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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 3698

03/29/2016 Authored by Hornstein and Loeffler

The bill was read for the first time and referred to the Committee on Transportation Policy and Finance

04/14/2016 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; governing rail transportation; amending requirements
1.3 governing rail inspections; establishing certain requirements for railroads
1.4 transporting oil, ethanol, and other hazardous substances; making technical
1.5 changes; amending Minnesota Statutes 2014, section 219.015; proposing coding
1.6 for new law in Minnesota Statutes, chapter 219.

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

1.8 Section 1. Minnesota Statutes 2014, section 219.015, is amended to read:

1.9 **219.015 STATE RAIL SAFETY INSPECTOR INSPECTION PROGRAM.**

1.10 Subdivision 1. **Positions established; duties.** (a) The commissioner of
1.11 transportation shall establish three state rail safety inspector positions ~~in the Office~~
1.12 ~~of Freight and Commercial Vehicle Operations of the Minnesota Department of~~
1.13 ~~Transportation. On or after July 1, 2015, and~~ the commissioner may establish ~~a fourth~~ up
1.14 to six state rail safety inspector ~~position~~ positions following consultation with railroad
1.15 companies. The commissioner shall apply to and enter into agreements with the Federal
1.16 Railroad Administration (FRA) of the United States Department of Transportation
1.17 to participate in the federal State Rail Safety Participation Program for training and
1.18 certification of an inspector under authority of United States Code, title 49, sections 20103,
1.19 20105, 20106, and 20113, and Code of Federal Regulations, title 49, part 212.

1.20 (b) A state rail safety inspector ~~shall~~ may inspect mainline track, secondary
1.21 track, and yard and industry track; inspect railroad right-of-way, including adjacent or
1.22 intersecting drainage, culverts, bridges, overhead structures, and traffic and other public
1.23 crossings; inspect yards and physical plants; inspect train equipment; review and enforce
1.24 safety requirements; review maintenance and repair records; and review railroad security
1.25 measures.

2.1 (c) A state rail safety inspector may perform, but is not limited to, the duties
2.2 described in the federal State Rail Safety Participation Program. An inspector may train,
2.3 be certified, and participate in any of the federal State Rail Safety Participation Program
2.4 disciplines, including: track, signal and train control, motive power and equipment,
2.5 operating practices compliance, hazardous materials, and highway-rail grade crossings.

2.6 (d) To the extent delegated by the Federal Railroad Administration and authorized
2.7 by the commissioner, an inspector may issue citations for violations of this chapter, or to
2.8 ensure railroad employee and public safety and welfare.

2.9 Subd. 2. **Railroad company assessment; account; appropriation.** (a) As provided
2.10 in this subdivision, the commissioner shall annually assess railroad companies that are
2.11 (1) defined as common carriers under section 218.011; (2) classified by federal law
2.12 or regulation as Class I Railroads, Class I Rail Carriers, Class II Railroads, or Class II
2.13 Carriers; and (3) operating in this state.

2.14 (b) The assessment must be ~~by a division of~~ calculated to allocate state rail
2.15 ~~safety inspector inspection~~ program costs in equal proportion between proportionally
2.16 among carriers based on route miles operated in Minnesota, assessed in equal amounts
2.17 for 365 days of the calendar year at the time of assessment. The commissioner shall
2.18 ~~assess~~ include in the assessment calculation all program or additional position start-up
2.19 or re-establishment costs; all related costs of ~~initiating~~ the state rail safety ~~inspector~~
2.20 inspection program, including but not limited to inspection, administration, supervision,
2.21 travel, equipment, and training; and costs of ongoing state rail inspector duties.

2.22 (c) The assessments collected under this subdivision must be deposited in a ~~special~~
2.23 ~~account in the special revenue fund, to be known as the~~ state rail safety inspection account,
2.24 which is established in the special revenue fund. The account consists of funds as provided
2.25 by this subdivision, and any other money donated, allotted, transferred, or otherwise
2.26 provided to the account. Money in the account is appropriated to the commissioner for
2.27 the establishment and ongoing responsibilities of the state rail safety ~~inspector inspection~~
2.28 program.

2.29 Subd. 3. **Work site safety coaching program.** The commissioner may exempt a
2.30 common carrier not federally classified as Class I from violations for a period of up to
2.31 two years if the common carrier applies for participation in a work site safety coaching
2.32 program, such as the "MNSharp" program administered by the Minnesota Department of
2.33 Labor and Industry, and the commissioner determines such participation to be preferred
2.34 enforcement for safety or security violations.

3.1 Subd. 4. **Appeal.** Any person aggrieved by an assessment levied under this section
3.2 may appeal within 90 days any assessment, violation, or administrative penalty to the
3.3 Office of Administrative Hearings, with further appeal and review by the district court.

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

3.5 Sec. 2. **[219.925] OIL, ETHANOL, AND OTHER HAZARDOUS SUBSTANCES;**
3.6 **PREPAREDNESS AND INFORMATION.**

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

3.9 (b) "Emergency manager" means the director of a local organization for emergency
3.10 management under section 12.25.

3.11 (c) "Hazardous substance" has the meaning given in Code of Federal Regulations,
3.12 title 49, section 171.8.

3.13 (d) "Oil" has the meaning given in section 115E.01, subdivision 8.

3.14 (e) "Rail carrier" means a railroad company that is: (1) defined as a common carrier
3.15 under section 218.011; (2) classified by federal law or regulation as a Class I Railroad,
3.16 Class I Rail Carrier, Class II Railroad, Class II Carrier, Class III Railroad, or Class III
3.17 Carrier; and (3) operating in this state.

3.18 Subd. 2. **Bridge inspection reports.** A rail carrier must provide a copy of bridge
3.19 inspection reports on railroad bridges along the routes over which oil, ethanol, and other
3.20 hazardous substances are transported to:

3.21 (1) each emergency manager, for those bridges located within the emergency
3.22 manager's jurisdiction;

3.23 (2) each city or county engineer, for those bridges over a roadway under the
3.24 engineer's jurisdiction; and

3.25 (3) the commissioner of transportation, for all applicable bridges.

3.26 Subd. 3. **Transported substances notice.** (a) As provided in this subdivision, each
3.27 rail carrier must provide to the commissioner of transportation a transported substances
3.28 notice concerning all oil, ethanol, and other hazardous substance transportation within
3.29 or through the state. The notice requirement under this subdivision does not apply to
3.30 transportation of goods that are not oil, ethanol, or other hazardous substances.

3.31 (b) A notice under this subdivision must include:

3.32 (1) the specific routes over which the oil or other hazardous substance is transported;

3.33 (2) the transportation schedule, including the time, frequency, and volume of oil or
3.34 other hazardous substance transported on a daily or other reasonable basis as authorized
3.35 by the commissioner;

- 4.1 (3) the number of tanker railcars transported;
- 4.2 (4) a description of the material transported;
- 4.3 (5) all applicable emergency response information required under Code of Federal
- 4.4 Regulations, title 49, part 172, subpart G, or successor requirements; and
- 4.5 (6) contact information, including name, title, telephone number, and address, of
- 4.6 at least one qualified company employee who is responsible for serving as a point of
- 4.7 contact for discharge response.
- 4.8 **EFFECTIVE DATE.** This section is effective July 1, 2016.