

State of Minnesota

HOUSE OF REPRESENTATIVES

EIGHTY-SEVENTH SESSION

H. F. No. **1284**

- 03/23/2011 Authored by Beard, Morrow, Nelson and Davids  
The bill was read for the first time and referred to the Committee on Transportation Policy and Finance
- 04/14/2011 Adoption of Report: Pass as Amended and Read Second Time
- 05/23/2011 Pursuant to Rule 4.20, re-referred to the Committee on Transportation Policy and Finance
- 02/13/2012 Adoption of Report: Pass as Amended and re-referred to Government Operations and Elections
- 02/27/2012 Adoption of Report: Pass as Amended and re-referred to the Committee on Ways and Means
- 03/30/2012 Adoption of Report: Pass as Amended and Read Second Time

1.1 A bill for an act  
 1.2 relating to transportation; modifying provisions governing transportation and  
 1.3 public safety policies, including bicycles and bikeways, highways and bridges,  
 1.4 motor vehicles, motor vehicle markings and equipment, traffic regulations,  
 1.5 driver education, driver licensing, driver's license exemptions, DWI violations,  
 1.6 alternative financing for transportation projects, contracting requirements, bus  
 1.7 operations, railroads, motor carriers and commercial drivers, aeronautics and  
 1.8 airports, and agency reporting; providing for rulemaking; removing obsolete  
 1.9 language; making technical and clarifying changes; repealing certain provisions;  
 1.10 appropriating money; amending Minnesota Statutes 2010, sections 85.015,  
 1.11 by adding a subdivision; 85.018, subdivisions 2, 4; 160.263, subdivision  
 1.12 2; 160.845; 160.93, subdivisions 1, 2; 161.14, subdivision 66, by adding  
 1.13 subdivisions; 161.321; 161.3212; 162.09, by adding a subdivision; 162.18,  
 1.14 subdivisions 1, 4; 168.012, subdivision 1; 168.013, by adding a subdivision;  
 1.15 168B.011, subdivision 12; 169.011, subdivision 27; 169.035, subdivision 1, by  
 1.16 adding a subdivision; 169.06, subdivisions 5, 7; 169.19, subdivision 5; 169.223,  
 1.17 subdivision 5; 169.306; 169.64, subdivision 2; 169.685, subdivision 6; 169.86,  
 1.18 subdivision 4; 169.99, subdivision 1b; 169A.54, subdivisions 1, 6; 171.03;  
 1.19 171.061, subdivision 4; 171.12, subdivision 6; 171.30, subdivision 1; 171.306,  
 1.20 subdivision 4; 174.02, by adding a subdivision; 174.56; 221.0314, subdivision  
 1.21 3a; 222.50, subdivision 4; 222.51; 222.53; 222.63, subdivision 9; Minnesota  
 1.22 Statutes 2011 Supplement, sections 168.12, subdivision 5; 169.86, subdivision  
 1.23 5; 171.05, subdivision 2; 171.075, subdivision 1; proposing coding for new law  
 1.24 in Minnesota Statutes, chapters 160; 171; repealing Minnesota Statutes 2010,  
 1.25 sections 161.08, subdivision 2; 168.012, subdivision 1b; 169A.54, subdivision 5;  
 1.26 222.48, subdivision 3a.

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

1.28 Section 1. Minnesota Statutes 2010, section 85.015, is amended by adding a  
 1.29 subdivision to read:

1.30 Subd. 1d. **Bicycle use of trails.** The commissioner may not prohibit or otherwise  
 1.31 restrict operation of an electric-assisted bicycle, as defined in section 169.011, subdivision  
 1.32 27, on any trail under this section for which bicycle use is permitted, unless the  
 1.33 commissioner determines that operation of the electric-assisted bicycle is not consistent

2.1 with (1) the safety or general welfare of trail users; or (2) the terms of any property  
2.2 conveyance.

2.3 Sec. 2. Minnesota Statutes 2010, section 85.018, subdivision 2, is amended to read:

2.4 Subd. 2. **Authority of local government.** (a) A local government unit that receives  
2.5 state grants-in-aid for any trail, with the concurrence of the commissioner, and the  
2.6 landowner or land lessee, may:

2.7 (1) designate the trail for use by snowmobiles or for nonmotorized use from  
2.8 December 1 to April 1 of any year; and

2.9 (2) issue any permit required under subdivisions 3 to 5.

2.10 (b) A local government unit that receives state grants-in-aid under section 84.794,  
2.11 subdivision 2, 84.803, subdivision 2, or 84.927, subdivision 2, for any trail, with the  
2.12 concurrence of the commissioner, and landowner or land lessee, may:

2.13 (1) designate the trail specifically for use at various times of the year by all-terrain or  
2.14 off-road vehicles or off-highway motorcycles, for nonmotorized use such as ski touring,  
2.15 snowshoeing, and hiking, and for multiple use, but not for motorized and nonmotorized  
2.16 use at the same time; and

2.17 (2) issue any permit required under subdivisions 3 to 5.

2.18 (c) A local unit of government that receives state grants-in-aid for any trail, with the  
2.19 concurrence of the commissioner and landowner or land lessee, may designate certain  
2.20 trails for joint use by snowmobiles, off-highway motorcycles, all-terrain vehicles, and  
2.21 off-road vehicles.

2.22 (d) A local unit of government may not prohibit or otherwise restrict operation of an  
2.23 electric-assisted bicycle, as defined in section 169.011, subdivision 27, on any trail under  
2.24 this section designated for bicycle use or nonmotorized use that includes bicycles, unless  
2.25 the local unit of government determines that operation of the electric-assisted bicycle is  
2.26 not consistent with (1) the safety or general welfare of trail users; or (2) the terms of  
2.27 any property conveyance.

2.28 Sec. 3. Minnesota Statutes 2010, section 85.018, subdivision 4, is amended to read:

2.29 Subd. 4. **Nonmotorized use trails.** No motorized vehicle shall be operated on a  
2.30 trail designated for nonmotorized use. This subdivision does not apply to (1) motorized  
2.31 wheelchairs or other motorized devices operated by an individual who is physically  
2.32 disabled or (2) electric-assisted bicycles, as defined in section 169.011, subdivision 27.

2.33 Sec. 4. Minnesota Statutes 2010, section 160.263, subdivision 2, is amended to read:

3.1 Subd. 2. **Powers of political subdivisions.** (a) The governing body of any political  
 3.2 subdivision may by ordinance or resolution:

3.3 (1) designate any roadway or shoulder or portion thereof under its jurisdiction as  
 3.4 a bicycle lane or bicycle route;

3.5 (2) designate any sidewalk or portion thereof under its jurisdiction as a bicycle path  
 3.6 provided that the designation does not destroy a pedestrian way or pedestrian access;

3.7 (3) develop and designate bicycle paths;

3.8 (4) designate as bikeways all bicycle lanes, bicycle routes, and bicycle paths.

3.9 (b) A governing body may not prohibit or otherwise restrict operation of an  
 3.10 electric-assisted bicycle, as defined in section 169.011, subdivision 27, on any bikeway,  
 3.11 roadway, or shoulder, unless the governing body determines that operation of the  
 3.12 electric-assisted bicycle is not consistent with (1) the safety or general welfare of bikeway,  
 3.13 roadway, or shoulder users; or (2) the terms of any property conveyance.

3.14 Sec. 5. **[160.266] MISSISSIPPI RIVER TRAIL.**

3.15 Subdivision 1. **Definitions.** For the purposes of this section:

3.16 (1) "bicycle path" has the meaning given in section 169.011, subdivision 6; and

3.17 (2) "bikeway" has the meaning given in section 169.011, subdivision 9.

3.18 Subd. 2. **Creation.** The commissioner, in cooperation with road and trail authorities  
 3.19 including the commissioner of natural resources, shall identify a bikeway that originates at  
 3.20 Itasca State Park in Clearwater, Beltrami, and Hubbard Counties, then generally parallels  
 3.21 the Mississippi River through the cities of Bemidji in Beltrami County, Grand Rapids in  
 3.22 Itasca County, Brainerd in Crow Wing County, Little Falls in Morrison County, Sauk  
 3.23 Rapids in Benton County, St. Cloud in Stearns County, Minneapolis in Hennepin County,  
 3.24 St. Paul in Ramsey County, Hastings in Dakota County, Red Wing in Goodhue County,  
 3.25 Wabasha in Wabasha County, Winona in Winona County, and La Crescent in Houston  
 3.26 County to Minnesota's boundary with Iowa and there terminates. Where opportunities  
 3.27 exist, the bikeway may be designated on both sides of the Mississippi River.

3.28 Subd. 3. **Connections with other bikeways.** (a) The commissioner, in cooperation  
 3.29 with road and trail authorities including the commissioner of natural resources, shall:

3.30 (1) identify existing bikeways of regional significance that are in reasonable  
 3.31 proximity but not connected to the bikeway established in this section, including but not  
 3.32 limited to the Lake Wobegon Trail in the counties of Stearns and Todd; and

3.33 (2) support development of linkages between bikeways identified under clause (1)  
 3.34 and the bikeway established in this section.

4.1 (b) The requirements of this subdivision are a secondary priority for use of funds  
4.2 available under this section following establishment and enhancement of the bikeway  
4.3 under subdivision 1.

4.4 Subd. 4. **Cooperation with other entities.** The commissioner may contract and  
4.5 enter into agreements with federal agencies, other state agencies, local governments, and  
4.6 private entities to establish, develop, maintain, and operate the bikeway and to interpret  
4.7 associated natural and cultural resources.

4.8 Subd. 5. **Funding.** Bicycle paths included within the bikeway and not administered  
4.9 by the commissioner of natural resources are eligible for funding from the environment  
4.10 and natural resources trust fund under chapter 116P, from the parks and trails grant  
4.11 program under section 85.535, from the local recreation grants program under section  
4.12 85.019, subdivision 4b, and from other sources.

4.13 Sec. 6. Minnesota Statutes 2010, section 160.845, is amended to read:

4.14 **160.845 RESTRICTIONS ON TOLL FACILITY.**

4.15 (a) A road authority, including the governing body of a city, or a private operator  
4.16 may not convert, transfer, or utilize any portion of a highway to impose tolls or for use  
4.17 as a toll facility. A road authority, including the governing body of a city, or a private  
4.18 operator may not limit operation of a commercial motor vehicle, as defined in section  
4.19 169.011, subdivision 16, to a toll facility or otherwise require that a commercial motor  
4.20 vehicle use the tolled portion of a highway.

4.21 (b) This section does not apply to (1) any toll facility or high-occupancy vehicle  
4.22 lane constructed, converted, or established before September 1, 2007, (2) any additional  
4.23 lane, including a priced dynamic shoulder lane, high-occupancy vehicle lane, or  
4.24 high-occupancy toll lane, added to a highway after September 1, 2007, ~~and~~ (3) any other  
4.25 general purpose lane that adds capacity, (4) any lane that adds capacity that is operated  
4.26 temporarily as a general purpose or auxiliary lane until the commissioner converts the  
4.27 lane to a high-occupancy toll lane, and (5) any general purpose or auxiliary lane that the  
4.28 commissioner converts to a high-occupancy toll lane, except that the commissioner may  
4.29 convert a general purpose lane only after adding capacity in the same segment of highway  
4.30 if that segment of highway has been designated pursuant to section 160.93 as a MnPASS  
4.31 corridor in the department's metro district highway investment plan.

4.32 Sec. 7. Minnesota Statutes 2010, section 160.93, subdivision 1, is amended to read:

4.33 Subdivision 1. **Fees authorized.** To improve efficiency and provide more options  
4.34 to individuals traveling in a trunk highway corridor, the commissioner of transportation

5.1 may charge user fees to owners or operators of single-occupant vehicles using dynamic  
 5.2 shoulder lanes as designated by the commissioner ~~and~~, any designated high-occupancy  
 5.3 vehicle lanes, and any other high-occupancy toll lanes. The fees may be collected using  
 5.4 electronic or other toll-collection methods and may vary in amount with the time of day  
 5.5 and level of traffic congestion within the corridor. The commissioner shall consult with  
 5.6 the Metropolitan Council and obtain necessary federal authorizations before implementing  
 5.7 user fees on a high-occupancy vehicle lane or dynamic shoulder lane. Fees under this  
 5.8 section are not subject to section 16A.1283.

5.9 Sec. 8. Minnesota Statutes 2010, section 160.93, subdivision 2, is amended to read:

5.10 Subd. 2. **Deposit of revenues; ~~appropriation~~ appropriations.** (a) Except as  
 5.11 provided in subdivision 2a, money collected from fees authorized under subdivision 1  
 5.12 must be deposited in a high-occupancy vehicle lane user fee account in the special revenue  
 5.13 fund. A separate account must be established for each trunk highway corridor for which  
 5.14 the MnPASS system is established. Money in ~~the~~ each account is annually appropriated to  
 5.15 the commissioner, as provided in this subdivision.

5.16 (b) From ~~this~~ each appropriation the commissioner shall first ~~repay the trunk~~  
 5.17 ~~highway fund and any other fund source for money spent to install, equip, or modify the~~  
 5.18 ~~corridor for the purposes of subdivision 1, and then shall pay all the costs of implementing~~  
 5.19 ~~and administering, operating, and maintaining the fee collection system for that corridor,~~  
 5.20 including payments for tolling and related equipment. The commissioner may allocate  
 5.21 payments for shared administrative costs from each account established under this section.

5.22 (c) The commissioner shall spend remaining money ~~in the account~~ from each  
 5.23 appropriation as follows:

5.24 (1) in the MnPASS corridor for Route No. 10, signed as Interstate Highway 394 on  
 5.25 the effective date of this section:

5.26 (i) one-half must be spent for transportation capital improvements within the  
 5.27 corridor; and

5.28 ~~(2)~~ (ii) one-half must be transferred to the Metropolitan Council for expansion  
 5.29 and improvement of bus transit services within the corridor beyond the level of service  
 5.30 provided on the date of implementation of subdivision 1; and

5.31 (2) in any other MnPASS corridor established under this section, except as provided  
 5.32 in subdivision 2a, the funds must be spent for transportation capital improvements within  
 5.33 that corridor.

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

6.1 Sec. 9. Minnesota Statutes 2010, section 161.14, subdivision 66, is amended to read:

6.2 Subd. 66. **Veterans Memorial Highway.** ~~Legislative Route No. 31, signed as~~  
6.3 Trunk Highway marked 200 as of July 1, 2010, from the border with North Dakota to the  
6.4 city of Mahanomen, is designated as the "Veterans Memorial Highway." The commissioner  
6.5 shall adopt a suitable design to mark this highway and erect appropriate signs, subject  
6.6 to section 161.139.

6.7 Sec. 10. Minnesota Statutes 2010, section 161.14, is amended by adding a subdivision  
6.8 to read:

6.9 Subd. 70. **Arianna Celeste Macnamara Memorial Bridge.** The pedestrian  
6.10 bridge over Route No. 7, signed as Trunk Highway 14 on the effective date of this  
6.11 section, located in the city of Rochester west of Route No. 20, signed as U.S. Highway  
6.12 52 on the effective date of this section, is designated as "Arianna Celeste Macnamara  
6.13 Memorial Bridge." Subject to section 161.139, the commissioner shall adopt a suitable  
6.14 marking design to memorialize the bridge and shall erect the appropriate signs as close as  
6.15 practicable to the bridge.

6.16 Sec. 11. Minnesota Statutes 2010, section 161.14, is amended by adding a subdivision  
6.17 to read:

6.18 Subd. 71. **Deputy John W. Liebenstein Memorial Highway.** (a) That segment of  
6.19 Route No. 390, signed as Interstate Highway 35 on the effective date of this section and  
6.20 located in Rice County, is designated as "Deputy John W. Liebenstein Memorial Highway."  
6.21 Subject to section 161.139, the commissioner shall adopt a suitable marking design to  
6.22 mark this highway and shall erect the appropriate signs as provided in paragraph (b).

6.23 (b) The commissioner of transportation shall erect suitable signs on signed Interstate  
6.24 Highway 35 as close as practicable to the following locations:

6.25 (1) one sign on the southbound entrance ramp of the interchange with Rice County  
6.26 State-Aid Highway 1; and

6.27 (2) one sign on the northbound entrance ramp of the interchange with Rice County  
6.28 State-Aid Highway 1.

6.29 Sec. 12. Minnesota Statutes 2010, section 161.321, is amended to read:

6.30 **161.321 SMALL BUSINESS CONTRACTS.**

6.31 Subdivision 1. **Definitions.** For purposes of this section the following terms have  
6.32 the meanings given them, except where the context clearly indicates a different meaning is  
6.33 intended.

7.1 (a) "Award" means the granting of a contract in accordance with all applicable laws  
7.2 and rules governing competitive bidding except as otherwise provided in this section.

7.3 (b) "Contract" means an agreement entered into between a business entity and the  
7.4 state of Minnesota for the construction of transportation improvements.

7.5 (c) "Subcontractor" means a business entity which enters into a legally binding  
7.6 agreement with another business entity which is a party to a contract as defined in  
7.7 paragraph (b).

7.8 (d) "Targeted group business" means a business designated under section 16C.16,  
7.9 subdivision 5.

7.10 (e) "Veteran-owned small business" means a business designated under section  
7.11 16C.16, subdivision 6a.

7.12 Subd. 2. **Small business set-asides; procurement and construction contract**

7.13 **preferences.** (a) The commissioner may award up to a six percent preference in the  
7.14 amount bid for specified construction work to small targeted group businesses and  
7.15 veteran-owned small businesses.

7.16 (b) The commissioner may designate a contract for construction work for award only  
7.17 to small targeted group businesses if the commissioner determines that at least three small  
7.18 targeted group businesses are likely to bid. The commissioner may designate a contract for  
7.19 construction work for award only to veteran-owned small businesses if the commissioner  
7.20 determines that at least three veteran-owned small businesses are likely to bid.

7.21 ~~(c) The commissioner, as a condition of awarding a construction contract, may~~  
7.22 ~~set goals that require the prime contractor to subcontract a portion of the contract to~~  
7.23 ~~small targeted group businesses and veteran-owned small businesses. The commissioner~~  
7.24 ~~must establish a procedure for granting waivers from the subcontracting requirement~~  
7.25 ~~when qualified small targeted group businesses and veteran-owned small businesses~~  
7.26 ~~are not reasonably available. The commissioner may establish financial incentives for~~  
7.27 ~~prime contractors who exceed the goals for use of subcontractors and financial penalties~~  
7.28 ~~for prime contractors who fail to meet goals under this paragraph. The subcontracting~~  
7.29 ~~requirements of this paragraph do not apply to prime contractors who are small targeted~~  
7.30 ~~group businesses or veteran-owned small businesses.~~

7.31 ~~(d)~~ (c) The commissioner may award up to a four percent preference in the amount  
7.32 bid on procurement for specified construction work to small businesses located in an  
7.33 economically disadvantaged area as defined in section 16C.16, subdivision 7.

7.34 Subd. 2a. **Subcontracting goals.** (a) The commissioner, as a condition of awarding  
7.35 a construction contract, may set goals that require the prime contractor to subcontract  
7.36 portions of the contract to small targeted group businesses and veteran-owned small

8.1 businesses. Prime contractors must demonstrate good faith efforts to meet the project  
8.2 goals. The commissioner shall establish a procedure for granting waivers from the  
8.3 subcontracting requirement when either qualified small targeted group businesses or  
8.4 veteran-owned small businesses, or both, are not reasonably available. The commissioner  
8.5 may establish (1) financial incentives for prime contractors who exceed the goals set for  
8.6 the use of subcontractors under this subdivision; and (2) sanctions for prime contractors  
8.7 who fail to make good faith efforts to meet the goals set under this subdivision.

8.8 (b) The small targeted group business subcontracting requirements of this  
8.9 subdivision do not apply to prime contractors who are small targeted group businesses.  
8.10 The veteran-owned small business subcontracting requirements of this subdivision do not  
8.11 apply to prime contractors who are veteran-owned small businesses.

8.12 Subd. 3. **Subcontract awards to small businesses.** At least 75 percent of  
8.13 subcontracts awarded to small targeted group businesses must be performed by the  
8.14 business to which the subcontract is awarded or another small targeted group business.  
8.15 At least 75 percent of subcontracts awarded to veteran-owned small businesses must be  
8.16 performed by the business to which the subcontract is awarded or another veteran-owned  
8.17 small business.

8.18 Subd. 4. **Contract awards, limitations.** Contracts awarded pursuant to this  
8.19 section are subject to all limitations contained in rules adopted by the commissioner  
8.20 of administration.

8.21 **Subd. 4a. Limited duration and reevaluation.** The commissioner shall cooperate  
8.22 with the commissioner of administration to periodically reevaluate the targeted group  
8.23 businesses to determine whether there is a statistical disparity between the percentage of  
8.24 construction contracts awarded to businesses owned by targeted group members and the  
8.25 representation of businesses owned by targeted group members among all businesses in  
8.26 the state in the construction category. The commissioner of administration shall designate  
8.27 targeted groups pursuant to section 16C.16, subdivision 5.

8.28 Subd. 5. **Recourse to other businesses.** If the commissioner is unable to award  
8.29 a contract pursuant to the provisions of subdivisions 2 ~~and 3~~ to 4a, the award may be  
8.30 placed pursuant to the normal solicitation and award provisions set forth in this chapter  
8.31 and chapter 16C.

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

9.1 (b) In addition to other eligibility requirements, a small targeted group business or  
 9.2 veteran-owned small business is eligible for the bid preferences under this section only  
 9.3 for eight years following the later of (1) the effective date of this act, or (2) the date of  
 9.4 initial designation as a small targeted group business or veteran-owned small business by  
 9.5 the commissioner of administration under section 16C.16.

9.6 Subd. 7. **Noncompetitive bids.** The commissioner is encouraged to purchase  
 9.7 from small targeted group businesses and veteran-owned small businesses designated  
 9.8 under section 16C.16 when making purchases that are not subject to competitive bidding  
 9.9 procedures.

9.10 Subd. 8. ~~Report by commissioner~~ **Reporting.** (a) The commissioner of  
 9.11 ~~transportation~~ shall report to the commissioner of administration on compliance with this  
 9.12 section. The information must be reported at the time and in the manner requested by the  
 9.13 commissioner of administration.

9.14 (b) By February 1 of each even-numbered year, the commissioner shall submit a  
 9.15 report to the chairs and ranking minority members of the legislative committees with  
 9.16 jurisdiction over transportation policy and finance concerning contract awards under this  
 9.17 section. At a minimum, the report must include:

9.18 (1) a summary of the program;

9.19 (2) a review of the use of preferences for contracting, including frequency of  
 9.20 establishment of a preference and frequency of contract award to a small targeted group  
 9.21 business or veteran-owned small business;

9.22 (3) a review of goals and good faith efforts to use small targeted group businesses  
 9.23 and veteran-owned small businesses in subcontracts, including analysis of methods used  
 9.24 for, and effectiveness of, good faith efforts;

9.25 (4) a summary of any financial incentives or sanctions imposed;

9.26 (5) information on each reevaluation under subdivision 4a, including details on the  
 9.27 methodology for reevaluation; and

9.28 (6) any recommendations for legislative or programmatic changes.

9.29 Sec. 13. Minnesota Statutes 2010, section 161.3212, is amended to read:

9.30 **161.3212 WORKING CAPITAL FUND.**

9.31 The commissioner, to the extent allowed by other law or contract, may grant  
 9.32 available money that has been appropriated for socially or economically disadvantaged  
 9.33 business programs to a guaranty fund administered by a nonprofit organization that makes  
 9.34 or guarantees working capital loans to ~~businesses~~ small business concerns owned and  
 9.35 operated by socially ~~or~~ and economically disadvantaged ~~persons as defined~~ individuals.

10.1 "Small business concern" and "socially and economically disadvantaged individual" have  
10.2 the meanings given them in Code of Federal Regulations, title 49, section ~~23.5~~ 26.5. The  
10.3 purpose of loans made or guaranteed by the organization must be to provide short-term  
10.4 working capital to enable eligible businesses to be awarded contracts for goods and  
10.5 services or for construction-related services from government agencies.

10.6 Money contributed from a constitutionally or statutorily dedicated fund must be used  
10.7 only for purposes consistent with the purposes of the dedicated fund.

10.8 Sec. 14. Minnesota Statutes 2010, section 162.09, is amended by adding a subdivision  
10.9 to read:

10.10 Subd. 4a. **Municipal state-aid transition.** (a) Notwithstanding subdivision 4, any  
10.11 city that has a population of less than 5,000 according to a federal decennial census, and  
10.12 that has had a population of 5,000 or more as determined by the most recent population  
10.13 estimate of the Metropolitan Council or state demographer made prior to the census, is  
10.14 deemed for purposes of this chapter to have a population that is the greater of (1) 5,000, or  
10.15 (2) as otherwise determined under subdivision 4, paragraph (b), (c), or (d).

10.16 (b) This subdivision applies only to the first four consecutive calendar years for  
10.17 which population is determined for purposes of this chapter on the basis of a federal  
10.18 decennial census.

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

10.20 Sec. 15. Minnesota Statutes 2010, section 162.18, subdivision 1, is amended to read:

10.21 Subdivision 1. **Authorization; limitation on amount.** (a) Any city having a  
10.22 population of 5,000 or more may in accordance with chapter 475, except as otherwise  
10.23 provided herein, issue and sell its obligations for the purpose of establishing, locating,  
10.24 relocating, constructing, reconstructing, and improving municipal state-aid streets therein.  
10.25 In the resolution providing for the issuance of the obligations, the governing body of the  
10.26 municipality shall irrevocably pledge and appropriate to the sinking fund from which  
10.27 the obligations are payable, an amount of the moneys allotted or to be allotted to the  
10.28 municipality from its account in the municipal state-aid street fund sufficient to pay the  
10.29 principal of and the interest on the obligations as they respectively come due.

10.30 (b) The obligations shall be issued in amounts and on terms such that the average  
10.31 annual amount of principal and interest due in all subsequent calendar years on the  
10.32 obligations, including any similar obligations of the municipality which are outstanding,  
10.33 shall not exceed 90 percent of the amount of the last annual allotment preceding the

11.1 bond issue received by the municipality from the construction account in the municipal  
11.2 state-aid street fund.

11.3 (c) In any calendar year in which the municipality receives aid from the municipal  
11.4 state-aid street fund under this chapter, all interest on the obligations shall be paid out of  
11.5 the municipality's normal maintenance account in the municipal state-aid street fund. Any  
11.6 such obligations may be made general obligations, but if moneys of the municipality other  
11.7 than moneys received from the municipal state-aid street fund, are used for payment of  
11.8 the obligations, the moneys so used shall be restored to the appropriate fund from the  
11.9 moneys next received by the municipality from the construction or maintenance account  
11.10 in the municipal state-aid street fund which are not required to be paid into a sinking  
11.11 fund for obligations.

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

11.13 Sec. 16. Minnesota Statutes 2010, section 162.18, subdivision 4, is amended to read:

11.14 Subd. 4. ~~Certification to commissioner of money required~~ Certifications;

11.15 payment. (a) Any municipality issuing and selling bonds pursuant to this section shall  
11.16 certify to the commissioner the amount of money required annually for the payment of  
11.17 principal and interest on the obligation. Upon receipt thereof, the commissioner shall  
11.18 certify to the commissioner of management and budget the sum of money needed annually  
11.19 by the municipality for the principal and interest, provided that the amount certified by the  
11.20 commissioner ~~shall~~ must not exceed the limit ~~heretofore~~ specified in this section.

11.21 (b) The commissioner of management and budget shall thereafter, until said bonds  
11.22 are retired, issue a warrant annually in the amount certified payable to the fiscal officer  
11.23 of the municipality, and the amount thereof shall be deposited by the fiscal officer until  
11.24 the bonds are retired or defeased. The fiscal officer of the municipality shall deposit that  
11.25 amount in the sinking fund from which the obligations are payable.

11.26 (c) For any obligations issued before the effective date of this paragraph,  
11.27 notwithstanding the requirements of this chapter, the requirements of this subdivision  
11.28 apply regardless of the population of the city in each year.

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

11.30 Sec. 17. Minnesota Statutes 2010, section 168.012, subdivision 1, is amended to read:

11.31 Subdivision 1. **Vehicles exempt from tax, fees, or plate display.** (a) The following  
11.32 vehicles are exempt from the provisions of this chapter requiring payment of tax and  
11.33 registration fees, except as provided in subdivision 1c:

- 12.1 (1) vehicles owned and used solely in the transaction of official business by the  
12.2 federal government, the state, or any political subdivision;
- 12.3 (2) vehicles owned and used exclusively by educational institutions and used solely  
12.4 in the transportation of pupils to and from those institutions;
- 12.5 (3) vehicles used solely in driver education programs at nonpublic high schools;
- 12.6 (4) vehicles owned by nonprofit charities and used exclusively to transport disabled  
12.7 persons for charitable, religious, or educational purposes;
- 12.8 (5) vehicles owned by nonprofit charities and used exclusively for disaster response  
12.9 and related activities;
- 12.10 (6) vehicles owned by ambulance services licensed under section 144E.10 that  
12.11 are equipped and specifically intended for emergency response or providing ambulance  
12.12 services; and
- 12.13 (7) vehicles owned by a commercial driving school licensed under section 171.34,  
12.14 or an employee of a commercial driving school licensed under section 171.34, and the  
12.15 vehicle is used exclusively for driver education and training.
- 12.16 (b) Provided the general appearance of the vehicle is unmistakable, the following  
12.17 vehicles are not required to register or display number plates:
- 12.18 (1) vehicles owned by the federal government;
- 12.19 (2) fire apparatuses, including fire-suppression support vehicles, owned or leased by  
12.20 the state or a political subdivision;
- 12.21 (3) police patrols owned or leased by the state or a political subdivision; and
- 12.22 (4) ambulances owned or leased by the state or a political subdivision.
- 12.23 (c) Unmarked vehicles used in general police work, liquor investigations, or arson  
12.24 investigations, and passenger automobiles, pickup trucks, and buses owned or operated by  
12.25 the Department of Corrections or by conservation officers of the Division of Enforcement  
12.26 and Field Service of the Department of Natural Resources, must be registered and must  
12.27 display appropriate license number plates, furnished by the registrar at cost. Original and  
12.28 renewal applications for these license plates authorized for use in general police work and  
12.29 for use by the Department of Corrections or by conservation officers must be accompanied  
12.30 by a certification signed by the appropriate chief of police if issued to a police vehicle,  
12.31 the appropriate sheriff if issued to a sheriff's vehicle, the commissioner of corrections if  
12.32 issued to a Department of Corrections vehicle, or the appropriate officer in charge if  
12.33 issued to a vehicle of any other law enforcement agency. The certification must be on a  
12.34 form prescribed by the commissioner and state that the vehicle will be used exclusively  
12.35 for a purpose authorized by this section.

13.1 (d) Unmarked vehicles used by the Departments of Revenue and Labor and Industry,  
13.2 fraud unit, in conducting seizures or criminal investigations must be registered and must  
13.3 display passenger vehicle classification license number plates, furnished at cost by the  
13.4 registrar. Original and renewal applications for these passenger vehicle license plates  
13.5 must be accompanied by a certification signed by the commissioner of revenue or the  
13.6 commissioner of labor and industry. The certification must be on a form prescribed by  
13.7 the commissioner and state that the vehicles will be used exclusively for the purposes  
13.8 authorized by this section.

13.9 (e) Unmarked vehicles used by the Division of Disease Prevention and Control of the  
13.10 Department of Health must be registered and must display passenger vehicle classification  
13.11 license number plates. These plates must be furnished at cost by the registrar. Original  
13.12 and renewal applications for these passenger vehicle license plates must be accompanied  
13.13 by a certification signed by the commissioner of health. The certification must be on a  
13.14 form prescribed by the commissioner and state that the vehicles will be used exclusively  
13.15 for the official duties of the Division of Disease Prevention and Control.

13.16 (f) Unmarked vehicles used by staff of the Gambling Control Board in gambling  
13.17 investigations and reviews must be registered and must display passenger vehicle  
13.18 classification license number plates. These plates must be furnished at cost by the  
13.19 registrar. Original and renewal applications for these passenger vehicle license plates must  
13.20 be accompanied by a certification signed by the board chair. The certification must be on a  
13.21 form prescribed by the commissioner and state that the vehicles will be used exclusively  
13.22 for the official duties of the Gambling Control Board.

13.23 (g) Unmarked vehicles used in general investigation, surveillance, supervision,  
13.24 and monitoring by the staff of the Department of Human Services Office of Special  
13.25 Investigations and the executive director of the Minnesota sex offender program must  
13.26 be registered and must display passenger vehicle classification license number plates,  
13.27 furnished by the registrar at cost. Original and renewal applications for passenger vehicle  
13.28 license plates must be accompanied by a certification signed by the commissioner of  
13.29 human services. The certification must be on a form prescribed by the commissioner and  
13.30 state that the vehicles must be used exclusively for the official duties of the Office of  
13.31 Special Investigations and the executive director of the Minnesota sex offender program.

13.32 (h) Each state hospital and institution for persons who are mentally ill and  
13.33 developmentally disabled may have one vehicle without the required identification on  
13.34 the sides of the vehicle. The vehicle must be registered and must display passenger  
13.35 vehicle classification license number plates. These plates must be furnished at cost by the  
13.36 registrar. Original and renewal applications for these passenger vehicle license plates must

14.1 be accompanied by a certification signed by the hospital administrator. The certification  
14.2 must be on a form prescribed by the commissioner and state that the vehicles will be used  
14.3 exclusively for the official duties of the state hospital or institution.

14.4 (i) Each county social service agency may have vehicles used for child and  
14.5 vulnerable adult protective services without the required identification on the sides of the  
14.6 vehicle. The vehicles must be registered and must display passenger vehicle classification  
14.7 license number plates. These plates must be furnished at cost by the registrar. Original  
14.8 and renewal applications for these passenger vehicle license plates must be accompanied  
14.9 by a certification signed by the agency administrator. The certification must be on a form  
14.10 prescribed by the commissioner and state that the vehicles will be used exclusively for the  
14.11 official duties of the social service agency.

14.12 (j) All other motor vehicles must be registered and display tax-exempt number  
14.13 plates, furnished by the registrar at cost, except as provided in subdivision 1c. All  
14.14 vehicles required to display tax-exempt number plates must have the name of the state  
14.15 department or political subdivision, nonpublic high school operating a driver education  
14.16 program, licensed commercial driving school, or other qualifying organization or entity,  
14.17 plainly displayed on both sides of the vehicle. This identification must be in a color  
14.18 giving contrast with that of the part of the vehicle on which it is placed and must endure  
14.19 throughout the term of the registration. The identification must not be on a removable  
14.20 plate or placard and must be kept clean and visible at all times; except that a removable  
14.21 plate or placard may be utilized on vehicles leased or loaned to a political subdivision or  
14.22 to a nonpublic high school driver education program.

14.23 Sec. 18. Minnesota Statutes 2010, section 168.013, is amended by adding a subdivision  
14.24 to read:

14.25 Subd. 22. **Optional donation for education on anatomical gifts.** As part of  
14.26 procedures for payment of the vehicle registration tax under this section, the commissioner  
14.27 shall allow a vehicle owner to add to the tax a \$2 donation for the purposes of public  
14.28 information and education on anatomical gifts under section 171.075, for in-person  
14.29 transactions conducted by a deputy registrar appointed under section 168.33, subdivision  
14.30 2. This subdivision applies to annual renewal registrations only, and does not apply to  
14.31 registrations authorized under sections 168.053 to 168.057, 168.127, 168.187, and 168.27.

14.32 **EFFECTIVE DATE.** This section is effective January 1, 2013.

14.33 Sec. 19. Minnesota Statutes 2011 Supplement, section 168.12, subdivision 5, is  
14.34 amended to read:

15.1 Subd. 5. **Additional fee.** (a) In addition to any fee otherwise authorized or any tax  
 15.2 otherwise imposed upon any vehicle, the payment of which is required as a condition to  
 15.3 the issuance of any plate or plates, the commissioner shall impose the fee specified in  
 15.4 paragraph (b) that is calculated to cover the cost of manufacturing and issuing the plate  
 15.5 or plates, except for plates issued to disabled veterans as defined in section 168.031 and  
 15.6 plates issued pursuant to section 168.124, 168.125, or 168.27, subdivisions 16 and 17,  
 15.7 for passenger automobiles. The commissioner shall issue graphic design plates only  
 15.8 for vehicles registered pursuant to section 168.017 and recreational vehicles registered  
 15.9 pursuant to section 168.013, subdivision 1g.

15.10 (b) Unless otherwise specified or exempted by statute, the following plate and  
 15.11 validation sticker fees apply for the original, duplicate, or replacement issuance of a  
 15.12 plate in a plate year:

15.13 License Plate	Single	Double
15.14 Regular and Disability	\$ 4.50	\$ 6.00
15.15 Special	\$ 8.50	\$ 10.00
15.16 Personalized (Replacement)	\$ 10.00	\$ 14.00
15.17 Collector Category	\$ 13.50	\$ 15.00
15.18 Emergency Vehicle Display	\$ 3.00	\$ 6.00
15.19 Utility Trailer Self-Adhesive	\$ 2.50	
15.20 Vertical Motorcycle Plate	\$ 100.00	NA
15.21 Stickers		
15.22 Duplicate year	\$ 1.00	\$ 1.00
15.23 International Fuel Tax Agreement	\$ 2.50	

15.24 (c) For vehicles that require two of the categories above, the registrar shall only  
 15.25 charge the higher of the two fees and not a combined total.

15.26 ~~(d) As part of procedures for payment of the fee under paragraph (b), the~~  
 15.27 ~~commissioner shall allow a vehicle owner to add to the fee, a \$2 donation for the purposes~~  
 15.28 ~~of public information and education on anatomical gifts under section 171.075.~~

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

15.30 Sec. 20. Minnesota Statutes 2010, section 168B.011, subdivision 12, is amended to  
 15.31 read:

15.32 Subd. 12. **Public impound lot.** "Public impound lot" means an impound lot owned  
 15.33 by or ~~contracting with~~ exclusively contracted solely for public use by a unit of government  
 15.34 under section 168B.09.

15.35 Sec. 21. Minnesota Statutes 2010, section 169.011, subdivision 27, is amended to read:

16.1 Subd. 27. **Electric-assisted bicycle.** "Electric-assisted bicycle" means a ~~motor~~  
 16.2 ~~vehicle~~ bicycle with two ~~or three~~ wheels that:

16.3 (1) has a saddle and fully operable pedals for human propulsion;

16.4 (2) meets the requirements:

16.5 (i) of federal motor vehicle safety standards for a motor-driven cycle in Code of  
 16.6 Federal Regulations, title 49, sections 571.1 et seq.; or

16.7 (ii) for bicycles under Code of Federal Regulations, title 16, part 1512, or successor  
 16.8 requirements; and

16.9 (3) has an electric motor that (i) has a power output of not more than 1,000 watts, (ii)  
 16.10 is incapable of propelling the vehicle at a speed of more than 20 miles per hour, (iii) is  
 16.11 incapable of further increasing the speed of the device when human power alone is used  
 16.12 to propel the vehicle at a speed of more than 20 miles per hour, and (iv) disengages or  
 16.13 ceases to function when the vehicle's brakes are applied.

16.14 Sec. 22. Minnesota Statutes 2010, section 169.035, subdivision 1, is amended to read:

16.15 Subdivision 1. **Working on highway.** (a) The provisions of this chapter shall not  
 16.16 apply to persons, motor vehicles, and other equipment while actually engaged in work  
 16.17 upon the highway, except as provided in paragraphs (b) and (c).

16.18 (b) This chapter shall apply to those persons and vehicles when traveling to or  
 16.19 from such work, except that persons operating equipment owned, rented or hired by  
 16.20 road authorities shall be exempt from the width, height and length provisions of sections  
 16.21 169.80 and 169.81 and shall be exempt from the weight limitations of this chapter while  
 16.22 performing the following actions on behalf of the state or a local governmental unit:

16.23 (1) while loading, readying, or moving the vehicles or equipment in preparation for  
 16.24 combating anticipated slippery road conditions or removing snow or ice;

16.25 (2) while actually engaged in snow or ice removal and or combating slippery road  
 16.26 conditions, including but not limited to pretreatment and anti-icing activities; or

16.27 (3) while engaged in flood control operations ~~on behalf of the state or a local~~  
 16.28 ~~governmental unit.~~

16.29 (c) Chapter 169A and section 169.444 apply to persons while actually engaged in  
 16.30 work upon the highway.

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

16.32 Sec. 23. Minnesota Statutes 2010, section 169.035, is amended by adding a subdivision  
 16.33 to read:

17.1            Subd. 4. **Trains.** (a) For purposes of this subdivision, "railroad operator" means  
17.2 a person who is a locomotive engineer, conductor, member of the crew of a railroad  
17.3 locomotive or train, or an operator of on-track equipment.

17.4            (b) A peace officer may not issue a citation for violation of this chapter or chapter  
17.5 171 to a railroad operator involving the operation of a railroad locomotive or train, or  
17.6 on-track equipment while being operated upon rails.

17.7            (c) Notwithstanding section 171.08, a railroad operator is not required to display or  
17.8 furnish a driver's license to a peace officer in connection with the operation of a railroad  
17.9 locomotive or train, or on-track equipment while being operated upon rails.

17.10          Sec. 24. Minnesota Statutes 2010, section 169.06, subdivision 5, is amended to read:

17.11            **Subd. 5. Traffic-control signal.** (a) Whenever traffic is controlled by traffic-control  
17.12 signals exhibiting different colored lights, or colored lighted arrows, successively one at a  
17.13 time or in combination, only the colors Green, Red, and Yellow shall be used, except for  
17.14 special pedestrian signals carrying a word or legend. The traffic-control signal lights or  
17.15 colored lighted arrows indicate and apply to drivers of vehicles and pedestrians as follows:

17.16            (1) Green indication:

17.17            (i) Vehicular traffic facing a circular green signal may proceed straight through or  
17.18 turn right or left unless a sign ~~at such place~~ prohibits either turn. But vehicular traffic,  
17.19 including vehicles turning right or left, shall yield the right-of-way to other vehicles and to  
17.20 pedestrians lawfully within the intersection or adjacent crosswalk at the time this signal  
17.21 is exhibited. Vehicular traffic turning left or making a U-turn to the left shall yield the  
17.22 right-of-way to other vehicles approaching from the opposite direction so closely as to  
17.23 constitute an immediate hazard.

17.24            (ii) Vehicular traffic facing a green arrow signal, shown alone or in combination with  
17.25 another indication, may cautiously enter the intersection only to make the movement  
17.26 indicated by the arrow, or other movement as permitted by other indications shown at the  
17.27 same time. ~~Such~~ Vehicular traffic shall yield the right-of-way to pedestrians lawfully  
17.28 within an adjacent crosswalk and to other traffic lawfully using the intersection.

17.29            (iii) Unless otherwise directed by a pedestrian-control signal as provided in  
17.30 subdivision 6, pedestrians facing any green signal, except when the sole green signal is a  
17.31 turn arrow, may proceed across the roadway within any marked or unmarked crosswalk.  
17.32 Every driver of a vehicle shall yield the right-of-way to such pedestrian, except that the  
17.33 pedestrian shall yield the right-of-way to vehicles lawfully within the intersection at the  
17.34 time that the green signal indication is first shown.

17.35            (2) Steady yellow indication:

18.1 (i) Vehicular traffic facing a steady circular yellow or yellow arrow signal is thereby  
18.2 warned that the related green movement is being terminated or that a red indication will be  
18.3 exhibited immediately thereafter when vehicular traffic must not enter the intersection,  
18.4 except for the continued movement allowed by any green arrow indication simultaneously  
18.5 exhibited.

18.6 (ii) Pedestrians facing a circular yellow signal, unless otherwise directed by a  
18.7 pedestrian-control signal as provided in subdivision 6, are thereby advised that there is  
18.8 insufficient time to cross the roadway before a red indication is shown and no pedestrian  
18.9 shall then start to cross the roadway.

18.10 (3) Steady red indication:

18.11 (i) Vehicular traffic facing a circular red signal alone must stop at a clearly marked  
18.12 stop line but, if none, before entering the crosswalk on the near side of the intersection  
18.13 or, if none, then before entering the intersection and shall remain standing until a green  
18.14 indication is shown, except as follows: (A) the driver of a vehicle stopped as close  
18.15 as practicable at the entrance to the crosswalk on the near side of the intersection or,  
18.16 if none, then at the entrance to the intersection in obedience to a red or stop signal,  
18.17 and with the intention of making a right turn may make the right turn, after stopping,  
18.18 unless an official sign has been erected prohibiting such movement, but shall yield the  
18.19 right-of-way to pedestrians and other traffic lawfully proceeding as directed by the signal  
18.20 at that intersection; or (B) the driver of a vehicle on a one-way street intersecting another  
18.21 one-way street on which traffic moves to the left shall stop in obedience to a red or stop  
18.22 signal and may then make a left turn into the one-way street, unless an official sign has  
18.23 been erected prohibiting the movement, but shall yield the right-of-way to pedestrians and  
18.24 other traffic lawfully proceeding as directed by the signal at that intersection.

18.25 (ii) Unless otherwise directed by a pedestrian-control signal as provided in  
18.26 subdivision 6, pedestrians facing a steady red signal alone shall not enter the roadway.

18.27 (iii) Vehicular traffic facing a steady red arrow signal, with the intention of making a  
18.28 movement indicated by the arrow, must stop at a clearly marked stop line but, if none,  
18.29 before entering the crosswalk on the near side of the intersection or, if none, then before  
18.30 entering the intersection and must remain standing until a permissive signal indication  
18.31 permitting the movement indicated by the red arrow is displayed, except as follows: when  
18.32 an official sign has been erected permitting a turn on a red arrow signal, the vehicular  
18.33 traffic facing a red arrow signal indication is permitted to enter the intersection to turn  
18.34 right, or to turn left from a one-way street into a one-way street on which traffic moves  
18.35 to the left, after stopping, but must yield the right-of-way to pedestrians and other traffic  
18.36 lawfully proceeding as directed by the signal at that intersection.

19.1 (b) In the event an official traffic-control signal is erected and maintained at a place  
19.2 other than an intersection, the provisions of this section are applicable except those which  
19.3 can have no application. Any stop required must be made at a sign or marking on the  
19.4 pavement indicating where the stop must be made, but in the absence of any such sign or  
19.5 marking the stop must be made at the signal.

19.6 (c) When a traffic-control signal indication or indications placed to control a certain  
19.7 movement or lane are so identified by placing a sign near the indication or indications,  
19.8 no other traffic-control signal indication or indications within the intersection controls  
19.9 vehicular traffic for that movement or lane.

19.10 Sec. 25. Minnesota Statutes 2010, section 169.06, subdivision 7, is amended to read:

19.11 Subd. 7. **Flashing signal.** When flashing red or yellow signals are used they shall  
19.12 require obedience by vehicular traffic as follows:

19.13 (a) When a circular red lens is illuminated with rapid intermittent flashes, drivers of  
19.14 vehicles shall stop at a clearly marked stop line, but if none, before entering the crosswalk  
19.15 on the near side of the intersection, or if none, then at the point nearest the intersecting  
19.16 roadway where the driver has a view of approaching traffic on the intersecting roadway  
19.17 before entering the intersection, and the right to proceed shall be subject to the rules  
19.18 applicable after making a stop at a stop sign.

19.19 (b) When a red arrow lens is illuminated with rapid intermittent flashes drivers of  
19.20 vehicles with the intention of making a movement indicated by the arrow shall stop at a  
19.21 clearly marked stop line, but if none, before entering the crosswalk on the near side of  
19.22 the intersection, or if none, then at the point nearest the intersecting roadway where the  
19.23 driver has a view of approaching traffic on the intersecting roadway before entering the  
19.24 intersection, and the right to proceed shall be subject to the rules applicable after making a  
19.25 stop at a stop sign.

19.26 (c) When a circular yellow lens is illuminated with rapid intermittent flashes, drivers  
19.27 of vehicles may proceed through the intersection or past the signals only with caution. But  
19.28 vehicular traffic, including vehicles turning right or left, shall yield the right-of-way to  
19.29 other vehicles and to pedestrians lawfully within the intersection or adjacent crosswalk at  
19.30 the time this signal is exhibited. Vehicular traffic turning left or making a U-turn to the left  
19.31 shall yield the right-of-way to other vehicles approaching from the opposite direction so  
19.32 closely as to constitute an immediate hazard.

19.33 (d) When a yellow arrow indication is illuminated with rapid intermittent flashes,  
19.34 drivers of vehicles with the intention of making a movement indicated by the arrow may  
19.35 proceed through the intersection or past the signals only with caution; but shall yield

20.1 the right-of-way to other vehicles and to pedestrians lawfully within the intersection or  
20.2 adjacent crosswalk at the time this signal is exhibited. Vehicular traffic turning left or  
20.3 making a U-turn to the left shall yield the right-of-way to other vehicles approaching from  
20.4 the opposite direction so closely as to constitute an immediate hazard.

20.5 Sec. 26. Minnesota Statutes 2010, section 169.19, subdivision 5, is amended to read:

20.6 Subd. 5. **Signal to turn.** A signal of intention to turn right or left shall be given  
20.7 continuously during not less than the last 100 feet traveled by the vehicle before turning.  
20.8 A person whose vehicle is exiting a roundabout is exempt from the requirement in this  
20.9 subdivision.

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

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

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

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

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

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

20.23 (c) This section does not permit the operation of a motorized bicycle on a bicycle  
20.24 path or bicycle lane that is reserved for the exclusive use of nonmotorized traffic, except  
20.25 that an electric-assisted bicycle may be operated on the path or lane if not otherwise  
20.26 prohibited under section 85.015, subdivision 1d; 85.018, subdivision 2, paragraph (d);  
20.27 or 160.263, subdivision 2, paragraph (b), as applicable.

20.28 ~~(d) Subject to the provisions of section 160.263, subdivision 3,~~ A person may  
20.29 operate an electric-assisted bicycle on a bikeway or bicycle lane trail. A person may  
20.30 operate an electric-assisted bicycle on the shoulder of a roadway if the electric-assisted  
20.31 bicycle is traveling in the same direction as the adjacent vehicular traffic.

20.32 Sec. 28. Minnesota Statutes 2010, section 169.306, is amended to read:

20.33 **169.306 USE OF SHOULDERS BY BUSES.**

21.1 (a) ~~The commissioner of transportation~~ A road authority, as defined in section  
21.2 160.02, subdivision 25, is authorized to permit ~~the use by~~ transit buses and Metro Mobility  
21.3 buses use of a shoulder, as designated by the commissioner road authority, of a freeway or  
21.4 expressway, as defined in section 160.02, in Minnesota.

21.5 (b) If ~~the commissioner~~ a road authority permits the use of a freeway or expressway  
21.6 shoulder by transit buses, the ~~commissioner~~ road authority shall permit the use on that  
21.7 shoulder of a bus (1) with a seating capacity of 40 passengers or more operated by a motor  
21.8 carrier of passengers, as defined in section 221.012, subdivision 26, while operating in  
21.9 intrastate commerce or (2) providing regular route transit service, as defined in section  
21.10 174.22, subdivision 8, or Metro Mobility services, and operated by or under contract  
21.11 with the Metropolitan Council, a local transit authority, or a transit authority created by  
21.12 the legislature. Drivers of these buses must have adequate training in the requirements of  
21.13 paragraph (c), as determined by the commissioner.

21.14 (c) Buses authorized to use the shoulder under this section may be operated on  
21.15 the shoulder only when main-line traffic speeds are less than 35 miles per hour, except  
21.16 as provided for in paragraph (f). Drivers of buses being operated on the shoulder may  
21.17 not exceed the speed of main-line traffic by more than 15 miles per hour and may never  
21.18 exceed 35 miles per hour, except as provided for in paragraph (f). Drivers of buses being  
21.19 operated on the shoulder must yield to merging, entering, and exiting traffic and must yield  
21.20 to other vehicles on the shoulder. Buses operated on the shoulder must be registered with  
21.21 the Department of Transportation.

21.22 (d) For the purposes of this section, the term "Metro Mobility bus" means a motor  
21.23 vehicle of not less than 20 feet in length engaged in providing special transportation  
21.24 services under section 473.386 that is:

21.25 (1) operated by or under contract with a public or private entity receiving financial  
21.26 assistance to provide transit services from the Metropolitan Council or the commissioner  
21.27 of transportation; and

21.28 (2) authorized by ~~the commissioner~~ a road authority to use freeway or expressway  
21.29 shoulders.

21.30 (e) This section does not apply to the operation of buses on dynamic shoulder lanes.

21.31 (f) The commissioner may authorize different operating conditions and maximum  
21.32 speeds, not to exceed the posted speed limit, based upon an engineering study and  
21.33 recommendation by the road authority. The engineering study must be conducted by the  
21.34 road authority and must conform with the manual and specifications adopted under section  
21.35 169.06, subdivision 1, and applicable state and federal standards. The road authority shall

22.1 consult the public transit operator before recommending operating conditions different  
22.2 from those authorized by law.

22.3 Sec. 29. Minnesota Statutes 2010, section 169.64, subdivision 2, is amended to read:

22.4 Subd. 2. **Colored light.** (a) Unless otherwise authorized by the commissioner of  
22.5 public safety, no vehicle shall be equipped, nor shall any person drive or move any vehicle  
22.6 or equipment upon any highway with any lamp or device displaying a red light or any  
22.7 colored light other than those required or permitted in this chapter.

22.8 (b) A vehicle manufactured for use as an emergency vehicle may display and use  
22.9 colored lights that are not otherwise required or permitted in this chapter, provided that  
22.10 the vehicle is owned and operated according to section 168.10, is owned and operated  
22.11 solely as a collector's item and not for general transportation purposes, and is registered  
22.12 under section 168.10, subdivision 1a, 1b, 1c, 1d, 1g, or 1h. A person may not activate the  
22.13 colored lights authorized under this paragraph on streets or highways except as part of  
22.14 a parade or other special event.

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

22.16 Sec. 30. Minnesota Statutes 2010, section 169.685, subdivision 6, is amended to read:

22.17 Subd. 6. **Exceptions.** (a) This section does not apply to:

22.18 (1) a person transporting a child in an emergency medical vehicle while in the  
22.19 performance of official duties and when the physical or medical needs of the child make  
22.20 the use of a child passenger restraint system unreasonable or when a child passenger  
22.21 restraint system is not available;

22.22 (2) a peace officer transporting a child while in the performance of official duties  
22.23 and when a child passenger restraint system is not available, provided that a seat belt  
22.24 must be substituted;

22.25 (3) a person while operating a motor vehicle for hire, including a taxi, airport  
22.26 limousine, and bus, but excluding a rented, leased, or borrowed motor vehicle; and

22.27 (4) a person while operating a school bus; ~~and~~ that has a gross vehicle weight rating  
22.28 of greater than 10,000 pounds.

22.29 ~~(5) a person while operating a type III vehicle described in section 169.011,~~  
22.30 ~~subdivision 71, paragraph (h), if the vehicle meets the seating and crash protection~~  
22.31 ~~requirements of Federal Motor Vehicle Safety Standard 222, Code of Federal Regulations,~~  
22.32 ~~title 49, part 571.~~

22.33 (b) A child passenger restraint system is not required for a child who cannot, in the  
22.34 judgment of a licensed physician, be safely transported in a child passenger restraint

23.1 system because of a medical condition, body size, or physical disability. A motor vehicle  
 23.2 operator claiming exemption for a child under this paragraph must possess a typewritten  
 23.3 statement from the physician stating that the child cannot be safely transported in a child  
 23.4 passenger restraint system. The statement must give the name and birth date of the child,  
 23.5 be dated within the previous six months, and be made on the physician's letterhead or  
 23.6 contain the physician's name, address, and telephone number. A person charged with  
 23.7 violating subdivision 5 may not be convicted if the person produces the physician's  
 23.8 statement in court or in the office of the arresting officer.

23.9 (c) A person offering a motor vehicle for rent or lease shall provide a child passenger  
 23.10 restraint device to a customer renting or leasing the motor vehicle who requests the device.  
 23.11 A reasonable rent or fee may be charged for use of the child passenger restraint device.

23.12 Sec. 31. Minnesota Statutes 2010, section 169.86, subdivision 4, is amended to read:

23.13 Subd. 4. **Display and inspection of permit.** ~~Every such~~ A permit shall must be  
 23.14 carried in the vehicle or combination of vehicles to which it refers and shall must be open  
 23.15 to inspection by any police peace officer or authorized agent of any authority granting  
 23.16 such the permit, and. A permit may be carried in electronic format if it is easily read. No  
 23.17 person shall violate any of the terms or conditions of ~~such~~ a special permit.

23.18 Sec. 32. Minnesota Statutes 2011 Supplement, section 169.86, subdivision 5, is  
 23.19 amended to read:

23.20 Subd. 5. **Fees; proceeds deposited; appropriation.** The commissioner, with  
 23.21 respect to highways under the commissioner's jurisdiction, may charge a fee for each  
 23.22 permit issued. All ~~such~~ fees for permits issued by the commissioner of transportation ~~shall~~  
 23.23 must be deposited in the state treasury and credited to the trunk highway fund. Except  
 23.24 for those annual permits for which the permit fees are specified elsewhere in this chapter,  
 23.25 the fees ~~shall be~~ are:

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

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

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

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

24.1 (2) motor vehicles ~~which~~ that travel on interstate highways and carry loads  
24.2 authorized under subdivision 1a;

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

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

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

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

24.8 (7) motor vehicles carrying bales of agricultural products authorized under section  
24.9 169.862; and

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

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

24.13 (1) mobile cranes;

24.14 (2) construction equipment, machinery, and supplies;

24.15 (3) manufactured homes and manufactured storage buildings;

24.16 (4) implements of husbandry;

24.17 (5) double-deck buses;

24.18 (6) commercial boat hauling and transporting waterfront structures, including, but  
24.19 not limited to, portable boat docks and boat lifts;

24.20 (7) three-vehicle combinations consisting of two empty, newly manufactured trailers  
24.21 for cargo, horses, or livestock, not to exceed 28-1/2 feet per trailer; provided, however,  
24.22 the permit allows the vehicles to be moved from a trailer manufacturer to a trailer dealer  
24.23 only while operating on twin-trailer routes designated under section 169.81, subdivision 3,  
24.24 paragraph (c); and

24.25 (8) vehicles operating on that portion of marked Trunk Highway 36 described in  
24.26 section 169.81, subdivision 3, paragraph (e).

24.27 (e) For vehicles ~~which~~ that have axle weights exceeding the weight limitations of  
24.28 sections 169.823 to 169.829, an additional cost added to the fees listed above. However,  
24.29 this paragraph applies to any vehicle described in section 168.013, subdivision 3,  
24.30 paragraph (b), but only when the vehicle exceeds its gross weight allowance set forth in  
24.31 that paragraph, and then the additional cost is for all weight, including the allowance  
24.32 weight, in excess of the permitted maximum axle weight. The additional cost is equal  
24.33 to the product of the distance traveled times the sum of the overweight axle group cost  
24.34 factors shown in the following chart:

24.35 Overweight Axle Group Cost Factors  
24.36 Weight (pounds) Cost Per Mile For Each Group Of:

25.1	exceeding weight	Two	Three	
25.2	limitations on axles	consecutive	consecutive	
25.3		axles spaced	axles spaced	Four consecutive
25.4		within 8 feet	within 9 feet	axles spaced within
25.5		or less	or less	14 feet or less
25.6	0-2,000	.12	.05	.04
25.7	2,001-4,000	.14	.06	.05
25.8	4,001-6,000	.18	.07	.06
25.9	6,001-8,000	.21	.09	.07
25.10	8,001-10,000	.26	.10	.08
25.11	10,001-12,000	.30	.12	.09
25.12		Not		
25.13	12,001-14,000	permitted	.14	.11
25.14		Not		
25.15	14,001-16,000	permitted	.17	.12
25.16		Not		
25.17	16,001-18,000	permitted	.19	.15
25.18		Not	Not	
25.19	18,001-20,000	permitted	permitted	.16
25.20		Not	Not	
25.21	20,001-22,000	permitted	permitted	.20

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

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

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

25.33	Gross Weight (pounds) of Vehicle	Annual Permit Fee
25.34	90,000 or less	\$200
25.35	90,001 - 100,000	\$300
25.36	100,001 - 110,000	\$400
25.37	110,001 - 120,000	\$500
25.38	120,001 - 130,000	\$600
25.39	130,001 - 140,000	\$700
25.40	140,001 - 145,000	\$800
25.41	<u>145,001 - 155,000</u>	<u>\$900</u>

26.1 If the gross weight of the vehicle is more than ~~145,000~~ 155,000 pounds the permit fee is  
 26.2 determined under paragraph (e).

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

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

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

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

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

26.18 ~~(ii) all remaining money in each fiscal year must be deposited in a bridge inspection  
 26.19 and signing account in the special revenue fund. Money in the account is appropriated  
 26.20 to the commissioner for:~~

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

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

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

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

26.28 Sec. 33. Minnesota Statutes 2010, section 169.99, subdivision 1b, is amended to read:

26.29 Subd. 1b. **Speed.** The uniform traffic ticket must provide a blank or space wherein  
 26.30 an officer who issues a citation for a violation of a speed limit of 55 or 60 miles per  
 26.31 hour must specify whether the speed was greater than ten miles per hour in excess of ~~a~~  
 26.32 ~~55 miles per hour speed limit, or more than five miles per hour in excess of a 60 miles~~  
 26.33 ~~per hour~~ the speed limit.

26.34 Sec. 34. Minnesota Statutes 2010, section 169A.54, subdivision 1, is amended to read:

27.1 Subdivision 1. **Revocation periods for DWI convictions.** Except as provided in  
 27.2 subdivision 7, the commissioner shall revoke the driver's license of a person convicted  
 27.3 of violating section 169A.20 (driving while impaired) or an ordinance in conformity  
 27.4 with it, as follows:

27.5 (1) not less than 30 days for an offense under section 169A.20, subdivision 1  
 27.6 (driving while impaired crime), ~~not less than 30 days;~~

27.7 (2) not less than 90 days for an offense under section 169A.20, subdivision 2 (refusal  
 27.8 to submit to chemical test crime), ~~not less than 90 days;~~

27.9 (3) not less than one year for:

27.10 (i) an offense occurring within ten years of a qualified prior impaired driving  
 27.11 incident, ~~or;~~

27.12 (ii) an offense occurring after two qualified prior impaired driving incidents, ~~not~~  
 27.13 ~~less than one year;~~ or if

27.14 (iii) an offense occurring when a person has an alcohol concentration of twice the  
 27.15 legal limit or more as measured at the time, or within two hours of the time, of the offense  
 27.16 and the person has no qualified prior impaired driving incident within ten years;

27.17 (4) not less than two years for an offense occurring under clause (3), item (i) or (ii),  
 27.18 and the test results indicate an alcohol concentration of twice the legal limit or more,  
 27.19 ~~not less than two years~~ and until the court has certified that treatment or rehabilitation  
 27.20 has been successfully completed where prescribed in accordance with section 169A.70  
 27.21 (chemical use assessments);

27.22 ~~(4)~~ (5) not less than three years for an offense occurring within ten years of the  
 27.23 first of two qualified prior impaired driving incidents or occurring after three qualified  
 27.24 prior impaired driving incidents, ~~not less than three years, together and~~ with denial under  
 27.25 section 171.04, subdivision 1, clause (10), until rehabilitation is established according to  
 27.26 standards established by the commissioner; and

27.27 ~~(5)~~ (6) not less than four years for an offense occurring within ten years of the first of  
 27.28 three qualified prior impaired driving incidents, ~~not less than four years, together and~~ with  
 27.29 denial under section 171.04, subdivision 1, clause (10), until rehabilitation is established  
 27.30 according to standards established by the commissioner; or

27.31 ~~(6)~~ (7) not less than six years for an offense occurring after four or more qualified  
 27.32 prior impaired driving incidents, ~~not less than six years, together and~~ with denial under  
 27.33 section 171.04, subdivision 1, clause (10), until rehabilitation is established according to  
 27.34 standards established by the commissioner.

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

28.1 Sec. 35. Minnesota Statutes 2010, section 169A.54, subdivision 6, is amended to read:

28.2 Subd. 6. **Applicability of implied consent revocation.** (a) Any person whose  
28.3 license has been revoked pursuant to section 169A.52 (license revocation for test failure  
28.4 or refusal) as the result of the same incident, and who does not have a qualified prior  
28.5 impaired driving incident, is subject to the mandatory revocation provisions of subdivision  
28.6 1, clause (1) or (2), in lieu of the mandatory revocation provisions of section 169A.52.

28.7 (b) Paragraph (a) does not apply to:

28.8 (1) a person whose license has been revoked under subdivision 2 (driving while  
28.9 impaired by person under age 21); or

28.10 (2) a person whose driver's license has been revoked for, or who is charged with;  
28.11 (i) an alcohol concentration of twice the legal limit or more as measured at the time, or  
28.12 within two hours, of the time of the offense; or (ii) a violation of section 169A.20 (driving  
28.13 while impaired) with an aggravating factor described in section 169A.03, subdivision  
28.14 3, clause ~~(2)~~ or (3).

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

28.16 Sec. 36. Minnesota Statutes 2010, section 171.03, is amended to read:

28.17 **171.03 PERSONS EXEMPT.**

28.18 The following persons are exempt from license hereunder:

28.19 (a) A person in the employ or service of the United States federal government is  
28.20 exempt while driving or operating a motor vehicle owned by or leased to the United  
28.21 States federal government.

28.22 (b) A person in the employ or service of the United States federal government is  
28.23 exempt from the requirement to possess a valid class A, class B, or class C commercial  
28.24 driver's license while driving or operating for military purposes a commercial motor  
28.25 vehicle for the United States federal government if the person is:

28.26 (1) on active duty in the U. S. Coast Guard;

28.27 (2) on active duty in a branch of the U. S. armed forces, which includes the Army,  
28.28 Air Force, Navy, and Marine Corps;

28.29 (3) a member of a reserve component of the U. S. armed forces; or

28.30 (4) on active duty in the Army National Guard or Air National Guard, which  
28.31 includes (i) a member on full-time National Guard duty, (ii) a member undergoing  
28.32 part-time National Guard training, and (iii) a National Guard military technician, who is a  
28.33 civilian required to wear a military uniform.

29.1 The exemption provided under this paragraph does not apply to a U. S. armed forces  
29.2 reserve technician.

29.3 (c) Any person while driving or operating any farm tractor or implement of  
29.4 husbandry temporarily on a highway is exempt. For purposes of this section, an all-terrain  
29.5 vehicle, as defined in section 84.92, subdivision 8, an off-highway motorcycle, as defined  
29.6 in section 84.787, subdivision 7, and an off-road vehicle, as defined in section 84.797,  
29.7 subdivision 7, are not implements of husbandry.

29.8 (d) A nonresident who is at least 15 years of age and who has in immediate  
29.9 possession a valid driver's license issued to the nonresident in the home state or country  
29.10 may operate a motor vehicle in this state only as a driver.

29.11 (e) A nonresident who has in immediate possession a valid commercial driver's  
29.12 license issued by a state or jurisdiction in accordance with the standards of Code of  
29.13 Federal Regulations, title 49, part 383, and who is operating in Minnesota the class of  
29.14 commercial motor vehicle authorized by the issuing state or jurisdiction is exempt.

29.15 (f) Any nonresident who is at least 18 years of age, whose home state or country does  
29.16 not require the licensing of drivers may operate a motor vehicle as a driver, but only for a  
29.17 period of not more than 90 days in any calendar year, if the motor vehicle so operated is  
29.18 duly registered for the current calendar year in the home state or country of the nonresident.

29.19 (g) Any person who becomes a resident of the state of Minnesota and who has in  
29.20 possession a valid driver's license issued to the person under and pursuant to the laws of  
29.21 some other state or jurisdiction or by military authorities of the United States may operate  
29.22 a motor vehicle as a driver, but only for a period of not more than 60 days after becoming  
29.23 a resident of this state, without being required to have a Minnesota driver's license as  
29.24 provided in this chapter.

29.25 (h) Any person who becomes a resident of the state of Minnesota and who has in  
29.26 possession a valid commercial driver's license issued by another state or jurisdiction in  
29.27 accordance with the standards of Code of Federal Regulations, title 49, part 383, is exempt  
29.28 for not more than 30 days after becoming a resident of this state.

29.29 (i) Any person operating a snowmobile, as defined in section 84.81, is exempt.

29.30 (j) A railroad operator, as defined in section 169.035, subdivision 4, paragraph (a),  
29.31 is exempt while operating a railroad locomotive or train, or on-track equipment while  
29.32 being operated upon rails. This exemption includes operation while crossing a street or  
29.33 highway, whether public or private.

29.34 Sec. 37. Minnesota Statutes 2011 Supplement, section 171.05, subdivision 2, is  
29.35 amended to read:

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

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

30.6 (i) the applicant is enrolled in behind-the-wheel training in a public, private, or  
 30.7 commercial driver education program that utilizes simulation or behind-the-wheel  
 30.8 instruction and that is approved by the commissioner of public safety; and

30.9 (ii) the applicant:

30.10 (A) has completed the classroom phase of instruction in a public, private, or  
 30.11 commercial driver education program that is approved by the commissioner of public  
 30.12 safety and that includes classroom and behind-the-wheel training; or

30.13 ~~(ii) an approved behind-the-wheel driver education program~~

30.14 (B) has completed home-school driver training, when the student is receiving  
 30.15 full-time instruction in a home school within the meaning of sections 120A.22 and  
 30.16 120A.24, the student is working toward a ~~homeschool~~ home-school diploma, the  
 30.17 student is taking home-classroom driver training with classroom materials approved by  
 30.18 the commissioner of public safety, and the student's parent has certified the student's  
 30.19 ~~homeschool~~ home-school and home-classroom driver training status on the form approved  
 30.20 by the commissioner; or

30.21 (C) has completed an Internet-based theory driver education program that is  
 30.22 approved by the commissioner of public safety;

30.23 ~~(2) has completed the classroom phase of instruction in the driver education program;~~

30.24 ~~(3)~~ (2) has passed a test of the applicant's eyesight;

30.25 ~~(4)~~ (3) has passed a department-administered test of the applicant's knowledge  
 30.26 of traffic laws;

30.27 ~~(5)~~ (4) has completed the required application, which must be approved by (i) either  
 30.28 parent when both reside in the same household as the minor applicant or, if otherwise,  
 30.29 then (ii) the parent or spouse of the parent having custody or, in the event there is no  
 30.30 court order for custody, then (iii) the parent or spouse of the parent with whom the minor  
 30.31 is living or, if items (i) to (iii) do not apply, then (iv) the guardian having custody of the  
 30.32 minor, (v) the foster parent or the director of the transitional living program in which the  
 30.33 child resides or, in the event a person under the age of 18 has no living father, mother,  
 30.34 or guardian, or is married or otherwise legally emancipated, then (vi) the applicant's  
 30.35 adult spouse, adult close family member, or adult employer; provided, that the approval

31.1 required by this clause contains a verification of the age of the applicant and the identity of  
31.2 the parent, guardian, adult spouse, adult close family member, or adult employer; and  
31.3 ~~(6)~~ (5) has paid the fee required in section 171.06, subdivision 2.

31.4 (b) For the purposes of determining compliance with the certification of paragraph  
31.5 (a), clause (1), item (ii) (B), the commissioner may request verification of a student's  
31.6 ~~homeschool~~ home-school status from the superintendent of the school district in which the  
31.7 student resides and the superintendent shall provide that verification.

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

31.11 (d) A provider of an Internet-based theory driver education program approved by  
31.12 the commissioner shall issue a certificate of completion to each person who successfully  
31.13 completes the program. The commissioner shall furnish numbered certificate forms to  
31.14 approved providers who shall pay the commissioner a fee of \$2 for each certificate. The  
31.15 commissioner shall deposit proceeds of the fee in the driver services operating account in  
31.16 the special revenue fund. The commissioner shall terminate the fee when the department  
31.17 has fully recovered its costs to implement Internet driver education under this section.  
31.18 Proceeds from the fee under this paragraph are annually appropriated to the commissioner  
31.19 from the driver services operating account for administrative costs to implement Internet  
31.20 driver education.

31.21 Sec. 38. Minnesota Statutes 2010, section 171.061, subdivision 4, is amended to read:

31.22 Subd. 4. **Fee; equipment.** (a) The agent may charge and retain a filing fee of \$5 for  
31.23 each application. Except as provided in paragraph ~~(b)~~ (c), the fee shall cover all expenses  
31.24 involved in receiving, accepting, or forwarding to the department the applications and  
31.25 fees required under sections 171.02, subdivision 3; 171.06, subdivisions 2 and 2a; and  
31.26 171.07, subdivisions 3 and 3a.

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

31.34 ~~(b)~~ (c) The department shall maintain the photo identification equipment for all  
31.35 agents appointed as of January 1, 2000. Upon the retirement, resignation, death, or

32.1 discontinuance of an existing agent, and if a new agent is appointed in an existing office  
 32.2 pursuant to Minnesota Rules, chapter 7404, and notwithstanding the above or Minnesota  
 32.3 Rules, part 7404.0400, the department shall provide and maintain photo identification  
 32.4 equipment without additional cost to a newly appointed agent in that office if the office  
 32.5 was provided the equipment by the department before January 1, 2000. All photo  
 32.6 identification equipment must be compatible with standards established by the department.

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

32.13 ~~(d)~~ (e) Before the end of the first working day following the final day of the  
 32.14 reporting period established by the department, the agent must forward to the department  
 32.15 all applications and fees collected during the reporting period except as provided in  
 32.16 paragraph ~~(e)~~ (d).

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

32.18 Sec. 39. **[171.0703] INTERNET-BASED DRIVER EDUCATION.**

32.19 The commissioner shall include in administrative rules on Internet-based theory  
 32.20 driver education programs a requirement that a program may offer no more than three  
 32.21 hours of instruction per day to a student.

32.22 Sec. 40. Minnesota Statutes 2011 Supplement, section 171.075, subdivision 1, is  
 32.23 amended to read:

32.24 Subdivision 1. **Anatomical gift account.** An anatomical gift account is established  
 32.25 in the special revenue fund. The account consist of funds donated under sections ~~168.12~~  
 32.26 168.013, subdivision ~~5~~ 22, and 171.06, subdivision 2, and any other money donated,  
 32.27 allotted, transferred, or otherwise provided to the account. Money in the account is  
 32.28 annually appropriated to the commissioner for (1) grants under subdivision 2, and (2)  
 32.29 administrative expenses in implementing the donation and grant program.

32.30 **EFFECTIVE DATE.** This section is effective January 1, 2013.

32.31 Sec. 41. Minnesota Statutes 2010, section 171.12, subdivision 6, is amended to read:

33.1 Subd. 6. **Certain convictions not recorded.** (a) Except as provided in paragraph  
33.2 (b), the department shall not keep on the record of a driver any conviction for a violation  
33.3 of a speed limit of 55 or 60 miles per hour unless the violation consisted of a speed greater  
33.4 than ten miles per hour in excess of ~~a 55 miles per hour~~ the speed limit, ~~or more than five~~  
33.5 ~~miles per hour in excess of a 60 miles per hour speed limit.~~

33.6 (b) This subdivision does not apply to (1) a violation that occurs in a commercial  
33.7 motor vehicle, or (2) a violation committed by a holder of a class A, B, or C commercial  
33.8 driver's license, without regard to whether the violation was committed in a commercial  
33.9 motor vehicle or another vehicle.

33.10 Sec. 42. Minnesota Statutes 2010, section 171.30, subdivision 1, is amended to read:

33.11 Subdivision 1. **Conditions of issuance.** (a) The commissioner may issue a limited  
33.12 license to the driver under the conditions in paragraph (b) in any case where a person's  
33.13 license has been:

33.14 (1) suspended under section 171.18, 171.173, or 171.186;

33.15 (2) revoked, canceled, or denied under section:

33.16 (i) 169.792;

33.17 (ii) 169.797;

33.18 (iii) 169A.52:

33.19 (A) subdivision 3, paragraph (a), clause (1) or (2);

33.20 (B) subdivision 3, paragraph (a), clause (4), (5), or (6), if in compliance with section  
33.21 171.306;

33.22 (C) subdivision 4, paragraph (a), clause (1) or (2), if the test results indicate an  
33.23 alcohol concentration of less than twice the legal limit;

33.24 (D) subdivision 4, paragraph (a), clause (4), (5), or (6), if in compliance with section  
33.25 171.306;

33.26 (iv) 171.17; or

33.27 (v) 171.172; or

33.28 (3) revoked, canceled, or denied under section 169A.54:

33.29 (i) subdivision 1, clause (1), if the test results indicate an alcohol concentration  
33.30 of less than twice the legal limit;

33.31 (ii) subdivision 1, clause (2);

33.32 (iii) subdivision 1, clause ~~(4)~~, (5), ~~or~~ (6), or (7), if in compliance with section  
33.33 171.306; or

34.1 (iv) subdivision 2, if the person does not have a qualified prior impaired driving  
34.2 incident as defined in section 169A.03, subdivision 22, on the person's record, and the test  
34.3 results indicate an alcohol concentration of less than twice the legal limit.

34.4 (b) The following conditions for a limited license under paragraph (a) include:

34.5 (1) if the driver's livelihood or attendance at a chemical dependency treatment or  
34.6 counseling program depends upon the use of the driver's license;

34.7 (2) if the use of a driver's license by a homemaker is necessary to prevent the  
34.8 substantial disruption of the education, medical, or nutritional needs of the family of  
34.9 the homemaker; or

34.10 (3) if attendance at a postsecondary institution of education by an enrolled student of  
34.11 that institution depends upon the use of the driver's license.

34.12 (c) The commissioner in issuing a limited license may impose such conditions and  
34.13 limitations as in the commissioner's judgment are necessary to the interests of the public  
34.14 safety and welfare including reexamination as to the driver's qualifications. The license  
34.15 may be limited to the operation of particular vehicles, to particular classes and times of  
34.16 operation, and to particular conditions of traffic. The commissioner may require that an  
34.17 applicant for a limited license affirmatively demonstrate that use of public transportation  
34.18 or carpooling as an alternative to a limited license would be a significant hardship.

34.19 (d) For purposes of this subdivision:

34.20 (1) "homemaker" refers to the person primarily performing the domestic tasks in a  
34.21 household of residents consisting of at least the person and the person's dependent child  
34.22 or other dependents; and

34.23 (2) "twice the legal limit" means an alcohol concentration of two times the limit  
34.24 specified in section 169A.20, subdivision 1, clause (5).

34.25 (e) The limited license issued by the commissioner shall clearly indicate the  
34.26 limitations imposed and the driver operating under the limited license shall have the  
34.27 license in possession at all times when operating as a driver.

34.28 (f) In determining whether to issue a limited license, the commissioner shall consider  
34.29 the number and the seriousness of prior convictions and the entire driving record of the  
34.30 driver and shall consider the number of miles driven by the driver annually.

34.31 (g) If the person's driver's license or permit to drive has been revoked under  
34.32 section 169.792 or 169.797, the commissioner may only issue a limited license to the  
34.33 person after the person has presented an insurance identification card, policy, or written  
34.34 statement indicating that the driver or owner has insurance coverage satisfactory to  
34.35 the commissioner of public safety. The commissioner of public safety may require

35.1 the insurance identification card provided to satisfy this subdivision be certified by the  
35.2 insurance company to be noncancelable for a period not to exceed 12 months.

35.3 (h) The limited license issued by the commissioner to a person under section  
35.4 171.186, subdivision 4, must expire 90 days after the date it is issued. The commissioner  
35.5 must not issue a limited license to a person who previously has been issued a limited  
35.6 license under section 171.186, subdivision 4.

35.7 (i) The commissioner shall not issue a limited driver's license to any person  
35.8 described in section 171.04, subdivision 1, clause (6), (7), (8), (11), or (14).

35.9 (j) The commissioner shall not issue a class A, class B, or class C limited license.

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

35.11 Sec. 43. Minnesota Statutes 2010, section 171.306, subdivision 4, is amended to read:

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

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

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

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

35.31 (c) A program participant whose driver's license has been revoked under section  
35.32 169A.52, subdivision 3, paragraph (a), clause (1), (2), or (3), or subdivision 4, paragraph  
35.33 (a), clause (1), (2), or (3), or section 169A.54, subdivision 1, clause (1), (2), ~~or (3)~~, or (4),  
35.34 may apply for conditional reinstatement of the driver's license, subject to the ignition  
35.35 interlock restriction.

36.1 (d) A program participant whose driver's license has been revoked, canceled, or  
36.2 denied under section 169A.52, subdivision 3, paragraph (a), clause (4), (5), or (6), or  
36.3 subdivision 4, paragraph (a), clause (4), (5), or (6), or section 169A.54, subdivision 1,  
36.4 clause ~~(4)~~, (5), ~~or (6)~~, or (7), may apply for a limited license, subject to the ignition  
36.5 interlock restriction, if the program participant is enrolled in a licensed chemical  
36.6 dependency treatment or rehabilitation program as recommended in a chemical use  
36.7 assessment, and if the participant meets the other applicable requirements of section  
36.8 171.30. After completing a licensed chemical dependency treatment or rehabilitation  
36.9 program and one year of limited license use without violating the ignition interlock  
36.10 restriction, the conditions of limited license use, or program guidelines, the participant  
36.11 may apply for conditional reinstatement of the driver's license, subject to the ignition  
36.12 interlock restriction. If the program participant's ignition interlock device subsequently  
36.13 registers a positive breath alcohol concentration of 0.02 or higher, the commissioner shall  
36.14 cancel the driver's license, and the program participant may apply for another limited  
36.15 license according to this paragraph.

36.16 (e) Notwithstanding any statute or rule to the contrary, the commissioner has  
36.17 authority to determine when a program participant is eligible for restoration of full driving  
36.18 privileges, except that the commissioner shall not reinstate full driving privileges until the  
36.19 program participant has met all applicable prerequisites for reinstatement under section  
36.20 169A.55 and until the program participant's device has registered no positive breath  
36.21 alcohol concentrations of 0.02 or higher during the preceding 90 days.

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

36.23 Sec. 44. Minnesota Statutes 2010, section 174.02, is amended by adding a subdivision  
36.24 to read:

36.25 **Subd. 9. Alternative financing and investment in a pilot transportation**  
36.26 **project.** (a) The commissioner may select one pilot transportation project on the trunk  
36.27 highway system to implement the authority granted in this subdivision. In connection  
36.28 with this pilot project, the commissioner may enter into agreements with governmental  
36.29 or nongovernmental entities, including private and nonprofit entities, to finance or invest  
36.30 in the transportation project, including repayment agreements. An agreement under this  
36.31 subdivision is subject to (1) the availability of state money or other dedicated revenue or  
36.32 resources; and (2) the approval of the commissioner of management and budget.

36.33 (b) The commissioner shall submit to the chairs and ranking minority members of  
36.34 the house of representatives and senate committees having jurisdiction over transportation  
36.35 policy and finance, a listing of all agreements executed under this subdivision. The listing

37.1 must identify each agreement, the contracting entities, contract amount, duration, and any  
 37.2 repayment requirements. The listing may be submitted electronically, and is subject  
 37.3 to section 3.195, subdivision 1.

37.4 (c) The pilot project is subject to transportation planning, programming, and  
 37.5 procurement requirements. Use of this subdivision must not result in the delay of any  
 37.6 project programmed in the statewide transportation improvement program.

37.7 (d) This subdivision does not preempt any other statute or provide any new toll  
 37.8 facility authority or design-build contracting authority.

37.9 (e) Any repayment agreement under this subdivision must comply with all applicable  
 37.10 debt and other financial policies and requirements.

37.11 Sec. 45. Minnesota Statutes 2010, section 174.56, is amended to read:

37.12 **174.56 REPORT ON MAJOR HIGHWAY PROJECTS AND TRUNK**  
 37.13 **HIGHWAY FUND EXPENDITURES.**

37.14 Subdivision 1. **Report required.** (a) The commissioner of transportation shall  
 37.15 submit a report ~~on January 15, 2009, and on January~~ by December 15 of each year  
 37.16 ~~thereafter~~, on (1) the status of major highway projects completed during the previous two  
 37.17 years or under construction or planned during the year of the report and for the ensuing 15  
 37.18 years; and (2) trunk highway fund expenditures.

37.19 (b) For purposes of this section, a "major highway project" is a highway project that  
 37.20 has a total cost for all segments that the commissioner estimates at the time of the report to  
 37.21 be at least (1) ~~\$25,000,000~~ \$15,000,000 in the metropolitan highway construction district,  
 37.22 or (2) ~~\$10,000,000~~ \$5,000,000 in any nonmetropolitan highway construction district.

37.23 Subd. 2. **Report contents; major highway projects.** For each major highway  
 37.24 project the report must include:

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

37.26 (2) a history of the project, including, but not limited to, previous official actions  
 37.27 by the department or the appropriate area transportation partnership, or both, the date on  
 37.28 which the project was first included in the state transportation improvement plan, the cost  
 37.29 of the project at that time, the planning estimate for the project, the engineer's estimate, the  
 37.30 award price, the final cost as of six months after substantial completion, including any  
 37.31 supplemental agreements and cost overruns or cost savings, the dates of environmental  
 37.32 approval, the dates of municipal approval, the date of final geometric layout, and the date  
 37.33 of establishment of any construction limits;

37.34 (3) the project's priority listing or rank within its construction district, if any, as  
 37.35 well as the reasons for that listing or rank, the criteria used in prioritization or rank, any

38.1 changes in that prioritization or rank since the project was first included in a department  
38.2 work plan, and the reasons for those changes; ~~and~~

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

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

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

38.12 **Subd. 2a. Report contents; trunk highway fund expenditures.** The commissioner  
38.13 shall include in the report information on the total expenditures from the trunk highway  
38.14 fund during the previous fiscal year, for each Department of Transportation district, in  
38.15 the following categories: road construction; planning; design and engineering; labor;  
38.16 compliance with environmental regulations; administration; acquisition of right-of-way,  
38.17 including costs for attorney fees and other compensation for property owners; litigation  
38.18 costs, including payment of claims, settlements, and judgments; maintenance; and road  
38.19 operations.

38.20 **Subd. 3. Department resources.** The commissioner shall prepare and submit the  
38.21 report with existing department staff and resources.

38.22 **EFFECTIVE DATE.** This section is effective August 1, 2012, except that (1) the  
38.23 changes in subdivision 2, clause (2), apply to projects that are substantially completed  
38.24 on or after July 1, 2012; and (2) subdivision 2, clause (6), is effective beginning with the  
38.25 report due by December 15, 2013.

38.26 Sec. 46. Minnesota Statutes 2010, section 221.0314, subdivision 3a, is amended to  
38.27 read:

38.28 **Subd. 3a. Waiver for other medical condition.** (a) The commissioner may grant  
38.29 a waiver to a person who is not physically qualified to drive under Code of Federal  
38.30 Regulations, title 49, section 391.41, paragraph (b)(3) to (b)(13). A waiver granted under  
38.31 this subdivision applies to intrastate transportation only.

38.32 (b) A person who wishes to obtain a waiver under this subdivision must give the  
38.33 commissioner the following information:

38.34 (1) the applicant's name, address, and telephone number;

38.35 (2) the name, address, and telephone number of an employer coapplicant, if any;

- 39.1 (3) a description of the applicant's experience in driving the type of vehicle to be  
39.2 operated under the waiver;
- 39.3 (4) a description of the type of driving to be done under the waiver;
- 39.4 (5) a description of any modifications to the vehicle the applicant intends to drive  
39.5 under the waiver that are designed to accommodate the applicant's medical condition or  
39.6 disability;
- 39.7 (6) whether the applicant has been granted another waiver under this subdivision;
- 39.8 (7) a copy of the applicant's current driver's license;
- 39.9 (8) a copy of a medical examiner's certificate showing that the applicant is medically  
39.10 unqualified to drive unless a waiver is granted;
- 39.11 (9) a statement from the applicant's treating physician that includes:
- 39.12 (i) the extent to which the physician is familiar with the applicant's medical history;
- 39.13 (ii) a description of the applicant's medical condition for which a waiver is necessary;
- 39.14 (iii) assurance that the applicant has the ability and willingness to follow any course  
39.15 of treatment prescribed by the physician, including the ability to self-monitor or manage  
39.16 the medical condition; and
- 39.17 (iv) the physician's professional opinion that the applicant's condition will not  
39.18 adversely affect the applicant's ability to operate a motor vehicle safely; and
- 39.19 (10) any other information considered necessary by the commissioner including  
39.20 requiring a physical examination or medical report from a physician who specializes  
39.21 in a particular field of medical practice.
- 39.22 (c) In granting a waiver under this subdivision, the commissioner may impose  
39.23 conditions the commissioner considers necessary to ensure that an applicant is able to  
39.24 operate a motor vehicle safely and that the safety of the general public is protected.
- 39.25 (d) A person who is granted a waiver under this subdivision must:
- 39.26 (1) at intervals specified in the waiver, give the commissioner periodic reports from  
39.27 the person's treating physician, or a medical specialist if the commissioner so requires in  
39.28 the waiver, that contain the information described in paragraph (b), clause (9), together  
39.29 with a description of any episode that involved the person's loss of consciousness or loss  
39.30 of ability to operate a motor vehicle safely; and
- 39.31 (2) immediately report the person's involvement in an accident for which a report is  
39.32 required under section 169.09, subdivision 7.
- 39.33 (e) The commissioner shall deny an application if, during the three years preceding  
39.34 the application:

40.1 (1) the applicant's driver's license has been suspended under section 171.18,  
 40.2 paragraph (a), clauses (1) to (9), (11), and (12), canceled under section 171.14, or revoked  
 40.3 under section 171.17, 171.172, or 171.174; ~~or~~

40.4 (2) the applicant has been convicted of a violation under section 171.24; or

40.5 ~~(2)~~ (3) the applicant has been convicted of a disqualifying offense, as defined in  
 40.6 Code of Federal Regulations, title 49, section 383.51, paragraph (b), which is incorporated  
 40.7 by reference.

40.8 (f) The commissioner may deny an application or may immediately revoke a  
 40.9 waiver granted under this subdivision. Notice of the commissioner's reasons for denying  
 40.10 an application or for revoking a waiver must be in writing and must be mailed to  
 40.11 the applicant's or waiver holder's last known address by certified mail, return receipt  
 40.12 requested. A person whose application is denied or whose waiver is revoked is entitled to  
 40.13 a hearing under chapter 14.

40.14 (g) A waiver granted under this subdivision expires on the date of expiration shown  
 40.15 on the medical examiner's certificate described in paragraph (b), clause (8).

40.16 Sec. 47. Minnesota Statutes 2010, section 222.50, subdivision 4, is amended to read:

40.17 Subd. 4. **Contract.** The commissioner may negotiate and enter into contracts for the  
 40.18 purpose of rail service improvement and may incorporate funds available from the federal  
 40.19 ~~rail service continuation program~~ government. The participants in these contracts shall be  
 40.20 railroads, rail users<sub>2</sub> and the department, and may be political subdivisions of the state and  
 40.21 the federal government. In such contracts, participation by all parties shall be voluntary.  
 40.22 The commissioner may provide a portion of the money required to carry out the terms of  
 40.23 any such contract by expenditure from the rail service improvement account.

40.24 Sec. 48. Minnesota Statutes 2010, section 222.51, is amended to read:

40.25 **222.51 PARTICIPATION BY POLITICAL SUBDIVISION.**

40.26 The governing body of any political subdivision of the state may<sub>2</sub> with the approval  
 40.27 of the commissioner<sub>2</sub> appropriate money for rail service improvement and may participate  
 40.28 in the state rail service improvement program and ~~the federal rail service continuation~~  
 40.29 ~~program~~ programs.

40.30 Sec. 49. Minnesota Statutes 2010, section 222.53, is amended to read:

40.31 **222.53 ACCEPTANCE OF FEDERAL MONEY.**

41.1 The commissioner may exercise those powers necessary for the state to qualify  
 41.2 for, accept, and disburse any federal money ~~that may be made available pursuant to the~~  
 41.3 ~~provisions of the federal rail service continuation program~~, including the power to:

41.4 (1) establish an adequate plan for rail service in the state as part of an overall  
 41.5 planning process for all transportation services in the state, including a suitable process for  
 41.6 updating, revising, and amending the plan;

41.7 (2) administer and coordinate the plan with other state agencies, and provide for the  
 41.8 equitable distribution of resources;

41.9 (3) develop, promote, and support safe, adequate, and efficient rail transportation  
 41.10 services; employ qualified personnel; maintain adequate programs of investigation,  
 41.11 research, promotion, and development, with provisions for public participation; and take  
 41.12 all practical steps to improve transportation safety and reduce transportation-related  
 41.13 energy utilization and pollution;

41.14 (4) adopt and maintain adequate procedures for financial control, accounting, and  
 41.15 performance evaluation in order to assure proper use of state and federal money;

41.16 (5) do all things otherwise necessary to maximize federal assistance to the state  
 41.17 ~~under the federal rail service continuation program.~~

41.18 Sec. 50. Minnesota Statutes 2010, section 222.63, subdivision 9, is amended to read:

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

41.24 (1) obstruct any trail;

41.25 (2) deposit snow or ice;

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

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

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

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

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

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

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

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

42.9 (11) place or maintain any building or structure.

42.10 (b) Unless a greater penalty is provided elsewhere in statute, any violation of this  
 42.11 subdivision is a ~~petty~~ misdemeanor.

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

42.14 Sec. 51. **VARIANCE; SEAPLANE BASE.**

42.15 The commissioner of transportation shall grant a variance for Elbow Lake  
 42.16 Municipal-Pride of the Prairie Airport, airport code Y63, to be licensed as a public  
 42.17 seaplane base on Flekkefjord Lake. The commissioner shall establish conditions or  
 42.18 limitations as may be necessary.

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

42.20 Sec. 52. **ADDITIONS TO REPORTS ON MAJOR HIGHWAY PROJECTS AND**  
 42.21 **TRUNK HIGHWAY FUND EXPENDITURES.**

42.22 For 2013 and 2014 reports required under Minnesota Statutes, section 174.56, the  
 42.23 commissioner of transportation shall include the results of evaluations of management  
 42.24 systems currently used by the Department of Transportation. The evaluations must specify  
 42.25 the extent to which the management of data in these systems is consistent with existing  
 42.26 policies and the need for statewide, reliable, and verifiable information. The evaluations  
 42.27 must be performed either by the department's office of internal audit or by an independent  
 42.28 external auditor. The 2013 report must include the evaluation of construction management  
 42.29 systems and the program and project management system. The 2014 report must include  
 42.30 the evaluation of pavement management systems and bridge management systems.

42.31 Sec. 53. **MUNICIPAL STATE-AID STREET 2013 ALLOCATION.**

42.32 (a) Notwithstanding Minnesota Statutes, section 162.13, subdivision 1, the  
 42.33 commissioner of transportation shall allocate the apportionment sum available in the

43.1 municipal state-aid street fund, following the deductions under Minnesota Statutes, section  
43.2 162.12, as provided in this section.

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

43.4 (1) qualifies for municipal state-aid street funds under Minnesota Statutes, section  
43.5 162.09, subdivision 4a; and

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

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

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

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

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

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

43.15 Sec. 54. **REPEALER.**

43.16 Minnesota Statutes 2010, sections 161.08, subdivision 2; 168.012, subdivision 1b;  
43.17 169A.54, subdivision 5; and 222.48, subdivision 3a, are repealed.

43.18 Sec. 55. **EFFECTIVE DATE.**

43.19 Unless otherwise specified, this act is effective August 1, 2012.

**161.08 RECORDS AND REPORTS.**

Subd. 2. **Biennial report on expenditures.** No later than October 15 of each odd-numbered year, the commissioner shall report to the legislature the total expenditures from the trunk highway fund during the previous biennium in each of the following categories: road construction; planning; professional and technical contracts; design and engineering; labor; compliance with environmental requirements; acquisition of right-of-way; litigation costs, including payment of claims, settlements, and judgments; maintenance; and road operations. As part of each report the commissioner shall select two representative trunk highway construction projects, one each from the department's metropolitan district and from greater Minnesota, and for each project report the cost of environmental mitigation and compliance.

**168.012 VEHICLES EXEMPT FROM TAX OR LICENSE FEES.**

Subd. 1b. **Markings required for conservation officer vehicle.** Motor vehicles of the conservation officer service shall have printed thereon the markings required by this section, for tax-exempt vehicles.

**169A.54 DWI CONVICTIONS, ADJUDICATIONS; ADMINISTRATIVE PENALTIES.**

Subd. 5. **Violations involving alcohol concentration of twice the legal limit or more.** If the person has no qualified prior impaired driving incidents within the past ten years and is convicted of violating section 169A.20 (driving while impaired) while having an alcohol concentration of twice the legal limit or more as measured at the time, or within two hours of the time, of the offense, the commissioner shall revoke the person's driver's license for not less than one year.

**222.48 DEFINITIONS.**

Subd. 3a. **Federal rail service continuation program.** "Federal rail service continuation program" means any federal program created under the Railroad Revitalization and Regulatory Reform Act of 1976, Public Law 94-210, as amended.