

This Document can be made available
in alternative formats upon request

State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. 1444

03/11/2013 Authored by Hornstein, Abeler, Hortman and Hausman
The bill was read for the first time and referred to the Committee on Transportation Policy
03/20/2013 Adoption of Report: Pass and re-referred to the Committee on Transportation Finance
04/16/2013 Adoption of Report: Pass as Amended and re-referred to the Committee on Taxes

1.1 A bill for an act
1.2 relating to government finance; appropriating money for transportation,
1.3 Metropolitan Council, and public safety activities and programs; providing for
1.4 fund transfers, tort claims, and certain contingent appropriations; modifying
1.5 various provisions related to transportation finance and policy; making technical
1.6 and clarifying changes; amending Minnesota Statutes 2012, sections 161.20,
1.7 subdivision 3; 161.44, by adding a subdivision; 163.051; 168A.01, subdivision
1.8 6a; 171.05, subdivision 2, by adding a subdivision; 171.061, subdivision 4;
1.9 174.40, by adding a subdivision; 219.1651; 297A.993, subdivisions 1, 2;
1.10 299E.01, subdivisions 2, 3; 398A.10, by adding a subdivision; Laws 2009,
1.11 chapter 9, section 1; proposing coding for new law in Minnesota Statutes,
1.12 chapters 161; 174; repealing Minnesota Statutes 2012, sections 161.04,
1.13 subdivision 6; 174.285, subdivision 8.

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

1.15 **ARTICLE 1**

1.16 **APPROPRIATIONS**

1.17 Section 1. **TRANSPORTATION APPROPRIATIONS.**

1.18 The sums shown in the columns marked "Appropriations" are appropriated to
1.19 the agencies and for the purposes specified in this article. The appropriations are from
1.20 the trunk highway fund, or another named fund, and are available for the fiscal years
1.21 indicated for each purpose. The figures "2014" and "2015" used in this article mean that
1.22 the appropriations listed under them are available for the fiscal year ending June 30, 2014,
1.23 or June 30, 2015, respectively. "The first year" is fiscal year 2014. "The second year" is
1.24 fiscal year 2015. "The biennium" is fiscal years 2014 and 2015. Appropriations for the
1.25 fiscal year ending June 30, 2013, are effective the day following final enactment.

1.26 **APPROPRIATIONS**
1.27 **Available for the Year**

2.1 Ending June 30
 2.2 2014 2015

2.3 **Sec. 2. SUMMARY OF APPROPRIATIONS.**

2.4 The amounts shown in this section summarize direct appropriations, by fund, made
 2.5 in this article.

	<u>2014</u>	<u>2015</u>	<u>Total</u>
2.6 <u>General</u>	\$ <u>104,061,000</u>	\$ <u>102,714,000</u>	\$ <u>206,675,000</u>
2.7 <u>Airports</u>	<u>18,959,000</u>	<u>18,959,000</u>	<u>37,918,000</u>
2.8 <u>C.S.A.H.</u>	<u>593,022,000</u>	<u>603,850,000</u>	<u>1,196,872,000</u>
2.9 <u>M.S.A.S.</u>	<u>152,173,000</u>	<u>154,491,000</u>	<u>306,664,000</u>
2.10 <u>Special Revenue</u>	<u>49,753,000</u>	<u>49,959,000</u>	<u>99,712,000</u>
2.11 <u>H.U.T.D.</u>	<u>10,456,000</u>	<u>10,406,000</u>	<u>20,862,000</u>
2.12 <u>Trunk Highway</u>	<u>1,692,746,000</u>	<u>1,630,450,000</u>	<u>3,323,196,000</u>
2.13 <u>Total</u>	\$ <u>2,621,170,000</u>	\$ <u>2,570,829,000</u>	\$ <u>5,191,999,000</u>

2.15 **Sec. 3. DEPARTMENT OF**
 2.16 **TRANSPORTATION**

2.17 **Subdivision 1. Total Appropriation** **\$ 2,401,382,000** **\$ 2,350,854,000**

2.18 Appropriations by Fund

	<u>2014</u>	<u>2015</u>
2.19 <u>General</u>	<u>29,500,000</u>	<u>28,172,000</u>
2.20 <u>Airports</u>	<u>18,959,000</u>	<u>18,959,000</u>
2.21 <u>C.S.A.H.</u>	<u>593,022,000</u>	<u>603,850,000</u>
2.22 <u>M.S.A.S.</u>	<u>152,173,000</u>	<u>154,491,000</u>
2.23 <u>Special Revenue</u>	<u>2,500,000</u>	<u>2,500,000</u>
2.24 <u>H.U.T.D.</u>	<u>50,000</u>	<u>0</u>
2.25 <u>Trunk Highway</u>	<u>1,605,178,000</u>	<u>1,542,882,000</u>

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

2.30 **Subd. 2. Multimodal Systems**

2.31 **(a) Aeronautics**

2.32 **(1) Airport Development and Assistance** **13,648,000** **13,648,000**

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

3.1 The base appropriation is \$14,298,000 in
 3.2 each year for fiscal years 2016 and 2017.

3.3 Notwithstanding Minnesota Statutes, section
 3.4 16A.28, subdivision 6, this appropriation
 3.5 is available until expended. If the
 3.6 appropriation for either year is insufficient,
 3.7 the appropriation for the other year is
 3.8 available for it.

3.9 **(2) Aviation Support and Services** 6,123,000 6,123,000

3.10 Appropriations by Fund

	<u>2014</u>	<u>2015</u>
3.11		
3.12 <u>Airports</u>	<u>5,286,000</u>	<u>5,286,000</u>
3.13 <u>Trunk Highway</u>	<u>837,000</u>	<u>837,000</u>

3.14 \$65,000 in each year is from the state airports
 3.15 fund for the Civil Air Patrol.

3.16 **(b) Transit** 25,462,000 25,384,000

3.17 Appropriations by Fund

	<u>2014</u>	<u>2015</u>
3.18		
3.19 <u>General</u>	<u>22,187,000</u>	<u>22,109,000</u>
3.20 <u>Special Revenue</u>	<u>2,500,000</u>	<u>2,500,000</u>
3.21 <u>Trunk Highway</u>	<u>775,000</u>	<u>775,000</u>

3.22 The special revenue fund appropriation is
 3.23 from the vehicle services operating account.

3.24 This is a onetime appropriation.

3.25 The base appropriation from the general fund
 3.26 is \$22,908,000 in each year for fiscal years
 3.27 2016 and 2017.

3.28 \$100,000 each year is from the general
 3.29 fund for the administrative expenses of the
 3.30 Minnesota Council on Transportation Access
 3.31 under Minnesota Statutes, section 174.285.

3.32 **(c) Safe Routes to School** 250,000 250,000

3.33 This appropriation is from the general fund
 3.34 for non-infrastructure activities in the safe

4.1 routes to school program under Minnesota
 4.2 Statutes, section 174.40, subdivision 7a.

4.3 **(d) Passenger Rail** 500,000 500,000

4.4 This appropriation is from the general
 4.5 fund for passenger rail system planning,
 4.6 alternatives analysis, environmental analysis,
 4.7 design, and preliminary engineering under
 4.8 Minnesota Statutes, sections 174.632 to
 4.9 174.636.

4.10 **(e) Freight** 6,153,000 5,153,000

4.11	<u>Appropriations by Fund</u>		
4.12		<u>2014</u>	<u>2015</u>
4.13	<u>General</u>	<u>1,256,000</u>	<u>256,000</u>
4.14	<u>Trunk Highway</u>	<u>4,897,000</u>	<u>4,897,000</u>

4.15 \$1,000,000 from the general fund in
 4.16 fiscal year 2014 is for the department's
 4.17 share of costs associated with cleanup of
 4.18 contaminated state rail bank property. This
 4.19 is a onetime appropriation and is available
 4.20 until expended.

4.21 **Subd. 3. State Roads**

4.22 **(a) Operations and Maintenance** 262,395,000 262,395,000

4.23 **(b) Program Planning and Delivery Activity**

4.24 **(1) Program Planning and Delivery** 206,883,000 206,733,000

4.25	<u>Appropriations by Fund</u>		
4.26		<u>2014</u>	<u>2015</u>
4.27	<u>General</u>	<u>100,000</u>	<u>0</u>
4.28	<u>H.U.T.D.</u>	<u>50,000</u>	<u>0</u>
4.29	<u>Trunk Highway</u>	<u>206,733,000</u>	<u>206,733,000</u>

4.30 \$130,000 each year is available for
 4.31 administrative costs of the department's
 4.32 targeted group business program.

5.1 \$266,000 each year is available for grants to
 5.2 metropolitan planning organizations outside
 5.3 the seven-county metropolitan area.

5.4 \$75,000 each year is available for a
 5.5 transportation research contingent account
 5.6 to finance research projects that are
 5.7 reimbursable from the federal government or
 5.8 from other sources. If the appropriation for
 5.9 either year is insufficient, the appropriation
 5.10 for the other year is available for it.

5.11 \$100,000 the first year is from the
 5.12 general fund for development and initial
 5.13 implementation of the corridors of commerce
 5.14 program established under Minnesota
 5.15 Statutes, section 161.088, including but
 5.16 not limited to establishment of program
 5.17 requirements, identification and analysis of
 5.18 candidate projects, and legislative reporting.

5.19 This is a onetime appropriation.

5.20 \$50,000 the first year is from the highway
 5.21 user tax distribution fund to the commissioner
 5.22 for a grant to the Humphrey School of Public
 5.23 Affairs at the University of Minnesota for
 5.24 WorkPlace Telework program congestion
 5.25 relief efforts consisting of maintenance of
 5.26 Web site tools and content. This is a onetime
 5.27 appropriation and is available in the second
 5.28 year.

5.29 <u>(2) Transportation Research</u>	<u>150,000</u>	<u>150,000</u>
--	----------------	----------------

5.30 This appropriation is from the general fund
 5.31 for grants to the Humphrey School of Public
 5.32 Affairs at the University of Minnesota
 5.33 for research on transportation policy and
 5.34 economic competitiveness, including but
 5.35 not limited to innovative transportation

7.1 jurisdiction over transportation finance of
 7.2 any significant events that should cause these
 7.3 estimates to change.

7.4 This appropriation is for the actual
 7.5 construction, reconstruction, and
 7.6 improvement of trunk highways, including
 7.7 design-build contracts and consultant usage
 7.8 to support these activities. This includes the
 7.9 cost of actual payment to landowners for
 7.10 lands acquired for highway rights-of-way,
 7.11 payment to lessees, interest subsidies, and
 7.12 relocation expenses.

7.13 The base appropriation is \$668,000,000 each
 7.14 year for fiscal years 2016 and 2017.

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

7.21 The commissioner may transfer up to
 7.22 \$15,000,000 each year to the transportation
 7.23 revolving loan fund.

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

7.29	<u>(2) Economic Recovery Funds - Federal</u>		
7.30	<u>Highway Aid</u>	<u>1,000,000</u>	<u>1,000,000</u>

7.31 This appropriation is to complete projects
 7.32 using funds made available to the
 7.33 commissioner of transportation under
 7.34 title XII of the American Recovery and
 7.35 Reinvestment Act of 2009, Public Law

8.1 111-5, and implemented under Minnesota
 8.2 Statutes, section 161.36, subdivision 7. The
 8.3 base appropriation is \$1,000,000 in fiscal
 8.4 year 2016 and \$0 each fiscal year thereafter.

8.5 **(3) Transportation Economic Development**
 8.6 **(TED)** 10,000,000 10,000,000

	<u>Appropriations by Fund</u>	
	<u>2014</u>	<u>2015</u>
8.7 <u>General</u>	<u>5,000,000</u>	<u>5,000,000</u>
8.8 <u>Trunk Highway</u>	<u>5,000,000</u>	<u>5,000,000</u>

8.9 This appropriation is for the transportation
 8.10 economic development program under
 8.11 Minnesota Statutes, section 174.12.

8.12 **(d) Highway Debt Service** 158,417,000 189,821,000

8.13 \$148,917,000 the first year and \$180,321,000
 8.14 the second year are for transfer to the state
 8.15 bond fund. If an appropriation is insufficient
 8.16 to make all transfers required in the year
 8.17 for which it is made, the commissioner of
 8.18 management and budget shall notify the
 8.19 senate Committee on Finance and the house
 8.20 of representatives Committee on Ways and
 8.21 Means of the amount of the deficiency and
 8.22 shall then transfer that amount under the
 8.23 statutory open appropriation. Any excess
 8.24 appropriation cancels to the trunk highway
 8.25 fund.

8.26 **(e) Electronic Communications** 5,171,000 5,171,000

	<u>Appropriations by Fund</u>	
	<u>2014</u>	<u>2015</u>
8.27 <u>General</u>	<u>3,000</u>	<u>3,000</u>
8.28 <u>Trunk Highway</u>	<u>5,168,000</u>	<u>5,168,000</u>

8.29 The general fund appropriation is to equip
 8.30 and operate the Roosevelt signal tower for
 8.31 Lake of the Woods weather broadcasting.

9.1 Subd. 4. Local Roads

9.2	<u>(a) County State-Aid Roads</u>	<u>593,022,000</u>	<u>603,850,000</u>
-----	-----------------------------------	--------------------	--------------------

9.3 This appropriation is from the county
 9.4 state-aid highway fund under Minnesota
 9.5 Statutes, sections 161.082 to 161.085, and
 9.6 chapter 162, and is available until spent.

9.7 If the commissioner of transportation
 9.8 determines that a balance remains in the
 9.9 county state-aid highway fund following
 9.10 the appropriations and transfers made in
 9.11 this subdivision, and that the appropriations
 9.12 made are insufficient for advancing county
 9.13 state-aid highway projects, an amount
 9.14 necessary to advance the projects, not to
 9.15 exceed the balance in the county state-aid
 9.16 highway fund, is appropriated in each year
 9.17 to the commissioner. Within two weeks
 9.18 of a determination under this contingent
 9.19 appropriation, the commissioner of
 9.20 transportation shall notify the commissioner
 9.21 of management and budget and the chairs
 9.22 and ranking minority members of the
 9.23 legislative committees with jurisdiction over
 9.24 transportation finance concerning funds
 9.25 appropriated.

9.26	<u>(b) Municipal State-Aid Roads</u>	<u>152,173,000</u>	<u>154,491,000</u>
------	--------------------------------------	--------------------	--------------------

9.27 This appropriation is from the municipal
 9.28 state-aid street fund for the purposes under
 9.29 Minnesota Statutes, chapter 162, and is
 9.30 available until spent.

9.31 If the commissioner of transportation
 9.32 determines that a balance remains in the
 9.33 municipal state-aid street fund following
 9.34 the appropriations made in this subdivision,

10.1 and that the appropriations made are
 10.2 insufficient for advancing municipal state-aid
 10.3 street projects, an amount necessary to
 10.4 advance the projects, not to exceed the
 10.5 balance in the municipal state-aid street
 10.6 fund, is appropriated in each year to
 10.7 the commissioner. Within two weeks
 10.8 of a determination under this contingent
 10.9 appropriation, the commissioner of
 10.10 transportation shall notify the commissioner
 10.11 of management and budget and the chairs
 10.12 and ranking minority members of the
 10.13 legislative committees with jurisdiction over
 10.14 transportation finance concerning funds
 10.15 appropriated.

10.16 **Subd. 5. Agency Management**

10.17 **(a) Agency Services** 41,997,000 41,997,000

	<u>Appropriations by Fund</u>	
	<u>2014</u>	<u>2015</u>
<u>Airports</u>	<u>25,000</u>	<u>25,000</u>
<u>Trunk Highway</u>	<u>41,972,000</u>	<u>41,972,000</u>

10.22 **(b) Buildings** 17,838,000 17,838,000

	<u>Appropriations by Fund</u>	
	<u>2014</u>	<u>2015</u>
<u>General</u>	<u>54,000</u>	<u>54,000</u>
<u>Trunk Highway</u>	<u>17,784,000</u>	<u>17,784,000</u>

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

10.30 **Subd. 6. Transfers**

10.31 (a) With the approval of the commissioner of
 10.32 management and budget, the commissioner
 10.33 of transportation may transfer unencumbered
 10.34 balances among the appropriations from the
 10.35 trunk highway fund and the state airports

11.1 fund made in this section. No transfer
11.2 may be made from the appropriation for
11.3 state road construction. No transfer may
11.4 be made from the appropriations for debt
11.5 service to any other appropriation. Transfers
11.6 under this subdivision may not be made
11.7 between funds. Transfers between programs
11.8 must be reported immediately to the chairs
11.9 and ranking minority members of the
11.10 legislative committees with jurisdiction over
11.11 transportation finance.

11.12 (b) The commissioner shall transfer from
11.13 the flexible highway account in the county
11.14 state-aid highway fund: (1) \$3,700,000 in
11.15 the first year to the trunk highway fund; and
11.16 (2) the remainder in each year to the county
11.17 turnback account in the county state-aid
11.18 highway fund. The funds transferred are
11.19 for highway turnback purposes as provided
11.20 under Minnesota Statutes, section 161.081,
11.21 subdivision 3.

11.22 **Subd. 7. Previous State Road Construction**
11.23 **Appropriations**

11.24 Any money appropriated to the commissioner
11.25 of transportation for state road construction
11.26 for any fiscal year before the first year is
11.27 available to the commissioner during the
11.28 biennium to the extent that the commissioner
11.29 spends the money on the state road
11.30 construction project for which the money
11.31 was originally encumbered during the fiscal
11.32 year for which it was appropriated. The
11.33 commissioner of transportation shall report to
11.34 the commissioner of management and budget
11.35 by August 1, 2013, and August 1, 2014, on
11.36 a form the commissioner of management

12.1 and budget provides, on expenditures made
 12.2 during the previous fiscal year that are
 12.3 authorized by this subdivision.

12.4 **Subd. 8. Contingent Appropriation**

12.5 The commissioner of transportation, with
 12.6 the approval of the governor and the
 12.7 written approval of at least five members
 12.8 of a group consisting of the members of
 12.9 the Legislative Advisory Commission
 12.10 under Minnesota Statutes, section 3.30,
 12.11 and the ranking minority members of the
 12.12 legislative committees with jurisdiction over
 12.13 transportation finance, may transfer all or
 12.14 part of the unappropriated balance in the
 12.15 trunk highway fund to an appropriation:
 12.16 (1) for trunk highway design, construction,
 12.17 or inspection in order to take advantage of
 12.18 an unanticipated receipt of income to the
 12.19 trunk highway fund or to take advantage
 12.20 of federal advanced construction funding;
 12.21 (2) for trunk highway maintenance in order
 12.22 to meet an emergency; or (3) to pay tort
 12.23 or environmental claims. Nothing in this
 12.24 subdivision authorizes the commissioner
 12.25 to increase the use of federal advanced
 12.26 construction funding beyond amounts
 12.27 specifically authorized. Any transfer as
 12.28 a result of the use of federal advanced
 12.29 construction funding must include an
 12.30 analysis of the effects on the long-term
 12.31 trunk highway fund balance. The amount
 12.32 transferred is appropriated for the purpose of
 12.33 the account to which it is transferred.

12.34 **Sec. 4. METROPOLITAN COUNCIL** **\$** **64,989,000** **\$** **64,970,000**

14.1 299A.44. If the appropriation for either year
14.2 is insufficient, the appropriation for the other
14.3 year is available for it.

14.4 \$1,367,000 each year is from the general fund
14.5 to be deposited in the public safety officer's
14.6 benefit account. This money is available for
14.7 reimbursements under Minnesota Statutes,
14.8 section 299A.465.

14.9 \$792,000 each year is from the general
14.10 fund for transfer by the commissioner of
14.11 management and budget to the trunk highway
14.12 fund on December 31, 2013, and December
14.13 31, 2014, respectively, in order to reimburse
14.14 the trunk highway fund for expenses not
14.15 related to the fund. These represent amounts
14.16 appropriated out of the trunk highway
14.17 fund for general fund purposes in the
14.18 administration and related services program.

14.19 \$610,000 each year is from the highway
14.20 user tax distribution fund for transfer by the
14.21 commissioner of management and budget
14.22 to the trunk highway fund on December 31,
14.23 2013, and December 31, 2014, respectively,
14.24 in order to reimburse the trunk highway
14.25 fund for expenses not related to the fund.

14.26 These represent amounts appropriated out
14.27 of the trunk highway fund for highway
14.28 user tax distribution fund purposes in the
14.29 administration and related services program.

14.30 \$716,000 each year is from the highway
14.31 user tax distribution fund for transfer by the
14.32 commissioner of management and budget to
14.33 the general fund on December 31, 2013, and
14.34 December 31, 2014, respectively, in order to
14.35 reimburse the general fund for expenses not

15.1 related to the fund. These represent amounts
 15.2 appropriated out of the general fund for
 15.3 operation of the criminal justice data network
 15.4 related to driver and motor vehicle licensing.

15.5 **(2) Soft Body Armor** 700,000 700,000

15.6	<u>Appropriations by Fund</u>	
15.7	<u>2014</u>	<u>2015</u>
15.8	<u>General</u>	<u>600,000</u> <u>600,000</u>
15.9	<u>Trunk Highway</u>	<u>100,000</u> <u>100,000</u>

15.10 This appropriation is for soft body armor
 15.11 reimbursements under Minnesota Statutes,
 15.12 section 299A.38.

15.13 **(c) Technical Support Services** 3,834,000 3,834,000

15.14	<u>Appropriations by Fund</u>	
15.15	<u>2014</u>	<u>2015</u>
15.16	<u>General</u>	<u>1,471,000</u> <u>1,471,000</u>
15.17	<u>H.U.T.D.</u>	<u>19,000</u> <u>19,000</u>
15.18	<u>Trunk Highway</u>	<u>2,344,000</u> <u>2,344,000</u>

15.19 **Subd. 3. State Patrol**

15.20 **(a) Patrolling Highways** 72,522,000 72,522,000

15.21	<u>Appropriations by Fund</u>	
15.22	<u>2014</u>	<u>2015</u>
15.23	<u>General</u>	<u>37,000</u> <u>37,000</u>
15.24	<u>H.U.T.D.</u>	<u>92,000</u> <u>92,000</u>
15.25	<u>Trunk Highway</u>	<u>72,393,000</u> <u>72,393,000</u>

15.26 **(b) Commercial Vehicle Enforcement** 7,796,000 7,796,000

15.27 **(c) Capitol Security** 4,605,000 4,605,000

15.28 This appropriation is from the general fund.
 15.29 \$1,500,000 each year is to implement the
 15.30 recommendations of the advisory committee
 15.31 on Capitol Area Security under Minnesota
 15.32 Statutes, section 299E.04.

15.33 The commissioner may not: (1) spend any
 15.34 money from the trunk highway fund for

16.1 Capitol security; or (2) permanently transfer
 16.2 any state trooper from patrolling highways
 16.3 activity to Capitol security.

16.4 The commissioner may not transfer any
 16.5 money appropriated to the commissioner
 16.6 under this section: (1) to Capitol security; or
 16.7 (2) from Capitol security.

16.8 **(d) Vehicle Crimes Unit** 693,000 693,000

16.9 This appropriation is from the highway user
 16.10 tax distribution fund.

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

16.18 **Subd. 4. Driver and Vehicle Services**

16.19 **(a) Vehicle Services** 27,909,000 28,007,000

16.20	<u>Appropriations by Fund</u>		
16.21		<u>2014</u>	<u>2015</u>
16.22	<u>Special Revenue</u>	<u>19,673,000</u>	<u>19,771,000</u>
16.23	<u>H.U.T.D.</u>	<u>8,236,000</u>	<u>8,236,000</u>

16.24 The special revenue fund appropriation is
 16.25 from the vehicle services operating account.
 16.26 \$650,000 each year is from the special
 16.27 revenue fund for seven additional positions
 16.28 to enhance customer service related to
 16.29 vehicle title issuance.

16.30 \$98,000 the second year is from the special
 16.31 revenue fund for the vehicle services portion
 16.32 of a new telephone system and is for transfer
 16.33 to the Office of Enterprise Technology for
 16.34 construction and development of the system.

17.1 This is a onetime appropriation and is
 17.2 available until expended.

17.3 The base appropriation from the special
 17.4 revenue fund is \$19,933,000 for fiscal year
 17.5 2016 and \$19,836,000 for fiscal year 2017.

17.6 **(b) Driver Services** 28,742,000 28,835,000

17.7	<u>Appropriations by Fund</u>	
17.8	<u>2014</u>	<u>2015</u>
17.9	<u>Special Revenue</u>	<u>28,741,000</u> <u>28,834,000</u>
17.10	<u>Trunk Highway</u>	<u>1,000</u> <u>1,000</u>

17.11 The special revenue fund appropriation is
 17.12 from the driver services operating account.

17.13 \$71,000 the second year is from the special
 17.14 revenue fund for one additional position
 17.15 related to facial recognition.

17.16 \$52,000 the second year is from the special
 17.17 revenue fund for the driver services portion
 17.18 of a new telephone system and is for transfer
 17.19 to the Office of Enterprise Technology for
 17.20 construction and development of the system.

17.21 This is a onetime appropriation and is
 17.22 available until expended.

17.23 \$15,000 the first year is for the costs of
 17.24 rulemaking related to concurrent driver
 17.25 education under Minnesota Statutes, section
 17.26 171.05. This is a onetime appropriation and
 17.27 is available for two years after the year of
 17.28 appropriation.

17.29 The base appropriation from the special
 17.30 revenue fund is \$28,923,000 for fiscal year
 17.31 2016 and \$28,870,00 for fiscal year 2017.

17.32 **Subd. 5. Traffic Safety** 435,000 435,000

17.33 The commissioner of public safety shall
 17.34 spend 50 percent of the money available to

18.1 the state under United States Code, title 23,
 18.2 section 164, and the remaining 50 percent
 18.3 must be transferred to the commissioner
 18.4 of transportation for hazard elimination
 18.5 activities under United States Code, title 23,
 18.6 section 152.

18.7 **Subd. 6. Pipeline Safety** 1,354,000 1,354,000

18.8 This appropriation is from the pipeline safety
 18.9 account in the special revenue fund.

18.10 **Sec. 6. TORT CLAIMS** \$ 600,000 \$ 600,000

18.11 This appropriation is to the commissioner of
 18.12 management and budget.

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

18.16 **Sec. 7. REAUTHORIZATION; 2008 BOND SALE EXPENSES FOR TRUNK**
 18.17 **HIGHWAY BONDS.**

18.18 \$1,414,600 of the amount appropriated in Laws 2008, chapter 152, article 2, section
 18.19 6, for trunk highway bond sale expenses, which was reported to the legislature according
 18.20 to Minnesota Statutes, section 16A.642, subdivision 1, is reauthorized and does not cancel
 18.21 under the terms of that subdivision. This appropriation for the bond sale expenses and the
 18.22 bond sale authorization in Laws 2008, chapter 152, article 2, section 7, subdivision 1, as
 18.23 amended, are available until December 31, 2019.

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

18.25 **ARTICLE 2**

18.26 **TRANSPORTATION FINANCE AND POLICY**

18.27 **Section 1. [161.088] CORRIDORS OF COMMERCE PROGRAM.**

18.28 Subdivision 1. Definitions. For purposes of this section, the following terms have
 18.29 the meanings given:

18.30 (1) "beyond the project limits" means any point that is located outside of the project
 18.31 limits and along the same trunk highway, and is located within the same region of the state;

19.1 (2) "city" means a statutory or home rule charter city;

19.2 (3) "program" means the corridors of commerce program established in this section;

19.3 and

19.4 (4) "project limits" means the estimated construction limits of a project for trunk
 19.5 highway construction, reconstruction, or maintenance that is a candidate for selection
 19.6 under the corridors of commerce program.

19.7 Subd. 2. **Program authority; funding.** (a) As provided in this section and subject
 19.8 to available funds, the commissioner shall establish a corridors of commerce program for
 19.9 trunk highway construction, reconstruction, and improvement, including maintenance
 19.10 operations, that improves commerce in the state.

19.11 (b) The commissioner may expend funds under the program from appropriations
 19.12 to the commissioner that are: (1) made specifically by law for use under this section;
 19.13 (2) at the discretion of the commissioner, made for the budget activities in the state
 19.14 roads operations and maintenance program, program planning and delivery, or state road
 19.15 construction; and (3) made for the corridor investment management strategy program,
 19.16 unless otherwise specified.

19.17 (c) The commissioner shall include in the program the cost participation policy for
 19.18 local units of government.

19.19 Subd. 3. **Project classification.** The commissioner shall determine whether each
 19.20 candidate project can be classified into at least one of the following classifications:

19.21 (1) capacity development, for a project on a segment of a trunk highway where the
 19.22 segment:

19.23 (i) is not a divided highway and that highway is an expressway or freeway beyond
 19.24 the project limits;

19.25 (ii) contains a highway terminus that lacks an intersection or interchange with
 19.26 another trunk highway;

19.27 (iii) contains fewer lanes of travel compared to that highway beyond the project
 19.28 limits; or

19.29 (iv) contains a location that is proposed as construction of a new interchange or
 19.30 reconstruction of an intersection to an interchange; or

19.31 (2) freight improvement, for an asset preservation or replacement project that can
 19.32 result in:

19.33 (i) removing or reducing barriers to commerce;

19.34 (ii) easing or preserving freight movement;

19.35 (iii) supporting emerging industries; or

20.1 (iv) providing connections between the trunk highway system and other
20.2 transportation modes for the movement of freight.

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

20.5 (1) consistency with the statewide multimodal transportation plan under section
20.6 174.03;

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

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

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

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

20.15 (b) A project involving construction that is already programmed in the state
20.16 transportation improvement program is not eligible for funding under the program. This
20.17 paragraph does not apply to a project that is programmed as result of selection under
20.18 this section.

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

20.21 Subd. 5. **Project selection process; criteria.** (a) The commissioner shall establish a
20.22 process for identification, evaluation, and selection of projects under the program.

20.23 (b) As part of the project selection process, the commissioner shall annually accept
20.24 recommendations on candidate projects from area transportation partnerships and other
20.25 interested stakeholders in each Department of Transportation district. For each candidate
20.26 project identified under this paragraph, the commissioner shall determine the project's
20.27 eligibility, classify the project, and, if appropriate, evaluate the project for the program.

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

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

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

20.33 (3) efficiency in the movement of freight, including but not limited to:

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

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

21.3 (4) improvements to traffic safety;

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

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

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

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

21.14 Subd. 6. **Funding allocations; operations and maintenance.** In identifying the
21.15 amount of funding allocated to a project under the program, the commissioner may
21.16 include allocations of funds for operations and maintenance resulting from that project
21.17 that are assigned in future years following completion of the project, subject to available
21.18 funds for the program in those years from eligible sources.

21.19 Subd. 7. **Legislative report; evaluation.** (a) By January 15, 2014, and annually
21.20 by November 1 starting in 2015, the commissioner shall electronically submit a report
21.21 on the corridors of commerce program to the chairs and ranking minority members of
21.22 the legislative committees with jurisdiction over transportation policy and finance. At a
21.23 minimum, the report must include:

21.24 (1) a summary of program implementation, including a review of the project
21.25 selection process, eligibility and criteria, funds expended in the previous selection cycle,
21.26 and total funds expended since program inception;

21.27 (2) a listing of projects funded under the program in the previous selection cycle,
21.28 including: (i) project classification; (ii) a breakdown of project costs and funding sources;
21.29 (iii) any future operating costs assigned under subdivision 6; and (iv) a brief description
21.30 that is comprehensible to a lay audience;

21.31 (3) a listing of candidate project recommendations required under subdivision 5,
21.32 paragraph (b), including project classification and disposition in the selection process;

21.33 (4) financial analysis of unfunded candidate projects; and

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

21.35 (b) Starting in 2017 and in every odd-numbered year thereafter, the commissioner
21.36 shall incorporate into the report the results of an independent evaluation of impacts and

22.1 effectiveness of the program. The evaluation must be performed by agency staff or a
22.2 consultant. The individual or individuals performing the evaluation must have experience
22.3 in program evaluation, but must not be regularly involved in the program's implementation.

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

22.5 Sec. 2. Minnesota Statutes 2012, section 161.20, subdivision 3, is amended to read:

22.6 Subd. 3. **Trunk highway fund appropriations.** The commissioner may expend
22.7 trunk highway funds only for trunk highway purposes. Payment of expenses related
22.8 to Bureau of Criminal Apprehension laboratory, Explore Minnesota Tourism kiosks,
22.9 Minnesota Safety Council, ~~to~~ claims, driver education programs, Emergency Medical
22.10 Services Board, Mississippi River Parkway Commission, payments to MN.IT Services in
22.11 excess of actual costs incurred for trunk highway purposes, and personnel costs incurred
22.12 on behalf of the Governor's Office do not further a highway purpose and do not aid in the
22.13 construction, improvement, or maintenance of the highway system.

22.14 Sec. 3. Minnesota Statutes 2012, section 161.44, is amended by adding a subdivision
22.15 to read:

22.16 Subd. 12. **Periodic review; appropriation.** (a) The commissioner shall examine
22.17 all real property owned by the state and under the custodial control of the department
22.18 to identify whether any may be (1) no longer needed, and (2) suitable for sale or some
22.19 other means of disposal.

22.20 (b) From the proceeds of the sale of land under this subdivision, there is annually
22.21 appropriated from the trunk highway fund to the commissioner an amount sufficient to
22.22 carry out the requirements of this subdivision and related activities under this section and
22.23 sections 117.135, 117.226, 161.16, 161.23, 161.43, 161.431, 161.433, 161.442, and 272.68.

22.24 (c) The commissioner shall report the findings under paragraph (a), and on revenues
22.25 and expenditures under this subdivision, to the legislative committees with jurisdiction
22.26 over transportation policy and finance by March 1, 2015, and March 1, 2017. The report
22.27 may be submitted electronically.

22.28 Sec. 4. Minnesota Statutes 2012, section 163.051, is amended to read:

22.29 **163.051 METROPOLITAN COUNTY WHEELAGE TAX.**

22.30 Subdivision 1. **Tax authorized.** (a) Except as provided in paragraph ~~(b)~~ (c), the
22.31 board of commissioners of each ~~metropolitan~~ county is authorized to levy by resolution a
22.32 wheelage tax of \$5 for the year ~~1972~~ and each subsequent year thereafter ~~by resolution~~

23.1 at the rate specified in paragraph (b), on each motor vehicle that is kept in such county
 23.2 when not in operation and that is subject to annual registration and taxation under chapter
 23.3 168. The board may provide by resolution for collection of the wheelage tax by county
 23.4 officials or it may request that the tax be collected by the state registrar of motor vehicles;
 23.5 and. The state registrar of motor vehicles shall collect such tax on behalf of the county if
 23.6 requested, as provided in subdivision 2.

23.7 (b) The wheelage tax under this section is at the rate of:

23.8 (1) from January 1, 2014, through December 31, 2017, \$10 per year for each county
 23.9 that authorizes the tax; and

23.10 (2) on and after January 1, 2018, up to \$20 per year, in any increment of a whole
 23.11 dollar, as specified by each county that authorizes the tax.

23.12 (c) The following vehicles are exempt from the wheelage tax:

23.13 (1) motorcycles, as defined in section 169.011, subdivision 44;

23.14 (2) motorized bicycles, as defined in section 169.011, subdivision 45; and

23.15 ~~(3) electric-assisted bicycles, as defined in section 169.011, subdivision 27; and~~

23.16 ~~(4)~~ (3) motorized foot scooters, as defined in section 169.011, subdivision 46.

23.17 (d) For any county that authorized the tax prior to the effective date of this section,
 23.18 the wheelage tax continues at the rate provided under paragraph (b).

23.19 Subd. 2. **Collection by registrar of motor vehicles.** The wheelage tax levied by
 23.20 any metropolitan county, if made collectible by the state registrar of motor vehicles,
 23.21 shall be certified by the county auditor to the registrar not later than August 1 in the year
 23.22 before the calendar year or years for which the tax is levied, and the registrar shall collect
 23.23 such tax with the motor vehicle taxes on the affected vehicles for such year or years.

23.24 Every owner and every operator of such a motor vehicle shall furnish to the registrar all
 23.25 information requested by the registrar. No state motor vehicle tax on any such motor
 23.26 vehicle for any such year shall be received or deemed paid unless the applicable wheelage
 23.27 tax is paid therewith. ~~The proceeds of the wheelage tax levied by any metropolitan county,~~
 23.28 ~~less any amount retained by the registrar to pay costs of collection of the wheelage tax,~~
 23.29 ~~shall be paid to the commissioner of management and budget and deposited in the state~~
 23.30 ~~treasury to the credit of the county wheelage tax fund of each metropolitan county.~~

23.31 Subd. 2a. **Tax proceeds deposited; costs of collection; appropriation.**

23.32 Notwithstanding the provisions of any other law, the state registrar of motor vehicles shall
 23.33 deposit the proceeds of the wheelage tax imposed by subdivision 2, to the credit of the
 23.34 county wheelage tax fund account of each metropolitan county. The amount necessary to
 23.35 pay the costs of collection of said tax is appropriated from the county wheelage tax fund
 23.36 account of each metropolitan county to the state registrar of motor vehicles.

24.1 Subd. 3. **Distribution to metropolitan county; appropriation.** ~~On or before~~
 24.2 ~~April 1 in 1972 and each subsequent year, the commissioner of management and budget~~
 24.3 On a monthly basis, the registrar of motor vehicles shall issue a warrant in favor of the
 24.4 treasurer of each metropolitan county for which the registrar has collected a wheelage tax
 24.5 in the amount of such tax then on hand in the county wheelage tax ~~fund~~ account. There
 24.6 is hereby appropriated from the county wheelage tax ~~fund~~ account each year, to each
 24.7 metropolitan county entitled to payments authorized by this section, sufficient moneys
 24.8 to make such payments.

24.9 Subd. 4. **Use of tax.** The treasurer of each metropolitan county receiving moneys
 24.10 payments under subdivision 3 shall deposit such ~~moneys~~ payments in the county road and
 24.11 bridge fund. The moneys shall be used for purposes authorized by law which are highway
 24.12 purposes within the meaning of the Minnesota Constitution, article 14.

24.13 ~~Subd. 6. **Metropolitan county defined.** "Metropolitan county" means any of the~~
 24.14 ~~counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.~~

24.15 Subd. 7. **Offenses; penalties; application of other laws.** (a) Any owner or operator
 24.16 of a motor vehicle who ~~shall~~ willfully ~~give~~ gives any false information relative to the tax
 24.17 ~~herein~~ authorized by this section to the registrar of motor vehicles or any metropolitan
 24.18 county, or who ~~shall~~ willfully ~~fail or refuse~~ fails or refuses to furnish any such information,
 24.19 ~~shall be~~ is guilty of a misdemeanor.

24.20 (b) Except as otherwise ~~herein~~ provided in this section, the collection and payment
 24.21 of a wheelage tax and all matters relating thereto ~~shall be~~ are subject to all provisions of
 24.22 law relating to collection and payment of motor vehicle taxes so far as applicable.

24.23 **EFFECTIVE DATE.** This section is effective the day following final enactment
 24.24 and applies to a registration period under Minnesota Statutes, chapter 168, starting on
 24.25 or after January 1, 2014.

24.26 Sec. 5. Minnesota Statutes 2012, section 168A.01, subdivision 6a, is amended to read:

24.27 Subd. 6a. **High-value vehicle.** "High-value vehicle" means a vehicle that had an
 24.28 actual cash value in excess of ~~\$5,000~~ \$9,000 before being damaged, or a vehicle with a
 24.29 manufacturer's rating of over 26,000 pounds gross vehicle weight that is not a late-model
 24.30 vehicle.

24.31 Sec. 6. Minnesota Statutes 2012, section 171.05, subdivision 2, is amended to read:

24.32 Subd. 2. **Person less than 18 years of age.** (a) Notwithstanding any provision
 24.33 in subdivision 1 to the contrary, the department may issue an instruction permit to an
 24.34 applicant who is 15, 16, or 17 years of age and who:

25.1 (1) has completed a course of driver education in another state, has a previously
25.2 issued valid license from another state, or is enrolled in either:

25.3 (i) a public, private, or commercial driver education program that is approved by
25.4 the commissioner of public safety and that includes classroom and behind-the-wheel
25.5 training; or

25.6 (ii) an approved behind-the-wheel driver education program when the student is
25.7 receiving full-time instruction in a home school within the meaning of sections 120A.22
25.8 and 120A.24, the student is working toward a homeschool diploma, the student is taking
25.9 home-classroom driver training with classroom materials approved by the commissioner
25.10 of public safety, and the student's parent has certified the student's homeschool and
25.11 home-classroom driver training status on the form approved by the commissioner;

25.12 (2) has completed the classroom phase of instruction in the driver education program
25.13 or has completed 15 hours of classroom instruction in a program that presents classroom
25.14 and behind-the-wheel instruction concurrently;

25.15 (3) has passed a test of the applicant's eyesight;

25.16 (4) has passed a department-administered test of the applicant's knowledge of traffic
25.17 laws;

25.18 (5) has completed the required application, which must be approved by (i) either
25.19 parent when both reside in the same household as the minor applicant or, if otherwise,
25.20 then (ii) the parent or spouse of the parent having custody or, in the event there is no
25.21 court order for custody, then (iii) the parent or spouse of the parent with whom the minor
25.22 is living or, if items (i) to (iii) do not apply, then (iv) the guardian having custody of the
25.23 minor, (v) the foster parent or the director of the transitional living program in which the
25.24 child resides or, in the event a person under the age of 18 has no living father, mother,
25.25 or guardian, or is married or otherwise legally emancipated, then (vi) the applicant's
25.26 adult spouse, adult close family member, or adult employer; provided, that the approval
25.27 required by this clause contains a verification of the age of the applicant and the identity of
25.28 the parent, guardian, adult spouse, adult close family member, or adult employer; and

25.29 (6) has paid ~~the fee~~ all fees required in section 171.06, subdivision 2.

25.30 (b) For the purposes of determining compliance with the certification of paragraph
25.31 (a), clause (1), item (ii), the commissioner may request verification of a student's
25.32 homeschool status from the superintendent of the school district in which the student
25.33 resides and the superintendent shall provide that verification.

25.34 (c) The instruction permit is valid for two years from the date of application and
25.35 may be renewed upon payment of a fee equal to the fee for issuance of an instruction
25.36 permit under section 171.06, subdivision 2.

26.1 **EFFECTIVE DATE.** This section is effective June 1, 2013.

26.2 Sec. 7. Minnesota Statutes 2012, section 171.05, is amended by adding a subdivision
26.3 to read:

26.4 Subd. 4. **Rulemaking.** The commissioner shall adopt rules to carry out the
26.5 provisions of subdivision 2.

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

26.7 Sec. 8. Minnesota Statutes 2012, section 171.061, subdivision 4, is amended to read:

26.8 Subd. 4. **Fee; equipment.** (a) The agent may charge and retain a filing fee of \$5 ~~\$8~~
26.9 for each application. Except as provided in paragraph (c), the fee shall cover all expenses
26.10 involved in receiving, accepting, or forwarding to the department the applications and
26.11 fees required under sections 171.02, subdivision 3; 171.06, subdivisions 2 and 2a; and
26.12 171.07, subdivisions 3 and 3a.

26.13 (b) The statutory fees and the filing fees imposed under paragraph (a) may be paid
26.14 by credit card or debit card. The driver's license agent may collect a convenience fee on
26.15 the statutory fees and filing fees not greater than the cost of processing a credit card or
26.16 debit card transaction. The convenience fee must be used to pay the cost of processing
26.17 credit card and debit card transactions. The commissioner shall adopt rules to administer
26.18 this paragraph using the exempt procedures of section 14.386, except that section 14.386,
26.19 paragraph (b), does not apply.

26.20 (c) The department shall maintain the photo identification equipment for all
26.21 agents appointed as of January 1, 2000. Upon the retirement, resignation, death, or
26.22 discontinuance of an existing agent, and if a new agent is appointed in an existing office
26.23 pursuant to Minnesota Rules, chapter 7404, and notwithstanding the above or Minnesota
26.24 Rules, part 7404.0400, the department shall provide and maintain photo identification
26.25 equipment without additional cost to a newly appointed agent in that office if the office
26.26 was provided the equipment by the department before January 1, 2000. All photo
26.27 identification equipment must be compatible with standards established by the department.

26.28 (d) A filing fee retained by the agent employed by a county board must be paid into
26.29 the county treasury and credited to the general revenue fund of the county. An agent who
26.30 is not an employee of the county shall retain the filing fee in lieu of county employment
26.31 or salary and is considered an independent contractor for pension purposes, coverage
26.32 under the Minnesota State Retirement System, or membership in the Public Employees
26.33 Retirement Association.

27.1 (e) Before the end of the first working day following the final day of the reporting
27.2 period established by the department, the agent must forward to the department all
27.3 applications and fees collected during the reporting period except as provided in paragraph
27.4 (d).

27.5 **EFFECTIVE DATE.** This section is effective January 1, 2014.

27.6 Sec. 9. **[174.12] TRANSPORTATION ECONOMIC DEVELOPMENT**
27.7 **PROGRAM.**

27.8 **Subdivision 1. Program established.** (a) The commissioners of transportation and
27.9 employment and economic development shall develop and implement a transportation
27.10 economic development program as provided in this section that provides financial
27.11 assistance on a geographically balanced basis through competitive grants for projects in
27.12 all modes of transportation that provide measurable local, regional, or statewide economic
27.13 benefit.

27.14 (b) The commissioners of transportation and employment and economic
27.15 development may provide financial assistance for a transportation project at their
27.16 discretion, subject to the requirements of this section.

27.17 **Subd. 2. Transportation economic development accounts.** (a) A transportation
27.18 economic development account is established in the special revenue fund under the
27.19 budgetary jurisdiction of the legislative committees having jurisdiction over transportation
27.20 finance. Money in the account may be expended only as appropriated by law. The account
27.21 may not contain money transferred or otherwise provided from the trunk highway fund.

27.22 (b) A transportation economic development account is established in the trunk
27.23 highway fund. The account consists of funds donated, allotted, transferred, or otherwise
27.24 provided to the account.

27.25 **Subd. 3. Program administration.** In implementing the transportation economic
27.26 development program, the commissioners of transportation and employment and
27.27 economic development shall make reasonable efforts to (1) publicize each solicitation for
27.28 applications among all eligible recipients, and (2) provide technical and informational
27.29 assistance in creating and submitting applications.

27.30 **Subd. 4. Economic impact performance measures.** The commissioner of
27.31 employment and economic development shall develop economic impact performance
27.32 measures to analyze projects for which financial assistance under this section is being
27.33 applied for or has been previously provided.

27.34 **Subd. 5. Financial assistance; criteria.** The commissioners of transportation and
27.35 employment and economic development shall establish criteria for evaluating projects

28.1 for financial assistance under this section. At a minimum, the criteria must provide an
28.2 objective method to prioritize and select projects on the basis of:

28.3 (1) the extent to which the project provides measurable economic benefit;
28.4 (2) consistency with relevant state and local transportation plans;
28.5 (3) the availability and commitment of funding or in-kind assistance for the project
28.6 from nonpublic sources;

28.7 (4) the need for the project as part of the overall transportation system;
28.8 (5) the extent to which completion of the project will improve the movement of
28.9 people and freight; and

28.10 (6) geographic balance as required under subdivision 7, paragraph (b).

28.11 Subd. 6. **Financial assistance; project evaluation process.** (a) Following the
28.12 criteria established under subdivision 5, the commissioner of employment and economic
28.13 development shall (1) evaluate proposed projects, and (2) certify those that may receive
28.14 financial assistance.

28.15 (b) As part of the project evaluation process, the commissioner of transportation
28.16 shall certify that a project constitutes an eligible and appropriate transportation project.

28.17 Subd. 7. **Financial assistance; awards.** (a) The financial assistance awarded by the
28.18 commissioners of transportation and employment and economic development may not
28.19 exceed 70 percent of a project's total costs.

28.20 (b) The commissioners of transportation and employment and economic development
28.21 shall ensure that financial assistance is provided in a manner that is balanced throughout
28.22 the state, including with respect to (1) the number of projects receiving funding in a
28.23 particular geographic location or region of the state, and (2) the total amount of financial
28.24 assistance provided for projects in a particular geographic location or region of the state.

28.25 Subd. 8. **Legislative report.** (a) By February 1 of each odd-numbered year, the
28.26 commissioner of transportation, with assistance from the commissioner of employment
28.27 and economic development, shall submit a report on the transportation economic
28.28 development program to the chairs and ranking minority members of the legislative
28.29 committees with jurisdiction over transportation policy and finance and economic
28.30 development policy and finance.

28.31 (b) At a minimum, the report must:

28.32 (1) summarize the requirements and implementation of the transportation economic
28.33 development program established in this section;

28.34 (2) review the criteria and economic impact performance measures used for
28.35 evaluation, prioritization, and selection of projects;

29.1 (3) provide a brief overview of each project that received financial assistance under
 29.2 the program, which must at a minimum identify:

29.3 (i) basic project characteristics, such as funding recipient, geographic location,
 29.4 and type of transportation modes served;

29.5 (ii) sources and respective amounts of project funding; and

29.6 (iii) the degree of economic benefit anticipated or observed, following the economic
 29.7 impact performance measures established under subdivision 4;

29.8 (4) identify the allocation of funds, including but not limited to a breakdown of total
 29.9 project funds by transportation mode, the amount expended for administrative costs, and
 29.10 the amount transferred to the transportation economic development assistance account;

29.11 (5) evaluate the overall economic impact of the program consistent with the
 29.12 accountability measurement requirements under section 116J.997; and

29.13 (6) provide recommendations for any legislative changes related to the program.

29.14 Sec. 10. Minnesota Statutes 2012, section 174.40, is amended by adding a subdivision
 29.15 to read:

29.16 Subd. 7a. **Related non-infrastructure activities.** (a) The commissioner may not
 29.17 expend an appropriation from the bond proceeds fund, or provide financial assistance from
 29.18 an appropriation from the bond proceeds fund, for the purposes specified in this subdivision.

29.19 (b) Subject to appropriations made specifically for the purposes of this subdivision,
 29.20 the commissioner may expend funds for non-infrastructure activities to encourage walking
 29.21 and bicycling to school, including:

29.22 (1) planning activities;

29.23 (2) public awareness campaigns and outreach to press and community leaders;

29.24 (3) traffic education and enforcement in the vicinity of schools;

29.25 (4) student sessions on bicycle and pedestrian safety, health, and the environment; and

29.26 (5) financial assistance for training, volunteers, and managers of safe routes to
 29.27 school programs.

29.28 Sec. 11. **[174.42] TRANSPORTATION ALTERNATIVES PROJECTS.**

29.29 Subdivision 1. **Definition.** For purposes of this section, "transportation alternatives"
 29.30 means those projects identified in the state transportation improvement program having
 29.31 (1) a program category of bike trail, enhancement, or recreational trail; (2) any program
 29.32 category that is substantially similar to a category identified in clause (1); or (3) a route
 29.33 system category of ped/bike.

30.1 Subd. 2. **Funding requirement.** In each federal fiscal year, the commissioner
 30.2 shall obtain a total amount in federal authorizations for reimbursement on transportation
 30.3 alternatives projects that is equal to or greater than the annual average of federal
 30.4 authorizations on transportation alternatives projects calculated over the preceding four
 30.5 federal fiscal years.

30.6 Sec. 12. Minnesota Statutes 2012, section 219.1651, is amended to read:

30.7 **219.1651 GRADE CROSSING SAFETY ACCOUNT.**

30.8 A Minnesota grade crossing safety account is created in the special revenue fund,
 30.9 consisting of money credited to the account by law. Money in the account is appropriated
 30.10 to the commissioner of transportation for rail-highway grade crossing safety projects
 30.11 on public streets and highways, including engineering costs. At the discretion of the
 30.12 commissioner of transportation, money in the account at the end of each fiscal year cancels
 30.13 biennium may cancel to the trunk highway fund.

30.14 Sec. 13. Minnesota Statutes 2012, section 297A.993, subdivision 1, is amended to read:

30.15 Subdivision 1. **Authorization; rates.** Notwithstanding section 297A.99,
 30.16 subdivisions 1, 2, 3, 5, and 13, or 477A.016, or any other law, the board of a county outside
 30.17 the metropolitan transportation area, as defined under section 297A.992, subdivision 1, or
 30.18 more than one county outside the metropolitan transportation area acting under a joint
 30.19 powers agreement, may by resolution of the county board, or each of the county boards,
 30.20 following a public hearing impose (1) a transportation sales tax at a rate of up to one-half
 30.21 of one percent on retail sales and uses taxable under this chapter, and (2) an excise tax
 30.22 of \$20 per motor vehicle, as defined in section 297B.01, subdivision 11, purchased or
 30.23 acquired from any person engaged in the business of selling motor vehicles at retail,
 30.24 occurring within the jurisdiction of the taxing authority. ~~The taxes imposed under this~~
 30.25 ~~section are subject to approval by a majority of the voters in each of the counties affected~~
 30.26 ~~at a general election who vote on the question to impose the taxes.~~

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

30.28 Sec. 14. Minnesota Statutes 2012, section 297A.993, subdivision 2, is amended to read:

30.29 Subd. 2. **Allocation; termination.** The proceeds of the taxes must be dedicated
 30.30 exclusively to: (1) payment of the capital cost of a specific transportation project or
 30.31 improvement; (2) payments of the costs, which may include both capital and operating
 30.32 costs, of a specific transit project or improvement; or (3) payment of transit operating

31.1 costs. The ~~transportation~~ project or improvement must be designated by the board of the
31.2 county, or more than one county acting under a joint powers agreement. Except for taxes
31.3 for operating costs of a transit project or improvement, or for transit operations, the taxes
31.4 must terminate ~~after the project or improvement has been completed~~ when revenues
31.5 raised are sufficient to finance the project.

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

31.7 Sec. 15. Minnesota Statutes 2012, section 299E.01, subdivision 2, is amended to read:

31.8 Subd. 2. **Responsibilities.** (a) The division shall be responsible and shall utilize
31.9 state employees for security and public information services in state-owned buildings and
31.10 state leased-to-own buildings in the Capitol area, as described in section 15B.02~~;~~. It shall
31.11 provide ~~such~~ personnel as are required by the circumstances to insure the orderly conduct
31.12 of state business and the convenience of the public.

31.13 (b) As part of the division permanent staff, the director must establish the position of
31.14 emergency manager that includes, at a minimum, the following duties:

31.15 (1) oversight of the consolidation, development, and maintenance of plans and
31.16 procedures that provide continuity of security operations;

31.17 (2) the development and implementation of tenant training that addresses threats
31.18 and emergency procedures; and

31.19 (3) the development and implementation of threat and emergency exercises.

31.20 (c) The director must provide a minimum of one state trooper assigned to the Capitol
31.21 complex at all times.

31.22 (d) The director, in consultation with the advisory committee under section 299E.04,
31.23 shall, at least annually, hold a meeting or meetings to discuss, among other issues, Capitol
31.24 complex security, emergency planning, public safety, and public access to the Capitol
31.25 complex. The meetings must include, at a minimum:

31.26 (1) Capitol complex tenants and state employees;

31.27 (2) nongovernmental entities, such as lobbyists, vendors, and the media; and

31.28 (3) the public and public advocacy groups.

31.29 Sec. 16. Minnesota Statutes 2012, section 299E.01, subdivision 3, is amended to read:

31.30 Subd. 3. **Powers and duties transferred.** All powers, duties and responsibilities
31.31 heretofore assigned by law to the commissioner of administration relating to the general
31.32 function of security in ~~such~~ Capitol complex state-owned buildings are hereby transferred
31.33 to the commissioner of public safety. The commissioner of public safety shall have
31.34 the final authority regarding public safety and security in the Capitol complex. The

32.1 commissioner of administration shall have the powers, duties, and responsibilities relating
32.2 to the Capitol complex state-owned buildings as provided under chapter 16B.

32.3 Sec. 17. Minnesota Statutes 2012, section 398A.10, is amended by adding a
32.4 subdivision to read:

32.5 Subd. 4. **Definition.** For purposes of this section, "project" means the initial
32.6 construction of a minimum operable segment of a new light rail transit or commuter rail
32.7 line, but does not include infill stations, project enhancements, extensions, or supportive
32.8 infrastructure constructed after the rail transit line is operational.

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

32.10 Sec. 18. Laws 2009, chapter 9, section 1, the effective date, is amended to read:

32.11 **EFFECTIVE DATE.** This section is effective the day following final enactment,
32.12 and expires on June 30, ~~2013~~ 2016.

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

32.14 Sec. 19. **CENTRAL CORRIDOR LIGHT RAIL TRANSIT; CENTRAL**
32.15 **STATION ACCESSIBILITY.**

32.16 (a) For purposes of this section:

32.17 (1) "city" means the city of St. Paul;

32.18 (2) "council" has the meaning given in Minnesota Statutes, section 473.121,
32.19 subdivision 3; and

32.20 (3) "pedestrian skyway system" has the meaning given in Minnesota Statutes,
32.21 section 469.125, subdivision 4.

32.22 (b) Notwithstanding any law to the contrary, for the Central Station on the
32.23 Central Corridor light rail transit line, the council and city shall include construction or
32.24 establishment of access to a pedestrian skyway system as part of the initial transit line
32.25 construction project. The council and city shall ensure that public access to the pedestrian
32.26 skyway system is provided by an elevator located at the site of the station.

32.27 (c) The council and city shall meet the requirements under this section at the time of
32.28 initial construction of the Central Corridor light rail transit line and the Central Station.

32.29 **EFFECTIVE DATE; APPLICATION.** As to the Metropolitan Council, this
32.30 section is effective the day following final enactment and applies in the counties of
32.31 Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington. As to the city of St.

33.1 Paul, this section is effective the day after the city council of the city of St. Paul and its
33.2 chief clerical officer timely complete their compliance with Minnesota Statutes, section
33.3 645.021, subdivisions 2 and 3.

33.4 **Sec. 20. BUS RAPID TRANSIT DEVELOPMENT AUTHORIZED.**

33.5 Washington County Regional Rail Authority may exercise the powers conferred
33.6 by Minnesota Statutes, section 398A.04, to plan, establish, acquire, develop, construct,
33.7 purchase, enlarge, extend, improve, maintain, equip, operate, regulate, and protect a bus
33.8 rapid transit system located within Washington County on transitways included in and
33.9 approved by the Metropolitan Council's 2030 Transportation Policy Plan, including the
33.10 Rush Line, Highway 36, Gateway, and Red Rock transit corridors.

33.11 **EFFECTIVE DATE.** Pursuant to Minnesota Statutes, section 645.023, subdivision
33.12 1, paragraph (a), this section is effective without local approval the day following final
33.13 enactment.

33.14 **Sec. 21. MARKED INTERSTATE HIGHWAY 35E PROJECTS; TRAIL**
33.15 **MITIGATION.**

33.16 (a) For purposes of this section, "35E corridor projects" means those projects for
33.17 construction or reconstruction of marked Interstate Highway 35E between downtown
33.18 St. Paul and the vicinity of marked Interstate Highway 694, that are under design,
33.19 engineering, or construction on the effective date of this act or within the subsequent three
33.20 years. The term includes but is not limited to the projects identified by the commissioner
33.21 of transportation as the Cayuga project and the MnPASS project.

33.22 (b) The commissioner of transportation shall include in the 35E corridor projects
33.23 the following components:

33.24 (1) creation of a continuous separated bicycle and pedestrian path within the
33.25 right-of-way of the projects, located on the east side of marked Interstate Highway 35E,
33.26 from Cayuga Street to Arlington Avenue;

33.27 (2) retention, at a minimum, of the same number of trail connector facilities designed
33.28 for exclusive use of bicyclists and pedestrians between the Gateway State Trail and the
33.29 east side of marked Interstate Highway 35E over the length of the 35E corridor projects;

33.30 (3) establishment of reasonable access points to the facilities identified in clauses (1)
33.31 and (2) over the length of the 35E corridor projects; and

33.32 (4) retention or reconstruction of any portion of the Gateway State Trail impacted by
33.33 the 35E corridor projects.

34.1 (c) In implementing the requirements under this section, the commissioner shall
34.2 conform with a bicycle master plan developed by the city of St. Paul.

34.3 Sec. 22. **TRANSITWAY EXPANSION IMPLEMENTATION PLAN.**

34.4 (a) For purposes of this section, "transitway" includes but is not limited to light rail
34.5 transit; commuter rail; bus rapid transit, whether arterial or highway; and streetcars.

34.6 (b) From funds appropriated by law for the purposes of this section, the Metropolitan
34.7 Council shall, in consultation with interested stakeholders, develop an implementation
34.8 plan for accelerated development of transitways in the metropolitan area.

34.9 (c) At a minimum, the plan must:

34.10 (1) address implementation management issues and identify roles, responsibilities,
34.11 and lead agencies for each component of the plan;

34.12 (2) create a program of transitway projects to develop and construct in a concurrent
34.13 manner under the plan;

34.14 (3) establish a timeline and preliminary schedule for coordinated and accelerated
34.15 project development of the transitways;

34.16 (4) establish a financial plan that includes but is not limited to:

34.17 (i) identification of capital and operating costs for each transitway;

34.18 (ii) allocation of cost shares; and

34.19 (iii) a proposal for fully funding the plan; and

34.20 (5) identify any legislative changes relevant to the plan.

34.21 (d) By January 15, 2014, the Metropolitan Council shall submit an electronic copy
34.22 of the implementation plan to the chairs and ranking minority members of the legislative
34.23 committees with jurisdiction over transportation policy and finance, as provided under
34.24 Minnesota Statutes, section 3.195, subdivision 1.

34.25 Sec. 23. **REPEALER.**

34.26 (a) Minnesota Statutes 2012, section 161.04, subdivision 6, is repealed.

34.27 (b) Minnesota Statutes 2012, section 174.285, subdivision 8, is repealed.

APPENDIX
Article locations in H1444-1

ARTICLE 1	APPROPRIATIONS	Page.Ln 1.15
ARTICLE 2	TRANSPORTATION FINANCE AND POLICY	Page.Ln 18.25

161.04 TRUNK HIGHWAY FUND.

Subd. 6. **Trunk highway economic development account.** (a) The trunk highway economic development account is created in the trunk highway fund. Money in the account is annually appropriated to the commissioner and does not lapse. Interest earned from investment of money in this account must be deposited in the trunk highway economic development account.

(b) Money in the account must be used to fund construction, reconstruction, and improvement of trunk highways that will promote economic development, increase employment, and relieve growing traffic congestion.

(c) The commissioner shall design a project application and selection process to distribute money in the account. The process must include specified eligibility and prioritizing criteria.

(d) Money in the account must be allocated 50 percent to the department's metropolitan district, and 50 percent to districts in greater Minnesota except as provided in this paragraph. If there are not sufficient project applications that meet eligibility and prioritizing criteria in either the metropolitan district or greater Minnesota districts to permit an equal division of available money, the commissioner shall fund projects that meet the selection criteria without regard to location in the state.

174.285 MINNESOTA COUNCIL ON TRANSPORTATION ACCESS.

Subd. 8. **Expiration.** This section expires June 30, 2014.