

SENATE
STATE OF MINNESOTA
NINETIETH SESSION

S.F. No. 1060

(SENATE AUTHORS: NEWMAN)

DATE	D-PG	OFFICIAL STATUS
02/16/2017	634	Introduction and first reading
		Referred to Transportation Finance and Policy
03/01/2017	875a	Comm report: To pass as amended
	916	Second reading
03/20/2017	1583	General Orders: Stricken and re-referred to Transportation Finance and Policy
03/23/2017	1864a	Comm report: To pass as amended and re-refer to Taxes
03/27/2017	1962a	Comm report: To pass as amended and re-refer to Finance

1.1A bill for an act

1.2relating to transportation; authorizing sale and issuance of trunk highway bonds;

1.3redistributing five percent set-aside from highway user tax distribution fund;

1.4rededicating certain tax proceeds; amending various transportation and transit

1.5policies; amending policies relating to the Department of Public Safety; requiring

1.6reports; establishing a task force; appropriating money; amending Minnesota

1.7Statutes 2016, sections 85.016; 116.03, by adding a subdivision; 117.189; 160.02,

1.8subdivision 27, by adding subdivisions; 160.262, subdivisions 1, 3, 4; 160.266,

1.9subdivisions 3, 4, 5, by adding subdivisions; 161.081, subdivision 1; 161.088,

1.10subdivisions 4, 5, 7, by adding a subdivision; 161.115, subdivision 190; 161.21,

1.11subdivision 1; 161.321, subdivision 6; 161.44, subdivisions 5, 6a, by adding a

1.12subdivision; 168.013, subdivision 1d; 168.021, subdivisions 1, 2, 2a; 168A.09,

1.13subdivision 1; 168A.141; 168A.142; 169.14, by adding subdivisions; 169.345,

1.14subdivisions 1, 3; 169.80, subdivision 1; 169.829, by adding a subdivision; 169.865,

1.15subdivision 3; 169.871, subdivision 1; 171.06, subdivision 2a; 171.12, subdivision

1.166; 174.03, subdivisions 1a, 1c; 221.031, by adding a subdivision; 256B.15,

1.17subdivision 1a; 297A.815, subdivision 3; 297A.94; 297B.01, subdivision 16;

1.18473.388, subdivision 2; 473.4051, subdivision 2; proposing coding for new law

1.19in Minnesota Statutes, chapters 168; 168A; 169; 174; repealing Minnesota Statutes

1.202016, sections 160.262, subdivision 2; 160.265; 160.266, subdivisions 1, 2; 161.115,

1.21subdivision 32; Minnesota Rules, parts 8810.6000; 8810.6100; 8810.6300;

1.228810.6400; 8810.6500; 8810.6600; 8810.6700; 8810.6800; 8810.6900; 8810.7000;

1.238810.9910; 8810.9911; 8810.9912; 8810.9913.

1.24BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.25ARTICLE 1

1.26TRANSPORTATION APPROPRIATIONS

1.27Section 1. TRANSPORTATION APPROPRIATIONS.

1.28The sums shown in the columns marked "Appropriations" are appropriated to the agencies

1.29and for the purposes specified in this article. The appropriations are from the trunk highway

1.30fund, or another named fund, and are available for the fiscal years indicated for each purpose.

1.31The figures "2018" and "2019" used in this article mean that the appropriations listed under

2.1 them are available for the fiscal year ending June 30, 2018, or June 30, 2019, respectively.
 2.2 "The first year" is fiscal year 2018. "The second year" is fiscal year 2019. "The biennium"
 2.3 is fiscal years 2018 and 2019.

2.4		<u>APPROPRIATIONS</u>
2.5		<u>Available for the Year</u>
2.6		<u>Ending June 30</u>
2.7		<u>2018</u> <u>2019</u>

2.8 **Sec. 2. DEPARTMENT OF**
 2.9 **TRANSPORTATION**

2.10 **Subdivision 1. Total Appropriation** **\$ 2,928,633,000** **\$ 2,917,420,000**

2.11 **Appropriations by Fund**

2.12		<u>2018</u>	<u>2019</u>
2.13	<u>General</u>	<u>19,158,000</u>	<u>18,058,000</u>
2.14	<u>Airports</u>	<u>31,812,000</u>	<u>22,609,000</u>
2.15	<u>C.S.A.H.</u>	<u>769,644,000</u>	<u>800,066,000</u>
2.16	<u>M.S.A.S.</u>	<u>195,858,000</u>	<u>203,463,000</u>
2.17	<u>Special Revenue</u>	<u>10,000,000</u>	<u>0</u>
2.18	<u>Trunk Highway</u>	<u>1,902,161,000</u>	<u>1,873,224,000</u>

2.19 The amounts that may be spent for each
 2.20 purpose are specified in the following
 2.21 subdivisions.

2.22 **Subd. 2. Multimodal Systems**

2.23 **(a) Aeronautics**

2.24 **(1) Airport Development and Assistance** **26,501,000** **17,298,000**

2.25 This appropriation is from the state airports
 2.26 fund and must be spent according to
 2.27 Minnesota Statutes, section 360.305,
 2.28 subdivision 4.

2.29 \$2,334,000 is for a grant to the city of
 2.30 Rochester to design, rehabilitate, demolish,
 2.31 and expand portions of the existing passenger
 2.32 terminal building at the Rochester
 2.33 International Airport, provided that this
 2.34 amount also includes money to remodel,
 2.35 construct, furnish, and equip the existing

3.1 passenger terminal building and associated
3.2 appurtenances to meet the United States
3.3 Customs and Border Protection and
3.4 Transportation Security Administration
3.5 standards for safety, security, and processing
3.6 time to accommodate domestic and
3.7 international flights. The capital improvements
3.8 paid for with this appropriation may be used
3.9 as the local contribution required by
3.10 Minnesota Statutes, section 360.305,
3.11 subdivision 4. This appropriation may be used
3.12 to reimburse the city for costs incurred after
3.13 May 1, 2016. This appropriation is not
3.14 available until the commissioner of
3.15 management and budget has determined that
3.16 at least an equal amount has been committed
3.17 to the project from nonstate sources. Work
3.18 that may be completed with this appropriation
3.19 includes but is not limited to (i) site
3.20 preparation, including utilities, site civil work,
3.21 testing, and construction administration
3.22 services, (ii) the relocation, modification, and
3.23 addition of airline ticket counters, baggage
3.24 claim devices, public spaces, offices,
3.25 restrooms, support space, break rooms,
3.26 lockers, equipment storage, communications,
3.27 hallways, building signage, medical visitor
3.28 rooms, special needs accommodations, hold
3.29 rooms, secure storage, equipment maintenance
3.30 area, and building engineering and technology
3.31 systems, (iii) improvements needed outside
3.32 the terminal to remove, restore, and tie into
3.33 adjacent utilities, sidewalks, driveways,
3.34 parking lots, and aircraft aprons, and (iv) the
3.35 construction of covered exterior equipment
3.36 storage.

4.1

\$6,619,000 is to provide the federal match to

4.2

design and construct runway infrastructure at

4.3

the Duluth International and Sky Harbor

4.4

Airports in accordance with Minnesota

4.5

Statutes, section 360.017. For the purposes of

4.6

this clause, the commissioner may waive the

4.7

requirements of Minnesota Statutes, section

4.8

360.305, subdivision 4, paragraph (b). This

4.9

appropriation is for costs incurred after March

4.10

1, 2016, and is available until and must be

4.11

encumbered by June 30, 2017. This

4.12

appropriation is not available until the

4.13

commissioner of management and budget

4.14

determines that an equal amount is committed

4.15

from nonstate sources.

4.16

\$250,000 is for an air transport optimization

4.17

planning study for the St. Cloud Regional

4.18

Airport, which must be comprehensive and

4.19

market-based, using economic development

4.20

and air service expertise to research, analyze,

4.21

and develop models and strategies that

4.22

maximize the return on investments made to

4.23

enhance the use and impact of the St. Cloud

4.24

Regional Airport.

4.25

The base appropriation in each of fiscal years

4.26

2020 and 2021 is \$15,298,000.

4.27

Notwithstanding Minnesota Statutes, section

4.28

16A.28, subdivision 6, this appropriation is

4.29

available for five years after appropriation. If

4.30

the appropriation for either year is insufficient,

4.31

the appropriation for the other year is available

4.32

for it.

4.33

<u>(2) Aviation Support and Services</u>	<u>6,790,000</u>	<u>6,934,000</u>
4.34	<u>Appropriations by Fund</u>	
4.35	<u>2018</u>	<u>2019</u>

5.1	<u>Airports</u>	<u>5,311,000</u>	<u>5,311,000</u>		
5.2	<u>Trunk Highway</u>	<u>1,479,000</u>	<u>1,623,000</u>		
5.3	<u>\$80,000 in each year is from the state airports</u>				
5.4	<u>fund for the Civil Air Patrol.</u>				
5.5	<u>(b) Transit</u>			<u>18,091,000</u>	<u>18,118,000</u>
5.6	<u>Appropriations by Fund</u>				
5.7		<u>2018</u>	<u>2019</u>		
5.8	<u>General</u>	<u>17,245,000</u>	<u>17,245,000</u>		
5.9	<u>Trunk Highway</u>	<u>846,000</u>	<u>873,000</u>		
5.10	<u>(c) Safe Routes to School</u>			<u>500,000</u>	<u>500,000</u>
5.11	<u>This appropriation is from the general fund</u>				
5.12	<u>for the safe routes to school program under</u>				
5.13	<u>Minnesota Statutes, section 174.40.</u>				
5.14	<u>(d) Freight</u>			<u>6,706,000</u>	<u>5,778,000</u>
5.15	<u>Appropriations by Fund</u>				
5.16		<u>2018</u>	<u>2019</u>		
5.17	<u>General</u>	<u>1,356,000</u>	<u>256,000</u>		
5.18	<u>Trunk Highway</u>	<u>5,350,000</u>	<u>5,522,000</u>		
5.19	<u>\$1,100,000 in the first year is from the general</u>				
5.20	<u>fund for port development assistance program</u>				
5.21	<u>grants under Minnesota Statutes, chapter</u>				
5.22	<u>457A. Any improvements made with the</u>				
5.23	<u>proceeds of these grants must be publicly</u>				
5.24	<u>owned. This is a onetime appropriation and is</u>				
5.25	<u>available in the second year.</u>				
5.26	<u>Subd. 3. State Roads</u>				
5.27	<u>(a) Operations and Maintenance</u>			<u>332,773,000</u>	<u>343,159,000</u>
5.28	<u>(b) Program Planning and Delivery</u>			<u>257,479,000</u>	<u>265,542,000</u>
5.29	<u>\$130,000 in each year is available for</u>				
5.30	<u>administrative costs of the targeted group</u>				
5.31	<u>business program.</u>				

6.1 \$266,000 in each year is available for grants
 6.2 to metropolitan planning organizations outside
 6.3 the seven-county metropolitan area.

6.4 \$900,000 in each year is available for grants
 6.5 for transportation studies outside the
 6.6 metropolitan area to identify critical concerns,
 6.7 problems, and issues. These grants are
 6.8 available: (1) to regional development
 6.9 commissions; (2) in regions where no regional
 6.10 development commission is functioning, to
 6.11 joint powers boards established under
 6.12 agreement of two or more political
 6.13 subdivisions in the region to exercise the
 6.14 planning functions of a regional development
 6.15 commission; and (3) in regions where no
 6.16 regional development commission or joint
 6.17 powers board is functioning, to the
 6.18 department's district office for that region.

6.19 \$1,000,000 in each year is available for
 6.20 management of contaminated and regulated
 6.21 material on property owned by the Department
 6.22 of Transportation, including mitigation of
 6.23 property conveyances, facility acquisition or
 6.24 expansion, chemical release at maintenance
 6.25 facilities, and spills on the trunk highway
 6.26 system where there is no known responsible
 6.27 party. If the appropriation for either year is
 6.28 insufficient, the appropriation for the other
 6.29 year is available for it.

6.30 **(c) State Road Construction**

1,009,396,000

942,268,000

6.31 This appropriation is for the actual
 6.32 construction, reconstruction, and improvement
 6.33 of trunk highways, including design-build
 6.34 contracts, internal department costs associated
 6.35 with delivering the construction program, and

7.1 consultant usage to support these activities.

7.2 This includes the cost of actual payment to
 7.3 landowners for lands acquired for highway
 7.4 rights-of-way, payment to lessees, interest
 7.5 subsidies, and relocation expenses.

7.6 This appropriation may be used for the
 7.7 restoration of former trunk highways that have
 7.8 reverted to counties or to statutory or home
 7.9 rule charter cities, or for trunk highways that
 7.10 will be restored and subsequently turned back
 7.11 by agreement between the commissioner and
 7.12 the local road authority, where "restoration"
 7.13 means the level of effort required to improve
 7.14 the route that will be turned back to an
 7.15 acceptable condition as determined by
 7.16 agreement made between the commissioner
 7.17 and the county or city before the route is
 7.18 turned back.

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

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

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

7.32 (d) Highway Debt Service 224,246,000 241,720,000

7.33 \$214,746,000 the first year and \$232,220,000
 7.34 the second year are for transfer to the state

bond fund. If this appropriation is insufficient
to make all transfers required in the year for
which it is made, the commissioner of
management and budget shall transfer the
deficiency amount under the statutory open
appropriation, and notify the chairs and
ranking minority members of the legislative
committees with jurisdiction over
transportation finance and the chairs of the
senate Committee on Finance and the house
of representatives Committee on Ways and
Means of the amount of the deficiency. Any
excess appropriation cancels to the trunk
highway fund.

<u>(e) Statewide Radio Communications</u>	<u>5,648,000</u>	<u>5,829,000</u>
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<u>Appropriations by Fund</u>		
	<u>2018</u>	<u>2019</u>
<u>General</u>	<u>3,000</u>	<u>3,000</u>
<u>Trunk Highway</u>	<u>5,645,000</u>	<u>5,826,000</u>

\$3,000 in each year is from the general fund
to equip and operate the Roosevelt signal
tower for Lake of the Woods weather
broadcasting.

Subd. 4. Local Roads

<u>(a) County State-Aid Roads</u>	<u>769,644,000</u>	<u>800,066,000</u>
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This appropriation is from the county state-aid
highway fund under Minnesota Statutes,
section 161.081, and chapter 162, and is
available until spent.

If the commissioner of transportation
determines that a balance remains in the
county state-aid highway fund following the
appropriations and transfers made in this
paragraph, and that the appropriations made
are insufficient for advancing county state-aid

9.1 highway projects, an amount necessary to
 9.2 advance the projects, not to exceed the balance
 9.3 in the county state-aid highway fund, is
 9.4 appropriated in each year to the commissioner.
 9.5 Within two weeks of a determination under
 9.6 this contingent appropriation, the
 9.7 commissioner of transportation shall notify
 9.8 the commissioner of management and budget
 9.9 and the chairs and ranking minority members
 9.10 of the legislative committees with jurisdiction
 9.11 over transportation finance concerning funds
 9.12 appropriated. The commissioner shall identify
 9.13 in the next budget submission to the legislature
 9.14 under Minnesota Statutes, section 16A.11, any
 9.15 amount that is appropriated under this
 9.16 paragraph.

9.17	<u>(b) Municipal State-Aid Roads</u>	<u>195,858,000</u>	<u>203,463,000</u>
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9.18 This appropriation is from the municipal
 9.19 state-aid street fund under Minnesota Statutes,
 9.20 chapter 162, and is available until spent.

9.21 If the commissioner of transportation
 9.22 determines that a balance remains in the
 9.23 municipal state-aid street fund following the
 9.24 appropriations and transfers made in this
 9.25 paragraph, and that the appropriations made
 9.26 are insufficient for advancing municipal
 9.27 state-aid street projects, an amount necessary
 9.28 to advance the projects, not to exceed the
 9.29 balance in the municipal state-aid street fund,
 9.30 is appropriated in each year to the
 9.31 commissioner. Within two weeks of a
 9.32 determination under this contingent
 9.33 appropriation, the commissioner of
 9.34 transportation shall notify the commissioner
 9.35 of management and budget and the chairs and

10.1	<u>ranking minority members of the legislative</u>		
10.2	<u>committees with jurisdiction over</u>		
10.3	<u>transportation finance concerning funds</u>		
10.4	<u>appropriated. The commissioner shall identify</u>		
10.5	<u>in the next budget submission to the legislature</u>		
10.6	<u>under Minnesota Statutes, section 16A.11, any</u>		
10.7	<u>amount that is appropriated under this</u>		
10.8	<u>paragraph.</u>		
10.9	<u>(c) Small Cities Assistance</u>	<u>10,000,000</u>	<u>0</u>
10.10	<u>This appropriation is from the small cities</u>		
10.11	<u>assistance account in the special revenue fund</u>		
10.12	<u>under Minnesota Statutes, section 162.145.</u>		
10.13	<u>Subd. 5. Agency Management</u>		
10.14	<u>(a) Agency Services</u>	<u>44,316,000</u>	<u>45,206,000</u>
10.15	<u>(b) Buildings</u>	<u>20,085,000</u>	<u>20,939,000</u>
10.16	<u>Appropriations by Fund</u>		
10.17		<u>2018</u>	<u>2019</u>
10.18	<u>General</u>	<u>54,000</u>	<u>54,000</u>
10.19	<u>Trunk Highway</u>	<u>20,031,000</u>	<u>20,885,000</u>
10.20	<u>Any money appropriated to the commissioner</u>		
10.21	<u>of transportation for building construction for</u>		
10.22	<u>any fiscal year before the first year is available</u>		
10.23	<u>to the commissioner of transportation during</u>		
10.24	<u>the biennium to the extent that the</u>		
10.25	<u>commissioner spends the money on the</u>		
10.26	<u>building construction projects for which the</u>		
10.27	<u>money was originally encumbered during the</u>		
10.28	<u>fiscal year for which it was appropriated.</u>		
10.29	<u>If the appropriation for either year is</u>		
10.30	<u>insufficient, the appropriation for the other</u>		
10.31	<u>year is available for it.</u>		
10.32	<u>(c) Tort Claims</u>	<u>600,000</u>	<u>600,000</u>

11.1 If the appropriation for either year is
11.2 insufficient, the appropriation for the other
11.3 year is available for it.

11.4 **Subd. 6. Transfers**

11.5 With the approval of the commissioner of
11.6 management and budget, the commissioner
11.7 of transportation may transfer unencumbered
11.8 balances among the appropriations from the
11.9 trunk highway fund and the state airports fund
11.10 made in this section. No transfer may be made
11.11 from the appropriations for state road
11.12 construction or for debt service. Transfers
11.13 under this subdivision may not be made
11.14 between funds. Transfers under this
11.15 subdivision must be reported immediately to
11.16 the chairs and ranking minority members of
11.17 the legislative committees with jurisdiction
11.18 over transportation finance.

11.19 **Subd. 7. Previous State Road Construction**
11.20 **Appropriations**

11.21 Any money appropriated to the commissioner
11.22 of transportation for state road construction
11.23 for any fiscal year before the first year is
11.24 available to the commissioner during the
11.25 biennium to the extent that the commissioner
11.26 spends the money on the state road
11.27 construction project for which the money was
11.28 originally encumbered during the fiscal year
11.29 for which it was appropriated.

11.30 **Subd. 8. Contingent Appropriation**

11.31 The commissioner of transportation, with the
11.32 approval of the governor and the written
11.33 approval of at least five members of a group
11.34 consisting of the members of the Legislative
11.35 Advisory Commission under Minnesota

12.1 Statutes, section 3.30, and the ranking minority
 12.2 members of the legislative committees with
 12.3 jurisdiction over transportation finance, may
 12.4 transfer all or part of the unappropriated
 12.5 balance in the trunk highway fund to an
 12.6 appropriation: (1) for trunk highway design,
 12.7 construction, or inspection in order to take
 12.8 advantage of an unanticipated receipt of
 12.9 income to the trunk highway fund or to take
 12.10 advantage of federal advanced construction
 12.11 funding; (2) for trunk highway maintenance
 12.12 in order to meet an emergency; or (3) to pay
 12.13 tort or environmental claims. Nothing in this
 12.14 subdivision authorizes the commissioner to
 12.15 increase the use of federal advanced
 12.16 construction funding beyond amounts
 12.17 specifically authorized. Any transfer as a result
 12.18 of the use of federal advanced construction
 12.19 funding must include an analysis of the effects
 12.20 on the long-term trunk highway fund balance.
 12.21 The amount transferred is appropriated for the
 12.22 purpose of the account to which it is
 12.23 transferred.

12.24 Sec. 3. **METROPOLITAN COUNCIL** \$ **90,820,000** \$ **89,820,000**

12.25 This appropriation is from the general fund
 12.26 for transit system operations under Minnesota
 12.27 Statutes, sections 473.371 to 473.449.
 12.28 \$1,000,000 in fiscal year 2018 is for financial
 12.29 assistance to replacement service providers
 12.30 under Minnesota Statutes, section 473.388,
 12.31 for the purposes of the suburb-to-suburb transit
 12.32 demonstration project authorized under Laws
 12.33 2015, chapter 75, article 1, section 4. The
 12.34 council must not retain any portion of the
 12.35 funds under this appropriation.

13.1 **Sec. 4. DEPARTMENT OF PUBLIC SAFETY**

13.2	<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>180,733,000</u>	<u>\$</u>	<u>180,733,000</u>
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13.3 Appropriations by Fund

13.4		<u>2018</u>	<u>2019</u>		
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13.5	<u>General</u>	<u>13,418,000</u>	<u>13,418,000</u>		
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13.6	<u>Special Revenue</u>	<u>54,130,000</u>	<u>54,130,000</u>		
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13.7	<u>H.U.T.D.</u>	<u>10,449,000</u>	<u>10,449,000</u>		
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13.8	<u>Trunk Highway</u>	<u>102,736,000</u>	<u>102,736,000</u>		
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13.9 The amounts that may be spent for each
 13.10 purpose are specified in the following
 13.11 subdivisions.

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

13.13	<u>(a) Office of Communications</u>	<u>530,000</u>	<u>530,000</u>		
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13.14 Appropriations by Fund

13.15		<u>2018</u>	<u>2019</u>		
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13.16	<u>General</u>	<u>115,000</u>	<u>115,000</u>		
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13.17	<u>Trunk Highway</u>	<u>415,000</u>	<u>415,000</u>		
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13.18	<u>(b) Public Safety Support</u>	<u>8,934,000</u>	<u>8,934,000</u>		
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13.19 Appropriations by Fund

13.20		<u>2018</u>	<u>2019</u>		
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13.21	<u>General</u>	<u>3,797,000</u>	<u>3,797,000</u>		
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13.22	<u>H.U.T.D.</u>	<u>1,366,000</u>	<u>1,366,000</u>		
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13.23	<u>Trunk Highway</u>	<u>3,771,000</u>	<u>3,771,000</u>		
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13.24 \$640,000 each year is from the general fund
 13.25 for payment of public safety officer survivor
 13.26 benefits under Minnesota Statutes, section
 13.27 299A.44. If the appropriation for either year
 13.28 is insufficient, the appropriation for the other
 13.29 year is available for it.

13.30 \$1,367,000 each year is from the general fund
 13.31 to be deposited in the public safety officer's
 13.32 benefit account. This money is available for
 13.33 reimbursements under Minnesota Statutes,
 13.34 section 299A.465.

14.1 \$600,000 each year is from the general fund
 14.2 and \$100,000 in each year is from the trunk
 14.3 highway fund for soft body armor
 14.4 reimbursements under Minnesota Statutes,
 14.5 section 299A.38.

14.6 **(c) Technology and Support Service** 3,685,000 3,685,000

14.7 Appropriations by Fund

14.8 2018 2019

14.9 General 1,322,000 1,322,000

14.10 H.U.T.D. 19,000 19,000

14.11 Trunk Highway 2,344,000 2,344,000

14.12 **Subd. 3. State Patrol**

14.13 **(a) Patrolling Highways** 88,357,000 88,357,000

14.14 Appropriations by Fund

14.15 2018 2019

14.16 General 37,000 37,000

14.17 H.U.T.D. 828,000 828,000

14.18 Trunk Highway 87,492,000 87,492,000

14.19 **(b) Commercial Vehicle Enforcement** 8,257,000 8,257,000

14.20 **(c) Capitol Security** 8,147,000 8,147,000

14.21 This appropriation is from the general fund.

14.22 The commissioner must not: (1) spend any
 14.23 money from the trunk highway fund for
 14.24 capitol security; or (2) permanently transfer
 14.25 any state trooper from the patrolling highways
 14.26 activity to capitol security.

14.27 The commissioner must not transfer any
 14.28 money appropriated to the commissioner under
 14.29 this section: (1) to capitol security; or (2) from
 14.30 capitol security.

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

14.32 **(a) Vehicle Services** 30,082,000 30,082,000

14.33 Appropriations by Fund

14.34 2018 2019

15.1	<u>Special Revenue</u>	<u>21,846,000</u>	<u>21,846,000</u>	
15.2	<u>H.U.T.D.</u>	<u>8,236,000</u>	<u>8,236,000</u>	
15.3	<u>(b) Driver Services</u>		<u>30,896,000</u>	<u>30,896,000</u>
15.4	<u>This appropriation is from the driver services</u>			
15.5	<u>operating account in the special revenue fund.</u>			
15.6	<u>\$156,000 in each year is appropriated to</u>			
15.7	<u>maintain the automated knowledge test</u>			
15.8	<u>system.</u>			
15.9	<u>Subd. 5. Traffic Safety</u>		<u>457,000</u>	<u>457,000</u>
15.10	<u>Subd. 6. Pipeline Safety</u>		<u>1,388,000</u>	<u>1,388,000</u>
15.11	<u>This appropriation is from the pipeline safety</u>			
15.12	<u>account in the special revenue fund.</u>			

15.13

Sec. 5. **APPROPRIATION CANCELLATION.**

15.14

\$1,100,000 of the appropriation for port development assistance under Laws 2015,

15.15

chapter 75, article 1, section 3, subdivision 2, paragraph (e), is canceled to the general fund

15.16

on June 30, 2017.

15.17

Sec. 6. **DEPARTMENT OF TRANSPORTATION; APPROPRIATION.**

15.18

\$105,000,000 is appropriated from the trunk highway fund to the commissioner of

15.19

transportation in fiscal year 2017, as additional federal spending authority for state road

15.20

construction.

15.21

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

15.22

ARTICLE 2

15.23

TRUNK HIGHWAY BONDING

15.24

Section 1. **BOND SALE AUTHORIZATION.**

15.25

To provide the money appropriated in this article from the bond proceeds account in the

15.26

trunk highway fund, the commissioner of management and budget shall sell and issue bonds

15.27

of the state in an amount up to \$325,325,000 in the manner, upon the terms, and with the

15.28

effect prescribed by Minnesota Statutes, sections 167.50 to 167.52, and by the Minnesota

15.29

Constitution, article XIV, section 11, at the times and in the amounts requested by the

15.30

commissioner of transportation. The proceeds of the bonds, except accrued interest and any

16.1 premium received from the sale of the bonds, must be deposited in the bond proceeds account
16.2 in the trunk highway fund.

16.3 Sec. 2. **BOND APPROPRIATIONS.**

16.4 The sums shown in the column under "Appropriations" are appropriated from the bond
16.5 proceeds account in the trunk highway fund to the state agencies or officials indicated, to
16.6 be spent for public purposes. Appropriations of bond proceeds must be spent as authorized
16.7 by the Minnesota Constitution, articles XI and XIV. Unless otherwise specified, money
16.8 appropriated in this article for a capital program or project may be used to pay state agency
16.9 staff costs that are attributed directly to the capital program or project in accordance with
16.10 accounting policies adopted by the commissioner of management and budget.

16.11 **SUMMARY**

16.12	<u>Department of Transportation</u>	<u>\$</u>	<u>325,000,000</u>
16.13	<u>Department of Management and Budget</u>		<u>325,000</u>
16.14	<u>TOTAL</u>	<u>\$</u>	<u>325,325,000</u>

16.15 **APPROPRIATIONS**

16.16 Sec. 3. **DEPARTMENT OF**
16.17 **TRANSPORTATION CORRIDORS OF**
16.18 **COMMERCE** **\$** **200,000,000**

16.19 (a) The appropriation in this section is to the
16.20 commissioner of transportation for the
16.21 corridors of commerce program under
16.22 Minnesota Statutes, section 161.088, and is
16.23 available in the amounts of \$50,000,000 in
16.24 each fiscal year from 2018 to 2021. The
16.25 commissioner may use up to 17 percent of the
16.26 amount each year for program delivery.

16.27 (b) In any fiscal year covered by this
16.28 appropriation, the commissioner may identify
16.29 projects based on previous selection processes
16.30 or may perform a new selection.

16.31 (c) The appropriation in this section cancels
16.32 as specified under Minnesota Statutes, section
16.33 16A.642, except that the commissioner of

17.1 management and budget shall count the start
17.2 of authorization for issuance of state bonds as
17.3 the first day of the fiscal year during which
17.4 the bonds are available to be issued as
17.5 specified under paragraph (a), and not as the
17.6 date of enactment of this section.

17.7 Sec. 4. **U.S. HIGHWAY 12 PROJECTS** **\$** **15,000,000**

17.8 The appropriation in this section is in fiscal
17.9 year 2018 for projects, including preliminary
17.10 and final design, engineering, environmental
17.11 analysis, right-of-way acquisition,
17.12 construction, and reconstruction, on marked
17.13 U.S. Highway 12 as follows:

17.14 (1) realignment at the intersections with
17.15 Hennepin County State-Aid Highway 92;

17.16 (2) realignment and safety improvements at
17.17 the intersection with Hennepin County
17.18 State-Aid Highway 90; and

17.19 (3) safety median improvements from the
17.20 interchange with Wayzata Boulevard in
17.21 Wayzata to approximately one-half mile east
17.22 of the interchange with Hennepin County
17.23 State-Aid Highway 6.

17.24 Sec. 5. **MARKED TRUNK HIGHWAY 212** **\$** **20,000,000**

17.25 The appropriation in this section is in fiscal
17.26 year 2018 for acquisition of right-of-way and
17.27 construction or reconstruction of marked
17.28 Trunk Highway 212 as a four-lane divided
17.29 highway from County Road 11 in Carver
17.30 County to County Road 43 in Carver County.

17.31 Sec. 6. **MARKED TRUNK HIGHWAY 14** **\$** **90,000,000**

18.1 The appropriation in this section is in fiscal
18.2 year 2018 for acquisition of right-of-way and
18.3 construction and reconstruction of marked
18.4 Trunk Highway 14 as a four-lane divided
18.5 highway from the interchange with marked
18.6 Interstate Highway 35 near the city of
18.7 Owatonna to the point near the city of Dodge
18.8 Center at which marked Trunk Highway 14
18.9 constitutes a four-lane divided highway
18.10 southeast of the intersection with marked
18.11 Trunk Highway 56.

18.12 Sec. 7. **BOND SALE EXPENSES** **\$** **325,000**

18.13 This appropriation is to the commissioner of
18.14 management and budget for bond sale
18.15 expenses under Minnesota Statutes, sections
18.16 16A.641, subdivision 8, and 167.50,
18.17 subdivision 4, and is available in the amounts
18.18 of \$175,000 in fiscal year 2018 and \$50,000
18.19 in each fiscal year from 2019 to 2021.

18.20 Sec. 8. **EFFECTIVE DATE.**

18.21 This article is effective July 1, 2017.

18.22 **ARTICLE 3**

18.23 **TRANSPORTATION FINANCE**

18.24 Section 1. Minnesota Statutes 2016, section 161.081, subdivision 1, is amended to read:

18.25 Subdivision 1. **Distribution of five percent.** ~~(a) Pursuant to article 14, section 5, of the~~
18.26 ~~Constitution, five percent of the net highway user tax distribution fund is set aside, and~~
18.27 ~~apportioned to the county state-aid highway fund.~~

18.28 ~~(b) That apportionment is further distributed as follows:~~

18.29 ~~(1) 30.5 percent to the town road account created in section 162.081;~~

18.30 ~~(2) 16 percent to the town bridge account, which is created in the state treasury 46.5~~

18.31 percent to the county state-aid highway fund, consisting of: (i) 30.5 percent to the town road

19.1 account created in section 162.081; and (ii) 16 percent to the town bridge account created
19.2 in the state treasury; and

19.3 ~~(3) 53.5 percent to the flexible highway account created in subdivision 3~~ (2) 53.5 percent
19.4 to the trunk highway fund.

19.5 **EFFECTIVE DATE.** This section is effective July 1, 2017.

19.6 Sec. 2. Minnesota Statutes 2016, section 297A.815, subdivision 3, is amended to read:

19.7 Subd. 3. **Motor vehicle lease sales tax revenue.** ~~(a) For purposes of this subdivision,~~
19.8 ~~"net revenue" means an amount equal to the revenues, including interest and penalties,~~
19.9 ~~collected under this section, during the fiscal year, less \$32,000,000 in each fiscal year.~~

19.10 ~~(b)~~ On or before June 30 of each fiscal year, the commissioner of revenue shall estimate
19.11 the amount of the ~~net revenue~~ revenues, including interest and penalties, collected under
19.12 this section for the current fiscal year.

19.13 ~~(c) On or after July 1~~ (b) By July 15 of the subsequent fiscal year, the commissioner of
19.14 management and budget ~~shall~~ must transfer the ~~net revenue~~ revenues as estimated in
19.15 paragraph ~~(b)~~ (a) from the general fund, as follows:

19.16 ~~(1) \$9,000,000 annually until January 1, 2015, and 50 percent annually thereafter~~

19.17 36 percent to the county state-aid highway fund. Notwithstanding any other law to the
19.18 contrary, the commissioner of transportation shall allocate the funds transferred under this
19.19 clause to the counties in the metropolitan area, as defined in section 473.121, subdivision
19.20 4, excluding the counties of Hennepin and Ramsey, so that each county shall receive of
19.21 such amount the percentage that its population, as defined in section 477A.011, subdivision
19.22 3, estimated or established by July 15 of the year prior to the current calendar year, bears
19.23 to the total population of the counties receiving funds under this clause; ~~and~~

19.24 ~~(2) the remainder~~ 36 percent to the greater Minnesota transit account; and

19.25 (3) the remainder to the highway user tax distribution fund.

19.26 (c) As part of the transfer that must occur by July 15, 2018, in addition to any amounts
19.27 transferred under paragraph (b), the commissioner of management and budget must transfer
19.28 \$10,000,000 of the revenues as estimated in paragraph (a) from the general fund to the small
19.29 cities assistance account under section 162.145.

19.30 **EFFECTIVE DATE.** This section is effective beginning with the estimate that must
19.31 be completed on or before June 30, 2018, for a transfer that occurs by July 15, 2018.

Sec. 3. Minnesota Statutes 2016, section 297A.94, is amended to read:

297A.94 DEPOSIT OF REVENUES.

(a) Except as provided in this section, the commissioner shall deposit the revenues, including interest and penalties, derived from the taxes imposed by this chapter in the state treasury and credit them to the general fund.

(b) The commissioner shall deposit taxes in the Minnesota agricultural and economic account in the special revenue fund if:

(1) the taxes are derived from sales and use of property and services purchased for the construction and operation of an agricultural resource project; and

(2) the purchase was made on or after the date on which a conditional commitment was made for a loan guaranty for the project under section 41A.04, subdivision 3.

The commissioner of management and budget shall certify to the commissioner the date on which the project received the conditional commitment. The amount deposited in the loan guaranty account must be reduced by any refunds and by the costs incurred by the Department of Revenue to administer and enforce the assessment and collection of the taxes.

(c) The commissioner shall deposit the revenues, including interest and penalties, derived from the taxes imposed on sales and purchases included in section 297A.61, subdivision 3, paragraph (g), clauses (1) and (4), in the state treasury, and credit them as follows:

(1) first to the general obligation special tax bond debt service account in each fiscal year the amount required by section 16A.661, subdivision 3, paragraph (b); and

(2) after the requirements of clause (1) have been met, the balance to the general fund.

(d) Beginning with sales taxes remitted after July 1, 2017, the commissioner shall deposit in the state treasury the revenues collected under section 297A.64, subdivision 1, and credit them to the highway user tax distribution fund.

(e) The commissioner shall deposit the revenues, including interest and penalties, collected under section 297A.64, subdivision 5, in the state treasury and credit them to the general fund. By July 15 of each year the commissioner shall transfer to the highway user tax distribution fund an amount equal to the excess fees collected under section 297A.64, subdivision 5, for the previous calendar year.

~~(e)~~ (f) Beginning with sales taxes remitted after July 1, 2017, in conjunction with the deposit of revenues under paragraph (d), the commissioner shall deposit into the state treasury and credit to the highway user tax distribution fund an amount equal to the estimated

21.1 revenues derived from the tax rate imposed under section 297A.62, subdivision 1, on the
 21.2 lease or rental for not more than 28 days of rental motor vehicles subject to section 297A.64.
 21.3 The commissioner shall estimate the amount of sales tax revenue deposited under this
 21.4 paragraph based on the amount of revenue deposited under paragraph (d).

21.5 (g) Starting after July 1, 2017, the commissioner shall deposit an amount of the
 21.6 remittances monthly into the state treasury and credit them to the highway user tax
 21.7 distribution fund as a portion of the estimated amount of taxes collected from the sale and
 21.8 purchase of motor vehicle repair parts in that month. For the remittances between July 1,
 21.9 2017, and June 30, 2019, the monthly deposit amount is \$10,292,000. For remittances in
 21.10 each subsequent fiscal year, the monthly deposit amount is \$13,968,000. For purposes of
 21.11 this paragraph, "motor vehicle" has the meaning given in section 297B.01, subdivision 11,
 21.12 and "motor vehicle repair and replacement parts" includes (i) all parts, tires, accessories,
 21.13 and equipment incorporated into or affixed to the motor vehicle as part of the motor vehicle
 21.14 maintenance and repair, and (ii) paint, oil, and other fluids that remain on or in the motor
 21.15 vehicle as part of the motor vehicle maintenance or repair.

21.16 (h) 72.43 percent of the revenues, including interest and penalties, transmitted to the
 21.17 commissioner under section 297A.65, must be deposited by the commissioner in the state
 21.18 treasury as follows:

21.19 (1) 50 percent of the receipts must be deposited in the heritage enhancement account in
 21.20 the game and fish fund, and may be spent only on activities that improve, enhance, or protect
 21.21 fish and wildlife resources, including conservation, restoration, and enhancement of land,
 21.22 water, and other natural resources of the state;

21.23 (2) 22.5 percent of the receipts must be deposited in the natural resources fund, and may
 21.24 be spent only for state parks and trails;

21.25 (3) 22.5 percent of the receipts must be deposited in the natural resources fund, and may
 21.26 be spent only on metropolitan park and trail grants;

21.27 (4) three percent of the receipts must be deposited in the natural resources fund, and
 21.28 may be spent only on local trail grants; and

21.29 (5) two percent of the receipts must be deposited in the natural resources fund, and may
 21.30 be spent only for the Minnesota Zoological Garden, the Como Park Zoo and Conservatory,
 21.31 and the Duluth Zoo.

21.32 ~~(f)~~ (i) The revenue dedicated under paragraph ~~(e)~~ (h) may not be used as a substitute
 21.33 for traditional sources of funding for the purposes specified, but the dedicated revenue shall

supplement traditional sources of funding for those purposes. Land acquired with money deposited in the game and fish fund under paragraph ~~(e)~~ (h) must be open to public hunting and fishing during the open season, except that in aquatic management areas or on lands where angling easements have been acquired, fishing may be prohibited during certain times of the year and hunting may be prohibited. At least 87 percent of the money deposited in the game and fish fund for improvement, enhancement, or protection of fish and wildlife resources under paragraph ~~(e)~~ (h) must be allocated for field operations.

~~(g)~~ (j) The revenues deposited under paragraphs (a) to ~~(f)~~ (i) do not include the revenues, including interest and penalties, generated by the sales tax imposed under section 297A.62, subdivision 1a, which must be deposited as provided under the Minnesota Constitution, article XI, section 15.

EFFECTIVE DATE. This section is effective July 1, 2017.

ARTICLE 4

TRANSPORTATION POLICY

Section 1. Minnesota Statutes 2016, section 85.016, is amended to read:

85.016 BICYCLE TRAIL PROGRAM.

The commissioner of natural resources ~~shall~~ must establish a program for the development of bicycle trails utilizing the state trails authorized by section 85.015, other state parks and recreation land, and state forests. "Bicycle trail," as used in this section, has the meaning given in section 169.011. The program ~~shall~~ must be coordinated with the local park trail grant program established by the commissioner pursuant to section 85.019, with the ~~bikeway program~~ state bicycle routes established by the commissioner of transportation pursuant to section ~~160.265~~ 160.266, and with existing and proposed local bikeways. In the metropolitan area as defined in section 473.121, the program ~~shall~~ must be developed in accordance with plans and priorities established by the Metropolitan Council. The commissioner ~~shall~~ must provide technical assistance to local units of government in planning and developing bicycle trails in local parks. The bicycle trail program ~~shall~~ must, as a minimum, describe the location, design, construction, maintenance, and land acquisition needs of each component trail and ~~shall give due consideration to the model standards for the establishment of recreational vehicle lanes promulgated by the commissioner of transportation pursuant to section 160.262.~~ The program ~~shall~~ must be developed after consultation with the state trail council and regional and local units of government and bicyclist organizations.

23.1 Sec. 2. Minnesota Statutes 2016, section 116.03, is amended by adding a subdivision to
23.2 read:

23.3 Subd. 7. **Clean Air Act settlement money.** "Clean Air Act settlement money" means
23.4 money required to be paid to the state as a result of litigation or settlements of alleged
23.5 violations of the federal Clean Air Act, United States Code, title 42, section 7401, et seq.,
23.6 or rules adopted thereunder, by an automobile manufacturer. The commissioner of
23.7 management and budget must establish the Clean Air Act settlement account in the
23.8 environmental fund. Notwithstanding sections 16A.013 to 16A.016, the commissioner of
23.9 management and budget must deposit Clean Air Act settlement money into the Clean Air
23.10 Act settlement account. Clean Air Act settlement money must not be spent until it is
23.11 specifically appropriated by law. The commissioner of management and budget must
23.12 eliminate the Clean Air Act settlement account in the environmental fund after all Clean
23.13 Air Act settlement money has been expended.

23.14 Sec. 3. Minnesota Statutes 2016, section 160.02, is amended by adding a subdivision to
23.15 read:

23.16 Subd. 1a. **Bikeway.** "Bikeway" means a bicycle lane, bicycle path, shared use path,
23.17 bicycle route, or similar bicycle facility, regardless of whether designed for the exclusive
23.18 use of bicycles or for shared use with other transportation modes.

23.19 Sec. 4. Minnesota Statutes 2016, section 160.02, subdivision 27, is amended to read:

23.20 Subd. 27. **Roadway; bicycle lane; bicycle route; bicycle path; ~~bikeway.~~** The terms
23.21 "roadway," "bicycle lane," "bicycle route," and "bicycle path," ~~and "bikeway"~~ have the
23.22 meanings given in section 169.011.

23.23 Sec. 5. Minnesota Statutes 2016, section 160.02, is amended by adding a subdivision to
23.24 read:

23.25 Subd. 27a. **Shared use path.** "Shared use path" means a bicycle facility that is (1)
23.26 physically separated from motorized vehicular traffic by an open space or barrier, (2) located
23.27 within either the highway right-of-way or an independent right-of-way, and (3) available
23.28 for use by other nonmotorized users.

23.29 Sec. 6. Minnesota Statutes 2016, section 160.262, subdivision 1, is amended to read:

23.30 Subdivision 1. ~~**Model standards Powers.**~~ (a) The legislature determines that it is in the
23.31 interests of the public health, safety and welfare, to provide for the addition of ~~bicycle and~~

24.1 ~~recreational vehicle lanes~~ bikeways to proposed and existing public highways. The
 24.2 ~~commissioner of transportation shall adopt, in the manner provided in chapter 14, model~~
 24.3 ~~standards for the establishment of recreational vehicle lanes on and along proposed and~~
 24.4 ~~existing public highways. The model standards shall include but not be limited to the~~
 24.5 ~~following: (a) criteria for desirability of a lane in any given location, (b) provision for~~
 24.6 ~~maintenance of the lanes, and (c) the placement of the lanes in relation to roads. The model~~
 24.7 ~~standards shall govern state trunk highways. The commissioner of transportation is authorized~~
 24.8 to plan, design, establish, and maintain bikeways on the right-of-way of any trunk highway.
 24.9 The commissioner is responsible for the design and construction of all bikeway projects
 24.10 within the right-of-way of any trunk highway. The commissioner must consider the
 24.11 development of bikeways during the planning, design, construction, reconstruction, or
 24.12 improvement of any trunk highway, or allow the establishment of such bikeways within
 24.13 trunk highway right-of-way.

24.14 (b) The commissioner must maintain bikeway design guidelines consistent with the state
 24.15 transportation goals in section 174.01.

24.16 (c) The commissioner must compile and maintain a map of bikeways in the state and
 24.17 must publish and distribute the map's information at least once every two years in a form
 24.18 and manner suitable to assist persons wishing to use the bikeways.

24.19 (d) The commissioner must maintain bikeways within the limits of trunk highway
 24.20 right-of-way unless a written agreement or limited use permit provides otherwise.

24.21 Sec. 7. Minnesota Statutes 2016, section 160.262, subdivision 3, is amended to read:

24.22 Subd. 3. **Cooperation among agencies and governments.** The following departments
 24.23 and agencies ~~shall cooperate in providing~~ on the nonmotorized transportation advisory
 24.24 committee identified in section 174.37 must provide information and advice for ~~amendments~~
 24.25 ~~to the model standards~~ the bikeway design guidelines maintained by the commissioner of
 24.26 transportation: ~~the Departments of Agriculture, Transportation, Natural Resources,~~
 24.27 ~~Commerce, and Employment and Economic Development, and the Board of Water and Soil~~
 24.28 ~~Resources.~~ The commissioner may cooperate with and enter into agreements with the United
 24.29 States government, any department of the state of Minnesota, any unit of local government
 24.30 ~~and, any tribal government, or~~ any public or private corporation in order to effect the purposes
 24.31 of this section.

25.1 Sec. 8. Minnesota Statutes 2016, section 160.262, subdivision 4, is amended to read:

25.2 Subd. 4. **Design-build bridges for nonmotorized vehicles.** For streets and highways,
25.3 the commissioner ~~shall~~ must allow for the acceptance of performance-specification bids,
25.4 made by the lowest responsible bidder, for constructing design-build bridges for ~~bicycle~~
25.5 ~~paths, bicycle trails, bikeways~~ and pedestrian facilities that are:

25.6 (1) designed and used primarily for nonmotorized transportation, but may allow for
25.7 motorized wheelchairs, golf carts, necessary maintenance vehicles and, when otherwise
25.8 permitted by law, rule, or ordinance, snowmobiles; and

25.9 (2) located apart from any road or highway or protected by barriers, provided that a
25.10 design-built bridge may cross over and above a road or highway.

25.11 Sec. 9. Minnesota Statutes 2016, section 160.266, is amended by adding a subdivision to
25.12 read:

25.13 Subd. 1a. **State bicycle route; definition.** For the purposes of this section, "state bicycle
25.14 route" means a linear series of one or more roads or bikeways that is designated for bicycle
25.15 travel, regardless of whether for exclusive use by bicycles or shared use with other modes
25.16 of transportation.

25.17 Sec. 10. Minnesota Statutes 2016, section 160.266, is amended by adding a subdivision
25.18 to read:

25.19 Subd. 1b. **State bicycle routes.** The commissioner of transportation must identify state
25.20 bicycle routes primarily on existing road right-of-way and trails. State bicycle routes must
25.21 be identified in cooperation with road and trail authorities, including the commissioner of
25.22 natural resources, and with the advice of the advisory committee on nonmotorized
25.23 transportation under section 174.37. In a metropolitan area, state bicycle routes must be
25.24 identified in coordination with the plans and priorities established by metropolitan planning
25.25 organizations, as defined in United States Code, title 23, section 134.

25.26 Sec. 11. Minnesota Statutes 2016, section 160.266, subdivision 3, is amended to read:

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

25.29 (1) identify existing bikeways of regional significance that are in reasonable proximity
25.30 but not connected to the ~~bikeway~~ state bicycle routes established in under this section;

26.1 ~~including but not limited to the Lake Wobegon Trail in the counties of Stearns and Todd;~~
 26.2 and

26.3 (2) support development of linkages between ~~bikeways identified under clause (1) and~~
 26.4 ~~the bikeway~~ state bicycle routes established ~~in~~ under this section.

26.5 (b) The requirements of this subdivision are a secondary priority for use of funds available
 26.6 under this section following establishment and enhancement of ~~the bikeway~~ state bicycle
 26.7 routes under ~~subdivision 1~~ this section.

26.8 Sec. 12. Minnesota Statutes 2016, section 160.266, subdivision 4, is amended to read:

26.9 Subd. 4. **Cooperation with other entities.** The commissioner may contract and enter
 26.10 into agreements with federal agencies, other state agencies, local governments, ~~and tribal~~
 26.11 governments, or private entities to establish, develop, maintain, and operate ~~the bikeway~~
 26.12 state bicycle routes and to interpret associated natural and cultural resources.

26.13 Sec. 13. Minnesota Statutes 2016, section 160.266, subdivision 5, is amended to read:

26.14 Subd. 5. **Funding.** ~~Bicycle~~ Shared use paths included within ~~the bikeway~~ state bicycle
 26.15 routes and not administered by the commissioner of natural resources are eligible for funding
 26.16 from the environment and natural resources trust fund under chapter 116P, from the parks
 26.17 and trails grant program under section 85.535, from the local recreation grants program
 26.18 under section 85.019, subdivision 4b, and from other sources.

26.19 Sec. 14. Minnesota Statutes 2016, section 160.266, is amended by adding a subdivision
 26.20 to read:

26.21 Subd. 6. **Mississippi River Trail.** The Mississippi River Trail bikeway must originate
 26.22 at Itasca State Park in Clearwater, Beltrami, and Hubbard Counties, then generally parallel
 26.23 the Mississippi River through the cities of Bemidji in Beltrami County, Grand Rapids in
 26.24 Itasca County, Brainerd in Crow Wing County, Little Falls in Morrison County, Sauk Rapids
 26.25 in Benton County, St. Cloud in Stearns County, Minneapolis in Hennepin County, St. Paul
 26.26 in Ramsey County, Hastings in Dakota County, Red Wing in Goodhue County, Wabasha
 26.27 in Wabasha County, Winona in Winona County, and La Crescent in Houston County to
 26.28 Minnesota's boundary with Iowa and there terminate. Where opportunities exist, the bikeway
 26.29 may be designated on both sides of the Mississippi River.

27.1 Sec. 15. Minnesota Statutes 2016, section 160.266, is amended by adding a subdivision
27.2 to read:

27.3 Subd. 7. **North Star Bicycle Route.** The North Star Bicycle Route must originate in the
27.4 city of St. Paul in Ramsey County, then proceed north through the cities of North Branch
27.5 in Chisago County, Hinckley in Pine County, Carlton in Carlton County, Duluth in St. Louis
27.6 County, Two Harbors in Lake County, and Grand Marais in Cook County to Minnesota's
27.7 boundary with Canada and there terminate. Notwithstanding subdivision 5 or any law to
27.8 the contrary, the commissioner must not spend trunk highway funds on creating, constructing,
27.9 marking, or maintaining this route.

27.10 Sec. 16. Minnesota Statutes 2016, section 161.088, subdivision 4, is amended to read:

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

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

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

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

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

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

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

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

27.27 Sec. 17. Minnesota Statutes 2016, section 161.088, subdivision 5, is amended to read:

27.28 Subd. 5. **Project selection process; criteria.** (a) The commissioner ~~shall~~ must establish
27.29 a process ~~for identification, evaluation, and selection of~~ to identify, evaluate, and select
27.30 projects under the program. The process must be consistent with the requirements of this
27.31 subdivision and must not include any additional evaluation criteria.

(b) As part of the project selection process, the commissioner ~~shall~~ must annually accept recommendations on candidate projects from area transportation partnerships and other interested stakeholders in each Department of Transportation district. The commissioner must determine the eligibility for each candidate project identified under this paragraph; ~~the commissioner shall determine eligibility, classify, and if appropriate, evaluate the project for the program.~~ For each eligible project, the commissioner must classify and evaluate the project for the program.

(c) ~~Project evaluation and prioritization must be performed on the basis of objective criteria, which must include~~ Projects must be evaluated using the following criteria:

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

(2) measurable impacts on commerce and economic competitiveness;

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

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

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

(4) improvements to traffic safety;

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

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

(7) support and consensus for the project among members of the surrounding community; and

(8) regional balance throughout the state.

(d) The commissioner must adopt a policy that assigns a weight to each criteria under paragraph (c). This policy must be applied consistently to each project evaluated. Each project must be assigned a score based on the evaluation. The projects must be prioritized based on the score. The list of all projects evaluated must be made public and must include the score of each project.

29.1 (e) As part of the project selection process, the commissioner may divide funding to be
29.2 separately available among projects within each classification under subdivision 3, and may
29.3 apply separate or modified criteria among those projects falling within each classification.

29.4 Sec. 18. Minnesota Statutes 2016, section 161.088, is amended by adding a subdivision
29.5 to read:

29.6 Subd. 6a. **Corridors of commerce long-term plan.** The commissioner must create a
29.7 corridors of commerce long-term plan that includes all projects deemed eligible for the
29.8 program. The projects in the long-term plan must be prioritized based on the score assigned
29.9 under subdivision 5. The commissioner may create a plan for each district or for the entire
29.10 state.

29.11 Sec. 19. Minnesota Statutes 2016, section 161.088, subdivision 7, is amended to read:

29.12 Subd. 7. **Legislative report; evaluation.** (a) ~~Starting in 2014, annually~~ By November
29.13 ~~1~~ each year, the commissioner ~~shall~~ must electronically submit a report on the corridors of
29.14 commerce program to the chairs and ranking minority members of the legislative committees
29.15 with jurisdiction over transportation policy and finance. At a minimum, the report must
29.16 include:

29.17 (1) a summary of the program, including a review of the project selection process,
29.18 ~~eligibility and criteria~~ the policy that provides the weight given each criteria, funds expended
29.19 in the previous selection cycle, and total funds expended since program inception;

29.20 (2) a ~~listing~~ list of projects funded under the program in the previous selection cycle,
29.21 including:

29.22 (i) project classification;

29.23 (ii) a breakdown of project costs and funding sources;

29.24 (iii) any future operating costs assigned under subdivision 6; and

29.25 (iv) a brief description that is comprehensible to a lay audience;

29.26 (3) a ~~listing~~ list of all candidate project recommendations required under subdivision 5,
29.27 paragraph (b), including the eligibility determination for each project and, for eligible
29.28 projects, the project classification and disposition in the selection process; and

29.29 (4) a list of all projects evaluated and the score for each project; and

29.30 (5) any recommendations for changes to statutory requirements of the program.

(b) ~~Starting in 2016, and~~ In every even-numbered year thereafter, the commissioner shall must incorporate into the report the results of an independent evaluation of impacts and effectiveness of the program. The evaluation must be performed by agency staff or a consultant. The individual or individuals performing the evaluation must have experience in program evaluation, but must not be regularly involved in the program's implementation.

Sec. 20. Minnesota Statutes 2016, section 161.115, subdivision 190, is amended to read:

Subd. 190. **Route No. 259.** Beginning at a point on Statutory Route No. 100, at or near Henderson; thence extending in a general southeasterly direction to a point ~~on Statutory Route No. 123,~~ at or near Le Sueur.

EFFECTIVE DATE. This section is effective the day after the commissioner of transportation receives a copy of the agreement between the commissioner of transportation and the governing body of Le Sueur County to transfer jurisdiction of Legislative Route No. 123 and after the commissioner notifies the revisor of statutes under section 43, paragraph (b).

Sec. 21. Minnesota Statutes 2016, section 161.21, subdivision 1, is amended to read:

Subdivision 1. **Location and design of highways.** The commissioner may make or cause to be made such studies and investigations as the commissioner deems necessary for the purpose of determining the most advantageous location and design of trunk highways from the standpoint of both present and future traffic needs, and in making such determinations the commissioner may take into consideration the probable future development of both urban and rural areas and the effect of such development on future traffic needs as indicated by such studies and investigations and the location and design with respect to ~~recreational vehicle lane~~ bikeway establishment.

Sec. 22. Minnesota Statutes 2016, section 161.321, subdivision 6, is amended to read:

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

~~(b) In addition to other eligibility requirements, a small targeted group business or veteran-owned small business is eligible for the bid preferences under this section only for eight years following the latest of:~~

~~(1) May 1, 2012;~~

31.1 ~~(2) for a targeted group business, the date of initial certification by the commissioner of~~
 31.2 ~~administration, as provided under section 16C.19;~~

31.3 ~~(3) for a veteran-owned small business, the date of initial certification by the United~~
 31.4 ~~States Department of Veterans Affairs, as provided under section 16C.19, paragraph (d);~~
 31.5 ~~or~~

31.6 ~~(4) for a veteran-owned small business, the release or discharge of any one of the owners~~
 31.7 ~~from military active service, as defined in section 190.05, subdivision 5, lasting for a period~~
 31.8 ~~of 179 days or longer.~~

31.9 Sec. 23. Minnesota Statutes 2016, section 161.44, subdivision 5, is amended to read:

31.10 Subd. 5. **Conveyance to highest bidder in certain cases.** If the larger tract has been
 31.11 platted into lots or divided into smaller tracts and the commissioner elects to proceed under
 31.12 this subdivision, ~~or if the lands constituted an entire tract and the person from whom the~~
 31.13 ~~lands were acquired and the person's spouse are deceased, or if the offers as provided for~~
 31.14 ~~received~~ are not accepted and the amount of money not tendered within the time prescribed,
 31.15 the lands may be sold and conveyed to the owner of the land abutting upon the lands in the
 31.16 same manner and under the same terms provided under subdivision 2, or the commissioner
 31.17 may sell the lands to the highest responsible bidder upon three weeks' published notice of
 31.18 such sale in a newspaper or other periodical of general circulation in the general area where
 31.19 the lands are located. All bids may be rejected and new bids received upon like advertisement.

31.20 Sec. 24. Minnesota Statutes 2016, section 161.44, subdivision 6a, is amended to read:

31.21 Subd. 6a. **Services of licensed real estate broker.** If the lands ~~remain unsold after being~~
 31.22 ~~offered for sale to the highest bidder~~ are withdrawn from sale under subdivision 6b, the
 31.23 commissioner may retain the services of a licensed real estate broker to find a buyer. The
 31.24 sale price may be negotiated by the broker, but must not be less than 90 percent of the
 31.25 appraised market value as determined by the commissioner. The broker's fee must be
 31.26 established by prior agreement between the commissioner and the broker, and must not
 31.27 exceed ten percent of the sale price for sales of \$10,000 or more. The broker's fee must be
 31.28 paid to the broker from the proceeds of the sale.

31.29 Sec. 25. Minnesota Statutes 2016, section 161.44, is amended by adding a subdivision to
 31.30 read:

31.31 Subd. 6b. **Unsold lands.** If lands remain unsold after being offered for sale to the highest
 31.32 bidder, the commissioner may offer the remaining lands to any person who agrees to pay

32.1 the minimum bid established for the public sale. The sale must continue until all eligible
32.2 lands have been sold or the commissioner withdraws the remaining lands from sale. The
32.3 lands to be sold must be listed on the department's Unsold Property Inventory list.

32.4 Sec. 26. Minnesota Statutes 2016, section 169.14, is amended by adding a subdivision to
32.5 read:

32.6 Subd. 5g. **Interstate Highway 35E.** (a) Notwithstanding any law to the contrary, a police
32.7 officer must not issue any citation or warning to a driver for a violation of the speed limit
32.8 of 45 miles per hour on marked Interstate Highway 35E in the city of St. Paul, from its
32.9 intersection with West Seventh Street to its intersection with marked Interstate Highway
32.10 94, unless the violation consisted of a speed greater than ten miles per hour in excess of the
32.11 speed limit.

32.12 (b) This subdivision does not apply to (1) a violation that occurs in a commercial motor
32.13 vehicle, or (2) a violation committed by a holder of a class A, B, or C commercial driver's
32.14 license, regardless of whether the violation was committed in a commercial motor vehicle.

32.15 Sec. 27. Minnesota Statutes 2016, section 169.14, is amended by adding a subdivision to
32.16 read:

32.17 Subd. 5h. **St. Louis County Road 128.** Notwithstanding any provision to the contrary
32.18 in this section, the speed limit on St. Louis County Road 128 in Eagles Nest Township
32.19 between Trunk Highway 169 and County Road 989 is 40 miles per hour. The commissioner
32.20 must erect appropriate signs displaying the 40 miles per hour speed limit.

32.21 **EFFECTIVE DATE.** This section is effective the day following final enactment and
32.22 the speed limit shall be effective when the required signs are erected.

32.23 Sec. 28. Minnesota Statutes 2016, section 169.80, subdivision 1, is amended to read:

32.24 Subdivision 1. **Limitations; misdemeanor.** (a) It is a misdemeanor for a person to drive
32.25 or move, or for the owner to cause or knowingly permit to be driven or moved, on a highway
32.26 a vehicle or vehicles of a size or weight exceeding the limitations stated in sections 169.80
32.27 to 169.88, or otherwise in violation of sections 169.80 to 169.88, other than section 169.81,
32.28 subdivision 5a, and the maximum size and weight of vehicles as prescribed in sections
32.29 169.80 to 169.88 shall be lawful throughout this state, and local authorities shall have no
32.30 power or authority to alter these limitations except as express authority may be granted in
32.31 sections 169.80 to 169.88.

(b) When all the axles of a vehicle or combination of vehicles are weighed separately the sum of the weights of the axles so weighed shall be evidence of the total gross weight of the vehicle or combination of vehicles so weighed.

(c) When each of the axles of any group that contains two or more consecutive axles of a vehicle or combination of vehicles have been weighed separately the sum of the weights of the axles so weighed shall be evidence of the total gross weight on the group of axles so weighed.

(d) When, in any group of three or more consecutive axles of a vehicle or combination of vehicles any axles have been weighed separately and two or more axles consecutive to each other in the group have been weighed together, the sum of the weights of the axles weighed separately and the axles weighed together shall be evidence of the total gross weight of the group of axles so weighed.

(e) The provisions of sections 169.80 to 169.88 governing size, weight, and load ~~shall~~ do not apply to a fire apparatus, or to a vehicle operated under the terms of a special permit issued as provided by law.

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

Sec. 29. Minnesota Statutes 2016, section 169.829, is amended by adding a subdivision to read:

Subd. 4. **Certain emergency vehicles.** The provisions of sections 169.80 to 169.88 governing size, weight, and load do not apply to a fire apparatus, a police special response vehicle, or a licensed land emergency ambulance service vehicle.

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

Sec. 30. **[169.8295] WEIGHT LIMITS; VEHICLES TRANSPORTING MILK.**

Subdivision 1. **Weight limits increase.** (a) The weight limitations under sections 169.823 to 169.829 are increased by ten percent for a single-unit vehicle transporting fluid milk from the point of production to (1) another point of production for additional loading, or (2) the point of first processing.

(b) Notwithstanding sections 169.824, subdivision 1, paragraph (d); 169.826, subdivision 3; or other law to the contrary, a permit is not required to operate a vehicle under this section.

(c) The seasonal weight increases under section 169.826, subdivision 1, do not apply to a vehicle operated under this section.

34.1 Subd. 2. **Requirements; restrictions.** A vehicle operated under this section:

34.2 (1) is subject to seasonal load restrictions under section 169.87, except as otherwise
34.3 provided under section 169.87, subdivision 4;

34.4 (2) is subject to bridge load limits posted under section 169.84; and

34.5 (3) must not be operated with a load that exceeds the tire manufacturer's recommended
34.6 load, the manufacturer's gross vehicle weight rating as affixed to the vehicle, or other
34.7 certification of gross vehicle weight rating under Code of Federal Regulations, title 49,
34.8 sections 567.4 to 567.7.

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

34.10 Sec. 31. Minnesota Statutes 2016, section 169.865, subdivision 3, is amended to read:

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

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

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

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

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

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

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

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

34.23 (8) must have brakes on all wheels.

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

(c) Notwithstanding paragraph (a), clause (4), a vehicle or combination of vehicles hauling fluid milk under a permit issued by the commissioner of transportation may also operate on interstate highways as provided under United States Code, title 23, section 127.

Sec. 32. **[169.869] SPECIAL CONSTRUCTION MATERIALS PERMIT.**

Subdivision 1. **Definition.** For purposes of this section, "construction materials" means highway construction materials, building construction materials, and associated demolition materials, including but not limited to aggregate material as defined in section 298.75, subdivision 1, paragraph (a), hot mix asphalt, plastic concrete, cementitious materials, concrete admixtures, asphalt cement, construction demolition materials, and recycled road materials.

Subd. 2. **Six-axle vehicles.** (a) The commissioner of transportation may issue an annual permit authorizing a vehicle or combination of vehicles with a total of six or more axles to haul construction materials and be operated with a gross vehicle weight of up to:

(1) 90,000 pounds; and

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

(b) The fee for a permit issued under this subdivision is \$300, or a proportional amount as provided in section 169.86, subdivision 5.

Subd. 3. **Seven-axle vehicles.** (a) The commissioner of transportation may issue an annual permit authorizing a vehicle or combination of vehicles with a total of seven or more axles to haul construction materials and be operated with a gross vehicle weight of up to:

(1) 97,000 pounds; and

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

(b) The fee for a permit issued under this subdivision is \$500, or a proportional amount as provided in section 169.86, subdivision 5.

Subd. 4. **Authority; restrictions.** (a) A permit issued by the commissioner under this section is valid for operation on highways regardless of jurisdiction, subject to paragraph (b).

(b) A vehicle or combination of vehicles operating under this section:

(1) may only be operated on paved or unpaved streets and highways, other than interstate highways;

(2) must comply with the requirements and restrictions in section 169.865, subdivision 3, paragraph (a), clauses (1) to (3), (5), (7), and (8); and

(3) must be operated in compliance with truck route requirements and vehicle weight restrictions, as established under section 169.87, subdivision 1, by a local road authority or the commissioner.

Subd. 5. **Revenues.** Revenue from the permits issued by the commissioner under this section must be deposited in the town bridge account. Revenue deposited under this subdivision is available to inspect and post weight limits for town bridges.

Subd. 6. **Expiration date.** Upon request of the permit applicant, the expiration date for a permit issued under this section must be the same as the expiration date of the permitted vehicle's registration.

Subd. 7. **Permit information.** The commissioner must make information available to local road authorities on an Internet Web site that identifies permit issuances under this section and the counties in which a vehicle with a permit is intended to be operated.

Subd. 8. **Local preferred routes.** A local road authority may identify local preferred routes for operating a vehicle on local streets and highways under a permit issued in this section. A holder of a permit issued under this section and any person seeking to apply for a permit are encouraged to:

(1) upon request of a local road authority, provide comment on identification of preferred routes; and

(2) make reasonable efforts to operate a vehicle on the preferred routes when operating under the permit.

EFFECTIVE DATE. This section is effective January 1, 2018.

Sec. 33. Minnesota Statutes 2016, section 169.871, subdivision 1, is amended to read:

Subdivision 1. **Civil liability.** (a) The owner or lessee of a vehicle that is operated with a gross weight in excess of a weight limit imposed under sections 169.823 to ~~169.829~~ 169.8295, 169.84 to 169.851, and 169.87 or a shipper who ships or tenders goods for shipment in a single truck or combination vehicle that exceeds a weight limit imposed under sections 169.823 to 169.829, 169.84 to 169.851, and 169.87 is liable for a civil penalty as follows:

(1) if the total gross excess weight is not more than 1,000 pounds, one cent per pound for each pound in excess of the legal limit;

(2) if the total gross excess weight is more than 1,000 pounds but not more than 3,000 pounds, \$10 plus five cents per pound for each pound in excess of 1,000 pounds;

(3) if the total gross excess weight is more than 3,000 pounds but not more than 5,000 pounds, \$110 plus ten cents per pound for each pound in excess of 3,000 pounds;

(4) if the total gross excess weight is more than 5,000 pounds but not more than 7,000 pounds, \$310 plus 15 cents per pound for each pound in excess of 5,000 pounds;

(5) if the total gross excess weight is more than 7,000 pounds, \$610 plus 20 cents per pound for each pound in excess of 7,000 pounds.

(b) Notwithstanding any other law to the contrary, if a person found guilty of a violation of a weight limit imposed under this section or sections 169.823 to 169.829, 169.84 to 169.851, or 169.87 is also found by the court to have knowingly and contemporaneously attempted to evade a fixed weigh station or to otherwise avoid weighing by means of stationary scales under section 169.85 or other law, the court shall impose a penalty of twice the amount otherwise authorized under paragraph (a).

(c) Any penalty imposed upon a defendant under this subdivision shall not exceed the penalty prescribed by this subdivision. Any fine paid by the defendant in a criminal overweight action that arose from the same overweight violation shall be applied toward payment of the civil penalty under this subdivision. A peace officer or Department of Public Safety employee described in section 299D.06 who cites a driver for a violation of the weight limitations established by sections 169.81 to 169.851 and 169.87 shall give written notice to the driver that the driver or another may also be liable for the civil penalties provided herein in the same or separate proceedings.

(d) A penalty imposed upon the owner or lessee of a vehicle that is based on violations identified by the use of shippers' weight records under section 169.872 must not exceed an aggregate of \$10,000.

Sec. 34. Minnesota Statutes 2016, section 171.12, subdivision 6, is amended to read:

Subd. 6. **Certain convictions not recorded.** (a) Except as provided in paragraph (c), the department ~~shall~~ must not keep on the record of a driver any conviction for a violation of a speed limit of 55 miles per hour unless the violation consisted of a speed greater than ten miles per hour in excess of the speed limit.

(b) Except as provided in paragraph (c), the department ~~shall~~ must not keep on the record of a driver any conviction for a violation of a speed limit of 60 miles per hour unless the violation consisted of a speed greater than:

(1) ten miles per hour in excess of the speed limit, for any violation occurring on or after August 1, 2012, and before August 1, 2014; or

(2) five miles per hour in excess of the speed limit, for any violation occurring on or after August 1, 2014.

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

Sec. 35. Minnesota Statutes 2016, section 174.03, subdivision 1a, is amended to read:

Subd. 1a. **Revision of statewide multimodal transportation plan.** (a) The commissioner ~~shall~~ must revise the statewide multimodal transportation plan by January 15, ~~2013~~ 2022, and by January 15 of every ~~four~~ five years thereafter. Before final adoption of a revised plan, the commissioner ~~shall~~ must hold a hearing to receive public comment on the preliminary draft of the revised plan.

(b) Each revised statewide multimodal transportation plan must:

(1) incorporate the goals of the state transportation system in section 174.01;

(2) establish objectives, policies, and strategies for achieving those goals; and

(3) identify performance targets for measuring progress and achievement of transportation system goals, objectives, or policies.

Sec. 36. Minnesota Statutes 2016, section 174.03, subdivision 1c, is amended to read:

Subd. 1c. **Statewide highway 20-year capital investment plan.** ~~By January 15, 2013, and in conjunction with~~ Within one year of each future revision of the statewide multimodal transportation plan under subdivision 1a, the commissioner ~~shall~~ must prepare a 20-year statewide highway capital investment plan that:

(1) incorporates performance measures and targets for assessing progress and achievement of the state's transportation goals, objectives, and policies identified in this chapter for the state trunk highway system, and those goals, objectives, and policies established in the statewide multimodal transportation plan. Performance targets must be based on objectively

verifiable measures, and address, at a minimum, preservation and maintenance of the structural condition of state highway bridges and pavements, safety, and mobility;

(2) summarizes trends and impacts for each performance target over the past five years;

(3) summarizes the amount and analyzes the impact of the department's capital investments and priorities over the past five years on each performance target, including a comparison of prior plan projected costs with actual costs;

(4) identifies the investments required to meet the established performance targets over the next 20-year period;

(5) projects available state and federal funding over the 20-year period, including any unique, competitive, time-limited, or focused funding opportunities;

(6) identifies strategies to ensure the most efficient use of existing transportation infrastructure, and to maximize the performance benefits of projected available funding;

(7) establishes investment priorities for projected funding, including a schedule of major projects or improvement programs for the 20-year period together with projected costs and impact on performance targets; and

(8) identifies those performance targets identified under clause (1) not expected to meet the target outcome over the 20-year period together with alternative strategies that could be implemented to meet the targets.

Sec. 37. **[174.95] PROJECT SELECTION REQUIREMENTS.**

(a) The commissioner, after consultation with the Federal Highway Administration, metropolitan planning organizations, regional development commissions, area transportation partnerships, local governments, the Metropolitan Council, and transportation stakeholders, must develop, adopt, and implement a project evaluation and selection policy to apply to the standard project selection process. The commissioner may update the policy only after consultation with the Federal Highway Administration, metropolitan planning organizations, regional development commissions, area transportation partnerships, local governments, the Metropolitan Council, and transportation stakeholders. The commissioner must publicize the policy and updates on the department's Web site and through other effective means selected by the commissioner.

(b) The policy adopted under this section must include:

(1) a ranking system that assigns scores to each project, the criteria that will be considered, and the weight of each criterion; the ranking system may consider project readiness as a

criterion for evaluation, but project readiness must not be a major factor in determining the final score;

(2) a process to inform the stakeholders and the general public of the score for each project considered, which projects were selected, and which projects were not selected; and

(3) a process that requires the involvement of area transportation partnerships and other local authorities in the process of ranking and scoring projects.

(c) The projects in the state transportation improvement program must include the score assigned to the project under this section. The projects must be prioritized based on the score assigned and executed in that priority order.

(d) The policy required by this section must be adopted by October 1, 2018, and must be applied to project evaluation and selection that occurs on or after that date. The assigned scores must first appear in the first state transportation improvement program update that is completed on or after October 1, 2018.

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

Sec. 38. Minnesota Statutes 2016, section 221.031, is amended by adding a subdivision to read:

Subd. 2e. Exemptions for pipeline welding trucks. A pipeline welding truck, as defined in Code of Federal Regulations, title 49, section 390.38, paragraph (b), including an individual operating a pipeline welding truck and the employer of the individual, is exempt from any requirement relating to:

(1) registration as a motor carrier, including the requirement to obtain and display a United States Department of Transportation number under subdivision 6 and section 168.185;

(2) driver qualifications under section 221.0314, subdivision 2;

(3) driving of commercial motor vehicles under section 221.0314, subdivision 6;

(4) parts, accessories, and inspection, repair, and maintenance of commercial motor vehicles under section 221.0314, subdivisions 7 and 10; and

(5) hours of service of drivers, including maximum driving and on-duty time under section 221.0314, subdivision 9.

41.1 Sec. 39. **CONVEYANCE FOR HISTORICAL PURPOSES; MCKINSTRY SURPLUS**
41.2 **LANDS.**

41.3 (a) Notwithstanding any other law to the contrary, the commissioner may convey as
41.4 provided in Minnesota Statutes, section 161.44, land described in paragraph (b), including
41.5 any improvements on the lands, owned in fee by the state for trunk highway purposes, but
41.6 no longer needed, to the Minnesota Historical Society for historical purposes. The conveyance
41.7 must be without financial consideration. The lands conveyed must become a part of the
41.8 state's historic sites program under Minnesota Statutes, chapter 138.

41.9 (b) The lands that may be conveyed are specifically related to the properties of the
41.10 McKinstry Mounds and portions of the McKinstry Village site owned by the Department
41.11 of Transportation, located along Trunk Highway 11 in Koochiching County.

41.12 Sec. 40. **DEFICIENT BRIDGE WEIGHT LIMITS; STUDY AND ANALYSIS.**

41.13 (a) By November 15, 2017, the commissioner of transportation must complete a study
41.14 and analysis of posted weight limits on state and local bridges to identify deficient bridges
41.15 in those geographic regions of the state where fluid milk is transported from points of
41.16 production to points of first processing. The study and analysis must:

41.17 (1) identify bridges with posted weight limits;

41.18 (2) review the vehicle weight limits under Minnesota Statutes, chapter 169, including
41.19 Minnesota Statutes, section 169.8295, relative to bridge posting standards;

41.20 (3) analyze vehicle routing considerations for transportation of fluid milk; and

41.21 (4) include geographic mapping information that is made available to milk haulers, milk
41.22 processing facilities, local road authorities, and other interested stakeholders.

41.23 (b) Upon request by the commissioner, local road authorities must provide information
41.24 on bridges under their respective jurisdictions in a timely manner.

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

41.26 Sec. 41. **HIGHWAY CONSTRUCTION COSTS STUDY.**

41.27 Subdivision 1. **Construction costs study; report.** (a) The commissioner of transportation
41.28 must enter into an agreement to conduct a study with an organization or entity having
41.29 relevant expertise.

41.30 (b) At a minimum, the study must include:

42.1 (1) an overview of highway construction cost issues;

42.2 (2) comparison of costs in Minnesota relative to other states and regions;

42.3 (3) identification of factors specific to Minnesota, if any, that contribute to cost
42.4 differences;

42.5 (4) evaluation of the methodology used for highway construction cost calculation and
42.6 indexing in Minnesota, including review of associated best practices; and

42.7 (5) specific recommendations for road authorities and legislative changes to reduce
42.8 highway construction costs.

42.9 (c) By February 15, 2018, the commissioner must submit a report on the study to the
42.10 chairs and ranking minority members of the senate and house of representatives committees
42.11 with jurisdiction over transportation policy and finance.

42.12 Subd. 2. **Project cost comparison report.** By February 15, 2018, the commissioner of
42.13 transportation must report to the chairs and ranking minority members of the senate and
42.14 house of representatives committees and divisions with jurisdiction over transportation
42.15 policy and finance comparing the estimated cost of projects and the actual cost of projects.
42.16 The report must include all projects completed in whole or in part by MnDOT from July 1,
42.17 2007, to July 1, 2017. For each project, the report must list the estimated cost of the project
42.18 prior to starting the project and the total actual cost for the project after completion. For
42.19 each project, if the actual cost was less than the estimated cost, the report must explain how
42.20 the excess funds were expended.

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

42.22 Sec. 42. **INTERSTATE 94/494/694 INTERCHANGE SAFETY IMPROVEMENT**
42.23 **AND CONGESTION RELIEF STUDY.**

42.24 The commissioner of transportation must conduct a safety improvement and congestion
42.25 relief study for the interchange of signed Interstate Highways 94, 494, and 694 in the cities
42.26 of Oakdale and Woodbury. At a minimum, the study must (1) provide specific
42.27 recommendations to improve the safety of the interchange and reduce congestion at the
42.28 interchange and on associated arterial roads, and (2) include cost estimates for each
42.29 recommended improvement. The commissioner must report the findings and
42.30 recommendations of the study to the chairs and ranking minority members of the senate
42.31 and house of representatives committees having jurisdiction over transportation policy and
42.32 finance within 180 days after the effective date of this section.

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

Sec. 43. **LEGISLATIVE ROUTE NO. 123 REMOVED.**

(a) Minnesota Statutes, section 161.115, subdivision 54, is repealed effective the day after the commissioner of transportation receives a copy of the agreement between the commissioner and the governing body of Le Sueur County to transfer jurisdiction of Legislative Route No. 123 and after the commissioner notifies the revisor of statutes under paragraph (b).

(b) The revisor of statutes must delete the route identified in paragraph (a) from Minnesota Statutes when the commissioner of transportation sends notice to the revisor electronically or in writing that the conditions required to transfer the route have been satisfied.

Sec. 44. **LEGISLATIVE ROUTE NO. 225 REMOVED.**

(a) Minnesota Statutes, section 161.115, subdivision 156, is repealed effective the day after the commissioner of transportation receives a copy of the agreement between the commissioner and the governing body of Becker County to transfer jurisdiction of Legislative Route No. 225 and after the commissioner notifies the revisor of statutes under paragraph (b).

(b) The revisor of statutes must delete the route identified in paragraph (a) from Minnesota Statutes when the commissioner of transportation sends notice to the revisor electronically or in writing that the conditions required to transfer the route have been satisfied.

Sec. 45. **REPORT TO LEGISLATURE ON PROJECT SELECTION POLICY.**

By February 15, 2018, the commissioner of transportation must report to the chairs and ranking minority members of the senate and house of representatives committees having jurisdiction over transportation policy and finance concerning the policy adopted pursuant to Minnesota Statutes, section 174.95, and how the policy is anticipated to improve the consistency, objectivity, and transparency of the selection process. The report must include information on input from members of the public and the organizations identified in Minnesota Statutes, section 174.95, paragraph (a). The report must also include proposed legislation to codify the ranking system established in the policy.

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

44.1 Sec. 46. **REPORT BY COMMISSIONER OF TRANSPORTATION ON MNPASS**
44.2 **LANES.**

44.3 On or before January 2, 2018, the commissioner of transportation must report to the
44.4 chairs and ranking minority members of the senate and house of representatives committees
44.5 and divisions with jurisdiction over transportation policy and finance concerning MnPASS
44.6 lanes to reduce congestion and raise revenue. The report must be prepared with existing
44.7 appropriations. At a minimum, the report must:

44.8 (1) for each lane, state the capital costs, maintenance and repair costs, and operation
44.9 costs;

44.10 (2) for each lane, indicate the current condition and the projected life expectancy;

44.11 (3) for each lane, list and explain the cost recovery ratio;

44.12 (4) list the amounts of the deposit of revenues made each year since pursuant to Minnesota
44.13 Statutes, section 160.93, subdivisions 2 and 2a, including a breakdown of deposits for each
44.14 lane for each year the lane has been in existence;

44.15 (5) list the cost to participate in the MnPASS program, broken down by each year a lane
44.16 has been in existence;

44.17 (6) for each lane, list the total number of users, including a breakdown of the total number
44.18 of each type of user; and

44.19 (7) provide an explanation of how MnPASS lane regulations are enforced.

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

44.21 Sec. 47. **REPORT BY COMMISSIONER OF TRANSPORTATION ON TOLLING.**

44.22 On or before January 2, 2018, the commissioner of transportation must report to the
44.23 chairs and ranking minority members of the senate and house of representatives committees
44.24 and divisions with jurisdiction over transportation policy and finance concerning expanding
44.25 the use of tolling in Minnesota in order to reduce congestion and raise revenue. The report
44.26 must be prepared with existing appropriations. At a minimum, the report must:

44.27 (1) summarize current state and federal laws that affect the use of tolling in this state;

44.28 (2) identify any federal pilot projects for which this state is eligible to participate;

44.29 (3) discuss the feasibility and cost of expanding use of tolling, the possibility of private
44.30 investment in toll roads, and projected costs and cost recovery in establishing, operating,
44.31 and maintaining toll roads;

45.1 (4) review tolling models and technology options;

45.2 (5) summarize the experience of other states that have widely implemented tolling;

45.3 (6) identify and evaluate the feasibility of toll implementation for specific corridors;

45.4 (7) project the likely range of revenues that could be generated by wider implementation

45.5 of tolling and identify the percentage of revenues that are projected to be paid by nonresidents
45.6 of the state;

45.7 (8) discuss options for use of tolling revenue and measures to ensure compliance with

45.8 laws governing operation of toll roads and use of revenues;

45.9 (9) recommend and discuss possible ways to reduce cost to Minnesotans, such as tax

45.10 deductions or credits, or types of discounts; and

45.11 (10) provide recommendations for needed statutory or rule changes that would facilitate

45.12 wider implementation of tolling and achieve maximum revenues for the state and equity
45.13 for its residents.

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

45.15 Sec. 48. **REPORT BY COMMISSIONER OF TRANSPORTATION ON**
45.16 **TURNBACKS.**

45.17 (a) By February 15, 2018, the commissioner of transportation must report to the chairs
45.18 and ranking minority members of the senate and house of representatives committees having
45.19 jurisdiction over transportation policy and finance concerning turnbacks. At a minimum,
45.20 the report must include:

45.21 (1) a current list of proposed turnback projects, including a description of each segment
45.22 of highway that is to be turned back; a description of the restoration work to be completed;
45.23 estimated cost of restoration work; to which entity the highway will be turned back; and
45.24 the total estimated cost related to all aspects of the turnback;

45.25 (2) the amount that the commissioner of transportation anticipates will be needed for
45.26 turnbacks during the next two fiscal years and a list of the turnbacks that will be accomplished
45.27 with the anticipated funds;

45.28 (3) a description of the turnback process, including an explanation of how turnback
45.29 projects are selected; and

45.30 (4) for each of the past five years:

(i) the amount of money that accrued to the county turnback account and to the municipal turnback account;

(ii) a description of each segment of highway that was restored and turned back, including what restoration work was completed; total cost of restoration work; to which entity the highway was turned back; and the total cost related to all aspects of the turnback; and

(iii) the amount of surplus funds, if any, that were transferred to the county state-aid highway fund or to the municipal state-aid street fund pursuant to Minnesota Statutes, section 161.084.

(b) By February 15, 2019, and each year thereafter, the commissioner of transportation must report to the chairs and ranking minority members of the senate and house of representatives committees having jurisdiction over transportation policy and finance concerning turnbacks. At a minimum, the report must include:

(1) a current list of proposed turnback projects, including a description of each segment of highway that is to be turned back; a description of the restoration work to be completed; estimated cost of restoration work; to which entity the highway will be turned back; and the total estimated cost related to all aspects of the turnback;

(2) the amount that the commissioner of transportation anticipates will be needed for turnbacks during the next two fiscal years and a list of the turnbacks that will be accomplished with the anticipated funds; and

(3) for the past calendar year, a description of each segment of highway that was restored and turned back, including what restoration work was completed; total cost of restoration work; to which entity the highway was turned back; and the total cost related to all aspects of the turnback.

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

Sec. 49. SAFETY IMPROVEMENT PROJECT AT THE INTERSECTION OF HIGHWAY 55 AND WILKIN COUNTY ROAD 19.

(a) By September 1, 2017, the commissioner of transportation must report to the chairs and ranking minority members of the senate and house of representatives committees and divisions with jurisdiction over transportation policy and finance concerning the issue of trucks stopping on Wilkin County Road 19 between Highway 55 and the railroad tracks north of Highway 55. The commissioner must identify project options that would allow trucks to safely stop at this intersection, including an option to add a turn lane on County Road 19. For each identified project, the commissioner must include an estimated cost and

the estimated time to complete the project. In preparing the report, the commissioner must consult with the Minn-Dak Farmers Cooperative, the city of Nashua, the town of Champion, and Wilkin County.

(b) Within 14 days after submitting the report required in paragraph (a), the commissioner must convene a working group consisting of the commissioner and one representative from each of the following: Minn-Dak Farmers Cooperative, Nashua city council, Champion town board, and Wilkin County board. The working group must consider the options identified in the report submitted pursuant to paragraph (a). If the working group reaches consensus on a proposed option, MnDOT must pursue that option.

(c) If the working group does not reach a consensus by January 1, 2018, the commissioner must (1) design and construct a turn lane on the north side of the intersection of Wilkin County Road 19 with Highway 55, or (2) install a four-way traffic light at the intersection. The project must be designed so that a school bus or semitrailer is able to stop at the intersection without extending into cross-traffic or over the railroad tracks.

(d) The commissioner must begin planning and construction of a project required in this section during the 2018 construction season. A project required under this section must be completed with the existing funds allocated for the district.

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

Sec. 50. **REPEALER.**

(a) Minnesota Statutes 2016, sections 160.262, subdivision 2; 160.265; 160.266, subdivisions 1 and 2; and 161.115, subdivision 32, are repealed.

(b) Minnesota Rules, parts 8810.6000; 8810.6100; 8810.6300; 8810.6400; 8810.6500; 8810.6600; 8810.6700; 8810.6800; 8810.6900; 8810.7000; 8810.9910; 8810.9911; 8810.9912; and 8810.9913, are repealed.

ARTICLE 5

TRANSIT

Section 1. Minnesota Statutes 2016, section 117.189, is amended to read:

117.189 PUBLIC SERVICE CORPORATION EXCEPTIONS.

(a) Sections 117.031; 117.036; 117.055, subdivision 2, paragraph (b); 117.186; 117.187; 117.188; and 117.52, subdivisions 1a and 4, do not apply to the use of eminent domain

48.1 authority by public service corporations for any purpose other than construction or expansion
 48.2 of:

48.3 (1) a high-voltage transmission line of 100 kilovolts or more, or ancillary substations;

48.4 ~~or~~

48.5 (2) a natural gas, petroleum, or petroleum products pipeline, or ancillary compressor
 48.6 stations or pumping stations; or

48.7 (3) a light rail transit or bus rapid transit line.

48.8 (b) For purposes of an award of appraisal fees under section 117.085, the fees awarded
 48.9 may not exceed \$1,500 for all types of property except for a public service corporation's
 48.10 use of eminent domain for a high-voltage transmission line, where the award may not exceed
 48.11 \$3,000.

48.12 (c) For purposes of this section, "pipeline" does not include a natural gas distribution
 48.13 line transporting gas to an end user.

48.14 **EFFECTIVE DATE.** This section is effective retroactively from January 1, 2017.

48.15 Sec. 2. Minnesota Statutes 2016, section 473.388, subdivision 2, is amended to read:

48.16 Subd. 2. **Replacement service; eligibility.** (a) The council may provide assistance under
 48.17 the program to a statutory or home rule charter city or town or combination thereof, that:

48.18 ~~(a)~~ (1) is located in the metropolitan transit taxing district;

48.19 ~~(b)~~ (2) is not served by the council bus service or is served only with council bus routes
 48.20 which begin or end within the applying city or town or combination thereof; and

48.21 ~~(c)~~ (3) has fewer than four scheduled runs of council bus service during off-peak hours
 48.22 as defined by the Metropolitan Council.

48.23 (b) Eligible cities or towns or combinations thereof may apply on behalf of a transit
 48.24 operator with whom they propose to contract for service.

48.25 (c) The council may not provide assistance under this section to a statutory or home rule
 48.26 charter city or town unless:

48.27 (1) the city or town;

48.28 (i) was receiving assistance under Minnesota Statutes 1982, section 174.265, by July 1,
 48.29 1984;

48.30 (ii) had submitted an application for assistance under that section by July 1, 1984; or

(iii) had submitted a letter of intent to apply for assistance under that section by July 1, 1984, and submits an application for assistance under this section by July 1, 1988. A statutory or home rule charter city or town has an additional 12-month extension if it notified the former regional transit board before July 1, 1988, that the city or town is in the process of completing a transportation evaluation study that includes an assessment of the local transit needs of the city or town; or

(2) the city or town submits an application for assistance under this section between July 1, 2017, and December 31, 2017.

Sec. 3. Minnesota Statutes 2016, section 473.4051, subdivision 2, is amended to read:

Subd. 2. **Operating costs.** (a) After operating revenue and federal money have been used to pay for light rail transit operations, 50 percent of the remaining operating costs for a light rail transit line must be paid by the state if:

(1) the light rail transit line is in revenue operations as of the effective date of this section; or

(2) a law is enacted on or after the effective date of this section making an appropriation that (i) is from state sources, (ii) specifies the light rail transit project, and (iii) is for a portion of project capital costs.

(b) For a light rail transit line that does not meet the requirements in paragraph (a), all operating and ongoing capital maintenance costs must be paid from nonstate sources.

(c) For purposes of this subdivision, a light rail transit extension that adds additional stops is a separate project or light rail transit line.

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

Sec. 4. **METRO MOBILITY ENHANCEMENT TASK FORCE.**

Subdivision 1. **Task force established.** A Metro Mobility Enhancement Task Force is established to examine options to enhance Metro Mobility program service under Minnesota Statutes, section 473.386. The goal of the task force is to partner with taxi services and transportation network companies, as defined in Minnesota Statutes, section 65B.472, subdivision 1, paragraph (e), to increase program service levels and efficiency.

Subd. 2. **Membership.** (a) The task force consists of the following members:

50.1 (1) one representative from Metro Mobility, appointed by the Metropolitan Council;

50.2 (2) one elected official from each metropolitan county, as defined in Minnesota Statutes,
50.3 section 473.121, subdivision 4, each of whom must be from a district or unit of government
50.4 that is located within the Metro Mobility service area, appointed by the respective county
50.5 board in consultation with cities in that county;

50.6 (3) at least one and no more than three individuals representing transportation network
50.7 companies, as defined in Minnesota Statutes, section 65B.472, subdivision 1, appointed as
50.8 provided under paragraph (b);

50.9 (4) at least one and no more than three individuals representing taxi service providers,
50.10 appointed as provided in paragraph (c);

50.11 (5) one representative appointed by the Transportation Accessibility Advisory Committee
50.12 established under Minnesota Statutes, section 473.375, subdivision 9a;

50.13 (6) one representative appointed by the Council on Disability;

50.14 (7) one individual appointed by the Association of Residential Resources of Minnesota;

50.15 (8) one individual, who must reside in a metropolitan county, appointed by the Best
50.16 Choice Alliance; and

50.17 (9) one individual appointed by the Center for Transportation Studies at the University
50.18 of Minnesota.

50.19 (b) An interested transportation network company may appoint no more than one person
50.20 as a task force member. Appointment under this paragraph is on a first-come, first-appointed
50.21 basis by written notification to the Metropolitan Council.

50.22 (c) An interested taxi service provider may appoint no more than one person as a task
50.23 force member. Appointment under this paragraph is on a first-come, first-appointed basis
50.24 by written notification to the Metropolitan Council.

50.25 Subd. 3. **Task force duties.** (a) The task force must evaluate the Metro Mobility program,
50.26 which must include but is not limited to analysis of customer service, program costs and
50.27 expenditures, service coverage area and hours, reservation and scheduling, and buses and
50.28 equipment.

50.29 (b) The task force must analyze approaches to improve Metro Mobility program service
50.30 by using partnerships with transportation network companies. At a minimum, the analysis
50.31 must consider:

50.32 (1) geographic service areas of transportation network companies;

51.1 (2) demand responsiveness and service levels of transportation network companies;

51.2 (3) the share of trips in which specially equipped vehicles that comply with the Americans
51.3 with Disabilities Act are necessary;

51.4 (4) technology accessibility for Metro Mobility customers;

51.5 (5) liability considerations; and

51.6 (6) integration of billing systems of transportation network companies with current Metro
51.7 Mobility fare collection.

51.8 (c) The task force must analyze approaches to improve Metro Mobility program service
51.9 by incorporating the use of taxi service. At a minimum, the analysis must consider:

51.10 (1) availability of taxi service throughout the Metro Mobility service area;

51.11 (2) demand responsiveness and service levels of taxi services;

51.12 (3) the share of trips in which specially equipped vehicles that comply with the Americans
51.13 with Disabilities Act are necessary;

51.14 (4) technology accessibility for Metro Mobility customers;

51.15 (5) liability considerations;

51.16 (6) options for contracting with taxi providers or other methods of billing for taxi rides;
51.17 and

51.18 (7) the potential to use taxi service to provide an enhanced service option where riders
51.19 pay a higher fare than other users of Metro Mobility Services.

51.20 (d) The task force must review proposals and models for incorporating transportation
51.21 network companies and taxi service providers into transit systems in other service areas.

51.22 Subd. 4. **Administration.** (a) Each appointing entity under subdivision 2 must make
51.23 appointments and notify the Metropolitan Council by August 1, 2017.

51.24 (b) The Metropolitan Council representative appointed to the task force must convene
51.25 the initial meeting of the task force no later than September 1, 2017. At the initial meeting,
51.26 the members of the task force must elect a chair or cochaIRS from among the task force
51.27 members.

51.28 (c) Upon request of the task force, the council must use existing resources to provide
51.29 data, information, meeting space, and administrative services.

51.30 (d) Members of the task force serve without compensation or payment of expenses.

(e) The task force may accept gifts and grants, which are accepted on behalf of the state and constitute donations to the Metropolitan Council. Funds received under this paragraph are appropriated to the Metropolitan Council for purposes of the task force.

Subd. 5. **Legislative report.** (a) By February 15, 2018, the task force must submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation policy and finance.

(b) At a minimum the report must:

(1) summarize the work of the task force and its findings;

(2) describe the current Metro Mobility program;

(3) identify at least three potential service level approaches that involve partnering with and incorporating transportation network companies, taxi service providers, or both; and

(4) provide any recommendations for program and legislative changes.

Subd. 6. **Expiration.** The task force under this section expires February 15, 2018, or upon submission of the report required under subdivision 5, whichever is earlier.

Sec. 5. VIBRATION SUSCEPTIBILITY STUDY ON CALHOUN ISLES PROPERTY.

Within 21 days of the effective date of this act, the Metropolitan Council must enter into a contract with an engineering group for the engineering group to conduct a vibration susceptibility study on Calhoun Isles property, including the high-rise building, townhomes, and parking ramp. The study must:

(1) evaluate the susceptibility of the Calhoun Isles property to vibration during construction and during operations of a light rail train;

(2) categorize the Calhoun Isles property based on the susceptibility evaluation; and

(3) address mitigation measures and operational changes required to protect the Calhoun Isles property from vibratory damage.

The Calhoun Isles Condominium Association must select the engineering group and notify the Metropolitan Council of the selection within seven days of the effective date of this act. The Metropolitan Council must bear the entire cost of the study.

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

53.1 **ARTICLE 6**

53.2 **DEPARTMENT OF PUBLIC SAFETY**

53.3 Section 1. Minnesota Statutes 2016, section 168.013, subdivision 1d, is amended to read:

53.4 Subd. 1d. **Trailer.** (a) On trailers registered at a gross vehicle weight of greater than
53.5 3,000 pounds, the annual tax is based on total gross weight and is 30 percent of the Minnesota
53.6 base rate prescribed in subdivision 1e, when the gross weight is 15,000 pounds or less, and
53.7 when the gross weight of a trailer is more than 15,000 pounds, the tax for the first eight
53.8 years of vehicle life is 100 percent of the tax imposed in the Minnesota base rate schedule,
53.9 and during the ninth and succeeding years of vehicle life the tax is 75 percent of the
53.10 Minnesota base rate prescribed by subdivision 1e. A trailer registered at a gross vehicle
53.11 weight greater than 3,000 pounds but no greater than 7,200 pounds may be taxed either: (1)
53.12 annually as provided in this paragraph; or (2) once every three years on the basis of total
53.13 gross weight and is 90 percent of the Minnesota base rate prescribed in subdivision 1e;
53.14 ~~provided that the filing fee under section 168.33, subdivision 7, paragraph (a), is multiplied~~
53.15 ~~by three, with funds collected by the commissioner allocated proportionally in the same~~
53.16 ~~manner as provided in section 168.33, subdivision 7, paragraph (e).~~

53.17 (b) Farm trailers with a gross weight in excess of 10,000 pounds and as described in
53.18 section 168.002, subdivision 8, are taxed as farm trucks as prescribed in subdivision 1c.

53.19 (c) Effective on and after July 1, 2001, trailers registered at a gross vehicle weight of
53.20 3,000 pounds or less must display a distinctive plate. The registration on the license plate
53.21 is valid for the life of the trailer only if it remains registered at the same gross vehicle weight.
53.22 The onetime registration tax for trailers registered for the first time in Minnesota is \$55.
53.23 For trailers registered in Minnesota before July 1, 2001, and for which:

53.24 (1) registration is desired for the remaining life of the trailer, the registration tax is \$25;
53.25 or

53.26 (2) permanent registration is not desired, the biennial registration tax is \$10 for the first
53.27 renewal if registration is renewed between and including July 1, 2001, and June 30, 2003.
53.28 These trailers must be issued permanent registration at the first renewal on or after July 1,
53.29 2003, and the registration tax is \$20.

53.30 For trailers registered at a gross weight of 3,000 pounds or less before July 1, 2001, but
53.31 not renewed until on or after July 1, 2003, the registration tax is \$20 and permanent
53.32 registration must be issued.

54.1 Sec. 2. Minnesota Statutes 2016, section 168.021, subdivision 1, is amended to read:

54.2 Subdivision 1. **Disability plates; application.** (a) When a motor vehicle registered under
54.3 section 168.017, a motorcycle, a motorized bicycle, a one-ton pickup truck, or a self-propelled
54.4 recreational vehicle is owned or primarily operated by a permanently physically disabled
54.5 person or a custodial parent or guardian of a permanently physically disabled minor, the
54.6 owner may apply for and secure from the commissioner (1) immediately, a temporary permit
54.7 valid for 30 days if the applicant is eligible for the disability plates issued under this section
54.8 and (2) two disability plates with attached emblems, one plate to be attached to the front,
54.9 and one to the rear of the motor vehicle, truck, or recreational vehicle, or, in the case of a
54.10 motorcycle or a motorized bicycle, one disability plate the same size as a regular motorcycle
54.11 plate.

54.12 (b) The commissioner shall not issue more than one plate to the owner of a motorcycle
54.13 or a motorized bicycle and not more than one set of plates to any owner of another vehicle
54.14 described in paragraph (a) at the same time unless the state Council on Disability approves
54.15 the issuance of a second plate or set of plates to an owner.

54.16 (c) When the owner first applies for the disability plate or plates, the owner must submit
54.17 a medical statement in a format approved by the commissioner under section 169.345, or
54.18 proof of physical disability provided for in that section.

54.19 (d) No medical statement or proof of disability is required when an owner applies for a
54.20 plate or plates for one or more vehicles listed in paragraph (a) that are specially modified
54.21 for and used exclusively by permanently physically disabled persons.

54.22 (e) The owner of a vehicle listed in paragraph (a) may apply for and secure (i)
54.23 immediately, a permit valid for 30 days, if the applicant is eligible to receive the disability
54.24 plate or plates issued under this section, and (ii) a disability plate or plates for the vehicle
54.25 if:

54.26 (1) the owner employs a permanently physically disabled person who would qualify for
54.27 the disability plate or plates under this section; and

54.28 (2) the owner furnishes the motor vehicle to the physically disabled person for the
54.29 exclusive use of that person in the course of employment.

54.30 **EFFECTIVE DATE.** This section is effective January 1, 2018.

Sec. 3. Minnesota Statutes 2016, section 168.021, subdivision 2, is amended to read:

Subd. 2. **Plate design; furnished by commissioner.** The commissioner shall design and furnish two disability plates, or one disability plate for a motorcycle or a motorized bicycle that is the same size as a regular motorcycle plate, with attached emblem or emblems to an eligible owner. The emblem must bear the internationally accepted wheelchair symbol, as designated in section 326B.106, subdivision 9, approximately three inches square. The emblem must be large enough to be visible plainly from a distance of 50 feet. An applicant eligible for a disability plate or plates shall pay the motor vehicle registration fee authorized by sections 168.013 and 168.09.

EFFECTIVE DATE. This section is effective January 1, 2018.

Sec. 4. Minnesota Statutes 2016, section 168.021, subdivision 2a, is amended to read:

Subd. 2a. **Plate transfer.** (a) When ownership of a vehicle described in subdivision 1, is transferred, the owner of the vehicle shall remove the disability plate or plates. The buyer of the motor vehicle is entitled to receive a regular plate or plates for the vehicle without further cost for the remainder of the registration period.

(b) Notwithstanding section 168.12, subdivision 1, the disability plate or plates may be transferred to a replacement vehicle on notification to the commissioner. However, the disability plate or plates may not be transferred unless the replacement vehicle (1) is listed under section 168.012, subdivision 1, and, in case of a single plate for a motorcycle or a motorized bicycle, the replacement vehicle is a motorcycle or a motorized bicycle, and (2) is owned or primarily operated by the permanently physically disabled person.

EFFECTIVE DATE. This section is effective January 1, 2018.

Sec. 5. **[168.1294] LAW ENFORCEMENT MEMORIAL PLATES.**

Subdivision 1. **Issuance of plates.** The commissioner must issue special law enforcement memorial license plates or a single motorcycle plate to an applicant who:

(1) is a registered owner of a passenger automobile, noncommercial one-ton pickup truck, motorcycle, or recreational motor vehicle;

(2) pays an additional fee of \$10 for each set of plates;

(3) pays the registration tax as required under section 168.013, along with any other fees required by this chapter;

(4) contributes \$25 upon initial application and a minimum of \$5 annually to the law enforcement memorial account; and

(5) complies with this chapter and rules governing registration of motor vehicles and licensing of drivers.

Subd. 2. **Design.** The commissioner, in consultation with representatives from the Minnesota Law Enforcement Memorial Association, must adopt a suitable design for the plate that must include a blue line with a black line of equal proportion above and below the blue line, representing the thin blue line.

Subd. 3. **Plates transfer.** On application to the commissioner and payment of a transfer fee of \$5, special plates may be transferred to another qualified motor vehicle that is registered to the same individual to whom the special plates were originally issued.

Subd. 4. **Exemption.** Special plates issued under this section are not subject to section 168.1293, subdivision 2.

Subd. 5. **Fees.** Fees collected under subdivision 1, clauses (2) and (3), and subdivision 3 are credited to the vehicle services operating account in the special revenue fund.

Subd. 6. **Contributions; memorial account; appropriation.** Contributions collected under subdivision 1, clause (4), must be deposited in the Minnesota law enforcement memorial account, which is established in the special revenue fund. Money in the account is appropriated to the commissioner of public safety. This appropriation is first for the annual cost of administering the account funds, and the remaining funds are for distribution to the Minnesota Law Enforcement Memorial Association to be used to further the mission of the association in assisting the families and home agencies of Minnesota law enforcement officers who have died in the line of duty.

EFFECTIVE DATE. This section is effective January 1, 2018, for special law enforcement memorial plates issued on or after that date.

Sec. 6. **[168.1295] "START SEEING MOTORCYCLES" PLATES.**

Subdivision 1. **Issuance of plates.** The commissioner must issue special "Start Seeing Motorcycles" license plates or a single motorcycle plate to an applicant who:

(1) is a registered owner of a passenger automobile, noncommercial one-ton pickup truck, motorcycle, or recreational motor vehicle;

(2) pays a fee of \$10 for each set of plates;

57.1 (3) pays the registration tax as required under section 168.013, along with any other fees
57.2 required by this chapter;

57.3 (4) contributes a minimum of \$10 annually to the motorcycle safety fund, created under
57.4 section 171.06, subdivision 2a, paragraph (a), clause (1); and

57.5 (5) complies with this chapter and rules governing registration of motor vehicles and
57.6 licensing of drivers.

57.7 Subd. 2. **Design.** The representatives of American Bikers for Awareness, Training, and
57.8 Education of Minnesota must design the special plate to contain the inscription "Start Seeing
57.9 Motorcycles" between the bolt holes on the bottom of the plate with a design area on the
57.10 left side of the plate, subject to the approval of the commissioner.

57.11 Subd. 3. **Plates transfer.** On application to the commissioner and payment of a transfer
57.12 fee of \$5, special plates issued under this section may be transferred to another motor vehicle
57.13 if the subsequent vehicle is:

57.14 (1) qualified under subdivision 1, clause (1), to bear the special plates; and

57.15 (2) registered to the same individual to whom the special plates were originally issued.

57.16 Subd. 4. **Exemption.** Special plates issued under this section are not subject to section
57.17 168.1293, subdivision 2.

57.18 Subd. 5. **Fees.** Fees collected under subdivision 1, clause (2), and subdivision 3 are
57.19 credited to the vehicle services operating account in the special revenue fund.

57.20 Subd. 6. **No refund.** Contributions under this section must not be refunded.

57.21 **EFFECTIVE DATE.** This section is effective January 1, 2018, for special "Start Seeing
57.22 Motorcycles" plates issued on or after that date.

57.23 Sec. 7. Minnesota Statutes 2016, section 168A.09, subdivision 1, is amended to read:

57.24 Subdivision 1. **Application, issuance, form, bond, and notice.** In the event a certificate
57.25 of title is lost, stolen, mutilated, ~~or~~ destroyed, or becomes illegible, the owner or legal
57.26 representative of the owner named in the certificate may ~~make~~ submit an application to the
57.27 department or a deputy registrar for a duplicate in a format prescribed by the department.

57.28 The department ~~shall~~ or deputy registrar must issue a duplicate certificate of title if satisfied
57.29 that the applicant is entitled ~~thereto~~ to the duplicate certificate of title. The duplicate certificate
57.30 of title ~~shall~~ must be plainly marked as a duplicate and mailed or delivered to the owner.

57.31 The department ~~shall~~ or deputy registrar must indicate in its the driver and vehicle information
57.32 system records that a duplicate certificate of title has been issued. As a condition to issuing

a duplicate certificate of title, the department may require a bond from the applicant in the manner and format prescribed in section 168A.07, subdivision 1, clause (2). The duplicate certificate of title ~~shall~~ must contain the legend: "This duplicate certificate of title may be subject to the rights of a person under the original certificate."

Sec. 8. **[168A.125] TRANSFER-ON-DEATH TITLE TO MOTOR VEHICLE.**

Subdivision 1. Titled as transfer-on-death. A natural person who is the owner of a motor vehicle may have the motor vehicle titled in transfer-on-death or TOD form by including in the application for the certificate of title a designation of a beneficiary or beneficiaries to whom the motor vehicle must be transferred on death of the owner or the last survivor of joint owners with rights of survivorship, subject to the rights of secured parties.

Subd. 2. Designation of beneficiary. A motor vehicle is registered in transfer-on-death form by designating on the certificate of title the name of the owner and the names of joint owners with identification of rights of survivorship, followed by the words "transfer-on-death to (name of beneficiary or beneficiaries)." The designation "TOD" may be used instead of "transfer-on-death." A title in transfer-on-death form is not required to be supported by consideration, and the certificate of title in which the designation is made is not required to be delivered to the beneficiary or beneficiaries in order for the designation to be effective. If the owner of the motor vehicle is married at the time of the designation, the designation of a beneficiary other than the owner's spouse requires the spouse's written consent.

Subd. 3. Interest of beneficiary. The transfer-on-death beneficiary or beneficiaries have no interest in the motor vehicle until the death of the owner or the last survivor of joint owners with rights of survivorship. A beneficiary designation may be changed at any time by the owner or by all joint owners with rights of survivorship, without the consent of the beneficiary or beneficiaries, by filing an application for a new certificate of title.

Subd. 4. Vesting of ownership in beneficiary. Ownership of a motor vehicle titled in transfer-on-death form vests in the designated beneficiary or beneficiaries on the death of the owner or the last of the joint owners with rights of survivorship, subject to the rights of secured parties. The transfer-on-death beneficiary or beneficiaries who survive the owner may apply for a new certificate of title to the motor vehicle upon submitting a certified death record of the owner of the motor vehicle. If no transfer-on-death beneficiary or beneficiaries survive the owner of a motor vehicle, the motor vehicle must be included in the probate estate of the deceased owner. A transfer of a motor vehicle to a transfer-on-death beneficiary or beneficiaries is not a testamentary transfer.

Subd. 5. **Rights of creditors.** (a) This section does not limit the rights of any secured party or creditor of the owner of a motor vehicle against a transfer-on-death beneficiary or beneficiaries.

(b) The state or a county agency with a claim or lien authorized by section 246.53, 256B.15, 261.04, or 270C.63 is a creditor for purposes of this subdivision. A claim authorized by section 256B.15 against the estate of an owner of a motor vehicle titled in transfer-on-death form voids any transfer-on-death conveyance of a motor vehicle as described in this section. A claim or lien under section 246.53, 261.04, or 270C.63 continues to apply against the designated beneficiary or beneficiaries after the transfer under this section if other assets of the deceased owner's estate are insufficient to pay the amount of the claim. The claim or lien continues to apply to the motor vehicle until the designated beneficiary sells or transfers it to a person against whom the claim or lien does not apply and who did not have actual notice or knowledge of the claim or lien.

Sec. 9. Minnesota Statutes 2016, section 168A.141, is amended to read:

168A.141 MANUFACTURED HOME AFFIXED TO REAL PROPERTY.

Subdivision 1. **Certificates surrendered for cancellation.** (a) When a manufactured home is to be affixed or is affixed, as defined in section 273.125, subdivision 8, paragraph (b), to real property, ~~and financed by the giving of a mortgage on the real property~~, the owner of the manufactured home ~~shall~~ may surrender the manufacturer's certificate of origin or certificate of title to the department for cancellation. ~~The owner of so that the manufactured home shall give the department the address and legal description of the~~ becomes an improvement to real property. The department may require the filing of other information and is no longer titled as personal property. The department must not issue a certificate of title for a manufactured home under chapter 168A if the manufacturer's certificate of origin is or has been surrendered under this subdivision, except as provided in section 168A.142. Upon surrender of the manufacturer's certificate of origin or the certificate of title, the department shall issue notice of surrender to the owner, and upon recording an affidavit of affixation, which the county recorder or registrar of titles, as applicable, shall accept, the manufactured home is deemed to be an improvement to real property. ~~The notice of surrender may be recorded in the office of the county recorder or with the registrar of titles if the land is registered but need not contain an acknowledgment.~~ An affidavit of affixation by the owner of the manufactured home must include the following information:

(1) the name, residence address, and mailing address of owner or owners of the manufactured home;

(2) the legal description of the real property in which the manufactured home is, or will be, located;

(3) a copy of the surrendered manufacturer's certificate of origin or certificate of title and the notice of surrender;

(4) a written statement from the county auditor or county treasurer of the county where the manufactured home is located stating that all property taxes payable in the current year, as provided under section 273.125, subdivision 8, paragraph (b), have been paid, or are not applicable;

(5) the name and address of the person designated by the applicant to record the original affidavit of affixation with the county recorder or registrar of titles for the county where the real property is located;

(6) the signature of the person who executes the affidavit, properly executed before a person authorized to authenticate an affidavit in this state;

(7) the person designated in clause (5) shall record, or arrange for the recording of, the affidavit of affixation, accompanied by the fees for recording and for issuing a certified copy of the notice, including all attachments, showing the recording date; and

(8) upon obtaining the certified copy of the notice under clause (7), the person designated in the affidavit shall deliver the certified copy to the county auditor of the county in which the real property to which the manufactured home was affixed is located.

(b) The department is not liable for any errors, omissions, misstatements, or other deficiencies or inaccuracies in documents presented to the department under this section, if the documents presented appear to satisfy the requirements of this section. The department has no obligation to investigate the accuracy of statements contained in the documents.

Subd. 1a. **Affidavit form.** The affidavit referred to in subdivision 1 shall be in substantially the following form and shall contain the following information.

MANUFACTURED HOME AFFIDAVIT OF AFFIXATION

PURSUANT TO MINNESOTA STATUTES, SECTION 168A.141

Homeowner, being duly sworn, on his or her oath, states as follows:

1. Homeowner owns the manufactured home ("home") described as follows:

.....

<u>New/Used</u>	<u>Year</u>	<u>Manufacturer's Name</u>	<u>Model Name or Model No.</u>	<u>Manufacturer's Serial No.</u>	<u>Length/Width</u>

- 61.1 2. A copy of the surrendered manufacturer's certificate of origin or certificate of title is
61.2 attached hereto.
- 61.3 3. A copy of the notice of surrender issued from the Minnesota Department of Public Safety
61.4 Driver and Vehicle Services is attached hereto.
- 61.5 4. The home is or will be located at the following "Property Address":
61.6
61.7 Street or Route City County State Zip Code
- 61.8 5. The legal description of the property address ("land") is as follows or as attached hereto:
61.9
61.10
61.11
- 61.12 6. The homeowner is the owner of the land.
- 61.13 7. The home is, or shall be promptly upon delivery, anchored to the land by attachment to
61.14 a permanent foundation and connected to appropriate residential utilities (e.g., water, gas,
61.15 electricity, sewer).
- 61.16 8. The homeowner intends that the home be an immovable permanent improvement to the
61.17 land, free of any personal property security interest.
- 61.18 9. A copy of the written statement from the county auditor or county treasurer of the county
61.19 in which the manufactured home is then located, stating that all property taxes payable in
61.20 the current year (pursuant to Minnesota Statutes, section 273.125, subdivision 8, paragraph
61.21 (b)), have been paid, or are not applicable, is attached hereto.
- 61.22 10. The home shall be assessed and taxed as an improvement to the land.
- 61.23 11. The name and address of the person designated by the homeowner to record the original
61.24 affidavit of surrender with the county recorder or registrar of titles of the county in which
61.25 the real estate is located is:
61.26 Name
61.27 Street Address
61.28 City, State, Zip Code
61.29 Phone
61.30 E-mail
- 61.31 IN WITNESS WHEREOF, homeowner(s) have executed this affidavit on this day of
61.32, 20...
61.33

62.1

Homeowner Signature

Address

62.2

.....

.....

62.3

Printed Name

City, State

62.4

.....

62.5

Homeowner Signature (if applicable)

62.6

.....

62.7

Printed Name

62.8

This instrument was drafted by, and when recorded return to:

62.9

.....

62.10

.....

62.11

.....

62.12

Subscribed and sworn to before me this day of,

62.13

.....

62.14

Signature of Notary Public or Other Official

62.15

Notary Stamp or Seal

62.16

(optional)

62.17

Lender's Statement of Intent:

62.18

The undersigned ("lender") intends that the home be immovable and a permanent

62.19

improvement to the land free of any personal property security interest.

62.20

.....

62.21

Lender

62.22

By:

62.23

Authorized Signature

62.24

STATE OF)

62.25

.....) ss:

62.26

COUNTY OF)

62.27

On the day of in the year before me, the undersigned, a Notary Public in and

62.28

for said state, personally appeared

62.29

.....

62.30

personally known to me or proved to me on the basis of satisfactory evidence to be the

62.31

individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged

62.32

to me that he/she/they executed the same in his/her/their capacity(ies), and that by

62.33

his/her/their signature(s) on the instrument, the individual(s), or the person on behalf of

62.34

which the individual(s) acted, executed the instrument.

63.1 _____
63.2 Notary Signature
63.3 _____
63.4 Notary Printed Name
63.5 Notary Public, State of
63.6 Qualified in the County of
63.7 My commission expires
63.8 Official seal:

63.9 Subd. 2. **Perfected security interest ~~avoids cancellation~~ prevents surrender.** The
63.10 department may not cancel a certificate of title if, under this chapter, a security interest has
63.11 been perfected on the manufactured home. If a security interest has been perfected, the
63.12 department shall notify the owner ~~and that~~ each secured party ~~that the~~ must release or satisfy
63.13 the security interest prior to proceeding with surrender of the manufacturer's certificate of
63.14 origin or certificate of title and a description of the security interest have been surrendered
63.15 to the department and that the department will not cancel the certificate of title until the
63.16 security interest is satisfied for cancellation. Permanent attachment to real property or the
63.17 recording of an affidavit of affixation does not extinguish an otherwise valid security interest
63.18 in or tax lien on the manufactured home, unless the requirements of section 168A.141,
63.19 subdivisions 1, 1a, and 2, including the release of any security interest, have been satisfied.

63.20 Subd. 3. **Notice of security interest ~~avoids surrender.~~** ~~The manufacturer's certificate~~
63.21 ~~of origin or the certificate of title need not be surrendered to the department under subdivision~~
63.22 ~~1~~ When a perfected security interest exists, or will exist, on the manufactured home at the
63.23 time the manufactured home is affixed to real property, ~~if~~ and the owner has not satisfied
63.24 the requirements of section 168A.141, subdivision 1, the owner of the manufactured home
63.25 ~~files,~~ or its secured party, may record a notice with the county recorder, or with the registrar
63.26 of titles, if the land is registered, stating that the manufactured home located on the property
63.27 is encumbered by a perfected security interest and is not an improvement to real property.
63.28 The notice must state the name and address of the secured party as set forth on the certificate
63.29 of title, the legal description of the real property, and the name and address of the record
63.30 fee owner of the real property on which the manufactured home is affixed. When the security
63.31 interest is released or satisfied, the secured party shall attach a copy of the release or
63.32 satisfaction to a notice executed by the secured party containing the county recorder or
63.33 registrar of titles document number of the notice of security interest. The notice of release
63.34 or satisfaction must be ~~filed~~ recorded with the county recorder, or registrar of titles, if the
63.35 land is registered. Neither the notice described in this subdivision nor the security interest

64.1 on the certificate of title is deemed to be an encumbrance on the real property. The notices
 64.2 provided for in this subdivision need not be acknowledged.

64.3 Sec. 10. Minnesota Statutes 2016, section 168A.142, is amended to read:

64.4 **168A.142 MANUFACTURED HOME UNAFFIXED FROM REALTY.**

64.5 Subdivision 1. **Certificate of title requirements.** The department shall issue an initial
 64.6 certificate of title or reissue a previously surrendered certificate of title for a manufactured
 64.7 home to an applicant if:

64.8 (1) ~~for the purpose of affixing the manufactured home to real property~~, the owner of the
 64.9 manufactured home, or a previous owner, surrendered the manufacturer's certificate of
 64.10 origin or certificate of title to the department as provided in section 168A.141, subdivision
 64.11 1 ~~or 2~~;

64.12 (2) the applicant provides the written proof evidence specified in subdivision 2 ~~that the~~
 64.13 ~~applicant owns (i) the manufactured home and (ii) the real property to which the~~
 64.14 ~~manufactured home was affixed as provided under section 273.125, subdivision 8, paragraph~~
 64.15 ~~(b)~~;

64.16 ~~(3) the applicant provides proof that no liens exist on the manufactured home, including~~
 64.17 ~~liens on the real property to which it is affixed; and~~

64.18 ~~(4)~~ (3) the owner of the manufactured home ~~meets~~ fulfills the applicable application
 64.19 requirements of section 168A.04₂; and

64.20 (4) the application is accompanied by a written statement from the county auditor or
 64.21 county treasurer of the county in which the manufactured home is then located and affixed,
 64.22 stating that all property taxes payable in the current year, as provided under section 273.125,
 64.23 subdivision 8, paragraph (b), have been paid.

64.24 Subd. 2. **Proof Evidence of eligibility for reissuance.** (a) The proof evidence required
 64.25 under subdivision 1, ~~clauses~~ clause (2) ~~and (3)~~, is as follows:

64.26 (1) an affidavit of severance recorded in the office of the county recorder or registrar of
 64.27 titles, which they shall accept, and whichever applies to the real property, of the county ~~in~~
 64.28 ~~which~~ where the affidavit of affixation or notice of surrender was recorded ~~under~~ as required
 64.29 in section 168A.141, subdivision 1, and the affidavit of severance contains:

64.30 (i) the name, residence address, and mailing address of the owner or owners of the
 64.31 manufactured home;

(ii) a description of the manufactured home being severed, including the name of the manufacturer; ~~the make, model number, model year, and dimensions, and if available, the make, model year, and manufacturer's serial number of the manufactured home; and whether the manufactured home is new or used, such information as may be available from the previously recorded affidavit of affixation or notice of surrender as required in section 168A.141, subdivision 1; and~~

(iii) a statement of any facts or information known to the person executing the affidavit that could affect the validity of the title of the manufactured home ~~or, the existence or nonexistence of a security interest in the manufactured home or a lien on it, or,~~ and a statement that no such facts or information are known to the person executing the affidavit;

(2) as an attachment to the affidavit of severance, an opinion by an attorney admitted to practice law in this state, stating:

(i) the nature of the examination of title performed prior to giving this opinion by the person signing the opinion;

(ii) that the manufactured home and the real property on which it is located is not subject to, or pending completion of a refinance, purchase, or sale transaction, and will not be subject to any recorded mortgages, security interests, liens, or other encumbrances of any kind;

(iii) that the person signing the opinion knows of no facts or circumstances that could affect the validity of the title of the manufactured home or the existence or nonexistence of any recorded mortgages, security interests, or other encumbrances of any kind, other than property taxes payable in the year the affidavit is signed;

(iv) the person or persons owning record title to the real property to which the manufactured home has been affixed and the nature and extent of the title owned by each of these persons; and

(v) that the person signing the opinion has reviewed all provisions of the affidavit of severance and certifies that they are correct and complete to the best of the knowledge of the person signing the opinion;

(3) the name and address of the person ~~or, persons~~ designated by the applicant to file a ~~certified copy of the original~~ affidavit of severance with ~~the county auditor of the county in which the real estate is located, after the affidavit has been properly recorded in the office of the county recorder or county registrar of titles, whichever applies to the real property;~~ and

(4) the signature of the person who executes the affidavit, properly executed before a person authorized to authenticate an affidavit in this state.

(b) The person designated in paragraph (a), clause (3), shall record, or arrange for the recording of, the affidavit of severance as referenced in that item, accompanied by the fees for recording and for issuing a certified copy of the affidavit, including all attachments, showing the recording date.

(c) Upon obtaining the certified copy under paragraph (b), the person designated in the affidavit shall deliver the certified copy to the county auditor of the county in which the real estate to which it was affixed is located.

(d) The department is not liable for any errors, omissions, misstatements, or other deficiencies or inaccuracies in documents presented to the department under this section, so long as the documents presented appear to satisfy the requirements of this section. The department has no obligation to investigate the accuracy of statements contained in the documents.

Subd. 3. **Affidavit form.** The affidavit referred to in subdivision 2 shall be in substantially the following form and shall contain the following information.

MANUFACTURED HOME AFFIDAVIT OF SEVERANCE

PURSUANT TO MINNESOTA STATUTES, SECTION 168A.142

Homeowner, being duly sworn, on his or her oath, states as follows:

1. Homeowner owns the manufactured home ("home") described as follows:

.....

<u>New/Used</u>	<u>Year</u>	<u>Manufacturer's Name</u>	<u>Model Name or Model No.</u>	<u>Manufacturer's Serial No.</u>	<u>Length/Width</u>
-----------------	-------------	--------------------------------	------------------------------------	--------------------------------------	---------------------

2. A copy of the previously surrendered manufacturer's certificate of origin or certificate of title is attached hereto (if available).

3. A copy of the notice of surrender issued from the Minnesota Department of Public Safety Driver and Vehicle Services is attached hereto (if available).

4. The home is or will be located at the following "Property Address":

.....

Street or Route City County State Zip Code

5. The legal description of the property address ("land") is as follows or as attached hereto:

.....

67.1
67.2

67.3 6. The homeowner does not know of any facts or information that could affect the validity
67.4 of title of the manufactured home, except:

67.5
67.6

67.7 7. The homeowner does not know of any such security interest in the manufactured home
67.8 which has not been satisfied or released.

67.9 8. A copy of an opinion by an attorney admitted to practice law in Minnesota is attached,
67.10 which provides for the required title evidence as set forth in Minnesota Statutes, section
67.11 168A.142, subdivision 2, clause (2), items (i) to (v).

67.12 9. A copy of the written statement from the county auditor or county treasurer of the county
67.13 in which the manufactured home is then located, stating that all property taxes payable in
67.14 the current year (pursuant to Minnesota Statutes, section 273.125, subdivision 8, paragraph
67.15 (b)), have been paid, or are not applicable, is attached hereto.

67.16 10. The name and address of the person designated by the homeowner to record the original
67.17 affidavit of surrender with the county recorder or registrar of titles of the county in which
67.18 the real estate is located is:

67.19 Name
67.20 Street Address
67.21 City, State, Zip Code
67.22 Phone
67.23 E-mail

67.24 IN WITNESS WHEREOF, homeowner(s) have executed this affidavit on this day of
67.25, 20...

67.26

67.27 Homeowner Signature Address
67.28

67.29 Printed Name City, State
67.30

67.31 Homeowner Signature (if applicable)
67.32

67.33 Printed Name

67.34 This instrument was drafted by, and when recorded return to:

68.1

68.2

68.3 Subscribed and sworn to before me this day of,

68.4

68.5 Signature of Notary Public or Other Official

68.6 Notary Stamp or Seal

68.7 **Sec. 11. [168A.143] MANUFACTURED HOMES; OWNERSHIP AT ISSUE.**

68.8 Subdivision 1. **Requirements for certificate issuance or reissuance.** When an applicant
68.9 is unable to obtain from or locate previous owners no longer holding an interest in the
68.10 manufactured home based on a certificate of title, or to locate, obtain, or produce the original
68.11 certificate of origin or certificate of title for a manufactured home, and there is no evidence
68.12 of a surrendered certificate of title or manufacturer's statement of origin as provided in
68.13 section 168A.141, subdivision 1, which has not otherwise been unaffixed or is being
68.14 unaffixed as provided in section 168A.142, the department must issue or reissue a certificate
68.15 of title to a manufactured home when the applicant submits:

68.16 (1) the application, pursuant to the requirements of section 168A.04, in a form prescribed
68.17 by the department;

68.18 (2) an affidavit that:

68.19 (i) identifies the name of the manufacturer and dimensions, and if available, the make,
68.20 model number, model year, and manufacturer's serial number of the manufactured home;
68.21 and

68.22 (ii) certifies the applicant is the owner of the manufactured home, has physical possession
68.23 of the manufactured home, knows of no facts or circumstances that materially affect the
68.24 validity of the title of the manufactured home as represented in the application, and provides
68.25 copies of such ownership documents, so far as the documents exist, including by way of
68.26 example:

68.27 (A) bill of sale;

68.28 (B) financing, replevin, or foreclosure documents;

68.29 (C) appraisal;

68.30 (D) insurance certification;

68.31 (E) personal property tax bill;

69.1 (F) landlord certification;

69.2 (G) affidavit of survivorship or estate documents;

69.3 (H) divorce decree; or

69.4 (I) court order;

69.5 (3) an affidavit by an attorney admitted to practice law in this state stating:

69.6 (i) the attorney has performed a search of the Minnesota Department of Public Safety
69.7 Driver and Vehicles Services records within 120 days of the date of application to obtain a
69.8 certificate of origin or certificate of title on behalf of the applicant, but was unable to
69.9 determine the names or locations of one or more owners or prior owners of the manufactured
69.10 home;

69.11 (ii) if applicable, the attorney was unable to successfully contact one or more owners,
69.12 or prior owners, after providing written notice 45 days prior to the registered and last known
69.13 owner by certified mail at the address shown on Driver and Vehicles Services records, or
69.14 if the last known address is different from Driver and Vehicles Services records, then also
69.15 the last known address as known to the applicant;

69.16 (iii) if the attorney is unable to contact one or more owners, or previous owners, by
69.17 sending a letter by certified mail, then the attorney must present to the department, as an
69.18 attachment to its affidavit, the returned letter as evidence of the attempted contact, or the
69.19 acknowledgement of receipt of the letter, together with an affidavit of nonresponse; and

69.20 (iv) the attorney knows of no facts or circumstances that materially affect the validity
69.21 of the title of the manufactured home as represented in the application, other than property
69.22 taxes payable in the year the affidavit is signed; and

69.23 (4) payment for required current year taxes and fees as prescribed by the department.

69.24 **Subd. 2. Satisfaction of manufactured home security lien; release.** A security interest
69.25 perfected under this chapter may be canceled seven years from the perfection date for a
69.26 manufactured home, upon the request of the owner of the manufactured home, if the owner
69.27 has paid the lien in full or the lien has been abandoned and the owner is unable to locate
69.28 the lienholder to obtain a lien release. The owner must send a letter to the lienholder by
69.29 certified mail, return receipt requested, stating the reason for the release and requesting a
69.30 lien release. If the owner is unable to obtain a lien release by sending a letter by certified
69.31 mail, then the owner must present to the department the returned letter as evidence of the
69.32 attempted contact, or the acknowledgement of receipt of the letter, together with a copy of
69.33 the letter and an owner affidavit of nonresponse.

70.1 Subd. 3. **Suspension or revocation of certificate.** (a) Pursuant to section 168A.23, the
70.2 department may revoke a previously issued certificate of title issued under this section.

70.3 (b) The department is not liable for any errors, omissions, misstatements, or other
70.4 deficiencies or inaccuracies in documents submitted to the department under this section,
70.5 provided the documents submitted appear to satisfy the requirements of this section. The
70.6 department is not required to investigate the accuracy of statements contained in submitted
70.7 documents.

70.8 Sec. 12. Minnesota Statutes 2016, section 169.345, subdivision 1, is amended to read:

70.9 Subdivision 1. **Scope of privilege.** (a) A vehicle described in section 168.021, subdivision
70.10 1, paragraph (a), that prominently displays the certificate authorized by this section or that
70.11 bears the disability plate or plates issued under section 168.021 may be parked by or solely
70.12 for the benefit of a physically disabled person:

70.13 (1) in a designated parking space for disabled persons, as provided in section 169.346;

70.14 (2) in a metered parking space without obligation to pay the meter fee and without time
70.15 restrictions unless time restrictions are separately posted on official signs; and

70.16 (3) without time restrictions in a nonmetered space where parking is otherwise allowed
70.17 for passenger vehicles but restricted to a maximum period of time and that does not
70.18 specifically prohibit the exercise of disabled parking privileges in that space.

70.19 A person may park the vehicle for a physically disabled person in a parking space described
70.20 in clause (1) or (2) only when actually transporting the physically disabled person for the
70.21 sole benefit of that person and when the parking space is within a reasonable distance from
70.22 the drop-off point.

70.23 (b) For purposes of this subdivision, a certificate is prominently displayed if it is displayed
70.24 so that it may be viewed from the front and rear of the motor vehicle by hanging it from the
70.25 rearview mirror attached to the front windshield of the motor vehicle or, in the case of a
70.26 motorcycle or a motorized bicycle, is secured to the vehicle. If there is no rearview mirror
70.27 or if the certificate holder's disability precludes placing the certificate on the mirror, the
70.28 certificate must be displayed on the dashboard of the vehicle. No part of the certificate may
70.29 be obscured.

70.30 (c) Notwithstanding paragraph (a), clauses (1), (2), and (3), this section does not permit
70.31 parking in areas prohibited by sections 169.32 and 169.34, in designated no parking spaces,
70.32 or in parking spaces reserved for specified purposes or vehicles. A local governmental unit
70.33 may, by ordinance, prohibit parking on any street or highway to create a fire lane, or to

71.1 accommodate heavy traffic during morning and afternoon rush hours and these ordinances
71.2 also apply to physically disabled persons.

71.3 **EFFECTIVE DATE.** This section is effective January 1, 2018.

71.4 Sec. 13. Minnesota Statutes 2016, section 169.345, subdivision 3, is amended to read:

71.5 Subd. 3. **Identifying certificate.** (a) The commissioner shall issue (1) immediately, a
71.6 permit valid for 30 days if the person is eligible for the certificate issued under this section
71.7 and (2) an identifying certificate for a vehicle described in section 168.021, subdivision 1,
71.8 paragraph (a), when a physically disabled applicant submits proof of physical disability
71.9 under subdivision 2a. The commissioner shall design separate certificates for persons with
71.10 permanent and temporary disabilities that can be readily distinguished from each other from
71.11 outside a vehicle at a distance of 25 feet or, in the case of a motorcycle or a motorized
71.12 bicycle, can be readily secured to the motorcycle or motorized bicycle. An applicant may
71.13 be issued up to two certificates if the applicant has not been issued disability plates under
71.14 section 168.021.

71.15 (b) The operator of a vehicle displaying a certificate has the parking privileges provided
71.16 in subdivision 1 only while the vehicle is actually parked while transporting a physically
71.17 disabled person.

71.18 (c) The commissioner shall cancel all certificates issued to an applicant who fails to
71.19 comply with the requirements of this subdivision.

71.20 **EFFECTIVE DATE.** This section is effective January 1, 2018.

71.21 Sec. 14. Minnesota Statutes 2016, section 171.06, subdivision 2a, is amended to read:

71.22 Subd. 2a. **Two-wheeled vehicle endorsement fee.** (a) The fee for any duplicate driver's
71.23 license obtained for the purpose of adding a two-wheeled vehicle endorsement is increased
71.24 by \$18.50 for each first such duplicate license and \$13 for each renewal thereof. The
71.25 additional fee must be paid into the state treasury and credited as follows:

71.26 (1) \$11 of the additional fee for each first duplicate license, and \$7 of the additional fee
71.27 for each renewal, must be credited to the motorcycle safety fund, which is hereby created;
71.28 ~~provided that ten percent of fee receipts in excess of \$750,000 in a fiscal year must be~~
71.29 ~~credited to the general fund.~~

71.30 (2) The remainder of the additional fee must be credited to the general fund.

72.1 (b) All application forms prepared by the commissioner for two-wheeled vehicle
72.2 endorsements must clearly state the amount of the total fee that is dedicated to the motorcycle
72.3 safety fund.

72.4 Sec. 15. Minnesota Statutes 2016, section 256B.15, subdivision 1a, is amended to read:

72.5 Subd. 1a. **Estates subject to claims.** (a) If a person receives medical assistance hereunder,
72.6 on the person's death, if single, or on the death of the survivor of a married couple, either
72.7 or both of whom received medical assistance, or as otherwise provided for in this section,
72.8 the amount paid for medical assistance as limited under subdivision 2 for the person and
72.9 spouse shall be filed as a claim against the estate of the person or the estate of the surviving
72.10 spouse in the court having jurisdiction to probate the estate or to issue a decree of descent
72.11 according to sections 525.31 to 525.313.

72.12 (b) For the purposes of this section, the person's estate must consist of:

72.13 (1) the person's probate estate;

72.14 (2) all of the person's interests or proceeds of those interests in real property the person
72.15 owned as a life tenant or as a joint tenant with a right of survivorship at the time of the
72.16 person's death;

72.17 (3) all of the person's interests or proceeds of those interests in securities the person
72.18 owned in beneficiary form as provided under sections 524.6-301 to 524.6-311 at the time
72.19 of the person's death, to the extent the interests or proceeds of those interests become part
72.20 of the probate estate under section 524.6-307;

72.21 (4) all of the person's interests in joint accounts, multiple-party accounts, and pay-on-death
72.22 accounts, brokerage accounts, investment accounts, or the proceeds of those accounts, as
72.23 provided under sections 524.6-201 to 524.6-214 at the time of the person's death to the
72.24 extent the interests become part of the probate estate under section 524.6-207; and

72.25 (5) assets conveyed to a survivor, heir, or assign of the person through survivorship,
72.26 living trust, transfer-on-death of title or deed, or other arrangements.

72.27 (c) For the purpose of this section and recovery in a surviving spouse's estate for medical
72.28 assistance paid for a predeceased spouse, the estate must consist of all of the legal title and
72.29 interests the deceased individual's predeceased spouse had in jointly owned or marital
72.30 property at the time of the spouse's death, as defined in subdivision 2b, and the proceeds of
72.31 those interests, that passed to the deceased individual or another individual, a survivor, an
72.32 heir, or an assign of the predeceased spouse through a joint tenancy, tenancy in common,
72.33 survivorship, life estate, living trust, or other arrangement. A deceased recipient who, at

73.1 death, owned the property jointly with the surviving spouse shall have an interest in the
73.2 entire property.

73.3 (d) For the purpose of recovery in a single person's estate or the estate of a survivor of
73.4 a married couple, "other arrangement" includes any other means by which title to all or any
73.5 part of the jointly owned or marital property or interest passed from the predeceased spouse
73.6 to another including, but not limited to, transfers between spouses which are permitted,
73.7 prohibited, or penalized for purposes of medical assistance.

73.8 (e) A claim shall be filed if medical assistance was rendered for either or both persons
73.9 under one of the following circumstances:

73.10 (1) the person was over 55 years of age, and received services under this chapter prior
73.11 to January 1, 2014;

73.12 (2) the person resided in a medical institution for six months or longer, received services
73.13 under this chapter, and, at the time of institutionalization or application for medical assistance,
73.14 whichever is later, the person could not have reasonably been expected to be discharged
73.15 and returned home, as certified in writing by the person's treating physician. For purposes
73.16 of this section only, a "medical institution" means a skilled nursing facility, intermediate
73.17 care facility, intermediate care facility for persons with developmental disabilities, nursing
73.18 facility, or inpatient hospital;

73.19 (3) the person received general assistance medical care services under the program
73.20 formerly codified under chapter 256D; or

73.21 (4) the person was 55 years of age or older and received medical assistance services on
73.22 or after January 1, 2014, that consisted of nursing facility services, home and
73.23 community-based services, or related hospital and prescription drug benefits.

73.24 (f) The claim shall be considered an expense of the last illness of the decedent for the
73.25 purpose of section 524.3-805. Notwithstanding any law or rule to the contrary, a state or
73.26 county agency with a claim under this section must be a creditor under section 524.6-307.
73.27 Any statute of limitations that purports to limit any county agency or the state agency, or
73.28 both, to recover for medical assistance granted hereunder shall not apply to any claim made
73.29 hereunder for reimbursement for any medical assistance granted hereunder. Notice of the
73.30 claim shall be given to all heirs and devisees of the decedent, and to other persons with an
73.31 ownership interest in the real property owned by the decedent at the time of the decedent's
73.32 death, whose identity can be ascertained with reasonable diligence. The notice must include
73.33 procedures and instructions for making an application for a hardship waiver under subdivision
73.34 5; time frames for submitting an application and determination; and information regarding

74.1 appeal rights and procedures. Counties are entitled to one-half of the nonfederal share of
74.2 medical assistance collections from estates that are directly attributable to county effort.
74.3 Counties are entitled to ten percent of the collections for alternative care directly attributable
74.4 to county effort.

74.5 Sec. 16. Minnesota Statutes 2016, section 297B.01, subdivision 16, is amended to read:

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

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

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

74.16 (1) the acquisition of a motor vehicle by inheritance from or by bequest of, or
74.17 transfer-on-death of title by, a decedent who owned it;

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

74.21 (3) the transfer of a motor vehicle by way of gift from a limited used vehicle dealer
74.22 licensed under section 168.27, subdivision 4a, to an individual, when the transfer is with
74.23 no monetary or other consideration or expectation of consideration and the parties to the
74.24 transfer submit an affidavit to that effect at the time the title transfer is recorded;

74.25 (4) the transfer of a motor vehicle by gift between:

74.26 (i) spouses;

74.27 (ii) parents and a child; or

74.28 (iii) grandparents and a grandchild;

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

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

75.4 Sec. 17. **DRIVER'S LICENSE AGENT IN NEW BRIGHTON.**

75.5 (a) The commissioner of public safety must revise the appointment of the city of New
75.6 Brighton as a driver's license agent to provide authority to operate as a full-service driver
75.7 licensing office located in New Brighton city hall. This paragraph applies notwithstanding:
75.8 (1) Minnesota Statutes, section 171.061, subdivision 2; (2) requirements under Minnesota
75.9 Rules, part 7404.0300, subpart 3; and (3) procedures for county board appointment of a
75.10 driver's license agent, including under Minnesota Rules, part 7404.0350. All other provisions
75.11 regarding the appointment and operation of a driver's license agent under Minnesota Statutes,
75.12 section 171.061, and Minnesota Rules, chapter 7404, apply.

75.13 (b) The commissioner must make the appointment under this section within two weeks
75.14 of receipt of an appointment application pursuant to the commissioner's procedures under
75.15 Minnesota Rules.

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ARTICLE 2	TRUNK HIGHWAY BONDING	Page.Ln 15.22
ARTICLE 3	TRANSPORTATION FINANCE	Page.Ln 18.22
ARTICLE 4	TRANSPORTATION POLICY	Page.Ln 22.13
ARTICLE 5	TRANSIT	Page.Ln 47.25
ARTICLE 6	DEPARTMENT OF PUBLIC SAFETY	Page.Ln 53.1

160.262 RECREATIONAL VEHICLE LANES.

Subd. 2. **Local regulations; approval for state funding.** Each county and municipality including towns having statutory city powers may adopt the model standards to govern highways under its jurisdiction and may adapt them to local circumstances. Such local regulations shall be submitted to the commissioner of transportation who shall approve them within 60 days after receipt upon finding that they meet the minimum standards established pursuant to this section. Approved local regulations shall qualify the submitting unit of government for state or state-approved funding of recreational vehicle lane projects undertaken pursuant to such regulations.

160.265 BIKEWAY PROGRAM.

Subdivision 1. **State bikeways.** The commissioner of transportation shall establish a program for the development of bikeways primarily on existing road rights-of-way. The program shall include a system of bikeways to be established, developed, maintained, and operated by the commissioner of transportation and a system of state grants for the development of local bikeways primarily on existing road rights-of-way. The program shall be coordinated with the local park trail grant program pursuant to section 85.019, with the bicycle trail program established by the commissioner of natural resources pursuant to section 85.016, with the development of the statewide transportation plan pursuant to section 174.03, and with existing and proposed local bikeways. In the metropolitan area as defined in section 473.121, the program shall be developed in accordance with plans and priorities established by the Metropolitan Council. The program shall be developed after consultation with the State Trail Council, local units of government, and bicyclist organizations. The program shall be administered in accordance with the provisions of sections 160.262 to 160.264 and standards promulgated pursuant thereto. The commissioner shall compile and maintain a current registry of bikeways in the state and shall publish and distribute the information contained in the registry in a form and manner suitable to assist persons wishing to use the bikeways. The Metropolitan Council, the commissioner of natural resources, the commissioner of employment and economic development, the Minnesota Historical Society, and local units of government shall cooperate with and assist the commissioner of transportation in preparing the registry. The commissioner shall have all powers necessary and convenient to establish the program pursuant to this section including but not limited to the authority to adopt rules pursuant to chapter 14.

Subd. 2. **Local bikeway grants.** The commissioner shall provide technical assistance to local units of government in planning and developing bikeways. The commissioner shall make grants to units of government as defined in section 85.019, subdivision 1, for the betterment of public land and improvements needed for local bikeways. In making grants the commissioner shall consider, among other factors, the number of bicycles in the localities. A grant shall not exceed 75 percent of the costs of the betterment of the bikeway. To be eligible for a grant, a unit of government must provide at least 25 percent of the costs of the betterment of the bikeway.

160.266 MISSISSIPPI RIVER TRAIL.

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

- (1) "bicycle path" has the meaning given in section 169.011, subdivision 6; and
- (2) "bikeway" has the meaning given in section 169.011, subdivision 9.

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

161.115 ADDITIONAL TRUNK HIGHWAYS.

Subd. 32. **Route No. 101.** Beginning at a point on Route No. 1 at or near Faribault, thence extending in a northerly direction to a point on Route No. 50.

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8810.6000 DEFINITIONS.

Subpart 1. **Scope.** For purposes of these rules and the implementation thereof, the following terms shall have the meanings here given them.

Subp. 2. **Average bicycle traffic volume.** "Average bicycle traffic volume" means the amount of bicycle traffic passing a given point on an average daily basis computed over 180 days during the months of April through September.

Subp. 3. **Average daily traffic.** "Average daily traffic" means the total volume of traffic during a specified but arbitrary time period given in whole days (24 hours), greater than one day, but less than one year, divided by the number of days in the time period; abbreviated ADT.

Subp. 4. **Bicycle.** "Bicycle" means a device propelled by human power upon which a person or persons may ride, having two tandem wheels either of which is over 16 inches in diameter, and including any device generally recognized as a bicycle though equipped with two front or rear wheels.

Subp. 5. **Bicycle lane.** "Bicycle lane" means a portion of a roadway designed for preferential use by persons using bicycles. Bicycle lanes may be designed with or without physical barriers to separate or channel bicycle traffic from motor vehicles or pedestrian traffic.

Subp. 6. **Bicycle lane with barrier.** "Bicycle lane with barrier" means a portion of a roadway which has been designated for preferential or exclusive use by bicycles, separated from but a part of that portion of the roadway designed for motor vehicle traffic by a physical barrier such as a curb or a guardrail.

Subp. 7. **Bicycle lane without barrier.** "Bicycle lane without barrier" means a portion of a roadway which has been designated for preferential use by bicycles through pavement markings or other traffic control measures.

Subp. 8. **Bicycle path.** "Bicycle path" means a bicycle facility designed for exclusive use by persons using bicycles and constructed or developed separately from the roadway.

Subp. 9. **Bicycle route.** "Bicycle route" means a roadway signed to encourage bicycle use when no preferential lane is provided. Signing shall be in accordance with the Minnesota Manual of Uniform Traffic Control Devices. Such signing also indicates that safety precautions must be taken by all forms of traffic.

Subp. 10. **Clearway.** "Clearway" is a clear recovery area extending 30 feet outward from the edge of the outside through lane of the roadway where all physical obstacles to out-of-control motor vehicles are eliminated.

Subp. 11. **Controlled access highway.** "Controlled access highway" means every highway, street, or roadway in respect to which the right of access of the owners or occupants of abutting lands and other persons has been acquired and to which the owners or occupants of abutting lands and other persons have no legal right of access to or from the same except at such points only and in such manner as may be determined by the public authority having jurisdiction over such highway, street, or roadway.

Subp. 12. **Department.** Unless stated otherwise, "department" means the Department of Transportation of this state. Regardless of the department referred to, however, it is to be considered as acting directly or through its duly authorized officers and agents.

Subp. 13. **Driver.** "Driver" means every person who drives or is in actual physical control of a vehicle, or other device upon which a person or property may be transported.

Subp. 14. **Intersection.** "Intersection" means the area embraced within the prolongation or connection of the lateral curb lines, or, if none, then the lateral boundary lines of the roadways of two highways which join one another, at, or approximately at, right angles, or the area within which vehicles traveling upon different highways joining at any other angle may come in conflict. Where a highway includes two roadways 30 feet or more apart, then every crossing of each roadway of such divided highway by an intersecting highway shall be regarded as a separate intersection. In the event such intersecting highway also includes two roadways 30 feet or more apart, then every crossing of two roadways of such highways shall be regarded as a separate intersection.

Subp. 15. **One-way roadway.** "One-way roadway" means a street or roadway designated and signposted for one-way traffic and on which all vehicles are required to move in one indicated direction.

Subp. 16. **Pedestrian walkway; sidewalk.** "Pedestrian walkway" means that portion of the street or highway between curb lines, or the lateral lines of a roadway, and the adjacent property

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lines intended for the use of pedestrians. An alternate term that may be used is "sidewalk," as defined in Minnesota Statutes, chapter 169. For purposes of these rules a pedestrian walkway may be construed to be a bicycle or recreational vehicle lane but is controlled as to the forms of traffic it may carry other than pedestrians.

Subp. 17. **Recreational vehicle.** "Recreational vehicle" means a special purpose mobile and motive equipment or device not qualifying under the provisions of Minnesota Statutes, chapter 168 for the purposes of taxation in the state of Minnesota, and includes but is not limited to all-terrain vehicles (ATV) and snowmobiles.

Subp. 18. **Recreational vehicle lane.** "Recreational vehicle lane" means that portion of a street or highway or road or way outside of the roadway, improved, designed, or ordinarily used for recreational vehicular travel by the public and placed and maintained by state or local authorities in their respective jurisdictions.

Subp. 19. **Roadway.** "Roadway" means that portion of a highway improved, designed, or ordinarily used for motor vehicular travel. In the event a highway includes two or more separate roadways the term "roadway" as used herein shall refer to any such roadway separately but not to all such roadways collectively.

Subp. 20. **Rural section.** "Rural section" is a highway design that has wide rights-of-way, open ditches for drainage, and a clearway of 30 feet from the edge of the outside lane.

Subp. 21. **Shoulder.** "Shoulder" means that part of the roadway which is contiguous to the regularly traveled portion of the roadway and is on the same level as the roadway. The shoulder may be pavement, gravel, or earth.

Subp. 22. **Sidewalk.** "Sidewalk" means that portion of a street between the curb lines, or the lateral lines of a roadway, and the adjacent property lines intended for the use of pedestrians.

Subp. 23. **Street or highway.** "Street or highway" means the entire width between the boundary lines of any way or place when any part thereof is open to the use of the public, as a matter of right, for the purposes of vehicular traffic.

Subp. 24. **Through highway.** "Through highway" means every highway or portion thereof at the entrances to which vehicular traffic from intersecting highways is required by law to stop before entering or crossing the same and when stop signs are erected.

Subp. 25. **Urban district.** "Urban district" means the territory contiguous to and including any street which is built up with structures devoted to business, industry, or dwelling houses situated at intervals of less than 100 feet for a distance of a quarter of a mile or more.

Subp. 26. **Urban section.** "Urban section" means a roadway design used in urban districts where the right-of-way width is restricted. Because of the restricted right-of-way, there is not enough room for ditches, thus necessitating curbs and gutters.

Subp. 27. **Vehicle.** "Vehicle" means a bicycle or recreational vehicle.

8810.6100 PURPOSE AND SCOPE.

Subpart 1. **Purpose.** The purpose of parts 8810.6000 to 8810.7000 is to carry out the mandate of the legislature and to effectuate that mandate as set forth in Minnesota Statutes, section 160.262, as amended by Laws of Minnesota 1973, chapter 620, section 1, with reference to the establishment of model standards for bicycle and recreational vehicle lanes on and along proposed and existing public roadways and governing state trunk highways.

Subp. 2. **Scope.** The scope of parts 8810.6000 to 8810.7000 is intended to be confined within the framework of and consistent with Minnesota Statutes, section 160.262, and responsive to United States Code, title 23, section 217, as amended by Public Law numbers 93 to 410, the Federal Aid Highway Act of 1973 (bicycle transportation and pedestrian walkways).

8810.6300 CRITERIA FOR DESIRABILITY OF LANES.

Subpart 1. **Design and construction.** The Department of Transportation will have sole jurisdiction to establish bicycle or recreational vehicle lanes on the right-of-way of any state trunk highway. The Department of Transportation will be responsible for all designs and construction on all lane facility projects within the right-of-way of any state trunk highway. Any such services performed for other state agencies or local governmental units will be done on a reimbursable basis. The Department of Transportation may provide services for the development of lane facilities for other agencies and local units of government upon request and upon such terms as may be mutually agreed upon. The Department of Transportation will consider building bicycle or recreational vehicle lane facilities during the construction, reconstruction, or improvement of

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any trunk highway or permit the establishment of such facilities within state trunk highway right-of-way when:

- A. a proposed highway project destroys an existing lane of demonstrated or potential use and no desirable alternative is available to the user; or
- B. there is no pedestrian or nonmotorized access along or across an existing or proposed grade separated or through trunk highway or intersection in an urban area (example: access to the four quadrants created by two intersecting freeways); or
- C. there are fringe development areas not meeting the urban district definition along trunk highways that have no nonmotorized access (example: residential or commercial development along trunk highways on the outskirts of town); or
- D. the facility is part of a comprehensive trail planning process on a local, regional, or statewide basis, and the facility must materially benefit the safety of the traveling public; such as, the elimination of a potential safety hazard caused by anticipated bicycle or recreational vehicle traffic on or near the roadways of a trunk highway (example: heavy bicycle travel along a trunk highway between a town and an outlying school);
- E. the highway right-of-way can safely accommodate the facility;
- F. there is sufficient projected bicycle or recreational vehicle traffic;
- G. the facility cannot be safely and feasibly constructed and utilized outside of the right-of-way (example: no suitable network of adjacent residential streets or existing parallel facilities exist);
- H. the facility use does not conflict with existing utilities located on highway right-of-way or adjacent land use;
- I. the facility provides commuter transportation; or connects existing or proposed facilities; or connects areas or points of natural, scientific, cultural, historical, educational, or economic interest;
- J. multiuse facilities do not conflict with each other or use during more than one season is feasible.

Subp. 2. **Traffic volume criteria.** Based upon part 8810.9910, the department will consider the establishment of bicycle or recreational vehicle lanes by use and type in accordance with the traffic volumes and other limitations shown. Exceptions to these traffic volume criteria may be made if good cause can be shown and upon approval of the commissioner of transportation.

As motor vehicle traffic volumes increase the form that a bicycle or recreational vehicle lane may take and traffic control measures (or other physical safety precautions built into the facility) will also increase in physical design and safety standards.

Subp. 3. **Bicycle traffic.** The provisions of Minnesota Statutes, section 169.222 shall apply for all persons driving or operating a bicycle upon a roadway. The provisions of Minnesota Statutes, sections 169.09 to 169.13 shall also apply in substance and effect insofar as applicable and consistent with reference to bicycle lanes on trunk highways.

Subp. 4. **Bicycle recreational vehicle traffic.** The provisions of Minnesota Statutes, sections 169.09 to 169.13 shall also apply in substance and effect insofar as applicable and consistent with reference to drivers or operators of bicycle or recreational vehicles on controlled access trunk highways. Minnesota Statutes, sections 169.13 and 169.18 shall also apply.

8810.6400 MAINTENANCE CRITERIA.

The responsibility for maintaining bicycle and recreational vehicle lanes within the limits of trunk highway rights-of-way shall be the responsibility of the department of transportation when the facility is located immediately adjacent to the roadway (highway shoulder); or the responsibility of the appropriate local or other governmental unit when the facility is separate from the roadway.

Normal maintenance activities shall be provided for the maintenance of lanes established within trunk highway rights-of-way. These activities shall include, when applicable, but not be limited to: maintenance of drainage; debris removal; sweeping of lane surfaces; mowing and brush removal; surface maintenance; surface grading; snowplowing, when applicable; painting of stripes and stencils.

8810.6500 PLACEMENT OF BICYCLE OR RECREATIONAL VEHICLE LANES.

Bicycle or recreational vehicle lanes built subsequent to the date of adoption of these rules will be placed outside of a 30-foot (9.1 meters) clearway when located within the right-of-way

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of any state trunk highway with fully controlled access. Exceptions may be made at structure locations including but not limited to bridges.

Bicycle facilities built within the right-of-way of any state trunk highway shall be classified as a route; lane, no barrier; lane with barrier or path as defined in part 8810.6000, subparts 5 to 8. Desirable configurations are indicated in: part 8810.9911 for lane, no barrier; part 8810.9912 for lane with barrier; and part 8810.9913 for path (design for new facilities).

8810.6600 MINIMUM DESIGN STANDARDS.

Subpart 1. **Minimum criteria.** The following standards are minimum criteria which may not be reduced to lesser values and constitute the lowest design limits. The values are not to be used as general design standards, but should generally be exceeded.

Subp. 2. **Vertical clearance.** The vertical clearance between an overhead obstruction and the surface of bicycle or recreational vehicle lanes shall be not less than ten feet (three meters).

Subp. 3. **Lane width.** Bicycle facilities shall have a minimum surfaced width of four feet (1.2 meters) for one-way and six feet (1.8 meters) for two-way travel.

Subp. 4. **Design speed.** The design speed for bicycle facilities shall not be less than ten mph. For downgrades, design speeds may be in the range of 25 mph or greater.

Subp. 5. **Sight distance.** The sight distance to any hazard or potential hazard for a bicycle facility shall be a minimum of 50 feet (15.2 meters).

Subp. 6. **Grades.** Bikeway grades should not exceed five percent except for short distances.

Subp. 7. **Radius of curvature.** The minimum radius of curvature for bikeways is figured by the formula: $R = 1.25 V + 1.5$

R = radius of curvature in feet

V = velocity in miles per hour.

8810.6700 BICYCLE OR RECREATIONAL VEHICLE ON HIGHWAY.

No provision within these rules shall be deemed to be in conflict with the provisions of Minnesota law with respect to the operations on trunk highway right-of-way of any form of bicycle or recreational vehicle now or hereafter defined. Particular reference is made to Minnesota Statutes, sections 84.81 to 84.87 in this regard.

8810.6800 PUBLIC USE OF TRUNK HIGHWAYS.

No prohibition is intended or implied within these rules as to the rights of the public to use, occupy, traverse, or travel the trunk highways of the state of Minnesota except where such prohibition is established by law or other promulgated rule not a part of these rules.

8810.6900 PRIVATE ROADWAYS.

Nothing in these rules shall be construed to prevent the owner of real property used by the public for purposes of bicycle or recreational vehicular travel by permission of the owner and not as a matter of right, from prohibiting such use, or from requiring other or different or additional conditions than those specified in these rules, or otherwise regulating such use as may seem best to such owner.

8810.7000 GRADE RAILROAD CROSSINGS.

In the event a proposed bicycle or recreational vehicle lane intersects at grade the right-of-way and tracks of a railroad, the approval of the Minnesota Transportation Department with respect to the public safety aspects of the crossing shall be first secured.

8810.9910 TRAFFIC CRITERIA: BICYCLE, RECREATIONAL VEHICLE LANE.

[Image Not Shown]

8810.9911 BIKE LANE WITH NO BARRIER.

[Image Not Shown]

8810.9912 BIKE LANE WITH BARRIER.

[Image Not Shown]

8810.9913 DESIRABLE BIKE PATH DESIGN.

APPENDIX
Repealed Minnesota Rule: S1060-3
[Image Not Shown]