

1.1 moves to amend H.F. No. 3369 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "ARTICLE 1

1.4 TRANSPORTATION POLICY

1.5 Section 1. Minnesota Statutes 2017 Supplement, section 3.972, subdivision 4, is amended
1.6 to read:

1.7 Subd. 4. **Certain transit financial activity reporting.** (a) The legislative auditor must
1.8 perform a transit financial activity review of financial information for the Metropolitan
1.9 Council's Transportation Division ~~and the joint powers board under section 297A.992.~~
1.10 Within ~~14~~ 60 days of the end of each even-numbered fiscal ~~quarter~~ year, the legislative
1.11 auditor must submit the review to the Legislative Audit Commission, Legislative Commission
1.12 on Metropolitan Government, and the chairs ~~and~~ and ranking minority members, and staff of
1.13 the legislative committees with jurisdiction over transportation policy and finance, finance,
1.14 and ways and means.

1.15 (b) At a minimum, each transit financial activity review must include:

1.16 (1) a summary of monthly financial statements, including balance sheets and operating
1.17 statements, that shows income, expenditures, and fund balance;

1.18 (2) a list of any obligations and agreements entered into related to transit purposes,
1.19 whether for capital or operating, including but not limited to bonds, notes, grants, and future
1.20 funding commitments;

1.21 (3) the amount of funds in clause (2) that has been committed;

1.22 (4) independent analysis by the fiscal oversight officer of the fiscal viability of revenues
1.23 and fund balance compared to expenditures, taking into account:

- 2.1 (i) all expenditure commitments;
- 2.2 (ii) cash flow;
- 2.3 (iii) sufficiency of estimated funds; and
- 2.4 (iv) financial solvency of anticipated transit projects; and
- 2.5 (5) a notification concerning whether the requirements under paragraph (c) have been
- 2.6 met.

2.7 (c) The Metropolitan Council ~~and the joint powers board under section 297A.992~~ must

2.8 produce monthly financial statements as necessary for the review under paragraph (b),

2.9 clause (1), and provide timely information as requested by the legislative auditor.

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

2.11 Sec. 2. Minnesota Statutes 2016, section 160.295, subdivision 5, is amended to read:

2.12 Subd. 5. **Rural agricultural business or tourist-oriented business.** (a) A rural

2.13 agricultural or tourist-oriented business serviced by a specific service sign must be open a

2.14 minimum of eight hours per day, six days per week, and 12 months per year. ~~However,~~

2.15 (b) A seasonal business ~~may qualify if it is~~ serviced by a specific service sign must be

2.16 open eight hours per day and six days per week during the normal seasonal period.

2.17 (c) A farm winery serviced by a specific service sign must:

2.18 (1) be licensed under section 340A.315;

2.19 (2) be licensed by the Department of Health under section 157.16;

2.20 (3) provide continuous, staffed food service operation; and

2.21 (4) be open at least four hours per day and two days per week.

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

2.23 Sec. 3. **[161.126] WEIGH STATIONS.**

2.24 (a) The commissioner must establish a minimum design length of 2,500 feet for the

2.25 entrance ramp from a fixed weigh station where the ramp merges into the left-hand lane of

2.26 a trunk highway.

2.27 (b) The commissioners of transportation and public safety may operate a fixed weigh

2.28 station only if the requirements of this section are met.

2.29 **EFFECTIVE DATE.** This section is effective November 1, 2018.

3.1 Sec. 4. Minnesota Statutes 2016, section 168A.151, subdivision 1, is amended to read:

3.2 Subdivision 1. **Salvage titles.** (a) When an insurer, licensed to conduct business in
3.3 Minnesota, acquires ownership of a ~~late-model or high-value~~ vehicle through payment of
3.4 damages, the insurer shall immediately apply for a salvage certificate of title or shall stamp
3.5 the existing certificate of title with the legend "SALVAGE CERTIFICATE OF TITLE" in
3.6 a manner prescribed by the department. Within ten days of obtaining the title of a vehicle
3.7 through payment of damages, an insurer must notify the department in a manner prescribed
3.8 by the department.

3.9 (b) A person shall immediately apply for a salvage certificate of title if the person acquires
3.10 a damaged ~~late-model or high-value~~ vehicle with an out-of-state title and the vehicle:

3.11 (1) is a vehicle that was acquired by an insurer through payment of damages;

3.12 (2) is a vehicle for which the cost of repairs exceeds the value of the damaged vehicle;

3.13 or

3.14 (3) has an out-of-state salvage certificate of title as proof of ownership.

3.15 (c) A self-insured owner of a late-model or high-value vehicle that sustains damage by
3.16 collision or other occurrence which exceeds 80 percent of its actual cash value shall
3.17 immediately apply for a salvage certificate of title.

3.18 Sec. 5. Minnesota Statutes 2016, section 169.011, subdivision 60, is amended to read:

3.19 Subd. 60. **Railroad train.** "Railroad train" means a steam engine, electric or other motor,
3.20 with or without cars coupled thereto, operated upon rails, except streetcars. Railroad train
3.21 includes on-track equipment or other rolling stock operated upon rails, whether self-propelled
3.22 or coupled to another device.

3.23 Sec. 6. Minnesota Statutes 2016, section 169.26, subdivision 1, is amended to read:

3.24 Subdivision 1. **Requirements.** (a) Except as provided in section 169.28, subdivision 1,
3.25 when any person driving a vehicle approaches a railroad grade crossing under any of the
3.26 circumstances stated in this paragraph, the driver shall stop the vehicle not less than ten feet
3.27 from the nearest railroad track and shall not proceed until safe to do so and until the roadway
3.28 is clear of traffic so that the vehicle can proceed without stopping until the rear of the vehicle
3.29 is at least ten feet past the farthest railroad track. These requirements apply when:

3.30 (1) a clearly visible electric or mechanical signal device warns of the immediate approach
3.31 of a railroad train; or

4.1 (2) an approaching railroad train is plainly visible and is in hazardous proximity.

4.2 (b) The fact that a moving railroad train approaching a railroad grade crossing is visible
4.3 from the crossing is prima facie evidence that it is not safe to proceed.

4.4 (c) The driver of a vehicle shall stop and remain stopped and not traverse the grade
4.5 crossing when a human flagger signals the approach or passage of a railroad train or when
4.6 a crossing gate is lowered warning of the immediate approach or passage of a railroad train.
4.7 No person may drive a vehicle past a flagger at a railroad crossing until the flagger signals
4.8 that the way is clear to proceed or drive a vehicle past a lowered crossing gate.

4.9 Sec. 7. Minnesota Statutes 2016, section 169.28, is amended to read:

4.10 **169.28 CERTAIN VEHICLES TO STOP AT RAILROAD CROSSING.**

4.11 Subdivision 1. **Requirements.** (a) The driver of any motor vehicle carrying passengers
4.12 for hire, or of any school bus whether carrying passengers or not, or of any Head Start bus
4.13 whether carrying passengers or not, or of any vehicle that is required to stop at railroad
4.14 grade crossings under Code of Federal Regulations, title 49, section 392.10, before crossing
4.15 at grade any track or tracks of a railroad, shall stop the vehicle not less than 15 feet nor more
4.16 than 50 feet from the nearest rail of the railroad and while so stopped shall listen and look
4.17 in both directions along the track for any approaching railroad train, and for signals indicating
4.18 the approach of a railroad train, except as ~~hereinafter~~ otherwise provided, and in this section.
4.19 The driver shall not proceed until safe to do so and until the roadway is clear of traffic so
4.20 that the vehicle can proceed without stopping until the rear of the vehicle is at least ten feet
4.21 past the farthest railroad track. The driver must not shift gears while crossing the railroad
4.22 tracks.

4.23 (b) A school bus or Head Start bus shall not be flagged across railroad grade crossings
4.24 except at those railroad grade crossings that the local school administrative officer may
4.25 designate.

4.26 (c) A type III vehicle, as defined in section 169.011, is exempt from the requirement of
4.27 school buses to stop at railroad grade crossings.

4.28 (d) The requirements of this subdivision do not apply to the crossing of light rail vehicle
4.29 track or tracks that are located in a public street when:

4.30 (1) the crossing occurs within the intersection of two or more public streets;

4.31 (2) the intersection is controlled by a traffic-control signal; and

5.1 (3) the intersection is marked with signs indicating to drivers that the requirements of
5.2 this subdivision do not apply. Notwithstanding any other provision of law, the owner or
5.3 operator of the track or tracks is authorized to place, maintain, and display the signs upon
5.4 and in the view of the public street or streets.

5.5 Subd. 2. **Exempt crossing.** (a) The commissioner may designate a crossing as an exempt
5.6 crossing:

5.7 (1) if the crossing is on a rail line on which service has been abandoned;

5.8 (2) if the crossing is on a rail line that carries fewer than five trains each year, traveling
5.9 at speeds of ten miles per hour or less; or

5.10 (3) as agreed to by the operating railroad and the Department of Transportation, following
5.11 a diagnostic review of the crossing.

5.12 (b) The commissioner shall direct the railroad to erect at the crossing signs bearing the
5.13 word "Exempt" that conform to section 169.06. The installation or presence of an exempt
5.14 sign does not relieve a driver of the duty to use due care.

5.15 (c) A railroad train must not proceed across an exempt crossing unless a police officer
5.16 is present to direct traffic or a railroad employee is on the ground to warn traffic until the
5.17 railroad train enters the crossing.

5.18 ~~(e)~~ (d) A vehicle that must stop at grade crossings under subdivision 1 is not required
5.19 to stop at a marked exempt crossing unless directed otherwise by a police officer or a railroad
5.20 employee.

5.21 Sec. 8. Minnesota Statutes 2016, section 169.29, is amended to read:

5.22 **169.29 CROSSING RAILROAD TRACKS WITH CERTAIN EQUIPMENT.**

5.23 (a) No person shall operate or move any caterpillar tractor, steam shovel, derrick, roller,
5.24 or any equipment or structure having a normal operating speed of six or less miles per hour
5.25 or a vertical body or load clearance of less than nine inches above the level surface of a
5.26 roadway upon or across any tracks at a railroad grade crossing without first complying with
5.27 this section.

5.28 (b) Before making any crossing, the person operating or moving any vehicle or equipment
5.29 set forth in this section shall first stop the same not less than ten, nor more than 50, feet
5.30 from the nearest rail of the railway, and while so stopped shall listen and look in both
5.31 directions along the track for any approaching railroad train and for signals indicating the
5.32 approach of a railroad train, and shall not proceed until the crossing can be made safely.

6.1 (c) No crossing shall be made when warning is given by automatic signal or crossing
6.2 gates or a flagger or otherwise of the immediate approach of a railroad train or car.

6.3 (d) No stop need be made at a crossing on a rail line on which service has been abandoned
6.4 and where a sign erected in conformance with section 169.06 and bearing the word "Exempt"
6.5 has been installed, unless directed otherwise by a flagger. The installation or presence of
6.6 an exempt sign shall not relieve any driver of the duty to use due care.

6.7 Sec. 9. Minnesota Statutes 2016, section 169.345, subdivision 2, is amended to read:

6.8 Subd. 2. **Definitions.** (a) For the purpose of section 168.021 and this section, the following
6.9 terms have the meanings given them in this subdivision.

6.10 (b) "Health professional" means a licensed physician, licensed physician assistant,
6.11 advanced practice registered nurse, licensed physical therapist, or licensed chiropractor.

6.12 (c) "Long-term certificate" means a certificate issued for a period greater than 12 months
6.13 but not greater than 71 months.

6.14 (d) "Organization certificate" means a certificate issued to an entity other than a natural
6.15 person for a period of three years.

6.16 (e) "Permit" refers to a permit that is issued for a period of 30 days, in lieu of the
6.17 certificate referred to in subdivision 3, while the application is being processed.

6.18 (f) "Physically disabled person" means a person who:

6.19 (1) because of disability cannot walk without significant risk of falling;

6.20 (2) because of disability cannot walk 200 feet without stopping to rest;

6.21 (3) because of disability cannot walk without the aid of another person, a walker, a cane,
6.22 crutches, braces, a prosthetic device, or a wheelchair;

6.23 (4) is restricted by a respiratory disease to such an extent that the person's forced
6.24 (respiratory) expiratory volume for one second, when measured by spirometry, is less than
6.25 one liter;

6.26 (5) has an arterial oxygen tension (PaO₂) of less than 60 mm/Hg on room air at rest;

6.27 (6) uses portable oxygen;

6.28 (7) has a cardiac condition to the extent that the person's functional limitations are
6.29 classified in severity as class III or class IV according to standards set by the American
6.30 Heart Association;

7.1 (8) has lost an arm or a leg and does not have or cannot use an artificial limb; or

7.2 (9) has a disability that would be aggravated by walking 200 feet under normal
7.3 environmental conditions to an extent that would be life threatening.

7.4 (g) "Short-term certificate" means a certificate issued for a period greater than six months
7.5 but not greater than 12 months.

7.6 (h) "Six-year certificate" means a certificate issued for a period of six years.

7.7 (i) "Temporary certificate" means a certificate issued for a period not greater than six
7.8 months.

7.9 Sec. 10. Minnesota Statutes 2016, section 169.92, subdivision 4, is amended to read:

7.10 Subd. 4. **Suspension of driver's license.** (a) Upon receiving a report from the court, or
7.11 from the driver licensing authority of a state, district, territory, or possession of the United
7.12 States or a province of a foreign country which has an agreement in effect with this state
7.13 pursuant to section 169.91, that a resident of this state or a person licensed as a driver in
7.14 this state did not appear in court in compliance with the terms of a citation, the commissioner
7.15 of public safety shall notify the driver that the driver's license will be suspended unless the
7.16 commissioner receives notice within 30 days that the driver has appeared in the appropriate
7.17 court ~~or, if the offense is a petty misdemeanor for which a guilty plea was entered under~~
7.18 ~~section 609.491, that the person has paid any fine imposed by the court.~~ If the commissioner
7.19 does not receive notice of the appearance in the appropriate court ~~or payment of the fine~~
7.20 within 30 days of the date of the commissioner's notice to the driver, the commissioner may
7.21 suspend the driver's license, subject to the notice requirements of section 171.18, subdivision
7.22 2. Notwithstanding the requirements in this section, the commissioner is prohibited from
7.23 suspending the driver's license of a person based solely on the fact that the person did not
7.24 appear in court in compliance with the terms of a citation for a petty misdemeanor or for a
7.25 violation of section 171.24, subdivision 1.

7.26 (b) The order of suspension ~~shall~~ must indicate the reason for the order and ~~shall~~ must
7.27 notify the driver that the driver's license ~~shall remain~~ remains suspended until the driver
7.28 has furnished evidence, satisfactory to the commissioner, of compliance with any order
7.29 entered by the court.

7.30 (c) Suspension shall be ordered under this subdivision only when the report clearly
7.31 identifies the person arrested; describes the violation, specifying the section of the traffic
7.32 law, ordinance or rule violated; indicates the location and date of the offense; and describes
7.33 the vehicle involved and its registration number.

8.1 Sec. 11. Minnesota Statutes 2016, section 171.041, is amended to read:

8.2 **171.041 RESTRICTED LICENSE FOR FARM WORK.**

8.3 (a) Notwithstanding any provisions of section 171.04 relating to the age of an applicant
8.4 to the contrary, the commissioner may issue a restricted farm work license to operate a
8.5 motor vehicle to a person who has attained the age of 15 years and who, except for age, is
8.6 qualified to hold a driver's license. The applicant is not required to comply with the six-month
8.7 instruction permit possession provisions of sections 171.04, subdivision 1, clause (2), and
8.8 171.05, subdivision 2a, or with the 12-month provisional license possession provision of
8.9 section 171.04, subdivision 1, clause (1), item (i).

8.10 (b) The restricted license ~~shall~~ must be issued solely for the purpose of authorizing the
8.11 person to whom the restricted license is issued to assist the person's parents or guardians
8.12 with farm work. Any entity authorized to farm under section 500.24 may perform farm
8.13 work under the restricted license. A person holding this restricted license may operate a
8.14 motor vehicle only during daylight hours and only within a radius of ~~20~~ 40 miles of the
8.15 parent's or guardian's farmhouse; however, in no case may a person holding the restricted
8.16 license operate a motor vehicle in a city of the first class.

8.17 (c) An applicant for a restricted license shall apply to the commissioner for the license
8.18 on forms prescribed by the commissioner. The application ~~shall~~ must be accompanied by:

8.19 (1) a copy of a property tax statement showing that the applicant's parent or guardian
8.20 owns land that is classified as agricultural land or a copy of a rental statement or agreement
8.21 showing that the applicant's parent or guardian rents land classified as agricultural land; and

8.22 (2) a written verified statement by the applicant's parent or guardian setting forth the
8.23 necessity for the license.

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

8.25 Sec. 12. Minnesota Statutes 2016, section 171.16, subdivision 2, is amended to read:

8.26 Subd. 2. **Commissioner shall suspend.** (a) The court may recommend the suspension
8.27 of the driver's license of the person so convicted, and the commissioner shall suspend such
8.28 license as recommended by the court, without a hearing ~~as provided herein.~~

8.29 (b) The commissioner is prohibited from suspending a person's driver's license if the
8.30 person was convicted only under section 171.24, subdivision 1 or 2.

9.1 Sec. 13. Minnesota Statutes 2016, section 171.16, subdivision 3, is amended to read:

9.2 Subd. 3. ~~Subd. 3. **Suspension for Failure to pay fine.** When any court reports to~~ The
9.3 commissioner must not suspend a person's driver's license based solely on the fact that a
9.4 person: (1) has been convicted of violating a law of this state or an ordinance of a political
9.5 subdivision which regulates the operation or parking of motor vehicles, (2) has been
9.6 sentenced to the payment of a fine or had a surcharge levied against that person, or sentenced
9.7 to a fine upon which a surcharge was levied, and (3) has refused or failed to comply with
9.8 that sentence or to pay the surcharge, ~~notwithstanding the fact that the court has determined~~
9.9 ~~that the person has the ability to pay the fine or surcharge, the commissioner shall suspend~~
9.10 ~~the driver's license of such person for 30 days for a refusal or failure to pay or until notified~~
9.11 ~~by the court that the fine or surcharge, or both if a fine and surcharge were not paid, has~~
9.12 ~~been paid.~~

9.13 Sec. 14. Minnesota Statutes 2016, section 171.18, subdivision 1, is amended to read:

9.14 Subdivision 1. **Offenses.** (a) The commissioner may suspend the license of a driver
9.15 without preliminary hearing upon a showing by department records or other sufficient
9.16 evidence that the licensee:

9.17 (1) has committed an offense for which mandatory revocation of license is required upon
9.18 conviction;

9.19 (2) has been convicted by a court for violating a provision of chapter 169 or an ordinance
9.20 regulating traffic, other than a conviction for a petty misdemeanor, and department records
9.21 show that the violation contributed in causing an accident resulting in the death or personal
9.22 injury of another, or serious property damage;

9.23 (3) is an habitually reckless or negligent driver of a motor vehicle;

9.24 (4) is an habitual violator of the traffic laws;

9.25 (5) is incompetent to drive a motor vehicle as determined in a judicial proceeding;

9.26 ~~(6) has permitted an unlawful or fraudulent use of the license;~~

9.27 ~~(7)~~ (6) has committed an offense in another state that, if committed in this state, would
9.28 be grounds for suspension;

9.29 ~~(8)~~ (7) has committed a violation of section 169.444, subdivision 2, paragraph (a), within
9.30 five years of a prior conviction under that section;

10.1 ~~(9)~~ (8) has committed a violation of section 171.22, except that the commissioner may
 10.2 not suspend a person's driver's license based solely on the fact that the person possessed a
 10.3 fictitious or fraudulently altered Minnesota identification card;

10.4 ~~(10)~~ (9) has failed to appear in court as provided in section 169.92, subdivision 4;

10.5 ~~(11)~~ (10) has failed to report a medical condition that, if reported, would have resulted
 10.6 in cancellation of driving privileges;

10.7 ~~(12)~~ (11) has been found to have committed an offense under section 169A.33; or

10.8 ~~(13)~~ (12) has paid or attempted to pay a fee required under this chapter for a license or
 10.9 permit by means of a dishonored check issued to the state or a driver's license agent, which
 10.10 must be continued until the registrar determines or is informed by the agent that the
 10.11 dishonored check has been paid in full.

10.12 However, an action taken by the commissioner under clause (2) or (5) must conform to the
 10.13 recommendation of the court when made in connection with the prosecution of the licensee.

10.14 (b) The commissioner ~~may not suspend~~ is prohibited from suspending the driver's license
 10.15 of an individual under paragraph (a) who was convicted of a violation of section 171.24,
 10.16 subdivision 1, ~~whose license was under suspension at the time solely because of the~~
 10.17 ~~individual's failure to appear in court or failure to pay a fine or~~ 2.

10.18 Sec. 15. Minnesota Statutes 2016, section 171.20, subdivision 4, is amended to read:

10.19 Subd. 4. **Reinstatement fee.** (a) Before the license is reinstated, (1) an individual whose
 10.20 driver's license has been suspended under section 171.16, subdivisions 2 and 3; ~~171.175;~~
 10.21 171.18; or 171.182, or who has been disqualified from holding a commercial driver's license
 10.22 under section 171.165, and (2) an individual whose driver's license has been suspended
 10.23 under section 171.186 and who is not exempt from such a fee, must pay a fee of \$20.

10.24 (b) Before the license is reinstated, an individual whose license has been suspended
 10.25 under sections 169.791 to 169.798 must pay a \$20 reinstatement fee.

10.26 (c) When fees are collected by a licensing agent appointed under section 171.061, a
 10.27 handling charge is imposed in the amount specified under section 171.061, subdivision 4.
 10.28 The reinstatement fee and surcharge must be deposited in an approved state depository as
 10.29 directed under section 171.061, subdivision 4.

10.30 (d) Reinstatement fees collected under paragraph (a) for suspensions under sections
 10.31 171.16, subdivision 3, and 171.18, subdivision 1, paragraph (a), clause ~~(10)~~ (9), must be

11.1 deposited in the special revenue fund and are appropriated to the Peace Officer Standards
11.2 and Training Board for peace officer training reimbursement to local units of government.

11.3 (e) A suspension may be rescinded without fee for good cause.

11.4 Sec. 16. Minnesota Statutes 2016, section 174.66, is amended to read:

11.5 **174.66 CONTINUATION OF CARRIER RULES.**

11.6 (a) Orders and directives in force, issued, or promulgated under authority of chapters
11.7 174A, 216A, 218, 219, 221, and 222 remain and continue in force and effect until repealed,
11.8 modified, or superseded by duly authorized orders or directives of the commissioner of
11.9 transportation. To the extent allowed under federal law or regulation, rules adopted under
11.10 authority of the following sections are transferred to the commissioner of transportation
11.11 and continue in force and effect until repealed, modified, or superseded by duly authorized
11.12 rules of the commissioner:

11.13 (1) section 218.041 except rules related to the form and manner of filing railroad rates,
11.14 railroad accounting rules, and safety rules;

11.15 (2) section 219.40;

11.16 (3) rules relating to rates or tariffs, or the granting, limiting, or modifying of permits
11.17 under section 221.031, subdivision 1; and

11.18 (4) ~~rules relating to rates, charges, and practices under section 221.161, subdivision 4;~~
11.19 ~~and~~

11.20 ~~(5)~~ rules relating to rates, tariffs, or the granting, limiting, or modifying of permits under
11.21 section 221.121.

11.22 (b) The commissioner shall review the transferred rules, orders, and directives and, when
11.23 appropriate, develop and adopt new rules, orders, or directives.

11.24 Sec. 17. Minnesota Statutes 2016, section 221.036, subdivision 1, is amended to read:

11.25 Subdivision 1. **Order.** The commissioner may issue an order requiring violations to be
11.26 corrected and administratively assessing monetary penalties for a violation of (1) section
11.27 221.021; (2) section 221.033, subdivision 2b; (3) section 221.171; (4) section 221.141; (5)
11.28 a federal, state, or local law, regulation, rule, or ordinance pertaining to railroad-highway
11.29 grade crossings; or (6) rules of the commissioner relating to the transportation of hazardous
11.30 waste, motor carrier operations, or insurance, ~~or tariffs and accounting.~~ An order must be
11.31 issued as provided in this section.

12.1 Sec. 18. Minnesota Statutes 2016, section 221.036, subdivision 3, is amended to read:

12.2 Subd. 3. **Amount of penalty; considerations.** (a) The commissioner may issue an order
12.3 assessing a penalty of up to \$5,000 for all violations identified during a single audit or
12.4 investigation of (1) section 221.021^{1/2}, 221.141^{1/2} or 221.171, or (2) rules of the commissioner
12.5 relating to motor carrier operations; or insurance, or tariffs and accounting, identified during
12.6 a single inspection, audit, or investigation.

12.7 (b) The commissioner may issue an order assessing a penalty up to a maximum of
12.8 \$10,000 for all violations of section 221.033, subdivision 2b, identified during a single
12.9 inspection or audit.

12.10 (c) In determining the amount of a penalty, the commissioner shall consider:

12.11 (1) the willfulness of the violation;

12.12 (2) the gravity of the violation, including damage to humans, animals, air, water, land,
12.13 or other natural resources of the state;

12.14 (3) the history of past violations, including the similarity of the most recent violation
12.15 and the violation to be penalized, the time elapsed since the last violation, the number of
12.16 previous violations, and the response of the person to the most recent violation identified;

12.17 (4) the economic benefit gained by the person by allowing or committing the violation;
12.18 and

12.19 (5) other factors as justice may require, if the commissioner specifically identifies the
12.20 additional factors in the commissioner's order.

12.21 (d) The commissioner shall assess a penalty in accordance with Code of Federal
12.22 Regulations, title 49, section 383.53, against:

12.23 (1) a driver who is convicted of a violation of an out-of-service order;

12.24 (2) an employer who knowingly allows or requires an employee to operate a commercial
12.25 motor vehicle in violation of an out-of-service order; or

12.26 (3) an employer who knowingly allows or requires an employee to operate a commercial
12.27 motor vehicle in violation of a federal, state, or local law or regulation pertaining to
12.28 railroad-highway grade crossings.

12.29 Sec. 19. Minnesota Statutes 2016, section 221.122, subdivision 1, is amended to read:

12.30 Subdivision 1. **Registration, insurance, and filing requirements.** (a) An order issued
12.31 by the commissioner which grants a certificate or permit must contain a service date.

13.1 (b) The person to whom the order granting the certificate or permit is issued shall do
13.2 the following within 45 days from the service date of the order:

13.3 (1) register vehicles which will be used to provide transportation under the permit or
13.4 certificate with the commissioner and pay the vehicle registration fees required by law; and

13.5 (2) file and maintain insurance or bond as required by section 221.141 and rules of the
13.6 commissioner; and.

13.7 ~~(3) file rates and tariffs as required by section 221.161 and rules of the commissioner.~~

13.8 Sec. 20. Minnesota Statutes 2016, section 221.161, subdivision 1, is amended to read:

13.9 Subdivision 1. ~~Filing; hearing upon commissioner initiative~~ **Tariff maintenance and**
13.10 **contents.** A household goods ~~carrier~~ mover shall ~~file and maintain with the commissioner~~
13.11 a tariff showing rates and charges for transporting household goods. ~~Tariffs must be prepared~~
13.12 ~~and filed in accordance with the rules of the commissioner. When tariffs are filed in~~
13.13 ~~accordance with the rules and accepted by the commissioner, the filing constitutes notice~~
13.14 ~~to the public and interested parties of the contents of the tariffs. The commissioner shall not~~
13.15 ~~accept for filing tariffs that are unjust, unreasonable, unjustly discriminatory, unduly~~
13.16 ~~preferential or prejudicial, or otherwise in violation of this section or rules adopted under~~
13.17 ~~this section. If the tariffs appear to be unjust, unreasonable, unjustly discriminatory, unduly~~
13.18 ~~preferential or prejudicial, or otherwise in violation of this section or rules adopted under~~
13.19 ~~this section, after notification and investigation by the department, the commissioner may~~
13.20 ~~suspend and postpone the effective date of the tariffs and assign the tariffs for hearing upon~~
13.21 ~~notice to the household goods carrier filing the proposed tariffs and to other interested~~
13.22 ~~parties, including users of the service and competitive carriers by motor vehicle and rail.~~
13.23 ~~At the hearing, the burden of proof is on the household goods carrier filing the proposed~~
13.24 ~~tariff to sustain the validity of the proposed schedule of rates and charges. The tariffs and~~
13.25 ~~subsequent supplements to them or reissues of them must state the effective date, which~~
13.26 ~~may not be less than ten days following the date of filing, unless the period of time is reduced~~
13.27 ~~by special permission of the commissioner.~~ A household goods mover must prepare a tariff
13.28 under this section in accordance with Code of Federal Regulations, title 49, part 1310.3,
13.29 which is incorporated by reference.

13.30 Sec. 21. Minnesota Statutes 2016, section 221.161, is amended by adding a subdivision
13.31 to read:

13.32 Subd. 5. **Tariff availability.** (a) A household good mover subject to this section must
13.33 maintain all of its effective tariffs at its principal place of business and at each of its terminal

14.1 locations, and must make the tariffs available to the public for inspection at all times the
 14.2 household goods mover is open for business. Any publication referred to in a tariff must be
 14.3 maintained with that tariff.

14.4 (b) Upon request, a household goods mover must provide copies of tariffs, specific tariff
 14.5 provisions, or tariff subscriptions to the commissioner or any interested person.

14.6 Sec. 22. Minnesota Statutes 2016, section 221.171, subdivision 1, is amended to read:

14.7 Subdivision 1. **Compensation fixed by schedule on file.** ~~No~~ A household goods carrier
 14.8 ~~shall~~ mover must not charge or receive a greater, lesser, or different compensation for the
 14.9 transportation ~~of persons or property or for related service provided,~~ than the rates and
 14.10 charges ~~named in the carrier's schedule on file and in effect with the commissioner including~~
 14.11 ~~any rate fixed by the commissioner~~ specified in the tariff under section 221.161; ~~nor shall.~~
 14.12 A household goods ~~carrier~~ mover must not refund or remit in any manner or by any device,
 14.13 directly or indirectly, the rates and charges required to be collected by the ~~carrier~~ mover
 14.14 under the ~~carrier's~~ mover's schedules ~~or under the rates, if any, fixed by the commissioner.~~

14.15 Sec. 23. Minnesota Statutes 2016, section 473.13, subdivision 1, is amended to read:

14.16 Subdivision 1. **Budget.** (a) Except as provided in paragraph (b), on or before December
 14.17 20 of each year, the council shall adopt a final budget covering its anticipated receipts and
 14.18 disbursements for the ensuing year and shall decide upon the total amount necessary to be
 14.19 raised from ad valorem tax levies to meet its budget. The budget ~~shall~~ must state in detail
 14.20 the expenditures for each program to be undertaken, including the expenses for salaries,
 14.21 consultant services, overhead, travel, ~~printing,~~ and other items. The budget ~~shall~~ must state
 14.22 in detail the council's nontransportation capital expenditures ~~of the council~~ for the budget
 14.23 year, based on a five-year capital program adopted by the council and transmitted to the
 14.24 legislature. After adoption of the budget and no later than five working days after December
 14.25 20, the council shall certify to the auditor of each metropolitan county the share of the tax
 14.26 to be levied within that county, which must be an amount bearing the same proportion to
 14.27 the total levy agreed on by the council as the net tax capacity of the county bears to the net
 14.28 tax capacity of the metropolitan area. The maximum amount of any levy made for the
 14.29 purpose of this chapter may not exceed the limits set by the statute authorizing the levy.

14.30 (b) For the transportation components of the council's budgeting, each fiscal year starts
 14.31 July 1 and ends the following June 30. On or before June 15 of each year, the council must
 14.32 adopt a final budget for the transportation components that identifies its anticipated receipts
 14.33 and disbursements for the next fiscal year. The budget must state in detail the expenditures

15.1 to be undertaken for each program, including the expenses for salaries, consultant services,
 15.2 overhead, travel, and other items. The budget must state in detail the council's transportation
 15.3 capital expenditures for the budget year, based on a five-year capital program adopted by
 15.4 the council and transmitted to the legislature.

15.5 ~~(b)~~ (c) As part of the budget under paragraph (b) in each even-numbered year, the council
 15.6 ~~shall~~ must prepare for its transit programs a financial plan for the succeeding three ~~calendar~~
 15.7 ~~years, in half-year segments.~~ The financial plan must contain schedules of user charges and
 15.8 any changes in user charges planned or anticipated by the council during the period of the
 15.9 plan. The financial plan must contain a proposed request for state financial assistance for
 15.10 the succeeding biennium.

15.11 ~~(e)~~ (d) In addition, the each budget under paragraphs (a) and (b) must show for each
 15.12 year:

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

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

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

15.21 **EFFECTIVE DATE; APPLICATION.** This section is effective beginning with the
 15.22 transportation budget period under paragraph (b) that starts July 1, 2019, and applies in the
 15.23 counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

15.24 Sec. 24. Minnesota Statutes 2016, section 473.13, is amended by adding a subdivision to
 15.25 read:

15.26 **Subd. 1d. Budget amendments.** In conjunction with the adoption of any amendment
 15.27 to the budgets under subdivision 1, the council must submit a summary of budget changes
 15.28 and a copy of the amended budget to the members and staff of the legislative committees
 15.29 with jurisdiction over transportation policy and finance and to the Legislative Commission
 15.30 on Metropolitan Government.

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

16.1 Sec. 25. Minnesota Statutes 2016, section 473.13, subdivision 4, is amended to read:

16.2 Subd. 4. **Accounts; accounting system; controls; audits.** (a) The council shall keep
16.3 an accurate account of its receipts and disbursements. For the transportation components
16.4 of the council's financial activity, the council must use the state accounting system maintained
16.5 by the commissioner of management and budget under sections 16A.14 and 16A.15.

16.6 (b) Disbursements of council money must be made by check or by electronic funds
16.7 transfer, signed or authorized by the chair or vice-chair of the council, and countersigned
16.8 or authorized by its regional administrator or designee after whatever auditing and approval
16.9 of the expenditure may be required by the council.

16.10 (c) The state auditor shall audit the books and accounts of the council once each year,
16.11 or as often as funds and personnel of the state auditor permit. The council shall pay to the
16.12 state the total cost and expenses of the examination, including the salaries paid to the auditors
16.13 while actually engaged in making the examination. The general fund must be credited with
16.14 all collections made for any examination.

16.15 **EFFECTIVE DATE; APPLICATION.** This section is effective July 1, 2019, for the
16.16 transportation budget period that starts on that date and applies in the counties of Anoka,
16.17 Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

16.18 Sec. 26. Minnesota Statutes 2016, section 473.13, is amended by adding a subdivision to
16.19 read:

16.20 Subd. 6. **Overview of revenues and expenditures; forecast.** (a) In cooperation with
16.21 the Department of Management and Budget and as required by section 16A.103, the council
16.22 must prepare in February and November of each year a financial overview and forecast of
16.23 revenues and expenditures for the transportation components of the council's budget.

16.24 (b) At a minimum, the financial overview and forecast must identify:

16.25 (1) actual revenues, expenditures, transfers, reserves, and balances for each of the previous
16.26 four budget years;

16.27 (2) budgeted and forecasted revenues, expenditures, transfers, reserves, and balances
16.28 for each year within the state forecast period; and

16.29 (3) a comparison of the information under clause (2) to the prior forecast, including any
16.30 changes made.

16.31 (c) The information under paragraph (b), clauses (1) and (2), must include:

17.1 (1) a breakdown for each transportation operating budget category established by the
 17.2 council, including but not limited to bus, light rail transit, commuter rail, planning, special
 17.3 transportation service under section 473.386, and assistance to replacement service providers
 17.4 under section 473.388;

17.5 (2) data for both transportation operating and capital expenditures; and

17.6 (3) fund balances for each replacement service provider under section 473.388.

17.7 (d) The financial overview and forecast must summarize reserve policies, identify the
 17.8 methodology for cost allocation, and review revenue assumptions and variables affecting
 17.9 the assumptions.

17.10 (e) The council must review the financial overview and forecast information with the
 17.11 chairs and legislative staff of the legislative committees with jurisdiction over finance, ways
 17.12 and means, and transportation finance no later than two weeks following the release of the
 17.13 forecast.

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

17.17 Sec. 27. Minnesota Statutes 2016, section 473.146, subdivision 1, is amended to read:

17.18 Subdivision 1. **Requirement.** The council ~~shall~~ must adopt a long-range comprehensive
 17.19 policy ~~plan~~ plans for transportation and wastewater treatment. ~~The plans~~ Each policy plan
 17.20 must substantially conform to all policy statements, purposes, goals, standards, and maps
 17.21 in the development guide developed and adopted by the council under section 473.145 and
 17.22 this chapter. Each policy plan must include, to the extent appropriate to the functions,
 17.23 services, and systems covered, the following:

17.24 (1) forecasts of changes in the general levels and distribution of population, households,
 17.25 employment, land uses, and other relevant matters, for the metropolitan area and appropriate
 17.26 subareas;

17.27 (2) a statement of issues, problems, needs, and opportunities with respect to the functions,
 17.28 services, and systems covered;

17.29 (3) a statement of the council's goals, objectives, and priorities with respect to the
 17.30 functions, services, and systems covered, addressing areas and populations to be served,
 17.31 the levels, distribution, and staging of services; a general description of the facility systems
 17.32 required to support the services; the estimated cost of improvements required to achieve

18.1 the council's goals for the regional systems, including an analysis of what portion of the
18.2 funding for each improvement is proposed to come from the state, Metropolitan Council
18.3 levies, and cities, counties, and towns in the metropolitan area, respectively, and other
18.4 similar matters;

18.5 (4) a statement of policies to effectuate the council's goals, objectives, and priorities;

18.6 (5) a statement of the fiscal implications of the council's plan, including a statement of:
18.7 (i) the resources available under existing fiscal policy; (ii) the adequacy of resources under
18.8 existing fiscal policy and any shortfalls and unattended needs; (iii) additional resources, if
18.9 any, that are or may be required to effectuate the council's goals, objectives, and priorities;
18.10 and (iv) any changes in existing fiscal policy, on regional revenues and intergovernmental
18.11 aids respectively, that are expected or that the council has recommended or may recommend;

18.12 (6) a statement of the relationship of the policy plan to other policy plans and ~~chapters~~
18.13 relevant portions of the ~~Metropolitan~~ development guide;

18.14 (7) a statement of the relationships to local comprehensive plans prepared under sections
18.15 473.851 to 473.871; and

18.16 (8) additional general information as may be necessary to develop the policy plan or as
18.17 may be required by the laws relating to the metropolitan agency and function covered by
18.18 the policy plan.

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

18.22 Sec. 28. Minnesota Statutes 2016, section 473.146, subdivision 3, is amended to read:

18.23 Subd. 3. ~~Development guide: Transportation policy plan.~~ (a) The transportation
18.24 ~~chapter~~ policy plan must include policies relating to all transportation forms and be designed
18.25 to promote the legislative determinations, policies, and goals set forth in section 473.371.

18.26 (b) In addition to the requirements regarding the contents of the policy plan under
18.27 subdivision 1, the plan must include:

18.28 (1) a fully constrained scenario that assumes no revenue increase from current law and
18.29 no inflationary increases;

18.30 (2) a partially constrained scenario that assumes no revenue increase from current law
18.31 but includes reasonable inflationary increases; and

19.1 (3) an envisioned revenue scenario that identifies a revenue increase in an amount that
19.2 accommodates transportation system maintenance, improvements, and expansion, including
19.3 for state and local roads, regular route bus service, busways, and guideways.

19.4 (c) The estimates under each scenario in paragraph (b) must identify anticipated long-term
19.5 transit system impacts, including unfunded costs for each transit mode and any reductions
19.6 in regular route bus service hours.

19.7 (d) In addition to the requirements of subdivision 1 regarding the contents of the policy
19.8 plan, the nontransit element portion of the ~~transportation chapter~~ plan must include the
19.9 following:

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

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

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

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

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

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

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

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

19.27 (e) The council shall develop the nontransit element portion in consultation with the
19.28 transportation advisory board and the Metropolitan Airports Commission and cities having
19.29 an airport located within or adjacent to its corporate boundaries. The council shall also take
19.30 into consideration the airport development and operations plans and activities of the
19.31 commission. The council shall transmit the results to the state Department of Transportation.

20.1 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
20.2 final enactment, applies for the next regular update to the transportation policy plan, and
20.3 applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

20.4 Sec. 29. Minnesota Statutes 2016, section 473.375, is amended by adding a subdivision
20.5 to read:

20.6 Subd. 19. **Expenditure of funds for capital costs.** (a) The council is prohibited from
20.7 expending funds for transit capital costs, including capital maintenance, from the following
20.8 sources:

20.9 (1) state appropriations from the general fund; and

20.10 (2) operating budget reserves.

20.11 (b) The expenditure prohibition under this subdivision does not apply to federal funds.

20.12 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
20.13 final enactment for appropriations and reserves encumbered on or after that date and applies
20.14 in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

20.15 Sec. 30. Minnesota Statutes 2016, section 473.3994, is amended by adding a subdivision
20.16 to read:

20.17 Subd. 15. **Rail colocation prohibition.** The responsible authority is prohibited from
20.18 constructing a light rail transit line or extension in a shared use rail corridor for freight rail
20.19 and light rail transit.

20.20 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
20.21 final enactment. The portion of this section applicable to the Metropolitan Council applies
20.22 in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

20.23 Sec. 31. Minnesota Statutes 2016, section 473.4051, subdivision 3, is amended to read:

20.24 Subd. 3. **Capital costs.** State money ~~may~~ must not be used ~~to pay more than ten percent~~
20.25 ~~of~~ for the ~~total~~ capital cost of a light rail transit project.

20.26 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
20.27 final enactment for appropriations encumbered on or after that date and applies in the
20.28 counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

21.1 Sec. 32. TEMPORARY MOTOR VEHICLE PERMITS.

21.2 (a) Notwithstanding Minnesota Statutes, sections 168.09, subdivision 7; 168.091,
21.3 subdivision 1; and 168.092, subdivision 1, a temporary permit under any of those sections
21.4 may be issued for a period of up to 180 days, in consultation with the commissioner of
21.5 public safety.

21.6 (b) A temporary permit may only be issued under this section due to inability of the
21.7 driver and vehicle information system to complete a motor vehicle transaction in a timely
21.8 manner.

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

21.10 Sec. 33. CONGESTION REDUCTION PRIORITIZATION.

21.11 (a) By September 30, 2019, the commissioner of transportation must adopt a revised
21.12 20-year statewide highway investment plan under Minnesota Statutes, section 174.03,
21.13 subdivision 1c, that:

21.14 (1) establishes mobility in the Department of Transportation's metropolitan district as a
21.15 high-priority investment category;

21.16 (2) allocates sufficient funds to achieve an appreciable reduction in congestion compared
21.17 to anticipated congestion levels under the most recent statewide highway investment plan;
21.18 and

21.19 (3) prioritizes general purpose lanes or dynamic shoulder lanes over lanes for which a
21.20 user fee is imposed.

21.21 (b) The commissioner must revise the statewide multimodal transportation plan under
21.22 Minnesota Statutes, section 174.03, subdivision 1a, or other plans as necessary to conform
21.23 with the requirements under paragraph (a).

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

21.25 Sec. 34. NONFIXED GUIDEWAY TRANSIT SYSTEM DEVELOPMENT
21.26 IMPLEMENTATION PLAN.

21.27 Subdivision 1. Implementation plan required. (a) By August 1, 2020, the Metropolitan
21.28 Council must adopt an implementation plan for nonfixed guideway transit system
21.29 development in the metropolitan area that meets the requirements of this section.

21.30 (b) In developing the implementation plan, the Metropolitan Council must review and
21.31 evaluate peer transit systems in other states.

22.1 (c) Upon adoption, the council must submit a copy of the implementation plan to the
22.2 members and staff of the legislative committees with jurisdiction over transportation policy
22.3 and finance.

22.4 Subd. 2. **Implementation plan contents.** At a minimum, the implementation plan must:

22.5 (1) establish a comprehensive system design for transit enhancement, expansion,
22.6 cost-effectiveness, and performance;

22.7 (2) propose an implementation schedule or timeline;

22.8 (3) incorporate goals and objectives from the transportation policy plan under Minnesota
22.9 Statutes, section 473.146, with priority given to:

22.10 (i) increasing transit ridership at a rate or to a level specified in the plan;

22.11 (ii) improving accessibility and mobility for transit-dependent and historically underserved
22.12 or under-represented populations;

22.13 (iii) improving customer experience through improvements in transit service, travel time,
22.14 facilities, services, and amenities;

22.15 (iv) congestion relief; and

22.16 (v) safety;

22.17 (4) identify corridors and preliminary routing for expansion of:

22.18 (i) arterial bus rapid transit;

22.19 (ii) highway bus rapid transit; and

22.20 (iii) express bus service;

22.21 (5) address transit facility modernization, capital expansion, and ongoing system
22.22 operations and maintenance;

22.23 (6) identify technology solutions that improve transit passenger services and reduce
22.24 operating costs, including but not limited to real-time schedule information, increased and
22.25 improved bus shelters and stations, low-floor buses, fare payments system improvements,
22.26 traffic management techniques for reduced travel time, and fleet management system
22.27 improvements;

22.28 (7) contain no light rail transit, commuter rail, or streetcar project development or
22.29 construction, except as provided in clause (9);

22.30 (8) provide financial information, which must:

23.1 (i) identify estimated revenue, estimated expenditures, the amount of any additional
 23.2 revenue necessary to implement the plan, and a funding strategy or proposal for any identified
 23.3 revenue gap;

23.4 (ii) detail revenue sources;

23.5 (iii) detail operating and capital expenditures; and

23.6 (iv) summarize financial data for each corridor identified under clause (4), including
 23.7 estimated capital costs and annual operations and maintenance costs based on the available
 23.8 level of detail; and

23.9 (9) compare annual and total revenue and expenditures, including operating, capital,
 23.10 and capital maintenance, in (i) the implementation plan, with (ii) the current transportation
 23.11 policy plan, including all light rail transit lines in project development prior to the effective
 23.12 date of this section.

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

23.16 Sec. 35. **REPEALER.**

23.17 (a) Minnesota Statutes 2016, sections 171.171; and 171.175, are repealed.

23.18 (b) Minnesota Statutes 2016, section 221.161, subdivisions 2, 3, and 4, are repealed.

23.19 **ARTICLE 2**

23.20 **METROPOLITAN COUNCIL GOVERNANCE**

23.21 Section 1. Minnesota Statutes 2016, section 3.8841, subdivision 9, is amended to read:

23.22 Subd. 9. **Powers; duties; Metropolitan Council appointments oversight.** The
 23.23 commission must monitor appointments to the Metropolitan Council and may make
 23.24 recommendations on appointments ~~to the nominating committee under section 473.123,~~
 23.25 ~~subdivision 3,~~ or to the governor before the governor makes the appointments. The
 23.26 commission may also make recommendations to the senate before appointments are presented
 23.27 to the senate for its advice and consent.

24.1 Sec. 2. Minnesota Statutes 2017 Supplement, section 15A.0815, subdivision 3, is amended
24.2 to read:

24.3 Subd. 3. **Group II salary limits.** The salary for a position listed in this subdivision shall
24.4 not exceed 120 percent of the salary of the governor. This limit must be adjusted annually
24.5 on January 1. The new limit must equal the limit for the prior year increased by the percentage
24.6 increase, if any, in the Consumer Price Index for all urban consumers from October of the
24.7 second prior year to October of the immediately prior year. The commissioner of management
24.8 and budget must publish the limit on the department's Web site. This subdivision applies
24.9 to the following positions:

24.10 Executive director of Gambling Control Board;
24.11 Commissioner of Iron Range resources and rehabilitation;
24.12 Commissioner, Bureau of Mediation Services;
24.13 Ombudsman for Mental Health and Developmental Disabilities;
24.14 ~~Chair, Metropolitan Council;~~
24.15 School trust lands director;
24.16 Executive director of pari-mutuel racing; and
24.17 Commissioner, Public Utilities Commission.

24.18 **EFFECTIVE DATE.** This section is effective January 1, 2019.

24.19 Sec. 3. Minnesota Statutes 2016, section 473.123, is amended to read:

24.20 **473.123 METROPOLITAN COUNCIL.**

24.21 Subdivision 1. **Creation; membership.** (a) A Metropolitan Council with jurisdiction
24.22 in the metropolitan area is established as a public corporation and political subdivision of
24.23 the state. It shall be under the supervision and control of ~~17~~ 29 members, all of whom shall
24.24 be residents of the metropolitan area; and who shall be appointed as follows:

24.25 (1) a county commissioner from each metropolitan county, appointed by the respective
24.26 county boards;

24.27 (2) a local elected official appointed from each Metropolitan Council district by the
24.28 municipal committee for the council district established in subdivision 2b;

24.29 (3) a local elected official, residing in Minneapolis, appointed by the mayor of
24.30 Minneapolis;

25.1 (4) a local elected official, residing in St. Paul, appointed by the mayor of St. Paul;

25.2 (5) the commissioner of transportation or the commissioner's designee;

25.3 (6) one person to represent nonmotorized transportation, appointed by the commissioner
25.4 of transportation;

25.5 (7) one person to represent freight transportation, appointed by the commissioner of
25.6 transportation; and

25.7 (8) one person to represent public transit, appointed by the commissioner of
25.8 transportation.

25.9 (b) The local elected offices identified in paragraph (a) are compatible with the office
25.10 of a Metropolitan Council member.

25.11 (c) Notwithstanding any change to the definition of metropolitan area in section 473.121,
25.12 subdivision 2, the jurisdiction of the Metropolitan Council is limited to the seven-county
25.13 metropolitan area.

25.14 Subd. 2a. **Terms.** (a) Following each apportionment of council districts, as provided
25.15 under subdivision 3a, council members must be appointed from newly drawn districts as
25.16 provided in subdivision 3a. Each council member, other than the chair, must reside in the
25.17 council district represented. Each council district must be represented by one member of
25.18 the council. The terms of members end with the term of the governor, except that all terms
25.19 expire on the effective date of the next apportionment. A member serves at the pleasure of
25.20 the governor. the municipal committee for each council district shall appoint a local elected
25.21 official who resides in the district to serve on the Metropolitan Council for a four-year term.
25.22 The terms of members appointed by municipal committees are staggered as follows: members
25.23 representing an odd-numbered district have terms ending the first Monday in January of
25.24 the year ending in the numeral "1" and members representing an even-numbered district
25.25 have terms ending the first Monday in January in the year ending in the numeral "3."
25.26 Thereafter, the term of each member is four years, with terms ending the first Monday in
25.27 January, except that all terms expire on the effective date of the next apportionment. A
25.28 member's position on the Metropolitan Council becomes vacant if the member ceases to be
25.29 a local elected official or as provided in chapter 351, and any vacancy must be filled as soon
25.30 as practicable for the unexpired term in the same manner as the initial appointment. A
25.31 member shall continue to serve the member's district until a successor is appointed and
25.32 qualified; except that, following each apportionment, the member shall continue to serve
25.33 at large until the governor appoints 16 council members, one municipal committee for the
25.34 council district appoints a member from each of the newly drawn council districts district

26.1 as provided under subdivision 3a, to serve terms as provided under this section. The
 26.2 appointment to the council must be made by the first Monday in March of the year in which
 26.3 the term ends.

26.4 (b) The terms of members appointed by the mayors of Minneapolis and St. Paul are
 26.5 staggered as follows: the member representing Minneapolis shall have a term ending the
 26.6 first Monday in January of the year ending in the numeral "1," and the member representing
 26.7 St. Paul shall have a term ending the first Monday in January of the year ending in the
 26.8 numeral "3." Thereafter, the term of each member is four years, with terms ending the first
 26.9 Monday in January. A member's position on the Metropolitan Council becomes vacant if
 26.10 the member ceases to be a local elected official or as provided in chapter 351, and any
 26.11 vacancy must be filled as soon as practicable for the unexpired term in the same manner as
 26.12 the initial appointment.

26.13 (c) The terms of members appointed by county boards are staggered as follows: members
 26.14 representing the counties of Dakota, Ramsey, and Scott have terms ending the first Monday
 26.15 in January of the year ending in the numeral "1," and members representing the counties of
 26.16 Anoka, Carver, Hennepin, and Washington have terms ending the first Monday in January
 26.17 of the year ending in the numeral "3." Thereafter, the term for each member is four years.
 26.18 A member's position on the Metropolitan Council becomes vacant if the member ceases to
 26.19 be a local elected official or as provided in chapter 351, and any vacancy must be filled as
 26.20 soon as practicable for the unexpired term in the same manner as the initial appointment.

26.21 (d) An individual appointed by the commissioner of transportation under subdivision 1
 26.22 serves at the pleasure of the appointing authority.

26.23 Subd. 2b. **Municipal committee in each council district.** The governing body of each
 26.24 home rule charter or statutory city and town in each Metropolitan Council district shall
 26.25 appoint a member to serve on a municipal committee for the council district. If a city or
 26.26 town is in more than one council district, the governing body must appoint a member to
 26.27 serve on each council district's municipal committee. A member appointed to a council
 26.28 district's municipal committee must reside in the council district. The municipal committee
 26.29 must meet at least quarterly to discuss issues relating to the Metropolitan Council. Municipal
 26.30 committee meetings are subject to the Minnesota Open Meeting Law, chapter 13D.

26.31 Subd. 3. ~~Membership; appointment; qualifications~~ **Compensation.** (a) ~~Sixteen~~
 26.32 ~~members must be appointed by the governor from districts defined by this section. Each~~
 26.33 ~~council member must reside in the council district represented. Each council district must~~
 26.34 ~~be represented by one member of the council.~~ In addition to any compensation as a local

27.1 elected official, the council shall pay each member of the council other than the chair or the
27.2 commissioner of transportation, or the commissioner's designee, \$20,000 per year plus
27.3 reimbursement of actual and necessary expenses as approved by the council. The
27.4 commissioner of transportation or the commissioner's designee is not eligible for
27.5 compensation under this subdivision but may be reimbursed for actual and necessary
27.6 expenses.

27.7 (b) ~~In addition to the notice required by section 15.0597, subdivision 4, notice of~~
27.8 ~~vacancies and expiration of terms must be published in newspapers of general circulation~~
27.9 ~~in the metropolitan area and the appropriate districts. The governing bodies of the statutory~~
27.10 ~~and home rule charter cities, counties, and towns having territory in the district for which~~
27.11 ~~a member is to be appointed must be notified in writing. The notices must describe the~~
27.12 ~~appointments process and invite participation and recommendations on the appointment.~~
27.13 In addition to any compensation as a local elected official, the council shall pay the chair
27.14 \$40,000 per year plus reimbursement of actual and necessary expenses as approved by the
27.15 council.

27.16 (e) ~~The governor shall create a nominating committee, composed of seven metropolitan~~
27.17 ~~citizens appointed by the governor, to nominate persons for appointment to the council from~~
27.18 ~~districts. Three of the committee members must be local elected officials. Following the~~
27.19 ~~submission of applications as provided under section 15.0597, subdivision 5, the nominating~~
27.20 ~~committee shall conduct public meetings, after appropriate notice, to accept statements from~~
27.21 ~~or on behalf of persons who have applied or been nominated for appointment and to allow~~
27.22 ~~consultation with and secure the advice of the public and local elected officials. The~~
27.23 ~~committee shall hold the meeting on each appointment in the district or in a reasonably~~
27.24 ~~convenient and accessible location in the part of the metropolitan area in which the district~~
27.25 ~~is located. The committee may consolidate meetings. Following the meetings, the committee~~
27.26 ~~shall submit to the governor a list of nominees for each appointment. The governor is not~~
27.27 ~~required to appoint from the list.~~

27.28 (d) ~~Before making an appointment, the governor shall consult with all members of the~~
27.29 ~~legislature from the council district for which the member is to be appointed.~~

27.30 (e) ~~Appointments to the council are subject to the advice and consent of the senate as~~
27.31 ~~provided in section 15.066.~~

27.32 (f) ~~Members of the council must be appointed to reflect fairly the various demographic,~~
27.33 ~~political, and other interests in the metropolitan area and the districts.~~

28.1 ~~(g) Members of the council must be persons knowledgeable about urban and metropolitan~~
28.2 ~~affairs.~~

28.3 ~~(h) Any vacancy in the office of a council member shall immediately be filled for the~~
28.4 ~~unexpired term. In filling a vacancy, the governor may forgo the requirements of paragraph~~
28.5 ~~(e) if the governor has made appointments in full compliance with the requirements of this~~
28.6 ~~subdivision within the preceding 12 months.~~

28.7 Subd. 3a. **Redistricting.** The legislature shall redraw the boundaries of the council
28.8 districts after each decennial federal census so that each district has substantially equal
28.9 population. Redistricting is effective in the year ending in the numeral "3." Within 60 days
28.10 after a redistricting plan takes effect, the ~~governor~~ municipal committees shall appoint
28.11 members from the newly drawn districts to serve terms as provided under subdivision 2a.

28.12 Subd. 3e. **District boundaries.** Metropolitan Council plan MC2013-1A, on file with
28.13 the Geographical Information Systems Office of the Legislative Coordinating Commission
28.14 and published on its Web site on April 9, 2013, is adopted and constitutes the redistricting
28.15 plan required by subdivision 3a. The boundaries of each Metropolitan Council district are
28.16 as described in that plan.

28.17 Subd. 4. **Chair; appointment, officers, selection; duties and compensation.** (a) The
28.18 chair of the Metropolitan Council shall be ~~appointed~~ selected by ~~the governor as the 17th~~
28.19 ~~voting member thereof by and with the advice and consent of the senate to serve at the~~
28.20 ~~pleasure of the governor to represent the metropolitan area at large. Senate confirmation~~
28.21 ~~shall be as provided by section 15.066~~ and from among the members of the Metropolitan
28.22 Council. The chair shall serve at the pleasure of the council.

28.23 The chair of the Metropolitan Council shall, if present, preside at meetings of the council,
28.24 have the primary responsibility for meeting with local elected officials, serve as the principal
28.25 legislative liaison, present to the governor and the legislature, after council approval, the
28.26 council's plans for regional governance and operations, serve as the principal spokesperson
28.27 of the council, and perform other duties assigned by the council or by law.

28.28 (b) The Metropolitan Council shall elect other officers as it deems necessary for the
28.29 conduct of its affairs for a one-year term. A secretary and treasurer need not be members
28.30 of the Metropolitan Council. Meeting times and places shall be fixed by the Metropolitan
28.31 Council and special meetings may be called by a majority of the members of the Metropolitan
28.32 Council or by the chair. The chair and each Metropolitan Council member shall be reimbursed
28.33 for actual and necessary expenses.

29.1 (c) Each member of the council shall attend and participate in council meetings and meet
29.2 regularly with local elected officials and legislative members from the council member's
29.3 district. Each council member shall serve on at least one division committee for
29.4 transportation, environment, or community development.

29.5 (d) In the performance of its duties the Metropolitan Council may adopt policies and
29.6 procedures governing its operation, establish committees, and, when specifically authorized
29.7 by law, make appointments to other governmental agencies and districts.

29.8 Subd. 8. **General counsel.** The council may appoint a general counsel to serve at the
29.9 pleasure of the council.

29.10 Subd. 9. Authority to vote; quorum; votes required for action. (a) The members
29.11 appointed by the mayors, counties, and municipal committees may vote on all matters before
29.12 the council. The commissioner of transportation or the commissioner's designee and the
29.13 three members appointed by the commissioner may vote only on matters in which the council
29.14 is acting as the metropolitan planning organization for the region as provided in section
29.15 473.146.

29.16 (b) A quorum is a majority of the members permitted to vote on a matter. If a quorum
29.17 is present, the council may act on a majority vote of the members present, except:

29.18 (1) if a quorum is present, the council may adopt its levy only if at least 60 percent of
29.19 the members present vote in favor of the levy; and

29.20 (2) if a quorum is present, the council may adopt a metropolitan system plan or plan
29.21 amendment only if at least 60 percent of the members present vote in favor of its adoption.

29.22 EFFECTIVE DATE; TRANSITION; APPLICATION. (a) Except as provided in
29.23 paragraph (b), this section is effective January 1, 2019, and applies in the counties of Anoka,
29.24 Carver, Dakota, Hennepin, Ramsey, Scott, and Washington. Metropolitan Council members
29.25 serving on the effective date of this section shall continue to serve until members are
29.26 appointed from districts by the municipal committees as provided in this section.

29.27 (b) Subdivisions 1, paragraph (c), and 2b are effective the day following final enactment.

29.28 Sec. 4. Minnesota Statutes 2016, section 473.146, subdivision 3, is amended to read:

29.29 Subd. 3. **Development guide: transportation.** The transportation chapter must include
29.30 policies relating to all transportation forms and be designed to promote the legislative
29.31 determinations, policies, and goals set forth in section 473.371. In addition to the

30.1 requirements of subdivision 1 regarding the contents of the policy plan, the nontransit
30.2 element of the transportation chapter must include the following:

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

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

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

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

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

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

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

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

30.20 The council shall develop the nontransit element in consultation with ~~the transportation~~
30.21 ~~advisory board~~ and the Metropolitan Airports Commission and cities having an airport
30.22 located within or adjacent to its corporate boundaries. The council shall also take into
30.23 consideration the airport development and operations plans and activities of the commission.
30.24 The council shall transmit the results to the state Department of Transportation.

30.25 **EFFECTIVE DATE; APPLICATION.** This section is effective January 1, 2019, and
30.26 applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

30.27 Sec. 5. Minnesota Statutes 2016, section 473.146, subdivision 4, is amended to read:

30.28 Subd. 4. **Transportation planning.** ~~(a)~~ The Metropolitan Council is the designated
30.29 planning agency for any long-range comprehensive transportation planning required by
30.30 section 134 of the Federal Highway Act of 1962, Section 4 of Urban Mass Transportation
30.31 Act of 1964 and Section 112 of Federal Aid Highway Act of 1973 and other federal

31.1 transportation laws. The council shall assure administration and coordination of transportation
31.2 planning with appropriate state, regional and other agencies, counties, and municipalities.

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

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

31.7 ~~(2) the commissioner of the Pollution Control Agency or the commissioner's designee;~~

31.8 ~~(3) one member of the Metropolitan Airports Commission appointed by the commission;~~

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

31.10 ~~(5) one person appointed by the commissioner of transportation to represent the freight
31.11 transportation industry;~~

31.12 ~~(6) two persons appointed by the council to represent public transit;~~

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

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

31.17 ~~(9) eight citizens appointed by the council, one from each council precinct;~~

31.18 ~~(10) one elected official from a city participating in the replacement service program
31.19 under section 473.388, appointed by the Suburban Transit Association; and~~

31.20 ~~(11) one member of the council, appointed by the council.~~

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

31.22 **EFFECTIVE DATE; APPLICATION.** This section is effective January 1, 2019, and
31.23 applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

31.24 **Sec. 6. REPEALER.**

31.25 Laws 1994, chapter 628, article 1, section 8, is repealed.

31.26 **EFFECTIVE DATE.** This section is effective January 1, 2019."

31.27 Delete the title and insert:

31.28 "A bill for an act

31.29 relating to transportation; governing various provisions relating to transportation
31.30 policy and finance; amending governance related to the Metropolitan Council;
31.31 amending Minnesota Statutes 2016, sections 3.8841, subdivision 9; 160.295,

32.1 subdivision 5; 168A.151, subdivision 1; 169.011, subdivision 60; 169.26,
32.2 subdivision 1; 169.28; 169.29; 169.345, subdivision 2; 169.92, subdivision 4;
32.3 171.041; 171.16, subdivisions 2, 3; 171.18, subdivision 1; 171.20, subdivision 4;
32.4 174.66; 221.036, subdivisions 1, 3; 221.122, subdivision 1; 221.161, subdivision
32.5 1, by adding a subdivision; 221.171, subdivision 1; 473.123; 473.13, subdivisions
32.6 1, 4, by adding subdivisions; 473.146, subdivisions 1, 3, 4; 473.375, by adding a
32.7 subdivision; 473.3994, by adding a subdivision; 473.4051, subdivision 3; Minnesota
32.8 Statutes 2017 Supplement, sections 3.972, subdivision 4; 15A.0815, subdivision
32.9 3; proposing coding for new law in Minnesota Statutes, chapter 161; repealing
32.10 Minnesota Statutes 2016, sections 171.171; 171.175; 221.161, subdivisions 2, 3,
32.11 4; Laws 1994, chapter 628, article 1, section 8."