must include each city and township contiguous to the defining city.

(c) A more stringent regulation or prohibition of lawful gambling adopted by a political subdivision under this subdivision must apply equally to all forms of lawful gambling within the jurisdiction of the political subdivision, except a political subdivision may prohibit the use of paddlewheels.

Subd. 2. **LOCAL APPROVAL.** Before issuing or renewing a premises permit or bingo hall license, the board must notify the city council of the statutory or home rule city in which the organization's premises or the bingo hall is located or, if the premises or hall is located outside a city, the county board of the county and the town board of the town where the premises or hall is located. The board may require organizations or bingo halls to notify the appropriate local government at the time of application. This required notification is sufficient to constitute the notice required by this subdivision. The board may not issue or renew a premises permit or bingo hall license unless the organization submits a resolution from the city council or county board approving the premises permit or bingo hall license. The resolution must have been adopted within 60 90 days of the date of application for the new or renewed permit or license.

Subd. 3. **LOCAL GAMBLING TAX.** A statutory or home rule charter city that has one or more licensed organizations operating lawful gambling, and a county that has one or more licensed organizations outside incorporated areas operating lawful gambling, may impose a local gambling tax on each licensed organization within the city's or county's jurisdiction. The tax may be imposed only if the amount to be received by the city or county is necessary to cover the costs incurred by the city or county to regulate lawful gambling. The tax imposed by this subdivision may not exceed three percent per year of the gross receipts of a licensed organization from all lawful gambling less prizes actually paid out by the organization. A city or county may not use money collected under this subdivision for any purpose other than to regulate lawful gambling. A tax imposed under this subdivision is in lieu of all other local taxes and local investigation fees on lawful gambling. A city or county that imposes a tax under this subdivision shall annually, by March 15, file a report with the board in a form prescribed by the board showing (1) the amount of revenue produced by the tax during the preceding calendar year, and (2) the use of the proceeds of the tax.

Sec. 14. EFFECTIVE DATE.

Sections 5 to 13 are effective the day following final enactment.

Presented to the governor May 10, 2001

Signed by the governor May 14, 2001, 3:01 p.m.

CHAPTER 97—S.F.No. 2225

An act relating to drivers' licenses; allowing certain school buses to be operated by licensed child care providers; establishing pilot project to allow certain type A school bus to be operated

by holder of Class D driver's license under limited conditions; making clarifying changes; providing misdemeanor penalty; amending Minnesota Statutes 2000, sections 169.01, subdivision 75; 169.448, subdivision 1; 171.02, subdivisions 2, 2a.

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

- Section 1. Minnesota Statutes 2000, section 169.01, subdivision 75, is amended to read:
- Subd. 75. **COMMERCIAL MOTOR VEHICLE.** (a) "Commercial motor vehicle" means a motor vehicle or combination of motor vehicles used to transport passengers or property if the motor vehicle:
 - (1) has a gross vehicle weight of more than 26,000 pounds;
- (2) has a towed unit with a gross vehicle weight of more than 10,000 pounds and the combination of vehicles has a combined gross vehicle weight of more than 26,000 pounds;
 - (3) is a bus;
- (4) is of any size and is used in the transportation of hazardous materials, except for those vehicles having a gross vehicle weight of 26,000 pounds or less while carrying in bulk tanks a total of not more than 200 gallons of petroleum products and liquid fertilizer; or
- (5) is outwardly equipped and identified as a school bus, except for <u>type A-II</u> and type III school buses as defined in subdivision 6_7 paragraph (e).
 - (b) For purposes of chapter 169A:
- (1) a commercial motor vehicle does not include a farm truck, firefighting equipment, or recreational equipment being operated by a person within the scope of section 171.02, subdivision 2, paragraph (b); and
- (2) a commercial motor vehicle includes a vehicle capable of or designed to meet the standards described in paragraph (a), clause (2), whether or not the towed unit is attached to the truck-tractor at the time of the violation or stop.
- Sec. 2. Minnesota Statutes 2000, section 169.448, subdivision 1, is amended to read:
- Subdivision 1. **RESTRICTIONS ON APPEARANCE**; **MISDEMEANOR**. (a) A bus that is not used as a school bus may not be operated on a street or highway unless it is painted a color significantly different than national school bus glossy yellow of Minnesota school bus golden orange.
- (b) A bus that is not used as a school bus or Head Start bus may not be operated if it is equipped with school bus or Head Start bus-related equipment and printing.
 - (c) A violation of this subdivision is a misdemeanor.
- (d) This subdivision does not apply to a school bus owned by or under contract to a school district operated as a charter or leased bus.

- (e) This subdivision does not apply to a school bus operated by a licensed child care provider if:
 - (1) the stop arm is removed;
 - (2) the eight-light system is deactivated;
- (3) the school bus is identified as a "child care bus" in letters at least eight inches high on the front and rear top of the bus; and
- (4) the name, address, and telephone number of the owner or operator of the bus is identified on each front door of the bus in letters not less than three inches high.
- Sec. 3. Minnesota Statutes 2000, section 171.02, subdivision 2, is amended to read:
- Subd. 2. DRIVER'S LICENSE CLASSIFICATIONS, ENDORSEMENTS, EXEMPTIONS. (a) Drivers' licenses shall be classified according to the types of vehicles which may be driven by the holder of each type or class of license. The commissioner may, as appropriate, subdivide the classes listed in this subdivision and issue licenses classified accordingly. Except as provided in subdivision 2a, no class of license shall be valid to operate a motorcycle, school bus, tank vehicle, double-trailer or triple-trailer combination, vehicle transporting hazardous materials, or bus, unless so endorsed.

There shall be four general classes of licenses as follows:

- (b) Class D; valid for:
- (1) operating all farm trucks operated by (i) the owner, (ii) an immediate family member of the owner, (iii) an employee of the owner not primarily employed to operate the farm truck, within 150 miles of the farm, or (iv) an employee of the owner employed during harvest to operate the farm truck for the first, continuous transportation of agricultural products from the production site or on-farm storage site to any other location within 50 miles of that site;
- (2) operating fire trucks and emergency fire equipment, whether or not in excess of 26,000 pounds gross vehicle weight, operated by a firefighter while on duty, or a tiller operator employed by a fire department who drives the rear portion of a midmount aerial ladder truck;
- (3) operating recreational equipment as defined in section 168.011, subdivision 25, that is operated for personal use; and
- (4) operating all single unit vehicles except vehicles with a gross vehicle weight of more than 26,000 pounds, vehicles designed to carry more than 15 passengers including the driver, and vehicles that carry hazardous materials; and
- (5) notwithstanding paragraph (c), operating a type A school bus without a school bus endorsement if:
 - (i) the bus has a gross vehicle weight of 10,000 pounds or less;

- (ii) the bus is designed to transport 15 or fewer passengers, including the driver; and
- (iii) the requirements of subdivision 2a, paragraph (b), are satisfied, as determined by the commissioner.

The holder of a class D license may also tow vehicles if the combination of vehicles has a gross vehicle weight of 26,000 pounds or less.

- (c) Class C; valid for:
- (1) operating class D vehicles;
- (2) with a hazardous materials endorsement, transporting hazardous materials in class D vehicles; and
- (3) with a school bus endorsement, operating school buses designed to transport 15 or fewer passengers, including the driver.
- (d) Class B; valid for operating all vehicles in class C, class D, and all other single unit vehicles including, with a passenger endorsement, buses. The holder of a class B license may tow only vehicles with a gross vehicle weight of 10,000 pounds or less.
 - (e) Class A; valid for operating any vehicle or combination thereof of vehicles.
- Sec. 4. Minnesota Statutes 2000, section 171.02, subdivision 2a, is amended to read:
- Subd. 2a. **EXCEPTIONS.** (a) Notwithstanding subdivision 2, (1) a hazardous materials endorsement is not required to operate a vehicle having a gross vehicle weight of 26,000 pounds or less while carrying in bulk tanks a total of not more than 200 gallons of petroleum products and (2) a class C license or hazardous materials endorsement is not required to operate a farm vehicle as defined in Code of Federal Regulations, title 49, section 390.5, having a gross vehicle weight of 26,000 pounds or less while carrying in bulk tanks a total of not more than 1,500 gallons of liquid fertilizer.
- (b) Notwithstanding subdivision 2, paragraph (c), the holder of a class D driver's license, without a school bus endorsement, may operate a type A school bus described in subdivision 2, paragraph (b), under the following conditions:
- (1) The operator is an employee as of the day following final enactment of this act of the entity that owns, leases, or contracts for the school bus.
- (2) The operator drives the school bus only from points of origin to points of destination, not including home-to-school trips to pick up or drop off students.
- (3) The operator is prohibited from using the eight-light system. Violation of this clause is a misdemeanor.
- (4) The operator's employer has adopted and implemented a policy that provides for annual training and certification of the operator in:
 - (i) safe operation of the type of school bus the operator will be driving;

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- (ii) understanding student behavior, including issues relating to students with disabilities;
- $\frac{\text{(iii) encouraging orderly conduct of students on the bus and handling incidents of misconduct appropriately;}}{\text{misconduct appropriately;}}$
- (iv) knowing and understanding relevant laws, rules of the road, and local school bus safety policies;
 - (v) handling emergency situations; and
 - (vi) safe loading and unloading of students.
- (5) A background check or background investigation of the operator has been conducted that meets the requirements under section 122A.18, subdivision 8, or 123B.03 for teachers; section 144.057 or 245A.04 for day care employees; or section 171.321, subdivision 3, for all other persons operating a type A school bus under this paragraph.
- (6) Operators shall submit to a physical examination as required by section 171.321, subdivision 2.
- (8) A person who sustains a conviction, as defined under section 609.02, of violating section 169A.25, 169A.26, 169A.27, 169A.31, 169A.51, or 169A.52, or a similar statute or ordinance of another state is precluded from operating a school bus for five years from the date of conviction.
- (9) A person who sustains a conviction, as defined under section 609.02, of a fourth moving offense in violation of chapter 169 is precluded from operating a school bus for one year from the date of the last conviction.
- (11) An operator must be trained in the proper use of child safety restraints as set forth in the National Highway Traffic Safety Administration's "Guideline for the Safe Transportation of Pre-school Age Children in School Buses."
- (12) Annual certification of the requirements listed in this paragraph must be maintained under separate file at the business location for each operator licensed under this paragraph and subdivision 2, paragraph (b), clause (5). The business manager, school board, governing body of a nonpublic school, or any other entity that owns, leases, or contracts for the school bus operating under this paragraph is responsible for maintaining these files for inspection.
- (13) The school bus must bear a current certificate of inspection issued under section 169.451.
- that reads "Activities" when the bus is being operated under authority of this paragraph.

Sec. 5. EFFECTIVE DATE; EXPIRATION.

- (a) Sections 1 to 4 are effective July 1, 2001.
- (b) The amendments in sections 3 and 4 to Minnesota Statutes, section 171.02, expire July 1, 2003.
- (c) The amendment in section 1 to Minnesota Statutes, section 169.01, subdivision 75, expires July 1, 2003.

Presented to the governor May 11, 2001

Signed by the governor May 15, 2001, 1:59 p.m.

CHAPTER 98—S.F.No. 1056

An act relating to drivers' licenses; modifying certain annual requirements relating to school bus drivers; amending Minnesota Statutes 2000, section 171.321, subdivision 5.

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

- Section 1. Minnesota Statutes 2000, section 171.321, subdivision 5, is amended to read:
- Subd. 5. ANNUAL EVALUATION AND LICENSE VERIFICATION. (a) A school district's pupil transportation safety director, the chief administrator of a nonpublic school, or a private contractor shall certify annually to the school board or governing board of a nonpublic school that, at minimum, each school bus driver meets the school bus driver training competencies under subdivision 4. A school district, nonpublic school, or private contractor also shall provide in-service training annually to each school bus driver.
- (b) A school district, nonpublic school, or private contractor shall annually verify the validity of the driver's license of each person who transports students for the district with the National Drivers Register or with the department of public safety.

Presented to the governor May 11, 2001

Signed by the governor May 15, 2001, 2:02 p.m.

CHAPTER 99-S.F.No. 1164

An act relating to conservation; modifying the definition of landowner for purposes of participation in the RIM program; increasing the amount of funding available to participants; amending Minnesota Statutes 2000, sections 103F.511, subdivision 6; and 103F.515, subdivision 6,