174.03 DEPARTMENT OF TRANSPORTATION

CHAPTER 174. DEPARTMENT OF TRANSPORTATION

Sec.		Sec.	
174.03	Duties of commissioner.	174.28	Performance funding.
174.23	General powers and duties.	174.29	Coordination of special transportation ser-
174.24	Public transit subsidy program.		vice.
174.245	Public transit capital grant assistance pro- gram.	174.30	Operating standards for special transporta- tion service.
174.25	Paratransit grant program.	174.31	Special demonstration project; coordination
174.255	Paratransit programs; accessibility; insur- ance.		of special transportation service in the metropolitan area.
174.26	Regular route transit improvement pro-	174.50	Minnesota state transportation fund.

174.03 Duties of commissioner.

[For text of subds 1 to 3, see M.S.1978]

Subd. 4. Other duties. The commissioner shall:

- (a) Construct and maintain transportation facilities as authorized by law;
- (b) Cooperate with, and may provide technical and financial assistance to, the metropolitan council and regional development commissions in the regional transportation planning process, in accordance with mutually acceptable terms and conditions;
- (c) Cooperate with and may provide planning and technical assistance upon the request of any political subdivision or other governmental agency in accordance with mutually accepted terms and conditions, except as otherwise restricted by law; and
- (d) Develop, revise and monitor a statewide rail transportation plan as part of the statewide transportation planning process, including a study and evaluation of alternative methods for insuring adequate and economical transportation of agricultural commodities, supplies and other goods to and from rural areas of the state. The plan may include an analysis of rail lines in the state for the purpose of determining: (1) eligibility of rail lines for assistance under federal and state rail assistance programs; and (2) the actions required by the state to insure the continuation of rail service that meets essential state needs and objectives.

[For text of subds 5 to 8, see M.S.1978]

[Ex1979 c 1 s 16]

174.23 General powers and duties.

[For text of subd 1, see M.S.1978]

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 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. Before the commissioner approves any grant, the application for the grant shall be reviewed and approved by the appropriate regional development commission or the metropolitan council only for consistency with regional transportation plans and development guides. If an applicant proposes a project within the jurisdiction of a transit authority or commission or a transit system assisted or operated by a city or county, the application shall also be reviewed by that commission, authority or political subdivision for consistency with its transit programs, policies and plans. Any regional development commission that has not adopted a transportation plan may review but may not approve or disapprove of any application.

DEPARTMENT OF TRANSPORTATION 174.245

[For text of subds 3 to 5, see M.S.1978]

Subd. 6. **Driver training.** The commissioner may make grants to any project eligible for assistance under sections 174.24 to 174.27, for the purpose of training drivers of vehicles operated by the project. The subjects of the training may include safe driving skills, techniques of assisting elderly and handicapped passengers and first aid. The commissioner may also contract with a public or private agency or institution to provide driver training to drivers of vehicles utilized by eligible projects.

[Ex1979 c 1 s 17,18]

174.24 Public transit subsidy program.

[For text of subd 1, see M.S.1978]

- 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 public 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. To be eligible for financial assistance an applicant or recipient shall provide to the commissioner all financial records and other information and shall permit any inspection reasonably necessary to determine the amount of assistance which may be paid to the applicant or recipient. 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. The commissioner may adopt rules establishing performance standards for public transit systems for use in determining the amount of assistance which may be paid to an eligible recipient. Except as otherwise provided in this subdivision, payments shall not exceed two-thirds of the operating deficit of a public transit system. The commissioner shall adopt rules establishing uniform performance standards for private operators of regular route transit systems in the transit taxing district as defined in section 473.446, subdivision 2. Payments to those private operators shall be based on the uniform performance standards and shall not exceed 100 percent of the operating deficit. Payments to the metropolitan transit commission shall be based upon a performance funding system as provided in section 174.28.
- Subd. 4. Social fare reimbursement. The commissioner shall reimburse the metropolitan transit commission for the difference between the full fare otherwise charged by the commission 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 bimonthly upon a report by the commission of the number of reduced fare passengers carried during the reimbursement period in each reduced fare category and the total amount that otherwise would have been charged for the service by the commission on a full fare basis.

[Ex1979 c 1 s 19-21]

174.245 Public transit capital grant assistance program.

Subdivision 1. **Establishment; purpose.** A public transit capital grant assistance program is established to aid eligible recipients to meet federal matching requirements for federal grants available for the purchase and major repair of transit vehicles.

Subd. 2. Eligibility. A political subdivision, public transit authority or other public or private nonprofit agency that operates or provides financial assistance to a public transit system that is eligible to receive capital assistance grants under the Urban

174.245 DEPARTMENT OF TRANSPORTATION

Mass Transportation Act of 1964, Public Law 88-365, as amended, except a public transit authority or commission that operates a public transit system in any city of the first class, is eligible to receive financial assistance through the public transit capital grant assistance program. Grants shall not exceed 50 percent of the non-federal match required. The commissioner shall establish by rule the procedures and standards for review and approval of applications for financial assistance and the criteria to be used in determining priorities in making the grants.

[Ex1979 c 1 s 22]

174.25 Paratransit grant program.

Subdivision 1. **Purpose.** A paratransit program is established to provide grants for paratransit projects designed to accomplish 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.

Grants may be made for demonstration projects or for projects of a type that the commissioner has determined to be successful on the basis of demonstration projects already implemented and evaluated. Except as otherwise provided in this subdivision, grants for a paratransit project shall not exceed two-thirds of the operating deficit and 50 percent of any non-federal share of the capital costs. Grants for a demonstration project, other than grants to the metropolitan transit commission, shall not exceed 90 percent of the capital costs and operating deficit of the project. Grants to the metropolitan transit commission for any paratransit project may be up to 100 percent of the operating deficit but may not include any portion of the capital costs.

[For text of subd 2, see M.S.1978]

[Ex1979 c 1 s 23]

174.255 Paratransit programs; accessibility; insurance.

Subdivision 1. Handicapped accessibility. The commissioner shall require any paratransit project receiving assistance under section 174.24 or 174.25 that includes the operation of two or more vehicles other than automobiles or taxis to provide at least one vehicle that is accessible to handicapped individuals and may require additional accessible vehicles if necessary to serve handicapped individuals expected to use the project. A vehicle is accessible if it is equipped to allow transportation of an individual confined to a wheelchair or using an orthopedic device.

Subd. 2. Assistance in obtaining insurance. In order to reduce the expense of liability insurance required for paratransit projects eligible for assistance under sections 174.24 and 174.25, the commissioner and the commissioner of insurance shall investigate the causes of high liability insurance costs and shall take the appropriate administrative action to assist paratransit projects to obtain liability insurance coverage from qualified insurance carriers at the lowest available cost. Appropriate administrative action includes: (a) taking bids from and negotiating and entering into contracts with qualified carriers to provide liability insurance for eligible paratransit projects that wish to be covered; and (b) providing technical and administrative assistance to eligible paratransit projects to assist them in securing low cost liability insurance.

[Ex1979 c 1 s 24]

174.26 Regular route transit improvement program.

Subdivision 1. **Purpose.** A regular route transit improvement program is established to provide temporary financial assistance for the operation of new regular routes for a period necessary to determine the effectiveness and efficiency of the routes, but not to exceed one year for any route. Grants may also be made under the program for pro-

DEPARTMENT OF TRANSPORTATION 174.28

jects designed to improve the patronage and productivity of existing regular route transit services.

[For text of subd 2, see M.S.1978]

[Ex1979 c 1 s 25]

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 transfers.
 - (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) social fare reimbursement paid 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. Pursuant to the public transit subsidy program the commissioner shall enter one or more contracts with the commission to pay amounts sufficient to provide the commission with a subsidy per passenger of 46.04 cents in the last half of calendar year 1979, 46.74 cents in calendar year 1980, and 48.34 cents in the first half of calendar year 1981 and thereafter.
- 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 including all planning and administration expenses of the commission during the calendar year and shall include the following items in that amount:
- (i) grants for operating assistance and transit planning received from the federal government;
- (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 in the form of regular route bus fares, social fare reimbursement pursuant to section 174.24, subdivision 4 and regular route improvement grants 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.

174.28 DEPARTMENT OF TRANSPORTATION

- Subd. 4. Procedure for bimonthly payment. Sums owed under any contract made pursuant to this section shall be paid bimonthly in a manner determined by the commissioner consistent with subdivisions 1 to 3.
- Subd. 5. Route deficit limit. The commission shall set a maximum route deficit limit, which shall not be exceeded on any of its routes except a route that provides the only regular route bus service to a statutory or home rule charter city located within the transit taxing district as defined in section 473.446, subdivision 2. A route deficit limit set by the commission shall remain in effect for at least six months before a new limit may be set. The commission shall set a route deficit limit and implement that limit not later than January 1, 1980. Notwithstanding the provisions of this section, the commission shall not operate fewer bus routes or trips in areas outside of zone one of the commission than were operated on July 1, 1979.

[Ex1979 c 1 s 26]

174.29 Coordination of special transportation service.

Subdivision 1. **Definition.** For the purpose of sections 174.29 to 174.31 "special transportation service" means motor vehicle transportation provided on a regular basis by a public or private entity or person that is designed exclusively or primarily to serve individuals who are elderly, handicapped, disabled, or economically disadvantaged and who are unable to use regular means of transportation. Special transportation service includes but is not limited to service provided by specially equipped buses, vans, taxis, and volunteers driving private automobiles.

- Subd. 2. **Direction.** In order to provide more adequate access to transportation service for the elderly, handicapped and others with special transportation needs and to more efficiently utilize public and private funds expended for that purpose, all state agencies that assist, provide, reimburse or regulate special transportation services shall promote, support and facilitate coordination of those services with other special services and with regular transportation services offered to the general public.
- Subd. 3. Interagency task force. The commissioner or chief administrative officer of each department, agency or board of the state that assists, provides, reimburses or regulates special transportation services shall serve or appoint a representative to serve on an interagency task force on coordination of special transportation programs. The departments of economic security, education, health, public safety, public welfare and transportation, the council on the handicapped and the board on aging shall be represented on the task force. The commissioner of transportation shall appoint members of the task force representing other departments, boards or agencies of the state that assist, provide, reimburse or regulate special transportation service and shall appoint up to five additional members representing the metropolitan council, regional development commissions and public and private entities that provide special transportation service. The commissioner of transportation shall furnish necessary administrative support for the task force and shall chair or appoint a representative to chair the task force.

The task force shall:

- (a) Identify the programs administered by state departments, agencies or boards to assist, provide, reimburse or regulate special transportation service and identify for each program the amount of state and federal money spent, the types of service provided, the types of individuals served and constraints on coordination with other special or regular transportation services;
- (b) Identify possible strategies and opportunities for coordination of programs for special transportation services and evaluate them for effectiveness in improving or expanding access to transportation for those with special transportation needs and for efficiency in use of public investments and public funds;
- (c) Develop a continuing procedure for interagency cooperation and communication concerning special and regular transportation programs and concerning the adoption of state operating standards for providers of special transportation service;
- (d) Develop alternative ways in which transportation programs and expenditures of those agencies required to provide or reimburse special transportation services as a component of other programs such as human services and educational programs can be

DEPARTMENT OF TRANSPORTATION 174.30

coordinated with the programs and expenditures of agencies authorized to provide capital and operating assistance to operators of special and regular transportation service:

- (e) Examine the feasibility of transportation voucher systems as a method of improving access to transportation for those with special transportation needs and decreasing capital and operating costs incurred by public agencies to support or provide that transportation. Voucher systems examined shall include systems which allow or require participation by agencies providing transportation as a component of other programs:
- (f) Recommend the adoption of policies, rules and legislation necessary to implement programs which it has identified or developed as a result of its study and evaluation; and
- (g) Report its findings, conclusions and recommendations to the legislature, including written and oral presentations to the appropriate standing committees. The task force shall make a preliminary report to the legislature not later than November 1, 1979. The preliminary report shall include the task force's findings under clause (a) and any additional findings, conclusions and recommendations which are appropriate for action by the legislature at the 1980 session. A final report covering all items set forth in clauses (a) to (f) shall be made to the legislature not later than July 1, 1980. This subdivision shall expire on December 31, 1980.

[Ex1979 c 1 s 27]

174.30 Operating standards for special transportation service.

Subdivision 1. **Special definition.** For the purpose of this section "special transportation service" does not include transportation provided by a common carrier operating on fixed routes and schedules, a taxi, a volunteer driver using a private automobile, a school bus as defined in section 169.01, subdivision 6, or an emergency ambulance regulated under chapter 144.

Subd. 2. Authority to adopt; purpose and content; rulemaking. The commissioner of transportation shall adopt standards for the operation of vehicles used to provide special transportation service which are reasonably necessary to protect the health and safety of individuals using that service. The commissioner, as far as practicable, consistent with the purpose of the standards, shall avoid adoption of standards that unduly restrict any public or private entity or person from providing special transportation service because of the administrative or other cost of compliance.

Standards adopted under this section may include but are not limited to:

- (a) Qualifications of drivers and attendants including driver training requirements;
- (b) Safety equipment required for vehicles;
- (c) General requirements concerning maintenance of standard equipment of vehicles; and
 - (d) Minimum insurance requirements.
- Subd. 3. Other standards; wheelchair securement. A special transportation service that transports individuals occupying wheelchairs is subject to the provisions of sections 299A.11 to 299A.18 concerning wheelchair securement devices. The commissioners of transportation and public safety shall cooperate in the enforcement of this section and sections 299A.11 to 299A.18 so that a single inspection is sufficient to ascertain compliance with sections 299A.11 to 299A.18 and with the standards adopted under this section.
- Subd. 4. Certificate of compliance. The commissioner of transportation shall issue an annual certificate of compliance for each vehicle used to provide special transportation service which complies with the standards adopted under this section. A vehicle subject to subdivision 3 shall be issued a certificate of compliance only if the vehicle also complies with sections 299A.11 to 299A.18. The commissioner shall provide procedures for determining compliance and issuing the certificates. The procedures may include inspection of vehicles and examination of drivers.
- Subd. 5. Rules. The standards authorized under subdivision 2 and the procedures authorized by subdivision 4 shall be adopted by rule in accordance with chapter

174.30 DEPARTMENT OF TRANSPORTATION

- 15. Not later than November 15, 1979, and before proposing any rules under this section the commissioner shall:
- (a) Make available a draft of the rules, a plan for enforcing the rules and a proposed budget for the necessary enforcement activities of the department for review by the standing committees on transportation in both houses of the legislature; and
- (b) Review the draft rules, enforcement plan and proposed budget with the interagency task force on coordination of special transportation service. The commissioner shall adopt the rules necessary to implement this section and commence enforcement of those rules not later than July 1, 1980.
- Subd. 6. Preemption of other requirements. Notwithstanding any other law, ordinance or resolution to the contrary an operator of special transportation service that has been issued a current certificate of compliance under subdivision 4 for a vehicle used to provide that service shall not be required to obtain any other state or local permit, license or certificate as a condition of operating the vehicle for that purpose. This subdivision does not exempt any vehicle from the requirements imposed on vehicles generally as a condition of using the public streets and highways.
- Subd. 7. **Enforcement.** After January 1, 1981, no state agency, political subdivision or other public agency shall provide any capital or operating assistance to or reimbursement for services rendered by any operator of special transportation service unless current certificates of compliance have been issued under subdivision 4 for the vehicles used by the operator to provide the service.

[Ex1979 c 1 s 28]

174.31 Special demonstration project; coordination of special transportation service in the metropolitan area.

- Subdivision 1. **Establishment; objectives.** A special demonstration project for coordination of special transportation service in the metropolitan area as defined in section 473.121, subdivision 2, shall be established and implemented by the commissioner with the following objectives:
- (a) To provide greater access to transportation for the elderly, handicapped and others with special transportation needs in the metropolitan area and particularly to fill all unmet needs for that transportation in the transit taxing district as defined in section 473.446, subdivision 2; and
- (b) To develop an integrated system of special transportation service providing transportation tailored to meet special individual needs in the most cost-efficient manner using existing public and private providers of service.

For the purpose of this section "project" means the demonstration project established under this subdivision.

- Subd. 2. Financing; implementation; management and advisory groups. The project shall be operated pursuant to the rules governing and funded with money available under the paratransit grant program. The commissioner shall not operate the project but shall contract for services necessary for its operation. All transportation service provided through the project shall be provided under a contract between the commissioner and the provider which specifies the service to be provided and the rates for providing it. The commissioner shall establish a committee to set management policies for the project. The management policy committee shall include the commissioner or his designee, representatives of persons contracting to provide services for the project, a representative of the metropolitan council, a representative of the metropolitan transit commission and at least two representatives of the task force established to advise the committee. The meetings of the management policy committee shall be public and minutes of all meetings shall be taken, preserved and made available for public inspection. The commissioner shall establish an advisory task force of individuals representing the elderly, handicapped and other users of service provided by the project to advise the management policy committee.
- Subd. 3. Duties of commissioner. In implementing the project the commissioner shall:

DEPARTMENT OF TRANSPORTATION 174.50

- (a) Encourage participation in the project by public and private providers of special transportation service currently receiving capital or operating assistance from a public agency;
- (b) Contract with public and private providers that have demonstrated their ability to effectively provide service at a reasonable cost;
- (c) Encourage individuals using service provided through the project to use the type of service most appropriate to their particular needs;
- (d) Insure that all persons providing service through the project receive equitable treatment in the allocation of the ridership;
 - (e) Encourage shared rides to the greatest extent practicable;
- (f) Insure that a full range of service is made available through the project to all parts of the metropolitan transit taxing district;
- (g) Encourage public agencies that provide transportation to eligible individuals as a component of human services and educational programs to coordinate with the project and to allow reimbursement for services provided through the project at rates that reflect the public cost of providing those services.
- Subd. 4. Coordination required. The commissioner shall not grant any financial assistance under section 174.24 or 174.25 to any recipient that proposes to use any part of the grant to provide special transportation service in the metropolitan area unless the program is coordinated with the project in the manner determined by the commissioner. A recipient of a grant made before June 8, 1979 shall coordinate its program with the project as far as practicable but shall not be denied any additional grant for which it is otherwise qualified solely because it is not coordinated with the project.
- Subd. 5. Compliance with operating standards. A vehicle providing special transportation service which is subject to the operating standards adopted pursuant to section 174.30 shall not be allowed to provide service through the project after January 1, 1981, unless a current certificate of compliance has been issued to the vehicle.
- Subd. 6. Evaluation and reports. The commissioner shall evaluate the project and submit a report to the legislature in January, 1981, including the following information:
- (a) All amounts of money spent or obligated for the project by the commissioner and the persons receiving those amounts;
- (b) The types of service provided, number of individuals served and areas covered;
 - (c) A comparison of the cost of providing different types of service;
- (d) A review of the achievements or failures of the project, problems encountered in implementation and conclusions and recommendations concerning future action.

The commissioner shall submit a preliminary report to the legislature in January, 1980, covering the above information to the extent it is available at that time.

Subd. 7. Expiration of project. The project shall expire June 30, 1981, and the commissioner shall not enter a contract or make any grant the proceeds of which may be expended for the purpose of implementing or continuing the project beyond June 30, 1981.

[Ex1979 c 1 s 29]

174.50 Minnesota state transportation fund.

[For text of subds 1 to 6, see M.S.1978]

Subd. 6a. The commissioner may make a grant to any political subdivision for preliminary engineering of a river crossing which requires extensive studies and evaluations to determine the environmental impact, location and design features of the crossing. A grant shall not exceed \$300,000 for a single bridge project and shall not be used for the preparation of construction plans or specifications.

174.50 DEPARTMENT OF TRANSPORTATION

Application for a grant shall be made by resolution of the governing body of the subdivision proposing to construct or reconstruct the bridge. A grant under this subdivision is subject to the procedures and criteria provided in subdivisions 4 to 6. A grant shall also be subject to the priority ranking established under the existing rules of the department if the proposed bridge has been ranked under those rules. No new rules are required for the administration of the grant program established by this subdivision.

[For text of subd 7, see M.S.1978]

[1979 c 280 s 3]

CHAPTER 175. DEPARTMENT OF LABOR AND INDUSTRY

Sec.	District of make of an annual con-	Sec. 175.092	D11
175.006 175.08	Division of workers' compensation. Office.	175.092	Repealed.

175.006 Division of workers' compensation.

Subdivision 1. Creation and organization. The division of workers' compensation, generally administering the workers' compensation law, is created within the department of labor and industry. There is created as a separate appellate tribunal for workers' compensation, the workers' compensation court of appeals.

The workers' compensation court of appeals shall be composed of five judges each serving in the unclassified service of the state civil service. Of the five judges, at least three shall be learned in the law. Each judge of the workers' compensation court of appeals shall be appointed by the governor, by and with the advice and consent of the senate, for a term of six years. The judges of the workers' compensation court of appeals as now created shall be the judges of the workers' compensation court of appeals until the expiration of the terms for which they have been appointed and qualified.

[For text of subds 1a to 4, see M.S.1978]

[Ex1979 c 3 s 26]

175.08 Office.

The workers' compensation court of appeals and the department of labor and industry shall maintain their main offices within the Minneapolis-Saint Paul metropolitan area and be provided by the commissioner of administration with suitable rooms and necessary furniture. The offices of the workers' compensation court of appeals and the department of labor and industry shall be in separate buildings. They may hold sessions at any other place in the state when their convenience and that of the parties interested so requires.

[Ex1979 c 3 s 27]

175.092 [Repealed, Ex1979 c 3 s 70]