

CHAPTER 75--S.F.No. 1647

An act relating to transportation; establishing a budget for transportation; appropriating money for transportation, including Department of Transportation, Metropolitan Council, and Department of Public Safety activities; amending various provisions governing transportation policy and finance; establishing an account; requiring reports; amending Minnesota Statutes 2014, sections 13.69, subdivision 1; 16E.15, subdivision 2; 117.036, subdivisions 2, 4; 160.20, subdivision 4; 160.27, by adding a subdivision; 161.231; 161.321, subdivisions 2a, 2c, 4; 162.07, subdivision 1a; 168.013, subdivisions 1d, 1g; 168.053, subdivision 1; 168.1299, subdivision 1; 168.33, subdivision 7; 168A.07, by adding a subdivision; 168D.06; 169.18, subdivision 12; 169.475, subdivision 2; 169.49; 169.782, subdivisions 1, 2, 4; 169.798, subdivision 4; 169.81, by adding a subdivision; 169.87, subdivision 6; 173.02, by adding a subdivision; 173.15; 174.40, by adding a subdivision; 219.76; 219.761; 221.031, by adding a subdivision; 221.605, by adding a subdivision; 222.50, subdivision 7; 299A.465, subdivisions 2, 5, by adding subdivisions; 299D.085, subdivision 2; 299D.09; 360.305, subdivision 4; 473.146, subdivision 4; Laws 2009, chapter 158, section 10, as amended; Laws 2014, chapter 312, article 10, section 11, subdivision 2; article 11, section 3; proposing coding for new law in Minnesota Statutes, chapters 160; 162; 299F; repealing Minnesota Statutes 2014, section 299E.02.

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

ARTICLE 1**TRANSPORTATION APPROPRIATIONS****Section 1. SUMMARY OF APPROPRIATIONS.**

The amounts shown in this section summarize direct appropriations by fund made in this act, and do not have legal effect.

	<u>2016</u>		<u>2017</u>		<u>Total</u>
<u>General</u>	\$ 139,347,000	\$	135,792,000	\$	275,139,000
<u>Airports</u>	25,109,000		25,109,000		50,218,000
<u>C.S.A.H.</u>	670,768,000		698,495,000		1,369,263,000
<u>M.S.A.S.</u>	170,743,000		178,141,000		348,884,000
<u>Special Revenue</u>	61,475,000		62,210,000		123,685,000
<u>H.U.T.D.</u>	2,192,000		2,213,000		4,405,000
<u>Trunk Highway</u>	1,673,708,000		1,672,006,000		3,345,714,000
<u>Total</u>	\$ 2,743,342,000	\$	2,773,966,000	\$	5,517,308,000

Sec. 2. TRANSPORTATION APPROPRIATIONS.

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the trunk highway fund, or another named fund, and are available for the fiscal years indicated for each purpose. Amounts for "Total Appropriation" and sums shown in the corresponding columns marked "Appropriations by Fund" are summary only and do not have legal effect. The figures "2016" and "2017" used in this article mean that the appropriations listed under

them are available for the fiscal year ending June 30, 2016, or June 30, 2017, respectively. "The first year" is fiscal year 2016. "The second year" is fiscal year 2017. "The biennium" is fiscal years 2016 and 2017.

APPROPRIATIONS
Available for the Year
Ending June 30
2016 **2017**

Sec. 3. **DEPARTMENT OF TRANSPORTATION**

Subdivision 1. **Total Appropriation** \$ **2,488,269,000** \$ **2,496,573,000**

Appropriations by Fund

	<u>2016</u>	<u>2017</u>
General	44,115,000	21,058,000
Airports	25,109,000	25,109,000
C.S.A.H.	670,768,000	698,495,000
M.S.A.S.	170,743,000	178,141,000
Trunk Highway	1,577,534,000	1,573,770,000

The amounts that may be spent for each purpose are specified in the following subdivisions.

Subd. 2. **Multimodal Systems**

(a) **Aeronautics**

(1) **Airport Development and Assistance** 19,798,000 19,798,000

This appropriation is from the state airports fund and must be spent according to Minnesota Statutes, section 360.305, subdivision 4.

The base appropriation in each of fiscal years 2018 and 2019 is \$14,298,000.

Notwithstanding Minnesota Statutes, section 16A.28, subdivision 6, this appropriation is available for five years after appropriation. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

(2) **Aviation Support and Services** 6,661,000 6,661,000

Appropriations by Fund

	<u>2016</u>	<u>2017</u>
Airports	5,311,000	5,311,000
Trunk Highway	1,350,000	1,350,000

\$80,000 in each year is from the state airports fund for the Civil Air Patrol.

The base appropriation from the trunk highway fund in fiscal year 2018 is \$1,479,000 and in fiscal year 2019 is \$1,623,000.

(b) Transit 20,543,000 20,567,000

	<u>Appropriations by Fund</u>	
	<u>2016</u>	<u>2017</u>
General	<u>19,745,000</u>	<u>19,745,000</u>
Trunk Highway	<u>798,000</u>	<u>822,000</u>

The base appropriation from the general fund in each of fiscal years 2018 and 2019 is \$17,245,000.

The base appropriation from the trunk highway fund in fiscal year 2018 is \$846,000 and in fiscal year 2019 is \$873,000.

(c) Safe Routes to School 500,000 500,000

This appropriation is from the general fund for the safe routes to school program under Minnesota Statutes, section 174.40.

(d) Passenger Rail 500,000 500,000

This appropriation is from the general fund for passenger rail system planning, alternatives analysis, environmental analysis, design, and preliminary engineering under Minnesota Statutes, sections 174.632 to 174.636.

(e) Freight 13,445,000 5,452,000

	<u>Appropriations by Fund</u>	
	<u>2016</u>	<u>2017</u>
General	<u>8,401,000</u>	<u>256,000</u>
Trunk Highway	<u>5,044,000</u>	<u>5,196,000</u>

\$145,000 in the first year is from the general fund for a grant to the Minnesota Commercial Railway for emergency temporary repairs to approximately 6.5 miles of railroad track described as that portion of the Minnesota Commercial main running lead, between M&D Junction in White Bear Lake and the end of track in Hugo.

\$3,000,000 in the first year is from the general fund for port development assistance program grants under Minnesota Statutes, chapter 457A. Any improvements made with the proceeds of these grants

must be publicly owned. This is a onetime appropriation and is available in the second year.

\$5,000,000 in the first year is from the general fund for rail grade crossing safety improvements. This is a onetime appropriation and is available in the second year.

The base appropriation from the trunk highway fund in fiscal year 2018 is \$5,350,000 and in fiscal year 2019 is \$5,522,000.

Subd. 3. State Roads

(a) Operations and Maintenance

288,405,000

290,916,000

The base appropriation in fiscal year 2018 is \$292,140,000 and in fiscal year 2019 is \$301,545,000.

(b) Program Planning and Delivery

237,529,000

231,252,000

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

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

\$900,000 in each year is available for grants for transportation studies outside the metropolitan area to identify critical concerns, problems, and issues. These grants are available: (1) to regional development commissions; (2) in regions where no regional development commission is functioning, to joint powers boards established under agreement of two or more political subdivisions in the region to exercise the planning functions of a regional development commission; and (3) in regions where no regional development commission or joint powers board is functioning, to the department's district office for that region.

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

\$6,804,000 in the first year and \$1,000,000 in the second year are available for the purposes stated in Minnesota Statutes, section 12A.16, subdivision 2.

The base appropriation for program planning and delivery in fiscal year 2018 is \$227,004,000 and in fiscal year 2019 is \$234,331,000.

(c) State Road Construction

779,664,000

744,166,000

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

\$1,000,000 in the first year is to complete projects using funds made available to the commissioner of transportation under title XII of the American Recovery and Reinvestment Act of 2009, Public Law 111-5, and implemented under Minnesota Statutes, section 161.36, subdivision 7.

\$10,000,000 in each year is for the transportation economic development program under Minnesota Statutes, section 174.12.

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

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

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

The base appropriation for state road construction in each of fiscal years 2018 and 2019 is \$695,800,000.

(d) Highway Debt Service

197,381,000

231,199,000

\$187,881,000 the first year and \$221,699,000 the second year are for transfer to the state bond fund. If

this appropriation is insufficient to make all transfers required in the year for which it is made, the commissioner of management and budget shall transfer the deficiency amount under the statutory open appropriation, and notify the chairs and ranking minority members of the legislative committees with jurisdiction over transportation finance and the chairs of the senate Committee on Finance and the house of representatives Committee on Ways and Means of the amount of the deficiency. Any excess appropriation cancels to the trunk highway fund.

(e) Statewide Radio Communications 5,358,000 5,486,000

<u>Appropriations by Fund</u>		
	<u>2016</u>	<u>2017</u>
<u>General</u>	<u>35,000</u>	<u>3,000</u>
<u>Trunk Highway</u>	<u>5,323,000</u>	<u>5,483,000</u>

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

\$32,000 in the first year is from the general fund for a weather transmitter in Lake of the Woods County.

The base appropriation from the trunk highway fund in fiscal year 2018 is \$5,645,000 and in fiscal year 2019 is \$5,826,000.

Subd. 4. Local Roads

(a) County State-Aid Roads 670,768,000 698,495,000

This appropriation is from the county state-aid highway fund under Minnesota Statutes, section 161.081, and chapter 162, and is available until spent.

If the commissioner of transportation determines that a balance remains in the county state-aid highway fund following the appropriations and transfers made in this paragraph, and that the appropriations made are insufficient for advancing county state-aid highway projects, an amount necessary to advance the projects, not to exceed the balance in the county state-aid highway fund, is appropriated in each year to the commissioner. Within two weeks of a determination under this contingent appropriation, the commissioner of transportation shall notify the commissioner of management and budget and the chairs and ranking

minority members of the legislative committees with jurisdiction over transportation finance concerning funds appropriated. The commissioner shall identify in the next budget submission to the legislature under Minnesota Statutes, section 16A.11, any amount that is appropriated under this paragraph.

(b) Municipal State-Aid Roads

170,743,000

178,141,000

This appropriation is from the municipal state-aid street fund under Minnesota Statutes, chapter 162, and is available until spent.

If the commissioner of transportation determines that a balance remains in the municipal state-aid street fund following the appropriations and transfers made in this paragraph, and that the appropriations made are insufficient for advancing municipal state-aid street projects, an amount necessary to advance the projects, not to exceed the balance in the municipal state-aid street fund, is appropriated in each year to the commissioner. Within two weeks of a determination under this contingent appropriation, the commissioner of transportation shall notify the commissioner of management and budget and the chairs and ranking minority members of the legislative committees with jurisdiction over transportation finance concerning funds appropriated. The commissioner shall identify in the next budget submission to the legislature under Minnesota Statutes, section 16A.11, any amount that is appropriated under this paragraph.

(c) Small Cities Assistance

12,500,000

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This appropriation is from the general fund for small cities assistance under Minnesota Statutes, section 162.145.

Subd. 5. Agency Management

(a) Agency Services

42,722,000

43,519,000

The base appropriation in fiscal year 2018 is \$44,316,000 and in fiscal year 2019 is \$45,206,000.

(b) Buildings

18,772,000

19,321,000

	<u>Appropriations by Fund</u>	
	<u>2016</u>	<u>2017</u>
<u>General</u>	<u>54,000</u>	<u>54,000</u>
<u>Trunk Highway</u>	<u>18,718,000</u>	<u>19,267,000</u>

Any money appropriated to the commissioner of transportation for building construction for any fiscal year before the first year is available to the commissioner of transportation during the biennium to the extent that the commissioner spends the money on the building construction projects for which the money was originally encumbered during the fiscal year for which it was appropriated.

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

The base appropriation from the trunk highway fund in fiscal year 2018 is \$20,031,000 and in fiscal year 2019 is \$20,885,000.

(c) Tort Claims

600,000

600,000

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

Subd. 6. Transfers

With the approval of the commissioner of management and budget, the commissioner of transportation may transfer unencumbered balances among the appropriations from the trunk highway fund and the state airports fund made in this section. No transfer may be made from the appropriations for state road construction or for debt service. Transfers under this rider may not be made between funds. Transfers under this rider must be reported immediately to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation finance.

The commissioner of transportation shall transfer from the flexible highway account in the county state-aid highway fund the entire amount in each year to the county turnback account in the county state-aid highway fund. The funds transferred are for highway turnback purposes under Minnesota Statutes, section 161.081, subdivision 3.

Subd. 7. Previous State Road Construction Appropriations

Any money appropriated to the commissioner of transportation for state road construction for any fiscal year before the first year is available to the com-

missioner during the biennium to the extent that the commissioner spends the money on the state road construction project for which the money was originally encumbered during the fiscal year for which it was appropriated.

Subd. 8. Contingent Appropriation

The commissioner of transportation, with the approval of the governor and the written approval of at least five members of a group consisting of the members of the Legislative Advisory Commission under Minnesota Statutes, section 3.30, and the ranking minority members of the legislative committees with jurisdiction over transportation finance, may transfer all or part of the unappropriated balance in the trunk highway fund to an appropriation: (1) for trunk highway design, construction, or inspection in order to take advantage of an unanticipated receipt of income to the trunk highway fund or to take advantage of federal advanced construction funding; (2) for trunk highway maintenance in order to meet an emergency; or (3) to pay tort or environmental claims. Nothing in this subdivision authorizes the commissioner to increase the use of federal advanced construction funding beyond amounts specifically authorized. Any transfer as a result of the use of federal advanced construction funding must include an analysis of the effects on the long-term trunk highway fund balance. The amount transferred is appropriated for the purpose of the account to which it is transferred.

Sec. 4. **METROPOLITAN COUNCIL**

\$ 81,626,000 \$ 101,126,000

This appropriation is from the general fund for transit system operations under Minnesota Statutes, sections 473.371 to 473.449.

Of this amount, \$27,300,000 is available through fiscal year 2018.

Of this appropriation, \$1,000,000 in each year is for financial assistance to replacement service providers under Minnesota Statutes, section 473.388, to implement a demonstration project that provides regular route transit or express bus service between municipalities in the metropolitan area, as defined in Minnesota Statutes, section 473.121, subdivision

2, excluding cities of the first class. The council may not retain any portion of funds specified in this rider. The replacement service providers shall collectively identify one or more demonstration projects for financial assistance and submit a notification of the allocation to the council. The council shall allocate the appropriated funds as directed by the replacement service providers. Criteria for evaluating and identifying demonstration projects must include but are not limited to: (1) scope of service offering improvements; (2) integration with transit facilities and major business, retail, or suburban centers; (3) extent to which a proposed route complements existing transit service; and (4) density of employment along a proposed route. This is a onetime appropriation.

Of this appropriation, \$200,000 in the first year is for grants payable by July 31, 2016, to transportation management organizations that provide services exclusively or primarily in (1) each city of the first class, as provided under section 410.01; and (2) the city having the highest population as of the effective date of this section located along the marked Interstate Highway 494 corridor. Permissible uses include administrative expenses and programming and service expansion, including but not limited to staffing, communications, outreach and education program development, and operations management. The council may not retain any portion of funds under this appropriation.

The base appropriation in each of fiscal years 2018 and 2019 is \$89,820,000.

Sec. 5. DEPARTMENT OF PUBLIC SAFETY

<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>173,447,000</u>	<u>\$</u>	<u>176,267,000</u>
	<u>Appropriations by Fund</u>			
	<u>2016</u>		<u>2017</u>	
<u>General</u>	<u>13,606,000</u>		<u>13,608,000</u>	
<u>Special Revenue</u>	<u>61,475,000</u>		<u>62,210,000</u>	
<u>H.U.T.D.</u>	<u>2,192,000</u>		<u>2,213,000</u>	
<u>Trunk Highway</u>	<u>96,174,000</u>		<u>98,236,000</u>	

The amounts that may be spent for each purpose are specified in the following subdivisions.

Subd. 2. Administration and Related Services

(a) Office of Communications 517,000 530,000

<u>Appropriations by Fund</u>		
	<u>2016</u>	<u>2017</u>
General	<u>113,000</u>	<u>115,000</u>
Trunk Highway	<u>404,000</u>	<u>415,000</u>

(b) Public Safety Support 9,035,000 9,124,000

<u>Appropriations by Fund</u>		
	<u>2016</u>	<u>2017</u>
General	<u>3,982,000</u>	<u>3,987,000</u>
H.U.T.D.	<u>1,366,000</u>	<u>1,366,000</u>
Trunk Highway	<u>3,687,000</u>	<u>3,771,000</u>

The base appropriation from the general fund in each of fiscal years 2018 and 2019 is \$3,537,000.

\$380,000 in each year is from the general fund for payment of public safety officer survivor benefits under Minnesota Statutes, section 299A.44. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

\$1,367,000 in each year is from the general fund to be deposited in the public safety officer's benefit account. This money is available for reimbursements under Minnesota Statutes, section 299A.465.

\$600,000 in each year is from the general fund and \$100,000 in each year is from the trunk highway fund for soft body armor reimbursements under Minnesota Statutes, section 299A.38.

\$450,000 in each year is from the general fund for the creation of two emergency response teams. One emergency response team must be under the jurisdiction of the St. Cloud Fire Department, or a similarly located fire department if necessary, and one emergency response team must be under the jurisdiction of the Duluth Fire Department. The commissioner shall allocate the funds as needed to facilitate the creation and maintenance of the emergency response teams. This is a onetime appropriation.

(c) Technology and Support Service 3,685,000 3,685,000

	<u>Appropriations by Fund</u>	
	<u>2016</u>	<u>2017</u>
<u>General</u>	<u>1,322,000</u>	<u>1,322,000</u>
<u>H.U.T.D.</u>	<u>19,000</u>	<u>19,000</u>
<u>Trunk Highway</u>	<u>2,344,000</u>	<u>2,344,000</u>

Subd. 3. State Patrol

(a) Patrolling Highways 81,516,000 83,121,000

	<u>Appropriations by Fund</u>	
	<u>2016</u>	<u>2017</u>
<u>General</u>	<u>154,000</u>	<u>37,000</u>
<u>H.U.T.D.</u>	<u>92,000</u>	<u>92,000</u>
<u>Trunk Highway</u>	<u>81,270,000</u>	<u>82,992,000</u>

\$858,000 from the trunk highway fund in the first year and \$117,000 from the general fund in the first year is to purchase a single-engine aircraft for the State Patrol.

(b) Commercial Vehicle Enforcement 8,023,000 8,257,000

(c) Capitol Security 8,035,000 8,147,000

This appropriation is from the general fund.

The commissioner may not: (1) spend any money from the trunk highway fund for capitol security; or (2) permanently transfer any state trooper from the patrolling highways activity to capitol security.

The commissioner may not transfer any money appropriated to the commissioner under this section: (1) to capitol security; or (2) from capitol security.

(d) Vehicle Crimes Unit 715,000 736,000

This appropriation is from the highway user tax distribution fund.

This appropriation is to investigate: (1) registration tax and motor vehicle sales tax liabilities from individuals and businesses that currently do not pay all taxes owed; and (2) illegal or improper activity related to sale, transfer, titling, and registration of motor vehicles.

Subd. 4. Driver and Vehicle Services

(a) Vehicle Services 29,818,000 30,082,000

This appropriation is from the vehicle services operating account in the special revenue fund.

\$59,000 in each year is for the creation of a Data Services Unit within the Division of Driver and Vehicle Services.

The base appropriation from the special revenue fund in each of fiscal years 2018 and 2019 is \$21,846,000.

The base appropriation from the highway user tax distribution fund in each of fiscal years 2018 and 2019 is \$8,236,000.

(b) Driver Services	<u>30,286,000</u>	<u>30,740,000</u>
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This appropriation is from the driver services operating account in the special revenue fund.

\$31,000 in each year is for the creation of a Data Services Unit within the Division of Driver and Vehicle Services.

Subd. 5. Traffic Safety	<u>446,000</u>	<u>457,000</u>
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Subd. 6. Pipeline Safety	<u>1,371,000</u>	<u>1,388,000</u>
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This appropriation is from the pipeline safety account in the special revenue fund.

Sec. 6. **APPROPRIATION CANCELLATION.**

\$29,700,000 of the appropriation under Laws 2013, chapter 117, article 1, section 4, is canceled to the general fund on the effective date of this section.

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

Sec. 7. **APPROPRIATION CANCELLATIONS.**

All unspent funds, estimated to be \$2,380,000, to provide the 20 percent local match funding required to obtain Federal Highway Administration emergency relief funds to repair local roads and bridges damaged by June 2014 flooding, under Laws 2015, chapter 2, section 3, are canceled to the general fund on June 30, 2015.

Sec. 8. **DEPARTMENT OF TRANSPORTATION; APPROPRIATION.**

\$2,380,000 is appropriated from the general fund to the commissioner of transportation in fiscal year 2016 to provide the 20 percent local match funding required to obtain Federal Highway Administration emergency relief funds to repair local roads and bridges damaged by flooding in June 2014. This is a onetime appropriation.

ARTICLE 2**TRANSPORTATION POLICY**

Section 1. Minnesota Statutes 2014, section 13.69, subdivision 1, is amended to read:

Subdivision 1. **Classifications.** (a) The following government data of the Department of Public Safety are private data:

(1) medical data on driving instructors, licensed drivers, and applicants for parking certificates and special license plates issued to physically disabled persons;

(2) other data on holders of a disability certificate under section 169.345, except that (i) data that are not medical data may be released to law enforcement agencies, and (ii) data necessary for enforcement of sections 169.345 and 169.346 may be released to parking enforcement employees or parking enforcement agents of statutory or home rule charter cities and towns;

(3) Social Security numbers in driver's license and motor vehicle registration records, except that Social Security numbers must be provided to the Department of Revenue for purposes of tax administration, the Department of Labor and Industry for purposes of workers' compensation administration and enforcement, and the Department of Natural Resources for purposes of license application administration; and

(4) data on persons listed as standby or temporary custodians under section 171.07, subdivision 11, except that the data must be released to:

(i) law enforcement agencies for the purpose of verifying that an individual is a designated caregiver; or

(ii) law enforcement agencies who state that the license holder is unable to communicate at that time and that the information is necessary for notifying the designated caregiver of the need to care for a child of the license holder.

The department may release the Social Security number only as provided in clause (3) and must not sell or otherwise provide individual Social Security numbers or lists of Social Security numbers for any other purpose.

(b) The following government data of the Department of Public Safety are confidential data: data concerning an individual's driving ability when that data is received from a member of the individual's family.

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

Sec. 2. Minnesota Statutes 2014, section 16E.15, subdivision 2, is amended to read:

Subd. 2. **Software sale fund.** (a) Except as provided in ~~paragraph~~ paragraphs (b) and (c), proceeds ~~of from~~ the sale or licensing of software products or services by the chief information officer must be credited to the MN.IT services revolving fund. If a state agency other than the Office of MN.IT Services has contributed to the development of software sold or licensed under this section, the chief information officer may reimburse the agency by discounting computer services provided to that agency.

(b) Proceeds ~~of from~~ the sale or licensing of software products or services developed by the Pollution Control Agency, or custom developed by a vendor for the agency, must be credited to the environmental fund.

(c) If the Department of Transportation develops software products or services using trunk highway funds, proceeds from the subsequent sale or licensing of the software products or services must be credited to the trunk highway fund. This paragraph also applies to software products or services custom developed by a vendor for the department using trunk highway funds.

Sec. 3. Minnesota Statutes 2014, section 117.036, subdivision 2, is amended to read:

Subd. 2. **Appraisal.** (a) Before commencing an eminent domain proceeding under this chapter for an acquisition greater than \$25,000, the acquiring authority must obtain at least one appraisal for the property proposed to be acquired. In making the appraisal, the appraiser must confer with one or more of the owners of the property, if reasonably possible. For acquisitions less than \$25,000, the acquiring authority may obtain a minimum damage acquisition report in lieu of an appraisal. In making the minimum damage acquisition report, the qualified person with appraisal knowledge must confer with one or more of the owners of the property, if reasonably possible. Notwithstanding section 13.44, the acquiring authority must provide the owner with a copy of (1) each appraisal for property acquisitions over \$25,000, or (2) the minimum damage acquisition report for properties under \$25,000, the acquiring authority has obtained for the property at the time an offer is made, but no later than 60 days before presenting a petition under section 117.055, and. The acquiring authority must also inform the owner of the right to obtain an appraisal under this section. Upon request, the acquiring authority must make available to the owner all appraisals of the property for properties over \$25,000, or the minimum damage acquisition report for properties under \$25,000. If the acquiring authority is considering both a full and partial taking of the property, the acquiring authority shall obtain and provide the owner with appraisals for both types of takings for properties over \$25,000 for both types of takings, or minimum damage acquisition reports for properties under \$25,000.

(b) The owner may obtain an appraisal by a qualified appraiser of the property proposed to be acquired. The owner is entitled to reimbursement for the reasonable costs of the appraisal from the acquiring authority up to a maximum of \$1,500 for single family and two-family residential property and minimum damage acquisitions and \$5,000 for other types of property, provided that the owner submits to the acquiring authority the information necessary for reimbursement, including a copy of the owner's appraisal, at least five days before a condemnation commissioners' hearing. For purposes of this ~~paragraph~~ subdivision, a "minimum damage acquisition" means an interest in property that a qualified person ~~with appraisal knowledge having an understanding of the local real estate market~~ indicates can be acquired for a cost of \$10,000 \$25,000 or less.

(c) The acquiring authority must pay the reimbursement to the owner within 30 days after receiving a copy of the appraisal and the reimbursement information. Upon agreement between the acquiring authority and the owner, the acquiring authority may pay the reimbursement directly to the appraiser.

Sec. 4. Minnesota Statutes 2014, section 117.036, subdivision 4, is amended to read:

Subd. 4. **Use of appraisal at commissioners' hearing.** An appraisal or minimum damage acquisition report must not be used or considered in a condemnation commissioners' hearing, nor may the appraiser who prepared the appraisal or the person who prepared the minimum damage acquisition report testify, unless a copy of the appraiser's written report or the minimum damage acquisition report is provided to the opposing party at least five days before the hearing.

Sec. 5. Minnesota Statutes 2014, section 160.20, subdivision 4, is amended to read:

Subd. 4. **Conditions.** (a) A road authority may accept applications for permits for installation of drain tile along or across the right-of-way under its jurisdiction. The road authority may adopt reasonable rules for

the installations and may require a bond before granting a permit. Permits for installation along a highway right-of-way must ensure that the length of the installation is restricted to the minimum necessary to achieve the desired agricultural benefits. A permit must not allow open trenches to be left on the right-of-way after installation of the drain tile is completed. A road authority that grants a permit for tile drain installation is not responsible for damage to that installation resulting from the action of the authority or any other permittee utilizing the right-of-way.

(b) A person who installs drain tile along or across a highway right-of-way without obtaining a permit as provided in this section is guilty of a misdemeanor.

(c) The commissioner shall take no action under this section which will result in the loss of federal aid for highway construction in the state.

(d) For the purpose of ~~this section~~ subdivisions 2 to 4, "highway" means any highway as defined in section 160.02 which is located outside the corporate limits of a home rule charter or statutory city.

Sec. 6. [160.235] TRAFFIC SIGNAL TIMING OPTIMIZATION.

(a) A road authority that has ownership of a traffic signal on a principal arterial roadway or roadway with an average daily traffic greater than 20,000 vehicles per day must complete an inventory of all traffic signals under its ownership and submit it to the Department of Transportation district engineer. The inventory must include age of all signals, control equipment, communications, detection type, timing plans in operation, and date of last timing optimization.

(b) Based on the information from the inventory, a road authority subject to paragraph (a) must develop and implement a traffic signal system optimization plan, which must include re-evaluation of traffic signal timing at least once every five years. Each road authority with a traffic signal optimization plan must annually certify compliance with its plan and submit the certification as part of its annual maintenance expenditure report.

(c) Upon request of a local road authority, the commissioner shall provide reasonable technical assistance to meet the requirements under this section.

EFFECTIVE DATE. This section is effective the day following final enactment. The initial inventory under paragraph (a) must be submitted on or before December 30, 2015.

Sec. 7. Minnesota Statutes 2014, section 160.27, is amended by adding a subdivision to read:

Subd. 10. Temporary permit for field application. (a) In connection with the use of the road right-of-way of a road authority, excluding on controlled-access highways under section 160.08, a property owner or occupant of property abutting the road right-of-way may apply for a permit for temporary placement, for up to 14 days, of a pressurized flexible force main for the transport of manure for field application.

(b) The property owner or occupant must:

(1) identify the entire length of the right-of-way for use under the permit;

(2) place the force main within the backslope of the road authority's right-of-way where possible;

(3) place pumping equipment outside the road authority's right-of-way; and

(4) meet all of the permit requirements identified by the road authority.

(c) Once the road authority has issued a permit, the property owner or occupant may install the force main over the length of the right-of-way from the permittee's property to where the manure will be applied, irrespective of whether the permittee is the owner or occupant of all property abutting the portion of the right-of-way where the force main is to be installed.

Sec. 8. Minnesota Statutes 2014, section 161.231, is amended to read:

161.231 APPROPRIATION; PROCEEDS FROM ~~LEASED~~ STATE PROPERTY.

There is appropriated annually from the fund or account in the state treasury to which the ~~rental~~ money from the sale, lease, conveyance, or disposal of state leased property is credited a sufficient amount of money to carry out the state's obligations under the provisions of sections 15.16, 117.135, 117.226, 161.16, 161.202, 161.23, subdivision 3, 161.24, 161.241, 161.43, 161.433, 161.44, 161.442, and 272.68, subdivision 3, including the inventorying, marketing, and property management activities required to sell, lease, rent, permit, convey, or otherwise dispose of the land or the interest in the land. At the discretion of the commissioner of transportation, money in the account at the end of each biennium may cancel to the trunk highway fund.

Sec. 9. Minnesota Statutes 2014, section 161.321, subdivision 2a, is amended to read:

Subd. 2a. **Small targeted group business; subcontracting goals.** (a) ~~The commissioner, as a condition of awarding a construction contract, may set goals that require the~~ for targeted group business participation in contracts. As a condition of award, the prime contractor is required to subcontract portions of the contract to small targeted group businesses. Prime contractors must demonstrate good faith efforts to meet the project goals. The commissioner shall establish a procedure for granting waivers from the subcontracting requirement when qualified small targeted group businesses are not reasonably available either meet the goal or demonstrate good faith efforts to meet the goal. The commissioner must establish a procedure for evaluating the good faith efforts of contractors that do not meet the goal. The commissioner may establish (1) financial incentives for prime contractors who exceed the goals set for the use of subcontractors under this subdivision; and (2) sanctions for prime contractors who fail to make good faith efforts to meet the goals set under this subdivision.

(b) The small targeted group business subcontracting requirements of this subdivision do not apply to prime contractors who are small targeted group businesses.

Sec. 10. Minnesota Statutes 2014, section 161.321, subdivision 2c, is amended to read:

Subd. 2c. **Veteran-owned small business; subcontracting goals.** (a) ~~The commissioner, as a condition of awarding a construction contract, may set goals that require the prime contractor to subcontract portions of the contract to veteran-owned small businesses~~ for veteran-owned small business participation in contracts, except when prohibited by federal law or rule as a condition of receiving federal funds. As a condition of award, the prime contractor must either meet the goal or demonstrate good faith efforts to meet the project goals. The commissioner shall must establish a procedure for granting waivers from the subcontracting requirement when qualified veteran-owned small businesses are not reasonably available evaluating the good faith efforts of contractors that do not meet the goal. The commissioner may establish (1) financial incentives for prime contractors who exceed the goals set for the use of subcontractors under

this subdivision; and (2) sanctions for prime contractors who ~~have not been granted a waiver and~~ fail to make good faith efforts to meet goals set under this subdivision.

(b) The subcontracting requirements of this subdivision do not apply to prime contractors who are veteran-owned small businesses.

Sec. 11. Minnesota Statutes 2014, section 161.321, subdivision 4, is amended to read:

Subd. 4. **Contract awards, limitations.** ~~Contracts awarded pursuant to this section are subject to all limitations contained in rules adopted by~~ The commissioner may elect to subject contracts awarded under this section to limitations contained in rules adopted by the commissioner of administration.

Sec. 12. Minnesota Statutes 2014, section 162.07, subdivision 1a, is amended to read:

Subd. 1a. **Apportionment sum and excess sum.** (a) For purposes of this subdivision, "distribution amount" means the amount identified in section 162.06, subdivision 1, after the deductions provided for in section 162.06 for administrative costs, disaster account, research account, and state park road account.

(b) The apportionment sum is calculated by ~~subtracting the excess sum, as calculated in paragraph (c), from~~ as 68 percent of the distribution amount.

(c) The excess sum is calculated as ~~the sum of revenue within~~ 32 percent of the distribution amount:

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

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

~~(3) attributed to that portion of the motor vehicle sales tax revenue in excess of the percentage allocated to the county state-aid highway fund in fiscal year 2007.~~

~~(d) For purposes of this subdivision, the United States Consumer Price Index identified in paragraph (c) is for all urban consumers, United States city average, as determined by the United States Department of Labor.~~

EFFECTIVE DATE. This section is effective July 1, 2015, for distribution calculations on or after that date.

Sec. 13. **[162.145] SMALL CITIES ASSISTANCE.**

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

(b) "Eligible city" means a statutory or home rule charter city that does not receive municipal state aid under sections 162.09 to 162.14 in the calendar year in which funds are distributed under this section.

(c) "Maximum aid" means 3.5 multiplied by the unweighted average amount of assistance to a city in a fiscal year.

(d) "Population" means the most recent population estimated or established as of 30 days before the date of an allocation under subdivision 4, of (i) the most recent federal census, (ii) a special census conducted under contract with the United States Bureau of the Census, (iii) a population estimate made by the Metropolitan Council pursuant to section 473.24, or (iv) a population estimate of the state demographer made pursuant to section 4A.02.

(e) "State-aid adjustment factor" means the greater of zero, or:

(1) 0.005; minus

(2) the number of lane miles of county state-aid highway in a city, divided by the total number of lane miles of county state-aid highway in all eligible cities.

(f) "Total population" means the sum of populations of all eligible cities.

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

Subd. 3. **Administration.** (a) Subject to funds made available by law, the commissioner shall allocate all funds as provided in subdivision 4 and shall notify the commissioner of revenue.

(b) Following notification from the commissioner of transportation, the commissioner of revenue shall distribute the specified funds to cities in the same manner as local government aid under chapter 477A. An appropriation to the commissioner of transportation under this section is available to the commissioner of revenue for the purposes specified in this paragraph.

(c) Notwithstanding other law to the contrary, in order to receive distributions under this section, a city must conform to the standards in section 477A.017, subdivision 2. A city that receives funds under this section must make and preserve records necessary to show that the funds are spent in compliance with subdivision 4.

Subd. 4. **Distribution formula.** (a) In each fiscal year in which funds are available under this section, the commissioner shall allocate funds to eligible cities.

(b) The preliminary aid to each city is calculated as follows:

(1) 5 percent of funds allocated equally among all eligible cities;

(2) 35 percent of funds allocated proportionally based on each city's share of lane miles of municipal streets compared to total lane miles of municipal streets of all eligible cities;

(3) 35 percent of funds allocated proportionally based on each city's share of population compared to total population of all eligible cities; and

(4) 25 percent of funds allocated proportionally based on each city's share of state-aid adjustment factor compared to the sum of state-aid adjustment factors of all eligible cities.

(c) The final aid to each city is calculated as the lesser of:

(1) the preliminary aid to the city multiplied by an aid factor; or

(2) the maximum aid.

(d) The commissioner shall set the aid factor under paragraph (c), which must be the same for all eligible cities, so that the total funds allocated under this subdivision equals the total amount available for the fiscal year.

Subd. 5. Use of funds. (a) Funds distributed under this section are available only for construction and maintenance of roads located within the city, including:

(1) land acquisition, environmental analysis, design, engineering, construction, reconstruction, and maintenance;

(2) road projects partially located within the city;

(3) projects on county state-aid highways located within the city; and

(4) cost participation on road projects under the jurisdiction of another unit of government.

(b) Except for projects under paragraph (a), clause (3), funds distributed under this section are not subject to state-aid requirements under this chapter, including but not limited to engineering standards adopted by the commissioner in rules.

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

Sec. 14. Minnesota Statutes 2014, section 168.013, subdivision 1d, is amended to read:

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

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

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

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

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

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

EFFECTIVE DATE. This section is effective the day following final enactment and applies to taxes payable for a registration period starting on or after January 1, 2016.

Sec. 15. Minnesota Statutes 2014, section 168.013, subdivision 1g, is amended to read:

Subd. 1g. **Recreational vehicle.** (a) Self-propelled recreational vehicles ~~shall~~ must be separately licensed and taxed annually on the basis of total gross weight ~~and~~. The tax ~~shall~~ must be graduated according to the Minnesota base rate schedule prescribed in subdivision 1e, but in no event less than \$20, except as otherwise provided in this subdivision.

(b) For all self-propelled recreational vehicles, the tax for the ninth and succeeding years of vehicle life ~~shall be~~ is 75 percent of the tax imposed in the Minnesota base rate schedule.

(c) Towed recreational vehicles ~~shall~~ must be separately licensed and taxed under either one of the following, as determined by the vehicle owner: (1) annually on the basis of total gross weight at 30 percent of the Minnesota base rate prescribed in subdivision 1e but ; or (2) once every three years on the basis of total gross weight at 90 percent of the Minnesota base rate prescribed in subdivision 1e, provided that the filing fee under section 168.33, subdivision 7, paragraph (a), is multiplied by three, with funds collected by the commissioner allocated proportionally in the same manner as provided in section 168.33, subdivision 7, paragraph (e). In no event is the tax under this paragraph less than \$5.

(d) Notwithstanding any law to the contrary, all trailers and semitrailers taxed pursuant to this section ~~shall be~~ are exempt from any wheelage tax now or hereafter imposed by any political subdivision or political subdivisions.

EFFECTIVE DATE. This section is effective the day following final enactment, and applies to taxes payable for a registration period starting on or after January 1, 2016.

Sec. 16. Minnesota Statutes 2014, section 168.053, subdivision 1, is amended to read:

Subdivision 1. **Application; fee; penalty.** Any person, firm, or corporation with a business located in Minnesota engaged in the business of transporting motor vehicles owned by another, by delivering, by drive-away or towing methods, either singly or by means of the full mount method, the saddle mount method, the tow bar method, or any other combination thereof, and under their own power, vehicles over the highways of the state from the manufacturer or any other point of origin, to any point of destination, within or without the state, shall make application to the registrar for a drive-away in-transit license. This application for annual license shall be accompanied by a registration fee of \$250 and contain information the registrar may require. Upon the filing of the application and the payment of the fee, the registrar shall issue to each drive-away operator a drive-away in-transit license plate, which must be carried and displayed on the power unit consistent with section 169.79 and the plate shall remain on the vehicle while being operated within Minnesota transported. The license plate issued under this subdivision is not valid for the purpose of permanent vehicle registration ~~and is not valid outside Minnesota.~~ Additional drive-away in-transit license plates desired by any drive-away operator may be secured from the registrar of motor vehicles upon the payment of a fee of \$5 for each set of additional license plates. Any person, firm, or corporation engaging in the business as a drive-away operator, of transporting and delivering by means of full mount method, the saddle mount method, the tow bar method, or any combination thereof, and under their own power, motor

vehicles, who fails or refuses to file or cause to be filed an application, as is required by law, and to pay the fees therefor as the law requires, shall be found guilty of violating the provisions of sections 168.053 to 168.057; and, upon conviction, fined not less than \$50, and not more than \$100, and all costs of court. Each day so operating without securing the license and plates as required shall constitute a separate offense.

Sec. 17. Minnesota Statutes 2014, section 168.1299, subdivision 1, is amended to read:

Subdivision 1. **Issuance.** Notwithstanding section 168.1293, the commissioner shall issue special Minnesota golf plates or a single motorcycle plate to an applicant who:

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

(2) pays a fee of \$10 and any other fees required by this chapter;

(3) contributes a minimum of \$30 annually after ~~January 1, 2017~~, to the Minnesota Section PGA Foundation account; and

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

EFFECTIVE DATE. This section is effective July 1, 2015, and applies to plates issued on or after that date.

Sec. 18. Minnesota Statutes 2014, section 168.33, subdivision 7, is amended to read:

Subd. 7. **Filing fees; allocations.** (a) In addition to all other statutory fees and taxes, a filing fee of:

(1) \$6 is imposed on every vehicle registration renewal, excluding pro rate transactions; and

(2) \$10 is imposed on every other type of vehicle transaction, including motor carrier fuel licenses under sections 168D.05 and 168D.06, and pro rate transactions.

(b) Notwithstanding paragraph (a):

(1) a filing fee may not be charged for a document returned for a refund or for a correction of an error made by the Department of Public Safety, a dealer, or a deputy registrar; and

(2) no filing fee or other fee may be charged for the permanent surrender of a title for a vehicle.

(c) The filing fee must be shown as a separate item on all registration renewal notices sent out by the commissioner.

(d) The statutory fees and taxes, and the filing fees imposed under paragraph (a) may be paid by credit card or debit card. The deputy registrar may collect a surcharge on the statutory fees, taxes, and filing fee not greater than the cost of processing a credit card or debit card transaction, in accordance with emergency rules established by the commissioner of public safety. The surcharge must be used to pay the cost of processing credit and debit card transactions.

(e) The fees collected under this subdivision by the department must be allocated as follows:

(1) of the fees collected under paragraph (a), clause (1):

(i) \$4.50 must be deposited in the vehicle services operating account; and

(ii) \$1.50 must be deposited:

(A) in the driver and vehicle services technology account until sufficient funds have been deposited in that account to cover all costs of administration, development, and initial full deployment of the driver and vehicle services information system; and

(B) after completion of the deposit of funds under subitem (A) in the vehicle services operating account; and

(2) of the fees collected under paragraph (a), clause (2):

(i) \$3.50 must be deposited in the general fund;

(ii) \$5.00 must be deposited in the vehicle services operating account; and

(iii) \$1.50 must be deposited:

(A) in the driver and vehicle services technology account until sufficient funds have been deposited in that account to cover all costs of administration, development, and initial full deployment of the driver and vehicle services information system; and

(B) after completion of the deposit of funds under subitem (A) in the vehicle services operating account.

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

Sec. 19. Minnesota Statutes 2014, section 168A.07, is amended by adding a subdivision to read:

Subd. 3. Fees. The filing fee to create a conditional registration shall conform with the fee provided in section 168.33, subdivision 7, paragraph (a), clause (3). A subsequent removal and clearing of a conditional registration is considered a separate transaction and requires payment of an additional filing fee of the same amount, provided the removal and clearing was initiated by a motor vehicle dealer licensed under section 168.27.

Sec. 20. Minnesota Statutes 2014, section 168D.06, is amended to read:

168D.06 FUEL LICENSE FEES.

License fees paid to the commissioner under the International Fuel Tax Agreement must be deposited in the vehicle services operating account in the special revenue fund under section 299A.705. The commissioner shall charge an annual fuel license fee of \$15, ~~and~~ an annual application filing fee of \$13 for quarterly reporting of fuel tax, and a reinstatement fee of \$100 to reinstate a revoked International Fuel Tax Agreement license.

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

Sec. 21. Minnesota Statutes 2014, section 169.18, subdivision 12, is amended to read:

Subd. 12. **Passing certain parked vehicles.** (a) When approaching and before passing a freeway service patrol vehicle, road maintenance vehicle, utility company vehicle, or construction vehicle with its warning lights activated that is parked or otherwise stopped on or next to a street or highway having two lanes in

the same direction, the driver of a vehicle shall safely move the vehicle to the lane farthest away from the parked or stopped vehicle, if it is possible to do so.

(b) When approaching and before passing a freeway service patrol vehicle, road maintenance vehicle, utility company vehicle, or construction vehicle with its warning lights activated that is parked or otherwise stopped on or next to a street or highway having more than two lanes in the same direction, the driver of a vehicle shall safely move the vehicle so as to leave a full lane vacant between the driver and any lane in which the vehicle is completely or partially parked or otherwise stopped, if it is possible to do so.

Sec. 22. Minnesota Statutes 2014, section 169.475, subdivision 2, is amended to read:

Subd. 2. **Prohibition on use; penalty.** (a) No person may operate a motor vehicle while using a wireless communications device to compose, read, or send an electronic message, when the vehicle is in motion or a part of traffic.

(b) A person who violates paragraph (a) a second or subsequent time must pay a fine of \$225, plus the amount specified in the uniform fine schedule established by the Judicial Council.

EFFECTIVE DATE. This section is effective August 1, 2015, and applies to violations committed on or after that date.

Sec. 23. Minnesota Statutes 2014, section 169.49, is amended to read:

169.49 HEADLAMPS.

(a) Every motor vehicle, other than a motorcycle, shall ~~must~~ be equipped with at least two headlamps, with including at least one on each side of the front of the motor vehicle, ~~which~~. Headlamps shall must comply with the requirements and limitations set forth in sections 169.47 to ~~169.79~~ 169.66.

(b) Every motorcycle shall must be equipped with at least one and not more than ~~two~~ four headlamps, which shall must comply with the requirements and limitations of sections 169.47 to ~~169.79~~ 169.66.

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

Sec. 24. Minnesota Statutes 2014, section 169.782, subdivision 1, is amended to read:

Subdivision 1. **Driver; daily inspection, report.** (a) The driver of a commercial motor vehicle shall ~~report in writing at the completion of each day's work on~~ inspect daily each commercial motor vehicle the driver has operated. A person who owns one or more commercial motor vehicles and who employs drivers for those commercial motor vehicles must require each driver to submit a written report at the completion of each day's work as required by this section. The driver of a commercial motor vehicle subject to this section is not required to prepare and submit a written report if no defect or deficiency is discovered by or reported to the driver, except that the driver of a passenger-carrying commercial motor vehicle shall prepare and submit a written report regardless of whether any defect or deficiency is discovered by or reported to the driver.

(b) The inspection and report must cover the following parts and accessories: service brakes, including trailer and semitrailer brake connections; parking (hand) brake; steering mechanism; lighting devices and reflectors; tires; horn; windshield wiper or wipers; rear vision mirror or mirrors; coupling devices; wheels and rims; and emergency equipment.

~~(b)~~ (c) The report must identify the vehicle and list any defect or deficiency discovered by or reported to the driver that would affect the safe operation of the vehicle or result in its mechanical breakdown. If no

defect or deficiency is discovered by or reported to the driver, the report must so indicate. The driver must sign the report after completing it. In the case of a commercial motor vehicle operated by two drivers, the signature of one of the drivers satisfies the requirements of this subdivision if both drivers agree concerning the defects or deficiencies. If a driver operates more than one commercial motor vehicle during a day's work, a report must be prepared for each vehicle operated.

(e) (d) Before operating or allowing the operation of a commercial motor vehicle on which a report has been prepared under this subdivision, the owner of the vehicle or the owner's agent must repair defects or deficiencies listed on the report that would likely affect the safe operation of the vehicle. Before allowing the commercial motor vehicle to be operated again, the owner or the owner's agent must certify, on the report listing the defect or deficiency, that the defect or deficiency has been corrected or that correction is unnecessary. A motor carrier must keep the original vehicle inspection report for at least three months after the date of inspection. The report must be available for inspection by an authorized federal, state, or local official at any time during this period.

(d) (e) A copy of the vehicle inspection report, including a certification of corrections resulting from the report, must be carried in the commercial motor vehicle, or in the power unit of a commercial motor vehicle combination, at all times when the vehicle or power unit is operated until the next inspection report is completed under this subdivision. The copy must be made available on demand to (1) a peace officer, (2) a person authorized under section 221.221, and (3) a person described in section 299D.06.

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

Sec. 25. Minnesota Statutes 2014, section 169.782, subdivision 2, is amended to read:

Subd. 2. **Driver; pretrip inspection.** (a) ~~Before driving~~ Prior to the first operation of a commercial motor vehicle following completion of a daily inspection report under subdivision 1, a driver must:

- (1) review the most recent vehicle inspection report on the vehicle;
- (2) determine that the vehicle is in safe operating condition; and
- (3) sign the inspection report in the vehicle.

(b) The driver shall sign the report only if all defects and deficiencies listed in the report have been certified as having been corrected or as not requiring correction.

~~(b) If the commercial motor vehicle does not contain the previous day's inspection report, the driver must make the inspection and complete the report required under subdivision 1.~~

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

Sec. 26. Minnesota Statutes 2014, section 169.782, subdivision 4, is amended to read:

Subd. 4. **Exceptions.** (a) ~~With the exception of subdivision 2, paragraph (a), clause (2),~~ This section does not apply to a commercial motor vehicle that is a farm truck that may be operated by a person not holding a commercial driver's license, provided that before driving the vehicle, a driver must determine that the vehicle is in safe operating condition.

(b) This section does not apply to a commercial motor vehicle held for resale by a motor vehicle dealer licensed under section 168.27.

(c) This section does not apply to a covered farm vehicle as defined in Code of Federal Regulations, title 49, section 390.5, that is not carrying hazardous materials of a type or quantity that requires the vehicle to be placarded in accordance with Code of Federal Regulations, title 49, section 172.504.

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

Sec. 27. Minnesota Statutes 2014, section 169.798, subdivision 4, is amended to read:

Subd. 4. ~~Attestation of Insurance information required.~~ Every owner, when applying for motor vehicle or motorcycle registration, reregistration, or transfer of ownership, must attest provide information showing that the motor vehicle or motorcycle is covered by an insurance policy. Information required under this subdivision consists of the insurance company's name, the policy number, and the policy expiration date for the subject motor vehicle or motorcycle.

EFFECTIVE DATE. This section is effective January 1, 2016, and applies to registrations, reregistrations, and transfers of ownership occurring on or after that date.

Sec. 28. Minnesota Statutes 2014, section 169.81, is amended by adding a subdivision to read:

Subd. 3f. **Length limits exclusion; aerodynamic device.** An aerodynamic device that meets the requirements under Code of Federal Regulations, title 23, section 658.16 (b)(4), is excluded from each calculation of length under subdivision 2, 3, or 3c, including (1) total vehicle length; and (2) length of a semitrailer or trailer, whether in a vehicle combination or not.

Sec. 29. Minnesota Statutes 2014, section 169.87, subdivision 6, is amended to read:

Subd. 6. **Recycling and garbage vehicles.** (a) Except as provided in paragraph (b), weight restrictions imposed under subdivisions 1 and 2 do not apply to a vehicle that does not exceed 20,000 pounds per single axle and is designed and used exclusively for recycling, while engaged in recycling in a political subdivision that mandates curbside recycling pickup.

(b) Weight restrictions imposed under subdivisions 1 and 2 do not apply to: (1) a vehicle that does not exceed 14,000 pounds per single axle and is used exclusively for recycling as described in paragraph (a); or (2) a vehicle that does not exceed 14,000 pounds per single axle and is designed and used exclusively for collecting mixed municipal solid waste, as defined in section 115A.03, subdivision 21, while engaged in such collection; or (3) a portable toilet service vehicle that does not exceed 14,000 pounds per single axle or 26,000 pounds gross vehicle weight, and is designed and used exclusively for collecting liquid waste from portable toilets, while engaged in such collection.

(c) Notwithstanding section 169.80, subdivision 1, a violation of weight restrictions imposed under subdivisions 1 and 2 by a vehicle designed and used exclusively for recycling while engaged in recycling in a political subdivision that mandates curbside recycling pickup while engaged in such collection, ~~or~~ by a vehicle that is designed and used exclusively for collecting mixed municipal solid waste as defined in section 115A.03, subdivision 21, while engaged in such collection, or by a portable toilet service vehicle that is designed and used exclusively for collecting liquid waste from portable toilets, while engaged in such collection, is not subject to criminal penalties but is subject to a civil penalty for excess weight under section 169.871.

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

Sec. 30. Minnesota Statutes 2014, section 173.02, is amended by adding a subdivision to read:

Subd. 18a. **Electronic advertising device.** (a) "Electronic advertising device" means an advertising device capable of displaying digital content that can be changed through messaging or electronic communications technology.

(b) Digital content consists of static text and images only, and does not include animation, flashing or moving lights, video, or other content having the appearance of movement.

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

Sec. 31. Minnesota Statutes 2014, section 173.15, is amended to read:

173.15 PROHIBITED ADVERTISING DEVICES.

(a) After June 8, 1971 no advertising device shall be erected or maintained:

(1) which purports to be or resembles an official traffic-control device, sign, or signal, or railroad sign or signal; or which hides from view or interferes in any material degree with the effectiveness of any traffic-control device, sign, or signal, or railroad sign or signal, or which obstructs or interferes with the driver's view of approaching, merging, or intersecting traffic for a distance not to exceed 500 feet;

(2) which prominently displays the word "stop" or "danger";

(3) which contains statements, words, or pictures of an obscene, indecent, or immoral character, or such as would offend public morals or decency;

(4) on any right-of-way of the interstate system of highways, except as otherwise provided by law or allowed by the commissioner;

(5) on private land without the consent of the owner or occupant thereof;

(6) on trees, shrubs, or which are painted or drawn upon rocks or natural features, or on public utility poles;

(7) which has distracting flashing or moving lights so designed or lighted as to be a traffic hazard;

(8) to which access can be obtained only from an interstate main-traveled way but excluding frontage roads adjacent thereto;

(9) which are structurally unsafe, are in disrepair, or are abandoned.

(b) The prohibition under paragraph (a), clause (7), does not include an electronic advertising device that changes displayed digital content no more frequently than once every six seconds.

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

Sec. 32. Minnesota Statutes 2014, section 174.40, is amended by adding a subdivision to read:

Subd. 4a. **Eligibility.** A statutory or home rule charter city, county, or town is eligible to receive funding under this section only if it has adopted subdivision regulations that require safe routes to school infrastructure in developments authorized on or after June 1, 2016.

Sec. 33. Minnesota Statutes 2014, section 219.76, is amended to read:

219.76 FIRE DAMAGE CAUSED BY ENGINE TRAIN OR CONTENTS; INSURABLE INTEREST.

A railroad ~~corporation~~ ~~owning or~~ operating a railroad in this state is responsible in damages to every person who is injured and corporation public or private entity or person whose property is injured, damaged, or destroyed by fire communicated spread directly or indirectly by the locomotive engines or rolling stock in use upon its railroad line, or contents of the rolling stock, or caused directly or indirectly by spill, tear, discharge, or combustion of train contents. Each railroad ~~corporation~~ shall have an insurable interest in the property upon the route of its railroad line and may procure insurance in its own behalf for its protection against the damages.

Sec. 34. Minnesota Statutes 2014, section 219.761, is amended to read:

219.761 EXTINGUISHING LOCOMOTIVE RESPONSE TO TRAIN-RELATED FIRE OR OTHER EMERGENCY; REIMBURSEMENT.

Subdivision 1. **Reimbursement.** (a) A railroad operating in Minnesota is liable for all reasonable expenses of ~~extinguishment when a fire or fire hazard other emergency that is proximately caused by a railroad locomotive, rolling stock or its contents, or employees on a railroad right-of-way or, operating property, or other property.~~ extinguishment when a fire or fire hazard other emergency that is proximately caused by a railroad locomotive, rolling stock or its contents, or employees on a railroad right-of-way or, operating property, or other property. ~~If the fire department of a local government or nonprofit firefighting corporation extinguishes an emergency responder, local government entity, or nonprofit firefighting corporation responds to a fire arising from one occurrence or responds to another emergency and deems that it is entitled to reimbursement for its expenses, it shall, within 60 days after the first full day after extinguishment the emergency response, give the railroad, by mail, written notice stating the circumstances of the fire or other emergency as then known. The notice may be given to the railroad at any address at which the owner has an office, agent, or other place of business in this state. The date of the mailing is the date of service of the notice. For purposes of this paragraph, reasonable response expenses include all expenses incurred by a fire department or other emergency responder in supplying mutual aid assistance, regardless of whether the fire department or emergency responder is entitled to reimbursement from the entity requesting assistance.~~

(b) ~~If after notice and claim for reimbursement, the railroad working the right-of-way refuses to reimburse the local government, or nonprofit firefighting corporation, or other emergency responders for expenses incurred, the claimant may recover by civil action reasonable expenses, costs, disbursements, and attorney's fees.~~

Subd. 2. **Information in claim.** All claims must set forth the basis of the claim including the time, date, place, and circumstances of the claim. A claim must also include an itemization of costs incurred to extinguish the fire or respond to the emergency. The state Fire Marshal, in consultation with fire department chiefs ~~and,~~ representatives of the interested railroads, representatives of local government entities, nonprofit firefighting corporations, and other emergency responders, may recommend that additional information be included in a claim.

Subd. 3. **Other costs, remedies.** (a) If the railroads are required to pay property taxes pursuant to chapter 272 or any other law, they shall also pay the fees and assessments required of property owners situated within the same political subdivision for firefighting and protection expenses.

(b) Neither the enactment of this section nor its subsequent repeal or termination alters the statutory or common law rights, duties, or obligations of railroad companies with regard to fires and other emergencies

caused directly or indirectly by a railroad locomotive, rolling stock, contents, or railroad employees on a railroad right-of-way or, operating property, or other property, or caused directly or indirectly by spill, tear, discharge, or combustion of train contents.

Sec. 35. Minnesota Statutes 2014, section 221.031, is amended by adding a subdivision to read:

Subd. 9a. Federal out-of-service order; operation prohibited. No intrastate carrier, private carrier engaged in intrastate commerce, or person providing intrastate transportation service described in section 221.025 shall operate a commercial motor vehicle in Minnesota while a motor carrier out-of-service order issued by the Federal Motor Carrier Safety Administration under Code of Federal Regulations, title 49, part 385 or 386, is in effect.

Sec. 36. Minnesota Statutes 2014, section 221.605, is amended by adding a subdivision to read:

Subd. 4. Federal out-of-service order; operation prohibited. No interstate carrier or private carrier engaged in interstate commerce shall operate a commercial motor vehicle in Minnesota while a motor carrier out-of-service order issued by the Federal Motor Carrier Safety Administration under Code of Federal Regulations, title 49, part 385 or 386, is in effect.

Sec. 37. Minnesota Statutes 2014, section 222.50, subdivision 7, is amended to read:

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

(1) to make transfers as provided under section 222.57 or to pay interest adjustments on loans guaranteed under the state rail user and rail carrier loan guarantee program;

(2) to pay a portion of the costs of capital improvement projects designed to improve rail service of a rail user or a rail carrier;

(3) to pay a portion of the costs of rehabilitation projects designed to improve rail service of a rail user or a rail carrier;

(4) to acquire, maintain, manage, and dispose of railroad right-of-way pursuant to the state rail bank program;

(5) to provide for aerial photography survey of proposed and abandoned railroad tracks for the purpose of recording and reestablishing by analytical triangulation the existing alignment of the in-place track;

(6) to pay a portion of the costs of acquiring a rail line by a regional railroad authority established pursuant to chapter 398A;

(7) to pay the state matching portion of federal grants for rail-highway grade crossing improvement projects;

(8) for expenditures made before July 1, 2017, to pay the state matching portion of grants under the federal Transportation Investment Generating Economic Recovery (TIGER) program of the United States Department of Transportation; and

(9) to fund rail planning studies; and

(10) to pay a portion of the costs of capital improvement projects designed to improve capacity or safety at rail yards.

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

Sec. 38. Minnesota Statutes 2014, section 299A.465, subdivision 2, is amended to read:

Subd. 2. **Officer or firefighter killed in line of duty.** (a) This subdivision applies when a peace officer or firefighter, or volunteer firefighter is killed while on duty and discharging the officer's or firefighter's, or volunteer firefighter's duties as a peace officer or firefighter, or volunteer firefighter.

(b) The officer's or firefighter's employer shall continue to cover the deceased officer's or firefighter's dependents, including the officer's or firefighter's spouse:

(1) if the officer or firefighter, or volunteer firefighter was receiving dependent coverage at the time of the officer's or firefighter's, or volunteer firefighter's death under the employer's group health plan; or

(2) if the officer's or firefighter's, or volunteer firefighter's spouse was not covered as a dependent at the time of the officer's or firefighter's, or volunteer firefighter's death, but at that time was eligible, or afterward becomes eligible, to be a dependent on the employer's group health plan.

(c) The employer is responsible for the employer's contribution for the coverage of the officer's or firefighter's, or volunteer firefighter's dependents. Subject to subdivision 5, paragraph (b), clause (2), coverage must continue for a dependent of the officer or firefighter for the period of time that the person is a dependent up to the age of 65, or volunteer firefighter as follows: (1) for a surviving spouse, until the surviving spouse reaches the age of 65; and (2) for each other dependent, until the dependent reaches the age of 26, except as otherwise provided in section 62L.02, subdivision 11.

EFFECTIVE DATE. This section is effective January 1, 2016, and applies to officer, firefighter, and volunteer firefighter deaths that occur on and after the effective date.

Sec. 39. Minnesota Statutes 2014, section 299A.465, is amended by adding a subdivision to read:

Subd. 2a. **Volunteer firefighter killed in line of duty.** (a) This subdivision applies when a volunteer firefighter is killed while on duty and discharging the volunteer firefighter's duties as a volunteer firefighter and the municipality or municipalities that operate the fire department did not offer a group health insurance policy to which a volunteer firefighter was eligible to subscribe.

(b) The municipality or municipalities that operate the fire department that the volunteer firefighter served with shall, until coverage terminates as provided under subdivision 2, paragraph (c), either: (1) provide health insurance coverage for the volunteer firefighter's dependents that is equivalent to the average benefit provided by the municipality or municipalities to dependents of its employees who are covered by the plan; or (2) reimburse the dependents, if the municipality or municipalities do not offer a group health insurance plan for any employees, for a minimum of 50 percent of the cost of health insurance premiums for coverage selected by the dependents.

EFFECTIVE DATE. This section is effective January 1, 2016, and applies to volunteer firefighter deaths that occur on and after the effective date.

Sec. 40. Minnesota Statutes 2014, section 299A.465, subdivision 5, is amended to read:

Subd. 5. **Definition.** For purposes of this section:

(a) "Peace officer" or "officer" has the meaning given in section 626.84, subdivision 1, paragraph (c).

(b) "Dependent" means a person who: (1) meets the definition of dependent in section 62L.02, subdivision 11, at the time of the officer's or firefighter's injury or death; a person, or at the time of the volunteer firefighter's death; and (2) is not a dependent for purposes of this section during the period of time the person is covered under another group health plan. For purposes of this section, the term "eligible employee" as defined under section 62L.02, subdivision 13, includes a volunteer firefighter.

(c) "Firefighter" has the meaning given in Minnesota Statutes 2000, section 424.03, but does not include volunteer firefighters.

(d) "Volunteer firefighter" has the meaning given in section 299N.03, subdivision 7, and includes paid per call.

(e) "Fire department" has the meaning given in section 299N.03, subdivision 4.

(f) For purposes of subdivisions 2 to 5a, "employer" includes a municipality or municipalities that operate the fire department in which a volunteer firefighter serves.

EFFECTIVE DATE. This section is effective January 1, 2016, and applies to officer and firefighter deaths that occur on and after the effective date.

Sec. 41. Minnesota Statutes 2014, section 299A.465, is amended by adding a subdivision to read:

Subd. 5a. **Minimum benefit.** Nothing in this section prohibits an employer from providing benefits to survivors of deceased volunteer firefighters that are greater than the benefits required under this section.

Sec. 42. Minnesota Statutes 2014, section 299D.085, subdivision 2, is amended to read:

Subd. 2. **Certificate.** No person may operate as an overdimensional load escort driver in this state without a certificate issued by the commissioner, or by a state with which the commissioner has entered into a reciprocal agreement. The commissioner shall assess a fee for each certificate applicant, calculated to cover the commissioner's cost of establishing and administering the program. No other certification is required to escort an overdimensional load.

Sec. 43. Minnesota Statutes 2014, section 299D.09, is amended to read:

299D.09 ESCORT SERVICE; APPROPRIATION; RECEIPTS.

(a) Fees charged for escort services provided by the State Patrol are annually appropriated to the commissioner of public safety to administer and provide these services.

(b) The fee charged for services provided by the State Patrol with a vehicle is \$79.28 an hour. The fee charged for services provided without a vehicle is \$59.28 an hour shall be set to recover actual costs as determined by the commissioner of public safety by July 1 each year.

(c) The fees charged for State Patrol flight services are \$140 an hour for a fixed wing aircraft, \$490 an hour for a helicopter, and \$600 an hour for the Queen Air in fiscal year 2012; and \$139.64 an hour for a

fixed wing aircraft, \$560.83 an hour for a helicopter, and \$454.84 an hour for the Queen Air in fiscal year 2013 and thereafter.

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

Sec. 44. **[299F.037] REPORTING FIREFIGHTER DEATHS.**

Whenever an active firefighter dies, whether or not the death is presumed to be in the line of duty, the fire chief of the deceased firefighter must report, without undue delay, the death to the state fire marshal. The notification shall identify the cause of death and contain information concerning the circumstances of the death.

Sec. 45. Minnesota Statutes 2014, section 360.305, subdivision 4, is amended to read:

Subd. 4. **Costs allocated; local contribution; hangar construction account.** ~~(a) Except as otherwise provided in this subdivision~~ Annually by June 1, the commissioner of transportation shall require as a condition of assistance by the state that the establish local contribution rates which will apply to a political subdivision, municipality, or public corporation make a substantial contribution to the cost of the construction, improvement, maintenance, or operation of the airport, in connection with which the assistance of the state is sought. These costs are referred to as project costs when applying for state or federal funding assistance to construct, improve, maintain, or operate an airport, or to acquire land for airport facilities or clear zones. If the commissioner does not establish local contribution rates by June 1, the previous rates apply.

~~(b) For any airport, whether key, intermediate, or landing strip, where only state and local funds are to be used, the contribution shall be not less than one-fifth of the sum of:~~

~~(1) the project costs;~~

~~(2) acquisition costs of the land and clear zones, which are referred to as acquisition costs. The commissioner may pay all costs beyond the local contribution. Local contribution rates shall not be less than five percent of the total cost of the activity or acquisition, except that the commissioner may require less than five percent for research projects, radio or navigational aids, activities, or acquisitions for which federal funds are available to cover more than 90 percent of the total cost, or as otherwise necessary to respond to an emergency.~~

~~(c) For any airport where federal, state, and local funds are to be used, the contribution shall not be less than five percent of the sum of the project costs and acquisition costs. The commissioner's establishment of local contribution rates is not subject to the rulemaking requirements of chapter 14.~~

~~(d) The commissioner may pay the total cost of radio and navigational aids.~~

~~(e) Notwithstanding paragraph (b) or (c), the commissioner may pay all of the project costs of a new landing strip, but not an intermediate airport or key airport, or may pay an amount equal to the federal funds granted and used for a new landing strip plus all of the remaining project costs; but the total amount paid by the commissioner for the project costs of a new landing strip, unless specifically authorized by an act appropriating funds for the new landing strip, shall not exceed \$200,000.~~

~~(f) Notwithstanding paragraph (b) or (c), the commissioner may pay all the project costs for research and development projects, including, but not limited to noise abatement; provided that in no event shall the sums expended under this paragraph exceed five percent of the amount appropriated for construction grants.~~

~~(g)~~ (d) To receive aid under this section for ~~project costs or for acquisition costs~~, the municipality must enter into an agreement with the commissioner giving assurance that the airport will be operated and maintained in a safe, serviceable manner for aeronautical purposes only for the use and benefit of the public:

(1) for 20 years after the date ~~that the municipality receives any state funds for project construction or improvement costs are received by the municipality~~; and

(2) for 99 years after the date ~~that the municipality receives any state funds for land acquisition costs are received by the municipality~~. If any land acquired with state funds ceases to be used for aviation purposes, the municipality shall repay the state airports fund the same percentage of the appraised value of the property as that percentage of the costs of acquisition and participation provided by the state to acquire the land.

The agreement may contain other conditions as the commissioner deems reasonable.

~~(h)~~ (e) The commissioner shall establish a hangar construction revolving account, which shall be used for the purpose of financing the construction of hangar buildings to be constructed by municipalities owning airports. All municipalities owning airports are authorized to enter into contracts for the construction of hangars, and contracts with the commissioner for the financing of hangar construction for an amount and period of time as may be determined by the commissioner and municipality. All receipts from the financing contracts shall be deposited in the hangar construction revolving account and are reappropriated for the purpose of financing construction of hangar buildings. ~~The commissioner may pay from the hangar construction revolving account 80 percent of the cost of financing construction of hangar buildings. For purposes of this paragraph, the construction of hangars shall include their design.~~ The commissioner shall transfer up to \$4,400,000 from the state airports fund to the hangar construction revolving account.

~~(i)~~ (f) The commissioner may ~~pay a portion of the purchase price of any~~ contribute to costs incurred by any municipality for airport maintenance and operations, safety equipment, and of the actual airport snow removal costs incurred by any municipality. ~~The portion to be paid by the state shall not exceed two-thirds of the cost of the purchase price or snow removal. To receive aid a municipality must enter into an agreement of the type referred to in paragraph (g).~~

~~(j)~~ (g) This subdivision applies only to project costs or acquisition costs of municipally owned airports incurred after June 1, 1971.

Sec. 46. Minnesota Statutes 2014, section 473.146, subdivision 4, is amended to read:

Subd. 4. **Transportation planning.** (a) The Metropolitan Council is the designated planning agency for any long-range comprehensive transportation planning required by section 134 of the Federal Highway Act of 1962, Section 4 of Urban Mass Transportation Act of 1964 and Section 112 of Federal Aid Highway Act of 1973 and other federal transportation laws. The council shall assure administration and coordination of transportation planning with appropriate state, regional and other agencies, counties, and municipalities.

(b) The council shall establish an advisory body consisting of citizens and representatives of municipalities, counties, and state agencies in fulfillment of the planning responsibilities of the council. The membership of the advisory body must consist of:

- (1) the commissioner of transportation or the commissioner's designee;
- (2) the commissioner of the Pollution Control Agency or the commissioner's designee;
- (3) one member of the Metropolitan Airports Commission appointed by the commission;

- (4) one person appointed by the council to represent nonmotorized transportation;
- (5) one person appointed by the commissioner of transportation to represent the freight transportation industry;
- (6) two persons appointed by the council to represent public transit;
- (7) ten elected officials of cities within the metropolitan area, including one representative from each first-class city, appointed by the Association of Metropolitan Municipalities;
- (8) one member of the county board of each county in the seven-county metropolitan area, appointed by the respective county boards;
- (9) eight citizens appointed by the council, one from each council precinct; ~~and~~
- (10) one elected official from a city participating in the replacement service program under section 473.388, appointed by the Suburban Transit Association; and
- (11) one member of the council, appointed by the council.

(c) The council shall appoint a chair from among the members of the advisory body.

EFFECTIVE DATE. This section is effective the day following final enactment, and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 47. Laws 2009, chapter 158, section 10, as amended by Laws 2012, chapter 287, article 3, section 56, and Laws 2014, chapter 255, section 20, is amended to read:

Sec. 10. **EFFECTIVE DATE.**

Sections 2 and 3 are effective August 1, 2009, ~~and the amendments made in sections 2 and 3 to Minnesota Statutes, sections 169.011 and 169.045, expire July 31, 2015.~~

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

Sec. 48. Laws 2014, chapter 312, article 10, section 11, subdivision 2, is amended to read:

Subd. 2. **Evaluation of response preparedness and funding.** By January 15, 2017, the commissioner of public safety shall submit an evaluation of safety preparedness and funding related to incidents involving transportation of oil and other hazardous materials to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation and public safety policy and finance. At a minimum, the evaluation must:

- (1) provide an update to the report under subdivision 1 that identifies notable changes and provides updated information as appropriate;
- (2) analyze preparedness and impacts to public safety from ethanol transportation by rail, which must provide the same information with respect to ethanol as is required for oil under subdivision 1, clauses (1) to (3) and (6);
- (3) evaluate the effectiveness of training and response preparedness activities under Minnesota Statutes, section 299A.55, using the criteria established under subdivision 1, clause (5);

~~(3)~~ (4) identify current sources of funds, funding levels, and any unfunded needs for preparedness activities;

(4) (5) analyze equity in the distribution of funding sources for preparedness activities, which must include but is not limited to (i) examination of the public-private partnership financing model, and (ii) review of balance across industries involved in storage and distribution of oil; and

~~(5)~~ (6) make recommendations for any programmatic or legislative changes.

Sec. 49. Laws 2014, chapter 312, article 11, section 3, the effective date, is amended to read:

EFFECTIVE DATE. Subdivisions 1 to 4 are effective January 1, 2015, for special Minnesota golf plates issued on or after that date. Subdivision 5 is effective ~~January 1, 2017~~ July 1, 2015.

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

Sec. 50. **LEGISLATIVE ROUTE NO. 228 REMOVED.**

(a) Minnesota Statutes, section 161.115, subdivision 159, is repealed effective the day after the commissioner of transportation receives a copy of the agreement between the commissioner and the governing body of Otter Tail County to transfer jurisdiction of Legislative Route No. 228 and after the commissioner notifies the revisor of statutes under paragraph (b).

(b) The revisor of statutes shall delete the route identified in paragraph (a) from Minnesota Statutes when the commissioner of transportation sends notice to the revisor electronically or in writing that the conditions required to transfer the route have been satisfied.

Sec. 51. **LEGISLATIVE ROUTE NO. 275 REMOVED.**

(a) Minnesota Statutes, section 161.115, subdivision 206, is repealed effective the day after the commissioner of transportation receives a copy of the agreement between the commissioner and the governing body of Lac qui Parle County to transfer jurisdiction of Legislative Route No. 275 and after the commissioner notifies the revisor of statutes under paragraph (b).

(b) The revisor of statutes shall delete the route identified in paragraph (a) from Minnesota Statutes when the commissioner of transportation sends notice to the revisor electronically or in writing that the conditions required to transfer the route have been satisfied.

Sec. 52. **COST PARTICIPATION POLICY.**

The commissioner of transportation, in consultation with representatives of local units of government, shall create and adopt a policy concerning cost participation for cooperative construction projects and maintenance responsibilities between the Department of Transportation and local units of government. The policy must minimize the share of cooperative project costs to be funded by the local units of government, while complying in all respects with the state constitutional requirements concerning allowable uses of the trunk highway fund. The policy should provide and include sufficient flexibility for unique projects and locations if doing so results in a lower total project cost. The policy must be completed and adopted by the commissioner no later than March 1, 2016.

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

Sec. 53. ENGINE BRAKES; REGULATION BY ST. PAUL.

Notwithstanding any other law or charter provision, the governing body of the city of St. Paul may by ordinance restrict or prohibit the use of an engine brake on motor vehicles along Legislative Route No. 392, also known as marked Interstate Highway 94, between Johnson Parkway and marked Trunk Highway 52. Upon notification by the city of St. Paul to the commissioner of transportation of the city's adoption of the ordinance, the commissioner of transportation shall erect the appropriate signs, with the cost of the signs to be paid by the city. For purposes of this section, "engine brake" means any device that uses the engine and transmission to impede the forward motion of the motor vehicle by compression of the engine.

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

Sec. 54. CONCRETE DIAMOND GRINDING SLURRY.

The commissioner of transportation shall not engage in a study, including under any agreement with a consultant, related to the deposit of slurry generated from highway diamond grinding on the side of roadways, unless the commissioner consults with interested representatives of the road construction and maintenance industry regarding the methodology and specifications for the study. The commissioner or a consultant operating under an agreement with the commissioner shall consult with interested representatives of the road construction and maintenance industry to evaluate methods of determining best management practices.

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

Sec. 55. LEGISLATIVE REPORT ON VEHICLE TITLE TRANSFER FEE FUNDS.

By November 1, 2015, the commissioner of the Pollution Control Agency shall submit a report on motor vehicle title transfer fee funds to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation and environment policy and finance. At a minimum, the report must (1) identify the annual amount of revenue from the motor vehicle title transfer fee under Minnesota Statutes, section 115A.908, over fiscal years 2012 to 2015; (2) evaluate the policy rationale for allocation of revenue from the title transfer fee; and (3) specify uses of funds from the title transfer fee, including identification of any motor vehicle, road, or bridge purposes for which funds are used.

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

Sec. 56. REPORT ON DEDICATED FUND EXPENDITURES.

By January 15, 2016, the commissioners of transportation and public safety, in consultation with the commissioner of management and budget, shall jointly submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation finance. The report must list detailed expenditures and transfers from the trunk highway fund and highway user tax distribution fund for fiscal years 2010 through 2015, and shall include information on the purpose of each expenditure.

Sec. 57. ROAD DESIGN STANDARDS.

By August 15, 2016, the commissioner of transportation shall, in collaboration with city and county engineers, establish and adopt design standards and guidelines to be applied consistently to trunk highways, county state-aid highways, and municipal state-aid streets with similar characteristics. The standards

and guidelines must align the state-aid standards with the Department of Transportation trunk highway standards and technical memoranda as appropriate. The commissioner shall report the adopted standards and guidelines to the chairs and ranking minority members of the senate and house of representatives committees with jurisdiction over transportation policy by August 15, 2016, and present an interim report by March 15, 2016.

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

Sec. 58. **REPEALER.**

Minnesota Statutes 2014, section 299E.02, is repealed.

Presented to the governor May 20, 2015