

90.27 (c) In each budget submission to the legislature under section 16A.11, the commissioner
90.28 must include:

90.29 (1) the proposed biennial expenditure level for snow and ice management for the next
90.30 budget biennium; and

91.1 (2) the total amount expended or estimated to be expended under the appropriation in
 91.2 this section for the budget biennium that is ending.

91.3 Sec. 104. Minnesota Statutes 2016, section 174.93, is amended to read:

91.4 **174.93 GUIDEWAY METROPOLITAN AREA TRANSIT INVESTMENT.**

91.5 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have
 91.6 the meanings given:

91.7 ~~(1)~~ (b) "Busway" means a form of bus service provided to the public on a regular and
 91.8 ongoing basis, including arterial or highway bus rapid transit, that (1) compared to other
 91.9 regular route bus service, provides reduced travel time and uses distinct bus stop or station
 91.10 amenities, and (2) does not primarily or substantially operate within separated rights-of-way;

91.11 (c) "Commissioner" means the commissioner of transportation;

91.12 ~~(2)~~ (d) "Guideway" means a form of transportation service provided to the public on a
 91.13 regular and ongoing basis, that primarily or substantially operates on exclusive or controlled
 91.14 within separated rights-of-way or operates on rails in whole or in part, and includes:

91.15 (1) each line for intercity passenger rail, commuter rail, light rail transit, and streetcars;
 91.16 and;

91.17 (2) as applicable, each line for dedicated bus service, which may include arterial or
 91.18 highway bus rapid transit, and, limited stop bus service, and express bus service; and

91.19 (3) any intermodal facility serving two or more lines identified in clauses (1) and (2).
 91.20 Guideway does not include a busway.

91.21 ~~(3)~~ (e) "Local unit of government" means a county, statutory or home rule charter city,
 91.22 town, or other political subdivision including, but not limited to, a regional railroad authority
 91.23 or joint powers board.

91.24 (f) "Separated rights-of-way" includes exclusive, dedicated, or primary use of a
 91.25 right-of-way by the public transportation service. Separated rights-of-way does not include
 91.26 a shoulder, dynamic shoulder lane, or priced lane under section 160.93.

91.27 ~~(b) For purposes of this section,~~ (g) "Sources of funds" includes, but is not limited to,
 91.28 money from federal aid, state appropriations, the Metropolitan Council, special taxing
 91.29 districts, local units of government, fare box recovery, and nonpublic sources.

91.30 ~~(e) For purposes of this section,~~ (h) "Budget activity" includes, but is not limited to,
 91.31 environmental analysis, land acquisition, easements, design, preliminary and final

92.1 engineering, acquisition of vehicles and rolling stock, track improvement and rehabilitation,
92.2 and construction.

92.3 Subd. 1a. **Guideway capital project requests to legislature.** A state agency or local
92.4 unit of government that submits a request to the legislature to obtain state funds for a
92.5 guideway project shall, as part of the request, provide a summary financial plan for the
92.6 project that presents the following information as reflected by the data and level of detail
92.7 available in the latest phase of project development:

92.8 (1) capital expenditures and funding sources for the project, including expenditures to
92.9 date and total projected or estimated expenditures, with a breakdown by committed and
92.10 proposed sources of funds; and

92.11 (2) estimated annual operations and maintenance expenditures for the project, with a
92.12 breakdown by committed and proposed sources of funds.

92.13 Subd. 2. **Legislative report.** (a) By ~~January~~ October 15, 2012, and by ~~November 15~~ in
92.14 every ~~odd-numbered~~ even-numbered year thereafter, the ~~commissioner shall~~ council must
92.15 prepare, in collaboration with the ~~Metropolitan Council~~ commissioner, and a report on
92.16 comprehensive transit finance in the metropolitan area. The council must submit ~~a~~ the report
92.17 electronically to the chairs and ranking minority members of the legislative committees
92.18 with jurisdiction over transportation policy and finance ~~concerning~~.

92.19 (b) The report must be structured to provide financial information in six-month increments
92.20 corresponding to state and local fiscal years, and must use consistent assumptions and
92.21 methodologies. The report must comprehensively identify all funding sources and
92.22 expenditures related to transit in the metropolitan area, including but not limited to:

92.23 (1) sources and uses of funds from regional railroad authorities, joint powers agreements,
92.24 counties, and cities;

92.25 (2) expenditures for transit planning, feasibility studies, alternatives analysis, and other
92.26 transit project development; and

92.27 (3) expenditures for guideways, busways, regular route bus service, demand-response
92.28 service, and special transportation service under section 473.386.

92.29 (c) The report must include a section that summarizes the status of (1) guideways in
92.30 revenue operation, and (2) guideway projects (1) (i) currently in study, planning,
92.31 development, or construction; (2) (ii) identified in the transportation policy plan under
92.32 section 473.146; or (3) (iii) identified in the comprehensive statewide freight and passenger
92.33 rail plan under section 174.03, subdivision 1b.

93.1 ~~(b)~~ (d) At a minimum, the guideways status section of the report must include, provide
 93.2 for each guideway project wholly or partially in the metropolitan area:

93.3 (1) a brief description of the project, including projected ridership;

93.4 (2) a summary of the overall status and current phase of the project;

93.5 (3) a timeline that includes (i) project phases or milestones, including any federal
 93.6 approvals; (ii) expected and known dates of commencement of each phase or milestone;
 93.7 and (iii) expected and known dates of completion of each phase or milestone;

93.8 (4) a brief progress update on specific project phases or milestones completed since the
 93.9 last previous submission of a report under this subdivision; and

93.10 (5) a summary financial plan that identifies, as reflected by the data and level of detail
 93.11 available in the latest phase of project development and to the extent available:

93.12 (i) capital expenditures, including expenditures to date and total projected expenditures,
 93.13 with a breakdown by committed and proposed sources of funds for the project;

93.14 (ii) estimated annual operations and maintenance expenditures reflecting the level of
 93.15 detail available in the current phase of the project development, with a breakdown by
 93.16 committed and proposed sources of funds for the project; and

93.17 (iii) if feasible, project expenditures by budget activity.

93.18 (e) The report must include a section that summarizes the status of (1) busways in revenue
 93.19 operation, and (2) busway projects currently in study, planning, development, or construction.

93.20 (f) The report must include a section that identifies the total ridership, farebox recovery
 93.21 ratio, and per-passenger operating subsidy for (1) each route and line in revenue operation
 93.22 by a transit provider, including guideways, busways, and regular route bus service; and (2)
 93.23 demand-response service and special transportation service. The section must provide data,
 93.24 as available on a per-passenger mile basis and must provide information for at least the
 93.25 previous three years. The section must identify performance standards for farebox recovery
 93.26 and identify each route and line that does not meet the standards.

93.27 ~~(e)~~ (g) The report must also include a systemwide capacity analysis for transit operations
 93.28 and investment in guideway expansion and maintenance that:

93.29 (1) provides a funding projection, annually over the ensuing ten years, and with a
 93.30 breakdown by committed and proposed sources of funds, of:

93.31 (i) total capital expenditures for guideways and for busways;

94.1 (ii) total operations and maintenance expenditures for guideways and for busways;

94.2 (iii) total funding available for guideways and for busways, including from projected or
94.3 estimated farebox recovery; and

94.4 (iv) total funding available for transit service in the metropolitan area; and

94.5 (2) evaluates the availability of funds and distribution of sources of funds for guideway
94.6 and for busway investments.

94.7 ~~(d)~~ (h) The ~~projection~~ capacity analysis under paragraph ~~(e)~~, ~~clause (1)~~, (g) must be for
94.8 include all guideway and busway lines for which state public funds are reasonably expected
94.9 to be expended in planning, development, construction, ~~or revenue operation~~, or capital
94.10 maintenance during the ensuing ten years.

94.11 ~~(e)~~ (i) Local units of government ~~shall~~ must provide assistance and information in a
94.12 timely manner as requested by the commissioner or council for completion of the report.

94.13 **EFFECTIVE DATE; APPLICATION.** This section is effective January 1, 2018, and
94.14 applies beginning with the report due by October 15, 2018. This section applies in the
94.15 counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

94.16 Sec. 105. Minnesota Statutes 2016, section 221.031, is amended by adding a subdivision
94.17 to read:

94.18 **Subd. 2e. Exemptions for pipeline welding trucks.** A pipeline welding truck, as defined
94.19 in Code of Federal Regulations, title 49, section 390.38, paragraph (b), including an individual
94.20 operating a pipeline welding truck and the employer of the individual, is exempt from any
94.21 requirement relating to:

94.22 (1) registration as a motor carrier, including the requirement to obtain and display a
94.23 United States Department of Transportation number under subdivision 6 and section 168.185;

94.24 (2) driver qualifications under section 221.0314, subdivision 2;

94.25 (3) driving of commercial motor vehicles under section 221.0314, subdivision 6;

94.26 (4) parts, accessories, and inspection, repair, and maintenance of commercial motor
94.27 vehicles under section 221.0314, subdivisions 7 and 10; and

94.28 (5) hours of service of drivers, including maximum driving and on-duty time under
94.29 section 221.0314, subdivision 9.

95.1 Sec. 106. Minnesota Statutes 2016, section 222.49, is amended to read:

95.2 **222.49 RAIL SERVICE IMPROVEMENT ACCOUNT; APPROPRIATION.**

95.3 The rail service improvement account is created in the special revenue fund in the state
 95.4 treasury. ~~The commissioner shall deposit in this account all~~ consists of funds as provided
 95.5 by law, and any other money appropriated to or received by the department for the purpose
 95.6 of rail service improvement donated, allotted, transferred, or otherwise provided to the
 95.7 account, excluding bond proceeds as authorized by article XI, section 5, clause (i)₂ of the
 95.8 Minnesota Constitution. All money so deposited is appropriated to the department for
 95.9 expenditure for rail service improvement in accordance with applicable state and federal
 95.10 law. This appropriation shall not lapse but shall be available until the purpose for which it
 95.11 was appropriated has been accomplished. ~~No money appropriated to the department for the~~
 95.12 ~~purposes of administering the rail service improvement program shall be deposited in the~~
 95.13 ~~rail service improvement account nor shall such administrative costs be paid from the~~
 95.14 ~~account.~~

95.15 Sec. 107. Minnesota Statutes 2016, section 222.50, subdivision 6, is amended to read:

95.16 Subd. 6. **Grants.** The commissioner may approve grants from the rail service
 95.17 improvement account for ~~payment of up to 50 percent of the nonfederal share of the cost~~
 95.18 ~~of any rail line project under the federal rail service continuation program~~ freight rail service
 95.19 improvements that support economic development.

95.20 Sec. 108. Minnesota Statutes 2016, section 256B.15, subdivision 1a, as amended by Laws
 95.21 2017, chapter 46, section 2, and Laws 2017, chapter 59, section 11, is amended to read:

95.22 Subd. 1a. **Estates subject to claims.** (a) If a person receives medical assistance hereunder,
 95.23 on the person's death, if single, or on the death of the survivor of a married couple, either
 95.24 or both of whom received medical assistance, or as otherwise provided for in this section,
 95.25 the amount paid for medical assistance as limited under subdivision 2 for the person and
 95.26 spouse shall be filed as a claim against the estate of the person or the estate of the surviving
 95.27 spouse in the court having jurisdiction to probate the estate or to issue a decree of descent
 95.28 according to sections 525.31 to 525.313.

95.29 (b) For the purposes of this section, the person's estate must consist of:

95.30 (1) the person's probate estate;

96.1 (2) all of the person's interests or proceeds of those interests in real property the person
96.2 owned as a life tenant or as a joint tenant with a right of survivorship at the time of the
96.3 person's death;

96.4 (3) all of the person's interests or proceeds of those interests in securities the person
96.5 owned in beneficiary form as provided under sections 524.6-301 to 524.6-311 at the time
96.6 of the person's death, to the extent the interests or proceeds of those interests become part
96.7 of the probate estate under section 524.6-307;

96.8 (4) all of the person's interests in joint accounts, multiple-party accounts, and pay-on-death
96.9 accounts, brokerage accounts, investment accounts, or the proceeds of those accounts, as
96.10 provided under sections 524.6-201 to 524.6-214 at the time of the person's death to the
96.11 extent the interests become part of the probate estate under section 524.6-207; and

96.12 (5) assets conveyed to a survivor, heir, or assign of the person through survivorship,
96.13 living trust, transfer-on-death of title or deed, or other arrangements.

96.14 (c) For the purpose of this section and recovery in a surviving spouse's estate for medical
96.15 assistance paid for a predeceased spouse, the estate must consist of all of the legal title and
96.16 interests the deceased individual's predeceased spouse had in jointly owned or marital
96.17 property at the time of the spouse's death, as defined in subdivision 2b, and the proceeds of
96.18 those interests, that passed to the deceased individual or another individual, a survivor, an
96.19 heir, or an assign of the predeceased spouse through a joint tenancy, tenancy in common,
96.20 survivorship, life estate, living trust, or other arrangement. A deceased recipient who, at
96.21 death, owned the property jointly with the surviving spouse shall have an interest in the
96.22 entire property.

96.23 (d) For the purpose of recovery in a single person's estate or the estate of a survivor of
96.24 a married couple, "other arrangement" includes any other means by which title to all or any
96.25 part of the jointly owned or marital property or interest passed from the predeceased spouse
96.26 to another including, but not limited to, transfers between spouses which are permitted,
96.27 prohibited, or penalized for purposes of medical assistance.

96.28 (e) A claim shall be filed if medical assistance was rendered for either or both persons
96.29 under one of the following circumstances:

96.30 (1) the person resided in a medical institution for six months or longer, received services
96.31 under this chapter, and, at the time of institutionalization or application for medical assistance,
96.32 whichever is later, the person could not have reasonably been expected to be discharged
96.33 and returned home, as certified in writing by the person's treating physician, advanced
96.34 practice registered nurse, or physician assistant. For purposes of this section only, a "medical

97.1 institution" means a skilled nursing facility, intermediate care facility, intermediate care
97.2 facility for persons with developmental disabilities, nursing facility, or inpatient hospital;

97.3 (2) the person received general assistance medical care services under the program
97.4 formerly codified under chapter 256D; or

97.5 (3) the person was 55 years of age or older and received medical assistance services that
97.6 consisted of nursing facility services, home and community-based services, or related
97.7 hospital and prescription drug benefits.

97.8 (f) The claim shall be considered an expense of the last illness of the decedent for the
97.9 purpose of section 524.3-805. Notwithstanding any law or rule to the contrary, a state or
97.10 county agency with a claim under this section must be a creditor under section 524.6-307.
97.11 Any statute of limitations that purports to limit any county agency or the state agency, or
97.12 both, to recover for medical assistance granted hereunder shall not apply to any claim made
97.13 hereunder for reimbursement for any medical assistance granted hereunder. Notice of the
97.14 claim shall be given to all heirs and devisees of the decedent, and to other persons with an
97.15 ownership interest in the real property owned by the decedent at the time of the decedent's
97.16 death, whose identity can be ascertained with reasonable diligence. The notice must include
97.17 procedures and instructions for making an application for a hardship waiver under subdivision
97.18 5; time frames for submitting an application and determination; and information regarding
97.19 appeal rights and procedures. Counties are entitled to one-half of the nonfederal share of
97.20 medical assistance collections from estates that are directly attributable to county effort.
97.21 Counties are entitled to ten percent of the collections for alternative care directly attributable
97.22 to county effort.

97.23 Sec. 109. Minnesota Statutes 2016, section 297A.815, subdivision 3, is amended to read:

97.24 Subd. 3. **Motor vehicle lease sales tax revenue.** ~~(a) For purposes of this subdivision,~~
97.25 ~~"net revenue" means an amount equal to the revenues, including interest and penalties,~~
97.26 ~~collected under this section, during the fiscal year, less \$32,000,000 in each fiscal year.~~

97.27 ~~(b)~~ (a) On or before June 30 of each fiscal year, the commissioner of revenue shall must
97.28 estimate the amount of the net revenue revenues, including interest and penalties and minus
97.29 refunds, collected under this section for the current fiscal year.

97.30 ~~(e) On or after~~ (b) By July ~~1~~ 15 of the subsequent fiscal year, the commissioner of
97.31 management and budget shall must transfer the ~~net revenue as~~ revenues estimated ~~in~~ under
97.32 paragraph ~~(b)~~ (a) from the general fund; as follows:

97.33 (1) 38 percent to the county state-aid highway fund;

98.1 (2) 38 percent to the greater Minnesota transit account;

98.2 (3) 13 percent to the Minnesota state transportation fund; and

98.3 (4) 11 percent to the highway user tax distribution fund.

98.4 ~~(1) \$9,000,000 annually until January 1, 2015, and 50 percent annually thereafter to the~~
 98.5 ~~county state-aid highway fund.~~ (c) Notwithstanding any other law to the contrary, the
 98.6 commissioner of transportation shall must allocate the funds transferred under this paragraph
 98.7 (b), clause (1), to the counties in the metropolitan area, as defined in section 473.121,
 98.8 subdivision 4, excluding the counties of Hennepin and Ramsey, so that each county shall
 98.9 ~~receive of such amount~~ receives the percentage that its population, as defined in section
 98.10 477A.011, subdivision 3, estimated or established by July 15 of the year prior to the current
 98.11 calendar year, bears to the total population of the counties receiving funds under this ~~clause;~~
 98.12 ~~and~~ paragraph.

98.13 ~~(2) the remainder to the greater Minnesota transit account.~~ (d) The amount transferred
 98.14 under paragraph (b), clause (3), must be used for the local bridge program under section
 98.15 174.50, subdivisions 6 to 7.

98.16 (e) The revenues under this subdivision do not include the revenues, including interest
 98.17 and penalties and minus refunds, generated by the sales tax imposed under section 297A.62,
 98.18 subdivision 1a, which must be deposited as provided under the Minnesota Constitution,
 98.19 article XI, section 15.

98.20 **EFFECTIVE DATE.** This section is effective the day following final enactment,
 98.21 beginning with the estimate that must be completed on or before June 30, 2018, for a transfer
 98.22 that occurs by July 15, 2018.

98.23 Sec. 110. Minnesota Statutes 2016, section 297A.94, is amended to read:

98.24 **297A.94 DEPOSIT OF REVENUES.**

98.25 (a) Except as provided in this section, the commissioner shall deposit the revenues,
 98.26 including interest and penalties, derived from the taxes imposed by this chapter in the state
 98.27 treasury and credit them to the general fund.

98.28 (b) The commissioner shall deposit taxes in the Minnesota agricultural and economic
 98.29 account in the special revenue fund if:

98.30 (1) the taxes are derived from sales and use of property and services purchased for the
 98.31 construction and operation of an agricultural resource project; and

99.1 (2) the purchase was made on or after the date on which a conditional commitment was
99.2 made for a loan guaranty for the project under section 41A.04, subdivision 3.

99.3 The commissioner of management and budget shall certify to the commissioner the date on
99.4 which the project received the conditional commitment. The amount deposited in the loan
99.5 guaranty account must be reduced by any refunds and by the costs incurred by the Department
99.6 of Revenue to administer and enforce the assessment and collection of the taxes.

99.7 (c) The commissioner shall deposit the revenues, including interest and penalties, derived
99.8 from the taxes imposed on sales and purchases included in section 297A.61, subdivision 3,
99.9 paragraph (g), clauses (1) and (4), in the state treasury, and credit them as follows:

99.10 (1) first to the general obligation special tax bond debt service account in each fiscal
99.11 year the amount required by section 16A.661, subdivision 3, paragraph (b); and

99.12 (2) after the requirements of clause (1) have been met, the balance to the general fund.

99.13 (d) Beginning with sales taxes remitted after July 1, 2017, the commissioner shall deposit
99.14 in the state treasury the revenues collected under section 297A.64, subdivision 1, including
99.15 interest and penalties and minus refunds, and credit them to the highway user tax distribution
99.16 fund.

99.17 (e) The commissioner shall deposit the revenues, including interest and penalties,
99.18 collected under section 297A.64, subdivision 5, in the state treasury and credit them to the
99.19 general fund. By July 15 of each year the commissioner shall transfer to the highway user
99.20 tax distribution fund an amount equal to the excess fees collected under section 297A.64,
99.21 subdivision 5, for the previous calendar year.

99.22 ~~(e)~~ (f) Beginning with sales taxes remitted after July 1, 2017, in conjunction with the
99.23 deposit of revenues under paragraph (d), the commissioner shall deposit into the state
99.24 treasury and credit to the highway user tax distribution fund an amount equal to the estimated
99.25 revenues derived from the tax rate imposed under section 297A.62, subdivision 1, on the
99.26 lease or rental for not more than 28 days of rental motor vehicles subject to section 297A.64.
99.27 The commissioner shall estimate the amount of sales tax revenue deposited under this
99.28 paragraph based on the amount of revenue deposited under paragraph (d).

99.29 (g) Starting after July 1, 2017, the commissioner shall deposit an amount of the
99.30 remittances monthly into the state treasury and credit them to the highway user tax
99.31 distribution fund as a portion of the estimated amount of taxes collected from the sale and
99.32 purchase of motor vehicle repair parts in that month. For the remittances between July 1,
99.33 2017, and June 30, 2019, the monthly deposit amount is \$2,628,000. For remittances in

100.1 each subsequent fiscal year, the monthly deposit amount is \$12,137,000. For purposes of
100.2 this paragraph, "motor vehicle" has the meaning given in section 297B.01, subdivision 11,
100.3 and "motor vehicle repair and replacement parts" includes (i) all parts, tires, accessories,
100.4 and equipment incorporated into or affixed to the motor vehicle as part of the motor vehicle
100.5 maintenance and repair, and (ii) paint, oil, and other fluids that remain on or in the motor
100.6 vehicle as part of the motor vehicle maintenance or repair. For purposes of this paragraph,
100.7 "tire" means any tire of the type used on highway vehicles, if wholly or partially made of
100.8 rubber and if marked according to federal regulations for highway use.

100.9 (h) 72.43 percent of the revenues, including interest and penalties, transmitted to the
100.10 commissioner under section 297A.65, must be deposited by the commissioner in the state
100.11 treasury as follows:

100.12 (1) 50 percent of the receipts must be deposited in the heritage enhancement account in
100.13 the game and fish fund, and may be spent only on activities that improve, enhance, or protect
100.14 fish and wildlife resources, including conservation, restoration, and enhancement of land,
100.15 water, and other natural resources of the state;

100.16 (2) 22.5 percent of the receipts must be deposited in the natural resources fund, and may
100.17 be spent only for state parks and trails;

100.18 (3) 22.5 percent of the receipts must be deposited in the natural resources fund, and may
100.19 be spent only on metropolitan park and trail grants;

100.20 (4) three percent of the receipts must be deposited in the natural resources fund, and
100.21 may be spent only on local trail grants; and

100.22 (5) two percent of the receipts must be deposited in the natural resources fund, and may
100.23 be spent only for the Minnesota Zoological Garden, the Como Park Zoo and Conservatory,
100.24 and the Duluth Zoo.

100.25 ~~(i)~~ (i) The revenue dedicated under paragraph ~~(e)~~ (h) may not be used as a substitute for
100.26 traditional sources of funding for the purposes specified, but the dedicated revenue shall
100.27 supplement traditional sources of funding for those purposes. Land acquired with money
100.28 deposited in the game and fish fund under paragraph ~~(e)~~ (h) must be open to public hunting
100.29 and fishing during the open season, except that in aquatic management areas or on lands
100.30 where angling easements have been acquired, fishing may be prohibited during certain times
100.31 of the year and hunting may be prohibited. At least 87 percent of the money deposited in
100.32 the game and fish fund for improvement, enhancement, or protection of fish and wildlife
100.33 resources under paragraph ~~(e)~~ (h) must be allocated for field operations.

101.1 ~~(g)~~ (j) The revenues deposited under paragraphs (a) to ~~(f)~~ (i) do not include the revenues,
 101.2 including interest and penalties, generated by the sales tax imposed under section 297A.62,
 101.3 subdivision 1a, which must be deposited as provided under the Minnesota Constitution,
 101.4 article XI, section 15.

101.5 **EFFECTIVE DATE.** This section is effective July 1, 2017.

101.6 Sec. 111. Minnesota Statutes 2016, section 297A.992, is amended by adding a subdivision
 101.7 to read:

101.8 **Subd. 10a. Termination of taxes; use of remaining funds.** If the joint powers agreement
 101.9 under subdivision 3 is terminated, funds received by a county in association with the
 101.10 termination may be used for any of the purposes specified in section 297A.993, subdivision
 101.11 2.

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

101.13 Sec. 112. Minnesota Statutes 2016, section 297B.01, subdivision 16, is amended to read:

101.14 Subd. 16. **Sale, sells, selling, purchase, purchased, or acquired.** (a) "Sale," "sells,"
 101.15 "selling," "purchase," "purchased," or "acquired" means any transfer of title of any motor
 101.16 vehicle, whether absolutely or conditionally, for a consideration in money or by exchange
 101.17 or barter for any purpose other than resale in the regular course of business.

101.18 (b) Any motor vehicle utilized by the owner only by leasing such vehicle to others or
 101.19 by holding it in an effort to so lease it, and which is put to no other use by the owner other
 101.20 than resale after such lease or effort to lease, shall be considered property purchased for
 101.21 resale.

101.22 (c) The terms also shall include any transfer of title or ownership of a motor vehicle by
 101.23 other means, for or without consideration, except that these terms shall not include:

101.24 (1) the acquisition of a motor vehicle by inheritance from or by bequest of, or
 101.25 transfer-on-death of title by, a decedent who owned it;

101.26 (2) the transfer of a motor vehicle which was previously licensed in the names of two
 101.27 or more joint tenants and subsequently transferred without monetary consideration to one
 101.28 or more of the joint tenants;

101.29 (3) the transfer of a motor vehicle by way of gift from a limited used vehicle dealer
 101.30 licensed under section 168.27, subdivision 4a, to an individual, when the transfer is with

102.1 no monetary or other consideration or expectation of consideration and the parties to the
102.2 transfer submit an affidavit to that effect at the time the title transfer is recorded;

102.3 (4) the transfer of a motor vehicle by gift between:

102.4 (i) spouses;

102.5 (ii) parents and a child; or

102.6 (iii) grandparents and a grandchild;

102.7 (5) the voluntary or involuntary transfer of a motor vehicle between a husband and wife
102.8 in a divorce proceeding; or

102.9 (6) the transfer of a motor vehicle by way of a gift to an organization that is exempt from
102.10 federal income taxation under section 501(c)(3) of the Internal Revenue Code when the
102.11 motor vehicle will be used exclusively for religious, charitable, or educational purposes.

102.12 Sec. 113. Minnesota Statutes 2016, section 299D.03, subdivision 6, is amended to read:

102.13 Subd. 6. **Training program.** The commissioner of public safety may provide training
102.14 programs for the purpose of obtaining qualified personnel for the State Patrol. Persons
102.15 accepted by the commissioner of public safety for training under this training program shall
102.16 be designated State Patrol trainees and shall receive a salary ~~not to exceed~~ no less than 70
102.17 percent of the basic salary for patrol officers as prescribed in subdivision 2, during the period
102.18 of the training. Nothing contained in this subdivision shall be construed to prevent the
102.19 commissioner of public safety from providing in-service training programs for State Patrol
102.20 officers. The commissioner of transportation shall furnish the commissioner of public safety
102.21 with lands and buildings necessary in providing in-service training programs and the
102.22 Department of Public Safety shall reimburse the Department of Transportation for all
102.23 reasonable costs incurred due to the provision of these training facilities.

102.24 Sec. 114. Minnesota Statutes 2016, section 398A.10, subdivision 3, is amended to read:

102.25 Subd. 3. **Application.** This section only applies to a county that has imposed the
102.26 metropolitan transportation sales and use tax under section 297A.992 and applies whether
102.27 or not the tax is currently in effect.

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

103.1 Sec. 115. Minnesota Statutes 2016, section 398A.10, subdivision 4, is amended to read:

103.2 Subd. 4. **Definition.** For purposes of this section, "project" means the initial construction
 103.3 or extension of a minimum operable segment of a new light rail transit or commuter rail
 103.4 line, but does not include infill stations, project enhancements, ~~extensions~~, or supportive
 103.5 infrastructure, constructed after the rail transit is operational.

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

103.7 Sec. 116. Minnesota Statutes 2016, section 473.121, subdivision 2, is amended to read:

103.8 Subd. 2. **Metropolitan area or area.** "Metropolitan area" or "area" means the area over
 103.9 which the Metropolitan Council has jurisdiction, including only the counties of Anoka;
 103.10 Carver; Dakota excluding the ~~city~~ cities of Northfield and Cannon Falls; Hennepin excluding
 103.11 the cities of Hanover and Rockford; Ramsey; Scott excluding the city of New Prague; and
 103.12 Washington.

103.13 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
 103.14 final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,
 103.15 Scott, and Washington.

103.16 Sec. 117. Minnesota Statutes 2016, section 473.388, subdivision 4, is amended to read:

103.17 Subd. 4. **Financial assistance; base allocation.** (a) The council must grant ~~the requested~~
 103.18 financial assistance if ~~it determines that~~ (1) the proposed service is intended to replace of
 103.19 the statutory or home rule charter city, town, or combination, replaces the council's service
 103.20 to the applying statutory or home rule charter city, or town, or combination thereof by the
 103.21 council, and that (2) the proposed service will meet meets the needs of the applicant recipient
 103.22 at least as efficiently and effectively as the existing council's service.

103.23 (b) The amount of assistance which the council must provide to a system under this
 103.24 section ~~may~~ must not be less than the sum of (1) the amounts determined for each
 103.25 municipality comprising the system as follows: calculated under paragraph (c), and (2) the
 103.26 amount calculated under subdivision 4a.

103.27 (c) The financial assistance base allocation for each replacement service municipality
 103.28 is calculated as:

103.29 (1) an amount equal to 3.74 percent of the total state revenues generated from the taxes
 103.30 imposed under chapter 297B for the current fiscal year; times

103.31 (2) the ratio of:

104.1 (i) the transit operating assistance grants received under this subdivision by the
 104.2 municipality in calendar year 2001 or the tax revenues for transit services levied by the
 104.3 municipality for taxes payable in 2001, including that portion of the levy derived from the
 104.4 areawide pool under section 473F.08, subdivision 3, clause (a), plus the portion of the
 104.5 municipality's aid under Minnesota Statutes 2002, section 273.1398, subdivision 2,
 104.6 attributable to the transit levy; ~~times~~

104.7 ~~(2) the ratio of (i) an amount equal to 3.74 percent of the state revenues generated from~~
 104.8 ~~the taxes imposed under chapter 297B for the current fiscal year to (ii) the total transit~~
 104.9 operating assistance grants received under this subdivision in calendar year 2001 or the tax
 104.10 revenues for transit services levied by all replacement service municipalities under this
 104.11 section for taxes payable in 2001, including that portion of the levy derived from the areawide
 104.12 pool under section 473F.08, subdivision 3, clause (a), plus the portion of homestead and
 104.13 agricultural credit aid under Minnesota Statutes 2002, section 273.1398, subdivision 2,
 104.14 attributable to nondebt transit levies; ~~times~~

104.15 (3) the ratio of:

104.16 (i) the municipality's total taxable market value for taxes payable in 2006 divided by the
 104.17 municipality's total taxable market value for taxes payable in 2001;₂ to

104.18 (ii) the total taxable market value of all property located in replacement service
 104.19 municipalities for taxes payable in 2006 divided by the total taxable market value of all
 104.20 property located in replacement service municipalities for taxes payable in 2001.

104.21 ~~(e)~~ (d) The council ~~shall~~ must pay the amount to be provided to the recipient under this
 104.22 subdivision from the funds the council receives in the metropolitan area transit account
 104.23 under section 16A.88.

104.24 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
 104.25 final enactment and applies for financial assistance provided on or after January 1, 2018.
 104.26 This section applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott,
 104.27 and Washington.

104.28 Sec. 118. Minnesota Statutes 2016, section 473.388, is amended by adding a subdivision
 104.29 to read:

104.30 **Subd. 4a. Financial assistance; regional allocation.** (a) In addition to the assistance
 104.31 under subdivision 4, paragraph (c), for fiscal years 2018 and 2019 the council must annually
 104.32 provide financial assistance through regional allocation to replacement service municipalities.
 104.33 The amount of financial assistance under this paragraph must equal at least 0.35 percent of

105.1 the total state revenues generated from the taxes imposed under chapter 297B for the current
105.2 fiscal year.

105.3 (b) The council must establish a process to regionally allocate financial assistance under
105.4 this subdivision. At a minimum, the council must:

105.5 (1) adopt and implement a regional allocation policy that specifies funding priorities,
105.6 identifies decision-making procedures, and establishes criteria to determine the amount
105.7 allocated to a replacement service municipality; and

105.8 (2) ensure transparency and stakeholder input, which must include publishing on the
105.9 council's Web site the policy adopted under clause (1), a summary of the regional allocation
105.10 process, and financial information on the allocations.

105.11 (c) The regional allocation policy may specify eligibility requirements based on a
105.12 replacement service municipality's transit service operating reserves.

105.13 (d) The council must provide financial assistance under this subdivision using funds
105.14 appropriated to the council from the metropolitan area transit account in the transit assistance
105.15 fund.

105.16 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
105.17 final enactment and applies for financial assistance provided on or after January 1, 2018.
105.18 This section applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott,
105.19 and Washington.

105.20 Sec. 119. Minnesota Statutes 2016, section 473.39, is amended by adding a subdivision
105.21 to read:

105.22 **Subd. 6. Limitation on certain debt obligations.** The council is prohibited from issuing
105.23 certificates of participation for light rail transit secured in whole or in part by (1) a pledge
105.24 of motor vehicle sales tax revenue received under sections 16A.88 and 297B.09, or (2) a
105.25 pledge of any earnings from the council's investment of motor vehicle sales tax revenues.

105.26 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
105.27 final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,
105.28 Scott, and Washington.

105.29 Sec. 120. Minnesota Statutes 2016, section 473.4051, subdivision 2, is amended to read:

105.30 **Subd. 2. Operating costs.** (a) After operating revenue and federal money have been
105.31 used to pay for light rail transit operations, 50 percent of the remaining operating costs for

106.1 a light rail transit line must be paid by the state if the light rail transit line is in revenue
106.2 operations as of the effective date of this section. For purposes of this paragraph, a light rail
106.3 transit extension that adds additional stops is a separate project or light rail transit line.

106.4 (b) All operating and ongoing capital maintenance costs must be paid from nonstate
106.5 sources for a segment of a light rail transit line or line extension project that formally entered
106.6 the engineering phase of the Federal Transit Administration's "New Starts" capital investment
106.7 grant program between August 1, 2016, and December 31, 2016.

106.8 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
106.9 final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,
106.10 Scott, and Washington.

106.11 Sec. 121. **[473.4052] RIGHT-OF-WAY USE; CONTRACTS; LIABILITY.**

106.12 Subdivision 1. **Contracts for joint or shared use.** (a) The location of light rail transit
106.13 in a shared corridor that is within or adjacent to right-of-way used for freight rail purposes
106.14 is a public purpose.

106.15 (b) The council, a metropolitan county, or a public entity contracting with the council
106.16 or county may contract with a railroad for (1) the use of right-of-way for light rail transit
106.17 and freight rail purposes, or (2) the construction, operation, or maintenance of rail track,
106.18 facilities, or services for light rail transit and freight rail purposes in a shared corridor that
106.19 is within or adjacent to the right-of-way.

106.20 (c) Notwithstanding any law to the contrary, a contract under paragraph (b) may also
106.21 provide for the allocation of financial responsibility, indemnification, and the procurement
106.22 of insurance for the parties for all types of claims or damages.

106.23 (d) A contract entered into under this section does not affect rights of employees under
106.24 the federal Employers' Liability Act (1908) (Railroads), Statutes at Large, volume 35, chapter
106.25 149, or the federal Railway Labor Act, Statutes at Large, volume 44, chapter 347.

106.26 Subd. 2. **Liability.** Notwithstanding any law to the contrary, a railroad and its employees
106.27 operating within a shared corridor as described in subdivision 1 has the same limits to
106.28 liability for all types of claims or damages as provided to a municipality under sections
106.29 466.04 and 466.06, in an action arising from or related to an incident occurring within,
106.30 along, or adjacent to the shared corridor. The liability limits under this paragraph apply
106.31 when the claims or damages would not have occurred but for light rail transit, including,
106.32 but not limited to, light rail transit track, facilities, services, construction, improvements,
106.33 maintenance, and operations.

107.1 Subd. 3. **Insurance.** (a) Where the council and the railroad have entered into a contract
107.2 pursuant to subdivision 1, the council must procure insurance as commercially available
107.3 that is consistent with the amount of the damages limitation established under United States
107.4 Code, title 49, section 28103(a)(2), as indexed under Fixing America's Surface Transportation
107.5 Act, Public Law 114-94, section 11415.

107.6 (b) The council must procure insurance required by paragraph (a) so that it is in place
107.7 and effective when light rail vehicles are operating during prerevenue testing and revenue
107.8 service. This minimum insurance requirement is satisfied by an overall railroad liability
107.9 policy covering all of the council's railroad obligations, and a separate policy is not required
107.10 for each freight railroad or each project.

107.11 (c) Procurement of insurance as required by this subdivision constitutes a waiver of the
107.12 liability limits for the railroad and the council under sections 466.04 and 466.06 only to the
107.13 extent that the insurance procured by the council pays the claim on an incident that occurred
107.14 within, along, or adjacent to the shared corridor.

107.15 (d) Insurance procured by the railroad itself shall not create or be construed to be a
107.16 waiver of the liability limits for the railroad established under subdivision 2.

107.17 Subd. 4. **Application.** The liability limits under subdivision 2 and the insurance
107.18 requirements under subdivision 3 apply only for that segment of a light rail transit line or
107.19 line extension in which the project formally entered the engineering phase of the Federal
107.20 Transit Administration's "New Starts" capital investment grant program between August 1,
107.21 2016, and December 31, 2016.

107.22 **EFFECTIVE DATE; APPLICATION.** This section is effective the earlier of the dates
107.23 that the council (1) commences construction of a light rail transit line or line extension; or
107.24 (2) enters into a full funding grant agreement with the Federal Transit Administration for
107.25 construction of a light rail transit line or line extension, excluding an agreement entered
107.26 into prior to the date of enactment of this act. This section applies in the counties of Anoka,
107.27 Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

107.28 Sec. 122. Minnesota Statutes 2016, section 473.857, subdivision 2, is amended to read:

107.29 **Subd. 2. Within 60 days; report.** A hearing shall be conducted within 60 days after the
107.30 request, provided that the advisory committee or the administrative law judge shall
107.31 consolidate hearings on related requests. The 60-day period within which the hearing shall
107.32 be conducted may be extended or suspended by mutual agreement of the council and the
107.33 local governmental unit. The hearing shall not consider the need for ~~or reasonableness of~~

108.1 the metropolitan system plans or parts thereof. The hearing shall afford all interested persons
108.2 an opportunity to testify and present evidence. The advisory committee or administrative
108.3 law judge may employ the appropriate technical and professional services of the office of
108.4 dispute resolution for the purpose of evaluating disputes of fact. The proceedings shall not
108.5 be deemed a contested case. Within 30 days after the hearing, the advisory committee or
108.6 the administrative law judge shall report to the council respecting the proposed amendments
108.7 to the system statements. The report shall contain findings of fact, conclusions, and
108.8 recommendations and shall apportion the costs of the proceedings among the parties.

108.9 **EFFECTIVE DATE.** This section is effective January 1, 2019, and applies in the
108.10 counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

108.11 Sec. 123. **MOTOR VEHICLE PARTS SALES TAXES ESTIMATION.**

108.12 (a) By January 15, 2019, the commissioner of revenue must submit a report on state
108.13 general sales taxes attributable to motor vehicle repair and replacement parts to the chairs
108.14 and ranking minority members of the legislative committees with jurisdiction over taxes
108.15 and transportation policy and finance.

108.16 (b) The report must provide an estimate, based on federal data and department
108.17 consumption models, of the percentage of total sales tax revenues collected in a calendar
108.18 year from the tax rate imposed under Minnesota Statutes, section 297A.62, subdivision 1,
108.19 that is attributable to sales and purchases of motor vehicle repair and replacement parts.

108.20 (c) For purposes of this section, "motor vehicle repair and replacement parts" has the
108.21 meaning given in Minnesota Statutes, section 297A.94.

108.22 Sec. 124. **TRANSPORTATION PROJECT SELECTION PROCESS.**

108.23 Subdivision 1. **Adoption of policy.** (a) The commissioner of transportation, after
108.24 consultation with the Federal Highway Administration, metropolitan planning organizations,
108.25 regional development commissions, area transportation partnerships, local governments,
108.26 the Metropolitan Council, and transportation stakeholders, must develop, adopt, and
108.27 implement a policy for project evaluation and selection to apply to the project selection
108.28 process and to special program selection processes, such as corridors of commerce. The
108.29 commissioner must adopt and implement the policy no later than November 1, 2018, and
108.30 may update the policy as appropriate. The commissioner must publish the policy and updates
108.31 on the department's Web site and through other effective means selected by the commissioner.

108.32 (b) For each selection process, the policy adopted under this section must:

109.1 (1) establish a process that identifies criteria, the weight of each criterion, and a process
109.2 to score each project based on the weighted criteria; the scoring system may consider project
109.3 readiness as a criterion for evaluation, but project readiness must not be a major factor in
109.4 determining the final score;

109.5 (2) identify and apply all relevant criteria contained in enacted Minnesota or federal law,
109.6 or added by the commissioner;

109.7 (3) identify for stakeholders and the general public the candidate project selected under
109.8 each selection process and every project considered that was not selected;

109.9 (4) involve area transportation partnerships and other local authorities, as appropriate,
109.10 in the process of scoring and ranking candidate projects under consideration;

109.11 (5) publicize scoring and decision outcomes concerning each candidate project, including
109.12 the projects that were considered but not selected, and the reason each project was not
109.13 selected; and

109.14 (6) require that the projects in the state transportation improvement program include the
109.15 score assigned to the project.

109.16 (c) At a minimum, the policy adopted under this subdivision must conform with the
109.17 criteria for the corridors of commerce program under Minnesota Statutes, section 161.088,
109.18 and the transportation economic development program under Minnesota Statutes, section
109.19 174.12.

109.20 Subd. 2. **Report to legislature.** By February 1, 2019, the commissioner must submit a
109.21 report to the chairs, ranking minority members, and staff of the legislative committees with
109.22 jurisdiction over transportation policy and finance concerning the adopted policy and how
109.23 the policy is anticipated to improve the consistency, objectivity, and transparency of the
109.24 selection process. The report must include information on input from members of the public
109.25 and the organizations identified in subdivision 1.

109.26 **Sec. 125. CORRIDORS OF COMMERCE PROJECT ELIGIBILITY.**

109.27 Notwithstanding the requirements of Minnesota Statutes, section 161.088, subdivisions
109.28 3 to 5, the commissioner of transportation must include that segment of marked U.S. Highway
109.29 212 from Chaska to Montevideo as an eligible highway in the next project solicitation and
109.30 selection process undertaken for the corridors of commerce program under that section.

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

110.1 Sec. 126. **OAK GROVE; COMPREHENSIVE PLAN.**

110.2 Subdivision 1. Oak Grove. Notwithstanding any law, metropolitan system plan, the
110.3 2015 system statement for the city of Oak Grove, or administrative law judge's decision to
110.4 the contrary, the area of the city that was the subject of the administrative law judge's decision
110.5 in OAH 5-2106-33226, dated May 10, 2016, is designated "rural residential" for the purposes
110.6 of the city's comprehensive plan update.

110.7 Subd. 2. Metropolitan Council. The Metropolitan Council shall conform its metropolitan
110.8 development guide, system plans, and the system statement for the city of Oak Grove to
110.9 accommodate the provisions in subdivision 1.

110.10 EFFECTIVE DATE. This section is effective the day after the governing body of the
110.11 city of Oak Grove and its chief clerical officer timely complete their compliance with
110.12 Minnesota Statutes, section 645.021, subdivisions 2 and 3. This section applies in the counties
110.13 of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

110.14 Sec. 127. **DRIVER'S LICENSE AGENT IN NEW BRIGHTON.**

110.15 (a) The commissioner of public safety must revise the appointment of the city of New
110.16 Brighton as a driver's license agent to provide authority to operate as a full-service driver
110.17 licensing office located in New Brighton city hall. This paragraph applies notwithstanding:
110.18 (1) Minnesota Statutes, section 171.061, subdivision 2; (2) requirements under Minnesota
110.19 Rules, part 7404.0300, subpart 3; and (3) procedures for county board appointment of a
110.20 driver's license agent, including under Minnesota Rules, part 7404.0350. All other provisions
110.21 regarding the appointment and operation of a driver's license agent under Minnesota Statutes,
110.22 section 171.061, and Minnesota Rules, chapter 7404, apply.

110.23 (b) The commissioner must make the appointment under this section within two weeks
110.24 of receipt of an appointment application pursuant to the commissioner's procedures under
110.25 Minnesota Rules.

110.26 Sec. 128. **ELECTRONIC STORAGE STANDARDS.**

110.27 On or before August 1, 2017, the commissioner of public safety must establish standards
110.28 for the conversion by deputy registrars and driver's license agents to secure electronic storage
110.29 of certain records under Minnesota Statutes, sections 168.33, subdivision 2, and 171.061,
110.30 subdivision 3. The standards must specify minimum system security requirements, as well
110.31 as any procedural requirements for the destruction of existing and new paper-based records,

111.1 consistent with the requirements of Minnesota Statutes, section 138.17. The authority to
111.2 establish or amend standards under this section expires August 1, 2018.

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

111.4 Sec. 129. **RULE CHANGE ON SCHOOL BUS OPERATION.**

111.5 The commissioner of public safety must amend Minnesota Rules, part 7470.1000, subpart
111.6 2, so that it is consistent with Minnesota Statutes, section 169.443, subdivision 2, using the
111.7 good cause procedure under Minnesota Statutes, section 14.388.

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

111.9 Sec. 130. **CONVEYANCE FOR HISTORICAL PURPOSES; MCKINSTRY**
111.10 **SURPLUS LANDS.**

111.11 (a) Notwithstanding any other law to the contrary, the commissioner may convey as
111.12 provided in Minnesota Statutes, section 161.44, land described in paragraph (b), including
111.13 any improvements on the lands, owned in fee by the state for trunk highway purposes, but
111.14 no longer needed, to the Minnesota Historical Society for historical purposes. The conveyance
111.15 must be without financial consideration. The lands conveyed must become a part of the
111.16 state's historic sites program under Minnesota Statutes, chapter 138.

111.17 (b) The lands that may be conveyed are specifically related to the properties of the
111.18 McKinstry Mounds and portions of the McKinstry Village site owned by the Department
111.19 of Transportation, located along Trunk Highway 11 in Koochiching County.

111.20 Sec. 131. **DEPARTMENT OF TRANSPORTATION LOAN CONVERSION.**

111.21 The commissioner of transportation must (1) convert the remaining balance on Contract
111.22 No. 82799, originally executed with the Minnesota Valley Regional Rail Authority on
111.23 January 28, 2002, to a grant, and (2) cancel all future payments under the contract. The
111.24 commissioner is prohibited from requiring or accepting additional payments under Contract
111.25 No. 82799 as of the effective date of this section. Notwithstanding the loan conversion and
111.26 payment cancellation under this section, all other terms and conditions under Contract No.
111.27 82799 remain effective for the duration of the period specified in the contract.

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

112.1 Sec. 132. **MARKED INTERSTATE HIGHWAY 35 WEIGH STATION;**
112.2 **MORATORIUM.**

112.3 (a) On or before February 1, 2018, the commissioner of transportation is prohibited from
112.4 constructing a permanent motor vehicle weigh station for the southbound direction of travel
112.5 on marked Interstate Highway 35, between the marked Interstate Highways 35W/35E split
112.6 and two miles northerly of the split. This prohibition does not apply to pavement
112.7 improvements at the weigh station.

112.8 (b) The commissioners of public safety and transportation must monitor crash rates at
112.9 the location specified under paragraph (a). The commissioners also must explore relocating
112.10 the weigh station.

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

112.12 Sec. 133. **HIGHWAY CONSTRUCTION COSTS AND COST INFLATION STUDY.**

112.13 Subdivision 1. **Highway construction cost study; requirements.** (a) The commissioner
112.14 of transportation must enter into an agreement with an organization or entity having relevant
112.15 expertise to conduct a study on highway construction costs, inflation, and cost estimating.
112.16 The study must be designed to identify and analyze the nature of discrepancies in highway
112.17 construction costs and cost inflation estimates between Minnesota and other federal and
112.18 national measures.

112.19 (b) At a minimum, the study must:

112.20 (1) include an overview of highway construction cost and cost estimation issues;

112.21 (2) establish benchmarks to compare costs in Minnesota to at least four other states that
112.22 are comparable based on climate and construction characteristics, including historical
112.23 state-by-state review of at least the following cost factors: (i) direct input costs associated
112.24 with highway construction, (ii) cost impacts from construction standards and requirements
112.25 established in law, and (iii) cost impacts from use of alternative methods of contracting and
112.26 project management;

112.27 (3) identify factors specific to Minnesota, if any, that contribute to cost differences,
112.28 based on the benchmarks established in clause (2);

112.29 (4) evaluate the methodology used for highway construction cost calculation and indexing
112.30 in Minnesota, including (i) review of associated best practices, (ii) comparison of federal
112.31 and Minnesota state highway construction cost index methodologies utilizing historical cost
112.32 data for Minnesota, (iii) identification of the reasons for any past discrepancies or differences

113.1 between state and federal highway construction cost indexing, and (iv) analysis of the
 113.2 historical accuracy of the Minnesota highway construction cost index compared to actual
 113.3 costs; and

113.4 (5) provide specific recommendations for road authorities and legislative changes to
 113.5 reduce highway construction costs.

113.6 (c) By February 15, 2018, the commissioner must submit a report on the study to the
 113.7 chairs, ranking minority members, and staff of the legislative committees with jurisdiction
 113.8 over transportation policy and finance.

113.9 Subd. 2. **Project cost comparison report.** By February 15, 2018, the commissioner of
 113.10 transportation must report to the chairs, ranking minority members, and staff of the senate
 113.11 and house of representatives committees and divisions with jurisdiction over transportation
 113.12 policy and finance comparing the estimated cost of projects and the actual cost of projects.
 113.13 The report must include all projects completed in whole or in part by MnDOT from July 1,
 113.14 2012, to July 1, 2017. For each project, the report must list the estimated cost of the project
 113.15 prior to starting the project and the total actual cost for the project after completion. For
 113.16 each project, if the actual cost was less than the estimated cost, the report must explain how
 113.17 the excess funds were expended.

113.18 Sec. 134. **VIBRATION MANAGEMENT PLAN ON CALHOUN ISLES PROPERTY.**

113.19 (a) Before commencement of Southwest light rail transit construction activities, the
 113.20 Metropolitan Council must develop and implement a project-eligible plan to prevent vibration
 113.21 impacts to the Calhoun Isles property, including the high-rise building, townhomes, and
 113.22 parking ramp, due to Southwest light rail transit project construction activities and operations.
 113.23 The council must develop the plan at its expense.

113.24 (b) The plan must include requirements to:

113.25 (1) develop a vibration control plan for periods during construction and post construction;

113.26 (2) limit vibration levels to those established by the Federal Transit Administration;

113.27 (3) conduct pre- and post-construction inspections of buildings;

113.28 (4) install and monitor instrumentation to identify ground and building movements on
 113.29 the Calhoun Isles property during construction;

113.30 (5) use equipment and methods to minimize vibration during construction and during
 113.31 light rail transit operations; and

114.1 (6) conduct equipment tests for all significant vibration-generating equipment used for
114.2 construction adjacent to the Calhoun Isles property.

114.3 (c) The council must categorize the Calhoun Isles property buildings based on criteria
114.4 established by the Federal Transit Administration.

114.5 (d) The council must ensure that (1) monitoring under paragraph (b), clause (4), begins
114.6 30 days before commencement of construction activities adjacent to the Calhoun Isles
114.7 property; and (2) tests under paragraph (b), clause (6), are conducted before commencement
114.8 of the associated construction activities.

114.9 (e) The council must make reasonable efforts to coordinate and cooperate with the
114.10 Calhoun Isles Condominium Association for (1) pre- and post-construction inspections,
114.11 instrumentation installation, and monitoring on the Calhoun Isles property; and (2) activities
114.12 to establish valid categorization of buildings.

114.13 (f) Before commencement of Southwest light rail transit construction activities, the
114.14 council must establish a fair and objective damage claims process to address claims
114.15 attributable to construction and operations activities.

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

114.17 **Sec. 135. REPORT ON DEDICATED FUND EXPENDITURES.**

114.18 By February 15, 2018, the commissioners of transportation and public safety, in
114.19 consultation with the commissioner of management and budget, must jointly submit a report
114.20 to the members and staff of the legislative committees with jurisdiction over transportation
114.21 finance. The report must update the information required in the report under Laws 2015,
114.22 chapter 75, article 2, section 56, including a detailed list of expenditures and transfers from
114.23 the trunk highway fund and highway user tax distribution fund for fiscal years 2013 through
114.24 2017, and information on the purpose of each expenditure.

114.25 **Sec. 136. ACTIVE TRANSPORTATION PROGRAM RECOMMENDATIONS.**

114.26 (a) By October 1, 2017, the Advisory Committee on Nonmotorized Transportation under
114.27 Minnesota Statutes, section 174.37, must develop and submit recommendations to the
114.28 commissioner of transportation regarding the project evaluation and selection processes
114.29 under Minnesota Statutes, section 174.38, subdivision 7.

114.30 (b) The advisory committee is encouraged to consult with representatives from the
114.31 Bicycle Alliance of Minnesota; Minnesota Chamber of Commerce; Metropolitan Council
114.32 Transportation Accessibility Advisory Committee; Minnesota Department of Transportation

115.1 district area transportation partnerships; organizations representing elderly populations;
 115.2 public health organizations with experience in active transportation; the Minnesota State
 115.3 Council on Disability and other Minnesota state councils and commissions, including the
 115.4 Council on Asian-Pacific Minnesotans, the Minnesota Council on Latino Affairs, the Council
 115.5 for Minnesotans of African Heritage, the Minnesota Indian Affairs Council, the Office on
 115.6 the Economic Status of Women, and the Cultural and Ethnic Communities Leadership
 115.7 Council; and other stakeholders with expertise in equitable active transportation.

115.8 (c) In its next annual report under Minnesota Statutes, section 174.37, subdivision 4, the
 115.9 advisory committee must include a summary of the recommendations under this section
 115.10 and submit a copy of the report to the chairs and ranking minority members of the legislative
 115.11 committees with jurisdiction over transportation policy and finance. The report is subject
 115.12 to Minnesota Statutes, section 3.195.

115.13 **Sec. 137. REPORT BY COMMISSIONER OF TRANSPORTATION ON MNPASS**
 115.14 **LANES AND TOLLING.**

115.15 (a) On or before January 2, 2018, the commissioner of transportation must report to the
 115.16 chairs and ranking minority members of the senate and house of representatives committees
 115.17 and divisions with jurisdiction over transportation policy and finance concerning MnPASS
 115.18 lanes and tolling to reduce congestion and raise revenue.

115.19 (b) At a minimum, the report must, with respect to MnPASS lanes:

115.20 (1) for each lane, state the capital costs, maintenance and repair costs, and operation
 115.21 costs;

115.22 (2) for each lane, indicate the current condition and the projected life expectancy;

115.23 (3) for each lane, list and explain the cost recovery ratio;

115.24 (4) list the amounts of the deposit of revenues made each year since pursuant to Minnesota
 115.25 Statutes, section 160.93, subdivisions 2 and 2a, including a breakdown of deposits for each
 115.26 lane for each year the lane has been in existence;

115.27 (5) list the cost to participate in the MnPASS program, broken down by each year a lane
 115.28 has been in existence;

115.29 (6) for each lane, list the total number of users, including a breakdown of the total number
 115.30 of each type of user; and

115.31 (7) provide an explanation of how MnPASS lane regulations are enforced.

115.32 (c) At a minimum, the report must, with respect to tolling:

- 116.1 (1) summarize current state and federal laws that affect the use of tolling in this state;
116.2 (2) identify any federal pilot projects for which this state is eligible to participate;
116.3 (3) discuss the feasibility and cost of expanding use of tolling, the possibility of private
116.4 investment in toll roads, and projected costs and cost recovery in establishing, operating,
116.5 and maintaining toll roads;
116.6 (4) review tolling models and technology options;
116.7 (5) summarize the experience of other states that have widely implemented tolling;
116.8 (6) identify and evaluate the feasibility of toll implementation for specific corridors;
116.9 (7) project the likely range of revenues that could be generated by wider implementation
116.10 of tolling and identify the percentage of revenues that are projected to be paid by nonresidents
116.11 of the state;
116.12 (8) discuss options for use of tolling revenue and measures to ensure compliance with
116.13 laws governing operation of toll roads and use of revenues;
116.14 (9) recommend and discuss possible ways to reduce cost to Minnesotans, such as tax
116.15 deductions or credits, or types of discounts; and
116.16 (10) provide recommendations for needed statutory or rule changes that would facilitate
116.17 wider implementation of tolling and achieve maximum revenues for the state and equity
116.18 for its residents.

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

116.20 Sec. 138. **REPORT BY COMMISSIONER OF TRANSPORTATION ON**
116.21 **TURNBACKS.**

116.22 By February 15, 2018, the commissioner of transportation must report to the chairs and
116.23 ranking minority members of the senate and house of representatives committees having
116.24 jurisdiction over transportation policy and finance concerning turnbacks. At a minimum,
116.25 the report must include:

- 116.26 (1) a current list of proposed turnback projects, including a description of each segment
116.27 of highway that is to be turned back; a description of the restoration work to be completed;
116.28 estimated cost of restoration work; to which entity the highway will be turned back; and
116.29 the total estimated cost related to all aspects of the turnback;

117.1 (2) the amount that the commissioner of transportation anticipates will be needed for
117.2 turnbacks during the next two fiscal years and a list of the turnbacks that will be accomplished
117.3 with the anticipated funds;

117.4 (3) a description of the turnback process, including an explanation of how turnback
117.5 projects are selected; and

117.6 (4) for each of the past five years:

117.7 (i) the amount of money that accrued to the county turnback account and to the municipal
117.8 turnback account;

117.9 (ii) a description of each segment of highway that was restored and turned back, including
117.10 what restoration work was completed; total cost of restoration work; to which entity the
117.11 highway was turned back; and the total cost related to all aspects of the turnback;

117.12 (iii) the amount of surplus funds, if any, that were transferred to the county state-aid
117.13 highway fund or to the municipal state-aid street fund pursuant to Minnesota Statutes, section
117.14 161.084; and

117.15 (iv) each payment made to a local government for future restoration after the road is
117.16 turned back, a description of the work to be completed with the funds, and a schedule
117.17 detailing when the work was completed or will be completed.

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

117.19 **Sec. 139. WORKING GROUP FOR INTERSECTION IN WILKIN COUNTY;**
117.20 **REPORT.**

117.21 (a) By September 1, 2017, the commissioner of transportation must convene a working
117.22 group to consider potential options for Wilkin County Road 19 between marked Trunk
117.23 Highway 55 and the railroad tracks north of marked Trunk Highway 55. The working group
117.24 must consist of the commissioner, or designee, and one representative from each of the
117.25 following: Minn-Dak Farmers Cooperative; the Wilkin County Board; the town board of
117.26 Champion; and the city council of Nashua. By December 15, 2017, the working group must
117.27 identify project options to address safety concerns of local residents at this location. For
117.28 each identified project, the commissioner must include an estimated cost and the estimated
117.29 date by which the project would be completed. The working group must then identify a
117.30 preferred option. Based on that preferred option, the responsible parties must develop funding
117.31 strategies and a delivery schedule with the goal that the project be completed by December
117.32 31, 2019.

118.1 (b) By January 1, 2018, the commissioner must report to the chairs, ranking minority
118.2 members, and staff of the senate and house of representatives committees or divisions with
118.3 jurisdiction over transportation policy and finance. The report must, at a minimum, include:
118.4 a summary of the meetings held by the working group; the project options identified and
118.5 the commissioner estimates associated with each option; and, if identified, the preferred
118.6 option and the funding and delivery schedule for that option.

118.7 Sec. 140. **METRO MOBILITY TASK FORCE.**

118.8 Subdivision 1. **Task force established.** A Metro Mobility Task Force is established to
118.9 examine the Metro Mobility program under Minnesota Statutes, section 473.386. The goal
118.10 of the task force is to identify options and methods to increase program effectiveness and
118.11 efficiency, minimize program costs, and improve service including through potential
118.12 partnership with taxi service providers and transportation network companies, as defined
118.13 in Minnesota Statutes, section 65B.472, subdivision 1, paragraph (e).

118.14 Subd. 2. **Membership.** (a) The task force consists of the following members:

118.15 (1) one representative from Metro Mobility, appointed by the Metropolitan Council;

118.16 (2) one elected official from each metropolitan county, as defined in Minnesota Statutes,
118.17 section 473.121, subdivision 4, each of whom must be from a district or unit of government
118.18 that is located within the Metro Mobility service area, appointed by the respective county
118.19 board in consultation with cities in that county;

118.20 (3) at least one and no more than three individuals representing transportation network
118.21 companies, as defined in Minnesota Statutes, section 65B.472, subdivision 1, appointed as
118.22 provided under paragraph (b);

118.23 (4) at least one and no more than three individuals representing taxi service providers,
118.24 appointed as provided in paragraph (c);

118.25 (5) one representative appointed by the Transportation Accessibility Advisory Committee
118.26 established under Minnesota Statutes, section 473.375, subdivision 9a;

118.27 (6) one representative appointed by the Council on Disability;

118.28 (7) one representative appointed by the commissioner of human services;

118.29 (8) one representative appointed by the commissioner of management and budget;

118.30 (9) one individual appointed by the Association of Residential Resources of Minnesota;
118.31 and

119.1 (10) one individual appointed by the Center for Transportation Studies at the University
119.2 of Minnesota.

119.3 (b) An interested transportation network company may appoint no more than one person
119.4 as a task force member. Appointment under this paragraph is on a first-come, first-appointed
119.5 basis by written notification to the Metropolitan Council.

119.6 (c) An interested taxi service provider may appoint no more than one person as a task
119.7 force member. Appointment under this paragraph is on a first-come, first-appointed basis
119.8 by written notification to the Metropolitan Council.

119.9 (d) The task force members specified under paragraph (a), clauses (1), (3), and (4), are
119.10 nonvoting members of the task force.

119.11 Subd. 3. **Task force duties.** (a) The task force must evaluate the Metro Mobility program,
119.12 which must include but is not limited to analysis of customer service, program costs and
119.13 expenditures, service coverage area and hours, reservation and scheduling, and buses and
119.14 equipment.

119.15 (b) The task force must identify and analyze options to improve Metro Mobility program
119.16 service, limit costs, and improve efficiency.

119.17 (c) At a minimum, the task force must consider:

119.18 (1) availability of transit, transportation network company, and taxi service throughout
119.19 the Metro Mobility service area;

119.20 (2) demand responsiveness and service levels;

119.21 (3) share of trips in which specially equipped vehicles that comply with the Americans
119.22 with Disabilities Act are necessary;

119.23 (4) technology accessibility for Metro Mobility customers;

119.24 (5) liability considerations;

119.25 (6) integration with regional transit service;

119.26 (7) integration with Department of Human Services programs and services;

119.27 (8) partnerships with transportation network companies and taxi providers, including
119.28 methods to integrate billing or fare collection;

119.29 (9) potential to use transportation network companies or taxi services to provide an
119.30 enhanced service option in which riders pay a higher fare than other users of Metro Mobility
119.31 Services; and

120.1 (10) proposals and models from other service areas for incorporating transportation
120.2 network companies and taxi service providers into transit systems.

120.3 Subd. 4. **Administration.** (a) Each appointing entity under subdivision 2 must make
120.4 appointments and notify the Metropolitan Council by August 1, 2017.

120.5 (b) The Metropolitan Council representative appointed to the task force must convene
120.6 the initial meeting of the task force no later than September 1, 2017. At the initial meeting,
120.7 the members of the task force must elect a chair or cochaIRS from among the task force
120.8 members.

120.9 (c) Upon request of the task force, the council must use existing resources to provide
120.10 data, information, meeting space, and administrative services.

120.11 (d) Members of the task force serve without compensation or payment of expenses.

120.12 (e) The task force may accept gifts and grants, which are accepted on behalf of the state
120.13 and constitute donations to the Metropolitan Council. Funds received under this paragraph
120.14 are appropriated to the Metropolitan Council for purposes of the task force.

120.15 Subd. 5. **Legislative report.** (a) By February 15, 2018, the task force must submit a
120.16 report to the chairs, ranking minority members, and staff of the legislative committees with
120.17 jurisdiction over transportation policy and finance.

120.18 (b) At a minimum, the report must:

120.19 (1) describe the current Metro Mobility program;

120.20 (2) summarize the work of the task force and its findings;

120.21 (3) identify options for reducing program costs and improving efficiency;

120.22 (4) identify at least three potential service level approaches that involve partnering with
120.23 and incorporating transportation network companies, taxi service providers, or both; and

120.24 (5) provide any recommendations for program and legislative changes.

120.25 Subd. 6. **Expiration.** The task force under this section expires February 15, 2018, or
120.26 upon submission of the report required under subdivision 5, whichever is earlier.

120.27 Sec. 141. **LEGISLATIVE ROUTE NO. 123 REMOVED.**

120.28 (a) Minnesota Statutes, section 161.115, subdivision 54, is repealed effective the day
120.29 after the commissioner of transportation receives a copy of the agreement between the
120.30 commissioner and the governing body of Le Sueur County to transfer jurisdiction of

121.1 Legislative Route No. 123 and after the commissioner notifies the revisor of statutes under
121.2 paragraph (b).

121.3 (b) The revisor of statutes shall delete the route identified in paragraph (a) from Minnesota
121.4 Statutes when the commissioner of transportation sends notice to the revisor electronically
121.5 or in writing that the conditions required to transfer the route have been satisfied.

121.6 Sec. 142. **LEGISLATIVE ROUTE NO. 225 REMOVED.**

121.7 (a) Minnesota Statutes, section 161.115, subdivision 156, is repealed effective the day
121.8 after the commissioner of transportation receives a copy of the agreement between the
121.9 commissioner and the governing body of Becker County to transfer jurisdiction of Legislative
121.10 Route No. 225 and after the commissioner notifies the revisor of statutes under paragraph
121.11 (b).

121.12 (b) The revisor of statutes shall delete the route identified in paragraph (a) from Minnesota
121.13 Statutes when the commissioner of transportation sends notice to the revisor electronically
121.14 or in writing that the conditions required to transfer the route have been satisfied.

121.15 Sec. 143. **REVISOR'S INSTRUCTION.**

121.16 The revisor of statutes shall recodify Minnesota Statutes, section 174.93, as Minnesota
121.17 Statutes, section 473.4485. The revisor shall correct any cross-references made necessary
121.18 by the recodification.

121.19 Sec. 144. **REPEALER.**

121.20 (a) Minnesota Statutes 2016, sections 160.262, subdivision 2; 160.265; and 160.266,
121.21 subdivisions 1 and 2, are repealed.

121.22 (b) Minnesota Statutes 2016, section 161.115, subdivision 32, is repealed.

121.23 (c) Minnesota Statutes 2016, sections 165.15, subdivision 8; and 219.375, subdivision
121.24 4, are repealed.

121.25 (d) Minnesota Statutes 2016, section 169.4502, subdivision 5, is repealed.

121.26 (e) Minnesota Rules, parts 8810.0800, subpart 3; and 8810.1300, subpart 4, are repealed.

121.27 (f) Minnesota Rules, parts 8810.6000; 8810.6100; 8810.6300; 8810.6400; 8810.6500;
121.28 8810.6600; 8810.6700; 8810.6800; 8810.6900; 8810.7000; 8810.9910; 8810.9911;
121.29 8810.9912; and 8810.9913, are repealed.

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160.262 RECREATIONAL VEHICLE LANES.

Subd. 2. **Local regulations; approval for state funding.** Each county and municipality including towns having statutory city powers may adopt the model standards to govern highways under its jurisdiction and may adapt them to local circumstances. Such local regulations shall be submitted to the commissioner of transportation who shall approve them within 60 days after receipt upon finding that they meet the minimum standards established pursuant to this section. Approved local regulations shall qualify the submitting unit of government for state or state-approved funding of recreational vehicle lane projects undertaken pursuant to such regulations.

160.265 BIKEWAY PROGRAM.

Subdivision 1. **State bikeways.** The commissioner of transportation shall establish a program for the development of bikeways primarily on existing road rights-of-way. The program shall include a system of bikeways to be established, developed, maintained, and operated by the commissioner of transportation and a system of state grants for the development of local bikeways primarily on existing road rights-of-way. The program shall be coordinated with the local park trail grant program pursuant to section 85.019, with the bicycle trail program established by the commissioner of natural resources pursuant to section 85.016, with the development of the statewide transportation plan pursuant to section 174.03, and with existing and proposed local bikeways. In the metropolitan area as defined in section 473.121, the program shall be developed in accordance with plans and priorities established by the Metropolitan Council. The program shall be developed after consultation with the State Trail Council, local units of government, and bicyclist organizations. The program shall be administered in accordance with the provisions of sections 160.262 to 160.264 and standards promulgated pursuant thereto. The commissioner shall compile and maintain a current registry of bikeways in the state and shall publish and distribute the information contained in the registry in a form and manner suitable to assist persons wishing to use the bikeways. The Metropolitan Council, the commissioner of natural resources, the commissioner of employment and economic development, the Minnesota Historical Society, and local units of government shall cooperate with and assist the commissioner of transportation in preparing the registry. The commissioner shall have all powers necessary and convenient to establish the program pursuant to this section including but not limited to the authority to adopt rules pursuant to chapter 14.

Subd. 2. **Local bikeway grants.** The commissioner shall provide technical assistance to local units of government in planning and developing bikeways. The commissioner shall make grants to units of government as defined in section 85.019, subdivision 1, for the betterment of public land and improvements needed for local bikeways. In making grants the commissioner shall consider, among other factors, the number of bicycles in the localities. A grant shall not exceed 75 percent of the costs of the betterment of the bikeway. To be eligible for a grant, a unit of government must provide at least 25 percent of the costs of the betterment of the bikeway.

160.266 MISSISSIPPI RIVER TRAIL.

Subdivision 1. **Definitions.** For the purposes of this section:

- (1) "bicycle path" has the meaning given in section 169.011, subdivision 6; and
- (2) "bikeway" has the meaning given in section 169.011, subdivision 9.

Subd. 2. **Creation.** The commissioner, in cooperation with road and trail authorities including the commissioner of natural resources, shall identify a bikeway that originates at Itasca State Park in Clearwater, Beltrami, and Hubbard Counties, then generally parallels the Mississippi River through the cities of Bemidji in Beltrami County, Grand Rapids in Itasca County, Brainerd in Crow Wing County, Little Falls in Morrison County, Sauk Rapids in Benton County, St. Cloud in Stearns County, Minneapolis in Hennepin County, St. Paul in Ramsey County, Hastings in Dakota County, Red Wing in Goodhue County, Wabasha in Wabasha County, Winona in Winona County, and La Crescent in Houston County to Minnesota's boundary with Iowa and there terminates. Where opportunities exist, the bikeway may be designated on both sides of the Mississippi River.

161.115 ADDITIONAL TRUNK HIGHWAYS.

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Subd. 32. **Route No. 101.** Beginning at a point on Route No. 1 at or near Faribault, thence extending in a northerly direction to a point on Route No. 50.

165.15 STILLWATER LIFT BRIDGE ENDOWMENT ACCOUNT.

Subd. 8. **Reports required.** The commissioner of transportation shall report annually to the chair and ranking minority member of each legislative committee with jurisdiction over transportation on the endowment account. At a minimum, the report must include detailed revenue and expenditure information.

169.4502 ADDITIONAL MINNESOTA SCHOOL BUS CHASSIS STANDARDS.

Subd. 5. **Electrical system; battery.** (a) The storage battery, as established by the manufacturer's rating, must be of sufficient capacity to care for starting, lighting, signal devices, heating, and other electrical equipment. In a bus with a gas-powered chassis, the battery or batteries must provide a minimum of 800 cold cranking amperes. In a bus with a diesel-powered chassis, the battery or batteries must provide a minimum of 1050 cold cranking amperes.

(b) In a type B bus with a gross vehicle weight rating of 15,000 pounds or more, and type C and D buses, the battery shall be temporarily mounted on the chassis frame. The final location of the battery and the appropriate cable lengths in these buses must comply with the SBMI design objectives booklet.

(c) All batteries shall be mounted according to chassis manufacturers' recommendations.

(d) In a type C bus, other than are powered by diesel fuel, a battery providing at least 550 cold cranking amperes may be installed in the engine compartment only if used in combination with a generator or alternator of at least 130 amperes.

(e) A bus with a gross vehicle weight rating of 15,000 pounds or less may be equipped with a battery to provide a minimum of 550 cold cranking amperes only if used in combination with an alternator of at least 130 amperes. This paragraph does not apply to those buses with wheelchair lifts or diesel engines.

219.375 RAILROAD YARD LIGHTING.

Subd. 4. **Commissioner response.** The commissioner shall review the reports submitted under subdivisions 1 and 3. The commissioner shall investigate any discrepancies between lighting status reports submitted under subdivisions 1 and 3, and shall report findings to the affected yard's owner and worker representative. The commissioner shall annually advise the chairs and ranking minority members of the house of representatives and senate committees and divisions with jurisdiction over transportation budget and policy as to the content of the reports submitted, discrepancies investigated, the progress achieved by the railroad common carriers towards achieving the standards and guidelines under clauses (3) and (4), and any recommendations for legislation to achieve compliance with the standards and guidelines within a reasonable period of time.

8810.0800 SCENIC AREAS.

Subp. 3. **On-premise signs.** Within a scenic area on-premise signs as follows are allowed:

A. one name plate sign per real estate parcel not to exceed eight square feet in size including trim and border but excluding base and apron supports and other structural members;

B. two signs, one facing each direction of traffic per real estate parcel not exceeding eight square feet in size per each face, including trim and border but excluding base and apron supports and other structural members, for the purpose of advertising the sale, hire, or lease of the property or contiguous property of the parcel owner, lessee, or occupant; and

C. any sign not exceeding 150 square feet in size (per face) including border, trim, or other embellishments, excluding base and apron supports and other structural members advertising the business conducted, services rendered, goods produced or sold that is within 100 feet in either direction of travel (as measured along the edge of the roadbed) from the site on the property where said activity or activities are conducted or access thereto is provided. Outside this 100 feet of the site on the property where said activity or activities are conducted or access thereto is provided there shall not be more than two on-premise advertising devices, one facing each direction of traffic.

8810.1300 PERMITS, FEES, AND RENEWALS.

Subp. 4. **Expiration and renewal.** Requests for permit renewals will not be accepted more than 60 calendar days prior to the expiration date of the permit. All permits within scenic areas will expire on December 31 of each year. All permits for signs in nonscenic areas will expire on June 30 of every year.

8810.6000 DEFINITIONS.

Subpart 1. **Scope.** For purposes of these rules and the implementation thereof, the following terms shall have the meanings here given them.

Subp. 2. **Average bicycle traffic volume.** "Average bicycle traffic volume" means the amount of bicycle traffic passing a given point on an average daily basis computed over 180 days during the months of April through September.

Subp. 3. **Average daily traffic.** "Average daily traffic" means the total volume of traffic during a specified but arbitrary time period given in whole days (24 hours), greater than one day, but less than one year, divided by the number of days in the time period; abbreviated ADT.

Subp. 4. **Bicycle.** "Bicycle" means a device propelled by human power upon which a person or persons may ride, having two tandem wheels either of which is over 16 inches in diameter, and including any device generally recognized as a bicycle though equipped with two front or rear wheels.

Subp. 5. **Bicycle lane.** "Bicycle lane" means a portion of a roadway designed for preferential use by persons using bicycles. Bicycle lanes may be designed with or without physical barriers to separate or channel bicycle traffic from motor vehicles or pedestrian traffic.

Subp. 6. **Bicycle lane with barrier.** "Bicycle lane with barrier" means a portion of a roadway which has been designated for preferential or exclusive use by bicycles, separated from but a part of that portion of the roadway designed for motor vehicle traffic by a physical barrier such as a curb or a guardrail.

Subp. 7. **Bicycle lane without barrier.** "Bicycle lane without barrier" means a portion of a roadway which has been designated for preferential use by bicycles through pavement markings or other traffic control measures.

Subp. 8. **Bicycle path.** "Bicycle path" means a bicycle facility designed for exclusive use by persons using bicycles and constructed or developed separately from the roadway.

Subp. 9. **Bicycle route.** "Bicycle route" means a roadway signed to encourage bicycle use when no preferential lane is provided. Signing shall be in accordance with the Minnesota Manual of Uniform Traffic Control Devices. Such signing also indicates that safety precautions must be taken by all forms of traffic.

Subp. 10. **Clearway.** "Clearway" is a clear recovery area extending 30 feet outward from the edge of the outside through lane of the roadway where all physical obstacles to out-of-control motor vehicles are eliminated.

Subp. 11. **Controlled access highway.** "Controlled access highway" means every highway, street, or roadway in respect to which the right of access of the owners or occupants of abutting

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lands and other persons has been acquired and to which the owners or occupants of abutting lands and other persons have no legal right of access to or from the same except at such points only and in such manner as may be determined by the public authority having jurisdiction over such highway, street, or roadway.

Subp. 12. **Department.** Unless stated otherwise, "department" means the Department of Transportation of this state. Regardless of the department referred to, however, it is to be considered as acting directly or through its duly authorized officers and agents.

Subp. 13. **Driver.** "Driver" means every person who drives or is in actual physical control of a vehicle, or other device upon which a person or property may be transported.

Subp. 14. **Intersection.** "Intersection" means the area embraced within the prolongation or connection of the lateral curb lines, or, if none, then the lateral boundary lines of the roadways of two highways which join one another, at, or approximately at, right angles, or the area within which vehicles traveling upon different highways joining at any other angle may come in conflict. Where a highway includes two roadways 30 feet or more apart, then every crossing of each roadway of such divided highway by an intersecting highway shall be regarded as a separate intersection. In the event such intersecting highway also includes two roadways 30 feet or more apart, then every crossing of two roadways of such highways shall be regarded as a separate intersection.

Subp. 15. **One-way roadway.** "One-way roadway" means a street or roadway designated and signposted for one-way traffic and on which all vehicles are required to move in one indicated direction.

Subp. 16. **Pedestrian walkway; sidewalk.** "Pedestrian walkway" means that portion of the street or highway between curb lines, or the lateral lines of a roadway, and the adjacent property lines intended for the use of pedestrians. An alternate term that may be used is "sidewalk," as defined in Minnesota Statutes, chapter 169. For purposes of these rules a pedestrian walkway may be construed to be a bicycle or recreational vehicle lane but is controlled as to the forms of traffic it may carry other than pedestrians.

Subp. 17. **Recreational vehicle.** "Recreational vehicle" means a special purpose mobile and motive equipment or device not qualifying under the provisions of Minnesota Statutes, chapter 168 for the purposes of taxation in the state of Minnesota, and includes but is not limited to all-terrain vehicles (ATV) and snowmobiles.

Subp. 18. **Recreational vehicle lane.** "Recreational vehicle lane" means that portion of a street or highway or road or way outside of the roadway, improved, designed, or ordinarily used for recreational vehicular travel by the public and placed and maintained by state or local authorities in their respective jurisdictions.

Subp. 19. **Roadway.** "Roadway" means that portion of a highway improved, designed, or ordinarily used for motor vehicular travel. In the event a highway includes two or more separate roadways the term "roadway" as used herein shall refer to any such roadway separately but not to all such roadways collectively.

Subp. 20. **Rural section.** "Rural section" is a highway design that has wide rights-of-way, open ditches for drainage, and a clearway of 30 feet from the edge of the outside lane.

Subp. 21. **Shoulder.** "Shoulder" means that part of the roadway which is contiguous to the regularly traveled portion of the roadway and is on the same level as the roadway. The shoulder may be pavement, gravel, or earth.

Subp. 22. **Sidewalk.** "Sidewalk" means that portion of a street between the curb lines, or the lateral lines of a roadway, and the adjacent property lines intended for the use of pedestrians.

Subp. 23. **Street or highway.** "Street or highway" means the entire width between the boundary lines of any way or place when any part thereof is open to the use of the public, as a matter of right, for the purposes of vehicular traffic.

Subp. 24. **Through highway.** "Through highway" means every highway or portion thereof at the entrances to which vehicular traffic from intersecting highways is required by law to stop before entering or crossing the same and when stop signs are erected.

Subp. 25. **Urban district.** "Urban district" means the territory contiguous to and including any street which is built up with structures devoted to business, industry, or dwelling houses situated at intervals of less than 100 feet for a distance of a quarter of a mile or more.

Subp. 26. **Urban section.** "Urban section" means a roadway design used in urban districts where the right-of-way width is restricted. Because of the restricted right-of-way, there is not enough room for ditches, thus necessitating curbs and gutters.

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Subp. 27. **Vehicle.** "Vehicle" means a bicycle or recreational vehicle.

8810.6100 PURPOSE AND SCOPE.

Subpart 1. **Purpose.** The purpose of parts 8810.6000 to 8810.7000 is to carry out the mandate of the legislature and to effectuate that mandate as set forth in Minnesota Statutes, section 160.262, as amended by Laws of Minnesota 1973, chapter 620, section 1, with reference to the establishment of model standards for bicycle and recreational vehicle lanes on and along proposed and existing public roadways and governing state trunk highways.

Subp. 2. **Scope.** The scope of parts 8810.6000 to 8810.7000 is intended to be confined within the framework of and consistent with Minnesota Statutes, section 160.262, and responsive to United States Code, title 23, section 217, as amended by Public Law numbers 93 to 410, the Federal Aid Highway Act of 1973 (bicycle transportation and pedestrian walkways).

8810.6300 CRITERIA FOR DESIRABILITY OF LANES.

Subpart 1. **Design and construction.** The Department of Transportation will have sole jurisdiction to establish bicycle or recreational vehicle lanes on the right-of-way of any state trunk highway. The Department of Transportation will be responsible for all designs and construction on all lane facility projects within the right-of-way of any state trunk highway. Any such services performed for other state agencies or local governmental units will be done on a reimbursable basis. The Department of Transportation may provide services for the development of lane facilities for other agencies and local units of government upon request and upon such terms as may be mutually agreed upon. The Department of Transportation will consider building bicycle or recreational vehicle lane facilities during the construction, reconstruction, or improvement of any trunk highway or permit the establishment of such facilities within state trunk highway right-of-way when:

- A. a proposed highway project destroys an existing lane of demonstrated or potential use and no desirable alternative is available to the user; or
- B. there is no pedestrian or nonmotorized access along or across an existing or proposed grade separated or through trunk highway or intersection in an urban area (example: access to the four quadrants created by two intersecting freeways); or
- C. there are fringe development areas not meeting the urban district definition along trunk highways that have no nonmotorized access (example: residential or commercial development along trunk highways on the outskirts of town); or
- D. the facility is part of a comprehensive trail planning process on a local, regional, or statewide basis, and the facility must materially benefit the safety of the traveling public; such as, the elimination of a potential safety hazard caused by anticipated bicycle or recreational vehicle traffic on or near the roadways of a trunk highway (example: heavy bicycle travel along a trunk highway between a town and an outlying school);
- E. the highway right-of-way can safely accommodate the facility;
- F. there is sufficient projected bicycle or recreational vehicle traffic;
- G. the facility cannot be safely and feasibly constructed and utilized outside of the right-of-way (example: no suitable network of adjacent residential streets or existing parallel facilities exist);
- H. the facility use does not conflict with existing utilities located on highway right-of-way or adjacent land use;
- I. the facility provides commuter transportation; or connects existing or proposed facilities; or connects areas or points of natural, scientific, cultural, historical, educational, or economic interest;
- J. multiuse facilities do not conflict with each other or use during more than one season is feasible.

Subp. 2. **Traffic volume criteria.** Based upon part 8810.9910, the department will consider the establishment of bicycle or recreational vehicle lanes by use and type in accordance with the traffic volumes and other limitations shown. Exceptions to these traffic volume criteria may be made if good cause can be shown and upon approval of the commissioner of transportation.

As motor vehicle traffic volumes increase the form that a bicycle or recreational vehicle lane may take and traffic control measures (or other physical safety precautions built into the facility) will also increase in physical design and safety standards.

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Subp. 3. **Bicycle traffic.** The provisions of Minnesota Statutes, section 169.222 shall apply for all persons driving or operating a bicycle upon a roadway. The provisions of Minnesota Statutes, sections 169.09 to 169.13 shall also apply in substance and effect insofar as applicable and consistent with reference to bicycle lanes on trunk highways.

Subp. 4. **Bicycle recreational vehicle traffic.** The provisions of Minnesota Statutes, sections 169.09 to 169.13 shall also apply in substance and effect insofar as applicable and consistent with reference to drivers or operators of bicycle or recreational vehicles on controlled access trunk highways. Minnesota Statutes, sections 169.13 and 169.18 shall also apply.

8810.6400 MAINTENANCE CRITERIA.

The responsibility for maintaining bicycle and recreational vehicle lanes within the limits of trunk highway rights-of-way shall be the responsibility of the department of transportation when the facility is located immediately adjacent to the roadway (highway shoulder); or the responsibility of the appropriate local or other governmental unit when the facility is separate from the roadway.

Normal maintenance activities shall be provided for the maintenance of lanes established within trunk highway rights-of-way. These activities shall include, when applicable, but not be limited to: maintenance of drainage; debris removal; sweeping of lane surfaces; mowing and brush removal; surface maintenance; surface grading; snowplowing, when applicable; painting of stripes and stencils.

8810.6500 PLACEMENT OF BICYCLE OR RECREATIONAL VEHICLE LANES.

Bicycle or recreational vehicle lanes built subsequent to the date of adoption of these rules will be placed outside of a 30-foot (9.1 meters) clearway when located within the right-of-way of any state trunk highway with fully controlled access. Exceptions may be made at structure locations including but not limited to bridges.

Bicycle facilities built within the right-of-way of any state trunk highway shall be classified as a route; lane, no barrier; lane with barrier or path as defined in part 8810.6000, subparts 5 to 8. Desirable configurations are indicated in: part 8810.9911 for lane, no barrier; part 8810.9912 for lane with barrier; and part 8810.9913 for path (design for new facilities).

8810.6600 MINIMUM DESIGN STANDARDS.

Subpart 1. **Minimum criteria.** The following standards are minimum criteria which may not be reduced to lesser values and constitute the lowest design limits. The values are not to be used as general design standards, but should generally be exceeded.

Subp. 2. **Vertical clearance.** The vertical clearance between an overhead obstruction and the surface of bicycle or recreational vehicle lanes shall be not less than ten feet (three meters).

Subp. 3. **Lane width.** Bicycle facilities shall have a minimum surfaced width of four feet (1.2 meters) for one-way and six feet (1.8 meters) for two-way travel.

Subp. 4. **Design speed.** The design speed for bicycle facilities shall not be less than ten mph. For downgrades, design speeds may be in the range of 25 mph or greater.

Subp. 5. **Sight distance.** The sight distance to any hazard or potential hazard for a bicycle facility shall be a minimum of 50 feet (15.2 meters).

Subp. 6. **Grades.** Bikeway grades should not exceed five percent except for short distances.

Subp. 7. **Radius of curvature.** The minimum radius of curvature for bikeways is figured by the formula: $R = 1.25 V + 1.5$

R = radius of curvature in feet

V = velocity in miles per hour.

8810.6700 BICYCLE OR RECREATIONAL VEHICLE ON HIGHWAY.

No provision within these rules shall be deemed to be in conflict with the provisions of Minnesota law with respect to the operations on trunk highway right-of-way of any form of bicycle or recreational vehicle now or hereafter defined. Particular reference is made to Minnesota Statutes, sections 84.81 to 84.87 in this regard.

8810.6800 PUBLIC USE OF TRUNK HIGHWAYS.

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No prohibition is intended or implied within these rules as to the rights of the public to use, occupy, traverse, or travel the trunk highways of the state of Minnesota except where such prohibition is established by law or other promulgated rule not a part of these rules.

8810.6900 PRIVATE ROADWAYS.

Nothing in these rules shall be construed to prevent the owner of real property used by the public for purposes of bicycle or recreational vehicular travel by permission of the owner and not as a matter of right, from prohibiting such use, or from requiring other or different or additional conditions than those specified in these rules, or otherwise regulating such use as may seem best to such owner.

8810.7000 GRADE RAILROAD CROSSINGS.

In the event a proposed bicycle or recreational vehicle lane intersects at grade the right-of-way and tracks of a railroad, the approval of the Minnesota Transportation Department with respect to the public safety aspects of the crossing shall be first secured.

8810.9910 TRAFFIC CRITERIA: BICYCLE, RECREATIONAL VEHICLE LANE.

[Image Not Shown]

8810.9911 BIKE LANE WITH NO BARRIER.

[Image Not Shown]

8810.9912 BIKE LANE WITH BARRIER.

[Image Not Shown]

8810.9913 DESIRABLE BIKE PATH DESIGN.

[Image Not Shown]