

**SENATE**  
**STATE OF MINNESOTA**  
**EIGHTY-NINTH SESSION**

**S.F. No. 1525**

(SENATE AUTHORS: CHAMPION)

| DATE       | D-PG | OFFICIAL STATUS  |
|------------|------|--|
| 03/09/2015 | 610  | Introduction and first reading<br>Referred to Transportation and Public Safety |
| 03/18/2015 |      | Comm report: To pass as amended and re-refer to Judiciary                      |

A bill for an act

1.1  
1.2 relating to transportation; modifying various provisions impacting or enforced  
1.3 by the Department of Transportation; making technical changes; amending  
1.4 Minnesota Statutes 2014, sections 160.20, subdivision 4; 160.266, subdivisions  
1.5 2, 3, by adding subdivisions; 161.321, subdivisions 2a, 2c, 4.

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

1.7 Section 1. Minnesota Statutes 2014, section 160.20, subdivision 4, is amended to read:

1.8 Subd. 4. **Conditions.** (a) A road authority may accept applications for permits for  
1.9 installation of drain tile along or across the right-of-way under its jurisdiction. The road  
1.10 authority may adopt reasonable rules for the installations and may require a bond before  
1.11 granting a permit. Permits for installation along a highway right-of-way must ensure that  
1.12 the length of the installation is restricted to the minimum necessary to achieve the desired  
1.13 agricultural benefits. A permit must not allow open trenches to be left on the right-of-way  
1.14 after installation of the drain tile is completed. A road authority that grants a permit for  
1.15 tile drain installation is not responsible for damage to that installation resulting from the  
1.16 action of the authority or any other permittee utilizing the right-of-way.

1.17 (b) A person who installs drain tile along or across a highway right-of-way without  
1.18 obtaining a permit as provided in this section is guilty of a misdemeanor.

1.19 (c) The commissioner shall take no action under this section which will result in the  
1.20 loss of federal aid for highway construction in the state.

1.21 (d) For the purpose of ~~this section~~ subdivisions 2 to 4, "highway" means any  
1.22 highway as defined in section 160.02 which is located outside the corporate limits of a  
1.23 home rule charter or statutory city.

1.24 Sec. 2. Minnesota Statutes 2014, section 160.266, subdivision 2, is amended to read:

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

2.11 Sec. 3. Minnesota Statutes 2014, section 160.266, subdivision 3, is amended to read:

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

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

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

2.19 (b) The requirements of this subdivision are a secondary priority for use of funds  
 2.20 available under this section following establishment and enhancement of the ~~bikeway~~  
 2.21 bikeways ~~under subdivision 1~~ this section.

2.22 Sec. 4. Minnesota Statutes 2014, section 160.266, is amended by adding a subdivision  
 2.23 to read:

2.24 Subd. 6. **Mississippi River Trail.** The Mississippi River Trail bikeway shall  
 2.25 originate at Itasca State Park in Clearwater, Beltrami, and Hubbard Counties, then generally  
 2.26 parallel the Mississippi River through the cities of Bemidji in Beltrami County, Grand  
 2.27 Rapids in Itasca County, Brainerd in Crow Wing County, Little Falls in Morrison County,  
 2.28 Sauk Rapids in Benton County, St. Cloud in Stearns County, Minneapolis in Hennepin  
 2.29 County, St. Paul in Ramsey County, Hastings in Dakota County, Red Wing in Goodhue  
 2.30 County, Wabasha in Wabasha County, Winona in Winona County, and La Crescent  
 2.31 in Houston County to Minnesota's boundary with Iowa and there terminate. Where  
 2.32 opportunities exist, the bikeway may be designated on both sides of the Mississippi River.

3.1 Sec. 5. Minnesota Statutes 2014, section 160.266, is amended by adding a subdivision  
3.2 to read:

3.3 Subd. 7. **James L. Oberstar Memorial Bikeway.** The James L. Oberstar Memorial  
3.4 Bikeway shall originate in the city of St. Paul in Ramsey County, then proceed north  
3.5 through the cities of North Branch in Chisago County, Hinckley in Pine County, Carlton in  
3.6 Carlton County, Duluth in St. Louis County, Two Harbors in Lake County, and Grand  
3.7 Marais in Cook County to Minnesota's boundary with Canada and there terminate.

3.8 Sec. 6. Minnesota Statutes 2014, section 161.321, subdivision 2a, is amended to read:

3.9 Subd. 2a. **Small targeted group business; subcontracting goals.** (a) The  
3.10 commissioner, as a condition of awarding a construction contract, may set goals that  
3.11 require the prime contractor to subcontract portions of the contract to small targeted group  
3.12 businesses. ~~Prime contractors must demonstrate good faith efforts to meet the project goals.~~  
3.13 ~~The commissioner shall establish a procedure for granting waivers from the subcontracting~~  
3.14 ~~requirement when qualified small targeted group businesses are not reasonably available.~~  
3.15 The prime contractor may request a subcontracting goal waiver for the difference between  
3.16 the level of targeted group small business participation the prime contractor has obtained  
3.17 and the level specified in the goal. The commissioner may grant the waiver only if the  
3.18 prime contractor has demonstrated good faith efforts to meet the goal. The commissioner  
3.19 shall establish a procedure for evaluating the good faith efforts of contractors. The  
3.20 commissioner may establish (1) financial incentives for prime contractors who exceed the  
3.21 goals set for the use of subcontractors under this subdivision; and (2) sanctions for prime  
3.22 contractors who fail to make good faith efforts to meet the goals set under this subdivision.

3.23 (b) The small targeted group business subcontracting requirements of this  
3.24 subdivision do not apply to prime contractors who are small targeted group businesses.

3.25 Sec. 7. Minnesota Statutes 2014, section 161.321, subdivision 2c, is amended to read:

3.26 Subd. 2c. **Veteran-owned small business; subcontracting goals.** (a) The  
3.27 commissioner, as a condition of awarding a construction contract, may set goals that  
3.28 require the prime contractor to subcontract portions of the contract to veteran-owned small  
3.29 businesses, except when prohibited by federal law or rule as a condition of receiving  
3.30 federal funds. ~~Prime contractors must demonstrate good faith efforts to meet the project~~  
3.31 ~~goals. The commissioner shall establish a procedure for granting waivers from the~~  
3.32 ~~subcontracting requirement when qualified veteran-owned small businesses are not~~  
3.33 ~~reasonably available.~~ The prime contractor may request a subcontracting goal waiver  
3.34 for the difference between the level of veteran-owned small business participation the

4.1 prime contractor has obtained and the level specified in the goal. The commissioner may  
 4.2 grant the waiver only if the prime contractor has demonstrated good faith efforts to meet  
 4.3 the goal. The commissioner shall establish a procedure for evaluating the good faith  
 4.4 efforts of contractors. The commissioner may establish (1) financial incentives for prime  
 4.5 contractors who exceed the goals set for the use of subcontractors under this subdivision;  
 4.6 and (2) sanctions for prime contractors who have not been granted a waiver and fail  
 4.7 to meet goals set under this subdivision.

4.8 (b) The subcontracting requirements of this subdivision do not apply to prime  
 4.9 contractors who are veteran-owned small businesses.

4.10 Sec. 8. Minnesota Statutes 2014, section 161.321, subdivision 4, is amended to read:

4.11 Subd. 4. **Contract awards, limitations.** Contracts awarded pursuant to this section  
 4.12 ~~are may be~~ subject to all limitations contained in rules adopted by the commissioner  
 4.13 of administration.

4.14 Sec. 9. **LEGISLATIVE ROUTE NO. 275 REMOVED.**

4.15 (a) Minnesota Statutes, section 161.115, subdivision 206, is repealed effective the  
 4.16 day after the commissioner of transportation receives a copy of the agreement between the  
 4.17 commissioner and the governing body of Lac qui Parle County to transfer jurisdiction  
 4.18 of Legislative Route No. 275 and after the commissioner notifies the revisor of statutes  
 4.19 under paragraph (b).

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

4.24 Sec. 10. **ALTERNATIVE DAMAGES APPRAISAL; OFFICE OF**  
 4.25 **ADMINISTRATIVE HEARINGS.**

4.26 (a) In lieu of a commissioners' hearing for award of damages under Minnesota  
 4.27 Statutes, section 117.075, the commissioner of transportation is authorized to petition the  
 4.28 court for a referral to the Office of Administrative Hearings. Upon referral to the Office of  
 4.29 Administrative Hearings by the court, an administrative law judge shall conduct a hearing  
 4.30 for the purpose of determining and awarding damages. The hearing must be conducted in a  
 4.31 manner consistent with the contested case procedures under Minnesota Statutes, chapter 14.

4.32 (b) The commissioner of transportation may petition for a referral under paragraph  
 4.33 (a) for up to five transportation projects.

5.1 (c) This section expires June 30, 2017.