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**ARTICLE 3**  
**TRANSPORTATION POLICY AND FINANCE**

34.17 Section 1. Minnesota Statutes 2016, section 16A.88, subdivision 2, is amended to read:

34.18 Subd. 2. **Metropolitan area transit account.** (a) The metropolitan area transit account  
34.19 is established within the transit assistance fund in the state treasury. All money in the account  
34.20 is annually appropriated to the Metropolitan Council for the funding of transit systems  
34.21 within the metropolitan area under sections 473.384, 473.386, 473.387, 473.388, and 473.405  
34.22 to 473.449.

34.23 (b) From appropriations in this subdivision, the Metropolitan Council must first allocate  
34.24 funds necessary for special transportation service under section 473.386.

34.25 Sec. 2. Minnesota Statutes 2016, section 53C.01, subdivision 2, is amended to read:

34.26 Subd. 2. **Cash sale price.** "Cash sale price" means the price at which the seller would  
34.27 in good faith sell to the buyer, and the buyer would in good faith buy from the seller, the  
34.28 motor vehicle which is the subject matter of the retail installment contract, if such sale were  
34.29 a sale for cash, instead of a retail installment sale. The cash sale price may include any taxes,  
34.30 charges for delivery, servicing, repairing, or improving the motor vehicle, including  
34.31 accessories and their installation, and any other charges agreed upon between the parties.  
35.1 The cash price may ~~not~~ include a documentary fee or document administration fee ~~in excess~~  
35.2 ~~of \$75 for services actually rendered to, for, or on behalf of, the retail buyer in preparing,~~  
35.3 ~~handling, and processing documents relating to the motor vehicle and the closing of the~~  
35.4 ~~retail sale authorized under section 168.27, subdivision 31. "Documentary fee" and "document~~  
35.5 ~~administration fee" do not include an optional electronic transfer fee as defined under~~  
35.6 ~~subdivision 14.~~

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**ARTICLE 4**  
**TRANSPORTATION POLICY**  
**ARTICLE 5**  
**TRANSIT**  
**ARTICLE 6**  
**DEPARTMENT OF PUBLIC SAFETY**

23.13 Section 1. Minnesota Statutes 2016, section 85.016, is amended to read:

23.14 **85.016 BICYCLE TRAIL PROGRAM.**

23.15 The commissioner of natural resources ~~shall~~ **must** establish a program for the development  
23.16 of bicycle trails utilizing the state trails authorized by section 85.015, other state parks and

35.7 Sec. 3. Minnesota Statutes 2016, section 115A.908, subdivision 2, is amended to read:

35.8 Subd. 2. **Deposit of revenue.** Revenue collected under this section shall be credited to  
35.9 the ~~environmental~~ transportation priorities fund.

35.10 **EFFECTIVE DATE.** This section is effective July 1, 2020, and applies for revenues  
35.11 collected on or after that date.

35.12 Sec. 4. Minnesota Statutes 2016, section 117.189, is amended to read:

35.13 **117.189 PUBLIC SERVICE CORPORATION EXCEPTIONS.**

23.17 recreation land, and state forests. "Bicycle trail," as used in this section, has the meaning  
23.18 given in section 169.011. The program ~~shall~~ must be coordinated with the local park trail  
23.19 grant program established by the commissioner pursuant to section 85.019, with the ~~bikeway~~  
23.20 ~~program~~ state bicycle routes established by the commissioner of transportation pursuant to  
23.21 section ~~160.265~~ 160.266, and with existing and proposed local bikeways. In the metropolitan  
23.22 area as defined in section 473.121, the program ~~shall~~ must be developed in accordance with  
23.23 plans and priorities established by the Metropolitan Council. The commissioner ~~shall~~ must  
23.24 provide technical assistance to local units of government in planning and developing bicycle  
23.25 trails in local parks. The bicycle trail program ~~shall~~ must, as a minimum, describe the  
23.26 location, design, construction, maintenance, and land acquisition needs of each component  
23.27 trail ~~and shall give due consideration to the model standards for the establishment of~~  
23.28 ~~recreational vehicle lanes promulgated by the commissioner of transportation pursuant to~~  
23.29 ~~section 160.262~~. The program ~~shall~~ must be developed after consultation with the state trail  
23.30 council and regional and local units of government and bicyclist organizations.

24.1 Sec. 2. Minnesota Statutes 2016, section 116.03, is amended by adding a subdivision to  
24.2 read:

24.3 Subd. 7. **Clean Air Act settlement money.** "Clean Air Act settlement money" means  
24.4 money required to be paid to the state as a result of litigation or settlements of alleged  
24.5 violations of the federal Clean Air Act, United States Code, title 42, section 7401, et seq.,  
24.6 or rules adopted thereunder, by an automobile manufacturer. The commissioner of  
24.7 management and budget must establish the Clean Air Act settlement account in the  
24.8 environmental fund. Notwithstanding sections 16A.013 to 16A.016, the commissioner of  
24.9 management and budget must deposit Clean Air Act settlement money into the Clean Air  
24.10 Act settlement account. Clean Air Act settlement money must not be spent until it is  
24.11 specifically appropriated by law. The commissioner of management and budget must  
24.12 eliminate the Clean Air Act settlement account in the environmental fund after all Clean  
24.13 Air Act settlement money has been expended.

49.13 Section 1. Minnesota Statutes 2016, section 117.189, is amended to read:

49.14 **117.189 PUBLIC SERVICE CORPORATION EXCEPTIONS.**

35.14 (a) Sections 117.031; 117.036; 117.055, subdivision 2, paragraph (b); 117.186; 117.187;  
 35.15 117.188; and 117.52, subdivisions 1a and 4, do not apply to the use of eminent domain  
 35.16 authority by public service corporations for any purpose other than construction or expansion  
 35.17 of:

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

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

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

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

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

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

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

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

49.15 (a) Sections 117.031; 117.036; 117.055, subdivision 2, paragraph (b); 117.186; 117.187;  
 49.16 117.188; and 117.52, subdivisions 1a and 4, do not apply to the use of eminent domain  
 49.17 authority by public service corporations for any purpose other than construction or expansion  
 49.18 of:

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

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

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

49.24 (b) For purposes of an award of appraisal fees under section 117.085, the fees awarded  
 49.25 may not exceed \$1,500 for all types of property except for a public service corporation's  
 49.26 use of eminent domain for a high-voltage transmission line, where the award may not exceed  
 49.27 \$3,000.

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

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

24.14 Sec. 3. Minnesota Statutes 2016, section 160.02, is amended by adding a subdivision to  
 24.15 read:

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

24.19 Sec. 4. Minnesota Statutes 2016, section 160.02, subdivision 27, is amended to read:

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

24.23 Sec. 5. Minnesota Statutes 2016, section 160.02, is amended by adding a subdivision to  
 24.24 read:

36.2 Sec. 5. Minnesota Statutes 2016, section 160.18, is amended by adding a subdivision to  
36.3 read:

36.4 Subd. 4. **Trunk highway appeal process.** (a) Notwithstanding chapter 14 and section  
36.5 14.386, the commissioner must establish a concise, expedited process that allows an owner  
36.6 or occupant of a property abutting a trunk highway to appeal a denial or revocation of an  
36.7 access permit. The owner or occupant must initiate an appeal no later than 30 days after the  
36.8 date the commissioner issues written notice of the denial or revocation of an access permit.  
36.9 The process must provide the owner or occupant and Department of Transportation staff  
36.10 the opportunity to present information supporting each party's respective position. The  
36.11 hearing must be conducted by an administrative law judge assigned by the chief  
36.12 administrative law judge. The administrative law judge must maintain a transcript of the  
36.13 hearing and keep a record of all documents and data submitted at the hearing. Within 30  
36.14 days of the hearing's conclusion, the administrative law judge must transmit to the  
36.15 commissioner the record of the proceedings, along with a report and recommendation based  
36.16 on the record made in the informal hearing. The commissioner must make a written decision  
36.17 regarding the access permit.

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

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

24.29 Sec. 6. Minnesota Statutes 2016, section 160.262, subdivision 1, is amended to read:

24.30 Subdivision 1. **Model standards Powers.** (a) The legislature determines that it is in the  
24.31 interests of the public health, safety and welfare, to provide for the addition of ~~bicycle and~~  
25.1 ~~recreational vehicle lanes~~ bikeways to proposed and existing public highways. ~~The~~  
25.2 ~~commissioner of transportation shall adopt, in the manner provided in chapter 14, model~~  
25.3 ~~standards for the establishment of recreational vehicle lanes on and along proposed and~~  
25.4 ~~existing public highways. The model standards shall include but not be limited to the~~  
25.5 ~~following: (a) criteria for desirability of a lane in any given location, (b) provision for~~  
25.6 ~~maintenance of the lanes, and (c) the placement of the lanes in relation to roads. The model~~  
25.7 ~~standards shall govern state trunk highways. The commissioner of transportation is authorized~~  
25.8 ~~to plan, design, establish, and maintain bikeways on the right-of-way of any trunk highway.~~  
25.9 The commissioner is responsible for the design and construction of all bikeway projects  
25.10 within the right-of-way of any trunk highway. The commissioner must consider the  
25.11 development of bikeways during the planning, design, construction, reconstruction, or

- 25.12 improvement of any trunk highway, or allow the establishment of such bikeways within  
 25.13 trunk highway right-of-way.
- 25.14 (b) The commissioner must maintain bikeway design guidelines consistent with the state  
 25.15 transportation goals in section 174.01.
- 25.16 (c) The commissioner must compile and maintain a map of bikeways in the state and  
 25.17 must publish and distribute the map's information at least once every two years in a form  
 25.18 and manner suitable to assist persons wishing to use the bikeways.
- 25.19 (d) The commissioner must maintain bikeways within the limits of trunk highway  
 25.20 right-of-way unless a written agreement or limited use permit provides otherwise.
- 25.21 Sec. 7. Minnesota Statutes 2016, section 160.262, subdivision 3, is amended to read:
- 25.22 Subd. 3. **Cooperation among agencies and governments.** ~~The following~~ departments  
 25.23 and agencies ~~shall cooperate in providing on the nonmotorized transportation advisory~~  
 25.24 ~~committee identified in section 174.37 must provide information and advice for amendments~~  
 25.25 ~~to the model standards~~ the bikeway design guidelines maintained by the commissioner of  
 25.26 transportation: the Departments of Agriculture, Transportation, Natural Resources,  
 25.27 Commerce, and Employment and Economic Development, and the Board of Water and Soil  
 25.28 Resources. The commissioner may cooperate with and enter into agreements with the United  
 25.29 States government, any department of the state of Minnesota, any unit of local government  
 25.30 and any tribal government, or any public or private corporation in order to effect the purposes  
 25.31 of this section.
- 26.1 Sec. 8. Minnesota Statutes 2016, section 160.262, subdivision 4, is amended to read:
- 26.2 Subd. 4. **Design-build bridges for nonmotorized vehicles.** For streets and highways,  
 26.3 the commissioner ~~shall~~ must allow for the acceptance of performance-specification bids,  
 26.4 made by the lowest responsible bidder, for constructing design-build bridges for ~~bicycle~~  
 26.5 ~~paths, bicycle trails, bikeways~~ and pedestrian facilities that are:
- 26.6 (1) designed and used primarily for nonmotorized transportation, but may allow for  
 26.7 motorized wheelchairs, golf carts, necessary maintenance vehicles and, when otherwise  
 26.8 permitted by law, rule, or ordinance, snowmobiles; and
- 26.9 (2) located apart from any road or highway or protected by barriers, provided that a  
 26.10 design-built bridge may cross over and above a road or highway.

26.11 Sec. 9. Minnesota Statutes 2016, section 160.266, is amended by adding a subdivision to  
26.12 read:

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

26.17 Sec. 10. Minnesota Statutes 2016, section 160.266, is amended by adding a subdivision  
26.18 to read:

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

26.26 Sec. 11. Minnesota Statutes 2016, section 160.266, subdivision 3, is amended to read:

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

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

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

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

27.8 Sec. 12. Minnesota Statutes 2016, section 160.266, subdivision 4, is amended to read:

27.9 Subd. 4. **Cooperation with other entities.** The commissioner may contract and enter  
27.10 into agreements with federal agencies, other state agencies, local governments, ~~and tribal~~  
27.11 governments, or private entities to establish, develop, maintain, and operate the ~~bikeway~~  
27.12 state bicycle routes and to interpret associated natural and cultural resources.

27.13 Sec. 13. Minnesota Statutes 2016, section 160.266, subdivision 5, is amended to read:

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

27.19 Sec. 14. Minnesota Statutes 2016, section 160.266, is amended by adding a subdivision  
27.20 to read:

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

28.1 Sec. 15. Minnesota Statutes 2016, section 160.266, is amended by adding a subdivision  
28.2 to read:

28.3 Subd. 7. **North Star Bicycle Route.** The North Star Bicycle Route must originate in the  
28.4 city of St. Paul in Ramsey County, then proceed north through the cities of North Branch  
28.5 in Chisago County, Hinckley in Pine County, Carlton in Carlton County, Duluth in St. Louis  
28.6 County, Two Harbors in Lake County, and Grand Marais in Cook County to Minnesota's  
28.7 boundary with Canada and there terminate. Notwithstanding subdivision 5 or any law to  
28.8 the contrary, the commissioner must not spend trunk highway funds on creating, constructing,  
28.9 marking, or maintaining this route.

36.19 Sec. 6. Minnesota Statutes 2016, section 161.081, subdivision 3, is amended to read:

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

36.23 (1) ~~in fiscal years 2009 and 2010, 100 percent of the excess sum, as calculated in~~  
36.24 ~~paragraph (i), and in fiscal years 2011 and thereafter, 50 16 percent of the excess sum, as~~  
36.25 ~~calculated in paragraph (i); amount available in the flexible highway account for counties~~  
36.26 ~~in the metropolitan area, as defined in section 473.121, subdivision 4, but for the purposes~~  
36.27 ~~of the calculation cities of the first class will be excluded in the metropolitan area~~ distributed

36.28 proportionally based on the most recent estimate of county population excluding the  
36.29 population of any city of the first class; and

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

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

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

37.6 (iii) routes of regional significance.

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

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

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

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

37.28 (f) Money that will be used for safety improvements must be deposited in the highway  
37.29 safety improvement account, which is created in the state treasury to be used as grants to



37.30 statutory or home rule charter cities, towns, and counties to assist in paying the costs of  
 37.31 constructing or reconstructing city streets, county highways, or town roads to reduce crashes,  
 37.32 deaths, injuries, and property damage.

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

38.7 (h) As part of each biennial budget submission to the legislature, the commissioner shall  
 38.8 describe how the money in the flexible highway account will be apportioned among the  
 38.9 county turnback account, the municipal turnback account, the trunk highway fund for routes  
 38.10 turned back to local governments by agreement, the highway safety improvement account,  
 38.11 and the routes of regional significance account.

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

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

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

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

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

38.29 Sec. 7. Minnesota Statutes 2016, section 161.088, subdivision 4, is amended to read:

28.10 Sec. 16. Minnesota Statutes 2016, section 161.088, subdivision 4, is amended to read:

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

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

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

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

39.4 (4) a ~~maximum~~ requirement that project construction work is able to commence within  
39.5 three years, or a longer length of time, as determined by the commissioner, until  
39.6 commencement of construction work on the project; and

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

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

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

39.15 Sec. 8. Minnesota Statutes 2016, section 161.088, subdivision 5, is amended to read:

39.16 Subd. 5. **Project selection process; criteria.** (a) The commissioner ~~shall~~ must establish  
39.17 a process ~~for identification, evaluation, and selection of~~ to identify, evaluate, and select  
39.18 projects under the program.

39.19 (b) As part of the project selection process, the commissioner ~~shall~~ must annually accept  
39.20 recommendations on candidate projects from area transportation partnerships and other  
39.21 interested stakeholders in each Department of Transportation district. For each candidate  
39.22 project identified under this paragraph, the commissioner ~~shall~~ must determine eligibility,  
39.23 classify, and if ~~appropriate~~ eligible, evaluate the project for the program.

39.24 (c) Project evaluation and prioritization must be performed on the basis of objective  
39.25 criteria, which must include:

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

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

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

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

28.17 (4) a maximum length of time, as determined by the commissioner, until commencement  
28.18 of construction work on the project; and

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

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

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

28.27 Sec. 17. Minnesota Statutes 2016, section 161.088, subdivision 5, is amended to read:

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

29.1 (b) As part of the project selection process, the commissioner ~~shall~~ must annually accept  
29.2 recommendations on candidate projects from area transportation partnerships and other  
29.3 interested stakeholders in each Department of Transportation district. The commissioner  
29.4 must determine the eligibility for each candidate project identified under this paragraph;  
29.5 the commissioner shall determine eligibility, classify, and if appropriate, evaluate the project  
29.6 for the program. For each eligible project, the commissioner must classify and evaluate the  
29.7 project for the program.

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

- 39.26 (1) a return on investment measure that provides for comparison across eligible projects;
- 39.27 (2) measurable impacts on commerce and economic competitiveness;
- 39.28 (3) efficiency in the movement of freight, ~~including but not limited to~~ which may include:
- 39.29 (i) measures of annual average daily traffic and commercial vehicle miles traveled, which  
39.30 may include data near the project location on that trunk highway or on connecting trunk  
39.31 and local highways; and
- 40.1 (ii) measures of congestion or travel time reliability, which may be within or near the  
40.2 project limits, or both;
- 40.3 (4) improvements to traffic safety;
- 40.4 (5) connections to regional trade centers, local highway systems; and other transportation  
40.5 modes;
- 40.6 (6) the extent to which the project addresses multiple transportation system policy  
40.7 objectives and principles; and
- 40.8 (7) support and consensus for the project among members of the surrounding community.
- 40.9 (d) As part of the project selection process, the commissioner may divide funding to be  
40.10 separately available among projects within each classification under subdivision 3, and may  
40.11 apply separate or modified criteria among those projects falling within each classification.

- 29.10 (1) a return on investment measure that provides for comparison across eligible projects;
- 29.11 (2) measurable impacts on commerce and economic competitiveness;
- 29.12 (3) efficiency in the movement of freight, including but not limited to:
- 29.13 (i) measures of annual average daily traffic and commercial vehicle miles traveled, which  
29.14 may include data near the project location on that trunk highway or on connecting trunk  
29.15 and local highways; and
- 29.16 (ii) measures of congestion or travel time reliability, which may be within or near the  
29.17 project limits, or both;
- 29.18 (4) improvements to traffic safety;
- 29.19 (5) connections to regional trade centers, local highway systems, and other transportation  
29.20 modes;
- 29.21 (6) the extent to which the project addresses multiple transportation system policy  
29.22 objectives and principles; ~~and~~
- 29.23 (7) support and consensus for the project among members of the surrounding community;  
29.24 and
- 29.25 (8) regional balance throughout the state.
- 29.26 (d) The commissioner must adopt a policy that assigns a weight to each criteria under  
29.27 paragraph (c). This policy must be applied consistently to each project evaluated. Each  
29.28 project must be assigned a score based on the evaluation. The projects must be prioritized  
29.29 based on the score. The list of all projects evaluated must be made public and must include  
29.30 the score of each project.
- 30.1 (e) As part of the project selection process, the commissioner may divide funding to be  
30.2 separately available among projects within each classification under subdivision 3, and may  
30.3 apply separate or modified criteria among those projects falling within each classification.
- 30.4 Sec. 18. Minnesota Statutes 2016, section 161.088, is amended by adding a subdivision  
30.5 to read:
- 30.6 Subd. 6a. **Corridors of commerce long-term plan.** The commissioner must create a  
30.7 corridors of commerce long-term plan that includes all projects deemed eligible for the

40.12 Sec. 9. Minnesota Statutes 2016, section 161.088, subdivision 7, is amended to read:

40.13 Subd. 7. **Legislative report; evaluation.** (a) ~~Starting in 2014,~~ Annually by November  
40.14 1, the commissioner shall electronically submit a report on the corridors of commerce  
40.15 program to the chairs and ranking minority members of the legislative committees with  
40.16 jurisdiction over transportation policy and finance. At a minimum, the report must include:

40.17 (1) a summary of the program, including a review of ~~the~~  
40.18 (i) project selection process details that address program design and implementation,  
40.19 decision-making procedures, and eligibility and criteria, evaluation; and

40.20 (ii) all criteria including any established by the commissioner, criteria measurement  
40.21 methodologies, and any criteria weighting or ranking used in project selection;

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

40.25 ~~(2) (3)~~ (3) a listing list of projects funded under the program in the previous selection cycle,  
40.26 including:

40.27 (i) project classification;

40.28 (ii) a breakdown of project costs and funding sources; and

40.29 (iii) ~~any future operating costs assigned under subdivision 6; and~~

40.30 ~~(iv)~~ (iv) a brief project description that is comprehensible to a lay audience;

41.1 ~~(3)~~ (4) a listing comprehensive list of evaluated projects and candidate project  
41.2 recommendations as required under subdivision 5, paragraph (b), including that identifies  
41.3 for each project: eligibility, classification, evaluation results for each criterion, ranking if  
41.4 applicable, and disposition in the selection process; and

41.5 ~~(4)~~ (5) any recommendations for changes to statutory requirements of the program.

30.8 program. The projects in the long-term plan must be prioritized based on the score assigned  
30.9 under subdivision 5. The commissioner may create a plan for each district or for the entire  
30.10 state.

30.11 Sec. 19. Minnesota Statutes 2016, section 161.088, subdivision 7, is amended to read:

30.12 Subd. 7. **Legislative report; evaluation.** (a) ~~Starting in 2014, annually~~ By November  
30.13 1 each year, the commissioner ~~shall~~ must electronically submit a report on the corridors of  
30.14 commerce program to the chairs and ranking minority members of the legislative committees  
30.15 with jurisdiction over transportation policy and finance. At a minimum, the report must  
30.16 include:

30.17 (1) a summary of the program, including a review of the project selection process,  
30.18 eligibility and criteria the policy that provides the weight given each criteria, funds expended  
30.19 in the previous selection cycle, and total funds expended since program inception;

30.20 (2) a listing list of projects funded under the program in the previous selection cycle,  
30.21 including:

30.22 (i) project classification;

30.23 (ii) a breakdown of project costs and funding sources;

30.24 (iii) any future operating costs assigned under subdivision 6; and

30.25 (iv) a brief description that is comprehensible to a lay audience;

30.26 (3) a listing list of all candidate project recommendations required under subdivision 5,  
30.27 paragraph (b), including the eligibility determination for each project and, for eligible  
30.28 projects, the project classification and disposition in the selection process; and

30.29 (4) a list of all projects evaluated and the score for each project; and

30.30 (5) any recommendations for changes to statutory requirements of the program.

41.6 (b) ~~Starting in 2016, and in every even-numbered year thereafter~~ In every third year  
 41.7 following a year in which project selection is completed, but not more frequently than every  
 41.8 other year, the commissioner ~~shall~~ must incorporate into the report the results of an  
 41.9 independent evaluation of impacts and effectiveness of the program. The evaluation must  
 41.10 be performed by agency staff or a consultant. The individual or individuals performing the  
 41.11 evaluation must have experience in program evaluation, but must not be regularly involved  
 41.12 in the program's implementation.

41.13 (c) Notwithstanding paragraph (a), a report is not required in a year in which:

41.14 (1) no project selection was completed during the preceding 12 months; and

41.15 (2) an evaluation under paragraph (b) is not due.

41.16 Sec. 10. Minnesota Statutes 2016, section 161.115, subdivision 190, is amended to read:

41.17 Subd. 190. **Route No. 259.** Beginning at a point on Statutory Route No. 100, at or near  
 41.18 Henderson; thence extending in a general southeasterly direction to a point ~~on Statutory~~  
 41.19 ~~Route No. 123~~; at or near Le Sueur.

41.20 **EFFECTIVE DATE.** This section is effective the day after the commissioner of  
 41.21 transportation receives a copy of the agreement between the commissioner of transportation  
 41.22 and the governing body of Le Sueur County to transfer jurisdiction of Legislative Route  
 41.23 No. 123 and after the commissioner notifies the revisor of statutes under section 120,  
 41.24 paragraph (b).

41.25 Sec. 11. Minnesota Statutes 2016, section 161.14, is amended by adding a subdivision to  
 41.26 read:

41.27 Subd. 83. **Chip A. Imker Memorial Highway.** That segment of marked Trunk Highway  
 41.28 65 from Isanti County State-Aid Highway 19, known as 305th Avenue NE, to the northerly  
 41.29 limit of Cambridge Township is designated as "Chip A. Imker Memorial Highway." Subject  
 41.30 to section 161.139, the commissioner shall adopt a suitable design to mark this highway  
 41.31 and erect appropriate signs.

31.1 (b) ~~Starting in 2016, and~~ In every even-numbered year thereafter, the commissioner  
 31.2 ~~shall~~ must incorporate into the report the results of an independent evaluation of impacts  
 31.3 and effectiveness of the program. The evaluation must be performed by agency staff or a  
 31.4 consultant. The individual or individuals performing the evaluation must have experience  
 31.5 in program evaluation, but must not be regularly involved in the program's implementation.

31.6 Sec. 20. Minnesota Statutes 2016, section 161.115, subdivision 190, is amended to read:

31.7 Subd. 190. **Route No. 259.** Beginning at a point on Statutory Route No. 100, at or near  
 31.8 Henderson; thence extending in a general southeasterly direction to a point ~~on Statutory~~  
 31.9 ~~Route No. 123~~; at or near Le Sueur.

31.10 **EFFECTIVE DATE.** This section is effective the day after the commissioner of  
 31.11 transportation receives a copy of the agreement between the commissioner of transportation  
 31.12 and the governing body of Le Sueur County to transfer jurisdiction of Legislative Route  
 31.13 No. 123 and after the commissioner notifies the revisor of statutes under section 43, paragraph  
 31.14 (b).

31.15 Sec. 21. Minnesota Statutes 2016, section 161.14, is amended by adding a subdivision to  
 31.16 read:

31.17 Subd. 83. **Senator Jim Metzen Memorial Highway.** That segment of marked Trunk  
 31.18 Highway 52 located within Dakota County is designated as "Senator Jim Metzen Memorial

42.1 Sec. 12. Minnesota Statutes 2016, section 161.14, is amended by adding a subdivision to  
42.2 read:

42.3 Subd. 84. **Medal of Honor Recipient Kenneth L. Olson Highway.** That segment of  
42.4 marked Trunk Highway 23 within the city of Paynesville and the town of Paynesville is  
42.5 designated as "Medal of Honor Recipient Kenneth L. Olson Highway." Subject to section  
42.6 161.139, the commissioner shall adopt a suitable design to mark this highway and erect  
42.7 appropriate signs.

42.8 Sec. 13. Minnesota Statutes 2016, section 161.14, is amended by adding a subdivision to  
42.9 read:

42.10 Subd. 85. **Corporal Benjamin S. Kopp Bridge.** The bridge on Dakota County State-Aid  
42.11 Highway 46, known as Brandel Drive within the city of Coates, over marked U.S. Highway  
42.12 52 is designated as "Corporal Benjamin S. Kopp Bridge." Subject to section 161.139, the  
42.13 commissioner shall adopt a suitable design to mark this highway and erect appropriate signs.

42.14 Sec. 14. Minnesota Statutes 2016, section 161.321, subdivision 6, is amended to read:

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

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

31.21 Sec. 22. Minnesota Statutes 2016, section 161.21, subdivision 1, is amended to read:

31.22 Subdivision 1. **Location and design of highways.** The commissioner may make or  
31.23 cause to be made such studies and investigations as the commissioner deems necessary for  
31.24 the purpose of determining the most advantageous location and design of trunk highways  
31.25 from the standpoint of both present and future traffic needs, and in making such  
31.26 determinations the commissioner may take into consideration the probable future  
31.27 development of both urban and rural areas and the effect of such development on future  
31.28 traffic needs as indicated by such studies and investigations and the location and design  
31.29 with respect to ~~recreational vehicle lane~~ bikeway establishment.

32.1 Sec. 23. Minnesota Statutes 2016, section 161.321, subdivision 6, is amended to read:

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

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

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

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

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

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

43.1 Sec. 15. Minnesota Statutes 2016, section 161.38, is amended by adding a subdivision to  
 43.2 read:

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

43.6 Sec. 16. Minnesota Statutes 2016, section 161.44, subdivision 5, is amended to read:

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

43.17 Sec. 17. Minnesota Statutes 2016, section 161.44, subdivision 6a, is amended to read:

43.18 Subd. 6a. **Services of licensed real estate broker.** If the lands ~~remain unsold after being~~  
 43.19 ~~offered for sale to the highest bidder~~ are withdrawn from sale under subdivision 6b, the  
 43.20 commissioner may retain the services of a licensed real estate broker to find a buyer. The

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

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

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

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

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

32.18 Sec. 24. Minnesota Statutes 2016, section 161.44, subdivision 5, is amended to read:

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

32.29 Sec. 25. Minnesota Statutes 2016, section 161.44, subdivision 6a, is amended to read:

32.30 Subd. 6a. **Services of licensed real estate broker.** If the lands ~~remain unsold after being~~  
 32.31 ~~offered for sale to the highest bidder~~ are withdrawn from sale under subdivision 6b, the  
 32.32 commissioner may retain the services of a licensed real estate broker to find a buyer. The

43.21 sale price may be negotiated by the broker, but must not be less than 90 percent of the  
 43.22 appraised market value as determined by the commissioner. The broker's fee must be  
 43.23 established by prior agreement between the commissioner and the broker, and must not  
 43.24 exceed ten percent of the sale price for sales of \$10,000 or more. The broker's fee must be  
 43.25 paid to the broker from the proceeds of the sale.

43.26 Sec. 18. Minnesota Statutes 2016, section 161.44, is amended by adding a subdivision to  
 43.27 read:

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

44.1 Sec. 19. Minnesota Statutes 2016, section 162.145, subdivision 2, is amended to read:

44.2 Subd. 2. **Small cities assistance account.** A small cities assistance account is created  
 44.3 in the ~~special revenue~~ transportation priorities fund. The account consists of funds as provided  
 44.4 by law, and any other money donated, allotted, transferred, or otherwise provided to the  
 44.5 account. Money in the account may only be expended as provided under this section.

33.1 sale price may be negotiated by the broker, but must not be less than 90 percent of the  
 33.2 appraised market value as determined by the commissioner. The broker's fee must be  
 33.3 established by prior agreement between the commissioner and the broker, and must not  
 33.4 exceed ten percent of the sale price for sales of \$10,000 or more. The broker's fee must be  
 33.5 paid to the broker from the proceeds of the sale.

33.6 Sec. 26. Minnesota Statutes 2016, section 161.44, is amended by adding a subdivision to  
 33.7 read:

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

54.18 Section 1. Minnesota Statutes 2016, section 168.013, subdivision 1d, is amended to read:

54.19 Subd. 1d. **Trailer.** (a) On trailers registered at a gross vehicle weight of greater than  
 54.20 3,000 pounds, the annual tax is based on total gross weight and is 30 percent of the Minnesota  
 54.21 base rate prescribed in subdivision 1e, when the gross weight is 15,000 pounds or less, and  
 54.22 when the gross weight of a trailer is more than 15,000 pounds, the tax for the first eight  
 54.23 years of vehicle life is 100 percent of the tax imposed in the Minnesota base rate schedule,  
 54.24 and during the ninth and succeeding years of vehicle life the tax is 75 percent of the  
 54.25 Minnesota base rate prescribed by subdivision 1e. A trailer registered at a gross vehicle  
 54.26 weight greater than 3,000 pounds but no greater than 7,200 pounds may be taxed either: (1)  
 54.27 annually as provided in this paragraph; or (2) once every three years on the basis of total  
 54.28 gross weight and is 90 percent of the Minnesota base rate prescribed in subdivision 1e;  
 54.29 ~~provided that the filing fee under section 168.33, subdivision 7, paragraph (a), is multiplied~~  
 54.30 ~~by three, with funds collected by the commissioner allocated proportionally in the same~~  
 54.31 ~~manner as provided in section 168.33, subdivision 7, paragraph (e).~~

55.1 (b) Farm trailers with a gross weight in excess of 10,000 pounds and as described in  
 55.2 section 168.002, subdivision 8, are taxed as farm trucks as prescribed in subdivision 1c.



44.6 Sec. 20. Minnesota Statutes 2016, section 168.021, subdivision 1, is amended to read:

44.7 Subdivision 1. **Disability plates; application.** (a) When a motor vehicle registered under  
 44.8 section 168.017, a motorcycle, a motorized bicycle, a one-ton pickup truck, or a self-propelled  
 44.9 recreational vehicle is owned or primarily operated by a permanently physically disabled  
 44.10 person or a custodial parent or guardian of a permanently physically disabled ~~minor person~~,  
 44.11 the owner may apply for and secure from the commissioner (1) immediately, a temporary  
 44.12 permit valid for 30 days if the applicant is eligible for the disability plates issued under this  
 44.13 section and (2) two disability plates with attached emblems, one plate to be attached to the  
 44.14 front, and one to the rear of the motor vehicle, truck, or recreational vehicle, or, in the case  
 44.15 of a motorcycle or a motorized bicycle, one disability plate the same size as a regular  
 44.16 motorcycle plate.

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

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

55.3 (c) Effective on and after July 1, 2001, trailers registered at a gross vehicle weight of  
 55.4 3,000 pounds or less must display a distinctive plate. The registration on the license plate  
 55.5 is valid for the life of the trailer only if it remains registered at the same gross vehicle weight.  
 55.6 The onetime registration tax for trailers registered for the first time in Minnesota is \$55.  
 55.7 For trailers registered in Minnesota before July 1, 2001, and for which:

55.8 (1) registration is desired for the remaining life of the trailer, the registration tax is \$25;  
 55.9 or

55.10 (2) permanent registration is not desired, the biennial registration tax is \$10 for the first  
 55.11 renewal if registration is renewed between and including July 1, 2001, and June 30, 2003.  
 55.12 These trailers must be issued permanent registration at the first renewal on or after July 1,  
 55.13 2003, and the registration tax is \$20.

55.14 For trailers registered at a gross weight of 3,000 pounds or less before July 1, 2001, but  
 55.15 not renewed until on or after July 1, 2003, the registration tax is \$20 and permanent  
 55.16 registration must be issued.

55.17 Sec. 2. Minnesota Statutes 2016, section 168.021, subdivision 1, is amended to read:

55.18 Subdivision 1. **Disability plates; application.** (a) When a motor vehicle registered under  
 55.19 section 168.017, a motorcycle, a motorized bicycle, a one-ton pickup truck, or a self-propelled  
 55.20 recreational vehicle is owned or primarily operated by a permanently physically disabled  
 55.21 person or a custodial parent or guardian of a permanently physically disabled minor, the  
 55.22 owner may apply for and secure from the commissioner (1) immediately, a temporary permit  
 55.23 valid for 30 days if the applicant is eligible for the disability plates issued under this section  
 55.24 and (2) two disability plates with attached emblems, one plate to be attached to the front,  
 55.25 and one to the rear of the motor vehicle, truck, or recreational vehicle, or, in the case of a  
 55.26 motorcycle or a motorized bicycle, one disability plate the same size as a regular motorcycle  
 55.27 plate.

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

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

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

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

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

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

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

45.4 Sec. 21. Minnesota Statutes 2016, section 168.021, subdivision 2, is amended to read:

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

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

45.14 Sec. 22. Minnesota Statutes 2016, section 168.021, subdivision 2a, is amended to read:

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

45.19 (b) Notwithstanding section 168.12, subdivision 1, the disability plate or plates may be  
 45.20 transferred to a replacement vehicle on notification to the commissioner. However, the  
 45.21 disability plate or plates may not be transferred unless the replacement vehicle (1) is listed  
 45.22 under section 168.012, subdivision 1, and, in case of a single plate for a motorcycle or a

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

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

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

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

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

56.16 Sec. 3. Minnesota Statutes 2016, section 168.021, subdivision 2, is amended to read:

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

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

56.26 Sec. 4. Minnesota Statutes 2016, section 168.021, subdivision 2a, is amended to read:

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

57.1 (b) Notwithstanding section 168.12, subdivision 1, the disability plate or plates may be  
 57.2 transferred to a replacement vehicle on notification to the commissioner. However, the  
 57.3 disability plate or plates may not be transferred unless the replacement vehicle (1) is listed  
 57.4 under section 168.012, subdivision 1, and, in case of a single plate for a motorcycle or a

45.23 motorized bicycle, the replacement vehicle is a motorcycle or a motorized bicycle, and (2)  
 45.24 is owned or primarily operated by the permanently physically disabled person.

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

45.26 Sec. 23. **[168.1256] SPECIAL RETIRED LAW ENFORCEMENT PLATES.**

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

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

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

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

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

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

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

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

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

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

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

46.17 Subd. 4. **Exemption.** Special plates issued under this section are not subject to section  
 46.18 168.1293, subdivision 2.

57.5 motorized bicycle, the replacement vehicle is a motorcycle or a motorized bicycle, and (2)  
 57.6 is owned or primarily operated by the permanently physically disabled person.

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

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

46.21 Sec. 24. **[168.1257] SPECIAL LAW ENFORCEMENT MEMORIAL PLATES.**

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

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

46.26 (2) pays an additional fee of \$10 for each set of plates;

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

46.29 (4) contributes \$25 upon initial application and a minimum of \$5 annually to the  
 46.30 Minnesota law enforcement memorial account; and

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

47.3 Subd. 2. **Design.** The commissioner shall adopt a suitable design for the plate that must  
 47.4 include a black line with a blue line of equal proportion above and below the black line,  
 47.5 representing the thin blue line.

47.6 Subd. 3. **Plates transfer.** On application to the commissioner and payment of a transfer  
 47.7 fee of \$5, special plates may be transferred to another motor vehicle if the subsequent vehicle  
 47.8 is:

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

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

47.11 Subd. 4. **Exemption.** Special plates issued under this section are not subject to section  
 47.12 168.1293, subdivision 2.

47.13 Subd. 5. **Fees.** Fees collected under subdivision 1, clauses (2) and (3), and subdivision  
 47.14 3 are credited to the vehicle services operating account in the special revenue fund.

57.8 Sec. 5. **[168.1294] LAW ENFORCEMENT MEMORIAL PLATES.**

57.9 Subdivision 1. **Issuance of plates.** The commissioner must issue special law enforcement  
 57.10 memorial license plates or a single motorcycle plate to an applicant who:

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

57.13 (2) pays an additional fee of \$10 for each set of plates;

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

57.16 (4) contributes \$25 upon initial application and a minimum of \$5 annually to the law  
 57.17 enforcement memorial account; and

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

57.20 Subd. 2. **Design.** The commissioner, in consultation with representatives from the  
 57.21 Minnesota Law Enforcement Memorial Association, must adopt a suitable design for the  
 57.22 plate that must include a blue line with a black line of equal proportion above and below  
 57.23 the blue line, representing the thin blue line.

57.24 Subd. 3. **Plates transfer.** On application to the commissioner and payment of a transfer  
 57.25 fee of \$5, special plates may be transferred to another qualified motor vehicle that is  
 57.26 registered to the same individual to whom the special plates were originally issued.

57.27 Subd. 4. **Exemption.** Special plates issued under this section are not subject to section  
 57.28 168.1293, subdivision 2.

57.29 Subd. 5. **Fees.** Fees collected under subdivision 1, clauses (2) and (3), and subdivision  
 57.30 3 are credited to the vehicle services operating account in the special revenue fund.

47.15 Subd. 6. **Contributions; memorial account; appropriation.** Contributions collected  
 47.16 under subdivision 1, clause (4), must be deposited in the Minnesota law enforcement  
 47.17 memorial account, which is established in the special revenue fund. Money in the account  
 47.18 is appropriated to the commissioner of public safety. This appropriation is first for the annual  
 47.19 cost of administering the account funds, and the remaining funds are for distribution to the  
 47.20 Minnesota Law Enforcement Memorial Association, to be used to further the mission of  
 47.21 the association in assisting the families and home agencies of Minnesota law enforcement  
 47.22 officers who have died in the line of duty.

47.23 **EFFECTIVE DATE.** This section is effective January 1, 2018, for special law  
 47.24 enforcement memorial plates issued on or after that date.

47.25 Sec. 25. **[168.1294] SPECIAL "START SEEING MOTORCYCLES" PLATES.**

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

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

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

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

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

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

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

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

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

58.1 Subd. 6. **Contributions; memorial account; appropriation.** Contributions collected  
 58.2 under subdivision 1, clause (4), must be deposited in the Minnesota law enforcement  
 58.3 memorial account, which is established in the special revenue fund. Money in the account  
 58.4 is appropriated to the commissioner of public safety. This appropriation is first for the annual  
 58.5 cost of administering the account funds, and the remaining funds are for distribution to the  
 58.6 Minnesota Law Enforcement Memorial Association to be used to further the mission of the  
 58.7 association in assisting the families and home agencies of Minnesota law enforcement  
 58.8 officers who have died in the line of duty.

58.9 **EFFECTIVE DATE.** This section is effective January 1, 2018, for special law  
 58.10 enforcement memorial plates issued on or after that date.

58.11 Sec. 6. **[168.1295] "START SEEING MOTORCYCLES" PLATES.**

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

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

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

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

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

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

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

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

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

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

48.16 Subd. 4. **Exemption.** Special plates issued under this section are not subject to section  
48.17 168.1293, subdivision 2.

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

48.20 Subd. 6. **No refund.** Contributions made under this section must not be refunded.

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

48.23 Sec. 26. Minnesota Statutes 2016, section 168.27, is amended by adding a subdivision to  
48.24 read:

48.25 Subd. 31. **Documentary fee.** A motor vehicle dealer may not charge a documentary fee  
48.26 or document administration fee in excess of \$150 for services actually rendered to, for, or  
48.27 on behalf of the retail buyer or lessee to prepare, handle, and process documents for the  
48.28 closing of a motor vehicle retail sale or lease. The fee must be separately stated on the sales  
48.29 agreement maintained under Minnesota Rules, part 7400.5200, and may be excluded from  
48.30 the dealer's advertised price. "Documentary fee" and "document administration fee" do not  
48.31 include an optional electronic transfer fee as defined under section 53C.01, subdivision 14.

49.1 Sec. 27. Minnesota Statutes 2016, section 168.33, subdivision 2, is amended to read:

49.2 Subd. 2. **Deputy registrars.** (a) The commissioner may appoint, and for cause  
49.3 discontinue, a deputy registrar for any statutory or home rule charter city as the public  
49.4 interest and convenience may require, without regard to whether the county auditor of the  
49.5 county in which the city is situated has been appointed as the deputy registrar for the county  
49.6 or has been discontinued as the deputy registrar for the county, and without regard to whether  
49.7 the county in which the city is situated has established a county license bureau that issues  
49.8 motor vehicle licenses as provided in section 373.32.

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

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

59.1 Subd. 4. **Exemption.** Special plates issued under this section are not subject to section  
59.2 168.1293, subdivision 2.

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

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

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

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

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

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

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

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

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

50.4 (i) The deputy registrar shall keep records and make reports to the commissioner as the  
50.5 commissioner requires. The records must be maintained at the offices of the deputy registrar  
50.6 in a manner that complies with sections 13.05, subdivision 5, and 13.055. As an alternative  
50.7 to paper copy storage, a deputy registrar may retain records and documents in a secure  
50.8 electronic medium that complies with the security requirements under the United States  
50.9 Federal Bureau of Investigation, Criminal Justice Information Services Division, Policy 5.4  
50.10 or any successor policy, provided 60 days have elapsed since the transaction and subject to  
50.11 standards established by the commissioner. The deputy registrar is responsible for all costs  
50.12 associated with the conversion to electronic records and maintenance of the electronic  
50.13 storage medium, including the destruction of existing paper records after conversion to the  
50.14 electronic format. All queries and responses in the secure electronic medium, and all actions  
50.15 in which data are entered, updated, accessed, or shared or disseminated by the deputy  
50.16 registrar must be contained in a data audit trail. Data contained in the audit trail are public  
50.17 to the extent the data are not otherwise classified under this section. The records and offices

50.18 of the deputy registrar must at all times be open to the inspection of the commissioner or  
 50.19 the commissioner's agents. The deputy registrar shall report to the commissioner by the  
 50.20 next working day following receipt all registrations made and taxes and fees collected by  
 50.21 the deputy registrar.

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

50.31 Sec. 28. Minnesota Statutes 2016, section 168A.09, subdivision 1, is amended to read:

50.32 Subdivision 1. **Application, issuance, form, bond, and notice.** (a) In the event a  
 50.33 certificate of title is lost, stolen, mutilated, ~~or~~ destroyed, or becomes illegible, the owner or  
 50.34 legal representative of the owner named in the certificate may ~~make~~ submit an application  
 51.1 to the department or a deputy registrar for a duplicate in a format prescribed by the  
 51.2 department. The department ~~shall~~ or deputy registrar must issue a duplicate certificate of  
 51.3 title if satisfied that the applicant is entitled ~~thereto~~ to the duplicate certificate of title. The  
 51.4 duplicate certificate of title ~~shall~~ must be plainly marked as a duplicate and mailed or  
 51.5 delivered to the owner. The department ~~shall~~ or deputy registrar must indicate in ~~its~~ the  
 51.6 driver and vehicle information system records that a duplicate certificate of title has been  
 51.7 issued. As a condition to issuing a duplicate certificate of title, the department may require  
 51.8 a bond from the applicant in the manner and format prescribed in section 168A.07,  
 51.9 subdivision 1, clause (2). The duplicate certificate of title shall contain the legend: "This  
 51.10 duplicate certificate of title may be subject to the rights of a person under the original  
 51.11 certificate."

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

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

59.8 Sec. 7. Minnesota Statutes 2016, section 168A.09, subdivision 1, is amended to read:

59.9 Subdivision 1. **Application, issuance, form, bond, and notice.** In the event a certificate  
 59.10 of title is lost, stolen, mutilated, ~~or~~ destroyed, or becomes illegible, the owner or legal  
 59.11 representative of the owner named in the certificate may ~~make~~ submit an application to the  
 59.12 department or a deputy registrar for a duplicate in a format prescribed by the department.  
 59.13 The department ~~shall~~ or deputy registrar must issue a duplicate certificate of title if satisfied  
 59.14 that the applicant is entitled ~~thereto~~ to the duplicate certificate of title. The duplicate certificate  
 59.15 of title ~~shall~~ must be plainly marked as a duplicate and mailed or delivered to the owner.  
 59.16 The department ~~shall~~ or deputy registrar must indicate in ~~its~~ the driver and vehicle information  
 59.17 system records that a duplicate certificate of title has been issued. As a condition to issuing  
 59.18 a duplicate certificate of title, the department may require a bond from the applicant in the  
 59.19 manner and format prescribed in section 168A.07, subdivision 1, clause (2). The duplicate  
 59.20 certificate of title ~~shall~~ must contain the legend: "This duplicate certificate of title may be  
 59.21 subject to the rights of a person under the original certificate."

59.22 Sec. 8. **[168A.125] TRANSFER-ON-DEATH TITLE TO MOTOR VEHICLE.**



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

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

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

60.11 Subd. 4. **Vesting of ownership in beneficiary.** Ownership of a motor vehicle titled in  
 60.12 transfer-on-death form vests in the designated beneficiary or beneficiaries on the death of  
 60.13 the owner or the last of the joint owners with rights of survivorship, subject to the rights of  
 60.14 secured parties. The transfer-on-death beneficiary or beneficiaries who survive the owner  
 60.15 may apply for a new certificate of title to the motor vehicle upon submitting a certified death  
 60.16 record of the owner of the motor vehicle. If no transfer-on-death beneficiary or beneficiaries  
 60.17 survive the owner of a motor vehicle, the motor vehicle must be included in the probate  
 60.18 estate of the deceased owner. A transfer of a motor vehicle to a transfer-on-death beneficiary  
 60.19 or beneficiaries is not a testamentary transfer.

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

60.23 (b) The state or a county agency with a claim or lien authorized by section 246.53,  
 60.24 256B.15, 261.04, or 270C.63 is a creditor for purposes of this subdivision. A claim authorized  
 60.25 by section 256B.15 against the estate of an owner of a motor vehicle titled in  
 60.26 transfer-on-death form voids any transfer-on-death conveyance of a motor vehicle as  
 60.27 described in this section. A claim or lien under section 246.53, 261.04, or 270C.63 continues  
 60.28 to apply against the designated beneficiary or beneficiaries after the transfer under this

60.29 section if other assets of the deceased owner's estate are insufficient to pay the amount of  
 60.30 the claim. The claim or lien continues to apply to the motor vehicle until the designated  
 60.31 beneficiary sells or transfers it to a person against whom the claim or lien does not apply  
 60.32 and who did not have actual notice or knowledge of the claim or lien.

60.33 Sec. 9. Minnesota Statutes 2016, section 168A.141, is amended to read:

60.34 **168A.141 MANUFACTURED HOME AFFIXED TO REAL PROPERTY.**

61.1 Subdivision 1. **Certificates surrendered for cancellation.** (a) When a manufactured  
 61.2 home is to be affixed or is affixed, as defined in section 273.125, subdivision 8, paragraph  
 61.3 (b), to real property, ~~and financed by the giving of a mortgage on the real property, the~~  
 61.4 ~~owner of the manufactured home shall may surrender the manufacturer's certificate of origin~~  
 61.5 ~~or certificate of title to the department for cancellation. The owner of so that the manufactured~~  
 61.6 ~~home shall give the department the address and legal description of the becomes an~~  
 61.7 ~~improvement to real property. The department may require the filing of other information~~  
 61.8 ~~and is no longer titled as personal property. The department must not issue a certificate of~~  
 61.9 ~~title for a manufactured home under chapter 168A if the manufacturer's certificate of origin~~  
 61.10 ~~is or has been surrendered under this subdivision, except as provided in section 168A.142.~~  
 61.11 Upon surrender of the manufacturer's certificate of origin or the certificate of title, the  
 61.12 department shall issue notice of surrender to the owner, and upon recording an affidavit of  
 61.13 affixation, which the county recorder or registrar of titles, as applicable, shall accept, the  
 61.14 manufactured home is deemed to be an improvement to real property. The notice of surrender  
 61.15 may be recorded in the office of the county recorder or with the registrar of titles if the land  
 61.16 is registered but need not contain an acknowledgment. An affidavit of affixation by the  
 61.17 owner of the manufactured home must include the following information:

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

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

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

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

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

61.31 (6) the signature of the person who executes the affidavit, properly executed before a  
 61.32 person authorized to authenticate an affidavit in this state;

62.1 (7) the person designated in clause (5) shall record, or arrange for the recording of, the  
 62.2 affidavit of affixation, accompanied by the fees for recording and for issuing a certified  
 62.3 copy of the notice, including all attachments, showing the recording date; and

62.4 (8) upon obtaining the certified copy of the notice under clause (7), the person designated  
 62.5 in the affidavit shall deliver the certified copy to the county auditor of the county in which  
 62.6 the real property to which the manufactured home was affixed is located.

62.7 (b) The department is not liable for any errors, omissions, misstatements, or other  
 62.8 deficiencies or inaccuracies in documents presented to the department under this section,  
 62.9 if the documents presented appear to satisfy the requirements of this section. The department  
 62.10 has no obligation to investigate the accuracy of statements contained in the documents.

62.11 Subd. 1a. **Affidavit form.** The affidavit referred to in subdivision 1 shall be in  
 62.12 substantially the following form and shall contain the following information.

62.13 **MANUFACTURED HOME AFFIDAVIT OF AFFIXATION**

62.14 PURSUANT TO MINNESOTA STATUTES, SECTION 168A.141

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

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

62.17 .....

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

62.20 2. A copy of the surrendered manufacturer's certificate of origin or certificate of title is  
 62.21 attached hereto.

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

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

62.25 .....

62.26 Street or Route ..... City ..... County ..... State ..... Zip Code .....

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

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

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

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

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

63.10 10. The home shall be assessed and taxed as an improvement to the land.

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

63.14 Name .....

63.15 Street Address .....

63.16 City, State, Zip Code .....

63.17 Phone .....

63.18 E-mail .....

63.19 IN WITNESS WHEREOF, homeowner(s) have executed this affidavit on this ..... day of  
63.20 ....., 20...

63.21 .....

63.22 Homeowner Signature Address

63.23 .....

63.24 Printed Name City, State

63.25 .....

63.26 Homeowner Signature (if applicable)

63.27 .....

63.28 Printed Name

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

63.33 Subscribed and sworn to before me this ..... day of ....., .....

63.34 .....

64.1 Signature of Notary Public or Other Official

64.2 Notary Stamp or Seal

64.3 (optional)

64.4 Lender's Statement of Intent:

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

64.7 \_\_\_\_\_

64.8 Lender

64.9 By: \_\_\_\_\_

64.10 Authorized Signature

64.11 STATE OF \_\_\_\_\_)

64.12 \_\_\_\_\_ ) ss:

64.13 COUNTY OF \_\_\_\_\_)

64.14 On the \_\_\_\_\_ day of \_\_\_\_\_ in the year \_\_\_\_\_ before me, the undersigned, a Notary Public in and

64.15 for said state, personally appeared

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

64.22 \_\_\_\_\_

64.23 Notary Signature

64.24 \_\_\_\_\_

64.25 Notary Printed Name

64.26 Notary Public, State of \_\_\_\_\_

64.27 Qualified in the County of \_\_\_\_\_

64.28 My commission expires \_\_\_\_\_

64.29 Official seal:

64.30 Subd. 2. **Perfected security interest avoids cancellation prevents surrender.** The  
64.31 department may not cancel a certificate of title if, under this chapter, a security interest has

64.32 been perfected on the manufactured home. If a security interest has been perfected, the  
 64.33 department shall notify the owner ~~and that each secured party that the must release or satisfy~~  
 64.34 the security interest prior to proceeding with surrender of the manufacturer's certificate of  
 65.1 origin or certificate of title and a description of the security interest have been surrendered  
 65.2 to the department and that the department will not cancel the certificate of title until the  
 65.3 security interest is satisfied for cancellation. Permanent attachment to real property or the  
 65.4 recording of an affidavit of affixation does not extinguish an otherwise valid security interest  
 65.5 in or tax lien on the manufactured home, unless the requirements of section 168A.141,  
 65.6 subdivisions 1, 1a, and 2, including the release of any security interest, have been satisfied.

65.7 Subd. 3. **Notice of security interest avoids surrender.** ~~The manufacturer's certificate~~  
 65.8 ~~of origin or the certificate of title need not be surrendered to the department under subdivision~~  
 65.9 ~~4. When a perfected security interest exists, or will exist, on the manufactured home at the~~  
 65.10 ~~time the manufactured home is affixed to real property, if and the owner has not satisfied~~  
 65.11 ~~the requirements of section 168A.141, subdivision 1, the owner of the manufactured home~~  
 65.12 ~~files, or its secured party, may record a notice with the county recorder, or with the registrar~~  
 65.13 ~~of titles, if the land is registered, stating that the manufactured home located on the property~~  
 65.14 ~~is encumbered by a perfected security interest and is not an improvement to real property.~~  
 65.15 The notice must state the name and address of the secured party as set forth on the certificate  
 65.16 of title, the legal description of the real property, and the name and address of the record  
 65.17 fee owner of the real property on which the manufactured home is affixed. When the security  
 65.18 interest is released or satisfied, the secured party shall attach a copy of the release or  
 65.19 satisfaction to a notice executed by the secured party containing the county recorder or  
 65.20 registrar of titles document number of the notice of security interest. The notice of release  
 65.21 or satisfaction must be ~~filed~~ recorded with the county recorder, or registrar of titles, if the  
 65.22 land is registered. Neither the notice described in this subdivision nor the security interest  
 65.23 on the certificate of title is deemed to be an encumbrance on the real property. The notices  
 65.24 provided for in this subdivision need not be acknowledged.

65.25 Sec. 10. Minnesota Statutes 2016, section 168A.142, is amended to read:

65.26 **168A.142 MANUFACTURED HOME UNAFFIXED FROM REALTY.**

65.27 Subdivision 1. **Certificate of title requirements.** The department shall issue an initial  
 65.28 certificate of title or reissue a previously surrendered certificate of title for a manufactured  
 65.29 home to an applicant if:

65.30 (1) ~~for the purpose of affixing the manufactured home to real property,~~ the owner of the  
 65.31 manufactured home, or a previous owner, surrendered the manufacturer's certificate of  
 65.32 origin or certificate of title to the department as provided in section 168A.141, subdivision  
 65.33 ~~1 or 2;~~

66.1 (2) the applicant provides the written proof evidence specified in subdivision 2 ~~that the~~  
 66.2 ~~applicant owns (i) the manufactured home and (ii) the real property to which the~~

66.3 ~~manufactured home was affixed as provided under section 273.125, subdivision 8, paragraph~~  
66.4 ~~(b);~~

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

66.7 ~~(4) (3) the owner of the manufactured home meets~~ fulfills the applicable application  
66.8 requirements of section 168A.04; and

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

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

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

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

66.21 (ii) a description of the manufactured home being severed, including the name of the  
66.22 manufacturer; the make, model number, model year, and dimensions, and if available, the  
66.23 make, model year, and manufacturer's serial number of the manufactured home; and whether  
66.24 the manufactured home is new or used, such information as may be available from the  
66.25 previously recorded affidavit of affixation or notice of surrender as required in section  
66.26 168A.141, subdivision 1; and

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

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

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



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

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

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

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

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

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

67.24 (b) The person designated in paragraph (a), clause (3), shall record, or arrange for the  
 67.25 recording of, the affidavit of severance as referenced in that item, accompanied by the fees  
 67.26 for recording and for issuing a certified copy of the affidavit, including all attachments,  
 67.27 showing the recording date.

67.28 (c) Upon obtaining the certified copy under paragraph (b), the person designated in the  
 67.29 affidavit shall deliver the certified copy to the county auditor of the county in which the  
 67.30 real estate to which it was affixed is located.

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

68.3 Subd. 3. Affidavit form. The affidavit referred to in subdivision 2 shall be in substantially  
68.4 the following form and shall contain the following information.

68.5 **MANUFACTURED HOME AFFIDAVIT OF SEVERANCE**

68.6 PURSUANT TO MINNESOTA STATUTES, SECTION 168A.142

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

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

68.9 .....

68.10	<u>New/Used</u>	<u>Year</u>	<u>Manufacturer's Name</u>	<u>Model Name or Model No.</u>	<u>Manufacturer's Serial No.</u>	<u>Length/Width</u>
68.11						

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

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

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

68.17 .....

68.18 Street or Route ..... City ..... County ..... State ..... Zip Code .....

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

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

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

68.29 8. A copy of an opinion by an attorney admitted to practice law in Minnesota is attached,  
68.30 which provides for the required title evidence as set forth in Minnesota Statutes, section  
68.31 168A.142, subdivision 2, clause (2), items (i) to (v).

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

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

69.8 Name .....

69.9 Street Address .....

69.10 City, State, Zip Code .....

69.11 Phone .....

69.12 E-mail .....

69.13 IN WITNESS WHEREOF, homeowner(s) have executed this affidavit on this ..... day of  
69.14 ....., 20...

69.15 .....

69.16 Homeowner Signature Address

69.17 .....

69.18 Printed Name City, State

69.19 .....

69.20 Homeowner Signature (if applicable)

69.21 .....

69.22 Printed Name

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

69.26 Subscribed and sworn to before me this ..... day of ....., .....

69.27 .....

69.28 Signature of Notary Public or Other Official

69.29 Notary Stamp or Seal

69.30 Sec. 11. [168A.143] MANUFACTURED HOMES; OWNERSHIP AT ISSUE.

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

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

70.8 (2) an affidavit that:

70.9 (i) identifies the name of the manufacturer and dimensions, and if available, the make,  
70.10 model number, model year, and manufacturer's serial number of the manufactured home;  
70.11 and

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

70.17 (A) bill of sale;

- 70.18 (B) financing, replevin, or foreclosure documents;
- 70.19 (C) appraisal;
- 70.20 (D) insurance certification;
- 70.21 (E) personal property tax bill;
- 70.22 (F) landlord certification;
- 70.23 (G) affidavit of survivorship or estate documents;
- 70.24 (H) divorce decree; or
- 70.25 (I) court order;
- 70.26 (3) an affidavit by an attorney admitted to practice law in this state stating:
- 70.27 (i) the attorney has performed a search of the Minnesota Department of Public Safety  
 70.28 Driver and Vehicles Services records within 120 days of the date of application to obtain a  
 70.29 certificate of origin or certificate of title on behalf of the applicant, but was unable to  
 70.30 determine the names or locations of one or more owners or prior owners of the manufactured  
 70.31 home;
- 71.1 (ii) if applicable, the attorney was unable to successfully contact one or more owners,  
 71.2 or prior owners, after providing written notice 45 days prior to the registered and last known  
 71.3 owner by certified mail at the address shown on Driver and Vehicles Services records, or  
 71.4 if the last known address is different from Driver and Vehicles Services records, then also  
 71.5 the last known address as known to the applicant;
- 71.6 (iii) if the attorney is unable to contact one or more owners, or previous owners, by  
 71.7 sending a letter by certified mail, then the attorney must present to the department, as an  
 71.8 attachment to its affidavit, the returned letter as evidence of the attempted contact, or the  
 71.9 acknowledgement of receipt of the letter, together with an affidavit of nonresponse; and
- 71.10 (iv) the attorney knows of no facts or circumstances that materially affect the validity  
 71.11 of the title of the manufactured home as represented in the application, other than property  
 71.12 taxes payable in the year the affidavit is signed; and
- 71.13 (4) payment for required current year taxes and fees as prescribed by the department.

71.14 Subd. 2. **Satisfaction of manufactured home security lien; release.** A security interest  
 71.15 perfected under this chapter may be canceled seven years from the perfection date for a  
 71.16 manufactured home, upon the request of the owner of the manufactured home, if the owner  
 71.17 has paid the lien in full or the lien has been abandoned and the owner is unable to locate  
 71.18 the lienholder to obtain a lien release. The owner must send a letter to the lienholder by  
 71.19 certified mail, return receipt requested, stating the reason for the release and requesting a  
 71.20 lien release. If the owner is unable to obtain a lien release by sending a letter by certified  
 71.21 mail, then the owner must present to the department the returned letter as evidence of the  
 71.22 attempted contact, or the acknowledgement of receipt of the letter, together with a copy of  
 71.23 the letter and an owner affidavit of nonresponse.

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

71.26 (b) The department is not liable for any errors, omissions, misstatements, or other  
 71.27 deficiencies or inaccuracies in documents submitted to the department under this section,  
 71.28 provided the documents submitted appear to satisfy the requirements of this section. The  
 71.29 department is not required to investigate the accuracy of statements contained in submitted  
 71.30 documents.

51.16 Sec. 29. Minnesota Statutes 2016, section 169.011, subdivision 34, is amended to read:

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

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

33.13 Sec. 27. Minnesota Statutes 2016, section 169.14, is amended by adding a subdivision to  
 33.14 read:

51.30 Sec. 30. Minnesota Statutes 2016, section 169.18, subdivision 5, is amended to read:

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

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

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

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

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

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

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

33.15 Subd. 5h. **St. Louis County Road 128.** Notwithstanding any provision to the contrary  
 33.16 in this section, the speed limit on St. Louis County Road 128 in Eagles Nest Township  
 33.17 between Trunk Highway 169 and County Road 989 is 40 miles per hour. Notwithstanding  
 33.18 section 10.49, the segment of County Road 128 described in this subdivision shall be known  
 33.19 as the "Senator Scott Newman Scenic Byway." The commissioner must erect appropriate  
 33.20 signs displaying the 40 miles per hour speed limit and the designated name.

33.21 **EFFECTIVE DATE.** This section is effective the day following final enactment and  
 33.22 the speed limit shall be effective when the required signs are erected.

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

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

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

52.27 Sec. 31. Minnesota Statutes 2016, section 169.18, subdivision 7, is amended to read:

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

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

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

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

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

53.21 Sec. 32. Minnesota Statutes 2016, section 169.345, subdivision 1, is amended to read:

71.31 Sec. 12. Minnesota Statutes 2016, section 169.345, subdivision 1, is amended to read:



53.22 Subdivision 1. **Scope of privilege.** (a) A vehicle described in section 168.021, subdivision  
53.23 1, paragraph (a), that prominently displays the certificate authorized by this section or that  
53.24 bears the disability plate or plates issued under section 168.021 may be parked by or solely  
53.25 for the benefit of a physically disabled person:

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

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

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

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

54.3 (b) For purposes of this subdivision, a certificate is prominently displayed if it is displayed  
54.4 so that it may be viewed from the front and rear of the motor vehicle by hanging it from the  
54.5 rearview mirror attached to the front windshield of the motor vehicle or, in the case of a  
54.6 motorcycle or a motorized bicycle, is secured to the vehicle. If there is no rearview mirror  
54.7 or if the certificate holder's disability precludes placing the certificate on the mirror, the  
54.8 certificate must be displayed on the dashboard of the vehicle. No part of the certificate may  
54.9 be obscured.

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

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

54.17 Sec. 33. Minnesota Statutes 2016, section 169.345, subdivision 3, is amended to read:

54.18 Subd. 3. **Identifying certificate.** (a) The commissioner shall issue (1) immediately, a  
54.19 permit valid for 30 days if the person is eligible for the certificate issued under this section  
54.20 and (2) an identifying certificate for a vehicle described in section 168.021, subdivision 1,  
54.21 paragraph (a), when a physically disabled applicant submits proof of physical disability

71.32 Subdivision 1. **Scope of privilege.** (a) A vehicle described in section 168.021, subdivision  
71.33 1, paragraph (a), that prominently displays the certificate authorized by this section or that  
72.1 bears the disability plate or plates issued under section 168.021 may be parked by or solely  
72.2 for the benefit of a physically disabled person:

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

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

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

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

72.13 (b) For purposes of this subdivision, a certificate is prominently displayed if it is displayed  
72.14 so that it may be viewed from the front and rear of the motor vehicle by hanging it from the  
72.15 rearview mirror attached to the front windshield of the motor vehicle or, in the case of a  
72.16 motorcycle or a motorized bicycle, is secured to the vehicle. If there is no rearview mirror  
72.17 or if the certificate holder's disability precludes placing the certificate on the mirror, the  
72.18 certificate must be displayed on the dashboard of the vehicle. No part of the certificate may  
72.19 be obscured.

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

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

72.27 Sec. 13. Minnesota Statutes 2016, section 169.345, subdivision 3, is amended to read:

72.28 Subd. 3. **Identifying certificate.** (a) The commissioner shall issue (1) immediately, a  
72.29 permit valid for 30 days if the person is eligible for the certificate issued under this section  
72.30 and (2) an identifying certificate for a vehicle described in section 168.021, subdivision 1,  
72.31 paragraph (a), when a physically disabled applicant submits proof of physical disability

54.22 under subdivision 2a. The commissioner shall design separate certificates for persons with  
 54.23 permanent and temporary disabilities that can be readily distinguished from each other from  
 54.24 outside a vehicle at a distance of 25 feet or, in the case of a motorcycle or a motorized  
 54.25 bicycle, can be readily secured to the motorcycle or motorized bicycle. An applicant may  
 54.26 be issued up to two certificates if the applicant has not been issued disability plates under  
 54.27 section 168.021.

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

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

54.33 EFFECTIVE DATE. This section is effective January 1, 2018.

55.1 Sec. 34. Minnesota Statutes 2016, section 169.442, subdivision 5, is amended to read:

55.2 Subd. 5. **White strobe lamps on certain buses transporting children. (a)**  
 55.3 Notwithstanding section 169.55, subdivision 1, or 169.57, subdivision 3, paragraph (b), or  
 55.4 other law to the contrary, a school bus that is subject to and complies with the equipment  
 55.5 requirements of subdivision 1 and section 169.441, subdivision 1, or a Head Start bus ~~that~~  
 55.6 ~~is not a type III vehicle defined in section 169.011, subdivision 71,~~ may be equipped with  
 55.7 a flashing strobe lamp. ~~The lamp may be used only as provided in this subdivision.~~

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

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

55.15 Sec. 35. Minnesota Statutes 2016, section 169.443, subdivision 2, is amended to read:

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

55.19 (b) A local authority, including the governing body of an Indian tribe, may by ordinance  
 55.20 require that a school bus activate the stop-signal arm system and flashing red signals while

72.32 under subdivision 2a. The commissioner shall design separate certificates for persons with  
 72.33 permanent and temporary disabilities that can be readily distinguished from each other from  
 73.1 outside a vehicle at a distance of 25 feet or, in the case of a motorcycle or a motorized  
 73.2 bicycle, can be readily secured to the motorcycle or motorized bicycle. An applicant may  
 73.3 be issued up to two certificates if the applicant has not been issued disability plates under  
 73.4 section 168.021.

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

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

73.10 EFFECTIVE DATE. This section is effective January 1, 2018.

- 55.21 stopped to unload school children at a location other than a location on a street or highway.  
55.22 The ordinance must designate each location where the requirement is imposed. The  
55.23 requirement is effective only if the local authority has erected signs at or near the location  
55.24 to provide adequate notice that other vehicles are required to obey section 169.444,  
55.25 subdivision 1, when those signals are activated.
- 55.26 (c) A school bus driver is prohibited from loading or unloading passengers in a designated  
55.27 right-turn lane or in a lane immediately adjacent to a designated right-turn lane unless:
- 55.28 (1) a school bus stop designated by the district transportation safety director is located  
55.29 in the right-turn lane;
- 55.30 (2) the driver stops the bus at the extreme right side of the right-turn lane; and
- 56.1 (3) the driver activates the prewarning flashing amber signals, flashing red signals, and  
56.2 stop-signal arm, unless the school board or its designee, based on safety considerations, has  
56.3 directed the driver not to do so in writing.
- 56.4 Sec. 36. Minnesota Statutes 2016, section 169.444, subdivision 2, is amended to read:
- 56.5 Subd. 2. **Violations by drivers; penalties.** (a) A person who fails to stop a vehicle or  
56.6 to keep it stopped, as required in subdivision 1, or who violates subdivision 1a, is guilty of  
56.7 a misdemeanor punishable by a fine of not less than ~~\$300~~ \$500.
- 56.8 (b) A person is guilty of a gross misdemeanor if the person fails to stop a motor vehicle  
56.9 or to keep it stopped, as required in subdivision 1, or who violates subdivision 1a, and  
56.10 commits either or both of the following acts:
- 56.11 (1) passes or attempts to pass the school bus in a motor vehicle on the right-hand,  
56.12 passenger-door side of the bus; or
- 56.13 (2) passes or attempts to pass the school bus in a motor vehicle when a school child is  
56.14 outside of and on the street or highway used by the school bus or on the adjacent sidewalk.
- 56.15 **EFFECTIVE DATE.** This section is effective August 1, 2017, and applies to violations  
56.16 committed on and after that date.
- 56.17 Sec. 37. Minnesota Statutes 2016, section 169.449, subdivision 1, is amended to read:
- 56.18 Subdivision 1. **Rules.** The commissioner of public safety shall adopt rules governing  
56.19 the operation of school buses used for transportation of school children, when owned or  
56.20 operated by a school or privately owned and operated under a contract with a school, ~~and~~

56.21 ~~these rules must be made a part of that contract by reference.~~ Each school, its officers and  
56.22 employees, and each person employed under the contract is subject to these rules.

56.23 Sec. 38. Minnesota Statutes 2016, section 169.4501, subdivision 1, is amended to read:

56.24 Subdivision 1. **National standards adopted.** Except as provided in sections 169.4502  
56.25 and 169.4503, the construction, design, equipment, and color of types A, B, C, D school  
56.26 buses and multifunction school activity buses used for the transportation of school children  
56.27 shall meet the requirements of the "bus body and chassis specifications" in the ~~2010~~ 2015  
56.28 edition of the "National School Transportation Specifications and Procedures" adopted by  
56.29 the National Congress on School Transportation. Except as provided in section 169.4504,  
56.30 the construction, design, and equipment of types A, B, C, D school buses and multifunction  
56.31 school activity buses used for the transportation of students with disabilities also shall meet  
57.1 the requirements of the "specially equipped school bus specifications" in the ~~2010~~ 2015  
57.2 National School Transportation Specifications and Procedures. The "bus body and chassis  
57.3 specifications" and "specially equipped school bus specifications" sections of the ~~2010~~ 2015  
57.4 edition of the "National School Transportation Specifications and Procedures," adopted by  
57.5 the ~~Fifteenth~~ Sixteenth National Congress on School Transportation, are incorporated by  
57.6 reference in this chapter.

57.7 Sec. 39. Minnesota Statutes 2016, section 169.4501, subdivision 2, is amended to read:

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

57.14 (b) The standards apply to school buses manufactured after December 31, ~~2012~~ 2017.  
57.15 Buses complying with the standards when manufactured need not comply with standards  
57.16 established later except as specifically provided for by law.

57.17 (c) A school bus manufactured on or before December 31, ~~2012~~ 2017, must conform to  
57.18 the Minnesota standards in effect on the date the vehicle was manufactured except as  
57.19 specifically provided for in law.

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

57.24 Sec. 40. Minnesota Statutes 2016, section 169.4503, subdivision 4, is amended to read:

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

57.30 Sec. 41. Minnesota Statutes 2016, section 169.4503, subdivision 7, is amended to read:

57.31 Subd. 7. **Floor construction.** The metal floor ~~shall~~ must be covered with plywood. The  
57.32 plywood ~~shall~~ must be ~~at least 19/32 five-ply nominal five-eighths~~ inches thick, and must  
58.1 equal or exceed properties of exterior-type softwood plywood, grade C-D, as specified in  
58.2 ~~product~~ the standard ~~PSI-183~~ issued by the United States Department of Commerce. All of  
58.3 the plywood's exposed edges must be sealed. Type A-I buses must be equipped with nominal  
58.4 one-half inch thick plywood or an equivalent material that meets the requirements of this  
58.5 subdivision. Equivalent material may be used to replace plywood, provided it has insulation  
58.6 R value, deterioration, sound abatement, and moisture resistance properties that are equal  
58.7 to or exceed the properties of the plywood it is replacing. The floor ~~shall~~ must be level from  
58.8 front to back, and side to side, except in wheel housing, toe board, and driver's seat platform  
58.9 areas.

58.10 Sec. 42. Minnesota Statutes 2016, section 169.4503, subdivision 14, is amended to read:

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

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

58.21 Sec. 43. Minnesota Statutes 2016, section 169.4503, subdivision 23, is amended to read:

58.22 Subd. 23. **Windows.** ~~(a)~~ Windshield, entrance, and rear emergency exit doors must be  
58.23 of approved safety glass. Laminated or tempered glass (AS-2 or AS-3) is permitted in all  
58.24 other windows. All glass shall be federally approved and marked as provided in section  
58.25 169.74. The windshield may be of uniform tint throughout or may have a horizontal gradient

58.26 band starting slightly above the line of vision and gradually decreasing in light transmission  
58.27 to 20 percent or less at the top of the windshield.

58.28 (b) The use of tinted glass, as approved by section 169.71, is permitted on side windows  
58.29 and rear windows except for the entrance door, ~~the first window behind the service door,~~  
58.30 and the window to the left of the driver. The window to the left of the driver, ~~and the upper~~  
58.31 ~~service door windows, and the window immediately behind the entrance door~~ must be  
58.32 thermal glass. Regardless of a bus's date of manufacture, the window immediately behind  
59.1 the entrance door does not need to be made of thermal glass. The window to the left of the  
59.2 driver for type A buses need not be thermal glass.

59.3 Sec. 44. Minnesota Statutes 2016, section 169.4503, subdivision 30, is amended to read:

59.4 Subd. 30. **Video or mobile surveillance systems.** Camera heads for video or mobile  
59.5 surveillance may be mounted in the driver compartment area, midbus, or on a rear interior  
59.6 bulkhead in the student passenger area. For buses manufactured or retrofitted with a  
59.7 surveillance system after December 31, 2012, cameras mounted midbus must be parallel  
59.8 to a seat back, must not have any sharp edges, must not extend outward more than ~~three~~  
59.9 3-1/2 inches, and must be located within 24 inches of the top of the side window of the bus.

59.10 Sec. 45. Minnesota Statutes 2016, section 169.64, subdivision 8, is amended to read:

59.11 Subd. 8. **Strobe lamp.** (a) Notwithstanding sections 169.55, subdivision 1; 169.57,  
59.12 subdivision 3, paragraph (b); or any other law to the contrary, a vehicle may be equipped  
59.13 with a 360-degree flashing strobe lamp that emits a white light with a flash rate of 60 to  
59.14 120 flashes a minute, and the lamp may be used as provided in this subdivision, if the vehicle  
59.15 is:

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

59.27 (2) a road maintenance vehicle owned or under contract to the Department of  
59.28 Transportation or a road authority of a county, home rule or statutory city, or town, but the

59.29 strobe lamp may only be operated while the vehicle is actually engaged in snow removal  
59.30 during daylight hours.

59.31 (b) Notwithstanding sections 169.55, subdivision 1; 169.57, subdivision 3, paragraph  
59.32 (b); or any other law to the contrary, a vehicle may be equipped with a 360-degree flashing  
59.33 strobe lamp that emits an amber light with a flash rate of 60 to 120 flashes a minute, and  
60.1 the lamp may be used as provided in this subdivision, if the vehicle is a rural mail carrier  
60.2 vehicle, provided that the strobe lamp is mounted at the highest practicable point on the  
60.3 vehicle. The strobe lamp may only be operated while the vehicle is actually engaged during  
60.4 daylight hours in the delivery of mail to residents on a rural mail route.

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

33.23 Sec. 28. Minnesota Statutes 2016, section 169.80, subdivision 1, is amended to read:

33.24 Subdivision 1. **Limitations; misdemeanor.** (a) It is a misdemeanor for a person to drive  
33.25 or move, or for the owner to cause or knowingly permit to be driven or moved, on a highway  
33.26 a vehicle or vehicles of a size or weight exceeding the limitations stated in sections 169.80  
33.27 to 169.88, or otherwise in violation of sections 169.80 to 169.88, other than section 169.81,  
33.28 subdivision 5a, and the maximum size and weight of vehicles as prescribed in sections  
33.29 169.80 to 169.88 shall be lawful throughout this state, and local authorities shall have no  
33.30 power or authority to alter these limitations except as express authority may be granted in  
33.31 sections 169.80 to 169.88.

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

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

34.8 (d) When, in any group of three or more consecutive axles of a vehicle or combination  
34.9 of vehicles any axles have been weighed separately and two or more axles consecutive to  
34.10 each other in the group have been weighed together, the sum of the weights of the axles  
34.11 weighed separately and the axles weighed together shall be evidence of the total gross weight  
34.12 of the group of axles so weighed.

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

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

34.17 Sec. 29. Minnesota Statutes 2016, section 169.829, is amended by adding a subdivision  
 34.18 to read:

34.19 Subd. 4. **Certain emergency vehicles.** The provisions of sections 169.80 to 169.88  
 34.20 governing size, weight, and load do not apply to a fire apparatus, a police special response  
 34.21 vehicle, or a licensed land emergency ambulance service vehicle.

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

60.8 Sec. 46. **[169.8295] WEIGHT LIMITS; VEHICLES TRANSPORTING MILK.**

60.9 Subdivision 1. **Weight limits increase.** (a) The weight limitations under sections 169.823  
 60.10 to 169.829 are increased by ten percent for a single-unit vehicle transporting fluid milk from  
 60.11 the point of production to:

60.12 (1) another point of production for additional loading; or

60.13 (2) the point of first processing.

60.14 (b) Notwithstanding sections 169.824, subdivision 1, paragraph (d); 169.826, subdivision  
 60.15 3; or other law to the contrary, a permit is not required to operate a vehicle under this section.

60.16 (c) The seasonal weight increases under section 169.826, subdivision 1, do not apply to  
 60.17 a vehicle operated under this section.

60.18 Subd. 2. **Requirements; restrictions.** A vehicle operated under this section:

60.19 (1) is subject to seasonal load restrictions under section 169.87, except as otherwise  
 60.20 provided under section 169.87, subdivision 4;

60.21 (2) is subject to bridge load limits posted under section 169.84; and

60.22 (3) must not be operated with a load that exceeds the tire manufacturer's recommended  
 60.23 load, the manufacturer's gross vehicle weight rating as affixed to the vehicle, or other



60.24 certification of gross vehicle weight rating under Code of Federal Regulations, title 49,  
60.25 sections 567.4 to 567.7.

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

60.27 Sec. 47. Minnesota Statutes 2016, section 169.865, subdivision 3, is amended to read:

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

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

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

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

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

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

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

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

61.10 (8) must have brakes on all wheels.

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

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

61.19 Sec. 48. **[169.869] SPECIAL CONSTRUCTION MATERIALS PERMIT.**

34.23 Sec. 30. Minnesota Statutes 2016, section 169.865, subdivision 3, is amended to read:

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

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

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

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

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

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

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

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

35.7 (8) must have brakes on all wheels.

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

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

61.20 Subdivision 1. **Definition.** For purposes of this section, "construction materials" means  
61.21 highway construction materials, building construction materials, and associated demolition  
61.22 materials, including but not limited to aggregate material as defined in section 298.75,  
61.23 subdivision 1, paragraph (a), hot mix asphalt, plastic concrete, cementitious materials,  
61.24 concrete admixtures, asphalt cement, construction demolition materials, and recycled road  
61.25 materials.

61.26 Subd. 2. **Six-axle vehicles.** (a) The commissioner of transportation may issue an annual  
61.27 permit authorizing a vehicle or combination of vehicles with a total of six or more axles to  
61.28 haul construction materials and be operated with a gross vehicle weight of up to:

61.29 (1) 90,000 pounds; and

61.30 (2) 99,000 pounds during the period set by the commissioner under section 169.826,  
61.31 subdivision 1.

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

62.3 Subd. 3. **Seven-axle vehicles.** (a) The commissioner of transportation may issue an  
62.4 annual permit authorizing a vehicle or combination of vehicles with a total of seven or more  
62.5 axles to haul construction materials and be operated with a gross vehicle weight of up to:

62.6 (1) 97,000 pounds; and

62.7 (2) 99,000 pounds during the period set by the commissioner under section 169.826,  
62.8 subdivision 1.

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

62.11 Subd. 4. **Authority; restrictions.** (a) A permit issued by the commissioner under this  
62.12 section is valid for operation on highways regardless of jurisdiction, subject to paragraph  
62.13 (b).

62.14 (b) A vehicle or combination of vehicles operating under this section:

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

62.17 (2) must comply with the requirements and restrictions in section 169.865, subdivision  
62.18 3, paragraph (a), clauses (1) to (3), (5), (7), and (8); and

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

62.22 Subd. 5. **Revenues.** Revenue from the permits issued by the commissioner under this  
62.23 section must be deposited in the town bridge account. Revenue deposited under this  
62.24 subdivision is available to inspect and post weight limits for town bridges.

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

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

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

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

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

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

63.8 Sec. 49. Minnesota Statutes 2016, section 171.02, subdivision 2b, is amended to read:

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

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

- 63.15 (c) The operator's employer has adopted and implemented a policy that provides for  
63.16 annual training and certification of the operator in:
- 63.17 (1) safe operation of a type III vehicle;
- 63.18 (2) understanding student behavior, including issues relating to students with disabilities;
- 63.19 (3) encouraging orderly conduct of students on the bus and handling incidents of  
63.20 misconduct appropriately;
- 63.21 (4) knowing and understanding relevant laws, rules of the road, and local school bus  
63.22 safety policies;
- 63.23 (5) handling emergency situations;
- 63.24 (6) proper use of seat belts and child safety restraints;
- 63.25 (7) performance of pretrip vehicle inspections;
- 63.26 (8) safe loading and unloading of students, including, but not limited to:
- 63.27 (i) utilizing a safe location for loading and unloading students at the curb, on the nontraffic  
63.28 side of the roadway, or at off-street loading areas, driveways, yards, and other areas to  
63.29 enable the student to avoid hazardous conditions;
- 64.1 (ii) refraining from loading and unloading students in a vehicular traffic lane, on the  
64.2 shoulder, in a designated turn lane, or a lane adjacent to a designated turn lane;
- 64.3 (iii) avoiding a loading or unloading location that would require a pupil to cross a road,  
64.4 or ensuring that the driver or an aide personally escort the pupil across the road if it is not  
64.5 reasonably feasible to avoid such a location;
- 64.6 (iv) placing the type III vehicle in "park" during loading and unloading; and
- 64.7 (v) escorting a pupil across the road under item (iii) only after the motor is stopped, the  
64.8 ignition key is removed, the brakes are set, and the vehicle is otherwise rendered immobile;  
64.9 and
- 64.10 (9) compliance with paragraph (k), concerning reporting certain convictions to the  
64.11 employer within ten days of the date of conviction.

64.12 (d) A background check or background investigation of the operator has been conducted  
64.13 that meets the requirements under section 122A.18, subdivision 8, or 123B.03 for school  
64.14 district employees; section 144.057 or chapter 245C for day care employees; or section  
64.15 171.321, subdivision 3, for all other persons operating a type III vehicle under this  
64.16 subdivision.

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

64.19 (f) The operator's employer requires preemployment drug testing of applicants for  
64.20 operator positions. Current operators must comply with the employer's policy under section  
64.21 181.951, subdivisions 2, 4, and 5. Notwithstanding any law to the contrary, the operator's  
64.22 employer may use a Breathalyzer or similar device to fulfill random alcohol testing  
64.23 requirements.

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

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

64.31 (i) A person who has ever been convicted of a disqualifying offense as defined in section  
64.32 171.3215, subdivision 1, paragraph (c), may not operate a type III vehicle under this  
64.33 subdivision.

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

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

65.8 (l) An operator of a type III vehicle whose driver's license is suspended, revoked,  
65.9 canceled, or disqualified by Minnesota, another state, or another jurisdiction must notify  
65.10 the operator's employer in writing of the suspension, revocation, cancellation, lost privilege,  
65.11 or disqualification. The operator must notify the operator's employer before the end of the

65.12 business day immediately following the day the operator received notice of the suspension,  
65.13 revocation, cancellation, lost privilege, or disqualification.

65.14 (m) Students riding the type III vehicle must have training required under section  
65.15 123B.90, subdivision 2.

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

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

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

65.25 Sec. 50. Minnesota Statutes 2016, section 171.06, subdivision 2a, is amended to read:

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

65.30 (1) \$11 of the additional fee for each first duplicate license, and \$7 of the additional fee  
65.31 for each renewal, must be credited to the motorcycle safety fund, which is hereby created;  
65.32 ~~provided that ten percent of fee receipts in excess of \$750,000 in a fiscal year must be~~  
65.33 ~~credited to the general fund.~~

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

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

66.5 Sec. 51. Minnesota Statutes 2016, section 171.061, subdivision 3, is amended to read:

66.6 Subd. 3. **Application.** An applicant may file an application with an agent. The agent  
66.7 shall receive and accept applications in accordance with the laws and rules of the Department  
66.8 of Public Safety for a driver's license, restricted license, duplicate license, instruction permit,  
66.9 Minnesota identification card, or motorized bicycle operator's permit. Application records

73.11 Sec. 14. Minnesota Statutes 2016, section 171.06, subdivision 2a, is amended to read:

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

73.16 (1) \$11 of the additional fee for each first duplicate license, and \$7 of the additional fee  
73.17 for each renewal, must be credited to the motorcycle safety fund, which is hereby created;  
73.18 ~~provided that ten percent of fee receipts in excess of \$750,000 in a fiscal year must be~~  
73.19 ~~credited to the general fund.~~

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

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

66.10 must be maintained at the office of the agent in a manner that complies with sections 13.05,  
 66.11 subdivision 5, and 13.055. As an alternative to paper copy storage, an agent may retain  
 66.12 records and documents in a secure electronic medium that complies with the security  
 66.13 requirements under the United States Federal Bureau of Investigation, Criminal Justice  
 66.14 Information Services Division, Policy 5.4 or any successor policy, provided 60 days have  
 66.15 elapsed since the transaction and subject to standards established by the commissioner. The  
 66.16 agent is responsible for all costs associated with the conversion to electronic records and  
 66.17 maintenance of the electronic storage medium, including the destruction of existing paper  
 66.18 records after conversion to the electronic format. All queries and responses in the secure  
 66.19 electronic medium, and all actions in which data are entered, updated, accessed, or shared  
 66.20 or disseminated by the agent must be contained in a data audit trail. Data contained in the  
 66.21 audit trail are public to the extent the data are not otherwise classified under this section.

66.22 Sec. 52. Minnesota Statutes 2016, section 171.12, subdivision 6, is amended to read:

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

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

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

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

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

35.16 Sec. 31. Minnesota Statutes 2016, section 171.12, subdivision 6, is amended to read:

35.17 Subd. 6. **Certain convictions not recorded.** (a) Except as provided in paragraph (e)  
 35.18 (d), the department ~~shall~~ **must** not keep on the record of a driver any conviction for a violation  
 35.19 of a speed limit of 55 miles per hour unless the violation consisted of a speed greater than  
 35.20 ten miles per hour in excess of the speed limit.

35.21 (b) Except as provided in paragraph ~~(e)~~ (d), the department shall not keep on the record  
 35.22 of a driver any conviction for a violation of a speed limit of 60 miles per hour unless the  
 35.23 violation consisted of a speed greater than:

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

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

35.28 (c) Except as provided in paragraph (d), the department shall not keep on the record of  
 35.29 a driver any conviction for a violation of a speed limit of 45 miles per hour on marked  
 35.30 Interstate Highway 35E in the city of St. Paul, from its intersection with West Seventh Street  
 35.31 to its intersection with marked Interstate Highway 94, unless the violation consisted of a  
 35.32 speed greater than ten miles per hour in excess of the speed limit.

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

67.7 Sec. 53. Minnesota Statutes 2016, section 173.02, is amended by adding a subdivision to  
67.8 read:

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

67.12 Sec. 54. Minnesota Statutes 2016, section 173.02, is amended by adding a subdivision to  
67.13 read:

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

67.16 Sec. 55. Minnesota Statutes 2016, section 173.02, subdivision 18, is amended to read:

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

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

67.21 (1) outdoor advertising devices;

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

67.24 (3) transient or temporary activities;

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

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

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

67.28 (7) railroad tracks and minor sidings;

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

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



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

68.3 Sec. 56. Minnesota Statutes 2016, section 173.02, is amended by adding a subdivision to  
68.4 read:

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

68.9 Sec. 57. Minnesota Statutes 2016, section 173.02, is amended by adding a subdivision to  
68.10 read:

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

68.15 Sec. 58. Minnesota Statutes 2016, section 173.02, subdivision 23, is amended to read:

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

68.21 Sec. 59. Minnesota Statutes 2016, section 173.02, is amended by adding a subdivision to  
68.22 read:

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

68.26 Sec. 60. Minnesota Statutes 2016, section 173.06, subdivision 1, is amended to read:

68.27 Subdivision 1. **Authority.** The commissioner of transportation ~~shall~~ **must** adopt and  
68.28 may modify, amend, or repeal rules governing the ~~issuance of permits or renewals thereof~~  
68.29 for the erection and maintenance of **legal nonconforming** advertising devices within scenic  
68.30 areas; provided that the commissioner shall not adopt, modify, amend, or repeal any rule  
69.1 that will impair any agreement ~~with~~ **between the state and the federal government under**  
69.2 this chapter. The commissioner of transportation may limit the application of any rule  
69.3 adopted by the commissioner to exclude or include in whole or in part, specified areas within

69.4 the scenic area based upon use, nature of the surrounding community, or such other factors  
69.5 as may make separate classification or rule necessary or desirable.

69.6 Sec. 61. Minnesota Statutes 2016, section 173.07, subdivision 1, is amended to read:

69.7 Subdivision 1. **Forms; content.** Application for permits or renewals thereof for the  
69.8 placement ~~and maintenance~~ of advertising devices ~~within scenic areas shall~~ must be on  
69.9 forms prescribed by the commissioner and ~~shall contain such~~ information as the commissioner  
69.10 may require. No advertising device shall be placed without the consent of the owner or  
69.11 occupant of the land, and adequate proof of such consent shall be submitted to the  
69.12 commissioner at the time application is made for such permits or renewals. A permit is  
69.13 required to access state right-of-way to maintain an advertising device.

69.14 Sec. 62. Minnesota Statutes 2016, section 173.08, is amended by adding a subdivision to  
69.15 read:

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

69.18 (1) is located on demonstration plats;

69.19 (2) is located on private property;

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

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

69.22 Sec. 63. Minnesota Statutes 2016, section 173.08, is amended by adding a subdivision to  
69.23 read:

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

69.26 Sec. 64. Minnesota Statutes 2016, section 173.13, subdivision 11, is amended to read:

69.27 Subd. 11. **Removal of advertising device for noncompliance.** Advertising devices  
69.28 erected or maintained after June 8, 1971, not complying with ~~Laws 1971, chapter 883, and~~  
69.29 ~~not otherwise by Laws 1971, chapter 883, permitted to stand~~ this chapter may be removed  
69.30 by the commissioner upon 60 days prior written notice by certified mail to the owner ~~thereof~~  
70.1 of the advertising device and to the owner of the real property on which ~~such~~ the advertising  
70.2 device is located, provided that. No notice ~~shall be~~ is required to be given to the owner of  
70.3 an advertising device whose name is not stated upon the advertising device or the structure

70.4 on which it is displayed, unless the name of ~~such~~ the owner is otherwise reasonably known  
 70.5 to the commissioner. The owner of the removed device is liable to the state for the costs of  
 70.6 removal. The period of ~~such~~ notice ~~shall be~~ is computed from the date of mailing; to both  
 70.7 the owner of the advertising device and the owner of the real property where the device is  
 70.8 located. The department must store a removed outdoor advertising device for a minimum  
 70.9 of 30 days prior to disposal. If the outdoor advertising device is not retrieved by the owner  
 70.10 within 30 days of removal, the department may dispose of the outdoor advertising device.  
 70.11 The state is not liable for trespass actions or sign costs for outdoor advertising devices  
 70.12 removed under this subdivision if proper notice has been served.

70.13 Sec. 65. **[173.155] CHANGEABLE ELECTRONIC VARIABLE MESSAGE SIGNS.**

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

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

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

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

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

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

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

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

70.27 and

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

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

71.1 (b) The brightness measurement under paragraph (a), clause (3), must be conducted at

71.2 least 30 minutes after sunset or at least 30 minutes before sunrise. Each CEVMS must have

71.3 automatic dimming technology that adjusts the device's brightness levels in response to  
71.4 changes in ambient light.

71.5 Sec. 66. Minnesota Statutes 2016, section 173.16, is amended by adding a subdivision to  
71.6 read:

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

71.8 (1) be stationary;

71.9 (2) be immobile;

71.10 (3) not have wheels; and

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

71.12 Sec. 67. Minnesota Statutes 2016, section 173.16, is amended by adding a subdivision to  
71.13 read:

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

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

71.21 Sec. 68. **[173.265] OUTDOOR ADVERTISING DEVICES; REMOVAL;**  
71.22 **MAINTENANCE.**

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

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

71.29 (c) "Reasonable repair and maintenance" means customary maintenance and change of  
71.30 a sign's copy or message, and includes replacement of existing light fixtures with energy

72.1 efficient fixtures or installation of other energy efficiency improvements. Reasonable repair  
 72.2 and maintenance does not include:

72.3 (1) the addition of illumination;

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

72.6 (3) enlarging the nonconforming device;

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

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

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

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

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

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

72.19 (b) Any action not constituting reasonable repair and maintenance will subject the outdoor  
 72.20 advertising device to immediate removal under subdivision 3.

72.21 Subd. 5. **Substantial change.** Substantial changes to outdoor advertising devices are  
 72.22 prohibited. A substantial change to a nonconforming outdoor advertising device will subject  
 72.23 the sign to immediate removal under subdivision 3.

72.24 Sec. 69. Minnesota Statutes 2016, section 174.03, subdivision 1a, is amended to read:

72.25 Subd. 1a. **Revision of statewide multimodal transportation plan.** (a) The commissioner  
 72.26 shall must revise the statewide multimodal transportation plan by January 15, ~~2013~~ 2022,  
 72.27 and by January 15 of every ~~four~~ five years thereafter. Before final adoption of a revised  
 72.28 plan, the commissioner shall must hold a hearing to receive public comment on the  
 72.29 preliminary draft of the revised plan.

36.5 Sec. 32. Minnesota Statutes 2016, section 174.03, subdivision 1a, is amended to read:

36.6 Subd. 1a. **Revision of statewide multimodal transportation plan.** (a) The commissioner  
 36.7 shall must revise the statewide multimodal transportation plan by January 15, ~~2013~~ 2022,  
 36.8 and by January 15 of every ~~four~~ five years thereafter. Before final adoption of a revised  
 36.9 plan, the commissioner shall must hold a hearing to receive public comment on the  
 36.10 preliminary draft of the revised plan.

- 72.30 (b) Each revised statewide multimodal transportation plan must:
- 72.31 (1) incorporate the goals of the state transportation system in section 174.01;
- 73.1 (2) establish objectives, policies, and strategies for achieving those goals; and
- 73.2 (3) identify performance targets for measuring progress and achievement of transportation  
73.3 system goals, objectives, or policies.
- 73.4 Sec. 70. Minnesota Statutes 2016, section 174.03, subdivision 1c, is amended to read:
- 73.5 Subd. 1c. **Statewide highway 20-year capital investment plan.** ~~By January 15, 2013,~~  
73.6 ~~and in conjunction with~~ Within one year of each future revision of the statewide multimodal  
73.7 transportation plan under subdivision 1a, the commissioner ~~shall~~ must prepare a 20-year  
73.8 statewide highway ~~capital~~ investment plan that:
- 73.9 (1) incorporates performance measures and targets for assessing progress and achievement  
73.10 of the state's transportation goals, objectives, and policies identified in this chapter for the  
73.11 state trunk highway system, and those goals, objectives, and policies established in the  
73.12 statewide multimodal transportation plan. Performance targets must be based on objectively  
73.13 verifiable measures, and address, at a minimum, preservation and maintenance of the  
73.14 structural condition of state highway bridges and pavements, safety, and mobility;
- 73.15 (2) summarizes trends and impacts for each performance target over the past five years;
- 73.16 (3) summarizes the amount and analyzes the impact of the department's capital  
73.17 investments and priorities over the past five years on each performance target, including a  
73.18 comparison of prior plan projected costs with actual costs;
- 73.19 (4) identifies the investments required to meet the established performance targets over  
73.20 the next 20-year period;
- 73.21 (5) projects available state and federal funding over the 20-year period, including any  
73.22 unique, competitive, time-limited, or focused funding opportunities;
- 73.23 (6) identifies strategies to ensure the most efficient use of existing transportation  
73.24 infrastructure, and to maximize the performance benefits of projected available funding;
- 73.25 (7) establishes investment priorities for projected funding, including a schedule of major  
73.26 projects or improvement programs for the 20-year period together with projected costs and  
73.27 impact on performance targets; and

- 36.11 (b) Each revised statewide multimodal transportation plan must:
- 36.12 (1) incorporate the goals of the state transportation system in section 174.01;
- 36.13 (2) establish objectives, policies, and strategies for achieving those goals; and
- 36.14 (3) identify performance targets for measuring progress and achievement of transportation  
36.15 system goals, objectives, or policies.
- 36.16 Sec. 33. Minnesota Statutes 2016, section 174.03, subdivision 1c, is amended to read:
- 36.17 Subd. 1c. **Statewide highway 20-year capital investment plan.** ~~By January 15, 2013,~~  
36.18 ~~and in conjunction with~~ Within one year of each future revision of the statewide multimodal  
36.19 transportation plan under subdivision 1a, the commissioner ~~shall~~ must prepare a 20-year  
36.20 statewide highway capital investment plan that:
- 36.21 (1) incorporates performance measures and targets for assessing progress and achievement  
36.22 of the state's transportation goals, objectives, and policies identified in this chapter for the  
36.23 state trunk highway system, and those goals, objectives, and policies established in the  
36.24 statewide multimodal transportation plan. Performance targets must be based on objectively  
36.25 verifiable measures, and address, at a minimum, preservation and maintenance of the  
36.26 structural condition of state highway bridges and pavements, safety, and mobility;
- 36.27 (2) summarizes trends and impacts for each performance target over the past five years;
- 36.28 (3) summarizes the amount and analyzes the impact of the department's capital  
36.29 investments and priorities over the past five years on each performance target, including a  
36.30 comparison of prior plan projected costs with actual costs;
- 37.1 (4) identifies the investments required to meet the established performance targets over  
37.2 the next 20-year period;
- 37.3 (5) projects available state and federal funding over the 20-year period, including any  
37.4 unique, competitive, time-limited, or focused funding opportunities;
- 37.5 (6) identifies strategies to ensure the most efficient use of existing transportation  
37.6 infrastructure, and to maximize the performance benefits of projected available funding;
- 37.7 (7) establishes investment priorities for projected funding, including a schedule of major  
37.8 projects or improvement programs for the 20-year period together with projected costs and  
37.9 impact on performance targets; and

73.28 (8) identifies those performance targets identified under clause (1) not expected to meet  
 73.29 the target outcome over the 20-year period together with alternative strategies that could  
 73.30 be implemented to meet the targets.

74.1 Sec. 71. Minnesota Statutes 2016, section 174.03, is amended by adding a subdivision to  
 74.2 read:

74.3 Subd. 1e. Capacity and major highway projects; planning and programming. (a)  
 74.4 The commissioner must implement a process concerning trunk highway projects that are  
 74.5 not included in the state transportation improvement program. The commissioner must use  
 74.6 the process for projects that expand trunk highway system capacity and for major highway  
 74.7 projects, as defined in section 174.56, subdivision 1.

74.8 (b) At a minimum, the process must:

74.9 (1) establish standard, objective procedures for planning, project identification,  
 74.10 development, prioritization, and programming;

74.11 (2) address fiscal considerations, including total expenditures to develop projects that  
 74.12 are not programmed;

74.13 (3) communicate to stakeholders and the general public an outline of the process and a  
 74.14 list of specific capacity projects, using plain language descriptions and information; and

74.15 (4) integrate with the department's programs that involve alternative project selection  
 74.16 methods, including but not limited to the corridors of commerce program under section  
 74.17 161.088 and the transportation economic development program under section 174.12.

37.10 (8) identifies those performance targets identified under clause (1) not expected to meet  
 37.11 the target outcome over the 20-year period together with alternative strategies that could  
 37.12 be implemented to meet the targets.

37.13 Sec. 34. **[174.38] ACTIVE TRANSPORTATION PROGRAM.**

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

37.16 (b) "Bond-eligible cost" means:

37.17 (1) expenditures under this section for acquisition of land or permanent easements,  
 37.18 predesign, design, preliminary and final engineering, environmental analysis, construction,  
 37.19 and reconstruction of publicly owned infrastructure for nonmotorized transportation in  
 37.20 Minnesota with a useful life of at least ten years;

- 37.21 (2) preparation of land for which a nonmotorized transportation route is established,  
 37.22 including demolition of structures and remediation of any hazardous conditions on the land;  
 37.23 and
- 37.24 (3) the unpaid principal on debt issued by a political subdivision for a nonmotorized  
 37.25 transportation project.
- 37.26 (c) "Commissioner" means the commissioner of transportation.
- 37.27 Subd. 2. **Program established.** The commissioner must establish a program to support  
 37.28 bicycling, pedestrian activities, and other forms of nonmotorized transportation.
- 37.29 Subd. 3. **Active transportation accounts.** (a) An active transportation account is  
 37.30 established in the bond proceeds fund. The account consists of state bond proceeds  
 37.31 appropriated to the commissioner. Money in the account must be expended only on  
 38.1 bond-eligible costs of a project receiving financial assistance under this section. All uses  
 38.2 of funds from the account must be for publicly owned property.
- 38.3 (b) An active transportation account is established in the special revenue fund. The  
 38.4 account consists of funds provided by law and any other money donated, allotted, transferred,  
 38.5 or otherwise provided to the account. Money in the account must be expended only on a  
 38.6 project that receives financial assistance under this section.
- 38.7 (c) In each federal fiscal year, the commissioner must transfer \$16,000,000 of the National  
 38.8 Highway Performance Program funds to the active transportation account.
- 38.9 Subd. 4. **Program administration.** (a) The commissioner must establish program  
 38.10 requirements, including:
- 38.11 (1) assistance eligibility, subject to the requirements under paragraph (b);
- 38.12 (2) a solicitation and application process that minimizes the burden on applicants; and
- 38.13 (3) procedures to award and pay financial assistance.
- 38.14 (b) Eligible recipients of financial assistance under this section are:
- 38.15 (1) a political subdivision; and
- 38.16 (2) a tax-exempt organization under section 501(c)(3) of the Internal Revenue Code, as  
 38.17 amended.



38.18 (c) The commissioner must make reasonable efforts to publicize each application  
 38.19 solicitation among all eligible recipients. The commissioner must assist applicants to create  
 38.20 and submit applications, with an emphasis on providing assistance in communities that are  
 38.21 historically and currently underrepresented in local or regional planning, including  
 38.22 communities of color, low-income households, people with disabilities, and people with  
 38.23 limited English proficiency.

38.24 (d) The commissioner may provide grants or other financial assistance for a project.

38.25 (e) The commissioner is prohibited from expending more than one percent of available  
 38.26 funds in a fiscal year under this section on program administration.

38.27 Subd. 5. **State general obligation bond funds.** Minnesota Constitution, article XI,  
 38.28 section 5, clause (a), requires that state general obligation bonds be issued to finance only  
 38.29 the acquisition or betterment of public land, buildings, and other public improvements of a  
 38.30 capital nature. The legislature has determined that many nonmotorized transportation  
 38.31 infrastructure projects constitute betterments and capital improvements within the meaning  
 38.32 of the Minnesota Constitution and capital expenditures under generally accepted accounting  
 39.1 principles, and will be financed more efficiently and economically under this section than  
 39.2 by direct appropriations for specific projects.

39.3 Subd. 6. **Use of funds.** (a) For a project funded by state bond proceeds under this section,  
 39.4 financial assistance is limited to bond-eligible costs.

39.5 (b) Subject to paragraph (a), the commissioner must determine permissible uses of  
 39.6 financial assistance under this section, which must include:

39.7 (1) construction and maintenance of bicycle, trail, and pedestrian infrastructure, including  
 39.8 but not limited to safe routes to school infrastructure and bicycle facilities and centers; and

39.9 (2) noninfrastructure programming, including activities as specified in section 174.40,  
 39.10 subdivision 7a, paragraph (b).

39.11 Subd. 7. **Project evaluation and selection.** (a) The commissioner must establish a  
 39.12 project evaluation and selection process that is competitive, criteria-based, and objective.

39.13 (b) The process must include criteria and prioritization of projects based on:

39.14 (1) the project's inclusion in a municipal or regional nonmotorized transportation system  
 39.15 plan;

39.16 (2) the project's location in a jurisdiction with a complete streets policy, as provided  
 39.17 under section 174.75, either in effect or under development with estimated enactment within  
 39.18 six months of the grant award date;

39.19 (3) the extent to which the project supports development of continuous and convenient  
 39.20 safe routes to school;

39.21 (4) the extent to which the project supports development of routes to and connections  
 39.22 with educational facilities, centers of employment, governmental services, health care  
 39.23 facilities, food sources, transit facilities, and other community destinations;

39.24 (5) the project's general benefits to public health and safety;

39.25 (6) geographic equity in project benefits, with an emphasis on communities that are  
 39.26 historically and currently underrepresented in local or regional planning, including  
 39.27 communities of color, low-income households, people with disabilities, and people with  
 39.28 limited English proficiency; and

39.29 (7) benefits in areas or locations experiencing high rates of pedestrian or bicycle  
 39.30 collisions.

40.1 Subd. 8. **Grant cancellation.** If, five years after execution of a grant agreement, the  
 40.2 commissioner determines that the grantee has not proceeded in a timely manner with  
 40.3 implementation of the funded project, the commissioner must cancel the grant. The grantee  
 40.4 must repay to the commissioner all grant money received under the program. Section  
 40.5 16A.642 applies to any appropriation made from the bond proceeds fund to the commissioner  
 40.6 under this section that has not been awarded as financial assistance.

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

74.18 Sec. 72. Minnesota Statutes 2016, section 174.50, subdivision 5, is amended to read:

74.19 Subd. 5. **Certification and disbursal for project of political subdivision.** Before  
 74.20 disbursement of an appropriation made from the fund to the commissioner of transportation  
 74.21 for grants to subdivisions of the state, the commissioner ~~shall~~ must certify that:

74.22 (1) that the project for which the grant is made has been reviewed as provided in  
 74.23 subdivision 4;

74.24 ~~(2) that~~ the project conforms to the program authorized by the appropriation law and  
 74.25 rules adopted by the Department of Transportation consistent therewith; and

74.26 ~~(2)~~ (2) the financing of any estimated cost of the project in excess of the amount of  
74.27 the grant is assured by the appropriation of the proceeds of bonds or other funds of the  
74.28 subdivision, or by a grant from an agency of the federal government, within the amount of  
74.29 funds then appropriated to that agency and allocated by it to projects within the state, and  
74.30 by an irrevocable undertaking, in a resolution of the governing body of the subdivision, to  
74.31 use all funds so made available exclusively for the project, and to pay any additional amount  
75.1 by which the cost exceeds the estimate through appropriation to the construction fund of  
75.2 additional funds or the proceeds of additional bonds to be issued by the subdivision.

75.3 Sec. 73. Minnesota Statutes 2016, section 174.50, subdivision 6b, is amended to read:

75.4 Subd. 6b. **Bridge costs in smaller cities.** (a) The commissioner may make grants from  
75.5 the state transportation fund to a home rule or statutory city with a population of 5,000 or  
75.6 less for design, engineering, and construction of bridges on city streets.

75.7 ~~(b) Grants under this subdivision are subject to the procedures and criteria established~~  
75.8 ~~under subdivisions 5, 6, and 7.~~

75.9 ~~(b)~~ (b) Grants may be used for:

75.10 (1) 100 percent of the design and engineering costs that are in excess of \$10,000;

75.11 (2) 100 percent of the bridge approach work costs that are in excess of \$10,000; and

75.12 (3) 100 percent of the bridge construction work costs.

75.13 Sec. 74. Minnesota Statutes 2016, section 174.50, subdivision 6c, is amended to read:

75.14 Subd. 6c. **Fracture-critical bridges.** ~~(a)~~ The commissioner may make a grant to any  
75.15 political subdivision for replacement or rehabilitation of a fracture-critical bridge. To be  
75.16 eligible for a grant under this subdivision, the project must produce a bridge structure:

75.17 (1) that is no longer classified as fracture critical, by having alternate load paths; and

75.18 (2) whose failure of a main component will not result in the collapse of the bridge.

75.19 ~~(b) A grant under this subdivision is subject to the procedures and criteria established~~  
75.20 ~~under subdivisions 5 and 6.~~

75.21 Sec. 75. Minnesota Statutes 2016, section 174.50, subdivision 7, is amended to read:

75.22 Subd. 7. **Bridge grant program; rulemaking.** (a) The commissioner of transportation  
75.23 shall develop rules, procedures for application for grants, conditions of grant administration,  
75.24 standards, and criteria as provided under subdivision 6, including bridge specifications, in  
75.25 cooperation with road authorities of political subdivisions, for use in the administration of  
75.26 funds appropriated to the commissioner and for the administration of grants to subdivisions.  
75.27 Grants under this section are subject to the procedures and criteria established in this  
75.28 subdivision and in subdivisions 5 and 6.

75.29 (b) The maximum use of standardized bridges is encouraged. Regardless of the size of  
75.30 the existing bridge, a bridge or replacement bridge is eligible for assistance from the state  
76.1 transportation fund if a hydrological survey indicates that the bridge or replacement bridge  
76.2 must be ten feet or more in length.

76.3 (c) As part of the standards or rules, the commissioner shall, in consultation with local  
76.4 road authorities, establish a minimum distance between any two bridges that cross over the  
76.5 same river, stream, or waterway, so that only one of the bridges is eligible for a grant under  
76.6 this section. As appropriate, the commissioner may establish exceptions from the minimum  
76.7 distance requirement or procedures for obtaining a variance.

76.8 (d) Political subdivisions may use grants made under this section to construct or  
76.9 reconstruct bridges, including but not limited to:

76.10 (1) matching federal aid grants to construct or reconstruct key bridges;

76.11 (2) paying the costs to abandon an existing bridge that is deficient and in need of  
76.12 replacement but where no replacement will be made; and

76.13 (3) paying the costs to construct a road or street to facilitate the abandonment of an  
76.14 existing bridge if the commissioner determines that the bridge is deficient, and that  
76.15 construction of the road or street is more economical than replacement of the existing bridge.

76.16 (e) Funds appropriated to the commissioner from the Minnesota state transportation  
76.17 fund shall be segregated from the highway tax user distribution fund and other funds created  
76.18 by article XIV of the Minnesota Constitution.

76.19 (f) The maximum grant amount for a local bridge replacement or rehabilitation project  
76.20 under this section is \$7,000,000. If in any year money appropriated for local bridge  
76.21 replacement or rehabilitation projects remains available after all projects on the  
76.22 commissioner's priority list for which the state share is \$7,000,000 or less have been funded,  
76.23 the commissioner may make grants for more than \$7,000,000.

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

76.25 Sec. 76. **[174.54] TRANSPORTATION PRIORITIES FUND.**

76.26 Subdivision 1. **Fund established.** A transportation priorities fund is established in the  
76.27 state treasury, under the budgetary jurisdiction of the legislative committees having  
76.28 jurisdiction over transportation finance. The fund consists of money provided by law, and  
76.29 any other funds donated, allotted, transferred, or otherwise provided. Money in the fund  
76.30 must be allocated solely for transportation purposes as specified in this section and as  
76.31 provided by law.

77.1 Subd. 2. **Financial reports.** Any report or financial statement required by law to be  
77.2 submitted to the legislature that provides financial information on the transportation priorities  
77.3 fund must include accounting information on each account established within the fund,  
77.4 including revenues and sources, transfers, uses, and account balance.

77.5 Subd. 3. **Fund allocation; net funds.** (a) In fiscal year 2020 and thereafter, the  
77.6 commissioner of transportation must allocate funds in the transportation priorities fund as  
77.7 follows:

77.8 (1) 70.5 percent transferred to the commissioner of transportation for deposit in the  
77.9 highway user tax distribution fund, provided that this amount is reduced by the amount  
77.10 transferred as specified in subdivision 4;

77.11 (2) four percent to the small cities assistance account;

77.12 (3) three percent for the local bridge replacement and rehabilitation program under  
77.13 section 174.50;

77.14 (4) 1.5 percent for the hazardous materials rail safety program under section 219.016;

77.15 (5) 0.75 percent for purposes of replacement of highway-rail grade crossing warning  
77.16 devices;

77.17 (6) 0.25 percent for the public highway-rail grade crossing quiet zone program under  
77.18 section 219.166;

77.19 (7) ten percent for distribution as provided in subdivision 5; and

77.20 (8) ten percent transferred to the commissioner of transportation for deposit in the greater  
77.21 Minnesota transit account in the transit assistance fund.

77.22 (b) Funds allocated under paragraph (a) exclude any amounts that are in an account in  
 77.23 the transportation priorities fund, and any amounts otherwise appropriated or transferred  
 77.24 from the fund by law. Funds allocated under paragraph (a) include any amounts canceled  
 77.25 to the fund under section 16A.28 or as otherwise provided by law.

77.26 Subd. 4. **Fund allocation; debt service.** An amount equal to the necessary debt service  
 77.27 on trunk highway bond proceeds appropriated in article 2, section 2, subdivision 2, of this  
 77.28 act is annually transferred from the transportation priorities fund to the commissioner of  
 77.29 transportation for deposit in the trunk highway fund.

77.30 Subd. 5. **Fund allocation; certain metropolitan area county roads.** (a) The  
 77.31 commissioner of transportation must distribute the funds under subdivision 3, paragraph  
 77.32 (a), clause (7), and any other funds appropriated specifically for purposes of this subdivision  
 78.1 to the counties in the metropolitan area, as defined in section 473.121, subdivision 4,  
 78.2 excluding the counties of Hennepin and Ramsey, so that each county receives from that  
 78.3 amount the percentage that its population, as defined in section 477A.011, subdivision 3,  
 78.4 estimated or established by July 15 of the year prior to the current calendar year, bears to  
 78.5 the total population of the counties receiving funds under this paragraph.

78.6 (b) Funds distributed under this subdivision are for construction, reconstruction, and  
 78.7 maintenance of county highways, including county state-aid highways.

78.8 Sec. 77. Minnesota Statutes 2016, section 174.56, subdivision 1, is amended to read:

78.9 Subdivision 1. **Report required.** (a) The commissioner of transportation ~~shall~~ must  
 78.10 submit a report by December 15 of each year ~~on~~ that includes:

78.11 (1) the status of major highway projects;

78.12 (i) completed during the previous two years; or

78.13 (ii) under construction or planned during the year of the report ~~and for the ensuing 15~~  
 78.14 years, ~~(2) trunk highway fund expenditures, and;~~

78.15 (2) a list of any major highway projects identified in capital investment plans or identified  
 78.16 as reasonably likely for inclusion in the state transportation improvement program within  
 78.17 the next ten years;

78.18 (3) ~~beginning with the report due in 2016,~~ a list of any major highway projects removed  
 78.19 from, delayed within, or delayed from inclusion in the state transportation improvement

78.20 program or capital investment plans, including a discussion of the rationale for the delay  
78.21 or removal;

78.22 (4) an explanation of the highway project selection process, including key milestones  
78.23 and decision-making steps;

78.24 (5) the annual budget for products and services for each Department of Transportation  
78.25 district and office, with a comparison to actual spending and including measures of  
78.26 productivity for the previous fiscal year; and

78.27 (6) information detailing efficiencies achieved during the previous two fiscal years,  
78.28 which must describe each of the specific changes made and the methodology used to calculate  
78.29 efficiencies.

78.30 (b) For purposes of this section, a "major highway project" is a highway project that has  
78.31 a total cost for all segments that the commissioner estimates at the time of the report to be  
78.32 at least (1) \$15,000,000 in the metropolitan highway construction district, or (2) \$5,000,000  
79.1 in any nonmetropolitan highway construction district. A major highway project does not  
79.2 include district set-asides.

79.3 Sec. 78. Minnesota Statutes 2016, section 174.56, subdivision 2, is amended to read:

79.4 Subd. 2. **Report contents; major highway projects.** (a) For each major highway project  
79.5 under subdivision 1, paragraph (a), clause (1), the report must include:

79.6 (1) a description of the project sufficient to specify its scope and location;

79.7 (2) a history of the project, including; but not limited to; and as applicable; previous  
79.8 official actions by the department or the appropriate area transportation partnership, or both,  
79.9 the date on which the project was first included in the state transportation improvement ~~plan~~  
79.10 program, the cost of the project at that time, the planning estimate for the project, the  
79.11 engineer's estimate, the award price, the final cost as of six months after substantial  
79.12 completion, including a total amount for any supplemental agreements and cost overruns  
79.13 or cost savings, the dates of environmental approval, the dates of municipal approval, the  
79.14 date of final geometric layout, and the date of establishment of any construction limits;

79.15 (3) the project's priority listing or rank within its construction district, if any, as well as  
79.16 the reasons for that listing or rank, the criteria used in prioritization or rank, any changes  
79.17 in that prioritization or rank since the project was first included in a department work plan,  
79.18 and the reasons for those changes; and

79.19 (4) past and potential future reasons for delay in letting or completing the project, details  
79.20 of all project cost changes that exceed \$500,000, and specific modifications ~~to the overall~~  
79.21 ~~program~~ that are made as a result of delays and project cost changes;

79.22 ~~(5) two representative trunk highway construction projects, one each from the~~  
79.23 ~~department's metropolitan district and from greater Minnesota, and for each project report~~  
79.24 ~~the cost of environmental mitigation and compliance; and~~

79.25 ~~(6) the annual budget for products and services for each Department of Transportation~~  
79.26 ~~district and office, with comparison to actual spending and including measures of productivity~~  
79.27 ~~for the previous fiscal year.~~

79.28 (b) For each major highway project under subdivision 1, paragraph (a), clauses (2) and  
79.29 (3), the report must include, as available, a project description and a summary of project  
79.30 status, scoping activity, and cost estimates.

80.1 Sec. 79. Minnesota Statutes 2016, section 174.56, is amended by adding a subdivision to  
80.2 read:

80.3 Subd. 4. **Availability of information.** The commissioner must maintain on an Internet  
80.4 Web site information for each major highway project, which must at a minimum include  
80.5 the report contents identified in subdivision 2.

80.6 Sec. 80. **[174.57] SNOW AND ICE CONTROL; APPROPRIATION.**

80.7 (a) In a fiscal year in which the commissioner expends more than 110 percent of the  
80.8 established biennial expenditure level for snow and ice management, the commissioner may  
80.9 use an additional amount for this purpose that does not exceed 50 percent of the  
80.10 unappropriated balance in the trunk highway fund. The amount identified by the  
80.11 commissioner under this paragraph is appropriated from the trunk highway fund to the  
80.12 commissioner for snow and ice management purposes.

80.13 (b) Upon using the appropriation authority in this section, the commissioner must notify  
80.14 the commissioner of management and budget and the chairs, ranking minority members,  
80.15 and staff of the house of representatives and senate committees having jurisdiction over  
80.16 transportation finance. The notification must at a minimum identify the established biennial  
80.17 expenditure level for snow and ice management and the amount appropriated under this  
80.18 section.

80.19 (c) In each budget submission to the legislature under section 16A.11, the commissioner  
80.20 must include:



- 80.21 (1) the proposed biennial expenditure level for snow and ice management for the next  
80.22 budget biennium; and
- 80.23 (2) the total amount expended or estimated to be expended under the appropriation in  
80.24 this section for the budget biennium that is ending.
- 80.25 Sec. 81. Minnesota Statutes 2016, section 174.93, is amended to read:
- 80.26 **174.93 ~~GUIDEWAY~~ METROPOLITAN AREA TRANSIT INVESTMENT.**
- 80.27 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have  
80.28 the meanings given:
- 80.29 (1) "busway" means a form of transportation service, consisting of arterial or highway  
80.30 bus rapid transit, limited stop bus service, and express bus service, provided to the public  
81.1 on a regular and ongoing basis that does not primarily or substantially operate within  
81.2 separated rights-of-way;
- 81.3 (2) "commissioner" means the commissioner of transportation;
- 81.4 ~~(2)~~ (3) "guideway" means a form of transportation service provided to the public on a  
81.5 regular and ongoing basis; that primarily or substantially operates on exclusive or controlled  
81.6 within separated rights-of-way or operates on rails in whole or in part, and includes:
- 81.7 (i) each line for intercity passenger rail, commuter rail, light rail transit, and streetcars;  
81.8 ~~and;~~
- 81.9 (ii) as applicable, each line for dedicated bus service, which may include arterial or  
81.10 highway bus rapid transit, limited stop bus service, and express bus service; and
- 81.11 (iii) any intermodal facility serving two or more lines identified in items (i) and (ii); and
- 81.12 ~~(3)~~ (4) "local unit of government" means a county, statutory or home rule charter city,  
81.13 town, or other political subdivision including, but not limited to, a regional railroad authority  
81.14 or joint powers board.
- 81.15 (b) For purposes of this section, "sources of funds" includes, but is not limited to, money  
81.16 from federal aid, state appropriations, the Metropolitan Council, special taxing districts,  
81.17 local units of government, fare box recovery, and nonpublic sources.
- 81.18 (c) For purposes of this section, "budget activity" includes, but is not limited to,  
81.19 environmental analysis, land acquisition, easements, design, preliminary and final

81.20 engineering, acquisition of vehicles and rolling stock, track improvement and rehabilitation,  
81.21 and construction.

81.22 (d) Guideway does not include a busway.

81.23 (e) "Separated rights-of-way" includes exclusive, dedicated, or primary use of a  
81.24 right-of-way by the public transportation service. Separated rights-of-way does not include  
81.25 a shoulder, dynamic shoulder lane, or priced lane under section 160.93.

81.26 Subd. 1a. **Guideway capital project requests to legislature.** A state agency or local  
81.27 unit of government that submits a request to the legislature to obtain state funds for a  
81.28 guideway project shall, as part of the request, provide a summary financial plan for the  
81.29 project that presents the following information as reflected by the data and level of detail  
81.30 available in the latest phase of project development:

82.1 (1) capital expenditures and funding sources for the project, including expenditures to  
82.2 date and total projected or estimated expenditures, with a breakdown by committed and  
82.3 proposed sources of funds; and

82.4 (2) estimated annual operations and maintenance expenditures for the project, with a  
82.5 breakdown by committed and proposed sources of funds.

82.6 Subd. 2. **Legislative report.** ~~(a) Annually by January 15, 2012, and by November 15 in~~  
82.7 ~~every odd-numbered year thereafter, the commissioner shall~~ council must prepare, in  
82.8 collaboration with the Metropolitan Council commissioner, ~~and a report on comprehensive~~  
82.9 transit finance in the metropolitan area. The council must submit a the report electronically  
82.10 to the chairs and ranking minority members of the legislative committees with jurisdiction  
82.11 over transportation policy and finance concerning.

82.12 (b) The report must be structured to provide financial information in six-month increments  
82.13 corresponding to state and local fiscal years, and must use consistent assumptions and  
82.14 methodologies. The report must comprehensively identify all funding sources and  
82.15 expenditures related to transit in the metropolitan area, including but not limited to:

82.16 (1) sources and uses of funds from regional railroad authorities, joint powers agreements,  
82.17 counties, and cities;

82.18 (2) expenditures for transit planning, feasibility studies, alternatives analysis, and other  
82.19 transit project development; and

- 82.20 (3) expenditures for guideways, busways, regular route bus service, demand-response  
 82.21 service, and special transportation service under section 473.386.
- 82.22 (c) The report must include a section that identifies the status of guideways in revenue  
 82.23 operation and guideway projects (1) currently in study, planning, development, or  
 82.24 construction; (2) identified in the transportation policy plan under section 473.146; or (3)  
 82.25 identified in the comprehensive statewide freight and passenger rail plan under section  
 82.26 174.03, subdivision 1b.
- 82.27 ~~(b)~~ (d) At a minimum, the guideways status section of the report must include, provide  
 82.28 for each guideway project wholly or partially in the metropolitan area:
- 82.29 (1) a brief description of the project, including projected ridership;
- 82.30 (2) a summary of the overall status and current phase of the project;
- 83.1 (3) a timeline that includes (i) project phases or milestones, including any federal  
 83.2 approvals; (ii) expected and known dates of commencement of each phase or milestone;  
 83.3 and (iii) expected and known dates of completion of each phase or milestone;
- 83.4 (4) a brief progress update on specific project phases or milestones completed since the  
 83.5 last previous submission of a report under this subdivision; and
- 83.6 (5) a summary financial plan that identifies, as reflected by the data and level of detail  
 83.7 available in the latest phase of project development and to the extent available:
- 83.8 (i) capital expenditures, including expenditures to date and total projected expenditures,  
 83.9 with a breakdown by committed and proposed sources of funds for the project;
- 83.10 (ii) estimated annual operations and maintenance expenditures reflecting the level of  
 83.11 detail available in the current phase of the project development, with a breakdown by  
 83.12 committed and proposed sources of funds for the project; and
- 83.13 (iii) if feasible, project expenditures by budget activity.
- 83.14 (e) The report must include a section that summarizes the status of busways in revenue  
 83.15 operation and busway projects currently in study, planning, development, or construction.
- 83.16 (f) The report must include a section that identifies the total ridership, farebox recovery  
 83.17 ratio, and per-passenger operating subsidy for (1) each route and line in revenue operation  
 83.18 by a transit provider, including guideways, busways, and regular route bus service; and (2)  
 83.19 demand-response service and special transportation service. The section must provide data

83.20 on a per-passenger mile basis and must provide information for at least the previous three  
 83.21 years. The section must identify performance standards for farebox recovery and identify  
 83.22 each route and line that does not meet the standards.

83.23 ~~(e)~~ (g) The report must also include a systemwide capacity analysis for transit operations  
 83.24 and investment in guideway expansion and maintenance that:

83.25 (1) provides a funding projection, annually over the ensuing ten years, and with a  
 83.26 breakdown by committed and proposed sources of funds, of:

83.27 (i) total capital expenditures for guideways and for busways;

83.28 (ii) total operations and maintenance expenditures for guideways and for busways;

83.29 (iii) total funding available for guideways and for busways, including from projected or  
 83.30 estimated farebox recovery; and

83.31 (iv) total funding available for transit service in the metropolitan area; and

84.1 (2) evaluates the availability of funds and distribution of sources of funds for guideway  
 84.2 and for busway investments.

84.3 ~~(d)~~ (h) The ~~projection~~ capacity analysis under paragraph ~~(e)~~, ~~clause (1)~~, (g) ~~must be for~~  
 84.4 include all guideway and busway lines for which state public funds are reasonably expected  
 84.5 to be expended in planning, development, construction, or revenue operation, or capital  
 84.6 maintenance during the ensuing ten years.

84.7 ~~(e)~~ (i) Local units of government ~~shall~~ must provide assistance and information in a  
 84.8 timely manner as requested by the commissioner or council for completion of the report.

84.9 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following  
 84.10 final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,  
 84.11 Scott, and Washington.

96.11 Sec. 101. **TRANSPORTATION PROJECT SELECTION PROCESS.**

96.12 Subdivision 1. Adoption of best practices. (a) The commissioner of transportation,  
 96.13 after consultation with the Federal Highway Administration, metropolitan planning  
 96.14 organizations, regional development commissions, area transportation partnerships, local  
 96.15 governments, the Metropolitan Council, and transportation stakeholders, must develop,  
 96.16 adopt, and implement best practices for project evaluation and selection to apply to the  
 96.17 standard project process and to special programs, such as corridors of commerce. The

40.8 Sec. 35. **[174.95] PROJECT SELECTION REQUIREMENTS.**

40.9 (a) The commissioner, after consultation with the Federal Highway Administration,  
 40.10 metropolitan planning organizations, regional development commissions, area transportation  
 40.11 partnerships, local governments, the Metropolitan Council, and transportation stakeholders,  
 40.12 must develop, adopt, and implement a project evaluation and selection policy to apply to  
 40.13 the standard project selection process. The commissioner may update the policy only after  
 40.14 consultation with the Federal Highway Administration, metropolitan planning organizations,

96.18 commissioner must adopt and begin implementing the best practices no later than January  
 96.19 1, 2018, and may update the best practices as appropriate. The commissioner must publish  
 96.20 the best practices and updates on the department's Web site and through other effective  
 96.21 means selected by the commissioner.

96.22 (b) The best practices adopted under this section must:

96.23 (1) describe each selection process and identification of ranking criteria and weight of  
 96.24 each criterion with respect to any selection process;

96.25 (2) identify and apply all relevant criteria contained in enacted Minnesota or federal law,  
 96.26 or added by the commissioner;

96.27 (3) identify for stakeholders and the general public the candidate project selected under  
 96.28 each selection process and every project considered that was not selected;

96.29 (4) involve area transportation partnerships and other local authorities, as appropriate,  
 96.30 in the process of scoring and ranking candidate projects under consideration; and

96.31 (5) publicize scoring, ranking, and decision outcomes concerning each candidate project,  
 96.32 including the projects that were considered but not selected.

97.1 Subd. 2. **Report to legislature.** By March 1, 2018, the commissioner must submit a  
 97.2 report to the members and staff of the legislative committees with jurisdiction over  
 97.3 transportation policy and finance concerning the adopted best practices and how the best  
 97.4 practices are anticipated to improve the consistency, objectivity, and transparency of the  
 97.5 selection process. The report must include information on input from members of the public  
 97.6 and the organizations identified in subdivision 1.

40.15 regional development commissions, area transportation partnerships, local governments,  
 40.16 the Metropolitan Council, and transportation stakeholders. The commissioner must publicize  
 40.17 the policy and updates on the department's Web site and through other effective means  
 40.18 selected by the commissioner.

40.19 (b) The policy adopted under this section must include:

40.20 (1) a ranking system that assigns scores to each project, the criteria that will be considered,  
 40.21 and the weight of each criterion; the ranking system may consider project readiness as a  
 40.22 criterion for evaluation, but project readiness must not be a major factor in determining the  
 40.23 final score;

40.24 (2) a process to inform the stakeholders and the general public of the score for each  
 40.25 project considered, which projects were selected, and which projects were not selected; and

40.26 (3) a process that requires the involvement of area transportation partnerships and other  
 40.27 local authorities in the process of ranking and scoring projects.

40.28 (c) The projects in the state transportation improvement program must include the score  
 40.29 assigned to the project under this section. The projects must be prioritized based on the  
 40.30 score assigned and executed in that priority order.

40.31 (d) The policy required by this section must be adopted by October 1, 2018, and must  
 40.32 be applied to project evaluation and selection that occurs on or after that date. The assigned  
 41.1 scores must first appear in the first state transportation improvement program update that  
 41.2 is completed on or after October 1, 2018.

45.4 **Sec. 44. REPORT TO LEGISLATURE ON PROJECT SELECTION POLICY.**

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

84.12 Sec. 82. **[219.016] OIL AND OTHER HAZARDOUS MATERIALS RAIL SAFETY.**

84.13 Subdivision 1. **Program established.** A hazardous materials rail safety program is  
 84.14 established for the purpose of reducing the risks associated with the transportation of oil,  
 84.15 ethanol, and other hazardous material by rail.

84.16 Subd. 2. **Hazardous materials rail safety account.** A hazardous materials rail safety  
 84.17 account is established in the transportation priorities fund. The account consists of funds as  
 84.18 provided by law, and any other funds donated, allotted, transferred, or otherwise provided.

84.19 Subd. 3. **Use of funds.** Funds appropriated for the program under this section may only  
 84.20 be used for capital costs associated with planning, engineering, administration, and  
 84.21 construction of public highway-rail grade crossing improvements on rail corridors  
 84.22 transporting crude oil and other hazardous materials. Improvements may include upgrades  
 84.23 to existing protection systems, the closing of crossings and necessary roadwork, and  
 84.24 reconstruction of at-grade crossings to full grade separations.

84.25 Subd. 4. **Eligible applicants.** Counties, statutory or home rule charter cities, or towns  
 84.26 that are responsible for establishing and maintaining public highway-rail grade crossings  
 84.27 on rail corridors transporting crude oil and other hazardous materials may apply to the  
 84.28 commissioner for financial assistance under this section.

84.29 Subd. 5. **Grants; authorization.** The commissioner may approve grants for financial  
 84.30 assistance to eligible applicants for capital costs associated with hazardous materials rail  
 84.31 safety projects on public highway-rail grade crossings. Qualifying capital costs include, but  
 84.32 are not limited to, upgrades to existing protection systems, the closing of crossings and  
 84.33 necessary roadwork, and reconstruction of at-grade crossings to full grade separations.

45.5 By February 15, 2018, the commissioner of transportation must report to the chairs and  
 45.6 ranking minority members of the senate and house of representatives committees having  
 45.7 jurisdiction over transportation policy and finance concerning the policy adopted pursuant  
 45.8 to Minnesota Statutes, section 174.95, and how the policy is anticipated to improve the  
 45.9 consistency, objectivity, and transparency of the selection process. The report must include  
 45.10 information on input from members of the public and the organizations identified in  
 45.11 Minnesota Statutes, section 174.95, paragraph (a). The report must also include proposed  
 45.12 legislation to codify the ranking system established in the policy.

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

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

85.1 Subd. 6. Grants; criteria for grant award. The commissioner must consider the  
85.2 following criteria to evaluate applications for a grant award for a hazardous materials rail  
85.3 safety project:

85.4 (1) whether the crossing was identified as a potential candidate for grade separation in  
85.5 the Department of Transportation's crude by rail grade crossing study (Improvements to  
85.6 Highway Grade Crossings and Rail Safety, December 2014);

85.7 (2) roadway traffic volumes and speeds;

85.8 (3) train volumes and speeds;

85.9 (4) adjacent land use;

85.10 (5) crash history;

85.11 (6) use of the crossing by emergency vehicles;

85.12 (7) use of the crossing by vehicles carrying hazardous materials; and

85.13 (8) local financial contributions to the project.

85.14 Sec. 83. Minnesota Statutes 2016, section 219.166, is amended to read:

85.15 **219.166 ESTABLISHMENT OF QUIET ZONES.**

85.16 Subdivision 1. Eligible quiet zone applicants. A county, statutory or home rule charter  
85.17 city, or town may apply to the Federal Railroad Administration for the establishment of a  
85.18 "quiet zone" at a public highway-rail grade crossing in which the sounding of horns, whistles,  
85.19 or other audible warnings by locomotives is regulated or prohibited. All quiet zones,  
85.20 regulations, and ordinances adopted under this section must conform to federal law and the  
85.21 regulations of the Federal Railroad Administration under ~~United States~~ Code of Federal  
85.22 Regulations, title 49, ~~section 20153~~ parts 222 and 229.

85.23 Subd. 2. Program established. A public highway-rail grade crossing quiet zone program  
85.24 is established for the purpose of improving and rehabilitating railroad rights-of-way and  
85.25 other public and private rail facilities, including necessary safety-related capital improvements  
85.26 at public highway-rail grade crossings where quiet zones are established.

85.27 Subd. 3. Highway-rail grade crossing quiet zone account. A highway-rail grade  
85.28 crossing quiet zone account is established in the transportation priorities fund. The account

85.29 consists of funds as provided by law, and any other funds donated, allotted, transferred, or  
85.30 otherwise provided.

86.1 Subd. 4. **Use of funds.** Funds appropriated for the program under this section may only  
86.2 be used for capital costs associated with the establishment of a quiet zone at a public  
86.3 highway-rail grade crossing.

86.4 Subd. 5. **Eligible applicants.** Counties, statutory or home rule charter cities, or towns  
86.5 that are responsible for traffic control or law enforcement at a public highway-rail grade  
86.6 crossing and that qualify as eligible applicants to the Federal Railroad Administration (FRA)  
86.7 for the establishment of a quiet zone may apply to the commissioner for financial assistance  
86.8 under this section.

86.9 Subd. 6. **Grants; authorization.** The commissioner may approve grants for financial  
86.10 assistance to eligible applicants for capital costs associated with the establishment of a quiet  
86.11 zone at a public highway-rail grade crossing. Qualifying capital costs include, but are not  
86.12 limited to, the installation of grade crossing active warning devices and other traffic control  
86.13 devices and associated roadwork necessary to meet the FRA criteria for approval of the  
86.14 quiet zone.

86.15 Subd. 7. **Grants; criteria for grant award.** The commissioner must consider the  
86.16 following criteria to evaluate applications for a grant award for a quiet zone project:

86.17 (1) the number of residents that will benefit from the establishment of the quiet zone  
86.18 through a reduction in train horn noise;

86.19 (2) the number of existing grade crossings that will be closed, thereby improving public  
86.20 safety;

86.21 (3) evidence that the project meets FRA qualifications and requirements for a quiet zone,  
86.22 without the need for additional annual review by FRA per federal quiet zone regulations;

86.23 (4) nonstate financial participation as a percentage of total project cost; and

86.24 (5) the amount of state financial participation per resident benefiting from the project.

86.25 Sec. 84. Minnesota Statutes 2016, section 219.20, subdivision 1, is amended to read:

86.26 Subdivision 1. **When installation required; procedure.** At each grade crossing not  
86.27 equipped with flashing lights or flashing lights and gates ~~where, because of the dangers~~  
86.28 ~~attendant upon its use, the reasonable protection of life and property makes it necessary for~~  
86.29 ~~persons approaching the crossing to stop or yield before crossing the railroad tracks, stop~~



86.30 ~~signs or yield signs~~ the railway company must ~~be installed~~ install yield signs in addition to  
 86.31 ~~crossbuck signs~~. When the government entity responsible for a road that crosses a railroad  
 86.32 track deems it necessary to install stop signs ~~or rather than~~ yield signs at that crossing, it  
 87.1 shall petition the commissioner to order the installation of the stop signs ~~or yield signs~~. The  
 87.2 commissioner shall respond to the petition by investigating the conditions at the crossing  
 87.3 to determine whether stop signs ~~or yield signs~~ should be installed at the crossing instead of  
 87.4 yield signs. On determining, after an investigation following a petition from a governmental  
 87.5 agency or subdivision or on the commissioner's own motion, that stop signs ~~or yield signs~~  
 87.6 should be installed at a crossing, the commissioner shall designate the crossing as a stop  
 87.7 crossing ~~or yield crossing~~ and shall notify the railway company operating the railroad at  
 87.8 the crossing of this designation. Within 30 days after notification, the railway company  
 87.9 shall erect the ~~uniform stop crossing signs or yield crossing signs~~ in accordance with the  
 87.10 commissioner's order.

87.11 **EFFECTIVE DATE.** This section is effective the day following final enactment.  
 87.12 Railway companies must install yield signs required under this section before December  
 87.13 31, 2019.

87.14 Sec. 85. Minnesota Statutes 2016, section 221.031, is amended by adding a subdivision  
 87.15 to read:

87.16 Subd. 2e. Exemptions for pipeline welding trucks. A pipeline welding truck, as defined  
 87.17 in Code of Federal Regulations, title 49, section 390.38, paragraph (b), including an individual  
 87.18 operating a pipeline welding truck and the employer of the individual, is exempt from any  
 87.19 requirement relating to:

87.20 (1) registration as a motor carrier, including the requirement to obtain and display a  
 87.21 United States Department of Transportation number under subdivision 6 and section 168.185;

87.22 (2) driver qualifications under section 221.0314, subdivision 2;

87.23 (3) driving of commercial motor vehicles under section 221.0314, subdivision 6;

87.24 (4) parts, accessories, and inspection, repair, and maintenance of commercial motor  
 87.25 vehicles under section 221.0314, subdivisions 7 and 10; and

87.26 (5) hours of service of drivers, including maximum driving and on-duty time under  
 87.27 section 221.0314, subdivision 9.

87.28 Sec. 86. Minnesota Statutes 2016, section 222.49, is amended to read:

87.29 **222.49 RAIL SERVICE IMPROVEMENT ACCOUNT; APPROPRIATION.**

41.4 Sec. 36. Minnesota Statutes 2016, section 221.031, is amended by adding a subdivision  
 41.5 to read:

41.6 Subd. 2e. Exemptions for pipeline welding trucks. A pipeline welding truck, as defined  
 41.7 in Code of Federal Regulations, title 49, section 390.38, paragraph (b), including an individual  
 41.8 operating a pipeline welding truck and the employer of the individual, is exempt from any  
 41.9 requirement relating to:

41.10 (1) registration as a motor carrier, including the requirement to obtain and display a  
 41.11 United States Department of Transportation number under subdivision 6 and section 168.185;

41.12 (2) driver qualifications under section 221.0314, subdivision 2;

41.13 (3) driving of commercial motor vehicles under section 221.0314, subdivision 6;

41.14 (4) parts, accessories, and inspection, repair, and maintenance of commercial motor  
 41.15 vehicles under section 221.0314, subdivisions 7 and 10; and

41.16 (5) hours of service of drivers, including maximum driving and on-duty time under  
 41.17 section 221.0314, subdivision 9.

87.30 The rail service improvement account is created in the ~~special revenue fund in the state~~  
 87.31 ~~treasury~~ transportation priorities fund. The ~~commissioner shall deposit in this account all~~  
 88.1 ~~consists of funds as provided by law, and any other money appropriated to or received by~~  
 88.2 ~~the department for the purpose of rail service improvement~~ donated, allotted, transferred,  
 88.3 or otherwise provided to the account, excluding bond proceeds as authorized by article XI,  
 88.4 section 5, clause (i), of the Minnesota Constitution. All money so deposited is appropriated  
 88.5 to the department for expenditure for rail service improvement in accordance with applicable  
 88.6 state and federal law. This appropriation shall not lapse but shall be available until the  
 88.7 purpose for which it was appropriated has been accomplished. ~~No money appropriated to~~  
 88.8 ~~the department for the purposes of administering the rail service improvement program~~  
 88.9 ~~shall be deposited in the rail service improvement account nor shall such administrative~~  
 88.10 ~~costs be paid from the account.~~

88.11 Sec. 87. Minnesota Statutes 2016, section 222.50, subdivision 6, is amended to read:

88.12 Subd. 6. **Grants.** The commissioner may approve grants from the rail service  
 88.13 improvement account for ~~payment of up to 50 percent of the nonfederal share of the cost~~  
 88.14 ~~of any rail line project under the federal rail service continuation program~~ freight rail service  
 88.15 improvements that support economic development.

88.16 Sec. 88. Minnesota Statutes 2016, section 222.50, is amended by adding a subdivision to  
 88.17 read:

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

88.21 (b) The following entities are eligible to receive grant funds under this subdivision:  
 88.22 railroad companies that are classified by federal law or regulation as class II railroads, class  
 88.23 II rail carriers, class III railroads, or class III carriers; rail users; and local units of  
 88.24 government. An eligible recipient may receive funds regardless of rail facility ownership.

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

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

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

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

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

73.24 Sec. 15. Minnesota Statutes 2016, section 256B.15, subdivision 1a, is amended to read:

73.25 Subd. 1a. **Estates subject to claims.** (a) If a person receives medical assistance hereunder,  
73.26 on the person's death, if single, or on the death of the survivor of a married couple, either  
73.27 or both of whom received medical assistance, or as otherwise provided for in this section,  
73.28 the amount paid for medical assistance as limited under subdivision 2 for the person and  
73.29 spouse shall be filed as a claim against the estate of the person or the estate of the surviving  
73.30 spouse in the court having jurisdiction to probate the estate or to issue a decree of descent  
73.31 according to sections 525.31 to 525.313.

74.1 (b) For the purposes of this section, the person's estate must consist of:

74.2 (1) the person's probate estate;

74.3 (2) all of the person's interests or proceeds of those interests in real property the person  
74.4 owned as a life tenant or as a joint tenant with a right of survivorship at the time of the  
74.5 person's death;

74.6 (3) all of the person's interests or proceeds of those interests in securities the person  
74.7 owned in beneficiary form as provided under sections 524.6-301 to 524.6-311 at the time  
74.8 of the person's death, to the extent the interests or proceeds of those interests become part  
74.9 of the probate estate under section 524.6-307;

74.10 (4) all of the person's interests in joint accounts, multiple-party accounts, and pay-on-death  
74.11 accounts, brokerage accounts, investment accounts, or the proceeds of those accounts, as  
74.12 provided under sections 524.6-201 to 524.6-214 at the time of the person's death to the  
74.13 extent the interests become part of the probate estate under section 524.6-207; and

74.14 (5) assets conveyed to a survivor, heir, or assign of the person through survivorship,  
74.15 living trust, transfer-on-death of title or deed, or other arrangements.

74.16 (c) For the purpose of this section and recovery in a surviving spouse's estate for medical  
74.17 assistance paid for a predeceased spouse, the estate must consist of all of the legal title and  
74.18 interests the deceased individual's predeceased spouse had in jointly owned or marital  
74.19 property at the time of the spouse's death, as defined in subdivision 2b, and the proceeds of  
74.20 those interests, that passed to the deceased individual or another individual, a survivor, an  
74.21 heir, or an assign of the predeceased spouse through a joint tenancy, tenancy in common,  
74.22 survivorship, life estate, living trust, or other arrangement. A deceased recipient who, at

74.23 death, owned the property jointly with the surviving spouse shall have an interest in the  
74.24 entire property.

74.25 (d) For the purpose of recovery in a single person's estate or the estate of a survivor of  
74.26 a married couple, "other arrangement" includes any other means by which title to all or any  
74.27 part of the jointly owned or marital property or interest passed from the predeceased spouse  
74.28 to another including, but not limited to, transfers between spouses which are permitted,  
74.29 prohibited, or penalized for purposes of medical assistance.

74.30 (e) A claim shall be filed if medical assistance was rendered for either or both persons  
74.31 under one of the following circumstances:

74.32 (1) the person was over 55 years of age, and received services under this chapter prior  
74.33 to January 1, 2014;

75.1 (2) the person resided in a medical institution for six months or longer, received services  
75.2 under this chapter, and, at the time of institutionalization or application for medical assistance,  
75.3 whichever is later, the person could not have reasonably been expected to be discharged  
75.4 and returned home, as certified in writing by the person's treating physician. For purposes  
75.5 of this section only, a "medical institution" means a skilled nursing facility, intermediate  
75.6 care facility, intermediate care facility for persons with developmental disabilities, nursing  
75.7 facility, or inpatient hospital;

75.8 (3) the person received general assistance medical care services under the program  
75.9 formerly codified under chapter 256D; or

75.10 (4) the person was 55 years of age or older and received medical assistance services on  
75.11 or after January 1, 2014, that consisted of nursing facility services, home and  
75.12 community-based services, or related hospital and prescription drug benefits.

75.13 (f) The claim shall be considered an expense of the last illness of the decedent for the  
75.14 purpose of section 524.3-805. Notwithstanding any law or rule to the contrary, a state or  
75.15 county agency with a claim under this section must be a creditor under section 524.6-307.  
75.16 Any statute of limitations that purports to limit any county agency or the state agency, or  
75.17 both, to recover for medical assistance granted hereunder shall not apply to any claim made  
75.18 hereunder for reimbursement for any medical assistance granted hereunder. Notice of the  
75.19 claim shall be given to all heirs and devisees of the decedent, and to other persons with an  
75.20 ownership interest in the real property owned by the decedent at the time of the decedent's  
75.21 death, whose identity can be ascertained with reasonable diligence. The notice must include  
75.22 procedures and instructions for making an application for a hardship waiver under subdivision  
75.23 5; time frames for submitting an application and determination; and information regarding  
75.24 appeal rights and procedures. Counties are entitled to one-half of the nonfederal share of

75.25 medical assistance collections from estates that are directly attributable to county effort.  
 75.26 Counties are entitled to ten percent of the collections for alternative care directly attributable  
 75.27 to county effort.

75.28 Sec. 16. Minnesota Statutes 2016, section 297B.01, subdivision 16, is amended to read:

75.29 Subd. 16. **Sale, sells, selling, purchase, purchased, or acquired.** (a) "Sale," "sells,"  
 75.30 "selling," "purchase," "purchased," or "acquired" means any transfer of title of any motor  
 75.31 vehicle, whether absolutely or conditionally, for a consideration in money or by exchange  
 75.32 or barter for any purpose other than resale in the regular course of business.

75.33 (b) Any motor vehicle utilized by the owner only by leasing such vehicle to others or  
 75.34 by holding it in an effort to so lease it, and which is put to no other use by the owner other  
 76.1 than resale after such lease or effort to lease, shall be considered property purchased for  
 76.2 resale.

76.3 (c) The terms also shall include any transfer of title or ownership of a motor vehicle by  
 76.4 other means, for or without consideration, except that these terms shall not include:

76.5 (1) the acquisition of a motor vehicle by inheritance from or by bequest of or  
 76.6 transfer-on-death of title by, a decedent who owned it;

76.7 (2) the transfer of a motor vehicle which was previously licensed in the names of two  
 76.8 or more joint tenants and subsequently transferred without monetary consideration to one  
 76.9 or more of the joint tenants;

76.10 (3) the transfer of a motor vehicle by way of gift from a limited used vehicle dealer  
 76.11 licensed under section 168.27, subdivision 4a, to an individual, when the transfer is with  
 76.12 no monetary or other consideration or expectation of consideration and the parties to the  
 76.13 transfer submit an affidavit to that effect at the time the title transfer is recorded;

76.14 (4) the transfer of a motor vehicle by gift between:

76.15 (i) spouses;

76.16 (ii) parents and a child; or

76.17 (iii) grandparents and a grandchild;

76.18 (5) the voluntary or involuntary transfer of a motor vehicle between a husband and wife  
 76.19 in a divorce proceeding; or

76.20 (6) the transfer of a motor vehicle by way of a gift to an organization that is exempt from  
 76.21 federal income taxation under section 501(c)(3) of the Internal Revenue Code when the  
 76.22 motor vehicle will be used exclusively for religious, charitable, or educational purposes.

89.1 Sec. 89. Minnesota Statutes 2016, section 299D.03, subdivision 6, is amended to read:

89.2 Subd. 6. **Training program.** The commissioner of public safety may provide training  
 89.3 programs for the purpose of obtaining qualified personnel for the State Patrol. Persons  
 89.4 accepted by the commissioner of public safety for training under this training program shall  
 89.5 be designated State Patrol trainees and shall receive a salary ~~not to exceed~~ no less than 70  
 89.6 percent of the basic salary for patrol officers as prescribed in subdivision 2, during the period  
 89.7 of the training. Nothing contained in this subdivision shall be construed to prevent the  
 89.8 commissioner of public safety from providing in-service training programs for State Patrol  
 89.9 officers. The commissioner of transportation shall furnish the commissioner of public safety  
 89.10 with lands and buildings necessary in providing in-service training programs and the  
 89.11 Department of Public Safety shall reimburse the Department of Transportation for all  
 89.12 reasonable costs incurred due to the provision of these training facilities.

89.13 Sec. 90. **[398A.095] LEGISLATIVE APPROVAL OF LIGHT RAIL PROJECTS.**

89.14 Notwithstanding any law to the contrary, a regional railroad authority is prohibited from  
 89.15 spending any money to study, plan, design, or construct a light rail transit line, or expand  
 89.16 an existing light rail line, unless the legislature has explicitly authorized the particular  
 89.17 project.

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

89.19 Sec. 91. **[471.987] LEGISLATIVE APPROVAL OF LIGHT RAIL PROJECTS.**

89.20 Notwithstanding any law to the contrary, a metropolitan county as defined in section  
 89.21 473.121, subdivision 4, or a home rule charter or statutory city located within the metropolitan  
 89.22 area as defined in section 473.121, subdivision 2, is prohibited from spending any money  
 89.23 to study, plan, design, or construct a light rail transit line, or expand an existing light rail  
 89.24 transit line, unless the legislature has explicitly authorized the particular project.

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

89.26 Sec. 92. Minnesota Statutes 2016, section 473.13, subdivision 1, is amended to read:

89.27 Subdivision 1. **Budget.** (a) On or before December 20 of each year, the council shall  
 89.28 adopt a final budget covering its anticipated receipts and disbursements for the ensuing year  
 89.29 and shall decide upon the total amount necessary to be raised from ad valorem tax levies

89.30 to meet its budget. The budget shall state in detail the expenditures for each program to be  
89.31 undertaken, including the expenses for salaries, consultant services, overhead, travel, printing,  
89.32 and other items. The budget shall state in detail the capital expenditures of the council for  
90.1 the budget year, based on a five-year capital program adopted by the council and transmitted  
90.2 to the legislature. After adoption of the budget and no later than five working days after  
90.3 December 20, the council shall certify to the auditor of each metropolitan county the share  
90.4 of the tax to be levied within that county, which must be an amount bearing the same  
90.5 proportion to the total levy agreed on by the council as the net tax capacity of the county  
90.6 bears to the net tax capacity of the metropolitan area. The maximum amount of any levy  
90.7 made for the purpose of this chapter may not exceed the limits set by the statute authorizing  
90.8 the levy.

90.9 (b) Each even-numbered year the council ~~shall prepare for its~~ must include in its budget  
90.10 ~~transit programs a financial plan~~ financial planning information for the succeeding next  
90.11 three calendar years, in half-year segments that coincide with the council and state fiscal  
90.12 years. The financial ~~plan~~ information must contain schedules of user charges and any changes  
90.13 in user charges planned or anticipated by the council during the period of the plan. The  
90.14 financial ~~plan~~ information must contain a proposed request for state financial assistance, if  
90.15 any, for the succeeding state biennium.

90.16 (c) In addition, the budget must show for each year:

90.17 (1) the estimated operating revenues from all sources including funds on hand at the  
90.18 beginning of the year, and estimated expenditures for costs of operation, administration,  
90.19 maintenance, and debt service;

90.20 (2) capital improvement funds estimated to be on hand at the beginning of the year and  
90.21 estimated to be received during the year from all sources and estimated cost of capital  
90.22 improvements to be paid out or expended during the year, all in such detail and form as the  
90.23 council may prescribe; and

90.24 (3) the estimated source and use of pass-through funds.

90.25 (d) In a year that is the second fiscal year of the state biennium, the budget must identify  
90.26 state assistance from the general fund for transit operations at the same amount as the state  
90.27 general fund base, if any.

90.28 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following  
90.29 final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,  
90.30 Scott, and Washington.

91.1 Sec. 93. Minnesota Statutes 2016, section 473.146, subdivision 3, is amended to read:

91.2 Subd. 3. **Development guide: transportation.** (a) The transportation chapter must  
91.3 include policies relating to all transportation forms and be designed to promote the legislative  
91.4 determinations, policies, and goals set forth in section 473.371.

91.5 (b) In addition to the policy plan content requirements under subdivision 1, the policy  
91.6 plan must also establish as a primary objective an increase of the average farebox recovery  
91.7 ratio, calculated for all regular routes and lines operated by the council, to at least 40 percent  
91.8 by 2022. The plan must identify strategies to achieve the farebox recovery objective under  
91.9 this paragraph.

91.10 (c) In addition to the requirements of subdivision 1 regarding the contents of the policy  
91.11 plan, the nontransit element of the transportation chapter must include the following:

91.12 (1) a statement of the needs and problems of the metropolitan area with respect to the  
91.13 functions covered, including the present and prospective demand for and constraints on  
91.14 access to regional business concentrations and other major activity centers and the constraints  
91.15 on and acceptable levels of development and vehicular trip generation at such centers;

91.16 (2) the objectives of and the policies to be forwarded by the policy plan;

91.17 (3) a general description of the physical facilities and services to be developed;

91.18 (4) a statement as to the general location of physical facilities and service areas;

91.19 (5) a general statement of timing and priorities in the development of those physical  
91.20 facilities and service areas;

91.21 (6) a detailed statement, updated every two years, of timing and priorities for  
91.22 improvements and expenditures needed on the metropolitan highway system;

91.23 (7) a general statement on the level of public expenditure appropriate to the facilities;  
91.24 and

91.25 (8) a long-range assessment of air transportation trends and factors that may affect airport  
91.26 development in the metropolitan area and policies and strategies that will ensure a  
91.27 comprehensive, coordinated, and timely investigation and evaluation of alternatives for  
91.28 airport development.

91.29 (d) The council shall develop the nontransit element in consultation with the transportation  
91.30 advisory board and the Metropolitan Airports Commission and cities having an airport  
91.31 located within or adjacent to its corporate boundaries. The council shall also take into



92.1 consideration the airport development and operations plans and activities of the commission.  
 92.2 The council shall transmit the results to the state Department of Transportation.

92.3 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following  
 92.4 final enactment and applies to all future updates to the plan. This section applies in the  
 92.5 counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

50.1 Sec. 2. Minnesota Statutes 2016, section 473.388, subdivision 2, is amended to read:

50.2 Subd. 2. **Replacement service; eligibility.** (a) The council may provide assistance under  
 50.3 the program to a statutory or home rule charter city or town or combination thereof, that:

50.4 ~~(a)~~ (1) is located in the metropolitan transit taxing district;

50.5 ~~(b)~~ (2) is not served by the council bus service or is served only with council bus routes  
 50.6 which begin or end within the applying city or town or combination thereof; and

50.7 ~~(c)~~ (3) has fewer than four scheduled runs of council bus service during off-peak hours  
 50.8 as defined by the Metropolitan Council.

50.9 (b) Eligible cities or towns or combinations thereof may apply on behalf of a transit  
 50.10 operator with whom they propose to contract for service.

50.11 (c) The council may not provide assistance under this section to a statutory or home rule  
 50.12 charter city or town unless:

50.13 (1) the city or town;

50.14 (i) was receiving assistance under Minnesota Statutes 1982, section 174.265, by July 1,  
 50.15 1984;

50.16 (ii) had submitted an application for assistance under that section by July 1, 1984; or

50.17 (iii) had submitted a letter of intent to apply for assistance under that section by July 1,  
 50.18 1984, and submits an application for assistance under this section by July 1, 1988. A statutory  
 50.19 or home rule charter city or town has an additional 12-month extension if it notified the  
 50.20 former regional transit board before July 1, 1988, that the city or town is in the process of  
 50.21 completing a transportation evaluation study that includes an assessment of the local transit  
 50.22 needs of the city or town; or

50.23 (2) the city or town submits an application for assistance under this section between July  
 50.24 1, 2017, and December 31, 2017.

92.6 Sec. 94. Minnesota Statutes 2016, section 473.388, subdivision 4, is amended to read:

92.7 Subd. 4. **Financial assistance.** (a) The council must grant the requested financial  
 92.8 assistance if it determines that the proposed service is intended to replace the service to the  
 92.9 applying city or town or combination thereof by the council and that the proposed service  
 92.10 will meet the needs of the applicant at least as efficiently and effectively as the existing  
 92.11 service.

92.12 (b) The minimum amount of assistance which the council must provide to a system  
 92.13 under this section may not be less than the sum of the amounts ~~determined~~ calculated for  
 92.14 each ~~municipality comprising the system as follows:~~ of the replacement service  
 92.15 municipalities.

92.16 (c) The minimum amount of financial assistance for each replacement service  
 92.17 municipality is calculated as:

92.18 (1) an amount equal to 4.3 percent of the total state revenues generated from the taxes  
 92.19 imposed under chapter 297B for the current fiscal year; times

92.20 (2) the ratio of (i) the transit operating assistance grants received under this subdivision  
 92.21 by the municipality in calendar year 2001 or the tax revenues for transit services levied by  
 92.22 the municipality for taxes payable in 2001, including that portion of the levy derived from  
 92.23 the areawide pool under section 473F.08, subdivision 3, clause (a), plus the portion of the  
 92.24 municipality's aid under Minnesota Statutes 2002, section 273.1398, subdivision 2,  
 92.25 attributable to the transit levy; times (2) the ratio of (i) an amount equal to 3.74 percent of  
 92.26 the state revenues generated from the taxes imposed under chapter 297B for the current  
 92.27 fiscal year to (ii) the total transit operating assistance grants received under this subdivision  
 92.28 in calendar year 2001 or the tax revenues for transit services levied by all replacement  
 92.29 service municipalities under this section for taxes payable in 2001, including that portion  
 92.30 of the levy derived from the areawide pool under section 473F.08, subdivision 3, clause  
 92.31 (a), plus the portion of homestead and agricultural credit aid under Minnesota Statutes 2002,  
 92.32 section 273.1398, subdivision 2, attributable to nondebt transit levies; times

93.1 (3) the ratio of (i) the municipality's total taxable market value for taxes payable in 2006  
 93.2 divided by the municipality's total taxable market value for taxes payable in 2001, to (ii)  
 93.3 the total taxable market value of all property located in replacement service municipalities  
 93.4 for taxes payable in 2006 divided by the total taxable market value of all property located  
 93.5 in replacement service municipalities for taxes payable in 2001.

93.6 (c) The council shall pay the amount to be provided to the recipient from the funds the  
93.7 council receives in the metropolitan area transit account under section 16A.88.

93.8 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following  
93.9 final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,  
93.10 Scott, and Washington.

93.11 Sec. 95. Minnesota Statutes 2016, section 473.39, is amended by adding a subdivision to  
93.12 read:

93.13 Subd. 6. **Limitation on certain debt obligations.** The council is prohibited from issuing  
93.14 certificates of participation, certificates of indebtedness, bonds, or other obligations secured  
93.15 in whole or in part by a pledge of motor vehicle sales tax revenue received under sections  
93.16 16A.88 and 297B.09, or by a pledge of any earnings from the council's investment of motor  
93.17 vehicle sales tax revenues.

93.18 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following  
93.19 final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,  
93.20 Scott, and Washington.

93.21 Sec. 96. **[473.3985] LEGISLATIVE APPROVAL OF LIGHT RAIL PROJECTS.**

93.22 Notwithstanding any law to the contrary, a responsible authority, as defined in section  
93.23 473.3993, subdivision 4, is prohibited from spending any money to study, plan, design, or  
93.24 construct a light rail line, or expand an existing light rail transit line, unless the legislature  
93.25 has explicitly authorized the particular project.

93.26 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following  
93.27 final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,  
93.28 Scott, and Washington.

94.1 Sec. 97. Minnesota Statutes 2016, section 473.3994, is amended by adding a subdivision  
94.2 to read:

94.3 Subd. 15. **Project development requirements; colocation.** The council must establish  
94.4 standards and criteria for colocation of freight rail and light rail transit on shared track or  
94.5 on adjacent track in a shared rail corridor that apply to light rail transit project development.  
94.6 The standards and criteria must:

- 94.7 (1) identify colocation safety criteria based on the results of an independent audit and  
94.8 review, which must be analyzed in an environmental impact statement for each applicable  
94.9 light rail transit project;
- 94.10 (2) incorporate substantially similar safety standards for a light rail transit project as  
94.11 established by the Federal Railroad Administration for freight rail, including but not limited  
94.12 to those pertaining to engineering, track-work planning, track safety, inspections, training  
94.13 and operations, routing, emergency preparedness, and signage and warning systems;
- 94.14 (3) prohibit operation of a train carrying oil or other hazardous substances through a  
94.15 light rail transit project construction work zone;
- 94.16 (4) specify project design elements to address safety considerations resulting from  
94.17 colocation;
- 94.18 (5) account for project costs resulting from colocation safety considerations; and
- 94.19 (6) for adjacent track in a shared corridor, provide for sufficient track spacing separation  
94.20 to ensure the likelihood of impacts on operations on a track due to derailment of a train on  
94.21 the adjacent track is minimized.
- 94.22 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following  
94.23 final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,  
94.24 Scott, and Washington.
- 94.25 Sec. 98. Minnesota Statutes 2016, section 473.3994, is amended by adding a subdivision  
94.26 to read:
- 94.27 **Subd. 16. Project development requirements; alternatives and benefits analysis.** (a)  
94.28 As part of light rail transit project development and prior to initiating an environmental  
94.29 analysis or preliminary engineering, the responsible authority must perform an alternatives  
94.30 and benefits analysis.
- 94.31 (b) In addition to any other information or requirements, the alternatives and benefits  
94.32 analysis must:
- 95.1 (1) include (i) a no-build option; and (ii) options for each major transit mode, including  
95.2 but not limited to regular route bus service, arterial bus rapid transit, highway bus rapid  
95.3 transit, express bus service, and dedicated busway;
- 95.4 (2) evaluate capacity adequacy and congestion impacts under each option;

95.5 (3) include a comprehensive benefit-cost analysis; and

95.6 (4) review conformity with the transportation policy plan under section 473.146.

95.7 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following  
 95.8 final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,  
 95.9 Scott, and Washington.

50.25 Sec. 3. Minnesota Statutes 2016, section 473.4051, subdivision 2, is amended to read:

50.26 Subd. 2. **Operating costs.** (a) After operating revenue and federal money have been  
 50.27 ~~used to pay for light rail transit operations,~~ 50 percent of the remaining operating costs for  
 50.28 a light rail transit line must be paid by the state if:

50.29 (1) the light rail transit line is in revenue operations as of the effective date of this section;  
 50.30 or

51.1 (2) a law is enacted on or after the effective date of this section making an appropriation  
 51.2 that (i) is from state sources, (ii) specifies the light rail transit project, and (iii) is for a portion  
 51.3 of project capital costs.

51.4 (b) For a light rail transit line that does not meet the requirements in paragraph (a), all  
 51.5 operating and ongoing capital maintenance costs must be paid from nonstate sources.

51.6 (c) For purposes of this subdivision, a light rail transit extension that adds additional  
 51.7 stops is a separate project or light rail transit line.

51.8 **EFFECTIVE DATE; APPLICABILITY.** This section is effective the day following  
 51.9 final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,  
 51.10 Scott, and Washington.

95.10 Sec. 99. Minnesota Statutes 2016, section 473.4051, subdivision 3, is amended to read:

95.11 Subd. 3. **Capital costs.** State money may not be used to pay more than ten percent of  
 95.12 the total capital cost of a light rail transit project. The council and a local governmental unit  
 95.13 must not specify or estimate state sources of funds in financial planning for the capital cost  
 95.14 of a light rail transit project, unless funds have been specifically made available by law for  
 95.15 the project.

95.16 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following  
 95.17 final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,  
 95.18 Scott, and Washington.

95.19 Sec. 100. **[473.4052] RIGHTS-OF-WAY USE; CONTRACTS.**

95.20 (a) The council or a metropolitan county, or public entity contracting with the council  
 95.21 or county, may contract with a railroad that is a class I, class II, or class III railroad under  
 95.22 federal law for the joint or shared use of right-of-way for light rail transit and freight rail  
 95.23 purposes or for the construction, operation, or maintenance of rail track, facilities, or services  
 95.24 for light rail transit and freight rail purposes.

95.25 (b) Notwithstanding any law to the contrary, a contract under paragraph (a) may also  
 95.26 provide for the allocation of financial responsibility, indemnification, and the procurement  
 95.27 of insurance for the parties for all types of claims or damages.

95.28 (c) Notwithstanding any law to the contrary, a class I, class II, or class III railroad  
 95.29 operating pursuant to a contract under this section has the same limits to liability for all  
 95.30 types of claims or damages as provided to a municipality under sections 466.04 and 466.06,  
 95.31 in an action arising from or related to an incident:

96.1 (1) occurring within the joint or shared use of right-of-way; and

96.2 (2) involving both freight rail and light rail transit.

96.3 (d) A contract entered into under this section does not affect rights of employees under  
 96.4 the federal Employers' Liability Act (1908) (Railroads), Statutes at Large, volume 35, chapter  
 96.5 149, or the federal Railway Labor Act, Statutes at Large, volume 44, chapter 347.

96.6 **EFFECTIVE DATE.** This section is effective on the date that the council enters into  
 96.7 a full funding grant agreement with the Federal Transit Administration for construction of  
 96.8 a light rail transit line or line extension, excluding an agreement entered into prior to the  
 96.9 date of enactment of this act. This section applies in the counties of Anoka, Carver, Dakota,  
 96.10 Hennepin, Ramsey, Scott, and Washington.

97.8 Sec. 102. **CORRIDORS OF COMMERCE PROJECT SELECTION.**

97.9 Notwithstanding the requirements of Minnesota Statutes, section 161.088, subdivisions  
 97.10 3 to 5, the commissioner of transportation must include that segment of marked U.S. Highway  
 97.11 212 from Chaska to Montevideo as an eligible highway in the next project solicitation and  
 97.12 selection process undertaken for the corridors of commerce program under that section.

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

97.14 Sec. 103. **DRIVER'S LICENSE AGENT IN NEW BRIGHTON.**

97.15 (a) The commissioner of public safety must revise the appointment of the city of New  
97.16 Brighton as a driver's license agent to provide authority to operate as a full-service driver  
97.17 licensing office located in New Brighton city hall. This paragraph applies notwithstanding:  
97.18 (1) Minnesota Statutes, section 171.061; (2) requirements under Minnesota Rules, part  
97.19 7404.0300, subpart 3; and (3) procedures for county board appointment of a driver's license  
97.20 agent, including under Minnesota Rules, part 7404.0350. All other provisions regarding the  
97.21 appointment and operation of a driver's license agent under Minnesota Statutes, section  
97.22 171.061, and Minnesota Rules, chapter 7404, apply.

97.23 (b) The commissioner must make the appointment under this section within two weeks  
97.24 of receipt of an appointment application pursuant to the commissioner's procedures under  
97.25 Minnesota Rules.

97.26 Sec. 104. **TRANSPORTATION POLICY PLAN UPDATE.**

97.27 By December 31, 2017, the Metropolitan Council must revise the transportation policy  
97.28 plan under Minnesota Statutes, section 473.146, subdivision 3.

97.29 **EFFECTIVE DATE.** This section is effective the day following final enactment and  
97.30 applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

98.1 Sec. 105. **REQUIREMENTS FOR CERTAIN LIGHT RAIL TRANSIT PROJECTS.**

98.2 Subject to approval as provided under Minnesota Statutes, section 473.3985, the  
98.3 requirements established under Minnesota Statutes, section 473.3994, subdivisions 15 and  
98.4 16, apply to any light rail transit construction or expansion project that is in project  
98.5 development, including but not limited to design or engineering, as of the effective date of  
98.6 this section.

98.7 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following  
98.8 final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,  
98.9 Scott, and Washington.

98.10 Sec. 106. **ELECTRONIC STORAGE STANDARDS.**

98.11 On or before August 1, 2017, the commissioner of public safety must establish standards  
98.12 for the conversion by deputy registrars and driver's license agents to secure electronic storage  
98.13 of certain records under Minnesota Statutes, sections 168.33, subdivision 2, and 171.061,

76.23 Sec. 17. **DRIVER'S LICENSE AGENT IN NEW BRIGHTON.**

76.24 (a) The commissioner of public safety must revise the appointment of the city of New  
76.25 Brighton as a driver's license agent to provide authority to operate as a full-service driver  
76.26 licensing office located in New Brighton city hall. This paragraph applies notwithstanding:  
76.27 (1) Minnesota Statutes, section 171.061, subdivision 2; (2) requirements under Minnesota  
76.28 Rules, part 7404.0300, subpart 3; and (3) procedures for county board appointment of a  
76.29 driver's license agent, including under Minnesota Rules, part 7404.0350. All other provisions  
76.30 regarding the appointment and operation of a driver's license agent under Minnesota Statutes,  
76.31 section 171.061, and Minnesota Rules, chapter 7404, apply.

77.1 (b) The commissioner must make the appointment under this section within two weeks  
77.2 of receipt of an appointment application pursuant to the commissioner's procedures under  
77.3 Minnesota Rules.

98.14 subdivision 3. The standards must specify minimum system security requirements, as well  
 98.15 as any procedural requirements for the destruction of existing and new paper-based records,  
 98.16 consistent with the requirements of Minnesota Statutes, section 138.17. The authority to  
 98.17 establish or amend standards under this section expires August 1, 2018.

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

98.19 Sec. 107. **RULE CHANGE ON SCHOOL BUS OPERATION.**

98.20 The commissioner of public safety must amend Minnesota Rules, part 7470.1000, subpart  
 98.21 2, so that it is consistent with Minnesota Statutes, section 169.443, subdivision 2, using the  
 98.22 good cause procedure under Minnesota Statutes, section 14.388.

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

98.24 Sec. 108. **CONVEYANCE OF LAND; TOWN OF WILMA.**

98.25 (a) Upon receipt of \$100, the commissioner of transportation shall convey by quitclaim  
 98.26 deed the following described property and improvements thereon, owned by the state, to  
 98.27 the town of Wilma in Pine County, to be used by the Duxbury Volunteer Fire Department:

98.28 That part of the Southwest Quarter of the Southeast Quarter of Section 8, Township 42  
 98.29 North, Range 17 West, Pine County, Minnesota, described as follows: Beginning at a point  
 98.30 on the south line of said Section 8, distant 1,318.35 feet West to the southeast corner thereof;  
 98.31 thence North along the east line of said Southwest Quarter of the Southeast Quarter for 300  
 99.1 feet; thence West for 200 feet; thence South for 300 feet to the south line of said Section 8;  
 99.2 thence East along said south line to the point of beginning.

99.3 (b) The conveyance under this section must be in a form approved by the attorney general.  
 99.4 The attorney general may make changes to the land description to correct errors and ensure  
 99.5 accuracy.

99.6 Sec. 109. **CONVEYANCE FOR HISTORICAL PURPOSES; MCKINSTRY**  
 99.7 **SURPLUS LANDS.**

99.8 (a) Notwithstanding any other law to the contrary, the commissioner may convey as  
 99.9 provided in Minnesota Statutes, section 161.44, land described in paragraph (b), including  
 99.10 any improvements on the lands, owned in fee by the state for trunk highway purposes, but  
 99.11 no longer needed, to the Minnesota Historical Society for historical purposes. The conveyance  
 99.12 must be without financial consideration. The lands conveyed must become a part of the  
 99.13 state's historic sites program under Minnesota Statutes, chapter 138.

42.9 Sec. 38. **CONVEYANCE FOR HISTORICAL PURPOSES; MCKINSTRY SURPLUS**  
 42.10 **LANDS.**

42.11 (a) Notwithstanding any other law to the contrary, the commissioner may convey as  
 42.12 provided in Minnesota Statutes, section 161.44, land described in paragraph (b), including  
 42.13 any improvements on the lands, owned in fee by the state for trunk highway purposes, but  
 42.14 no longer needed, to the Minnesota Historical Society for historical purposes. The conveyance  
 42.15 must be without financial consideration. The lands conveyed must become a part of the  
 42.16 state's historic sites program under Minnesota Statutes, chapter 138.



99.14 (b) The lands that may be conveyed are specifically related to the properties of the  
 99.15 McKinstry Mounds and portions of the McKinstry Village site owned by the Department  
 99.16 of Transportation, located along Trunk Highway 11 in Koochiching County.

99.17 Sec. 110. **DEPARTMENT OF TRANSPORTATION CONTRACT CANCELLATION**  
 99.18 **AND LOAN FORGIVENESS.**

99.19 The commissioner of transportation must provide loan forgiveness for the \$4,300,000  
 99.20 remaining balance on Contract No. 82799, originally executed with the Minnesota Valley  
 99.21 Regional Rail Authority on January 28, 2002, and must cancel all future payments under  
 99.22 the contract. The commissioner is prohibited from requiring or accepting additional payments  
 99.23 under Contract No. 82799 as of the effective date of this section.

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

99.25 Sec. 111. **DEPARTMENT OF TRANSPORTATION EFFICIENCIES.**

99.26 (a) In fiscal years 2018 and 2019, the commissioner of transportation must implement  
 99.27 efficiencies, including as identified by the Transportation Strategic Management and  
 99.28 Operations Advisory Task Force report under Laws 2008, chapter 152, article 6, section 9,  
 99.29 equal to at least 15 percent of the appropriations made in this act to the commissioner from  
 99.30 the trunk highway fund in fiscal years 2018 and 2019 that are above base appropriations  
 99.31 for those years.

100.1 (b) The efficiency savings resulting from the requirements in paragraph (a) are for the  
 100.2 construction, maintenance, or rehabilitation of trunk highways, including roads and bridges.

100.3 Sec. 112. **MARKED TRUNK HIGHWAY 316 SAFETY IN HASTINGS;**  
 100.4 **MORATORIUM AND REPORT.**

100.5 Subdivision 1. **Speed limit moratorium.** The commissioner of transportation is  
 100.6 prohibited from adjusting or requiring adjustment to the speed limit on marked Trunk  
 100.7 Highway 316, known as Red Wing Boulevard, from the intersection with marked U.S.  
 100.8 Highway 61 to Tuttle Drive, in the city of Hastings. The prohibition in this subdivision does  
 100.9 not apply to (1) a local road authority that is authorized to adjust a speed limit without a  
 100.10 traffic and engineering study as provided in Minnesota Statutes, section 169.14; or (2)  
 100.11 establishment of a work zone speed limit under Minnesota Statutes, section 169.14,  
 100.12 subdivision 5d.

100.13 Subd. 2. **Legislative report.** (a) By March 1, 2018, the commissioner of transportation  
 100.14 must submit a report on roadway safety on the segment of marked Trunk Highway 316  
 100.15 specified in subdivision 1 to the members and staff of the legislative committees with

42.17 (b) The lands that may be conveyed are specifically related to the properties of the  
 42.18 McKinstry Mounds and portions of the McKinstry Village site owned by the Department  
 42.19 of Transportation, located along Trunk Highway 11 in Koochiching County.

44.15 Sec. 43. **MARKED TRUNK HIGHWAY 316 SPEED LIMIT IN HASTINGS;**  
 44.16 **MORATORIUM AND REPORT.**

44.17 Subdivision 1. **Moratorium.** The commissioner of transportation is prohibited from  
 44.18 adjusting or requiring adjustment to the speed on marked Trunk Highway 316, known as  
 44.19 Red Wing Boulevard, from the intersection with marked U.S. Highway 61 to Tuttle Drive,  
 44.20 in the city of Hastings. The prohibition in this subdivision does not apply to (1) a local road  
 44.21 authority that is authorized to adjust a speed limit without a traffic and engineering study  
 44.22 as provided in Minnesota Statutes, section 169.14; or (2) establishment of a work zone speed  
 44.23 limit under Minnesota Statutes, section 169.14, subdivision 5d.

44.24 Subd. 2. **Legislative report.** (a) By March 1, 2018, the commissioner of transportation  
 44.25 must submit a report on speed limits in the segment of marked Trunk Highway 316 specified  
 44.26 in subdivision 1, to the chairs and ranking minority members of the legislative committees

- 100.16 jurisdiction over transportation policy and finance. As part of developing the report, the  
 100.17 commissioner must hold at least two hearings at locations within the city of Hastings.
- 100.18 (b) At a minimum, the report must review road design and other safety issues on the  
 100.19 segment, identify options for safety improvements, provide details on the decision making  
 100.20 process for proposed speed limit adjustments, summarize and respond to comments from  
 100.21 the hearings required under paragraph (a), and include copies of recent traffic and engineering  
 100.22 studies on adjusting speed limits in Hastings.
- 100.23 **EFFECTIVE DATE.** This section is effective retroactively from January 1, 2017.
- 100.24 Sec. 113. **MARKED INTERSTATE HIGHWAY 35 WEIGH STATION;**  
 100.25 **MORATORIUM AND REPORT.**
- 100.26 Subdivision 1. **Weigh station moratorium.** On or before February 1, 2018, the  
 100.27 commissioner of transportation is prohibited from designing, engineering, or constructing  
 100.28 a motor vehicle weigh station for the southbound direction of travel on marked Interstate  
 100.29 Highway 35, between the marked Interstate Highways 35W/35E split and two miles northerly  
 100.30 of the split.
- 100.31 Subd. 2. **Legislative report.** By February 1, 2018, the commissioner of transportation  
 100.32 must submit a report on weigh station access and traffic safety on the segment of marked  
 101.1 Interstate Highway 35 identified in subdivision 1 to the members and staff of the legislative  
 101.2 committees with jurisdiction over transportation policy and finance. At a minimum, the  
 101.3 report must include analysis of traffic safety impacts resulting from motor vehicle departures  
 101.4 from the proposed weigh station that proceed southerly on marked Interstate Highways 35E  
 101.5 or 35W.
- 101.6 **EFFECTIVE DATE.** This section is effective the day following final enactment.
- 101.7 Sec. 114. **DEFICIENT BRIDGE WEIGHT LIMITS; STUDY AND ANALYSIS.**
- 101.8 (a) By November 15, 2017, the commissioner of transportation must complete a study  
 101.9 and analysis of posted weight limits on state and local bridges to identify deficient bridges  
 101.10 in those geographic regions of the state where fluid milk is transported from points of  
 101.11 production to points of first processing. The study and analysis must:
- 101.12 (1) identify bridges with posted weight limits;

- 44.27 with jurisdiction over transportation policy and finance. As part of developing the report,  
 44.28 the commissioner must hold at least two hearings at a location within the city of Hastings  
 44.29 regarding proposed speed limit adjustments. This report shall be made within existing funds.
- 44.30 (b) At a minimum, the report must provide details on the decision making process for  
 44.31 proposed speed limit adjustments, summarize and respond to comments from the hearings  
 45.1 required under paragraph (a), and include copies of recent traffic and engineering studies  
 45.2 on adjusting speed limits in Hastings.
- 45.3 **EFFECTIVE DATE.** This section is effective retroactively from January 1, 2017.

- 101.13 (2) review the vehicle weight limits under Minnesota Statutes, chapter 169, including  
 101.14 Minnesota Statutes, section 169.8295, relative to bridge posting standards;
- 101.15 (3) analyze vehicle routing considerations for transportation of fluid milk; and
- 101.16 (4) include geographic mapping information that is made available to milk haulers, milk  
 101.17 processing facilities, local road authorities, and other interested stakeholders.
- 101.18 (b) Upon request by the commissioner, local road authorities must provide information  
 101.19 on bridges under their respective jurisdictions in a timely manner.
- 101.20 **EFFECTIVE DATE.** This section is effective the day following final enactment.
- 101.21 Sec. 115. **TRUNK HIGHWAY 65 IMPROVEMENT STUDY.**
- 101.22 (a) The commissioner of transportation must perform a study of congestion and safety  
 101.23 improvements on marked Trunk Highway 65 from northerly of Anoka County Highway  
 101.24 10 to Anoka County State-Aid Highway 116, known as Bunker Lake Boulevard, in Blaine  
 101.25 and Ham Lake. At a minimum, the study must:
- 101.26 (1) analyze current and projected traffic congestion;
- 101.27 (2) analyze impacts to freight transportation;
- 101.28 (3) evaluate options and identify cost estimates to reduce congestion in the corridor; and
- 101.29 (4) evaluate options and identify cost estimates for congestion reduction and safety  
 101.30 improvements at Anoka County State-Aid Highway 12, known as 109th Avenue.
- 102.1 (b) The commissioner must submit a copy of the study to the members and staff of the  
 102.2 legislative committees with jurisdiction over transportation policy and finance.
- 102.3 Sec. 116. **INTERSTATE 94/494/694 INTERCHANGE IMPROVEMENT STUDY.**
- 102.4 The commissioner of transportation must conduct a safety improvement and congestion  
 102.5 relief study for the interchange of marked Interstate Highways 94, 494, and 694 in the cities  
 102.6 of Oakdale and Woodbury. At a minimum, the study must: (1) provide specific  
 102.7 recommendations to improve the safety of the interchange and reduce congestion at the  
 102.8 interchange and on associated arterial roads; and (2) include cost estimates for each  
 102.9 recommended improvement. The commissioner must report the findings and

- 43.16 Sec. 40. **INTERSTATE 94/494/694 INTERCHANGE SAFETY IMPROVEMENT**  
 43.17 **AND CONGESTION RELIEF STUDY.**

- 43.18 The commissioner of transportation must conduct a safety improvement and congestion  
 43.19 relief study for the interchange of signed Interstate Highways 94, 494, and 694 in the cities  
 43.20 of Oakdale and Woodbury. At a minimum, the study must (1) provide specific  
 43.21 recommendations to improve the safety of the interchange and reduce congestion at the  
 43.22 interchange and on associated arterial roads, and (2) include cost estimates for each  
 43.23 recommended improvement. The commissioner must report the findings and

102.10 recommendations of the study to the legislative committees having jurisdiction over  
 102.11 transportation policy and finance within 180 days after the effective date of this section.

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

102.13 Sec. 117. **HIGHWAY CONSTRUCTION COSTS AND COST INFLATION STUDY.**

102.14 (a) The commissioner of transportation must enter into an agreement with an organization  
 102.15 or entity having relevant expertise to conduct a study on highway construction costs, inflation,  
 102.16 and cost estimating. The study must be designed to identify and analyze the nature of  
 102.17 discrepancies in highway construction costs and cost inflation estimates between Minnesota  
 102.18 and other federal and national measures.

102.19 (b) At a minimum, the study must:

102.20 (1) include an overview of highway construction cost and cost estimation issues;

102.21 (2) establish benchmarks to compare costs in Minnesota to at least four other states that  
 102.22 are comparable based on climate and construction characteristics, including historical  
 102.23 state-by-state review of at least the following cost factors: (i) direct input costs associated  
 102.24 with highway construction, (ii) cost impacts from construction standards and requirements  
 102.25 established in law, and (iii) cost impacts from use of alternative methods of contracting and  
 102.26 project management;

102.27 (3) identify factors specific to Minnesota, if any, that contribute to cost differences,  
 102.28 based on the benchmarks established in clause (2);

102.29 (4) evaluate the methodology used for highway construction cost calculation and indexing  
 102.30 in Minnesota, including (i) review of associated best practices, (ii) comparison of federal  
 102.31 and Minnesota state highway construction cost index methodologies utilizing historical cost  
 102.32 data for Minnesota, (iii) identification of the reasons for any past discrepancies or differences  
 103.1 between state and federal highway construction cost indexing, and (iv) analysis of the  
 103.2 historical accuracy of the Minnesota highway construction cost index compared to actual  
 103.3 costs; and

103.4 (5) provide specific recommendations for road authorities and legislative changes to  
 103.5 reduce highway construction costs.

43.24 recommendations of the study to the chairs and ranking minority members of the senate  
 43.25 and house of representatives committees having jurisdiction over transportation policy and  
 43.26 finance within 180 days after the effective date of this section.

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

42.20 Sec. 39. **HIGHWAY CONSTRUCTION COSTS STUDY.**

42.21 Subdivision 1. **Construction costs study; report.** (a) The commissioner of transportation  
 42.22 must enter into an agreement to conduct a study with an organization or entity having  
 42.23 relevant expertise.

42.24 (b) At a minimum, the study must include:

42.25 (1) an overview of highway construction cost issues;

42.26 (2) comparison of costs in Minnesota relative to other states and regions;

42.27 (3) identification of factors specific to Minnesota, if any, that contribute to cost  
 42.28 differences;

42.29 (4) evaluation of the methodology used for highway construction cost calculation and  
 42.30 indexing in Minnesota, including review of associated best practices; and

43.1 (5) specific recommendations for road authorities and legislative changes to reduce  
 43.2 highway construction costs.

103.6 (c) By February 15, 2018, the commissioner must submit a report on the study to the  
 103.7 members and staff of the legislative committees with jurisdiction over transportation policy  
 103.8 and finance.

103.9 **Sec. 118. VIBRATION SUSCEPTIBILITY STUDY ON CALHOUN ISLES**  
 103.10 **PROPERTY.**

103.11 (a) Within 21 days from the effective date of this act, the Metropolitan Council must  
 103.12 enter into a contract with an engineering group for the engineering group to conduct a  
 103.13 vibration susceptibility study on Calhoun Isles property, including the high-rise building,  
 103.14 townhomes, and parking ramp. The study must:

103.15 (1) evaluate the susceptibility of the Calhoun Isles property to vibration during  
 103.16 construction and during operations of a light rail train;

103.17 (2) categorize the Calhoun Isles property based on the susceptibility evaluation; and

103.18 (3) address mitigation measures and operational changes required to protect the Calhoun  
 103.19 Isles property from vibratory damage.

103.20 (b) The Calhoun Isles Condominium Association must select the engineering group and  
 103.21 notify the Metropolitan Council of the selection within seven days from the effective date  
 103.22 of this act. The Metropolitan Council must bear the entire cost of the study.

103.23 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following  
 103.24 final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,  
 103.25 Scott, and Washington.

103.26 **Sec. 119. REPORT ON DEDICATED FUND EXPENDITURES.**

43.3 (c) By February 15, 2018, the commissioner must submit a report on the study to the  
 43.4 chairs and ranking minority members of the senate and house of representatives committees  
 43.5 with jurisdiction over transportation policy and finance.

43.6 **Subd. 2. Project cost comparison report.** By February 15, 2018, the commissioner of  
 43.7 transportation must report to the chairs and ranking minority members of the senate and  
 43.8 house of representatives committees and divisions with jurisdiction over transportation  
 43.9 policy and finance comparing the estimated cost of projects and the actual cost of projects.  
 43.10 The report must include all projects completed in whole or in part by MnDOT from July 1,  
 43.11 2007, to July 1, 2017. For each project, the report must list the estimated cost of the project  
 43.12 prior to starting the project and the total actual cost for the project after completion. For  
 43.13 each project, if the actual cost was less than the estimated cost, the report must explain how  
 43.14 the excess funds were expended.

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

54.1 **Sec. 5. VIBRATION SUSCEPTIBILITY STUDY ON CALHOUN ISLES**  
 54.2 **PROPERTY.**

54.3 Within 21 days of the effective date of this act, the Metropolitan Council must enter into  
 54.4 a contract with an engineering group for the engineering group to conduct a vibration  
 54.5 susceptibility study on Calhoun Isles property, including the high-rise building, townhomes,  
 54.6 and parking ramp. The study must:

54.7 (1) evaluate the susceptibility of the Calhoun Isles property to vibration during  
 54.8 construction and during operations of a light rail train;

54.9 (2) categorize the Calhoun Isles property based on the susceptibility evaluation; and

54.10 (3) address mitigation measures and operational changes required to protect the Calhoun  
 54.11 Isles property from vibratory damage.

54.12 The Calhoun Isles Condominium Association must select the engineering group and notify  
 54.13 the Metropolitan Council of the selection within seven days of the effective date of this act.  
 54.14 The Metropolitan Council must bear the entire cost of the study.

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

103.27 By February 15, 2018, the commissioners of transportation and public safety, in  
 103.28 consultation with the commissioner of management and budget, must jointly submit a report  
 103.29 to the members and staff of the legislative committees with jurisdiction over transportation  
 103.30 finance. The report must update the information required in the report under Laws 2015,  
 103.31 chapter 75, article 2, section 56, including a detailed list of expenditures and transfers from  
 104.1 the trunk highway fund and highway user tax distribution fund for fiscal years 2014 through  
 104.2 2018, and information on the purpose of each expenditure.

104.3 Sec. 120. **LEGISLATIVE ROUTE NO. 123 REMOVED.**

104.4 (a) Minnesota Statutes, section 161.115, subdivision 54, is repealed effective the day  
 104.5 after the commissioner of transportation receives a copy of the agreement between the  
 104.6 commissioner and the governing body of Le Sueur County to transfer jurisdiction of  
 104.7 Legislative Route No. 123 and after the commissioner notifies the revisor of statutes under  
 104.8 paragraph (b).

104.9 (b) The revisor of statutes shall delete the route identified in paragraph (a) from Minnesota  
 104.10 Statutes when the commissioner of transportation sends notice to the revisor electronically  
 104.11 or in writing that the conditions required to transfer the route have been satisfied.

104.12 Sec. 121. **LEGISLATIVE ROUTE NO. 225 REMOVED.**

104.13 (a) Minnesota Statutes, section 161.115, subdivision 156, is repealed effective the day  
 104.14 after the commissioner of transportation receives a copy of the agreement between the  
 104.15 commissioner and the governing body of Becker County to transfer jurisdiction of Legislative  
 104.16 Route No. 225 and after the commissioner notifies the revisor of statutes under paragraph  
 104.17 (b).

104.18 (b) The revisor of statutes shall delete the route identified in paragraph (a) from Minnesota  
 104.19 Statutes when the commissioner of transportation sends notice to the revisor electronically  
 104.20 or in writing that the conditions required to transfer the route have been satisfied.

43.28 Sec. 41. **LEGISLATIVE ROUTE NO. 123 REMOVED.**

43.29 (a) Minnesota Statutes, section 161.115, subdivision 54, is repealed effective the day  
 43.30 after the commissioner of transportation receives a copy of the agreement between the  
 43.31 commissioner and the governing body of Le Sueur County to transfer jurisdiction of  
 44.1 Legislative Route No. 123 and after the commissioner notifies the revisor of statutes under  
 44.2 paragraph (b).

44.3 (b) The revisor of statutes must delete the route identified in paragraph (a) from Minnesota  
 44.4 Statutes when the commissioner of transportation sends notice to the revisor electronically  
 44.5 or in writing that the conditions required to transfer the route have been satisfied.

44.6 Sec. 42. **LEGISLATIVE ROUTE NO. 225 REMOVED.**

44.7 (a) Minnesota Statutes, section 161.115, subdivision 156, is repealed effective the day  
 44.8 after the commissioner of transportation receives a copy of the agreement between the  
 44.9 commissioner and the governing body of Becker County to transfer jurisdiction of Legislative  
 44.10 Route No. 225 and after the commissioner notifies the revisor of statutes under paragraph  
 44.11 (b).

44.12 (b) The revisor of statutes must delete the route identified in paragraph (a) from Minnesota  
 44.13 Statutes when the commissioner of transportation sends notice to the revisor electronically  
 44.14 or in writing that the conditions required to transfer the route have been satisfied.

41.18 Sec. 37. **ACTIVE TRANSPORTATION PROGRAM RECOMMENDATIONS.**

41.19 (a) By October 1, 2017, the Advisory Committee on Nonmotorized Transportation under  
 41.20 Minnesota Statutes, section 174.37, must develop and submit recommendations to the  
 41.21 commissioner of transportation regarding the project evaluation and selection processes  
 41.22 under Minnesota Statutes, section 174.38, subdivision 7.

41.23 (b) The advisory committee is encouraged to consult with representatives from the  
 41.24 Bicycle Alliance of Minnesota; Minnesota Chamber of Commerce; Metropolitan Council  
 41.25 Transportation Accessibility Advisory Committee; Minnesota Department of Transportation

41.26 district area transportation partnerships; organizations representing elderly populations;  
 41.27 public health organizations with experience in active transportation; the Minnesota State  
 41.28 Council on Disability and other Minnesota state councils and commissions, including the  
 41.29 Council on Asian-Pacific Minnesotans, the Minnesota Council on Latino Affairs, the Council  
 41.30 for Minnesotans of African Heritage, the Minnesota Indian Affairs Council, the Office on  
 42.1 the Economic Status of Women, and the Cultural and Ethnic Communities Leadership  
 42.2 Council; and other stakeholders with expertise in equitable active transportation.

42.3 (c) In its next annual report under Minnesota Statutes, section 174.37, subdivision 4, the  
 42.4 advisory committee must include a summary of the recommendations under this section  
 42.5 and submit a copy of the report to the chairs and ranking minority members of the legislative  
 42.6 committees with jurisdiction over transportation policy and finance. The report is subject  
 42.7 to Minnesota Statutes, section 3.195.

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

45.14 Sec. 45. **REPORT BY COMMISSIONER OF TRANSPORTATION ON MNPASS**  
 45.15 **LANES.**

45.16 On or before January 2, 2018, the commissioner of transportation must report to the  
 45.17 chairs and ranking minority members of the senate and house of representatives committees  
 45.18 and divisions with jurisdiction over transportation policy and finance concerning MnPASS  
 45.19 lanes to reduce congestion and raise revenue. The report must be prepared with existing  
 45.20 appropriations. At a minimum, the report must:

45.21 (1) for each lane, state the capital costs, maintenance and repair costs, and operation  
 45.22 costs;

45.23 (2) for each lane, indicate the current condition and the projected life expectancy;

45.24 (3) for each lane, list and explain the cost recovery ratio;

45.25 (4) list the amounts of the deposit of revenues made each year since pursuant to Minnesota  
 45.26 Statutes, section 160.93, subdivisions 2 and 2a, including a breakdown of deposits for each  
 45.27 lane for each year the lane has been in existence;

45.28 (5) list the cost to participate in the MnPASS program, broken down by each year a lane  
 45.29 has been in existence;

45.30 (6) for each lane, list the total number of users, including a breakdown of the total number  
 45.31 of each type of user; and

- 46.1 (7) provide an explanation of how MnPASS lane regulations are enforced.
- 46.2 **EFFECTIVE DATE.** This section is effective the day following final enactment.
- 46.3 Sec. 46. **REPORT BY COMMISSIONER OF TRANSPORTATION ON TOLLING.**
- 46.4 On or before January 2, 2018, the commissioner of transportation must report to the  
46.5 chairs and ranking minority members of the senate and house of representatives committees  
46.6 and divisions with jurisdiction over transportation policy and finance concerning expanding  
46.7 the use of tolling in Minnesota in order to reduce congestion and raise revenue. The report  
46.8 must be prepared with existing appropriations. At a minimum, the report must:
- 46.9 (1) summarize current state and federal laws that affect the use of tolling in this state;
- 46.10 (2) identify any federal pilot projects for which this state is eligible to participate;
- 46.11 (3) discuss the feasibility and cost of expanding use of tolling, the possibility of private  
46.12 investment in toll roads, and projected costs and cost recovery in establishing, operating,  
46.13 and maintaining toll roads;
- 46.14 (4) review tolling models and technology options;
- 46.15 (5) summarize the experience of other states that have widely implemented tolling;
- 46.16 (6) identify and evaluate the feasibility of toll implementation for specific corridors;
- 46.17 (7) project the likely range of revenues that could be generated by wider implementation  
46.18 of tolling and identify the percentage of revenues that are projected to be paid by nonresidents  
46.19 of the state;
- 46.20 (8) discuss options for use of tolling revenue and measures to ensure compliance with  
46.21 laws governing operation of toll roads and use of revenues;
- 46.22 (9) recommend and discuss possible ways to reduce cost to Minnesotans, such as tax  
46.23 deductions or credits, or types of discounts; and
- 46.24 (10) provide recommendations for needed statutory or rule changes that would facilitate  
46.25 wider implementation of tolling and achieve maximum revenues for the state and equity  
46.26 for its residents.



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

47.1 **Sec. 47. REPORT BY COMMISSIONER OF TRANSPORTATION ON**  
47.2 **TURNBACKS.**

47.3 (a) By February 15, 2018, the commissioner of transportation must report to the chairs  
47.4 and ranking minority members of the senate and house of representatives committees having  
47.5 jurisdiction over transportation policy and finance concerning turnbacks. At a minimum,  
47.6 the report must include:

47.7 (1) a current list of proposed turnback projects, including a description of each segment  
47.8 of highway that is to be turned back; a description of the restoration work to be completed;  
47.9 estimated cost of restoration work; to which entity the highway will be turned back; and  
47.10 the total estimated cost related to all aspects of the turnback;

47.11 (2) the amount that the commissioner of transportation anticipates will be needed for  
47.12 turnbacks during the next two fiscal years and a list of the turnbacks that will be accomplished  
47.13 with the anticipated funds;

47.14 (3) a description of the turnback process, including an explanation of how turnback  
47.15 projects are selected; and

47.16 (4) for each of the past five years:

47.17 (i) the amount of money that accrued to the county turnback account and to the municipal  
47.18 turnback account;

47.19 (ii) a description of each segment of highway that was restored and turned back, including  
47.20 what restoration work was completed; total cost of restoration work; to which entity the  
47.21 highway was turned back; and the total cost related to all aspects of the turnback; and

47.22 (iii) the amount of surplus funds, if any, that were transferred to the county state-aid  
47.23 highway fund or to the municipal state-aid street fund pursuant to Minnesota Statutes, section  
47.24 161.084.

47.25 (b) By February 15, 2019, and each year thereafter, the commissioner of transportation  
47.26 must report to the chairs and ranking minority members of the senate and house of  
47.27 representatives committees having jurisdiction over transportation policy and finance  
47.28 concerning turnbacks. At a minimum, the report must include:

47.29 (1) a current list of proposed turnback projects, including a description of each segment  
47.30 of highway that is to be turned back; a description of the restoration work to be completed;

- 47.31 estimated cost of restoration work; to which entity the highway will be turned back; and  
47.32 the total estimated cost related to all aspects of the turnback;
- 48.1 (2) the amount that the commissioner of transportation anticipates will be needed for  
48.2 turnbacks during the next two fiscal years and a list of the turnbacks that will be accomplished  
48.3 with the anticipated funds; and
- 48.4 (3) for the past calendar year, a description of each segment of highway that was restored  
48.5 and turned back, including what restoration work was completed; total cost of restoration  
48.6 work; to which entity the highway was turned back; and the total cost related to all aspects  
48.7 of the turnback.
- 48.8 **EFFECTIVE DATE.** This section is effective the day following final enactment.
- 48.9 **Sec. 48. SAFETY IMPROVEMENT PROJECT AT THE INTERSECTION OF**  
48.10 **HIGHWAY 55 AND WILKIN COUNTY ROAD 19.**
- 48.11 (a) By September 1, 2017, the commissioner of transportation must report to the chairs  
48.12 and ranking minority members of the senate and house of representatives committees and  
48.13 divisions with jurisdiction over transportation policy and finance concerning the issue of  
48.14 trucks stopping on Wilkin County Road 19 between Highway 55 and the railroad tracks  
48.15 north of Highway 55. The commissioner must identify project options that would allow  
48.16 trucks to safely stop at this intersection, including an option to add a turn lane on County  
48.17 Road 19. For each identified project, the commissioner must include an estimated cost and  
48.18 the estimated time to complete the project. In preparing the report, the commissioner must  
48.19 consult with the Minn-Dak Farmers Cooperative, the city of Nashua, the town of Champion,  
48.20 and Wilkin County.
- 48.21 (b) Within 14 days after submitting the report required in paragraph (a), the commissioner  
48.22 must convene a working group consisting of the commissioner and one representative from  
48.23 each of the following: Minn-Dak Farmers Cooperative, Nashua city council, Champion  
48.24 town board, and Wilkin County board. The working group must consider the options  
48.25 identified in the report submitted pursuant to paragraph (a). If the working group reaches  
48.26 consensus on a proposed option, MnDOT must pursue that option.
- 48.27 (c) If the working group does not reach a consensus by January 1, 2018, the commissioner  
48.28 must (1) design and construct a turn lane on the north side of the intersection of Wilkin  
48.29 County Road 19 with Highway 55, or (2) install a four-way traffic light at the intersection.  
48.30 The project must be designed so that a school bus or semitrailer is able to stop at the  
48.31 intersection without extending into cross-traffic or over the railroad tracks.

49.1 (d) The commissioner must begin planning and construction of a project required in this  
 49.2 section during the 2018 construction season. A project required under this section must be  
 49.3 completed with the existing funds allocated for the district.

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

51.11 Sec. 4. **METRO MOBILITY ENHANCEMENT TASK FORCE.**

51.12 Subdivision 1. **Task force established.** A Metro Mobility Enhancement Task Force is  
 51.13 established to examine options to enhance Metro Mobility program service under Minnesota  
 51.14 Statutes, section 473.386. The goal of the task force is to partner with taxi services and  
 51.15 transportation network companies, as defined in Minnesota Statutes, section 65B.472,  
 51.16 subdivision 1, paragraph (e), to increase program service levels and efficiency.

51.17 Subd. 2. **Membership.** (a) The task force consists of the following members:

51.18 (1) one representative from Metro Mobility, appointed by the Metropolitan Council;

51.19 (2) one elected official from each metropolitan county, as defined in Minnesota Statutes,  
 51.20 section 473.121, subdivision 4, each of whom must be from a district or unit of government  
 51.21 that is located within the Metro Mobility service area, appointed by the respective county  
 51.22 board in consultation with cities in that county;

51.23 (3) at least one and no more than three individuals representing transportation network  
 51.24 companies, as defined in Minnesota Statutes, section 65B.472, subdivision 1, appointed as  
 51.25 provided under paragraph (b);

51.26 (4) at least one and no more than three individuals representing taxi service providers,  
 51.27 appointed as provided in paragraph (c);

51.28 (5) one representative appointed by the Transportation Accessibility Advisory Committee  
 51.29 established under Minnesota Statutes, section 473.375, subdivision 9a;

51.30 (6) one representative appointed by the Council on Disability;

51.31 (7) one individual appointed by the Association of Residential Resources of Minnesota;

52.1 (8) one individual, who must reside in a metropolitan county, appointed by the Best  
 52.2 Choice Alliance; and

- 52.3 (9) one individual appointed by the Center for Transportation Studies at the University  
52.4 of Minnesota.
- 52.5 (b) An interested transportation network company may appoint no more than one person  
52.6 as a task force member. Appointment under this paragraph is on a first-come, first-appointed  
52.7 basis by written notification to the Metropolitan Council.
- 52.8 (c) An interested taxi service provider may appoint no more than one person as a task  
52.9 force member. Appointment under this paragraph is on a first-come, first-appointed basis  
52.10 by written notification to the Metropolitan Council.
- 52.11 Subd. 3. **Task force duties.** (a) The task force must evaluate the Metro Mobility program,  
52.12 which must include but is not limited to analysis of customer service, program costs and  
52.13 expenditures, service coverage area and hours, reservation and scheduling, and buses and  
52.14 equipment.
- 52.15 (b) The task force must analyze approaches to improve Metro Mobility program service  
52.16 by using partnerships with transportation network companies. At a minimum, the analysis  
52.17 must consider:
- 52.18 (1) geographic service areas of transportation network companies;
- 52.19 (2) demand responsiveness and service levels of transportation network companies;
- 52.20 (3) the share of trips in which specially equipped vehicles that comply with the Americans  
52.21 with Disabilities Act are necessary;
- 52.22 (4) technology accessibility for Metro Mobility customers;
- 52.23 (5) liability considerations; and
- 52.24 (6) integration of billing systems of transportation network companies with current Metro  
52.25 Mobility fare collection.
- 52.26 (c) The task force must analyze approaches to improve Metro Mobility program service  
52.27 by incorporating the use of taxi service. At a minimum, the analysis must consider:
- 52.28 (1) availability of taxi service throughout the Metro Mobility service area;
- 52.29 (2) demand responsiveness and service levels of taxi services;

- 52.30 (3) the share of trips in which specially equipped vehicles that comply with the Americans  
 52.31 with Disabilities Act are necessary;
- 53.1 (4) technology accessibility for Metro Mobility customers;
- 53.2 (5) liability considerations;
- 53.3 (6) options for contracting with taxi providers or other methods of billing for taxi rides;  
 53.4 and
- 53.5 (7) the potential to use taxi service to provide an enhanced service option where riders  
 53.6 pay a higher fare than other users of Metro Mobility Services.
- 53.7 (d) The task force must review proposals and models for incorporating transportation  
 53.8 network companies and taxi service providers into transit systems in other service areas.
- 53.9 Subd. 4. **Administration.** (a) Each appointing entity under subdivision 2 must make  
 53.10 appointments and notify the Metropolitan Council by August 1, 2017.
- 53.11 (b) The Metropolitan Council representative appointed to the task force must convene  
 53.12 the initial meeting of the task force no later than September 1, 2017. At the initial meeting,  
 53.13 the members of the task force must elect a chair or cochairs from among the task force  
 53.14 members.
- 53.15 (c) Upon request of the task force, the council must use existing resources to provide  
 53.16 data, information, meeting space, and administrative services.
- 53.17 (d) Members of the task force serve without compensation or payment of expenses.
- 53.18 (e) The task force may accept gifts and grants, which are accepted on behalf of the state  
 53.19 and constitute donations to the Metropolitan Council. Funds received under this paragraph  
 53.20 are appropriated to the Metropolitan Council for purposes of the task force.
- 53.21 Subd. 5. **Legislative report.** (a) By February 15, 2018, the task force must submit a  
 53.22 report to the chairs and ranking minority members of the legislative committees with  
 53.23 jurisdiction over transportation policy and finance.
- 53.24 (b) At a minimum the report must:
- 53.25 (1) summarize the work of the task force and its findings;

104.21 Sec. 122. **REVISOR'S INSTRUCTION.**

104.22 The revisor of statutes shall recodify (1) Minnesota Statutes, section 115A.908, as  
 104.23 Minnesota Statutes, section 168A.295; and (2) Minnesota Statutes, section 174.93, as  
 104.24 Minnesota Statutes, section 473.4485. The revisor shall correct any cross-references made  
 104.25 necessary by the recodifications.

104.26 Sec. 123. **LEGISLATIVE ROUTE NO. 101 REMOVED; REPEALER.**

104.27 Minnesota Statutes 2016, section 161.115, subdivision 32, is repealed.

104.28 Sec. 124. **REPEALER.**

104.29 (a) Minnesota Statutes 2016, sections 169.4502, subdivision 5; and 473.4051, subdivision  
 104.30 2, are repealed.  
 105.1 (b) Minnesota Rules, parts 8810.0800, subpart 3; and 8810.1300, subpart 4, are repealed.

53.26 (2) describe the current Metro Mobility program;

53.27 (3) identify at least three potential service level approaches that involve partnering with  
 53.28 and incorporating transportation network companies, taxi service providers, or both; and

53.29 (4) provide any recommendations for program and legislative changes.

53.30 Subd. 6. **Expiration.** The task force under this section expires February 15, 2018, or  
 53.31 upon submission of the report required under subdivision 5, whichever is earlier.

49.5 Sec. 49. **REPEALER.**

49.6 (a) Minnesota Statutes 2016, sections 160.262, subdivision 2; 160.265; 160.266,  
 49.7 subdivisions 1 and 2; and 161.115, subdivision 32, are repealed.

49.8 (b) Minnesota Rules, parts 8810.6000; 8810.6100; 8810.6300; 8810.6400; 8810.6500;  
 49.9 8810.6600; 8810.6700; 8810.6800; 8810.6900; 8810.7000; 8810.9910; 8810.9911;  
 49.10 8810.9912; and 8810.9913, are repealed.