171.07 DRIVERS LICENSES AND DRIVER TRAINING

legal authority for the removal of all body organs or parts upon death of the donor for the purpose of transplantation and the designation shall be removed only upon written notice to the department. No designation may be noted upon the driver's license or Minnesota identification card of any person under 18. Delivery of the license or Minnesota identification card during the donor's lifetime is not necessary to make the gift valid.

[1977 c 361 s 1-3]

CHAPTER 174. DEPARTMENT OF TRANSPORTATION

Sec.		Sec.	
174.02	Commissioner: powers: duties.	174.23	General powers and duties. [New]
174.06	Transfer of powers.	174.24	Public transit subsidy program. [New]
174.14	Value analysis of projects; policy. [New]	174.25	Paratransit service demonstration grant
174.15	Definitions. [New]		program. [New]
174.16	Contracts to include value analysis au-	174.26	Regular route transit demonstration
	thorization. (New)		grant program. [New]
174.17	Evaluation of value engineering propos-	174.27	Public employer commuter van pro-
	als. [New]		grams. [New]
174.21	Public transit assistance and transporta-	174.28	Performance funding. [New]
	tion management; purpose. [New]	174.50	Minnesota state transportation fund.
174.22	Definitions, [New]		•

174.02 Commissioner; powers; duties.

. Subdivision 1. Appointment. The department shall be supervised and controlled by the commissioner of transportation, who shall be appointed by the governor and serve under the provisions of section 15.06.

[For text of subds 2 to 5, see M.S.1976]

[1977 c 305 s 23]

174.06 Transfer of powers.

[For text of subds 1 to 3, see M.S.1976]

Subd. 4. [Repealed, 1977 c 454 s 49]

[For text of subds 5 and 6, see M.S.1976]

Subd. 7. Proposals for implementation. It is the intent of the legislature that gas, oil, slur and other pipelines, long distance conveyor belt systems and other modes of transportation not now regulated by the state be constructed and operated in a manner that best serves the public good and complements other means of transportation. The commissioner of transportation shall submit to the governor and the legislature, no later than January 1, 1979, specific proposals, drafted in bill form if appropriate, to implement this policy within the areas of responsibility assigned to the department of transportation.

[For text of subd 8, see M.S.1976]

[1977 c 124 s 1]

174.14 Value analysis of projects; policy.

The legislature finds that the application of the principles and techniques of value analysis in reducing the cost of state construction projects is in the interest of the efficient operation of state government. It is therefore the policy of the legislature to support, encourage and, where necessary, to authorize the application of some or all of those principles by agencies and departments of the state.

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[ 1977 c 251 s 1 ]
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DEPARTMENT OF TRANSPORTATION 174.17

174.15 Definitions.

Subdivision 1. For the purposes of sections 174.14 to 174.17, and unless a different meaning is indicated by the context, the terms defined in this section have the meanings given them.

- Subd. 2. "Construction project" means any state construction project undertaken by the department of transportation.
- Subd. 3. "Value analysis" means the systematic and creative functional analysis of construction projects, specifications, standards, practices and procedures for the purposes of identifying and eliminating unnecessary costs by developing modifications which satisfy required functions of a project for the lowest cost in a manner consistent with requirements for performance, reliability, quality and maintainability.
- Subd. 4. "Value engineering proposal" means a formal written proposal with supporting documentation. A value engineering proposal shall be developed by application of value analysis principles, shall be documented by a contractor or subcontractor pursuant to the provisions of the construction contract, and shall suggest one or more changes in the construction project, specifications, standards, practices or procedures which would result in direct and immediate net savings in terms of reducing the costs of the construction contract.

[1977 c 251 s 2]

174.16 Contracts to include value analysis authorization.

All contracts for construction projects may contain contract provisions which:

- (a) Authorize the contractor, with regard to specified matters governed by the contract, and any subcontractor, with regard to matters governed by the subcontracting agreement with the contractor, to submit value engineering proposals as provided in sections 174.15 to 174.17;
- (b) Specify such procedural and substantive requirements for the preparation, development and documentation for value engineering proposals as may be required for the particular construction project;
- (c) Require that copies of all value engineering proposals and all supporting documents be submitted to the commissioner of transportation; and
- (d) Provide that if a value engineering proposal is adopted for the construction project contract as provided in section 174.17, a supplemental agreement shall reduce contract payments to the contractor or subcontractor that submitted the value engineering proposal, by an amount equal to one-half of the amount of direct and immediate net savings under the contract resulting from the adoption of the value engineering proposal.

[1977 c 251 s 3]

174.17 Evaluation of value engineering proposals.

Subdivision 1. After receipt of a value engineering proposal and supporting documents, the commissioner of transportation shall investigate and analyze the value engineering proposal, estimate the amount of the direct and immediate net savings in terms of construction project contract costs which would result upon adoption of the value engineering proposal.

Subd. 2. Subject to the provisions of sections 174.15 to 174.17 and the provisions of any other applicable law, if the commissioner of transportation determines, based upon the reports and recommendations of his department, that adoption of a value engineering proposal will result in direct and immediate savings in the construction project contract costs, the commissioner shall approve and authorize the adoption of the implementing supplemental agreement and the supplemental agreement shall be processed and adopted as otherwise provided by law.

[1977 c 251 s 4]

174.21 DEPARTMENT OF TRANSPORTATION

174.21 Public transit assistance and transportation management; purpose.

It is the purpose of sections 174.21 to 174.27 to increase vehicle occupancy, to reduce the use of vehicles occupied by only one person and the congestion, pollution, energy consumption, highway damage, and other costs associated with such use and to increase the efficiency and productivity of and benefit from public investments in road space and transportation and transit facilities and systems in the state.

[1977 c 454 s 18]

174.22 Definitions.

Subdivision 1. For the purposes of sections 174.21 to 174.27 the following terms have the meaning given them.

Subd. 2. "Commuter van" has the meaning given it in section 221.011, subdivision 22, clause (l).

Subd. 3. "Metropolitan council" means the council established by section 473.123.

Subd. 4. "Metropolitan transit commission" means the commission established by section 473.404.

Subd. 5. "Operating deficit" means the amount by which the total prudent operating expenses incurred in the operation of the public transit system exceeds the amount of operating revenue derived therefrom and the amount of any social fare reimbursement pursuant to section 174.24, subdivision 4.

Subd. 6. "Paratransit" means the transportation of passengers by motor vehicle or other means of conveyance by persons operating on a regular and continuing basis and the transportation or delivery of packages in conjunction with an operation having the transportation of passengers as its primary and predominant purpose and activity, but excluding regular route transit. "Paratransit" includes transportation by car pool and commuter van, point deviation and route deviation services, shared-ride taxi service, dial-a-ride service, and other similar services.

Subd. 7. "Public transit" or "transit" means general or specific transportation service provided to the public on a regular and continuing basis. "Public transit" or "transit" includes paratransit and regular route transit.

Subd. 8. "Regular route transit" means transportation of passengers for hire by a motor vehicle or other means of conveyance by any person operating on a regular and continuing basis as a common carrier on fixed routes and schedules. "Regular route transit" does not include transportation of children to or from school or of passengers between a common carrier terminal station and a hotel or motel, transportation by common carrier railroad or common carrier railroads or by taxi, transportation furnished by a person solely for his or its employees or customers, or paratransit.

[1977 c 454 s 19]

174.23 General powers and duties.

Subdivision 1. General. The commissioner shall have all powers necessary and convenient to carry out the provisions of sections 174.21 to 174.27 including the power to: (a) review applications for financial assistance, execute contracts, and obligate and expend program funds, upon conditions and limitations as the commissioner deems necessary for purposes of program and project implementation, operation, and evaluation, (b) accept and disburse federal funds available for the purposes of sections 174.21 to 174.27, and (c) act upon request as the designated agent of any eligible person for the receipt and disbursal of federal funds. The commissioner shall perform the duties and exercise the powers under sections 174.21 to 174.27 in coordination with and in furtherance of statewide, regional, and local transportation plans and transportation development programs.

Subd. 2. Financial assistance. The commissioner shall seek out and select eligible recipients of financial assistance under sections 174.21 to 174.27. The commissioner shall establish by rule the procedures and standards for review and approval

DEPARTMENT OF TRANSPORTATION 174.23

of applications for financial assistance submitted to the commissioner pursuant to sections 174.21 to 174.27. Any applicant shall provide to the commissioner any financial or other information required by the commissioner to carry out his duties. The commissioner may require local contributions from applicants as a condition for receiving financial assistance. The commissioner shall not approve any grant unless: (1) the application for the grant has been reviewed and approved by the appropriate regional development commission or the metropolitan council only for consistency with regional transportation plans and development guides; and (2) in the case of a project to be operated in the metropolitan area, the application has been reviewed by the metropolitan transit commission for consistency with its transportation development program. Any regional development commission that has not adopted a transportation plan may review but may not approve or disapprove of any application.

- Subd. 3. Technical and professional assistance. The commissioner shall offer, use, and apply the information developed pursuant to sections 174.21 to 174.27 to assist and advise political subdivisions and recipients of financial assistance in the planning, promotion, development, operation, and evaluation of programs and projects to accomplish the purposes of sections 174.21 to 174.27. The commissioner shall seek out and select eligible recipients of such technical and professional assistance.
- Subd. 4. Research; evaluation. The commissioner shall conduct research and shall study, analyze, and evaluate concepts, techniques, programs, and projects to accomplish the purposes of sections 174.21 to 174.27, including traffic operations improvements, preferential treatment and other encouragement of transit and paratransit services and high-occupancy vehicles, improvements in the management and operation of regular route transit services, special provision for pedestrians and bicycles, management and control of parking, changes in work schedules, and reduction of vehicle use in congested and residential areas. The commissioner shall examine and evaluate such concepts, techniques, programs, and projects now or previously employed or proposed in this state and elsewhere. The commissioner or an independent third party under contract to the commissioner shall monitor and evaluate the management and operation of public transit systems, services, and projects receiving financial or professional and technical assistance under sections 174.21 to 174.27 or other state programs to determine the manner in which and the extent to which such systems, services, and projects contribute or may contribute to the purposes of sections 174.21 to 174.27. The commissioner shall develop and promote proposals and projects to accomplish the purposes of sections 174.21 to 174.27 and shall actively solicit such proposals from municipalities, counties, legislatively established transit commissions and authorities, regional development commissions, the metropolitan council, and potential vendors. In conducting such activities the commissioner shall make the greatest possible use of already available research and information. The commissioner shall use the information developed under sections 174.21 to 174.27 in developing or revising the state transportation plan.
- Subd. 5. Reports. By November 1, 1977, and thereafter in odd-numbered years the commissioner shall report to the appropriate committees of the legislature describing the intended activities under sections 174.21 to 174.27 for the biennium. By November 15, 1978, and thereafter in even-numbered years the commissioner shall report to the legislature on progress in achieving the purposes of sections 174.21 to 174.27. The report shall include a summary and evaluation of the results of the programs and the financial, technical, and professional assistance provided under sections 174.21 to 174.27; a description of the efforts of the commissioner to propose, advocate, and promote projects to accomplish the purposes of sections 174.21 to 174.27; an analysis of the role of private providers in the delivery of public transit services and recommendations for funding private and public providers and for coordinating the delivery of transit services by private and public providers; and the commissioner's findings, conclusions, and recommendations respecting the manner in which and the extent to which the programs, projects, and research under sections 174.21 to 174.27 contribute or may contribute to the purposes of sections 174.21 to 174.27.

[1977 c 454 s 20]

174.24 DEPARTMENT OF TRANSPORTATION

174.24 Public transit subsidy program.

Subdivision 1. Establishment; purpose. A public transit subsidy program is established to provide financial assistance from the state to eligible recipients. The purpose of the public transit subsidy program shall be to supplement local effort in financing public transit systems in order to preserve and develop public transit and a balanced transportation system in the state.

- Subd. 2. Eligibility; applications. Any legislatively established public transit commission or authority, any county or statutory or home rule charter city providing financial assistance to or operating public transit, any private operator of regular route transit, or any combination thereof is eligible to receive financial assistance through the public transit subsidy program.
- Subd. 3. Financial assistance. Payment of financial assistance shall be by contract between the commissioner and an eligible recipient. The commissioner shall determine the operating deficit of any public transit system receiving or applying for assistance in accordance with generally accepted accounting principles, provided that any financial assistance received from any agency of the federal government for the operation of a public transit system shall be treated as revenue for the purposes of determining the operating deficit. Where more than one county or municipality contributes assistance to the operation of a public transit system the commissioner shall identify one as lead agency for the purpose of receiving moneys under this section. Payments shall not exceed two-thirds of the operating deficit of a public transit system, except that payments to eligible recipients who are private operators in the transit taxing district defined in section 473.446, subdivision 2, may be up to 100 percent of the operating deficit. Payments to the metropolitan transit commission shall be based upon a performance funding system established by the commissioner or otherwise provided by law.
- Subd. 4. Social fare reimbursement. The commissioner shall reimburse the metropolitan transit commission and any private operators in the transit taxing district defined in section 473.446, subdivision 2 for the difference between the full fare otherwise charged by the commission or private operator and the fare actually charged for any regular route transit service passenger pursuant to the social fare provisions of section 473.408, subdivision 3. Reimbursement shall be paid monthly upon a report by the commission or private operator of the number of reduced fare passengers carried for the preceding calendar month in each reduced fare category and the total amount that otherwise would have been charged for the service by the commission or private operator on a full fare basis.

[1977 c 454 s 21]

174.25 Paratransit service demonstration grant program.

Subdivision 1. **Purpose.** A paratransit service demonstration grant program is established to plan, promote, demonstrate, and evaluate the effectiveness, cost, and efficiency of paratransit as a means of accomplishing the following objectives:

- (a) to provide transportation services in those areas inefficiently or inadequately served by regular route transit;
- (b) to provide transportation services which improve the accessibility and productivity of regular route transit;
- (c) to provide transportation services for persons who because of age or incapacity are unable to drive a private automobile or use existing modes of public transit.
- Subd. 2. Eligibility; applications. Any public or private agency, entity, or person is eligible to receive financial assistance through the paratransit service demonstration program. Applications for grants shall be approved or denied by the commissioner within 120 days of receipt.

[1977 c 454 s 22]

DEPARTMENT OF TRANSPORTATION 174.28

174.26 Regular route transit demonstration grant program.

Subdivision I. **Purpose.** A regular route transit demonstration program is established to demonstrate new regular route transit services and to improve the patronage and productivity of existing regular route transit services.

Subd. 2. Eligibility. Any eligible applicant under section 174.24, subdivision 2, operating, intending to operate, or assisting in the operation of regular route transit service is eligible to receive financial assistance through the regular route transit demonstration program.

[1977 c 454 s 23]

174.27 Public employer commuter van programs.

Any statutory or home rule charter city, county, school district, independent board or agency may acquire or lease commuter vans, enter into contracts with another public or private employer to acquire or lease such vans, or purchase such a service for the use of its employees. The governing body of any such city, county, or school district may by resolution establish a commuter van revolving fund to be used to acquire or lease commuter vans for the use of its employees. Any payments out of the fund shall be repaid to the fund out of revenues derived from the use by the employees of the city, county, or school district, of the vans so purchased or leased. For the purpose of establishing the fund any city, county, or school district is authorized to make a one time levy not to exceed one-tenth of a mill in excess of all taxing limitations, without affecting the amount or rate of taxes which may be levied by the city, county, or school district for other purposes or by any local governments in the area. Any city, county, or school district which establishes a commuter van acquisition program or contracts for this service is authorized to levy a tax not to exceed 1/100 mill for the purpose of paying the administrative and promotional costs of the program which levy shall be in excess of all taxing limitations, without affecting the amount or rate of taxes which may be levied by the city, county, or school district for other purposes or by a local government in the area. The governing body of any city, county, or school district may by resolution terminate the commuter van revolving fund and use the funds for other purposes authorized by law.

[1977 c 454 s 24]

174.28 Performance funding.

Subdivision 1. Definitions. For the purpose of this section the following terms have the meanings given them in this subdivision.

- (a) "Commissioner" means the commissioner of transportation.
- (b) "Contract" means a contract made pursuant to section 174.24.
- (c) "Subsidy per passenger" means the amount calculated pursuant to subdivision 3, clause (b) plus the amount paid under any contract pursuant to subdivision 2, divided by the number of passengers carried on regular route bus service operated by the commission during that year, excluding passengers carried on demonstration routes for which assistance is received pursuant to section 174.26.
- (d) "Municipality" means any statutory or home rule charter city, county or town.
- (e) "Route" means any route on which the commission operates regular route bus service.
- (f) "Revenue attributable to the route" means the total of: (i) the fares actually paid on the route; (ii) amounts reimbursed pursuant to section 174.24, subdivision 4 attributable to service on the route; and (iii) all payments received by the commission from municipalities for retention of service on the route.
- (g) "Route deficit" means the difference between the actual operating cost of any route and the revenue attributable to the route divided by the number of passengers carried on that route including transfers.
- Subd. 2. Basis and form of contract. Any contract entered into by the commissioner and the commission which provides financial assistance to the commis-

174.28 DEPARTMENT OF TRANSPORTATION

sion during any year subsequent to December 31, 1977, shall provide for payment to the commission of an amount which, when added to the amount calculated under subdivision 3, clause (b), and divided by the passengers carried during that period, will provide the commission with a 48 cent subsidy per passenger in calendar year 1978 and a 49 cent subsidy in the first half of 1979. In addition the commissioner shall provide assistance by contract with the commission for general administrative and planning expenses.

- Subd. 3. Subsidy per passenger. (a) After the close of each month, the commission shall report to the commissioner the number of passengers carried during that month on regular route bus service operated by the commission. The commissioner shall use these figures reported by the commission in computing payments due under any contract entered into pursuant to this section. The commission shall make available to the commissioner any information required to permit the commissioner to carry out his duties under this section.
- (b) The commissioner shall calculate the total amount of money received by the commission from all sources to pay the expenses of operating regular route bus service during the calendar year and shall include the following items in that amount:
 - (i) grants from the federal government pursuant to 49 U.S.C. 1604;
- (ii) proceeds of any property tax levied by the commission under section 473.446, clause (a);
- (iii) financial assistance received from political subdivisions, public agencies other than the department of transportation, or private entities or persons whether received as a grant, payment of a contractual obligation or otherwise. The commissioner shall exclude from that amount any revenue received by the commission from fares paid for regular route bus service and money paid by the commissioner to reimburse the commission for providing reduced fare service pursuant to section 473.408 or to permit the commission to operate demonstration services pursuant to section 174.26. The commissioner shall periodically examine the commission's data concerning the number of passengers carried on regular route bus service and the procedures for collecting that data.
- Subd. 4. Procedure for monthly payment. Sums owed under any contract made pursuant to this section shall be paid monthly in a manner determined by the commissioner consistent with subdivisions 1 to 3.

[1977 c 454 s 46]

174.50 Minnesota state transportation fund.

[For text of subds 1 to 6, see M.S.1976]

Subd. 7. The commissioner of transportation shall develop rules, standards and criteria, including bridge specifications, in cooperation with road authorities of political subdivisions, for use in the administration of funds appropriated to the commissioner and for the administration of grants to subdivisions. The maximum use of standardized bridges is encouraged. Funds appropriated to the commissioner from the Minnesota state transportation fund shall be segregated from the highway tax user distribution fund and other funds created by article XIV of the constitution.

[1977 c 454 s 26]

CHAPTER 175. DEPARTMENT OF LABOR AND INDUSTRY

Sec. 175.001 Department of labor and industry.

175.001 Department of labor and industry.

Subdivision 1. Creation and organization. The department of labor and industry is created under the supervision and control of the commissioner of labor and industry which office is hereby established. The commissioner of labor and industry