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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 3698

03/29/2016 Authored by Hornstein

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

1.1 A bill for an act
1.2 relating to transportation; amending requirements governing preparedness,
1.3 response, and information regarding transportation of oil and other hazardous
1.4 substances; establishing certain requirements for railroads; establishing data
1.5 practices; providing for rulemaking; amending appropriations; making technical
1.6 changes; amending Minnesota Statutes 2014, sections 13.6905, by adding
1.7 a subdivision; 13.7411, by adding a subdivision; 115E.01, subdivision 11d;
1.8 115E.042; 219.015; 299A.55; proposing coding for new law in Minnesota
1.9 Statutes, chapter 219.

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

1.11 Section 1. Minnesota Statutes 2014, section 13.6905, is amended by adding a
1.12 subdivision to read:

1.13 Subd. 34. **Oil and other hazardous substances transportation data.** Certain
1.14 data on oil and other hazardous substances transportation by railroads are governed by
1.15 section 219.925.

1.16 Sec. 2. Minnesota Statutes 2014, section 13.7411, is amended by adding a subdivision
1.17 to read:

1.18 Subd. 10. **Prevention and response plans.** Certain data on prevention and response
1.19 plans are governed by section 115E.042, subdivision 10.

1.20 Sec. 3. Minnesota Statutes 2014, section 115E.01, subdivision 11d, is amended to read:

1.21 Subd. 11d. **Unit train.** "Unit train" means (1) a high-hazard flammable train as
1.22 defined in Code of Federal Regulations, title 49, section 171.8; and (2) a train with more
1.23 than 25 tanker railcars carrying oil or hazardous substance cargo.

2.1 Sec. 4. Minnesota Statutes 2014, section 115E.042, is amended to read:

2.2 **115E.042 PREPAREDNESS AND RESPONSE FOR CERTAIN RAILROADS.**

2.3 Subdivision 1. **Application.** In addition to the requirements of section 115E.04,
2.4 a person who owns or operates railroad car rolling stock transporting a unit train must
2.5 comply with this section.

2.6 Subd. 2. **Training.** (a) Each railroad must offer training to each fire department,
2.7 and each local organization for emergency management under section 12.25, having
2.8 jurisdiction along the route of unit trains routes over which oil and other hazardous
2.9 substances are transported. ~~Initial training under this subdivision must be offered to each~~
2.10 ~~fire department by June 30, 2016,~~ and Refresher training must be offered to each fire
2.11 department and local organization for emergency management at least once every three
2.12 years ~~thereafter~~ after initial training under this subdivision.

2.13 (b) The training must address the general hazards of oil and hazardous substances,
2.14 techniques to assess hazards to the environment and to the safety of responders and the
2.15 public, factors an incident commander must consider in determining whether to attempt to
2.16 suppress a fire or to evacuate the public and emergency responders from an area, and other
2.17 strategies for initial response by local emergency responders. The training must include
2.18 suggested protocol or practices for local responders to safely accomplish these tasks.

2.19 Subd. 3. **Coordination.** ~~Beginning June 30, 2015,~~ Each railroad must communicate
2.20 at least annually with each county or city emergency manager, safety representatives of
2.21 railroad employees governed by the Railway Labor Act, and a senior fire department
2.22 officer of each fire department having jurisdiction along the ~~route of a unit train~~ routes
2.23 over which oil and other hazardous substances are transported, to:

2.24 (1) ensure coordination of emergency response activities between the railroad and
2.25 local responders; and

2.26 (2) assist emergency managers identify and assess local threats, hazards, and risks in
2.27 areas (i) having high population concentration, or (ii) in which key facilities are located.

2.28 Subd. 4. **Response capabilities; time limits.** (a) Following confirmation of a
2.29 discharge, a railroad must deliver and deploy sufficient equipment and trained personnel to
2.30 contain and recover discharged oil or hazardous substances and to protect the environment
2.31 and public safety.

2.32 (b) Within one hour of confirmation of a discharge, a railroad must provide a
2.33 qualified company employee to advise the incident commander. The employee may be
2.34 made available by telephone, and must be authorized to deploy all necessary response
2.35 resources of the railroad.

3.1 (c) Within three hours of confirmation of a discharge, a railroad must be capable of
 3.2 delivering monitoring equipment and a trained operator to assist in protection of responder
 3.3 and public safety. A plan to ensure delivery of monitoring equipment and an operator to a
 3.4 discharge site must be provided each year to the commissioner of public safety.

3.5 (d) Within three hours of confirmation of a discharge, a railroad must provide qualified
 3.6 personnel at a discharge site to assess the discharge and to advise the incident commander.

3.7 (e) A railroad must be capable of deploying containment boom from land across
 3.8 sewer outfalls, creeks, ditches, and other places where oil or hazardous substances
 3.9 may drain, in order to contain leaked material before it reaches those resources. The
 3.10 arrangement to provide containment boom and staff may be made by:

- 3.11 (1) training and caching equipment with local jurisdictions;
- 3.12 (2) training and caching equipment with a fire mutual-aid group;
- 3.13 (3) means of an industry cooperative or mutual-aid group;
- 3.14 (4) deployment of a contractor;
- 3.15 (5) deployment of a response organization under state contract; or
- 3.16 (6) other dependable means acceptable to the Pollution Control Agency.

3.17 (f) Each arrangement under paragraph (e) must be confirmed each year. Each
 3.18 arrangement must be tested by drill at least once every five years.

3.19 (g) Within eight hours of confirmation of a discharge, a railroad must be capable of
 3.20 delivering and deploying containment boom, boats, oil recovery equipment, trained staff,
 3.21 and all other materials needed to provide:

3.22 (1) on-site containment and recovery of a volume of oil equal to ten percent of the
 3.23 calculated worst case discharge at any location along the route; and

3.24 (2) protection of listed sensitive areas and potable water intakes within one mile of
 3.25 a discharge site and within eight hours of water travel time downstream in any river
 3.26 or stream that the right-of-way intersects.

3.27 (h) Within 60 hours of confirmation of a discharge, a railroad must be capable of
 3.28 delivering and deploying additional containment boom, boats, oil recovery equipment,
 3.29 trained staff, and all other materials needed to provide containment and recovery of a
 3.30 worst case discharge and to protect listed sensitive areas and potable water intakes at any
 3.31 location along the route.

3.32 Subd. 5. **Railroad Environmental response drills.** Each railroad must conduct at
 3.33 ~~least one~~ oil containment, recovery, and sensitive area protection ~~drill~~ exercises as follows:

3.34 (1) at least one tabletop exercise every year; and (2) at least one full-scale exercise every
 3.35 three years, at a location and time and in the manner chosen by the Pollution Control

4.1 Agency, and attended by safety representatives of railroad employees governed by the
4.2 Railway Labor Act.

4.3 Subd. 5a. **Prevention and response plans; capacity information.** In addition to
4.4 other requirements, a prevention and response plan under section 115E.04 must include a
4.5 description of the capacity and methods a railroad intends to utilize in order to meet the
4.6 requirements under subdivision 4.

4.7 Subd. 6. **Prevention and response plans; submission requirements.** (a) ~~By~~
4.8 ~~June 30, 2015,~~ A railroad shall submit the prevention and response plan required under
4.9 section 115E.04, as necessary to comply with the requirements of this section, to the
4.10 commissioner of the Pollution Control Agency on a form designated by the commissioner.

4.11 (b) ~~By June 30 of~~ In every third year following a plan submission under this
4.12 subdivision, or sooner as provided under section 115E.04, subdivision 2, a railroad must
4.13 update and resubmit the prevention and response plan to the commissioner.

4.14 Subd. 7. **Prevention and response plans; review process.** (a) In a year in which a
4.15 prevention and response plan is due for submission under subdivision 6, a railroad must
4.16 submit a draft plan by June 30. Within 90 days of receiving a draft plan, the commissioner
4.17 must determine whether the plan is substantially complete and adequate, and either (1)
4.18 notify the railroad that the plan is incomplete or inadequate, in which case the submitter
4.19 must revise and resubmit the draft plan within 30 days; or (2) make the draft plan
4.20 available for public comment in the manner provided under subdivision 10, and proceed
4.21 as provided in this subdivision.

4.22 (b) The commissioner must accept public comments for 90 days. At least 45 days,
4.23 but not more than 60 days, after commencement of the public comment period the
4.24 commissioner must hold public hearings regarding the draft plan. The commissioner must
4.25 determine locations for the hearings to ensure geographic balance and reasonable access
4.26 from communities that are potentially affected by a discharge.

4.27 (c) The commissioner must review the draft plan and consider public comments, and
4.28 within 30 days of the close of the comment period must notify the railroad concerning
4.29 any amendments, as provided under section 115E.05. Within 30 days of receiving a
4.30 notification concerning amendments, a railroad must submit a revised plan.

4.31 (d) Within 30 days of final approval of a plan, the commissioner must make the plan
4.32 available in the manner provided under subdivision 10.

4.33 Subd. 8. **Financial responsibility; rulemaking.** (a) Each railroad must file with the
4.34 commissioner a financial responsibility plan that complies with the requirements of this
4.35 subdivision, in a form and manner determined by the commissioner.

5.1 (b) The financial responsibility plan must include (1) evidence demonstrating that
5.2 the railroad has the financial ability to pay for the environmental costs that may arise
5.3 while the financial responsibility plan is in effect, and (2) business information required by
5.4 the commissioner.

5.5 (c) Evidence of the railroad's financial ability to pay, in the form, at the amount,
5.6 and with such contractual terms, conditions, or defenses required by the commissioner
5.7 can be demonstrated by:

5.8 (1) insurance meeting the requirements of chapter 60A;

5.9 (2) self-insurance;

5.10 (3) surety bond; or

5.11 (4) irrevocable letter of credit, as defined in section 336.5-102.

5.12 (d) The commissioner must adopt rules establishing the required amount of financial
5.13 ability to pay. The commissioner must set the amount of financial ability to pay (1) using a
5.14 calculation based on the volume of oil or other hazardous substances to be transported
5.15 within or through the state; and (2) at a level no less than the expected environmental
5.16 costs from a worst-case discharge.

5.17 (e) A financial responsibility plan must be continuous until canceled. The
5.18 commissioner must receive 90 days' written notice prior to cancellation of any evidence of
5.19 the railroad's ability to pay. A railroad shall notify the commissioner promptly following a
5.20 material change in ability to pay.

5.21 Subd. 9. **Administrative penalty.** (a) The commissioner may impose an
5.22 administrative penalty if a railroad does not submit a draft or revised prevention and
5.23 response plan within 30 days following the due date, or number of days specified, for a
5.24 plan submitted under subdivision 7. The penalty is calculated in the amount of \$5,000 for
5.25 each increment of 30 days after the due date.

5.26 (b) A railroad may appeal an administrative penalty under this subdivision within
5.27 30 days of receipt of written notice of the penalty using the contested case procedures
5.28 under chapter 14.

5.29 Subd. 10. **Availability of environmental response plan data.** (a) The
5.30 commissioner must maintain on the Pollution Control Agency's public Web site:

5.31 (1) each draft and final prevention and response plan required under this section;

5.32 (2) written public comments received on each draft plan; and

5.33 (3) information on the current status of the plan submission and review process
5.34 under subdivision 7.

5.35 (b) The following data contained in a prevention and response plan are classified as
5.36 nonpublic data, as defined in section 13.02, subdivision 9:

6.1 (1) data which, if disclosed, would cause an articulated, credible, and substantial
 6.2 threat to the safety of the general public; and

6.3 (2) trade secret information, as defined in section 13.37, subdivision 1.

6.4 Notwithstanding any classifications of data provided by chapter 13 or other applicable
 6.5 law, for purposes of this subdivision all other data contained in a prevention and response
 6.6 plan are public and must be maintained on the Pollution Control Agency's public Web
 6.7 site as provided in paragraph (a). In determining whether data are classified under this
 6.8 paragraph, the commissioner must consult with the railroad that submitted the plan and
 6.9 the commissioner of public safety.

6.10 (c) The commissioner must make each final prevention and response plan available
 6.11 in its entirety to (1) each emergency manager having jurisdiction along the routes over
 6.12 which oil and other hazardous substances are transported, and (2) the commissioner of
 6.13 public safety. The data received under this paragraph by an emergency manager or
 6.14 the commissioner of public safety are nonpublic data, as defined under section 13.02,
 6.15 subdivision 9.

6.16 Subd. 11. **Legislative reporting.** By March 1 following a calendar year in which
 6.17 there is a major discharge incident in which personnel and equipment are deployed under
 6.18 the requirements of subdivision 4, the commissioner must submit a major discharge
 6.19 response report to the chairs and ranking minority members of the legislative committees
 6.20 with jurisdiction over environmental protection, public safety, and transportation policy
 6.21 and finance. At a minimum, the report must (1) summarize each discharge incident; and
 6.22 (2) specifically identify for each of the response time limits under subdivision 4 whether
 6.23 the limit was met or the length of time by which it was exceeded.

6.24 Sec. 5. Minnesota Statutes 2014, section 219.015, is amended to read:

6.25 **219.015 STATE RAIL SAFETY INSPECTOR INSPECTION PROGRAM.**

6.26 Subdivision 1. **Positions established; duties.** (a) The commissioner of
 6.27 transportation shall establish three state rail safety inspector positions ~~in the Office~~
 6.28 ~~of Freight and Commercial Vehicle Operations of the Minnesota Department of~~
 6.29 ~~Transportation. On or after July 1, 2015, and~~ the commissioner may establish a ~~fourth~~ up
 6.30 to nine state rail safety inspector ~~position~~ positions following consultation with railroad
 6.31 companies. The commissioner shall apply to and enter into agreements with the Federal
 6.32 Railroad Administration (FRA) of the United States Department of Transportation
 6.33 to participate in the federal State Rail Safety Participation Program for training and
 6.34 certification of an inspector under authority of United States Code, title 49, sections 20103,
 6.35 20105, 20106, and 20113, and Code of Federal Regulations, title 49, part 212.

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

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

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

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

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

7.28 (c) The assessments collected under this subdivision must be deposited in a ~~special~~
 7.29 account in the special revenue fund, to be known as the state rail safety inspection account,
 7.30 which is established in the special revenue fund. The account consists of funds as provided
 7.31 by this subdivision, and any other money donated, allotted, transferred, or otherwise
 7.32 provided to the account. Money in the account is appropriated to the commissioner for
 7.33 the establishment and ongoing responsibilities of the state rail safety ~~inspector inspection~~
 7.34 program.

7.35 **Subd. 3. Work site safety coaching program.** The commissioner may exempt a
 7.36 common carrier not federally classified as Class I from violations for a period of up to

8.1 two years if the common carrier applies for participation in a work site safety coaching
 8.2 program, such as the "MNSharp" program administered by the Minnesota Department of
 8.3 Labor and Industry, and the commissioner determines such participation to be preferred
 8.4 enforcement for safety or security violations.

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

8.8 Subd. 5. **Inspection program information.** (a) The commissioner must maintain
 8.9 on the department's public Web site information on state rail safety inspection program
 8.10 activity under this section.

8.11 (b) At a minimum, the Web site information must include:

8.12 (1) summaries of defects and violations by (i) railroad company, (ii) shipper
 8.13 company, (iii) State Rail Safety Participation Program discipline, (iv) type of defect or
 8.14 violation, (v) level of severity, and (vi) geographic location such as city or region;

8.15 (2) to the extent permitted by federal law, inspection reports or basic details
 8.16 regarding any identified critical or major defects, or critical or major violations;

8.17 (3) a summary of any enforcement activity;

8.18 (4) a review of corrective actions taken; and

8.19 (5) a review of revenue sources for and summary of expenditures from the state rail
 8.20 safety inspection account.

8.21 (c) In addition, the Web site information must include railroad bridge inspection
 8.22 reports provided to the commissioner under section 219.925, subdivision 5.

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

8.24 Sec. 6. **[219.925] INCIDENT EMERGENCY RESPONSE; PREPAREDNESS**
 8.25 **AND INFORMATION.**

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

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

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

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

8.33 (e) "Rail carrier" means a railroad company that is (1) defined as a common carrier
 8.34 under section 218.011; (2) classified by federal law or regulation as Class I Railroad, Class

9.1 I Rail Carrier, Class II Railroad, Class II Carrier, Class III Railroad, or Class III Carrier;
9.2 and (3) operating in this state.

9.3 Subd. 2. **Emergency response capability notification.** (a) A rail carrier must
9.4 provide an emergency response capability notification to each emergency manager and fire
9.5 chief having jurisdiction along the routes over which oil and other hazardous substances
9.6 are transported and to the commissioner of public safety. At a minimum, the notification
9.7 must include geographic inventories of:

9.8 (1) life-safety emergency response equipment and related major supplies, including
9.9 details on fire-suppression equipment, equipment capacity, and supply amounts; and

9.10 (2) response staff, including information on number and expertise areas of personnel
9.11 responding from each geographic location.

9.12 (b) Each inventory under paragraph (a), clauses (1) and (2), must specify storage
9.13 or starting locations of equipment, supplies, and personnel, and must provide estimates
9.14 of travel times to a sample of reasonable locations along the routes over which oil and
9.15 other hazardous substances are transported.

9.16 (c) A rail carrier must promptly provide an updated notification following any
9.17 material change in the information under this subdivision.

9.18 (d) The data provided under this subdivision are nonpublic data, as defined under
9.19 section 13.02, subdivision 9.

9.20 Subd. 3. **Route planning risk assessment.** (a) A rail carrier must provide a copy
9.21 of the route planning and risk assessment information required under Code of Federal
9.22 Regulations, title 49, section 172.820, or successor requirements, to each emergency
9.23 manager and fire chief having jurisdiction along the routes over which oil and other
9.24 hazardous substances are transported and to the commissioner of public safety.

9.25 (b) The data provided under this subdivision are security information under section
9.26 13.37, subdivision 1, paragraph (a).

9.27 Subd. 4. **Hazardous materials response plans.** A rail carrier must provide a copy of
9.28 the carrier's hazardous materials emergency response plan to each emergency manager and
9.29 fire chief having jurisdiction along the routes over which oil and other hazardous substances
9.30 are transported for integration and coordination with local emergency operations planning.

9.31 Subd. 5. **Bridge inspection reports.** A rail carrier must provide a copy of bridge
9.32 inspection reports on railroad bridges along the routes over which oil and other hazardous
9.33 substances are transported to:

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

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

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

10.4 **Subd. 6. Software application; comprehensive oil and other hazardous**

10.5 **materials transportation tracking.** (a) All rail carriers subject to this section must
 10.6 collectively maintain a single software application that provides comprehensive, accurate,
 10.7 and real-time information regarding transportation of oil and other hazardous substances.

10.8 (b) At a minimum, the software application must:

10.9 (1) contain data that is updated on a real-time basis, including, as practicable,
 10.10 updates due to rail car switching, assembly and disassembly, and storage operations;

10.11 (2) contain information on all tanker railcars carrying oil and other hazardous
 10.12 substances in this state, which must include:

10.13 (i) identification of the specific substance in each railcar; and

10.14 (ii) reasonable estimates of the volume of the substance in each railcar;

10.15 (3) be available to emergency first responders having jurisdiction along the routes
 10.16 over which oil and other hazardous substances are transported, and to employees in the
 10.17 Department of Public Safety designated by the commissioner of public safety; and

10.18 (4) provide a user interface that is accessible by authorized individuals through a
 10.19 Web site.

10.20 (c) The requirement under paragraph (b), clause (3), does not prevent access through
 10.21 software applications on wireless communications devices if it is made available for
 10.22 each operating system commonly in use.

10.23 (d) Any data obtained from the software application under this subdivision are
 10.24 nonpublic data, as defined under section 13.02, subdivision 9.

10.25 **Subd. 7. Data-sharing requirements.** (a) A rail carrier must provide all data
 10.26 required under subdivisions 2 to 6 in its entirety, without abridgment.

10.27 (b) A railroad is prohibited from, as a condition of providing any data required under
 10.28 this section, requiring an emergency manager or fire chief to enter into an agreement that
 10.29 restricts the ability of the emergency manager or fire chief to share the data with:

10.30 (1) local emergency responders in the same jurisdiction; or

10.31 (2) other emergency managers or fire chiefs, if information sharing is for emergency
 10.32 life-safety response planning and coordination purposes.

10.33 **Subd. 8. Transported substances community notice.** (a) As provided in this
 10.34 subdivision, each rail carrier must provide a community notice concerning all oil and other
 10.35 hazardous substance transportation within or through the state. The notice requirement
 10.36 under this subdivision does not apply to transportation of goods that are not oil or other

11.1 hazardous substances. All rail carriers subject to this section must collectively maintain
 11.2 the community notices on a public Web site.

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

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

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

11.8 (3) the number of tanker railcars transported;

11.9 (4) a description of the material transported, including, as applicable, the gravity as
 11.10 measured by industry standards and the vapor pressure;

11.11 (5) all applicable emergency response information required under Code of Federal
 11.12 Regulations, title 49, part 172, subpart G, or successor requirements; and

11.13 (6) contact information, including name, title, telephone number, and address, of
 11.14 at least one qualified company employee who is responsible for serving as a point of
 11.15 contact for discharge response.

11.16 (c) A railroad must provide a community notice prior to transporting oil and other
 11.17 hazardous substances, and must provide an updated notice prior to any material change in
 11.18 the information under paragraph (b).

11.19 **EFFECTIVE DATE.** This section is effective July 1, 2016, except that subdivision
 11.20 6 is effective July 1, 2017.

11.21 Sec. 7. Minnesota Statutes 2014, section 299A.55, is amended to read:

11.22 **299A.55 RAILROAD AND PIPELINE SAFETY INCIDENT**

11.23 **PREPAREDNESS; OIL AND OTHER HAZARDOUS MATERIALS SUBSTANCES.**

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

11.26 (b) "Applicable rail carrier" means a railroad company that is subject to an
 11.27 assessment under section 219.015, subdivision 2.

11.28 (c) "Hazardous substance" has the meaning given in ~~section 115B.02, subdivision 8~~
 11.29 Code of Federal Regulations, title 49, section 171.8.

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

11.31 (e) "Pipeline company" means any individual, partnership, association, or public
 11.32 or private corporation who owns and operates pipeline facilities and is required to show
 11.33 specific preparedness under section 115E.03, subdivision 2.

12.1 Subd. 2. **Railroad and pipeline safety incident account.** (a) A railroad and
 12.2 pipeline safety incident account is created in the special revenue fund. The account
 12.3 consists of funds collected under subdivision 4 and funds donated, allotted, transferred, or
 12.4 otherwise provided to the account.

12.5 (b) ~~\$104,000~~ \$250,000 is annually appropriated from the railroad and pipeline safety
 12.6 incident account to the commissioner of the Pollution Control Agency for environmental
 12.7 protection activities related to railroad discharge preparedness under chapter 115E.

12.8 (c) Following the appropriation in paragraph (b), the remaining money in the
 12.9 account is annually appropriated to the commissioner of public safety for the purposes
 12.10 specified in subdivision 3.

12.11 Subd. 3. **Allocation of funds.** (a) Subject to funding appropriated for this
 12.12 subdivision, the commissioner shall provide funds for training and response preparedness
 12.13 related to (1) derailments, discharge incidents, or spills involving trains carrying oil or
 12.14 other hazardous substances, and (2) pipeline discharge incidents or spills involving oil
 12.15 or other hazardous substances.

12.16 (b) The commissioner shall allocate available funds as follows:

12.17 (1) \$100,000 annually for emergency response teams; and

12.18 (2) the remaining amount to the Board of Firefighter Training and Education under
 12.19 section 299N.02 and the Division of Homeland Security and Emergency Management.

12.20 (c) Prior to making allocations under paragraph (b), the commissioner shall consult
 12.21 with the Fire Service Advisory Committee under section 299F.012, subdivision 2.

12.22 (d) The commissioner and the entities identified in paragraph (b), clause (2), shall
 12.23 prioritize uses of funds based on:

12.24 (1) firefighter training needs;

12.25 (2) community risk from discharge incidents or spills;

12.26 (3) geographic balance; ~~and~~

12.27 (4) risks to the general public; and

12.28 (5) recommendations of the Fire Service Advisory Committee.

12.29 (e) The following are permissible uses of funds provided under this subdivision:

12.30 (1) training costs, which may include, but are not limited to, training curriculum,
 12.31 trainers, trainee overtime salary, other personnel overtime salary, and tuition;

12.32 (2) costs of gear and equipment related to hazardous materials readiness, response,
 12.33 and management, which may include, but are not limited to, original purchase,
 12.34 maintenance, and replacement;

12.35 (3) supplies related to the uses under clauses (1) and (2); ~~and~~

12.36 (4) emergency preparedness planning and coordination;₂

13.1 (5) life-safety emergency response exercises, including coordinated or comprehensive
13.2 exercises in conjunction with the requirements under section 115E.042, subdivision 5; and

13.3 (6) public education and outreach, including but not limited to: (i) informing and
13.4 engaging the public regarding hazards of derailments and discharge incidents; (ii) assisting
13.5 in development of evacuation readiness; (iii) undertaking public information campaigns;
13.6 and (iv) providing accurate information to the media on likelihood and consequences of
13.7 derailments and discharge incidents.

13.8 (f) Notwithstanding paragraph (b), clause (2), from funds in the railroad and pipeline
13.9 safety incident account provided for the purposes under this subdivision, the commissioner
13.10 may retain a balance in the account for budgeting in subsequent fiscal years.

13.11 Subd. 4. **Assessments.** (a) The commissioner of public safety shall annually assess
13.12 \$2,500,000 to railroad and pipeline companies based on the formula specified in paragraph
13.13 (b). The commissioner shall deposit funds collected under this subdivision in the railroad
13.14 and pipeline safety incident account under subdivision 2.

13.15 (b) The assessment for each railroad is 50 percent of the total annual assessment
13.16 amount, divided in equal proportion between applicable rail carriers based on route miles
13.17 operated in Minnesota. The assessment for each pipeline company is 50 percent of the
13.18 total annual assessment amount, divided in equal proportion between companies based
13.19 on the yearly aggregate gallons of oil and hazardous substance transported by pipeline
13.20 in Minnesota.

13.21 (c) The assessments under this subdivision expire July 1, 2017.

13.22 Sec. 8. **REVISOR'S INSTRUCTION.**

13.23 The revisor of statutes shall recodify Minnesota Statutes, section 115E.042,
13.24 subdivision 2, as Minnesota Statutes, section 219.925, subdivision 9, and Minnesota
13.25 Statutes, section 115E.042, subdivision 3, as Minnesota Statutes, section 219.925,
13.26 subdivision 10. The revisor shall correct any cross-references made necessary by this
13.27 recodification.

13.28 Sec. 9. **EFFECTIVE DATE.**

13.29 Unless specified otherwise, this act is effective July 1, 2016.