

EXTRA SESSION LAWS
of the
STATE OF MINNESOTA

**Enacted by the Seventy-First Legislature
at the 1979 Extra Session,
May 24, 1979**

Proclamation

WHEREAS, Essential legislation to provide for the welfare of the people of Minnesota and for the operation of State government for the next biennium has not been acted upon by the Legislature; and

WHEREAS, The time permitted by law for passage of such legislation during the 1979 Session of the Legislature has expired and an extraordinary occasion is thereby created; and

WHEREAS, Article IV, Section 12 of the Constitution of the State of Minnesota provides that a special session of the Legislature may be called on extraordinary occasions;

NOW, THEREFORE, I, ALBERT H. QUIE, Governor of the State of Minnesota do hereby summon you, members of the Legislature, to convene in Extra Session on Thursday, May 24, 1979, at 9:00 in the morning on that day at the Capitol in Saint Paul, Minnesota.

It is my sincere hope that the Legislature will conclude its work in one day and that it will abide by the agreement of the leaders of the Legislature to limit its work to consideration of workers compensation legislation, the energy bill, the appropriations bill for transportation, and whether provision for the Saint Paul Downtown People Mover should be made in the appropriations bill for transportation.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Minnesota to be affixed at the State Capitol this twenty-third day of May in the year of our Lord one thousand nine hundred seventy-nine, and of the State the one hundred twenty-second.

JOAN ANDERSON GROWE

SECRETARY OF STATE

ALBERT H. QUIE

GOVERNOR

CHAPTER 1—H.F.No.1

An act relating to the organization and operation of state government; appropriating money for the department of transportation and for other purposes with certain conditions; providing for improvements to access roads to Stillwater state prison and Thistledeu corrections camp; providing for legislative review of requests to expend federal money; providing for encouragement, coordination and safety regulation of programs concerning special transportation service; modifying the rail service improvement program and the rail user loan guarantee program; authorizing acquisition of certain rail lines; permitting state payment of interest adjustments on guaranteed loans to rail users; amending Minnesota Statutes 1978, Sections 161.123; 174.03, Subdivision 4; 174.23, Subdivision 2, and by adding a subdivision; 174.24, Subdivisions 2, 3, and 4; 174.25, Subdivision 1; 174.26, Subdivision 1; 174.28; 222.48; 222.50, Subdivisions 3, 4, 6, and by adding subdivisions; 222.51; 222.53; 222.55; 222.56, Subdivision 5; 222.57; 222.58, Subdivision 2, and by adding a subdivision; 256B.04, Subdivision 12; 360.015, by adding a subdivision; 473.408, Subdivision 3, and by adding subdivisions; 473.411, Subdivision 1; Chapters 3, by adding a section; 174, by adding sections; and 222, by adding sections; and amending Laws 1973, Chapter 567, Section 8.

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

Section 1. **TRANSPORTATION; APPROPRIATIONS.** The sums set forth in the columns designated "APPROPRIATIONS" are appropriated from the trunk highway fund, or any other fund designated, to the commissioner of transportation for the purposes specified in the following sections of this act, to be available for the fiscal years indicated for each purpose. The figures "1979", "1980", and "1981", wherever used in this act, mean that the appropriation or appropriations listed thereunder are available for the year ending June 30, 1979, June 30, 1980, or June 30, 1981, respectively.

SUMMARY BY FUND

	1980	1981	TOTAL
General	\$24,882,400	\$24,694,200	\$49,576,600
Airports	10,032,900	8,521,300	18,554,200
M. S. A. S.	30,800,000	30,800,000	61,600,000
C. S. A. H.	94,225,000	94,225,000	188,450,000
Tr. Hwy., Net	328,853,000	298,982,300	627,835,300
TOTAL	\$488,793,300	\$457,222,800	\$946,016,100

APPROPRIATIONS

Available for the Year
Ending June 30
1980 1981

Approved Complement - 4787

Changes or additions indicated by underline deletions by ~~strikeout~~

Trunk Highway - 4786

Federal - 1

If billings by the department of transportation for engineering and technical services performed for and billed to counties and municipalities in a fiscal year are estimated to exceed \$500,000, adjusted by the Minnesota consumer price index using 1979 as a base, the approved complement is increased by one position for each \$30,000 of the estimate in excess of \$500,000. This excess is appropriated to the commissioner of transportation to support the additional positions.

Sec. 2. POLICY AND PLANNING \$4,165,700 \$4,163,700 .

The amounts that may be expended from this appropriation for each activity are as follows:

Transportation Development

1980	1981
\$1,309,000	\$1,307,000

Transportation Services

\$2,856,700	\$2,856,700
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\$55,000 the first year and \$55,000 the second year are for bicycle trail planning and programming.

Sec. 3. HIGHWAY OPERATIONS 408,701,700 385,030,000

The amounts that may be expended from this appropriation for each activity are as follows:

Highway Maintenance

\$72,993,700	\$74,661,300
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District Construction Support

\$29,009,300	\$29,165,300
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Highway Improvement

\$167,510,200	\$143,474,400
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This appropriation is for the actual construction, reconstruction, and improvement of trunk highways. This includes the cost of actual payment to land owners for lands acquired for highway right of way, payment to lessees, interest subsidies, and relocation expenses.

Upon enactment of this act the commissioner shall spend no money to acquire highway advertising devices pursuant to Minnesota Statutes, Chapter 173, or junkyards, except those for which acquisition proceedings were begun before enactment of this act, and for which federal money has been appropriated by Congress and the federal share has been made available to the commissioner.

\$445,000 each year is from the general fund for the development of bicycle trails primarily on existing road rights of way and for grants to local units of government for bicycle trails pursuant to section 160.265.

The appropriation of the proceeds of state transportation bonds in Laws 1977, Chapter 277, Section 3, Subdivision 2 is available until expended.

County State Aids

\$94,225,000	\$94,225,000
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This appropriation is from the county state-aid highway fund and is available until expended.

Municipal State Aids

\$30,800,000	\$30,800,000
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This appropriation is from the municipal state-aid street fund and is available until

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\$500,000 each year is for regular route transit improvement grants. Of this amount, \$125,000 is available each year for grants to the Twin Cities metropolitan transit commission for new express-type routes serving areas outside of zone one of the commission.

\$2,500,000 each year is for MTC project mobility.

A person operating or assisting the operation of a vehicle while employed by a program such as "project mobility" may leave the vehicle to enter premises in order to assist a person who does not require emergency ambulance service to gain access and entrance to the vehicle. The assistance shall include assisting through the first entrance to a building. Operators of the special transportation vehicles shall provide the necessary passenger assistance for door-through-door service. Assistance shall also include assisting wheel chair passengers over any exterior steps essential to either departure or destination buildings, subject to both the steps and the wheelchair being in good repair. If an operator or assistant refuses to assist because of the condition of the steps or the wheelchair, the operator of the service shall send letters to the commissioner of transportation and the person denied service detailing the corrective measures necessary to qualify for service.

\$500,000 each year is for paratransit grants for payment to the Twin Cities metropolitan transit commission.

\$2,250,000 each year is for paratransit services statewide, excluding the metropolitan transit commission.

\$150,000 each year is for public transit capital grants.

The commissioner of transportation may request money from the fuel and utilities contingent account established by other law in order to pay increased fuel costs for regular route bus service incurred by the Twin Cities metropolitan transit commission due to extraordinary increases in fuel prices. Any money paid to the commission pursuant to the preceding sentence shall be excluded from the amount of money received by the commission to operate regular route bus service as that amount is calculated under *Minnesota Statutes, Section 174.28, Subdivision 3, Clause (b)*. The commission shall evaluate its fuel costs and shall report to the legislature by January 1, 1980 concerning actual fuel cost increases incurred by the commission in the preceding six months due to increases in fuel prices. The report shall include projections of additional increases in fuel costs for the remainder of the biennium.

The commissioner of transportation may transfer the following amounts from appropriations for paratransit grants to the appropriation for transit administration:

- (a) Up to \$25,000 for administrative support for the interagency task force on coordination of special transportation programs; and
- (b) Up to \$75,000 for development of operating standards for vehicles providing special transportation service and of procedures for enforcing the standards. Any amount transferred in the first year of the biennium does not cancel but is available until June 30, 1981.

The commissioner of transportation may transfer appropriations among the items in this activity, except the amount for MTC project mobility, with the approval of the governor after consultation with the legislative advisory commission.

Railroads, Ports and Pipelines

\$510,500 \$510,500

Rail Service Improvement Grants

\$1,475,000 \$2,000,000

This appropriation is from the general fund.

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\$1,000,000 the first year and \$2,000,000 the second year is for transfer to the rail service improvement account.

\$475,000 the first year is for the purpose of continuing Amtrak rail passenger service between Minneapolis-St. Paul and Duluth.

Sec. 5. AERONAUTICS OPERATIONS 9,999,300 8,487,700

The amounts that may be expended from this appropriation for each activity are as follows:

Aeronautics Operations

\$279,300 \$279,300

Aeronautics Development and Assistance

\$8,346,600 \$7,646,600

\$6,075,000 the first year and \$5,375,000 the second year is for airport construction grants.

\$1,001,400 each year is for airport maintenance grants.

\$564,100 each year is for navigational aids.

Reimbursements from municipalities for striping runways shall be deposited in the state airport fund.

The appropriations for construction grants, maintenance grants, and navigational aids are from the state airports fund. If the appropriation for either year is insufficient, the appropriation for the other year is available for it. These appropriations shall be expended only for grant-in-aid programs for airports that are not state owned.

These appropriations are to be expended in accordance with Minnesota Statutes, Section 360.305, Subdivision 4, Clauses (1), (2), (4) and (5).

The commissioner of transportation may transfer unencumbered balances among these appropriations with the approval of the governor after consultation with the legislative advisory commission.

Notwithstanding the provisions of Minnesota Statutes, Section 360.021, Subdivision 1, or any other law to the contrary, the commissioner of transportation shall acquire no additional state airports, nor shall he establish any additional state-owned airports during the biennium ending June 30, 1981.

No money shall be expended by the commissioner of transportation under the appropriations made in this section, or any other law, for land acquisition, or for the construction, improvement, maintenance of airports, or for air navigation facilities for an airport, unless the governmental unit involved has or is establishing a zoning authority for that airport, and the authority has made a good faith showing that it is in the process of and will complete with due diligence, an airport zoning ordinance in accordance with Minnesota Statutes, Sections 360.061 to 360.074.

Notwithstanding the foregoing prohibition, the commissioner may continue to maintain the state owned airport at Pine Creek, and may construct an equipment storage facility there.

The commissioner of transportation shall make maximum use of zoning and easements to eliminate runway and other potential airport hazards rather than land acquisition in fee.

Hangar Revolving Account

\$750,000

This appropriation is effective the day following enactment and is from the state airports fund to increase the capitalization of the hangar revolving account from \$2,000,000 to \$2,750,000.

Pine Creek Airport Equipment Storage Building

\$59,000

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This appropriation is from the state airports fund and is available until expended or the project is abandoned.

Air Transportation Services

\$90,700 \$90,700

Aeronautics Debt Service

\$473,700 \$471,100

This appropriation is from the state airports fund.

If this appropriation is insufficient to pay all principal and interest coming due in the year in which it is made, the commissioner of finance shall notify the committee on finance of the senate and the committee on appropriations of the house of representatives of the amount of the deficiency and shall then pay that amount pursuant to the statutory open appropriation.

Sec. 6. TECHNICAL SUPPORT SERVICES 24,982,300 21,373,100
The amounts that may be expended from this appropriation for each activity are as follows:

Operations Management

\$315,800 \$310,800

Engineering Services

\$18,597,200 \$15,142,900

Construction and Engineering Development Support

\$4,580,400 \$4,430,500

\$150,000 the first year is for a transportation research contingent account and is available until June 30, 1981 to finance research projects that are reimbursable from the federal government or from other sources. Expenditures from this account are subject to the approval of the commissioner of finance. Reimbursements shall be deposited in the trunk highway fund.

State Aid Technical Assistance

\$310,700 \$310,700

Electronic Communications

\$1,178,200 \$1,178,200

Sec. 7. GENERAL SUPPORT 16,315,800 13,728,000

The amounts that may be expended from this appropriation for each activity are as follows:

Administration

\$5,194,000 \$5,194,000

Government and Community Relations

\$364,200 \$364,200

Equipment

\$7,567,600 \$5,281,800

General Services

\$2,625,800 \$2,323,800

Legal Services

\$564,200 \$564,200

This appropriation is for the purchase of legal services from or through the attorney general.

Sec. 8. TRANSFERS

The commissioner of transportation with the approval of the commissioner of finance

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may transfer unencumbered balances among the appropriations from the trunk highway fund made in this act.

No transfer shall be made from the appropriation for highway improvement, except to the appropriation for highway maintenance, nor shall any transfer be made from highway maintenance, except with the approval of the governor after consultation with the legislative advisory commission. No transfer shall be made from the appropriations for debt service to any other appropriation.

Transfers shall be reported forthwith to the committee on finance of the senate and the committee on appropriations of the house of representatives.

Sec. 9. CONTINGENT APPROPRIATION

The commissioner of transportation, with the approval of the governor after consultation with the legislative advisory commission, may transfer all or part of the unappropriated balance in the trunk highway fund to the appropriation for highway improvement or for highway maintenance in order to meet an emergency or to take advantage of an unanticipated receipt of income to the trunk highway fund. The amount transferred is appropriated for the purpose of the account to which it is transferred.

Sec. 10. REIMBURSEMENT

Subdivision 1. The sums of \$1,209,200 for the first year and \$1,209,200 for the second year are appropriated from the general fund for transfer by the commissioner of finance to the trunk highway fund on January 1, 1980 and January 1, 1981, respectively, in order to reimburse the trunk highway fund for expenses not related to trunk highways.

These represent amounts appropriated out of the trunk highway fund for general fund purposes as follows: bicycle trail planning and programming; transportation rates and regulation; transit administration; railroads, ports and pipelines; and general services.

Subd. 2. The sums of \$1,109,700 for the first year and \$1,109,700 for the second year are appropriated from the state airports fund for transfer by the commissioner of finance to the trunk highway fund on January 1, 1980 and January 1, 1981, respectively, in order to reimburse the trunk highway fund for expenses not related to trunk highways.

These represent amounts appropriated out of the trunk highway fund for aeronautics purposes in section 5, and for general services in section 7.

Sec. 11. ACCESS ROAD TO STILLWATER PRISON. The sum of \$260,000 is appropriated from the general fund to the commissioner of transportation for payment to the county of Washington for improving county road 67 from upper 56th Street North to the entrance to Stillwater state prison. Property on the west side of this stretch of county road 67 now under the control of the commissioner of natural resources and needed for temporary and permanent right of way for county road 67, 2.75 acres more or less, shall be transferred to the control of the commissioner of corrections. That property and property on the east side of this stretch of county road 67 now under the control of the commissioner of corrections and needed for temporary slope easements and permanent right of way for county road 67, 3.01 acres more or less, shall be conveyed without consideration by the commissioner of corrections by a deed in a form approved by the attorney general to the county of Washington for highway purposes.

Sec. 12. ACCESS ROAD TO THISTLEDEW CORRECTIONS CAMP. The sum of \$319,200 is appropriated from the general fund to the commissioner of transportation for grading, graveling, and widening of the existing access road from state trunk highway marked No. 65 to the Thistledeew Corrections Camp.

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Sec. 13. **MINNETONKA BYPASS.** The sum of \$134,000 is appropriated from the general fund to the commissioner of transportation for costs incurred by the city of Minnetonka for a temporary bypass around the construction work on temporary trunk highway marked No. 101 at the intersection of trunk highway marked No. 7. The commissioner upon receipt of a resolution of the city council of the city of Minnetonka applying for payment, accompanied by verification of the actual city costs incurred, shall pay the verified costs to the city.

Sec. 14. Minnesota Statutes 1978, Chapter 3, is amended by adding a section to read:

[3.3005] FEDERAL MONEY; EXPENDITURE REVIEW. Subdivision 1. As used in this section, the term "state agency" means all agencies in the executive branch of state government, but does not include the Minnesota historical society, the University of Minnesota, state universities, or community colleges.

Subd. 2. Except as provided in subdivision 4, a state agency shall not expend money received by it under any federal law for any purpose unless a request to spend federal money from that source for that purpose in that fiscal year has been submitted by the governor to the legislature as a part of his biennial budget request or as part of a supplementary or deficiency budget request, or unless specifically authorized by law.

Subd. 3. When a request to spend federal money has been included in the governor's budget or authorized by law as described in subdivision 2, but the state agency proposes to use the federal money to hire state employees in addition to the number included in the governor's budget request or authorized by law, or the amount of federal money received will require a state match greater than that included in the governor's budget request or authorized by law, the additional personnel shall not be hired and the federal money that will require an additional state match shall not be allotted for expenditure until the state agency has first presented to the legislative advisory commission a request in the manner of a budget request and has received the recommendation of the commission on it. Failure or refusal of the commission to make a recommendation promptly is deemed a negative recommendation.

Subd. 4. If federal money becomes available to the state for expenditure while the legislature is not in session, and the availability of money from that source or for that purpose or in that fiscal year could not reasonably have been anticipated and included in the governor's budget request, and an urgency requires that all or a portion of the money be allotted before the legislature reconvenes, the amount of money subject to the urgency may be allotted to a state agency after it has submitted to the legislative advisory commission a request in the manner of a budget request and has received the commission's recommendation on it. Failure or refusal of the commission to make a recommendation within 30 days is deemed a negative recommendation.

Sec. 15. Minnesota Statutes 1978, Section 161.123, is amended to read:

161.123 HIGHWAY CONSTRUCTION; PROHIBITIONS. Following May 31, 1975 the department of transportation shall not cause any construction on, nor shall any

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lands be acquired for, any of the trunk highways designated as I-335 ; ; proposed I-394 between I-494 and the Hawthorne interchange; ; nor for any extension or connector of the Dartmouth interchange of the interstate route designated as I-94, except for a connection from Fulton Avenue and Huron Street to University Avenue Southeast and 25th Avenue Southeast generally via Huron Street and 25th Avenue Southeast; nor shall the department construct or improve Legislative Route No. 116, marked trunk highway route No. 55, within the city of Minneapolis, to freeway or expressway standards; provided, that nothing in this section shall be construed to prohibit the department from taking the following actions:

(1) Construction of a parkway facility of not more than four lanes of traffic in the corridor previously designated for I-335 in the city of Minneapolis.

(2) Construction of not more than six lanes of travel on Legislative Routes No. 10 and No. 107 marked TH12 between I-494 and the Hawthorne interchange in the city of Minneapolis, provided that no additional lands shall be acquired for any such purpose except which is necessary for construction of six lanes of travel on said highway.

(3) Generally utilizing and widening present lanes of travel, increasing the number of lanes of travel up to but not exceeding six lanes, and upgrading Legislative Route No. 116 within the city of Minneapolis generally along its present traveled corridor.

(4) Preparation of any environmental impact statements, recreational and other land use reports, and other elements of the planning process required by federal and state law, utilizing the most reasonably recent available data, on the following:

Routes and corridors enumerated above and all feasible and prudent alternate routes and corridors, giving the fullest possible consideration to each, without regard to prior authorization or to whether legislative approval or other action is necessary. In the preparation of such environmental impact statements the commissioner shall analyze and evaluate:

(a) Design modifications which may mitigate any adverse environmental impact; and

(b) The recommendations of the metropolitan council, transportation advisory board, and interstate study committee as reported to the legislature pursuant to Laws 1975, Chapter 203, Section 16; and

(c) All other matters required of an environmental impact statement by applicable state and federal laws.

Any highway facility authorized by this section shall be compatible with the immediate residential areas through which it passes. Upon the completion of any highway facility authorized herein, any right of way previously acquired within the utilized corridor and not needed for the construction and maintenance of such facility, shall be transferred to the city within which such excess right of way is located, for public purposes, or sold for utilization in a manner compatible with the immediate residential area through which

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it passes, such excess right of way being determined by order of the commissioner. The transfer shall be evidenced by a quit claim deed, in such form as the attorney general approves, executed by the governor in the name of the state of Minnesota to such city.

The commissioner of transportation shall consider a parkway or other alternatives for that portion of the trunk highway designated as I-35 or Route No. 390 in the city of Duluth.

Sec. 16. Minnesota Statutes 1978, Section 174.03, Subdivision 4, is amended to read:

Subd. 4. **OTHER DUTIES.** The commissioner shall:

- (a) Construct and maintain transportation facilities as authorized by law;
- (b) Cooperate with, and may provide technical and financial assistance to, the metropolitan council and regional development commissions in the regional transportation planning process, in accordance with mutually acceptable terms and conditions;
- (c) Cooperate with and may provide planning and technical assistance upon the request of any political subdivision or other governmental agency in accordance with mutually accepted terms and conditions, except as otherwise restricted by law; and
- (d) Develop, revise and monitor a statewide rail transportation plan as part of the statewide transportation planning process, including a study and evaluation of alternative methods for insuring adequate and economical transportation of agricultural commodities, supplies and other goods to and from rural areas of the state. ~~The commissioner shall plan may include in the study consideration of rail line improvement programs including those adopted or proposed in other states. Based on the study and evaluation, the commissioner shall recommend an appropriate state assistance program to the governor and the legislature no later than July 1, 1978. Upon completion of each stage of any rail improvement study conducted by a state department or agency, the information developed by the study shall be made available to the commissioner an analysis of rail lines in the state for the purpose of determining: (1) eligibility of rail lines for assistance under federal and state rail assistance programs; and (2) the actions required by the state to insure the continuation of rail service that meets essential state needs and objectives.~~

Sec. 17. Minnesota Statutes 1978, Section 174.23, Subdivision 2, is amended to read:

Subd. 2. **FINANCIAL ASSISTANCE.** The commissioner shall seek out and select eligible recipients of financial assistance under sections 174.21 to 174.27. The commissioner shall establish by rule the procedures and standards for review and approval of applications for financial assistance submitted to the commissioner pursuant to sections 174.21 to 174.27. Any applicant shall provide to the commissioner any financial or other information required by the commissioner to carry out his duties. The

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commissioner may require local contributions from applicants as a condition for receiving financial assistance. ~~Before~~ the commissioner ~~shall not approve~~ approves any grant ~~unless: (1),~~ the application for the grant ~~has been~~ shall be reviewed and approved by the appropriate regional development commission or the metropolitan council only for consistency with regional transportation plans and development guides ; ~~and (2) in the case of a project to be operated in the metropolitan area, ;~~ If an applicant proposes a project within the jurisdiction of a transit authority or commission or a transit system assisted or operated by a city or county, the application ~~has been~~ shall also be reviewed by the metropolitan transit ~~that~~ commission , authority or political subdivision for consistency with its ~~transportation development program~~ transit programs, policies and plans . Any regional development commission that has not adopted a transportation plan may review but may not approve or disapprove of any application.

Sec. 18. Minnesota Statutes 1978, Section 174.23, is amended by adding a subdivision to read:

Subd. 6. DRIVER TRAINING. The commissioner may make grants to any project eligible for assistance under sections 174.24 to 174.27, for the purpose of training drivers of vehicles operated by the project. The subjects of the training may include safe driving skills, techniques of assisting elderly and handicapped passengers and first aid. The commissioner may also contract with a public or private agency or institution to provide driver training to drivers of vehicles utilized by eligible projects.

Sec. 19. Minnesota Statutes 1978, Section 174.24, Subdivision 2, is amended to read:

Subd. 2. **ELIGIBILITY; APPLICATIONS.** Any legislatively established public transit commission or authority, any county or statutory or home rule charter city providing financial assistance to or operating public transit, any private operator of ~~regular route~~ public transit, or any combination thereof is eligible to receive financial assistance through the public transit subsidy program.

Sec. 20. Minnesota Statutes 1978, Section 174.24, Subdivision 3, is amended to read:

Subd. 3. **FINANCIAL ASSISTANCE.** Payment of financial assistance shall be by contract between the commissioner and an eligible recipient. The commissioner shall determine the operating deficit of any public transit system receiving or applying for assistance in accordance with generally accepted accounting principles, provided that any financial assistance received from any agency of the federal government for the operation of a public transit system shall be treated as revenue for the purposes of determining the operating deficit. To be eligible for financial assistance an applicant or recipient shall provide to the commissioner all financial records and other information and shall permit any inspection reasonably necessary to determine the amount of assistance which may be paid to the applicant or recipient. Where more than one county or municipality contributes assistance to the operation of a public transit system the commissioner shall identify one as lead agency for the purpose of receiving moneys under this section. The commissioner may adopt rules establishing performance standards for public transit

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systems for use in determining the amount of assistance which may be paid to an eligible recipient. Except as otherwise provided in this subdivision, payments shall not exceed two-thirds of the operating deficit of a public transit system ; except that . The commissioner shall adopt rules establishing uniform performance standards for private operators of regular route transit systems in the transit taxing district as defined in section 473.446, subdivision 2. Payments to eligible recipients who are those private operators in the transit taxing district defined in section 473.446, subdivision 2, may be up to shall be based on the uniform performance standards and shall not exceed 100 percent of the operating deficit. Payments to the metropolitan transit commission shall be based upon a performance funding system established by the commissioner or otherwise as provided by law in section 174.28 .

Sec. 21. Minnesota Statutes 1978, Section 174.24, Subdivision 4, is amended to read:

Subd. 4. **SOCIAL FARE REIMBURSEMENT.** The commissioner shall reimburse the metropolitan transit commission ~~and any private operators in the transit taxing district defined in section 473.446, subdivision 2~~ for the difference between the full fare otherwise charged by the commission ~~or private operator~~ and the fare actually charged for any regular route transit service passenger pursuant to the social fare provisions of section 473.408, subdivision 3. Reimbursement shall be paid ~~monthly~~ bimonthly upon a report by the commission ~~or private operator~~ of the number of reduced fare passengers carried ~~for during the preceding calendar month reimbursement period~~ in each reduced fare category and the total amount that otherwise would have been charged for the service by the commission ~~or private operator~~ on a full fare basis.

Sec. 22. Minnesota Statutes 1978, Chapter 174, is amended by adding a section to read:

[174.245] PUBLIC TRANSIT CAPITAL GRANT ASSISTANCE PROGRAM.
Subdivision 1. ESTABLISHMENT; PURPOSE. A public transit capital grant assistance program is established to aid eligible recipients to meet federal matching requirements for federal grants available for the purchase and major repair of transit vehicles.

Subd. 2. ELIGIBILITY. A political subdivision, public transit authority or other public or private nonprofit agency that operates or provides financial assistance to a public transit system that is eligible to receive capital assistance grants under the Urban Mass Transportation Act of 1964, Public Law 88-365, as amended, except a public transit authority or commission that operates a public transit system in any city of the first class, is eligible to receive financial assistance through the public transit capital grant assistance program. Grants shall not exceed 50 percent of the non-federal match required. The commissioner shall establish by rule the procedures and standards for review and approval of applications for financial assistance and the criteria to be used in determining priorities in making the grants.

Sec. 23. Minnesota Statutes 1978, Section 174.25, Subdivision 1, is amended to read:

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174.25 **PARATRANSIT GRANT PROGRAM.** Subdivision 1. **PURPOSE.** A paratransit service ~~demonstration~~ grant program is established to ~~plan; promote; demonstrate; and evaluate the effectiveness, cost, and efficiency of provide grants for~~ paratransit as a means of ~~accomplishing projects designed to accomplish~~ the following objectives:

(a) to provide transportation services in those areas inefficiently or inadequately served by regular route transit;

(b) to provide transportation services which improve the accessibility and productivity of regular route transit;

(c) to provide transportation services for persons who because of age or incapacity are unable to drive a private automobile or use existing modes of public transit.

Grants may be made for demonstration projects or for projects of a type that the commissioner has determined to be successful on the basis of demonstration projects already implemented and evaluated. Except as otherwise provided in this subdivision, grants for a paratransit project shall not exceed two-thirds of the operating deficit and 50 percent of any non-federal share of the capital costs. Grants for a demonstration project, other than grants to the metropolitan transit commission, shall not exceed 90 percent of the capital costs and operating deficit of the project. Grants to the metropolitan transit commission for any paratransit project may be up to 100 percent of the operating deficit but may not include any portion of the capital costs.

Sec. 24. Minnesota Statutes 1978, Chapter 174, is amended by adding a section to read:

[174.255] PARATRANSIT PROGRAMS; ACCESSIBILITY; INSURANCE. Subdivision 1. **HANDICAPPED ACCESSIBILITY.** The commissioner shall require any paratransit project receiving assistance under section 174.24 or 174.25 that includes the operation of two or more vehicles other than automobiles or taxis to provide at least one vehicle that is accessible to handicapped individuals and may require additional accessible vehicles if necessary to serve handicapped individuals expected to use the project. A vehicle is accessible if it is equipped to allow transportation of an individual confined to a wheelchair or using an orthopedic device.

Subd. 2. **ASSISTANCE IN OBTAINING INSURANCE.** In order to reduce the expense of liability insurance required for paratransit projects eligible for assistance under sections 174.24 and 174.25, the commissioner and the commissioner of insurance shall investigate the causes of high liability insurance costs and shall take the appropriate administrative action to assist paratransit projects to obtain liability insurance coverage from qualified insurance carriers at the lowest available cost. Appropriate administrative action includes: (a) taking bids from and negotiating and entering into contracts with qualified carriers to provide liability insurance for eligible paratransit projects that wish to be covered; and (b) providing technical and administrative assistance to eligible paratransit projects to assist them in securing low cost liability insurance.

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Sec. 25. Minnesota Statutes 1978, Section 174.26, Subdivision 1, is amended to read:

174.26 REGULAR ROUTE TRANSIT IMPROVEMENT PROGRAM. Subdivision 1. **PURPOSE.** A regular route transit ~~demonstration~~ improvement program is established to ~~demonstrate new regular route transit services and provide temporary financial assistance for the operation of new regular routes for a period necessary to determine the effectiveness and efficiency of the routes, but not to exceed one year for any route. Grants may also be made under the program for projects designed to improve the patronage and productivity of existing regular route transit services.~~

Sec. 26. Minnesota Statutes 1978, Section 174.28, is amended to read:

174.28 PERFORMANCE FUNDING. Subdivision 1. **DEFINITIONS.** For the purpose of this section the following terms have the meanings given them in this subdivision.

(a) "Commissioner" means the commissioner of transportation.

(b) "Contract" means a contract made pursuant to section 174.24.

(c) "Subsidy per passenger" means the amount calculated pursuant to subdivision 3, clause (b) plus the amount paid under any contract pursuant to subdivision 2, divided by the number of passengers carried on regular route bus service operated by the commission during that year, excluding ~~passengers carried on demonstration routes for which assistance is received pursuant to section 174.26~~ transfers.

(d) "Municipality" means any statutory or home rule charter city, county or town.

(e) "Route" means any route on which the commission operates regular route bus service.

(f) "Revenue attributable to the route" means the total of: (i) the fares actually paid on the route; (ii) ~~amounts reimbursed~~ social fare reimbursement paid pursuant to section 174.24, subdivision 4 attributable to service on the route; and (iii) all payments received by the commission from municipalities for retention of service on the route.

(g) "Route deficit" means the difference between the actual operating cost of any route and the revenue attributable to the route divided by the number of passengers carried on that route including transfers.

Subd. 2. BASIS AND FORM OF CONTRACT. ~~Any contract entered into by the commissioner and the commission which provides financial assistance to the commission during any year subsequent to December 31, 1977, shall provide for payment to the commission of an amount which, when added to the amount calculated under subdivision 3, clause (b), and divided by the passengers carried during that period, will provide the commission with a 48 cent subsidy per passenger in calendar year 1978 and a 49 cent subsidy in the first half of 1979. In addition the commissioner shall provide assistance by~~

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contract with the commission for general administrative and planning expenses. Pursuant to the public transit subsidy program the commissioner shall enter one or more contracts with the commission to pay amounts sufficient to provide the commission with a subsidy per passenger of 46.04 cents in the last half of calendar year 1979, 46.74 cents in calendar year 1980, and 48.34 cents in the first half of calendar year 1981 and thereafter.

Subd. 3. **SUBSIDY PER PASSENGER.** (a) After the close of each month, the commission shall report to the commissioner the number of passengers carried during that month on regular route bus service operated by the commission. The commissioner shall use these figures reported by the commission in computing payments due under any contract entered into pursuant to this section. The commission shall make available to the commissioner any information required to permit the commissioner to carry out his duties under this section.

(b) The commissioner shall calculate the total amount of money received by the commission from all sources to pay the expenses of operating regular route bus service including all planning and administration expenses of the commission during the calendar year and shall include the following items in that amount:

(i) grants for operating assistance and transit planning received from the federal government pursuant to 49 U.S.C. 1604 ;

(ii) proceeds of any property tax levied by the commission under section 473.446, clause (a);

(iii) financial assistance received from political subdivisions, public agencies other than the department of transportation, or private entities or persons whether received as a grant, payment of a contractual obligation or otherwise. The commissioner shall exclude from that amount any revenue received by the commission from in the form of regular route bus fares paid for regular route bus service and money paid by the commissioner to reimburse the commission for providing reduced , social fare service reimbursement pursuant to section 473.408 174.24, subdivision 4 or to permit the commission to operate and regular route demonstration services improvement grants pursuant to section 174.26. The commissioner shall periodically examine the commission's data concerning the number of passengers carried on regular route bus service and the procedures for collecting that data.

Subd. 4. **PROCEDURE FOR BIMONTHLY PAYMENT.** Sums owed under any contract made pursuant to this section shall be paid ~~monthly~~ bimonthly in a manner determined by the commissioner consistent with subdivisions 1 to 3.

Subd. 5. ROUTE DEFICIT LIMIT. The commission shall set a maximum route deficit limit, which shall not be exceeded on any of its routes except a route that provides the only regular route bus service to a statutory or home rule charter city located within the transit taxing district as defined in section 473.446, subdivision 2. A route deficit limit set by the commission shall remain in effect for at least six months before a new limit may be set. The commission shall set a route deficit limit and implement that limit not later than January 1, 1980. Notwithstanding the provisions of this section, the commission

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shall not operate fewer bus routes or trips in areas outside of zone one of the commission than were operated on the effective date of this section.

Sec. 27. Minnesota Statutes 1978, Chapter 174, is amended by adding a section to read:

[174.29] COORDINATION OF SPECIAL TRANSPORTATION SERVICE.
Subdivision 1. **DEFINITION.** For the purpose of sections 27 to 29 "special transportation service" means motor vehicle transportation provided on a regular basis by a public or private entity or person that is designed exclusively or primarily to serve individuals who are elderly, handicapped, disabled, or economically disadvantaged and who are unable to use regular means of transportation. Special transportation service includes but is not limited to service provided by specially equipped buses, vans, taxis, and volunteers driving private automobiles.

Subd. 2. **DIRECTION.** In order to provide more adequate access to transportation service for the elderly, handicapped and others with special transportation needs and to more efficiently utilize public and private funds expended for that purpose, all state agencies that assist, provide, reimburse or regulate special transportation services shall promote, support and facilitate coordination of those services with other special services and with regular transportation services offered to the general public.

Subd. 3. **INTERAGENCY TASK FORCE.** The commissioner or chief administrative officer of each department, agency or board of the state that assists, provides, reimburses or regulates special transportation services shall serve or appoint a representative to serve on an interagency task force on coordination of special transportation programs. The departments of economic security, education, health, public safety, public welfare and transportation, the council on the handicapped and the board on aging shall be represented on the task force. The commissioner of transportation shall appoint members of the task force representing other departments, boards or agencies of the state that assist, provide, reimburse or regulate special transportation service and shall appoint up to five additional members representing the metropolitan council, regional development commissions, and public and private entities that provide special transportation service. The commissioner of transportation shall furnish necessary administrative support for the task force and shall chair or appoint a representative to chair the task force.

The task force shall:

(a) Identify the programs administered by state departments, agencies or boards to assist, provide, reimburse or regulate special transportation service and identify for each program the amount of state and federal money spent, the types of service provided, the types of individuals served and constraints on coordination with other special or regular transportation services;

(b) Identify possible strategies and opportunities for coordination of programs for special transportation services and evaluate them for effectiveness in improving or expanding access to transportation for those with special transportation needs and for

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efficiency in use of public investments and public funds;

(c) Develop a continuing procedure for interagency cooperation and communication concerning special and regular transportation programs and concerning the adoption of state operating standards for providers of special transportation service;

(d) Develop alternative ways in which transportation programs and expenditures of those agencies required to provide or reimburse special transportation services as a component of other programs such as human services and educational programs can be coordinated with the programs and expenditures of agencies authorized to provide capital and operating assistance to operators of special and regular transportation service;

(e) Examine the feasibility of transportation voucher systems as a method of improving access to transportation for those with special transportation needs and decreasing capital and operating costs incurred by public agencies to support or provide that transportation. Voucher systems examined shall include systems which allow or require participation by agencies providing transportation as a component of other programs;

(f) Recommend the adoption of policies, rules and legislation necessary to implement programs which it has identified or developed as a result of its study and evaluation; and

(g) Report its findings, conclusions and recommendations to the legislature, including written and oral presentations to the appropriate standing committees. The task force shall make a preliminary report to the legislature not later than November 1, 1979. The preliminary report shall include the task force's findings under clause (a) and any additional findings, conclusions and recommendations which are appropriate for action by the legislature at the 1980 session. A final report covering all items set forth in clauses (a) to (f) shall be made to the legislature not later than July 1, 1980. This subdivision shall expire on December 31, 1980.

Sec. 28. Minnesota Statutes 1978, Chapter 174, is amended by adding a section to read:

[174.30] OPERATING STANDARDS FOR SPECIAL TRANSPORTATION SERVICE. Subdivision 1. SPECIAL DEFINITION. For the purpose of this section "special transportation service" does not include transportation provided by a common carrier operating on fixed routes and schedules, a taxi, a volunteer driver using a private automobile, a school bus as defined in section 169.01, subdivision 6, or an emergency ambulance regulated under chapter 144.

Subd. 2. AUTHORITY TO ADOPT; PURPOSE AND CONTENT; RULEMAKING. The commissioner of transportation shall adopt standards for the operation of vehicles used to provide special transportation service which are reasonably necessary to protect the health and safety of individuals using that service. The commissioner, as far as practicable, consistent with the purpose of the standards, shall avoid adoption of standards that unduly restrict any public or private entity or person

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from providing special transportation service because of the administrative or other cost of compliance.

Standards adopted under this section may include but are not limited to:

- (a) Qualifications of drivers and attendants including driver training requirements;
- (b) Safety equipment required for vehicles;
- (c) General requirements concerning maintenance of standard equipment of vehicles; and
- (d) Minimum insurance requirements.

Subd. 3. OTHER STANDARDS; WHEELCHAIR SECUREMENT. A special transportation service that transports individuals occupying wheelchairs is subject to the provisions of sections 299A.11 to 299A.18 concerning wheelchair securement devices. The commissioners of transportation and public safety shall cooperate in the enforcement of this section and sections 299A.11 to 299A.18 so that a single inspection is sufficient to ascertain compliance with sections 299A.11 to 299A.18 and with the standards adopted under this section.

Subd. 4. CERTIFICATE OF COMPLIANCE. The commissioner of transportation shall issue an annual certificate of compliance for each vehicle used to provide special transportation service which complies with the standards adopted under this section. A vehicle subject to subdivision 3 shall be issued a certificate of compliance only if the vehicle also complies with sections 299A.11 to 299A.18. The commissioner shall provide procedures for determining compliance and issuing the certificates. The procedures may include inspection of vehicles and examination of drivers.

Subd. 5. RULES. The standards authorized under subdivision 2 and the procedures authorized by subdivision 4 shall be adopted by rule in accordance with chapter 15. Not later than November 15, 1979, and before proposing any rules under this section the commissioner shall:

(a) Make available a draft of the rules, a plan for enforcing the rules and a proposed budget for the necessary enforcement activities of the department for review by the standing committees on transportation in both houses of the legislature; and

(b) Review the draft rules, enforcement plan and proposed budget with the interagency task force on coordination of special transportation service. The commissioner shall adopt the rules necessary to implement this section and commence enforcement of those rules not later than July 1, 1980.

Subd. 6. PREEMPTION OF OTHER REQUIREMENTS. Notwithstanding any other law, ordinance or resolution to the contrary an operator of special transportation service that has been issued a current certificate of compliance under subdivision 4 for a vehicle used to provide that service shall not be required to obtain any other state or local

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permit, license or certificate as a condition of operating the vehicle for that purpose. This subdivision does not exempt any vehicle from the requirements imposed on vehicles generally as a condition of using the public streets and highways.

Subd. 7. ENFORCEMENT. After January 1, 1981, no state agency, political subdivision or other public agency shall provide any capital or operating assistance to or reimbursement for services rendered by any operator of special transportation service unless current certificates of compliance have been issued under subdivision 4 for the vehicles used by the operator to provide the service.

Sec. 29. Minnesota Statutes 1978, Chapter 174, is amended by adding a section to read:

[174.31] SPECIAL DEMONSTRATION PROJECT; COORDINATION OF SPECIAL TRANSPORTATION SERVICE IN THE METROPOLITAN AREA. Subdivision 1. ESTABLISHMENT; OBJECTIVES. A special demonstration project for coordination of special transportation service in the metropolitan area as defined in section 473.121, subdivision 2, shall be established and implemented by the commissioner with the following objectives:

(a) To provide greater access to transportation for the elderly, handicapped and others with special transportation needs in the metropolitan area and particularly to fill all unmet needs for that transportation in the transit taxing district as defined in section 473.446, subdivision 2; and

(b) To develop an integrated system of special transportation service providing transportation tailored to meet special individual needs in the most cost-efficient manner using existing public and private providers of service.

For the purpose of this section "project" means the demonstration project established under this subdivision.

Subd. 2. FINANCING; IMPLEMENTATION; MANAGEMENT AND ADVISORY GROUPS. The project shall be operated pursuant to the rules governing and funded with money available under the paratransit grant program. The commissioner shall not operate the project but shall contract for services necessary for its operation. All transportation service provided through the project shall be provided under a contract between the commissioner and the provider which specifies the service to be provided and the rates for providing it. The commissioner shall establish a committee to set management policies for the project. The management policy committee shall include the commissioner or his designee, representatives of persons contracting to provide services for the project, a representative of the metropolitan council, a representative of the metropolitan transit commission and at least two representatives of the task force established to advise the committee. The meetings of the management policy committee shall be public and minutes of all meetings shall be taken, preserved and made available for public inspection. The commissioner shall establish an advisory task force of individuals representing the elderly, handicapped and other users of service provided by the project to advise the management policy committee.

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Subd. 3. DUTIES OF COMMISSIONER. In implementing the project the commissioner shall:

(a) Encourage participation in the project by public and private providers of special transportation service currently receiving capital or operating assistance from a public agency;

(b) Contract with public and private providers that have demonstrated their ability to effectively provide service at a reasonable cost;

(c) Encourage individuals using service provided through the project to use the type of service most appropriate to their particular needs;

(d) Insure that all persons providing service through the project receive equitable treatment in the allocation of the ridership;

(e) Encourage shared rides to the greatest extent practicable;

(f) Insure that a full range of service is made available through the project to all parts of the metropolitan transit taxing district;

(g) Encourage public agencies that provide transportation to eligible individuals as a component of human services and educational programs to coordinate with the project and to allow reimbursement for services provided through the project at rates that reflect the public cost of providing those services.

Subd. 4. COORDINATION REQUIRED. The commissioner shall not grant any financial assistance under section 174.24 or 174.25 to any recipient that proposes to use any part of the grant to provide special transportation service in the metropolitan area unless the program is coordinated with the project in the manner determined by the commissioner. A recipient of a grant made before the effective date of this section shall coordinate its program with the project as far as practicable but shall not be denied any additional grant for which it is otherwise qualified solely because it is not coordinated with the project.

Subd. 5. COMPLIANCE WITH OPERATING STANDARDS. A vehicle providing special transportation service which is subject to the operating standards adopted pursuant to section 28 shall not be allowed to provide service through the project after January 1, 1981, unless a current certificate of compliance has been issued to the vehicle.

Subd. 6. EVALUATION AND REPORTS. The commissioner shall evaluate the project and submit a report to the legislature in January, 1981, including the following information:

(a) All amounts of money spent or obligated for the project by the commissioner and the persons receiving those amounts;

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(b) The types of service provided, number of individuals served and areas covered;

(c) A comparison of the cost of providing different types of service;

(d) A review of the achievements or failures of the project, problems encountered in implementation and conclusions and recommendations concerning future action.

The commissioner shall submit a preliminary report to the legislature in January, 1980, covering the above information to the extent it is available at that time.

Subd. 7. EXPIRATION OF PROJECT. The project shall expire June 30, 1981, and the commissioner shall not enter a contract or make any grant the proceeds of which may be expended for the purpose of implementing or continuing the project beyond June 30, 1981.

Sec. 30. Minnesota Statutes 1978, Section 222.48, is amended to read:

222.48 **DEFINITIONS.** Subdivision 1. As used in sections 222.46 to 222.54, the terms defined in this section shall have the meanings given them herein.

Subd. 2. "Department" means the state planning agency department of transportation .

Subd. 3. "~~Director~~" "Commissioner" means the director of the state planning agency commissioner of transportation .

Subd. 4. "Rail line" means railroad roadbeds, track, track structure, and other appurtenances of railroad right-of-way.

Subd. 5. "Rail service" means rail transportation and local rail service.

Subd. 6. "Rail users" means shippers, consignors or other business entities that depend upon or benefit from the movement of goods and products by means of rail service.

Subd. 7. "Federal rail service continuation program" means any federal program created under the Railroad Revitalization and Regulatory Reform Act of 1976, Public Law 94-210, as amended.

Sec. 31. Minnesota Statutes 1978, Section 222.50, Subdivision 3, is amended to read:

Subd. 3. The ~~director~~ commissioner shall have the power to:

(a) Set priorities for the allocation and expenditure of money or in kind contributions ~~to railroads according to authorized under the rail service improvement program and develop criteria developed by the director for eligibility and approval of projects under the program.~~ The criteria shall include the anticipated economic and social

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benefits to the state and to the area being served and the economic viability of the project

(b) Negotiate and enter into contracts for rail line rehabilitation or other rail service improvement;

(c) Disburse state and federal money for rail service improvements; and

(d) Adopt rules necessary to carry out the purposes of sections 222.46 to 222.54 ;
and

(e) ~~Acquire elm railroad ties manufactured by Stillwater state prison inmates and disperse them by sale, lease or otherwise to be used in rail line rehabilitation. The director may negotiate with rail companies concerning the use of the ties. Progress reports on this activity shall be submitted to the senate finance and house appropriations committees on a regular basis .~~

Sec. 32. Minnesota Statutes 1978, Section 222.50, Subdivision 4, is amended to read:

Subd. 4. The director may negotiate and enter into contracts for the purpose of rail line rehabilitation and for the purpose of assisting in the payment of up to 50 percent of the non-federal share of a rehabilitation project under the federal rail service continuation program. The participants in these contracts shall be railroads, rail users and the department, and may be political subdivisions of the state and the federal government. In such contracts, participation by all parties shall be voluntary. The director may provide a portion of the money required to carry out the terms of any such contract by expenditure from the rail service improvement account.

Sec. 33. Minnesota Statutes 1978, Section 222.50, Subdivision 6, is amended to read:

Subd. 6. The commissioner may approve grants from the rail service improvement account for payment of up to 50 percent of the ~~loan~~ non-federal share of the cost of any rail line project under the federal rail service continuation program ~~established by the Railroad Revitalization and Regulatory Reform Act of 1976, Public Law 94-210, Section 803, provided that the amount of any grant shall not exceed the amount of state tax revenue attributable to the project rail line during the last year of operation of the line preceding the year in which the grant is approved.~~

Sec. 34. Minnesota Statutes 1978, Section 222.50, is amended by adding subdivisions to read:

Subd. 7. The commissioner may expend money from the rail service improvement account for the following purposes:

(a) To pay interest adjustments on loans guaranteed under the state rail user loan guarantee program;

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(b) To pay a portion of the costs of capital improvement projects designed to improve rail service including construction or improvement of short segments of rail line such as side track, team track and connections between existing lines, and construction and improvement of loading, unloading, storage and transfer facilities of a rail user;

(c) To acquire, maintain, manage and dispose of railroad right-of-way pursuant to subdivision 8.

All money derived by the commissioner from the disposition of railroad right-of-way or of any other property acquired pursuant to sections 222.46 to 222.62 shall be deposited in the rail service improvement account.

Subd. 8. The commissioner may acquire the right-of-way of the Chicago, Milwaukee, St. Paul and Pacific Railroad between Jackson and Ramsey, and between Minnesota Lake and Wells. The right-of-way may be acquired by gift, purchase, lease, easement, or otherwise. The commissioner shall maintain and manage any right-of-way acquired under this section and may dispose of the right-of-way for any transportation purpose.

Sec. 35. Minnesota Statutes 1978, Section 222.51, is amended to read:

222.51 PARTICIPATION BY POLITICAL SUBDIVISIONS. The governing body of any political subdivision of the state may with the approval of the ~~director~~ commissioner appropriate money for rail service improvement and may participate in the state rail service improvement program and the federal rail service continuation program ;

Sec. 36. Minnesota Statutes 1978, Section 222.53, is amended to read:

222.53 ACCEPTANCE OF FEDERAL MONEY. The ~~director~~ commissioner may exercise those powers necessary for the state to qualify for, accept, and disburse any federal money that may be made available pursuant to the provisions of the federal rail ~~revitalization and regulatory reform act of 1976~~ service continuation program , including the power to:

(a) Establish an adequate plan for rail service in the state as part of an overall planning process for all transportation services in the state, including a suitable process for updating, revising, and amending the plan;

(b) Administer and coordinate the plan with other state agencies, and provide for the equitable distribution of resources;

(c) Develop, promote, and support safe, adequate and efficient rail transportation services; employ qualified personnel; maintain adequate programs of investigation, research, promotion and development, with provisions for public participation; and take all practical steps to improve transportation safety and reduce transportation related energy utilization and pollution;

(d) Adopt and maintain adequate procedures for financial control, accounting and

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performance evaluation in order to assure proper use of state and federal money;

(e) Do all things otherwise necessary to maximize federal assistance to the state under the federal rail ~~revitalization and regulatory reform act of 1976~~ service continuation program .

Sec. 37. Minnesota Statutes 1978, Chapter 222, is amended by adding a section to read:

[222.545] ADVOCACY OF IMPROVED SERVICE. The commissioner may advocate and promote improved rail service and more effective use of available rail service at a reasonable cost by: (a) providing technical assistance to rail users; (b) negotiating with persons representing the rail industry and other transportation modes; and (c) appearing on behalf of the public in the regulatory, rulemaking and other proceedings of state and federal agencies in support of improved and innovative rail service and for other purposes.

Sec. 38. Minnesota Statutes 1978, Section 222.55, is amended to read:

222.55 RAIL USER LOAN GUARANTEE PROGRAM; PURPOSE. In order to aid rail users in obtaining credit for participation in contracts for rail line rehabilitation and for paying the costs of capital improvements necessary to improve rail service or reduce the impact of discontinuance of rail service , there is established a rail user loan guarantee program to provide state money in guarantee of loans made according to the provisions of sections 222.55 to 222.62.

Sec. 39. Minnesota Statutes 1978, Section 222.56, Subdivision 5, is amended to read:

Subd. 5. "Loan" means a loan or advance of credit to a rail user for participation in contracts for rail line rehabilitation or for paying the costs of capital improvements necessary to improve rail service or reduce the impact of discontinuance of rail service .

Sec. 40. Minnesota Statutes 1978, Section 222.57, is amended to read:

222.57 RAIL USER LOAN GUARANTEE ACCOUNT. There is created a rail user loan guarantee account as a separate account in the ~~special revenue fund in the state treasury~~ rail service improvement account , which shall be used by the commissioner for carrying out the provisions of sections 222.55 to 222.62 with respect to loans insured under section 222.58. The commissioner may transfer to the rail user loan guarantee account from money otherwise available in the rail service improvement account whatever amount is necessary to implement the rail user loan guarantee program and may withdraw any amount from the rail user loan guarantee account that is not required to insure outstanding loans as provided in section 222.60, subdivision 1.

Sec. 41. Minnesota Statutes 1978, Section 222.58, Subdivision 2, is amended to read:

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Subd. 2. **ELIGIBILITY REQUIREMENTS.** A loan is eligible for insurance under this section under the following conditions:

(a) The loan shall be in an original principal amount, bear an interest rate, contain complete amortization provisions, and have a maturity satisfactory under such terms as the commissioner may prescribe by rule.

(b) The proceeds of the loan shall be used solely for

(i) participation in contracts for capital investment loans for rail line rehabilitation,
or

(ii) capital improvement projects designed to improve rail service or reduce the economic impact of discontinuance of rail service. The projects may include but are not limited to construction or improvement of short segments of rail line such as side track, team track, and connections between existing lines; and construction and improvement of loading, unloading, storage, and transfer facilities of the rail user.

(c) The loan agreement shall contain such terms and provisions with respect to any other matters as the commissioner may, in his discretion, prescribe.

(d) The borrower provides a personal guarantee and collateral for the loan which is acceptable to the commissioner as sufficient security to protect the interests of the state.

Sec. 42. Minnesota Statutes 1978, Section 222.58, is amended by adding a subdivision to read:

Subd. 5a. INTEREST ADJUSTMENT. A loan insured under this section that is amortized over a term of not more than ten years with equal annual installments of principal and interest and that has an interest rate exceeding seven percent per annum is eligible for an interest adjustment under this subdivision. The commissioner may pay annually to the lender a percentage of the outstanding balance due on an eligible loan at the beginning of the year equal to the difference between the interest rate on the loan and an interest rate of seven percent per annum. The percentage paid by the commissioner shall not exceed four percent. The borrower shall reimburse the commissioner for any amounts paid pursuant to this subdivision the year after the last payment is due on the loan. The obligation to reimburse the commissioner shall be a lien against any property of the borrower in which the proceeds of the loan have been invested. As a condition of receiving an interest adjustment the commissioner may require the borrower to demonstrate inability to obtain similar assistance or a low interest loan from other available sources. The commissioner may adopt by rule additional reasonable conditions or qualifications for payment of interest adjustments under this subdivision.

Sec. 43. Minnesota Statutes 1978, Chapter 222, is amended by adding a section to read:

[222.65] ADVISORY TASK FORCE. The commissioner of transportation may establish an advisory task force in the manner provided in section 15.059 to advise the

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department concerning the implementation of the rail service improvement program, the federal rail service continuation program, and the rail user loan guarantee program. The task force may include representatives of departments of agriculture, commerce, economic development, the energy agency, state planning agency, railroad companies, railroad labor organizations, and rail users.

Sec. 44. **TEMPORARY RULE MAKING POWER; SURVIVAL OF EXISTING RULES.** The commissioner of transportation may adopt temporary rules necessary to implement the provisions of sections 30 to 43. This section, and any temporary rules adopted under this section, expire one year after the effective date of this section. Rules adopted before the effective date of this section to implement the rail service improvement program or the rail user loan guarantee program shall remain in effect until amended or repealed.

Sec. 45. **DIRECTION TO REVISOR.** In the next and subsequent editions of Minnesota Statutes, the revisor of statutes shall substitute the term "commissioner" for the term "director" whenever that term appears in sections 222.46 to 222.54.

Sec. 46. Minnesota Statutes 1978, Section 256B.04, Subdivision 12, is amended to read:

Subd. 12. Place limits on the types of services covered by medical assistance, the frequency with which the same or similar services may be covered by medical assistance for an individual recipient, and the amount paid for each covered service. The state agency shall promulgate rules, including temporary rules, establishing maximum reimbursement rates for emergency and non-emergency ambulance transportation.

The rules shall provide:

(a) An opportunity for all recognized transportation providers to be reimbursed for non-emergency transportation consistent with the maximum rates established by the agency;

(b) Reimbursement of public and private nonprofit providers serving the handicapped population generally at reasonable maximum rates that reflect the cost of providing the service regardless of the fare that might be charged by the provider for similar services to individuals other than those receiving medical assistance or medical care under this chapter; and

(c) Reimbursement for each additional passenger carried on a single trip at a substantially lower rate than the first passenger carried on that trip.

The commissioner shall encourage providers reimbursed under this chapter to coordinate their operation with similar services that are operating in the same community. To the extent practicable, the commissioner shall encourage eligible individuals to utilize less expensive providers capable of serving their needs.

For the purpose of this subdivision and section 256B.02, subdivision 8, and
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effective on January 1, 1981, "recognized provider of transportation services" means an operator of special transportation service as defined in section 27 that has been issued a current certificate of compliance with operating standards of the commissioner of transportation or, if those standards do not apply to the operator, that the agency finds is able to provide the required transportation in a safe and reliable manner. Until January 1, 1981, "recognized transportation provider" includes an operator of special transportation service that the agency finds is able to provide the required transportation in a safe and reliable manner.

Sec. 47. Minnesota Statutes 1978, Section 360.015, is amended by adding a subdivision to read:

Subd. 20. The commissioner may continue the air transportation revolving account within the trunk highway fund. The commissioner shall charge users of any air transportation services provided by the department for all direct and indirect operating costs, excluding salaries and initial cost of acquisition of aircraft. All receipts for these services shall be deposited in the air transportation revolving account and are appropriated to the commissioner to pay all direct and indirect air service operating expenses, excluding salaries.

Sec. 48. Minnesota Statutes 1978, Section 473.408, Subdivision 3, is amended to read:

Subd. 3. **SOCIAL FARES.** In off-peak hours the commission and other operators shall charge the following reduced fares for transit service:

(a) ten not more than 20 cents plus any zone charges for all persons under the age of 18 holding an identification card issued by the commission;

(b) free fares not more than ten cents for all persons 65 years of age and over holding a medicare card or other identification card authorized or approved by the commission; and

(c) not more than one-half of the full fare for all handicapped persons, as defined by the commission.

Sec. 49. Minnesota Statutes 1978, Section 473.408, is amended by adding subdivisions to read:

Subd. 6. MONTHLY PASSES. The commission shall offer monthly passes for regular route bus service for sale to the general public. The passes shall be offered at a discount at least as great as the discount provided on passes sold by the commission in January, 1979.

Subd. 7. EMPLOYEE PLAN. The commission shall offer monthly passes for regular route bus service for sale to employers at a special discount subject to the provisions of this subdivision. An employer is eligible to purchase passes at a special discount if the employer agrees to establish a payroll deduction plan as a means for its

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employees to purchase the passes at a price at or below the amount charged by the commission. The special discount on passes sold pursuant to this subdivision shall be two dollars on a single zone pass and a proportionate amount on other passes. The special discount is in addition to the discount provided on passes sold to the general public.

Sec. 50. Minnesota Statutes 1978, Section 473.411, Subdivision 1, is amended to read:

473.411 TRANSPORTATION DEVELOPMENT PROGRAM. Subdivision 1. **DEVELOPMENT PROGRAM.** The commission shall prepare and submit in the manner provided in and satisfying the requirements of section 473.161, a transportation development program, providing for the implementation of the policy plan adopted by the council. In preparing the program, the commission shall consult with counties and municipalities in the metropolitan area, the state transportation department and the state planning agency, and for that purpose may create such advisory committees as may be necessary.

Such program shall provide for coordination of routes and operations of all publicly and privately owned transportation facilities within the transit area to the end that combined efficient and rapid transportation may be provided for the use of the public in the entire area. The commission may designate a segment of the system planned as a pilot or demonstration transportation project using, without limitation, new technology including airborne systems, or traditional systems of evolved or modern form. The transportation development program shall include the general alignment and profile, approximate points of access, facility classification, approximate cost, relation to other existing and planned transportation routes and facilities, and a statement of the expected general effect on present and future use of the property within the corridor. The program shall be accompanied with a statement of need for the proposed construction or improvement, a description of alternate routes which were considered, and an explanation of the advantages and disadvantages in the selection of any route considered. The transportation development program shall also contain a description of the type of right of way or routes required; the type of transit service to be provided in each portion of the system; designation of transit mode; and appropriate general operating criteria. The program shall also contain an operational improvement program which shall at least describe performance objectives and standards which the commission proposes to achieve in satisfying policies, purposes, and goals established by the legislature and the council; identify performance indicators by which to monitor and assess progress in achieving the objectives and standards; and establish a route deficit limit as provided in section 174.28, subdivision 5. The program may include such other information as the council or the commission deems necessary.

Sec. 51. Laws 1973, Chapter 567, Section 8, is amended to read:

Sec. 8. APPROPRIATION FOR ACCESS ROADS. Subdivision 1. In addition to any amounts deducted from the county state aid highway fund for access roads to state parks under Minnesota Statutes, Section 162.06, Subdivision 5, there is appropriated from the general fund in the state treasury to the county of Chisago for use in providing access roads to St. Croix Wild River state park the sum of \$200,000. Chisago County state aid

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highway 12 from the junction with state trunk highway 95 to the junction with Chisago County state aid highway 16 is designated a nine ton road, and from there to the entrance to St. Croix Wild River state park it is designated a seven ton road. An amount equal to any portion of the \$200,000 that Chisago County has not spent or obligated by contract by December 31, 1979 to improve Chisago County state aid highway 12 from the junction with state highway 95 to the entrance to St. Croix Wild River state park shall be deducted from the 1980 county state aid apportionment to Chisago County and credited to the state park road account created by section 162.06, subdivision 5.

Subd. 2. In the event that the county of Chisago returns to the state treasury the amount appropriated by subdivision 1, or does not let a contract by December 31, 1979 to improve Chisago County state aid highway 12 from its junction with state trunk highway 95 to the entrance to St. Croix Wild River state park, the commissioner of transportation shall forthwith make surveys and prepare plans and specifications for the improvement of the portion of Chisago state aid highway 12 herein described in accordance with applicable state aid rules and engineering standards and let a contract for the improvement in the same manner as contracts are let for trunk highway improvements. The commissioner, in the name of the state, may acquire any additional rights-of-way necessary for the improvement by purchase or by proceedings instituted pursuant to Minnesota Statutes, Chapter 117. Upon completion of the improvement, rights-of-way acquired by the commissioner shall be conveyed to the county of Chisago for \$1. All costs incurred by the commissioner and the department of transportation in acquiring rights-of-way, in making surveys and preparing plans and specifications, in letting and supervising the contract for the improvement, and all obligations incurred under the contract shall be paid from funds appropriated in subdivision 3.

Subd. 3. There is appropriated to the commissioner of transportation from the state park road account a sum of money which, together with any available federal funds, is sufficient to pay all costs and obligations incurred by the commissioner and the department of transportation in carrying out the provisions of subdivision 2. This appropriation is subject to the occurrence of the events specified in subdivision 2, and subject to those occurrences is effective 30 days following return of the money to the state treasury or January 31, 1980, whichever occurs first, and is available for expenditure until the improvement is completed.

Subd. 4. Nothing in this section shall be construed as revoking the designation of Chisago County state aid highway 12 as a county state aid highway. Upon completion of the improvement, Chisago County state aid highway 12 shall be maintained by Chisago County in the same manner as other county state aid highways.

Sec. 52. ANOKA AIRPORT. Notwithstanding any other law, the metropolitan airports commission shall not use or operate the Anoka County airport, located in the city of Blaine in the county of Anoka, as an intermediate use air facility as defined by the Metropolitan Development Guide, Aviation Chapter. No land acquisition or construction of air navigational or storage facilities at Anoka County airport shall occur after final enactment of this act. General maintenance and operational activities of Anoka County airport within its minor use status are not affected by this section. This section expires July 1, 1981. The metropolitan airports commission shall complete the master plan for the

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Anoka County airport.

Sec. 53. LAWS SUPERCEDED. The amendment in this act to Minnesota Statutes 1978, Section 256B.04, Subdivision 12 is intended to supercede the provisions of any other amendment to the same section enacted at the 1979 session of the legislature, including the one in the bill known as Senate File No. 202.

Sec. 54. EFFECTIVE DATE. Sections 16, 18, 24, 27 to 46, and 51 to 53 are effective the day following final enactment.

Approved June 7, 1979.

CHAPTER 2—S.F.No.2

An act relating to energy; clarifying the procedures for declaring an energy emergency; prescribing the powers of the governor and executive council in an emergency; providing for the issuance of temporary rules by the director of the energy agency; prescribing additional elements of the energy emergency conservation and allocation plan; providing for earth sheltered construction zoning variances; prohibiting local governments from banning earth sheltered construction; requiring certain building energy reports and audits; requiring the energy agency to disseminate information on the potential hazards of energy conservation techniques; providing for an adult and post-secondary energy education plan; changing energy conservation standards for existing residential buildings; limiting the time for application for certain variances; providing a method for determining certain efficiencies for air conditioners; providing partial funding to the University of Minnesota, school districts, municipalities and counties for energy audits and energy conservation measures; requiring notice to the Minnesota energy agency of the proposed discontinuance of certain municipal steam heat systems; authorizing a weatherization program for low-income persons; appropriating money; prescribing a penalty; amending Minnesota Statutes 1978, Sections 12.02, Subdivision 1; 12.03, Subdivision 4, and by adding a subdivision; 12.21, Subdivisions 1 and 3, and by adding a subdivision; 12.28; 12.32; 16.32, by adding a subdivision; 116H.02, Subdivisions 3 and 5, and by adding subdivisions; 116H.08; 116H.085; 116H.09, Subdivisions 1, 4, and 5; 116H.11; 116H.12, Subdivisions 1a, 1b, 3a, 3b, and 10; 116H.122; 116H.123; 116H.124; 116H.126; 116H.129, Subdivisions 1, 6 and 7; 116H.13; 116H.15; 120.78, Subdivision 1; 325.989, by adding a subdivision; 394.25, Subdivision 3; 394.27, Subdivision 7; 451.09; 462.357, Subdivisions 1 and 6; 462A.02, by adding a subdivision; Chapter 116H, by adding sections; and Chapter 268, by adding a section.

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

Section 1. Minnesota Statutes 1978, Section 12.02, Subdivision 1, is amended to read:

12.02 POLICY DECLARATION. Subdivision 1. Because of the existing and increasing possibility of the occurrence of disasters of ~~unprecedented~~ major size and destructiveness, ~~resulting from enemy attack, sabotage, or other hostile action, or from~~

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