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State of Minnesota  
**HOUSE OF REPRESENTATIVES**

NINETIETH SESSION

**H. F. No. 861**

- 02/06/2017 Authored by Torkelson  
The bill was read for the first time and referred to the Committee on Transportation and Regional Governance Policy
- 02/16/2017 Adoption of Report: Amended and re-referred to the Committee on Government Operations and Elections Policy
- 02/27/2017 Adoption of Report: Re-referred to the Committee on Transportation Finance
- 03/27/2017 Adoption of Report: Amended and re-referred to the Committee on Taxes
- 03/28/2017 Adoption of Report: Amended and re-referred to the Committee on Ways and Means

1.1 A bill for an act

1.2 relating to transportation finance; establishing the budget for transportation

1.3 activities; modifying various provisions governing transportation finance and

1.4 policy; establishing a fund; making appropriations; authorizing the sale and issuance

1.5 of state bonds; amending Minnesota Statutes 2016, sections 16A.88, subdivision

1.6 2; 53C.01, subdivision 2; 115A.908, subdivision 2; 117.036, subdivision 2; 117.189;

1.7 160.18, by adding a subdivision; 161.081, subdivision 3; 161.088, subdivisions 4,

1.8 5, 7; 161.115, subdivision 190; 161.14, by adding subdivisions; 161.321,

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

1.10 adding a subdivision; 162.145, subdivision 2; 168.021, subdivisions 1, 2, 2a;

1.11 168.27, by adding a subdivision; 168.33, subdivision 2; 168A.09, subdivision 1;

1.12 169.011, subdivision 34; 169.18, subdivision 5; 169.345, subdivisions 1, 3; 169.444,

1.13 subdivision 2; 169.449, subdivision 1; 169.865, subdivision 3; 171.02, subdivision

1.14 2b; 171.06, subdivision 2a; 171.061, subdivision 3; 171.12, subdivision 6; 173.02,

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

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

1.17 adding subdivisions; 174.03, subdivisions 1a, 1c, by adding a subdivision; 174.50,

1.18 subdivisions 5, 6b, 6c, 7; 174.56, subdivisions 1, 2, by adding a subdivision; 174.93;

1.19 219.166; 219.20, subdivision 1; 221.031, by adding a subdivision; 222.49; 222.50,

1.20 subdivision 6, by adding a subdivision; 299D.03, subdivision 6; 473.13, subdivision

1.21 1; 473.146, subdivision 3; 473.388, subdivision 4; 473.39, by adding a subdivision;

1.22 473.3994, by adding subdivisions; 473.4051, subdivision 3; Laws 2015, chapter

1.23 75, article 1, section 3, subdivision 3; proposing coding for new law in Minnesota

1.24 Statutes, chapters 168; 169; 173; 174; 219; 398A; 471; 473; repealing Minnesota

1.25 Statutes 2016, sections 161.115, subdivision 32; 473.4051, subdivision 2; Minnesota

1.26 Rules, parts 8810.0800, subpart 3; 8810.1300, subpart 4.

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

1.28 **ARTICLE 1**

1.29 **TRANSPORTATION APPROPRIATIONS**

1.30 Section 1. **CITATION.**

1.31 This act may be cited as the "Road and Bridge Act."

2.1 **Sec. 2. SUMMARY OF APPROPRIATIONS.**

2.2 The amounts shown in this section summarize direct appropriations by fund made in  
 2.3 this article and do not have legal effect.

	<u>2018</u>	<u>2019</u>	<u>Total</u>
2.4			
2.5	<u>General</u> \$ 82,396,000	\$ 55,270,000	\$ 137,666,000
2.6	<u>Airports</u>	42,631,000	22,609,000
2.7	<u>C.S.A.H.</u>	744,172,000	759,502,000
2.8	<u>M.S.A.S.</u>	195,682,000	200,365,000
2.9	<u>Special Revenue</u>	66,445,000	65,087,000
2.10	<u>H.U.T.D.</u>	10,474,000	10,486,000
2.11	<u>Transportation Priorities</u>	105,104,000	128,147,000
2.12	<u>Trunk Highway</u>	1,882,987,000	1,758,547,000
2.13	<b><u>Total</u></b> \$ <b>3,024,786,000</b>	<b>\$ 2,871,866,000</b>	<b>\$ 5,896,652,000</b>

2.14 **Sec. 3. TRANSPORTATION APPROPRIATIONS**

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

2.26	<b><u>APPROPRIATIONS</u></b>
2.27	<b><u>Available for the Year</u></b>
2.28	<b><u>Ending June 30</u></b>
2.29	<b><u>2018</u>                      <u>2019</u></b>

2.30 **Sec. 4. DEPARTMENT OF**  
 2.31 **TRANSPORTATION**

2.32 **Subdivision 1. Total Appropriations Summary** \$ **2,891,106,000** \$ **2,778,175,000**

	<u>2018</u>	<u>2019</u>
2.33	<u>Appropriations by Fund</u>	
2.34	<u>2018</u>	<u>2019</u>
2.35	<u>General</u> 24,879,000	18,358,000

3.1	<u>Airports</u>	<u>42,631,000</u>	<u>22,609,000</u>
3.2	<u>C.S.A.H.</u>	<u>744,172,000</u>	<u>759,502,000</u>
3.3	<u>M.S.A.S.</u>	<u>195,682,000</u>	<u>200,365,000</u>
3.4	<u>Special Revenue</u>	<u>1,000,000</u>	<u>-0-</u>
3.5	<u>Transportation</u>		
3.6	<u>Priorities</u>	<u>105,104,000</u>	<u>128,147,000</u>
3.7	<u>Trunk Highway</u>	<u>1,777,639,000</u>	<u>1,649,194,000</u>

3.8 The appropriations in this section are to the  
 3.9 commissioner of transportation. The amounts  
 3.10 that may be spent for each purpose are  
 3.11 specified in the following subdivisions.

3.12 Subd. 2. **Multimodal Systems**

3.13 (a) **Aeronautics**

3.14 (1) **Airport Development and Assistance** 17,298,000 17,298,000

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

3.19 The base is \$15,298,000 in each year for fiscal  
 3.20 years 2020 and 2021.

3.21 Notwithstanding Minnesota Statutes, section  
 3.22 16A.28, subdivision 6, this appropriation is  
 3.23 available for five years after the year of the  
 3.24 appropriation. If the appropriation for either  
 3.25 year is insufficient, the appropriation for the  
 3.26 other year is available for it.

3.27 If the commissioner of transportation  
 3.28 determines that a balance remains in the state  
 3.29 airports fund following the appropriations  
 3.30 made in this article and that the appropriations  
 3.31 made are insufficient for advancing airport  
 3.32 development and assistance projects, an  
 3.33 amount necessary to advance the projects, not  
 3.34 to exceed the balance in the state airports fund,

4.1 is appropriated in each year to the  
 4.2 commissioner and must be spent according to  
 4.3 Minnesota Statutes, section 360.305,  
 4.4 subdivision 4. Within two weeks of a  
 4.5 determination under this contingent  
 4.6 appropriation, the commissioner of  
 4.7 transportation must notify the commissioner  
 4.8 of management and budget and the chairs,  
 4.9 ranking minority members, and staff of the  
 4.10 legislative committees with jurisdiction over  
 4.11 transportation finance concerning the funds  
 4.12 appropriated. Funds appropriated under this  
 4.13 contingent appropriation do not adjust the base  
 4.14 for fiscal years 2020 and 2021.

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

	<u>Appropriations by Fund</u>	
	<u>2018</u>	<u>2019</u>
4.18 <u>Airports</u>	<u>5,231,000</u>	<u>5,231,000</u>
4.19 <u>Trunk Highway</u>	<u>1,479,000</u>	<u>1,623,000</u>

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

4.21 This appropriation is from the state airports  
 4.22 fund for the Civil Air Patrol.  
 4.23 \$3,500,000 is for a grant to renovate a portion  
 4.24 of and construct an addition to the training and  
 4.25 maintenance facility located at the South St.  
 4.26 Paul airport, and to furnish and equip the  
 4.27 facility, including communications equipment  
 4.28 and a mobile command post vehicle.  
 4.29 Notwithstanding Minnesota Statutes, section  
 4.30 16A.28, subdivision 6, this appropriation is  
 4.31 available for five years after the year of the  
 4.32 appropriation.

4.33 **(4) International Falls-Koochiching County**  
 4.34 **Airport Commission** 3,000,000 -0-

5.1 (i) This appropriation is from the state airports  
 5.2 fund for a grant to the International  
 5.3 Falls-Koochiching County Airport  
 5.4 Commission for the following improvements  
 5.5 to the Falls International Airport:

5.6 (A) demolition of the existing terminal  
 5.7 building;

5.8 (B) rehabilitation;

5.9 (C) site preparation, including utilities and  
 5.10 civil work;

5.11 (D) design, construction, furnishing, and  
 5.12 equipping Phase II of the new terminal  
 5.13 building, including a Transportation Safety  
 5.14 Administration office, weather office,  
 5.15 conference room, circulation corridor, airport  
 5.16 administration offices, United States Customs  
 5.17 and Border Protection storage rooms, offices,  
 5.18 restrooms, passenger-processing area,  
 5.19 wet-hold room, interview room, search room,  
 5.20 pre- and post-customs passenger waiting areas,  
 5.21 and vestibule; and

5.22 (E) associated appurtenances of a capital  
 5.23 nature.

5.24 (ii) After completion of the improvements  
 5.25 under item (i), any unspent money from this  
 5.26 appropriation may be used by the International  
 5.27 Falls-Koochiching County Airport  
 5.28 Commission for a commercial airline apron  
 5.29 expansion project at the Falls International  
 5.30 Airport.

5.31 (iii) This appropriation does not require a  
 5.32 nonstate contribution or match.

5.33 **(5) Duluth Airport Authority** 6,619,000 -0-

6.1 This appropriation is from the state airports  
 6.2 fund for a grant to the Duluth Airport  
 6.3 Authority to provide the federal match to  
 6.4 design and construct runway infrastructure at  
 6.5 the Duluth International Airport or the Sky  
 6.6 Harbor Airport in accordance with Minnesota  
 6.7 Statutes, section 360.017. For the purposes of  
 6.8 this appropriation, the commissioner may  
 6.9 waive the requirements of Minnesota Statutes,  
 6.10 section 360.305, subdivision 4, paragraph (b).

6.11 **(6) Rochester International Airport**

2,333,000

-0-

6.12 This appropriation is from the state airports  
 6.13 fund for a grant to the city of Rochester to  
 6.14 design, rehabilitate, demolish, and expand  
 6.15 portions of the existing passenger terminal  
 6.16 building at the Rochester International Airport,  
 6.17 provided that this amount also includes money  
 6.18 to remodel, construct, furnish, and equip the  
 6.19 existing passenger terminal building and  
 6.20 associated appurtenances to meet United States  
 6.21 Customs and Border Protection and  
 6.22 Transportation Security Administration  
 6.23 standards for safety, security, and processing  
 6.24 time to accommodate domestic and  
 6.25 international flights. The capital improvements  
 6.26 paid for with this appropriation may be used  
 6.27 as the local contribution required by  
 6.28 Minnesota Statutes, section 360.305,  
 6.29 subdivision 4. This appropriation may be used  
 6.30 to reimburse the city for costs incurred after  
 6.31 May 1, 2016. This appropriation is not  
 6.32 available until the commissioner of  
 6.33 management and budget determines that at  
 6.34 least an equal amount has been committed to  
 6.35 the project from nonstate sources. Work that

7.1 may be completed with this appropriation  
 7.2 includes but is not limited to:  
 7.3 (i) site preparation, including utilities, site civil  
 7.4 work, testing, and construction administration  
 7.5 services;  
 7.6 (ii) the relocation, modification, and addition  
 7.7 of airline ticket counters, baggage claim  
 7.8 devices, public spaces, offices, restrooms,  
 7.9 support space, break rooms, lockers,  
 7.10 equipment storage, communications, hallways,  
 7.11 building signage, medical visitor rooms,  
 7.12 special needs accommodations, hold rooms,  
 7.13 secure storage, equipment maintenance areas,  
 7.14 and building engineering and technology  
 7.15 systems;  
 7.16 (iii) improvements needed outside the terminal  
 7.17 to remove, restore, and tie into adjacent  
 7.18 utilities, sidewalks, driveways, parking lots,  
 7.19 and aircraft aprons; and  
 7.20 (iv) the construction of covered exterior  
 7.21 equipment storage.

7.22 **(7) Carlton County Airport Hangar** 320,000 -0-

7.23 This appropriation is from the state airports  
 7.24 fund for a grant to Carlton County to construct  
 7.25 a hangar at the Cloquet - Carlton County  
 7.26 Airport that (i) facilitates the basing of air  
 7.27 ambulance aircraft and (ii) provides basing  
 7.28 for corporate aircraft and turboprop and jet  
 7.29 aircraft that operate under Code of Federal  
 7.30 Regulations, title 14, part 135.

7.31 **(8) St. Cloud Regional Airport Study** 250,000 -0-

7.32 Notwithstanding Minnesota Statutes, section  
 7.33 360.017, this appropriation is from the state  
 7.34 airports fund for a grant to the city of St.

8.1 Cloud for an air transport optimization  
 8.2 planning study for the St. Cloud Regional  
 8.3 Airport. The study must be comprehensive  
 8.4 and market-based, using economic  
 8.5 development and air service expertise to  
 8.6 research, analyze, and develop models and  
 8.7 strategies that maximize the return on  
 8.8 investments made to enhance the use and  
 8.9 impact of the St. Cloud Regional Airport. By  
 8.10 January 5, 2018, the city of St. Cloud shall  
 8.11 submit a report to the governor and the  
 8.12 members and staff of the legislative  
 8.13 committees with jurisdiction over capital  
 8.14 investment, transportation, and economic  
 8.15 development with recommendations based on  
 8.16 the findings of the study.

8.17 **(9) Availability of Funds**

8.18 Notwithstanding Minnesota Statutes, section  
 8.19 16A.28, subdivision 6, the appropriations in  
 8.20 clauses (4) to (7) are available for five years  
 8.21 after the year of the appropriation.

8.22 **(b) Transit** 52,191,000 57,058,000

	<u>Appropriations by Fund</u>	
	<u>2018</u>	<u>2019</u>
8.23 <u>General</u>	<u>17,395,000</u>	<u>17,395,000</u>
8.24 <u>Transportation</u>		
8.25 <u>Priorities</u>	<u>33,950,000</u>	<u>38,790,000</u>
8.26 <u>Trunk Highway</u>	<u>846,000</u>	<u>873,000</u>

8.27 \$250,000 in each year is from the general fund  
 8.28 to pay administrative costs for the safe routes  
 8.29 to school program under Minnesota Statutes,  
 8.30 section 174.40.

8.31 \$150,000 in each year is from the general fund  
 8.32 for grants to transportation management  
 8.33 organizations that provide services exclusively



9.1 or primarily in the city located along the  
 9.2 marked Interstate Highway 494 corridor  
 9.3 having the highest population as of the  
 9.4 effective date of this section. The  
 9.5 commissioner must not retain any portion of  
 9.6 the funds appropriated under this section.  
 9.7 From the appropriation in each fiscal year, the  
 9.8 commissioner must make grant payments in  
 9.9 full by July 31. Permissible uses of funds  
 9.10 under this grant include administrative  
 9.11 expenses and programming and service  
 9.12 expansion, including but not limited to  
 9.13 staffing, communications, outreach and  
 9.14 education program development, and  
 9.15 operations management.

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

9.18 The base from the transportation priorities  
 9.19 fund is as established in Minnesota Statutes,  
 9.20 section 174.54, subdivision 3.

9.21 **(c) Safe Routes to School** 2,500,000 500,000

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

9.25 **(d) Freight**

9.26 **(1) Freight and Commercial Vehicle Operations** 6,716,000 5,928,000

9.27	<u>Appropriations by Fund</u>		
9.28		<u>2018</u>	<u>2019</u>
9.29	<u>General</u>	<u>1,366,000</u>	<u>406,000</u>
9.30	<u>Trunk Highway</u>	<u>5,350,000</u>	<u>5,522,000</u>

9.31 \$960,000 in the first year is from the general  
 9.32 fund for port development assistance grants  
 9.33 under Minnesota Statutes, chapter 457A, in  
 9.34 the amounts of: (1) \$800,000 to the city of

10.1 Red Wing; and (2) \$160,000 to the Port  
 10.2 Authority of Winona. Any improvements  
 10.3 made with the proceeds of the grants must be  
 10.4 publicly owned. This appropriation is available  
 10.5 in the second year.

10.6 \$150,000 in each year is for additional rail  
 10.7 safety and rail service activities, and this  
 10.8 amount annually is included in the base.

10.9 **(2) Minnesota Rail Service Improvement** 5,651,000 -0-

10.10	<u>Appropriations by Fund</u>	
10.11	<u>2018</u>	<u>2019</u>
10.12	<u>General</u> <span style="float: right;"><u>3,151,000</u></span>	<u>-0-</u>
10.13	<u>Transportation</u>	
10.14	<u>Priorities</u> <span style="float: right;"><u>1,500,000</u></span>	<u>-0-</u>
10.15	<u>Special Revenue</u> <span style="float: right;"><u>1,000,000</u></span>	<u>-0-</u>

10.16 This appropriation is for the Minnesota rail  
 10.17 service improvement program under  
 10.18 Minnesota Statutes, sections 222.49 and  
 10.19 222.50.

10.20 \$1,000,000 in the first year is from the rail  
 10.21 service improvement account in the special  
 10.22 revenue fund for a grant to the city of Grand  
 10.23 Rapids to fund rail planning studies, design,  
 10.24 and preliminary engineering relating to the  
 10.25 construction of a freight rail line located in the  
 10.26 counties of Itasca, St. Louis, and Lake to serve  
 10.27 local producers and shippers. The city of  
 10.28 Grand Rapids shall collaborate with the Itasca  
 10.29 Economic Development Corporation and the  
 10.30 Itasca County Regional Railroad Authority in  
 10.31 the activities funded with the proceeds of this  
 10.32 grant. This appropriation is available until June  
 10.33 30, 2019.

10.34 **(3) Hazardous Materials Rail Safety** 5,000,000 5,000,000

11.1	<u>This appropriation is from the transportation</u>		
11.2	<u>priorities fund for the hazardous materials rail</u>		
11.3	<u>safety program and grants under Minnesota</u>		
11.4	<u>Statutes, section 219.016.</u>		
11.5	<u>The base is as established in Minnesota</u>		
11.6	<u>Statutes, section 174.54, subdivision 3.</u>		
11.7	<b><u>(4) Railroad Warning Devices</u></b>	<u>3,000,000</u>	<u>3,000,000</u>
11.8	<u>This appropriation is from the transportation</u>		
11.9	<u>priorities fund to design, construct, and equip</u>		
11.10	<u>replacement of active highway-rail grade</u>		
11.11	<u>crossing warning devices that have reached</u>		
11.12	<u>the end of their useful life.</u>		
11.13	<u>The base is as established in Minnesota</u>		
11.14	<u>Statutes, section 174.54, subdivision 3.</u>		
11.15	<b><u>(5) Rail Quiet Zones</u></b>	<u>1,000,000</u>	<u>1,000,000</u>
11.16	<u>This appropriation is from the transportation</u>		
11.17	<u>priorities fund for the public highway-rail</u>		
11.18	<u>grade crossing quiet zone program and grants</u>		
11.19	<u>under Minnesota Statutes, section 219.166.</u>		
11.20	<u>Up to ten percent of this appropriation may</u>		
11.21	<u>be used for eligible activities necessary to</u>		
11.22	<u>support the implementation and delivery of</u>		
11.23	<u>the program.</u>		
11.24	<u>The base is as established in Minnesota</u>		
11.25	<u>Statutes, section 174.54, subdivision 3.</u>		
11.26	<b><u>Subd. 3. State Roads</u></b>		
11.27	<b><u>(a) Operations and Maintenance</u></b>	<u>343,446,000</u>	<u>348,101,000</u>
11.28	<u>\$4,000,000 in each year is for additional</u>		
11.29	<u>maintenance and improvements related to</u>		
11.30	<u>intelligent transportation systems. This amount</u>		
11.31	<u>is annually included in the base.</u>		

12.1 \$10,000,000 in each year is for additional  
 12.2 pavement preservation activities. This amount  
 12.3 is annually included in the base.

12.4 \$10,000,000 in each year is for additional fleet  
 12.5 equipment replacement in conformance with  
 12.6 performance targets. This amount is annually  
 12.7 included in the base.

12.8 The commissioner is prohibited from  
 12.9 implementing the workforce optimization plan  
 12.10 proposed under the budget submitted for the  
 12.11 biennium under Minnesota Statutes, section  
 12.12 16A.11, and from otherwise appreciably  
 12.13 increasing the staffing complement for snow  
 12.14 and ice management.

12.15 The base is \$356,086,000 in fiscal year 2020  
 12.16 and \$357,518,000 in fiscal year 2021.

12.17 **(b) Program Planning and Delivery**

12.18	<b><u>(1) Planning and Research</u></b>	<u>30,442,000</u>	<u>30,790,000</u>
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12.19 If a balance remains of this appropriation, the  
 12.20 commissioner may transfer up to that amount  
 12.21 for program delivery under clause (2).

12.22 Up to \$600,000 in the first year is for the  
 12.23 congestion and safety improvements study  
 12.24 under article 3, section 103.

12.25 Up to \$250,000 in the first year is for the  
 12.26 marked Interstate 94/494/694 interchange  
 12.27 improvement study under article 3, section  
 12.28 104.

12.29 Up to \$160,000 in the first year is for the  
 12.30 highway construction costs and cost inflation  
 12.31 study under article 3, section 105.

13.1 \$130,000 in each year is available for  
 13.2 administrative costs of the targeted group  
 13.3 business program.

13.4 \$266,000 in each year is available for grants  
 13.5 to metropolitan planning organizations outside  
 13.6 the seven-county metropolitan area.

13.7 \$900,000 in each year is available for grants  
 13.8 for transportation studies outside the  
 13.9 metropolitan area to identify critical concerns,  
 13.10 problems, and issues. These grants are  
 13.11 available:

13.12 (1) to regional development commissions;  
 13.13 (2) in regions where no regional development  
 13.14 commission is functioning, to joint powers  
 13.15 boards established under agreement of two or  
 13.16 more political subdivisions in the region to  
 13.17 exercise the planning functions of a regional  
 13.18 development commission; and

13.19 (3) in regions where no regional development  
 13.20 commission or joint powers board is  
 13.21 functioning, to the Department of  
 13.22 Transportation district office for that region.

13.23 **(2) Program Delivery**

13.24 This appropriation includes use of consultants  
 13.25 to support development and management of  
 13.26 projects.

13.27 \$968,000 in the first year is for a grant to the  
 13.28 city of Red Wing for trunk highway costs in  
 13.29 excess of the engineer's estimate and  
 13.30 associated program delivery for State Project  
 13.31 No. 2514-122, consisting of engineering and  
 13.32 reconstruction of the segment of marked U.S.  
 13.33 Highway 61 in Red Wing from westerly of

222,862,000

221,893,000

14.1 Old West Main Street to easterly of Potter  
 14.2 Street.  
 14.3 Up to \$140,000 in the first year is for  
 14.4 development, implementation, and reporting  
 14.5 on project selection best practices under article  
 14.6 3, section 91.  
 14.7 \$1,000,000 in each year is available for  
 14.8 management of contaminated and regulated  
 14.9 material on property owned by the Department  
 14.10 of Transportation, including mitigation of  
 14.11 property conveyances, facility acquisition or  
 14.12 expansion, chemical release at maintenance  
 14.13 facilities, and spills on the trunk highway  
 14.14 system where there is no known responsible  
 14.15 party. If the appropriation for either year is  
 14.16 insufficient, the appropriation for the other  
 14.17 year is available for it.

14.18 The base is \$229,878,000 in fiscal year 2020  
 14.19 and \$231,305,000 in fiscal year 2021.

14.20	<b><u>(c) State Road Construction</u></b>	<u>1,066,938,000</u>	<u>919,196,000</u>
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14.21 This appropriation is for the actual  
 14.22 construction, reconstruction, and improvement  
 14.23 of trunk highways, including design-build  
 14.24 contracts, internal department costs associated  
 14.25 with delivering the construction program,  
 14.26 consultant usage to support these activities,  
 14.27 and the cost of actual payments to landowners  
 14.28 for lands acquired for highway rights-of-way,  
 14.29 payment to lessees, interest subsidies, and  
 14.30 relocation expenses.

14.31 This appropriation includes federal highway  
 14.32 aid.

15.1 \$10,000,000 in each year is for the  
 15.2 transportation economic development program  
 15.3 under Minnesota Statutes, section 174.12.

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

15.10 The commissioner may transfer up to  
 15.11 \$15,000,000 each year to the transportation  
 15.12 revolving loan fund.

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

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

15.18 This appropriation is for the corridors of  
 15.19 commerce program under Minnesota Statutes,  
 15.20 section 161.088.

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

15.23 **(e) Highway Debt Service** 217,196,000 264,190,000

15.24 \$207,696,000 in fiscal year 2018 and  
 15.25 \$254,690,000 in fiscal year 2019 are for  
 15.26 transfer to the state bond fund. If this  
 15.27 appropriation is insufficient to make all  
 15.28 transfers required in the year for which it is  
 15.29 made, the commissioner of management and  
 15.30 budget must transfer the deficiency amount  
 15.31 under the statutory open appropriation and  
 15.32 notify the chairs, ranking minority members,  
 15.33 and staff of the legislative committees with  
 15.34 jurisdiction over transportation finance and

16.1 the chairs of the senate Finance Committee  
 16.2 and the house of representatives Ways and  
 16.3 Means Committee of the amount of the  
 16.4 deficiency. Any excess appropriation cancels  
 16.5 to the trunk highway fund.

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

16.7	<u>Appropriations by Fund</u>	
16.8	<u>2018</u>	<u>2019</u>
16.9	<u>General</u>	<u>3,000</u>
16.10	<u>Trunk Highway</u>	<u>5,645,000</u>

16.11 \$3,000 in each year is from the general fund  
 16.12 to equip and operate the Roosevelt signal  
 16.13 tower for Lake of the Woods weather  
 16.14 broadcasting.

16.15 **Subd. 4. Local Roads**

16.16 **(a) County State-Aid Roads** 744,172,000 759,502,000

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

16.21 If the commissioner of transportation  
 16.22 determines that a balance remains in the  
 16.23 county state-aid highway fund following the  
 16.24 appropriations and transfers made in this  
 16.25 paragraph, and that the appropriations made  
 16.26 are insufficient for advancing county state-aid  
 16.27 highway projects, an amount necessary to  
 16.28 advance the projects, not to exceed the balance  
 16.29 in the county state-aid highway fund, is  
 16.30 appropriated in each year to the commissioner.  
 16.31 Within two weeks of a determination under  
 16.32 this contingent appropriation, the  
 16.33 commissioner of transportation must notify  
 16.34 the commissioner of management and budget  
 16.35 and the chairs, ranking minority members, and



17.1 staff of the legislative committees with  
 17.2 jurisdiction over transportation finance  
 17.3 concerning funds appropriated. The  
 17.4 commissioner must identify in the next budget  
 17.5 submission to the legislature under Minnesota  
 17.6 Statutes, section 16A.11, any amount that is  
 17.7 appropriated under this paragraph.

17.8 **(b) Municipal State-Aid Roads** 195,682,000 200,365,000

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

17.12 If the commissioner of transportation  
 17.13 determines that a balance remains in the  
 17.14 municipal state-aid street fund following the  
 17.15 appropriations and transfers made in this  
 17.16 paragraph, and that the appropriations made  
 17.17 are insufficient for advancing municipal  
 17.18 state-aid street projects, an amount necessary  
 17.19 to advance the projects, not to exceed the  
 17.20 balance in the municipal state-aid street fund,  
 17.21 is appropriated in each year to the  
 17.22 commissioner. Within two weeks of a  
 17.23 determination under this contingent  
 17.24 appropriation, the commissioner of  
 17.25 transportation must notify the commissioner  
 17.26 of management and budget and the chairs,  
 17.27 ranking minority members, and staff of the  
 17.28 legislative committees with jurisdiction over  
 17.29 transportation finance concerning funds  
 17.30 appropriated. The commissioner must identify  
 17.31 in the next budget submission to the legislature  
 17.32 under Minnesota Statutes, section 16A.11, any  
 17.33 amount that is appropriated under this  
 17.34 paragraph.

17.35 **(c) Metropolitan Area County Roads** 33,950,000 38,790,000

18.1	<u>This appropriation is from the transportation</u>		
18.2	<u>priorities fund for distribution as provided</u>		
18.3	<u>under Minnesota Statutes, section 174.54,</u>		
18.4	<u>subdivision 5.</u>		
18.5	<u>The base is as established in Minnesota</u>		
18.6	<u>Statutes, section 174.54, subdivision 3.</u>		
18.7	<b><u>(d) Small Cities Assistance</u></b>	<u>12,500,000</u>	<u>12,500,000</u>
18.8	<u>This appropriation is from the transportation</u>		
18.9	<u>priorities fund for the small cities assistance</u>		
18.10	<u>program under Minnesota Statutes, section</u>		
18.11	<u>162.145.</u>		
18.12	<u>The base is as established in Minnesota</u>		
18.13	<u>Statutes, section 174.54, subdivision 3.</u>		
18.14	<b><u>(e) Local Bridge Replacement and Rehabilitation</u></b>	<u>12,383,000</u>	<u>12,384,000</u>
18.15	<u>This appropriation is from the transportation</u>		
18.16	<u>priorities fund for the local bridge replacement</u>		
18.17	<u>and rehabilitation program as provided in</u>		
18.18	<u>Minnesota Statutes, section 174.50,</u>		
18.19	<u>subdivisions 5 to 7.</u>		
18.20	<u>The base is as established in Minnesota</u>		
18.21	<u>Statutes, section 174.54, subdivision 3.</u>		
18.22	<b><u>Subd. 5. Agency Management</u></b>		
18.23	<b><u>(a) Agency Services</u></b>	<u>44,316,000</u>	<u>45,206,000</u>
18.24	<b><u>(b) Tribal Training</u></b>	<u>192,000</u>	<u>218,000</u>
18.25	<u>This appropriation is from the general fund to</u>		
18.26	<u>facilitate tribal training for state agencies.</u>		
18.27	<u>This is a onetime appropriation.</u>		
18.28	<b><u>(c) Buildings</u></b>	<u>28,585,000</u>	<u>29,439,000</u>
18.29	<u>Appropriations by Fund</u>		
18.30		<u>2018</u>	<u>2019</u>
18.31	<u>General</u>	<u>54,000</u>	<u>54,000</u>
18.32	<u>Trunk Highway</u>	<u>28,531,000</u>	<u>29,385,000</u>

19.1 Any money appropriated to the commissioner  
 19.2 of transportation for building construction for  
 19.3 any fiscal year before the first year is available  
 19.4 to the commissioner during the biennium to  
 19.5 the extent that the commissioner spends the  
 19.6 money on the building construction projects  
 19.7 for which the money was originally  
 19.8 encumbered during the fiscal year for which  
 19.9 it was appropriated. If the appropriation for  
 19.10 either year is insufficient, the appropriation  
 19.11 for the other year is available for it.

19.12	<b><u>(d) Tort Claims</u></b>	<u>600,000</u>	<u>600,000</u>
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19.13 If the appropriation for either year is  
 19.14 insufficient, the appropriation for the other  
 19.15 year is available for it.

19.16 **Subd. 6. Transfers**

19.17 (a) With the approval of the commissioner of  
 19.18 management and budget, the commissioner  
 19.19 of transportation may transfer unencumbered  
 19.20 balances among the appropriations from the  
 19.21 trunk highway fund and the state airports fund  
 19.22 made in this section. Transfers under this  
 19.23 paragraph must not be made:

19.24 (1) between funds;

19.25 (2) from the appropriations for state road  
 19.26 construction or debt service;

19.27 (3) from the appropriations for operations and  
 19.28 maintenance or program delivery, except for  
 19.29 a transfer to state road construction or debt  
 19.30 service; or

19.31 (4) if inconsistent with legislative intent.

19.32 (b) The commissioner of transportation must  
 19.33 immediately report transfers under this

20.1 paragraph to the chairs, ranking minority  
 20.2 members, and staff of the legislative  
 20.3 committees with jurisdiction over  
 20.4 transportation finance. The authority for the  
 20.5 commissioner of transportation to make  
 20.6 transfers under Minnesota Statutes, section  
 20.7 16A.285, is superseded by the authority and  
 20.8 requirements under this paragraph.

20.9 (c) The commissioner of transportation must  
 20.10 transfer from the flexible highway account in  
 20.11 the county state-aid highway fund the entire  
 20.12 amount in each year to the county turnback  
 20.13 account in the county state-aid highway fund.  
 20.14 The funds transferred are for highway  
 20.15 turnback purposes under Minnesota Statutes,  
 20.16 section 161.081, subdivision 3.

20.17 **Subd. 7. Previous State Road Construction**  
 20.18 **Appropriations**

20.19 Any money appropriated to the commissioner  
 20.20 of transportation for state road construction  
 20.21 for any fiscal year before the first year is  
 20.22 available to the commissioner during the  
 20.23 biennium to the extent that the commissioner  
 20.24 spends the money on the state road  
 20.25 construction project for which the money was  
 20.26 originally encumbered during the fiscal year  
 20.27 for which it was appropriated.

20.28 **Subd. 8. Contingent Appropriations**

20.29 The commissioner of transportation, with the  
 20.30 approval of the governor and the written  
 20.31 approval of at least five members of a group  
 20.32 consisting of the members of the Legislative  
 20.33 Advisory Commission under Minnesota  
 20.34 Statutes, section 3.30, and the ranking minority  
 20.35 members of the legislative committees with

21.1 jurisdiction over transportation finance, may  
 21.2 transfer all or part of the unappropriated  
 21.3 balance in the trunk highway fund to an  
 21.4 appropriation:

21.5 (1) for trunk highway design, construction, or  
 21.6 inspection that takes advantage of an  
 21.7 unanticipated receipt of income to the trunk  
 21.8 highway fund or federal advanced construction  
 21.9 funding;

21.10 (2) for emergency trunk highway maintenance;  
 21.11 or

21.12 (3) to pay tort or environmental claims.

21.13 Nothing in this subdivision authorizes the  
 21.14 commissioner to increase the use of federal  
 21.15 advanced construction funding beyond  
 21.16 amounts specifically authorized. Any transfer  
 21.17 as a result of the use of federal advanced  
 21.18 construction funding must include an analysis  
 21.19 of the effects on the long-term trunk highway  
 21.20 fund balance. The amount transferred is  
 21.21 appropriated for the purpose of the account to  
 21.22 which it is transferred.

21.23 **Subd. 9. Requirements for Certain Legal**  
 21.24 **Activities**

21.25 The commissioner of transportation is  
 21.26 prohibited from permitting legal counsel  
 21.27 employed by the Department of Transportation  
 21.28 to perform activities related to response to a  
 21.29 data practices request of the department under  
 21.30 Minnesota Statutes, chapter 13, and the  
 21.31 commissioner must enter into an agreement  
 21.32 with the attorney general for exclusive services  
 21.33 regarding these activities.

21.34 **Sec. 5. METROPOLITAN COUNCIL** 39,046,000 22,530,000

22.1	<u>Appropriations by Fund</u>	
22.2	<u>2018</u>	<u>2019</u>
22.3	<u>General</u>	<u>37,546,000</u> <u>22,530,000</u>
22.4	<u>Transportation</u>	
22.5	<u>Priorities</u>	<u>1,500,000</u> <u>-0-</u>

22.6 This appropriation is from the general fund to  
 22.7 the Metropolitan Council for transit system  
 22.8 operations under Minnesota Statutes, sections  
 22.9 473.371 to 473.449.

22.10 \$1,500,000 in the first year is from the  
 22.11 transportation priorities fund for financial  
 22.12 assistance to replacement service providers  
 22.13 under Minnesota Statutes, section 473.388,  
 22.14 for the purposes of the suburb-to-suburb transit  
 22.15 demonstration project. The replacement  
 22.16 service providers must collectively identify  
 22.17 one or more demonstration projects for  
 22.18 financial assistance and submit a notification  
 22.19 of the allocation to the council. The council  
 22.20 must allocate the appropriated funds as  
 22.21 directed by the replacement service providers.  
 22.22 Criteria for evaluating and identifying  
 22.23 demonstration projects must include but are  
 22.24 not limited to:

- 22.25 (1) scope of service offering improvements;
- 22.26 (2) integration with transit facilities and major
- 22.27 business, retail, or suburban centers;
- 22.28 (3) extent to which a proposed route
- 22.29 complements existing transit service; and
- 22.30 (4) density of employment along a proposed
- 22.31 route.

22.32 Up to \$210,000 in the first year and \$98,000  
 22.33 in the second year are for the comprehensive

23.1 transit finance report under Minnesota  
 23.2 Statutes, section 174.93.  
 23.3 The base is \$8,349,000 in fiscal year 2020 and  
 23.4 \$105,000 in fiscal year 2021.

23.5 **Sec. 6. PUBLIC SAFETY**

23.6 **Subdivision 1. Total Appropriations Summary** \$ **199,738,000** \$ **199,308,000**

23.7 Appropriations by Fund

	<u>2018</u>	<u>2019</u>
23.8 <u>General</u>	<u>19,971,000</u>	<u>14,382,000</u>
23.9 <u>Special Revenue</u>	<u>63,945,000</u>	<u>65,087,000</u>
23.10 <u>H.U.T.D.</u>	<u>10,474,000</u>	<u>10,486,000</u>
23.11 <u>Trunk Highway</u>	<u>105,348,000</u>	<u>109,353,000</u>

23.12 The appropriations in this section are to the  
 23.13 commissioner of public safety. The amounts  
 23.14 that may be spent for each purpose are  
 23.15 specified in the following subdivisions.

23.16 **Subd. 2. Administration and Related Services**

23.17 **(a) Office of Communications** 553,000 573,000

23.18 Appropriations by Fund

	<u>2018</u>	<u>2019</u>
23.19 <u>General</u>	<u>127,000</u>	<u>130,000</u>
23.20 <u>Trunk Highway</u>	<u>426,000</u>	<u>443,000</u>

23.21 **(b) Public Safety Support** 6,372,000 6,569,000

23.22 Appropriations by Fund

	<u>2018</u>	<u>2019</u>
23.23 <u>General</u>	<u>1,225,000</u>	<u>1,235,000</u>
23.24 <u>H.U.T.D.</u>	<u>1,366,000</u>	<u>1,366,000</u>
23.25 <u>Trunk Highway</u>	<u>3,781,000</u>	<u>3,968,000</u>

23.26 **(c) Public Safety Officer Survivor Benefits** 640,000 640,000

23.27 This appropriation is from the general fund  
 23.28 for payment of public safety officer survivor  
 23.29 benefits under Minnesota Statutes, section  
 23.30 299A.44.

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

24.4 **(d) Public Safety Officer Reimbursements** 1,367,000 1,367,000

24.5 This appropriation is from the general fund to  
 24.6 be deposited in the public safety officer's  
 24.7 benefit account. This money is available for  
 24.8 reimbursements under Minnesota Statutes,  
 24.9 section 299A.465.

24.10 **(e) Soft Body Armor Reimbursements** 700,000 700,000

24.11 Appropriations by Fund

	<u>2018</u>	<u>2019</u>
24.12		
24.13 <u>General</u>	<u>600,000</u>	<u>600,000</u>
24.14 <u>Trunk Highway</u>	<u>100,000</u>	<u>100,000</u>

24.15 This appropriation is for soft body armor  
 24.16 reimbursements under Minnesota Statutes,  
 24.17 section 299A.38.

24.18 **(f) Technology and Support Service** 3,777,000 3,814,000

24.19 Appropriations by Fund

	<u>2018</u>	<u>2019</u>
24.20		
24.21 <u>General</u>	<u>1,353,000</u>	<u>1,365,000</u>
24.22 <u>H.U.T.D.</u>	<u>19,000</u>	<u>19,000</u>
24.23 <u>Trunk Highway</u>	<u>2,405,000</u>	<u>2,430,000</u>

24.24 **Subd. 3. State Patrol**

24.25 **(a) Patrolling Highways** 95,689,000 93,323,000

24.26 Appropriations by Fund

	<u>2018</u>	<u>2019</u>
24.27		
24.28 <u>General</u>	<u>5,787,000</u>	<u>37,000</u>
24.29 <u>H.U.T.D.</u>	<u>92,000</u>	<u>92,000</u>
24.30 <u>Trunk Highway</u>	<u>89,810,000</u>	<u>93,194,000</u>

24.31 \$5,750,000 from the general fund in the first  
 24.32 year is to purchase a helicopter for the State  
 24.33 Patrol.



25.1 From this appropriation, State Patrol trainee  
 25.2 salaries as provided under Minnesota Statutes,  
 25.3 section 299D.03, subdivision 6, must be  
 25.4 provided as follows: (1) for trainees in the Law  
 25.5 Enforcement Training Opportunity program,  
 25.6 80 percent of the basic salary for patrol  
 25.7 officers; and (2) for all other trainees, 100  
 25.8 percent of the basic salary.

25.9 **(b) Commercial Vehicle Enforcement** 8,455,000 8,826,000

25.10 **(c) Capitol Security** 8,402,000 8,538,000

25.11 This appropriation is from the general fund.

25.12 The commissioner must not:

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

25.15 (2) permanently transfer any state trooper from  
 25.16 the patrolling highways activity to capitol  
 25.17 security.

25.18 The commissioner must not transfer any  
 25.19 money appropriated to the commissioner under  
 25.20 this section:

25.21 (1) to capitol security; or

25.22 (2) from capitol security.

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

25.24 This appropriation is from the highway user  
 25.25 tax distribution fund.

25.26 This appropriation is to investigate:

25.27 (1) registration tax and motor vehicle sales tax  
 25.28 liabilities from individuals and businesses that  
 25.29 currently do not pay all taxes owed; and

25.30 (2) illegal or improper activity related to the  
 25.31 sale, transfer, titling, and registration of motor  
 25.32 vehicles.

26.1 Subd. 4. Driver and Vehicle Services

26.2 (a) Vehicle Services 30,745,000 31,159,000

26.3 Appropriations by Fund

	<u>2018</u>	<u>2019</u>
26.4 <u>Special Revenue</u>	<u>22,509,000</u>	<u>22,923,000</u>
26.5 <u>H.U.T.D.</u>	<u>8,236,000</u>	<u>8,236,000</u>

26.7 The special revenue fund appropriation is from  
 26.8 the vehicle services operating account.

26.9 (b) Driver Services 32,014,000 32,725,000

26.10 This appropriation is from the driver services  
 26.11 operating account in the special revenue fund.  
 26.12 \$156,000 in each year is to maintain the  
 26.13 automated knowledge test system, and this  
 26.14 amount annually is included in the base.

26.15 (c) Minnesota Licensing and Registration System  
 26.16 (MNLARS) 8,000,000 8,000,000

26.17 This appropriation is for operations and  
 26.18 maintenance of the driver and vehicle  
 26.19 information system known as the Minnesota  
 26.20 Licensing and Registration System.  
 26.21 \$1,000,000 in the first year and \$5,265,000 in  
 26.22 the second year are from the driver services  
 26.23 operating account in the special revenue fund.  
 26.24 \$7,000,000 in the first year and \$2,735,000 in  
 26.25 the second year are from the vehicle services  
 26.26 operating account in the special revenue fund.

26.27 This is a onetime appropriation.

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

26.29 Appropriations by Fund

	<u>2018</u>	<u>2019</u>
26.30 <u>General</u>	<u>470,000</u>	<u>470,000</u>
26.31 <u>Trunk Highway</u>	<u>471,000</u>	<u>492,000</u>

27.1 The appropriation from the general fund in  
 27.2 each year is for maintenance of the crash  
 27.3 record system, and this amount annually is  
 27.4 included in the base.

27.5	<b>Subd. 6. Pipeline Safety</b>	<u>1,422,000</u>	<u>1,439,000</u>
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27.6 This appropriation is from the pipeline safety  
 27.7 account in the special revenue fund.

27.8 **Sec. 7. TRANSPORTATION PRIORITIES FUND TRANSFERS.**

27.9 \$180,896,000 in fiscal year 2018 and \$164,153,000 in fiscal year 2019 are transferred  
 27.10 from the transportation priorities fund to the commissioner of transportation for deposit in  
 27.11 the highway user tax distribution fund.

27.12 **Sec. 8. APPROPRIATION CANCELLATION.**

27.13 \$1,100,000 of the appropriation for port development assistance under Laws 2015,  
 27.14 chapter 75, article 1, section 3, subdivision 2, paragraph (e), is canceled to the general fund  
 27.15 on June 30, 2017.

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

27.17 **Sec. 9. APPROPRIATIONS BUDGET.**

27.18 In the budget submission to the legislature under Minnesota Statutes, section 16A.11,  
 27.19 for fiscal years 2020 and 2021, the commissioner of transportation, and the commissioner  
 27.20 of public safety with respect to the transportation portion of the public safety budget, must  
 27.21 present budget narratives and proposed appropriations for each appropriation established  
 27.22 in sections 3 and 5.

27.23 **Sec. 10. EFFECT OF APPROPRIATIONS.**

27.24 If an appropriation in this act is enacted more than once in the 2017 legislative session  
 27.25 for the same purpose, the appropriation must be given effect only once.

27.26 **Sec. 11.** Laws 2015, chapter 75, article 1, section 3, subdivision 3, is amended to read:

27.27 **Subd. 3. State Roads**

27.28	<b>(a) Operations and Maintenance</b>	288,405,000	290,916,000
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28.1 The base appropriation in fiscal year 2018 is  
 28.2 \$292,140,000 and in fiscal year 2019 is  
 28.3 \$301,545,000.

28.4	<b>(b) Program Planning and Delivery</b>	237,529,000	231,252,000
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28.5 \$130,000 in each year is available for  
 28.6 administrative costs of the targeted group  
 28.7 business program.

28.8 \$266,000 in each year is available for grants  
 28.9 to metropolitan planning organizations outside  
 28.10 the seven-county metropolitan area.

28.11 \$900,000 in each year is available for grants  
 28.12 for transportation studies outside the  
 28.13 metropolitan area to identify critical concerns,  
 28.14 problems, and issues. These grants are  
 28.15 available: (1) to regional development  
 28.16 commissions; (2) in regions where no regional  
 28.17 development commission is functioning, to  
 28.18 joint powers boards established under  
 28.19 agreement of two or more political  
 28.20 subdivisions in the region to exercise the  
 28.21 planning functions of a regional development  
 28.22 commission; and (3) in regions where no  
 28.23 regional development commission or joint  
 28.24 powers board is functioning, to the  
 28.25 department's district office for that region.

28.26 \$1,000,000 in each year is available for  
 28.27 management of contaminated and regulated  
 28.28 material on property owned by the Department  
 28.29 of Transportation, including mitigation of  
 28.30 property conveyances, facility acquisition or  
 28.31 expansion, chemical release at maintenance  
 28.32 facilities, and spills on the trunk highway  
 28.33 system where there is no known responsible  
 28.34 party. If the appropriation for either year is

29.1 insufficient, the appropriation for the other  
 29.2 year is available for it.

29.3 \$6,804,000 in the first year and \$1,000,000 in  
 29.4 the second year are available for the purposes  
 29.5 stated in Minnesota Statutes, section 12A.16,  
 29.6 subdivision 2.

29.7 The base appropriation for program planning  
 29.8 and delivery in fiscal year 2018 is  
 29.9 \$227,004,000 and in fiscal year 2019 is  
 29.10 \$234,331,000.

29.11			<u>744,166,000</u>
29.12	<b>(c) State Road Construction</b>	779,664,000	<u>849,166,000</u>

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

29.23 This appropriation includes federal highway  
 29.24 aid.

29.25 \$1,000,000 in the first year is to complete  
 29.26 projects using funds made available to the  
 29.27 commissioner of transportation under title XII  
 29.28 of the American Recovery and Reinvestment  
 29.29 Act of 2009, Public Law 111-5, and  
 29.30 implemented under Minnesota Statutes,  
 29.31 section 161.36, subdivision 7.

29.32 \$10,000,000 in each year is for the  
 29.33 transportation economic development program  
 29.34 under Minnesota Statutes, section 174.12.

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

30.7 The commissioner may transfer up to  
 30.8 \$15,000,000 each year to the transportation  
 30.9 revolving loan fund.

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

30.14 The base appropriation for state road  
 30.15 construction in each of fiscal years 2018 and  
 30.16 2019 is \$695,800,000.

30.17 **(d) Highway Debt Service** 197,381,000 231,199,000

30.18 \$187,881,000 the first year and \$221,699,000  
 30.19 the second year are for transfer to the state  
 30.20 bond fund. If this appropriation is insufficient  
 30.21 to make all transfers required in the year for  
 30.22 which it is made, the commissioner of  
 30.23 management and budget shall transfer the  
 30.24 deficiency amount under the statutory open  
 30.25 appropriation, and notify the chairs and  
 30.26 ranking minority members of the legislative  
 30.27 committees with jurisdiction over  
 30.28 transportation finance and the chairs of the  
 30.29 senate Committee on Finance and the house  
 30.30 of representatives Committee on Ways and  
 30.31 Means of the amount of the deficiency. Any  
 30.32 excess appropriation cancels to the trunk  
 30.33 highway fund.

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

31.1	Appropriations by Fund		
31.2		2016	2017
31.3	General	35,000	3,000
31.4	Trunk Highway	5,323,000	5,483,000

31.5 \$3,000 in each year is from the general fund  
 31.6 to equip and operate the Roosevelt signal  
 31.7 tower for Lake of the Woods weather  
 31.8 broadcasting.

31.9 \$32,000 in the first year is from the general  
 31.10 fund for a weather transmitter in Lake of the  
 31.11 Woods County.

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

31.15 **EFFECTIVE DATE.** This section is effective the day following submission by the  
 31.16 commissioner of transportation of all communications and materials, in their entirety and  
 31.17 without redaction, previously provided by the commissioner to any member of the legislature  
 31.18 following a request pursuant to the Minnesota Government Data Practices Act, Minnesota  
 31.19 Statutes, chapter 13, related to the Department of Transportation's 2016 request to the  
 31.20 Legislative Advisory Commission for authorization to expend federal funds under the Fixing  
 31.21 America's Surface Transportation Act (FAST Act). The submission must be made to the  
 31.22 chairs and ranking minority members of the legislative committees with jurisdiction over  
 31.23 transportation finance, finance, and ways and means, and to the revisor of statutes.

31.24 **ARTICLE 2**

31.25 **TRANSPORTATION BONDS**

31.26 Section 1. **BOND APPROPRIATIONS.**

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

32.1	<b><u>SUMMARY</u></b>	
32.2	<u>Department of Transportation</u>	<u>\$ 1,300,000,000</u>
32.3	<u>Department of Management and Budget</u>	<u>1,300,000</u>
32.4	<b><u>TOTAL</u></b>	<b><u>\$ 1,301,300,000</u></b>

32.5 **APPROPRIATIONS**

32.6 **Sec. 2. DEPARTMENT OF**  
 32.7 **TRANSPORTATION**

32.8 **Subdivision 1. Corridors of Commerce** **\$ 250,000,000**

32.9 This appropriation is to the commissioner of  
 32.10 transportation for the corridors of commerce  
 32.11 program under Minnesota Statutes, section  
 32.12 161.088.

32.13 For projects within the department's  
 32.14 metropolitan district, the commissioner shall  
 32.15 first select projects that: (1) are recommended  
 32.16 under Minnesota Statutes, section 161.088,  
 32.17 subdivision 5, paragraph (b), from previous  
 32.18 selection processes; (2) are on (i) U.S.  
 32.19 highways, or (ii) noninterstate highways  
 32.20 having an average annual daily traffic volume  
 32.21 of at least 50,000 vehicles; and (3) provide for  
 32.22 capacity expansion through additional general  
 32.23 purpose or auxiliary lanes of travel.

32.24 For projects outside of the department's  
 32.25 metropolitan district, the commissioner shall  
 32.26 first select any projects: (1) in which funds  
 32.27 have been previously provided under the  
 32.28 corridors of commerce program for  
 32.29 right-of-way acquisition, design, or  
 32.30 environmental analysis; and (2) that provide  
 32.31 for capacity expansion through additional  
 32.32 general purpose or auxiliary lanes of travel.

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



33.1 **Subd. 2. State Road Construction** **\$ 1,000,000,000**

33.2 This appropriation is to the commissioner of  
 33.3 transportation for construction, reconstruction,  
 33.4 and improvement of trunk highways, including  
 33.5 design-build contracts and use of consultants  
 33.6 to support these activities. This includes the  
 33.7 cost of actual payment to landowners for lands  
 33.8 acquired for highway rights-of-way, payment  
 33.9 to lessees, interest subsidies, and relocation  
 33.10 expenses.

33.11 From this appropriation, \$250,000,000 is  
 33.12 available in each year for fiscal years 2018 to  
 33.13 2021.

33.14 **Subd. 3. State Road Construction** **\$ 50,000,000**

33.15 This appropriation is to the commissioner of  
 33.16 transportation for the purposes specified in  
 33.17 subdivision 2.

33.18 From this appropriation, \$25,000,000 is  
 33.19 available in each year for fiscal years 2018  
 33.20 and 2019.

33.21 **Subd. 4. Cancellations**

33.22 The appropriations in this section cancel as  
 33.23 specified under Minnesota Statutes, section  
 33.24 16A.642, except that the commissioner of  
 33.25 management and budget shall count the start  
 33.26 of authorization for issuance of state bonds as  
 33.27 the first day of the fiscal year during which  
 33.28 the bonds are available to be issued as  
 33.29 specified under subdivision 1, 2, or 3, and not  
 33.30 as the date of enactment of this section.

33.31 **Sec. 3. BOND SALE EXPENSES** **\$ 1,300,000**

33.32 This appropriation is to the commissioner of  
 33.33 management and budget for bond sale

34.1 expenses under Minnesota Statutes, sections  
34.2 16A.641, subdivision 8, and 167.50,  
34.3 subdivision 4, and is effective through 2026.

34.4 **Sec. 4. BOND SALE AUTHORIZATION.**

34.5 To provide the money appropriated in this article from the bond proceeds account in the  
34.6 trunk highway fund, the commissioner of management and budget shall sell and issue bonds  
34.7 of the state in amount up to \$1,301,300,000 in the manner, upon the terms, and with the  
34.8 effect prescribed by Minnesota Statutes, sections 167.50 to 167.52, and by the Minnesota  
34.9 Constitution, article XIV, section 11, at the times and in the amounts requested by the  
34.10 commissioner of transportation. The proceeds of the bonds, except accrued interest and any  
34.11 premium received from the sale of the bonds, must be deposited in the bond proceeds account  
34.12 in the trunk highway fund.

34.13 **Sec. 5. EFFECTIVE DATE.**

34.14 This article is effective July 1, 2017.

34.15 **ARTICLE 3**

34.16 **TRANSPORTATION POLICY AND FINANCE**

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

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

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

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

34.26 Subd. 2. **Cash sale price.** "Cash sale price" means the price at which the seller would  
34.27 in good faith sell to the buyer, and the buyer would in good faith buy from the seller, the  
34.28 motor vehicle which is the subject matter of the retail installment contract, if such sale were  
34.29 a sale for cash, instead of a retail installment sale. The cash sale price may include any taxes,  
34.30 charges for delivery, servicing, repairing, or improving the motor vehicle, including  
34.31 accessories and their installation, and any other charges agreed upon between the parties.

35.1 The cash price may not include a documentary fee or document administration fee ~~in excess~~  
35.2 ~~of \$75 for services actually rendered to, for, or on behalf of, the retail buyer in preparing,~~  
35.3 ~~handling, and processing documents relating to the motor vehicle and the closing of the~~  
35.4 ~~retail sale~~ authorized under section 168.27, subdivision 31. "Documentary fee" and "document  
35.5 administration fee" do not include an optional electronic transfer fee as defined under  
35.6 subdivision 14.

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

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

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

35.12 Sec. 4. Minnesota Statutes 2016, section 117.036, subdivision 2, is amended to read:

35.13 Subd. 2. **Appraisal.** (a) Before commencing an eminent domain proceeding under this  
35.14 chapter for an acquisition greater than \$25,000, the acquiring authority must obtain at least  
35.15 one appraisal for the property proposed to be acquired. In making the appraisal, the appraiser  
35.16 must confer with one or more of the owners of the property, if reasonably possible. For  
35.17 acquisitions less than \$25,000, the acquiring authority may obtain a minimum damage  
35.18 acquisition report in lieu of an appraisal. In making the minimum damage acquisition report,  
35.19 the qualified person with appraisal knowledge must confer with one or more of the owners  
35.20 of the property, if reasonably possible. Notwithstanding section 13.44, the acquiring authority  
35.21 must provide the owner with a copy of (1) each appraisal for property acquisitions over  
35.22 \$25,000, or (2) the minimum damage acquisition report for properties under \$25,000, the  
35.23 acquiring authority has obtained for the property at the time an offer is made, but no later  
35.24 than 60 days before presenting a petition under section 117.055. The acquiring authority  
35.25 must also inform the owner of the right to obtain an appraisal under this section. Upon  
35.26 request, the acquiring authority must make available to the owner all appraisals for properties  
35.27 over \$25,000, or the minimum damage acquisition report for properties under \$25,000. If  
35.28 the acquiring authority is considering both a full and partial taking of the property, the  
35.29 acquiring authority shall obtain and provide the owner with appraisals for properties over  
35.30 \$25,000 for both types of takings, or minimum damage acquisition reports for properties  
35.31 under \$25,000.

35.32 (b) The owner may obtain an appraisal by a qualified appraiser of the property proposed  
35.33 to be acquired. The owner is entitled to reimbursement for the reasonable costs of the

36.1 appraisal from the acquiring authority up to a maximum of \$1,500 for single family and  
 36.2 two-family residential property and minimum damage acquisitions and ~~\$5,000~~ \$20,000 for  
 36.3 other types of property, provided that the owner submits to the acquiring authority the  
 36.4 information necessary for reimbursement, including a copy of the owner's appraisal, at least  
 36.5 five days before a condemnation commissioners' hearing. For purposes of this subdivision,  
 36.6 a "minimum damage acquisition" means an interest in property that a qualified person having  
 36.7 an understanding of the local real estate market indicates can be acquired for \$25,000 or  
 36.8 less.

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

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

36.14 Sec. 5. Minnesota Statutes 2016, section 117.189, is amended to read:

36.15 **117.189 PUBLIC SERVICE CORPORATION EXCEPTIONS.**

36.16 (a) Sections 117.031; 117.036; 117.055, subdivision 2, paragraph (b); 117.186; 117.187;  
 36.17 117.188; and 117.52, subdivisions 1a and 4, do not apply to the use of eminent domain  
 36.18 authority by public service corporations for any purpose other than construction or expansion  
 36.19 of:

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

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

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

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

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

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

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

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

37.2 Sec. 6. Minnesota Statutes 2016, section 160.18, is amended by adding a subdivision to  
37.3 read:

37.4 Subd. 4. **Trunk highway appeal process.** (a) Notwithstanding chapter 14 and section  
37.5 14.386, the commissioner must establish a concise, expedited process that allows an owner  
37.6 or occupant of a property abutting a trunk highway to appeal a denial or revocation of an  
37.7 access permit. The owner or occupant must initiate an appeal no later than 30 days after the  
37.8 date the commissioner issues written notice of the denial or revocation of an access permit.  
37.9 The process must provide the owner or occupant and Department of Transportation staff  
37.10 the opportunity to present information supporting each party's respective position. The  
37.11 hearing must be conducted by an administrative law judge assigned by the chief  
37.12 administrative law judge. The administrative law judge must maintain a transcript of the  
37.13 hearing and keep a record of all documents and data submitted at the hearing. Within 30  
37.14 days of the hearing's conclusion, the administrative law judge must transmit to the  
37.15 commissioner the record of the proceedings, along with a report and recommendation based  
37.16 on the record made in the informal hearing. The commissioner must make a written decision  
37.17 regarding the access permit.

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

37.19 Sec. 7. Minnesota Statutes 2016, section 161.081, subdivision 3, is amended to read:

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

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

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

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

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

38.6 (iii) routes of regional significance.

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

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

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

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

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

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

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

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

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

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

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

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

39.29 Sec. 8. Minnesota Statutes 2016, section 161.088, subdivision 4, is amended to read:

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

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

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

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

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

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

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

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

40.15 Sec. 9. Minnesota Statutes 2016, section 161.088, subdivision 5, is amended to read:

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

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

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

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

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

40.28 (3) efficiency in the movement of freight, ~~including but not limited to~~ which may include:

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



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

41.3 (4) improvements to traffic safety;

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

41.6 (6) the extent to which the project addresses multiple transportation system policy  
41.7 objectives and principles; and

41.8 (7) support and consensus for the project among members of the surrounding community.

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

41.12 Sec. 10. Minnesota Statutes 2016, section 161.088, subdivision 7, is amended to read:

41.13 Subd. 7. **Legislative report; evaluation.** (a) ~~Starting in 2014,~~ Annually by November  
41.14 1, the commissioner shall electronically submit a report on the corridors of commerce  
41.15 program to the chairs and ranking minority members of the legislative committees with  
41.16 jurisdiction over transportation policy and finance. At a minimum, the report must include:

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

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

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

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

41.25 ~~(2)~~ (3) a listing list of projects funded under the program in the previous selection cycle,  
41.26 including:

41.27 (i) project classification;

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

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

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

42.1 ~~(3)~~ (4) a ~~listing~~ comprehensive list of evaluated projects and candidate project  
 42.2 recommendations as required under subdivision 5, paragraph (b), including that identifies  
 42.3 for each project: eligibility, classification, evaluation results for each criterion, ranking if  
 42.4 applicable, and disposition in the selection process; and

42.5 ~~(4)~~ (5) any recommendations for changes to statutory requirements of the program.

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

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

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

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

42.16 Sec. 11. Minnesota Statutes 2016, section 161.115, subdivision 190, is amended to read:

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

42.20 **EFFECTIVE DATE.** This section is effective the day after the commissioner of  
 42.21 transportation receives a copy of the agreement between the commissioner of transportation  
 42.22 and the governing body of Le Sueur County to transfer jurisdiction of Legislative Route  
 42.23 No. 123 and after the commissioner notifies the revisor of statutes under section 108,  
 42.24 paragraph (b).

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

42.27 Subd. 83. **Chip A. Imker Memorial Highway.** That segment of marked Trunk Highway  
 42.28 65 from Isanti County State-Aid Highway 19, known as 305th Avenue NE, to the northerly  
 42.29 limit of Cambridge Township is designated as "Chip A. Imker Memorial Highway." Subject  
 42.30 to section 161.139, the commissioner shall adopt a suitable design to mark this highway  
 42.31 and erect appropriate signs.

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

43.3 Subd. 84. Medal of Honor Recipient Kenneth L. Olson Highway. That segment of  
43.4 marked Trunk Highway 23 within the city of Paynesville and the town of Paynesville is  
43.5 designated as "Medal of Honor Recipient Kenneth L. Olson Highway." Subject to section  
43.6 161.139, the commissioner shall adopt a suitable design to mark this highway and erect  
43.7 appropriate signs.

43.8 Sec. 14. Minnesota Statutes 2016, section 161.14, is amended by adding a subdivision to  
43.9 read:

43.10 Subd. 85. Corporal Benjamin S. Kopp Bridge. The bridge on Dakota County State-Aid  
43.11 Highway 46, known as Brandel Drive within the city of Coates, over marked U.S. Highway  
43.12 52 is designated as "Corporal Benjamin S. Kopp Bridge." Subject to section 161.139, the  
43.13 commissioner shall adopt a suitable design to mark this highway and erect appropriate signs.

43.14 Sec. 15. Minnesota Statutes 2016, section 161.321, subdivision 6, is amended to read:

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

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

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

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

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

43.27 ~~or~~

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

44.1 Sec. 16. Minnesota Statutes 2016, section 161.38, is amended by adding a subdivision to  
44.2 read:

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

44.6 Sec. 17. Minnesota Statutes 2016, section 161.44, subdivision 5, is amended to read:

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

44.17 Sec. 18. Minnesota Statutes 2016, section 161.44, subdivision 6a, is amended to read:

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

44.26 Sec. 19. Minnesota Statutes 2016, section 161.44, is amended by adding a subdivision to  
44.27 read:

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

45.1 Sec. 20. Minnesota Statutes 2016, section 162.145, subdivision 2, is amended to read:

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

45.6 Sec. 21. Minnesota Statutes 2016, section 168.021, subdivision 1, is amended to read:

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

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

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

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

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

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

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

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

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

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

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

46.14 Sec. 23. Minnesota Statutes 2016, section 168.021, subdivision 2a, is amended to read:

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

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

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

46.26 Sec. 24. **[168.1256] SPECIAL RETIRED LAW ENFORCEMENT PLATES.**

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

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

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

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

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

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

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

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

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

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

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

47.17 Subd. 4. **Exemption.** Special plates issued under this section are not subject to section  
47.18 168.1293, subdivision 2.

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

47.21 Sec. 25. **[168.1257] SPECIAL LAW ENFORCEMENT MEMORIAL PLATES.**

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

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

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

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

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

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

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

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

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

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

48.11 Subd. 4. **Exemption.** Special plates issued under this section are not subject to section  
48.12 168.1293, subdivision 2.

48.13 Subd. 5. **Fees.** Fees collected under subdivision 1, clauses (2) and (3), and subdivision  
48.14 3 are credited to the vehicle services operating account in the special revenue fund.

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

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

48.25 Sec. 26. **[168.1294] SPECIAL "START SEEING MOTORCYCLES" PLATES.**

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

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

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



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

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

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

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

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

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

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

49.16 Subd. 4. **Exemption.** Special plates issued under this section are not subject to section  
49.17 168.1293, subdivision 2.

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

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

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

49.23 Sec. 27. Minnesota Statutes 2016, section 168.27, is amended by adding a subdivision to  
49.24 read:

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

50.1 Sec. 28. Minnesota Statutes 2016, section 168.33, subdivision 2, is amended to read:

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

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

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

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

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

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

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

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

51.4 (i) The deputy registrar shall keep records and make reports to the commissioner as the  
51.5 commissioner requires. The records must be maintained at the offices of the deputy registrar  
51.6 in a manner that complies with sections 13.05, subdivision 5, and 13.055. As an alternative  
51.7 to paper copy storage, a deputy registrar may retain records and documents in a secure  
51.8 electronic medium that complies with the security requirements under the United States  
51.9 Federal Bureau of Investigation, Criminal Justice Information Services Division, Policy 5.4  
51.10 or any successor policy, provided 60 days have elapsed since the transaction and subject to  
51.11 standards established by the commissioner. The deputy registrar is responsible for all costs  
51.12 associated with the conversion to electronic records and maintenance of the electronic  
51.13 storage medium, including the destruction of existing paper records after conversion to the  
51.14 electronic format. All queries and responses in the secure electronic medium, and all actions  
51.15 in which data are entered, updated, accessed, or shared or disseminated by the deputy  
51.16 registrar must be contained in a data audit trail. Data contained in the audit trail are public  
51.17 to the extent the data are not otherwise classified under this section. The records and offices  
51.18 of the deputy registrar must at all times be open to the inspection of the commissioner or  
51.19 the commissioner's agents. The deputy registrar shall report to the commissioner by the  
51.20 next working day following receipt all registrations made and taxes and fees collected by  
51.21 the deputy registrar.

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

51.31 Sec. 29. Minnesota Statutes 2016, section 168A.09, subdivision 1, is amended to read:

51.32 Subdivision 1. **Application, issuance, form, bond, and notice.** (a) In the event a  
51.33 certificate of title is lost, stolen, mutilated, ~~or~~ destroyed, or becomes illegible, the owner or  
51.34 legal representative of the owner named in the certificate may ~~make~~ submit an application

52.1 to the department or a deputy registrar for a duplicate in a format prescribed by the  
 52.2 department. The department ~~shall~~ or deputy registrar must issue a duplicate certificate of  
 52.3 title if satisfied that the applicant is entitled ~~thereto~~ to the duplicate certificate of title. The  
 52.4 duplicate certificate of title ~~shall~~ must be plainly marked as a duplicate and mailed or  
 52.5 delivered to the owner. The department ~~shall~~ or deputy registrar must indicate in ~~its~~ the  
 52.6 driver and vehicle information system records that a duplicate certificate of title has been  
 52.7 issued. As a condition to issuing a duplicate certificate of title, the department may require  
 52.8 a bond from the applicant in the manner and format prescribed in section 168A.07,  
 52.9 subdivision 1, clause (2). The duplicate certificate of title shall contain the legend: "This  
 52.10 duplicate certificate of title may be subject to the rights of a person under the original  
 52.11 certificate."

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

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

52.16 Sec. 30. Minnesota Statutes 2016, section 169.011, subdivision 34, is amended to read:

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

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

52.30 Sec. 31. Minnesota Statutes 2016, section 169.18, subdivision 5, is amended to read:

52.31 Subd. 5. **Driving left of roadway center; exception.** (a) No vehicle shall be driven to  
 52.32 the left side of the center of the roadway in overtaking and passing another vehicle proceeding  
 52.33 in the same direction unless such left side is clearly visible and is free of oncoming traffic

53.1 for a sufficient distance ahead to permit such overtaking and passing to be completely made  
53.2 without interfering with the safe operation of any vehicle approaching from the opposite  
53.3 direction or any vehicle overtaken. In every event the overtaking vehicle must return to the  
53.4 right-hand side of the roadway before coming within 100 feet of any vehicle approaching  
53.5 from the opposite direction.

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

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

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

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

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

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

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

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

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

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

53.28 Subdivision 1. **Scope of privilege.** (a) A vehicle described in section 168.021, subdivision  
53.29 1, paragraph (a), that prominently displays the certificate authorized by this section or that  
53.30 bears the disability plate or plates issued under section 168.021 may be parked by or solely  
53.31 for the benefit of a physically disabled person:

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

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

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

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

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

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

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

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

54.25 Subd. 3. **Identifying certificate.** (a) The commissioner shall issue (1) immediately, a  
54.26 permit valid for 30 days if the person is eligible for the certificate issued under this section  
54.27 and (2) an identifying certificate for a vehicle described in section 168.021, subdivision 1,  
54.28 paragraph (a), when a physically disabled applicant submits proof of physical disability  
54.29 under subdivision 2a. The commissioner shall design separate certificates for persons with  
54.30 permanent and temporary disabilities that can be readily distinguished from each other from  
54.31 outside a vehicle at a distance of 25 feet or, in the case of a motorcycle or a motorized  
54.32 bicycle, can be readily secured to the motorcycle or motorized bicycle. An applicant may

55.1 be issued up to two certificates if the applicant has not been issued disability plates under  
55.2 section 168.021.

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

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

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

55.9 Sec. 34. Minnesota Statutes 2016, section 169.444, subdivision 2, is amended to read:

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

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

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

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

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

55.22 Sec. 35. Minnesota Statutes 2016, section 169.449, subdivision 1, is amended to read:

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

56.1 Sec. 36. [169.8295] WEIGHT LIMITS; VEHICLES TRANSPORTING MILK.

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

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

56.6 (2) the point of first processing.

56.7 (b) Notwithstanding sections 169.824, subdivision 1, paragraph (d); 169.826, subdivision  
56.8 3; or other law to the contrary, a permit is not required to operate a vehicle under this section.

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

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

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

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

56.15 (3) must not be operated with a load that exceeds the tire manufacturer's recommended  
56.16 load, the manufacturer's gross vehicle weight rating as affixed to the vehicle, or other  
56.17 certification of gross vehicle weight rating under Code of Federal Regulations, title 49,  
56.18 sections 567.4 to 567.7.

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

56.20 Sec. 37. Minnesota Statutes 2016, section 169.865, subdivision 3, is amended to read:

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

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

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

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

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

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



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

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

57.4 (8) must have brakes on all wheels.

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

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

57.13 **Sec. 38. [169.869] SPECIAL CONSTRUCTION MATERIALS PERMIT.**

57.14 Subdivision 1. **Definition.** For purposes of this section, "construction materials" means  
57.15 highway construction materials, building construction materials, and associated demolition  
57.16 materials, including but not limited to aggregate material as defined in section 298.75,  
57.17 subdivision 1, paragraph (a), hot mix asphalt, plastic concrete, cementitious materials,  
57.18 concrete admixtures, asphalt cement, construction demolition materials, and recycled road  
57.19 materials.

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

57.23 (1) 90,000 pounds; and

57.24 (2) 99,000 pounds during the period set by the commissioner under section 169.826,  
57.25 subdivision 1.

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

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

57.31 (1) 97,000 pounds; and

58.1 (2) 99,000 pounds during the period set by the commissioner under section 169.826,  
58.2 subdivision 1.

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

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

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

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

58.11 (2) must comply with the requirements and restrictions in section 169.865, subdivision  
58.12 3, paragraph (a), clauses (1) to (3), (5), (7), and (8); and

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

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

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

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

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

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

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

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

59.2 Sec. 39. Minnesota Statutes 2016, section 171.02, subdivision 2b, is amended to read:

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

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

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

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

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

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

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

59.17 (5) handling emergency situations;

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

59.19 (7) performance of pretrip vehicle inspections;

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

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

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

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

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

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

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

60.6 (d) A background check or background investigation of the operator has been conducted  
60.7 that meets the requirements under section 122A.18, subdivision 8, or 123B.03 for school  
60.8 district employees; section 144.057 or chapter 245C for day care employees; or section  
60.9 171.321, subdivision 3, for all other persons operating a type III vehicle under this  
60.10 subdivision.

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

60.13 (f) The operator's employer requires preemployment drug testing of applicants for  
60.14 operator positions. Current operators must comply with the employer's policy under section  
60.15 181.951, subdivisions 2, 4, and 5. Notwithstanding any law to the contrary, the operator's  
60.16 employer may use a Breathalyzer or similar device to fulfill random alcohol testing  
60.17 requirements.

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

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

60.25 (i) A person who has ever been convicted of a disqualifying offense as defined in section  
60.26 171.3215, subdivision 1, paragraph (c), may not operate a type III vehicle under this  
60.27 subdivision.

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

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

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

61.10 (m) Students riding the type III vehicle must have training required under section  
61.11 123B.90, subdivision 2.

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

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

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

61.21 Sec. 40. Minnesota Statutes 2016, section 171.06, subdivision 2a, is amended to read:

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

61.26 (1) \$11 of the additional fee for each first duplicate license, and \$7 of the additional fee  
61.27 for each renewal, must be credited to the motorcycle safety fund, which is hereby created;  
61.28 ~~provided that ten percent of fee receipts in excess of \$750,000 in a fiscal year must be~~  
61.29 ~~credited to the general fund.~~

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

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

62.4 Sec. 41. Minnesota Statutes 2016, section 171.061, subdivision 3, is amended to read:

62.5 Subd. 3. **Application.** An applicant may file an application with an agent. The agent  
62.6 shall receive and accept applications in accordance with the laws and rules of the Department  
62.7 of Public Safety for a driver's license, restricted license, duplicate license, instruction permit,  
62.8 Minnesota identification card, or motorized bicycle operator's permit. Application records  
62.9 must be maintained at the office of the agent in a manner that complies with sections 13.05,  
62.10 subdivision 5, and 13.055. As an alternative to paper copy storage, an agent may retain  
62.11 records and documents in a secure electronic medium that complies with the security  
62.12 requirements under the United States Federal Bureau of Investigation, Criminal Justice  
62.13 Information Services Division, Policy 5.4 or any successor policy, provided 60 days have  
62.14 elapsed since the transaction and subject to standards established by the commissioner. The  
62.15 agent is responsible for all costs associated with the conversion to electronic records and  
62.16 maintenance of the electronic storage medium, including the destruction of existing paper  
62.17 records after conversion to the electronic format. All queries and responses in the secure  
62.18 electronic medium, and all actions in which data are entered, updated, accessed, or shared  
62.19 or disseminated by the agent must be contained in a data audit trail. Data contained in the  
62.20 audit trail are public to the extent the data are not otherwise classified under this section.

62.21 Sec. 42. Minnesota Statutes 2016, section 171.12, subdivision 6, is amended to read:

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

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

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

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

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

63.5 Sec. 43. Minnesota Statutes 2016, section 173.02, is amended by adding a subdivision to  
 63.6 read:

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

63.10 Sec. 44. Minnesota Statutes 2016, section 173.02, is amended by adding a subdivision to  
 63.11 read:

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

63.14 Sec. 45. Minnesota Statutes 2016, section 173.02, subdivision 18, is amended to read:

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

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

63.19 (1) outdoor advertising devices;

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

63.22 (3) transient or temporary activities;

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

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

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

63.26 (7) railroad tracks and minor sidings;

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

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

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

64.1 Sec. 46. Minnesota Statutes 2016, section 173.02, is amended by adding a subdivision to  
64.2 read:

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

64.7 Sec. 47. Minnesota Statutes 2016, section 173.02, is amended by adding a subdivision to  
64.8 read:

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

64.13 Sec. 48. Minnesota Statutes 2016, section 173.02, subdivision 23, is amended to read:

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

64.19 Sec. 49. Minnesota Statutes 2016, section 173.02, is amended by adding a subdivision to  
64.20 read:

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

64.24 Sec. 50. Minnesota Statutes 2016, section 173.06, subdivision 1, is amended to read:

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



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

65.3 Sec. 51. Minnesota Statutes 2016, section 173.07, subdivision 1, is amended to read:

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

65.11 Sec. 52. Minnesota Statutes 2016, section 173.08, is amended by adding a subdivision to  
65.12 read:

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

65.15 (1) is located on demonstration plats;

65.16 (2) is located on private property;

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

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

65.19 Sec. 53. Minnesota Statutes 2016, section 173.08, is amended by adding a subdivision to  
65.20 read:

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

65.23 Sec. 54. Minnesota Statutes 2016, section 173.13, subdivision 11, is amended to read:

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

66.1 on which it is displayed, unless the name of ~~such~~ the owner is otherwise reasonably known  
66.2 to the commissioner. The owner of the removed device is liable to the state for the costs of  
66.3 removal. The period of ~~such~~ notice ~~shall be~~ is computed from the date of mailing- to both  
66.4 the owner of the advertising device and the owner of the real property where the device is  
66.5 located. The department must store a removed outdoor advertising device for a minimum  
66.6 of 30 days prior to disposal. If the outdoor advertising device is not retrieved by the owner  
66.7 within 30 days of removal, the department may dispose of the outdoor advertising device.  
66.8 The state is not liable for trespass actions or sign costs for outdoor advertising devices  
66.9 removed under this subdivision if proper notice has been served.

66.10 Sec. 55. [173.155] CHANGEABLE ELECTRONIC VARIABLE MESSAGE SIGNS.

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

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

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

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

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

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

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

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

66.24 and

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

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

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

67.1 Sec. 56. Minnesota Statutes 2016, section 173.16, is amended by adding a subdivision to  
67.2 read:

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

67.4 (1) be stationary;

67.5 (2) be immobile;

67.6 (3) not have wheels; and

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

67.8 Sec. 57. Minnesota Statutes 2016, section 173.16, is amended by adding a subdivision to  
67.9 read:

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

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

67.17 Sec. 58. [173.265] **OUTDOOR ADVERTISING DEVICES; REMOVAL;**  
67.18 **MAINTENANCE.**

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

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

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

67.29 (1) the addition of illumination;

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

68.3 (3) enlarging the nonconforming device;

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

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

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

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

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

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

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

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

68.21 Sec. 59. Minnesota Statutes 2016, section 174.03, subdivision 1a, is amended to read:

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

68.27 (b) Each revised statewide multimodal transportation plan must:

68.28 (1) incorporate the goals of the state transportation system in section 174.01;

68.29 (2) establish objectives, policies, and strategies for achieving those goals; and

68.30 (3) identify performance targets for measuring progress and achievement of transportation  
68.31 system goals, objectives, or policies.

69.1 Sec. 60. Minnesota Statutes 2016, section 174.03, subdivision 1c, is amended to read:

69.2 Subd. 1c. ~~Statewide highway 20-year capital investment plan. By January 15, 2013,~~  
69.3 ~~and in conjunction with~~ Within one year of each future revision of the statewide multimodal  
69.4 transportation plan under subdivision 1a, the commissioner ~~shall~~ must prepare a 20-year  
69.5 statewide highway ~~capital~~ investment plan that:

69.6 (1) incorporates performance measures and targets for assessing progress and achievement  
69.7 of the state's transportation goals, objectives, and policies identified in this chapter for the  
69.8 state trunk highway system, and those goals, objectives, and policies established in the  
69.9 statewide multimodal transportation plan. Performance targets must be based on objectively  
69.10 verifiable measures, and address, at a minimum, preservation and maintenance of the  
69.11 structural condition of state highway bridges and pavements, safety, and mobility;

69.12 (2) summarizes trends and impacts for each performance target over the past five years;

69.13 (3) summarizes the amount and analyzes the impact of the department's capital  
69.14 investments and priorities over the past five years on each performance target, including a  
69.15 comparison of prior plan projected costs with actual costs;

69.16 (4) identifies the investments required to meet the established performance targets over  
69.17 the next 20-year period;

69.18 (5) projects available state and federal funding over the 20-year period, including any  
69.19 unique, competitive, time-limited, or focused funding opportunities;

69.20 (6) identifies strategies to ensure the most efficient use of existing transportation  
69.21 infrastructure, and to maximize the performance benefits of projected available funding;

69.22 (7) establishes investment priorities for projected funding, including a schedule of major  
69.23 projects or improvement programs for the 20-year period together with projected costs and  
69.24 impact on performance targets; and

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

69.28 Sec. 61. Minnesota Statutes 2016, section 174.03, is amended by adding a subdivision to  
69.29 read:

69.30 Subd. 1e. Capacity and major highway projects; planning and programming. (a)  
69.31 The commissioner must implement a process concerning trunk highway projects that are  
69.32 not included in the state transportation improvement program. The commissioner must use

70.1 the process for projects that expand trunk highway system capacity and for major highway  
 70.2 projects, as defined in section 174.56, subdivision 1.

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

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

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

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

70.10 (4) integrate with the department's programs that involve alternative project selection  
 70.11 methods, including but not limited to the corridors of commerce program under section  
 70.12 161.088 and the transportation economic development program under section 174.12.

70.13 Sec. 62. Minnesota Statutes 2016, section 174.50, subdivision 5, is amended to read:

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

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

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

70.21 ~~(3) that~~ (2) the financing of any estimated cost of the project in excess of the amount of  
 70.22 the grant is assured by the appropriation of the proceeds of bonds or other funds of the  
 70.23 subdivision, or by a grant from an agency of the federal government, within the amount of  
 70.24 funds then appropriated to that agency and allocated by it to projects within the state, and  
 70.25 by an irrevocable undertaking, in a resolution of the governing body of the subdivision, to  
 70.26 use all funds so made available exclusively for the project, and to pay any additional amount  
 70.27 by which the cost exceeds the estimate through appropriation to the construction fund of  
 70.28 additional funds or the proceeds of additional bonds to be issued by the subdivision.

71.1 Sec. 63. Minnesota Statutes 2016, section 174.50, subdivision 6b, is amended to read:

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

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

71.7 ~~(e)~~ (b) Grants may be used for:

71.8 (1) 100 percent of the design and engineering costs that are in excess of \$10,000;

71.9 (2) 100 percent of the bridge approach work costs that are in excess of \$10,000; and

71.10 (3) 100 percent of the bridge construction work costs.

71.11 Sec. 64. Minnesota Statutes 2016, section 174.50, subdivision 6c, is amended to read:

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

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

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

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

71.19 Sec. 65. Minnesota Statutes 2016, section 174.50, subdivision 7, is amended to read:

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

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

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

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

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

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

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

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

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

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

72.23 Sec. 66. **[174.54] TRANSPORTATION PRIORITIES FUND.**

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

72.30 Subd. 2. **Financial reports.** Any report or financial statement required by law to be  
 72.31 submitted to the legislature that provides financial information on the transportation priorities



73.1 fund must include accounting information on each account established within the fund,  
73.2 including revenues and sources, transfers, uses, and account balance.

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

73.6 (1) 70.5 percent transferred to the commissioner of transportation for deposit in the  
73.7 highway user tax distribution fund, provided that this amount is reduced by the amount  
73.8 transferred as specified in subdivision 4;

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

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

73.12 (4) 1.5 percent for the hazardous materials rail safety program under section 219.016;

73.13 (5) 0.75 percent for purposes of replacement of highway-rail grade crossing warning  
73.14 devices;

73.15 (6) 0.25 percent for the public highway-rail grade crossing quiet zone program under  
73.16 section 219.166;

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

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

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

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

73.28 Subd. 5. **Fund allocation; certain metropolitan area county roads.** (a) The  
73.29 commissioner of transportation must distribute the funds under subdivision 3, paragraph  
73.30 (a), clause (7), and any other funds appropriated specifically for purposes of this subdivision  
73.31 to the counties in the metropolitan area, as defined in section 473.121, subdivision 4,  
73.32 excluding the counties of Hennepin and Ramsey, so that each county receives from that

74.1 amount the percentage that its population, as defined in section 477A.011, subdivision 3,  
74.2 estimated or established by July 15 of the year prior to the current calendar year, bears to  
74.3 the total population of the counties receiving funds under this paragraph.

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

74.6 Sec. 67. Minnesota Statutes 2016, section 174.56, subdivision 1, is amended to read:

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

74.9 (1) the status of major highway projects:

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

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

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

74.16 (3) ~~beginning with the report due in 2016,~~ a list of any major highway projects removed  
74.17 from, delayed within, or delayed from inclusion in the state transportation improvement  
74.18 program or capital investment plans, including a discussion of the rationale for the delay  
74.19 or removal;

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

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

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

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

75.1 Sec. 68. Minnesota Statutes 2016, section 174.56, subdivision 2, is amended to read:

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

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

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

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

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

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

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

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

76.1 Sec. 69. Minnesota Statutes 2016, section 174.56, is amended by adding a subdivision to  
76.2 read:

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

76.6 Sec. 70. **[174.57] SNOW AND ICE CONTROL; APPROPRIATION.**

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

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

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

76.21 (1) the proposed biennial expenditure level for snow and ice management for the next  
76.22 budget biennium; and

76.23 (2) the total amount expended or estimated to be expended under the appropriation in  
76.24 this section for the budget biennium that is ending.

76.25 Sec. 71. Minnesota Statutes 2016, section 174.93, is amended to read:

76.26 **174.93 GUIDEWAY METROPOLITAN AREA TRANSIT INVESTMENT.**

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

76.29 (1) "busway" means a form of transportation service, consisting of arterial or highway  
76.30 bus rapid transit, limited stop bus service, and express bus service, provided to the public

77.1 on a regular and ongoing basis that does not primarily or substantially operate within  
 77.2 separated rights-of-way;

77.3 (2) "commissioner" means the commissioner of transportation;

77.4 ~~(2)~~ (3) "guideway" means a form of transportation service provided to the public on a  
 77.5 regular and ongoing basis, that primarily or substantially operates on exclusive or controlled  
 77.6 within separated rights-of-way or operates on rails in whole or in part, and includes:

77.7 (i) each line for intercity passenger rail, commuter rail, light rail transit, and streetcars;  
 77.8 and;

77.9 (ii) as applicable, each line for dedicated bus service, which may include arterial or  
 77.10 highway bus rapid transit, limited stop bus service, and express bus service; and

77.11 (iii) any intermodal facility serving two or more lines identified in items (i) and (ii); and

77.12 ~~(3)~~ (4) "local unit of government" means a county, statutory or home rule charter city,  
 77.13 town, or other political subdivision including, but not limited to, a regional railroad authority  
 77.14 or joint powers board.

77.15 (b) For purposes of this section, "sources of funds" includes, but is not limited to, money  
 77.16 from federal aid, state appropriations, the Metropolitan Council, special taxing districts,  
 77.17 local units of government, fare box recovery, and nonpublic sources.

77.18 (c) For purposes of this section, "budget activity" includes, but is not limited to,  
 77.19 environmental analysis, land acquisition, easements, design, preliminary and final  
 77.20 engineering, acquisition of vehicles and rolling stock, track improvement and rehabilitation,  
 77.21 and construction.

77.22 (d) Guideway does not include a busway.

77.23 (e) "Separated rights-of-way" includes exclusive, dedicated, or primary use of a  
 77.24 right-of-way by the public transportation service. Separated rights-of-way does not include  
 77.25 a shoulder, dynamic shoulder lane, or priced lane under section 160.93.

77.26 Subd. 1a. **Guideway capital project requests to legislature.** A state agency or local  
 77.27 unit of government that submits a request to the legislature to obtain state funds for a  
 77.28 guideway project shall, as part of the request, provide a summary financial plan for the  
 77.29 project that presents the following information as reflected by the data and level of detail  
 77.30 available in the latest phase of project development:

78.1 (1) capital expenditures and funding sources for the project, including expenditures to  
 78.2 date and total projected or estimated expenditures, with a breakdown by committed and  
 78.3 proposed sources of funds; and

78.4 (2) estimated annual operations and maintenance expenditures for the project, with a  
 78.5 breakdown by committed and proposed sources of funds.

78.6 Subd. 2. **Legislative report.** (a) Annually by January 15, 2012, and by November 15 in  
 78.7 every odd-numbered year thereafter, the commissioner shall council must prepare, in  
 78.8 collaboration with the Metropolitan Council commissioner, and a report on comprehensive  
 78.9 transit finance in the metropolitan area. The council must submit a the report electronically  
 78.10 to the chairs and ranking minority members of the legislative committees with jurisdiction  
 78.11 over transportation policy and finance concerning.

78.12 (b) The report must be structured to provide financial information in six-month increments  
 78.13 corresponding to state and local fiscal years, and must use consistent assumptions and  
 78.14 methodologies. The report must comprehensively identify all funding sources and  
 78.15 expenditures related to transit in the metropolitan area, including but not limited to:

78.16 (1) sources and uses of funds from regional railroad authorities, joint powers agreements,  
 78.17 counties, and cities;

78.18 (2) expenditures for transit planning, feasibility studies, alternatives analysis, and other  
 78.19 transit project development; and

78.20 (3) expenditures for guideways, busways, regular route bus service, demand-response  
 78.21 service, and special transportation service under section 473.386.

78.22 (c) The report must include a section that identifies the status of guideways in revenue  
 78.23 operation and guideway projects (1) currently in study, planning, development, or  
 78.24 construction; (2) identified in the transportation policy plan under section 473.146; or (3)  
 78.25 identified in the comprehensive statewide freight and passenger rail plan under section  
 78.26 174.03, subdivision 1b.

78.27 ~~(b)~~ (d) At a minimum, the guideways status section of the report must include, provide  
 78.28 for each guideway project wholly or partially in the metropolitan area:

78.29 (1) a brief description of the project, including projected ridership;

78.30 (2) a summary of the overall status and current phase of the project;

79.1 (3) a timeline that includes (i) project phases or milestones, including any federal  
79.2 approvals; (ii) expected and known dates of commencement of each phase or milestone;  
79.3 and (iii) expected and known dates of completion of each phase or milestone;

79.4 (4) a brief progress update on specific project phases or milestones completed since the  
79.5 last previous submission of a report under this subdivision; and

79.6 (5) a summary financial plan that identifies, as reflected by the data and level of detail  
79.7 available in the latest phase of project development and to the extent available:

79.8 (i) capital expenditures, including expenditures to date and total projected expenditures,  
79.9 with a breakdown by committed and proposed sources of funds for the project;

79.10 (ii) estimated annual operations and maintenance expenditures reflecting the level of  
79.11 detail available in the current phase of the project development, with a breakdown by  
79.12 committed and proposed sources of funds for the project; and

79.13 (iii) if feasible, project expenditures by budget activity.

79.14 (e) The report must include a section that summarizes the status of busways in revenue  
79.15 operation and busway projects currently in study, planning, development, or construction.

79.16 (f) The report must include a section that identifies the total ridership, farebox recovery  
79.17 ratio, and per-passenger operating subsidy for (1) each route and line in revenue operation  
79.18 by a transit provider, including guideways, busways, and regular route bus service; and (2)  
79.19 demand-response service and special transportation service. The section must provide data  
79.20 on a per-passenger mile basis and must provide information for at least the previous three  
79.21 years. The section must identify performance standards for farebox recovery and identify  
79.22 each route and line that does not meet the standards.

79.23 ~~(e)~~ (g) The report must also include a systemwide capacity analysis for transit operations  
79.24 and investment in guideway expansion and maintenance that:

79.25 (1) provides a funding projection, annually over the ensuing ten years, and with a  
79.26 breakdown by committed and proposed sources of funds, of:

79.27 (i) total capital expenditures for guideways and for busways;

79.28 (ii) total operations and maintenance expenditures for guideways and for busways;

79.29 (iii) total funding available for guideways and for busways, including from projected or  
79.30 estimated farebox recovery; and

79.31 (iv) total funding available for transit service in the metropolitan area; and

80.1 (2) evaluates the availability of funds and distribution of sources of funds for guideway  
80.2 and for busway investments.

80.3 ~~(d)~~ (h) The ~~projection capacity analysis~~ under paragraph ~~(e), clause (1),~~ (g) must be for  
80.4 include all guideway and busway lines for which state public funds are reasonably expected  
80.5 to be expended in planning, development, construction, or revenue operation, or capital  
80.6 maintenance during the ensuing ten years.

80.7 ~~(e)~~ (i) Local units of government ~~shall~~ must provide assistance and information in a  
80.8 timely manner as requested by the commissioner or council for completion of the report.

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

80.12 Sec. 72. **[219.016] OIL AND OTHER HAZARDOUS MATERIALS RAIL SAFETY.**

80.13 **Subdivision 1. Program established.** A hazardous materials rail safety program is  
80.14 established for the purpose of reducing the risks associated with the transportation of oil,  
80.15 ethanol, and other hazardous material by rail.

80.16 **Subd. 2. Hazardous materials rail safety account.** A hazardous materials rail safety  
80.17 account is established in the transportation priorities fund. The account consists of funds as  
80.18 provided by law, and any other funds donated, allotted, transferred, or otherwise provided.

80.19 **Subd. 3. Use of funds.** Funds appropriated for the program under this section may only  
80.20 be used for capital costs associated with planning, engineering, administration, and  
80.21 construction of public highway-rail grade crossing improvements on rail corridors  
80.22 transporting crude oil and other hazardous materials. Improvements may include upgrades  
80.23 to existing protection systems, the closing of crossings and necessary roadwork, and  
80.24 reconstruction of at-grade crossings to full grade separations.

80.25 **Subd. 4. Eligible applicants.** Counties, statutory or home rule charter cities, or towns  
80.26 that are responsible for establishing and maintaining public highway-rail grade crossings  
80.27 on rail corridors transporting crude oil and other hazardous materials may apply to the  
80.28 commissioner for financial assistance under this section.

80.29 **Subd. 5. Grants; authorization.** The commissioner may approve grants for financial  
80.30 assistance to eligible applicants for capital costs associated with hazardous materials rail  
80.31 safety projects on public highway-rail grade crossings. Qualifying capital costs include, but  
80.32 are not limited to, upgrades to existing protection systems, the closing of crossings and  
80.33 necessary roadwork, and reconstruction of at-grade crossings to full grade separations.



81.1 Subd. 6. Grants; criteria for grant award. The commissioner must consider the  
81.2 following criteria to evaluate applications for a grant award for a hazardous materials rail  
81.3 safety project:

81.4 (1) whether the crossing was identified as a potential candidate for grade separation in  
81.5 the Department of Transportation's crude by rail grade crossing study (Improvements to  
81.6 Highway Grade Crossings and Rail Safety, December 2014);

81.7 (2) roadway traffic volumes and speeds;

81.8 (3) train volumes and speeds;

81.9 (4) adjacent land use;

81.10 (5) crash history;

81.11 (6) use of the crossing by emergency vehicles;

81.12 (7) use of the crossing by vehicles carrying hazardous materials; and

81.13 (8) local financial contributions to the project.

81.14 Sec. 73. Minnesota Statutes 2016, section 219.166, is amended to read:

81.15 **219.166 ESTABLISHMENT OF QUIET ZONES.**

81.16 Subdivision 1. Eligible quiet zone applicants. A county, statutory or home rule charter  
81.17 city, or town may apply to the Federal Railroad Administration for the establishment of a  
81.18 "quiet zone" at a public highway-rail grade crossing in which the sounding of horns, whistles,  
81.19 or other audible warnings by locomotives is regulated or prohibited. All quiet zones,  
81.20 regulations, and ordinances adopted under this section must conform to federal law and the  
81.21 regulations of the Federal Railroad Administration under ~~United States Code~~ of Federal  
81.22 Regulations, title 49, ~~section 20153~~ parts 222 and 229.

81.23 Subd. 2. Program established. A public highway-rail grade crossing quiet zone program  
81.24 is established for the purpose of improving and rehabilitating railroad rights-of-way and  
81.25 other public and private rail facilities, including necessary safety-related capital improvements  
81.26 at public highway-rail grade crossings where quiet zones are established.

81.27 Subd. 3. Highway-rail grade crossing quiet zone account. A highway-rail grade  
81.28 crossing quiet zone account is established in the transportation priorities fund. The account  
81.29 consists of funds as provided by law, and any other funds donated, allotted, transferred, or  
81.30 otherwise provided.

82.1 Subd. 4. **Use of funds.** Funds appropriated for the program under this section may only  
 82.2 be used for capital costs associated with the establishment of a quiet zone at a public  
 82.3 highway-rail grade crossing.

82.4 Subd. 5. **Eligible applicants.** Counties, statutory or home rule charter cities, or towns  
 82.5 that are responsible for traffic control or law enforcement at a public highway-rail grade  
 82.6 crossing and that qualify as eligible applicants to the Federal Railroad Administration (FRA)  
 82.7 for the establishment of a quiet zone may apply to the commissioner for financial assistance  
 82.8 under this section.

82.9 Subd. 6. **Grants; authorization.** The commissioner may approve grants for financial  
 82.10 assistance to eligible applicants for capital costs associated with the establishment of a quiet  
 82.11 zone at a public highway-rail grade crossing. Qualifying capital costs include, but are not  
 82.12 limited to, the installation of grade crossing active warning devices and other traffic control  
 82.13 devices and associated roadwork necessary to meet the FRA criteria for approval of the  
 82.14 quiet zone.

82.15 Subd. 7. **Grants; criteria for grant award.** The commissioner must consider the  
 82.16 following criteria to evaluate applications for a grant award for a quiet zone project:

82.17 (1) the number of residents that will benefit from the establishment of the quiet zone  
 82.18 through a reduction in train horn noise;

82.19 (2) the number of existing grade crossings that will be closed, thereby improving public  
 82.20 safety;

82.21 (3) evidence that the project meets FRA qualifications and requirements for a quiet zone,  
 82.22 without the need for additional annual review by FRA per federal quiet zone regulations;

82.23 (4) nonstate financial participation as a percentage of total project cost; and

82.24 (5) the amount of state financial participation per resident benefiting from the project.

82.25 Sec. 74. Minnesota Statutes 2016, section 219.20, subdivision 1, is amended to read:

82.26 Subdivision 1. **When installation required; procedure.** At each grade crossing not  
 82.27 equipped with flashing lights or flashing lights and gates ~~where, because of the dangers~~  
 82.28 ~~attendant upon its use, the reasonable protection of life and property makes it necessary for~~  
 82.29 ~~persons approaching the crossing to stop or yield before crossing the railroad tracks, stop~~  
 82.30 ~~signs or yield signs~~ the railway company must be installed install yield signs in addition to  
 82.31 crossbuck signs. When the government entity responsible for a road that crosses a railroad  
 82.32 track deems it necessary to install stop signs ~~or~~ rather than yield signs at that crossing, it

83.1 shall petition the commissioner to order the installation of the stop signs ~~or yield signs~~. The  
83.2 commissioner shall respond to the petition by investigating the conditions at the crossing  
83.3 to determine whether stop signs ~~or yield signs~~ should be installed at the crossing instead of  
83.4 yield signs. On determining, after an investigation following a petition from a governmental  
83.5 agency or subdivision or on the commissioner's own motion, that stop signs ~~or yield signs~~  
83.6 should be installed at a crossing, the commissioner shall designate the crossing as a stop  
83.7 crossing ~~or yield crossing~~ and shall notify the railway company operating the railroad at  
83.8 the crossing of this designation. Within 30 days after notification, the railway company  
83.9 shall erect the ~~uniform stop crossing signs or yield crossing signs~~ in accordance with the  
83.10 commissioner's order.

83.11 **EFFECTIVE DATE.** This section is effective the day following final enactment.  
83.12 Railway companies must install yield signs required under this section before December  
83.13 31, 2019.

83.14 Sec. 75. Minnesota Statutes 2016, section 221.031, is amended by adding a subdivision  
83.15 to read:

83.16 Subd. 2e. Exemptions for pipeline welding trucks. A pipeline welding truck, as defined  
83.17 in Code of Federal Regulations, title 49, section 390.38, paragraph (b), including an individual  
83.18 operating a pipeline welding truck and the employer of the individual, is exempt from any  
83.19 requirement relating to:

83.20 (1) registration as a motor carrier, including the requirement to obtain and display a  
83.21 United States Department of Transportation number under subdivision 6 and section 168.185;

83.22 (2) driver qualifications under section 221.0314, subdivision 2;

83.23 (3) driving of commercial motor vehicles under section 221.0314, subdivision 6;

83.24 (4) parts, accessories, and inspection, repair, and maintenance of commercial motor  
83.25 vehicles under section 221.0314, subdivisions 7 and 10; and

83.26 (5) hours of service of drivers, including maximum driving and on-duty time under  
83.27 section 221.0314, subdivision 9.

83.28 Sec. 76. Minnesota Statutes 2016, section 222.49, is amended to read:

83.29 **222.49 RAIL SERVICE IMPROVEMENT ACCOUNT; APPROPRIATION.**

83.30 The rail service improvement account is created in the ~~special revenue fund in the state~~  
83.31 ~~treasury~~ transportation priorities fund. The ~~commissioner shall deposit in this account all~~

84.1 ~~consists of funds as provided by law, and any other money appropriated to or received by~~  
84.2 ~~the department for the purpose of rail service improvement~~ donated, allotted, transferred,  
84.3 or otherwise provided to the account, excluding bond proceeds as authorized by article XI,  
84.4 section 5, clause (i)<sub>2</sub> of the Minnesota Constitution. All money so deposited is appropriated  
84.5 to the department for expenditure for rail service improvement in accordance with applicable  
84.6 state and federal law. This appropriation shall not lapse but shall be available until the  
84.7 purpose for which it was appropriated has been accomplished. ~~No money appropriated to~~  
84.8 ~~the department for the purposes of administering the rail service improvement program~~  
84.9 ~~shall be deposited in the rail service improvement account nor shall such administrative~~  
84.10 ~~costs be paid from the account.~~

84.11 Sec. 77. Minnesota Statutes 2016, section 222.50, subdivision 6, is amended to read:

84.12 Subd. 6. **Grants.** The commissioner may approve grants from the rail service  
84.13 improvement account for ~~payment of up to 50 percent of the nonfederal share of the cost~~  
84.14 ~~of any rail line project under the federal rail service continuation program~~ freight rail service  
84.15 improvements that support economic development.

84.16 Sec. 78. Minnesota Statutes 2016, section 222.50, is amended by adding a subdivision to  
84.17 read:

84.18 Subd. 6a. **Grants; freight railroad preservation and improvement.** (a) The  
84.19 commissioner may make grants for freight railroad preservation and improvement as provided  
84.20 in this subdivision and for the purposes specified in subdivision 7.

84.21 (b) The following entities are eligible to receive grant funds under this subdivision:  
84.22 railroad companies that are classified by federal law or regulation as class II railroads, class  
84.23 II rail carriers, class III railroads, or class III carriers; rail users; and local units of  
84.24 government. An eligible recipient may receive funds regardless of rail facility ownership.

84.25 (c) When awarding grants, the commissioner must prioritize projects:

84.26 (1) identified under subdivision 7, paragraph (a), clauses (2) and (3);

84.27 (2) on segments experiencing low rail service use; and

84.28 (3) for applicants who commit more than 20 percent of total project costs from nonstate  
84.29 and nonfederal sources.

84.30 (d) A grant under this subdivision must not exceed 80 percent of the total project cost.

85.1 Sec. 79. Minnesota Statutes 2016, section 299D.03, subdivision 6, is amended to read:

85.2 Subd. 6. **Training program.** The commissioner of public safety may provide training  
85.3 programs for the purpose of obtaining qualified personnel for the State Patrol. Persons  
85.4 accepted by the commissioner of public safety for training under this training program shall  
85.5 be designated State Patrol trainees and shall receive a salary ~~not to exceed~~ no less than 70  
85.6 percent of the basic salary for patrol officers as prescribed in subdivision 2, during the period  
85.7 of the training. Nothing contained in this subdivision shall be construed to prevent the  
85.8 commissioner of public safety from providing in-service training programs for State Patrol  
85.9 officers. The commissioner of transportation shall furnish the commissioner of public safety  
85.10 with lands and buildings necessary in providing in-service training programs and the  
85.11 Department of Public Safety shall reimburse the Department of Transportation for all  
85.12 reasonable costs incurred due to the provision of these training facilities.

85.13 Sec. 80. **[398A.095] LEGISLATIVE APPROVAL OF LIGHT RAIL PROJECTS.**

85.14 Notwithstanding any law to the contrary, a regional railroad authority is prohibited from  
85.15 spending any money to study, plan, design, or construct a light rail transit line, or expand  
85.16 an existing light rail line, unless the legislature has explicitly authorized the particular  
85.17 project.

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

85.19 Sec. 81. **[471.987] LEGISLATIVE APPROVAL OF LIGHT RAIL PROJECTS.**

85.20 Notwithstanding any law to the contrary, a metropolitan county as defined in section  
85.21 473.121, subdivision 4, or a home rule charter or statutory city located within the metropolitan  
85.22 area as defined in section 473.121, subdivision 2, is prohibited from spending any money  
85.23 to study, plan, design, or construct a light rail transit line, or expand an existing light rail  
85.24 transit line, unless the legislature has explicitly authorized the particular project.

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

85.26 Sec. 82. Minnesota Statutes 2016, section 473.13, subdivision 1, is amended to read:

85.27 Subdivision 1. **Budget.** (a) On or before December 20 of each year, the council shall  
85.28 adopt a final budget covering its anticipated receipts and disbursements for the ensuing year  
85.29 and shall decide upon the total amount necessary to be raised from ad valorem tax levies  
85.30 to meet its budget. The budget shall state in detail the expenditures for each program to be  
85.31 undertaken, including the expenses for salaries, consultant services, overhead, travel, printing,  
85.32 and other items. The budget shall state in detail the capital expenditures of the council for

86.1 the budget year, based on a five-year capital program adopted by the council and transmitted  
86.2 to the legislature. After adoption of the budget and no later than five working days after  
86.3 December 20, the council shall certify to the auditor of each metropolitan county the share  
86.4 of the tax to be levied within that county, which must be an amount bearing the same  
86.5 proportion to the total levy agreed on by the council as the net tax capacity of the county  
86.6 bears to the net tax capacity of the metropolitan area. The maximum amount of any levy  
86.7 made for the purpose of this chapter may not exceed the limits set by the statute authorizing  
86.8 the levy.

86.9 (b) Each even-numbered year the council ~~shall prepare for its~~ must include in its budget  
86.10 ~~transit programs a financial plan~~ financial planning information for the ~~succeeding next~~  
86.11 three calendar years, in half-year segments that coincide with the council and state fiscal  
86.12 years. The financial ~~plan~~ information must contain schedules of user charges and any changes  
86.13 in user charges planned or anticipated by the council during the period of the plan. The  
86.14 financial ~~plan~~ information must contain a proposed request for state financial assistance, if  
86.15 any, for the succeeding state biennium.

86.16 (c) In addition, the budget must show for each year:

86.17 (1) the estimated operating revenues from all sources including funds on hand at the  
86.18 beginning of the year, and estimated expenditures for costs of operation, administration,  
86.19 maintenance, and debt service;

86.20 (2) capital improvement funds estimated to be on hand at the beginning of the year and  
86.21 estimated to be received during the year from all sources and estimated cost of capital  
86.22 improvements to be paid out or expended during the year, all in such detail and form as the  
86.23 council may prescribe; and

86.24 (3) the estimated source and use of pass-through funds.

86.25 (d) In a year that is the second fiscal year of the state biennium, the budget must identify  
86.26 state assistance from the general fund for transit operations at the same amount as the state  
86.27 general fund base, if any.

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

87.1 Sec. 83. Minnesota Statutes 2016, section 473.146, subdivision 3, is amended to read:

87.2 Subd. 3. **Development guide: transportation.** (a) The transportation chapter must  
87.3 include policies relating to all transportation forms and be designed to promote the legislative  
87.4 determinations, policies, and goals set forth in section 473.371.

87.5 (b) In addition to the policy plan content requirements under subdivision 1, the policy  
87.6 plan must also establish as a primary objective an increase of the average farebox recovery  
87.7 ratio, calculated for all regular routes and lines operated by the council, to at least 40 percent  
87.8 by 2022. The plan must identify strategies to achieve the farebox recovery objective under  
87.9 this paragraph.

87.10 (c) In addition to the requirements of subdivision 1 regarding the contents of the policy  
87.11 plan, the nontransit element of the transportation chapter must include the following:

87.12 (1) a statement of the needs and problems of the metropolitan area with respect to the  
87.13 functions covered, including the present and prospective demand for and constraints on  
87.14 access to regional business concentrations and other major activity centers and the constraints  
87.15 on and acceptable levels of development and vehicular trip generation at such centers;

87.16 (2) the objectives of and the policies to be forwarded by the policy plan;

87.17 (3) a general description of the physical facilities and services to be developed;

87.18 (4) a statement as to the general location of physical facilities and service areas;

87.19 (5) a general statement of timing and priorities in the development of those physical  
87.20 facilities and service areas;

87.21 (6) a detailed statement, updated every two years, of timing and priorities for  
87.22 improvements and expenditures needed on the metropolitan highway system;

87.23 (7) a general statement on the level of public expenditure appropriate to the facilities;

87.24 and

87.25 (8) a long-range assessment of air transportation trends and factors that may affect airport  
87.26 development in the metropolitan area and policies and strategies that will ensure a  
87.27 comprehensive, coordinated, and timely investigation and evaluation of alternatives for  
87.28 airport development.

87.29 (d) The council shall develop the nontransit element in consultation with the transportation  
87.30 advisory board and the Metropolitan Airports Commission and cities having an airport  
87.31 located within or adjacent to its corporate boundaries. The council shall also take into

88.1 consideration the airport development and operations plans and activities of the commission.  
88.2 The council shall transmit the results to the state Department of Transportation.

88.3 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following  
88.4 final enactment and applies to all future updates to the plan. This section applies in the  
88.5 counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

88.6 Sec. 84. Minnesota Statutes 2016, section 473.388, subdivision 4, is amended to read:

88.7 Subd. 4. **Financial assistance.** (a) The council must grant the requested financial  
88.8 assistance if it determines that the proposed service is intended to replace the service to the  
88.9 applying city or town or combination thereof by the council and that the proposed service  
88.10 will meet the needs of the applicant at least as efficiently and effectively as the existing  
88.11 service.

88.12 (b) The minimum amount of assistance which the council must provide to a system  
88.13 under this section may not be less than the sum of the amounts ~~determined~~ calculated for  
88.14 each ~~municipality comprising the system as follows:~~ of the replacement service  
88.15 municipalities.

88.16 (c) The minimum amount of financial assistance for each replacement service  
88.17 municipality is calculated as:

88.18 (1) an amount equal to 4.3 percent of the total state revenues generated from the taxes  
88.19 imposed under chapter 297B for the current fiscal year; times

88.20 (2) the ratio of (i) the transit operating assistance grants received under this subdivision  
88.21 by the municipality in calendar year 2001 or the tax revenues for transit services levied by  
88.22 the municipality for taxes payable in 2001, including that portion of the levy derived from  
88.23 the areawide pool under section 473F.08, subdivision 3, clause (a), plus the portion of the  
88.24 municipality's aid under Minnesota Statutes 2002, section 273.1398, subdivision 2,  
88.25 attributable to the transit levy; times ~~(2) the ratio of (i) an amount equal to 3.74 percent of~~  
88.26 ~~the state revenues generated from the taxes imposed under chapter 297B for the current~~  
88.27 ~~fiscal year~~ to (ii) the total transit operating assistance grants received under this subdivision  
88.28 in calendar year 2001 or the tax revenues for transit services levied by all replacement  
88.29 service municipalities under this section for taxes payable in 2001, including that portion  
88.30 of the levy derived from the areawide pool under section 473F.08, subdivision 3, clause  
88.31 (a), plus the portion of homestead and agricultural credit aid under Minnesota Statutes 2002,  
88.32 section 273.1398, subdivision 2, attributable to nondebt transit levies; times



89.1 (3) the ratio of (i) the municipality's total taxable market value for taxes payable in 2006  
89.2 divided by the municipality's total taxable market value for taxes payable in 2001, to (ii)  
89.3 the total taxable market value of all property located in replacement service municipalities  
89.4 for taxes payable in 2006 divided by the total taxable market value of all property located  
89.5 in replacement service municipalities for taxes payable in 2001.

89.6 (c) The council shall pay the amount to be provided to the recipient from the funds the  
89.7 council receives in the metropolitan area transit account under section 16A.88.

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

89.11 Sec. 85. Minnesota Statutes 2016, section 473.39, is amended by adding a subdivision to  
89.12 read:

89.13 **Subd. 6. Limitation on certain debt obligations.** The council is prohibited from issuing  
89.14 certificates of participation, certificates of indebtedness, bonds, or other obligations secured  
89.15 in whole or in part by a pledge of motor vehicle sales tax revenue received under sections  
89.16 16A.88 and 297B.09, or by a pledge of any earnings from the council's investment of motor  
89.17 vehicle sales tax revenues.

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

89.21 Sec. 86. **[473.3985] LEGISLATIVE APPROVAL OF LIGHT RAIL PROJECTS.**

89.22 **Notwithstanding any law to the contrary, a responsible authority, as defined in section**  
89.23 **473.3993, subdivision 4, is prohibited from spending any money to study, plan, design, or**  
89.24 **construct a light rail line, or expand an existing light rail transit line, unless the legislature**  
89.25 **has explicitly authorized the particular project.**

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

90.1 Sec. 87. Minnesota Statutes 2016, section 473.3994, is amended by adding a subdivision  
90.2 to read:

90.3 Subd. 15. **Project development requirements; colocation.** The council must establish  
90.4 standards and criteria for colocation of freight rail and light rail transit on shared track or  
90.5 on adjacent track in a shared rail corridor that apply to light rail transit project development.  
90.6 The standards and criteria must:

90.7 (1) identify colocation safety criteria based on the results of an independent audit and  
90.8 review, which must be analyzed in an environmental impact statement for each applicable  
90.9 light rail transit project;

90.10 (2) incorporate substantially similar safety standards for a light rail transit project as  
90.11 established by the Federal Railroad Administration for freight rail, including but not limited  
90.12 to those pertaining to engineering, track-work planning, track safety, inspections, training  
90.13 and operations, routing, emergency preparedness, and signage and warning systems;

90.14 (3) prohibit operation of a train carrying oil or other hazardous substances through a  
90.15 light rail transit project construction work zone;

90.16 (4) specify project design elements to address safety considerations resulting from  
90.17 colocation;

90.18 (5) account for project costs resulting from colocation safety considerations; and

90.19 (6) for adjacent track in a shared corridor, provide for sufficient track spacing separation  
90.20 to ensure the likelihood of impacts on operations on a track due to derailment of a train on  
90.21 the adjacent track is minimized.

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

90.25 Sec. 88. Minnesota Statutes 2016, section 473.3994, is amended by adding a subdivision  
90.26 to read:

90.27 Subd. 16. **Project development requirements; alternatives and benefits analysis.** (a)  
90.28 As part of light rail transit project development and prior to initiating an environmental  
90.29 analysis or preliminary engineering, the responsible authority must perform an alternatives  
90.30 and benefits analysis.

90.31 (b) In addition to any other information or requirements, the alternatives and benefits  
90.32 analysis must:

91.1 (1) include (i) a no-build option; and (ii) options for each major transit mode, including  
 91.2 but not limited to regular route bus service, arterial bus rapid transit, highway bus rapid  
 91.3 transit, express bus service, and dedicated busway;

91.4 (2) evaluate capacity adequacy and congestion impacts under each option;

91.5 (3) include a comprehensive benefit-cost analysis; and

91.6 (4) review conformity with the transportation policy plan under section 473.146.

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

91.10 Sec. 89. Minnesota Statutes 2016, section 473.4051, subdivision 3, is amended to read:

91.11 Subd. 3. **Capital costs.** State money may not be used to pay more than ten percent of  
 91.12 the total capital cost of a light rail transit project. The council and a local governmental unit  
 91.13 must not specify or estimate state sources of funds in financial planning for the capital cost  
 91.14 of a light rail transit project, unless funds have been specifically made available by law for  
 91.15 the project.

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

91.19 Sec. 90. **[473.4052] RIGHTS-OF-WAY USE; CONTRACTS.**

91.20 (a) The council or a metropolitan county, or public entity contracting with the council  
 91.21 or county, may contract with a railroad that is a class I, class II, or class III railroad under  
 91.22 federal law for the joint or shared use of right-of-way for light rail transit and freight rail  
 91.23 purposes or for the construction, operation, or maintenance of rail track, facilities, or services  
 91.24 for light rail transit and freight rail purposes.

91.25 (b) Notwithstanding any law to the contrary, a contract under paragraph (a) may also  
 91.26 provide for the allocation of financial responsibility, indemnification, and the procurement  
 91.27 of insurance for the parties for all types of claims or damages.

91.28 (c) Notwithstanding any law to the contrary, a class I, class II, or class III railroad  
 91.29 operating pursuant to a contract under this section has the same limits to liability for all  
 91.30 types of claims or damages as provided to a municipality under sections 466.04 and 466.06,  
 91.31 in an action arising from or related to an incident:

92.1 (1) occurring within the joint or shared use of right-of-way; and

92.2 (2) involving both freight rail and light rail transit.

92.3 (d) A contract entered into under this section does not affect rights of employees under  
92.4 the federal Employers' Liability Act (1908) (Railroads), Statutes at Large, volume 35, chapter  
92.5 149, or the federal Railway Labor Act, Statutes at Large, volume 44, chapter 347.

92.6 **EFFECTIVE DATE.** This section is effective on the date that the council enters into  
92.7 a full funding grant agreement with the Federal Transit Administration for construction of  
92.8 a light rail transit line or line extension, excluding an agreement entered into prior to the  
92.9 date of enactment of this act. This section applies in the counties of Anoka, Carver, Dakota,  
92.10 Hennepin, Ramsey, Scott, and Washington.

92.11 Sec. 91. **TRANSPORTATION PROJECT SELECTION PROCESS.**

92.12 Subdivision 1. **Adoption of best practices.** (a) The commissioner of transportation,  
92.13 after consultation with the Federal Highway Administration, metropolitan planning  
92.14 organizations, regional development commissions, area transportation partnerships, local  
92.15 governments, the Metropolitan Council, and transportation stakeholders, must develop,  
92.16 adopt, and implement best practices for project evaluation and selection to apply to the  
92.17 standard project process and to special programs, such as corridors of commerce. The  
92.18 commissioner must adopt and begin implementing the best practices no later than January  
92.19 1, 2018, and may update the best practices as appropriate. The commissioner must publish  
92.20 the best practices and updates on the department's Web site and through other effective  
92.21 means selected by the commissioner.

92.22 (b) The best practices adopted under this section must:

92.23 (1) describe each selection process and identification of ranking criteria and weight of  
92.24 each criterion with respect to any selection process;

92.25 (2) identify and apply all relevant criteria contained in enacted Minnesota or federal law,  
92.26 or added by the commissioner;

92.27 (3) identify for stakeholders and the general public the candidate project selected under  
92.28 each selection process and every project considered that was not selected;

92.29 (4) involve area transportation partnerships and other local authorities, as appropriate,  
92.30 in the process of scoring and ranking candidate projects under consideration; and

92.31 (5) publicize scoring, ranking, and decision outcomes concerning each candidate project,  
92.32 including the projects that were considered but not selected.

93.1 Subd. 2. Report to legislature. By March 1, 2018, the commissioner must submit a  
93.2 report to the members and staff of the legislative committees with jurisdiction over  
93.3 transportation policy and finance concerning the adopted best practices and how the best  
93.4 practices are anticipated to improve the consistency, objectivity, and transparency of the  
93.5 selection process. The report must include information on input from members of the public  
93.6 and the organizations identified in subdivision 1.

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

93.8 **Sec. 92. CORRIDORS OF COMMERCE PROJECT SELECTION.**

93.9 Notwithstanding the requirements of Minnesota Statutes, section 161.088, subdivisions  
93.10 3 to 5, the commissioner of transportation must include that segment of marked U.S. Highway  
93.11 212 from Chaska to Montevideo as an eligible highway in the next project solicitation and  
93.12 selection process undertaken for the corridors of commerce program under that section.

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

93.14 **Sec. 93. TRANSPORTATION POLICY PLAN UPDATE.**

93.15 By December 31, 2017, the Metropolitan Council must revise the transportation policy  
93.16 plan under Minnesota Statutes, section 473.146, subdivision 3.

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

93.19 **Sec. 94. REQUIREMENTS FOR CERTAIN LIGHT RAIL TRANSIT PROJECTS.**

93.20 Subject to approval as provided under Minnesota Statutes, section 473.3985, the  
93.21 requirements established under Minnesota Statutes, section 473.3994, subdivisions 15 and  
93.22 16, apply to any light rail transit construction or expansion project that is in project  
93.23 development, including but not limited to design or engineering, as of the effective date of  
93.24 this section.

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

93.28 **Sec. 95. ELECTRONIC STORAGE STANDARDS.**

93.29 On or before August 1, 2017, the commissioner of public safety must establish standards  
93.30 for the conversion by deputy registrars and driver's license agents to secure electronic storage

94.1 of certain records under Minnesota Statutes, sections 168.33, subdivision 2, and 171.061,  
94.2 subdivision 3. The standards must specify minimum system security requirements, as well  
94.3 as any procedural requirements for the destruction of existing and new paper-based records,  
94.4 consistent with the requirements of Minnesota Statutes, section 138.17. The authority to  
94.5 establish or amend standards under this section expires August 1, 2018.

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

94.7 **Sec. 96. CONVEYANCE OF LAND; TOWN OF WILMA.**

94.8 (a) Upon receipt of \$100, the commissioner of transportation shall convey by quitclaim  
94.9 deed the following described property and improvements thereon, owned by the state, to  
94.10 the town of Wilma in Pine County, to be used by the Duxbury Volunteer Fire Department:

94.11 That part of the Southwest Quarter of the Southeast Quarter of Section 8, Township 42  
94.12 North, Range 17 West, Pine County, Minnesota, described as follows: Beginning at a point  
94.13 on the south line of said Section 8, distant 1,318.35 feet West to the southeast corner thereof;  
94.14 thence North along the east line of said Southwest Quarter of the Southeast Quarter for 300  
94.15 feet; thence West for 200 feet; thence South for 300 feet to the south line of said Section 8;  
94.16 thence East along said south line to the point of beginning.

94.17 (b) The conveyance under this section must be in a form approved by the attorney general.  
94.18 The attorney general may make changes to the land description to correct errors and ensure  
94.19 accuracy.

94.20 **Sec. 97. CONVEYANCE FOR HISTORICAL PURPOSES; MCKINSTRY SURPLUS**  
94.21 **LANDS.**

94.22 (a) Notwithstanding any other law to the contrary, the commissioner may convey as  
94.23 provided in Minnesota Statutes, section 161.44, land described in paragraph (b), including  
94.24 any improvements on the lands, owned in fee by the state for trunk highway purposes, but  
94.25 no longer needed, to the Minnesota Historical Society for historical purposes. The conveyance  
94.26 must be without financial consideration. The lands conveyed must become a part of the  
94.27 state's historic sites program under Minnesota Statutes, chapter 138.

94.28 (b) The lands that may be conveyed are specifically related to the properties of the  
94.29 McKinstry Mounds and portions of the McKinstry Village site owned by the Department  
94.30 of Transportation, located along Trunk Highway 11 in Koochiching County.

95.1 Sec. 98. **DEPARTMENT OF TRANSPORTATION CONTRACT CANCELLATION**  
95.2 **AND LOAN FORGIVENESS.**

95.3 The commissioner of transportation must provide loan forgiveness for the \$4,300,000  
95.4 remaining balance on Contract No. 82799, originally executed with the Minnesota Valley  
95.5 Regional Rail Authority on January 28, 2002, and must cancel all future payments under  
95.6 the contract. The commissioner is prohibited from requiring or accepting additional payments  
95.7 under Contract No. 82799 as of the effective date of this section.

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

95.9 Sec. 99. **DEPARTMENT OF TRANSPORTATION EFFICIENCIES.**

95.10 (a) In fiscal years 2018 and 2019, the commissioner of transportation must implement  
95.11 efficiencies, including as identified by the Transportation Strategic Management and  
95.12 Operations Advisory Task Force report under Laws 2008, chapter 152, article 6, section 9,  
95.13 equal to at least 15 percent of the appropriations made in this act to the commissioner from  
95.14 the trunk highway fund in fiscal years 2018 and 2019 that are above base appropriations  
95.15 for those years.

95.16 (b) The efficiency savings resulting from the requirements in paragraph (a) are for the  
95.17 construction, maintenance, or rehabilitation of trunk highways, including roads and bridges.

95.18 Sec. 100. **MARKED TRUNK HIGHWAY 316 SAFETY IN HASTINGS;**  
95.19 **MORATORIUM AND REPORT.**

95.20 Subdivision 1. **Speed limit moratorium.** The commissioner of transportation is  
95.21 prohibited from adjusting or requiring adjustment to the speed limit on marked Trunk  
95.22 Highway 316, known as Red Wing Boulevard, from the intersection with marked U.S.  
95.23 Highway 61 to Tuttle Drive, in the city of Hastings. The prohibition in this subdivision does  
95.24 not apply to (1) a local road authority that is authorized to adjust a speed limit without a  
95.25 traffic and engineering study as provided in Minnesota Statutes, section 169.14; or (2)  
95.26 establishment of a work zone speed limit under Minnesota Statutes, section 169.14,  
95.27 subdivision 5d.

95.28 Subd. 2. **Legislative report.** (a) By March 1, 2018, the commissioner of transportation  
95.29 must submit a report on roadway safety on the segment of marked Trunk Highway 316  
95.30 specified in subdivision 1 to the members and staff of the legislative committees with  
95.31 jurisdiction over transportation policy and finance. As part of developing the report, the  
95.32 commissioner must hold at least two hearings at locations within the city of Hastings.

96.1 (b) At a minimum, the report must review road design and other safety issues on the  
96.2 segment, identify options for safety improvements, provide details on the decision making  
96.3 process for proposed speed limit adjustments, summarize and respond to comments from  
96.4 the hearings required under paragraph (a), and include copies of recent traffic and engineering  
96.5 studies on adjusting speed limits in Hastings.

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

96.7 Sec. 101. **MARKED INTERSTATE HIGHWAY 35 WEIGH STATION;**  
96.8 **MORATORIUM AND REPORT.**

96.9 Subdivision 1. **Weigh station moratorium.** On or before February 1, 2018, the  
96.10 commissioner of transportation is prohibited from designing, engineering, or constructing  
96.11 a motor vehicle weigh station for the southbound direction of travel on marked Interstate  
96.12 Highway 35, between the marked Interstate Highways 35W/35E split and two miles northerly  
96.13 of the split.

96.14 Subd. 2. **Legislative report.** By February 1, 2018, the commissioner of transportation  
96.15 must submit a report on weigh station access and traffic safety on the segment of marked  
96.16 Interstate Highway 35 identified in subdivision 1 to the members and staff of the legislative  
96.17 committees with jurisdiction over transportation policy and finance. At a minimum, the  
96.18 report must include analysis of traffic safety impacts resulting from motor vehicle departures  
96.19 from the proposed weigh station that proceed southerly on marked Interstate Highways 35E  
96.20 or 35W.

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

96.22 Sec. 102. **DEFICIENT BRIDGE WEIGHT LIMITS; STUDY AND ANALYSIS.**

96.23 (a) By November 15, 2017, the commissioner of transportation must complete a study  
96.24 and analysis of posted weight limits on state and local bridges to identify deficient bridges  
96.25 in those geographic regions of the state where fluid milk is transported from points of  
96.26 production to points of first processing. The study and analysis must:

96.27 (1) identify bridges with posted weight limits;

96.28 (2) review the vehicle weight limits under Minnesota Statutes, chapter 169, including  
96.29 Minnesota Statutes, section 169.8295, relative to bridge posting standards;

96.30 (3) analyze vehicle routing considerations for transportation of fluid milk; and



97.1 (4) include geographic mapping information that is made available to milk haulers, milk  
97.2 processing facilities, local road authorities, and other interested stakeholders.

97.3 (b) Upon request by the commissioner, local road authorities must provide information  
97.4 on bridges under their respective jurisdictions in a timely manner.

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

97.6 Sec. 103. **TRUNK HIGHWAY 65 IMPROVEMENT STUDY.**

97.7 (a) The commissioner of transportation must perform a study of congestion and safety  
97.8 improvements on marked Trunk Highway 65 from northerly of Anoka County Highway  
97.9 10 to Anoka County State-Aid Highway 116, known as Bunker Lake Boulevard, in Blaine  
97.10 and Ham Lake. At a minimum, the study must:

97.11 (1) analyze current and projected traffic congestion;

97.12 (2) analyze impacts to freight transportation;

97.13 (3) evaluate options and identify cost estimates to reduce congestion in the corridor; and

97.14 (4) evaluate options and identify cost estimates for congestion reduction and safety  
97.15 improvements at Anoka County State-Aid Highway 12, known as 109th Avenue.

97.16 (b) The commissioner must submit a copy of the study to the members and staff of the  
97.17 legislative committees with jurisdiction over transportation policy and finance.

97.18 Sec. 104. **INTERSTATE 94/494/694 INTERCHANGE IMPROVEMENT STUDY.**

97.19 The commissioner of transportation must conduct a safety improvement and congestion  
97.20 relief study for the interchange of marked Interstate Highways 94, 494, and 694 in the cities  
97.21 of Oakdale and Woodbury. At a minimum, the study must: (1) provide specific  
97.22 recommendations to improve the safety of the interchange and reduce congestion at the  
97.23 interchange and on associated arterial roads; and (2) include cost estimates for each  
97.24 recommended improvement. The commissioner must report the findings and  
97.25 recommendations of the study to the legislative committees having jurisdiction over  
97.26 transportation policy and finance within 180 days after the effective date of this section.

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

97.28 Sec. 105. **HIGHWAY CONSTRUCTION COSTS AND COST INFLATION STUDY.**

97.29 (a) The commissioner of transportation must enter into an agreement with an organization  
97.30 or entity having relevant expertise to conduct a study on highway construction costs, inflation,

98.1 and cost estimating. The study must be designed to identify and analyze the nature of  
98.2 discrepancies in highway construction costs and cost inflation estimates between Minnesota  
98.3 and other federal and national measures.

98.4 (b) At a minimum, the study must:

98.5 (1) include an overview of highway construction cost and cost estimation issues;

98.6 (2) establish benchmarks to compare costs in Minnesota to at least four other states that  
98.7 are comparable based on climate and construction characteristics, including historical  
98.8 state-by-state review of at least the following cost factors: (i) direct input costs associated  
98.9 with highway construction, (ii) cost impacts from construction standards and requirements  
98.10 established in law, and (iii) cost impacts from use of alternative methods of contracting and  
98.11 project management;

98.12 (3) identify factors specific to Minnesota, if any, that contribute to cost differences,  
98.13 based on the benchmarks established in clause (2);

98.14 (4) evaluate the methodology used for highway construction cost calculation and indexing  
98.15 in Minnesota, including (i) review of associated best practices, (ii) comparison of federal  
98.16 and Minnesota state highway construction cost index methodologies utilizing historical cost  
98.17 data for Minnesota, (iii) identification of the reasons for any past discrepancies or differences  
98.18 between state and federal highway construction cost indexing, and (iv) analysis of the  
98.19 historical accuracy of the Minnesota highway construction cost index compared to actual  
98.20 costs; and

98.21 (5) provide specific recommendations for road authorities and legislative changes to  
98.22 reduce highway construction costs.

98.23 (c) By February 15, 2018, the commissioner must submit a report on the study to the  
98.24 members and staff of the legislative committees with jurisdiction over transportation policy  
98.25 and finance.

98.26 **Sec. 106. VIBRATION SUSCEPTIBILITY STUDY ON CALHOUN ISLES**  
98.27 **PROPERTY.**

98.28 (a) Within 21 days from the effective date of this act, the Metropolitan Council must  
98.29 enter into a contract with an engineering group for the engineering group to conduct a  
98.30 vibration susceptibility study on Calhoun Isles property, including the high-rise building,  
98.31 townhomes, and parking ramp. The study must:

99.1 (1) evaluate the susceptibility of the Calhoun Isles property to vibration during  
99.2 construction and during operations of a light rail train;

99.3 (2) categorize the Calhoun Isles property based on the susceptibility evaluation; and

99.4 (3) address mitigation measures and operational changes required to protect the Calhoun  
99.5 Isles property from vibratory damage.

99.6 (b) The Calhoun Isles Condominium Association must select the engineering group and  
99.7 notify the Metropolitan Council of the selection within seven days from the effective date  
99.8 of this act. The Metropolitan Council must bear the entire cost of the study.

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

99.12 Sec. 107. **REPORT ON DEDICATED FUND EXPENDITURES.**

99.13 By February 15, 2018, the commissioners of transportation and public safety, in  
99.14 consultation with the commissioner of management and budget, must jointly submit a report  
99.15 to the members and staff of the legislative committees with jurisdiction over transportation  
99.16 finance. The report must update the information required in the report under Laws 2015,  
99.17 chapter 75, article 2, section 56, including a detailed list of expenditures and transfers from  
99.18 the trunk highway fund and highway user tax distribution fund for fiscal years 2014 through  
99.19 2018, and information on the purpose of each expenditure.

99.20 Sec. 108. **LEGISLATIVE ROUTE NO. 123 REMOVED.**

99.21 (a) Minnesota Statutes, section 161.115, subdivision 54, is repealed effective the day  
99.22 after the commissioner of transportation receives a copy of the agreement between the  
99.23 commissioner and the governing body of Le Sueur County to transfer jurisdiction of  
99.24 Legislative Route No. 123 and after the commissioner notifies the revisor of statutes under  
99.25 paragraph (b).

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

99.29 Sec. 109. **LEGISLATIVE ROUTE NO. 225 REMOVED.**

99.30 (a) Minnesota Statutes, section 161.115, subdivision 156, is repealed effective the day  
99.31 after the commissioner of transportation receives a copy of the agreement between the

100.1 commissioner and the governing body of Becker County to transfer jurisdiction of Legislative  
100.2 Route No. 225 and after the commissioner notifies the revisor of statutes under paragraph  
100.3 (b).

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

100.7 Sec. 110. **REVISOR'S INSTRUCTION.**

100.8 The revisor of statutes shall recodify (1) Minnesota Statutes, section 115A.908, as  
100.9 Minnesota Statutes, section 168A.295; and (2) Minnesota Statutes, section 174.93, as  
100.10 Minnesota Statutes, section 473.4485. The revisor shall correct any cross-references made  
100.11 necessary by the recodifications.

100.12 Sec. 111. **LEGISLATIVE ROUTE NO. 101 REMOVED; REPEALER.**

100.13 Minnesota Statutes 2016, section 161.115, subdivision 32, is repealed.

100.14 Sec. 112. **REPEALER.**

100.15 (a) Minnesota Statutes 2016, section 473.4051, subdivision 2, is repealed.

100.16 (b) Minnesota Rules, parts 8810.0800, subpart 3; and 8810.1300, subpart 4, are repealed.

APPENDIX  
Article locations in H0861-3

ARTICLE 1	TRANSPORTATION APPROPRIATIONS .....	Page.Ln 1.28
ARTICLE 2	TRANSPORTATION BONDS .....	Page.Ln 31.24
ARTICLE 3	TRANSPORTATION POLICY AND FINANCE .....	Page.Ln 34.15

APPENDIX  
Repealed Minnesota Statutes: H0861-3

**161.115 ADDITIONAL TRUNK HIGHWAYS.**

Subd. 32. **Route No. 101.** Beginning at a point on Route No. 1 at or near Faribault, thence extending in a northerly direction to a point on Route No. 50.

**473.4051 LIGHT RAIL TRANSIT CONSTRUCTION AND OPERATION.**

Subd. 2. **Operating costs.** After operating revenue and federal money have been used to pay for light rail transit operations, 50 percent of the remaining operating costs must be paid by the state.

**8810.0800 SCENIC AREAS.**

Subp. 3. **On-premise signs.** Within a scenic area on-premise signs as follows are allowed:

A. one name plate sign per real estate parcel not to exceed eight square feet in size including trim and border but excluding base and apron supports and other structural members;

B. two signs, one facing each direction of traffic per real estate parcel not exceeding eight square feet in size per each face, including trim and border but excluding base and apron supports and other structural members, for the purpose of advertising the sale, hire, or lease of the property or contiguous property of the parcel owner, lessee, or occupant; and

C. any sign not exceeding 150 square feet in size (per face) including border, trim, or other embellishments, excluding base and apron supports and other structural members advertising the business conducted, services rendered, goods produced or sold that is within 100 feet in either direction of travel (as measured along the edge of the roadbed) from the site on the property where said activity or activities are conducted or access thereto is provided. Outside this 100 feet of the site on the property where said activity or activities are conducted or access thereto is provided there shall not be more than two on-premise advertising devices, one facing each direction of traffic.

**8810.1300 PERMITS, FEES, AND RENEWALS.**

Subp. 4. **Expiration and renewal.** Requests for permit renewals will not be accepted more than 60 calendar days prior to the expiration date of the permit. All permits within scenic areas will expire on December 31 of each year. All permits for signs in nonscenic areas will expire on June 30 of every year.