

CHAPTER 462—H.F.No. 1857

An act relating to transportation; providing greater restrictions on eligibility of debarred persons for certain public contracts; exempting provision of passenger transportation service under contract with regional transportation board from some regulation; increasing scope of interstate motor carrier registration agreements; permitting fiber optic cable to be laid along portions of certain interstate highways; amending Minnesota Statutes 1988, section 161.315, subdivisions 2 and 3; Minnesota Statutes 1989 Supplement, sections 221.022; 221.025; 221.031, subdivision 3a; and 221.601, subdivision 1.

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

Section 1. Minnesota Statutes 1988, section 161.315, subdivision 2, is amended to read:

Subd. 2. **DEFINITIONS.** The terms used in this section have the meanings given them in this subdivision.

(a) "Affiliate" means a predecessor or successor of a person ~~under the same or substantially the same control by merger, reorganization, or otherwise, who is, or that has as an officer or director an individual who is, a relative of the person or an individual over whose actions the person exercises substantial influence or control,~~ or a group of entities so connected or associated that one entity controls or has the power to control each of the other entities. "Affiliate" includes the affiliate's principals. One person's ownership of a controlling interest in another entity or a pooling of equipment or income among entities is prima facie evidence that one entity is an affiliate of another.

(b) "Contract crime" means a violation of state or federal antitrust law, fraud, theft, embezzlement, bribery, forgery, misrepresentation, making false statements, falsification or destruction of records, or other criminal offense in connection with obtaining, attempting to obtain, or performing a public or private contract or subcontract.

(c) "Conviction" has the meaning given it in section 609.02, subdivision 5.

(d) "Debar" means to disqualify from receiving a contract or from serving as a subcontractor or material supplier as provided by Laws 1984, chapter 654, article 2, section 8.

(e) "Person" means a natural person or a business, corporation, association, partnership, sole proprietorship, or other entity formed to do business as a contractor, subcontractor, or material supplier and includes an affiliate of a person.

(f) "Pooling" means a combination of persons engaged in the same business or combined for the purpose of engaging in a particular business or commercial venture and who all contribute to a common fund or place their holdings of a

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given stock or other security in the hand and control of a managing member or committee of the combination.

(g) "Suspend" means to temporarily disqualify from receiving a contract or from serving as a subcontractor or material supplier as provided by Laws 1984, chapter 654, article 2, section 8.

(h) "Relative" means an individual related by consanguinity within the second degree as determined by the common law, a spouse, or an individual related to a spouse within the second degree as determined by the common law, and includes an individual in an adoptive relationship within the second degree as determined by the common law.

Sec. 2. Minnesota Statutes 1988, section 161.315, subdivision 3, is amended to read:

Subd. 3. **PROHIBITIONS.** Except as provided in subdivision 4:

(1) neither the commissioner nor a county, town, or home rule or statutory city may award or approve the award of a contract for goods or services to a person who is suspended or debarred;

(2) neither the commissioner nor a county, town, or home rule or statutory city may award or approve the award of a contract for goods or services under which a debarred or suspended person will serve as a subcontractor or material supplier; ~~and~~

(3) a person to whom a contract for goods or services has been awarded may not subcontract with or purchase materials or services from a debarred or suspended person for performance of that contract; and

(4) when a debarred person sells or otherwise transfers to a relative or to any other party over whose actions the debarred person exercises substantial influence or control, a business, corporation, association, partnership, sole proprietorship, or other entity, or an affiliate of the entity, that is ineligible by virtue of the debarment to contract with a governmental entity, the sold or transferred entity remains ineligible for these contracts for the duration of the seller's or transferor's debarment.

Sec. 3. Minnesota Statutes 1989 Supplement, section 221.022, is amended to read:

221.022 ~~METROPOLITAN TRANSIT COMMISSION; EXCEPTION.~~

The powers granted to the board under sections 221.011 to 221.296 do not include the power to regulate any service or vehicles operated by the metropolitan transit commission or to regulate passenger transportation service provided under contract to the department or the regional transit board. A provider of passenger transportation service under contract to the department or the region-

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al transit board may not provide charter service without first having obtained a permit to operate as a charter carrier.

Sec. 4. Minnesota Statutes 1989 Supplement, section 221.025, is amended to read:

221.025 EXEMPTIONS.

Except as provided in sections 221.031 and 221.033, the provisions of this chapter do not apply to the intrastate transportation described below:

(a) the transportation of students to or from school or school activities in a school bus inspected and certified under section 169.451;

(b) the transportation of rubbish as defined in section 443.27;

(c) a commuter van as defined in section 221.011, subdivision 27;

(d) authorized emergency vehicles as defined in section 169.01, subdivision 5, including ambulances, and tow trucks when picking up and transporting disabled or wrecked motor vehicles and when carrying proper and legal warning devices;

(e) the transportation of grain samples under conditions prescribed by the board;

(f) the delivery of agricultural lime;

(g) the transportation of dirt and sod within an area having a 50-mile radius from the home post office of the person performing the transportation;

(h) a person while exclusively engaged in the transportation of sand, gravel, bituminous asphalt mix, concrete ready mix, concrete blocks or tile, or crushed rock to or from the point of loading or a place of gathering within an area having a 50-mile radius from that person's home post office or a 50-mile radius from the site of construction or maintenance of public roads and streets;

(i) the transportation of pulpwood, cordwood, mining timber, poles, posts, decorator evergreens, wood chips, sawdust, shavings, and bark from the place where the products are produced to the point where they are to be used or shipped;

(j) a person while engaged exclusively in transporting fresh vegetables from farms to canneries or viner stations, from viner stations to canneries, or from canneries to canneries during the harvesting, canning, or packing season, or transporting potatoes, sugar beets, wild rice, or rutabagas from the field of production to the first place of delivery or unloading, including a processing plant, warehouse, or railroad siding;

(k) a person engaged in transporting property or freight, other than house-

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hold goods and petroleum products in bulk, entirely within the corporate limits of a city or between contiguous cities except as provided in section 221.296;

(l) the transportation of unprocessed dairy products in bulk within an area having a 100-mile radius from the home post office of the person providing the transportation;

(m) a person engaged in transporting agricultural, horticultural, dairy, livestock, or other farm products within an area having a 25-mile radius from the person's home post office and the carrier may transport other commodities within the 25-mile radius if the destination of each haul is a farm;

(n) a person providing limousine service that is not regular route service in a passenger automobile that is not a van, and that has a seating capacity, excluding the driver, of not more than 12 persons;

(o) passenger transportation service that is not charter service and that is under contract to and with operating assistance from the department or the regional transit board.

Sec. 5. Minnesota Statutes 1989 Supplement, section 221.031, subdivision 3a, is amended to read:

Subd. 3a. **CONTRACTORS OR RECIPIENTS OF TRANSPORTATION ASSISTANCE.** Notwithstanding subdivision 3, providers of passenger transportation service under contract to and with operating assistance from the department or the regional transit board must comply with rules of the commissioner for driver qualifications, safe operation of vehicles, equipment, parts and accessories, maximum hours of service of drivers, inspection, repair and maintenance, and accident reporting. This subdivision does not apply to a local transit commission, a transit authority created by the legislature, or special transportation service certified by the commissioner under section 174.30.

Sec. 6. Minnesota Statutes 1989 Supplement, section 221.601, subdivision 1, is amended to read:

221.601 AGREEMENTS WITH OTHER STATES.

Subdivision 1. **AUTHORITY.** The commissioner may enter into agreements with representatives of other states to allow the cooperative registration of motor carriers transporting property or passengers for hire in interstate commerce. The agreement may authorize representatives of other states to issue interstate registration stamps and trip permits; accept the filing of insurance certificates, insurance cancellation notices, and interstate commerce commission orders; issue suspension and reinstatement orders or notices; and collect and disburse fees prescribed by this chapter. The agreement may allow the exchange of information for audit, reporting, and enforcement purposes, and the collection and disbursement of fees provided under this chapter and the laws of other

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states that participate in the agreement. The agreement and all amendments must be in writing. The agreement may provide for the gradual adoption of a base state registration system. It may provide that a motor carrier based in another state participating in the agreement, that has filed evidence of financial responsibility in that state that meets the requirements of this chapter and of the agreement, need not file evidence of financial responsibility with the commissioner for its interstate operations in this state.

Sec. 7. FIBER OPTIC CABLE ALONG I-94; I-494.

Notwithstanding Minnesota Rules 1989, part 8810.3300, subpart 4, a utility, as defined in Minnesota Rules 1989, part 8810.3100, subpart 4, may lay a fiber optic cable or a conduit containing one or more fiber optic cables inside the control-of-access lines along the portion of the interstate highway designated as I-94 that runs between Maple Grove in Hennepin county and St. Cloud in Stearns county, and the portion of the interstate highway designated as I-494 that runs between Plymouth in Hennepin county and Maple Grove in Hennepin county. The commissioner of transportation may impose reasonable conditions on the time, place, and manner of the utility's installation and maintenance of the cable or conduit and may also charge reasonable fees therefor notwithstanding Minnesota Statutes, chapters 14 and 16A. If the cable or conduit must be relocated because of reconstruction or maintenance work on an interstate highway, the utility shall bear the entire cost of the relocation.

Sec. 8. EFFECTIVE DATE.

Sections 1 to 7 are effective the day following final enactment.

Presented to the governor April 19, 1990

Signed by the governor April 20, 1990, 10:05 a.m.

CHAPTER 463—H.F.No. 1846

An act relating to prostitution; increasing penalties for certain patrons of prostitutes; providing that when a patron uses a motor vehicle during commission of an offense, that fact will be noted on the person's driving record; amending Minnesota Statutes 1988, sections 609.324, subdivisions 2, 3, and by adding subdivisions; and 609.3241.

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

Section 1. Minnesota Statutes 1988, section 609.324, subdivision 2, is amended to read:

Subd. 2. Whoever solicits or accepts a solicitation to engage for hire in sexual penetration or sexual contact while in a public place may be sentenced to

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