

1.1 A bill for an act

1.2 relating to transportation; providing for alternatives for contracting and
1.3 procurement, state aid, traffic regulations and reports, vehicles, vehicle
1.4 titles, school buses, overweight vehicles, fuel tax and motor vehicle sales
1.5 tax exemptions, transit fares, and studies; providing penalties; appropriating
1.6 money; amending Minnesota Statutes 2010, sections 13.72, by adding a
1.7 subdivision; 161.14, by adding subdivisions; 162.02, subdivisions 2, 3; 162.09,
1.8 subdivisions 2, 3, 4; 162.13, subdivision 1; 162.155; 165.01; 165.03; 168.013,
1.9 subdivision 3; 168A.01, subdivisions 6a, 8a, 12a; 168A.151, subdivision 1;
1.10 169.011, subdivisions 4, 45; 169.06, subdivision 4; 169.09, subdivision 13;
1.11 169.222, subdivision 6; 169.223, subdivision 5; 169.79, subdivision 6; 169.86,
1.12 by adding a subdivision; 169.865, subdivisions 1, 2, 4; 169.872, subdivision
1.13 1a; 169.98, subdivisions 1, 3; 171.306, subdivisions 1, 4; 174.03, by adding a
1.14 subdivision; 221.091, subdivision 2; 222.63, subdivision 9; 296A.07, subdivision
1.15 4; 296A.08, subdivision 3; 297A.68, subdivision 19; 299D.085, subdivision
1.16 2, by adding a subdivision; 299D.09; 325F.6641; 325F.6644, subdivision 1;
1.17 Minnesota Statutes 2011 Supplement, sections 169.86, subdivision 5; 297B.03;
1.18 proposing coding for new law in Minnesota Statutes, chapters 161; 171; 174;
1.19 repealing Minnesota Rules, parts 8810.9000; 8810.9100; 8810.9200; 8810.9300;
1.20 8810.9400; 8810.9500; 8810.9600; 8810.9700.

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

1.22 **ARTICLE 1**1.23 **TRANSPORTATION POLICY**

1.24 Section 1. Minnesota Statutes 2010, section 13.72, is amended by adding a subdivision
1.25 to read:

1.26 Subd. 17. **Construction manager/general contractor data.** When the Department
1.27 of Transportation undertakes a construction manager/general contractor contract, as
1.28 defined and authorized in sections 161.3207 to 161.3209, the provisions of this subdivision
1.29 apply.

1.30 (a) When the commissioner of transportation solicits a request for qualifications:

- 2.1 (1) the following data are classified as protected nonpublic:
- 2.2 (i) the statement of qualifications scoring evaluation manual; and
- 2.3 (ii) the statement of qualifications evaluations;
- 2.4 (2) the following data are classified as nonpublic: the statement of qualifications
- 2.5 submitted by a potential construction manager/general contractor; and
- 2.6 (3) the following data are classified as private data: identifying information
- 2.7 concerning the members of the technical review committee.
- 2.8 (b) When the commissioner of transportation announces the short list of qualified
- 2.9 construction managers/general contractors, the following data become public:
- 2.10 (1) the statement of qualifications scoring evaluation manual; and
- 2.11 (2) the statement of qualifications evaluations.
- 2.12 (c) When the commissioner of transportation solicits a request for proposals:
- 2.13 (1) the following data are classified as protected nonpublic: the proposal scoring
- 2.14 manual; and
- 2.15 (2) the following data are classified as nonpublic data:
- 2.16 (i) the proposals submitted by a potential construction manager/general contractor;
- 2.17 and
- 2.18 (ii) the proposal evaluations.
- 2.19 (d) When the commissioner of transportation has completed the ranking of proposals
- 2.20 and announces the selected construction manager/general contractor, the proposal
- 2.21 evaluation score or rank and proposal evaluations become public.
- 2.22 (e) When the commissioner of transportation conducts contract negotiations
- 2.23 with a construction manager/general contractor, government data created, collected,
- 2.24 stored, and maintained during those negotiations are nonpublic data until a construction
- 2.25 manager/general contractor contract is fully executed.
- 2.26 (f) When the construction manager/general contractor contract is fully executed or
- 2.27 when the commissioner of transportation decides to use another contract procurement
- 2.28 process other than construction manager/general contractor authority authorized under
- 2.29 section 161.3209, subdivision 3, paragraph (b), all remaining data not already made public
- 2.30 under this subdivision become public.
- 2.31 (g) If the commissioner of transportation rejects all responses to a request for
- 2.32 proposals before a construction manager/general contractor contract is fully executed,
- 2.33 all data other than that data made public under this subdivision retains its classification
- 2.34 until a resolicitation of the request for proposals results in a fully executed construction
- 2.35 manager/general contractor contract, or a determination is made to abandon the project. If

3.1 a resolicitation of proposals does not occur within one year of the announcement of the
3.2 request for proposals, the remaining data become public.

3.3 **EFFECTIVE DATE.** This section is effective the day following final enactment
3.4 and expires one year following the acceptance of ten construction manager/general
3.5 contractor contracts.

3.6 Sec. 2. Minnesota Statutes 2010, section 161.14, is amended by adding a subdivision
3.7 to read:

3.8 Subd. 70. **Black and Yellow Trail.** Legislative Route No. 7, signed as Trunk
3.9 Highway 14 as of the effective date of this section, from the border with South Dakota
3.10 to the border with Wisconsin, is designated as the "Black and Yellow Trail." The
3.11 commissioner shall adopt a suitable design to mark this highway and erect appropriate
3.12 signs, subject to section 161.139.

3.13 Sec. 3. Minnesota Statutes 2010, section 161.14, is amended by adding a subdivision
3.14 to read:

3.15 Subd. 71. **James W. Swanson Minnesota River Bridge.** Notwithstanding section
3.16 10.49, the bridge over the Minnesota River on Trunk Highway 169 in the city of Mankato
3.17 is designated the "James W. Swanson Minnesota River Bridge." The commissioner of
3.18 transportation shall adopt a suitable design to mark this highway and erect appropriate
3.19 signs, subject to section 161.139.

3.20 **EFFECTIVE DATE.** This section is effective the day following notification of
3.21 its approval by the District 7 Area Transportation Partnership to the commissioner of
3.22 transportation.

3.23 Sec. 4. **[161.318] CONTINGENT APPROPRIATION TO FUND STATE ROAD**
3.24 **OPERATION, MAINTENANCE, PLANNING, AND CONSTRUCTION.**

3.25 Subdivision 1. **Appropriation for state roads.** If, before July 1 of an odd-numbered
3.26 year, legislation is not enacted to appropriate money to the commissioner of transportation
3.27 for state roads in the next fiscal year, on July 1, an amount sufficient to pay the costs
3.28 described in this subdivision is appropriated from the trunk highway fund to the
3.29 commissioner of transportation for costs of contracts relating to state roads operation
3.30 and maintenance, program planning and delivery, and state road construction. The
3.31 appropriation must be sufficient to pay both the described contract costs and the costs of
3.32 Department of Transportation employees whose work is essential to the administration

4.1 and performance of the contracts. This section applies only to those contracts as to which
4.2 funds were encumbered before the July 1 appropriation date. The commissioner of
4.3 management and budget shall ensure that the commissioner of transportation is able to
4.4 access money under this appropriation. Any subsequent appropriation to the commissioner
4.5 of transportation for a biennium in which this subdivision has been applied shall supersede
4.6 and replace the funding authorized in this subdivision.

4.7 Subd. 2. **Continued operations.** If, by July 1 of an odd-numbered year, legislation
4.8 has not been enacted to appropriate money for the next biennium to the commissioner
4.9 of management and budget for central accounting, procurement, payroll, and human
4.10 resources functions, amounts necessary to operate those functions stated in subdivision
4.11 1 are appropriated for the next biennium from the general fund to the commissioner of
4.12 management and budget. As necessary, the commissioner may transfer a portion of
4.13 this appropriation to other state agencies to support carrying out these functions. Any
4.14 subsequent appropriation to the commissioner of management and budget for a biennium
4.15 in which this section has been applied shall supersede and replace the funding authorized
4.16 in this section.

4.17 Sec. 5. **[161.3207] CONSTRUCTION MANAGER/GENERAL CONTRACTOR**
4.18 **CONTRACTS; DEFINITIONS.**

4.19 Subdivision 1. **Scope.** The terms used in sections 161.3207 to 161.3209 have the
4.20 meanings given them in this section.

4.21 Subd. 2. **Acceptance.** "Acceptance" means an action of the commissioner
4.22 authorizing the execution of a construction manager/general contractor contract.

4.23 Subd. 3. **Commissioner.** "Commissioner" means the commissioner of
4.24 transportation.

4.25 Subd. 4. **Construction manager/general contractor.** "Construction
4.26 manager/general contractor" means a proprietorship, partnership, limited liability
4.27 partnership, joint venture, corporation, any type of limited liability company, professional
4.28 corporation, or any legal entity selected by the commissioner to act as a construction
4.29 manager to manage the construction process, which includes, but is not limited to,
4.30 responsibility for the price, schedule, and execution of preconstruction services or the
4.31 workmanship of construction performed according to section 161.3209, or both.

4.32 Subd. 5. **Construction manager/general contractor contract.** "Construction
4.33 manager/general contractor contract" means a contract for construction of a project
4.34 between a construction manager/general contractor and the commissioner, which
4.35 must include terms providing for a price, construction schedule, and workmanship of

5.1 the construction performed. The construction manager/general contractor contract
5.2 may include provisions for incremental price contracts for specific work packages,
5.3 additional work performed, contingencies, or other contract provisions that will allow the
5.4 commissioner to negotiate time and cost changes to the contract.

5.5 Subd. 6. **Past performance; experience.** "Past performance" or "experience" does
5.6 not include the exercise or assertion of a person's legal rights.

5.7 Subd. 7. **Preconstruction services.** "Preconstruction services" means all
5.8 non-construction-related services that a construction manager/general contractor is
5.9 allowed to perform before execution of a construction manager/general contractor contract
5.10 or work package.

5.11 Subd. 8. **Preconstruction services contract.** "Preconstruction services contract"
5.12 means a contract under which a construction manager/general contractor is paid on the
5.13 basis of the actual cost to perform the work specified in the contract plus an amount for
5.14 overhead and profit for all preconstruction services.

5.15 Subd. 9. **Project.** "Project" means any project selected by the commissioner as a
5.16 construction manager/general contractor project under section 161.3208.

5.17 Subd. 10. **Request for proposals; RFP.** "Request for proposals" or "RFP" means
5.18 the document or publication soliciting proposals for a construction manager/general
5.19 contractor contract.

5.20 Subd. 11. **Request for qualifications; RFQ.** "Request for qualifications" or "RFQ"
5.21 means a document or publication used to prequalify and short-list potential construction
5.22 managers/general contractors.

5.23 Subd. 12. **Work package.** "Work package" means the scope of work for a defined
5.24 portion of a project. A defined portion includes construction services on any project
5.25 aspect, including procuring materials or services.

5.26 **EFFECTIVE DATE.** This section is effective the day following final enactment
5.27 and expires one year following the acceptance of ten construction manager/general
5.28 contractor contracts.

5.29 Sec. 6. **[161.3208] CONSTRUCTION MANAGER/GENERAL CONTRACTOR**
5.30 **AUTHORITY.**

5.31 Subdivision 1. **Selection authority; limitation.** Notwithstanding sections 16C.25,
5.32 161.32, and 161.321, or any other law to the contrary, the commissioner may select a
5.33 construction manager/general contractor as provided in section 161.3209, and award a
5.34 construction manager/general contractor contract. The number of awarded contracts
5.35 shall not exceed four in any calendar year.

6.1 Subd. 2. **Determination.** Final determination to use a construction manager/general
6.2 contractor contracting procedure may be made only by the commissioner.

6.3 Subd. 3. **Cancellation.** The solicitation of construction manager/general contractor
6.4 requests for qualifications or proposals does not obligate the commissioner to enter into a
6.5 construction manager/general contractor contract. The commissioner may accept or reject
6.6 any or all responses received as a result of the request. The solicitation of proposals may
6.7 be canceled at any time at the commissioner's sole discretion if cancellation is considered
6.8 to be in the state's best interest. If the commissioner rejects all responses or cancels the
6.9 solicitation for proposals, the commissioner may resolicit a request for proposals using the
6.10 same or different requirements.

6.11 Subd. 4. **Reporting.** The commissioner shall notify the chairs and ranking minority
6.12 members of the senate and house of representatives committees with jurisdiction over
6.13 transportation policy and transportation finance each time the commissioner decides to
6.14 use the construction manager/general contractor method of procurement and explain why
6.15 that method was chosen.

6.16 **EFFECTIVE DATE.** This section is effective the day following final enactment
6.17 and expires one year following the acceptance of ten construction manager/general
6.18 contractor contracts.

6.19 Sec. 7. **[161.3209] CONSTRUCTION MANAGER/GENERAL CONTRACTOR;**
6.20 **PROCEDURES.**

6.21 Subdivision 1. **Solicitation of proposals.** If the commissioner determines that
6.22 a construction manager/general contractor method of procurement is appropriate for
6.23 a project, the commissioner shall establish a two-phase procedure for awarding the
6.24 construction manager/general contractor contract, as described in subdivisions 2 and 3.

6.25 Subd. 2. **Phase 1 - request for proposals.** (a) The commissioner shall prepare
6.26 or have prepared an RFP for each construction manager/general contractor contract as
6.27 provided in this section. The RFP must contain, at a minimum, the following elements:

6.28 (1) the minimum qualifications of the construction manager/general contractor;

6.29 (2) the procedures for submitting proposals and the criteria for evaluation of

6.30 qualifications and the relative weight for each criteria;

6.31 (3) the form of the contract to be awarded;

6.32 (4) the scope of intended construction work;

6.33 (5) a listing of the types of preconstruction services that will be required;

6.34 (6) an anticipated schedule for commencing and completing the project;

6.35 (7) any applicable budget limits for the project;

7.1 (8) the requirements for insurance, statutorily required performance, and payment
7.2 bonds;

7.3 (9) the requirements that the construction manager/general contractor provide a
7.4 letter from a surety or insurance company stating that the construction manager/general
7.5 contractor is capable of obtaining a performance bond and payment bond covering the
7.6 estimated contract cost;

7.7 (10) the method for how construction manager/general contractor fees for the
7.8 preconstruction services contract will be negotiated;

7.9 (11) a statement that past performance or experience does not include the exercise
7.10 or assertion of a person's legal rights; and

7.11 (12) any other information desired by the commissioner.

7.12 (b) Before receiving any responses to the RFP:

7.13 (1) the commissioner shall appoint a technical review committee of at least five
7.14 individuals, of which one is a Department of Transportation manager who is also a
7.15 licensed professional engineer in Minnesota;

7.16 (2) the technical review committee shall evaluate the construction manager/general
7.17 contractor proposals according to criteria and subcriteria published in the RFP and
7.18 procedures established by the commissioner. The commissioner shall, as designated in
7.19 the RFP, evaluate construction manager/general contractor proposals on the basis of best
7.20 value as defined in section 16C.05, or using the qualifications-based selection process set
7.21 forth in section 16C.095, except that subdivision 1 of section 16C.095 shall not apply. If
7.22 the commissioner does not receive at least two proposals from construction managers,
7.23 the commissioner may:

7.24 (i) solicit new proposals;

7.25 (ii) revise the RFP and thereafter solicit new proposals using the revised RFP;

7.26 (iii) select another allowed procurement method; or

7.27 (iv) reject the proposals; and

7.28 (3) the technical review committee shall evaluate the responses to the request for
7.29 proposals and rank the construction manager/general contractor based on the predefined
7.30 criteria set forth in the RFP in accordance with paragraph (a), clause (2).

7.31 (c) Unless all proposals are rejected, the commissioner shall conduct contract
7.32 negotiations for a preconstruction services contract with the construction manager/general
7.33 contractor with the highest ranking. If the construction manager/general contractor with
7.34 the highest ranking declines or is unable to reach an agreement, the commissioner may
7.35 begin contract negotiations with the next highest ranked construction manager/general
7.36 contractor.

8.1 (d) Before issuing the RFP, the commissioner may elect to issue a request for
8.2 qualifications (RFQ) and short-list the most highly qualified construction managers/general
8.3 contractors. The RFQ must include the procedures for submitting statements of
8.4 qualification, the criteria for evaluation of qualifications, and the relative weight for each
8.5 criterion. The statements of qualifications must be evaluated by the technical review
8.6 committee.

8.7 Subd. 3. **Phase 2 - construction manager/general contractor contract.** (a) Before
8.8 conducting any construction-related services, the commissioner shall:

8.9 (1) conduct an independent cost estimate for the project or each work package; and

8.10 (2) conduct contract negotiations with the construction manager/general contractor
8.11 to develop a construction manager/general contractor contract. This contract must include
8.12 a minimum construction manager/general contractor self-performing requirement of 30
8.13 percent of the negotiated cost. Items designated in the construction manager/general
8.14 contractor contract as specialty items may be subcontracted and the cost of any specialty
8.15 item performed under the subcontract will be deducted from the cost before computing the
8.16 amount of work required to be performed by the contractor.

8.17 (b) If the construction manager/general contractor and the commissioner are unable
8.18 to negotiate a contract, the commissioner may use other contract procurement processes or
8.19 may readvertise the construction manager/general contractor contract. The construction
8.20 manager/general contractor may (1) bid or propose on the project if advertised under
8.21 section 161.32 or 161.3206 or (2) join a design-build team if advertised under sections
8.22 161.3410 to 161.3428.

8.23 (c) The commissioner shall provide to all bidders or design-build teams, all data
8.24 shared between the commissioner and the construction manager/general contractor during
8.25 the contract negotiations under this subdivision.

8.26 **EFFECTIVE DATE.** This section is effective the day following final enactment
8.27 and expires one year following the acceptance of ten construction manager/general
8.28 contractor contracts.

8.29 Sec. 8. Minnesota Statutes 2010, section 162.02, subdivision 2, is amended to read:

8.30 Subd. 2. **Rules; advisory committee.** (a) The rules shall be made and promulgated
8.31 by the commissioner acting with the advice of a committee selected by the several county
8.32 boards acting through the officers of the statewide association of county commissioners.
8.33 The committee shall be composed of nine members so selected that each member shall
8.34 be from a different state highway construction district. Not more than five of the nine
8.35 members of the committee shall be county commissioners. The remaining members shall

9.1 be county highway engineers. In the event that agreement cannot be reached on any rule,
9.2 the commissioner's determination shall be final. The rules shall be printed and copies
9.3 forwarded to the county engineers of the several counties. ~~For the purposes of this section,~~
9.4 ~~the expedited process for adopting rules established in section 14.389 may be used.~~

9.5 (b) Notwithstanding section 15.059, subdivision 5, the committee does not expire.

9.6 Sec. 9. Minnesota Statutes 2010, section 162.02, subdivision 3, is amended to read:

9.7 Subd. 3. **Rules have force of law.** The rules ~~shall~~ have the force and effect of law
9.8 ~~upon compliance with the provisions of sections 14.05 to 14.28~~ as provided in chapter 14.

9.9 Sec. 10. Minnesota Statutes 2010, section 162.09, subdivision 2, is amended to read:

9.10 Subd. 2. **Rules; advisory committee.** (a) The rules shall be made and promulgated
9.11 by the commissioner acting with the advice of a committee selected by the governing
9.12 bodies of such cities, acting through the officers of the statewide association of municipal
9.13 officials. The committee shall be composed of 12 members, so selected that there shall be
9.14 one member from each state highway construction district and in addition one member
9.15 from each city of the first class. Not more than six members of the committee shall be
9.16 elected officials of the cities. The remaining members of the committee shall be city
9.17 engineers. In the event that agreement cannot be reached on any rule the commissioner's
9.18 determination shall be final. The rules shall be printed and copies forwarded to the clerks
9.19 and engineers of the cities. ~~For the purposes of this section, the expedited process for~~
9.20 ~~adopting rules established in section 14.389 may be used.~~

9.21 (b) Notwithstanding section 15.059, subdivision 5, the committee does not expire.

9.22 Sec. 11. Minnesota Statutes 2010, section 162.09, subdivision 3, is amended to read:

9.23 Subd. 3. **Rules have force of law.** The rules ~~shall~~ have the force and effect of law
9.24 ~~upon compliance with the provisions of sections 14.05 to 14.28~~ as provided in chapter 14.

9.25 Sec. 12. Minnesota Statutes 2010, section 162.09, subdivision 4, is amended to read:

9.26 Subd. 4. **Federal census is conclusive.** (a) In determining whether any city has
9.27 a population of 5,000 or more, the last federal census shall be conclusive, except as
9.28 otherwise provided in this subdivision.

9.29 (b) The governing body of a city may contract with the United States Bureau of the
9.30 Census to take a special census. A certified copy of the results of the census shall be filed
9.31 with the appropriate state authorities by the city. The result of the census shall be the
9.32 population of the city for the purposes of any law providing that population is a required

10.1 qualification for distribution of highway aids under chapter 162. The special census shall
10.2 remain in effect until the next federal census is completed and filed. The expense of taking
10.3 the special census shall be paid by the city.

10.4 (c) If an entire area not heretofore incorporated as a city is incorporated as such
10.5 during the interval between federal censuses, its population shall be determined by its
10.6 incorporation census. The incorporation census shall be determinative of the population of
10.7 the city only until the next federal census.

10.8 (d) The population of a city created by the consolidation of two or more previously
10.9 incorporated cities shall be determined by the most recent population estimate of the
10.10 Metropolitan Council or state demographer, until the first federal decennial census or
10.11 special census taken after the consolidation.

10.12 (e) The population of a city that is not receiving a municipal state-aid street fund
10.13 apportionment shall be determined, upon request of the city, by the most recent population
10.14 estimate of the Metropolitan Council or state demographer. A municipal state-aid street
10.15 fund apportionment received by the city must be based on this population estimate until
10.16 the next federal decennial census or special census.

10.17 (f) A city that is found in the most recent federal decennial census to have fewer
10.18 than 5,000 population is deemed for the purposes of this chapter and the Minnesota
10.19 Constitution, article XIV, to have a population of 5,000 or more under the following
10.20 circumstances: (1) immediately before the most recent federal decennial census, the city
10.21 was receiving municipal state-aid street fund distributions; and (2) the population of
10.22 the city was found in the most recent federal decennial census to be fewer than 5,000.
10.23 Following the end of the first calendar year that ends in "4" after the decennial census and
10.24 until the next decennial census, the population of any city must be determined under
10.25 paragraphs (a) to (e).

10.26 **EFFECTIVE DATE.** This section is effective July 1, 2012.

10.27 Sec. 13. Minnesota Statutes 2010, section 162.13, subdivision 1, is amended to read:

10.28 Subdivision 1. **Factors in formula.** After deducting for administrative costs and
10.29 for the disaster fund and research account as heretofore provided, and for any allocation
10.30 made under section 162.125, the remainder of the total sum provided for in subdivision 1
10.31 of section 162.12 shall be identified as the apportionment sum, and shall be apportioned
10.32 by the commissioner to the cities having a population of 5,000 or more, in accordance
10.33 with the following formula:

10.34 (1) An amount equal to 50 percent of such apportionment sum shall be apportioned
10.35 among the cities having a population of 5,000 or more so that each such city shall receive

11.1 of such amount the percentage that its money needs bears to the total money needs of
11.2 all such cities.

11.3 (2) An amount equal to 50 percent of such apportionment sum shall be apportioned
11.4 among the cities having a population of 5,000 or more so that each such city shall receive
11.5 of such amount the percentage that its population bears to the total population of all such
11.6 cities. For purposes of this subdivision, population of a city is the greater of 5,000 or the
11.7 number calculated under section 162.09, subdivision 4, paragraph (a), (b), (c), (d), or (e).

11.8 **EFFECTIVE DATE.** This section is effective July 1, 2012.

11.9 Sec. 14. Minnesota Statutes 2010, section 162.155, is amended to read:

11.10 **162.155 RULES FOR VARIANCES RULEMAKING.**

11.11 (a) ~~The commissioner shall adopt rules, no later than January 1, 1980, in accordance~~
11.12 ~~with sections 15.041 to 15.052,~~ setting forth the criteria to be considered by the
11.13 commissioner in evaluating requests for variances under sections 162.02, subdivision 3a
11.14 and 162.09, subdivision 3a. The rules ~~shall~~ must include, but are not limited to, economic,
11.15 engineering and safety guidelines.

11.16 (b) The commissioner shall adopt rules establishing the engineering standards
11.17 ~~adopted pursuant to section~~ for cost estimation under sections 162.07, subdivision 2,
11.18 ~~or and~~ 162.13, subdivision 2, ~~shall be adopted pursuant to the requirements of chapter~~
11.19 ~~15 by July 1, 1980.~~

11.20 (c) The rules adopted by the commissioner under this section, and sections
11.21 162.02; 162.07, subdivision 2; 162.09; and 162.13, subdivision 2, are exempt from the
11.22 rulemaking provisions of chapter 14. The rules are subject to section 14.386, except that,
11.23 notwithstanding paragraph (b) of that section, the rules continue in effect until repealed or
11.24 superseded by other law or rule.

11.25 Sec. 15. Minnesota Statutes 2010, section 165.01, is amended to read:

11.26 **165.01 DEFINITIONS.**

11.27 Subdivision 1. **Scope.** For the purposes of this chapter, the terms defined in this
11.28 section and section 160.02 have the meanings given them.

11.29 Subd. 2. **AASHTO manual.** ~~"AASHTO manual" means the Manual for Condition~~
11.30 ~~Evaluation of Bridges, published by the American Association of State Highway and~~
11.31 ~~Transportation Officials. "The Manual for Bridge Evaluation," published by the American~~
11.32 Association of State Highway and Transportation Officials, is incorporated by reference.

12.1 Subd. 3. **Bridge.** "Bridge" is defined as a structure, including supports erected over
12.2 a depression or an obstruction, such as water, a highway, or a railway, having a track or
12.3 passageway for carrying traffic or other moving loads, and having an opening measured
12.4 horizontally along the center of the roadway of ten feet or more between undercopings of
12.5 abutments, between the spring line of arches, or between extreme ends of openings for
12.6 multiple boxes. Bridge also includes multiple pipes where the clear distance between
12.7 openings is less than one-half of the smaller contiguous opening. This definition of a
12.8 bridge includes only those railroad and pedestrian bridges over a public highway or street.

12.9 Subd. 4. **National Bridge Inspection Standards (NBIS).** "NBIS" means standards
12.10 established by the Federal Highway Administration in Code of Federal Regulations, title
12.11 23, part 650, subpart C, incorporated by reference.

12.12 Sec. 16. Minnesota Statutes 2010, section 165.03, is amended to read:

12.13 **165.03 STRENGTH OF BRIDGE; INSPECTION.**

12.14 Subdivision 1. **Standards generally.** Each bridge, including a privately owned
12.15 bridge, must conform to the strength, width, clearance, and safety standards imposed
12.16 by the commissioner for the connecting highway or street. This subdivision applies to
12.17 a bridge that is constructed after August 1, 1989, on any public highway or street. The
12.18 bridge must have sufficient strength to support with safety the maximum vehicle weights
12.19 allowed under sections 169.822 to 169.829 and must have the minimum width specified
12.20 in section 165.04, subdivision 3.

12.21 Subd. 1a. **Inspection.** (a) Each bridge must be inspected annually, unless a longer
12.22 interval not to exceed ~~two years~~ 24 months for bridges or ~~four years~~ 48 months for bridges
12.23 classified as culverts is authorized by the commissioner. The commissioner's authorization
12.24 must be based on factors including, but not limited to, the age and condition of the
12.25 bridge, the rate of deterioration of the bridge, the type of structure, the susceptibility of
12.26 the bridge to failure, and the characteristics of traffic on the bridge. The commissioner
12.27 may require interim inspections at intervals of less than one year on bridges that are
12.28 posted, bridges subjected to extreme scour conditions, bridges subject to significant
12.29 substructure movement or settlement, and for other reasons as specified or inferred in the
12.30 AASHTO manual.

12.31 (b) Additional requirements apply to structures meeting the NBIS definition of
12.32 a bridge:

12.33 (1) Underwater structural elements must be inspected at regular intervals not to
12.34 exceed 60 months. The commissioner may require inspections at intervals of less than
12.35 60 months on certain underwater structural elements based on factors including, but not

13.1 limited to, construction material, the environment, age, the scour characteristics, the
13.2 condition rating from past inspections, and any known deficiencies.

13.3 (2) Fracture critical members, or FCMs, must receive a hands-on fracture critical
13.4 inspection at intervals not to exceed 24 months. The commissioner may require
13.5 inspections at intervals of less than 24 months on certain FCMs based on factors including,
13.6 but not limited to, age, the traffic characteristics, and any known deficiencies.

13.7 (3) The commissioner may establish criteria to determine the level and frequency of
13.8 these inspections. If warranted by special circumstances, the commissioner retains the
13.9 authority to determine the inspection type and required inspection frequency for any
13.10 bridge on the state inventory.

13.11 ~~(b)~~ (c) The thoroughness of each inspection depends on such factors as age, traffic
13.12 characteristics, state of maintenance, and known deficiencies. The evaluation of these
13.13 factors is the responsibility of the engineer assigned the responsibility for inspection as
13.14 defined by ~~rule adopted by~~ the commissioner of transportation.

13.15 **Subd. 2. Inspection and inventory responsibilities; rules; forms.** (a) The
13.16 commissioner of transportation will adopt the National Bridge Inspection Standards
13.17 (NBIS) established by the Federal Highway Administration in Code of Federal
13.18 Regulations, title 23, part 650, subpart C, or its successor documents for structures
13.19 meeting the NBIS definition of a bridge. The commissioner shall establish inspection and
13.20 inventory standards for structures defined as bridges by section 165.01, subdivision 3.

13.21 ~~(a)~~ (b) The commissioner of transportation shall adopt official inventory and bridge
13.22 inspection report forms for use in making bridge inspections by the owners or highway
13.23 authorities specified by this subdivision. Inspections must be made at regular intervals,
13.24 not to exceed ~~two years for bridges and not to exceed four years for culverts~~ the intervals
13.25 outlined in subdivision 1a, by the following owner or official:

13.26 (1) the commissioner of transportation for all bridges located wholly or partially
13.27 within or over the right-of-way of a state trunk highway;

13.28 (2) the county highway engineer for all bridges located wholly or partially within or
13.29 over the right-of-way of any county or town road, or any street within a municipality that
13.30 does not have a city engineer regularly employed;

13.31 (3) the city engineer for all bridges located wholly or partially within or over the
13.32 right-of-way of any street located within or along municipal limits;

13.33 (4) the commissioner of transportation in case of a toll bridge that is used by the
13.34 general public and that is not inspected and certified under subdivision 6; provided, that
13.35 the commissioner of transportation may assess the owner for the costs of the inspection;

14.1 (5) the owner of a bridge over a public highway or street or that carries a roadway
14.2 designated for public use by a public authority, if not required to be inventoried and
14.3 inspected under clause (1), (2), (3), or (4).

14.4 ~~(b)~~ (c) The commissioner of transportation shall prescribe the ~~standards for bridge~~
14.5 ~~inspection and inventory by rules~~ inspection and inventory procedures required to
14.6 administer the bridge inspection program in Minnesota and has the authority to establish
14.7 and publish standards that describe the inspection and inventory requirements to ensure
14.8 compliance with paragraph (a). The owner or highway authority shall inspect and
14.9 inventory in accordance with these standards and furnish the commissioner with such data
14.10 as may be necessary to maintain a central inventory.

14.11 Subd. 3. **County inventory and inspection records and reports.** The county
14.12 engineer shall maintain a complete inventory record of all bridges as set forth in
14.13 subdivision 2, paragraph ~~(a)~~ (b), clause (2), with the inspection reports thereof, and shall
14.14 certify annually to the commissioner, as prescribed by the commissioner, that inspections
14.15 have been made at regular intervals, not to exceed ~~two years for bridges and not to~~
14.16 ~~exceed four years for culverts~~ the intervals outlined in subdivision 1a. A report of the
14.17 inspections must be filed annually, on or before February 15 of each year, with the county
14.18 auditor or town clerk, or the governing body of the municipality. The report must contain
14.19 recommendations for the correction of or legal posting of load limits on any bridge or
14.20 structure that is found to be understrength or unsafe.

14.21 Subd. 4. **Municipal inventory and inspection records and reports.** The
14.22 city engineer shall maintain a complete inventory record of all bridges as set forth in
14.23 subdivision 2, paragraph ~~(a)~~ (b), clause (3), with the inspection reports thereof, and shall
14.24 certify annually to the commissioner, as prescribed by the commissioner, that inspections
14.25 have been made at regular intervals, not to exceed ~~two years for bridges and not to exceed~~
14.26 ~~four years for culverts~~ the intervals outlined in subdivision 1a. A report of the inspections
14.27 must be filed annually, on or before February 15 of each year, with the governing body of
14.28 the municipality. The report must contain recommendations for the correction of or legal
14.29 posting of load limits on any bridge or structure that is found to be understrength or unsafe.

14.30 Subd. 5. **Agreement.** Agreements may be made among the various units of
14.31 governments, or between governmental units and qualified engineering personnel to
14.32 carry out the responsibilities for the bridge inspections and reports, as established by
14.33 subdivision 2.

14.34 Subd. 6. **Other bridges.** The owner of a toll bridge and the owner of a bridge
14.35 described in subdivision 2, paragraph ~~(a)~~ (b), clause (5), shall certify to the commissioner,
14.36 as prescribed by the commissioner, that inspections of the bridge or culvert have been

15.1 made at regular intervals, not to exceed ~~two years for bridges and not to exceed four years~~
15.2 ~~for culverts~~ the intervals outlined in subdivision 1a. The certification must be accompanied
15.3 by a report of the inspection. The report must contain recommendations for the correction
15.4 of or legal posting of load limitations if the bridge is found to be understrength or unsafe.

15.5 Subd. 6a. **Bridge load rating and posting.** (a) The term "posting" means the
15.6 placement of regulatory signs at a bridge indicating the safe load carrying capacity of
15.7 the bridge.

15.8 (b) Each structure required to be inspected by subdivision 2, paragraph (a), must be
15.9 load rated to determine its safe load carrying capacity, and this rating must be reported
15.10 on a structure inventory sheet form provided by the commissioner of transportation. A
15.11 structure must be rerated when it is determined that a significant change has occurred in
15.12 the condition of the structure or due to additional dead load placed on the structure since
15.13 the last load rating. Load ratings must be reviewed and the structure rerated if necessary
15.14 when the allowable legal load using the structure is increased. Changes in the load rating
15.15 of a bridge must be indicated on the structure inventory sheet form.

15.16 (c) Where it is determined that the maximum legal load under state law exceeds
15.17 the load permitted on the structure under the operating rating stress level assigned, the
15.18 bridge must be posted. Posting signs as adopted by the commissioner shall be used for
15.19 the posting. The owner or highway authority shall post the bridge in accordance with the
15.20 posted load assigned by the commissioner.

15.21 Subd. 7. **Department of Natural Resources bridge.** (a) Notwithstanding
15.22 subdivision 2, the commissioners of transportation and natural resources shall negotiate a
15.23 memorandum of understanding that governs the inspection of bridges owned, operated,
15.24 or maintained by the commissioner of natural resources.

15.25 (b) The memorandum of understanding must provide for:

15.26 (1) the inspection and inventory of bridges subject to federal law or regulations;

15.27 (2) the frequency of inspection of bridges described in ~~paragraph (a)~~ subdivision
15.28 1a; and

15.29 (3) who may perform inspections required under the memorandum of understanding.

15.30 Subd. 8. **Biennial report on bridge inspection quality assurance.** By February
15.31 1 of each odd-numbered year, the commissioner shall submit a report electronically to
15.32 the members of the senate and house of representatives committees with jurisdiction over
15.33 transportation policy and finance concerning quality assurance for bridge inspections.

15.34 At a minimum, the report must:

15.35 (1) summarize the bridge inspection quality assurance and quality control procedures
15.36 used in Minnesota;

16.1 (2) identify any substantive changes to quality assurance and quality control
16.2 procedures made in the previous two years;

16.3 (3) summarize and provide a briefing on findings from bridge inspection quality
16.4 reviews performed in the previous two years;

16.5 (4) identify actions taken and planned in response to findings from bridge inspection
16.6 quality reviews performed in the previous two years;

16.7 (5) summarize the results of any bridge inspection compliance review by the Federal
16.8 Highway Administration; and

16.9 (6) identify actions in response to the Federal Highway Administration compliance
16.10 review taken by the department in order to reach full compliance.

16.11 Sec. 17. Minnesota Statutes 2010, section 168.013, subdivision 3, is amended to read:

16.12 Subd. 3. **Application; cancellation; excessive gross weight forbidden.** (a) The
16.13 applicant for all licenses based on gross weight shall state the unloaded weight of the
16.14 motor vehicle, trailer, or semitrailer and the maximum load the applicant proposes to carry
16.15 on it, the sum of which constitutes the gross weight upon which the license tax must be
16.16 paid. However, the declared gross weight upon which the tax is paid must not be less than
16.17 1-1/4 times the declared unloaded weight of the motor vehicle, trailer, or semitrailer
16.18 to be registered, except recreational vehicles taxed under subdivision 1g, school buses
16.19 taxed under subdivision 18, and tow trucks or towing vehicles defined in section 169.011,
16.20 subdivision 83. The gross weight of a tow truck or towing vehicle is the actual weight
16.21 of the tow truck or towing vehicle fully equipped, but does not include the weight of a
16.22 wrecked or disabled vehicle towed or drawn by the tow truck or towing vehicle.

16.23 (b) The gross weight of a motor vehicle, trailer, or semitrailer must not exceed
16.24 the gross weight upon which the license tax has been paid by more than four percent or
16.25 1,000 pounds, whichever is greater; provided that, a vehicle transporting unfinished forest
16.26 products on a highway, other than a highway that is part of the system of interstate and
16.27 defense highways, unless a federal exemption is granted, in accordance with paragraph
16.28 (d)(3):

16.29 (1) shall not exceed its gross vehicle weight upon which the license tax has been
16.30 paid, or gross axle weight on any axle, by more than five percent and, notwithstanding
16.31 other law to the contrary, is not subject to any fee, fine, or other assessment or penalty for
16.32 exceeding a gross vehicle or axle weight by up to five percent; and

16.33 (2) between the dates set by the commissioner in accordance with section 169.826,
16.34 subdivision 1, is not subject to any provision of paragraph (d) or chapter 169 limiting
16.35 the gross axle weight of any individual axle unless the entire vehicle also exceeds its

17.1 gross vehicle weight plus its weight allowance allowed in clause (1) and plus any weight
17.2 allowance permitted under section 169.826, in which case the vehicle is subject to all
17.3 applicable penalties for excess weight violations.

17.4 (c) The gross weight of the motor vehicle, trailer, or semitrailer for which the
17.5 license tax is paid must be indicated by a distinctive character on the license plate or
17.6 plates except as provided in subdivision 12 and the plate or plates must be kept clean
17.7 and clearly visible at all times.

17.8 (d) The owner, driver, or user of a motor vehicle, trailer, or semitrailer, upon
17.9 conviction for transporting a gross weight in excess of the gross weight for which it was
17.10 registered or for operating a vehicle with an axle weight exceeding the maximum lawful
17.11 axle load weight, is guilty of a misdemeanor and subject to increased registration or
17.12 reregistration according to the following schedule:

17.13 (1) Upon conviction for transporting a gross weight in excess of the gross weight
17.14 for which a motor vehicle, trailer, or semitrailer is registered by more than the allowance
17.15 set forth in paragraph (b) but less than 25 percent, or for operating or using a motor
17.16 vehicle, trailer, or semitrailer with an axle weight exceeding the maximum lawful axle
17.17 load as provided in sections 169.822 to 169.829 by more than the allowance set forth in
17.18 paragraph (b) but less than 25 percent, the owner, driver, or user of the motor vehicle,
17.19 trailer, or semitrailer used to commit the violation, in addition to any penalty imposed for
17.20 the misdemeanor, shall apply to the registrar to increase the authorized gross weight to
17.21 be carried on the vehicle to a weight equal to or greater than the gross weight the owner,
17.22 driver, or user was convicted of carrying. The increase is computed for the balance of
17.23 the calendar year on the basis of 1/12 of the annual tax for each month remaining in the
17.24 calendar year beginning with the first day of the month in which the violation occurred.
17.25 If the additional registration tax computed upon that weight, plus the tax already paid,
17.26 amounts to more than the regular tax for the maximum gross weight permitted for the
17.27 vehicle under sections 169.822 to 169.829, that additional amount must nevertheless be
17.28 paid into the highway fund, but the additional tax thus paid does not authorize or permit
17.29 any person to operate the vehicle with a gross weight in excess of the maximum legal
17.30 weight as provided by sections 169.822 to 169.829. Unless the owner within 30 days
17.31 after a conviction applies to increase the authorized weight and pays the additional tax
17.32 as provided in this section, the registrar shall revoke the registration on the vehicle and
17.33 demand the return of the registration card and plates issued on that registration.

17.34 (2) Upon conviction of an owner, driver, or user of a motor vehicle, trailer, or
17.35 semitrailer for transporting a gross weight in excess of the gross weight for which the
17.36 motor vehicle, trailer, or semitrailer was registered by 25 percent or more or for operating

18.1 or using the vehicle or trailer with an axle weight exceeding the maximum lawful axle load
18.2 as provided in sections 169.822 to 169.829 by 25 percent or more, and in addition to any
18.3 penalty imposed for the misdemeanor, the registrar shall either (i) cancel the reciprocity
18.4 privileges on the vehicle involved if the vehicle is being operated under reciprocity
18.5 or (ii) if the vehicle is not being operated under reciprocity, cancel the certificate of
18.6 registration on the vehicle operated and demand the return of the registration certificate
18.7 and registration plates. The registrar may not cancel the registration or reciprocity
18.8 privileges for any vehicle found in violation of seasonal load restrictions imposed under
18.9 section 169.87 unless the axle weight exceeds the year-round weight limit for the highway
18.10 on which the violation occurred. The registrar may investigate any allegation of gross
18.11 weight violations and demand that the operator show cause why all future operating
18.12 privileges in the state should not be revoked unless the additional tax assessed is paid.

18.13 (3) Clause (1) does not apply to the first haul of unprocessed or raw farm products
18.14 or unfinished forest products, when the registered gross weight is not exceeded by more
18.15 than ten percent. For purposes of this clause, "first haul" means (i) the first, continuous
18.16 transportation of unprocessed or raw farm products from the place of production or
18.17 on-farm storage site to any other location within ~~50~~100 miles of the place of production or
18.18 on-farm storage site, or (ii) the continuous or noncontinuous transportation of unfinished
18.19 forest products from the place of production to the place of final processing or manufacture
18.20 located within 200 miles of the place of production.

18.21 (4) When the registration on a motor vehicle, trailer, or semitrailer is revoked by the
18.22 registrar according to this section, the vehicle must not be operated on the highways of the
18.23 state until it is registered or reregistered, as the case may be, and new plates issued, and
18.24 the registration fee is the annual tax for the total gross weight of the vehicle at the time of
18.25 violation. The reregistration pursuant to this subdivision of any vehicle operating under
18.26 reciprocity agreements pursuant to section 168.181 or 168.187 must be at the full annual
18.27 registration fee without regard to the percentage of vehicle miles traveled in this state.

18.28 Sec. 18. Minnesota Statutes 2010, section 168A.01, subdivision 6a, is amended to read:

18.29 Subd. 6a. **High-value vehicle.** "High-value vehicle" means a vehicle ~~manufactured~~
18.30 ~~six or more years before the start of the current model year~~ that had an actual cash value in
18.31 excess of \$5,000 before being damaged, or a vehicle with a manufacturer's rating of over
18.32 26,000 pounds gross vehicle weight that is not a late-model vehicle.

18.33 Sec. 19. Minnesota Statutes 2010, section 168A.01, subdivision 8a, is amended to read:

19.1 Subd. 8a. **Late-model vehicle.** "Late-model vehicle" means a vehicle ~~manufactured~~
19.2 ~~in the current model year or the five model years~~ with a manufacturer's designated model
19.3 year equal to or greater than the fifth calendar year immediately preceding the current
19.4 ~~model~~ calendar year.

19.5 Sec. 20. Minnesota Statutes 2010, section 168A.01, subdivision 12a, is amended to
19.6 read:

19.7 Subd. 12a. **Older model vehicle.** "Older model vehicle" means a vehicle
19.8 ~~manufactured in the sixth model year immediately preceding the current model year or~~
19.9 ~~earlier that is not a high-value vehicle~~ that is not a late-model vehicle.

19.10 Sec. 21. Minnesota Statutes 2010, section 168A.151, subdivision 1, is amended to read:

19.11 Subdivision 1. **Salvage titles.** (a) When an insurer, licensed to conduct business in
19.12 Minnesota, acquires ownership of a late-model or high-value vehicle through payment
19.13 of damages, the insurer shall immediately apply for a salvage certificate of title or shall
19.14 stamp the existing certificate of title with the legend "SALVAGE CERTIFICATE OF
19.15 TITLE" in a manner prescribed by the department. ~~Within 48 hours of taking possession~~
19.16 ten days of obtaining the title of a vehicle through payment of damages, an insurer must
19.17 notify the department in a manner prescribed by the department.

19.18 (b) A person shall immediately apply for a salvage certificate of title if the person
19.19 acquires a damaged late-model or high-value ~~motor~~ vehicle with an out-of-state title
19.20 and the vehicle:

19.21 (1) is a vehicle that was acquired by an insurer through payment of damages;

19.22 (2) is a vehicle for which the cost of repairs exceeds the value of the damaged
19.23 vehicle; or

19.24 (3) has an out-of-state salvage certificate of title as proof of ownership.

19.25 (c) A self-insured owner of a late-model or high-value vehicle ~~who~~ that sustains
19.26 damage by collision or other occurrence which exceeds ~~70~~ 80 percent of its actual cash
19.27 value shall immediately apply for a salvage certificate of title. ~~Damage, for the purpose of~~
19.28 ~~this calculation, does not include the actual cost incurred to repair, replace, or reinstall~~
19.29 ~~inflatable safety restraints and other vehicle components that must be replaced due to the~~
19.30 ~~deployment of the inflatable safety restraints.~~

19.31 Sec. 22. Minnesota Statutes 2010, section 169.011, subdivision 4, is amended to read:

19.32 Subd. 4. **Bicycle.** "Bicycle" means every device propelled solely by human power
19.33 upon which any person may ride, having two tandem wheels except scooters and similar

20.1 devices and including any device generally recognized as a bicycle though equipped
20.2 with two front or rear wheels. Bicycle includes an electric-assisted bicycle as defined
20.3 in subdivision 27.

20.4 Sec. 23. Minnesota Statutes 2010, section 169.011, subdivision 45, is amended to read:

20.5 Subd. 45. **Motorized bicycle.** "Motorized bicycle" means a bicycle that is propelled
20.6 by an electric or a liquid fuel motor of a piston displacement capacity of 50 cubic
20.7 centimeters or less, and a maximum of two brake horsepower, which is capable of a
20.8 maximum speed of not more than 30 miles per hour on a flat surface with not more than
20.9 one percent grade in any direction when the motor is engaged. ~~"Motorized bicycle"~~
20.10 ~~includes an electric-assisted bicycle as defined in subdivision 27.~~

20.11 Sec. 24. Minnesota Statutes 2010, section 169.06, subdivision 4, is amended to read:

20.12 Subd. 4. **Obedience to traffic-control signal or flagger; presumptions.** (a) The
20.13 driver of any vehicle shall obey the instructions of any official traffic-control device
20.14 applicable thereto placed in accordance with the provisions of this chapter, unless
20.15 otherwise directed by a police officer or by a ~~certified overdimensional load escort driver~~
20.16 flagger authorized under this subdivision, subject to the exceptions granted the driver of
20.17 an authorized emergency vehicle in this chapter.

20.18 (b) No provision of this chapter for which official traffic-control devices are required
20.19 shall be enforced against an alleged violator if at the time and place of the alleged
20.20 violation an official device is not in proper position and sufficiently legible to be seen by
20.21 an ordinarily observant person. Whenever a particular section does not state that official
20.22 traffic-control devices are required, such section shall be effective even though no devices
20.23 are erected or in place.

20.24 (c) Whenever official traffic-control devices are placed in position approximately
20.25 conforming to the requirements of this chapter, such devices shall be presumed to have
20.26 been so placed by the official act or direction of lawful authority, unless the contrary
20.27 shall be established by competent evidence.

20.28 (d) Any official traffic-control device placed pursuant to the provisions of this
20.29 chapter and purporting to conform to the lawful requirements pertaining to such devices
20.30 shall be presumed to comply with the requirements of this chapter, unless the contrary
20.31 shall be established by competent evidence.

20.32 (e) A flagger in a designated work zone may stop vehicles and hold vehicles in place
20.33 until it is safe for the vehicles to proceed. A person operating a motor vehicle that has

21.1 been stopped by a flagger in a designated work zone may proceed after stopping only on
21.2 instruction by the flagger.

21.3 (f) An overdimensional load escort driver with a certificate issued under section
21.4 299D.085, while acting as a flagger escorting a legal overdimensional load, may stop
21.5 vehicles and hold vehicles in place until it is safe for the vehicles to proceed. A person
21.6 operating a motor vehicle that has been stopped by an escort driver acting as a flagger may
21.7 proceed only on instruction by the flagger or a police officer.

21.8 (g) A person may stop and hold vehicles in place until it is safe for the vehicles to
21.9 proceed, if the person: (1) holds a motorcycle road guard certificate issued under section
21.10 171.60; (2) meets the safety and equipment standards for operating under the certificate;
21.11 (3) is acting as a flagger escorting a motorcycle group ride; (4) has notified each statutory
21.12 or home rule charter city through which the motorcycle group is proceeding; and (5)
21.13 has obtained consent from the chief of police, or the chief's designee, of any city of the
21.14 first class through which the group is proceeding. A flagger operating as provided under
21.15 this paragraph may direct operators of motorcycles within a motorcycle group ride or
21.16 other vehicle traffic, notwithstanding any contrary indication of a traffic-control device,
21.17 including stop signs or traffic-control signals. A person operating a vehicle that has been
21.18 stopped by a flagger under this paragraph may proceed only on instruction by the flagger
21.19 or a police officer.

21.20 **EFFECTIVE DATE.** This section is effective one year after publication in the State
21.21 Register of rules adopted under section 171.60, subdivision 5.

21.22 Sec. 25. Minnesota Statutes 2010, section 169.09, subdivision 13, is amended to read:

21.23 Subd. 13. **Reports confidential; evidence, fee, penalty, appropriation.** (a) All
21.24 reports and supplemental information required under this section must be for the use of the
21.25 commissioner of public safety and other appropriate state, federal, county, and municipal
21.26 governmental agencies for accident analysis purposes, except:

21.27 (1) the commissioner of public safety or any law enforcement agency shall, upon
21.28 written request of any individual involved in an accident or upon written request of the
21.29 representative of the individual's estate, surviving spouse, or one or more surviving next
21.30 of kin, or a trustee appointed under section 573.02, or other person injured in person,
21.31 property, or means of support, or who incurs other pecuniary loss by virtue of the accident,
21.32 disclose to the requester, the requester's legal counsel, or a representative of the requester's
21.33 insurer the report required under subdivision 8;

21.34 (2) the commissioner of public safety shall, upon written request, provide the driver
21.35 filing a report under subdivision 7 with a copy of the report filed by the driver;

22.1 (3) the commissioner of public safety may verify with insurance companies vehicle
22.2 insurance information to enforce sections 65B.48, 169.792, 169.793, 169.796, and
22.3 169.797;

22.4 (4) the commissioner of public safety shall provide the commissioner of
22.5 transportation the information obtained for each traffic accident involving a commercial
22.6 motor vehicle, for purposes of administering commercial vehicle safety regulations; ~~and~~

22.7 (5) upon request, the commissioner of public safety shall provide the commissioner
22.8 of transportation the information obtained for each traffic accident involving damage
22.9 to state-owned infrastructure, for purposes of debt collection under section 161.20,
22.10 subdivision 4; and

22.11 ~~(5)~~ (6) the commissioner of public safety may give to the United States Department
22.12 of Transportation commercial vehicle accident information in connection with federal
22.13 grant programs relating to safety.

22.14 (b) Accident reports and data contained in the reports are not discoverable under any
22.15 provision of law or rule of court. No report shall be used as evidence in any trial, civil or
22.16 criminal, or any action for damages or criminal proceedings arising out of an accident.
22.17 However, the commissioner of public safety shall furnish, upon the demand of any person
22.18 who has or claims to have made a report or upon demand of any court, a certificate
22.19 showing that a specified accident report has or has not been made to the commissioner
22.20 solely to prove compliance or failure to comply with the requirements that the report be
22.21 made to the commissioner.

22.22 (c) Nothing in this subdivision prevents any individual who has made a report under
22.23 this section from providing information to any individuals involved in an accident or their
22.24 representatives or from testifying in any trial, civil or criminal, arising out of an accident,
22.25 as to facts within the individual's knowledge. It is intended by this subdivision to render
22.26 privileged the reports required, but it is not intended to prohibit proof of the facts to
22.27 which the reports relate.

22.28 (d) Disclosing any information contained in any accident report, except as provided
22.29 in this subdivision, section 13.82, subdivision 3 or 6, or other statutes, is a misdemeanor.

22.30 (e) The commissioner of public safety shall charge authorized persons as described
22.31 in paragraph (a) a \$5 fee for a copy of an accident report. Ninety percent of the \$5 fee
22.32 collected under this paragraph must be deposited in the special revenue fund and credited
22.33 to the driver services operating account established in section 299A.705 and ten percent
22.34 must be deposited in the general fund. The commissioner may also furnish an electronic
22.35 copy of the database of accident records, which must not contain personal or private data

23.1 on an individual, to private agencies as provided in paragraph (g), for not less than the cost
23.2 of preparing the copies on a bulk basis as provided in section 13.03, subdivision 3.

23.3 (f) The fees specified in paragraph (e) notwithstanding, the commissioner and law
23.4 enforcement agencies shall charge commercial users who request access to response or
23.5 incident data relating to accidents a fee not to exceed 50 cents per record. "Commercial
23.6 user" is a user who in one location requests access to data in more than five accident
23.7 reports per month, unless the user establishes that access is not for a commercial purpose.
23.8 Of the money collected by the commissioner under this paragraph, 90 percent must be
23.9 deposited in the special revenue fund and credited to the driver services operating account
23.10 established in section 299A.705 and ten percent must be deposited in the general fund.

23.11 (g) The fees in paragraphs (e) and (f) notwithstanding, the commissioner shall
23.12 provide an electronic copy of the accident records database to the public on a case-by-case
23.13 basis using the cost-recovery charges provided for under section 13.03, subdivision
23.14 3. The database provided must not contain personal or private data on an individual.
23.15 However, unless the accident records database includes the vehicle identification number,
23.16 the commissioner shall include the vehicle registration plate number if a private agency
23.17 certifies and agrees that the agency:

23.18 (1) is in the business of collecting accident and damage information on vehicles;

23.19 (2) will use the vehicle registration plate number only for identifying vehicles that
23.20 have been involved in accidents or damaged, to provide this information to persons
23.21 seeking access to a vehicle's history and not for identifying individuals or for any other
23.22 purpose; and

23.23 (3) will be subject to the penalties and remedies under sections 13.08 and 13.09.

23.24 Sec. 26. Minnesota Statutes 2010, section 169.222, subdivision 6, is amended to read:

23.25 Subd. 6. **Bicycle equipment.** (a) No person shall operate a bicycle at nighttime
23.26 unless the bicycle or its operator is equipped with a lamp which shall emit a white light
23.27 visible from a distance of at least 500 feet to the front and with a red reflector of a type
23.28 approved by the Department of Public Safety which is visible from all distances from 100
23.29 feet to 600 feet to the rear when directly in front of lawful lower beams of headlamps on a
23.30 motor vehicle. No person may operate a bicycle at any time when there is not sufficient
23.31 light to render persons and vehicles on the highway clearly discernible at a distance of 500
23.32 feet ahead unless the bicycle or its operator is equipped with reflective surfaces that shall
23.33 be visible during the hours of darkness from 600 feet when viewed in front of lawful lower
23.34 beams of headlamps on a motor vehicle. The reflective surfaces shall include reflective
23.35 materials on each side of each pedal to indicate their presence from the front or the rear

24.1 and with a minimum of 20 square inches of reflective material on each side of the bicycle
24.2 or its operator. Any bicycle equipped with side reflectors as required by regulations for
24.3 new bicycles prescribed by the United States Consumer Product Safety Commission
24.4 shall be considered to meet the requirements for side reflectorization contained in this
24.5 subdivision. A bicycle may be equipped with a front lamp that emits a white flashing
24.6 signal or a rear lamp that emits a red flashing signal.

24.7 (b) Bicycle tires may be equipped with studs or other protuberances designed
24.8 to increase traction.

24.9 (c) No person shall operate a bicycle unless it is equipped with a brake which will
24.10 enable the operator to make the braked wheels skid on dry, level, clean pavement.

24.11 ~~(e)~~ (d) No person shall operate upon a highway any two-wheeled bicycle equipped
24.12 with handlebars so raised that the operator must elevate the hands above the level of the
24.13 shoulders in order to grasp the normal steering grip area.

24.14 ~~(d)~~ (e) No person shall operate upon a highway any bicycle which is of such a size
24.15 as to prevent the operator from stopping the bicycle, supporting it with at least one foot
24.16 on the highway surface and restarting in a safe manner.

24.17 Sec. 27. Minnesota Statutes 2010, section 169.223, subdivision 5, is amended to read:

24.18 Subd. 5. **Other operation requirements and prohibitions.** (a) A person operating
24.19 a motorized bicycle on a roadway shall ride as close as practicable to the right-hand curb
24.20 or edge of the roadway except in one of the following situations:

24.21 (1) when overtaking and passing another vehicle proceeding in the same direction;

24.22 (2) when preparing for a left turn at an intersection or into a private road or
24.23 driveway; or

24.24 (3) when reasonably necessary to avoid conditions, including fixed or moving
24.25 objects, vehicles, pedestrians, animals, surface hazards, or narrow width lanes, that make
24.26 it unsafe to continue along the right-hand curb or edge.

24.27 (b) Persons operating motorized bicycles on a roadway may not ride more than two
24.28 abreast and may not impede the normal and reasonable movement of traffic. On a laned
24.29 roadway, a person operating a motorized bicycle shall ride within a single lane.

24.30 (c) This section does not permit the operation of a motorized bicycle on a bicycle
24.31 path or bicycle lane that is reserved for the exclusive use of nonmotorized traffic.

24.32 ~~(d) Subject to the provisions of section 160.263, subdivision 3, a person may operate~~
24.33 ~~an electric-assisted bicycle on a bicycle lane. A person may operate an electric-assisted~~
24.34 ~~bicycle on the shoulder of a roadway if the electric-assisted bicycle is traveling in the same~~
24.35 ~~direction as the adjacent vehicular traffic.~~

25.1 Sec. 28. Minnesota Statutes 2010, section 169.79, subdivision 6, is amended to read:

25.2 Subd. 6. **Other motor vehicles.** If the motor vehicle is any kind of motor vehicle
25.3 other than those provided for in subdivisions 2 to 4, ~~one plate~~ two plates must be displayed
25.4 ~~on. One plate must be displayed at the front and one on the rear~~ of the vehicle and one
25.5 at the back. The two plates must either be mounted on the front and rear bumpers of
25.6 the vehicle or on the front and back of the vehicle exterior in places designed to hold a
25.7 license plate.

25.8 Sec. 29. Minnesota Statutes 2011 Supplement, section 169.86, subdivision 5, is
25.9 amended to read:

25.10 Subd. 5. **Fees; proceeds deposited; appropriation.** The commissioner, with
25.11 respect to highways under the commissioner's jurisdiction, may charge a fee for each
25.12 permit issued. Unless otherwise specified, all such fees for permits issued by the
25.13 commissioner of transportation shall be deposited in the state treasury and credited to
25.14 the trunk highway fund. Except for those annual permits for which the permit fees are
25.15 specified elsewhere in this chapter, the fees shall be:

25.16 (a) \$15 for each single trip permit.

25.17 (b) \$36 for each job permit. A job permit may be issued for like loads carried on
25.18 a specific route for a period not to exceed two months. "Like loads" means loads of the
25.19 same product, weight, and dimension.

25.20 (c) \$60 for an annual permit to be issued for a period not to exceed 12 consecutive
25.21 months. Annual permits may be issued for:

25.22 (1) motor vehicles used to alleviate a temporary crisis adversely affecting the safety
25.23 or well-being of the public;

25.24 (2) motor vehicles which travel on interstate highways and carry loads authorized
25.25 under subdivision 1a;

25.26 (3) motor vehicles operating with gross weights authorized under section 169.826,
25.27 subdivision 1a;

25.28 (4) special pulpwood vehicles described in section 169.863;

25.29 (5) motor vehicles bearing snowplow blades not exceeding ten feet in width;

25.30 (6) noncommercial transportation of a boat by the owner or user of the boat;

25.31 (7) motor vehicles carrying bales of agricultural products authorized under section
25.32 169.862; and

25.33 (8) special milk-hauling vehicles authorized under section 169.867.

25.34 (d) \$120 for an oversize annual permit to be issued for a period not to exceed 12
25.35 consecutive months. Annual permits may be issued for:

- 26.1 (1) mobile cranes;
- 26.2 (2) construction equipment, machinery, and supplies;
- 26.3 (3) manufactured homes and manufactured storage buildings;
- 26.4 (4) implements of husbandry;
- 26.5 (5) double-deck buses;
- 26.6 (6) commercial boat hauling and transporting waterfront structures, including, but
- 26.7 not limited to, portable boat docks and boat lifts;
- 26.8 (7) three-vehicle combinations consisting of two empty, newly manufactured trailers
- 26.9 for cargo, horses, or livestock, not to exceed 28-1/2 feet per trailer; provided, however,
- 26.10 the permit allows the vehicles to be moved from a trailer manufacturer to a trailer dealer
- 26.11 only while operating on twin-trailer routes designated under section 169.81, subdivision 3,
- 26.12 paragraph (c); and
- 26.13 (8) vehicles operating on that portion of marked Trunk Highway 36 described in
- 26.14 section 169.81, subdivision 3, paragraph (e).

26.15 (e) For vehicles which have axle weights exceeding the weight limitations of

26.16 sections 169.823 to 169.829, an additional cost added to the fees listed above. However,

26.17 this paragraph applies to any vehicle described in section 168.013, subdivision 3,

26.18 paragraph (b), but only when the vehicle exceeds its gross weight allowance set forth in

26.19 that paragraph, and then the additional cost is for all weight, including the allowance

26.20 weight, in excess of the permitted maximum axle weight. The additional cost is equal

26.21 to the product of the distance traveled times the sum of the overweight axle group cost

26.22 factors shown in the following chart:

Overweight Axle Group Cost Factors

Weight (pounds)	Cost Per Mile For Each Group Of:		
exceeding weight limitations on axles	Two consecutive axles spaced within 8 feet or less	Three consecutive axles spaced within 9 feet or less	Four consecutive axles spaced within 14 feet or less
0-2,000	.12	.05	.04
2,001-4,000	.14	.06	.05
4,001-6,000	.18	.07	.06
6,001-8,000	.21	.09	.07
8,001-10,000	.26	.10	.08
10,001-12,000	.30	.12	.09
12,001-14,000	Not permitted	.14	.11
14,001-16,000	Not permitted	.17	.12

27.1		Not		
27.2	16,001-18,000	permitted	.19	.15
27.3		Not	Not	
27.4	18,001-20,000	permitted	permitted	.16
27.5		Not	Not	
27.6	20,001-22,000	permitted	permitted	.20

27.7 The amounts added are rounded to the nearest cent for each axle or axle group. The
 27.8 additional cost does not apply to paragraph (c), clauses (1) and (3).

27.9 For a vehicle found to exceed the appropriate maximum permitted weight, a cost-per-mile
 27.10 fee of 22 cents per ton, or fraction of a ton, over the permitted maximum weight is imposed
 27.11 in addition to the normal permit fee. Miles must be calculated based on the distance
 27.12 already traveled in the state plus the distance from the point of detection to a transportation
 27.13 loading site or unloading site within the state or to the point of exit from the state.

27.14 (f) As an alternative to paragraph (e), an annual permit may be issued for overweight,
 27.15 or oversize and overweight, mobile cranes; construction equipment, machinery, and
 27.16 supplies; implements of husbandry; and commercial boat hauling. The fees for the permit
 27.17 are as follows:

27.18	Gross Weight (pounds) of Vehicle	Annual Permit Fee
27.19	90,000 or less	\$200
27.20	90,001 - 100,000	\$300
27.21	100,001 - 110,000	\$400
27.22	110,001 - 120,000	\$500
27.23	120,001 - 130,000	\$600
27.24	130,001 - 140,000	\$700
27.25	140,001 - 145,000	\$800

27.26 If the gross weight of the vehicle is more than 145,000 pounds the permit fee is determined
 27.27 under paragraph (e).

27.28 (g) For vehicles which exceed the width limitations set forth in section 169.80 by
 27.29 more than 72 inches, an additional cost equal to \$120 added to the amount in paragraph (a)
 27.30 when the permit is issued while seasonal load restrictions pursuant to section 169.87 are
 27.31 in effect.

27.32 (h) \$85 for an annual permit to be issued for a period not to exceed 12 months, for
 27.33 refuse-compactor vehicles that carry a gross weight of not more than: 22,000 pounds on
 27.34 a single rear axle; 38,000 pounds on a tandem rear axle; or, subject to section 169.828,
 27.35 subdivision 2, 46,000 pounds on a tridem rear axle. A permit issued for up to 46,000
 27.36 pounds on a tridem rear axle must limit the gross vehicle weight to not more than 62,000
 27.37 pounds.

28.1 (i) \$300 for a motor vehicle described in section 169.8261. The fee under this
28.2 paragraph must be deposited as follows:

28.3 ~~(1) in fiscal years 2005 through 2010:~~

28.4 ~~(i) (1) the first \$50,000 in each fiscal year must be deposited in the trunk highway
28.5 fund for costs related to administering the permit program and inspecting and posting
28.6 bridges; and~~

28.7 ~~(ii) (2) all remaining money in each fiscal year must be deposited in a the bridge
28.8 inspection and signing account in the special revenue fund as provided under subdivision
28.9 5a. Money in the account is appropriated to the commissioner for:~~

28.10 ~~(A) inspection of local bridges and identification of local bridges to be posted,
28.11 including contracting with a consultant for some or all of these functions; and~~

28.12 ~~(B) erection of weight-posting signs on local bridges; and~~

28.13 ~~(2) in fiscal year 2011 and subsequent years must be deposited in the trunk highway
28.14 fund.~~

28.15 (j) Beginning August 1, 2006, \$200 for an annual permit for a vehicle operating
28.16 under authority of section 169.824, subdivision 2, paragraph (a), clause (2).

28.17 Sec. 30. Minnesota Statutes 2010, section 169.86, is amended by adding a subdivision
28.18 to read:

28.19 Subd. 5a. **Bridge inspection and signing account; appropriation.** (a) A bridge
28.20 inspection and signing account is established in the special revenue fund. The account
28.21 consists of fees for special permits as specified under this chapter, and any other money
28.22 donated, allotted, transferred, or otherwise provided to the account.

28.23 (b) The revenue in the bridge inspection and signing account under this subdivision
28.24 is annually appropriated to the commissioner for:

28.25 (1) inspection of local bridges and identification of local bridges to be posted,
28.26 including contracting with a consultant for some or all of these functions; and

28.27 (2) erection of weight-posting signs on local bridges.

28.28 Sec. 31. Minnesota Statutes 2010, section 169.865, subdivision 1, is amended to read:

28.29 Subdivision 1. **Six-axle vehicles.** (a) A road authority may issue an annual permit
28.30 authorizing a vehicle or combination of vehicles with a total of six or more axles to haul
28.31 raw or unprocessed agricultural products, livestock and poultry feed, seed, fertilizer,
28.32 potash, and agricultural lime, and be operated with a gross vehicle weight of up to:

28.33 (1) 90,000 pounds; and

29.1 (2) 99,000 pounds during the period set by the commissioner under section 169.826,
29.2 subdivision 1.

29.3 (b) Notwithstanding subdivision 3, paragraph (a), clause (4), a vehicle or
29.4 combination of vehicles operated under this subdivision and transporting only sealed
29.5 intermodal containers may be operated on an interstate highway if allowed by the United
29.6 States Department of Transportation.

29.7 (c) The fee for a permit issued under this subdivision is \$300.

29.8 Sec. 32. Minnesota Statutes 2010, section 169.865, subdivision 2, is amended to read:

29.9 Subd. 2. **Seven-axle vehicles.** (a) A road authority may issue an annual permit
29.10 authorizing a vehicle or combination of vehicles with a total of seven or more axles to
29.11 haul raw or unprocessed agricultural products, livestock and poultry feed, seed, fertilizer,
29.12 potash, and agricultural lime, and be operated with a gross vehicle weight of up to:

29.13 (1) 97,000 pounds; and

29.14 (2) 99,000 pounds during the period set by the commissioner under section 169.826,
29.15 subdivision 1.

29.16 (b) Drivers of vehicles operating under this subdivision must comply with driver
29.17 qualification requirements adopted under section 221.0314, subdivisions 2 to 5, and Code
29.18 of Federal Regulations, title 49, parts 40 and 382.

29.19 (c) The fee for a permit issued under this subdivision is \$500.

29.20 Sec. 33. Minnesota Statutes 2010, section 169.865, subdivision 4, is amended to read:

29.21 Subd. 4. **Deposit of revenues; appropriation.** ~~(a) Revenue from the permits issued~~
29.22 ~~by the commissioner under this section must be deposited:~~

29.23 ~~(1) in fiscal years 2008 through 2011, in the bridge inspection and signing account~~
29.24 ~~in the special revenue fund; and~~

29.25 ~~(2) in fiscal year 2012 and subsequent years, in the trunk highway fund as provided~~
29.26 ~~under section 169.86, subdivision 5a.~~

29.27 ~~(b) The revenue in the bridge inspection and signing account under this section is~~
29.28 ~~annually appropriated to the commissioner for:~~

29.29 ~~(1) inspection of local bridges and identification of local bridges to be posted;~~
29.30 ~~including contracting with a consultant for some or all of these functions; and~~

29.31 ~~(2) erection of weight-posting signs on local bridges.~~

29.32 Sec. 34. Minnesota Statutes 2010, section 169.872, subdivision 1a, is amended to read:

30.1 Subd. 1a. **Limit on civil penalties.** A civil penalty for excessive weight under
30.2 section 169.871 may be imposed based on a record of a shipment under this section only if
30.3 a state law enforcement officer or motor transportation representative: (1) has inspected
30.4 and copied the record within 14 days of the date the shipment was received by the person
30.5 keeping the record; and (2) has assessed the penalty within 90 days of the date the officer
30.6 or representative inspected and copied the record.

30.7 Sec. 35. Minnesota Statutes 2010, section 169.98, subdivision 1, is amended to read:

30.8 Subdivision 1. **Colors and markings.** (a) Except as provided in subdivisions 2 and
30.9 2a, all motor vehicles which are primarily used in the enforcement of highway traffic rules
30.10 by the State Patrol or for general uniform patrol assignment by any municipal police
30.11 department or other law enforcement agency, except conservation officers, shall have
30.12 uniform colors and markings as provided in this subdivision. Motor vehicles of:

30.13 (1) municipal police departments, including the University of Minnesota Police
30.14 Department and park police units, shall be predominantly blue, brown, green, black,
30.15 or white;

30.16 (2) the State Patrol shall be predominantly maroon; and

30.17 (3) the county sheriff's office shall be predominantly brown, black, gold, or white.

30.18 (b) The identity of the governmental unit operating the vehicle shall be displayed on
30.19 both front door panels and on the rear of the vehicle. The identity may be in the form of
30.20 a shield or emblem, or may be the word "police," "sheriff," or the words "State Patrol"
30.21 or "conservation officer," as appropriate, with letters not less than 2-1/2 inches high,
30.22 one-inch wide and of a three-eighths inch brush stroke. The identity shall be of a color
30.23 contrasting with the background color so that the motor vehicle is easily identifiable as
30.24 belonging to a specific type of law enforcement agency. Each vehicle shall be marked
30.25 with its own identifying number on the rear of the vehicle. The number shall be printed
30.26 in the same size and color required pursuant to this subdivision for identifying words
30.27 which may be displayed on the vehicle.

30.28 Sec. 36. Minnesota Statutes 2010, section 169.98, subdivision 3, is amended to read:

30.29 Subd. 3. **Security guard vehicle.** (a) All motor vehicles which are used by security
30.30 guards in the course of their employment may have any color other than those specified in
30.31 subdivision 1 for law enforcement vehicles. The identity of the security service shall be
30.32 displayed on the motor vehicle as required for law enforcement vehicles.

31.1 (b) Notwithstanding subdivision 1, paragraph (a), clause (1), a security guard may
31.2 continue to use a motor vehicle that is predominantly black in the course of the guard's
31.3 employment if the vehicle was being used in this manner before August 1, 2002.

31.4 (c) Notwithstanding subdivision 1, paragraph (a), clause (3), a security guard may
31.5 continue to use a motor vehicle that is predominantly gold in the course of the guard's
31.6 employment if the vehicle was being used in this manner before August 1, 2012.

31.7 Sec. 37. Minnesota Statutes 2010, section 171.306, subdivision 1, is amended to read:

31.8 Subdivision 1. **Definitions.** (a) As used in this section, the terms in this subdivision
31.9 have the meanings given them.

31.10 (b) "Ignition interlock device" or "device" means equipment that is designed to
31.11 measure breath alcohol concentration and to prevent a motor vehicle's ignition from being
31.12 started by a person whose breath alcohol concentration measures 0.02 or higher on the
31.13 equipment.

31.14 (c) "Program participant" means a person who has qualified to take part in the
31.15 ignition interlock program under this section and whose driver's license has been:

31.16 (1) revoked, canceled, or denied under section 169A.52, 169A.54, or 171.04,
31.17 subdivision 1, clause (10), and who has qualified to take part in the ignition interlock
31.18 program under this section;

31.19 (2) revoked under section 171.17, subdivision 1, paragraph (a), clause (1), based
31.20 on a violation of section 609.21, subdivision 1, clause (2), (3), (4), (5), or (6), resulting
31.21 in bodily harm or substantial bodily harm to another; or

31.22 (3) suspended under section 171.18, subdivision 1, paragraph (a), clause (1), based
31.23 on a violation of section 609.21, subdivision 1, clause (2), (3), (4), (5), or (6), resulting in
31.24 bodily harm or substantial bodily harm to another.

31.25 (d) "Qualified prior impaired driving incident" has the meaning given in section
31.26 169A.03, subdivision 22.

31.27 **EFFECTIVE DATE.** This section is effective July 1, 2013.

31.28 Sec. 38. Minnesota Statutes 2010, section 171.306, subdivision 4, is amended to read:

31.29 Subd. 4. **Issuance of restricted license.** (a) The commissioner shall issue a class
31.30 D driver's license, subject to the applicable limitations and restrictions of this section,
31.31 to a program participant who meets the requirements of this section and the program
31.32 guidelines. The commissioner shall not issue a license unless the program participant has
31.33 provided satisfactory proof that:

32.1 (1) a certified ignition interlock device has been installed on the participant's motor
32.2 vehicle at an installation service center designated by the device's manufacturer; and

32.3 (2) the participant has insurance coverage on the vehicle equipped with the ignition
32.4 interlock device. The commissioner shall require the participant to present an insurance
32.5 identification card, policy, or written statement as proof of insurance coverage, and may
32.6 require the insurance identification card provided be certified by the insurance company to
32.7 be noncancelable for a period not to exceed 12 months.

32.8 (b) A license issued under authority of this section must contain a restriction
32.9 prohibiting the program participant from driving, operating, or being in physical control of
32.10 any motor vehicle not equipped with a functioning ignition interlock device certified by
32.11 the commissioner. A participant may drive an employer-owned vehicle not equipped with
32.12 an interlock device while in the normal course and scope of employment duties pursuant
32.13 to the program guidelines established by the commissioner and with the employer's
32.14 written consent.

32.15 (c) A program participant whose driver's license has been revoked under section
32.16 169A.52, subdivision 3, paragraph (a), clause (1), (2), or (3), or subdivision 4, paragraph
32.17 (a), clause (1), (2), or (3), or section 169A.54, subdivision 1, clause (1), (2), or (3), may
32.18 apply for conditional reinstatement of the driver's license, subject to the ignition interlock
32.19 restriction.

32.20 (d) A program participant whose driver's license has been:

32.21 (1) revoked, canceled, or denied under section 169A.52, subdivision 3, paragraph
32.22 (a), clause (4), (5), or (6), or subdivision 4, paragraph (a), clause (4), (5), or (6), or section
32.23 169A.54, subdivision 1, clause ~~(4)~~, (5), ~~or~~ (6), or (7);

32.24 (2) revoked under section 171.17, subdivision 1, paragraph (a), clause (1), based
32.25 on a violation of section 609.21, subdivision 1, clause (2), (3), (4), (5), or (6), resulting
32.26 in bodily harm or substantial bodily harm to another; or

32.27 (3) suspended under section 171.18, subdivision 1, paragraph (a), clause (1), based
32.28 on a violation of section 609.21, subdivision 1, clause (2), (3), (4), (5), or (6), resulting in
32.29 bodily harm or substantial bodily harm to another;

32.30 may apply for a limited license, subject to the ignition interlock restriction, if the program
32.31 participant is enrolled in a licensed chemical dependency treatment or rehabilitation
32.32 program as recommended in a chemical use assessment, and if the participant meets the
32.33 other applicable requirements of section 171.30. After completing a licensed chemical
32.34 dependency treatment or rehabilitation program and one year of limited license use
32.35 without violating the ignition interlock restriction, the conditions of limited license use, or
32.36 program guidelines, the participant may apply for conditional reinstatement of the driver's

33.1 license, subject to the ignition interlock restriction. If the program participant's ignition
33.2 interlock device subsequently registers a positive breath alcohol concentration of 0.02 or
33.3 higher, the commissioner shall cancel the driver's license, and the program participant may
33.4 apply for another limited license according to this paragraph.

33.5 (e) A program participant whose driver's license has been:

33.6 (1) revoked under section 171.17, subdivision 1, paragraph (a), clause (1), based
33.7 on a violation of section 609.21, subdivision 1, clause (2), (3), (4), (5), or (6), resulting
33.8 in bodily harm or substantial bodily harm to another; or

33.9 (2) suspended under section 171.18, subdivision 1, paragraph (a), clause (1), based
33.10 on a violation of section 609.21, subdivision 1, clause (2), (3), (4), (5), or (6), resulting in
33.11 bodily harm or substantial bodily harm to another;

33.12 may apply for a limited license, subject to the ignition interlock restriction. After
33.13 completing one year of limited license use without violating the conditions of limited
33.14 license use or program guidelines, the participant may apply for conditional reinstatement
33.15 of the driver's license, subject to the ignition interlock restriction.

33.16 ~~(e)~~ (f) Notwithstanding any statute or rule to the contrary, the commissioner has
33.17 authority to determine when a program participant is eligible for restoration of full driving
33.18 privileges, except that the commissioner shall not reinstate full driving privileges until the
33.19 program participant has met all applicable prerequisites for reinstatement under section
33.20 169A.55 and until the program participant's device has registered no positive breath
33.21 alcohol concentrations of 0.02 or higher during the preceding 90 days.

33.22 (g) A program participant who qualifies for participation in the ignition interlock
33.23 program under paragraphs (c) and (e) is subject to paragraph (e). A program participant
33.24 who qualifies for participation in the program under paragraphs (d) and (e) is subject to
33.25 paragraph (d).

33.26 **EFFECTIVE DATE.** This section is effective July 1, 2012, except that paragraphs
33.27 (e) and (g) and the other provisions relating to driver's license actions based on violations
33.28 of section 609.21 are effective July 1, 2013.

33.29 **Sec. 39. [171.60] MOTORCYCLE ROAD GUARD CERTIFICATE.**

33.30 Subdivision 1. **Certificate required.** No person may perform traffic control as a
33.31 motorcycle road guard as provided under chapter 169 without a valid motorcycle road
33.32 guard certificate issued by the commissioner.

33.33 Subd. 2. **Certification qualifications and standards; fee.** Through the Minnesota
33.34 Motorcycle Safety Center, the commissioner of public safety shall:

34.1 (1) establish qualifications and requirements for a person to obtain a motorcycle road
34.2 guard certificate under this section, which must include:

34.3 (i) a minimum 18 years of age;

34.4 (ii) possession of a valid driver's license; and

34.5 (iii) successful completion of a motorcycle road guard certification course;

34.6 (2) develop and offer, whether by the Minnesota Motorcycle Safety Center or
34.7 authorized agents, a motorcycle road guard certification course; and

34.8 (3) establish safety and equipment standards for a person who operates under a
34.9 motorcycle road guard certificate, including but not limited to specifying requirements
34.10 for a reflective safety vest.

34.11 Subd. 3. **Fee.** The commissioner of public safety shall assess a fee for each applicant
34.12 for a motorcycle road guard certificate, calculated to cover the commissioner's cost of
34.13 establishing and administering the program.

34.14 Subd. 4. **Penalty.** A person who violates any provision of this section is guilty
34.15 of a petty misdemeanor.

34.16 Subd. 5. **Rulemaking.** The commissioner of public safety shall adopt rules to carry
34.17 out the provisions of this section. Notwithstanding section 16A.1283, the rules must
34.18 specify the fee to be assessed under subdivision 3.

34.19 **EFFECTIVE DATE.** Subdivisions 1 to 4 are effective one year after publication
34.20 in the State Register of rules adopted under subdivision 5. Subdivision 5 is effective the
34.21 day following final enactment.

34.22 Sec. 40. Minnesota Statutes 2010, section 174.03, is amended by adding a subdivision
34.23 to read:

34.24 Subd. 1d. **Statewide freight plan.** (a) The commissioner of transportation, in
34.25 cooperation with the commissioner of the Department of Employment and Economic
34.26 Development, shall conduct a freight rail economic development study. The study will
34.27 assess the economic impact of freight railroads in the state and identify opportunities to
34.28 expand business development and enhance economic competitiveness through improved
34.29 utilization of freight rail options. Findings from the study shall be incorporated as an
34.30 amendment to the statewide freight and passenger rail plan.

34.31 (b) The commissioner of transportation shall provide an interim progress report on
34.32 the study by January 15, 2013, and a final report on September 1, 2013, to the chairs
34.33 and ranking minority members of the legislative committees with jurisdiction over
34.34 transportation policy and finance and over employment and economic development. The
34.35 reports shall include any recommended legislative initiatives.

35.1 (c) The commissioner of transportation may expend up to \$216,000 in fiscal year
35.2 2013 under section 222.50, subdivision 7, to pay the costs of this study and report.

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

35.4 Sec. 41. **[174.40] SAFE ROUTES TO SCHOOL PROGRAM.**

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

35.7 (b) "Bond eligible cost" means expenditures under this section for acquisition of
35.8 land or permanent easements, predesign, design, preliminary and final engineering,
35.9 environmental analysis, construction, and reconstruction of publicly owned infrastructure
35.10 in this state with a useful life of at least ten years that provides for nonmotorized
35.11 transportation to and from a school; preparation of land for which a route to school
35.12 is established, including demolition of structures and remediation of any hazardous
35.13 conditions on the land; and the unpaid principal on debt issued by a political subdivision
35.14 for a safe routes to school project.

35.15 (c) "Federal program" means the safe routes to school program under Title I, section
35.16 1404 of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy
35.17 for Users (SAFETEA-LU) of 2005, Public Law 109-59.

35.18 (d) "School" means a school, as defined in section 120A.22, subdivision 4, excluding
35.19 a home school.

35.20 Subd. 2. **Program creation.** (a) A safe routes to school program is established
35.21 to provide assistance in capital investments for safe and appealing nonmotorized
35.22 transportation to and from a school. The commissioner shall develop and implement the
35.23 safe routes to school program as provided in this section. Financial assistance under
35.24 this section is to supplement or replace aid for infrastructure projects under the federal
35.25 program.

35.26 (b) The commissioner may provide grants or other financial assistance for a safe
35.27 routes to school project at the commissioner's discretion, subject to the requirements
35.28 of this section.

35.29 Subd. 3. **Safe routes to school accounts.** (a) A safe routes to school account is
35.30 established in the bond proceeds fund. The account consists of state bond proceeds
35.31 appropriated to the commissioner. Money in the account may only be expended on
35.32 bond-eligible costs of a project receiving financial assistance as provided under this
35.33 section. All uses of funds from the account must be for publicly owned property.

35.34 (b) A safe routes to school account is established in the general fund. The account
35.35 consists of funds as provided by law, and any other money donated, allotted, transferred,

36.1 or otherwise provided to the account. Money in the account may only be expended on a
36.2 project receiving financial assistance as provided under this section.

36.3 Subd. 4. **State general obligation bond funds.** Minnesota Constitution, article XI,
36.4 section 5, clause (a), requires that state general obligation bonds be issued to finance only
36.5 the acquisition or betterment of public land, buildings, and other public improvements
36.6 of a capital nature. The legislature has determined that many school transportation
36.7 infrastructure projects will constitute betterments and capital improvements within the
36.8 meaning of the Minnesota Constitution and capital expenditures under generally accepted
36.9 accounting principles, and will be financed more efficiently and economically under this
36.10 section than by direct appropriations for specific projects.

36.11 Subd. 5. **Program administration.** (a) The commissioner shall establish general
36.12 program requirements and a competitive process for financial assistance, including but
36.13 not limited to eligibility requirements for grant recipients and projects; procedures for
36.14 solicitation of grants; application requirements; procedures for payment of financial
36.15 assistance awards; and a schedule for application, evaluation, and award of financial
36.16 assistance.

36.17 (b) An application must include:

36.18 (1) a detailed and specific description of the project;

36.19 (2) an estimate, along with necessary supporting evidence, of the total costs for the
36.20 project and the allocation of identified and proposed funding sources for the project;

36.21 (3) an assessment of the need for and benefits of the project;

36.22 (4) a resolution adopted by the governing body of the school for which a safe routes
36.23 to school grant is requested, certifying that: (i) the governing body of the school supports
36.24 the project; and (ii) funds, if any, required to be supplied by the school to complete the
36.25 project are available and committed;

36.26 (5) a timeline indicating the major milestones of the project and their anticipated
36.27 completion dates; and

36.28 (6) any additional information or material the commissioner prescribes.

36.29 (c) The commissioner shall make reasonable efforts to (1) publicize each solicitation
36.30 for applications among all eligible recipients, and (2) provide technical and informational
36.31 assistance in creating and submitting applications.

36.32 (d) By January 1, 2013, the commissioner of transportation shall publish and
36.33 maintain a manual on the safe routes to school program that assists applicants for and
36.34 recipients of financial assistance. The manual must include identification of eligibility
36.35 and general program requirements, explanation of the application process, and review of
36.36 criteria for evaluation of projects.

37.1 Subd. 6. **Evaluation criteria.** The commissioner shall establish criteria for
37.2 evaluation of applications and selection of projects. The criteria must include:

37.3 (1) establishment or capital improvement of transportation infrastructure that
37.4 improves safety and encourages nonmotorized transportation to and from a school;

37.5 (2) compliance with all applicable requirements for capital infrastructure projects
37.6 established by the Federal Highway Administration, U.S. Department of Transportation,
37.7 for the federal program; and

37.8 (3) other components as determined by the commissioner.

37.9 Subd. 7. **Grant cancellation.** If, five years after execution of a grant agreement,
37.10 the commissioner determines that the grantee has not proceeded in a timely manner
37.11 with implementation of the project funded, the commissioner must cancel the grant
37.12 and the grantee must repay to the commissioner all grant money paid to the grantee.
37.13 Section 16A.642 applies to any appropriations made from the bond proceeds fund to the
37.14 commissioner under this section that have not been awarded as financial assistance.

37.15 Subd. 8. **Legislative report.** By November 1 annually, the commissioner shall
37.16 submit a report on the safe routes to school program to the chairs and ranking minority
37.17 members of the house of representatives and senate committees with jurisdiction over
37.18 transportation policy and finance. The report must at a minimum:

37.19 (1) summarize program implementation;

37.20 (2) provide an overview of grant evaluation and criteria used in project selection;

37.21 (3) provide a brief description of each project funded in the previous fiscal year,
37.22 including the amount of money provided from each safe routes to school account under
37.23 this section and the amount provided under the federal program;

37.24 (4) summarize the status of the federal program or successor legislation; and

37.25 (5) identify any recommendations for legislative changes, including proposals to
37.26 improve program effectiveness.

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

37.28 Sec. 42. Minnesota Statutes 2010, section 221.091, subdivision 2, is amended to read:

37.29 Subd. 2. **Small vehicle passenger service.** ~~(a)~~ A city that licenses and regulates
37.30 small vehicle passenger service must do so by ordinance. The ordinance must, at a
37.31 minimum, provide for driver qualifications, insurance, vehicle safety, and periodic vehicle
37.32 inspections. A city that has adopted an ordinance complying with this subdivision may
37.33 enforce the registration requirement in section 221.021.

37.34 ~~(b) A person who provides small vehicle passenger service to an individual for the~~
37.35 ~~purpose of obtaining nonemergency medical care and who receives reimbursement under~~

38.1 ~~section 256B.0625, subdivision 17, for providing the service, must comply with the rules~~
38.2 ~~of the commissioner adopted under section 174.30.~~

38.3 Sec. 43. Minnesota Statutes 2010, section 222.63, subdivision 9, is amended to read:

38.4 Subd. 9. **Rail bank property use; petty misdemeanors penalties.** (a) Except
38.5 for the actions of road authorities and their agents, employees, and contractors, and of
38.6 utilities, in carrying out their duties imposed by permit, law, or contract, and except
38.7 as otherwise provided in this section, it is unlawful to knowingly perform any of the
38.8 following activities on rail bank property:

38.9 (1) obstruct any trail;

38.10 (2) deposit snow or ice;

38.11 (3) remove or place any earth, vegetation, gravel, or rock without authorization;

38.12 (4) obstruct or remove any ditch-draining device, or drain any harmful or dangerous
38.13 materials;

38.14 (5) erect a fence, or place or maintain any advertising, sign, or memorial, except
38.15 upon authorization by the commissioner of transportation;

38.16 (6) remove, injure, displace, or destroy right-of-way markers or reference or witness
38.17 monuments or markers placed to preserve section or quarter-section corners defining
38.18 rail bank property limits;

38.19 (7) drive upon any portion of rail bank property, except at approved crossings, and
38.20 except where authorized for snowmobiles, emergency vehicles, maintenance vehicles, or
38.21 other vehicles authorized to use rail bank property;

38.22 (8) deface, mar, damage, or tamper with any structure, work, material, sign, marker,
38.23 paving, guardrail, drain, or any other rail bank appurtenance; ~~or~~

38.24 (9) park, overhang, or abandon any unauthorized vehicle or implement of husbandry
38.25 on, across, or over the limits of rail bank property;

38.26 (10) plow, disc, or perform any other detrimental operation; or

38.27 (11) place or maintain any permanent structure.

38.28 (b) Unless a greater penalty is provided elsewhere in statute, ~~any~~ a violation of this
38.29 subdivision is a petty misdemeanor. A second or subsequent violation is a misdemeanor.

38.30 (c) The cost to remove, repair, or perform any other corrective action necessitated by
38.31 a violation of this subdivision may be charged to the violator.

38.32 Sec. 44. Minnesota Statutes 2010, section 296A.07, subdivision 4, is amended to read:

38.33 Subd. 4. **Exemptions.** The provisions of subdivision 1 do not apply to gasoline or
38.34 denatured ethanol purchased by:

39.1 (1) a transit system or transit provider receiving financial assistance or
39.2 reimbursement under section 174.24, 256B.0625, subdivision 17, or 473.384;

39.3 (2) providers of transportation to recipients of medical assistance home and
39.4 community-based services waivers enrolled in day programs, including adult day care,
39.5 family adult day care, day treatment and habilitation, prevocational services, and
39.6 structured day services;

39.7 (3) an ambulance service licensed under chapter 144E; ~~or~~

39.8 (4) providers of medical or dental services by a federally qualified health center,
39.9 as defined under title 19 of the Social Security Act, as amended by Section 4161 of the
39.10 Omnibus Budget Reconciliation Act of 1990 with a motor vehicle used exclusively as a
39.11 mobile medical unit; or

39.12 ~~(3)~~ (5) a licensed distributor to be delivered to a terminal for use in blending.

39.13 **EFFECTIVE DATE.** Clause (2) is effective retroactively from January 1, 2012,
39.14 and clause (4) is effective retroactively from January 1, 2011.

39.15 Sec. 45. Minnesota Statutes 2010, section 296A.08, subdivision 3, is amended to read:

39.16 Subd. 3. **Exemptions.** The provisions of subdivisions 1 and 2 do not apply to
39.17 special fuel or alternative fuels purchased by:

39.18 (1) a transit system or transit provider receiving financial assistance or
39.19 reimbursement under section 174.24, 256B.0625, subdivision 17, or 473.384;

39.20 (2) providers of transportation to recipients of medical assistance home and
39.21 community-based services waivers enrolled in day programs, including adult day care,
39.22 family adult day care, day treatment and habilitation, prevocational services, and
39.23 structured day services;

39.24 (3) an ambulance service licensed under chapter 144E; ~~or~~

39.25 (4) providers of medical or dental services by a federally qualified health center,
39.26 as defined under title 19 of the Social Security Act, as amended by Section 4161 of the
39.27 Omnibus Budget Reconciliation Act of 1990 with a motor vehicle used exclusively as a
39.28 mobile medical unit; or

39.29 ~~(3)~~ (5) a licensed distributor to be delivered to a terminal for use in blending.

39.30 **EFFECTIVE DATE.** Clause (2) is effective retroactively from January 1, 2012,
39.31 and clause (4) is effective retroactively from January 1, 2011.

39.32 Sec. 46. Minnesota Statutes 2010, section 297A.68, subdivision 19, is amended to read:

39.33 Subd. 19. **Petroleum products.** The following petroleum products are exempt:

40.1 (1) products upon which a tax has been imposed and paid under chapter 296A,
40.2 and for which no refund has been or will be allowed because the buyer used the fuel
40.3 for nonhighway use;

40.4 (2) products that are used in the improvement of agricultural land by constructing,
40.5 maintaining, and repairing drainage ditches, tile drainage systems, grass waterways, water
40.6 impoundment, and other erosion control structures;

40.7 (3) products purchased by a transit system receiving financial assistance under
40.8 section 174.24, 256B.0625, subdivision 17, or 473.384;

40.9 (4) products purchased by an ambulance service licensed under chapter 144E;

40.10 (5) products used in a passenger snowmobile, as defined in section 296A.01,
40.11 subdivision 39, for off-highway business use as part of the operations of a resort as
40.12 provided under section 296A.16, subdivision 2, clause (2); ~~or~~

40.13 (6) products purchased by a state or a political subdivision of a state for use in motor
40.14 vehicles exempt from registration under section 168.012, subdivision 1, paragraph (b);

40.15 (7) products purchased by providers of transportation to recipients of medical
40.16 assistance home and community-based services waivers enrolled in day programs,
40.17 including adult day care, family adult day care, day treatment and habilitation,
40.18 prevocational services, and structured day services; or

40.19 (8) products used in a motor vehicle used exclusively as a mobile medical unit
40.20 for the provision of medical or dental services by a federally qualified health center, as
40.21 defined under title 19 of the federal Social Security Act, as amended by Section 4161 of
40.22 the Omnibus Budget Reconciliation Act of 1990.

40.23 **EFFECTIVE DATE.** Clause (7) is effective retroactively from January 1, 2012,
40.24 and clause (8) is effective retroactively from January 1, 2011.

40.25 Sec. 47. Minnesota Statutes 2011 Supplement, section 297B.03, is amended to read:

40.26 **297B.03 EXEMPTIONS.**

40.27 There is specifically exempted from the provisions of this chapter and from
40.28 computation of the amount of tax imposed by it the following:

40.29 (1) purchase or use, including use under a lease purchase agreement or installment
40.30 sales contract made pursuant to section 465.71, of any motor vehicle by the United States
40.31 and its agencies and instrumentalities and by any person described in and subject to the
40.32 conditions provided in section 297A.67, subdivision 11;

40.33 (2) purchase or use of any motor vehicle by any person who was a resident of
40.34 another state or country at the time of the purchase and who subsequently becomes a

41.1 resident of Minnesota, provided the purchase occurred more than 60 days prior to the date
41.2 such person began residing in the state of Minnesota and the motor vehicle was registered
41.3 in the person's name in the other state or country;

41.4 (3) purchase or use of any motor vehicle by any person making a valid election to be
41.5 taxed under the provisions of section 297A.90;

41.6 (4) purchase or use of any motor vehicle previously registered in the state of
41.7 Minnesota when such transfer constitutes a transfer within the meaning of section 118,
41.8 331, 332, 336, 337, 338, 351, 355, 368, 721, 731, 1031, 1033, or 1563(a) of the Internal
41.9 Revenue Code;

41.10 (5) purchase or use of any vehicle owned by a resident of another state and leased
41.11 to a Minnesota-based private or for-hire carrier for regular use in the transportation of
41.12 persons or property in interstate commerce provided the vehicle is titled in the state of
41.13 the owner or secured party, and that state does not impose a sales tax or sales tax on
41.14 motor vehicles used in interstate commerce;

41.15 (6) purchase or use of a motor vehicle by a private nonprofit or public educational
41.16 institution for use as an instructional aid in automotive training programs operated by the
41.17 institution. "Automotive training programs" includes motor vehicle body and mechanical
41.18 repair courses but does not include driver education programs;

41.19 (7) purchase of a motor vehicle by an ambulance service licensed under section
41.20 144E.10 when that vehicle is equipped and specifically intended for emergency response
41.21 or for providing ambulance service;

41.22 (8) purchase of a motor vehicle by or for a public library, as defined in section
41.23 134.001, subdivision 2, as a bookmobile or library delivery vehicle;

41.24 (9) purchase of a ready-mixed concrete truck;

41.25 (10) purchase or use of a motor vehicle by a town for use exclusively for road
41.26 maintenance, including snowplows and dump trucks, but not including automobiles,
41.27 vans, or pickup trucks;

41.28 (11) purchase or use of a motor vehicle by a corporation, society, association,
41.29 foundation, or institution organized and operated exclusively for charitable, religious,
41.30 or educational purposes, except a public school, university, or library, but only if the
41.31 vehicle is:

41.32 (i) a truck, as defined in section 168.002, a bus, as defined in section 168.002, or a
41.33 passenger automobile, as defined in section 168.002, if the automobile is designed and
41.34 used for carrying more than nine persons including the driver; and

42.1 (ii) intended to be used primarily to transport tangible personal property or
42.2 individuals, other than employees, to whom the organization provides service in
42.3 performing its charitable, religious, or educational purpose;

42.4 (12) purchase of a motor vehicle for use by a transit provider exclusively to provide
42.5 transit service is exempt if the transit provider is either (i) receiving financial assistance or
42.6 reimbursement under section 174.24 or 473.384, or (ii) operating under section 174.29,
42.7 473.388, or 473.405;

42.8 (13) purchase or use of a motor vehicle by a qualified business, as defined in section
42.9 469.310, located in a job opportunity building zone, if the motor vehicle is principally
42.10 garaged in the job opportunity building zone and is primarily used as part of or in direct
42.11 support of the person's operations carried on in the job opportunity building zone. The
42.12 exemption under this clause applies to sales, if the purchase was made and delivery
42.13 received during the duration of the job opportunity building zone. The exemption under
42.14 this clause also applies to any local sales and use tax; ~~and~~

42.15 (14) purchase of a leased vehicle by the lessee who was a participant in a
42.16 lease-to-own program from a charitable organization that is:

42.17 (i) described in section 501(c)(3) of the Internal Revenue Code; and

42.18 (ii) licensed as a motor vehicle lessor under section 168.27, subdivision 4; and

42.19 (15) purchase of a motor vehicle used exclusively as a mobile medical unit for the
42.20 provision of medical or dental services by a federally qualified health center, as defined
42.21 under title 19 of the Social Security Act, as amended by section 4161 of the Omnibus
42.22 Budget Reconciliation Act of 1990.

42.23 **EFFECTIVE DATE.** This section is effective retroactively for sales and purchases
42.24 made on and after January 1, 2011.

42.25 Sec. 48. Minnesota Statutes 2010, section 299D.085, subdivision 2, is amended to read:

42.26 Subd. 2. **Certificate.** Except as provided in subdivision 2a, no person may operate
42.27 as an overdimensional load escort driver in this state without a certificate issued by the
42.28 commissioner, or by a state with which the commissioner has entered into a reciprocal
42.29 agreement. The commissioner shall assess a fee for each certificate applicant, calculated
42.30 to cover the commissioner's cost of establishing and administering the program.

42.31 **EFFECTIVE DATE.** This section is effective the day following final enactment
42.32 and expires on the December 31 that occurs immediately after two years following the
42.33 publication in the State Register of rules adopted under Laws 2010, chapter 311, section 3,
42.34 subdivision 5.

43.1 Sec. 49. Minnesota Statutes 2010, section 299D.085, is amended by adding a
43.2 subdivision to read:

43.3 Subd. 2a. **Exceptions.** A person who is a minimum of 18 years of age, possesses a
43.4 valid operator's license for the type of vehicle being operated, and meets vehicle and safety
43.5 equipment standards specified by the commissioner may operate without a certificate as an
43.6 overdimensional load escort driver when: (1) the load consists of manufactured homes,
43.7 as defined in section 327.31, subdivision 6, or modular homes, as defined in section
43.8 272.02, subdivision 85, paragraph (c); (2) the load does not extend over the centerline of a
43.9 roadway; and (3) the vehicle carrying the overdimensional load is not routed to travel the
43.10 wrong way on a roadway.

43.11 **EFFECTIVE DATE.** This section is effective the day following final enactment
43.12 and expires on the December 31 that occurs immediately after two years following the
43.13 publication in the State Register of rules adopted under Laws 2010, chapter 311, section 3,
43.14 subdivision 5.

43.15 Sec. 50. Minnesota Statutes 2010, section 299D.09, is amended to read:

43.16 **299D.09 ESCORT SERVICE; APPROPRIATION; RECEIPTS.**

43.17 Fees charged for escort services provided by the State Patrol are annually
43.18 appropriated to the commissioner of public safety to administer and provide these services.

43.19 The ~~fees~~ fee charged for services provided by the State Patrol with a vehicle ~~are~~
43.20 ~~\$73.60~~ is \$79.28 an hour ~~in fiscal year 2008 and \$75.76 an hour in fiscal year 2009 and~~
43.21 ~~thereafter.~~ The ~~fees~~ fee charged for services provided without a vehicle ~~are \$54~~ is \$59.28
43.22 ~~an hour in fiscal year 2008 and \$56.16 an hour in fiscal year 2009 and thereafter.~~

43.23 The fees charged for State Patrol flight services are \$140 an hour for a fixed wing
43.24 aircraft, \$490 an hour for a helicopter, and \$600 an hour for the Queen Air in fiscal year
43.25 2012, and \$139.64 an hour for a fixed wing aircraft, \$560.83 an hour for a helicopter, and
43.26 \$454.84 an hour for the Queen Air in fiscal year 2013 and in fiscal year 2014.

43.27 **EFFECTIVE DATE.** This section is effective July 1, 2012.

43.28 Sec. 51. Minnesota Statutes 2010, section 325F.6641, is amended to read:

43.29 **325F.6641 DISCLOSURE OF MOTOR VEHICLE DAMAGE.**

43.30 Subdivision 1. **Damage.** (a) If a ~~motor~~ late-model vehicle, as defined in section
43.31 168A.01, subdivision 8a, has sustained damage by collision or other occurrence which
43.32 exceeds ~~70~~ 80 percent of its actual cash value immediately prior to sustaining damage, the
43.33 seller must disclose that fact to the buyer, if the seller has actual knowledge of the damage.

44.1 The amount of damage is determined by the retail cost of repairing the vehicle based on a
44.2 complete written retail repair estimate or invoice, ~~exclusive of the actual cost incurred to~~
44.3 ~~repair, replace, or reinstall inflatable safety restraints and other vehicle components that~~
44.4 ~~must be replaced due to the deployment of the inflatable safety restraints.~~

44.5 (b) The disclosure required under this subdivision must be made in writing on the
44.6 application for title and registration or other transfer document, in a manner prescribed
44.7 by the registrar of motor vehicles. The registrar shall revise the certificate of title form,
44.8 including the assignment by seller (transferor) and reassignment by licensed dealer
44.9 sections of the form, the separate application for title forms, and other transfer documents
44.10 to accommodate this disclosure. If the seller is a motor vehicle dealer licensed pursuant to
44.11 section 168.27, the disclosure required by this section must be made orally by the dealer to
44.12 the prospective buyer in the course of the sales presentation.

44.13 (c) Upon transfer and application for title to a vehicle covered by this subdivision,
44.14 the registrar shall record the term "rebuilt" on the first Minnesota certificate of title and all
44.15 subsequent Minnesota certificates of title used for that vehicle.

44.16 Subd. 2. **Form of disclosure.** The disclosure required in this section must be made
44.17 in substantially the following form: "To the best of my knowledge, this vehicle has
44.18 has not sustained damage, ~~exclusive of any costs to repair, replace, or reinstall air bags~~
44.19 ~~and other components that were replaced due to deployment of air bags,~~ in excess of
44.20 ~~70~~ 80 percent actual cash value."

44.21 Sec. 52. Minnesota Statutes 2010, section 325F.6644, subdivision 1, is amended to
44.22 read:

44.23 Subdivision 1. **Damage disclosure.** Section 325F.6641 does not apply to ~~vehicles~~
44.24 ~~that are six years old or older as calculated from the first day of January of the designated~~
44.25 ~~model year or to~~ commercial motor vehicles with a gross vehicle weight rating of 16,000
44.26 pounds or more or to motorcycles.

44.27 Sec. 53. **DISTANCE-BASED FARE SURCHARGE; PILOT PROGRAM.**

44.28 Subdivision 1. Pilot program authorized. Notwithstanding Minnesota Statutes,
44.29 section 473.408, subdivision 2a, or any other law to the contrary, replacement service
44.30 transit providers operating under Minnesota Statutes, section 473.388, may establish a
44.31 pilot program that adds a distance-based surcharge to standard transit fares.

44.32 Subd. 2. Pilot program restrictions. (a) A replacement service transit provider
44.33 exercising its authority under subdivision 1 may only impose a distance-based surcharge
44.34 on routes with a total length greater than 15 miles.

45.1 (b) Any distance-based surcharge imposed must be prorated on the basis of the
45.2 distance traveled by the rider paying the surcharge.

45.3 Subd. 3. **Reporting requirements.** By August 1 of each year a pilot program is
45.4 in effect, the replacement service transit provider imposing the distance-based surcharge
45.5 shall submit to the chairs and ranking minority members of the house of representatives
45.6 and senate committees having jurisdiction over transportation policy and finance a
45.7 report detailing the activities of the pilot program. The report shall include information
45.8 specifying the total revenue collected from the distance-based surcharge and the average
45.9 surcharge collected per rider, analyzing any impact the surcharge has had on the fare
45.10 policy considerations under Minnesota Statutes, section 473.408, subdivision 2, and any
45.11 other information requested by the chairs of the house of representatives and senate
45.12 committees having jurisdiction over transportation policy and finance.

45.13 **EFFECTIVE DATE.** This section is effective the day following final enactment
45.14 and expires on January 1, 2016.

45.15 Sec. 54. **REPORTS ON USE OF CONSTRUCTION MANAGER/GENERAL**
45.16 **CONTRACTOR METHOD.**

45.17 Subdivision 1. **Submission of reports.** The commissioner shall report on experience
45.18 with and evaluation of the construction manager/general contractor method of contracting
45.19 authorized in Minnesota Statutes, sections 161.3207 to 161.3209. The reports must be
45.20 submitted to the chairs and ranking minority members of the legislative committees with
45.21 jurisdiction over transportation policy or transportation finance and in compliance with
45.22 Minnesota Statutes, sections 3.195 and 3.197. An interim report must be submitted
45.23 no later than 12 months following the commissioner's acceptance of five construction
45.24 manager/general contractor contracts. A final report must be submitted no later than 12
45.25 months following the commissioner's acceptance of ten construction manager/general
45.26 contractor contracts.

45.27 Subd. 2. **Content of reports.** The reports must include: (1) a description of
45.28 circumstances of any projects as to which construction manager/general contractor
45.29 requests for qualifications or requests for proposals were solicited, followed by a
45.30 cancellation of the solicitation; (2) a description of projects as to which construction
45.31 manager/general contractor method was utilized; (3) a comparison of project cost
45.32 estimates with final project costs, if available; and (4) evaluation of the construction
45.33 manager/general contractor method of procurement with respect to implications for
45.34 project cost, use of innovative techniques, completion time, and obtaining maximum
45.35 value. The final report must also include recommendations as to continued use of the

46.1 program and desired modifications to the program, and recommended legislation to
46.2 continue, discontinue, or modify the program.

46.3 **EFFECTIVE DATE.** This section is effective the day following final enactment
46.4 and expires one year following the acceptance of ten construction manager/general
46.5 contractor contracts.

46.6 Sec. 55. **MUNICIPAL STATE-AID STREET FUND 2013 ALLOCATION.**

46.7 (a) Notwithstanding Minnesota Statutes, section 162.13, subdivision 1, the
46.8 commissioner of transportation shall allocate the apportionment sum available in the
46.9 municipal state-aid street fund, following the deductions under Minnesota Statutes, section
46.10 162.12, as provided in this section.

46.11 (b) The commissioner shall identify a remuneration sum for each city that:

46.12 (1) qualifies for municipal state-aid street funds under Minnesota Statutes, section
46.13 162.09, subdivision 4a; and

46.14 (2) was not allocated municipal state-aid street funds for calendar year 2012.

46.15 (c) The remuneration sum for each city equals the amount the city received under
46.16 the allocation of municipal state-aid street funds for calendar year 2011.

46.17 (d) For the calendar year 2013 allocation only, the commissioner shall:

46.18 (1) allocate to the appropriate city an amount from the apportionment sum equal
46.19 to the remuneration sum calculated in paragraph (c); and

46.20 (2) allocate the remaining apportionment sum as provided under Minnesota Statutes,
46.21 section 162.13, subdivision 1.

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

46.23 Sec. 56. **TRANSFER OF MONEY FROM MUNICIPAL STATE-AID STREET**
46.24 **FUND FOR MUNICIPAL BOND DEBT SERVICE.**

46.25 Subdivision 1. **Definitions.** For purposes of this section, the following definitions
46.26 apply:

46.27 (1) "bonds" means municipal general obligation bonds dated July 17, 2008, of which
46.28 the original principal amount of \$1,055,000 applies to state-aid streets; and

46.29 (2) "city" means a city that:

46.30 (i) issued bonds;

46.31 (ii) received municipal state-aid distributions immediately before the 2010 federal
46.32 decennial census; and

47.1 (iii) was found in the 2010 federal decennial census to have fewer than 5,000
47.2 population.

47.3 Subd. 2. **Population.** In any calendar year in which the city is not eligible, other than
47.4 as provided by this section, to receive a municipal state-aid street fund apportionment, the
47.5 city is deemed to have a population of 5,000 or more solely for the purposes of Minnesota
47.6 Statutes, section 162.18, and solely with respect to the bonds defined in this section.

47.7 Subd. 3. **Deposit in sinking fund.** The commissioner of management and budget
47.8 shall, until the bonds are retired, issue a warrant annually in the amount certified by the
47.9 commissioner of transportation as needed by the city for the principal and interest, to the
47.10 fiscal officer of the city, and the amount must be deposited by the fiscal officer in the
47.11 sinking fund from which the principal and interest on the bonds are payable.

47.12 Subd. 4. **Transfer from municipal state-aid street fund.** In each year in which
47.13 the city is not eligible to receive a municipal state-aid street fund apportionment, other
47.14 than as provided by this section, the commissioner of transportation shall, following the
47.15 deductions under Minnesota Statutes, section 162.12, transfer from the municipal state-aid
47.16 street fund to the city's maintenance account money sufficient to pay the principal and
47.17 interest on the bonds as they become due.

47.18 Subd. 5. **Allocation of remaining municipal state-aid apportionment sum.**
47.19 The commissioner of transportation shall allocate the remaining apportionment sum as
47.20 provided under Minnesota Statutes, section 162.13, subdivision 1.

47.21 **EFFECTIVE DATE.** This section is effective the day following final enactment
47.22 and expires on the earlier of the day after the bonds are retired or the day after the
47.23 commissioner of management and budget has, under this section or under Minnesota
47.24 Statutes, section 162.18, transferred to the city's sinking fund an amount that will be
47.25 sufficient to retire the bonds.

47.26 Sec. 57. **WATER PERMITTING PROCESSES FOR TRANSPORTATION**
47.27 **PROJECTS; REPORT.**

47.28 By November 15, 2012, the commissioners of transportation, natural resources, and
47.29 the Pollution Control Agency, in consultation with local road authorities and the Board of
47.30 Water and Soil Resources, shall submit recommendations to the house of representatives
47.31 and senate committees and divisions with primary jurisdiction over environment and
47.32 natural resources policy and finance and transportation policy and finance on how
47.33 water-related permitting for transportation projects can best be streamlined through
47.34 creation of a single point of issuance system. The recommendations shall specifically:

48.1 (1) outline a single point of issuance system in which road authorities applying
 48.2 for state water permits would interact with a single state agency serving as the sole
 48.3 intermediary on behalf of all state agencies with an interest in a road authority's water
 48.4 permit application;

48.5 (2) provide a goal for the maximum number of days that the state believes are
 48.6 necessary to issue final water permitting decisions;

48.7 (3) identify how state entities with current oversight authority over water permitting
 48.8 decisions would allocate resources to accommodate a single point of issuance system; and

48.9 (4) suggest strategies to enhance the coordination of federal and state water
 48.10 permitting information gathering and decision-making.

48.11 **Sec. 58. REVISOR'S INSTRUCTION.**

48.12 The revisor of statutes shall renumber the provisions of Minnesota Statutes listed
 48.13 in column A to the references listed in column B. The revisor shall also make necessary
 48.14 cross-reference changes in Minnesota Statutes consistent with the renumbering.

	<u>Column A</u>	<u>Column B</u>
48.15		
48.16	<u>169.011, subdivision 83</u>	<u>168B.011, subdivision 12a</u>
48.17	<u>169.041</u>	<u>168B.035</u>
48.18	<u>169.64, subdivision 5</u>	<u>168B.16</u>
48.19	<u>169.86, subdivision 8</u>	<u>168B.15</u>
48.20	<u>465.75</u>	<u>168B.14</u>
48.21	<u>514.18, subdivision 1a</u>	<u>168B.045</u>

48.22 **Sec. 59. REPEALER.**

48.23 Minnesota Rules, parts 8810.9000; 8810.9100; 8810.9200; 8810.9300; 8810.9400;
 48.24 8810.9500; 8810.9600; and 8810.9700, are repealed.

48.25 **ARTICLE 2**

48.26 **TRUNK HIGHWAY FUND APPROPRIATIONS**

48.27 Section 1. **TRUNK HIGHWAY**
 48.28 **APPROPRIATION** **\$ 17,530,000**

48.29 **Subdivision 1. Appropriation for**
 48.30 **Transportation**

48.31 This appropriation is to the commissioner of
 48.32 transportation for the purposes specified in
 48.33 this section.

- 49.1 Unless otherwise specified, this appropriation
 49.2 is for fiscal year 2013 from the trunk highway
 49.3 fund and is available until expended.
- 49.4 **Subd. 2. Willmar District Headquarters** 7,500,000
- 49.5 To design, construct, furnish, and equip a
 49.6 maintenance facility addition to the existing
 49.7 Willmar district headquarters building,
 49.8 and corresponding remodeling of the
 49.9 headquarters building.
- 49.10 **Subd. 3. Plymouth Truck Station** 5,600,000
- 49.11 To construct and equip a new truck station
 49.12 and bridge crew building in Plymouth.
- 49.13 **Subd. 4. Cambridge Truck Station** 3,300,000
- 49.14 To design, construct, furnish, and equip a new
 49.15 truck station facility in Cambridge, including
 49.16 ancillary buildings and site improvements.
- 49.17 **Subd. 5. Crookston, Eden Prairie, and**
 49.18 **Mendota Truck Station Design** 1,100,000
- 49.19 To design new additions to the existing truck
 49.20 station buildings in Crookston, Eden Prairie,
 49.21 and Mendota.
- 49.22 **Subd. 6. Overweight Motor Vehicle**
 49.23 **Registration Collection** 30,000
- 49.24 To modify Department of Transportation
 49.25 permit system to allow the department
 49.26 to collect additional registration taxes for
 49.27 overweight motor vehicles.
- 49.28 This appropriation is only available if
 49.29 legislation is enacted in the 2012 legislative
 49.30 session authorizing the commissioner to
 49.31 collect a surcharge or additional registration
 49.32 tax on motor vehicles.
- 49.33 **Sec. 2. EFFECTIVE DATE.**

50.1 This article is effective the day following final enactment.

50.2 **ARTICLE 3**

50.3 **TRUNK HIGHWAY BONDS**

50.4 Section 1. **ROCHESTER MAINTENANCE FACILITY.**

50.5 \$16,100,000 is appropriated to the commissioner of transportation to design,
50.6 construct, furnish, and equip the maintenance facility in Rochester and corresponding
50.7 remodeling of the existing district headquarters building. This appropriation is from the
50.8 bond proceeds account in the trunk highway fund.

50.9 Sec. 2. **FLOOD MITIGATION.**

50.10 \$10,000,000 is appropriated from the bond proceeds account in the trunk highway
50.11 fund to the commissioner of transportation to provide supplemental funds for one project
50.12 that, prior to the effective date of this section, has been awarded or allocated funding under
50.13 the department's flood mitigation program. Notwithstanding Minnesota Statutes, section
50.14 16A.642, this appropriation is available until expended.

50.15 Sec. 3. **BOND SALE EXPENSES.**

50.16 \$30,000 is appropriated from the bond proceeds account in the trunk highway fund
50.17 to the commissioner of management and budget for bond sale expenses under Minnesota
50.18 Statutes, section 167.50, subdivision 4.

50.19 Sec. 4. **TRUNK HIGHWAY FUND BOND PROCEEDS ACCOUNT.**

50.20 To provide the money appropriated in this article from the bond proceeds account
50.21 in the trunk highway fund, the commissioner of management and budget shall sell and
50.22 issue bonds of the state in an amount up to \$26,130,000 in the manner, upon the terms,
50.23 and with the effect prescribed by Minnesota Statutes, sections 167.50 to 167.52, and
50.24 by the Minnesota Constitution, article XIV, section 11, at the times and in the amounts
50.25 requested by the commissioner of transportation. The proceeds of the bonds, except
50.26 accrued interest and any premium received from the sale of the bonds, must be credited
50.27 to the bond proceeds account in the trunk highway fund.

50.28 Sec. 5. **EFFECTIVE DATE.**

50.29 This article is effective the day following final enactment.