

HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 4

01/08/2015 Authored by Kelly, Howe, Kiel, Drazkowski, Erickson and others
The bill was read for the first time and referred to the Committee on Transportation Policy and Finance
04/15/2015 Adoption of Report: Amended and re-referred to the Committee on Ways and Means
04/17/2015 Adoption of Report: Placed on the General Register as Amended
Read Second Time

1.1 A bill for an act
1.2 relating to transportation; establishing a budget for transportation; appropriating
1.3 money for transportation, including Department of Transportation, Metropolitan
1.4 Council, and Department of Public Safety activities; amending various
1.5 provisions governing transportation policy and finance; establishing funds and
1.6 accounts; requiring reports; authorizing sale and issuance of trunk highway
1.7 bonds; amending Minnesota Statutes 2014, sections 16A.11, subdivision
1.8 3a; 16A.86, subdivision 2; 16A.88, subdivisions 1a, 2; 16E.15, subdivision
1.9 2; 117.036, subdivisions 2, 4; 160.20, subdivision 4; 160.27, by adding a
1.10 subdivision; 161.04, by adding a subdivision; 161.231; 161.321, subdivisions 2a,
1.11 2c, 4; 162.07, subdivision 1a; 168.053, subdivision 1; 168.1299, subdivision 1;
1.12 169.475, subdivision 2; 169.49; 169.782, subdivisions 1, 2, 4; 169.81, by adding
1.13 a subdivision; 169.865, subdivisions 1, 2, by adding a subdivision; 169.87,
1.14 subdivision 6; 173.02, by adding a subdivision; 173.15; 174.40, by adding a
1.15 subdivision; 174.636, by adding a subdivision; 174.92; 174.93, subdivision 1;
1.16 221.031, by adding a subdivision; 221.605, by adding a subdivision; 299A.465,
1.17 subdivision 5, by adding a subdivision; 299D.085, subdivision 2; 299D.09;
1.18 360.305, subdivision 4; 398A.04, by adding a subdivision; 473.146, subdivision
1.19 4; 473.399, by adding a subdivision; 473.4051, subdivision 2; Laws 2009,
1.20 chapter 158, section 10, as amended; Laws 2014, chapter 312, article 11, section
1.21 3; proposing coding for new law in Minnesota Statutes, chapters 16A; 160; 161;
1.22 162; 168; 174; 299F; repealing Minnesota Statutes 2014, section 299E.02.

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

1.24 **ARTICLE 1**

1.25 **TRANSPORTATION APPROPRIATIONS**

1.26 Section 1. **ROAD AND BRIDGE ACT OF 2015.**

1.27 This act may be cited as the "Road and Bridge Act of 2015."

1.28 Sec. 2. **SUMMARY OF APPROPRIATIONS.**

1.29 The amounts shown in this section summarize direct appropriations by fund made
1.30 in this act, and do not have legal effect.

		<u>2016</u>		<u>2017</u>		<u>Total</u>	
2.1							
2.2	<u>General</u>	\$	<u>64,361,000</u>	\$	<u>40,875,000</u>	\$	<u>105,236,000</u>
2.3	<u>Airports</u>		<u>25,109,000</u>		<u>25,109,000</u>		<u>50,218,000</u>
2.4	<u>C.S.A.H.</u>		<u>844,521,000</u>		<u>786,152,000</u>		<u>1,630,673,000</u>
2.5	<u>M.S.A.S.</u>		<u>218,127,000</u>		<u>197,506,000</u>		<u>415,633,000</u>
2.6	<u>Special Revenue</u>		<u>61,422,000</u>		<u>54,425,000</u>		<u>115,847,000</u>
2.7	<u>H.U.T.D.</u>		<u>10,436,000</u>		<u>10,449,000</u>		<u>20,885,000</u>
2.8	<u>Trunk Highway</u>		<u>1,759,687,000</u>		<u>1,809,068,000</u>		<u>3,568,755,000</u>
2.9	<u>Transportation Stability</u>		<u>25,000,000</u>		<u>25,000,000</u>		<u>50,000,000</u>
2.10	<u>Transit Assistance</u>		<u>331,340,000</u>		<u>351,910,000</u>		<u>683,250,000</u>
2.11	<u>Total</u>	\$	<u>3,340,003,000</u>	\$	<u>3,300,494,000</u>	\$	<u>6,640,497,000</u>

2.12 **Sec. 3. TRANSPORTATION APPROPRIATIONS.**

2.13 The sums shown in the columns marked "Appropriations" are appropriated to
 2.14 the agencies and for the purposes specified in this article. The appropriations are from
 2.15 the trunk highway fund, or another named fund, and are available for the fiscal years
 2.16 indicated for each purpose. Amounts for "Total Appropriation" and sums shown in
 2.17 the corresponding columns marked "Appropriations by Fund" are summary only and
 2.18 do have legal effect. The figures "2016" and "2017" used in this article mean that the
 2.19 appropriations listed under them are available for the fiscal year ending June 30, 2016, or
 2.20 June 30, 2017, respectively. "The first year" is fiscal year 2016. "The second year" is fiscal
 2.21 year 2017. "The biennium" is fiscal years 2016 and 2017.

2.22 style="text-align: center;">**APPROPRIATIONS**
 2.23 style="text-align: center;">**Available for the Year**
 2.24 style="text-align: center;">**Ending June 30**
 2.25 style="text-align: center;">**2016** style="margin-left: 100px;">**2017**

2.26 **Sec. 4. DEPARTMENT OF**
 2.27 **TRANSPORTATION**

2.28 **Subdivision 1. Total Appropriation** style="margin-left: 100px;">**\$** style="text-align: right;">**2,869,033,000** **\$** style="text-align: right;">**2,830,817,000**

	<u>Appropriations by Fund</u>	
	<u>2016</u>	<u>2017</u>
2.30		
2.31	<u>18,058,000</u>	<u>18,058,000</u>
2.32	<u>25,109,000</u>	<u>25,109,000</u>
2.33	<u>844,521,000</u>	<u>768,152,000</u>
2.34	<u>218,127,000</u>	<u>197,506,000</u>
2.35	<u>2,032,000</u>	<u>0</u>
2.36	<u>1,663,396,000</u>	<u>1,710,832,000</u>

3.1	<u>Transportation</u>		
3.2	<u>Stability</u>	<u>25,000,000</u>	<u>25,000,000</u>
3.3	<u>Transit Assistance</u>	<u>64,790,000</u>	<u>68,160,000</u>

3.4 The amounts that may be spent for each
 3.5 purpose are specified in the following
 3.6 subdivisions.

3.7 **Subd. 2. Multimodal Systems**

3.8 **(a) Aeronautics Activity**

3.9	<u>(1) Airport Development and Assistance</u>		<u>19,798,000</u>	<u>19,798,000</u>
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3.10 This appropriation is from the state
 3.11 airports fund and must be spent according
 3.12 to Minnesota Statutes, section 360.305,
 3.13 subdivision 4.

3.14 The base appropriation in each of fiscal years
 3.15 2018 and 2019 is \$14,323,000.

3.16 Notwithstanding Minnesota Statutes, section
 3.17 16A.28, subdivision 6, this appropriation
 3.18 is available for five years after the date of
 3.19 appropriation.

3.20 If the appropriation for either year is
 3.21 insufficient, the appropriation for the other
 3.22 year is available for it.

3.23	<u>(2) Aviation Support and Services</u>		<u>6,411,000</u>	<u>6,411,000</u>
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3.24	<u>Appropriations by Fund</u>		
3.25		<u>2016</u>	<u>2017</u>
3.26	<u>Airports</u>	<u>5,311,000</u>	<u>5,311,000</u>
3.27	<u>Trunk Highway</u>	<u>1,100,000</u>	<u>1,100,000</u>

3.28 \$80,000 in each year is from the state airports
 3.29 fund for the Civil Air Patrol.

3.30 The base appropriation from the general
 3.31 fund in each of fiscal years 2018 and 2019 is
 3.32 \$1,100,000.

4.1 The base appropriation from the trunk
 4.2 highway fund in fiscal year 2018 and
 4.3 thereafter is \$0.

4.4 **(b) Transit** 82,810,000 86,180,000

4.5	<u>Appropriations by Fund</u>	
4.6	<u>2016</u>	<u>2017</u>
4.7	<u>General</u>	<u>17,245,000</u>
4.8	<u>Trunk Highway</u>	<u>775,000</u>
4.9	<u>Transit Assistance</u>	<u>64,790,000</u>

4.10 The transit assistance fund appropriation is
 4.11 from the greater Minnesota transit account
 4.12 under Minnesota Statutes, section 16A.88.

4.13 The base appropriation from the general
 4.14 fund in each of fiscal years 2018 and 2019
 4.15 is \$18,020,000.

4.16 The base appropriation from the transit
 4.17 assistance fund in fiscal year 2018 and
 4.18 thereafter is as provided in Minnesota
 4.19 Statutes, section 16A.88, subdivision 1a.

4.20 The base appropriation from the trunk
 4.21 highway fund in fiscal year 2018 and
 4.22 thereafter is \$0.

4.23 **(c) Safe Routes to School** 500,000 500,000

4.24 This appropriation is from the general fund
 4.25 for the safe routes to school program under
 4.26 Minnesota Statutes, section 174.40.

4.27 **(d) Freight** 7,653,000 5,153,000

4.28	<u>Appropriations by Fund</u>	
4.29	<u>2016</u>	<u>2017</u>
4.30	<u>General</u>	<u>256,000</u>
4.31	<u>Special Revenue</u>	<u>2,500,000</u>
4.32	<u>Trunk Highway</u>	<u>4,897,000</u>

4.33 The special revenue fund appropriation is
 4.34 from the vehicle services operating account
 4.35 for port development assistance program

5.1 grants under Minnesota Statutes, chapter
 5.2 457A. Any improvements made with the
 5.3 proceeds of these grants must be publicly
 5.4 owned. This is a onetime appropriation and
 5.5 is available in the second year.

5.6 The base appropriation from the general
 5.7 fund in each of fiscal years 2018 and 2019 is
 5.8 \$5,153,000.

5.9 The base appropriation from the trunk
 5.10 highway fund in fiscal year 2018 and
 5.11 thereafter is \$0.

5.12 Subd. 3. State Roads

5.13 (a) Operations and Maintenance Activity

5.14	<u>(1) General Operations and Maintenance</u>	<u>221,083,000</u>	<u>234,915,000</u>
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5.15 The base appropriation in fiscal year 2018
 5.16 and thereafter is as provided in Minnesota
 5.17 Statutes, section 161.04, subdivision 7.

5.18	<u>(2) Snow and Ice Management</u>	<u>65,000,000</u>	<u>65,000,000</u>
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5.19 This appropriation is for snow plowing,
 5.20 anti-icing treatment, ice removal, and related
 5.21 expenses.

5.22 If the appropriation in either year is
 5.23 insufficient, the appropriation for the other
 5.24 year is available for it.

5.25 If the appropriation in the second year is
 5.26 insufficient, the commissioner may transfer
 5.27 an amount of up to ten percent of the snow
 5.28 and ice management appropriation for the
 5.29 biennium from the appropriation for general
 5.30 operations and maintenance under clause (1).

5.31 If a balance remains in this appropriation, the
 5.32 commissioner may transfer up to that amount

6.1 for general operations and maintenance
 6.2 under clause (1).

6.3 **(b) Program Planning and Delivery Activity**

6.4	<u>(1) Planning</u>	<u>30,079,000</u>	<u>30,079,000</u>
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6.5 If a balance remains in this appropriation, the
 6.6 commissioner may transfer up to that amount
 6.7 for program delivery under clause (2).

6.8	<u>(2) Program Delivery</u>	<u>179,946,000</u>	<u>166,758,000</u>
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6.9 This appropriation includes use of consultants
 6.10 to support development and management of
 6.11 projects.

6.12 The base appropriation in fiscal year 2018
 6.13 is \$164,238,000 and in fiscal year 2019 is
 6.14 \$150,563,000.

6.15 \$250,000 in the first year is for the
 6.16 interchange safety improvement study under
 6.17 article 3, section 62.

6.18 \$130,000 in each year is available for
 6.19 administrative costs of the department's
 6.20 targeted group business program.

6.21 \$266,000 in each year is available for grants
 6.22 to metropolitan planning organizations
 6.23 outside the seven-county metropolitan area.

6.24 \$900,000 in each year is available for
 6.25 grants for transportation studies outside
 6.26 the metropolitan area to identify critical
 6.27 concerns, problems, and issues. These
 6.28 grants are available: (1) to regional
 6.29 development commissions; (2) in regions
 6.30 where no regional development commission
 6.31 is functioning, to joint powers boards
 6.32 established under an agreement of two or
 6.33 more political subdivisions in the region to

7.1 exercise the planning functions of a regional
 7.2 development commission; and (3) in regions
 7.3 where no regional development commission
 7.4 or joint powers board is functioning, to the
 7.5 department's district office for that region.

7.6 \$1,000,000 in each year is available
 7.7 for management of contaminated and
 7.8 regulated material on property owned by
 7.9 the Department of Transportation, including
 7.10 mitigation of property conveyances, facility
 7.11 acquisition or expansion, chemical release at
 7.12 maintenance facilities, and spills on the trunk
 7.13 highway system where there is no known
 7.14 responsible party. If the appropriation for
 7.15 either year is insufficient, the appropriation
 7.16 for the other year is available for it.

7.17 An amount up to the unexpended balance
 7.18 in the appropriation under Laws 2012, First
 7.19 Special Session chapter 1, article 1, section
 7.20 4, subdivision 3, is available for the purposes
 7.21 stated in Minnesota Statutes, section 12A.16,
 7.22 subdivision 2.

7.23 <u>(c) State Road Construction</u>	<u>897,889,000</u>	<u>905,356,000</u>
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7.24 This appropriation is for the actual
 7.25 construction, reconstruction, and
 7.26 improvement of trunk highways, including
 7.27 design-build contracts. This includes the cost
 7.28 of actual payment to landowners for lands
 7.29 acquired for highway rights-of-way, payment
 7.30 to lessees, interest subsidies, and relocation
 7.31 expenses.

7.32 The base appropriation in fiscal year 2018
 7.33 and thereafter is as provided in Minnesota
 7.34 Statutes, section 161.04, subdivision 7.

8.1 \$1,000,000 in the first year is to complete
 8.2 projects using funds made available to
 8.3 the commissioner of transportation under
 8.4 title XII of the American Recovery and
 8.5 Reinvestment Act of 2009, Public Law
 8.6 111-5, and implemented under Minnesota
 8.7 Statutes, section 161.36, subdivision 7.

8.8 The commissioner may expend up to one-half
 8.9 of one percent of the federal appropriations
 8.10 under this paragraph as grants to opportunity
 8.11 industrialization centers and other nonprofit
 8.12 job training centers for job training programs
 8.13 related to highway construction.

8.14 The commissioner may transfer up to
 8.15 \$15,000,000 each year to the transportation
 8.16 revolving loan fund.

8.17 The commissioner may collect receipts for
 8.18 the partners' share of partnership projects.

8.19 These receipts are appropriated to the
 8.20 commissioner for these projects.

8.21 The commissioner may expend an amount as
 8.22 necessary for land acquisition on Corridors
 8.23 of Commerce projects funded under article
 8.24 2, section 2, subdivision 1.

8.25 <u>(d) Highway Debt Service</u>	<u>197,103,000</u>	<u>236,428,000</u>
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8.26 \$187,603,000 the first year and \$226,928,000
 8.27 the second year are for transfer to the state
 8.28 bond fund. If this appropriation is insufficient
 8.29 to make all transfers required in the year
 8.30 for which it is made, the commissioner
 8.31 of management and budget shall transfer
 8.32 the deficiency amount under the statutory
 8.33 open appropriation, and notify the chairs
 8.34 and ranking minority members of the
 8.35 legislative committees with jurisdiction over

9.1 transportation finance and the chairs of the
 9.2 senate Committee on Finance and the house
 9.3 of representatives Committee on Ways and
 9.4 Means of the amount of the deficiency. Any
 9.5 excess appropriation cancels to the trunk
 9.6 highway fund.

9.7 The base appropriation in fiscal year 2018
 9.8 is \$262,899,000 and in fiscal year 2019 is
 9.9 \$281,012,000.

9.10 **(e) Statewide Radio Communications** 5,171,000 5,171,000

9.11	<u>Appropriations by Fund</u>		
9.12		<u>2016</u>	<u>2017</u>
9.13	<u>General</u>	<u>3,000</u>	<u>3,000</u>
9.14	<u>Special Revenue</u>	<u>32,000</u>	<u>0</u>
9.15	<u>Trunk Highway</u>	<u>5,168,000</u>	<u>5,168,000</u>

9.16 The general fund appropriation is to equip
 9.17 and operate the Roosevelt signal tower for
 9.18 Lake of the Woods weather broadcasting.

9.19 The special revenue fund appropriation is
 9.20 from the vehicle services operating account
 9.21 for a weather transmitter in Lake of the Woods
 9.22 County. This is a onetime appropriation.

9.23 The base appropriation from the general
 9.24 fund in each of fiscal years 2018 and 2019 is
 9.25 \$5,171,000.

9.26 The base appropriation from the trunk
 9.27 highway fund in fiscal year 2018 and
 9.28 thereafter is \$0.

9.29 **Subd. 4. Local Roads**

9.30 **(a) County State-Aid Highway Fund** 844,521,000 768,152,000

9.31 This appropriation is from the county
 9.32 state-aid highway fund under Minnesota
 9.33 Statutes, section 161.081, and chapter 162,
 9.34 and is available until spent.

10.1 If the commissioner of transportation
 10.2 determines that a balance remains in the
 10.3 county state-aid highway fund following
 10.4 the appropriations and transfers made in
 10.5 this paragraph, and that the appropriations
 10.6 made are insufficient for advancing county
 10.7 state-aid highway projects, an amount
 10.8 necessary to advance the projects, not to
 10.9 exceed the balance in the county state-aid
 10.10 highway fund, is appropriated in each year
 10.11 to the commissioner. Within two weeks
 10.12 of a determination under this contingent
 10.13 appropriation, the commissioner of
 10.14 transportation shall notify the commissioner
 10.15 of management and budget and the chairs
 10.16 and ranking minority members of the
 10.17 legislative committees with jurisdiction
 10.18 over transportation finance concerning
 10.19 funds appropriated. The commissioner shall
 10.20 include in the next budget submission to
 10.21 the legislature under Minnesota Statutes,
 10.22 section 16A.11, any additional amount that is
 10.23 appropriated under this paragraph.

10.24	<u>(b) Municipal State-Aid Street Fund</u>	<u>218,127,000</u>	<u>197,506,000</u>
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10.25 This appropriation is from the municipal
 10.26 state-aid street fund under Minnesota
 10.27 Statutes, chapter 162, and is available until
 10.28 spent.

10.29 If the commissioner of transportation
 10.30 determines that a balance remains in the
 10.31 municipal state-aid street fund following the
 10.32 appropriations and transfers made in this
 10.33 paragraph, and that the appropriations made
 10.34 are insufficient for advancing municipal
 10.35 state-aid street projects, an amount necessary

11.1 to advance the projects, not to exceed
 11.2 the balance in the municipal state-aid
 11.3 street fund, is appropriated in each year
 11.4 to the commissioner. Within two weeks
 11.5 of a determination under this contingent
 11.6 appropriation, the commissioner of
 11.7 transportation shall notify the commissioner
 11.8 of management and budget and the chairs
 11.9 and ranking minority members of the
 11.10 legislative committees with jurisdiction
 11.11 over transportation finance concerning
 11.12 funds appropriated. The commissioner shall
 11.13 include in the next budget submission to
 11.14 the legislature under Minnesota Statutes,
 11.15 section 16A.11, any additional amount that is
 11.16 appropriated under this paragraph.

11.17 **(c) Small Cities Assistance** 25,000,000 25,000,000

11.18 This appropriation is from the small cities
 11.19 assistance account in the transportation
 11.20 stability fund under Minnesota Statutes,
 11.21 section 162.145, for small cities assistance
 11.22 under that section.

11.23 The base appropriation in fiscal year 2018
 11.24 is \$27,500,000 and in fiscal year 2019 is
 11.25 \$27,900,000.

11.26 **Subd. 5. Agency Management**

11.27 **(a) Agency Services** 41,972,000 41,972,000

11.28 The base appropriation from the general
 11.29 fund in each of fiscal years 2018 and 2019
 11.30 is \$41,972,000.

11.31 The base appropriation from the trunk
 11.32 highway fund in fiscal year 2018 and
 11.33 thereafter is \$0.

11.34 **(b) Buildings** 17,838,000 17,838,000

12.1	<u>Appropriations by Fund</u>		
12.2		<u>2016</u>	<u>2017</u>
12.3	<u>General</u>	<u>54,000</u>	<u>54,000</u>
12.4	<u>Trunk Highway</u>	<u>17,784,000</u>	<u>17,784,000</u>

12.5 The base appropriation from the general
 12.6 fund in each of fiscal years 2018 and 2019
 12.7 is \$17,838,000.

12.8 The base appropriation from the trunk
 12.9 highway fund in fiscal year 2018 and
 12.10 thereafter is \$0.

12.11 Any money appropriated to the commissioner
 12.12 of transportation for building construction
 12.13 for any fiscal year before 2016 is available
 12.14 to the commissioner of transportation
 12.15 during the biennium to the extent that the
 12.16 commissioner spends the money on the
 12.17 building construction projects for which the
 12.18 money was originally encumbered during the
 12.19 fiscal year for which it was appropriated.

12.20 If the appropriation for either year is
 12.21 insufficient, the appropriation for the other
 12.22 year is available for it.

12.23	<u>(c) Tort Claims</u>	<u>600,000</u>	<u>600,000</u>
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12.24 This appropriation is to the commissioner of
 12.25 transportation. If the appropriation for either
 12.26 year is insufficient, the appropriation for the
 12.27 other year is available for it.

12.28 Subd. 6. Flexible Highway Account Transfers

12.29 The commissioner of transportation shall
 12.30 transfer from the flexible highway account in
 12.31 the county state-aid highway fund the entire
 12.32 amount in each year to the county turnback
 12.33 account in the county state-aid highway
 12.34 fund. The funds transferred are for highway

13.1 turnback purposes under Minnesota Statutes,
13.2 section 161.081, subdivision 3.

13.3 **Subd. 7. State Road Construction**
13.4 **Appropriations Carryforward**

13.5 Any money appropriated to the commissioner
13.6 of transportation for state road construction
13.7 for any fiscal year before fiscal year 2016
13.8 is available to the commissioner during the
13.9 biennium to the extent that the commissioner
13.10 spends the money on the state road
13.11 construction project for which the money
13.12 was originally encumbered during the fiscal
13.13 year for which it was appropriated.

13.14 **Subd. 8. Contingent Appropriation**

13.15 The commissioner of transportation, with
13.16 the approval of the governor and the
13.17 written approval of at least five members
13.18 of a group consisting of the members of
13.19 the Legislative Advisory Commission
13.20 under Minnesota Statutes, section 3.30,
13.21 and the ranking minority members of the
13.22 legislative committees with jurisdiction over
13.23 transportation finance, may transfer all or
13.24 part of the unappropriated balance in the
13.25 trunk highway fund to an appropriation:
13.26 (1) for trunk highway design, construction,
13.27 or inspection in order to take advantage of
13.28 an unanticipated receipt of income to the
13.29 trunk highway fund or to take advantage
13.30 of federal advanced construction funding;
13.31 (2) for trunk highway maintenance in order
13.32 to meet an emergency; or (3) to pay tort
13.33 or environmental claims. Nothing in this
13.34 subdivision authorizes the commissioner
13.35 to increase the use of federal advanced

15.1 To the extent that appropriations from the
 15.2 general fund are reduced in this subdivision
 15.3 from base appropriations for fiscal years 2016
 15.4 and 2017, the amount appropriated from the
 15.5 metropolitan area transit account that is in
 15.6 excess of the amount appropriated in fiscal
 15.7 year 2015 must be allocated first to purposes
 15.8 identified in the Metropolitan Council 2015
 15.9 unified budget as adopted in December
 15.10 2014, including Metro Mobility service, and
 15.11 funded from general fund appropriations.

15.12 In each of the 2016 and 2017 Metropolitan
 15.13 Council budget years, the Metropolitan
 15.14 Council shall provide financial assistance to
 15.15 suburban transit providers under Minnesota
 15.16 Statutes, section 473.388, in an amount that
 15.17 equals no less than:

15.18 (1) the total assistance identified in the
 15.19 Metropolitan Council 2015 unified budget as
 15.20 adopted in December 2014; plus

15.21 (2) the amount under clause (1) multiplied
 15.22 by a percentage, calculated as (i) the total
 15.23 amount in the metropolitan area transit
 15.24 account for fiscal year 2016 or 2017, as
 15.25 appropriate, less the total amount in that
 15.26 account for the previous fiscal year; divided
 15.27 by (ii) the total amount in that account for the
 15.28 previous fiscal year.

15.29 **Subd. 3. Suburban Connections Demonstration**
 15.30 **Project**

1,500,000

1,500,000

15.31 (a) This appropriation is from the vehicle
 15.32 services operating account in the special
 15.33 revenue fund for financial assistance
 15.34 to replacement service providers under
 15.35 Minnesota Statutes, section 473.388, to

16.1 implement a demonstration project that
 16.2 provides regular route transit or express
 16.3 bus service between municipalities in the
 16.4 metropolitan area, as defined in Minnesota
 16.5 Statutes, section 473.121, subdivision 2,
 16.6 excluding cities of the first class. The
 16.7 council may not retain any portion of
 16.8 funds appropriated under this subdivision.
 16.9 Following notification under paragraph (b),
 16.10 the council shall allocate the appropriated
 16.11 funds as directed by the replacement service
 16.12 providers.

16.13 (b) The replacement service providers
 16.14 shall collectively identify one or more
 16.15 demonstration projects for financial
 16.16 assistance under this subdivision and
 16.17 submit a notification of the allocation to
 16.18 the Metropolitan Council. Criteria for
 16.19 evaluating and identifying demonstration
 16.20 projects must include but are not limited to:
 16.21 (1) scope of service offering improvements;
 16.22 (2) integration with transit facilities and
 16.23 major business, retail, or suburban centers;
 16.24 (3) extent to which a proposed route
 16.25 complements existing transit service; and
 16.26 (4) density of employment along a proposed
 16.27 route.

16.28 (c) This is a onetime appropriation.

16.29 **Subd. 4. Transportation Management**
 16.30 **Organizations**

200,000

200,000

16.31 This appropriation is from the vehicle
 16.32 services operating account in the special
 16.33 revenue fund for grants to transportation
 16.34 management organizations that provide
 16.35 services exclusively or primarily in: (1)
 16.36 each city of the first class, as provided under

18.1 The base appropriation from the general
 18.2 fund in each of fiscal years 2018 and 2019
 18.3 is \$530,000.

18.4 The base appropriation from the trunk
 18.5 highway fund in fiscal year 2018 and
 18.6 thereafter is \$0.

18.7 **(b) Public Safety Support** 9,035,000 9,124,000

18.8	<u>Appropriations by Fund</u>		
18.9		<u>2016</u>	<u>2017</u>
18.10	<u>General</u>	<u>3,532,000</u>	<u>3,537,000</u>
18.11	<u>Special Revenue</u>	<u>450,000</u>	<u>450,000</u>
18.12	<u>H.U.T.D.</u>	<u>1,366,000</u>	<u>1,366,000</u>
18.13	<u>Trunk Highway</u>	<u>3,687,000</u>	<u>3,771,000</u>

18.14 The base appropriation from the general
 18.15 fund in each of fiscal years 2018 and 2019 is
 18.16 \$8,674,000.

18.17 The base appropriation from the highway
 18.18 user tax distribution fund in fiscal year 2018
 18.19 and thereafter is \$0.

18.20 The base appropriation from the trunk
 18.21 highway fund in fiscal year 2018 and
 18.22 thereafter is \$0.

18.23 \$380,000 in each year is from the general
 18.24 fund for payment of public safety officer
 18.25 survivor benefits under Minnesota Statutes,
 18.26 section 299A.44. If the appropriation for
 18.27 either year is insufficient, the appropriation
 18.28 for the other year is available for it.

18.29 \$1,367,000 in each year is from the general
 18.30 fund to be deposited in the public safety
 18.31 officer's benefit account. This money
 18.32 is available for reimbursements under
 18.33 Minnesota Statutes, section 299A.465.

18.34 \$600,000 in each year is from the general
 18.35 fund and \$100,000 in each year is from the

19.1 trunk highway fund for soft body armor
19.2 reimbursements under Minnesota Statutes,
19.3 section 299A.38.

19.4 \$450,000 in each year is from the vehicle
19.5 services operating account in the special
19.6 revenue fund for the creation of two
19.7 emergency response teams. One emergency
19.8 response team must be under the jurisdiction
19.9 of the St. Cloud Fire Department, or a
19.10 similarly located fire department if necessary,
19.11 and one emergency response team must be
19.12 under the jurisdiction of the Duluth Fire
19.13 Department. The commissioner shall allocate
19.14 the funds as needed to facilitate the creation
19.15 and maintenance of the emergency response
19.16 teams. This is a onetime appropriation.

19.17 \$792,000 in each year is from the general
19.18 fund for transfer by the commissioner of
19.19 management and budget to the trunk highway
19.20 fund on December 31, 2015, and December
19.21 31, 2016, respectively, in order to reimburse
19.22 the trunk highway fund for expenses not
19.23 related to the fund. These represent amounts
19.24 appropriated out of the trunk highway
19.25 fund for general fund purposes in the
19.26 administration and related services program.

19.27 \$610,000 in each year is from the highway
19.28 user tax distribution fund for transfer by the
19.29 commissioner of management and budget
19.30 to the trunk highway fund on December 31,
19.31 2015, and December 31, 2016, respectively,
19.32 in order to reimburse the trunk highway
19.33 fund for expenses not related to the fund.
19.34 These represent amounts appropriated out
19.35 of the trunk highway fund for highway

20.1 user tax distribution fund purposes in the
 20.2 administration and related services program.

20.3 **(c) Technology and Support Services** 3,685,000 3,685,000

20.4 Appropriations by Fund

	<u>2016</u>	<u>2017</u>
20.5 <u>General</u>	<u>1,322,000</u>	<u>1,322,000</u>
20.6 <u>H.U.T.D.</u>	<u>19,000</u>	<u>19,000</u>
20.7 <u>Trunk Highway</u>	<u>2,344,000</u>	<u>2,344,000</u>

20.9 The base appropriation from the general
 20.10 fund in each of fiscal years 2018 and 2019 is
 20.11 \$3,685,000.

20.12 The base appropriation from the highway
 20.13 user tax distribution fund in fiscal year 2018
 20.14 and thereafter is \$0.

20.15 The base appropriation from the trunk
 20.16 highway fund in fiscal year 2018 and
 20.17 thereafter is \$0.

20.18 **Subd. 3. State Patrol**

20.19 **(a) Patrolling Highways** 85,016,000 83,121,000

20.20 Appropriations by Fund

	<u>2016</u>	<u>2017</u>
20.21 <u>General</u>	<u>37,000</u>	<u>37,000</u>
20.22 <u>Special Revenue</u>	<u>3,500,000</u>	<u>0</u>
20.23 <u>H.U.T.D.</u>	<u>92,000</u>	<u>92,000</u>
20.24 <u>Trunk Highway</u>	<u>81,387,000</u>	<u>82,992,000</u>

20.26 \$975,000 from the trunk highway fund in
 20.27 fiscal year 2016 is to purchase a single-engine
 20.28 aircraft for the State Patrol, exclusively for
 20.29 public safety purposes.

20.30 The special revenue fund appropriation is
 20.31 from the vehicle services operating account
 20.32 to recruit, hire, train, equip, and provide
 20.33 salary for additional State Patrol troopers.

20.34 This is a onetime appropriation.

20.35 **(b) Commercial Vehicle Enforcement** 8,023,000 8,257,000

21.1	<u>(c) Capitol Security</u>	<u>8,035,000</u>	<u>8,147,000</u>
21.2	<u>This appropriation is from the general fund.</u>		
21.3	<u>The commissioner may not: (1) spend</u>		
21.4	<u>any money from the trunk highway fund</u>		
21.5	<u>for capitol security; or (2) permanently</u>		
21.6	<u>transfer any state trooper from the patrolling</u>		
21.7	<u>highways activity to capitol security.</u>		
21.8	<u>The commissioner may not transfer any</u>		
21.9	<u>money appropriated to the commissioner</u>		
21.10	<u>under this section: (1) to capitol security; or</u>		
21.11	<u>(2) from capitol security.</u>		
21.12	<u>(d) Vehicle Crimes Unit</u>	<u>723,000</u>	<u>736,000</u>
21.13	<u>This appropriation is from the highway user</u>		
21.14	<u>tax distribution fund.</u>		
21.15	<u>This appropriation is to investigate: (1)</u>		
21.16	<u>registration tax and motor vehicle sales tax</u>		
21.17	<u>liabilities from individuals and businesses</u>		
21.18	<u>that currently do not pay all taxes owed;</u>		
21.19	<u>and (2) illegal or improper activity related</u>		
21.20	<u>to sale, transfer, titling, and registration of</u>		
21.21	<u>motor vehicles.</u>		
21.22	<u>Subd. 4. Driver and Vehicle Services</u>		
21.23	<u>(a) Driver Services</u>	<u>30,078,000</u>	<u>30,532,000</u>
21.24	<u>This appropriation is from the driver services</u>		
21.25	<u>operating account in the special revenue fund.</u>		
21.26	<u>Of the appropriation from the driver services</u>		
21.27	<u>operating account, \$31,000 in each year is</u>		
21.28	<u>to create a Data Services Unit within the</u>		
21.29	<u>Division of Driver and Vehicle Services.</u>		
21.30	<u>(b) Vehicle Services</u>	<u>30,027,000</u>	<u>30,291,000</u>
21.31	<u>Appropriations by Fund</u>		
21.32	<u>2016</u>	<u>2017</u>	

22.1	<u>Special Revenue</u>	<u>21,791,000</u>	<u>22,055,000</u>
22.2	<u>H.U.T.D.</u>	<u>8,236,000</u>	<u>8,236,000</u>

22.3 The special revenue fund appropriation is
 22.4 from the vehicle services operating account
 22.5 in the special revenue fund.

22.6 Of the appropriation from the vehicle
 22.7 services operating account, \$59,000 in each
 22.8 year is to create a Data Services Unit within
 22.9 the Division of Driver and Vehicle Services.

22.10	<u>Subd. 5. Traffic Safety</u>	<u>446,000</u>	<u>457,000</u>
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22.11	<u>Subd. 6. Pipeline Safety</u>	<u>1,371,000</u>	<u>1,388,000</u>
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22.12 This appropriation is from the pipeline safety
 22.13 account in the special revenue fund.

22.14 **Sec. 7. TRANSFERS; GENERAL FUND.**

22.15 On or before June 30, 2015, the commissioner of management and budget shall
 22.16 transfer \$228,000,000 from the general fund as follows:

22.17 (1) \$114,474,000 to the county state-aid highway fund;

22.18 (2) \$35,526,000 to the municipal state-aid street fund;

22.19 (3) \$50,000,000 to the small cities assistance account in the transportation stability
 22.20 fund under Minnesota Statutes, section 162.145;

22.21 (4) \$14,000,000 to the county state-aid highway fund, for allocation in the same
 22.22 manner as provided under Minnesota Statutes, section 16A.89, subdivision 5, paragraph
 22.23 (b); and

22.24 (5) \$14,000,000 to the greater minnesota transit account in the transit assistance fund.

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

22.26 **Sec. 8. TRANSFER; SPECIAL REVENUE FUND.**

22.27 On or before July 15, 2015, the commissioner of management and budget shall
 22.28 transfer \$5,000,000 from the vehicle services operating account in the special revenue
 22.29 fund to the Minnesota grade crossing safety account in the special revenue fund, for the
 22.30 purposes specified under Minnesota Statutes, section 219.1651.

22.31 **Sec. 9. CONTINGENT APPROPRIATIONS REDUCTIONS.**

23.1 (a) In the appropriations specified under paragraph (b), the amounts appropriated are
 23.2 reduced as necessary, if legislation is not enacted in the 2015 legislative session or funds
 23.3 under that legislation are insufficient, to provide for allocation to specified transportation
 23.4 purposes of revenue from (1) the state general sales tax on motor vehicle parts; (2)
 23.5 the state general sales tax on motor vehicle leases under Minnesota Statutes, section
 23.6 297A.815; (3) the state general sales tax on motor vehicle rental; and (4) the tax on motor
 23.7 vehicle rental under Minnesota Statutes, section 297A.64, subdivision 1.

23.8 (b) The appropriations in this article to the commissioner of transportation that are
 23.9 subject to a contingent reduction under paragraph (a) are as follows:

23.10 (1) for transit under section 4, subdivision 2, paragraph (b), from the transit
 23.11 assistance fund;

23.12 (2) for state roads under section 4, subdivision 3, in general operations and
 23.13 maintenance, program delivery, and state road construction, and distributed in amounts
 23.14 proportional to the original appropriations;

23.15 (3) for county state aid under section 4, subdivision 4, paragraph (a); and

23.16 (4) for municipal state aid under section 4, subdivision 4, paragraph (b).

23.17 **ARTICLE 2**

23.18 **TRUNK HIGHWAY BONDING**

23.19 Section 1. **BOND APPROPRIATIONS.**

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

23.27 **SUMMARY**

23.28 <u>Department of Transportation</u>	\$ <u>1,300,000,000</u>
23.29 <u>Department of Management and Budget</u>	<u>1,300,000</u>
23.30 <u>TOTAL</u>	\$ <u>1,301,300,000</u>

23.31 **APPROPRIATIONS**

23.32 **Sec. 2. DEPARTMENT OF**
 23.33 **TRANSPORTATION**

23.34 <u>Subdivision 1. Corridors of Commerce</u>	\$ <u>812,500,000</u>
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24.1 This appropriation is to the commissioner of
24.2 transportation for the corridors of commerce
24.3 program under Minnesota Statutes, section
24.4 161.088.

24.5 Of this appropriation, \$125,000,000 is
24.6 available in each of fiscal years 2016 to 2021,
24.7 and \$62,500,000 is available in fiscal year
24.8 2022.

24.9 In any fiscal year covered by this
24.10 appropriation, the commissioner may
24.11 identify projects based on previous selection
24.12 processes or may perform a new selection.

24.13 For projects within the department's
24.14 metropolitan district, the commissioner shall
24.15 first select projects that: (1) are recommended
24.16 under Minnesota Statutes, section 161.088,
24.17 subdivision 5, paragraph (b), from previous
24.18 selection processes; (2) are on (i) U.S.
24.19 highways, or (ii) non-interstate highways
24.20 having an average annual daily traffic volume
24.21 of at least 50,000 vehicles; and (3) provide
24.22 for capacity expansion through additional
24.23 general purpose or auxiliary lanes of travel.

24.24 For projects outside of the department's
24.25 metropolitan district, the commissioner shall
24.26 first select any projects which are either
24.27 not completed or connected to projects,
24.28 in which: (1) funds have been previously
24.29 provided under the corridors of commerce
24.30 program for right-of-way acquisition, design,
24.31 or environmental analysis; and (2) the project
24.32 provides for capacity expansion through
24.33 additional general purpose or auxiliary lanes
24.34 of travel.

25.1 Subd. 2. **Transportation Economic**
 25.2 **Development** 32,500,000

25.3 This appropriation is for the transportation
 25.4 economic development program under
 25.5 Minnesota Statutes, section 174.12.

25.6 Of this appropriation, \$5,000,000 is available
 25.7 in each of fiscal years 2016 to 2021, and
 25.8 \$2,500,000 is available in fiscal year 2022.

25.9 Subd. 3. **State Road Construction** 455,000,000

25.10 This appropriation is for the construction,
 25.11 reconstruction, and improvement of trunk
 25.12 highways, including design-build contracts.

25.13 This includes the cost of actual payment to
 25.14 landowners for lands acquired for highway
 25.15 rights-of-way, payment to lessees, interest
 25.16 subsidies, and relocation expenses.

25.17 Of this appropriation, \$70,000,000 is
 25.18 available in each of fiscal years 2016 to 2021,
 25.19 and \$35,000,000 is available in fiscal year
 25.20 2022.

25.21 Subd. 4. **Cancellations**

25.22 The appropriations in this section cancel as
 25.23 specified under Minnesota Statutes, section
 25.24 16A.642, except that the commissioner of
 25.25 management and budget shall count the start
 25.26 of authorization for issuance of state bonds
 25.27 as the first day of the fiscal year during
 25.28 which the bonds are available to be issued as
 25.29 specified under subdivision 1, 2, or 3, and
 25.30 not as the date of enactment of this section.

25.31 Sec. 3. **BOND SALE EXPENSES** \$ 1,300,000

25.32 This appropriation is to the commissioner
 25.33 of management and budget for bond

26.1 sale expenses under Minnesota Statutes,
 26.2 sections 16A.641, subdivision 8, and 167.50,
 26.3 subdivision 4, and is effective through fiscal
 26.4 year 2025.

26.5 **Sec. 4. BOND SALE AUTHORIZATION.**

26.6 To provide the money appropriated in this article from the bond proceeds account in
 26.7 the trunk highway fund, the commissioner of management and budget shall sell and issue
 26.8 bonds of the state in an amount up to \$1,301,300,000 in the manner, upon the terms, and
 26.9 with the effect prescribed by Minnesota Statutes, sections 167.50 to 167.52, and by the
 26.10 Minnesota Constitution, article XIV, section 11, at the times and in the amounts requested
 26.11 by the commissioner of transportation. The proceeds of the bonds, except accrued interest
 26.12 and any premium received from the sale of the bonds, must be deposited in the bond
 26.13 proceeds account in the trunk highway fund.

26.14 **ARTICLE 3**

26.15 **TRANSPORTATION POLICY AND FINANCE**

26.16 Section 1. Minnesota Statutes 2014, section 16A.11, subdivision 3a, is amended to read:

26.17 Subd. 3a. **Part three: detailed capital budget.** The detailed capital budget must:
 26.18 (1) include recommendations for capital projects to be funded during the next six fiscal
 26.19 years, including any request for project funding from the metropolitan transit capital
 26.20 account in the transportation stability fund under section 16A.89; and; (2) if applicable,
 26.21 ~~must~~ meet the requirements under section 174.93, subdivision 1a. It must be submitted
 26.22 with projects recommended by the governor and in order of importance among that
 26.23 agency's requests as determined by the agency originating the request.

26.24 Sec. 2. Minnesota Statutes 2014, section 16A.86, subdivision 2, is amended to read:

26.25 Subd. 2. **Budget request.** A political subdivision that requests an appropriation
 26.26 of state money for a local capital improvement project, including a request for project
 26.27 funding from the metropolitan transit capital account in the transportation stability
 26.28 fund under section 16A.89, is encouraged to submit the request to the commissioner
 26.29 of management and budget by July 15 of an odd-numbered year to ensure its full
 26.30 consideration. The requests must be submitted in the form and with the supporting
 26.31 documentation required by the commissioner of management and budget. All requests
 26.32 timely received by the commissioner must be submitted to the legislature, along with the

27.1 governor's recommendations, whether or not the governor recommends that a request be
27.2 funded, by the deadline established in section 16A.11, subdivision 1.

27.3 Sec. 3. Minnesota Statutes 2014, section 16A.88, subdivision 1a, is amended to read:

27.4 Subd. 1a. **Greater Minnesota transit account; base appropriation.** (a) The
27.5 greater Minnesota transit account is established within the transit assistance fund in the
27.6 state treasury. Money in the account is ~~annually appropriated to the commissioner of~~
27.7 ~~transportation~~ for assistance to transit systems outside the metropolitan area under section
27.8 174.24. The commissioner may use up to ~~\$408,000 in fiscal year 2008 and \$416,000 in~~
27.9 ~~fiscal year 2009 and thereafter~~ annually for administration of the transit program. The
27.10 commissioner shall use funds appropriated by law from the account for transit operations
27.11 as provided in section 174.24 and related program administration.

27.12 (b) The base appropriations from the account to the commissioner of transportation
27.13 for each forecasted fiscal year after the current biennium equals the balance in the account
27.14 for each year as identified in the latest forecast under sections 16A.103 and 174.03,
27.15 subdivision 9.

27.16 Sec. 4. Minnesota Statutes 2014, section 16A.88, subdivision 2, is amended to read:

27.17 Subd. 2. **Metropolitan area transit account; base appropriation.** (a) The
27.18 metropolitan area transit account is established within the transit assistance fund in the
27.19 state treasury. ~~All money in the account is annually appropriated to~~ The Metropolitan
27.20 Council shall use funds appropriated by law from the account for the funding of transit
27.21 systems within the metropolitan area under sections 473.384, 473.386, 473.387, 473.388,
27.22 and 473.405 to 473.449.

27.23 (b) The base appropriations from the account to the Metropolitan Council for each
27.24 forecasted fiscal year after the current biennium equals the balance in the account for each
27.25 year as identified in the latest forecast under sections 16A.103 and 174.03, subdivision 9.

27.26 Sec. 5. **[16A.89] TRANSPORTATION STABILITY FUND.**

27.27 Subdivision 1. Fund established. A transportation stability fund is established in
27.28 the state treasury under the budgetary jurisdiction of the legislative committees having
27.29 jurisdiction over transportation finance. The fund consists of money provided by law,
27.30 and any other funds donated, allotted, transferred, or otherwise provided. Money in the
27.31 fund must be allocated solely for transportation purposes as specified in this section and
27.32 as provided by law.

28.1 Subd. 2. **Financial reports.** Any report or financial statement submitted to
28.2 the legislature providing financial information on the fund must include accounting
28.3 information on each account established within the fund, including revenues and sources,
28.4 transfers, uses, and account balance.

28.5 Subd. 3. **Highway allocation account.** (a) A highway allocation account is
28.6 established in the transportation stability fund. The account consists of funds allocated
28.7 under section 297A.94 from the estimated general sales tax on motor vehicle repair and
28.8 replacement parts, and any other funds as provided by law.

28.9 (b) The commissioner of transportation shall promptly transfer any funds deposited
28.10 in the account to the highway user tax distribution fund.

28.11 Subd. 4. **Transit allocation account.** (a) A transit allocation account is established
28.12 in the transportation stability fund. The account consists of funds allocated under section
28.13 297A.815, subdivision 3, from a portion of estimated motor vehicle lease sales tax.

28.14 (b) The commissioner of transportation shall promptly transfer any funds deposited
28.15 in the account to the greater Minnesota transit account in the transit assistance fund.

28.16 Subd. 5. **County highway allocation account.** (a) A county highway allocation
28.17 account is established in the transportation stability fund. The account consists of funds
28.18 allocated under section 297A.815, subdivision 3, from a portion of estimated motor
28.19 vehicle lease sales tax.

28.20 (b) The commissioner of transportation shall promptly transfer any funds deposited
28.21 in the account to the county state-aid highway fund. Notwithstanding any other law to
28.22 the contrary, the commissioner of transportation shall allocate the funds transferred under
28.23 this paragraph to the counties in the metropolitan area, as defined in section 473.121,
28.24 subdivision 4, excluding the counties of Hennepin and Ramsey, so that each county receives
28.25 from that amount the percentage that its population, as defined in section 477A.011,
28.26 subdivision 3, estimated or established by July 15 of the year prior to the current calendar
28.27 year, bears to the total population of the counties receiving funds under this paragraph.

28.28 Subd. 6. **Metropolitan transit capital account.** (a) A metropolitan transit capital
28.29 account is established in the transportation stability fund. The account consists of funds
28.30 allocated under section 297A.94 from the general sales tax on rental motor vehicles,
28.31 and any other funds as provided by law.

28.32 (b) Money in the metropolitan transit capital account is for transit projects, as
28.33 specified by law, of a capital nature in metropolitan counties, as defined in section 473.121,
28.34 subdivision 4, with priority for arterial bus rapid transit and express bus facilities. No
28.35 funds in the account may be expended for light rail transit, commuter rail, or streetcars.

29.1 (c) The base appropriations from the metropolitan transit capital account for each
 29.2 forecasted fiscal year after the current biennium equals the balance in the account for each
 29.3 year as identified in the latest forecast under sections 16A.103 and 174.03, subdivision 9.

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

29.5 Sec. 6. Minnesota Statutes 2014, section 16E.15, subdivision 2, is amended to read:

29.6 Subd. 2. **Software sale fund.** (a) Except as provided in ~~paragraph~~ paragraphs (b)
 29.7 and (c), proceeds ~~of~~ from the sale or licensing of software products or services by the chief
 29.8 information officer must be credited to the MN.IT services revolving fund. If a state
 29.9 agency other than the Office of MN.IT Services has contributed to the development of
 29.10 software sold or licensed under this section, the chief information officer may reimburse
 29.11 the agency by discounting computer services provided to that agency.

29.12 (b) Proceeds ~~of~~ from the sale or licensing of software products or services developed
 29.13 by the Pollution Control Agency, or custom developed by a vendor for the agency, must be
 29.14 credited to the environmental fund.

29.15 (c) Proceeds from the sale or licensing of software products or services developed
 29.16 by the Department of Transportation, or custom developed by a vendor for the agency,
 29.17 using trunk highway funds must be credited to the trunk highway fund.

29.18 Sec. 7. Minnesota Statutes 2014, section 117.036, subdivision 2, is amended to read:

29.19 Subd. 2. **Appraisal.** (a) Before commencing an eminent domain proceeding under
 29.20 this chapter for an acquisition greater than \$25,000, the acquiring authority must obtain at
 29.21 least one appraisal for the property proposed to be acquired. In making the appraisal, the
 29.22 appraiser must confer with one or more of the owners of the property, if reasonably possible.
 29.23 For acquisitions less than \$25,000, the acquiring authority may obtain a minimum damage
 29.24 acquisition report in lieu of an appraisal. In making the minimum damage acquisition
 29.25 report, the qualified person with appraisal knowledge must confer with one or more of
 29.26 the owners of the property, if reasonably possible. Notwithstanding section 13.44, the
 29.27 acquiring authority must provide the owner with a copy of (1) each appraisal for property
 29.28 acquisitions over \$25,000, or (2) the minimum damage acquisition report for properties
 29.29 under \$25,000, the acquiring authority has obtained for the property at the time an offer is
 29.30 made, but no later than 60 days before presenting a petition under section 117.055, and.
 29.31 The acquiring authority must also inform the owner of the right to obtain an appraisal under
 29.32 this section. Upon request, the acquiring authority must make available to the owner all
 29.33 appraisals ~~of the property~~ for properties over \$25,000, or the minimum damage acquisition
 29.34 report for properties under \$25,000. If the acquiring authority is considering both a full

30.1 and partial taking of the property, the acquiring authority shall obtain and provide the
30.2 owner with appraisals ~~for both types of takings~~ for properties over \$25,000 for both types
30.3 of takings, or minimum damage acquisition reports for properties under \$25,000.

30.4 (b) The owner may obtain an appraisal by a qualified appraiser of the property
30.5 proposed to be acquired. The owner is entitled to reimbursement for the reasonable costs
30.6 of the appraisal from the acquiring authority up to a maximum of \$1,500 for single family
30.7 and two-family residential property and minimum damage acquisitions and \$5,000 for
30.8 other types of property, provided that the owner submits to the acquiring authority the
30.9 information necessary for reimbursement, including a copy of the owner's appraisal,
30.10 at least five days before a condemnation commissioners' hearing. For purposes of this
30.11 ~~paragraph~~ subdivision, a "minimum damage acquisition" means an interest in property
30.12 that a qualified person ~~with appraisal knowledge~~ having an understanding of the local real
30.13 estate market indicates can be acquired for ~~a cost of \$10,000~~ \$25,000 or less.

30.14 (c) The acquiring authority must pay the reimbursement to the owner within 30
30.15 days after receiving a copy of the appraisal and the reimbursement information. Upon
30.16 agreement between the acquiring authority and the owner, the acquiring authority may pay
30.17 the reimbursement directly to the appraiser.

30.18 Sec. 8. Minnesota Statutes 2014, section 117.036, subdivision 4, is amended to read:

30.19 Subd. 4. **Use of appraisal at commissioners' hearing.** An appraisal or
30.20 minimum damage acquisition report must not be used or considered in a condemnation
30.21 commissioners' hearing, nor may the appraiser who prepared the appraisal or the person
30.22 who prepared the minimum damage acquisition report testify, unless a copy of the
30.23 appraiser's written report or the minimum damage acquisition report is provided to the
30.24 opposing party at least five days before the hearing.

30.25 Sec. 9. Minnesota Statutes 2014, section 160.20, subdivision 4, is amended to read:

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

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

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

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

31.8 **Sec. 10. [160.235] TRAFFIC SIGNAL TIMING OPTIMIZATION.**

31.9 (a) A road authority that has ownership of a traffic signal on a principal arterial
31.10 roadway or roadway with an average daily traffic greater than 20,000 vehicles per day
31.11 must complete an inventory of all traffic signals under its ownership and submit it to the
31.12 Department of Transportation district engineer. The inventory must include age of all
31.13 signals, control equipment, communications, detection type, timing plans in operation,
31.14 and date of last timing optimization.

31.15 (b) Based on the information from the inventory, a road authority subject to
31.16 paragraph (a) must develop and implement a traffic signal system optimization plan, which
31.17 must include re-evaluation of traffic signal timing at least once every five years. Each road
31.18 authority with a traffic signal optimization plan must annually certify compliance with its
31.19 plan and submit the certification as part of its annual maintenance expenditure report.

31.20 **EFFECTIVE DATE.** This section is effective the day following final enactment. The
31.21 initial inventory under paragraph (a) must be submitted on or before December 30, 2015.

31.22 Sec. 11. Minnesota Statutes 2014, section 160.27, is amended by adding a subdivision
31.23 to read:

31.24 **Subd. 10. Temporary permit for field application.** (a) In connection with
31.25 the use of the road right-of-way of a road authority, excluding on controlled-access
31.26 highways under section 160.08, a property owner or occupant of property abutting the
31.27 road right-of-way may apply for a permit for temporary placement, for up to 14 days, of a
31.28 pressurized flexible force main for the transport of manure for field application.

31.29 (b) The property owner or occupant must:

31.30 (1) identify the entire length of the right-of-way for use under the permit;

31.31 (2) place the force main within the backslope of the road authority's right-of-way
31.32 where possible;

31.33 (3) place pumping equipment outside the road authority's right-of-way; and

31.34 (4) meet all of the permit requirements identified by the road authority.

32.1 (c) Once the road authority has issued a permit, the property owner or occupant may
 32.2 install the force main over the length of the right-of-way from the permittee's property to
 32.3 where the manure will be applied, irrespective of whether the permittee is the owner or
 32.4 occupant of all property abutting the portion of the right-of-way where the force main is
 32.5 to be installed.

32.6 Sec. 12. Minnesota Statutes 2014, section 161.04, is amended by adding a subdivision
 32.7 to read:

32.8 Subd. 7. **Trunk highway fund base appropriations.** In conjunction with each
 32.9 forecast under sections 16A.103 and 174.03, subdivision 9, the commissioner shall
 32.10 identify base appropriations in each forecasted fiscal year from the trunk highway fund to
 32.11 the commissioner for the state road construction budget activity. The base appropriations
 32.12 must be adjusted such that, following the financial policies of the department, 90 percent
 32.13 of the unreserved trunk highway fund balance calculated absent the requirement under
 32.14 this subdivision is allocated for state road construction.

32.15 Sec. 13. [161.126] PROHIBITION ON AESTHETIC ENHANCEMENTS.

32.16 (a) The commissioner may not use public funds for any aesthetic enhancements that
 32.17 increase the total cost of a project on a highway or bridge.

32.18 (b) For purposes of this subdivision:

32.19 (1) "aesthetic enhancements" includes monuments, markers, memorials, sculptures,
 32.20 statues, decorative fixtures, alternative materials, specialty signage, and other treatments
 32.21 designed to impact the perceived beauty or visual appeal of the infrastructure;

32.22 (2) "public funds" includes but is not limited to funding from federal and state
 32.23 sources; and

32.24 (3) "total cost" includes costs of ongoing maintenance.

32.25 **EFFECTIVE DATE.** This section is effective the day following final enactment,
 32.26 and applies to any project for which a contract has not been entered into or let for bidding
 32.27 on or after that date.

32.28 Sec. 14. Minnesota Statutes 2014, section 161.231, is amended to read:

32.29 **161.231 APPROPRIATION; PROCEEDS FROM ~~LEASED~~ STATE**
 32.30 **PROPERTY.**

32.31 There is appropriated annually from the fund or account in the state treasury to which
 32.32 the ~~rental~~ money from the sale, lease, conveyance, or disposal of state leased property

33.1 is credited a sufficient amount of money to carry out the state's obligations under the
 33.2 provisions of sections 15.16, 117.135, 117.226, 161.16, 161.202, 161.23, subdivision 3,
 33.3 161.24, 161.241, 161.43, 161.433, 161.44, 161.442, and 272.68, subdivision 3, including
 33.4 the inventorying, marketing, and property management activities required to sell, lease,
 33.5 rent, permit, convey, or otherwise dispose of the land or the interest in the land. At the
 33.6 discretion of the commissioner of transportation, money in the account at the end of each
 33.7 biennium may cancel to the trunk highway fund.

33.8 Sec. 15. Minnesota Statutes 2014, section 161.321, subdivision 2a, is amended to read:

33.9 Subd. 2a. **Small targeted group business; subcontracting goals.** (a) The
 33.10 commissioner, as a condition of awarding a construction contract, may set goals that
 33.11 require the prime contractor to subcontract portions of the contract to small targeted group
 33.12 businesses. ~~Prime contractors must demonstrate good faith efforts to meet the project goals.~~
 33.13 ~~The commissioner shall establish a procedure for granting waivers from the subcontracting~~
 33.14 ~~requirement when qualified small targeted group businesses are not reasonably available.~~
 33.15 The prime contractor may request a subcontracting goal waiver for the difference between
 33.16 the level of targeted group small business participation the prime contractor has obtained
 33.17 and the level specified in the goal. The commissioner may grant the waiver only if the
 33.18 prime contractor has demonstrated good faith efforts to meet the goal. The commissioner
 33.19 shall establish a procedure for evaluating the good faith efforts of contractors. The
 33.20 commissioner may establish (1) financial incentives for prime contractors who exceed the
 33.21 goals set for the use of subcontractors under this subdivision; and (2) sanctions for prime
 33.22 contractors who fail to make good faith efforts to meet the goals set under this subdivision.

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

33.25 Sec. 16. Minnesota Statutes 2014, section 161.321, subdivision 2c, is amended to read:

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

34.1 prime contractor has obtained and the level specified in the goal. The commissioner may
 34.2 grant the waiver only if the prime contractor has demonstrated good faith efforts to meet
 34.3 the goal. The commissioner shall establish a procedure for evaluating the good faith
 34.4 efforts of contractors. The commissioner may establish (1) financial incentives for prime
 34.5 contractors who exceed the goals set for the use of subcontractors under this subdivision;
 34.6 and (2) sanctions for prime contractors who have not been granted a waiver and fail
 34.7 to meet goals set under this subdivision.

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

34.10 Sec. 17. Minnesota Statutes 2014, section 161.321, subdivision 4, is amended to read:

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

34.14 Sec. 18. Minnesota Statutes 2014, section 162.07, subdivision 1a, is amended to read:

34.15 Subd. 1a. **Apportionment sum and excess sum.** (a) For purposes of this
 34.16 subdivision, "distribution amount" means the amount identified in section 162.06,
 34.17 subdivision 1, after the deductions provided for in section 162.06 for administrative costs,
 34.18 disaster account, research account, and state park road account.

34.19 (b) The apportionment sum is calculated ~~by subtracting the excess sum, as calculated~~
 34.20 ~~in paragraph (e), from~~ as 68 percent of the distribution amount.

34.21 (c) The excess sum is calculated as ~~the sum of revenue within~~ 32 percent of the
 34.22 distribution amount.

34.23 ~~(1) attributed to that portion of the gasoline excise tax rate under section 296A.07,~~
 34.24 ~~subdivision 3, in excess of 20 cents per gallon, and to that portion of the excise tax rates~~
 34.25 ~~in excess of the energy equivalent of a gasoline excise tax rate of 20 cents per gallon~~
 34.26 ~~for E85 and M85 under section 296A.07, subdivision 3, and special fuel under section~~
 34.27 ~~296A.08, subdivision 2;~~

34.28 ~~(2) attributed to a change in the passenger vehicle registration tax under section~~
 34.29 ~~168.013, imposed on or after July 1, 2008, that exceeds (i) the amount collected in fiscal~~
 34.30 ~~year 2008, multiplied by (ii) the annual average United States Consumer Price Index for~~
 34.31 ~~the calendar year previous to the current calendar year, divided by the annual average~~
 34.32 ~~United States Consumer Price Index for calendar year 2007; and~~

34.33 ~~(3) attributed to that portion of the motor vehicle sales tax revenue in excess of the~~
 34.34 ~~percentage allocated to the county state-aid highway fund in fiscal year 2007.~~

35.1 ~~(d) For purposes of this subdivision, the United States Consumer Price Index~~
35.2 ~~identified in paragraph (c) is for all urban consumers, United States city average, as~~
35.3 ~~determined by the United States Department of Labor.~~

35.4 **EFFECTIVE DATE.** This section is effective July 1, 2015, for distribution
35.5 calculations on or after that date.

35.6 Sec. 19. **[162.145] SMALL CITIES ASSISTANCE.**

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

35.9 (b) "Eligible city" means a statutory or home rule charter city that does not receive
35.10 municipal state aid under sections 162.09 to 162.14 in the calendar year in which funds
35.11 are distributed under this section.

35.12 (c) "Maximum aid" means 3.5 multiplied by the unweighted average amount of
35.13 assistance to a city in a fiscal year.

35.14 (d) "Population" means the most recent population estimated or established as of 30
35.15 days before the date of an allocation under subdivision 4, of (i) the most recent federal
35.16 census, (ii) a special census conducted under contract with the United States Bureau of
35.17 the Census, (iii) a population estimate made by the Metropolitan Council pursuant to
35.18 section 473.24, or (iv) a population estimate of the state demographer made pursuant to
35.19 section 4A.02.

35.20 (e) "State-aid adjustment factor" means the greater of zero, or:

35.21 (1) 0.005; minus

35.22 (2) the number of lane miles of county state-aid highway in a city, divided by the
35.23 total number of lane miles of county state-aid highway in all eligible cities.

35.24 (f) "Total population" means the sum of populations of all eligible cities.

35.25 Subd. 2. **Small cities assistance account.** A small cities assistance account is
35.26 created in the transportation stability fund. The account consists of funds as provided by
35.27 law, and any other money donated, allotted, transferred, or otherwise provided to the
35.28 account. Money in the account may only be expended as provided under this section.

35.29 Subd. 3. **Administration.** (a) Subject to funds made available by law, the
35.30 commissioner shall allocate all funds as provided in subdivision 4 and shall notify the
35.31 commissioner of revenue.

35.32 (b) Following notification from the commissioner of transportation, the
35.33 commissioner of revenue shall distribute the specified funds to cities in the same manner
35.34 as local government aid under chapter 477A. An appropriation to the commissioner of

36.1 transportation under this section is available to the commissioner of revenue for the
36.2 purposes specified in this paragraph.

36.3 (c) Notwithstanding other law to the contrary, in order to receive distributions under
36.4 this section, a city must conform to the standards in section 477A.017, subdivision 2. A
36.5 city that receives funds under this section must make and preserve records necessary to
36.6 show that the funds are spent in compliance with subdivision 4.

36.7 Subd. 4. **Distribution formula.** (a) In each fiscal year in which funds are available
36.8 under this section, the commissioner shall allocate funds to eligible cities.

36.9 (b) The preliminary aid to each city is calculated as follows:

36.10 (1) 5 percent of funds allocated equally among all eligible cities;

36.11 (2) 35 percent of funds allocated proportionally based on each city's share of lane
36.12 miles of municipal streets compared to total lane miles of municipal streets of all eligible
36.13 cities;

36.14 (3) 35 percent of funds allocated proportionally based on each city's share of
36.15 population compared to total population of all eligible cities; and

36.16 (4) 25 percent of funds allocated proportionally based on each city's share of state-aid
36.17 adjustment factor compared to the sum of state-aid adjustment factors of all eligible cities.

36.18 (c) The final aid to each city is calculated as the lesser of:

36.19 (1) the preliminary aid to the city multiplied by an aid factor; or

36.20 (2) the maximum aid.

36.21 (d) The commissioner shall set the aid factor under paragraph (c), which must be the
36.22 same for all eligible cities, so that the total funds allocated under this subdivision equals
36.23 the total amount available for the fiscal year.

36.24 Subd. 5. **Use of funds.** (a) Funds distributed under this section are available only for
36.25 construction and maintenance of roads located within the city, including:

36.26 (1) land acquisition, environmental analysis, design, engineering, construction,
36.27 reconstruction, and maintenance;

36.28 (2) road projects partially located within the city;

36.29 (3) projects on county state-aid highways located within the city; and

36.30 (4) cost participation on road projects under the jurisdiction of another unit of
36.31 government.

36.32 (b) Funds distributed under this section are not subject to state-aid requirements
36.33 under this chapter, including but not limited to engineering standards adopted by the
36.34 commissioner in rules.

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

37.1 Sec. 20. Minnesota Statutes 2014, section 168.053, subdivision 1, is amended to read:

37.2 Subdivision 1. **Application; fee; penalty.** Any person, firm, or corporation with
37.3 a business located in Minnesota engaged in the business of transporting motor vehicles
37.4 owned by another, by delivering, by drive-away or towing methods, either singly or by
37.5 means of the full mount method, the saddle mount method, the tow bar method, or any other
37.6 combination thereof, and under their own power, vehicles over the highways of the state
37.7 from the manufacturer or any other point of origin, to any point of destination, within or
37.8 without the state, shall make application to the registrar for a drive-away in-transit license.
37.9 This application for annual license shall be accompanied by a registration fee of \$250 and
37.10 contain information the registrar may require. Upon the filing of the application and the
37.11 payment of the fee, the registrar shall issue to each drive-away operator a drive-away
37.12 in-transit license plate, which must be carried and displayed on the power unit consistent
37.13 with section 169.79 and the plate shall remain on the vehicle while being ~~operated within~~
37.14 Minnesota transported. The license plate issued under this subdivision is not valid for the
37.15 purpose of permanent vehicle registration ~~and is not valid outside Minnesota~~. Additional
37.16 drive-away in-transit license plates desired by any drive-away operator may be secured
37.17 from the registrar of motor vehicles upon the payment of a fee of \$5 for each set of
37.18 additional license plates. Any person, firm, or corporation engaging in the business as a
37.19 drive-away operator, of transporting and delivering by means of full mount method, the
37.20 saddle mount method, the tow bar method, or any combination thereof, and under their
37.21 own power, motor vehicles, who fails or refuses to file or cause to be filed an application,
37.22 as is required by law, and to pay the fees therefor as the law requires, shall be found guilty
37.23 of violating the provisions of sections 168.053 to 168.057; and, upon conviction, fined
37.24 not less than \$50, and not more than \$100, and all costs of court. Each day so operating
37.25 without securing the license and plates as required shall constitute a separate offense.

37.26 Sec. 21. **[168.1294] "START SEEING MOTORCYCLES" PLATES.**

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

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

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

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

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

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

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

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

38.10 (1) qualified under subdivision 1, clause (1), to bear the special plates; and
38.11 (2) registered to the same individual to whom the special plates were originally issued.

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

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

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

38.17 **EFFECTIVE DATE.** This section is effective January 1, 2016, for special "Start
38.18 Seeing Motorcycles" plates issued on or after that date.

38.19 Sec. 22. Minnesota Statutes 2014, section 168.1299, subdivision 1, is amended to read:

38.20 Subdivision 1. **Issuance.** Notwithstanding section 168.1293, the commissioner shall
38.21 issue special Minnesota golf plates or a single motorcycle plate to an applicant who:

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

38.24 (2) pays a fee of \$10 and any other fees required by this chapter;

38.25 (3) contributes a minimum of \$30 annually ~~after January 1, 2017,~~ to the Minnesota
38.26 Section PGA Foundation account; and

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

38.29 **EFFECTIVE DATE.** This section is effective July 1, 2015, and applies to plates
38.30 issued on or after that date.

38.31 Sec. 23. Minnesota Statutes 2014, section 169.475, subdivision 2, is amended to read:

39.1 Subd. 2. **Prohibition on use; penalty.** (a) No person may operate a motor vehicle
39.2 while using a wireless communications device to compose, read, or send an electronic
39.3 message, when the vehicle is in motion or a part of traffic.

39.4 (b) A person who is convicted of a second or subsequent violation under this section
39.5 must pay a fine of \$150 plus the amount specified in the uniform fine schedule established
39.6 by the Judicial Council.

39.7 **EFFECTIVE DATE.** This section is effective August 1, 2015, and applies to
39.8 violations committed on or after that date.

39.9 Sec. 24. Minnesota Statutes 2014, section 169.49, is amended to read:

39.10 **169.49 HEADLAMPS.**

39.11 (a) Every motor vehicle, other than a motorcycle, ~~shall~~ must be equipped with at
39.12 least two headlamps, ~~with~~ including at least one on each side of the front of the motor
39.13 vehicle, ~~which~~. Headlamps ~~shall~~ must comply with the requirements and limitations set
39.14 forth in sections 169.47 to ~~169.79~~ 169.66.

39.15 (b) Every motorcycle ~~shall~~ must be equipped with at least one and not more than
39.16 ~~two~~ four headlamps, which ~~shall~~ must comply with the requirements and limitations of
39.17 sections 169.47 to ~~169.79~~ 169.66.

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

39.19 Sec. 25. Minnesota Statutes 2014, section 169.782, subdivision 1, is amended to read:

39.20 Subdivision 1. **Driver; daily inspection, report.** (a) The driver of a commercial
39.21 motor vehicle shall ~~report in writing at the completion of each day's work on~~ inspect daily
39.22 each commercial motor vehicle the driver has operated. A person who owns one or more
39.23 commercial motor vehicles and who employs drivers for those commercial motor vehicles
39.24 must require each driver to submit a written report at the completion of each day's work
39.25 as required by this section. The driver of a commercial motor vehicle subject to this
39.26 section is not required to prepare and submit a written report if no defect or deficiency
39.27 is discovered by or reported to the driver, except that the driver of a passenger-carrying
39.28 commercial motor vehicle shall prepare and submit a written report regardless of whether
39.29 any defect or deficiency is discovered by or reported to the driver.

39.30 (b) The inspection and report must cover the following parts and accessories: service
39.31 brakes, including trailer and semitrailer brake connections; parking (hand) brake; steering
39.32 mechanism; lighting devices and reflectors; tires; horn; windshield wiper or wipers; rear
39.33 vision mirror or mirrors; coupling devices; wheels and rims; and emergency equipment.

40.1 ~~(b)~~ (c) The report must identify the vehicle and list any defect or deficiency
 40.2 discovered by or reported to the driver that would affect the safe operation of the vehicle or
 40.3 result in its mechanical breakdown. If no defect or deficiency is discovered by or reported
 40.4 to the driver, the report must so indicate. The driver must sign the report after completing
 40.5 it. In the case of a commercial motor vehicle operated by two drivers, the signature of one
 40.6 of the drivers satisfies the requirements of this subdivision if both drivers agree concerning
 40.7 the defects or deficiencies. If a driver operates more than one commercial motor vehicle
 40.8 during a day's work, a report must be prepared for each vehicle operated.

40.9 ~~(e)~~ (d) Before operating or allowing the operation of a commercial motor vehicle
 40.10 on which a report has been prepared under this subdivision, the owner of the vehicle or
 40.11 the owner's agent must repair defects or deficiencies listed on the report that would likely
 40.12 affect the safe operation of the vehicle. Before allowing the commercial motor vehicle to
 40.13 be operated again, the owner or the owner's agent must certify, on the report listing the
 40.14 defect or deficiency, that the defect or deficiency has been corrected or that correction is
 40.15 unnecessary. A motor carrier must keep the original vehicle inspection report for at least
 40.16 three months after the date of inspection. The report must be available for inspection by
 40.17 an authorized federal, state, or local official at any time during this period.

40.18 ~~(d)~~ (e) A copy of the vehicle inspection report, including a certification of corrections
 40.19 resulting from the report, must be carried in the commercial motor vehicle, or in the power
 40.20 unit of a commercial motor vehicle combination, at all times when the vehicle or power
 40.21 unit is operated until the next inspection report is completed under this subdivision. The
 40.22 copy must be made available on demand to (1) a peace officer, (2) a person authorized
 40.23 under section 221.221, and (3) a person described in section 299D.06.

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

40.25 Sec. 26. Minnesota Statutes 2014, section 169.782, subdivision 2, is amended to read:

40.26 Subd. 2. **Driver; pretrip inspection.** ~~(a) Before driving~~ Prior to the first operation
 40.27 of a commercial motor vehicle following completion of a daily inspection report under
 40.28 subdivision 1, a driver must:

- 40.29 (1) review the most recent vehicle inspection report on the vehicle;
 40.30 (2) determine that the vehicle is in safe operating condition; and
 40.31 (3) sign the inspection report in the vehicle.

40.32 The driver shall sign the report only if all defects and deficiencies listed in the report
 40.33 have been certified as having been corrected or as not requiring correction.

41.1 ~~(b) If the commercial motor vehicle does not contain the previous day's inspection~~
41.2 ~~report, the driver must make the inspection and complete the report required under~~
41.3 ~~subdivision 1.~~

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

41.5 Sec. 27. Minnesota Statutes 2014, section 169.782, subdivision 4, is amended to read:

41.6 Subd. 4. **Exceptions.** ~~(a) With the exception of subdivision 2, paragraph (a), clause~~
41.7 ~~(2),~~ This section does not apply to a commercial motor vehicle that is a farm truck that may
41.8 be operated by a person not holding a commercial driver's license, provided that before
41.9 driving the vehicle, a driver must determine that the vehicle is in safe operating condition.

41.10 (b) This section does not apply to a commercial motor vehicle held for resale by a
41.11 motor vehicle dealer licensed under section 168.27.

41.12 (c) This section does not apply to a covered farm vehicle as defined in Code of
41.13 Federal Regulations, title 49, section 390.5, that is not carrying hazardous materials of
41.14 a type or quantity that requires the vehicle to be placarded in accordance with Code of
41.15 Federal Regulations, title 49, section 172.504.

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

41.17 Sec. 28. Minnesota Statutes 2014, section 169.81, is amended by adding a subdivision
41.18 to read:

41.19 Subd. 3f. **Length limits exclusion; aerodynamic device.** An aerodynamic device
41.20 that meets the requirements under Code of Federal Regulations, title 23, section 658.16
41.21 (b)(4), is excluded from each calculation of length under subdivision 2, 3, or 3c, including
41.22 total vehicle length and length of a semitrailer or trailer, whether in a vehicle combination
41.23 or not.

41.24 Sec. 29. Minnesota Statutes 2014, section 169.865, subdivision 1, is amended to read:

41.25 Subdivision 1. **Six-axle vehicles.** (a) A road authority may issue an annual permit
41.26 authorizing a vehicle or combination of vehicles with a total of six or more axles to haul
41.27 ~~raw or unprocessed agricultural~~ qualifying products and be operated with a gross vehicle
41.28 weight of up to:

41.29 (1) 90,000 pounds; and

41.30 (2) 99,000 pounds during the period set by the commissioner under section 169.826,
41.31 subdivision 1.

42.1 (b) Notwithstanding subdivision 3, paragraph (a), clause (4), a vehicle or
 42.2 combination of vehicles operated under this subdivision and transporting only sealed
 42.3 intermodal containers may be operated on an interstate highway if allowed by the United
 42.4 States Department of Transportation.

42.5 (c) Any combination of qualifying products may be transported under a single
 42.6 permit issued under this subdivision.

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

42.9 Sec. 30. Minnesota Statutes 2014, section 169.865, subdivision 2, is amended to read:

42.10 Subd. 2. **Seven-axle vehicles.** (a) A road authority may issue an annual permit
 42.11 authorizing a vehicle or combination of vehicles with a total of seven or more axles to
 42.12 haul ~~raw or unprocessed agricultural~~ qualifying products and be operated with a gross
 42.13 weight of up to:

42.14 (1) 97,000 pounds; and

42.15 (2) 99,000 pounds during the period set by the commissioner under section 169.826,
 42.16 subdivision 1.

42.17 (b) Drivers of vehicles operating under this subdivision must comply with driver
 42.18 qualification requirements adopted under section 221.0314, subdivisions 2 to 5, and Code
 42.19 of Federal Regulations, title 49, parts 40 and 382, unless exempt under section 221.031,
 42.20 subdivision 2c.

42.21 (c) Any combination of qualifying products may be transported under a single
 42.22 permit issued under this subdivision.

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

42.25 Sec. 31. Minnesota Statutes 2014, section 169.865, is amended by adding a subdivision
 42.26 to read:

42.27 Subd. 6. **Qualifying products.** For purposes of this section, "qualifying products"
 42.28 consists of:

42.29 (1) raw or unprocessed agricultural products;

42.30 (2) agricultural products transported for processing as a biofuel, including but not
 42.31 limited to oat hulls and other feedstocks;

42.32 (3) livestock and poultry feed, seed, fertilizer, potash, and agricultural lime; and

42.33 (4) highway and building construction materials, and associated demolition materials,
 42.34 including but not limited to aggregate material as defined in section 298.75, subdivision

43.1 1, paragraph (a), hot mix asphalt, plastic concrete, cementitious materials, concrete
43.2 admixtures, asphalt cement, construction demolition materials, and recycled road materials.

43.3 Sec. 32. Minnesota Statutes 2014, section 169.87, subdivision 6, is amended to read:

43.4 Subd. 6. **Recycling and garbage vehicles.** (a) Except as provided in paragraph (b),
43.5 weight restrictions imposed under subdivisions 1 and 2 do not apply to a vehicle that
43.6 does not exceed 20,000 pounds per single axle and is designed and used exclusively for
43.7 recycling, while engaged in recycling in a political subdivision that mandates curbside
43.8 recycling pickup.

43.9 (b) Weight restrictions imposed under subdivisions 1 and 2 do not apply to: (1) a
43.10 vehicle that does not exceed 14,000 pounds per single axle and is used exclusively for
43.11 recycling as described in paragraph (a), ~~or~~; (2) a vehicle that does not exceed 14,000
43.12 pounds per single axle and is designed and used exclusively for collecting mixed municipal
43.13 solid waste, as defined in section 115A.03, subdivision 21, while engaged in such
43.14 collection; or (3) a portable toilet service vehicle that does not exceed 14,000 pounds per
43.15 single axle or 26,000 pounds gross vehicle weight, and is designed and used exclusively
43.16 for collecting liquid waste from portable toilets, while engaged in such collection.

43.17 (c) Notwithstanding section 169.80, subdivision 1, a violation of weight restrictions
43.18 imposed under subdivisions 1 and 2 by a vehicle designed and used exclusively for
43.19 recycling while engaged in recycling in a political subdivision that mandates curbside
43.20 recycling pickup while engaged in such collection, ~~or~~ by a vehicle that is designed and
43.21 used exclusively for collecting mixed municipal solid waste as defined in section 115A.03,
43.22 subdivision 21, while engaged in such collection, or by a portable toilet service vehicle
43.23 that is designed and used exclusively for collecting liquid waste from portable toilets,
43.24 while engaged in such collection, is not subject to criminal penalties but is subject to a
43.25 civil penalty for excess weight under section 169.871.

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

43.27 Sec. 33. Minnesota Statutes 2014, section 173.02, is amended by adding a subdivision
43.28 to read:

43.29 Subd. 18a. **Electronic advertising device.** (a) "Electronic advertising device"
43.30 means an advertising device that is capable of displaying digital content that can be
43.31 changed through messaging or electronic communications technology.

43.32 (b) Digital content consists of static text and images only, and does not include
43.33 animation, flashing or moving lights, video, or other content having the appearance of
43.34 movement.

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

44.2 Sec. 34. Minnesota Statutes 2014, section 173.15, is amended to read:

44.3 **173.15 PROHIBITED ADVERTISING DEVICES.**

44.4 (a) After June 8, 1971 no advertising device shall be erected or maintained:

44.5 (1) which purports to be or resembles an official traffic-control device, sign, or
44.6 signal, or railroad sign or signal; or which hides from view or interferes in any material
44.7 degree with the effectiveness of any traffic-control device, sign, or signal, or railroad sign
44.8 or signal, or which obstructs or interferes with the driver's view of approaching, merging,
44.9 or intersecting traffic for a distance not to exceed 500 feet;

44.10 (2) which prominently displays the word "stop" or "danger";

44.11 (3) which contains statements, words, or pictures of an obscene, indecent, or
44.12 immoral character, or such as would offend public morals or decency;

44.13 (4) on any right-of-way of the interstate system of highways, except as otherwise
44.14 provided by law or allowed by the commissioner;

44.15 (5) on private land without the consent of the owner or occupant thereof;

44.16 (6) on trees, shrubs, or which are painted or drawn upon rocks or natural features,
44.17 or on public utility poles;

44.18 (7) which has distracting flashing or moving lights so designed or lighted as to
44.19 be a traffic hazard;

44.20 (8) to which access can be obtained only from an interstate main-traveled way but
44.21 excluding frontage roads adjacent thereto;

44.22 (9) which are structurally unsafe, are in disrepair, or are abandoned.

44.23 (b) The prohibition under paragraph (a), clause (7), does not include an electronic
44.24 advertising device in which digital content changes no more frequently than once every
44.25 six seconds.

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

44.27 Sec. 35. Minnesota Statutes 2014, section 174.40, is amended by adding a subdivision
44.28 to read:

44.29 Subd. 4a. **Eligibility.** A statutory or home rule charter city, county, or town is
44.30 eligible to receive funding under this section only if it has adopted subdivision regulations
44.31 that require safe routes to school infrastructure in developments authorized on or after
44.32 the effective date of this section.

45.1 Sec. 36. [174.57] SNOW AND ICE CONTROL; APPROPRIATION.

45.2 (a) In a fiscal year in which the commissioner expends at least 110 percent of
45.3 the total biennial appropriation for snow and ice management specified in law, the
45.4 commissioner may use an additional amount for this purpose that does not exceed 50
45.5 percent of the unappropriated reserves in the trunk highway fund. The amount identified
45.6 by the commissioner under this paragraph is appropriated from the trunk highway fund to
45.7 the commissioner for snow and ice management purposes.

45.8 (b) Upon using the appropriation authority in this section, the commissioner shall
45.9 notify the commissioner of management and budget and the chairs and ranking minority
45.10 members of the house of representatives and senate committees having jurisdiction over
45.11 transportation finance. The commissioner shall include in each budget submission to
45.12 the legislature under section 16A.11 the amount appropriated under this section for the
45.13 budget biennium that is ending.

45.14 Sec. 37. Minnesota Statutes 2014, section 174.636, is amended by adding a subdivision
45.15 to read:

45.16 Subd. 5. **Legislative authorization.** The powers conferred to the commissioner
45.17 under sections 174.60 to 174.636 are subject to the requirements under section 174.94.

45.18 Sec. 38. Minnesota Statutes 2014, section 174.92, is amended to read:

45.19 **174.92 EXERCISE OF POWER; COMMUTER RAIL; EXERCISE OF**
45.20 **POWER.**

45.21 Subdivision 1. **Powers.** The commissioner of transportation may exercise the
45.22 powers granted in this chapter, as necessary, to plan, design, acquire, construct, and equip
45.23 commuter rail facilities.

45.24 Subd. 2. **Legislative authorization.** The powers conferred to the commissioner
45.25 under sections 174.80 to 174.92 are subject to the requirements under section 174.94.

45.26 Sec. 39. Minnesota Statutes 2014, section 174.93, subdivision 1, is amended to read:

45.27 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms
45.28 have the meanings given:

45.29 (1) "commissioner" means the commissioner of transportation;

45.30 (2) "guideway" means a form of transportation service provided to the public on a
45.31 regular and ongoing basis, that operates on exclusive or controlled rights-of-way or rails
45.32 in whole or in part, and includes: (i) each line for intercity passenger rail, commuter rail,
45.33 light rail transit, streetcars, and highway bus rapid transit, and express bus service operated

46.1 primarily within a dedicated right-of-way; and (ii) any multimodal station serving two or
46.2 more lines identified in item (i); and

46.3 (3) "local unit of government" means a county, statutory or home rule charter city,
46.4 town, or other political subdivision including, but not limited to, a regional railroad
46.5 authority or joint powers board.

46.6 (b) For purposes of this section, "sources of funds" includes, but is not limited to,
46.7 money from federal aid, state appropriations, the Metropolitan Council, special taxing
46.8 districts, local units of government, fare box recovery, and nonpublic sources.

46.9 (c) For purposes of this section, "budget activity" includes, but is not limited
46.10 to, environmental analysis, land acquisition, easements, design, preliminary and
46.11 final engineering, acquisition of vehicles and rolling stock, track improvement and
46.12 rehabilitation, and construction.

46.13 (d) For purposes of this section, guideway excludes arterial bus rapid transit,
46.14 limited-stop bus service, and express bus service that is not operated primarily within a
46.15 dedicated right-of-way.

46.16 Sec. 40. **[174.94] GUIDEWAY DEVELOPMENT AUTHORIZATION.**

46.17 (a) For purposes of this section, "guideway" has the meaning given in section
46.18 174.93, subdivision 1.

46.19 (b) The commissioner and any political subdivision, including but not limited to
46.20 the Metropolitan Council, a regional railroad authority, a county, or a statutory or home
46.21 rule charter city, may not complete an alternatives analysis or select a locally preferred
46.22 alternative for a guideway project unless on or after January 1, 2015: (1) a law is enacted
46.23 that specifically identifies and authorizes the project, or (2) state funds are appropriated
46.24 specifically for the project.

46.25 (c) Nothing in this section prohibits the commissioner or any political subdivision
46.26 from (1) performing transit planning; (2) producing feasibility studies; or (3) commencing
46.27 project development, including through an alternatives analysis or preliminary
46.28 environmental analysis.

46.29 **EFFECTIVE DATE.** This section is effective the day following final enactment,
46.30 and applies for any project not approved by the Federal Transit Administration for
46.31 preliminary engineering or a subsequent project phase as of the effective date of this
46.32 section. The portion that relates to the Metropolitan Council applies in the counties of
46.33 Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

47.1 Sec. 41. Minnesota Statutes 2014, section 221.031, is amended by adding a subdivision
47.2 to read:

47.3 Subd. 9a. **Federal out-of-service order; operation prohibited.** No intrastate
47.4 carrier, private carrier engaged in intrastate commerce, or person providing intrastate
47.5 transportation service described in section 221.025 shall operate a commercial motor
47.6 vehicle in Minnesota while a motor carrier out-of-service order issued by the Federal
47.7 Motor Carrier Safety Administration under Code of Federal Regulations, title 49, part
47.8 385 or 386, is in effect.

47.9 Sec. 42. Minnesota Statutes 2014, section 221.605, is amended by adding a subdivision
47.10 to read:

47.11 Subd. 4. **Federal out-of-service order; operation prohibited.** No interstate carrier
47.12 or private carrier engaged in interstate commerce shall operate a commercial motor
47.13 vehicle in Minnesota while a motor carrier out-of-service order issued by the Federal
47.14 Motor Carrier Safety Administration under Code of Federal Regulations, title 49, part
47.15 385 or 386, is in effect.

47.16 Sec. 43. Minnesota Statutes 2014, section 299A.465, is amended by adding a
47.17 subdivision to read:

47.18 Subd. 2a. **Volunteer firefighter killed in line of duty.** (a) This subdivision
47.19 applies when a volunteer firefighter is killed while on duty and discharging the volunteer
47.20 firefighter's duties as a volunteer firefighter.

47.21 (b) The municipality or municipalities that operate the fire department that the
47.22 volunteer firefighter serves with shall provide health insurance coverage to the volunteer
47.23 firefighter's dependents, including the volunteer firefighter's spouse.

47.24 (c) The municipality or municipalities that operate the fire department that the
47.25 volunteer firefighter serves with shall pay the same level of contribution to cover the
47.26 volunteer firefighter's dependents as is required for a firefighter under subdivision 2,
47.27 paragraph (c). Coverage must continue for a spousal dependent of the volunteer firefighter
47.28 for the period of time that the person is a dependent up to the age of 65, and coverage must
47.29 continue for any other dependent until the person is age 26.

47.30 Sec. 44. Minnesota Statutes 2014, section 299A.465, subdivision 5, is amended to read:

47.31 Subd. 5. **Definition.** For purposes of this section:

47.32 (a) "Peace officer" or "officer" has the meaning given in section 626.84, subdivision
47.33 1, paragraph (c).

48.1 (b) "Dependent" means a person who meets the definition of dependent in section
48.2 62L.02, subdivision 11, at the time of the officer's or firefighter's injury or death. A person
48.3 is not a dependent for purposes of this section during the period of time the person is
48.4 covered under another group health plan.

48.5 (c) "Firefighter" has the meaning given in Minnesota Statutes 2000, section 424.03,
48.6 but does not include volunteer firefighters.

48.7 (d) "Volunteer firefighter" has the meaning given in section 299N.03, subdivision 7.

48.8 (e) "Fire department" has the meaning given in section 299N.03, subdivision 4.

48.9 Sec. 45. Minnesota Statutes 2014, section 299D.085, subdivision 2, is amended to read:

48.10 Subd. 2. **Certificate.** No person may operate as an overdimensional load escort
48.11 driver in this state without a certificate issued by the commissioner, or by a state with
48.12 which the commissioner has entered into a reciprocal agreement. The commissioner shall
48.13 assess a fee for each certificate applicant, calculated to cover the commissioner's cost of
48.14 establishing and administering the program. No other certification is required to escort
48.15 an overdimensional load.

48.16 Sec. 46. Minnesota Statutes 2014, section 299D.09, is amended to read:

48.17 **299D.09 ESCORT SERVICE; APPROPRIATION; RECEIPTS.**

48.18 (a) Fees charged for escort services provided by the State Patrol are annually
48.19 appropriated to the commissioner of public safety to administer and provide these services.

48.20 (b) The fee charged for services provided by the State Patrol ~~with a vehicle is \$79.28~~
48.21 ~~an hour. The fee charged for services provided without a vehicle is \$59.28 an hour~~
48.22 shall be set to recover actual costs as determined by the commissioner of public safety
48.23 by July 1 each year.

48.24 (c) The fees charged for State Patrol flight services are \$140 an hour for a fixed wing
48.25 aircraft, \$490 an hour for a helicopter, and \$600 an hour for the Queen Air in fiscal year
48.26 2012; and \$139.64 an hour for a fixed wing aircraft, \$560.83 an hour for a helicopter, and
48.27 \$454.84 an hour for the Queen Air in fiscal year 2013 and thereafter.

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

48.29 Sec. 47. **[299F.037] REPORTING FIREFIGHTER DEATHS.**

48.30 Whenever an active firefighter dies, whether or not the death is presumed to be in the
48.31 line of duty, the fire chief of the deceased firefighter must report, without undue delay,

49.1 the death to the state fire marshal. The notification shall identify the cause of death and
49.2 contain information concerning the circumstances of the death.

49.3 Sec. 48. Minnesota Statutes 2014, section 360.305, subdivision 4, is amended to read:

49.4 Subd. 4. **Costs allocated; local contribution; hangar construction account.** (a)
49.5 ~~Except as otherwise provided in this subdivision~~ Annually by June 1, the commissioner
49.6 of transportation shall ~~require as a condition of assistance by the state that the~~ establish
49.7 local contribution rates which will apply to a political subdivision, municipality, or public
49.8 corporation make a substantial contribution to the cost of the construction, improvement,
49.9 maintenance, or operation of the airport, in connection with which the assistance of the
49.10 state is sought. These costs are referred to as project costs when applying for state or
49.11 federal funding assistance to construct, improve, maintain, or operate an airport, or to
49.12 acquire land for airport facilities or clear zones. If the commissioner does not establish
49.13 local contribution rates by June 1, the previous rates apply.

49.14 (b) ~~For any airport, whether key, intermediate, or landing strip, where only state and~~
49.15 ~~local funds are to be used, the contribution shall be not less than one-fifth of the sum of:~~

49.16 (1) ~~the project costs;~~

49.17 (2) ~~acquisition costs of the land and clear zones, which are referred to as acquisition~~
49.18 ~~costs. The commissioner may pay all costs beyond the local contribution. Local~~
49.19 contribution rates shall not be less than five percent of the total cost of the activity or
49.20 acquisition, except that the commissioner may require less than five percent for research
49.21 projects, radio or navigational aids, activities, or acquisitions for which federal funds are
49.22 available to cover more than 90 percent of the total cost, or as otherwise necessary to
49.23 respond to an emergency.

49.24 (c) ~~For any airport where federal, state, and local funds are to be used, the~~
49.25 ~~contribution shall not be less than five percent of the sum of the project costs and~~
49.26 ~~acquisition costs. The commissioner's establishment of local contribution rates is not~~
49.27 subject to the rulemaking requirements of chapter 14.

49.28 (d) ~~The commissioner may pay the total cost of radio and navigational aids.~~

49.29 (e) ~~Notwithstanding paragraph (b) or (c), the commissioner may pay all of the~~
49.30 ~~project costs of a new landing strip, but not an intermediate airport or key airport, or may~~
49.31 ~~pay an amount equal to the federal funds granted and used for a new landing strip plus~~
49.32 ~~all of the remaining project costs; but the total amount paid by the commissioner for the~~
49.33 ~~project costs of a new landing strip, unless specifically authorized by an act appropriating~~
49.34 ~~funds for the new landing strip, shall not exceed \$200,000.~~

50.1 ~~(f) Notwithstanding paragraph (b) or (c), the commissioner may pay all the project~~
 50.2 ~~costs for research and development projects, including, but not limited to noise abatement;~~
 50.3 ~~provided that in no event shall the sums expended under this paragraph exceed five~~
 50.4 ~~percent of the amount appropriated for construction grants.~~

50.5 ~~(g) (d)~~ To receive aid under this section ~~for project costs or for acquisition costs~~, the
 50.6 municipality must enter into an agreement with the commissioner giving assurance that
 50.7 the airport will be operated and maintained in a safe, serviceable manner for aeronautical
 50.8 purposes only for the use and benefit of the public:

50.9 (1) for 20 years after the date ~~that~~ the municipality receives any state funds for
 50.10 project construction or improvement costs are received by the municipality; and

50.11 (2) for 99 years after the date ~~that~~ the municipality receives any state funds for land
 50.12 acquisition costs are received by the municipality. If any land acquired with state funds
 50.13 ceases to be used for aviation purposes, the municipality shall repay the state airports fund
 50.14 the same percentage of the appraised value of the property as that percentage of the costs
 50.15 of acquisition and participation provided by the state to acquire the land.

50.16 The agreement may contain other conditions as the commissioner deems reasonable.

50.17 ~~(h) (e)~~ The commissioner shall establish a hangar construction revolving account,
 50.18 which shall be used for the purpose of financing the construction of hangar buildings to
 50.19 be constructed by municipalities owning airports. All municipalities owning airports are
 50.20 authorized to enter into contracts for the construction of hangars, and contracts with
 50.21 the commissioner for the financing of hangar construction for an amount and period of
 50.22 time as may be determined by the commissioner and municipality. All receipts from the
 50.23 financing contracts shall be deposited in the hangar construction revolving account and
 50.24 are reappropriated for the purpose of financing construction of hangar buildings. ~~The~~
 50.25 ~~commissioner may pay from the hangar construction revolving account 80 percent of the~~
 50.26 ~~cost of financing construction of hangar buildings. For purposes of this paragraph, the~~
 50.27 ~~construction of hangars shall include their design.~~ The commissioner shall transfer up to
 50.28 \$4,400,000 from the state airports fund to the hangar construction revolving account.

50.29 ~~(i) (f)~~ The commissioner may pay a portion of the purchase price of any contribute
 50.30 to costs incurred by any municipality for airport maintenance and operations, safety
 50.31 equipment, and ~~of the actual airport snow removal costs incurred by any municipality.~~
 50.32 ~~The portion to be paid by the state shall not exceed two-thirds of the cost of the purchase~~
 50.33 ~~price or snow removal. To receive aid a municipality must enter into an agreement of the~~
 50.34 ~~type referred to in paragraph (g).~~

50.35 ~~(j) (g)~~ This subdivision applies only to project costs or acquisition costs of
 50.36 municipally owned airports incurred after June 1, 1971.

51.1 Sec. 49. Minnesota Statutes 2014, section 398A.04, is amended by adding a
51.2 subdivision to read:

51.3 Subd. 2b. **Legislative authorization.** The powers conferred to a regional rail
51.4 authority under this chapter are subject to the requirements under section 174.94.

51.5 Sec. 50. Minnesota Statutes 2014, section 473.146, subdivision 4, is amended to read:

51.6 Subd. 4. **Transportation planning.** (a) The Metropolitan Council is the designated
51.7 planning agency for any long-range comprehensive transportation planning required by
51.8 section 134 of the Federal Highway Act of 1962, Section 4 of Urban Mass Transportation
51.9 Act of 1964 and Section 112 of Federal Aid Highway Act of 1973 and other federal
51.10 transportation laws. The council shall assure administration and coordination of
51.11 transportation planning with appropriate state, regional and other agencies, counties,
51.12 and municipalities.

51.13 (b) The council shall establish an advisory body consisting of citizens and
51.14 representatives of municipalities, counties, and state agencies in fulfillment of the planning
51.15 responsibilities of the council. The membership of the advisory body must consist of:

51.16 (1) the commissioner of transportation or the commissioner's designee;

51.17 (2) the commissioner of the Pollution Control Agency or the commissioner's
51.18 designee;

51.19 (3) one member of the Metropolitan Airports Commission appointed by the
51.20 commission;

51.21 (4) one person appointed by the council to represent nonmotorized transportation;

51.22 (5) one person appointed by the commissioner of transportation to represent the
51.23 freight transportation industry;

51.24 (6) two persons ~~appointed by the council~~ to represent public transit, with one
51.25 appointed by the council, and one appointed by the Suburban Transit Association who
51.26 must be an elected official from a city participating in the replacement service program
51.27 under section 473.388;

51.28 (7) ten elected officials of cities within the metropolitan area, including one
51.29 representative from each first-class city, appointed by the Association of Metropolitan
51.30 Municipalities;

51.31 (8) one member of the county board of each county in the seven-county metropolitan
51.32 area, appointed by the respective county boards;

51.33 (9) eight citizens appointed by the council, one from each council precinct; and

51.34 (10) one member of the council, appointed by the council.

51.35 (c) The council shall appoint a chair from among the members of the advisory body.

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

52.4 Sec. 51. Minnesota Statutes 2014, section 473.399, is amended by adding a subdivision
 52.5 to read:

52.6 **Subd. 6. Legislative authorization.** The powers conferred to a responsible
 52.7 authority, as defined in section 473.3993, subdivision 4, under sections 473.399 to
 52.8 473.3999 are subject to the requirements in section 174.94.

52.9 **APPLICATION.** This section applies in the counties of Anoka, Carver, Dakota,
 52.10 Hennepin, Ramsey, Scott, and Washington.

52.11 Sec. 52. Minnesota Statutes 2014, section 473.4051, subdivision 2, is amended to read:

52.12 **Subd. 2. Operating costs.** After operating revenue and federal money have been
 52.13 used to pay for light rail transit operations, 50, 100 percent of the remaining operating and
 52.14 ongoing maintenance costs must be paid by the state from nonstate sources. For purposes
 52.15 of this subdivision, state sources include but are not limited to general fund appropriations
 52.16 and revenue from the motor vehicle sales tax under chapter 297B.

52.17 **APPLICATION.** This section applies in the counties of Anoka, Carver, Dakota,
 52.18 Hennepin, Ramsey, Scott, and Washington.

52.19 Sec. 53. Laws 2009, chapter 158, section 10, as amended by Laws 2012, chapter 287,
 52.20 article 3, section 56, and Laws 2014, chapter 255, section 20, is amended to read:

52.21 **Sec. 10. EFFECTIVE DATE.**

52.22 Sections 2 and 3 are effective August 1, 2009, and the amendments made in sections
 52.23 2 and 3 to Minnesota Statutes, sections 169.011 and 169.045, expire July 31, 2015.

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

52.25 Sec. 54. Laws 2014, chapter 312, article 11, section 3, the effective date, is amended to
 52.26 read:

52.27 **EFFECTIVE DATE.** Subdivisions 1 to 4 are effective January 1, 2015, for special
 52.28 Minnesota golf plates issued on or after that date. Subdivision 5 is effective January 1,
 52.29 2017 July 1, 2015.

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

53.1 **Sec. 55. DEPARTMENT OF TRANSPORTATION EFFICIENCIES.**

53.2 (a) In fiscal years 2016 and 2017, the commissioner of transportation shall
53.3 implement efficiencies identified by the Transportation Strategic Management and
53.4 Operations Advisory Task Force report under Laws 2008, chapter 152, article 6, section 9,
53.5 equal to 15 percent of the Department of Transportation's total appropriations for fiscal
53.6 years 2014 and 2015.

53.7 (b) The efficiency savings amount identified in paragraph (a) is available to the
53.8 commissioner of transportation in fiscal years 2016 and 2017 for the construction,
53.9 maintenance, or rehabilitation, including pothole repair, of highways, roads, and bridges
53.10 on the trunk highway system.

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

53.12 **Sec. 56. LEGISLATIVE ROUTE NO. 228 REMOVED.**

53.13 (a) Minnesota Statutes, section 161.115, subdivision 159, is repealed effective the
53.14 day after the commissioner of transportation receives a copy of the agreement between
53.15 the commissioner and the governing body of Otter Tail County to transfer jurisdiction of
53.16 Legislative Route No. 228 and after the commissioner notifies the revisor of statutes
53.17 under paragraph (b).

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

53.22 **Sec. 57. LEGISLATIVE ROUTE NO. 275 REMOVED.**

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

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

53.32 **Sec. 58. COST PARTICIPATION POLICY.**

54.1 The commissioner of transportation, in consultation with representatives of local
54.2 units of government, shall create and adopt a policy concerning cost participation
54.3 for cooperative construction projects and maintenance responsibilities between the
54.4 Department of Transportation and local units of government. The policy must minimize
54.5 the share of cooperative project costs to be funded by the local units of government while
54.6 complying in all respects with the state constitutional requirements concerning allowable
54.7 uses of the trunk highway fund. The policy should provide and include sufficient flexibility
54.8 for unique projects and locations if doing so results in a lower total project cost. The policy
54.9 must be completed and adopted by the commissioner no later than September 1, 2015.

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

54.11 Sec. 59. **CONCRETE DIAMOND GRINDING SLURRY.**

54.12 The commissioner of transportation shall not engage in a study, including under any
54.13 agreement with a consultant, related to the deposit of slurry generated from highway
54.14 diamond grinding on the side of roadways, unless the commissioner consults with
54.15 interested representatives of the road construction and maintenance industry regarding the
54.16 methodology and specifications for the study. The commissioner or a consultant operating
54.17 under an agreement with the commissioner shall consult with interested representatives
54.18 of the road construction and maintenance industry to evaluate methods of determining
54.19 best management practices.

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

54.21 Sec. 60. **INTERSTATE 94/694/494 INTERCHANGE SAFETY IMPROVEMENT**
54.22 **STUDY.**

54.23 The commissioner of transportation must conduct a safety improvement study for
54.24 the interchange of signed Interstate Highways 94, 694, and 494 in the cities of Woodbury
54.25 and Oakdale. At a minimum, the study must provide specific recommendations to
54.26 improve the safety of the interchange and include cost estimates for each recommended
54.27 improvement. The commissioner must report the findings and recommendations of the
54.28 study to the legislative committees having jurisdiction over transportation policy and
54.29 finance within 180 days after the effective date of this section.

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

54.31 Sec. 61. **LEGISLATIVE REPORT ON VEHICLE TITLE TRANSFER FEE**
54.32 **FUNDS.**

55.1 By November 1, 2015, the commissioner of the Pollution Control Agency shall
55.2 submit a report on motor vehicle title transfer fee funds to the chairs and ranking
55.3 minority members of the legislative committees with jurisdiction over transportation and
55.4 environment policy and finance. At a minimum, the report must (1) identify the annual
55.5 amount of revenue from the motor vehicle title transfer fee under Minnesota Statutes,
55.6 section 115A.908, over fiscal years 2012 to 2015; (2) evaluate the policy rationale for
55.7 allocation of revenue from the title transfer fee; and (3) specify uses of funds from the
55.8 title transfer fee, including identification of any motor vehicle, road, or bridge purposes
55.9 for which funds are used.

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

55.11 **Sec. 62. PUBLIC-PRIVATE PARTNERSHIP PILOT PROGRAM.**

55.12 Subdivision 1. **Definition.** For the purposes of this section, "responsible authority"
55.13 means the commissioner of transportation or the Metropolitan Council, as appropriate.

55.14 Subd. 2. **Public-private partnership authority.** (a) A responsible authority is
55.15 authorized to consider and utilize public-private partnership procurement methods as
55.16 provided in this section. A public-private partnership initiative must take advantage of
55.17 private sector efficiencies in design and construction, along with expertise in finance and
55.18 development, and provide a better long-term value for the state than could be obtained
55.19 through traditional procurement methods.

55.20 (b) A responsible authority may use in the pilot program an existing public-private
55.21 partnership mechanism or a proposed mechanism that proves the best available option
55.22 for the state. Mechanisms that a responsible authority may use consist only of: user
55.23 fees, construction payments, joint development agreements, negotiated exactions, and
55.24 air rights development.

55.25 (c) A responsible authority may receive or solicit and evaluate proposals to
55.26 build, operate, and finance projects that are not inconsistent with the department's or
55.27 the Metropolitan Council's most recent transportation plans. If a responsible authority
55.28 receives an unsolicited proposal, the authority shall publish a notice in the State Register
55.29 at least once a week for two weeks stating that the authority has received the proposal and
55.30 will accept other proposals for the same project purpose for 120 days after the initial date
55.31 of publication. The private proposer must be selected on a competitive basis.

55.32 Subd. 3. **Pilot program restrictions.** (a) The pilot program under this section is
55.33 for a total of up to three projects that are exclusively or primarily for infrastructure of
55.34 a capital nature, excluding rolling stock.

56.1 (b) A responsible authority may not enter into a public-private partnership under this
56.2 section for a project with a total project cost estimate of more than \$100,000,000.

56.3 (c) When entering into a public-private partnership, a responsible authority may not
56.4 enter into any noncompete agreement that inhibits the state's ability to address ongoing or
56.5 future infrastructure needs.

56.6 (d) If a responsible authority enters into a public-private partnership agreement
56.7 that includes a temporary transfer of ownership or control of a road, bridge, or other
56.8 infrastructure investment to the private entity, the agreement must include a provision
56.9 requiring the return of the road, bridge, or other infrastructure investment to the state after
56.10 a specified period of time that may not exceed 25 years.

56.11 (e) A responsible authority may only consider new projects for a public-private
56.12 partnership. A responsible authority is prohibited from considering projects involving
56.13 existing infrastructure for a public-private partnership, unless the proposed project adds
56.14 capacity to the existing infrastructure.

56.15 Subd. 4. **Consultation.** (a) As part of the pilot program under this section, the
56.16 commissioner and the Metropolitan Council shall consult with the commissioner of
56.17 management and budget, the commissioner of employment and economic development, the
56.18 commissioner of administration, and one representative each from the American Council
56.19 of Engineering Companies - Minnesota chapter, the Central Minnesota Transportation
56.20 Alliance, and the Minnesota County Engineers Association. In addition, the commissioner
56.21 shall invite the Federal Highway Administration and the Metropolitan Council shall invite
56.22 the Federal Transit Administration to participate in consultation activities.

56.23 (b) Consultation activities include reviewing projects proposed under this section,
56.24 reviewing any contractual or financial agreements to ensure program requirements are
56.25 met, and ensuring that any proposed or executed agreement serves the public interest.

56.26 Subd. 5. **Evaluation and selection of private entity and project.** (a) A responsible
56.27 authority shall contract with one or more consultants to assist in proposal evaluation. The
56.28 consultant must possess expertise and experience in public-private partnership project
56.29 evaluation methodology, such as value for money, costs of public-private partnership
56.30 compared with costs of public project delivery, and cost-benefit analysis.

56.31 (b) When soliciting, evaluating, and selecting a private entity with which to enter
56.32 into a public-private partnership and before selecting a project, a responsible authority
56.33 must consider:

56.34 (1) the ability of the proposed project to improve safety, reduce congestion, increase
56.35 capacity, and promote economic growth;

56.36 (2) the proposed cost of and financial plan for the project;

57.1 (3) the general reputation, qualifications, industry experience, and financial capacity
 57.2 of the private entity;

57.3 (4) the project's proposed design, operation, and feasibility;

57.4 (5) the length and extent of transportation and transit service disruption;

57.5 (6) comments from local citizens and affected jurisdictions;

57.6 (7) the benefits to the public;

57.7 (8) the safety record of the private entity; and

57.8 (9) any other criteria a responsible authority deems appropriate.

57.9 Subd. 6. **Public-private agreement.** (a) A public-private agreement between a
 57.10 responsible authority and a private entity must, at a minimum, specify:

57.11 (1) the planning, acquisition, financing, development, design, construction,
 57.12 reconstruction, replacement, improvement, maintenance, management, repair, leasing, or
 57.13 operation of the project;

57.14 (2) the term of the public-private agreement;

57.15 (3) the type of property interest, if any, that the private entity will have in the project;

57.16 (4) a description of the actions a responsible authority may take to ensure proper
 57.17 maintenance of the project;

57.18 (5) whether user fees will be collected on the project and the basis by which the
 57.19 user fees are determined and modified along with identification of the public agency that
 57.20 will determine and modify fees;

57.21 (6) compliance with applicable federal, state, and local laws;

57.22 (7) grounds for termination of the public-private agreement by a responsible
 57.23 authority;

57.24 (8) adequate safeguards for the traveling public and residents of the state in event of
 57.25 default on the contract;

57.26 (9) financial protection for the state in the event of default, which must include
 57.27 payment and performance bonds, for any construction, that meet the requirements under
 57.28 Minnesota Statutes, sections 574.26 to 574.32; and

57.29 (10) procedures for amendment of the agreement.

57.30 (b) A public-private agreement between a responsible authority and a private entity
 57.31 may provide for:

57.32 (1) review and approval by a responsible authority of the private entity's plans for
 57.33 the development and operation of the project;

57.34 (2) inspection by a responsible authority of construction and improvements to the
 57.35 project;

57.36 (3) maintenance by the private entity of a liability insurance policy;

- 58.1 (4) filing of appropriate financial statements by the private entity on a periodic basis;
58.2 (5) filing of traffic reports by the private entity on a periodic basis;
58.3 (6) financing obligations of a responsible authority and the private entity;
58.4 (7) apportionment of expenses between a responsible authority and the private entity;
58.5 (8) the rights and remedies available in the event of a default or delay;
58.6 (9) the rights and duties of the private entity, a responsible authority, and other state
58.7 or local governmental entities with respect to the use of the project;
58.8 (10) the terms and conditions of indemnification of the private entity by a responsible
58.9 authority;
58.10 (11) assignment, subcontracting, or other delegations of responsibilities of (i) the
58.11 private entity, or (ii) a responsible authority under agreement to third parties, including
58.12 other private entities or state agencies;
58.13 (12) if applicable, sale or lease to the private entity of private property related to
58.14 the project;
58.15 (13) traffic enforcement and other policing issues; and
58.16 (14) any other terms and conditions a responsible authority deems appropriate.
58.17 **Subd. 7. Funding from federal government.** (a) A responsible authority may
58.18 accept from the United States or any of its agencies funds that are available to the state
58.19 for carrying out the pilot program, whether the funds are available by grant, loan, or
58.20 other financial assistance.
58.21 (b) A responsible authority may enter into agreements or other arrangements with
58.22 the United States or any of its agencies as necessary for carrying out the pilot program.
58.23 (c) A responsible authority shall seek to maximize project funding from nonstate
58.24 sources and may combine federal, state, local, and private funds to finance a public-private
58.25 partnership pilot project.
58.26 **Subd. 8. Legislative reporting.** By August 1 annually in 2016 through 2019, the
58.27 commissioner of transportation and the Metropolitan Council shall jointly submit to the
58.28 chairs and ranking minority members of the legislative committees having jurisdiction
58.29 over transportation policy and finance a list of all agreements executed under the pilot
58.30 program authority. At a minimum, the list must identify each agreement, the contracting
58.31 entities, the contract amount and duration, and any repayment requirements, and provide
58.32 an update on the project's progress. The list may be submitted electronically and is subject
58.33 to Minnesota Statutes, section 3.195, subdivision 1.
58.34 **Subd. 9. Expiration.** The authority to enter into new agreements under this section
58.35 expires on June 30, 2019.

59.1 Sec. 63. **REPEALER.**

59.2 Minnesota Statutes 2014, section 299E.02, is repealed.

APPENDIX
Article locations in H0004-2

ARTICLE 1	TRANSPORTATION APPROPRIATIONS	Page.Ln 1.24
ARTICLE 2	TRUNK HIGHWAY BONDING	Page.Ln 23.17
ARTICLE 3	TRANSPORTATION POLICY AND FINANCE	Page.Ln 26.14

APPENDIX

Repealed Minnesota Statutes: H0004-2

299E.02 INTERAGENCY AGREEMENT; APPROPRIATION.

The commissioner of public safety shall execute interagency agreements with agency tenants in the Capitol complex whereby fees for the provision of security services are charged. Fees charged for security services provided by the Capitol Complex Security Division of the Department of Public Safety must be deposited in an account in the special revenue fund and are annually appropriated to the commissioner of public safety to provide these services.