

**SENATE**  
**STATE OF MINNESOTA**  
**EIGHTY-EIGHTH LEGISLATURE**

**S.F. No. 1173**

(SENATE AUTHORS: DIBBLE and Skoe)

DATE	D-PG	OFFICIAL STATUS
03/07/2013	687	Introduction and first reading Referred to Transportation and Public Safety
03/20/2013	1287 1352	Comm report: To pass Second reading
03/21/2013	1415	General Orders: Stricken and re-referred to Finance
04/20/2013	2527a	Comm report: To pass as amended and re-refer to Taxes
05/07/2013	3292	Author added Skoe
05/08/2013		HF substituted in committee HF1444

A bill for an act

1.1 relating to government finance; appropriating money for transportation,  
 1.2 Metropolitan Council, and public safety activities and programs; providing for  
 1.3 fund transfers, tort claims, and contingent appropriations; modifying policy  
 1.4 and tax provisions relating to transportation transit and public safety; amending  
 1.5 Minnesota Statutes 2012, sections 161.20, subdivision 3; 161.53; 162.07,  
 1.6 subdivision 1a; 163.051; 168A.01, subdivision 6a; 168A.29, subdivision 1;  
 1.7 169.865; 169A.37, subdivision 1; 169A.51, subdivision 2; 169A.55, by adding  
 1.8 a subdivision; 171.05, subdivision 2; 171.061, subdivision 4; 171.0701, by  
 1.9 adding a subdivision; 171.17, by adding a subdivision; 171.30, subdivisions  
 1.10 1, 2a, by adding a subdivision; 171.306, subdivisions 1, 4; 174.185, by  
 1.11 adding a subdivision; 174.40, by adding a subdivision; 219.1651; 296A.07,  
 1.12 subdivision 3; 296A.08, subdivision 2; 296A.12; 297A.815, subdivision 3;  
 1.13 297A.992; 297A.993, subdivisions 1, 2; 297B.01, subdivisions 14, 16; 297B.02,  
 1.14 subdivisions 1, 3; 297B.09, subdivision 1; 299A.73, subdivision 3; 299E.01,  
 1.15 subdivisions 2, 3; 299E.02; 398A.04, by adding a subdivision; 398A.10,  
 1.16 subdivision 1, by adding a subdivision; 473.39, by adding subdivisions; Laws  
 1.17 2009, chapter 9, section 1; proposing coding for new law in Minnesota Statutes,  
 1.18 chapters 161; 171; 174; 295; 297A; 435; 629; repealing Minnesota Statutes  
 1.19 2012, sections 161.04, subdivision 6; 174.285, subdivision 8; Minnesota Rules,  
 1.20 parts 7503.0300, subpart 1; 7503.0800, subpart 2.  
 1.21

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

**ARTICLE 1**

**TRANSPORTATION AND PUBLIC SAFETY APPROPRIATIONS**

1.23 Section 1. **SUMMARY OF APPROPRIATIONS.**

1.24 The amounts shown in this section summarize direct appropriations, by fund, made  
 1.25 in this article.

	<u>2014</u>	<u>2015</u>	<u>Total</u>
1.28 <u>General</u>	\$ 160,210,000	\$ 159,339,000	\$ 319,549,000
1.29 <u>Airports</u>	18,959,000	18,959,000	37,918,000
1.30 <u>C.S.A.H.</u>	632,251,000	686,608,000	1,318,859,000

2.1	<u>M.S.A.S.</u>	<u>162,035,000</u>	<u>175,839,000</u>	<u>337,874,000</u>
2.2	<u>Special Revenue</u>	<u>61,187,000</u>	<u>61,483,000</u>	<u>122,670,000</u>
2.3	<u>H.U.T.D.</u>	<u>10,506,000</u>	<u>10,406,000</u>	<u>20,912,000</u>
2.4	<u>State Government Special</u>			
2.5	<u>Revenue</u>	<u>59,841,000</u>	<u>64,742,000</u>	<u>124,583,000</u>
2.6	<u>Environmental</u>	<u>69,000</u>	<u>69,000</u>	<u>138,000</u>
2.7	<u>Trunk Highway</u>	<u>1,755,137,000</u>	<u>1,766,481,000</u>	<u>3,521,618,000</u>
2.8	<b><u>Total</u></b>	<b><u>\$ 2,860,195,000</u></b>	<b><u>\$ 2,943,926,000</u></b>	<b><u>\$ 5,804,121,000</u></b>

2.9 **Sec. 2. TRANSPORTATION APPROPRIATIONS.**

2.10 The sums shown in the columns marked "Appropriations" are appropriated to  
 2.11 the agencies and for the purposes specified in this article. The appropriations are from  
 2.12 the trunk highway fund, or another named fund, and are available for the fiscal years  
 2.13 indicated for each purpose. The figures "2014" and "2015" used in this article mean that  
 2.14 the appropriations listed under them are available for the fiscal year ending June 30, 2014,  
 2.15 or June 30, 2015, respectively. "The first year" is fiscal year 2014. "The second year" is  
 2.16 fiscal year 2015. "The biennium" is fiscal years 2014 and 2015.

2.17		<b><u>APPROPRIATIONS</u></b>
2.18		<b><u>Available for the Year</u></b>
2.19		<b><u>Ending June 30</u></b>
2.20		<b><u>2014</u>                      <u>2015</u></b>

2.21 **Sec. 3. DEPARTMENT OF**  
 2.22 **TRANSPORTATION**

2.23 **Subdivision 1. Total Appropriation**                      **\$ 2,507,249,000** **\$ 2,585,673,000**

2.24		<u>Appropriations by Fund</u>	
2.25		<u>2014</u>	<u>2015</u>
2.26	<u>General</u>	<u>28,276,000</u>	<u>27,295,000</u>
2.27	<u>Airports</u>	<u>18,959,000</u>	<u>18,959,000</u>
2.28	<u>C.S.A.H.</u>	<u>632,251,000</u>	<u>686,608,000</u>
2.29	<u>M.S.A.S</u>	<u>162,035,000</u>	<u>175,839,000</u>
2.30	<u>H.U.T.D.</u>	<u>100,000</u>	<u>-0-</u>
2.31	<u>Trunk Highway</u>	<u>1,665,628,000</u>	<u>1,676,972,000</u>

2.32 The amounts that may be spent for each  
 2.33 purpose are specified in the following  
 2.34 subdivisions.

2.35 **Subd. 2. Multimodal Systems**

2.36 **(a) Aeronautics**



4.1	<b><u>(c) Passenger Rail</u></b>		<u>500,000</u>	<u>500,000</u>
4.2	<u>This appropriation is from the general</u>			
4.3	<u>fund for passenger rail system planning,</u>			
4.4	<u>alternatives analysis, environmental analysis,</u>			
4.5	<u>design, and preliminary engineering under</u>			
4.6	<u>Minnesota Statutes, sections 174.632 to</u>			
4.7	<u>174.636.</u>			
4.8	<b><u>(d) Freight</u></b>		<u>6,153,000</u>	<u>5,153,000</u>
4.9	<u>Appropriations by Fund</u>			
4.10	<u>General</u>	<u>1,256,000</u>		<u>256,000</u>
4.11	<u>Trunk Highway</u>	<u>4,897,000</u>		<u>4,897,000</u>
4.12	<u>\$1,000,000 in the first year is from the</u>			
4.13	<u>general fund to pay for the department's</u>			
4.14	<u>share of costs associated with the cleanup of</u>			
4.15	<u>contaminated state rail bank property. This</u>			
4.16	<u>appropriation is available until expended.</u>			
4.17	<b><u>(e) Safe Routes to School</u></b>		<u>375,000</u>	<u>375,000</u>
4.18	<u>\$375,000 in each year from the general fund</u>			
4.19	<u>for grants to local jurisdictions for safe routes</u>			
4.20	<u>to school.</u>			
4.21	<u>Subd. 3. State Roads</u>			
4.22	<b><u>(a) Operations and Maintenance</u></b>		<u>262,395,000</u>	<u>262,395,000</u>
4.23	<b><u>(b) Program Planning and Delivery</u></b>		<u>206,720,000</u>	<u>206,720,000</u>
4.24	<u>\$250,000 in each year is for the department's</u>			
4.25	<u>administrative costs for creation and</u>			
4.26	<u>operation of the Joint Program Office for</u>			
4.27	<u>Economic Development and Alternative</u>			
4.28	<u>Finance, including costs of hiring a</u>			
4.29	<u>consultant and preparing required reports.</u>			
4.30	<u>\$130,000 in each year is available for</u>			
4.31	<u>administrative costs of the targeted group</u>			
4.32	<u>business program.</u>			

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

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

5.11 \$900,000 in each year is available for  
 5.12 grants for transportation studies outside  
 5.13 the metropolitan area to identify critical  
 5.14 concerns, problems, and issues. These  
 5.15 grants are available: (1) to regional  
 5.16 development commissions; (2) in regions  
 5.17 where no regional development commission  
 5.18 is functioning, to joint powers boards  
 5.19 established under agreement of two or  
 5.20 more political subdivisions in the region to  
 5.21 exercise the planning functions of a regional  
 5.22 development commission; and (3) in regions  
 5.23 where no regional development commission  
 5.24 or joint powers board is functioning, to the  
 5.25 department's district office for that region.

5.26	<b><u>(c) State Road Construction Total</u></b>	<u>966,400,000</u>	<u>946,340,000</u>
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5.27	<b><u>(1) Economic Recovery Funds - Federal</u></b>		
5.28	<b><u>Highway Aid</u></b>	<u>1,000,000</u>	<u>1,000,000</u>

5.29 This appropriation is to complete projects  
 5.30 using funds made available to the  
 5.31 commissioner of transportation under  
 5.32 title XII of the American Recovery and  
 5.33 Reinvestment Act of 2009, Public Law 111-5  
 5.34 and implemented under Minnesota Statutes,  
 5.35 section 161.36, subdivision 7. The base

6.1 appropriation is \$1,000,000 in fiscal year  
 6.2 2016 and \$0 in fiscal year 2017.

6.3 **(2) Corridors of Commerce** 47,600,000 110,280,000

6.4 This appropriation is for the Corridors  
 6.5 of Commerce program under Minnesota  
 6.6 Statutes, section 161.088.

6.7 Of this appropriation, the commissioner may  
 6.8 use up to \$8,092,000 in fiscal year 2014 and  
 6.9 \$18,748,000 in fiscal year 2015 for program  
 6.10 delivery.

6.11 **(3) State Road Construction** 917,800,000 835,060,000

6.12 It is estimated that these appropriations will  
 6.13 be funded as follows:

<u>Appropriations by Fund</u>			
6.14			
6.15	<u>Federal Highway</u>		
6.16	<u>Aid</u>	<u>489,200,000</u>	<u>482,200,000</u>
6.17	<u>Highway User Taxes</u>	<u>428,600,000</u>	<u>352,860,000</u>

6.18 The commissioner of transportation shall  
 6.19 notify the chairs and ranking minority  
 6.20 members of the legislative committees with  
 6.21 jurisdiction over transportation finance of  
 6.22 any significant events that should cause these  
 6.23 estimates to change.

6.24 This appropriation is for the actual  
 6.25 construction, reconstruction, and  
 6.26 improvement of trunk highways, including  
 6.27 design-build contracts and consultant usage  
 6.28 to support these activities. This includes the  
 6.29 cost of actual payment to landowners for  
 6.30 lands acquired for highway rights-of-way,  
 6.31 payment to lessees, interest subsidies, and  
 6.32 relocation expenses.

6.33 Of this appropriation, the commissioner  
 6.34 is encouraged to allocate, from money

7.1 transferred to the corridor investment  
 7.2 management strategy program, funds to  
 7.3 determine the preferred corridor alignment  
 7.4 and to plan, design, and construct or  
 7.5 reconstruct a two-lane roadway currently  
 7.6 located in a corridor that passes through  
 7.7 communities, townships, and a national  
 7.8 forest; that has significant weather-related  
 7.9 safety problems due in part to its current  
 7.10 alignment; and has key highway, public  
 7.11 transit, bicycle/pedestrian, and rail  
 7.12 connections.

7.13 The base appropriation for state road  
 7.14 construction for fiscal years 2016 and 2017  
 7.15 is \$664,460,000 in each year.

7.16 \$10,000,000 in each year is for transfer to  
 7.17 the transportation economic development  
 7.18 account in the trunk highway fund under  
 7.19 Minnesota Statutes, section 174.12.

7.20 The commissioner may expend up to one-half  
 7.21 of one percent of the federal appropriations  
 7.22 under this paragraph as grants to opportunity  
 7.23 industrialization centers and other nonprofit  
 7.24 job training centers for job training programs  
 7.25 related to highway construction.

7.26 The commissioner may transfer up to  
 7.27 \$15,000,000 each year to the transportation  
 7.28 revolving loan fund.

7.29 The commissioner may receive money  
 7.30 covering other shares of the cost of  
 7.31 partnership projects. These receipts are  
 7.32 appropriated to the commissioner for these  
 7.33 projects.

7.34 **(d) Highway Debt Service**

158,417,000

189,821,000

8.1 \$148,917,000 the first year and \$180,321,000  
 8.2 the second year are for transfer to the state  
 8.3 bond fund. If an appropriation is insufficient  
 8.4 to make all transfers required in the year  
 8.5 for which it is made, the commissioner of  
 8.6 management and budget shall notify the  
 8.7 Committee on Finance of the senate and  
 8.8 the Committee on Ways and Means of the  
 8.9 house of representatives of the amount of the  
 8.10 deficiency and shall then transfer that amount  
 8.11 under the statutory open appropriation. Any  
 8.12 excess appropriation cancels to the trunk  
 8.13 highway fund.

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

	<u>Appropriations by Fund</u>	
8.15		
8.16	<u>General</u>	<u>3,000</u> <u>3,000</u>
8.17	<u>Trunk Highway</u>	<u>5,168,000</u> <u>5,168,000</u>

8.18 The general fund appropriation is to equip  
 8.19 and operate the Roosevelt signal tower for  
 8.20 Lake of the Woods weather broadcasting.

8.21 **Subd. 4. Local Roads**

8.22 **(a) County State Aids** 632,251,000 686,608,000

8.23 This appropriation is from the county  
 8.24 state-aid highway fund under Minnesota  
 8.25 Statutes, sections 161.082 to 161.085; and  
 8.26 Minnesota Statutes, chapter 162. This  
 8.27 appropriation is available until spent.

8.28 If the commissioner of transportation  
 8.29 determines that a balance remains in the  
 8.30 county state-aid highway fund following  
 8.31 the appropriations and transfers made in  
 8.32 this subdivision, and that the appropriations  
 8.33 made are insufficient for advancing county  
 8.34 state-aid highway projects, an amount  
 8.35 necessary to advance the projects, not to

9.1 exceed the balance in the county state-aid  
 9.2 highway fund, is appropriated in each year  
 9.3 to the commissioner. Within two weeks  
 9.4 of a determination under this contingent  
 9.5 appropriation, the commissioner of  
 9.6 transportation shall notify the commissioner  
 9.7 of management and budget and the chairs  
 9.8 and ranking minority members of the  
 9.9 legislative committees with jurisdiction over  
 9.10 transportation finance concerning funds  
 9.11 appropriated.

9.12	<u>(b) Municipal State Aids</u>	<u>162,035,000</u>	<u>175,839,000</u>
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9.13 This appropriation is from the municipal  
 9.14 state-aid street fund for municipal state-aid  
 9.15 streets under Minnesota Statutes, chapter 162.

9.16 This appropriation is available until spent.

9.17 If the commissioner of transportation  
 9.18 determines that a balance remains in the  
 9.19 municipal state-aid street fund following  
 9.20 the appropriations made in this subdivision,  
 9.21 and that the appropriations made are  
 9.22 insufficient for advancing municipal state-aid  
 9.23 street projects, an amount necessary to  
 9.24 advance the projects, not to exceed the  
 9.25 balance in the municipal state-aid street  
 9.26 fund, is appropriated in each year to  
 9.27 the commissioner. Within two weeks  
 9.28 of a determination under this contingent  
 9.29 appropriation, the commissioner of  
 9.30 transportation shall notify the commissioner  
 9.31 of management and budget and the chairs  
 9.32 and ranking minority members of the  
 9.33 legislative committees with jurisdiction over  
 9.34 transportation finance concerning funds  
 9.35 appropriated.

10.1 Subd. 5. Agency Management

10.2	<u>(a) Agency Services</u>		<u>41,997,000</u>	<u>41,997,000</u>
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10.3 Appropriations by Fund

10.4	<u>Airports</u>	<u>25,000</u>	<u>25,000</u>	
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10.5	<u>Trunk Highway</u>	<u>41,972,000</u>	<u>41,972,000</u>	
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10.6	<u>(b) Buildings</u>		<u>17,838,000</u>	<u>17,838,000</u>
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10.7 Appropriations by Fund

10.8	<u>General</u>	<u>54,000</u>	<u>54,000</u>	
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10.9	<u>Trunk Highway</u>	<u>17,784,000</u>	<u>17,784,000</u>	
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10.10 If the appropriation for either year is  
 10.11 insufficient, the appropriation for the other  
 10.12 year is available for it.

10.13 Subd. 6. Transfers

10.14 (a) With the approval of the commissioner of  
 10.15 management and budget, the commissioner  
 10.16 of transportation may transfer unencumbered  
 10.17 balances among the appropriations from the  
 10.18 trunk highway fund and the state airports  
 10.19 fund made in this section. No transfer  
 10.20 may be made from the appropriations for  
 10.21 state road construction or for debt service.

10.22 Transfers under this paragraph may not be  
 10.23 made between funds. Transfers under this  
 10.24 paragraph must be reported immediately to  
 10.25 the chairs and ranking minority members of  
 10.26 the legislative committees with jurisdiction  
 10.27 over transportation finance.

10.28 (b) The commissioner shall transfer from  
 10.29 the flexible highway account in the county  
 10.30 state-aid highway fund: (1) \$3,700,000 in  
 10.31 the first year to the trunk highway fund; and  
 10.32 (2) the remainder in each year to the county  
 10.33 turnback account in the county state-aid  
 10.34 highway fund. The funds transferred are

11.1 for highway turnback purposes as provided  
11.2 under Minnesota Statutes, section 161.081,  
11.3 subdivision 3.

11.4 **Subd. 7. Use of State Road Construction**  
11.5 **Appropriations**

11.6 Any money appropriated to the commissioner  
11.7 of transportation for state road construction  
11.8 for any fiscal year before the first year is  
11.9 available to the commissioner during the  
11.10 biennium to the extent that the commissioner  
11.11 spends the money on the state road  
11.12 construction project for which the money  
11.13 was originally encumbered during the fiscal  
11.14 year for which it was appropriated. The  
11.15 commissioner of transportation shall report to  
11.16 the commissioner of management and budget  
11.17 by August 1, 2013, and August 1, 2014, on  
11.18 a form the commissioner of management  
11.19 and budget provides, on expenditures made  
11.20 during the previous fiscal year that are  
11.21 authorized by this subdivision.

11.22 **Subd. 8. Contingent Appropriation**

11.23 The commissioner of transportation, with  
11.24 the approval of the governor and the  
11.25 written approval of at least five members  
11.26 of a group consisting of the members of  
11.27 the Legislative Advisory Commission  
11.28 under Minnesota Statutes, section 3.30,  
11.29 and the ranking minority members of the  
11.30 legislative committees with jurisdiction over  
11.31 transportation finance, may transfer all or  
11.32 part of the unappropriated balance in the  
11.33 trunk highway fund to an appropriation:  
11.34 (1) for trunk highway design, construction,  
11.35 or inspection in order to take advantage of



13.1 The amounts that may be spent for each  
 13.2 purpose are specified in the following  
 13.3 subdivisions.

13.4 **Subd. 2. Administration and Related Services**

13.5 **(a) Office of Communications** 504,000 504,000

13.6 Appropriations by Fund

13.7 General 111,000 111,000

13.8 Trunk Highway 393,000 393,000

13.9 **(b) Public Safety Support** 8,439,000 8,439,000

13.10 Appropriations by Fund

13.11 General 3,467,000 3,467,000

13.12 H.U.T.D. 1,366,000 1,366,000

13.13 Trunk Highway 3,606,000 3,606,000

13.14 \$380,000 in each year is from the general  
 13.15 fund for payment of public safety officer  
 13.16 survivor benefits under Minnesota Statutes,  
 13.17 section 299A.44. If the appropriation for  
 13.18 either year is insufficient, the appropriation  
 13.19 for the other year is available for it.

13.20 \$1,367,000 in each year is from the general  
 13.21 fund to be deposited in the public safety  
 13.22 officer's benefit account. This money  
 13.23 is available for reimbursements under  
 13.24 Minnesota Statutes, section 299A.465.

13.25 \$600,000 in each year is from the general  
 13.26 fund and \$100,000 in each year is from the  
 13.27 trunk highway fund for soft body armor  
 13.28 reimbursements under Minnesota Statutes,  
 13.29 section 299A.38.

13.30 \$792,000 in each year is from the general  
 13.31 fund for transfer by the commissioner of  
 13.32 management and budget to the trunk highway  
 13.33 fund on December 31, 2013, and December  
 13.34 31, 2014, respectively, in order to reimburse

14.1 the trunk highway fund for expenses not  
 14.2 related to the fund. These represent amounts  
 14.3 appropriated out of the trunk highway  
 14.4 fund for general fund purposes in the  
 14.5 administration and related services program.

14.6 \$610,000 in each year is from the highway  
 14.7 user tax distribution fund for transfer by the  
 14.8 commissioner of management and budget  
 14.9 to the trunk highway fund on December 31,  
 14.10 2013, and December 31, 2014, respectively,  
 14.11 in order to reimburse the trunk highway  
 14.12 fund for expenses not related to the fund.

14.13 These represent amounts appropriated out  
 14.14 of the trunk highway fund for highway  
 14.15 user tax distribution fund purposes in the  
 14.16 administration and related services program.

14.17 \$716,000 in each year is from the highway  
 14.18 user tax distribution fund for transfer by the  
 14.19 commissioner of management and budget to  
 14.20 the general fund on December 31, 2013, and  
 14.21 December 31, 2014, respectively, in order to  
 14.22 reimburse the general fund for expenses not  
 14.23 related to the fund. These represent amounts  
 14.24 appropriated out of the general fund for  
 14.25 operation of the criminal justice data network  
 14.26 related to driver and motor vehicle licensing.

14.27 Before January 15, 2015, the commissioner  
 14.28 of public safety shall review the amounts and  
 14.29 purposes of the transfers under this paragraph  
 14.30 and shall recommend necessary changes to  
 14.31 the legislative committees with jurisdiction  
 14.32 over transportation finance.

14.33 **(c) Technology and Support Service**

3,685,000

3,685,000

14.34 Appropriations by Fund

14.35 General

1,322,000

1,322,000

15.1	<u>H.U.T.D.</u>	<u>19,000</u>	<u>19,000</u>		
15.2	<u>Trunk Highway</u>	<u>2,344,000</u>	<u>2,344,000</u>		
15.3	<u>Subd. 3. State Patrol</u>				
15.4	<u>(a) Patrolling Highways</u>			<u>72,522,000</u>	<u>72,522,000</u>
15.5	<u>Appropriations by Fund</u>				
15.6	<u>General</u>	<u>37,000</u>	<u>37,000</u>		
15.7	<u>H.U.T.D.</u>	<u>92,000</u>	<u>92,000</u>		
15.8	<u>Trunk Highway</u>	<u>72,393,000</u>	<u>72,393,000</u>		
15.9	<u>(b) Commercial Vehicle Enforcement</u>			<u>7,796,000</u>	<u>7,796,000</u>
15.10	<u>(c) Capitol Security</u>			<u>4,605,000</u>	<u>4,605,000</u>
15.11	<u>This appropriation is from the general fund.</u>				
15.12	<u>\$1,500,000 in each year is to implement the</u>				
15.13	<u>recommendations of the advisory committee</u>				
15.14	<u>on Capitol Area Security under Minnesota</u>				
15.15	<u>Statutes, section 299E.04, including the</u>				
15.16	<u>creation of an emergency manager position</u>				
15.17	<u>under Minnesota Statutes, section 299E.01,</u>				
15.18	<u>subdivision 2, and an increase in the number</u>				
15.19	<u>of State Patrol troopers and other security</u>				
15.20	<u>officers assigned to the Capitol complex.</u>				
15.21	<u>The commissioner may not: (1) spend</u>				
15.22	<u>any money from the trunk highway fund</u>				
15.23	<u>for capitol security; or (2) permanently</u>				
15.24	<u>transfer any state trooper from the patrolling</u>				
15.25	<u>highways activity to capitol security.</u>				
15.26	<u>The commissioner may not transfer any</u>				
15.27	<u>money appropriated to the commissioner</u>				
15.28	<u>under this section: (1) to capitol security; or</u>				
15.29	<u>(2) from capitol security.</u>				
15.30	<u>(d) Vehicle Crimes Unit</u>			<u>693,000</u>	<u>693,000</u>
15.31	<u>This appropriation is from the highway user</u>				
15.32	<u>tax distribution fund.</u>				

16.1 This appropriation is to investigate: (1)  
 16.2 registration tax and motor vehicle sales tax  
 16.3 liabilities from individuals and businesses  
 16.4 that currently do not pay all taxes owed;  
 16.5 and (2) illegal or improper activity related  
 16.6 to sale, transfer, titling, and registration of  
 16.7 motor vehicles.

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

16.9 **(a) Vehicle Services** 28,259,000 28,357,000

16.10	<u>Appropriations by Fund</u>		
16.11	<u>Special Revenue</u>	<u>20,023,000</u>	<u>20,121,000</u>
16.12	<u>H.U.T.D.</u>	<u>8,236,000</u>	<u>8,236,000</u>

16.13 The special revenue fund appropriation is  
 16.14 from the vehicle services operating account.  
 16.15 \$1,000,000 in each year is from the special  
 16.16 revenue fund for ten additional positions to  
 16.17 enhance customer service related to vehicle  
 16.18 title issuance.

16.19 \$98,000 the second year is from the special  
 16.20 revenue fund for the vehicle services portion  
 16.21 of a new telephone system. This amount  
 16.22 is for transfer to the Office of Enterprise  
 16.23 Technology for initial construction and  
 16.24 development of the system. This is a onetime  
 16.25 appropriation and is available until expended.

16.26 **(b) Driver Services** 28,749,000 28,947,000

16.27	<u>Appropriations by Fund</u>		
16.28	<u>Special Revenue</u>	<u>28,748,000</u>	<u>28,946,000</u>
16.29	<u>Trunk Highway</u>	<u>1,000</u>	<u>1,000</u>

16.30 The special revenue fund appropriation is  
 16.31 from the driver services operating account.  
 16.32 \$150,000 in the second year is from the  
 16.33 special revenue fund for two new positions  
 16.34 to implement facial recognition.

17.1 \$52,000 the second year is from the special  
 17.2 revenue fund for the driver services portion  
 17.3 of a new telephone system. This amount  
 17.4 is for transfer to the Office of Enterprise  
 17.5 Technology for initial construction and  
 17.6 development of the system. This is a onetime  
 17.7 appropriation and is available until expended.  
 17.8 \$37,000 in the first year and \$33,000 in the  
 17.9 second year are from the special revenue  
 17.10 fund for one half-time position to assist with  
 17.11 the Novice Driver Improvement Task Force  
 17.12 under Minnesota Statutes, section 171.0701,  
 17.13 subdivision 1a. The base appropriation for  
 17.14 this position is \$6,000 in fiscal year 2016 and  
 17.15 \$0 in fiscal year 2017.

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

17.17 The commissioner of public safety shall  
 17.18 spend 50 percent of the money available to  
 17.19 the state under United States Code, title 23,  
 17.20 section 164, and the remaining 50 percent  
 17.21 must be transferred to the commissioner  
 17.22 of transportation for hazard elimination  
 17.23 activities under United States Code, title 23,  
 17.24 section 152.

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

17.26 This appropriation is from the pipeline safety  
 17.27 account in the special revenue fund.

17.28 Subd. 7. **Emergency Management** 3,079,000 3,029,000

17.29 <u>Appropriations by Fund</u>		
17.30 <u>General</u>	<u>2,406,000</u>	<u>2,356,000</u>
17.31 <u>Special Revenue</u>	<u>604,000</u>	<u>604,000</u>
17.32 <u>Environmental</u>	<u>69,000</u>	<u>69,000</u>

17.33 \$604,000 each year is appropriated from the  
 17.34 fire safety account in the special revenue

18.1 fund. These amounts must be used to  
 18.2 fund the hazardous materials and chemical  
 18.3 assessment teams.

18.4 \$555,000 the first year and \$505,000 the  
 18.5 second year are from the general fund to  
 18.6 reinstate the school safety center and to  
 18.7 provide for school safety. The commissioner  
 18.8 of public safety shall work collaboratively  
 18.9 with the School Climate Council and the  
 18.10 school climate center established under  
 18.11 Minnesota Statutes, sections 121A.07 and  
 18.12 127A.052.

18.13 Subd. 8. **Criminal Apprehension** 42,853,000 42,932,000

<u>Appropriations by Fund</u>		
<u>General</u>	<u>40,905,000</u>	<u>40,984,000</u>
<u>State Government</u>		
<u>Special Revenue</u>	<u>7,000</u>	<u>7,000</u>
<u>Trunk Highway</u>	<u>1,941,000</u>	<u>1,941,000</u>

18.19 Notwithstanding Minnesota Statutes, section  
 18.20 161.20, subdivision 3, \$1,941,000 each year  
 18.21 is appropriated from the trunk highway fund  
 18.22 for laboratory analysis related to driving  
 18.23 while impaired cases.

18.24 \$125,000 in each year is from the general  
 18.25 fund to replace forensic laboratory equipment  
 18.26 at the Bureau of Criminal Apprehension.

18.27 \$200,000 in each year is from the general  
 18.28 fund to improve forensic laboratory staffing  
 18.29 at the Bureau of Criminal Apprehension.

18.30 \$310,000 the first year and \$389,000 the  
 18.31 second year are from the general fund to  
 18.32 maintain Livescan fingerprinting machines.

18.33 Subd. 9. **Fire Marshal** 9,555,000 9,555,000

18.34 This appropriation is from the fire safety  
 18.35 account in the special revenue fund and is for

19.1 activities under Minnesota Statutes, section  
 19.2 299F.012.

19.3 Of this amount: (1) \$7,187,000 each year  
 19.4 is for activities under Minnesota Statutes,  
 19.5 section 299F.012; and (2) \$2,368,000 the first  
 19.6 year and \$2,368,000 the second year are for  
 19.7 transfers to the general fund under Minnesota  
 19.8 Statutes, section 297I.06, subdivision 3.

19.9 Subd. 10. **Alcohol and Gambling Enforcement** 2,485,000 2,485,000

19.10	<u>Appropriations by Fund</u>		
19.11	<u>General</u>	<u>1,582,000</u>	<u>1,582,000</u>
19.12	<u>Special Revenue</u>	<u>903,000</u>	<u>903,000</u>

19.13 \$653,000 each year is from the alcohol  
 19.14 enforcement account in the special revenue  
 19.15 fund. Of this appropriation, \$500,000 each  
 19.16 year shall be transferred to the general fund.

19.17 \$250,000 each year is appropriated from the  
 19.18 lawful gambling regulation account in the  
 19.19 special revenue fund.

19.20 Subd. 11. **Office of Justice Programs** 36,206,000 36,206,000

19.21	<u>Appropriations by Fund</u>		
19.22	<u>General</u>	<u>36,110,000</u>	<u>36,110,000</u>
19.23	<u>State Government</u>		
19.24	<u>Special Revenue</u>	<u>96,000</u>	<u>96,000</u>

19.25 Up to 2.5 percent of the grant money  
 19.26 appropriated in this subdivision may be used  
 19.27 to administer the grant program.

19.28 \$1,500,000 in each year is from the general  
 19.29 fund for victim assistance grants. The funds  
 19.30 must be distributed through an open and  
 19.31 competitive grant process for existing crime  
 19.32 victim programs. The funds must be used to  
 19.33 meet the needs of underserved and unserved  
 19.34 areas and populations.

20.1 \$1,500,000 in each year is from the general  
 20.2 fund for youth intervention programs under  
 20.3 Minnesota Statutes, section 299A.73. The  
 20.4 appropriations must be used to create new  
 20.5 programs statewide in underserved areas  
 20.6 and to help existing programs serve unmet  
 20.7 needs in the program's communities. These  
 20.8 appropriations are available until expended.

20.9 \$50,000 in each year is from the general  
 20.10 fund for a grant to the Upper Midwest  
 20.11 Community Policing Institute for use  
 20.12 in training community safety personnel  
 20.13 about the use of de-escalation strategies  
 20.14 for handling returning veterans in crisis.

20.15 This is a onetime appropriation, and the  
 20.16 unencumbered balance in the first year does  
 20.17 not cancel but is available for the second  
 20.18 year. The commissioner shall consult with  
 20.19 the Peace Officers Standards and Training  
 20.20 (POST) Board regarding the design and  
 20.21 content of the course, and must also ensure  
 20.22 that the training opportunities are reasonably  
 20.23 distributed throughout the state.

20.24 \$100,000 each year is from the general  
 20.25 fund for a grant to the Juvenile Detention  
 20.26 Alternative Initiative. This is a onetime  
 20.27 appropriation, and funds unexpended in the  
 20.28 first year are available in the second year.

20.29 **Subd. 12. Emergency Communication**  
 20.30 **Networks**

59,138,000

63,639,000

20.31 This appropriation is from the state  
 20.32 government special revenue fund for 911  
 20.33 emergency telecommunications services.

20.34 **(a) Public Safety Answering Points.**

20.35 \$13,664,000 each year is to be distributed

21.1 as provided in Minnesota Statutes, section  
21.2 403.113, subdivision 2.

21.3 **(b) Medical Resource Communication**  
21.4 **Centers.** \$683,000 each year is for grants  
21.5 to the Minnesota Emergency Medical  
21.6 Services Regulatory Board for the Metro  
21.7 East and Metro West Medical Resource  
21.8 Communication Centers that were in  
21.9 operation before January 1, 2000.

21.10 **(c) ARMER Debt Service.** \$23,261,000  
21.11 each year is to the commissioner of  
21.12 management and budget to pay debt service  
21.13 on revenue bonds issued under Minnesota  
21.14 Statutes, section 403.275.

21.15 Any portion of this appropriation not needed  
21.16 to pay debt service in a fiscal year may be  
21.17 used by the commissioner of public safety to  
21.18 pay cash for any of the capital improvements  
21.19 for which bond proceeds were appropriated  
21.20 by Laws 2005, chapter 136, article 1, section  
21.21 9, subdivision 8, or Laws 2007, chapter 54,  
21.22 article 1, section 10, subdivision 8.

21.23 **(d) ARMER State Backbone Operating**  
21.24 **Costs.** \$9,250,000 the first year and  
21.25 \$9,650,000 the second year are to the  
21.26 commissioner of transportation for costs  
21.27 of maintaining and operating the first and  
21.28 third phases of the statewide radio system  
21.29 backbone.

21.30 **(e) ARMER Improvements.** \$1,000,000  
21.31 each year is for the Statewide Radio Board for  
21.32 costs of design, construction, maintenance  
21.33 of, and improvements to those elements  
21.34 of the statewide public safety radio and  
21.35 communication system that support mutual



23.1 tax of ~~\$5 for the year 1972 and each subsequent year thereafter by resolution~~ \$10 for each  
 23.2 calendar year from 2014 to 2016, and up to \$20 in each calendar year beginning in 2017,  
 23.3 on each motor vehicle that is kept in such county when not in operation and that is subject  
 23.4 to annual registration and taxation under chapter 168. The board may provide by resolution  
 23.5 for collection of the wheelage tax by county officials or it may request that the tax be  
 23.6 collected by the state registrar of motor vehicles; ~~and~~. The state registrar of motor vehicles  
 23.7 shall collect such tax on behalf of the county if requested, as provided in subdivision 2.

23.8 (b) The following vehicles are exempt from the wheelage tax:

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

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

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

23.12 ~~(4)~~ (3) motorized foot scooters, as defined in section 169.011, subdivision 46.

23.13 Subd. 2. **Collection by registrar of motor vehicles.** The wheelage tax levied by  
 23.14 any ~~metropolitan~~ county, if made collectible by the state registrar of motor vehicles,  
 23.15 shall be certified by the county auditor to the registrar not later than August 1 in the year  
 23.16 before the calendar year or years for which the tax is levied, and the registrar shall collect  
 23.17 such tax with the motor vehicle taxes on the affected vehicles for such year or years.  
 23.18 Every owner and every operator of such a motor vehicle shall furnish to the registrar all  
 23.19 information requested by the registrar. No state motor vehicle tax on any such motor  
 23.20 vehicle for any such year shall be received or deemed paid unless the applicable wheelage  
 23.21 tax is paid therewith. ~~The proceeds of the wheelage tax levied by any metropolitan county,~~  
 23.22 ~~less any amount retained by the registrar to pay costs of collection of the wheelage tax,~~  
 23.23 ~~shall be paid to the commissioner of management and budget and deposited in the state~~  
 23.24 ~~treasury to the credit of the county wheelage tax fund of each metropolitan county.~~

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

23.26 Notwithstanding the provisions of any other law, the state registrar of motor vehicles shall  
 23.27 deposit the proceeds of the wheelage tax imposed by subdivision 2, to the credit of the  
 23.28 county wheelage tax ~~fund~~ account of each ~~metropolitan~~ county. The amount necessary to  
 23.29 pay the costs of collection of said tax is appropriated from the county wheelage tax ~~fund~~  
 23.30 account of each ~~metropolitan~~ county to the state registrar of motor vehicles.

23.31 Subd. 3. **Distribution to ~~metropolitan~~ county; appropriation.** ~~On or before~~  
 23.32 ~~April 1 in 1972 and each subsequent year, the commissioner of management and budget~~  
 23.33 On a monthly basis, the registrar of motor vehicles shall issue a warrant in favor of the  
 23.34 treasurer of each ~~metropolitan~~ county for which the registrar has collected a wheelage tax  
 23.35 in the amount of such tax then on hand in the county wheelage tax ~~fund~~ account. There  
 23.36 is hereby appropriated from the county wheelage tax ~~fund~~ account each year, to each

24.1 ~~metropolitan~~ county entitled to payments authorized by this section, sufficient moneys  
24.2 to make such payments.

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

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

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

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

24.17 Sec. 2. Minnesota Statutes 2012, section 171.061, subdivision 4, is amended to read:

24.18 Subd. 4. **Fee; equipment.** (a) The agent may charge and retain a filing fee of \$5 \$8  
24.19 for each application. Except as provided in paragraph (c), the fee shall cover all expenses  
24.20 involved in receiving, accepting, or forwarding to the department the applications and  
24.21 fees required under sections 171.02, subdivision 3; 171.06, subdivisions 2 and 2a; and  
24.22 171.07, subdivisions 3 and 3a.

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

24.30 (c) The department shall maintain the photo identification equipment for all  
24.31 agents appointed as of January 1, 2000. Upon the retirement, resignation, death, or  
24.32 discontinuance of an existing agent, and if a new agent is appointed in an existing office  
24.33 pursuant to Minnesota Rules, chapter 7404, and notwithstanding the above or Minnesota  
24.34 Rules, part 7404.0400, the department shall provide and maintain photo identification  
24.35 equipment without additional cost to a newly appointed agent in that office if the office

25.1 was provided the equipment by the department before January 1, 2000. All photo  
 25.2 identification equipment must be compatible with standards established by the department.

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

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

25.13 **Sec. 3. [295.80] MOTOR FUELS GROSS RECEIPTS TAX.**

25.14 **Subdivision 1. Definitions.** (a) For purposes of this section, the following terms  
 25.15 have the meanings given, unless the context indicates otherwise.

25.16 (b) "Agricultural alcohol gasoline" has the meaning given in section 296A.01,  
 25.17 subdivision 2.

25.18 (c) "Commissioner" means the commissioner of the Minnesota Department of  
 25.19 Revenue.

25.20 (d) "Distributor" has the meaning given in section 296A.01, subdivision 15.

25.21 (e) "For use in motor vehicles" has the meaning given in section 296A.01,  
 25.22 subdivision 21.

25.23 (f) "Gasoline" has the meaning given in section 296A.01, subdivision 23.

25.24 (g) "Gasoline blended with ethanol" has the meaning given in section 296A.01,  
 25.25 subdivision 25.

25.26 (h) "Special fuel" has the meaning given in section 296A.01, subdivision 46.

25.27 (i) "Wholesale" means a sale to a buyer whose purpose is to resell the property  
 25.28 to a third party.

25.29 **Subd. 2. Imposition.** A tax is imposed on the wholesale business of selling the  
 25.30 means or substance used for propelling vehicles on the highways of this state. The tax is  
 25.31 imposed at the rate of 5.5 percent of gross receipts derived by a distributor from the first  
 25.32 sale at wholesale of gasoline, gasoline blended with ethanol, agricultural alcohol gasoline,  
 25.33 and special fuels within this state for use in motor vehicles.

26.1 Subd. 3. **Distributor credit or refund.** The commissioner shall allow the  
 26.2 distributor credit or refund of that portion of the tax attributable to gross receipts derived  
 26.3 from sales of petroleum products and special fuel:

26.4 (1) for export from this state;

26.5 (2) purchased by the United States government for exclusive use in performing  
 26.6 government functions;

26.7 (3) that is placed in a tank to be used exclusively for residential heating;

26.8 (4) destroyed by accident while in the possession of the distributor;

26.9 (5) in error; and

26.10 (6) for gasoline, sold for storage in an on-farm bulk storage tank.

26.11 Subd. 4. **Payment of tax.** Each distributor shall file quarterly returns and make  
 26.12 payments by April 18 for the quarter ending March 31; July 18 for the quarter ending June  
 26.13 30; October 18 for the quarter ending September 30; and January 18 of the following  
 26.14 calendar year for the quarter ending December 31. The tax imposed under this chapter is  
 26.15 in addition to any other tax imposed by the state on the distributor.

26.16 Subd. 5. **Administrative provisions.** Except as otherwise provided in this section,  
 26.17 the relevant audit, assessment, refund, penalty, interest, enforcement, collection remedies,  
 26.18 appeal, and administrative provisions of chapters 270C, 289A, and 296A apply to taxes  
 26.19 imposed under this section.

26.20 Subd. 6. **Deposit of revenues.** The commissioner shall deposit the revenues from  
 26.21 the gross receipts tax into the highway user tax distribution fund.

26.22 **EFFECTIVE DATE.** This section is effective October 1, 2013, and applies to  
 26.23 gross receipts attributable to the described products and derived by a distribution on  
 26.24 and after that day.

26.25 Sec. 4. Minnesota Statutes 2012, section 296A.07, subdivision 3, is amended to read:

26.26 Subd. 3. **Rate of tax.** The gasoline excise tax is imposed at the following rates:

26.27 (1) E85 is taxed at the rate of ~~17.75~~ 13.49 cents per gallon;

26.28 (2) M85 is taxed at the rate of ~~14.25~~ 10.83 cents per gallon; and

26.29 (3) all other gasoline is taxed at the rate of ~~25-19~~ cents per gallon.

26.30 **EFFECTIVE DATE.** This section is effective October 1, 2013, and applies to all  
 26.31 gasoline, undyed diesel fuel, and special fuel in distributor storage on or after that date.

26.32 Sec. 5. Minnesota Statutes 2012, section 296A.08, subdivision 2, is amended to read:

26.33 Subd. 2. **Rate of tax.** The special fuel excise tax is imposed at the following rates:

27.1 (a) Liquefied petroleum gas or propane is taxed at the rate of ~~18.75~~ 14.25 cents  
27.2 per gallon.

27.3 (b) Liquefied natural gas is taxed at the rate of ~~15~~ 11.4 cents per gallon.

27.4 (c) Compressed natural gas is taxed at the rate of ~~\$2.174~~ \$1.652 per thousand cubic  
27.5 feet; or 25 cents per gasoline equivalent. For purposes of this paragraph, "gasoline  
27.6 equivalent," as defined by the National Conference on Weights and Measures, is 5.66  
27.7 pounds of natural gas.

27.8 (d) All other special fuel is taxed at the same rate as the gasoline excise tax as  
27.9 specified in section 296A.07, subdivision 2. The tax is payable in the form and manner  
27.10 prescribed by the commissioner.

27.11 **EFFECTIVE DATE.** This section is effective October 1, 2013, and applies to all  
27.12 gasoline, undyed diesel fuel, and special fuel in distributor storage on or after that date.

27.13 Sec. 6. Minnesota Statutes 2012, section 296A.12, is amended to read:

27.14 **296A.12 GASOLINE AND SPECIAL FUEL TAX IN LIEU OF OTHER TAXES.**

27.15 Gasoline and special fuel excise taxes and a gross receipts tax imposed under section  
27.16 295.80 shall be in lieu of all other taxes imposed upon the business of selling or dealing in  
27.17 gasoline or special fuel, whether imposed by the state or by any of its political subdivisions,  
27.18 but are in addition to all ad valorem taxes now imposed by law. Nothing in this chapter is  
27.19 construed as prohibiting the governing body of any city of this state from licensing and  
27.20 regulating such business where its authority is conferred by state law or city charter.

27.21 Sec. 7. Minnesota Statutes 2012, section 297A.815, subdivision 3, is amended to read:

27.22 Subd. 3. **Motor vehicle lease sales tax revenue.** (a) For purposes of this  
27.23 subdivision, "net revenue" means an amount equal to:

27.24 (1) the revenues, including interest and penalties, collected under this section, during  
27.25 the fiscal year; less

27.26 (2) in fiscal year 2011, \$30,100,000; in fiscal year 2012, \$31,100,000; and in fiscal  
27.27 year 2013 and following fiscal years, \$32,000,000.

27.28 (b) On or before June 30 of each fiscal year, the commissioner of revenue shall  
27.29 estimate the amount of the revenues and subtraction under paragraph (a) for the current  
27.30 fiscal year.

27.31 (c) On or after July 1 of the subsequent fiscal year, the commissioner of management  
27.32 and budget shall transfer the net revenue as estimated in paragraph (b) from the general  
27.33 fund, as follows:

28.1 (1) ~~50 percent to the greater Minnesota transit account; and~~  
 28.2 ~~(2) 50 percent \$9,000,000 to the county state-aid highway fund. Notwithstanding~~  
 28.3 ~~any other law to the contrary, the commissioner of transportation shall allocate the funds~~  
 28.4 ~~transferred under this clause to the counties in the metropolitan area, as defined in section~~  
 28.5 ~~473.121, subdivision 4, excluding the counties of Hennepin and Ramsey, so that each~~  
 28.6 ~~county shall receive of such amount the percentage that its population, as defined in~~  
 28.7 ~~section 477A.011, subdivision 3, estimated or established by July 15 of the year prior to~~  
 28.8 ~~the current calendar year, bears to the total population of the counties receiving funds~~  
 28.9 ~~under this clause; and~~

28.10 ~~(2) the remainder to the greater Minnesota transit account.~~

28.11 ~~(d) For fiscal years 2010 and 2011, the amount under paragraph (a), clause (1), must~~  
 28.12 ~~be calculated using the following percentages of the total revenues:~~

28.13 ~~(1) for fiscal year 2010, 83.75 percent; and~~

28.14 ~~(2) for fiscal year 2011, 93.75 percent.~~

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

28.16 Sec. 8. Minnesota Statutes 2012, section 297A.992, is amended to read:

28.17 **297A.992 METROPOLITAN TRANSPORTATION AREA TRANSIT SALES**  
 28.18 **TAX; TAX, JOINT POWERS BOARD.**

28.19 Subdivision 1. **Definitions.** For purposes of this section, the following terms have  
 28.20 the meanings given them:

28.21 (1) "metropolitan ~~transportation~~ area" means the counties ~~participating in the joint~~  
 28.22 ~~powers agreement under subdivision 3;~~

28.23 (2) "eligible county" means the county of Anoka, Carver, Dakota, Hennepin,  
 28.24 Ramsey, Scott, or Washington;

28.25 ~~(3)~~ (2) "committee" means the Grant Evaluation and Ranking System (GEARS)  
 28.26 Committee;

28.27 (4) "minimum guarantee county" means any metropolitan county or eligible county  
 28.28 that is ~~participating in the joint powers agreement under subdivision 3, whose proportion~~  
 28.29 ~~of the annual sales tax revenue under this section collected within that county is less than~~  
 28.30 ~~or equal to three percent;~~

28.31 (3) "net transit sales tax proceeds" means the total proceeds from the sales and use  
 28.32 taxes imposed under this section, less the deductions identified under subdivision 8; and

28.33 ~~(5)~~ (4) "population" means the population, as defined in section 477A.011,  
 28.34 subdivision 3, estimated or established by July 15 of the year prior to the calendar year

29.1 in which the representatives will serve on the Grant Evaluation and Ranking System  
29.2 Committee established under subdivision 5.

29.3 Subd. 2. **Authorization; rates.** (a) Notwithstanding section 297A.99, subdivisions  
29.4 1, 2, and 3, or 477A.016, or any other law, the board of a county participating in a joint  
29.5 powers agreement as specified in this section shall impose by resolution (1) a transportation  
29.6 sales and use tax at a rate of one-quarter of one percent on retail sales and uses taxable under  
29.7 this chapter, and (2) an excise tax of \$20 per motor vehicle, as defined in section 297B.01,  
29.8 subdivision 11, purchased or acquired from any person engaged in the business of selling  
29.9 motor vehicles at retail, occurring within the jurisdiction of the taxing authority. The taxes  
29.10 authorized are to fund transportation improvements as specified in this section, including  
29.11 debt service on obligations issued to finance such improvements pursuant to subdivision 7.

29.12 (b) The tax imposed under this section is not included in determining if the total tax  
29.13 on lodging in the city of Minneapolis exceeds the maximum allowed tax under Laws 1986,  
29.14 chapter 396, section 5, as amended by Laws 2001, First Special Session chapter 5, article  
29.15 12, section 87, or in determining a tax that may be imposed under any other limitations.

29.16 Subd. 2a. **Additional tax; rates.** (a) A local sales tax is imposed in the metropolitan  
29.17 counties, as defined in section 473.121, subdivision 4. In order to maintain the same rate  
29.18 across the region, the tax is imposed in each county as follows:

29.19 (1) a sales and use tax on retail sales and uses taxable under this chapter, at a rate  
29.20 equal to three-quarters of one percent minus the tax rate imposed by each county under  
29.21 subdivision 2; and

29.22 (2) if not imposed by a county under subdivision 2, an excise tax of \$20 per motor  
29.23 vehicle, as defined in section 297B.01, subdivision 11, purchased or acquired from any  
29.24 person engaged in the business of selling motor vehicles at retail, occurring within the  
29.25 jurisdiction of the county.

29.26 (b) The taxes imposed under this subdivision are not included in determining if the  
29.27 total tax on lodging in the city of Minneapolis exceeds the maximum allowed tax under  
29.28 Laws 1986, chapter 396, section 5, as amended by Laws 2001, First Special Session  
29.29 chapter 5, article 12, section 87, and Laws 2012, chapter 299, article 3, section 3, or in  
29.30 determining a tax that may be imposed under any other limitations.

29.31 Subd. 3. **Joint powers agreement.** (a) Before imposing the taxes authorized in  
29.32 subdivision 2, an eligible county must declare by resolution of its county board to be part  
29.33 of the metropolitan transportation area and must enter into a joint powers agreement. The  
29.34 joint powers agreement:

29.35 (1) must form a joint powers board, as specified in subdivision 4;

30.1 (2) must provide a process that allows any eligible county, by resolution of its county  
30.2 board, to join the joint powers board and impose the taxes authorized in subdivision 2;

30.3 (3) may provide for withdrawal of a participating county before final termination of  
30.4 the agreement; and

30.5 (4) may provide for a weighted voting system for joint powers board decisions.

30.6 (b) All counties in the metropolitan area shall enter into an amended joint powers  
30.7 agreement that conforms to the provisions of this section.

30.8 Subd. 4. **Joint powers board.** (a) The joint powers board must consist of one  
30.9 or more commissioners of each county that is in the metropolitan transportation area,  
30.10 appointed by its county board, and the chair of the Metropolitan Council, who must have  
30.11 voting rights, subject to subdivision 3, clause (4). The joint powers board has the powers  
30.12 and duties provided in this section and section 471.59.

30.13 (b) The joint powers board may utilize no more than ~~three-fourths~~ one-half of one  
30.14 percent of the net transit sales tax proceeds ~~of the taxes imposed under this section~~ for  
30.15 ordinary administrative expenses incurred in carrying out the provisions of this section.  
30.16 Any additional administrative expenses must be paid by the participating counties.

30.17 (c) The joint powers board may establish a technical advisory group that is separate  
30.18 from the GEARS Committee. The group must consist of representatives of cities, counties,  
30.19 or public agencies, including the Metropolitan Council. The technical advisory group  
30.20 must be used solely for technical consultation purposes.

30.21 (d) The chair of the joint powers board must be a county commissioner who is  
30.22 elected by the board.

30.23 Subd. 5. ~~Grant application and awards; Grant Evaluation and Ranking System~~  
30.24 ~~(GEARS) Committee process, general requirements.~~ (a) The joint powers board shall  
30.25 establish a grant application process and identify the amount of available funding for grant  
30.26 awards. Grant applications must be submitted in a form prescribed by the joint powers  
30.27 board. An applicant must provide, in addition to all other information required by the joint  
30.28 powers board, the estimated cost of the project, the amount of the grant sought, possible  
30.29 sources of funding in addition to the grant sought, and identification of any federal funds  
30.30 that will be utilized if the grant is awarded. A grant application seeking transit capital  
30.31 funding must identify the source of money necessary to operate the transit improvement.

30.32 (b) The joint powers board shall establish a timeline and procedures for the award of  
30.33 grants, and may award grants only to the state and political subdivisions. The board shall  
30.34 define objective criteria for the award of grants, which must include, but not be limited to,  
30.35 consistency with the most recent version of the transportation policy plan adopted by the

31.1 Metropolitan Council under section 473.146. The joint powers board shall maximize the  
31.2 availability and use of federal funds in projects funded under this section.

31.3 (c) Grants must be funded by the proceeds of the taxes imposed under this section,  
31.4 bonds, notes, or other obligations issued by the joint powers board under subdivision 7.

31.5 Subd. 5a. Grant awards; Grant Evaluation and Ranking System (GEARS)  
31.6 Committee. (e) (a) The joint powers board shall establish a GEARS Committee, which  
31.7 must consist of:

31.8 (1) one county commissioner from each county ~~that is~~ in the metropolitan  
31.9 ~~transportation~~ area, appointed by its county board;

31.10 (2) one elected city representative from each county ~~that is~~ in the metropolitan  
31.11 ~~transportation~~ area;

31.12 (3) one additional elected city representative from each county for every additional  
31.13 400,000 in population, or fraction of 400,000, in the county that is above 400,000 in  
31.14 population; and

31.15 (4) the chair of the Metropolitan Council Transportation Committee.

31.16 ~~(d)~~ (b) Each city representative must be elected at a meeting of cities in the  
31.17 metropolitan ~~transportation~~ area, which must be convened for that purpose by the  
31.18 Association of Metropolitan Municipalities.

31.19 ~~(e)~~ (c) The committee shall:

31.20 (1) evaluate grant applications following objective criteria established by the joint  
31.21 powers board, ~~and must~~;

31.22 (2) provide to the joint powers board a selection list of transportation projects that  
31.23 includes a priority ranking;

31.24 (3) annually evaluate and award grants to local units of government including  
31.25 park districts for construction and maintenance of regional bicycle, trail, and pedestrian  
31.26 infrastructure, and for safe routes to school infrastructure; and

31.27 (4) annually evaluate and award grants to cities for planning activities related to  
31.28 land use and transportation linkages, streetcar development, or bicycle and pedestrian  
31.29 connections.

31.30 (d) Grants awarded by the committee under paragraph (c), clauses (3) and (4), are  
31.31 not subject to approval by the board. Annually, the committee shall award grants under  
31.32 those clauses in a total amount that equals no less than 3.75 percent of the net transit  
31.33 sales tax proceeds.

31.34 (e) The committee may award a grant under paragraph (c), clause (3), only if the  
31.35 project being funded is in compliance with:

32.1 (1) a regional non-motorized transportation system plan developed by the  
 32.2 Metropolitan Council; or

32.3 (2) a municipal non-motorized transportation plan, which must provide coordinated  
 32.4 development of transportation facilities located in adjacent communities including  
 32.5 connections between facilities in each community.

32.6 **Subd. 5b. Grant awards; consistency with transportation plans.** (f) A grant  
 32.7 award for a transit project located within the metropolitan area, as defined in section  
 32.8 473.121, subdivision 2, may be funded only after the Metropolitan Council reviews the  
 32.9 project for consistency with the transit portion of the Metropolitan Council policy plan  
 32.10 and one of the following occurs:

32.11 (1) the Metropolitan Council finds the project to be consistent;

32.12 (2) the Metropolitan Council initially finds the project to be inconsistent, but after a  
 32.13 good faith effort to resolve the inconsistency through negotiations with the joint powers  
 32.14 board, agrees that the grant award may be funded; or

32.15 (3) the Metropolitan Council finds the project to be inconsistent, and submits the  
 32.16 consistency issue for final determination to a panel, which determines the project to be  
 32.17 consistent. The panel is composed of a member appointed by the chair of the Metropolitan  
 32.18 Council, a member appointed by the joint powers board, and a member agreed upon by  
 32.19 both the chair and the joint powers board.

32.20 ~~(g) Grants must be funded by the proceeds of the taxes imposed under this section,~~  
 32.21 ~~bonds, notes, or other obligations issued by the joint powers board under subdivision 7.~~

32.22 ~~(h) Notwithstanding the provisions of this section except subdivision 6a, of~~  
 32.23 ~~the revenue collected under this section, the joint powers board shall allocate to the~~  
 32.24 ~~Metropolitan Council, in fiscal years 2012 and 2013, an amount not less than 75 percent of~~  
 32.25 ~~the net cost of operations for those transit ways that were receiving metropolitan sales tax~~  
 32.26 ~~funds through an operating grant agreement on June 30, 2011.~~

32.27 ~~(i) The Metropolitan Council shall expend any funds allocated under paragraph (h)~~  
 32.28 ~~for the operations of the specified transit ways solely within those counties that are in the~~  
 32.29 ~~metropolitan transportation area.~~

32.30 ~~(j) Nothing in paragraph (h) or (i) prevents grant awards to the Metropolitan Council~~  
 32.31 ~~for capital and operating assistance for transit ways and park-and-ride facilities.~~

32.32 **Subd. 6. Allocation of Grant awards; eligible uses.** (a) The board must allocate  
 32.33 grant awards only for the following transit purposes:

32.34 (1) transit way development and operations, consisting of:

32.35 (i) capital improvements to transit ways, including, but not limited to, commuter  
 32.36 rail rolling stock, light rail vehicles, and transit way buses;

33.1 (ii) capital costs for park-and-ride facilities, as defined in section 174.256,  
33.2 subdivision 2;

33.3 (iii) feasibility studies, planning, alternatives analyses, environmental studies,  
33.4 engineering, property acquisition for transit way purposes, and construction of transit  
33.5 ways, including Bottineau Boulevard, Red Rock, Gateway, 394 Commuter Corridor,  
33.6 and Rush Line transit ways; and

33.7 (iv) operating assistance for transit ways; and

33.8 (2) as specified under subdivision 5a.

33.9 (b) The joint powers board must ~~annually award grants to each minimum guarantee~~  
33.10 ~~county in an amount no less than the amount of sales tax revenue collected within that~~  
33.11 ~~county as follows:~~

33.12 (1) to Scott County and Carver County, 55 percent of the net sales tax proceeds  
33.13 generated by one-quarter of one percent collected in each county respectively for calendar  
33.14 year 2014 through 2018;

33.15 (2) to the Metropolitan Council for development and construction of the Southwest  
33.16 light rail transit project and the Bottineau Boulevard, Red Rock, Gateway, 394 Commuter  
33.17 Corridor, and Rush Line transit ways; and

33.18 (3) to the Center for Transportation Studies, University of Minnesota, \$500,000  
33.19 annually for research to improve accessibility, operational efficiency, and safety of transit  
33.20 systems.

33.21 (c) ~~No more than 1.25 percent of the total awards may be annually allocated for~~  
33.22 ~~planning, studies, design, construction, maintenance, and operation of pedestrian programs~~  
33.23 ~~and bicycle programs and pathways.~~

33.24 Subd. 6a. **Priority of fund uses.** The joint powers board shall allocate all revenues  
33.25 from the taxes imposed under this section in conformance with the following priority order:

33.26 (1) payment of debt service necessary for the fiscal year on bonds or other  
33.27 obligations ~~issued prior to January 1, 2011,~~ under subdivision 7; and

33.28 (2) as otherwise authorized under this section.

33.29 Subd. 7. **Bonds.** (a) The joint powers board or any county, acting under a joint  
33.30 powers agreement as specified in this section, may, by resolution, authorize, issue, and sell  
33.31 its bonds, notes, or other obligations for the purpose of funding grants under subdivision  
33.32 6. The joint powers board or county may also, by resolution, issue bonds to refund the  
33.33 bonds issued pursuant to this subdivision.

33.34 (b) The bonds of the joint powers board must be limited obligations, payable solely  
33.35 from or secured by taxes levied under this section.

34.1 (c) The bonds of any county may be limited obligations, payable solely from or  
34.2 secured by taxes levied under this section. A county may also pledge its full faith, credit,  
34.3 and taxing power as additional security for the bonds.

34.4 (d) Bonds may be issued in one or more series and sold without an election. The bonds  
34.5 shall be secured, bear the interest rate or rates or a variable rate, have the rank or priority,  
34.6 be executed in the manner, be payable in the manner, mature, and be subject to the defaults,  
34.7 redemptions, repurchases, tender options, or other terms, and shall be sold in such manner  
34.8 as the joint powers board, the regional railroad authority, or the county may determine.

34.9 (e) The joint powers board or any regional railroad authority or any county may  
34.10 enter into and perform all contracts deemed necessary or desirable by it to issue and secure  
34.11 the bonds, including an indenture of trust with a trustee within or without the state.

34.12 (f) Except as otherwise provided in this subdivision, the bonds must be issued and  
34.13 sold in the manner provided under chapter 475.

34.14 (g) The joint powers board or any regional railroad authority wholly within the  
34.15 metropolitan transportation area also may authorize, issue, and sell its bonds, notes, or  
34.16 other obligations for the purposes, and in accordance with the procedures, set forth in  
34.17 section 398A.07 to fund grants as provided in subdivision 6. The bonds of any regional  
34.18 railroad authority may be limited obligations, payable solely from or secured by taxes  
34.19 levied under this section. A regional railroad authority may also pledge its taxing powers  
34.20 as additional security for the bonds.

34.21 Subd. 8. **Allocation Remittance of revenues.** After the deductions allowed in  
34.22 section 297A.99, subdivision 11, the commissioner of revenue shall remit the net proceeds  
34.23 of the taxes imposed under this section on a monthly basis, as ~~directed by the joint powers~~  
34.24 ~~board under this section~~ provided under section 297A.9925.

34.25 Subd. 9. **Administration, collection, enforcement.** Except as otherwise provided  
34.26 in this section, the provisions of section 297A.99, subdivisions 4 and 6 to 12a, govern the  
34.27 administration, collection, and enforcement of the tax authorized under this section.

34.28 Subd. 10. **Termination of local option taxes.** (a) The taxes imposed under ~~section~~  
34.29 ~~297A.99, subdivision 1, subdivision 2~~ by a county that withdraws from the joint powers  
34.30 agreement pursuant to subdivision 3, clause (3), shall terminate when the county has  
34.31 satisfied its portion, as defined in the joint powers agreement, of all outstanding bonds or  
34.32 obligations entered into while the county was a member of the agreement.

34.33 (b) If the joint powers agreement under subdivision 3 is terminated, the taxes  
34.34 imposed under ~~section 297A.99, subdivision 1~~ subdivision 2, at the time of the agreement  
34.35 termination will terminate when all outstanding bonds or obligations are satisfied. The

35.1 auditors of the counties in which the taxes are imposed shall see to the administration of  
35.2 this paragraph.

35.3 Subd. 11. **Report.** The joint powers board shall report annually by February 1 to the  
35.4 ~~house of representatives and senate~~ chairs and ranking minority members of the legislative  
35.5 committees having jurisdiction over transportation policy and finance concerning the  
35.6 (1) board activities and actions, (2) bonds authorized or issued under subdivision 7, (3)  
35.7 revenues received, and (4) grants awarded.

35.8 Subd. 12. **Grant awards to Metropolitan Council.** Any grant award under this  
35.9 section made to the Metropolitan Council must supplement, and must not supplant,  
35.10 operating and capital assistance provided by the state.

35.11 **EFFECTIVE DATE.** This section is effective July 1, 2013, for sales and purchases  
35.12 made after June 30, 2013, except that the imposition of the tax under subdivision 2a shall  
35.13 be on the first day of the calendar quarter beginning at least 60 days after the date of final  
35.14 enactment. This section applies in the counties of Anoka, Carver, Dakota, Hennepin,  
35.15 Ramsey, Scott, and Washington.

35.16 Sec. 9. **[297A.9925] METROPOLITAN AREA TRANSIT SALES TAX;**  
35.17 **ALLOCATION OF FUNDS.**

35.18 Subdivision 1. **Definitions.** For purposes of this section, the following terms have  
35.19 the meanings given them:

35.20 (1) "board" means the joint powers board established under section 297A.992; and

35.21 (2) "net transit sales tax proceeds" has the meaning given in section 297A.992,  
35.22 subdivision 1.

35.23 Subd. 2. **Allocation formula.** In the manner specified under subdivision 6, the net  
35.24 transit sales tax proceeds shall be allocated as follows:

35.25 (1) payment of debt service on bonds or other obligations;

35.26 (2) \$23,400,000 in calendar year 2014 and \$12,375,000 in calendar year 2015 to  
35.27 the council for Metropolitan Council Transit Operations;

35.28 (3) 100 percent of the net operating subsidies for Central Corridor light rail transit,  
35.29 Cedar Avenue bus rapid transit, I-35W South bus rapid transit, Hiawatha light rail, and  
35.30 Northstar commuter rail to the council;

35.31 (4) for each calendar year beginning January 1, 2014, to the joint powers board, an  
35.32 amount equal to grants awarded by the GEARS committee under section 297A.992,  
35.33 subdivision 5a;

36.1 (5) annually to the joint powers board for capital grants to be awarded to the  
36.2 Metropolitan Council for the Southwest light rail transit project under section 297A.992,  
36.3 subdivision 6;

36.4 (6) for each calendar year beginning January 1, 2014, to the council, the amount  
36.5 necessary to expand commuter transit services in transit ways by an annual average rate of  
36.6 one percent, including implementation and operation of bus service, prioritizing service in  
36.7 transit way corridors where the preferred mode of transit is not yet in revenue operation;

36.8 (7) for each calendar year beginning January 1, 2014, to the joint powers board, an  
36.9 amount equal to the total sales and use tax generated by a rate equal to one-quarter of one  
36.10 percent and an excise tax of \$20 per motor vehicle in the metropolitan area counties, less  
36.11 \$21,750,000 in calendar year 2014 and \$27,150,000 in calendar year 2015;

36.12 (8) for each calendar year beginning January 1, 2014, \$500,000 to the joint powers  
36.13 board for a grant to the Center for Transportation Studies at the University of Minnesota;  
36.14 and

36.15 (9) the remaining revenues following the allocations under clauses (1) to (8), to the  
36.16 board, the council, or both, as specified in the joint certification under subdivision 3.

36.17 Subd. 3. **Joint certification.** (a) The board and the Metropolitan Council shall  
36.18 annually develop a joint certification as provided in this subdivision. The joint certification  
36.19 must be separately adopted by the board and by the council no later than August 31 of  
36.20 each year.

36.21 (b) By July 1, 2013, and by March 15 of each subsequent year, the commissioner  
36.22 of revenue shall provide to the board and council an estimate of the net transit sales tax  
36.23 proceeds for the subsequent calendar year.

36.24 (c) If, on October 1 in any year, the board and the Metropolitan Council have not  
36.25 reached agreement as to the contents of the joint certification, they shall submit the issue  
36.26 for dispute resolution to a panel composed of a member appointed by the chair of the  
36.27 Metropolitan Council, a member appointed by the board, and a member agreed upon by  
36.28 both the chair and the board. The panel shall mediate discussion of areas of disagreement  
36.29 and shall issue advisory recommendations.

36.30 (d) If the commissioner does not receive a joint certification by December 1, the  
36.31 commissioner may not remit the proceeds identified under subdivision 2, clause (7),  
36.32 except as provided by a legislatively enacted appropriation.

36.33 (e) The joint certification must specify the use of sales tax proceeds and account for  
36.34 deposit of the remainder after allocations.

36.35 (f) A joint certification may not exceed the estimated net transit sales tax proceeds  
36.36 less the allocations required under subdivision 2, clauses (1) to (6).

37.1 (g) By December 15 annually, the board shall electronically submit a copy of any  
37.2 joint certification to the chairs and ranking minority members of the legislative committees  
37.3 with jurisdiction over transportation policy and finance.

37.4 Subd. 4. **Uses and priorities; Metropolitan Council.** The Metropolitan Council  
37.5 shall use all funds remitted to the council under this section in the following priority order:

37.6 (1) continuation of bus and rail transit operations, including but not limited to  
37.7 operations of providers under section 473.388, and operations and maintenance of all  
37.8 transit ways under revenue operations; and

37.9 (2) transit expansion in accordance with the transit portion of the council's policy  
37.10 transit plan, including, but not limited to, expansion and upgrades of bus service and  
37.11 related amenities, including transit provided under section 473.388, development of  
37.12 arterial bus rapid transit, transit ways, and streetcars as appropriate, and maintenance of  
37.13 affordable transit fares.

37.14 Subd. 5. **Uses and priorities; joint powers board.** The board shall use all funds  
37.15 remitted to the board under this section as provided in section 297A.992.

37.16 Subd. 6. **Remittance schedule.** The commissioner of revenue shall remit the net  
37.17 transit sales tax proceeds on a monthly basis to a fiscal agent selected by the board and  
37.18 council. The fiscal agent shall maintain three separate accounts: a council account, a  
37.19 board account, and an escrow account. Proceeds shall be deposited first into the board  
37.20 and council accounts based on the amounts indicated in subdivisions 2, 3, and 7, then into  
37.21 the escrow account. The rate of deposit for all or any portion of the proceeds into any  
37.22 account may be modified by mutual agreement of the parties to reflect bond covenants  
37.23 or cash flow needs. Proceeds deposited into the board and council accounts shall be  
37.24 transferred to the board and council, respectively, within five business days of receipt.  
37.25 Unless otherwise directed herein, money held in the escrow account is subject to the joint  
37.26 certification process under subdivision 3.

37.27 Subd. 7. **Transition.** Notwithstanding subdivision 2, for the calendar year ending  
37.28 December 31, 2013, the board shall advance proceeds from the net transit sales tax  
37.29 imposed in section 297A.992, subdivision 2, as follows:

37.30 (1) \$11,700,000 to the council for transit operations under chapter 473; and

37.31 (2) \$2,500,000 to the council for the Southwest light rail transit project.

37.32 The board account will be reimbursed \$14,200,000 from net sales tax proceeds in calendar  
37.33 year 2014.

37.34 **EFFECTIVE DATE.** This section is effective July 1, 2013, and applies in the  
37.35 counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

38.1 Sec. 10. Minnesota Statutes 2012, section 297A.993, subdivision 1, is amended to read:

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

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

38.15 Sec. 11. Minnesota Statutes 2012, section 297A.993, subdivision 2, is amended to read:

38.16 Subd. 2. **Allocation; termination.** The proceeds of the taxes must be dedicated  
38.17 exclusively to: (1) payment of the capital cost of a specific transportation project or  
38.18 improvement; (2) payment of the costs, which may include both capital and operating  
38.19 costs, of a specific transit project or improvement; (3) payment of the capital costs of a  
38.20 safe route to school program under section 174.40; or (4) payment of transit operating  
38.21 costs. The transportation or transit project or improvement must be designated by the  
38.22 board of the county, or more than one county acting under a joint powers agreement.  
38.23 Except for taxes for operating costs of a transit project or improvement, or for transit  
38.24 operations, the taxes must terminate after the project or improvement has been completed  
38.25 when revenues raised are sufficient to finance the project.

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

38.27 Sec. 12. Minnesota Statutes 2012, section 297B.01, subdivision 14, is amended to read:

38.28 Subd. 14. **Purchase price.** (a) "Purchase price" means the total consideration  
38.29 valued in money for a sale, whether paid in money or otherwise. The purchase price  
38.30 excludes the amount of a manufacturer's rebate paid or payable to the purchaser. If a motor  
38.31 vehicle is taken in trade as a credit or as part payment on a motor vehicle taxable under  
38.32 this chapter, the credit or trade-in value allowed by the person selling the motor vehicle  
38.33 shall be deducted from the total selling price to establish the purchase price of the vehicle

39.1 being sold and the trade-in allowance allowed by the seller shall constitute the purchase  
39.2 price of the motor vehicle accepted as a trade-in. The purchase price in those instances  
39.3 where the motor vehicle is acquired by gift or by any other transfer for a nominal or no  
39.4 monetary consideration shall also include the average value of similar motor vehicles,  
39.5 established by standards and guides as determined by the motor vehicle registrar. The  
39.6 purchase price in those instances where a motor vehicle is manufactured by a person who  
39.7 registers it under the laws of this state shall mean the manufactured cost of such motor  
39.8 vehicle and manufactured cost shall mean the amount expended for materials, labor,  
39.9 and other properly allocable costs of manufacture, except that in the absence of actual  
39.10 expenditures for the manufacture of a part or all of the motor vehicle, manufactured costs  
39.11 shall mean the reasonable value of the completed motor vehicle.

39.12 (b) The term "purchase price" shall not include the portion of the value of a motor  
39.13 vehicle due solely to modifications necessary to make the motor vehicle disability  
39.14 accessible.

39.15 (c) The term "purchase price" shall not include the transfer of a motor vehicle by  
39.16 way of gift between a husband and wife or parent and child, or to a nonprofit organization  
39.17 as provided under subdivision 16, paragraph (c), clause ~~(5)~~ (6), nor shall it include  
39.18 the transfer of a motor vehicle by a guardian to a ward when there is no monetary  
39.19 consideration and the title to such vehicle was registered in the name of the guardian, as  
39.20 guardian, only because the ward was a minor.

39.21 (d) The term "purchase price" shall not include the transfer of a motor vehicle as a  
39.22 gift between a foster parent and foster child. For purposes of this subdivision, a foster  
39.23 relationship exists, regardless of the age of the child, if (1) a foster parent's home is or was  
39.24 licensed as a foster family home under Minnesota Rules, parts 9545.0010 to 9545.0260,  
39.25 and (2) the county verifies that the child was a state ward or in permanent foster care.

39.26 (e) There shall not be included in "purchase price" the amount of any tax imposed by  
39.27 the United States upon or with respect to retail sales whether imposed upon the retailer or  
39.28 the consumer.

39.29 **EFFECTIVE DATE.** This section is effective July 1, 2013, and applies to transfers  
39.30 of title that occur on or after that date.

39.31 Sec. 13. Minnesota Statutes 2012, section 297B.01, subdivision 16, is amended to read:

39.32 Subd. 16. **Sale, sells, selling, purchase, purchased, or acquired.** (a) "Sale,"  
39.33 "sells," "selling," "purchase," "purchased," or "acquired" means any transfer of title of any  
39.34 motor vehicle, whether absolutely or conditionally, for a consideration in money or by  
39.35 exchange or barter for any purpose other than resale in the regular course of business.

40.1 (b) Any motor vehicle utilized by the owner only by leasing such vehicle to others  
 40.2 or by holding it in an effort to so lease it, and which is put to no other use by the owner  
 40.3 other than resale after such lease or effort to lease, shall be considered property purchased  
 40.4 for resale.

40.5 (c) The terms also shall include any transfer of title or ownership of a motor vehicle  
 40.6 by other means, for or without consideration, except that these terms shall not include:

40.7 (1) the acquisition of a motor vehicle by inheritance from or by bequest of, a  
 40.8 decedent who owned it;

40.9 (2) the transfer of a motor vehicle which was previously licensed in the names of  
 40.10 two or more joint tenants and subsequently transferred without monetary consideration to  
 40.11 one or more of the joint tenants;

40.12 (3) the transfer of a motor vehicle by way of ~~gift between individuals, or gift~~  
 40.13 from a limited used vehicle dealer licensed under section 168.27, subdivision 4a, to an  
 40.14 individual, when the transfer is with no monetary or other consideration or expectation  
 40.15 of consideration and the parties to the transfer submit an affidavit to that effect at the  
 40.16 time the title transfer is recorded;

40.17 (4) the transfer of a motor vehicle by gift between spouses or between parent and  
 40.18 child;

40.19 (5) the voluntary or involuntary transfer of a motor vehicle between a husband and  
 40.20 wife in a divorce proceeding; or

40.21 ~~(5)~~ (6) the transfer of a motor vehicle by way of a gift to an organization that is exempt  
 40.22 from federal income taxation under section 501(c)(3) of the Internal Revenue Code when  
 40.23 the motor vehicle will be used exclusively for religious, charitable, or educational purposes.

40.24 **EFFECTIVE DATE.** This section is effective July 1, 2013, and applies to transfers  
 40.25 of title that occur on or after that date.

40.26 Sec. 14. Minnesota Statutes 2012, section 297B.02, subdivision 1, is amended to read:

40.27 Subdivision 1. **Rate.** There is imposed an excise tax of ~~6.5~~ 6.875 percent on the  
 40.28 purchase price of any motor vehicle purchased or acquired, either in or outside of the state  
 40.29 of Minnesota, which is required to be registered under the laws of this state.

40.30 The excise tax is also imposed on the purchase price of motor vehicles purchased  
 40.31 or acquired on Indian reservations when the tribal council has entered into a sales tax on  
 40.32 motor vehicles refund agreement with the state of Minnesota.

40.33 Sec. 15. Minnesota Statutes 2012, section 297B.02, subdivision 3, is amended to read:

41.1 Subd. 3. **In lieu tax for collector vehicle.** In lieu of the tax imposed in subdivision  
 41.2 1, there is imposed a tax of ~~\$90~~ \$150 on the purchase price of a passenger automobile or a  
 41.3 fire truck described in section 297B.025, subdivision 2.

41.4 **EFFECTIVE DATE.** This section is effective July 1, 2013, and applies to transfers  
 41.5 of title that occur on or after that date.

41.6 Sec. 16. Minnesota Statutes 2012, section 297B.09, subdivision 1, is amended to read:

41.7 Subdivision 1. **Deposit of revenues.** (a) Money collected and received under this  
 41.8 chapter must be deposited as provided in this subdivision.

41.9 (b) ~~From July 1, 2007, through June 30, 2008, 38.25 percent of the money collected~~  
 41.10 ~~and received must be deposited in the highway user tax distribution fund, 24 percent must~~  
 41.11 ~~be deposited in the metropolitan area transit account under section 16A.88, and 1.5 percent~~  
 41.12 ~~must be deposited in the greater Minnesota transit account under section 16A.88. The~~  
 41.13 ~~remaining money must be deposited in the general fund.~~

41.14 (c) ~~From July 1, 2008, through June 30, 2009, 44.25 percent of the money collected~~  
 41.15 ~~and received must be deposited in the highway user tax distribution fund, 27.75 percent~~  
 41.16 ~~must be deposited in the metropolitan area transit account under section 16A.88, 1.75~~  
 41.17 ~~percent must be deposited in the greater Minnesota transit account under section 16A.88,~~  
 41.18 ~~and the remaining money must be deposited in the general fund.~~

41.19 (d) ~~From July 1, 2009, through June 30, 2010, 47.5 percent of the money collected~~  
 41.20 ~~and received must be deposited in the highway user tax distribution fund, 30 percent~~  
 41.21 ~~must be deposited in the metropolitan area transit account under section 16A.88, 3.5~~  
 41.22 ~~percent must be deposited in the greater Minnesota transit account under section 16A.88,~~  
 41.23 ~~and 16.25 percent must be deposited in the general fund. The remaining amount must~~  
 41.24 ~~be deposited as follows:~~

41.25 (1) ~~1.5 percent in the metropolitan area transit account, except that any amount in~~  
 41.26 ~~excess of \$6,000,000 must be deposited in the highway user tax distribution fund; and~~

41.27 (2) ~~1.25 percent in the greater Minnesota transit account, except that any amount in~~  
 41.28 ~~excess of \$5,000,000 must be deposited in the highway user tax distribution fund.~~

41.29 (e) ~~From July 1, 2010, through June 30, 2011, 54.5 percent of the money collected~~  
 41.30 ~~and received must be deposited in the highway user tax distribution fund, 33.75 percent~~  
 41.31 ~~must be deposited in the metropolitan area transit account under section 16A.88, 3.75~~  
 41.32 ~~percent must be deposited in the greater Minnesota transit account under section 16A.88,~~  
 41.33 ~~and 6.25 percent must be deposited in the general fund. The remaining amount must~~  
 41.34 ~~be deposited as follows:~~

42.1 ~~(1) 1.5 percent in the metropolitan area transit account, except that any amount in~~  
 42.2 ~~excess of \$6,750,000 must be deposited in the highway user tax distribution fund; and~~

42.3 ~~(2) 0.25 percent in the greater Minnesota transit account, except that any amount in~~  
 42.4 ~~excess of \$1,250,000 must be deposited in the highway user tax distribution fund.~~

42.5 ~~(f) On and after July 1, 2011,~~ (b) On and after July 1, 2013, 60 percent of the money  
 42.6 collected and received must be deposited in the highway user tax distribution fund, ~~36~~ 35  
 42.7 percent must be deposited in the metropolitan area transit account under section 16A.88,  
 42.8 and ~~four~~ five percent must be deposited in the greater Minnesota transit account under  
 42.9 section 16A.88.

42.10 ~~(g) It is the intent of the legislature that the allocations under paragraph (f) remain~~  
 42.11 ~~unchanged for fiscal year 2012 and all subsequent fiscal years.~~

42.12 Sec. 17. Minnesota Statutes 2012, section 398A.10, subdivision 1, is amended to read:

42.13 Subdivision 1. **Capital costs.** A county regional railroad authority may not  
 42.14 contribute more than ~~ten~~ five percent of the capital costs of a light rail transit or commuter  
 42.15 rail project. This subdivision does not apply to a light rail transit project for which a  
 42.16 county regional railroad authority commits to providing an amount greater than ~~ten~~ five  
 42.17 percent of the capital costs, if the commitment (1) is made before ~~October 2, 2008~~ the  
 42.18 effective date of this section, (2) is made as part of an application for federal funds, and  
 42.19 (3) is adjusted by the county regional railroad authority to meet the requirements of this  
 42.20 subdivision as part of the next scheduled federal funding application for the project.

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

42.22 Sec. 18. **[435.39] MUNICIPAL STREET MAINTENANCE DISTRICTS.**

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

42.25 (b) "Governing body" means the city council of a municipality.

42.26 (c) "Maintenance" means striping, seal coating, mill and overlay, reclamation,  
 42.27 crack sealing, pavement repair, sidewalk maintenance, signal maintenance, street light  
 42.28 maintenance, and signage.

42.29 (d) "Municipal street" means a street, alley, or public way in which the municipality  
 42.30 is the road authority with powers conferred by section 429.021.

42.31 (e) "Municipality" means a home rule charter or statutory city.

42.32 (f) "Street maintenance district" means a geographic area designated by a  
 42.33 municipality and located within the municipality within which street maintenance may be  
 42.34 undertaken and financed according to this section.

43.1 (g) "Unimproved parcel" means a parcel of land that abuts an unimproved municipal  
43.2 street and that is not served by municipal sewer or water utilities; or in the case of a parcel  
43.3 abutting an improved municipal street and served by municipal sewer or water utilities,  
43.4 the parcel: (1) is not improved by construction of an authorized structure; or (2) contains a  
43.5 structure that has not previously been occupied.

43.6 Subd. 2. **Authorization.** A municipality may establish by ordinance municipal  
43.7 street maintenance districts and may defray all or part of the total costs of municipal street  
43.8 maintenance by apportioning street maintenance fees to all of the parcels located in the  
43.9 district. A street maintenance district must not include any property already located in  
43.10 another street maintenance district.

43.11 Subd. 3. **Uniformity.** Except as otherwise provided in subdivisions 9 and 10, the  
43.12 total costs of municipal street maintenance must be apportioned to all parcels or tracts  
43.13 of land located in the established street maintenance district on a uniform basis within  
43.14 each classification of real estate.

43.15 Subd. 4. **Adoption of plan.** Before establishing a municipal street maintenance  
43.16 district or authorizing a street maintenance fee, a municipality must propose and adopt a  
43.17 street maintenance plan that identifies the location of the municipal street maintenance  
43.18 district and identifies and estimates the costs of the proposed maintenance during the  
43.19 proposed period of collection of municipal street maintenance fees, which must be for  
43.20 a period of at least five years and at most 20 years. Notice of a public hearing on the  
43.21 proposed plan must be given by mail to all affected landowners at least 30 days before  
43.22 the hearing and posted for at least 30 days before the hearing. At the public hearing, the  
43.23 governing body must present the plan and all affected landowners in attendance must have  
43.24 the opportunity to comment before the governing body considers adoption of the plan.

43.25 Subd. 5. **Use of fees.** Revenues from street maintenance fees must be placed in a  
43.26 separate account and used only for projects located within the district and identified in the  
43.27 municipal street maintenance plan.

43.28 Subd. 6. **Collection; up to 20 years.** (a) An ordinance adopted under this section  
43.29 must provide for billing and payment of the fee on a monthly, quarterly, or other basis  
43.30 as directed by the governing body. The governing body may collect municipal street  
43.31 maintenance fees within a street maintenance district for a maximum of 20 years.

43.32 (b) Fees that, as of October 15 of each year, have remained unpaid for at least 30  
43.33 days may be certified to the county auditor for collection as a special assessment payable  
43.34 in the following calendar year against the affected property.

43.35 Subd. 7. **Maintenance fee.** A municipality may impose a municipal street  
43.36 maintenance fee by ordinance. The ordinance must not be voted on or adopted until after

44.1 public notice is provided and a public hearing is held in the same manner as provided in  
44.2 subdivision 4.

44.3 Subd. 8. **Not exclusive means of financing maintenance.** The use of the municipal  
44.4 street maintenance fee by a municipality does not restrict the municipality from imposing  
44.5 other measures to pay the costs of local street maintenance, except that a municipality  
44.6 must not impose special assessments for projects funded with street maintenance fees.

44.7 Subd. 9. **Undeveloped parcels; fees.** A municipality may not impose a street  
44.8 maintenance fee on any undeveloped parcel located within an established street  
44.9 maintenance district until at least three years after either the date of substantial completion  
44.10 of the paving of the previous unimproved municipal street or the date which a previously  
44.11 unoccupied structure is first occupied, whichever is later.

44.12 Subd. 10. **Institutions of public charity.** A municipality may not impose a street  
44.13 maintenance fee on any parcel owned by an institution of public charity within the  
44.14 meaning of section 272.02, subdivision 7.

44.15 **EFFECTIVE DATE.** This section is effective July 1, 2013 and expires on June  
44.16 30, 2018, except as to municipal street maintenance fees that were imposed before the  
44.17 expiration date. Municipal street maintenance fees imposed before the expiration date  
44.18 continue until they expire by the terms of the original ordinance.

44.19 Sec. 19. Minnesota Statutes 2012, section 473.39, is amended by adding a subdivision  
44.20 to read:

44.21 Subd. 1s. **Obligations.** After July 1, 2013, in addition to other authority in this  
44.22 section, the council may issue certificates of indebtedness, bonds, or other obligations  
44.23 under this section in an amount not exceeding \$35,800,000 for capital expenditures as  
44.24 prescribed in the council's transit capital improvement program and for related costs,  
44.25 including the costs of issuance and sale of the obligations.

44.26 **EFFECTIVE DATE.** This section is effective the day following final enactment  
44.27 and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and  
44.28 Washington.

44.29 Sec. 20. Minnesota Statutes 2012, section 473.39, is amended by adding a subdivision  
44.30 to read:

44.31 Subd. 6. **Revenue Bonds.** (a) In addition to other authority under this section, the  
44.32 council may, by resolution, authorize the issuance and sale of its revenue bonds, notes, or

45.1 other obligations to provide funds to implement the council's transit capital improvement  
 45.2 program and to refund bonds issued under this subdivision.

45.3 (b) The bonds shall be sold, issued, and secured in the manner provided in chapter  
 45.4 475 for bonds payable solely from or secured by revenues, and the council shall have the  
 45.5 same powers and duties as a municipality and its governing body in issuing bonds under  
 45.6 that chapter. The bonds (1) shall be payable from and secured by a pledge of all or any  
 45.7 part of revenues receivable to the council from the metropolitan area transit sales tax  
 45.8 imposed under section 297A.992 and allocated under section 299A.9925, and associated  
 45.9 investment earnings on debt proceeds; (2) shall not, and shall state they do not, represent  
 45.10 or constitute a general obligation of the council; and (3) shall not be included in the net  
 45.11 debt of any city, county, or other subdivision of the state for the purpose of any net  
 45.12 debt limitation. The bonds will be deemed payable wholly from the income of revenue  
 45.13 producing conveniences within the meaning of section 475.58. The proceeds of the bonds  
 45.14 may also be used to fund necessary reserves and to pay credit enhancement fees, issuance  
 45.15 costs, and other financing costs during the life of the debt.

45.16 (c) The bonds may be secured by a bond resolution, or a trust indenture entered into  
 45.17 by the council with a corporate trustee within or outside the state, which shall define the  
 45.18 revenues and bond proceeds pledged for the payment and security of the bonds. The  
 45.19 pledge shall be a valid charge on the revenues received by the council under section  
 45.20 299A.9925. Neither the state, nor any municipality or political subdivision except the  
 45.21 council, nor any member or officer or employee of the council, is liable on the obligations.  
 45.22 No mortgage of or security interest in any tangible real or personal property shall be  
 45.23 granted to the bondholders or the trustee, but they shall have a valid security interest in the  
 45.24 revenues and bond proceeds received by the council and pledged to the payment of the  
 45.25 bonds. In the bond resolution or trust indenture, the council may make such covenants as  
 45.26 it determines to be reasonable for the protection of the bondholders, including a covenant  
 45.27 to issue general obligation bonds to refund the revenue bonds if and to the extent required  
 45.28 to pay principal and interest on the bonds.

45.29 **EFFECTIVE DATE.** This section is effective the day following final enactment,  
 45.30 and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and  
 45.31 Washington.

45.32 Sec. 21. Laws 2009, chapter 9, section 1, the effective date, is amended to read:

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

46.1 **ARTICLE 3**

46.2 **TRANSPORTATION AND PUBLIC SAFETY POLICY**

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

46.4 Subdivision 1. **Definitions.** For purposes of this section, the following terms have  
 46.5 the meanings given:

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

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

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

46.10 and

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

46.14 Subd. 2. **Program authority, funding.** (a) As provided in this section, the  
 46.15 commissioner shall establish a corridors of commerce program for trunk highway  
 46.16 construction, reconstruction, and improvement, including maintenance operations, that  
 46.17 improves commerce in the state.

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

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

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

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

46.30 (i) is not a divided highway, and that highway is an expressway or freeway beyond  
 46.31 the project limits;

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

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

47.1 (iv) contains a location that is proposed as a new interchange or to be reconstructed  
47.2 from an intersection to an interchange; or

47.3 (2) freight improvement, for an asset preservation or replacement project that  
47.4 can result in: removing or reducing barriers to commerce, easing or preserving freight  
47.5 movement, supporting emerging industries, or providing connections between the trunk  
47.6 highway system and other transportation modes for the movement of freight.

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

47.9 (1) consistency with the statewide multimodal transportation plan under section  
47.10 174.03;

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

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

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

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

47.19 (b) A project whose construction is programmed in the state transportation  
47.20 improvement program is not eligible for funding under the program. This paragraph does  
47.21 not apply to a project that is programmed as result of selection under this section.

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

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

47.26 (b) As part of the project selection process, the commissioner shall annually accept  
47.27 recommendations on candidate projects from area transportation partnerships and other  
47.28 interested stakeholders in each Department of Transportation district. In selecting a  
47.29 project from District 1, the commissioner is encouraged to prioritize acceleration of the  
47.30 scoping, relocation, design, and construction of a highway located near taconite mines. In  
47.31 selecting a project from Districts 6 and 7, the commissioner is encouraged to prioritize the  
47.32 expansion to four lanes of an interregional corridor that connects regional trade centers,  
47.33 connects with other interregional corridors, and contains two-lane segments with 1.5  
47.34 times the state average fatality rate for rural two-lane roads. For each candidate project  
47.35 identified under this paragraph, the commissioner shall determine eligibility, classify, and  
47.36 if appropriate, evaluate the project for the program.

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

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

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

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

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

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

48.12 (4) improvements to traffic safety;

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

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

48.17 (7) support and consensus for the project among members of the surrounding  
 48.18 community.

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

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

48.28 Subd. 7. **Legislative report, evaluation.** (a) Starting in 2014, annually by November  
 48.29 1, the commissioner shall electronically submit a report on the corridors of commerce  
 48.30 program to the chairs and ranking minority members of the legislative committees with  
 48.31 jurisdiction over transportation policy and finance. At a minimum, the report must include:

48.32 (1) a summary of the program, including a review of the project selection process,  
 48.33 eligibility and criteria, funds expended in the previous selection cycle, and total funds  
 48.34 expended since program inception;

48.35 (2) a listing of projects funded under the program in the previous selection cycle,  
 48.36 including: project classification; a breakdown of project costs and funding sources;

49.1 any future operating costs assigned under subdivision 7; and a brief description that is  
 49.2 comprehensible to a lay audience;

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

49.5 (4) any recommendations for changes to statutory requirements of the program.

49.6 (b) Starting in 2016, and in every even-numbered year thereafter, the commissioner  
 49.7 shall incorporate into the report the results of an independent evaluation of impacts and  
 49.8 effectiveness of the program. The evaluation must be performed by agency staff or a  
 49.9 consultant with experience in program evaluation who have no regular involvement in  
 49.10 program implementation.

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

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

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

49.21 Sec. 3. Minnesota Statutes 2012, section 161.53, is amended to read:

49.22 **161.53 RESEARCH ACTIVITIES.**

49.23 (a) The commissioner may set aside in each fiscal year up to two percent of the total  
 49.24 amount of all funds appropriated to the commissioner other than county state-aid and  
 49.25 municipal state-aid highway funds for transportation research including public and private  
 49.26 research partnerships. The commissioner shall spend this money for (1) research to improve  
 49.27 the design, construction, maintenance, management, and environmental compatibility  
 49.28 of transportation systems, including research into and implementation of innovations  
 49.29 in bridge-monitoring technology and bridge inspection technology; bridge inspection  
 49.30 techniques and best practices; and the cost-effectiveness of deferred or lower cost highway  
 49.31 and bridge design and maintenance activities and their impacts on long-term trunk highway  
 49.32 costs and maintenance needs; (2) research on transportation policies that enhance energy

50.1 efficiency and economic development; (3) programs for implementing and monitoring  
 50.2 research results; and (4) development of transportation education and outreach activities.

50.3 (b) Of all funds appropriated to the commissioner other than state-aid funds, the  
 50.4 commissioner shall spend at least 0.1 percent, but not exceeding ~~\$1,200,000~~ \$2,000,000  
 50.5 in any fiscal year, for research and related activities performed by the Center for  
 50.6 Transportation Studies of the University of Minnesota. The center shall establish a  
 50.7 technology transfer and training center for Minnesota transportation professionals. By  
 50.8 June 30, 2018, the center shall conduct research on transportation policy and economic  
 50.9 competitiveness, including, but not limited to, innovative transportation finance options  
 50.10 and economic development, transportation impacts of industry clusters and freight, and  
 50.11 transportation technology impacts on economic competitiveness.

50.12 Sec. 4. Minnesota Statutes 2012, section 162.07, subdivision 1a, is amended to read:

50.13 Subd. 1a. **Apportionment sum and excess sum.** (a) For purposes of this  
 50.14 subdivision, "distribution amount" means the amount identified in section 162.06,  
 50.15 subdivision 1, after the deductions provided for in section 162.06 for administrative costs,  
 50.16 disaster account, research account, and state park road account.

50.17 (b) The apportionment sum is calculated by subtracting the excess sum, as calculated  
 50.18 in paragraph (c), from the distribution amount.

50.19 (c) The excess sum is calculated as the sum of revenue within the distribution amount:

50.20 (1) attributed to that portion of the gasoline excise tax rate under section 296A.07,  
 50.21 subdivision 3, in excess of ~~20~~ 15.2 cents per gallon, and to that portion of the excise tax  
 50.22 rates in excess of the energy equivalent of a gasoline excise tax rate of ~~20~~ 15.2 cents per  
 50.23 gallon for E85 and M85 under section 296A.07, subdivision 3, and special fuel under  
 50.24 section 296A.08, subdivision 2;

50.25 (2) attributed to:

50.26 (i) in fiscal year 2014, 40 percent of the county state-aid highway fund proceeds of  
 50.27 the gross receipts tax imposed under section 295.80; and

50.28 (ii) in fiscal year 2015 and in all subsequent fiscal years, 20 percent of the county  
 50.29 state-aid highway fund proceeds of the gross receipts tax imposed under section 295.80;

50.30 ~~(2)~~ (3) attributed to a change in the passenger vehicle registration tax under section  
 50.31 168.013, imposed on or after July 1, 2008, that exceeds (i) the amount collected in fiscal  
 50.32 year 2008, multiplied by (ii) the annual average United States Consumer Price Index for  
 50.33 the calendar year previous to the current calendar year, divided by the annual average  
 50.34 United States Consumer Price Index for calendar year 2007; and

51.1 ~~(3)~~ (4) attributed to that portion of the motor vehicle sales tax revenue in excess of  
 51.2 the percentage allocated to the county state-aid highway fund in fiscal year 2007.

51.3 (d) For purposes of this subdivision, the United States Consumer Price Index  
 51.4 identified in paragraph (c) is for all urban consumers, United States city average, as  
 51.5 determined by the United States Department of Labor.

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

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

51.11 Sec. 6. Minnesota Statutes 2012, section 168A.29, subdivision 1, is amended to read:

51.12 Subdivision 1. **Amounts.** (a) The department must be paid the following fees:

51.13 (1) for filing an application for and the issuance of an original certificate of title,  
 51.14 the sum of:

51.15 (i) until December 31, 2016, \$6.25 of which \$3.25 must be paid into the vehicle  
 51.16 services operating account of the special revenue fund under section 299A.705; ~~until~~  
 51.17 ~~June 30, 2012, a surcharge of \$1.75 must be added to the fee and credited to the driver~~  
 51.18 ~~and vehicle services technology account;~~ and from July 1, 2012, to June 30, 2016, a  
 51.19 surcharge of \$1 must be added to the fee and credited to the driver and vehicle services  
 51.20 technology account; and

51.21 (ii) on and after January 1, 2017, \$8.25 of which \$4.15 must be paid into the vehicle  
 51.22 services operating account;

51.23 (2) for each security interest when first noted upon a certificate of title, including the  
 51.24 concurrent notation of any assignment thereof and its subsequent release or satisfaction,  
 51.25 the sum of \$2, except that no fee is due for a security interest filed by a public authority  
 51.26 under section 168A.05, subdivision 8;

51.27 (3) until December 31, 2016, for the transfer of the interest of an owner and the  
 51.28 issuance of a new certificate of title, the sum of \$5.50 of which \$2.50 must be paid into the  
 51.29 vehicle services operating account of the special revenue fund under section 299A.705;  
 51.30 ~~until June 30, 2012, a surcharge of \$1.75 must be added to the fee and credited to the~~  
 51.31 ~~driver and vehicle services technology account;~~ and from July 1, 2012, to June 30, 2016,  
 51.32 a surcharge of \$1 must be added to the fee and credited to the driver and vehicle services  
 51.33 technology account;

52.1 (4) for each assignment of a security interest when first noted on a certificate of title,  
 52.2 unless noted concurrently with the security interest, the sum of \$1; and

52.3 (5) for issuing a duplicate certificate of title, the sum of \$7.25 of which \$3.25 must  
 52.4 be paid into the vehicle services operating account of the special revenue fund under  
 52.5 section 299A.705; ~~until June 30, 2012, a surcharge of \$1.75 must be added to the fee~~  
 52.6 ~~and credited to the driver and vehicle services technology account;~~ from July 1, 2012,  
 52.7 to June 30, 2016, a surcharge of \$1 must be added to the fee and credited to the driver  
 52.8 and vehicle services technology account.

52.9 (b) ~~After June 30, 1994,~~ In addition to ~~each of the fees~~ the fee required under  
 52.10 paragraph (a), ~~clauses clause (1) and (3),~~ the department must be paid \$3.50. The additional  
 52.11 \$3.50 fee collected under this paragraph must be deposited in the special revenue fund and  
 52.12 credited to the public safety motor vehicle account established in section 299A.70.

52.13 Sec. 7. Minnesota Statutes 2012, section 169.865, is amended to read:

52.14 **169.865 SPECIAL FARM PRODUCTS ANNUAL PERMITS FOR**  
 52.15 **OVERWEIGHT VEHICLES.**

52.16 Subdivision 1. **Six-axle vehicles.** (a) A road authority may issue an annual permit  
 52.17 authorizing a vehicle or combination of vehicles with a total of six or more axles to haul  
 52.18 ~~raw or unprocessed agricultural products~~ freight and be operated with a gross vehicle  
 52.19 weight of up to:

52.20 (1) 90,000 pounds; and

52.21 (2) 99,000 pounds during the period set by the commissioner under section 169.826,  
 52.22 subdivision 1.

52.23 (b) Notwithstanding subdivision 3, paragraph (a), clause (4), a vehicle or  
 52.24 combination of vehicles operated under this subdivision and, as part of an international  
 52.25 movement, transporting only sealed intermodal containers may be operated on an  
 52.26 interstate highway if allowed by the United States Department of Transportation.

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

52.28 Subd. 2. **Seven-axle vehicles.** (a) A road authority may issue an annual permit  
 52.29 authorizing a vehicle or combination of vehicles with a total of seven or more axles to  
 52.30 haul ~~raw or unprocessed agricultural products~~ freight and be operated with a gross vehicle  
 52.31 weight of up to:

52.32 (1) 97,000 pounds; and

52.33 (2) 99,000 pounds during the period set by the commissioner under section 169.826,  
 52.34 subdivision 1.

53.1 (b) Drivers of vehicles operating under this subdivision must comply with driver  
53.2 qualification requirements adopted under section 221.0314, subdivisions 2 to 5, and Code  
53.3 of Federal Regulations, title 49, parts 40 ~~and~~, 382, and 391.

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

53.5 Subd. 3. **Requirements; restrictions.** (a) A vehicle or combination of vehicles  
53.6 operating under this section:

53.7 (1) is subject to axle weight limitations under section 169.824, subdivision 1;

53.8 (2) is subject to seasonal load restrictions under section 169.87;

53.9 (3) is subject to bridge load limits posted under section 169.84;

53.10 (4) may only be operated on paved streets and highways other than interstate  
53.11 highways;

53.12 (5) may not be operated with loads that exceed the manufacturer's gross vehicle  
53.13 weight rating as affixed to the vehicle, or other certification of gross vehicle weight rating  
53.14 complying with Code of Federal Regulations, title 49, sections 567.4 to 567.7;

53.15 (6) must be issued a permit from each road authority having jurisdiction over a road  
53.16 on which the vehicle is operated, if required;

53.17 (7) must comply with the requirements of section 169.851, subdivision 4; and

53.18 (8) must have brakes on all wheels.

53.19 (b) The percentage allowances for exceeding gross weights if transporting unfinished  
53.20 forest products under section 168.013, subdivision 3, paragraph (b), or for the first haul of  
53.21 unprocessed or raw farm products or unfinished forest products under section 168.013,  
53.22 subdivision 3, paragraph (d), clause (3), do not apply to a vehicle or combination of  
53.23 vehicles operated under this section.

53.24 Subd. 4. **Deposit of revenues.** Revenue from the permits issued by the  
53.25 commissioner under this section must be deposited in the bridge inspection and signing  
53.26 account as provided under section 169.86, subdivision 5b.

53.27 Sec. 8. Minnesota Statutes 2012, section 169A.37, subdivision 1, is amended to read:

53.28 Subdivision 1. **Crime described.** It is a crime for a person:

53.29 (1) to fail to comply with an impoundment order under section 169A.60  
53.30 (administrative plate impoundment);

53.31 (2) to file a false statement under section 169A.60, subdivision 7, 8, or 14;

53.32 (3) to operate a self-propelled motor vehicle on a street or highway when the vehicle  
53.33 is subject to an impoundment order issued under section 169A.60, unless specially coded  
53.34 plates have been issued for the vehicle pursuant to section 169A.60, subdivision 13;

54.1 (4) to fail to notify the commissioner of the impoundment order when requesting  
54.2 new plates;

54.3 (5) who is subject to a plate impoundment order under section 169A.60, to drive,  
54.4 operate, or be in control of any motor vehicle during the impoundment period, unless the  
54.5 vehicle is employer-owned and is not required to be equipped with an ignition interlock  
54.6 device pursuant to section 12 or 171.306, subdivision 4, paragraph (b), or has specially  
54.7 coded plates issued pursuant to section 169A.60, subdivision 13, and the person is validly  
54.8 licensed to drive; or

54.9 (6) who is the transferee of a motor vehicle and who has signed a sworn statement  
54.10 under section 169A.60, subdivision 14, to allow the previously registered owner to drive,  
54.11 operate, or be in control of the vehicle during the impoundment period.

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

54.13 Sec. 9. Minnesota Statutes 2012, section 169A.51, subdivision 2, is amended to read:

54.14 Subd. 2. **Implied consent advisory.** (a) Subject to paragraph (b), at the time a test is  
54.15 requested, the person must be informed:

54.16 (1) that Minnesota law requires the person to take a test:

54.17 (i) to determine if the person is under the influence of alcohol, controlled substances,  
54.18 or hazardous substances;

54.19 (ii) to determine the presence of a controlled substance listed in Schedule I or II or  
54.20 metabolite, other than marijuana or tetrahydrocannabinols; and

54.21 (iii) if the motor vehicle was a commercial motor vehicle, to determine the presence  
54.22 of alcohol;

54.23 (2) that refusal to take a test is a crime;

54.24 (3) if the peace officer has probable cause to believe the person has violated the  
54.25 criminal vehicular homicide and injury laws, that a test will be taken with or without  
54.26 the person's consent; and

54.27 (4) that the person has the right to consult with an attorney, but that this right is  
54.28 limited to the extent that it cannot unreasonably delay administration of the test.

54.29 (b) A peace officer who is not pursuing an implied consent revocation is not required  
54.30 to give the advisory described in paragraph (a) to a person whom the officer has probable  
54.31 cause to believe has violated section 609.21, subdivision 1, clause (2), (3), (4), (5), or (6)  
54.32 (criminal vehicular operation DWI-related provisions).

54.33 **EFFECTIVE DATE.** This section is effective July 1, 2014, and applies to crimes  
54.34 committed on or after that date.

55.1 Sec. 10. Minnesota Statutes 2012, section 169A.55, is amended by adding a  
55.2 subdivision to read:

55.3 Subd. 5. **Reinstatement of driving privileges; criminal vehicular operation.** A  
55.4 person whose driver's license has been revoked under section 171.17, subdivision 1,  
55.5 paragraph (a), clause (1) (revocation, criminal vehicular operation), or suspended under  
55.6 section 171.187 (suspension, criminal vehicular operation), for a violation of section  
55.7 609.21, subdivision 1, clause (2), (3), (4), (5), or (6) (criminal vehicular operation  
55.8 DWI-related provisions), shall not be eligible for reinstatement of driving privileges until  
55.9 the person has submitted to the commissioner verification of the use of ignition interlock  
55.10 for the applicable time period specified in those sections. To be eligible for reinstatement  
55.11 under this subdivision, a person shall utilize an ignition interlock device that meets the  
55.12 performance standards and certification requirements under subdivision 4, paragraph (c).

55.13 **EFFECTIVE DATE.** This section is effective July 1, 2014, and applies to crimes  
55.14 committed on or after that date.

55.15 Sec. 11. Minnesota Statutes 2012, section 171.05, subdivision 2, is amended to read:

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

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

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

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

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

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

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

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

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

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

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

56.20 (d) The commissioner of public safety shall adopt rules to carry out the provisions  
 56.21 of this section. The rules adopted under this section are exempt from the rulemaking  
 56.22 provisions of chapter 14. The rules are subject to section 14.386, except that section  
 56.23 14.386, paragraph (b), does not apply.

56.24 **EFFECTIVE DATE.** Paragraph (a) is effective June 1, 2014. Paragraph (d) is  
 56.25 effective the day following final enactment.

56.26 Sec. 12. Minnesota Statutes 2012, section 171.0701, is amended by adding a  
 56.27 subdivision to read:

56.28 Subd. 1a. **Novice Driver Education Improvement Task Force.** (a) The  
 56.29 Novice Driver Education Improvement Task Force is established to ensure driver  
 56.30 education programs in Minnesota meet the Novice Teen Driver Education and Training  
 56.31 Administrative Standards published by the United States Department of Transportation,  
 56.32 National Highway Traffic Safety Administration.

56.33 (b) The task force consists of 21 members:

56.34 (1) the commissioner of public safety or the commissioner's designee;

- 57.1 (2) two representatives from and designated by the Minnesota Association of  
57.2 Student Councils;
- 57.3 (3) one representative from and designated by Mothers Against Drunk Driving;  
57.4 (4) one representative from and designated by Minnesotans for Safe Driving;  
57.5 (5) two representatives from law enforcement organizations, such as the Minnesota  
57.6 Chiefs of Police Association and the Minnesota Sheriffs' Association appointed by the  
57.7 commissioner;
- 57.8 (6) one representative from and designated by the American Automobile Association;  
57.9 (7) one representative from and designated by the Minnesota Safety Council;  
57.10 (8) two representatives from and designated by the Minnesota PTA;  
57.11 (9) five driver educators from the Minnesota Driver and Traffic Safety Education  
57.12 Association designated by the commissioner; and
- 57.13 (10) five driver educators from commercial driving schools, designated by the  
57.14 commissioner.
- 57.15 (c) Any vacancies shall be filled by the appointing or designating authorities.  
57.16 (d) Members shall serve without compensation.  
57.17 (e) Members shall be appointed or designated by August 1, 2013.  
57.18 (f) The commissioner or the commissioner's designee shall convene the first meeting  
57.19 of the task force after all appointments have been made. At the first meeting, the task  
57.20 force shall elect a chair from among its members by majority vote. The first meeting must  
57.21 take place by September 1, 2013.
- 57.22 (g) The duties of the task force are to examine and compare Minnesota law and  
57.23 rules concerning driver education with the Novice Teen Driver Education and Training  
57.24 Administrative Standards, identify discrepancies, and determine to what extent, if any,  
57.25 state law should be modified to conform with federal standards.
- 57.26 (h) The commissioner shall provide support staff and administrative services for  
57.27 the task force.
- 57.28 (i) The task force shall submit a report no later than August 31, 2015, to the  
57.29 chairs and ranking minority members of the committees in the house of representatives  
57.30 and senate having jurisdiction over transportation policy and finance, containing its  
57.31 recommendation as to whether or to what extent Minnesota's driver education programs  
57.32 should conform to national standards referenced in paragraph (a), and if so, providing draft  
57.33 legislation necessary or desirable to achieve the recommended level of federal conformity.  
57.34 The report may present recommendations for improving Minnesota's driver education  
57.35 curriculum and identify associated costs.

58.1 **EFFECTIVE DATE.** This section is effective the day following final enactment  
58.2 and is repealed September 1, 2015, or the day after the task force submits its report, as  
58.3 required in paragraph (i), whichever occurs first.

58.4 Sec. 13. Minnesota Statutes 2012, section 171.17, is amended by adding a subdivision  
58.5 to read:

58.6 Subd. 4. **Criminal vehicular operation; revocation periods.** (a) As used in this  
58.7 subdivision, "qualified prior impaired driving incident" has the meaning given in section  
58.8 169A.03, subdivision 22.

58.9 (b) Upon receiving a record of a conviction for a violation of section 609.21,  
58.10 subdivision 1, clause (2), (3), (4), (5), or (6), the commissioner shall revoke the driver's  
58.11 license or driving privileges of a person as follows:

58.12 (1) not less than ten years if the violation resulted in great bodily harm or death to  
58.13 another and the person has two or more qualified prior impaired driving incidents within  
58.14 the past ten years or three or more qualified prior impaired driving incidents, and with  
58.15 denial under section 171.04, subdivision 1, clause (10), until rehabilitation is established  
58.16 according to standards established by the commissioner;

58.17 (2) not less than eight years if the violation resulted in great bodily harm or death  
58.18 to another and the person has a qualified prior impaired driving incident within the past  
58.19 ten years;

58.20 (3) not less than six years if the violation resulted in great bodily harm or death  
58.21 to another;

58.22 (4) not less than six years if the violation resulted in bodily harm or substantial bodily  
58.23 harm to another and the person has two or more qualified prior impaired driving incidents  
58.24 within the past ten years or three or more qualified prior impaired driving incidents,  
58.25 and with denial under section 171.04, subdivision 1, clause (10), until rehabilitation is  
58.26 established according to standards established by the commissioner;

58.27 (5) not less than four years if the violation resulted in bodily harm or substantial  
58.28 bodily harm to another and the person has a qualified prior impaired driving incident  
58.29 within the past ten years; or

58.30 (6) not less than two years if the violation resulted in bodily harm or substantial  
58.31 bodily harm to another.

58.32 (c) Section 169A.09 applies when determining the number of qualified prior  
58.33 impaired driving incidents under this subdivision.

58.34 **EFFECTIVE DATE.** This section is effective July 1, 2014, and applies to crimes  
58.35 committed on or after that date.

59.1 Sec. 14. [171.187] SUSPENSION; CRIMINAL VEHICULAR OPERATION  
59.2 AND MANSLAUGHTER.

59.3 Subdivision 1. **Suspension required.** The commissioner shall suspend the driver's  
59.4 license of a person:

59.5 (1) for whom a peace officer has made the certification described in section 629.344  
59.6 that probable cause exists to believe that the person violated section 609.21, subdivision 1,  
59.7 clause (2), (3), (4), (5), or (6); or

59.8 (2) who has been formally charged with a violation of section 609.20, 609.205, or  
59.9 609.21, resulting from the operation of a motor vehicle.

59.10 Subd. 2. **Suspension period.** A suspension under this section continues until:

59.11 (1) the conviction, acquittal, or dismissal of the underlying crime that resulted in  
59.12 the suspension; or

59.13 (2) the commissioner, acting under subdivision 4, orders the termination of the  
59.14 suspension.

59.15 Subd. 3. **Credit.** If a person whose driver's license was suspended under subdivision  
59.16 1 is later convicted of the underlying offense that resulted in the suspension and the  
59.17 commissioner revokes the person's license, the commissioner shall credit the time accrued  
59.18 under the suspension period toward the revocation period imposed under section 171.17,  
59.19 subdivision 4, or for violations of section 609.20, 609.205, or 609.21, subdivision 1,  
59.20 clause (1), (7), or (8).

59.21 Subd. 4. **Administrative review of license suspension.** (a) At any time during  
59.22 which a person's driver's license is suspended under this section, the person may request in  
59.23 writing a review of the suspension by the commissioner. Upon receiving a request, the  
59.24 commissioner or the commissioner's designee shall review the order of suspension, the  
59.25 evidence upon which the order was based, and any other material information brought  
59.26 to the attention of the commissioner, and determine whether sufficient cause exists to  
59.27 sustain the order. Within 15 days of receiving the request, the commissioner shall report in  
59.28 writing the results of the review. The review provided in this subdivision is not subject to  
59.29 the contested case provisions in chapter 14.

59.30 (b) In addition to any other reason provided for in this subdivision, a person may  
59.31 request a review of the suspension by the commissioner if the suspension has been in place  
59.32 for at least three months and the person has not been indicted or formally charged with the  
59.33 underlying crime that resulted in the license suspension.

59.34 **EFFECTIVE DATE.** This section is effective July 1, 2014, and applies to crimes  
59.35 committed on or after that date.

60.1 Sec. 15. Minnesota Statutes 2012, section 171.30, subdivision 1, is amended to read:

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

60.5 (1) suspended under section 171.18, 171.173, ~~or 171.186~~, or 171.187;

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

60.7 (i) 169.792;

60.8 (ii) 169.797;

60.9 (iii) 169A.52:

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

60.11 (B) subdivision 3, paragraph (a), clause (4), (5), or (6), if in compliance with section  
60.12 171.306;

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

60.15 (D) subdivision 4, paragraph (a), clause (4), (5), or (6), if in compliance with section  
60.16 171.306;

60.17 (iv) 171.17; or

60.18 (v) 171.172; or

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

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

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

60.23 (iii) subdivision 1, clause (5), (6), or (7), if in compliance with section 171.306; or

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

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

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

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

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

60.35 (c) The commissioner in issuing a limited license may impose such conditions and  
60.36 limitations as in the commissioner's judgment are necessary to the interests of the public

61.1 safety and welfare including reexamination as to the driver's qualifications. The license  
61.2 may be limited to the operation of particular vehicles, to particular classes and times of  
61.3 operation, and to particular conditions of traffic. The commissioner may require that an  
61.4 applicant for a limited license affirmatively demonstrate that use of public transportation  
61.5 or carpooling as an alternative to a limited license would be a significant hardship.

61.6 (d) For purposes of this subdivision:

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

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

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

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

61.18 (g) If the person's driver's license or permit to drive has been revoked under  
61.19 section 169.792 or 169.797, the commissioner may only issue a limited license to the  
61.20 person after the person has presented an insurance identification card, policy, or written  
61.21 statement indicating that the driver or owner has insurance coverage satisfactory to  
61.22 the commissioner of public safety. The commissioner of public safety may require  
61.23 the insurance identification card provided to satisfy this subdivision be certified by the  
61.24 insurance company to be noncancelable for a period not to exceed 12 months.

61.25 (h) The limited license issued by the commissioner to a person under section  
61.26 171.186, subdivision 4, must expire 90 days after the date it is issued. The commissioner  
61.27 must not issue a limited license to a person who previously has been issued a limited  
61.28 license under section 171.186, subdivision 4.

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

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

61.32 **EFFECTIVE DATE.** This section is effective July 1, 2014, and applies to crimes  
61.33 committed on or after that date.

61.34 Sec. 16. Minnesota Statutes 2012, section 171.30, subdivision 2a, is amended to read:

62.1 Subd. 2a. **Other waiting periods.** Notwithstanding subdivision 2, a limited license  
62.2 shall not be issued for a period of:

62.3 (1) 15 days, to a person whose license or privilege has been revoked or suspended  
62.4 for a first violation of section 169A.20, sections 169A.50 to 169A.53, or a statute or  
62.5 ordinance from another state in conformity with either of those sections; or

62.6 (2) one year, to a person whose license or privilege has been revoked or suspended  
62.7 for committing manslaughter resulting from the operation of a motor vehicle, committing  
62.8 criminal vehicular homicide or injury under section 609.21, subdivision 1, clause (1), (7),  
62.9 or (8), or violating a statute or ordinance from another state in conformity with either of  
62.10 those offenses.

62.11 **EFFECTIVE DATE.** This section is effective July 1, 2014, and applies to crimes  
62.12 committed on or after that date.

62.13 Sec. 17. Minnesota Statutes 2012, section 171.30, is amended by adding a subdivision  
62.14 to read:

62.15 **Subd. 5. Exception; criminal vehicular operation.** Notwithstanding subdivision  
62.16 1, the commissioner may not issue a limited license to a person whose driver's license  
62.17 has been suspended or revoked due to a violation of section 609.21, subdivision 1, clause  
62.18 (2), (3), (4), (5), or (6).

62.19 **EFFECTIVE DATE.** This section is effective July 1, 2014, and applies to crimes  
62.20 committed on or after that date.

62.21 Sec. 18. Minnesota Statutes 2012, section 171.306, subdivision 1, is amended to read:

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

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

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

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

63.1 (2) revoked under section 171.17, subdivision 1, paragraph (a), clause (1), or  
63.2 suspended under section 171.187, for a violation of section 609.21, subdivision 1, clause  
63.3 (2), (3), (4), (5), or (6).

63.4 (d) "Qualified prior impaired driving incident" has the meaning given in section  
63.5 169A.03, subdivision 22.

63.6 **EFFECTIVE DATE.** This section is effective July 1, 2014, and applies to crimes  
63.7 committed on or after that date.

63.8 Sec. 19. Minnesota Statutes 2012, section 171.306, subdivision 4, is amended to read:

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

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

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

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

63.28 (c) A program participant whose driver's license has been: (1) revoked under section  
63.29 169A.52, subdivision 3, paragraph (a), clause (1), (2), or (3), or subdivision 4, paragraph  
63.30 (a), clause (1), (2), or (3), or section 169A.54, subdivision 1, clause (1), (2), (3), or (4); or  
63.31 (2) revoked under section 171.17, subdivision 1, paragraph (a), clause (1), or suspended  
63.32 under section 171.187, for a violation of section 609.21, subdivision 1, clause (2), (3),  
63.33 (4), (5), or (6); may apply for conditional reinstatement of the driver's license, subject to  
63.34 the ignition interlock restriction.

64.1 (d) A program participant whose driver's license has been revoked, canceled, or  
 64.2 denied under section 169A.52, subdivision 3, paragraph (a), clause (4), (5), or (6), or  
 64.3 subdivision 4, paragraph (a), clause (4), (5), or (6), or section 169A.54, subdivision 1,  
 64.4 clause (5), (6), or (7), may apply for a limited license, subject to the ignition interlock  
 64.5 restriction, if the program participant is enrolled in a licensed chemical dependency  
 64.6 treatment or rehabilitation program as recommended in a chemical use assessment, and if  
 64.7 the participant meets the other applicable requirements of section 171.30. After completing  
 64.8 a licensed chemical dependency treatment or rehabilitation program and one year of limited  
 64.9 license use without violating the ignition interlock restriction, the conditions of limited  
 64.10 license use, or program guidelines, the participant may apply for conditional reinstatement  
 64.11 of the driver's license, subject to the ignition interlock restriction. If the program  
 64.12 participant's ignition interlock device subsequently registers a positive breath alcohol  
 64.13 concentration of 0.02 or higher, the commissioner shall cancel the driver's license, and the  
 64.14 program participant may apply for another limited license according to this paragraph.

64.15 (e) Notwithstanding any statute or rule to the contrary, the commissioner has  
 64.16 authority to determine when a program participant is eligible for restoration of full driving  
 64.17 privileges, except that the commissioner shall not reinstate full driving privileges until the  
 64.18 program participant has met all applicable prerequisites for reinstatement under section  
 64.19 169A.55 and until the program participant's device has registered no positive breath  
 64.20 alcohol concentrations of 0.02 or higher during the preceding 90 days.

64.21 **EFFECTIVE DATE.** This section is effective July 1, 2014, and applies to crimes  
 64.22 committed on or after that date.

64.23 Sec. 20. **[174.12] TRANSPORTATION ECONOMIC DEVELOPMENT**  
 64.24 **PROGRAM.**

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

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

64.34 Subd. 2. **Transportation economic development accounts.** (a) A transportation  
 64.35 economic development account is established in the special revenue fund under the

65.1 budgetary jurisdiction of the legislative committees having jurisdiction over transportation  
65.2 finance. Money in the account may be expended only as appropriated by law. The account  
65.3 may not contain money transferred or otherwise provided from the trunk highway fund.

65.4 (b) A transportation economic development account is established in the trunk  
65.5 highway fund. The account consists of funds donated, allotted, transferred, or otherwise  
65.6 provided to the account. Money in the account may be used only for trunk highway  
65.7 purposes.

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

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

65.17 Subd. 5. **Financial assistance; criteria.** The commissioners of transportation and  
65.18 employment and economic development shall establish criteria for evaluating projects  
65.19 for financial assistance under this section. At a minimum, the criteria must provide an  
65.20 objective method to prioritize and select projects on the basis of:

- 65.21 (1) the extent to which the project provides measurable economic benefit;  
65.22 (2) consistency with relevant state and local transportation plans;  
65.23 (3) the availability and commitment of funding or in-kind assistance for the project  
65.24 from nonpublic sources;  
65.25 (4) the need for the project as part of the overall transportation system;  
65.26 (5) the extent to which completion of the project will improve the movement of  
65.27 people and freight; and  
65.28 (6) geographic balance as required under subdivision 7, paragraph (b).

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

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

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

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

66.9 Subd. 8. **Legislative report.** (a) By February 1 of each odd-numbered year, the  
66.10 commissioner of transportation, with assistance from the commissioner of employment  
66.11 and economic development, shall submit a report on the transportation economic  
66.12 development program to the chairs and ranking minority members of the legislative  
66.13 committees with jurisdiction over transportation policy and finance and economic  
66.14 development policy and finance.

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

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

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

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

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

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

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

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

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

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

66.33 Sec. 21. Minnesota Statutes 2012, section 174.185, is amended by adding a subdivision  
66.34 to read:

67.1 Subd. 4. **Pavement design life.** (a) For purposes of this subdivision, "applicable  
 67.2 project" means a trunk highway project:

67.3 (1) that is categorized in the statewide transportation improvement program with a  
 67.4 program category of major construction, reconstruction, reconditioning, or resurfacing;

67.5 (2) that adds, removes, or replaces a pavement surface layer by more than two  
 67.6 inches of paving material thickness;

67.7 (3) that involves within the construction limits:

67.8 (i) on a two-lane road, more than two miles of length of roadway; or

67.9 (ii) on a multilane road, more than 30,000 square yards of paving; and

67.10 (4) for which a notable portion of the roadway has an International Roughness  
 67.11 Index of 170 inches per mile or greater.

67.12 (b) The commissioner shall, on each applicable project, select pavement material  
 67.13 that has a design life of at least 20 years. For purposes of determining pavement design  
 67.14 life under this subdivision, the commissioner may not consider the life of pavement  
 67.15 following planned maintenance or repairs.

67.16 Sec. 22. Minnesota Statutes 2012, section 174.40, is amended by adding a subdivision  
 67.17 to read:

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

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

67.24 (1) planning activities;

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

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

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

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

67.30 Sec. 23. Minnesota Statutes 2012, section 219.1651, is amended to read:

67.31 **219.1651 GRADE CROSSING SAFETY ACCOUNT.**

67.32 A Minnesota grade crossing safety account is created in the special revenue fund,  
 67.33 consisting of money credited to the account by law. Money in the account is appropriated  
 67.34 to the commissioner of transportation for rail-highway grade crossing safety projects

68.1 on public streets and highways, including engineering costs. At the discretion of the  
 68.2 commissioner of transportation, money in the account at the end of each fiscal year cancels  
 68.3 biennium may cancel to the trunk highway fund.

68.4 Sec. 24. Minnesota Statutes 2012, section 299A.73, subdivision 3, is amended to read:

68.5 Subd. 3. **Grant allocation formula.** Up to ~~one~~ five percent of the appropriations  
 68.6 to the grants-in-aid to the youth intervention program may be used for a grant to  
 68.7 the Minnesota Youth Intervention Programs Association for expenses in providing  
 68.8 ~~collaborative~~ collaboration, program development, professional development training  
 68.9 ~~and,~~ technical assistance to, tracking, and analyzing and reporting outcome data for the  
 68.10 community-based grantees of the program. The Minnesota Youth Intervention Programs  
 68.11 Association is not required to meet the match obligation under subdivision 2.

68.12 Sec. 25. Minnesota Statutes 2012, section 299E.01, subdivision 2, is amended to read:

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

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

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

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

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

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

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

68.31 (1) Capitol complex tenants and state employees;

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

68.33 (3) the public and public advocacy groups.

69.1 Sec. 26. Minnesota Statutes 2012, section 299E.01, subdivision 3, is amended to read:

69.2 Subd. 3. **Powers and duties transferred.** All powers, duties and responsibilities  
 69.3 heretofore assigned by law to the commissioner of administration relating to the general  
 69.4 function of security in ~~such~~ Capitol complex state-owned buildings are hereby transferred  
 69.5 to the commissioner of public safety. The commissioner of public safety shall have  
 69.6 the final authority regarding public safety and security in the Capitol complex. The  
 69.7 commissioner of administration shall have the powers, duties, and responsibilities relating  
 69.8 to the Capitol complex of state-owned buildings as provided under chapter 16B.

69.9 Sec. 27. Minnesota Statutes 2012, section 299E.02, is amended to read:

69.10 **299E.02 CONTRACT SERVICES INTERAGENCY AGREEMENT;**  
 69.11 **APPROPRIATION.**

69.12 ~~Fees charged for contracted~~ The commissioner of public safety shall execute  
 69.13 interagency agreements with agency tenants in the Capitol complex whereby fees for the  
 69.14 provision of security services are charged. Fees charged for security services provided  
 69.15 by the Capitol Complex Security Division of the Department of Public Safety must be  
 69.16 deposited in an account in the special revenue fund and are annually appropriated to the  
 69.17 commissioner of public safety to ~~administer and~~ provide these services.

69.18 Sec. 28. Minnesota Statutes 2012, section 398A.04, is amended by adding a  
 69.19 subdivision to read:

69.20 Subd. 2a. **Bus rapid transit development.** A regional rail authority may exercise  
 69.21 the powers conferred under this section to: plan, establish, acquire, develop, purchase,  
 69.22 enlarge, extend, improve, maintain, equip, regulate, and protect; and pay costs of  
 69.23 construction and operation of a bus rapid transit system located within its county on transit  
 69.24 ways included in and approved by the Metropolitan Council's 2030 Transportation Policy  
 69.25 Plan. This subdivision applies only to the counties of Anoka, Carver, Dakota, Hennepin,  
 69.26 Ramsey, Scott, and Washington.

69.27 **EFFECTIVE DATE.** This section is effective the day following final enactment  
 69.28 and applies only to the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott,  
 69.29 and Washington.

69.30 Sec. 29. Minnesota Statutes 2012, section 398A.10, is amended by adding a  
 69.31 subdivision to read:

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

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

70.6 Sec. 30. **[629.344] CRIMINAL VEHICULAR OPERATION AND**  
 70.7 **MANSLAUGHTER; CERTIFICATION OF PROBABLE CAUSE BY PEACE**  
 70.8 **OFFICER.**

70.9 If a peace officer determines that probable cause exists to believe that a person has  
 70.10 violated section 609.21, subdivision 1, clause (2), (3), (4), (5), or (6), the officer shall  
 70.11 certify this determination and notify the commissioner of public safety.

70.12 **EFFECTIVE DATE.** This section is effective July 1, 2014, and applies to crimes  
 70.13 committed on or after that date.

70.14 Sec. 31. **ORIGINAL IGNITION INTERLOCK DEVICE PROGRAM; USE**  
 70.15 **OF EMPLOYER-OWNED VEHICLES.**

70.16 A person participating in the ignition interlock device program under Minnesota  
 70.17 Statutes 2009, section 171.305, may drive an employer-owned vehicle not equipped with  
 70.18 an interlock device while in the normal course and scope of employment duties pursuant to  
 70.19 the program guidelines established by the commissioner referenced in Minnesota Statutes,  
 70.20 section 171.306, subdivision 4, paragraph (b), and with the employer's written consent.

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

70.22 Sec. 32. **TRANSIT WAY COMMUNITY ENGAGEMENT.**

70.23 (a) In all phases of a transit way project in which the Metropolitan Council is the  
 70.24 lead transportation authority, the council may partner and contract for services with local  
 70.25 community-based organizations to promote community engagement activities along the  
 70.26 project corridor. The community-based organizations may include those organizations  
 70.27 representative of low-income people, people of color, people with disabilities, other  
 70.28 cultural constituencies, or small businesses.

70.29 (b) For purposes of this section, project phases may include, but are not limited to:

70.30 (1) feasibility studies, alternatives analysis, preplanning, environmental analysis,  
 70.31 land acquisition, easements, design, preliminary and final engineering, construction,  
 70.32 and station development;

71.1 (2) review of existing public transit service along the corridor; and  
 71.2 (3) pedestrian, bicycle, or nonmotorized improvement projects associated with the  
 71.3 corridor.

71.4 (c) Any community engagement activities conducted under this section shall be  
 71.5 reported to the senate and house of representative chairs and ranking minority members  
 71.6 of the committees and divisions with primary jurisdiction over transportation policy and  
 71.7 finance.

71.8 Sec. 33. **TRANSPORTATION INFRASTRUCTURE HIRING AND**  
 71.9 **RECRUITMENT.**

71.10 (a) In the construction, maintenance, replacement, and improvement of transit and  
 71.11 transportation infrastructure, the lead transportation authority is encouraged to: (1) make  
 71.12 every effort to employ, and encourage the construction manager and other subcontractors  
 71.13 and vendors to employ, women and members of minority communities; (2) make every  
 71.14 effort to contract with women-owned and minority-owned small businesses designated as  
 71.15 small targeted group businesses under Minnesota Statutes, section 16C.16; and (3) may  
 71.16 contract with a community-based employment assistance firm to create an employment  
 71.17 program to recruit, hire, and retain women and minorities for the project construction  
 71.18 workforce. In monitoring progress on meeting these goals, reports may track workers  
 71.19 from zip codes that have high rates of poverty and unemployment.

71.20 (b) The commissioner of transportation shall make all reasonable efforts to increase  
 71.21 participation in Department of Transportation highway projects of small businesses  
 71.22 located in economically disadvantaged areas of Minnesota, within the meaning of  
 71.23 Minnesota Statutes, section 16C.16, subdivision 7.

71.24 Sec. 34. **FINANCIAL ASSISTANCE FOR NORTHSTAR COMMUTER RAIL**  
 71.25 **EXPENSES; GREATER MINNESOTA.**

71.26 The portion of the cost to provide financial assistance for the Greater Minnesota  
 71.27 Transit component of the Northstar Commuter Rail is exempt from the requirements in  
 71.28 Minnesota Statutes, section 174.24, subdivision 1.

71.29 Sec. 35. **REPEALER.**

71.30 (a) Minnesota Statutes 2012, sections 161.04, subdivision 6; and 174.285,  
 71.31 subdivision 8, are repealed.

71.32 (b) Minnesota Rules, parts 7503.0300, subpart 1; and 7503.0800, subpart 2, are  
 71.33 repealed effective July 1, 2014.

72.1

**ARTICLE 4**

72.2

**SEVERABILITY**

72.3

Section 1. **SEVERABILITY.**

72.4

If article 2, section 3, is found to be invalid because it is in conflict with a provision

72.5

of the Constitution of the state of Minnesota or for any reason, article 2, sections 4, 5, and

72.6

6, and article 3, section 4, are without effect.

APPENDIX  
Article locations in S1173-1

ARTICLE 1	TRANSPORTATION AND PUBLIC SAFETY APPROPRIATIONS .	Page.Ln 1.23
ARTICLE 2	TRANSPORTATION FINANCE .....	Page.Ln 22.26
ARTICLE 3	TRANSPORTATION AND PUBLIC SAFETY POLICY .....	Page.Ln 46.1
ARTICLE 4	SEVERABILITY .....	Page.Ln 72.1

**161.04 TRUNK HIGHWAY FUND.**

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

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

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

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

**174.285 MINNESOTA COUNCIL ON TRANSPORTATION ACCESS.**

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

**7503.0300 SUSPENSION PERIODS.**

Subpart 1. **For revocable offenses.** The commissioner shall suspend for one year the driver's license of a person upon receiving a record of a criminal charge arising out of the operation of a motor vehicle for:

- A. criminal vehicular homicide or injury; or
- B. manslaughter.

Time accrued under the suspension period must be credited toward the revocation period imposed upon conviction.

However, if the suspension is based on a criminal charge and the commissioner receives notice that the criminal charge was dismissed or that the person was acquitted of the criminal charge, the commissioner shall terminate the suspension period.

**7503.0800 REVOCATION PERIODS.**

Subp. 2. **For criminal vehicular operation.** Upon receiving a record of conviction, the commissioner shall revoke the driver's license or driving privilege of a person convicted under:

A. Minnesota Statutes, section 609.21, subdivision 1, clause (2), (3), (4), (5), or (6), or subdivision 3, clause (2), (3), (4), (5), or (6), for a period of ten years.

B. Minnesota Statutes, section 609.21, subdivision 2, clause (2), (3), (4), (5), or (6), or subdivision 4, clause (2), (3), (4), (5), or (6), for a period of five years.

C. Minnesota Statutes, section 609.21, subdivision 2a, clause (2), (3), (4), (5), or (6), for a period of three years.

D. Minnesota Statutes, section 609.21, subdivision 2b, clause (2), (3), (4), (5), or (6), for a period of one year.