

1.1 moves to amend H.F. No. 861, the first engrossment, as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 **"ARTICLE 1**

1.4 **TRANSPORTATION APPROPRIATIONS**

1.5 Section 1. **CITATION.**

1.6 This act may be cited as the "Road and Bridge Act."

1.7 Sec. 2. **SUMMARY OF APPROPRIATIONS.**

1.8 The amounts shown in this section summarize direct appropriations by fund made in
1.9 this article, and do not have legal effect.

	<u>2018</u>		<u>2019</u>		<u>Total</u>
1.10					
1.11	<u>General</u>	\$ <u>82,396,000</u>	\$ <u>55,270,000</u>	\$ <u>137,666,000</u>	
1.12	<u>Airports</u>	<u>42,631,000</u>	<u>22,609,000</u>	<u>65,240,000</u>	
1.13	<u>C.S.A.H.</u>	<u>744,172,000</u>	<u>759,502,000</u>	<u>1,503,673,000</u>	
1.14	<u>M.S.A.S.</u>	<u>195,682,000</u>	<u>200,365,000</u>	<u>396,047,000</u>	
1.15	<u>Special Revenue</u>	<u>66,445,000</u>	<u>65,087,000</u>	<u>131,532,000</u>	
1.16	<u>H.U.T.D.</u>	<u>10,474,000</u>	<u>10,486,000</u>	<u>20,960,000</u>	
1.17	<u>Transportation Priorities</u>	<u>105,104,000</u>	<u>128,147,000</u>	<u>233,251,000</u>	
1.18	<u>Trunk Highway</u>	<u>1,882,987,000</u>	<u>1,758,547,000</u>	<u>3,648,534,000</u>	
1.19	<u>Total</u>	<u>\$ 3,024,786,000</u>	<u>\$ 2,871,866,000</u>	<u>\$ 5,896,652,000</u>	

1.20 Sec. 3. **TRANSPORTATION APPROPRIATIONS**

1.21 The sums shown in the columns marked "Appropriations" are appropriated to the agencies
1.22 and for the purposes specified in this article. The appropriations are from the trunk highway
1.23 fund, or another named fund, and are available for the fiscal years indicated for each purpose.

2.1 Amounts for "Total Appropriation" and sums shown in the corresponding columns marked
 2.2 "Appropriations by Fund" are summary only and do not have legal effect. Unless specified
 2.3 otherwise, the amounts in the second year under "Appropriations by Fund" show the base
 2.4 appropriations within the meaning of Minnesota Statutes, section 16A.11, subdivision 3,
 2.5 by fund. The figures "2018" and "2019" used in this article mean that the appropriations
 2.6 listed under them are available for the fiscal year ending June 30, 2018, or June 30, 2019,
 2.7 respectively. "The first year" is fiscal year 2018. "The second year" is fiscal year 2019. "The
 2.8 biennium" is fiscal years 2018 and 2019.

2.9 **APPROPRIATIONS**
 2.10 **Available for the Year**
 2.11 **Ending June 30**
 2.12 **2018** **2019**

2.13 **Sec. 4. DEPARTMENT OF**
 2.14 **TRANSPORTATION**

2.15 **Subdivision 1. Total Appropriations Summary** \$ **2,891,106,000** \$ **2,778,175,000**

	<u>Appropriations by Fund</u>	
	<u>2018</u>	<u>2019</u>
2.18 <u>General</u>	<u>24,879,000</u>	<u>18,358,000</u>
2.19 <u>Airports</u>	<u>42,631,000</u>	<u>22,609,000</u>
2.20 <u>C.S.A.H.</u>	<u>744,172,000</u>	<u>759,502,000</u>
2.21 <u>M.S.A.S.</u>	<u>195,682,000</u>	<u>200,365,000</u>
2.22 <u>Special Revenue</u>	<u>1,000,000</u>	<u>0</u>
2.23 <u>Transportation</u>		
2.24 <u>Priorities</u>	<u>105,104,000</u>	<u>128,147,000</u>
2.25 <u>Trunk Highway</u>	<u>1,777,639,000</u>	<u>1,649,194,000</u>

2.26 The appropriations in this section are to the
 2.27 commissioner of transportation. The amounts
 2.28 that may be spent for each purpose are
 2.29 specified in the following subdivisions.

2.30 **Subd. 2. Multimodal Systems**

2.31 **(a) Aeronautics**

2.32 **(1) Airport Development and Assistance** **21,298,000** **17,298,000**

2.33 This appropriation is from the state airports
 2.34 fund and must be spent according to
 2.35 Minnesota Statutes, section 360.305,
 2.36 subdivision 4.

3.1 The base appropriation is \$15,298,000 in each
 3.2 year for fiscal years 2020 and 2021.

3.3 Notwithstanding Minnesota Statutes, section
 3.4 16A.28, subdivision 6, this appropriation is
 3.5 available for five years after appropriation. If
 3.6 the appropriation for either year is insufficient,
 3.7 the appropriation for the other year is available
 3.8 for it.

3.9 If the commissioner of transportation
 3.10 determines that a balance remains in the state
 3.11 airports fund following the appropriations
 3.12 made in this article, and that the appropriations
 3.13 made are insufficient for advancing airport
 3.14 development and assistance projects, an
 3.15 amount necessary to advance the projects, not
 3.16 to exceed the balance in the state airports fund,
 3.17 is appropriated in each year to the
 3.18 commissioner and must be spent according to
 3.19 Minnesota Statutes, section 360.305,
 3.20 subdivision 4. Within two weeks of a
 3.21 determination under this contingent
 3.22 appropriation, the commissioner of
 3.23 transportation must notify the commissioner
 3.24 of management and budget and the chairs,
 3.25 ranking minority members, and staff of the
 3.26 legislative committees with jurisdiction over
 3.27 transportation finance concerning funds
 3.28 appropriated. Funds appropriated under this
 3.29 contingent appropriation do not adjust the base
 3.30 appropriation for fiscal years 2020 and 2021.

3.31 **(2) Aviation Support Services** 6,710,000 6,854,000

	<u>Appropriations by Fund</u>	
	<u>2018</u>	<u>2019</u>
3.34 <u>Airports</u>	<u>5,231,000</u>	<u>5,231,000</u>
3.35 <u>Trunk Highway</u>	<u>1,479,000</u>	<u>1,623,000</u>

4.1	<u>(3) Civil Air Patrol</u>	<u>3,580,000</u>	<u>80,000</u>
4.2	<u>This appropriation is from the state airports</u>		
4.3	<u>fund for the Civil Air Patrol.</u>		
4.4	<u>\$3,500,000 is for a grant to renovate a portion</u>		
4.5	<u>of and construct an addition to the training and</u>		
4.6	<u>maintenance facility located at the South St.</u>		
4.7	<u>Paul airport, and to furnish and equip the</u>		
4.8	<u>facility, including communications equipment</u>		
4.9	<u>and a mobile command post vehicle, subject</u>		
4.10	<u>to Minnesota Statutes, section 16A.642.</u>		
4.11	<u>(4) International Falls-Koochiching County</u>		
4.12	<u>Airport Commission</u>	<u>3,000,000</u>	<u>-0-</u>
4.13	<u>(i) This appropriation is from the state airports</u>		
4.14	<u>fund for a grant to the International</u>		
4.15	<u>Falls-Koochiching County Airport</u>		
4.16	<u>Commission for the following improvements</u>		
4.17	<u>to the Falls International Airport:</u>		
4.18	<u>(A) demolition of the existing terminal</u>		
4.19	<u>building;</u>		
4.20	<u>(B) rehabilitation;</u>		
4.21	<u>(C) site preparation, including utilities and</u>		
4.22	<u>civil work;</u>		
4.23	<u>(D) design, construction, furnishing, and</u>		
4.24	<u>equipping Phase II of the new terminal</u>		
4.25	<u>building, including a Transportation Safety</u>		
4.26	<u>Administration office, weather office,</u>		
4.27	<u>conference room, circulation corridor, airport</u>		
4.28	<u>administration offices, United States Customs</u>		
4.29	<u>and Border Protection storage rooms, offices,</u>		
4.30	<u>restrooms, passenger-processing area,</u>		
4.31	<u>wet-hold room, interview room, search room,</u>		
4.32	<u>pre and post-customs passenger waiting areas,</u>		
4.33	<u>and vestibule; and</u>		

5.1 (E) associated appurtenances of a capital
 5.2 nature.

5.3 (ii) After completion of the improvements
 5.4 under item (i), any unspent money from this
 5.5 appropriation may be used by the International
 5.6 Falls-Koochiching County Airport
 5.7 Commission for a commercial airline apron
 5.8 expansion project at the Falls International
 5.9 Airport.

5.10 (iii) This appropriation does not require a
 5.11 nonstate contribution or match.

5.12 **(5) Duluth Airport Authority** 6,619,000 -0-

5.13 This appropriation is from the state airports
 5.14 fund for a grant to the Duluth Airport
 5.15 Authority to provide the federal match to
 5.16 design and construct runway infrastructure at
 5.17 the Duluth International Airport in accordance
 5.18 with Minnesota Statutes, section 360.017. For
 5.19 the purposes of this appropriation, the
 5.20 commissioner may waive the requirements of
 5.21 Minnesota Statutes, section 360.305,
 5.22 subdivision 4, paragraph (b). This
 5.23 appropriation is available until and must be
 5.24 encumbered by June 30, 2019.

5.25 **(6) Rochester International Airport** 2,333,000 -0-

5.26 This appropriation is from the state airports
 5.27 fund for a grant to the city of Rochester to
 5.28 design, rehabilitate, demolish, and expand
 5.29 portions of the existing passenger terminal
 5.30 building at the Rochester International Airport,
 5.31 provided that this amount also includes money
 5.32 to remodel, construct, furnish, and equip the
 5.33 existing passenger terminal building and
 5.34 associated appurtenances to meet United States

6.1 Customs and Border Protection and
6.2 Transportation Security Administration
6.3 standards for safety, security, and processing
6.4 time to accommodate domestic and
6.5 international flights. The capital improvements
6.6 paid for with this appropriation may be used
6.7 as the local contribution required by
6.8 Minnesota Statutes, section 360.305,
6.9 subdivision 4. This appropriation may be used
6.10 to reimburse the city for costs incurred after
6.11 May 1, 2016. This appropriation is not
6.12 available until the commissioner of
6.13 management and budget determines that at
6.14 least an equal amount has been committed to
6.15 the project from nonstate sources. Work that
6.16 may be completed with this appropriation
6.17 includes but is not limited to:

6.18 (i) site preparation, including utilities, site civil
6.19 work, testing, and construction administration
6.20 services;

6.21 (ii) the relocation, modification, and addition
6.22 of airline ticket counters, baggage claim
6.23 devices, public spaces, offices, restrooms,
6.24 support space, break rooms, lockers,
6.25 equipment storage, communications, hallways,
6.26 building signage, medical visitor rooms,
6.27 special needs accommodations, hold rooms,
6.28 secure storage, equipment maintenance area,
6.29 and building engineering and technology
6.30 systems;

6.31 (iii) improvements needed outside the terminal
6.32 to remove, restore, and tie into adjacent
6.33 utilities, sidewalks, driveways, parking lots,
6.34 and aircraft aprons; and

7.1	<u>(iv) the construction of covered exterior</u>		
7.2	<u>equipment storage.</u>		
7.3	<u>(7) Carlton County Airport Hangar</u>	<u>320,000</u>	<u>-0-</u>
7.4	<u>This appropriation is from the state airports</u>		
7.5	<u>fund for a grant to Carlton County to construct</u>		
7.6	<u>a hangar at the Cloquet - Carlton County</u>		
7.7	<u>Airport that (i) facilitates the basing of air</u>		
7.8	<u>ambulance aircraft and (ii) provides basing of</u>		
7.9	<u>corporate aircraft and turboprop and jet aircraft</u>		
7.10	<u>that operate under Code of Federal</u>		
7.11	<u>Regulations, title 14, part 135.</u>		
7.12	<u>(8) St. Cloud Regional Airport Study</u>	<u>250,000</u>	<u>-0-</u>
7.13	<u>Notwithstanding Minnesota Statutes, section</u>		
7.14	<u>360.017, this appropriation is from the state</u>		
7.15	<u>airports fund for a grant to the city of St.</u>		
7.16	<u>Cloud for an air transport optimization</u>		
7.17	<u>planning study for the St. Cloud Regional</u>		
7.18	<u>Airport. The study must be comprehensive</u>		
7.19	<u>and market-based, using economic</u>		
7.20	<u>development and air service expertise to</u>		
7.21	<u>research, analyze, and develop models and</u>		
7.22	<u>strategies that maximize the return on</u>		
7.23	<u>investments made to enhance the use and</u>		
7.24	<u>impact of the St. Cloud Regional Airport. By</u>		
7.25	<u>January 5, 2018, the city of St. Cloud shall</u>		
7.26	<u>submit a report to the governor and the</u>		
7.27	<u>members and staff of the legislative</u>		
7.28	<u>committees with jurisdiction over capital</u>		
7.29	<u>investment, transportation, and economic</u>		
7.30	<u>development with recommendations based on</u>		
7.31	<u>the findings of the study.</u>		
7.32	<u>(b) Transit</u>	<u>52,191,000</u>	<u>57,058,000</u>
7.33	<u>Appropriations by Fund</u>		
7.34		<u>2018</u>	<u>2019</u>
7.35	<u>General</u>	<u>17,395,000</u>	<u>17,395,000</u>

8.1	<u>Transportation</u>		
8.2	<u>Priorities</u>	<u>33,950,000</u>	<u>38,790,000</u>
8.3	<u>Trunk Highway</u>	<u>846,000</u>	<u>873,000</u>

8.4 \$250,000 in each year is from the general fund
 8.5 to pay administrative costs for the safe routes
 8.6 to school program under Minnesota Statutes,
 8.7 section 174.40.

8.8 \$150,000 in each year is from the general fund
 8.9 for grants to transportation management
 8.10 organizations that provide services exclusively
 8.11 or primarily in the city located along the
 8.12 marked Interstate Highway 494 corridor
 8.13 having the highest population as of the
 8.14 effective date of this section. The
 8.15 commissioner must not retain any portion of
 8.16 the funds appropriated under this section.

8.17 From the appropriation in each fiscal year, the
 8.18 commissioner must make grant payments in
 8.19 full by July 31. Permissible uses of funds
 8.20 under this grant include administrative
 8.21 expenses and programming and service
 8.22 expansion, including but not limited to
 8.23 staffing, communications, outreach and
 8.24 education program development, and
 8.25 operations management.

8.26 The base appropriation from the general fund
 8.27 is \$17,245,000 in each year for fiscal years
 8.28 2020 and 2021.

8.29 The base appropriation from the transportation
 8.30 priorities fund is as established in Minnesota
 8.31 Statutes, section 174.54, subdivision 3.

8.32	<u>(c) Safe Routes to School</u>	<u>2,500,000</u>	<u>500,000</u>
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8.33 This appropriation is from the general fund
 8.34 for the safe routes to school program under
 8.35 Minnesota Statutes, section 174.40.

9.1 **(d) Freight**

9.2	<u>(1) Freight and Commercial Vehicle Operations</u>	<u>6,716,000</u>	<u>5,928,000</u>
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9.3 Appropriations by Fund

9.4		<u>2018</u>	<u>2019</u>
9.5	<u>General</u>	<u>1,366,000</u>	<u>406,000</u>
9.6	<u>Trunk Highway</u>	<u>5,350,000</u>	<u>5,522,000</u>

9.7 \$960,000 in the first year is from the general
 9.8 fund for port development assistance grants
 9.9 under Minnesota Statutes, chapter 457A, in
 9.10 the amounts of: (1) \$800,000 to the city of
 9.11 Red Wing; and (2) \$160,000 to the Port
 9.12 Authority of Winona. Any improvements
 9.13 made with the proceeds of the grants must be
 9.14 publicly owned. This appropriation is available
 9.15 in the second year.

9.16 \$150,000 in each year is for additional rail
 9.17 safety and rail service activities, and this
 9.18 amount annually is included in base
 9.19 appropriations.

9.20	<u>(2) Minnesota Rail Service Improvement</u>	<u>6,061,000</u>	<u>0</u>
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9.21 Appropriations by Fund

9.22		<u>2018</u>	<u>2019</u>
9.23	<u>General</u>	<u>3,561,000</u>	<u>0</u>
9.24	<u>Transportation</u>		
9.25	<u>Priorities</u>	<u>1,500,000</u>	<u>0</u>
9.26	<u>Special Revenue</u>	<u>1,000,000</u>	<u>0</u>

9.27 This appropriation is for the Minnesota rail
 9.28 service improvement program under
 9.29 Minnesota Statutes, sections 222.49 and
 9.30 222.50.

9.31 \$1,000,000 in the first year is from the rail
 9.32 service improvement account in the special
 9.33 revenue fund for a grant to the city of Grand
 9.34 Rapids to fund rail planning studies, design,
 9.35 and preliminary engineering relating to the

10.1 construction of a freight rail line located in the
 10.2 counties of Itasca, St. Louis, and Lake to serve
 10.3 local producers and shippers. The city of
 10.4 Grand Rapids shall collaborate with the Itasca
 10.5 Economic Development Corporation and the
 10.6 Itasca County Regional Railroad Authority in
 10.7 the activities funded with the proceeds of this
 10.8 grant. This appropriation is available until June
 10.9 30, 2019.

10.10 **(3) Hazardous Materials Rail Safety** 5,000,000 5,000,000

10.11 This appropriation is from the transportation
 10.12 priorities fund for the hazardous materials rail
 10.13 safety program and grants under Minnesota
 10.14 Statutes, section 219.016.

10.15 The base appropriation is as established in
 10.16 Minnesota Statutes, section 174.54,
 10.17 subdivision 3.

10.18 **(4) Railroad Warning Devices** 3,000,000 3,000,000

10.19 This appropriation is from the transportation
 10.20 priorities fund to design, construct, and equip
 10.21 replacement of active highway-rail grade
 10.22 crossing warning devices that have reached
 10.23 the end of their useful life.

10.24 The base appropriation is as established in
 10.25 Minnesota Statutes, section 174.54,
 10.26 subdivision 3.

10.27 **(5) Rail Quiet Zones** 1,000,000 1,000,000

10.28 This appropriation is from the transportation
 10.29 priorities fund for the public highway-rail
 10.30 grade crossing quiet zone program and grants
 10.31 under Minnesota Statutes, section 219.166.

10.32 Up to ten percent of this appropriation may
 10.33 be used for eligible activities necessary to

11.1	<u>support the implementation and delivery of</u>		
11.2	<u>the program.</u>		
11.3	<u>The base appropriation is as established in</u>		
11.4	<u>Minnesota Statutes, section 174.54,</u>		
11.5	<u>subdivision 3.</u>		
11.6	<u>Subd. 3. State Roads</u>		
11.7	<u>(a) Operations and Maintenance</u>	<u>343,446,000</u>	<u>348,101,000</u>
11.8	<u>\$4,000,000 in each year is for additional</u>		
11.9	<u>maintenance and improvements related to</u>		
11.10	<u>intelligent transportation systems, and this</u>		
11.11	<u>amount annually is included in base</u>		
11.12	<u>appropriations.</u>		
11.13	<u>\$10,000,000 in each year is for additional</u>		
11.14	<u>pavement preservation activities, and this</u>		
11.15	<u>amount annually is included in base</u>		
11.16	<u>appropriations.</u>		
11.17	<u>\$10,000,000 in each year is for additional fleet</u>		
11.18	<u>equipment replacement in conformance with</u>		
11.19	<u>performance targets, and this amount annually</u>		
11.20	<u>is included in base appropriations.</u>		
11.21	<u>The commissioner is prohibited from</u>		
11.22	<u>implementing the workforce optimization plan</u>		
11.23	<u>proposed under the budget submitted for the</u>		
11.24	<u>biennium under Minnesota Statutes, section</u>		
11.25	<u>16A.11, and from otherwise appreciably</u>		
11.26	<u>increasing the staffing complement for snow</u>		
11.27	<u>and ice management.</u>		
11.28	<u>The base appropriation is \$356,086,000 in</u>		
11.29	<u>fiscal year 2020 and \$357,518,000 in fiscal</u>		
11.30	<u>year 2021.</u>		
11.31	<u>(b) Program Planning and Delivery</u>		
11.32	<u>(1) Planning and Research</u>	<u>30,442,000</u>	<u>30,790,000</u>

- 12.1 If a balance remains in this appropriation, the
 12.2 commissioner may transfer up to that amount
 12.3 for program delivery under clause (2).
- 12.4 Up to \$600,000 in the first year is for the
 12.5 congestion and safety improvements study as
 12.6 required under article 4, section 97.
- 12.7 Up to \$160,000 in the first year is for the
 12.8 highway construction costs and cost inflation
 12.9 study as required under article 4, section 98.
- 12.10 \$130,000 in each year is available for
 12.11 administrative costs of the targeted group
 12.12 business program.
- 12.13 \$266,000 in each year is available for grants
 12.14 to metropolitan planning organizations outside
 12.15 the seven-county metropolitan area.
- 12.16 \$900,000 in each year is available for grants
 12.17 for transportation studies outside the
 12.18 metropolitan area to identify critical concerns,
 12.19 problems, and issues. These grants are
 12.20 available:
- 12.21 (1) to regional development commissions;
- 12.22 (2) in regions where no regional development
 12.23 commission is functioning, to joint powers
 12.24 boards established under agreement of two or
 12.25 more political subdivisions in the region to
 12.26 exercise the planning functions of a regional
 12.27 development commission; and
- 12.28 (3) in regions where no regional development
 12.29 commission or joint powers board is
 12.30 functioning, to the Department of
 12.31 Transportation district office for that region.
- 12.32 **(2) Program Delivery** 222,862,000 221,893,000

13.1 This appropriation includes use of consultants
 13.2 to support development and management of
 13.3 projects.

13.4 \$968,000 in the first year is for a grant to the
 13.5 city of Red Wing, for trunk highway costs in
 13.6 excess of the engineer's estimate and
 13.7 associated program delivery for State Project
 13.8 No. 2514-122, consisting of engineering and
 13.9 reconstruction of the segment of marked U.S.
 13.10 Highway 61 in Red Wing from westerly of
 13.11 Old West Main Street to easterly of Potter
 13.12 Street.

13.13 Up to \$140,000 in the first year is for
 13.14 development, implementation, and reporting
 13.15 on project selection best practices as required
 13.16 under article 4, section 86.

13.17 \$1,000,000 in each year is available for
 13.18 management of contaminated and regulated
 13.19 material on property owned by the Department
 13.20 of Transportation, including mitigation of
 13.21 property conveyances, facility acquisition or
 13.22 expansion, chemical release at maintenance
 13.23 facilities, and spills on the trunk highway
 13.24 system where there is no known responsible
 13.25 party. If the appropriation for either year is
 13.26 insufficient, the appropriation for the other
 13.27 year is available for it.

13.28 The base appropriation is \$229,878,000 in
 13.29 fiscal year 2020 and \$231,305,000 in fiscal
 13.30 year 2021.

13.31	<u>(c) State Road Construction</u>	<u>1,091,938,000</u>	<u>944,196,000</u>
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13.32 This appropriation is for the actual
 13.33 construction, reconstruction, and improvement
 13.34 of trunk highways, including design-build

14.1 contracts, internal department costs associated
 14.2 with delivering the construction program,
 14.3 consultant usage to support these activities,
 14.4 and the cost of actual payments to landowners
 14.5 for lands acquired for highway rights-of-way,
 14.6 payment to lessees, interest subsidies, and
 14.7 relocation expenses.

14.8 This appropriation includes federal highway
 14.9 aid.

14.10 \$10,000,000 in each year is for the
 14.11 transportation economic development program
 14.12 under Minnesota Statutes, section 174.12.

14.13 The commissioner may expend up to one-half
 14.14 of one percent of the federal appropriations
 14.15 under this paragraph as grants to opportunity
 14.16 industrialization centers and other nonprofit
 14.17 job training centers for job training programs
 14.18 related to highway construction.

14.19 The commissioner may transfer up to
 14.20 \$15,000,000 each year to the transportation
 14.21 revolving loan fund.

14.22 The commissioner may receive money
 14.23 covering other shares of the cost of partnership
 14.24 projects. These receipts are appropriated to
 14.25 the commissioner for these projects.

14.26 The base appropriation is \$1,008,080,000 and
 14.27 \$1,019,492,000 in fiscal year 2021.

14.28 **(d) Highway Debt Service** 217,196,000 264,190,000

14.29 \$207,696,000 in fiscal year 2018 and
 14.30 \$254,690,000 in fiscal year 2019 are for
 14.31 transfer to the state bond fund. If this
 14.32 appropriation is insufficient to make all
 14.33 transfers required in the year for which it is
 14.34 made, the commissioner of management and

15.1 budget must transfer the deficiency amount
 15.2 under the statutory open appropriation and
 15.3 notify the chairs, ranking minority members,
 15.4 and staff of the legislative committees with
 15.5 jurisdiction over transportation finance and
 15.6 the chairs of the senate Finance Committee
 15.7 and the house of representatives Ways and
 15.8 Means Committee of the amount of the
 15.9 deficiency. Any excess appropriation cancels
 15.10 to the trunk highway fund.

15.11 **(e) Statewide Radio Communications** 5,648,000 5,829,000

15.12	<u>Appropriations by Fund</u>	
15.13	<u>2018</u>	<u>2019</u>
15.14	<u>General</u> <u>3,000</u>	<u>3,000</u>
15.15	<u>Trunk Highway</u> <u>5,645,000</u>	<u>5,826,000</u>

15.16 \$3,000 in each year is from the general fund
 15.17 to equip and operate the Roosevelt signal
 15.18 tower for Lake of the Woods weather
 15.19 broadcasting.

15.20 **Subd. 4. Local Roads**

15.21 **(a) County State-Aid Roads** 744,172,000 759,502,000

15.22 This appropriation is from the county state-aid
 15.23 highway fund under Minnesota Statutes,
 15.24 section 161.081, and Minnesota Statutes,
 15.25 chapter 162, and is available until spent.

15.26 If the commissioner of transportation
 15.27 determines that a balance remains in the
 15.28 county state-aid highway fund following the
 15.29 appropriations and transfers made in this
 15.30 paragraph, and that the appropriations made
 15.31 are insufficient for advancing county state-aid
 15.32 highway projects, an amount necessary to
 15.33 advance the projects, not to exceed the balance
 15.34 in the county state-aid highway fund, is
 15.35 appropriated in each year to the commissioner.

16.1 Within two weeks of a determination under
 16.2 this contingent appropriation, the
 16.3 commissioner of transportation must notify
 16.4 the commissioner of management and budget
 16.5 and the chairs, ranking minority members, and
 16.6 staff of the legislative committees with
 16.7 jurisdiction over transportation finance
 16.8 concerning funds appropriated. The
 16.9 commissioner must identify in the next budget
 16.10 submission to the legislature under Minnesota
 16.11 Statutes, section 16A.11, any amount that is
 16.12 appropriated under this paragraph.

16.13 **(b) Municipal State-Aid Roads** 195,682,000 200,365,000

16.14 This appropriation is from the municipal
 16.15 state-aid street fund under Minnesota Statutes,
 16.16 chapter 162, and is available until spent.

16.17 If the commissioner of transportation
 16.18 determines that a balance remains in the
 16.19 municipal state-aid street fund following the
 16.20 appropriations and transfers made in this
 16.21 paragraph, and that the appropriations made
 16.22 are insufficient for advancing municipal
 16.23 state-aid street projects, an amount necessary
 16.24 to advance the projects, not to exceed the
 16.25 balance in the municipal state-aid street fund,
 16.26 is appropriated in each year to the
 16.27 commissioner. Within two weeks of a
 16.28 determination under this contingent
 16.29 appropriation, the commissioner of
 16.30 transportation must notify the commissioner
 16.31 of management and budget and the chairs,
 16.32 ranking minority members, and staff of the
 16.33 legislative committees with jurisdiction over
 16.34 transportation finance concerning funds
 16.35 appropriated. The commissioner must identify

17.1	<u>in the next budget submission to the legislature</u>		
17.2	<u>under Minnesota Statutes, section 16A.11, any</u>		
17.3	<u>amount that is appropriated under this</u>		
17.4	<u>paragraph.</u>		
17.5	<u>(c) Metropolitan Area County Roads</u>	<u>33,950,000</u>	<u>38,790,000</u>
17.6	<u>This appropriation is from the transportation</u>		
17.7	<u>priorities fund for distribution as provided</u>		
17.8	<u>under Minnesota Statutes, section 174.54,</u>		
17.9	<u>subdivision 5.</u>		
17.10	<u>The base appropriation is as established in</u>		
17.11	<u>Minnesota Statutes, section 174.54,</u>		
17.12	<u>subdivision 3.</u>		
17.13	<u>(d) Small Cities Assistance</u>	<u>12,500,000</u>	<u>12,500,000</u>
17.14	<u>This appropriation is from the transportation</u>		
17.15	<u>priorities fund for the small cities assistance</u>		
17.16	<u>program under Minnesota Statutes, section</u>		
17.17	<u>162.145.</u>		
17.18	<u>The base appropriation is as established in</u>		
17.19	<u>Minnesota Statutes, section 174.54,</u>		
17.20	<u>subdivision 3.</u>		
17.21	<u>(e) Local Bridge Replacement and Rehabilitation</u>	<u>12,383,000</u>	<u>12,384,000</u>
17.22	<u>This appropriation is from the transportation</u>		
17.23	<u>priorities fund for the local bridge replacement</u>		
17.24	<u>and rehabilitation program as provided in</u>		
17.25	<u>Minnesota Statutes, section 174.50,</u>		
17.26	<u>subdivisions 5 to 7.</u>		
17.27	<u>The base appropriation is as established in</u>		
17.28	<u>Minnesota Statutes, section 174.54,</u>		
17.29	<u>subdivision 3.</u>		
17.30	<u>Subd. 5. Agency Management</u>		
17.31	<u>(a) Agency Services</u>	<u>44,316,000</u>	<u>45,206,000</u>
17.32	<u>(b) Buildings</u>	<u>28,585,000</u>	<u>29,439,000</u>
17.33	<u>Appropriations by Fund</u>		

18.1		<u>2018</u>	<u>2019</u>
18.2	<u>General</u>	<u>54,000</u>	<u>54,000</u>
18.3	<u>Trunk Highway</u>	<u>28,531,000</u>	<u>29,385,000</u>
18.4	<u>Any money appropriated to the commissioner</u>		
18.5	<u>of transportation for building construction for</u>		
18.6	<u>any fiscal year before the first year is available</u>		
18.7	<u>to the commissioner during the biennium to</u>		
18.8	<u>the extent that the commissioner spends the</u>		
18.9	<u>money on the building construction projects</u>		
18.10	<u>for which the money was originally</u>		
18.11	<u>encumbered during the fiscal year for which</u>		
18.12	<u>it was appropriated. If the appropriation for</u>		
18.13	<u>either year is insufficient, the appropriation</u>		
18.14	<u>for the other year is available for it.</u>		
18.15	<u>(c) Tort Claims</u>	<u>600,000</u>	<u>600,000</u>
18.16	<u>If the appropriation for either year is</u>		
18.17	<u>insufficient, the appropriation for the other</u>		
18.18	<u>year is available for it.</u>		
18.19	<u>Subd. 6. Transfers</u>		
18.20	<u>(a) With the approval of the commissioner of</u>		
18.21	<u>management and budget, the commissioner</u>		
18.22	<u>of transportation may transfer unencumbered</u>		
18.23	<u>balances among the appropriations from the</u>		
18.24	<u>trunk highway fund and the state airports fund</u>		
18.25	<u>made in this section. Transfers under this</u>		
18.26	<u>paragraph must not be made:</u>		
18.27	<u>(1) between funds;</u>		
18.28	<u>(2) from the appropriations for state road</u>		
18.29	<u>construction or debt service;</u>		
18.30	<u>(3) from the appropriations for operations and</u>		
18.31	<u>maintenance or program delivery, except for</u>		
18.32	<u>a transfer to state road construction or debt</u>		
18.33	<u>service; or</u>		
18.34	<u>(4) if inconsistent with legislative intent.</u>		

19.1 (b) The commissioner of transportation must
19.2 immediately report transfers under this
19.3 paragraph to the chairs, ranking minority
19.4 members, and staff of the legislative
19.5 committees with jurisdiction over
19.6 transportation finance. The authority for the
19.7 commissioner of transportation to make
19.8 transfers under Minnesota Statutes, section
19.9 16A.285, is superseded by the authority and
19.10 requirements under this paragraph.

19.11 (c) The commissioner of transportation must
19.12 transfer from the flexible highway account in
19.13 the county state-aid highway fund the entire
19.14 amount in each year to the county turnback
19.15 account in the county state-aid highway fund.
19.16 The funds transferred are for highway
19.17 turnback purposes under Minnesota Statutes,
19.18 section 161.081, subdivision 3.

19.19 **Subd. 7. Previous State Road Construction**
19.20 **Appropriations**

19.21 Any money appropriated to the commissioner
19.22 of transportation for state road construction
19.23 for any fiscal year before the first year is
19.24 available to the commissioner during the
19.25 biennium to the extent that the commissioner
19.26 spends the money on the state road
19.27 construction project for which the money was
19.28 originally encumbered during the fiscal year
19.29 for which it was appropriated.

19.30 **Subd. 8. Contingent Appropriations**

19.31 The commissioner of transportation, with the
19.32 approval of the governor and the written
19.33 approval of at least five members of a group
19.34 consisting of the members of the Legislative
19.35 Advisory Commission under Minnesota

20.1 Statutes, section 3.30, and the ranking minority
20.2 members of the legislative committees with
20.3 jurisdiction over transportation finance, may
20.4 transfer all or part of the unappropriated
20.5 balance in the trunk highway fund to an
20.6 appropriation:

20.7 (1) for trunk highway design, construction, or
20.8 inspection that takes advantage of an
20.9 unanticipated receipt of income to the trunk
20.10 highway fund or federal advanced construction
20.11 funding;

20.12 (2) for emergency trunk highway maintenance;
20.13 or

20.14 (3) to pay tort or environmental claims.

20.15 Nothing in this subdivision authorizes the
20.16 commissioner to increase the use of federal
20.17 advanced construction funding beyond
20.18 amounts specifically authorized. Any transfer
20.19 as a result of the use of federal advanced
20.20 construction funding must include an analysis
20.21 of the effects on the long-term trunk highway
20.22 fund balance. The amount transferred is
20.23 appropriated for the purpose of the account to
20.24 which it is transferred.

20.25 **Subd. 9. Requirements for Certain Legal**
20.26 **Activities**

20.27 The commissioner of transportation is
20.28 prohibited from permitting legal counsel
20.29 employed by the Department of Transportation
20.30 to perform activities related to response to a
20.31 data practices request of the department under
20.32 Minnesota Statutes, chapter 13, and the
20.33 commissioner must enter into an agreement
20.34 with the attorney general for exclusive services
20.35 regarding these activities.

21.1 **Sec. 5. METROPOLITAN COUNCIL**

21.2	<u>Transit</u>	<u>39,046,000</u>	<u>22,530,000</u>
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21.3 Appropriations by Fund

		<u>2018</u>	<u>2019</u>
21.4			
21.5	<u>General</u>	<u>37,546,000</u>	<u>22,530,000</u>
21.6	<u>Transportation</u>		
21.7	<u>Priorities</u>	<u>1,500,000</u>	<u>0</u>

21.8 This appropriation is from the general fund to
 21.9 the Metropolitan Council for transit system
 21.10 operations under Minnesota Statutes, sections
 21.11 473.371 to 473.449.

21.12 \$1,500,000 in the first year is for financial
 21.13 assistance to replacement service providers
 21.14 under Minnesota Statutes, section 473.388,
 21.15 for the purposes of the suburb-to-suburb transit
 21.16 demonstration project. The replacement
 21.17 service providers must collectively identify
 21.18 one or more demonstration projects for
 21.19 financial assistance and submit a notification
 21.20 of the allocation to the council. The council
 21.21 must allocate the appropriated funds as
 21.22 directed by the replacement service providers.
 21.23 Criteria for evaluating and identifying
 21.24 demonstration projects must include but are
 21.25 not limited to:

- 21.26 (1) scope of service offering improvements;
- 21.27 (2) integration with transit facilities and major
- 21.28 business, retail, or suburban centers;
- 21.29 (3) extent to which a proposed route
- 21.30 complements existing transit service; and
- 21.31 (4) density of employment along a proposed
- 21.32 route.

21.33 Up to \$210,000 in the first year and \$98,000
 21.34 in the second year are for the comprehensive

22.1 transit finance report under Minnesota

22.2 Statutes, section 174.93.

22.3 The base appropriation is \$8,349,000 in fiscal

22.4 year 2020 and \$0 in fiscal year 2021.

22.5 **Sec. 6. PUBLIC SAFETY**

22.6 **Subdivision 1. Total Appropriations Summary \$ 199,738,000 \$ 199,308,000**

22.7 Appropriations by Fund

	<u>2018</u>	<u>2019</u>
22.8 <u>General</u>	<u>19,971,000</u>	<u>14,382,000</u>
22.9 <u>Special Revenue</u>	<u>63,945,000</u>	<u>65,087,000</u>
22.10 <u>H.U.T.D.</u>	<u>10,474,000</u>	<u>10,486,000</u>
22.11 <u>Trunk Highway</u>	<u>105,348,000</u>	<u>109,353,000</u>

22.12 The appropriations in this section are to the

22.13 commissioner of public safety. The amounts

22.14 that may be spent for each purpose are

22.15 specified in the following subdivisions.

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

22.17 **(a) Office of Communications 553,000 573,000**

22.18 Appropriations by Fund

	<u>2018</u>	<u>2019</u>
22.19 <u>General</u>	<u>127,000</u>	<u>103,000</u>
22.20 <u>Trunk Highway</u>	<u>426,000</u>	<u>443,000</u>

22.21 **(b) Public Safety Support 6,372,000 6,569,000**

22.22 Appropriations by Fund

	<u>2018</u>	<u>2019</u>
22.23 <u>General</u>	<u>1,225,000</u>	<u>1,235,000</u>
22.24 <u>H.U.T.D.</u>	<u>1,366,000</u>	<u>1,366,000</u>
22.25 <u>Trunk Highway</u>	<u>3,781,000</u>	<u>3,968,000</u>

22.26 **(c) Public Safety Officer Survivor Benefits 640,000 640,000**

22.27 This appropriation is from the general fund

22.28 for payment of public safety officer survivor

22.29 benefits under Minnesota Statutes, section

22.30 299A.44.

23.1 If the appropriation for either year is
 23.2 insufficient, the appropriation for the other
 23.3 year is available for it.

23.4 **(d) Public Safety Officer Reimbursements** 1,367,000 1,367,000

23.5 This appropriation is from the general fund to
 23.6 be deposited in the public safety officer's
 23.7 benefit account. This money is available for
 23.8 reimbursements under Minnesota Statutes,
 23.9 section 299A.465.

23.10 **(e) Soft Body Armor Reimbursements** 700,000 700,000

23.11 Appropriations by Fund

	<u>2018</u>	<u>2019</u>
23.12		
23.13 <u>General</u>	<u>600,000</u>	<u>600,000</u>
23.14 <u>Trunk Highway</u>	<u>100,000</u>	<u>100,000</u>

23.15 This appropriation is for soft body armor
 23.16 reimbursements under Minnesota Statutes,
 23.17 section 299A.38.

23.18 **(f) Technology and Support Service** 3,777,000 3,814,000

23.19 Appropriations by Fund

	<u>2018</u>	<u>2019</u>
23.20		
23.21 <u>General</u>	<u>1,353,000</u>	<u>1,365,000</u>
23.22 <u>H.U.T.D.</u>	<u>19,000</u>	<u>19,000</u>
23.23 <u>Trunk Highway</u>	<u>2,405,000</u>	<u>2,430,000</u>

23.24 **Subd. 3. State Patrol**

23.25 **(a) Patrolling Highways** 95,689,000 93,323,000

23.26 Appropriations by Fund

	<u>2018</u>	<u>2019</u>
23.27		
23.28 <u>General</u>	<u>5,787,000</u>	<u>37,000</u>
23.29 <u>H.U.T.D.</u>	<u>92,000</u>	<u>92,000</u>
23.30 <u>Trunk Highway</u>	<u>89,810,000</u>	<u>93,194,000</u>

23.31 \$5,750,000 from the general fund in the first
 23.32 year is to purchase a helicopter for the State
 23.33 Patrol.

24.1 From this appropriation, State Patrol trainee
 24.2 salaries as provided under Minnesota Statutes,
 24.3 section 299D.03, subdivision 6, must be
 24.4 provided as follows: (1) for trainees in the Law
 24.5 Enforcement Training Opportunity program,
 24.6 80 percent of the basic salary for patrol
 24.7 officers; and (2) for all other trainees, 100
 24.8 percent of the basic salary.

24.9 **(b) Commercial Vehicle Enforcement** 8,455,000 8,826,000

24.10 **(c) Capitol Security** 8,402,000 8,538,000

24.11 This appropriation is from the general fund.

24.12 The commissioner must not:

24.13 (1) spend any money from the trunk highway
 24.14 fund for capitol security; or

24.15 (2) permanently transfer any state trooper from
 24.16 the patrolling highways activity to capitol
 24.17 security.

24.18 The commissioner must not transfer any
 24.19 money appropriated to the commissioner under
 24.20 this section:

24.21 (1) to capitol security; or

24.22 (2) from capitol security.

24.23 **(d) Vehicle Crimes Unit** 761,000 773,000

24.24 This appropriation is from the highway user
 24.25 tax distribution fund.

24.26 This appropriation is to investigate:

24.27 (1) registration tax and motor vehicle sales tax
 24.28 liabilities from individuals and businesses that
 24.29 currently do not pay all taxes owed; and

24.30 (2) illegal or improper activity related to the
 24.31 sale, transfer, titling, and registration of motor
 24.32 vehicles.

25.1 Subd. 4. Driver and Vehicle Services

25.2	<u>(a) Vehicle Services</u>	<u>30,745,000</u>	<u>31,159,000</u>
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25.3 Appropriations by Fund

		<u>2018</u>	<u>2019</u>
25.4			
25.5	<u>Special Revenue</u>	<u>22,509,000</u>	<u>22,923,000</u>
25.6	<u>H.U.T.D.</u>	<u>8,236,000</u>	<u>8,236,000</u>

25.7 The special revenue fund appropriation is from
 25.8 the vehicle services operating account.

25.9	<u>(b) Driver Services</u>	<u>32,014,000</u>	<u>32,725,000</u>
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25.10 This appropriation is from the driver services
 25.11 operating account in the special revenue fund.

25.12 \$156,000 in each year is to maintain the
 25.13 automated knowledge test system, and this
 25.14 amount annually is included in base
 25.15 appropriations.

25.16	<u>(c) Minnesota Licensing and Registration System</u>		
25.17	<u>(MNLARS)</u>	<u>8,000,000</u>	<u>8,000,000</u>

25.18 This appropriation is for operations and
 25.19 maintenance of the driver and vehicle
 25.20 information system known as the Minnesota
 25.21 Licensing and Registration System.

25.22 \$1,000,000 in the first year and \$5,265,000 in
 25.23 the second year are from the driver services
 25.24 operating account in the special revenue fund.

25.25 \$7,000,000 in the first year and \$2,735,000 in
 25.26 the second year are from the vehicle services
 25.27 operating account in the special revenue fund.

25.28 This is a onetime appropriation.

25.29	<u>Subd. 5. Traffic Safety</u>	<u>941,000</u>	<u>962,000</u>
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25.30 Appropriations by Fund

		<u>2018</u>	<u>2019</u>
25.31			
25.32	<u>General</u>	<u>470,000</u>	<u>470,000</u>
25.33	<u>Trunk Highway</u>	<u>471,000</u>	<u>492,000</u>

26.1 The appropriation from the general fund in
 26.2 each year is for maintenance of the crash
 26.3 record system, and this amount annually is
 26.4 include in base appropriations.

26.5 **Subd. 6. Pipeline Safety** 1,422,000 1,439,000

26.6 This appropriation is from the pipeline safety
 26.7 account in the special revenue fund.

26.8 **Sec. 7. APPROPRIATION CANCELLATION.**

26.9 \$1,100,000 of the appropriation for port development assistance under Laws 2015,
 26.10 chapter 75, article 1, section 3, subdivision 2, paragraph (e), is canceled to the general fund
 26.11 on June 30, 2017.

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

26.13 **Sec. 8. APPROPRIATIONS BUDGET.**

26.14 In the budget submission to the legislature under Minnesota Statutes, section 16A.11,
 26.15 for fiscal years 2020 and 2021, the commissioner of transportation, and the commissioner
 26.16 of public safety with respect to the transportation portion of the public safety budget, must
 26.17 present budget narratives and proposed appropriations for each of the appropriations as
 26.18 established in sections 3 and 5 of this article.

26.19 **Sec. 9. EFFECT OF APPROPRIATIONS.**

26.20 If an appropriation in this act is enacted more than once in the 2017 legislative session
 26.21 for the same purpose, the appropriation must be given effect only once.

26.22 **Sec. 10.** Laws 2015, chapter 75, article 1, section 3, subdivision 3, is amended to read:

26.23 **Subd. 3. State Roads**

26.24 **(a) Operations and Maintenance** 288,405,000 290,916,000

26.25 The base appropriation in fiscal year 2018 is
 26.26 \$292,140,000 and in fiscal year 2019 is
 26.27 \$301,545,000.

26.28 **(b) Program Planning and Delivery** 237,529,000 231,252,000

27.1 \$130,000 in each year is available for
27.2 administrative costs of the targeted group
27.3 business program.

27.4 \$266,000 in each year is available for grants
27.5 to metropolitan planning organizations outside
27.6 the seven-county metropolitan area.

27.7 \$900,000 in each year is available for grants
27.8 for transportation studies outside the
27.9 metropolitan area to identify critical concerns,
27.10 problems, and issues. These grants are
27.11 available: (1) to regional development
27.12 commissions; (2) in regions where no regional
27.13 development commission is functioning, to
27.14 joint powers boards established under
27.15 agreement of two or more political
27.16 subdivisions in the region to exercise the
27.17 planning functions of a regional development
27.18 commission; and (3) in regions where no
27.19 regional development commission or joint
27.20 powers board is functioning, to the
27.21 department's district office for that region.

27.22 \$1,000,000 in each year is available for
27.23 management of contaminated and regulated
27.24 material on property owned by the Department
27.25 of Transportation, including mitigation of
27.26 property conveyances, facility acquisition or
27.27 expansion, chemical release at maintenance
27.28 facilities, and spills on the trunk highway
27.29 system where there is no known responsible
27.30 party. If the appropriation for either year is
27.31 insufficient, the appropriation for the other
27.32 year is available for it.

27.33 \$6,804,000 in the first year and \$1,000,000 in
27.34 the second year are available for the purposes

28.1 stated in Minnesota Statutes, section 12A.16,
28.2 subdivision 2.

28.3 The base appropriation for program planning
28.4 and delivery in fiscal year 2018 is
28.5 \$227,004,000 and in fiscal year 2019 is
28.6 \$234,331,000.

28.7			744,166,000
28.8	(c) State Road Construction	779,664,000	<u>849,166,000</u>

28.9 This appropriation is for the actual
28.10 construction, reconstruction, and improvement
28.11 of trunk highways, including design-build
28.12 contracts, internal department costs associated
28.13 with delivering the construction program, and
28.14 consultant usage to support these activities.

28.15 This includes the cost of actual payment to
28.16 landowners for lands acquired for highway
28.17 rights-of-way, payment to lessees, interest
28.18 subsidies, and relocation expenses.

28.19 This appropriation includes federal highway
28.20 aid.

28.21 \$1,000,000 in the first year is to complete
28.22 projects using funds made available to the
28.23 commissioner of transportation under title XII
28.24 of the American Recovery and Reinvestment
28.25 Act of 2009, Public Law 111-5, and
28.26 implemented under Minnesota Statutes,
28.27 section 161.36, subdivision 7.

28.28 \$10,000,000 in each year is for the
28.29 transportation economic development program
28.30 under Minnesota Statutes, section 174.12.

28.31 The commissioner may expend up to one-half
28.32 of one percent of the federal appropriations
28.33 under this paragraph as grants to opportunity
28.34 industrialization centers and other nonprofit

29.1 job training centers for job training programs
29.2 related to highway construction.

29.3 The commissioner may transfer up to
29.4 \$15,000,000 each year to the transportation
29.5 revolving loan fund.

29.6 The commissioner may receive money
29.7 covering other shares of the cost of partnership
29.8 projects. These receipts are appropriated to
29.9 the commissioner for these projects.

29.10 The base appropriation for state road
29.11 construction in each of fiscal years 2018 and
29.12 2019 is \$695,800,000.

29.13 **(d) Highway Debt Service** 197,381,000 231,199,000

29.14 \$187,881,000 the first year and \$221,699,000
29.15 the second year are for transfer to the state
29.16 bond fund. If this appropriation is insufficient
29.17 to make all transfers required in the year for
29.18 which it is made, the commissioner of
29.19 management and budget shall transfer the
29.20 deficiency amount under the statutory open
29.21 appropriation, and notify the chairs and
29.22 ranking minority members of the legislative
29.23 committees with jurisdiction over
29.24 transportation finance and the chairs of the
29.25 senate Committee on Finance and the house
29.26 of representatives Committee on Ways and
29.27 Means of the amount of the deficiency. Any
29.28 excess appropriation cancels to the trunk
29.29 highway fund.

29.30 **(e) Statewide Radio Communications** 5,358,000 5,486,000

29.31 Appropriations by Fund			
	2016	2017	
29.32			
29.33	General	35,000	3,000
29.34	Trunk Highway	5,323,000	5,483,000

30.1 \$3,000 in each year is from the general fund
 30.2 to equip and operate the Roosevelt signal
 30.3 tower for Lake of the Woods weather
 30.4 broadcasting.

30.5 \$32,000 in the first year is from the general
 30.6 fund for a weather transmitter in Lake of the
 30.7 Woods County.

30.8 The base appropriation from the trunk
 30.9 highway fund in fiscal year 2018 is \$5,645,000
 30.10 and in fiscal year 2019 is \$5,826,000.

30.11 EFFECTIVE DATE. This section is effective the day following submission by the
 30.12 commissioner of transportation of all communications and materials, in their entirety and
 30.13 without redaction, previously provided by the commissioner to any member of the legislature
 30.14 following a request pursuant to the Minnesota Government Data Practices Act, Minnesota
 30.15 Statutes, chapter 13, related to the Department of Transportation's 2016 request to the
 30.16 Legislative Advisory Commission for authorization to expend federal funds under the Fixing
 30.17 America's Surface Transportation Act (FAST Act). The submission must be made to the
 30.18 chairs and ranking minority members of the legislative committees with jurisdiction over
 30.19 transportation finance, finance, and ways and means, and to the revisor of statutes.

30.20 **ARTICLE 2**

30.21 **TRANSPORTATION BONDS**

30.22 Section 1. **BOND APPROPRIATIONS.**

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

30.30 **SUMMARY**

30.31	<u>Department of Transportation</u>	\$ 1,300,000,000
30.32	<u>Department of Management and Budget</u>	1,300,000
30.33	<u>TOTAL</u>	<u>\$ 1,301,300,000</u>

- 31.1 APPROPRIATIONS
- 31.2 **Sec. 2. DEPARTMENT OF**
- 31.3 **TRANSPORTATION**
- 31.4 **Subdivision 1. Corridors of Commerce** **\$ 300,000,000**
- 31.5 This appropriation is to the commissioner of
- 31.6 transportation for the corridors of commerce
- 31.7 program under Minnesota Statutes, section
- 31.8 161.088.
- 31.9 The commissioner may use up to 17 percent
- 31.10 of the amount each year for program delivery.
- 31.11 **Subd. 2. State Road Construction** **\$ 1,000,000,000**
- 31.12 This appropriation is to the commissioner of
- 31.13 transportation for construction, reconstruction,
- 31.14 and improvement of trunk highways, including
- 31.15 design-build contracts and use of consultants
- 31.16 to support these activities. This includes the
- 31.17 cost of actual payment to landowners for lands
- 31.18 acquired for highway rights-of-way, payment
- 31.19 to lessees, interest subsidies, and relocation
- 31.20 expenses.
- 31.21 From this appropriation, \$250,000,000 is
- 31.22 available in each year for fiscal years 2018 to
- 31.23 2021.
- 31.24 **Subd. 3. Cancellations**
- 31.25 The appropriations in this section cancel as
- 31.26 specified under Minnesota Statutes, section
- 31.27 16A.642, except that the commissioner of
- 31.28 management and budget shall count the start
- 31.29 of authorization for issuance of state bonds as
- 31.30 the first day of the fiscal year during which
- 31.31 the bonds are available to be issued as
- 31.32 specified under subdivision 1 or 2, and not as
- 31.33 the date of enactment of this section.

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

32.2 This appropriation is to the commissioner of
 32.3 management and budget for bond sale
 32.4 expenses under Minnesota Statutes, sections
 32.5 16A.641, subdivision 8, and 167.50,
 32.6 subdivision 4, and is effective through 2026.

32.7 Sec. 4. **BOND SALE AUTHORIZATION.**

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

32.16 Sec. 5. **EFFECTIVE DATE.**

32.17 This article is effective July 1, 2017.

32.18 **ARTICLE 3**

32.19 **TRANSPORTATION-RELATED TAXES**

32.20 Section 1. Minnesota Statutes 2016, section 297A.815, subdivision 3, is amended to read:

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

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

32.27 ~~(e)~~ ~~(b)~~ On or after July 1 of the subsequent fiscal year, the commissioner of management
 32.28 and budget shall transfer the ~~net revenue~~ as revenues estimated in paragraph ~~(b)~~ (a) from
 32.29 the general fund, ~~as follows:~~

32.30 ~~(1) \$9,000,000 annually until January 1, 2015, and 50 percent annually thereafter to the~~
 32.31 ~~county state-aid highway fund. Notwithstanding any other law to the contrary, the~~

33.1 ~~commissioner of transportation shall allocate the funds transferred under this clause to the~~
 33.2 ~~counties in the metropolitan area, as defined in section 473.121, subdivision 4, excluding~~
 33.3 ~~the counties of Hennepin and Ramsey, so that each county shall receive of such amount the~~
 33.4 ~~percentage that its population, as defined in section 477A.011, subdivision 3, estimated or~~
 33.5 ~~established by July 15 of the year prior to the current calendar year, bears to the total~~
 33.6 ~~population of the counties receiving funds under this clause; and~~

33.7 ~~(2) the remainder to the greater Minnesota transit account~~ to the transportation priorities
 33.8 fund.

33.9 (c) The revenues under this subdivision do not include the revenues, including interest
 33.10 and penalties, generated by the sales tax imposed under section 297A.62, subdivision 1a,
 33.11 which must be deposited as provided under the Minnesota Constitution, article XI, section
 33.12 15.

33.13 **EFFECTIVE DATE.** This section is effective the day following final enactment and
 33.14 applies beginning with the estimate that must be completed before June 30, 2017, for a
 33.15 transfer that occurs on or after July 1, 2017.

33.16 Sec. 2. Minnesota Statutes 2016, section 297A.94, is amended to read:

33.17 **297A.94 DEPOSIT OF REVENUES.**

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

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

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

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

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

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

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

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

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

34.12 (e) 72.43 percent of the revenues, including interest and penalties, transmitted to the
34.13 commissioner under section 297A.65, must be deposited by the commissioner in the state
34.14 treasury as follows:

34.15 (1) 50 percent of the receipts must be deposited in the heritage enhancement account in
34.16 the game and fish fund, and may be spent only on activities that improve, enhance, or protect
34.17 fish and wildlife resources, including conservation, restoration, and enhancement of land,
34.18 water, and other natural resources of the state;

34.19 (2) 22.5 percent of the receipts must be deposited in the natural resources fund, and may
34.20 be spent only for state parks and trails;

34.21 (3) 22.5 percent of the receipts must be deposited in the natural resources fund, and may
34.22 be spent only on metropolitan park and trail grants;

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

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

34.28 (f) The revenue dedicated under paragraph (e) may not be used as a substitute for
34.29 traditional sources of funding for the purposes specified, but the dedicated revenue shall
34.30 supplement traditional sources of funding for those purposes. Land acquired with money
34.31 deposited in the game and fish fund under paragraph (e) must be open to public hunting
34.32 and fishing during the open season, except that in aquatic management areas or on lands
34.33 where angling easements have been acquired, fishing may be prohibited during certain times

35.1 of the year and hunting may be prohibited. At least 87 percent of the money deposited in
35.2 the game and fish fund for improvement, enhancement, or protection of fish and wildlife
35.3 resources under paragraph (e) must be allocated for field operations.

35.4 (g) Beginning with sales taxes remitted after July 1, 2017, the commissioner shall deposit
35.5 the revenues, including interest and penalties, derived from the taxes imposed on the lease
35.6 or rental of a motor vehicle under section 297A.64, subdivision 1, into the state treasury
35.7 and credit them to the transportation priorities fund.

35.8 (h) Beginning with sales taxes remitted after July 1, 2017, in conjunction with the deposit
35.9 of revenues under paragraph (g), the commissioner shall deposit into the state treasury and
35.10 credit to the transportation priorities fund an amount equal to the estimated revenues derived
35.11 from the tax rate imposed under section 297A.62, subdivision 1, on the lease or rental for
35.12 not more than 28 days of rental motor vehicles subject to section 297A.64. The commissioner
35.13 shall estimate the amount of sales tax revenues deposited under this paragraph based on the
35.14 amount of revenue deposited under paragraph (g).

35.15 (i) \$156,800,000 in fiscal year 2018, \$151,100,000 in fiscal year 2019, \$266,618,000
35.16 in fiscal year 2020, and \$287,718,000 in fiscal year 2021 are transferred from the general
35.17 fund to the commissioner for deposit in the transportation priorities fund. Annually in fiscal
35.18 year 2022 and thereafter, 4.293 percent of the revenues generated by the sales tax imposed
35.19 under section 297A.62, subdivision 1, is transferred from the general fund to the
35.20 commissioner for deposit in the transportation priorities fund. The commissioner must make
35.21 transfers under this paragraph by July 15 in each year. Transfers in this paragraph represent
35.22 revenues attributable to sales and purchases of motor vehicle repair and replacement parts.

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

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

35.28 Sec. 3. Minnesota Statutes 2016, section 297A.992, subdivision 6a, is amended to read:

35.29 Subd. 6a. **Priority of fund uses.** (a) The joint powers board shall allocate all revenues
35.30 from the taxes imposed under this section in conformance with the following priority order:

35.31 (1) payment of debt service necessary for the fiscal year on bonds or other obligations
35.32 issued prior to January 1, 2011, under subdivision 7; ~~and~~

36.1 (2) payment to the Metropolitan Council of 100 percent, or a portion that is not paid by
36.2 counties under section 297A.993, subdivision 2a, of the annual net operating and capital
36.3 maintenance costs, as certified by the Metropolitan Council, for all transitway lines in which
36.4 a grant award for project development, capital, capital maintenance, or operating expenditures
36.5 has been provided under this section; and

36.6 (3) as otherwise authorized under this section.

36.7 (b) Project development in this subdivision includes but is not limited to feasibility and
36.8 alternatives analysis, design, engineering, environmental analysis, property acquisition, and
36.9 construction.

36.10 **EFFECTIVE DATE.** This section is effective the day following final enactment, and
36.11 applies for costs occurring on or after July 1, 2017.

36.12 Sec. 4. Minnesota Statutes 2016, section 297A.993, subdivision 2, is amended to read:

36.13 Subd. 2. **Allocation; termination.** The proceeds of the taxes must be dedicated
36.14 exclusively to: (1) payment of the capital cost of a specific transportation project or
36.15 improvement; (2) payment of the costs, which may include both capital and operating costs,
36.16 of a specific transit project or improvement; (3) payment of the capital costs of a safe routes
36.17 to school program under section 174.40; or (4) payment of transit operating and capital
36.18 maintenance costs, including as provided in subdivision 2a. The transportation or transit
36.19 project or improvement must be designated by the board of the county, or more than one
36.20 county acting under a joint powers agreement. Except for taxes for operating costs of a
36.21 transit project or improvement, or for transit operations, the taxes must terminate when
36.22 revenues raised are sufficient to finance the project.

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

36.24 Sec. 5. Minnesota Statutes 2016, section 297A.993, is amended by adding a subdivision
36.25 to read:

36.26 Subd. 2a. **Allocation for certain transitways.** (a) This subdivision applies to a county:

36.27 (1) that has previously imposed and is no longer imposing a local sales tax as part of a
36.28 joint powers agreement under section 297A.992;

36.29 (2) that imposes the tax under this section; and

36.30 (3) in which a transitway line is located, whether wholly or partially.

37.1 (b) All counties subject to this subdivision, and the joint powers board under section
37.2 297A.992 if the joint powers agreement under section 297A.992, subdivision 3, is not
37.3 terminated, must collectively enter into an agreement that determines and allocates payments
37.4 to the Metropolitan Council that, in total, equal at least the amount required to be provided
37.5 under section 297A.992, subdivision 6a, paragraph (a), clause (2). Nothing in this paragraph
37.6 prevents payments from other entities or sources of funds.

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

37.8 **Sec. 6. MOTOR VEHICLE PARTS SALES TAXES ESTIMATION.**

37.9 (a) By January 15, 2019, the commissioner of revenue must submit a report on state
37.10 general sales taxes attributable to motor vehicle repair and replacement parts, to the members
37.11 and staff of the legislative committees with jurisdiction over taxes and transportation policy
37.12 and finance.

37.13 (b) The report must provide an estimate, based on federal data and department
37.14 consumption models, of the percentage of total sales tax revenues collected in a calendar
37.15 year from the tax rate imposed under Minnesota Statutes, section 297A.62, subdivision 1,
37.16 that is attributable to sales and purchases of motor vehicle repair and replacement parts.

37.17 (c) For purposes of this section, "motor vehicle repair and replacement parts" includes:

37.18 (1) all parts, motor vehicle tires, accessories, and equipment incorporated or affixed to
37.19 the motor vehicle as part of the motor vehicle maintenance or repair; and

37.20 (2) paint, oil, and other fluids that remain on or in the motor vehicle as part of the motor
37.21 vehicle maintenance or repair.

37.22 (d) For purposes of this section, "motor vehicle tire" means any tire of the type used on
37.23 highway vehicles if wholly or partially made of rubber and if marked according to federal
37.24 regulations for highway use. For purposes of this section, "motor vehicle" has the meaning
37.25 given in Minnesota Statutes, section 297B.01, subdivision 11.

37.26 **Sec. 7. REPEALER.**

37.27 Minnesota Statutes 2016, section 297A.992, subdivision 12, is repealed.

37.28 **ARTICLE 4**

37.29 **TRANSPORTATION POLICY AND FINANCE**

37.30 **Section 1. Minnesota Statutes 2016, section 16A.88, subdivision 2, is amended to read:**

38.1 Subd. 2. **Metropolitan area transit account.** (a) The metropolitan area transit account
38.2 is established within the transit assistance fund in the state treasury. All money in the account
38.3 is annually appropriated to the Metropolitan Council for the funding of transit systems
38.4 within the metropolitan area under sections 473.384, 473.386, 473.387, 473.388, and 473.405
38.5 to 473.449.

38.6 (b) From appropriations in this subdivision, the Metropolitan Council must first allocate
38.7 funds as necessary for special transportation service under section 473.386.

38.8 Sec. 2. Minnesota Statutes 2016, section 115A.908, subdivision 2, is amended to read:

38.9 Subd. 2. **Deposit of revenue.** Revenue collected under this section shall be credited to
38.10 the ~~environmental~~ transportation priorities fund.

38.11 **EFFECTIVE DATE.** This section is effective July 1, 2020, and applies for revenues
38.12 collected on or after that day.

38.13 Sec. 3. Minnesota Statutes 2016, section 117.189, is amended to read:

38.14 **117.189 PUBLIC SERVICE CORPORATION EXCEPTIONS.**

38.15 (a) Sections 117.031; 117.036; 117.055, subdivision 2, paragraph (b); 117.186; 117.187;
38.16 117.188; and 117.52, subdivisions 1a and 4, do not apply to the use of eminent domain
38.17 authority by public service corporations for any purpose other than construction or expansion
38.18 of:

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

38.20 ~~or~~

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

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

38.24 (b) For purposes of an award of appraisal fees under section 117.085, the fees awarded
38.25 may not exceed \$1,500 for all types of property except for a public service corporation's
38.26 use of eminent domain for:

38.27 (1) a high-voltage transmission line, where the award may not exceed \$3,000; and

38.28 (2) a light rail transit or bus rapid transit line, where the award shall be as provided in
38.29 section 117.085.

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

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

39.4 Sec. 4. Minnesota Statutes 2016, section 160.18, is amended by adding a subdivision to
39.5 read:

39.6 Subd. 4. **Trunk highway appeal process.** (a) Notwithstanding chapter 14 and section
39.7 14.386, the commissioner must establish a concise, expedited process that allows an owner
39.8 or occupant of a property abutting a trunk highway to appeal a denial or revocation of an
39.9 access permit. The owner or occupant must initiate an appeal no later than 30 days after the
39.10 date the commissioner issues written notice of the denial or revocation of an access permit.
39.11 The process must provide the owner or occupant and Department of Transportation staff
39.12 the opportunity to present information supporting each party's respective position. The
39.13 hearing must be conducted by an administrative law judge assigned by the chief
39.14 administrative law judge. The administrative law judge must maintain a transcript of the
39.15 hearing and keep a record of all documents and data submitted at the hearing. Within 30
39.16 days of the hearing's conclusion, the administrative law judge must transmit to the
39.17 commissioner the record of the proceedings, along with a report and recommendation based
39.18 on the record made in the informal hearing. The commissioner must make a written decision
39.19 regarding the access permit.

39.20 (b) Section 15.99 does not apply to appeals under this subdivision.

39.21 Sec. 5. Minnesota Statutes 2016, section 161.081, subdivision 3, is amended to read:

39.22 Subd. 3. **Flexible highway account; turnback accounts.** (a) The flexible highway
39.23 account is created in the state treasury. Money in the account ~~shall be used~~ must be allocated
39.24 as follows:

39.25 (1) ~~in fiscal years 2009 and 2010, 100 percent of the excess sum, as calculated in~~
39.26 ~~paragraph (i), and in fiscal years 2011 and thereafter, 50~~ 16 percent of the excess sum, as
39.27 ~~calculated in paragraph (i),~~ amount available in the flexible highway account for counties
39.28 in the metropolitan area, as defined in section 473.121, subdivision 4, ~~but for the purposes~~
39.29 ~~of the calculation cities of the first class will be excluded in the metropolitan area~~ distributed
39.30 proportionally based on the most recent estimate of county population excluding the
39.31 population of any city of the first class; and

40.1 (2) of the amount available in the flexible highway account less the amount under clause
40.2 (1), as determined by the commissioner under this section for:

40.3 (i) restoration of former trunk highways that have reverted to counties or to statutory or
40.4 home rule charter cities, or for trunk highways that will be restored and subsequently turned
40.5 back by agreement between the commissioner and the local road authority;

40.6 (ii) safety improvements on county highways, municipal highways, streets, or town
40.7 roads; and

40.8 (iii) routes of regional significance.

40.9 (b) For purposes of this subdivision, "restoration" means the level of effort required to
40.10 improve the route that will be turned back to an acceptable condition as determined by
40.11 agreement made between the commissioner and the county or city before the route is turned
40.12 back.

40.13 (c) The commissioner shall review the need for funds to restore highways that have been
40.14 or will be turned back. The commissioner shall determine, on a biennial basis, the percentage
40.15 of funds in the flexible highway account to be distributed to each district, and within each
40.16 district the percentage to be used for each of the purposes specified in paragraph (a). Money
40.17 in the account may be used for safety improvements and routes of regional significance
40.18 only after money is set aside to restore the identified turnbacks. The commissioner shall
40.19 make these determinations only after meeting and holding discussions with committees
40.20 selected by the statewide associations of both county commissioners and municipal officials.
40.21 The commissioner shall, to the extent feasible, annually allocate 50 percent of the funds in
40.22 the flexible highway account to the department's metropolitan district, and 50 percent to
40.23 districts in greater Minnesota.

40.24 (d) Money that will be used for the restoration of trunk highways that have reverted or
40.25 that will revert to cities must be deposited in the municipal turnback account, which is
40.26 created in the state treasury.

40.27 (e) Money that will be used for the restoration of trunk highways that have reverted or
40.28 that will revert to counties must be deposited in the county turnback account, which is
40.29 created in the state treasury.

40.30 (f) Money that will be used for safety improvements must be deposited in the highway
40.31 safety improvement account, which is created in the state treasury to be used as grants to
40.32 statutory or home rule charter cities, towns, and counties to assist in paying the costs of

41.1 constructing or reconstructing city streets, county highways, or town roads to reduce crashes,
41.2 deaths, injuries, and property damage.

41.3 (g) Money that will be used for routes of regional significance must be deposited in the
41.4 routes of regional significance account, which is created in the state treasury, and used as
41.5 grants to statutory or home rule charter cities, towns, and counties to assist in paying the
41.6 costs of constructing or reconstructing city streets, county highways, or town roads with
41.7 statewide or regional significance that have not been fully funded through other state, federal,
41.8 or local funding sources.

41.9 (h) As part of each biennial budget submission to the legislature, the commissioner shall
41.10 describe how the money in the flexible highway account will be apportioned among the
41.11 county turnback account, the municipal turnback account, the trunk highway fund for routes
41.12 turned back to local governments by agreement, the highway safety improvement account,
41.13 and the routes of regional significance account.

41.14 ~~(i) The excess sum is calculated as the sum of revenue within the flexible highway~~
41.15 ~~account:~~

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

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

41.26 ~~(3) attributed to that portion of the motor vehicle sales tax revenue in excess of the~~
41.27 ~~percentage allocated to the flexible highway account in fiscal year 2007.~~

41.28 ~~(j) For purposes of this subdivision, the United States Consumer Price Index identified~~
41.29 ~~in paragraph (i), clause (2), is for all urban consumers, United States city average, as~~
41.30 ~~determined by the United States Department of Labor.~~

41.31 Sec. 6. Minnesota Statutes 2016, section 161.088, subdivision 4, is amended to read:

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

- 42.1 (1) consistency with the statewide multimodal transportation plan under section 174.03;
- 42.2 (2) location of the project on an interregional corridor, for a project located outside of
- 42.3 the Department of Transportation metropolitan district;
- 42.4 (3) placement into at least one project classification under subdivision 3;
- 42.5 (4) a ~~maximum~~ requirement that project construction work is able to commence within
- 42.6 three years, or a longer length of time; as determined by the commissioner, ~~until~~
- 42.7 ~~commencement of construction work on the project~~; and
- 42.8 (5) for each type of project classification under subdivision 3, a maximum allowable
- 42.9 amount for the total project cost estimate, as determined by the commissioner with available
- 42.10 data.

42.11 (b) A project whose construction is programmed in the state transportation improvement

42.12 program is not eligible for funding under the program. This paragraph does not apply to a

42.13 project that is programmed as result of selection under this section.

42.14 (c) A project may be, but is not required to be, identified in the 20-year state highway

42.15 capital investment plan under section 174.03.

42.16 Sec. 7. Minnesota Statutes 2016, section 161.088, subdivision 5, is amended to read:

42.17 Subd. 5. **Project selection process; criteria.** (a) The commissioner ~~shall~~ must establish

42.18 a process for identification, evaluation, and selection of projects under the program.

42.19 (b) As part of the project selection process, the commissioner ~~shall~~ must annually accept

42.20 recommendations on candidate projects from area transportation partnerships and other

42.21 interested stakeholders in each Department of Transportation district. For each candidate

42.22 project identified under this paragraph, the commissioner ~~shall~~ must determine eligibility,

42.23 classify, and if ~~appropriate~~ eligible, evaluate the project for the program.

42.24 (c) Project evaluation and prioritization must be performed on the basis of objective

42.25 criteria, which must include:

- 42.26 (1) a return on investment measure that provides for comparison across eligible projects;
- 42.27 (2) measurable impacts on commerce and economic competitiveness;
- 42.28 (3) efficiency in the movement of freight, ~~including but not limited to~~ which may include:
- 42.29 (i) measures of annual average daily traffic and commercial vehicle miles traveled, which
- 42.30 may include data near the project location on that trunk highway or on connecting trunk
- 42.31 and local highways; and

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

43.3 (4) improvements to traffic safety;

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

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

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

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

43.12 Sec. 8. Minnesota Statutes 2016, section 161.088, subdivision 7, is amended to read:

43.13 Subd. 7. **Legislative report; evaluation.** (a) ~~Starting in 2014,~~ Annually by November
43.14 1, the commissioner shall electronically submit a report on the corridors of commerce
43.15 program to the chairs and ranking minority members of the legislative committees with
43.16 jurisdiction over transportation policy and finance. At a minimum, the report must include:

43.17 (1) a summary of the program, including a review of ~~the~~ the:

43.18 (i) project selection process details that address program design and implementation,
43.19 decision-making procedures, and eligibility and criteria; evaluation; and

43.20 (ii) all criteria including any established by the commissioner, criteria measurement
43.21 methodologies, and any criteria weighting or ranking used in project selection;

43.22 (2) a summary of program finance, including funds expended in the previous selection
43.23 cycle, any future operating costs assigned under subdivision 6, and total funds expended
43.24 since program inception;

43.25 ~~(2)~~ (3) a listing list of projects funded under the program in the previous selection cycle,
43.26 including:

43.27 (i) project classification;

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

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

43.30 ~~(iv)~~ a brief project description that is comprehensible to a lay audience;

44.1 ~~(3)~~ (4) a ~~listing~~ comprehensive list of evaluated projects and candidate project
 44.2 recommendations as required under subdivision 5, paragraph (b), including that identifies
 44.3 for each project: eligibility, classification, evaluation results for each criterion, ranking if
 44.4 applicable, and disposition in the selection process; and

44.5 ~~(4)~~ (5) any recommendations for changes to statutory requirements of the program.

44.6 (b) ~~Starting in 2016, and in every even-numbered year thereafter~~ In every third year
 44.7 following a year in which project selection is completed, but not more frequently than every
 44.8 other year, the commissioner shall must incorporate into the report the results of an
 44.9 independent evaluation of impacts and effectiveness of the program. The evaluation must
 44.10 be performed by agency staff or a consultant. The individual or individuals performing the
 44.11 evaluation must have experience in program evaluation, but must not be regularly involved
 44.12 in the program's implementation.

44.13 (c) Notwithstanding paragraph (a), a report is not required in a year in which:

44.14 (1) no project selection was completed during the preceding 12 months; and

44.15 (2) an evaluation under paragraph (b) is not due.

44.16 Sec. 9. Minnesota Statutes 2016, section 161.115, subdivision 190, is amended to read:

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

44.20 **EFFECTIVE DATE.** This section is effective the day after the commissioner of
 44.21 transportation receives a copy of the agreement between the commissioner of transportation
 44.22 and the governing body of Le Sueur County to transfer jurisdiction of Legislative Route
 44.23 No. 123 and after the commissioner notifies the revisor of statutes under section 100,
 44.24 paragraph (b).

44.25 Sec. 10. Minnesota Statutes 2016, section 161.14, is amended by adding a subdivision to
 44.26 read:

44.27 Subd. 83. **Chip A. Imker Memorial Highway.** That segment of marked Trunk Highway
 44.28 65 from Isanti County State-Aid Highway 19, known as 305th Avenue NE, to the northerly
 44.29 limit of Cambridge Township is designated as "Chip A. Imker Memorial Highway." Subject
 44.30 to section 161.139, the commissioner shall adopt a suitable design to mark this highway
 44.31 and erect appropriate signs.

45.1 Sec. 11. Minnesota Statutes 2016, section 161.14, is amended by adding a subdivision to
45.2 read:

45.3 Subd. 84. Medal of Honor recipient Kenneth L. Olson Highway. That segment of
45.4 marked Trunk Highway 23 within the city of Paynesville and the town of Paynesville is
45.5 designated as "Medal of Honor recipient Kenneth L. Olson Highway." Subject to section
45.6 161.139, the commissioner shall adopt a suitable design to mark this highway and erect
45.7 appropriate signs.

45.8 Sec. 12. Minnesota Statutes 2016, section 161.14, is amended by adding a subdivision to
45.9 read:

45.10 Subd. 85. Corporal Benjamin S. Kopp Bridge. The bridge on Dakota County State-Aid
45.11 Highway 46, known as Brandel Drive within the city of Coates, over marked U.S. Highway
45.12 52 is designated as "Corporal Benjamin S. Kopp Bridge." Subject to section 161.139, the
45.13 commissioner shall adopt a suitable design to mark this highway and erect appropriate signs.

45.14 Sec. 13. Minnesota Statutes 2016, section 161.321, subdivision 6, is amended to read:

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

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

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

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

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

45.27 ~~or~~

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

46.1 Sec. 14. Minnesota Statutes 2016, section 161.38, is amended by adding a subdivision to
46.2 read:

46.3 Subd. 8. **Spending on trunk highway system.** The commissioner must maintain
46.4 information on expenditures by local road authorities from local sources of funds for trunk
46.5 highway system projects.

46.6 Sec. 15. Minnesota Statutes 2016, section 161.44, subdivision 5, is amended to read:

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

46.17 Sec. 16. Minnesota Statutes 2016, section 161.44, subdivision 6a, is amended to read:

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

46.26 Sec. 17. Minnesota Statutes 2016, section 161.44, is amended by adding a subdivision to
46.27 read:

46.28 Subd. 6b. **Unsold lands.** If lands remain unsold after being offered for sale to the highest
46.29 bidder, the commissioner may offer the remaining lands to any person who agrees to pay
46.30 the minimum bid established for the public sale. The sale must continue until all eligible
46.31 lands have been sold or the commissioner withdraws the remaining lands from sale. The
46.32 lands to be sold must be listed on the department's Unsold Property Inventory list.

47.1 Sec. 18. Minnesota Statutes 2016, section 162.145, subdivision 2, is amended to read:

47.2 Subd. 2. **Small cities assistance account.** A small cities assistance account is created
47.3 in the ~~special revenue~~ transportation priorities fund. The account consists of funds as provided
47.4 by law, and any other money donated, allotted, transferred, or otherwise provided to the
47.5 account. Money in the account may only be expended as provided under this section.

47.6 Sec. 19. Minnesota Statutes 2016, section 168.013, subdivision 1a, is amended to read:

47.7 Subd. 1a. **Passenger automobile; hearse.** (a) On passenger automobiles as defined in
47.8 section 168.002, subdivision 24, and hearses, except as otherwise provided, the tax ~~shall be~~
47.9 is \$10 plus an additional tax equal to 1.25 percent of the base value.

47.10 (b) Subject to the classification provisions herein, "base value" means the manufacturer's
47.11 suggested retail price of the vehicle including destination charge using list price information
47.12 published by the manufacturer or determined by the registrar if no suggested retail price
47.13 exists, and shall not include the cost of each accessory or item of optional equipment
47.14 separately added to the vehicle and the suggested retail price.

47.15 (c) If the manufacturer's list price information contains a single vehicle identification
47.16 number followed by various descriptions and suggested retail prices, the registrar shall
47.17 select from those listings only the lowest price for determining base value.

47.18 (d) If unable to determine the base value because the vehicle is specially constructed,
47.19 or for any other reason, the registrar may establish such value upon the cost price to the
47.20 purchaser or owner as evidenced by a certificate of cost but not including Minnesota sales
47.21 or use tax or any local sales or other local tax.

47.22 (e) The registrar shall classify every vehicle in its proper base value class as follows:

	FROM	TO
47.23		
47.24	\$ 0	\$ 199.99
47.25	\$ 200	\$ 399.99

47.26 and thereafter a series of classes successively set in brackets having a spread of \$200
47.27 consisting of such number of classes as will permit classification of all vehicles.

47.28 (f) The base value for purposes of this section shall be the middle point between the
47.29 extremes of its class.

47.30 (g) The registrar shall establish the base value, when new, of every passenger automobile
47.31 and hearse registered prior to the effective date of Extra Session Laws 1971, chapter 31,
47.32 using list price information published by the manufacturer or any nationally recognized

48.1 firm or association compiling such data for the automotive industry. If unable to ascertain
 48.2 the base value of any registered vehicle in the foregoing manner, the registrar may use any
 48.3 other available source or method. The registrar shall calculate tax using base value
 48.4 information available to dealers and deputy registrars at the time the application for
 48.5 registration is submitted. The tax on all previously registered vehicles shall be computed
 48.6 upon the base value thus determined taking into account the depreciation provisions of
 48.7 paragraph (h).

48.8 (h) The annual additional tax must be computed upon a percentage of the base value as
 48.9 follows: during the first year of vehicle life, upon 100 percent of the base value; for the
 48.10 second year, 90 percent of such value; for the third year, 80 percent of such value; for the
 48.11 fourth year, 70 percent of such value; for the fifth year, 60 percent of such value; for the
 48.12 sixth year, 50 percent of such value; for the seventh year, 40 percent of such value; for the
 48.13 eighth year, 30 percent of such value; for the ninth year, 20 percent of such value; for the
 48.14 tenth year, ten percent of such value; for the 11th and each succeeding year, the sum of \$25.

48.15 (i) In no event shall the annual additional tax be less than \$25.

48.16 (j) For any vehicle previously registered in Minnesota and regardless of prior ownership,
 48.17 the annual additional tax total amount due under this subdivision and subdivision 1m must
 48.18 not exceed the smallest total amount of annual additional tax previously paid or due on the
 48.19 vehicle.

48.20 **EFFECTIVE DATE.** This section is effective the day following final enactment, and
 48.21 applies to taxes payable for a registration period starting on or after January 1, 2018.

48.22 Sec. 20. Minnesota Statutes 2016, section 168.013, is amended by adding a subdivision
 48.23 to read:

48.24 Subd. 1m. **Electric vehicle.** In addition to the tax under subdivision 1a, a surcharge of
 48.25 \$85 is imposed for an all-electric vehicle, as defined in section 169.011, subdivision 1a.
 48.26 Notwithstanding subdivision 8, revenue from the fee imposed under this subdivision must
 48.27 be deposited in the highway user tax distribution fund.

48.28 **EFFECTIVE DATE.** This section is the day following final enactment, and applies for
 48.29 a registration period starting on or after January 1, 2018.

48.30 Sec. 21. Minnesota Statutes 2016, section 168.021, subdivision 1, is amended to read:

48.31 Subdivision 1. **Disability plates; application.** (a) When a motor vehicle registered under
 48.32 section 168.017, a motorcycle, a motorized bicycle, a one-ton pickup truck, or a self-propelled

49.1 recreational vehicle is owned or primarily operated by a permanently physically disabled
49.2 person or a custodial parent or guardian of a permanently physically disabled ~~minor~~ person,
49.3 the owner may apply for and secure from the commissioner (1) immediately, a temporary
49.4 permit valid for 30 days if the applicant is eligible for the disability plates issued under this
49.5 section and (2) two disability plates with attached emblems, one plate to be attached to the
49.6 front, and one to the rear of the motor vehicle, truck, or recreational vehicle, or, in the case
49.7 of a motorcycle or a motorized bicycle, one disability plate the same size as a regular
49.8 motorcycle plate.

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

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

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

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

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

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

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

49.28 Sec. 22. Minnesota Statutes 2016, section 168.021, subdivision 2, is amended to read:

49.29 Subd. 2. **Plate design; furnished by commissioner.** The commissioner shall design
49.30 and furnish two disability plates, or one disability plate for a motorcycle or a motorized
49.31 bicycle that is the same size as a regular motorcycle plate, with attached emblem or emblems
49.32 to an eligible owner. The emblem must bear the internationally accepted wheelchair symbol,
49.33 as designated in section 326B.106, subdivision 9, approximately three inches square. The

50.1 emblem must be large enough to be visible plainly from a distance of 50 feet. An applicant
50.2 eligible for a disability plate or plates shall pay the motor vehicle registration fee authorized
50.3 by sections 168.013 and 168.09.

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

50.5 Sec. 23. Minnesota Statutes 2016, section 168.021, subdivision 2a, is amended to read:

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

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

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

50.17 Sec. 24. **[168.1256] SPECIAL RETIRED LAW ENFORCEMENT PLATES.**

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

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

50.22 (2) is a retired peace officer as defined in section 626.84, subdivision 1, paragraphs (c)
50.23 or (d);

50.24 (3) provides a letter from the chief law enforcement officer affirming that the applicant
50.25 is a retired peace officer who served ten or more years and separated in good standing;

50.26 (4) pays a fee of \$10 for each set of plates, along with any other fees required by this
50.27 chapter;

50.28 (5) pays the registration tax as required under section 168.013; and

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

51.1 Subd. 2. **Design.** The commissioner shall design an emblem and inscription for the
51.2 special plates, in consultation with interested law enforcement agencies and organizations.

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

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

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

51.8 Subd. 4. **Exemption.** Special plates issued under this section are not subject to section
51.9 168.1293, subdivision 2.

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

51.12 **Sec. 25. [168.1257] SPECIAL LAW ENFORCEMENT MEMORIAL PLATES.**

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

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

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

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

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

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

51.24 Subd. 2. **Design.** The commissioner shall adopt a suitable design for the plate that must
51.25 include a black line with a blue line of equal proportion above and below the black line,
51.26 representing the thin blue line.

51.27 Subd. 3. **Plates transfer.** On application to the commissioner and payment of a transfer
51.28 fee of \$5, special plates may be transferred to another motor vehicle if the subsequent vehicle
51.29 is:

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

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

52.2 Subd. 4. **Exemption.** Special plates issued under this section are not subject to section
52.3 168.1293, subdivision 2.

52.4 Subd. 5. **Fees.** Fees collected under subdivision 1, clauses (2) and (3), and subdivision
52.5 3 are credited to the vehicle services operating account in the special revenue fund.

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

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

52.16 Sec. 26. **[168.1294] SPECIAL "START SEEING MOTORCYCLES" PLATES.**

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

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

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

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

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

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

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

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

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

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

53.6 Subd. 4. **Exemption.** Special plates issued under this section are not subject to section
53.7 168.1293, subdivision 2.

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

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

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

53.13 Sec. 27. Minnesota Statutes 2016, section 168.33, subdivision 2, is amended to read:

53.14 Subd. 2. **Deputy registrars.** (a) The commissioner may appoint, and for cause
53.15 discontinue, a deputy registrar for any statutory or home rule charter city as the public
53.16 interest and convenience may require, without regard to whether the county auditor of the
53.17 county in which the city is situated has been appointed as the deputy registrar for the county
53.18 or has been discontinued as the deputy registrar for the county, and without regard to whether
53.19 the county in which the city is situated has established a county license bureau that issues
53.20 motor vehicle licenses as provided in section 373.32.

53.21 (b) The commissioner may appoint, and for cause discontinue, a deputy registrar for any
53.22 statutory or home rule charter city as the public interest and convenience may require, if
53.23 the auditor for the county in which the city is situated chooses not to accept appointment
53.24 as the deputy registrar for the county or is discontinued as a deputy registrar, or if the county
53.25 in which the city is situated has not established a county license bureau that issues motor
53.26 vehicle licenses as provided in section 373.32.

53.27 (c) The commissioner may appoint, and for cause discontinue, the county auditor of
53.28 each county as a deputy registrar.

53.29 (d) Despite any other provision, a person other than a county auditor or a director of a
53.30 county license bureau, who was appointed by the registrar before August 1, 1976, as a
53.31 deputy registrar for any statutory or home rule charter city, may continue to serve as deputy
53.32 registrar and may be discontinued for cause only by the commissioner. The county auditor

54.1 who appointed the deputy registrars is responsible for the acts of deputy registrars appointed
54.2 by the auditor.

54.3 (e) Each deputy, before entering upon the discharge of duties, shall take and subscribe
54.4 an oath to faithfully discharge the duties and to uphold the laws of the state.

54.5 (f) If a deputy registrar appointed under this subdivision is not an officer or employee
54.6 of a county or statutory or home rule charter city, the deputy shall in addition give bond to
54.7 the state in the sum of \$10,000, or a larger sum as may be required by the commissioner,
54.8 conditioned upon the faithful discharge of duties as deputy registrar.

54.9 (g) A corporation governed by chapter 302A or 317A may be appointed a deputy registrar.
54.10 Upon application by an individual serving as a deputy registrar and the giving of the requisite
54.11 bond as provided in this subdivision, personally assured by the individual or another
54.12 individual approved by the commissioner, a corporation named in an application then
54.13 becomes the duly appointed and qualified successor to the deputy registrar.

54.14 (h) Each deputy registrar appointed under this subdivision shall keep and maintain office
54.15 locations approved by the commissioner for the registration of vehicles and the collection
54.16 of taxes and fees on vehicles.

54.17 (i) The deputy registrar shall keep records and make reports to the commissioner as the
54.18 commissioner requires. The records must be maintained at the offices of the deputy registrar
54.19 in a manner that complies with sections 13.05, subdivision 5, and 13.055. As an alternative
54.20 to paper copy storage, a deputy registrar may retain records and documents in a secure
54.21 electronic medium that complies with the security requirements under the United States
54.22 Federal Bureau of Investigation, Criminal Justice Information Services Division, Policy 5.4
54.23 or any successor policy, provided 60 days have elapsed since the transaction and subject to
54.24 standards established by the commissioner. The deputy registrar is responsible for all costs
54.25 associated with the conversion to electronic records and maintenance of the electronic
54.26 storage medium, including the destruction of existing paper records after conversion to the
54.27 electronic format. All queries and responses in the secure electronic medium, and all actions
54.28 in which data are entered, updated, accessed, or shared or disseminated by the deputy
54.29 registrar must be contained in a data audit trail. Data contained in the audit trail are public
54.30 to the extent the data are not otherwise classified under this section. The records and offices
54.31 of the deputy registrar must at all times be open to the inspection of the commissioner or
54.32 the commissioner's agents. The deputy registrar shall report to the commissioner by the
54.33 next working day following receipt all registrations made and taxes and fees collected by
54.34 the deputy registrar.

55.1 (j) The filing fee imposed under subdivision 7 must be deposited in the treasury of the
55.2 place for which appointed or, if not a public official, a deputy shall retain the filing fee, but
55.3 the registration tax and any additional fees for delayed registration the deputy registrar has
55.4 collected the deputy registrar shall deposit by the next working day following receipt in an
55.5 approved state depository to the credit of the state through the commissioner of management
55.6 and budget. The place for which the deputy registrar is appointed through its governing
55.7 body must provide the deputy registrar with facilities and personnel to carry out the duties
55.8 imposed by this subdivision if the deputy is a public official. In all other cases, the deputy
55.9 shall maintain a suitable facility for serving the public.

55.10 Sec. 28. Minnesota Statutes 2016, section 168A.09, subdivision 1, is amended to read:

55.11 Subdivision 1. **Application, issuance, form, bond, and notice.** (a) In the event a
55.12 certificate of title is lost, stolen, mutilated, or destroyed, or becomes illegible, the owner or
55.13 legal representative of the owner named in the certificate may make submit an application
55.14 to the department or a deputy registrar for a duplicate in a format prescribed by the
55.15 department. The department shall or deputy registrar must issue a duplicate certificate of
55.16 title if satisfied that the applicant is entitled thereto to the duplicate certificate of title. The
55.17 duplicate certificate of title shall must be plainly marked as a duplicate and mailed or
55.18 delivered to the owner. The department shall or deputy registrar must indicate in its the
55.19 driver and vehicle information system records that a duplicate certificate of title has been
55.20 issued. As a condition to issuing a duplicate certificate of title, the department may require
55.21 a bond from the applicant in the manner and format prescribed in section 168A.07,
55.22 subdivision 1, clause (2). The duplicate certificate of title shall contain the legend: "This
55.23 duplicate certificate of title may be subject to the rights of a person under the original
55.24 certificate."

55.25 (a) On and after the effective date of this section, the commissioner must allow duplicate
55.26 certificate of title issuance by a deputy registrar subject to procedures established by the
55.27 commissioner.

55.28 **EFFECTIVE DATE.** This section is effective August 1, 2018.

55.29 Sec. 29. Minnesota Statutes 2016, section 169.011, is amended by adding a subdivision
55.30 to read:

55.31 **Subd. 1a. All-electric vehicle.** (a) "All-electric vehicle" means an electric vehicle that
55.32 is solely able to be powered by an electric motor drawing current from rechargeable storage
55.33 batteries, fuel cells, or other portable sources of electrical current.

56.1 (b) All-electric vehicle excludes a plug-in hybrid electric vehicle.

56.2 Sec. 30. Minnesota Statutes 2016, section 169.345, subdivision 1, is amended to read:

56.3 Subdivision 1. **Scope of privilege.** (a) A vehicle described in section 168.021, subdivision
56.4 1, paragraph (a), that prominently displays the certificate authorized by this section or that
56.5 bears the disability plate or plates issued under section 168.021 may be parked by or solely
56.6 for the benefit of a physically disabled person:

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

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

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

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

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

56.24 (c) Notwithstanding paragraph (a), clauses (1), (2), and (3), this section does not permit
56.25 parking in areas prohibited by sections 169.32 and 169.34, in designated no parking spaces,
56.26 or in parking spaces reserved for specified purposes or vehicles. A local governmental unit
56.27 may, by ordinance, prohibit parking on any street or highway to create a fire lane, or to
56.28 accommodate heavy traffic during morning and afternoon rush hours and these ordinances
56.29 also apply to physically disabled persons.

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

57.1 Sec. 31. Minnesota Statutes 2016, section 169.345, subdivision 3, is amended to read:

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

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

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

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

57.18 Sec. 32. **[169.8295] WEIGHT LIMITS; VEHICLES TRANSPORTING MILK.**

57.19 **Subdivision 1. Weight limits increase.** (a) The weight limitations under sections 169.823
57.20 to 169.829 are increased by ten percent for a single-unit vehicle transporting fluid milk from
57.21 the point of production to:

57.22 (1) another point of production for additional loading; or

57.23 (2) the point of first processing.

57.24 (b) Notwithstanding sections 169.824, subdivision 1, paragraph (d); 169.826, subdivision
57.25 3; or other law to the contrary, a permit is not required to operate a vehicle under this section.

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

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

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

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

58.1 (3) may not be operated with a load that exceeds the tire manufacturer's recommended
58.2 load, the manufacturer's gross vehicle weight rating as affixed to the vehicle, or other
58.3 certification of gross vehicle weight rating under Code of Federal Regulations, title 49,
58.4 sections 567.4 to 567.7.

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

58.6 Sec. 33. Minnesota Statutes 2016, section 169.865, subdivision 3, is amended to read:

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

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

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

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

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

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

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

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

58.19 (8) must have brakes on all wheels.

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

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

58.28 Sec. 34. **[169.869] SPECIAL CONSTRUCTION MATERIALS PERMIT.**

58.29 Subdivision 1. **Definition.** For purposes of this section, "construction materials" means
58.30 highway construction materials, building construction materials, and associated demolition

59.1 materials, including but not limited to aggregate material as defined in section 298.75,
59.2 subdivision 1, paragraph (a), hot mix asphalt, plastic concrete, cementitious materials,
59.3 concrete admixtures, asphalt cement, construction demolition materials, and recycled road
59.4 materials.

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

59.8 (1) 90,000 pounds; and

59.9 (2) 99,000 pounds during the period set by the commissioner under section 169.826,
59.10 subdivision 1.

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

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

59.16 (1) 97,000 pounds; and

59.17 (2) 99,000 pounds during the period set by the commissioner under section 169.826,
59.18 subdivision 1.

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

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

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

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

59.27 (2) must comply with the requirements and restrictions in section 169.865, subdivision
59.28 3, paragraph (a), clauses (1) to (3), (5), (7), and (8); and

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

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

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

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

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

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

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

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

60.19 Sec. 35. Minnesota Statutes 2016, section 171.06, subdivision 2a, is amended to read:

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

60.24 (1) \$11 of the additional fee for each first duplicate license, and \$7 of the additional fee
60.25 for each renewal, must be credited to the motorcycle safety fund, which is hereby created;
60.26 ~~provided that ten percent of fee receipts in excess of \$750,000 in a fiscal year must be~~
60.27 ~~credited to the general fund.~~

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

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

61.1 Sec. 36. Minnesota Statutes 2016, section 171.061, subdivision 3, is amended to read:

61.2 Subd. 3. **Application.** An applicant may file an application with an agent. The agent
61.3 shall receive and accept applications in accordance with the laws and rules of the Department
61.4 of Public Safety for a driver's license, restricted license, duplicate license, instruction permit,
61.5 Minnesota identification card, or motorized bicycle operator's permit. Application records
61.6 must be maintained at the office of the agent in a manner that complies with sections 13.05,
61.7 subdivision 5, and 13.055. As an alternative to paper copy storage, an agent may retain
61.8 records and documents in a secure electronic medium that complies with the security
61.9 requirements under the United States Federal Bureau of Investigation, Criminal Justice
61.10 Information Services Division, Policy 5.4 or any successor policy, provided 60 days have
61.11 elapsed since the transaction and subject to standards established by the commissioner. The
61.12 agent is responsible for all costs associated with the conversion to electronic records and
61.13 maintenance of the electronic storage medium, including the destruction of existing paper
61.14 records after conversion to the electronic format. All queries and responses in the secure
61.15 electronic medium, and all actions in which data are entered, updated, accessed, or shared
61.16 or disseminated by the agent must be contained in a data audit trail. Data contained in the
61.17 audit trail are public to the extent the data are not otherwise classified under this section.

61.18 Sec. 37. Minnesota Statutes 2016, section 171.12, subdivision 6, is amended to read:

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

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

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

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

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

62.1 Sec. 38. Minnesota Statutes 2016, section 173.02, is amended by adding a subdivision to
62.2 read:

62.3 Subd. 7a. **Abandoned and discontinued.** "Abandoned and discontinued" means an
62.4 outdoor advertising device that ceases to display advertising copy for a minimum of one
62.5 year and is not otherwise being actively marketed to display advertising copy.

62.6 Sec. 39. Minnesota Statutes 2016, section 173.02, is amended by adding a subdivision to
62.7 read:

62.8 Subd. 17a. **Conforming.** "Conforming" means an outdoor advertising device that
62.9 complies with the requirements of this chapter.

62.10 Sec. 40. Minnesota Statutes 2016, section 173.02, subdivision 18, is amended to read:

62.11 Subd. 18. **Commercial or industrial activity.** (a) "Commercial or industrial activity"
62.12 for the purposes of unzoned commercial or industrial areas means an activity generally
62.13 recognized as commercial or industrial by zoning authorities in this state, ~~except that.~~

62.14 (b) None of the following activities shall be considered commercial or industrial:

62.15 (1) outdoor advertising devices;

62.16 (2) agricultural, forestry, ranching, grazing, farming and related activities, including,
62.17 but not limited to, temporary wayside fresh produce stands;

62.18 (3) transient or temporary activities;

62.19 (4) activities not visible from the main-traveled way;

62.20 (5) activities more than 660 feet from the nearest edge of the right-of-way;

62.21 (6) activities conducted in a building principally used as a residence;

62.22 (7) railroad tracks and minor sidings;

62.23 (8) advertising located on vehicles or tractor trailers;

62.24 (9) commercial establishments or businesses that have ceased to exist or operate; or

62.25 (10) a business created to install new outdoor advertising devices.

62.26 Sec. 41. Minnesota Statutes 2016, section 173.02, is amended by adding a subdivision to
62.27 read:

62.28 Subd. 21a. **Nonconforming.** "Nonconforming" means an outdoor advertising device
62.29 that was lawfully erected and has been maintained lawfully but does not comply with the

63.1 requirements of this chapter. A nonconforming sign is one that remains in substantially the
63.2 same condition it was on the effective date of this chapter.

63.3 Sec. 42. Minnesota Statutes 2016, section 173.02, is amended by adding a subdivision to
63.4 read:

63.5 Subd. 21b. **Off-premise** "Off-premise" means an outdoor advertising device that
63.6 advertises or pertains to any business, product, person, activity, event, or service that is not
63.7 primarily conducted, sold, manufactured, offered, or located on the property where the sign
63.8 is located.

63.9 Sec. 43. Minnesota Statutes 2016, section 173.02, subdivision 23, is amended to read:

63.10 Subd. 23. **Scenic area.** "Scenic area" means an area within which control and regulation
63.11 of the erection and maintenance of advertising devices may be exercised to the extent herein
63.12 provided and such areas shall include only those established as such by the commissioner
63.13 of transportation. Scenic area includes a scenic byway under United States Code, title 23,
63.14 section 162.

63.15 Sec. 44. Minnesota Statutes 2016, section 173.02, is amended by adding a subdivision to
63.16 read:

63.17 Subd. 23a. **Scenic byways.** "Scenic byways" means roads that recognize outstanding
63.18 scenic, cultural, historic, natural, recreational, and archaeological qualities and landscapes
63.19 pursuant to United States Code, title 23, section 162.

63.20 Sec. 45. Minnesota Statutes 2016, section 173.06, subdivision 1, is amended to read:

63.21 Subdivision 1. **Authority.** The commissioner of transportation shall adopt and may
63.22 modify, amend, or repeal rules governing the ~~issuance of permits or renewals thereof for~~
63.23 ~~the erection and~~ maintenance of legal nonconforming advertising devices within scenic
63.24 areas; provided that the commissioner shall not adopt, modify, amend, or repeal any rule
63.25 that will impair any agreement ~~with~~ between the state and the federal government under
63.26 this chapter. The commissioner of transportation may limit the application of any rule
63.27 adopted by the commissioner to exclude or include in whole or in part, specified areas within
63.28 the scenic area based upon use, nature of the surrounding community, or such other factors
63.29 as may make separate classification or rule necessary or desirable.

64.1 Sec. 46. Minnesota Statutes 2016, section 173.07, subdivision 1, is amended to read:

64.2 Subdivision 1. **Forms; content.** Application for permits or renewals thereof for the
64.3 placement ~~and maintenance~~ of advertising devices ~~within scenic areas~~ shall be on forms
64.4 prescribed by the commissioner and shall contain such information as the commissioner
64.5 may require. No advertising device shall be placed without the consent of the owner or
64.6 occupant of the land, and adequate proof of such consent shall be submitted to the
64.7 commissioner at the time application is made for such permits or renewals. A permit is
64.8 required to access state right-of-way to maintain an advertising device.

64.9 Sec. 47. Minnesota Statutes 2016, section 173.08, is amended by adding a subdivision to
64.10 read:

64.11 Subd. 3. **Seed sign exemption.** Crop varietal and seed corn signs adjacent to interstate
64.12 and primary highways may be erected if the device:

64.13 (1) is located on demonstration plats;

64.14 (2) is located on private property;

64.15 (3) does not violate section 160.27 or 160.2715; and

64.16 (4) does not reference an off-site address where the product may be sold.

64.17 Sec. 48. Minnesota Statutes 2016, section 173.08, is amended by adding a subdivision to
64.18 read:

64.19 Subd. 4. **Violations; removal.** The Department of Transportation may remove signs
64.20 that violate this section using the removal procedures under section 173.13, subdivision 11.

64.21 Sec. 49. Minnesota Statutes 2016, section 173.13, subdivision 11, is amended to read:

64.22 Subd. 11. **Removal of advertising device for noncompliance.** Advertising devices
64.23 erected or maintained after June 8, 1971, not complying with ~~Laws 1971, chapter 883, and~~
64.24 ~~not otherwise by Laws 1971, chapter 883, permitted to stand~~ this chapter may be removed
64.25 by the commissioner upon 60 days prior written notice by certified mail to the owner ~~thereof~~
64.26 of the advertising device and to the owner of the real property on which ~~such~~ the advertising
64.27 device is located, ~~provided that~~. No notice ~~shall be~~ is required to be given to the owner of
64.28 an advertising device whose name is not stated upon the advertising device or the structure
64.29 on which it is displayed, unless the name of ~~such~~ the owner is otherwise reasonably known
64.30 to the commissioner. The owner of the removed device is liable to the state for the costs of
64.31 removal. The period of ~~such~~ notice shall be computed from the date of mailing to both the

65.1 owner of the advertising device and the owner of the real property where the device is
65.2 located. The department must store a removed outdoor advertising device for a minimum
65.3 of 30 days prior to disposal. If the outdoor advertising device is not retrieved by the owner
65.4 within 30 days of removal, the department may dispose of the outdoor advertising device.
65.5 The state is not liable for trespass actions or sign costs for outdoor advertising devices
65.6 removed under this subdivision if proper notice has been served.

65.7 Sec. 50. [173.155] CHANGEABLE ELECTRONIC VARIABLE MESSAGE SIGNS.

65.8 Subdivision 1. **Definition.** For the purposes of this section, "changeable electronic
65.9 variable message sign" or "CEVMS" means an outdoor advertising device that contains
65.10 light-emitting diodes or other technology to display copy visible during the day and during
65.11 the night, with the copy changes initiated electronically.

65.12 Subd. 2. **Prohibition.** Intermittent, animated, scrolling, full-motion video elements, or
65.13 moving lights are prohibited on outdoor advertising devices, including CEVMS.

65.14 Subd. 3. **Exceptions.** (a) Notwithstanding subdivision 2, a CEVMS is permissible if:

65.15 (1) the message does not change more frequently than once every six seconds;

65.16 (2) the transition between messages or copy does not exceed two seconds in duration;

65.17 (3) the message brightness does not exceed 0.3 foot-candles over ambient light, as
65.18 measured using a foot candle meter from the following distances:

65.19 (i) for signs with a nominal face size of 12 feet by 25 feet, from 150 feet;

65.20 (ii) for signs with a nominal face size of 10 feet, six inches, by 36 feet, from 200 feet;

65.21 and

65.22 (iii) for signs with a nominal face size of 14 feet by 48 feet, from 250 feet; and

65.23 (4) the sign must not cause beams or rays of light to be directed at the traveled way if
65.24 the light is of such intensity or brilliance as to cause glare that impairs the vision of the
65.25 driver of a motor vehicle, or interfere with any driver's operation of a motor vehicle.

65.26 (b) The brightness measurement under paragraph (a), clause (3), must be conducted at
65.27 least 30 minutes after sunset or at least 30 minutes before sunrise. Each CEVMS must have
65.28 automatic dimming technology that adjusts the device's brightness levels in response to
65.29 changes in ambient light.

66.1 Sec. 51. Minnesota Statutes 2016, section 173.16, is amended by adding a subdivision to
66.2 read:

66.3 Subd. 6. **Stationary structure.** Advertising devices must:

66.4 (1) be stationary;

66.5 (2) be immobile;

66.6 (3) not have wheels; and

66.7 (4) be incapable of relocation without a permit.

66.8 Sec. 52. Minnesota Statutes 2016, section 173.16, is amended by adding a subdivision to
66.9 read:

66.10 Subd. 7. **Permanent business.** (a) A business that is located in an unzoned commercial
66.11 and industrial area must be in existence for at least three months before a permit may be
66.12 issued. An outdoor advertising device erected prior to receiving a permit is subject to
66.13 removal.

66.14 (b) A commercial establishment may demonstrate evidence of its existence by having
66.15 a Web site, a telephone number that is answered or has an answering machine identifying
66.16 the business, a storefront, pictorial evidence of the business, a building permit, or a lease.

66.17 Sec. 53. [173.265] **OUTDOOR ADVERTISING DEVICES; REMOVAL;**
66.18 **MAINTENANCE.**

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

66.21 (b) "Destroyed" means that more than 50 percent of a nonconforming outdoor advertising
66.22 device's upright supports are physically damaged to a degree that normal repair practices
66.23 would require replacement of broken wooden supports or replacement of broken, bent, or
66.24 twisted supports for metal sign structures.

66.25 (c) "Reasonable repair and maintenance" means customary maintenance and change of
66.26 a sign's copy or message, and includes replacement of existing light fixtures with energy
66.27 efficient fixtures or installation of other energy efficiency improvements. Reasonable repair
66.28 and maintenance does not include:

66.29 (1) the addition of illumination;

67.1 (2) repair, reinstallation, erection, or maintenance for outdoor advertising devices that
 67.2 are destroyed, as defined under paragraph (b);

67.3 (3) enlarging the nonconforming device;

67.4 (4) changing the device from a wood structure to a steel or concrete structure; or

67.5 (5) any change that would terminate nonconforming status.

67.6 (d) "Substantial change" means any action that does not constitute reasonable repair and
 67.7 maintenance.

67.8 Subd. 2. **Application.** This section applies only to outdoor advertising devices subject
 67.9 to state and federal regulation under United States Code, title 23, section 131, and any
 67.10 regulations adopted under that law.

67.11 Subd. 3. **Removal.** The department may remove a destroyed, abandoned, or discontinued
 67.12 outdoor advertising device, subject to the limitations provided under this chapter.

67.13 Subd. 4. **Reasonable repair and maintenance.** (a) The owner of an outdoor advertising
 67.14 device may perform reasonable repair and maintenance on any device, provided the device
 67.15 is not destroyed.

67.16 (b) Any action not constituting reasonable repair and maintenance will subject the outdoor
 67.17 advertising device to immediate removal under subdivision 3.

67.18 Subd. 5. **Substantial change.** Substantial changes to outdoor advertising devices are
 67.19 prohibited. A substantial change to a nonconforming outdoor advertising device will subject
 67.20 the sign to immediate removal under subdivision 3.

67.21 Sec. 54. Minnesota Statutes 2016, section 174.03, subdivision 1a, is amended to read:

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

67.27 (b) Each revised statewide multimodal transportation plan must:

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

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

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

68.1 Sec. 55. Minnesota Statutes 2016, section 174.03, subdivision 1c, is amended to read:

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

68.6 (1) incorporates performance measures and targets for assessing progress and achievement
68.7 of the state's transportation goals, objectives, and policies identified in this chapter for the
68.8 state trunk highway system, and those goals, objectives, and policies established in the
68.9 statewide multimodal transportation plan. Performance targets must be based on objectively
68.10 verifiable measures, and address, at a minimum, preservation and maintenance of the
68.11 structural condition of state highway bridges and pavements, safety, and mobility;

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

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

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

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

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

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

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

68.28 Sec. 56. Minnesota Statutes 2016, section 174.03, is amended by adding a subdivision to
68.29 read:

68.30 Subd. 1e. Capacity and major highway projects; planning and programming. (a)
68.31 The commissioner must implement a process concerning trunk highway projects that are
68.32 not included in the state transportation improvement program. The commissioner must use

69.1 the process for projects that expand trunk highway system capacity and for major highway
69.2 projects, as defined in section 174.56, subdivision 1.

69.3 (b) At a minimum, the process must:

69.4 (1) establish standard, objective procedures for planning, project identification,
69.5 development, prioritization, and programming;

69.6 (2) address fiscal considerations, including total expenditures to develop projects that
69.7 are not programmed;

69.8 (3) communicate to stakeholders and the general public an outline of the process and a
69.9 list of specific capacity projects, using plain language descriptions and information; and

69.10 (4) integrate with the department's programs that involve alternative project selection
69.11 methods, including but not limited to the corridors of commerce program under section
69.12 161.088 and the transportation economic development program under section 174.12.

69.13 Sec. 57. Minnesota Statutes 2016, section 174.50, subdivision 5, is amended to read:

69.14 Subd. 5. **Certification and disbursement for project of political subdivision.** Before
69.15 disbursement of an appropriation made from the fund to the commissioner of transportation
69.16 for grants to subdivisions of the state, the commissioner shall certify that:

69.17 (1) ~~that the project for which the grant is made has been reviewed as provided in~~
69.18 ~~subdivision 4;~~

69.19 (2) ~~that~~ the project conforms to the program authorized by the appropriation law and
69.20 rules adopted by the Department of Transportation consistent therewith; and

69.21 (3) ~~that~~ (2) the financing of any estimated cost of the project in excess of the amount of
69.22 the grant is assured by the appropriation of the proceeds of bonds or other funds of the
69.23 subdivision, or by a grant from an agency of the federal government, within the amount of
69.24 funds then appropriated to that agency and allocated by it to projects within the state, and
69.25 by an irrevocable undertaking, in a resolution of the governing body of the subdivision, to
69.26 use all funds so made available exclusively for the project, and to pay any additional amount
69.27 by which the cost exceeds the estimate through appropriation to the construction fund of
69.28 additional funds or the proceeds of additional bonds to be issued by the subdivision.

70.1 Sec. 58. Minnesota Statutes 2016, section 174.50, subdivision 6b, is amended to read:

70.2 Subd. 6b. **Bridge costs in smaller cities.** (a) The commissioner may make grants from
70.3 the state transportation fund to a home rule or statutory city with a population of 5,000 or
70.4 less for design, engineering, and construction of bridges on city streets.

70.5 ~~(b) Grants under this subdivision are subject to the procedures and criteria established~~
70.6 ~~under subdivisions 5, 6, and 7.~~

70.7 ~~(e)~~ (b) Grants may be used for:

70.8 (1) 100 percent of the design and engineering costs that are in excess of \$10,000;

70.9 (2) 100 percent of the bridge approach work costs that are in excess of \$10,000; and

70.10 (3) 100 percent of the bridge construction work costs.

70.11 Sec. 59. Minnesota Statutes 2016, section 174.50, subdivision 6c, is amended to read:

70.12 Subd. 6c. **Fracture-critical bridges.** ~~(a)~~ The commissioner may make a grant to any
70.13 political subdivision for replacement or rehabilitation of a fracture-critical bridge. To be
70.14 eligible for a grant under this subdivision, the project must produce a bridge structure:

70.15 (1) that is no longer classified as fracture critical, by having alternate load paths; and

70.16 (2) whose failure of a main component will not result in the collapse of the bridge.

70.17 ~~(b) A grant under this subdivision is subject to the procedures and criteria established~~
70.18 ~~under subdivisions 5 and 6.~~

70.19 Sec. 60. Minnesota Statutes 2016, section 174.50, subdivision 7, is amended to read:

70.20 Subd. 7. **Bridge grant program; rulemaking.** (a) The commissioner of transportation
70.21 shall develop rules, procedures for application for grants, conditions of grant administration,
70.22 standards, and criteria as provided under subdivision 6, including bridge specifications, in
70.23 cooperation with road authorities of political subdivisions, for use in the administration of
70.24 funds appropriated to the commissioner and for the administration of grants to subdivisions.

70.25 Grants under this section are subject to the procedures and criteria established in this section
70.26 and in subdivisions 5 and 6.

70.27 (b) The maximum use of standardized bridges is encouraged. Regardless of the size of
70.28 the existing bridge, a bridge or replacement bridge is eligible for assistance from the state
70.29 transportation fund if a hydrological survey indicates that the bridge or replacement bridge
70.30 must be ten feet or more in length.

71.1 (c) As part of the standards or rules, the commissioner shall, in consultation with local
71.2 road authorities, establish a minimum distance between any two bridges that cross over the
71.3 same river, stream, or waterway, so that only one of the bridges is eligible for a grant under
71.4 this section. As appropriate, the commissioner may establish exceptions from the minimum
71.5 distance requirement or procedures for obtaining a variance.

71.6 (d) Political subdivisions may use grants made under this section to construct or
71.7 reconstruct bridges, including but not limited to:

71.8 (1) matching federal aid grants to construct or reconstruct key bridges;

71.9 (2) paying the costs to abandon an existing bridge that is deficient and in need of
71.10 replacement but where no replacement will be made; and

71.11 (3) paying the costs to construct a road or street to facilitate the abandonment of an
71.12 existing bridge if the commissioner determines that the bridge is deficient, and that
71.13 construction of the road or street is more economical than replacement of the existing bridge.

71.14 (e) Funds appropriated to the commissioner from the Minnesota state transportation
71.15 fund shall be segregated from the highway tax user distribution fund and other funds created
71.16 by article XIV of the Minnesota Constitution.

71.17 (f) The maximum grant amount for a local bridge replacement or rehabilitation project
71.18 under this section is \$7,000,000.

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

71.20 Sec. 61. **[174.54] TRANSPORTATION PRIORITIES FUND.**

71.21 Subdivision 1. **Fund established.** A transportation priorities fund is established in the
71.22 state treasury, under the budgetary jurisdiction of the legislative committees having
71.23 jurisdiction over transportation finance. The fund consists of money provided by law, and
71.24 any other funds donated, allotted, transferred, or otherwise provided. Money in the fund
71.25 must be allocated solely for transportation purposes as specified in this section and as
71.26 provided by law.

71.27 Subd. 2. **Financial reports.** Any report or financial statement required by law to be
71.28 submitted to the legislature that provides financial information on the transportation priorities
71.29 fund must include accounting information on each account established within the fund,
71.30 including revenues and sources, transfers, uses, and account balance.

72.1 Subd. 3. Fund allocation; net funds. (a) In fiscal year 2020 and thereafter, the
72.2 commissioner of transportation must allocate funds in the transportation priorities fund as
72.3 follows:

72.4 (1) 70.5 percent transferred to the commissioner of transportation for deposit in the
72.5 highway user tax distribution fund, provided that this amount is reduced by the amount
72.6 transferred as specified in subdivision 4;

72.7 (2) 4 percent to the small cities assistance account;

72.8 (3) 3 percent for the local bridge replacement and rehabilitation program under section
72.9 174.50;

72.10 (4) 1.5 percent for the hazardous materials rail safety program under section 219.016;

72.11 (5) 0.75 percent for purposes of replacement of highway-rail grade crossing warning
72.12 devices;

72.13 (6) 0.25 percent for the public highway-rail grade crossing quiet zone program under
72.14 section 219.166;

72.15 (7) 10 percent for distribution as provided in subdivision 5; and

72.16 (8) 10 percent transferred to the commissioner of transportation for deposit in the greater
72.17 Minnesota transit account in the transit assistance fund.

72.18 (b) Funds allocated under paragraph (a) exclude any amounts that are in an account in
72.19 the transportation priorities fund, and any amounts otherwise transferred from the fund by
72.20 law.

72.21 Subd. 4. Fund allocation; debt service. An amount sufficient to equal the necessary
72.22 debt service on trunk highway bond proceeds appropriated in article 2, section 2, subdivision
72.23 2, of this act is annually transferred from the transportation priorities fund to the
72.24 commissioner of transportation for deposit in the state bond fund.

72.25 Subd. 5. Fund allocation; certain metropolitan area county roads. (a) The
72.26 commissioner of transportation shall distribute the funds under subdivision 3, paragraph
72.27 (a), clause (7), and any other funds appropriated specifically for purposes of this subdivision,
72.28 to the counties in the metropolitan area, as defined in section 473.121, subdivision 4,
72.29 excluding the counties of Hennepin and Ramsey, so that each county receives from that
72.30 amount the percentage that its population, as defined in section 477A.011, subdivision 3,
72.31 estimated or established by July 15 of the year prior to the current calendar year, bears to
72.32 the total population of the counties receiving funds under this paragraph.

73.1 (b) Funds distributed under this subdivision are for construction, reconstruction, and
73.2 maintenance of county highways, including county state-aid highways.

73.3 Sec. 62. Minnesota Statutes 2016, section 174.56, subdivision 1, is amended to read:

73.4 Subdivision 1. **Report required.** (a) The commissioner of transportation ~~shall~~ must
73.5 submit a report by December 15 of each year ~~on~~ that includes:

73.6 (1) the status of major highway projects:

73.7 (i) completed during the previous two years; or

73.8 (ii) under construction or planned during the year of the report and for the ensuing 15
73.9 years, (2) trunk highway fund expenditures, and;

73.10 (2) a list of any major highway projects identified in capital investment plans or identified
73.11 as reasonably likely for inclusion in the state transportation improvement program within
73.12 the next ten years;

73.13 (3) ~~beginning with the report due in 2016,~~ a list of any major highway projects removed
73.14 from, delayed within, or delayed from inclusion in the state transportation improvement
73.15 program or capital investment plans, including a discussion of the rationale for the delay
73.16 or removal;

73.17 (4) an explanation of the highway project selection process, including key milestones
73.18 and decision-making steps;

73.19 (5) the annual budget for products and services for each Department of Transportation
73.20 district and office, with a comparison to actual spending and including measures of
73.21 productivity for the previous fiscal year; and

73.22 (6) information detailing efficiencies achieved during the previous two fiscal years.

73.23 (b) For purposes of this section, a "major highway project" is a highway project that has
73.24 a total cost for all segments that the commissioner estimates at the time of the report to be
73.25 at least (1) \$15,000,000 in the metropolitan highway construction district, or (2) \$5,000,000
73.26 in any nonmetropolitan highway construction district. A major highway project does not
73.27 include district set-asides.

73.28 Sec. 63. Minnesota Statutes 2016, section 174.56, subdivision 2, is amended to read:

73.29 Subd. 2. **Report contents; major highway projects.** (a) For each major highway project
73.30 under subdivision 1, paragraph (a), clause (1), the report must include:

- 74.1 (1) a description of the project sufficient to specify its scope and location;
- 74.2 (2) a history of the project, including, but not limited to, and as applicable: previous
74.3 official actions by the department or the appropriate area transportation partnership, or both,
74.4 the date on which the project was first included in the state transportation improvement ~~plan~~
74.5 program, the cost of the project at that time, the planning estimate for the project, the
74.6 engineer's estimate, the award price, the final cost as of six months after substantial
74.7 completion, including a total amount for any supplemental agreements and cost overruns
74.8 or cost savings, the dates of environmental approval, the dates of municipal approval, the
74.9 date of final geometric layout, and the date of establishment of any construction limits;
- 74.10 (3) the project's priority listing or rank within its construction district, if any, as well as
74.11 the reasons for that listing or rank, the criteria used in prioritization or rank, any changes
74.12 in that prioritization or rank since the project was first included in a department work plan,
74.13 and the reasons for those changes; and
- 74.14 (4) past and potential future reasons for delay in letting or completing the project, details
74.15 of all project cost changes that exceed \$500,000, and specific modifications ~~to the overall~~
74.16 ~~program~~ that are made as a result of delays and project cost changes;
- 74.17 ~~(5) two representative trunk highway construction projects, one each from the~~
74.18 ~~department's metropolitan district and from greater Minnesota, and for each project report~~
74.19 ~~the cost of environmental mitigation and compliance; and~~
- 74.20 ~~(6) the annual budget for products and services for each Department of Transportation~~
74.21 ~~district and office, with comparison to actual spending and including measures of productivity~~
74.22 ~~for the previous fiscal year.~~
- 74.23 (b) For each major highway project under subdivision 1, paragraph (a), clauses (2) and
74.24 (3), the report must include, as available, a project description and a summary of project
74.25 status, scoping activity, and cost estimates.
- 74.26 Sec. 64. Minnesota Statutes 2016, section 174.56, is amended by adding a subdivision to
74.27 read:
- 74.28 Subd. 4. **Availability of information.** The commissioner shall maintain on an Internet
74.29 Web site information for each major highway project, which must at a minimum include
74.30 the report contents identified in subdivision 2.

75.1 Sec. 65. [174.57] SNOW AND ICE CONTROL; APPROPRIATION.

75.2 (a) In a fiscal year in which the commissioner expends more than 110 percent of the
 75.3 established biennial expenditure level for snow and ice management, the commissioner may
 75.4 use an additional amount for this purpose that does not exceed 50 percent of the
 75.5 unappropriated balance in the trunk highway fund. The amount identified by the
 75.6 commissioner under this paragraph is appropriated from the trunk highway fund to the
 75.7 commissioner for snow and ice management purposes.

75.8 (b) Upon using the appropriation authority in this section, the commissioner shall notify
 75.9 the commissioner of management and budget and the chairs, ranking minority members,
 75.10 and staff of the house of representatives and senate committees having jurisdiction over
 75.11 transportation finance. The notification must at a minimum identify the established biennial
 75.12 expenditure level for snow and ice management and the amount appropriated under this
 75.13 section.

75.14 (c) In each budget submission to the legislature under section 16A.11, the commissioner
 75.15 shall include:

75.16 (1) the proposed biennial expenditure level for snow and ice management for the next
 75.17 budget biennium; and

75.18 (2) the total amount expended or estimated to be expended under the appropriation in
 75.19 this section for the budget biennium that is ending.

75.20 Sec. 66. Minnesota Statutes 2016, section 174.93, is amended to read:

75.21 **174.93 GUIDEWAY METROPOLITAN AREA TRANSIT INVESTMENT.**

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

75.24 (1) "busway" means a form of transportation service, consisting of arterial or highway
 75.25 bus rapid transit, limited stop bus service, and express bus service, provided to the public
 75.26 on a regular and ongoing basis that does not primarily or substantially operate within
 75.27 separated rights-of-way;

75.28 (2) "commissioner" means the commissioner of transportation;

75.29 ~~(2)~~ (3) "guideway" means a form of transportation service provided to the public on a
 75.30 regular and ongoing basis; that primarily or substantially operates ~~on exclusive or~~ within
 75.31 ~~controlled~~ separated rights-of-way or operates on rails in whole or in part, and includes:

76.1 (i) each line for intercity passenger rail, commuter rail, light rail transit, and streetcars;
76.2 and;

76.3 (ii) as applicable, each line for dedicated bus service, which may include arterial or
76.4 highway bus rapid transit, limited stop bus service, and express bus service; and

76.5 (iii) any intermodal facility serving two or more lines identified in items (i) and (ii); and

76.6 ~~(3)~~ (4) "local unit of government" means a county, statutory or home rule charter city,
76.7 town, or other political subdivision including, but not limited to, a regional railroad authority
76.8 or joint powers board.

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

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

76.16 (d) Guideway does not include a busway.

76.17 (e) "Separated rights-of-way" includes exclusive, dedicated, or primary use of a
76.18 right-of-way by the public transportation service. Separated rights-of-way does not include
76.19 a shoulder, dynamic shoulder lane, or priced lane under section 160.93.

76.20 Subd. 1a. **Guideway capital project requests to legislature.** A state agency or local
76.21 unit of government that submits a request to the legislature to obtain state funds for a
76.22 guideway project shall, as part of the request, provide a summary financial plan for the
76.23 project that presents the following information as reflected by the data and level of detail
76.24 available in the latest phase of project development:

76.25 (1) capital expenditures and funding sources for the project, including expenditures to
76.26 date and total projected or estimated expenditures, with a breakdown by committed and
76.27 proposed sources of funds; and

76.28 (2) estimated annual operations and maintenance expenditures for the project, with a
76.29 breakdown by committed and proposed sources of funds.

76.30 Subd. 2. **Legislative report.** (a) Annually by January 15, 2012, and by November 15 in
76.31 every odd-numbered year thereafter, the commissioner shall council must prepare, in
76.32 collaboration with the Metropolitan Council commissioner, and a report on comprehensive

77.1 transit finance in the metropolitan area. The council must submit a the report electronically
77.2 to the chairs and ranking minority members of the legislative committees with jurisdiction
77.3 over transportation policy and finance concerning.

77.4 (b) The report must be structured to provide financial information in six-month increments
77.5 corresponding to state and local fiscal years, and must use consistent assumptions and
77.6 methodologies. The report must comprehensively identify all funding sources and
77.7 expenditures related to transit in the metropolitan area, including but not limited to:

77.8 (1) sources and uses of funds from regional railroad authorities, joint powers agreements,
77.9 counties, and cities;

77.10 (2) expenditures for transit planning, feasibility studies, alternatives analysis, and other
77.11 transit project development; and

77.12 (3) expenditures for guideways, busways, regular route bus service, demand-response
77.13 service, and special transportation service under section 473.386.

77.14 (c) The report must include a section that identifies the status of guideways in revenue
77.15 operation and guideway projects (1) currently in study, planning, development, or
77.16 construction; (2) identified in the transportation policy plan under section 473.146; or (3)
77.17 identified in the comprehensive statewide freight and passenger rail plan under section
77.18 174.03, subdivision 1b.

77.19 ~~(b)~~ (d) At a minimum, the guideways status section of the report must include, provide
77.20 for each guideway project wholly or partially in the metropolitan area:

77.21 (1) a brief description of the project, including projected ridership;

77.22 (2) a summary of the overall status and current phase of the project;

77.23 (3) a timeline that includes (i) project phases or milestones, including any federal
77.24 approvals; (ii) expected and known dates of commencement of each phase or milestone;
77.25 and (iii) expected and known dates of completion of each phase or milestone;

77.26 (4) a brief progress update on specific project phases or milestones completed since the
77.27 last previous submission of a report under this subdivision; and

77.28 (5) a summary financial plan that identifies, as reflected by the data and level of detail
77.29 available in the latest phase of project development and to the extent available:

77.30 (i) capital expenditures, including expenditures to date and total projected expenditures,
77.31 with a breakdown by committed and proposed sources of funds for the project;

78.1 (ii) estimated annual operations and maintenance expenditures reflecting the level of
 78.2 detail available in the current phase of the project development, with a breakdown by
 78.3 committed and proposed sources of funds for the project; and

78.4 (iii) if feasible, project expenditures by budget activity.

78.5 (e) The report must include a section that summarizes the status of busways in revenue
 78.6 operation and busway projects currently in study, planning, development, or construction.

78.7 (f) The report must include a section that identifies the total ridership, farebox recovery
 78.8 ratio, and per-passenger operating subsidy for (1) each route and line in revenue operation
 78.9 by a transit provider, including guideways, busways, and regular route bus service; and (2)
 78.10 demand-response service and special transportation service. The section must provide data
 78.11 on a per-passenger mile basis and must provide information for at least the previous three
 78.12 years. The section must identify performance standards for farebox recovery and identify
 78.13 each route and line that does not meet the standards.

78.14 ~~(e)~~ (g) The report must also include a systemwide capacity analysis for transit operations
 78.15 and investment in guideway expansion and maintenance that:

78.16 (1) provides a funding projection, annually over the ensuing ten years, and with a
 78.17 breakdown by committed and proposed sources of funds, of:

78.18 (i) total capital expenditures for guideways and for busways;

78.19 (ii) total operations and maintenance expenditures for guideways and for busways;

78.20 (iii) total funding available for guideways and for busways, including from projected or
 78.21 estimated farebox recovery; and

78.22 (iv) total funding available for transit service in the metropolitan area; and

78.23 (2) evaluates the availability of funds and distribution of sources of funds for guideway
 78.24 and for busway investments.

78.25 ~~(d)~~ (h) The ~~projection~~ capacity analysis under paragraph ~~(e), clause (1), (g)~~ (g) must ~~be for~~
 78.26 include all guideway and busway lines for which state public funds are reasonably expected
 78.27 to be expended in planning, development, construction, or revenue operation, or capital
 78.28 maintenance during the ensuing ten years.

78.29 ~~(e)~~ (i) Local units of government ~~shall~~ must provide assistance and information in a
 78.30 timely manner as requested by the commissioner or council for completion of the report.

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

79.4 Sec. 67. **[219.016] OIL AND OTHER HAZARDOUS MATERIALS RAIL SAFETY.**

79.5 **Subdivision 1. Program established.** A hazardous materials rail safety program is
79.6 established for the purpose of reducing the risks associated with the transportation of oil,
79.7 ethanol, and other hazardous material by rail.

79.8 **Subd. 2. Hazardous materials rail safety account.** A hazardous materials rail safety
79.9 account is established in the transportation priorities fund. The account consists of funds as
79.10 provided by law, and any other funds donated, allotted, transferred, or otherwise provided.

79.11 **Subd. 3. Use of funds.** Funds appropriated for the program under this section may only
79.12 be used for capital costs associated with planning, engineering, administration, and
79.13 construction of public highway-rail grade crossing improvements on rail corridors
79.14 transporting crude oil and other hazardous materials. Improvements may include upgrades
79.15 to existing protection systems, the closing of crossings and necessary roadwork, and
79.16 reconstruction of at-grade crossings to full grade separations.

79.17 **Subd. 4. Eligible applicants.** Counties, statutory or home rule charter cities, or towns
79.18 that are responsible for establishing and maintaining public highway-rail grade crossings
79.19 on rail corridors transporting crude oil and other hazardous materials may apply to the
79.20 commissioner for financial assistance for the program established in this section.

79.21 **Subd. 5. Grants; authorization.** The commissioner may approve grants for financial
79.22 assistance to eligible applicants for capital costs associated with hazardous materials rail
79.23 safety projects on public highway-rail grade crossings. Qualifying capital costs include, but
79.24 are not limited to, upgrades to existing protection systems, the closing of crossings and
79.25 necessary roadwork, and reconstruction of at-grade crossings to full grade separations.

79.26 **Subd. 6. Grants; criteria for grant award.** The commissioner shall consider the
79.27 following criteria to evaluate applications for a grant award for a hazardous materials rail
79.28 safety project:

79.29 (1) whether the crossing was identified as a potential candidate for grade separation in
79.30 MnDOT's crude by rail grade crossing study (Improvements to Highway Grade Crossings
79.31 and Rail Safety, December 2014);

79.32 (2) roadway traffic volumes and speeds;

- 80.1 (3) train volumes and speeds;
- 80.2 (4) adjacent land use;
- 80.3 (5) crash history;
- 80.4 (6) use of the crossing by emergency vehicles;
- 80.5 (7) use of the crossing by vehicles carrying hazardous materials; and
- 80.6 (8) local financial contributions to the project.

80.7 Sec. 68. Minnesota Statutes 2016, section 219.166, is amended to read:

80.8 **219.166 ESTABLISHMENT OF QUIET ZONES.**

80.9 Subdivision 1. **Eligible quiet zone applicants.** A county, statutory or home rule charter
80.10 city, or town may apply to the Federal Railroad Administration for the establishment of a
80.11 "quiet zone" at a public highway-rail grade crossing in which the sounding of horns, whistles,
80.12 or other audible warnings by locomotives is regulated or prohibited. All quiet zones,
80.13 regulations, and ordinances adopted under this section must conform to federal law and the
80.14 regulations of the Federal Railroad Administration under ~~United States Code~~ of Federal
80.15 Regulations, title 49, ~~section 20153~~ parts 222 and 229.

80.16 Subd. 2. **Program established.** A public highway-rail grade crossing quiet zone program
80.17 is established for the purpose of improving and rehabilitating railroad rights-of-way and
80.18 other public and private rail facilities, including necessary safety-related capital improvements
80.19 at public highway-rail grade crossings where quiet zones are established.

80.20 Subd. 3. **Highway-rail grade crossing quiet zone account.** A highway-rail grade
80.21 crossing quiet zone account is established in the transportation priorities fund. The account
80.22 consists of funds as provided by law, and any other funds donated, allotted, transferred, or
80.23 otherwise provided.

80.24 Subd. 4. **Use of funds.** Funds appropriated for the program under this section may only
80.25 be used for capital costs associated with the establishment of a quiet zone at a public
80.26 highway-rail grade crossing.

80.27 Subd. 5. **Eligible applicants.** Counties, statutory or home rule charter cities, or towns
80.28 that are responsible for traffic control or law enforcement at a public highway-rail grade
80.29 crossing and that qualify as eligible applicants to the Federal Railroad Administration (FRA)
80.30 for the establishment of a quiet zone may apply to the commissioner for financial assistance
80.31 under the program in this section.

81.1 Subd. 6. Grants; authorization. The commissioner may approve grants for financial
 81.2 assistance to eligible applicants for capital costs associated with the establishment of a quiet
 81.3 zone at a public highway-rail grade crossing. Qualifying capital costs include, but are not
 81.4 limited to, the installation of grade crossing active warning devices and other traffic control
 81.5 devices and associated roadwork necessary to meet the FRA criteria for approval of the
 81.6 quiet zone.

81.7 Subd. 7. Grants; criteria for grant award. The commissioner shall consider the
 81.8 following criteria to evaluate applications for a grant award for a quiet zone project:

81.9 (1) the number of residents that will benefit from the establishment of the quiet zone
 81.10 through a reduction in train horn noise;

81.11 (2) the number of existing grade crossings that will be closed, thereby improving public
 81.12 safety;

81.13 (3) evidence that the project meets FRA qualifications and requirements for a quiet zone,
 81.14 without the need for additional annual review by FRA per federal quiet zone regulations;

81.15 (4) nonstate financial participation as a percentage of total project cost; and

81.16 (5) the amount of state financial participation per resident benefiting from the project.

81.17 Sec. 69. Minnesota Statutes 2016, section 219.20, subdivision 1, is amended to read:

81.18 Subdivision 1. **When installation required; procedure.** At each grade crossing not
 81.19 equipped with flashing lights or flashing lights and gates ~~where, because of the dangers~~
 81.20 ~~attendant upon its use, the reasonable protection of life and property makes it necessary for~~
 81.21 ~~persons approaching the crossing to stop or yield before crossing the railroad tracks, stop~~
 81.22 ~~signs or yield signs~~ the railway company must be installed install yield signs in addition to
 81.23 crossbuck signs. When the government entity responsible for a road that crosses a railroad
 81.24 track deems it necessary to install stop signs ~~or~~ rather than yield signs at that crossing, it
 81.25 shall petition the commissioner to order the installation of the stop signs ~~or yield signs.~~ The
 81.26 commissioner shall respond to the petition by investigating the conditions at the crossing
 81.27 to determine whether stop signs ~~or yield signs~~ should be installed at the crossing instead of
 81.28 yield signs. On determining, after an investigation following a petition from a governmental
 81.29 agency or subdivision or on the commissioner's own motion, that stop signs ~~or yield signs~~
 81.30 should be installed at a crossing, the commissioner shall designate the crossing as a stop
 81.31 crossing ~~or yield crossing~~ and shall notify the railway company operating the railroad at
 81.32 the crossing of this designation. Within 30 days after notification, the railway company

82.1 shall erect the ~~uniform stop crossing signs or yield crossing signs~~ in accordance with the
82.2 commissioner's order.

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

82.4 Railway companies must install yield signs required under this section before December
82.5 31, 2019.

82.6 Sec. 70. Minnesota Statutes 2016, section 221.031, is amended by adding a subdivision
82.7 to read:

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

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

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

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

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

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

82.20 Sec. 71. Minnesota Statutes 2016, section 222.49, is amended to read:

82.21 **222.49 RAIL SERVICE IMPROVEMENT ACCOUNT; APPROPRIATION.**

82.22 The rail service improvement account is created in the ~~special revenue fund in the state~~
82.23 ~~treasury transportation priorities fund.~~ The ~~commissioner shall deposit in this account all~~
82.24 ~~consists of funds as provided by law, and any other money appropriated to or received by~~
82.25 ~~the department for the purpose of rail service improvement~~ donated, allotted, transferred,
82.26 or otherwise provided to the account, excluding bond proceeds as authorized by article XI,
82.27 section 5, clause (i)₂ of the Minnesota Constitution. All money so deposited is appropriated
82.28 to the department for expenditure for rail service improvement in accordance with applicable
82.29 state and federal law. This appropriation shall not lapse but shall be available until the
82.30 purpose for which it was appropriated has been accomplished. ~~No money appropriated to~~
82.31 ~~the department for the purposes of administering the rail service improvement program~~

83.1 ~~shall be deposited in the rail service improvement account nor shall such administrative~~
 83.2 ~~costs be paid from the account.~~

83.3 Sec. 72. Minnesota Statutes 2016, section 222.50, subdivision 6, is amended to read:

83.4 Subd. 6. **Grants.** The commissioner may approve grants from the rail service
 83.5 improvement account for ~~payment of up to 50 percent of the nonfederal share of the cost~~
 83.6 ~~of any rail line project under the federal rail service continuation program~~ freight rail service
 83.7 improvements that support economic development.

83.8 Sec. 73. Minnesota Statutes 2016, section 222.50, is amended by adding a subdivision to
 83.9 read:

83.10 Subd. 6a. **Grants; freight railroad preservation and improvement.** (a) The
 83.11 commissioner may make grants for freight railroad preservation and improvement as provided
 83.12 in this subdivision and for the purposes specified in subdivision 7.

83.13 (b) The following entities are eligible to receive grant funds under this subdivision:
 83.14 railroad companies that are classified by federal law or regulation as Class II Railroads,
 83.15 Class II Rail Carriers, Class III Railroads, or Class III Carriers; rail users; and local units
 83.16 of government. An eligible recipient may receive funds regardless of rail facility ownership.

83.17 (c) When awarding grants, the commissioner must prioritize projects:

83.18 (1) identified under subdivision 7, paragraph (a), clauses (2) and (3);

83.19 (2) on segments experiencing low rail service use; and

83.20 (3) for applicants who commit more than 20 percent of total project costs from nonstate
 83.21 and nonfederal sources.

83.22 (d) A grant under this subdivision must not exceed 80 percent of the total project cost.

83.23 Sec. 74. Minnesota Statutes 2016, section 299D.03, subdivision 6, is amended to read:

83.24 Subd. 6. **Training program.** The commissioner of public safety may provide training
 83.25 programs for the purpose of obtaining qualified personnel for the State Patrol. Persons
 83.26 accepted by the commissioner of public safety for training under this training program shall
 83.27 be designated State Patrol trainees and shall receive a salary ~~not to exceed~~ no less than 70
 83.28 percent of the basic salary for patrol officers as prescribed in subdivision 2, during the period
 83.29 of the training. Nothing contained in this subdivision shall be construed to prevent the
 83.30 commissioner of public safety from providing in-service training programs for State Patrol
 83.31 officers. The commissioner of transportation shall furnish the commissioner of public safety

84.1 with lands and buildings necessary in providing in-service training programs and the
84.2 Department of Public Safety shall reimburse the Department of Transportation for all
84.3 reasonable costs incurred due to the provision of these training facilities.

84.4 **Sec. 75. [398A.095] LEGISLATIVE APPROVAL OF LIGHT RAIL PROJECTS.**

84.5 Notwithstanding any law to the contrary, a regional railroad authority is prohibited from
84.6 spending any money to study, plan, design, or construct a light rail transit line, or expand
84.7 an existing light rail line, unless the legislature has explicitly authorized the particular
84.8 project.

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

84.10 **Sec. 76. [471.987] LEGISLATIVE APPROVAL OF LIGHT RAIL PROJECTS.**

84.11 Notwithstanding any law to the contrary, a metropolitan county as defined in section
84.12 473.121, subdivision 4, or a home rule charter or statutory city located within the metropolitan
84.13 area as defined in section 473.121, subdivision 2, is prohibited from spending any money
84.14 to study, plan, design, or construct a light rail transit line, or expand an existing light rail
84.15 transit line, unless the legislature has explicitly authorized the particular project.

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

84.17 **Sec. 77.** Minnesota Statutes 2016, section 473.13, subdivision 1, is amended to read:

84.18 Subdivision 1. **Budget.** (a) On or before December 20 of each year, the council shall
84.19 adopt a final budget covering its anticipated receipts and disbursements for the ensuing year
84.20 and shall decide upon the total amount necessary to be raised from ad valorem tax levies
84.21 to meet its budget. The budget shall state in detail the expenditures for each program to be
84.22 undertaken, including the expenses for salaries, consultant services, overhead, travel, printing,
84.23 and other items. The budget shall state in detail the capital expenditures of the council for
84.24 the budget year, based on a five-year capital program adopted by the council and transmitted
84.25 to the legislature. After adoption of the budget and no later than five working days after
84.26 December 20, the council shall certify to the auditor of each metropolitan county the share
84.27 of the tax to be levied within that county, which must be an amount bearing the same
84.28 proportion to the total levy agreed on by the council as the net tax capacity of the county
84.29 bears to the net tax capacity of the metropolitan area. The maximum amount of any levy
84.30 made for the purpose of this chapter may not exceed the limits set by the statute authorizing
84.31 the levy.

85.1 (b) Each even-numbered year the council shall ~~prepare for its~~ include transit ~~programs~~
85.2 ~~a financial plan~~ financial planning information in the budget, for the succeeding three
85.3 calendar years, in half-year segments that coincide with the council and state fiscal years.
85.4 The financial ~~plan~~ information must contain schedules of user charges and any changes in
85.5 user charges planned or anticipated by the council during the period of the plan. The financial
85.6 ~~plan~~ information must contain a proposed request for state financial assistance, if any, for
85.7 the succeeding state biennium.

85.8 (c) In addition, the budget must show for each year:

85.9 (1) the estimated operating revenues from all sources including funds on hand at the
85.10 beginning of the year, and estimated expenditures for costs of operation, administration,
85.11 maintenance, and debt service;

85.12 (2) capital improvement funds estimated to be on hand at the beginning of the year and
85.13 estimated to be received during the year from all sources and estimated cost of capital
85.14 improvements to be paid out or expended during the year, all in such detail and form as the
85.15 council may prescribe; and

85.16 (3) the estimated source and use of pass-through funds.

85.17 (d) In a year that is the second fiscal year of the state biennium, the budget must identify
85.18 state assistance from the general fund for transit operations at the same amount as state
85.19 general fund base appropriations, if any.

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

85.23 Sec. 78. Minnesota Statutes 2016, section 473.146, subdivision 3, is amended to read:

85.24 Subd. 3. **Development guide: transportation.** (a) The transportation chapter must
85.25 include policies relating to all transportation forms and be designed to promote the legislative
85.26 determinations, policies, and goals set forth in section 473.371.

85.27 (b) In addition to the policy plan content requirements under subdivision 1, the policy
85.28 plan must also establish as a primary objective an increase of the average farebox recovery
85.29 ratio, calculated for all regular routes and lines operated by the council, to at least 40 percent
85.30 by 2022. The plan must identify strategies to achieve the farebox recovery objective under
85.31 this paragraph.

86.1 (c) In addition to the requirements of subdivision 1 regarding the contents of the policy
86.2 plan, the nontransit element of the transportation chapter must include the following:

86.3 (1) a statement of the needs and problems of the metropolitan area with respect to the
86.4 functions covered, including the present and prospective demand for and constraints on
86.5 access to regional business concentrations and other major activity centers and the constraints
86.6 on and acceptable levels of development and vehicular trip generation at such centers;

86.7 (2) the objectives of and the policies to be forwarded by the policy plan;

86.8 (3) a general description of the physical facilities and services to be developed;

86.9 (4) a statement as to the general location of physical facilities and service areas;

86.10 (5) a general statement of timing and priorities in the development of those physical
86.11 facilities and service areas;

86.12 (6) a detailed statement, updated every two years, of timing and priorities for
86.13 improvements and expenditures needed on the metropolitan highway system;

86.14 (7) a general statement on the level of public expenditure appropriate to the facilities;
86.15 and

86.16 (8) a long-range assessment of air transportation trends and factors that may affect airport
86.17 development in the metropolitan area and policies and strategies that will ensure a
86.18 comprehensive, coordinated, and timely investigation and evaluation of alternatives for
86.19 airport development.

86.20 (d) The council shall develop the nontransit element in consultation with the transportation
86.21 advisory board and the Metropolitan Airports Commission and cities having an airport
86.22 located within or adjacent to its corporate boundaries. The council shall also take into
86.23 consideration the airport development and operations plans and activities of the commission.
86.24 The council shall transmit the results to the state Department of Transportation.

86.25 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
86.26 final enactment and applies to all future updates to the plan. This section applies in the
86.27 counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

86.28 Sec. 79. Minnesota Statutes 2016, section 473.388, subdivision 4, is amended to read:

86.29 Subd. 4. **Financial assistance.** (a) The council must grant the requested financial
86.30 assistance if it determines that the proposed service is intended to replace the service to the
86.31 applying city or town or combination thereof by the council and that the proposed service

87.1 will meet the needs of the applicant at least as efficiently and effectively as the existing
87.2 service.

87.3 (b) The minimum amount of assistance which the council must provide to a system
87.4 under this section may not be less than the sum of the amounts ~~determined~~ calculated for
87.5 each ~~municipality comprising the system as follows:~~ of the replacement service
87.6 municipalities.

87.7 (c) The minimum amount of financial assistance for each replacement service
87.8 municipality is calculated as:

87.9 (1) an amount equal to 4.3 percent of the total state revenues generated from the taxes
87.10 imposed under chapter 297B for the current fiscal year; times

87.11 (2) the ratio of (i) the transit operating assistance grants received under this subdivision
87.12 by the municipality in calendar year 2001 or the tax revenues for transit services levied by
87.13 the municipality for taxes payable in 2001, including that portion of the levy derived from
87.14 the areawide pool under section 473F.08, subdivision 3, clause (a), plus the portion of the
87.15 municipality's aid under Minnesota Statutes 2002, section 273.1398, subdivision 2,
87.16 attributable to the transit levy; times~~(2) the ratio of (i) an amount equal to 3.74 percent of~~
87.17 ~~the state revenues generated from the taxes imposed under chapter 297B for the current~~
87.18 ~~fiscal year~~ to (ii) the total transit operating assistance grants received under this subdivision
87.19 in calendar year 2001 or the tax revenues for transit services levied by all replacement
87.20 service municipalities under this section for taxes payable in 2001, including that portion
87.21 of the levy derived from the areawide pool under section 473F.08, subdivision 3, clause
87.22 (a), plus the portion of homestead and agricultural credit aid under Minnesota Statutes 2002,
87.23 section 273.1398, subdivision 2, attributable to nondebt transit levies; times

87.24 (3) the ratio of (i) the municipality's total taxable market value for taxes payable in 2006
87.25 divided by the municipality's total taxable market value for taxes payable in 2001, to (ii)
87.26 the total taxable market value of all property located in replacement service municipalities
87.27 for taxes payable in 2006 divided by the total taxable market value of all property located
87.28 in replacement service municipalities for taxes payable in 2001.

87.29 (c) The council shall pay the amount to be provided to the recipient from the funds the
87.30 council receives in the metropolitan area transit account under section 16A.88.

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

88.1 Sec. 80. Minnesota Statutes 2016, section 473.39, is amended by adding a subdivision to
88.2 read:

88.3 Subd. 6. **Limitation on certain debt obligations.** The council is prohibited from issuing
88.4 certificates of participation, certificates of indebtedness, bonds, or other obligations secured
88.5 in whole or in part by a pledge of motor vehicle sales tax revenue received under sections
88.6 16A.88 and 297B.09, or by a pledge of any earnings from the council's investment of motor
88.7 vehicle sales tax revenues.

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

88.11 Sec. 81. **[473.3985] LEGISLATIVE APPROVAL OF LIGHT RAIL PROJECTS.**

88.12 Notwithstanding any law to the contrary, a responsible authority, as defined in section
88.13 473.3993, subdivision 4, is prohibited from spending any money to study, plan, design, or
88.14 construct a light rail line, or expand an existing light rail transit line, unless the legislature
88.15 has explicitly authorized the particular project.

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

88.19 Sec. 82. Minnesota Statutes 2016, section 473.3994, is amended by adding a subdivision
88.20 to read:

88.21 Subd. 15. **Project development requirements; colocation.** The council must establish
88.22 standards and criteria for colocation of freight rail and light rail transit on shared track or
88.23 on adjacent track in a shared rail corridor that apply to light rail transit project development.
88.24 The standards and criteria must include:

88.25 (1) identification of colocation safety criteria based on the results of an independent
88.26 audit and review, which must be analyzed in an environmental impact statement for each
88.27 applicable light rail transit project;

88.28 (2) incorporation of substantially similar safety standards for a light rail transit project
88.29 as established by the Federal Railroad Administration for freight rail, including but not
88.30 limited to those pertaining to engineering, track-work planning, track safety, inspections,
88.31 training and operations, routing, emergency preparedness, and signage and warning systems;

89.1 (3) a prohibition on operation of a train carrying oil or other hazardous substances through
89.2 a light rail transit project construction work zone;

89.3 (4) specification of project design elements to address safety considerations resulting
89.4 from colocation;

89.5 (5) accounting for project costs resulting from colocation safety considerations; and

89.6 (6) for adjacent track in a shared corridor, sufficient track spacing separation such that
89.7 there is minimized likelihood of impacts on operations on a track due to derailment of a
89.8 train on the adjacent track.

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

89.12 Sec. 83. Minnesota Statutes 2016, section 473.3994, is amended by adding a subdivision
89.13 to read:

89.14 **Subd. 16. Project development requirements; alternatives and benefits analysis.** (a)
89.15 As part of light rail transit project development and prior to initiating an environmental
89.16 analysis or preliminary engineering, the responsible authority must perform an alternatives
89.17 and benefits analysis.

89.18 (b) In addition to any other information or requirements, the alternatives and benefits
89.19 analysis must:

89.20 (1) include (i) a no-build option; and (ii) options for each major transit mode, including
89.21 but not limited to regular route bus service, arterial bus rapid transit, highway bus rapid
89.22 transit, express bus service, and dedicated busway;

89.23 (2) evaluate capacity adequacy and congestion impacts under each option;

89.24 (3) include a comprehensive benefit-cost analysis; and

89.25 (4) review conformity with the transportation policy plan under section 473.146.

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

90.1 Sec. 84. Minnesota Statutes 2016, section 473.4051, subdivision 3, is amended to read:

90.2 Subd. 3. **Capital costs.** State money may not be used to pay more than ten percent of
90.3 the total capital cost of a light rail transit project. The council and a local governmental unit
90.4 must not specify or estimate state sources of funds in financial planning for the capital cost
90.5 of a light rail transit project, unless funds have been specifically made available by law for
90.6 the project.

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

90.10 Sec. 85. **[473.4052] RIGHTS-OF-WAY USE; CONTRACTS.**

90.11 (a) The council or a metropolitan county, or public entity contracting with the council
90.12 or county, may contract with a railroad that is a Class I, Class II, or Class III railroad under
90.13 federal law for the joint or shared use of right-of-way for light rail transit and freight rail
90.14 purposes or for the construction, operation, or maintenance of rail track, facilities, or services
90.15 for light rail transit and freight rail purposes.

90.16 (b) Notwithstanding any law to the contrary, a contract under paragraph (a) may also
90.17 provide for the allocation of financial responsibility, indemnification, and the procurement
90.18 of insurance for the parties for all types of claims or damages.

90.19 (c) Notwithstanding any law to the contrary, a Class I, Class II, or Class III railroad
90.20 operating pursuant to a contract under this section has the same limits to liability for all
90.21 types of claims or damages as provided to a municipality under sections 466.04 and 466.06,
90.22 in an action arising from or related to an incident:

90.23 (1) occurring within the joint or shared use of right-of-way; and

90.24 (2) involving both freight rail and light rail transit.

90.25 (d) A contract entered into under this section does not affect rights of employees under
90.26 the federal Employers' Liability Act (1908) (Railroads), Statutes at Large, volume 35, chapter
90.27 149, or the federal Railway Labor Act, Statutes at Large, volume 44, chapter 347.

90.28 **EFFECTIVE DATE.** This section is effective on the date that the council enters into
90.29 a full funding grant agreement with the Federal Transit Administration for construction of
90.30 a light rail transit line or line extension, excluding an agreement entered into prior to the
90.31 date of enactment of this act. This section applies in the counties of Anoka, Carver, Dakota,
90.32 Hennepin, Ramsey, Scott, and Washington.

91.1 **Sec. 86. TRANSPORTATION PROJECT SELECTION PROCESS.**

91.2 Subdivision 1. Adoption of best practices. (a) The commissioner of transportation,
91.3 after consultation with the Federal Highway Administration, metropolitan planning
91.4 organizations, regional development commissions, area transportation partnerships, local
91.5 governments, the Metropolitan Council, and transportation stakeholders, must develop,
91.6 adopt, and implement best practices for project evaluation and selection to apply to the
91.7 standard project process and to special programs, such as corridors of commerce. The
91.8 commissioner must adopt and begin implementing the best practices no later than January
91.9 1, 2018, and may update the best practices as appropriate. The commissioner must publicize
91.10 the best practices and updates on the department's Web site and through other effective
91.11 means selected by the commissioner.

91.12 (b) The best practices adopted under this section must:

91.13 (1) describe each selection process and identification of ranking criteria and weight of
91.14 each criterion with respect to any selection process;

91.15 (2) identify and apply all relevant criteria contained in enacted Minnesota or federal law,
91.16 or added by the commissioner;

91.17 (3) identify for stakeholders and general public the candidate project selected under each
91.18 selection process and every project considered that was not selected;

91.19 (4) involve area transportation partnerships and other local authorities, as appropriate,
91.20 in the process of scoring and ranking candidate projects under consideration; and

91.21 (5) publicize scoring, ranking, and decision outcomes concerning each candidate project,
91.22 including the projects that were considered but not selected.

91.23 Subd. 2. Report to legislature. By March 1, 2018, the commissioner must submit a
91.24 report to the members and staff of the legislative committees with jurisdiction over
91.25 transportation policy and finance concerning the adopted best practices and how the best
91.26 practices are anticipated to improve the consistency, objectivity, and transparency of the
91.27 selection process. The report must include information on input from members of the public
91.28 and the organizations identified in subdivision 1.

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

91.30 **Sec. 87. CORRIDORS OF COMMERCE PROJECT SELECTION.**

91.31 Notwithstanding the requirements of Minnesota Statutes, section 161.088, subdivisions
91.32 3 to 5, the commissioner of transportation must include that segment of marked U.S. Highway

92.1 212 from Chaska to Montevideo as an eligible highway in the next project solicitation and
92.2 selection process undertaken for the corridors of commerce program under that section.

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

92.4 Sec. 88. **TRANSPORTATION POLICY PLAN UPDATE.**

92.5 By December 31, 2017, the Metropolitan Council must revise the transportation policy
92.6 plan under Minnesota Statutes, section 473.146, subdivision 3.

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

92.9 Sec. 89. **REQUIREMENTS FOR CERTAIN LIGHT RAIL TRANSIT PROJECTS.**

92.10 Subject to approval as provided under Minnesota Statutes, section 473.3985, the
92.11 requirements established under Minnesota Statutes, section 473.3994, subdivisions 15 and
92.12 16, added in this act apply to any light rail transit construction or expansion project that is
92.13 in project development, including but not limited to design or engineering, as of the effective
92.14 date of this section.

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

92.18 Sec. 90. **ELECTRONIC STORAGE STANDARDS.**

92.19 On or before August 1, 2017, the commissioner of public safety shall establish standards
92.20 for the conversion by deputy registrars and driver's license agents to secure electronic storage
92.21 of certain records under Minnesota Statutes, sections 168.33, subdivision 2, and 171.061,
92.22 subdivision 3. The standards must specify minimum system security requirements, as well
92.23 as any procedural requirements for the destruction of existing and new paper-based records,
92.24 consistent with the requirements of Minnesota Statutes, section 138.17. The authority to
92.25 establish or amend standards under this section expires on August 1, 2018.

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

92.27 Sec. 91. **CONVEYANCE OF LAND; TOWN OF WILMA.**

92.28 (a) Upon receipt of \$100, the commissioner of transportation shall convey by quitclaim
92.29 deed the following described property and improvements thereon, owned by the state, to
92.30 the town of Wilma in Pine County, to be used by the Duxbury Volunteer Fire Department:

93.1 That part of the Southwest Quarter of the Southeast Quarter of Section 8, Township 42
93.2 North, Range 17 West, Pine County, Minnesota, described as follows: Beginning at a point
93.3 on the south line of said Section 8, distant 1,318.35 feet West to the southeast corner thereof;
93.4 thence North along the east line of said Southwest Quarter of the Southeast Quarter for 300
93.5 feet; thence West for 200 feet; thence South for 300 feet to the south line of said Section 8;
93.6 thence East along said south line to the point of beginning.

93.7 (b) The conveyance under this section must be in a form approved by the attorney general.
93.8 The attorney general may make changes to the land description to correct errors and ensure
93.9 accuracy.

93.10 **Sec. 92. CONVEYANCE FOR HISTORICAL PURPOSES; MCKINSTRY SURPLUS**
93.11 **LANDS.**

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

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

93.21 **Sec. 93. DEPARTMENT OF TRANSPORTATION CONTRACT CANCELLATION**
93.22 **AND LOAN FORGIVENESS.**

93.23 The commissioner of transportation must provide loan forgiveness for the \$4,300,000
93.24 remaining balance on Contract No. 82799, originally executed with the Minnesota Valley
93.25 Regional Rail Authority on January 28, 2002, and must cancel all future payments under
93.26 the contract. The commissioner is prohibited from requiring or accepting additional payments
93.27 under Contract No. 82799 as of the effective date of this section.

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

93.29 **Sec. 94. DEPARTMENT OF TRANSPORTATION EFFICIENCIES.**

93.30 (a) In fiscal years 2018 and 2019, the commissioner of transportation shall implement
93.31 efficiencies, including as identified by the Transportation Strategic Management and
93.32 Operations Advisory Task Force report under Laws 2008, chapter 152, article 6, section 9,

94.1 equal to at least 15 percent of the appropriations made in this act to the commissioner from
94.2 the trunk highway fund in fiscal years 2018 and 2019 that are above base appropriations
94.3 for those years.

94.4 (b) The efficiency savings resulting from the requirements in paragraph (a) are for the
94.5 construction, maintenance, or rehabilitation of trunk highways, including roads and bridges.

94.6 **Sec. 95. MARKED TRUNK HIGHWAY 316 SAFETY IN HASTINGS;**
94.7 **MORATORIUM AND REPORT.**

94.8 Subdivision 1. **Speed limit moratorium.** The commissioner of transportation is
94.9 prohibited from adjusting or requiring adjustment to the speed limit on marked Trunk
94.10 Highway 316, known as Red Wing Boulevard, from the intersection with marked U.S.
94.11 Highway 61 to Tuttle Drive, in the city of Hastings. The prohibition in this subdivision does
94.12 not apply to (1) a local road authority that is authorized to adjust a speed limit without a
94.13 traffic and engineering study as provided in Minnesota Statutes, section 169.14; or (2)
94.14 establishment of a work zone speed limit under Minnesota Statutes, section 169.14,
94.15 subdivision 5d.

94.16 Subd. 2. **Legislative report.** (a) By March 1, 2018, the commissioner of transportation
94.17 must submit a report on roadway safety on the segment of marked Trunk Highway 316
94.18 specified in subdivision 1 to the members and staff of the legislative committees with
94.19 jurisdiction over transportation policy and finance. As part of developing the report, the
94.20 commissioner must hold at least two hearings at locations within the city of Hastings.

94.21 (b) At a minimum, the report must review road design and other safety issues on the
94.22 segment, identify options for safety improvements, provide details on the decision making
94.23 process for proposed speed limit adjustments, summarize and respond to comments from
94.24 the hearings required under paragraph (a), and include copies of recent traffic and engineering
94.25 studies on adjusting speed limits in Hastings.

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

94.27 **Sec. 96. DEFICIENT BRIDGE WEIGHT LIMITS; STUDY AND ANALYSIS.**

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

94.32 (1) identify bridges with posted weight limits;

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

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

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

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

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

95.9 **Sec. 97. TRUNK HIGHWAY 65 IMPROVEMENT STUDY.**

95.10 (a) The commissioner of transportation must perform a study of congestion and safety
95.11 improvements on marked Trunk Highway 65 from northerly of Anoka County Highway
95.12 10 to Anoka County State-Aid Highway 116, known as Bunker Lake Boulevard, in Blaine
95.13 and Ham Lake. At a minimum, the study must:

95.14 (1) analyze current and projected traffic congestion;

95.15 (2) analyze impacts to freight transportation;

95.16 (3) evaluate options and identify cost estimates to reduce congestion in the corridor; and

95.17 (4) evaluate options and identify cost estimates for congestion reduction and safety
95.18 improvements at Anoka County State-Aid Highway 12, known as 109th Avenue.

95.19 (b) The commissioner must submit a copy of the study to the members and staff of the
95.20 legislative committees with jurisdiction over transportation policy and finance.

95.21 **Sec. 98. HIGHWAY CONSTRUCTION COSTS AND COST INFLATION STUDY.**

95.22 (a) The commissioner of transportation shall enter into an agreement with an organization
95.23 or entity having relevant expertise to conduct a study on highway construction costs, inflation,
95.24 and cost estimating.

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

95.26 (1) an overview of highway construction cost and cost estimation issues;

95.27 (2) establishment of benchmarks to compare costs in Minnesota to at least four other
95.28 states that are comparable based on climate and construction characteristics, including
95.29 historical state-by-state review of at least the following cost factors: (i) direct input costs
95.30 associated with highway construction, (ii) cost impacts from construction standards and

96.1 requirements established in law, and (iii) cost impacts from use of alternative methods of
96.2 contracting and project management;

96.3 (3) identification of factors specific to Minnesota, if any, that contribute to cost
96.4 differences, based on the benchmarks established in clause (2);

96.5 (4) evaluation of the methodology used for highway construction cost calculation and
96.6 indexing in Minnesota, including (i) review of associated best practices, (ii) comparison of
96.7 federal and Minnesota state highway construction cost index methodologies utilizing
96.8 historical cost data for Minnesota, (iii) identification of the reasons for any past discrepancies
96.9 or differences between state and federal highway construction cost indexing, and (iv) analysis
96.10 of the historical accuracy of the Minnesota highway construction cost index compared to
96.11 actual costs; and

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

96.14 (c) By February 15, 2018, the commissioner shall submit a report on the study to the
96.15 members and staff of the legislative committees with jurisdiction over transportation policy
96.16 and finance.

96.17 **Sec. 99. REPORT ON DEDICATED FUND EXPENDITURES.**

96.18 By February 15, 2018, the commissioners of transportation and public safety, in
96.19 consultation with the commissioner of management and budget, shall jointly submit a report
96.20 to the members and staff of the legislative committees with jurisdiction over transportation
96.21 finance. The report must update the information required in the report under Laws 2015,
96.22 chapter 75, article 2, section 56, including listing detailed expenditures and transfers from
96.23 the trunk highway fund and highway user tax distribution fund for fiscal years 2014 through
96.24 2018, and information on the purpose of each expenditure.

96.25 **Sec. 100. LEGISLATIVE ROUTE NO. 123 REMOVED.**

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

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

97.4 Sec. 101. **LEGISLATIVE ROUTE NO. 225 REMOVED.**

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

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

97.13 Sec. 102. **REVISOR'S INSTRUCTION.**

97.14 The revisor of statutes shall recodify (1) Minnesota Statutes, section 115A.908, as
 97.15 Minnesota Statutes, section 168A.295; and (2) Minnesota Statutes, section 174.93, as
 97.16 Minnesota Statutes, section 473.4485.. The revisor shall correct any cross-references made
 97.17 necessary by the recodifications.

97.18 Sec. 103. **LEGISLATIVE ROUTE NO. 101 REMOVED; REPEALER.**

97.19 Minnesota Statutes 2016, section 161.115, subdivision 32, is repealed.

97.20 Sec. 104. **REPEALER.**

97.21 (a) Minnesota Statutes 2016, section 473.4051, subdivision 2, is repealed.

97.22 (b) Minnesota Rules, parts 8810.0800, subpart 3; and 8810.1300, subpart 4, are repealed."

97.23 Delete the title and insert:

97.24 "A bill for an act
 97.25 relating to transportation; establishing the budget for transportation activities;
 97.26 modifying various provisions governing transportation finance and policy;
 97.27 amending allocation of certain taxes and fees; establishing a fund; making
 97.28 appropriations; authorizing the sale and issuance of state bonds; amending
 97.29 Minnesota Statutes 2016, sections 16A.88, subdivision 2; 115A.908, subdivision
 97.30 2; 117.189; 160.18, by adding a subdivision; 161.081, subdivision 3; 161.088,
 97.31 subdivisions 4, 5, 7; 161.115, subdivision 190; 161.14, by adding subdivisions;
 97.32 161.321, subdivision 6; 161.38, by adding a subdivision; 161.44, subdivisions 5,
 97.33 6a, by adding a subdivision; 162.145, subdivision 2; 168.013, subdivision 1a, by
 97.34 adding a subdivision; 168.021, subdivisions 1, 2, 2a; 168.33, subdivision 2;

98.1 168A.09, subdivision 1; 169.011, by adding a subdivision; 169.345, subdivisions
98.2 1, 3; 169.865, subdivision 3; 171.06, subdivision 2a; 171.061, subdivision 3;
98.3 171.12, subdivision 6; 173.02, subdivisions 18, 23, by adding subdivisions; 173.06,
98.4 subdivision 1; 173.07, subdivision 1; 173.08, by adding subdivisions; 173.13,
98.5 subdivision 11; 173.16, by adding subdivisions; 174.03, subdivisions 1a, 1c, by
98.6 adding a subdivision; 174.50, subdivisions 5, 6b, 6c, 7; 174.56, subdivisions 1, 2,
98.7 by adding a subdivision; 174.93; 219.166; 219.20, subdivision 1; 221.031, by
98.8 adding a subdivision; 222.49; 222.50, subdivision 6, by adding a subdivision;
98.9 297A.815, subdivision 3; 297A.94; 297A.992, subdivision 6a; 297A.993,
98.10 subdivision 2, by adding a subdivision; 299D.03, subdivision 6; 473.13, subdivision
98.11 1; 473.146, subdivision 3; 473.388, subdivision 4; 473.39, by adding a subdivision;
98.12 473.3994, by adding subdivisions; 473.4051, subdivision 3; Laws 2015, chapter
98.13 75, article 1, section 3, subdivision 3; proposing coding for new law in Minnesota
98.14 Statutes, chapters 168; 169; 173; 174; 219; 398A; 471; 473; repealing Minnesota
98.15 Statutes 2016, sections 161.115, subdivision 32; 297A.992, subdivision 12;
98.16 473.4051, subdivision 2; Minnesota Rules, parts 8810.0800, subpart 3; 8810.1300,
98.17 subpart 4."