

HOUSE RESEARCH

Bill Summary

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(Transportation articles only)
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OVERVIEW

Article 1 of this bill appropriates money to the department of transportation, department of public safety (administration and transportation functions) and the metropolitan council for metro transit. Article 2 contains transportation policy provisions. Article 3 authorizes the department of transportation to enter into design-build contracts for transportation projects.

Among the policy provisions of this bill:

- a one-year moratorium on the crosstown/35W reconstruction project
- a test of opening HOV lanes on I-394 and I-35W to all vehicles
- an increase in the filing fee for motor vehicle registrations
- restrictions on the ability of MnDOT and the metropolitan council to impose "smart growth" policies
- lifetime special license plates for veterans
- provisions attempting to protect emergency vehicles stopped on roadsides
- limits on the ability of MnDOT and the metropolitan council to study commuter rail and light rail transit

ARTICLE 1 TRANSPORTATION APPROPRIATIONS			
Section		FY02	FY03
			(Dollars in thousands)
1	Total appropriation.	1,774,710	1,800,139
	General fund	98,398	98,680

	State airports fund	20,807	20,548
	County state-aid highway fund	405,330	418,113
	Highway user tax distribution fund	11,753	11,386
	Municipal state-aid street fund	106,469	109,827
	Special revenue fund	979	994
	Trunk highway fund	1,130,974	1,140,591
	Also makes fiscal 2001 appropriations: -- General fund, \$200,000 -- Highway user tax distribution fund, \$875,000 -- Trunk highway fund, \$445,000		
2	Transportation. Appropriations are from the trunk highway fund except where noted.		
	Subd. 1. Total appropriation.	1,592,195	1,614,393
	Summary by fund:		
	General fund	18,507	18,533
	State airports fund	20,757	20,498
	County state-aid highway fund	405,330	418,113
	Municipal state-aid street fund	106,469	109,827
	Trunk highway fund	1,041,132	1,047,422
	Subd. 2. Aeronautics	20,748	20,489
	Summary by fund:		
	State airports fund	20,687	20,428
	General fund	50	50
	Trunk highway	11	11
	(a) Airport development and assistance. Allows transfers of appropriation between fiscal years.	14,298	14,298
	(b) Aviation support	6,315	6,053
	Civil air patrol		
	On-line aircraft registration		
	GPS navigation systems. Specifies that \$350,000 each year is one-time.		
	(c) Air transportation service	135	138
	Summary by fund:		
	State airports	74	77
	General	50	50
	Trunk highway	11	11

	Directs the department to seek federal waivers allowing the sale of a jet aircraft previously purchased from federal DEA. Requires proceeds from a sale to be deposited in the general fund.		
	Subd. 3. Greater Minnesota transit.	18,339	18,360
	Summary by fund:		
	General fund	17,999	18,012
	Trunk highway fund	340	348
	(a) Greater Minnesota transit assistance	17,501	17,501
	From the general fund. Allows carryover from the first to second year.		
	(b) Transit administration.	838	859
	Summary by fund:		
	General fund	498	511
	Trunk highway fund	340	348
	Subd. 4. Railroads and waterways.	1,758	1,804
	Summary by fund:		
	General fund	273	280
	Trunk highway fund	1,485	1,524
	Port development assistance, through the state ports development assistance program. From the general fund in fiscal 2001.	1,000	
	Transfer to the Minnesota rail service improvement fund from the general fund in fiscal 2001.	1,000	
	Subd. 5. Motor carrier regulation.	4,024	4,123
	Summary by fund:		
	General fund	122	126
	Trunk highway fund	3,902	3,997
	Commercial vehicle information systems. Specifies that of this amount \$325,000 adds to the budget base.	500	500
	Subd. 6. Local roads.	511,799	527,940
	Summary by fund:		
	County state-aid	405,330	418,113
	Municipal state-aid	106,469	109,827
	(a) County state-aids (from CSA fund)	405,330	418,113
	(b) Municipal state-aids (from MSA fund)	106,469	109,827
	Allows unanticipated revenue from highway user taxes to these funds to be added to the above appropriation.		
	(d) Study of local road program		
	Directs the commissioner to study alternative methods of establishing a local road improvement program to distribute		

	appropriations for local road improvements other than through the county and municipal state-aid funds. Requires consultation with local government, local highway engineers, and highway users.		
	Subd. 7. State roads	975,975	988,878
	Summary by fund:		
	General fund	9	9
	Trunk highway fund	975,966	988,869
	(a) State road construction.	564,707	564,707
	Advantages to transit in connection with trunk highway projects. Allows use for shoulder bus lanes, bus park-and-ride facilities, and bus passenger waiting areas, but excludes LRT, commuter rail, and bus facilities in LRT and commuter rail corridors	1,000	1,000
	Amount that the department may transfer to transportation revolving loan fund.	15,000	
	Advance acquisition of right-of-way prior to final design.	5,000	5,000
	Prohibits use of trunk highway funds to provide bus service to mitigate effects of trunk highway construction.		
	Prohibits the commissioner from canceling, or removing from the statewide transportation improvement project, the T. H. 36 bridge across the St. Croix river (Stillwater bridge) until July 1, 2002.		
	(b) Debt service	19,235	24,228
	(c) Research and investment management.	12,187	12,211
	Planning grants to regional development commissions, joint powers boards in regions with no RDC, and MnDOT districts in regions with no RDC or joint-powers board, outside the Twin Cities metro area.	600	600
	Planning grants to metropolitan planning organizations outside the Twin Cities area.	266	266
	One-time appropriation for updated state transportation plan.	200	
	Transportation research contingent accounts, for research costs reimbursable from other sources.	75	75
	Study of opening high-occupancy vehicle lanes on I-394 and I-35W to all vehicles. Requires contracting with independent consultant to study effects on traffic flow and congestion, highway safety, and impacts on other roadways. Prohibits any action that would result in loss of federal funds to the state or delay in federally-aided state or local projects. Requires a report to the legislature by February 1, 2002.	100	
	(d) Central engineering services	65,031	66,338
	(e) Design and construction engineering.	89,335	91,046
	Planning, environmental studies, and preliminary engineering for major river crossings, other than rail, on the trunk highway	500	

	system		
	(f) State road operations	219,863	224,602
	Requires the department to retain all federal funds made available for hazard elimination for that purpose, and prohibits transfer of any part of these funds to another agency.		
	Facility maintenance	2,750	2,750
	Road equipment	3,000	3,000
	Improved highway striping	2,000	2,000
	Highway signal and lighting maintenance	875	875
	(g) Electronic communications.	5,617	5,746
	Summary by fund:		
	General fund	9	9
	Trunk highway fund	5,608	5,737
	Lake of the Woods weather broadcasting, from the general fund.	9	9
	Subd. 8. General support.	51,836	52,799
	Summary by fund:		
	General fund	54	56
	State airports fund	70	70
	Trunk highway fund	51,712	52,673
	(a) General management		
	Information systems technology infrastructure.	6,600	6,600
	(b) General services	12,688	12,934
	Summary by fund:		
	General fund	54	56
	State airports fund	70	70
	Trunk highway fund	12,564	12,808
	Information technology development, added to budget base.	1,000	1,000
	Subd. 9. Buildings	7,716	
	Available until June 30, 2003.		
	Subd. 10. Transfers.		
	(a) Allows the commissioner, with finance department approval, to transfer unencumbered balances among appropriations from the trunk highway fund and state airports fund. Requires reports to legislative finance committees.		
	(b) Transfers \$6,400,000 the first year and \$2,400,000 the second year from the flexible account in the county state-aid highway fund to the municipal turnback account. Provides that the remaining amounts in the flexible account (\$26,100,000 in 2002 and \$31,100,000 in 2003) remain in the county state-aid		

	fund for county turnbacks and town roads and bridges.		
	Subd. 11. Previous appropriations Allows money appropriated to the department in previous years for state road construction to be used in the 2002-03 biennium to the extent that it will be used on the construction project for which it was originally encumbered.		
	Subd. 12. Contingent appropriations. Allows MnDOT, with governor's approval after consultation with legislative advisory commission, to transfer unappropriated balances in the trunk highway fund for trunk highway construction, emergency maintenance, and tort and environmental claims.		
3	Metropolitan council transit. From the general fund.	68,101	68,101
	Limits metro mobility to \$42,200,000 for the biennium, except for proceeds from bond sales.		
	Specifies that the agency's budget base in 2004-05 is \$65,601,000 each year.		
4	Public safety. Appropriations are from the general fund except where noted.	113,439	116,670
	Subd. 1. Total appropriation.		
	Summary by fund:		
	General fund	11,790	12,046
	Trunk highway fund	89,042	92,369
	Highway user tax distribution fund	11,628	11,261
	Special revenue fund	979	994
	Subd. 2. Administration.	13,169	13,365
	Summary by fund:		
	General fund	4,578	4,603
	Trunk highway fund	7,206	7,377
	Highway user tax distribution fund	1,385	1,385
	(a) Office of communications	390	398
	Summary by fund:		
	General fund	20	20
	Trunk highway fund	370	378
	(b) Public safety support	7,903	7,995
	Summary by fund:		
	General fund	3,086	3,087
	Trunk highway fund	3,451	3,542
	Highway user tax distribution fund	1,366	1,366

	Payment of public safety officer survivor benefits. Allows transfers between fiscal years.	326	326
	Transfer to public safety officer's benefit account for health benefits	244	314
	Soft body armor reimbursements, to reimburse peace officers for part of the cost of purchasing soft body armor.	508	508
	Transfer from general fund to trunk highway fund, to reimburse trunk highway fund for public safety administrative expenses not related to trunk highways.	1,830	1,830
	Transfer from highway user tax distribution fund to trunk highway fund, to reimburse trunk highway fund for HUTDF purposes in public safety administration.	610	610
	Transfer from highway user tax distribution fund to general fund, to reimburse general fund for costs related to criminal justice data network related to driver and vehicle services.	716	716
	(c) Technical support services	4,876	4,972
	Subd. 3. State Patrol	60,717	64,195
	Summary by fund:		
	General fund	3,354	3,447
	Trunk highway fund	57,071	60,456
	Highway user tax distribution fund	292	292
	(a) Patrolling highways	50,905	54,111
	Summary by fund:		
	General fund	37	37
	Trunk highway fund	50,776	53,982
	Highway user tax distribution fund	92	92
	Funding of 65 new state trooper positions and recruit training academy.	1,212	3,082
	(b) Commercial vehicle enforcement, from the trunk highway fund.	6,295	6,474
	(c) Capitol security	3,517	3,610
	Summary by fund:		
	General fund	3,317	3,410
	Highway user tax distribution fund	200	200
	Prohibits (1) using money from trunk highway fund for capital security, and (2) permanent transfer of state troopers from patrolling highways to capital security. Prohibits transfer to capitol security of any money appropriated for public safety administration, patrolling highways, commercial vehicle enforcement, and driver and vehicle services.		
	Specifies that the budget base for this activity in 2004-05 is		

	\$3,610,000 from the general fund.		
	Subd. 4. Driver and vehicle services.	38,257	37,792
	Summary by fund:		
	General fund	3,858	3,996
	Trunk highway fund	24,448	24,212
	Highway user tax distribution fund	9,951	9,584
	(a) Vehicle registration and title	13,754	13,524
	Summary by fund:		
	General fund	3,803	3,940
	Highway user tax distribution fund	9,951	9,584
	Appropriates \$875,000 from the highway user tax distribution fund for fiscal 2001 for increased license plate costs.		
	Requires a study of effect on department costs and public safety of increased authorization and use of special license plates.		
	(b) Licensing drivers	24,503	24,268
	Summary by fund:		
	General fund	55	56
	Trunk highway fund	24,448	24,212
	Driver's license production unanticipated costs. From the trunk highway fund. Available until June 30, 2003. Expenditure requires approval by finance department and notice to legislative budget committees.	800	
	Appropriates \$445,000 from the trunk highway fund for fiscal 2001 for increased driver license costs.		
	Subd. 5. Traffic safety. From the trunk highway fund	317	324
	Subd. 6. Pipeline safety. From the pipeline safety account in the special revenue fund.	979	994
5	General contingent accounts. Expenditure requires approval of the governor after consultation with legislative advisory commission.	375	375
	Summary by fund:		
	Trunk highway fund	200	200
	Highway user tax distribution fund	125	125
	State airports fund	50	50
6	Tort claims. To the commissioner of finance, from the trunk highway fund.	600	600

- 7 **Office of pipeline safety assessments.** Provides that assessments by the office of pipeline safety to fund the appropriation in section 3, subdivision 6, are deemed approved for purposes of the law that requires legislative approval for departmental fee increases.
- 8 **District 1 budget.** Directs the department to reduce the construction budget in district 1 (Duluth district) for fiscal years 2003 through 2007 to make up for advances into the 2002-03

construction budget.

- 9 **Implementation of 2001 legislation.** Directs the finance department, in implementing the sales tax rebate provisions of the 2001 special session tax bill, to give effect to FY 2001 appropriations that would affect the projected unrestricted general budget balance.
- 10 **Technical.** Makes a technical change in a 1999 appropriation of lease fees from MnDOT towers.
- 11 **Busway location.** Amends the FY 2001 appropriation of \$6.3 million to the metropolitan council for bus transit ways, by allowing study of busways in the northwest LRT corridor in Hennepin county, and that part of the southwest LRT corridor in Hennepin county between Hopkins and Minneapolis. Requires the study to consider alternative alignments including existing roads, highways, and transportation facilities.
- 12 **Scheduled transfers from general fund to highway user fund.** Increases from \$149,804,000 to \$161,529,000 the schedule transfer in fiscal 2001 from the general fund to the highway user tax distribution fund. Cancels the scheduled appropriation of \$161,723,000 in fiscal year 2002 from the general fund to the highway user tax distribution fund. This cancellation will be made up by the FY 2002 dedication of 30.86 percent of motor vehicle sales tax revenue to that fund.
- 13 **Effective date.** Makes the article effective July 1, 2001.

ARTICLE 2 TRANSPORTATION DEVELOPMENT

- 1 **GPS tower in Hubbard county.** Directs the department of transportation to construct a global positioning system (GPS) tower in a specified location in Hubbard county. Directs the department of natural resources to negotiate a long-term lease with the U. S. coast guard for the tower.
- 2 **Crosstown project moratorium.** Prohibits the department of transportation from reconstructing the T. H. 62 (crosstown highway)/35W interchange improvement until after May 1, 2002. Exempts maintenance and preservation projects. Specifies that the restriction does not affect MnDOT or metropolitan council decisions on transit enhancements on 35W north of 50th street.
- Requires the department to contract with a consultant to prepare a report to legislative committees by January 15, 2002, on:
- (1) 20-year projections for growth in economic development, population, and traffic on TH 62 and 35W
 - (2) adequacy of present and reconstructed T. H. 62 to carry present and predicted traffic levels
 - (3) alternative feasible designs, including stacking and tunneling, that will increase capacity, stay within the present right-of-way, keep Lyndale Avenue access, and include a transit component
 - (4) availability of funding for the project and alternatives
 - (5) applicability of road pricing in the corridor
 - (6) present and predicted levels of traffic on all segments of the highways and other affected trunk highways
 - (7) a plan to provide transit during the construction period
 - (8) a discussion of coordination of the project with other trunk highway projects
 - (9) methods of completing the project in the most timely manner
- 3 **Upper harbor; findings.** Makes a legislative finding that continued use of the Mississippi river upper harbor for commercial navigation is a necessary element of the regional transportation

system.

- 4 **Restriction on MnDOT and metropolitan council authority over highway projects and funds.** Prohibits the commissioner of transportation from refusing to program or construct a trunk highway project, or make any other decision concerning the location, design, or timing of such a project, on the grounds that the city or county in which the project is located:
- (1) has enacted a zoning ordinance or determination not approved by the commissioner or metropolitan council, or failed to enact a zoning ordinance or determination requested by the commissioner or metropolitan council, or
 - (2) has failed to impose housing density requirements requested by the commissioner or metropolitan council.
- Provides that these restrictions do not apply to local zoning ordinances or determinations that relate to trunk highway access.
- Imposes similar restrictions with respect to the metropolitan council's authority to approve highway projects and distribute state and federal transportation funds.
- 5 **State trooper training report.** Requires the department of public safety to report to legislative committees on transportation policy and finance by February 15, 2002, on an evaluation of the efficiency and cost-effectiveness of the present state trooper training academy, compared to alternative training formats.
- 6 **State aid for cities.** Allows a city that has become ineligible for the municipal state-aid system because of a population below 5,000 to remain eligible for the system until June 30, 2004, if its population is between 4,900 and 5,000.
- 7 **State-aid rules advisory committee.** Repeals a provision of 2001 law that repeals the law creating the state-aid rules advisory committee.
- 8 **Trunk highway bond proceeds.** Allows the department of transportation, before the proceeds of trunk highway bond sales are deposited in the trunk highway fund, to transfer money from the general fund to the trunk highway fund, or authorize spending from the trunk highway fund, up to the amount of the anticipated receipts. Requires return of money to the general fund or replacement in the trunk highway fund when the bond proceeds are received.
- 9 **Vehicles of gambling control board.** Allows gambling control board investigative staff vehicles to be unmarked.
- 10 **MnDOT work orders.** Provides that the general requirement for a signature of either the commissioner of administration or attorney general for state contracts does not apply to work orders and amendments thereto related to MnDOT contracts.
- 11 **Publication of notice of MnDOT contracts.** Increases from \$25,000 to \$100,000 the threshold level of MnDOT solicitations of acquisitions that must be published.
- 12 **Solicitation process.** Increases from \$25,000 to \$100,000 the threshold level at which formal solicitations by the department of transportation must be used to acquire goods, service contracts, and utilities. Increases from \$25,000 to \$100,000 the maximum amounts of contracts for which the department of transportation may use an informal solicitation for goods and service contracts. The comparable levels for other agencies would remain at \$25,000.
- 13 **Relocation expenses.** Allows an authority acquiring property from a business to consider reimbursing up to \$50,000 in relocation expenses.
- 14 **Expenditures from town bridge account.** Expands eligibility of certain high-cost town bridge projects for money in the town bridge account (an account for town bridge replacement the comes from dedicated highway user taxes). Under present law there is a separate set of eligibility criteria for town bridges where the cost of approach work exceeds \$10,000 or the cost

of replacement culverts exceeds \$20,000. Under this change the list is expanded to include bridges where engineering costs exceed \$10,000.

- 15 **King of trails.** Designates trunk highway No. 75 from the Canada border to the Iowa border the "King of Trails." The commissioner is to erect appropriate signs upon assurance of payment from nonstate sources.
- 16 **MnDOT tower fees.** Exempts revenues from leases made by the department of transportation with wireless service providers (for installing their equipment on state property) from the law that allocates revenue/ from leases for excess trunk highway property 70 percent to the trunk highway fund and 30 percent to counties. This section is effective immediately.
- **Electronic bids.** Allows advertisements for bids on state trunk highway projects by the
201720 department of transportation to be placed on the internet.
- Allows the department to require that security furnished by bidders (bid, performance, or payment bonds) be furnished electronically.
- Allows bids on trunk highway contracts to be submitted electronically. Allows records of bids to be posted on the internet after award of the contract.
- 21 **MnDOT consultant contracts.** Regulates MnDOT consultant contracts.
- Subd. 1. Authority.** Establishes the duty of the commissioner of transportation to award and approve transportation plans, specifications, and contracts.
- Subd. 2. Definition.** Defines "professional or technical services" as meaning intellectual services that result in the production of a report or completion of a task.
- Subd. 3. Commissioner duties.** Defines the commissioner's duties in entering into a professional or technical services contract exceeding \$100,000, including certifying that no current state employee could perform the service, the product will be original in character, and reasonable efforts to publicize the availability of the contract were made.
- Subd. 4. Contract procedures.** Requires the commissioner to determine, before approving a professional or technical services contract, that no employment relationship is established, that no other agency has previously performed the work, that the work results will be evaluated, and that the contract will not exceed five years (two years for the original contract).
- Subd. 5. Contract termination.** Requires a professional or technical services contract to give the commissioner the unilateral right to terminate the contract. The commissioner must make final payment on these contracts within 6 months of submittal. Overdue payments are subject to the prompt payment law.
- Subd. 6. Reports.** Requires the commissioner to report annually on all executed professional or technical services contracts and to issue an annual fiscal year report summarizing contract review activities.
- Subd. 7. Procurement from small business.** Specifies that the section is subject to the law requiring small businesses to receive at least 25 percent of the value of state procurement of goods and services.
- 22 **Advance funding for interregional corridor projects.** Allows local road authorities to make advances to the department to expedite development of an interregional transportation corridor, including costs of design, right-of-way, construction, and other related expenditures. Allows repayment by the department with interest, subject to be department's debt management policy limit or \$10 million, which ever is less. This section is effective immediately.
- 23 **Construction contracts in taconite relief area.** Allows MnDOT to require contractors on transportation contracts in the taconite tax relief area to hire an unspecified percentage of workers who live in the area. This provision would be effective immediately.

(A comparable provision was also enacted in Laws 2001, chapter 213, but with an August 1, 2001, effective date.)

- 24 **County state-aid disaster account.** Increases from one to two percent the maximum percentage of total county state-aid highway apportionments that may accumulate in the county state-aid disaster account. The annual limitation on the disaster account of one percent of the county state-aid highway fund is not increased. The disaster account is reserved for aid to counties that incur hardship as a result of disasters affecting their county state-aid highways.
- 25 **Municipal state-aid disaster account.** Reduces from five to three percent the maximum percentage of total municipal state-aid street apportionments that may accumulate in the municipal state-aid disaster account. The annual limitation on the disaster account of two percent of the municipal state-aid street fund is not increased.
- 26 **Property purchased with highway bond proceeds.** Provides for sale and lease of real property bought with proceeds from trunk highway bonds.
- Subd. 1. Definitions.** Defines terms.
- Subd. 2. Leases.** Allows property bought with trunk highway bond proceeds to be leased in accordance with law and executive orders. Limits such leases, including renewals at the lessee's option, to a term substantially less than the useful life of the property, but allows renewal beyond that term if the department determines that the use and term are lawful.
- Requires such a lease to be terminable by the department if the other party defaults.
Requires a money received from such leases to be deposited in the trunk highway fund and used to pay, redeem, or defease outstanding trunk highway bonds.
- Subd. 3. Sales.** Prohibits sale of property bought with trunk highway bond proceeds unless the sale is lawful and approved by the commissioner of finance. Requires a money received from such sales to be deposited in the trunk highway fund and used to pay, redeem, or defease outstanding trunk highway bonds.
- Subd. 4. Application.** Provides that this section applies to all property bought with trunk highway bond proceeds unless otherwise provided by law.
- 27 **Deposits in trunk highway bond proceeds account.** Adds a reference to other sources of funds deposited in the trunk highway bond proceeds account.
- 28 **One-ton vans taxed as autos.** Increases from 3/4 ton to one ton the maximum carrying capacity of a van that is subject to licensing and taxation as a passenger automobile.
- 29 **Gambling board vehicles.** Allows staff of the gambling control board to use unmarked state vehicles with ordinary license plates in investigations and reviews. Requires certification by the chair of the board to the effect that the vehicles will be used exclusively for official duties of the board.
- 30 **Lifetime trailer registration.** Requires trailers with a registered gross weight of 3,000 lbs. or less to be registered for the life of the vehicle. Under present law such registration is for a two-year period.
- Provides a registration tax of \$55 for such trailers when registered for the first time in Minnesota.
- Provides that the tax for a currently-registered trailer is \$25 if the owner wishes lifetime registration. Provides that if the owner does not wish to register it immediately for the life of the trailer, the tax is \$10 for a two-year period if renewal is made between July 1, 2001, and June 30, 2003. In the latter instance, the owner would be required to obtain lifetime registration when the two-year registration expires, at a tax of \$20.
- Provides that for trailers whose registration is not next renewed until after July 1, 2003, the

registration is for the life of the trailer at a tax of \$20.

- 31 **Temporary permit for collector vehicles.** Allows classic, pioneer, street rod, and collector vehicles to display a temporary permit in conjunction with expired registration if the plates have been applied for and taxes paid, and the vehicle will be used only as a collector vehicle while displaying the temporary permit.
- 32 **Veterans plates to be lifetime.** Provides that special plates issued to veterans are valid for the life of the veteran. Under general law these plates would have to be replaced every seven years.
- 33 **Veterans' plates exempt from decal law.** Exempts all special license plates for veterans from the law that provides for generic special plates with unique symbols or decals.
- 34 **Cancellation of vehicle dealer license.** Requires notice to the dealer before a motor vehicle dealer's license may be canceled by the department of public safety. Makes a dealer's ceasing to operate at the licensed location grounds for cancellation.
- 35 **Utility trailers.** Changes the definition of "utility trailer," from a vehicle with a carrying capacity of 2000 pounds or less, to a vehicle with a gross vehicle weight of 4,000 pounds or less. Sellers of utility trailers are exempt from regulation as motor vehicle dealers.
- 36 **Filing fee.** Increases the filing fee for motor vehicle transactions from \$3.50 to \$4.50 for vehicle registration renewals, and to \$7 for other transactions (such as new vehicle registrations and vehicle title applications)
- Allows vehicle dealers to retain \$2.50 of the filing fee for a completed sale of a vehicle by or to a dealer, if the dealer electronically transmits the transaction to the state or a deputy registrar.
- 37 **Standing appropriation for license plate costs.** Establishes an open and standing appropriation from the highway user tax distribution fund to the commissioner of public safety to pay the costs of purchasing, delivering, and mailing motor vehicle license plates, tabs and stickers, and registration notices. Under current practice amounts for these purposes are appropriated biennially.
- 38 **Cancellation of sale.** Adds to the motor vehicle title chapter a section of law on cancellation of a motor vehicle sale by a purchaser. Provides that a refund of taxes and fees as a result of a cancellation of a sale may only be given if the parties submit a correct certificate of title within 90 days of the original purchase.
- 39 **Electronic accident reports.** Allows reports of accidents submitted to the department by peace officers to be submitted electronically.
- 40 **Forms.** Allows the department to prepare electronic forms for accident reports.
- 41 **Use required.** Deletes requirement that all accident forms be made in writing.
- 42 **Exception to keep-to-the-right.** Adds an exception to the general rule requiring motorists to drive on the right half of the roadway. A driver need not drive on the right half of the roadway when approaching an emergency vehicle stopped on the roadway, subject to the next section..
- 43 **Avoiding emergency vehicles.** Requires a driver to safely move the vehicle to a lane away from an authorized emergency vehicle stopped on or next to the roadway, before passing that vehicle. This section applies to highways with two or more lanes in the same direction
- 44 **Surge brakes.** Allows surge brakes on trailers and semitrailers.
- 45 **Permit in conjunction with expired registration.** Allows a vehicle to display a permit in conjunction with expired registration, whether or not the vehicle displays the license plate to which the last registration was issued.
- 46 **Contents of driver's license.** Deletes the requirement that a licensee's signature and date of birth be written on the license in pen and ink.
- 47 **Driver's license suspension for unpaid judgment.** Increases from \$25,000 to \$30,000 the

minimum amount that must be paid on an unpaid court judgment for death or injury to one person in order to lift the driver's license suspension resulting from the unpaid judgment. Increases from \$50,000 to \$60,000 the comparable threshold level for unpaid judgments for death or injury to two or more persons.

- 48 **Disposition of DWI reinstatement fee.** Changes the allocation of 12 percent of the \$250 fee for reinstating a drivers' license after revocation for an alcohol-related offense. Under present law the first \$200,000 of this share goes to the department of children, families, and learning for alcohol/highway safety programs in K-12 schools, and the remainder to the highway safety center at St. Cloud State for similar purposes. Under this section this allocation will be in effect only until April 1, 2002, after which the 12 percent will go to the department of public safety for grants for alcohol/highway safety programs in K-12 schools.
- 49 **Driving school license exemption.** Deletes an obsolete reference from the list of entities exempt from driving school licensing.
- 50 **Pavement striping.** Allows MnDOT to bill its own operating units and local road authorities for costs of a centrally managed pavement marking program. Creates a separate account in the trunk highway fund to receive payments. Makes a standing appropriation of money in the account to the department to pay costs for which billings are made.
- 51 **Greater Minnesota transit funding formulas.** Eliminates the separate funding category for the Duluth transit authority for purposes of determining maximum local share of total operating costs (50 percent). Specifies that total operating costs for DTA do not include costs related to the contract with Superior, WI, and the contract to provide school transportation in Duluth.
- 52 **Light rail transit studies by MnDOT.** Prohibits the commissioner of transportation from spending state funds to study light rail transit unless the funds are appropriated in a law that identifies the route to be studied, including origin and destination..
- 53 **High-speed rail studies.** Requires the commissioner of transportation to notify legislative budget chairs whenever the commissioner spends state funds to study high-speed intercity passenger rail service.
- 54 **Reports to major transportation projects commission.** Deletes the provision that requires that annual reports by MnDOT to the major transportation projects commission must include potential major projects only if they do not have a draft environmental impact statement.
- 55 **Definition of major transportation project.** Redefines "major transportation project" in the law establishing the major transportation projects commission, by deleting the criterion that a project have a total cost of more than \$5 million and substituting a criterion that a project cost more than 25 percent of its district's annual construction budget.
- **MnDOT tower leases.** Amends the law that authorizes the department to lease space on its
575657 communications towers to private wireless communications companies, and exchange space on its communications towers for space on those companies' towers. These sections make the following changes:
- Specifies that the lease authority is for the state's communication system, and provides that it is intended to facilitate the maintenance as well as construction of that system.
 - Prohibits the department from making agreements that allow exclusive use of towers.
 - Requires the department to publish annually a list of state-owned tower sites that are available for lease.
 - Allows reciprocal agreements with tower owners who are not commercial wireless service providers.
 - Broadens the permitted uses of lease revenues deposited in the trunk highway fund, to

allow their use for developing and maintaining communications systems that serve state agencies. Under present law these revenues may only be used for the departments of transportation and public safety shares of these costs.

Specifies that the law is not to be construed to create a right to install private towers on trunk highway right-of-way.

These sections are effective immediately.

58 **Commuter rail studies.** Prohibits the commissioner of transportation from spending state funds to study commuter rail unless the funds are appropriated in a law that identifies the route to be studied, including origin and destination.

59 **Quiet zones.** Authorizes cities, counties, and towns to establish "quiet zones" in which the sounding of railroad horns, whistles, and other audible warnings is regulated or prohibited. Requires quiet zones to be at least one-half mile long. Requires quiet zone ordinances and regulations to conform to federal law and regulation.

(Under recent rules of the federal railroad administration localities are allowed to regulate train whistles only if they establish quiet zones where all rail-highway grade crossings have protective measures, including crossing gates, that "fully compensate for the absence of the audible warning provided by the locomotive horn.")

60 **Rail bank excess property.** Allows the department of transportation to lease rail right-of-way in the state rail bank to a public or private entity for nontransportation purposes when:

(1) the right-of-way to be leased is more than what is needed for preserve the right-of-way for future public use,

(2) the lease will not reduce the useable width of the corridor in the rail bank to less than 50 feet,

(3) the cost of the lease is based on fair market value as appraised,

(4) the lease allows termination by the department on 90 days notice, and

(5) the lease prohibits any permanent structure with the 50 foot rail bank corridor and requires a permanent structure to be removed and the property restored to previous condition on 90 days notice.

61 **Utilities on railroad right-of-way.** Expands the authority of the department of public service over use of railroad right-of-way by utilities for lines crossing or paralleling railroad right-of-way. Under present law this authority applies to electric wires and natural gas pipelines. Under this change it would also apply to telephone, telegraph, telecommunications, cable, and fiber optic providers and facilities.

Makes a comparable change in the law authorizing the department to regulate charges made by railroads for use of their right-of-way for utility facilities. Specifies that this authority applies to facilities that more or less parallel railroad right-of-way.

Exempts railroad right-of-way owned by the state or a regional rail authority.

"Paralleling" would be defined to mean adjacent to a rail line for up to one mile, or another distance mutually agreed to, before ending or crossing or exiting the rail right-of-way.

62 **Gas tax revenue attributable to snowmobiles.** Increases from .75 percent to 1 percent the percentage of gasoline tax revenues that is presumed to be attributable to snowmobiles. Under other law this revenue is dedicated to the snowmobile trails and enforcement account.

63 **Motor vehicle sales tax revenue.** Dedicates 30.86 percent of motor vehicle sales tax revenue in fiscal year 2002 to the highway user tax distribution fund. The present dedication of 32 percent of this revenue to this fund for fiscal 2003 and beyond would remain in effect.

64 **Department of public safety advertising sales.** Adds media productions and other

informational materials to the types of publications and productions for which the Commissioner of Public Safety may accept paid advertising.

- 65 **Public safety survivor benefit eligibility.** Adds public safety department employees whose primary employment is enforcement of commercial vehicle laws and regulations to the list of public safety officers eligible under the public safety officer survivor benefits program. Specifies that first responders eligible under the program are certified by the emergency medical services regulatory board rather than the commissioner of health.
- 66 **Transportation revolving loan fund.** Makes changes in the law setting up the transportation revolving loan fund (TRLF).
- Subd. 1. Definitions.** Deletes references to separate trunk highway, county state-aid, and municipal state-aid revolving loan accounts in the TRLF..
- Subd. 2. Purpose.** Makes the same changes as in subdivision 1. Amends the purposes of the fund by allowing it to be used for projects not federally-aided.
- Subd. 3. Establishment of fund.** Specifies that the highway account in the TRLF is for projects eligible for federal aid under the highway chapter of the U. S. Code. Specifies that the transit account in the TRLF is for projects eligible for federal aid under the transportation chapter of the U. S. Code.
- Establishes a new "state funds general loan account" for projects eligible for funding under state law but not eligible for federal aid. Allows establishment of other accounts in the TRLF as necessary.
- Subd. 4. Management of fund.** Deletes references to the accounts deleted under subdivision 1 and adds references to unspecified individual accounts in the fund.
- Subd. 5. Transfer of money.** Repeals the law allowing the department of transportation to transfer money among the trunk highway revolving loan account and the state-aid revolving account.
- Subd. 6. Committee.** Makes a technical change.
- Subd. 7. Applications.** Makes the same changes as in subdivision 1.
- Subd. 8. Certification of projects.** Makes the same changes as in subdivision 1.
- Subd. 9. Loan conditions.** Makes the same changes as in subdivision 1. Requires the committee in the public facilities authority that decides on loans from the TRLF to comply with state as well as federal law.
- Subd. 10. Loans in anticipation of future apportionments.** Makes no change.
- Subd. 11. City and county payments.** Makes the same changes as in subdivision 1.
- Subd. 12-14.** No change.
- This section is effective immediately.
- 67 **Recreational vehicles on highway right-of-way.** Adds to the list of claims from which local governments are immune from tort liability claims arising from the use of recreational motor vehicles (snowmobiles, ATVs, other off-road vehicles) on the right of way of any highway. Denies the exemption where the local government engages in conduct that would entitle a trespasser to damages against a private person.
- This section would apply to county state-aid highways, other county highways, municipal state-aid streets, and town roads (including cartways).
- 68 **Light rail transit operating costs in budget.** Requires the metropolitan council, in any budget submitted to the legislature or governor that requests operating funds for light rail transit, include those funds separately from any other operating assistance.

- 69 **Transportation advisory board.** Specifies the membership of the metropolitan council's transportation advisory board:
- (1) the commissioner of transportation or the commissioner's designee;
 - (2) the commissioner of the pollution control agency or the commissioner's designee
 - (3) one member of the metropolitan airports commission appointed by the commission
 - (4) one person appointed by the council to represent non-motorized transportation
 - (5) one person appointed by the commissioner of transportation to represent the freight transportation industry;
 - (6) two persons appointed by the council to represent public transit;
 - (7) ten elected officials of cities within the metropolitan area, appointed by the association of metropolitan municipalities, with one each coming from Minneapolis and St. Paul;
 - (8) seven elected officials of counties, appointed by each county board
 - (9) eight citizens appointed by the council, one from each council precinct; and
 - (10) one member of the council, appointed by the council.
- Provides that the board elects its own chair. Under current practice the local elected officials and chair are appointed by the council.
- 70 **Metropolitan council studies of commuter rail and LRT.** Prohibits the metropolitan council from spending state funds to study light rail transit or commuter rail unless the funds are appropriated in a law that identifies the route to be studied, including origin and destination..
- 71 **Transit taxing district.** Provides that the metropolitan council may not levy property taxes for transit capital purposes in any city or town that was not in the transit taxing district on January 1, 2001, unless the council and the governing body of the city or town has agreed to a service expansion plan.
- 72 **Land use plans.** Provides that land use plans adopted by local governments must include the local government's goals, intentions and priorities concerning aggregate and other natural resources, transportation infrastructure, land use compatibility, habitat, agricultural preservation, and other planning priorities.
- 73 **Application.** Provides that section 72 applies to local land-use plans in metropolitan-area counties adopted or amended in relation to aggregate, or when the local government receives an application from a landowner for adoption or amendment of a land use plan relating to aggregate, after August 1, 2001.
- 74 **Performance-based funding for transit operators.** Repeals the June 30, 2001, sunset date for the metropolitan council's demonstration program to establish percentage operating subsidies granted to recipients of transit operating assistance from the council Reduces the maximum percentage of total operating costs that recipients may be required to pay from 100 percent to 41.5 percent.
- 75 **Repealer.** Repeals an existing law relating to the special funding category of the Duluth transit authority.
- 76 **Effective date.** Provides that all sections in the article are effective July 1, 2001, except where otherwise noted.

ARTICLE 3 DESIGN-BUILD

- 1 **Definitions.** Defines a "design-build contract" as a contract between the department of transportation and a design-build permit to provide architectural, engineering, and design services as well as labor, material, supplies, equipment, and construction services for a

transportation project.

Defines a "design professional" as a person licensed by the state who must be registered under Minnesota law.

- 2 **Design-build for major projects.** Allows the department of transportation to award design-build contracts for major projects.
 - Subd. 1. Best value.** Allows the department to solicit and award a design-build contract on the basis of a best value selection process.
 - Subd. 2. Application.** Provides that the bill applies only to projects using a two-step competitive process utilizing public solicitation for design-build services.
 - Subd. 3. Restriction; reports.** Restricts the total number of design-build contracts in a year to ten percent of the total number of transportation construction contracts issued by the department in the previous year. Requires the department to report to appropriate legislative committee chairs whenever it decides to use the design-build method on a project.
 - Subd. 4. Municipal consent.** Makes use of the design-build method subject to state law governing municipal consent to highways.
- 3 **Preliminary determination to award.** Sets out criteria for determining if a design-build contract is appropriate for a project.
 - Subd. 1. General.** Allows a design-build contracting procedure to be used only after the department determines that awarding a design-build contract will serve the public interest, or that the traditional method of awarding a construction contract to the lowest bidder is not practical for meeting quality standards or delivery schedules.
 - Subd. 2. Specific criteria.** Sets out specific criteria for determining when to use the design-build method.
- 4 **Notice.** Sets out notice requirements for design-build contracts..
 - Subd. 1. Summary report.** Requires the department to make a written summary of its reasons for using the design-build process. Requires the summary to be made available to interested parties.
 - Subd. 2. Final determination.** Provides that final determination to use the design-build procedure may be made only by the commissioner of transportation.
- 5 **Licensing requirements.** Sets out licensing requirements and makes liability provisions.
 - Subd. 1. Professional required.** Requires a firm proposing to design and build a transportation project to employ or have as a partner, member, officer, co-venturer, or subcontractor a person licensed and registered to provide design services required to complete the project and do business in the state.
 - Subd. 2. Contracting for professional.** Allows such a firm to enter into a a contract for services that the firm is not licensed, registered, or qualified to perform, if the firm provides those services through subcontractors with licensed, registered, or otherwise qualified persons.
 - Subd. 3. Liability.** Specifies that the law does not limit or eliminate the responsibility or liability owed by a professional on a design-build project to the state, county, city or other third parties. Specifies that the design service portion of a design-build contract is considered a service and not a product.
- 6 **Procedure for awarding contract.** Sets out the procedure for awarding a design-build contract, consisting of phase one (request for qualifications) and phase two (request for proposals).
 - Subd. 1. Procedure.** Provides that if the department determines that the design-build method is appropriate for a project, it must establish a two-phase process for awarding the contract.

Subd. 2. Technical review committee. Requires the department to establish a technical review committee of up to five persons during phase one. Requires at least one member to be selected from a list submitted by the Minnesota chapter of Associated General Contractors after consultation with other contractors' organizations. Makes committee members who are not state employees subject to the state government data practices act in the same manner as state employees. Prohibits a committee member from participating in the review or discussion of responses from a person in whom the member has a financial interest.

Subd. 3. Request for qualifications. Sets out the criteria for information to be included in the RFQ, including firm qualifications, project requirements, experience, and resources, selection criteria, phase-two requirements, timetables, and cost estimates.

Subd. 4. Evaluation. Requires the technical review committee to evaluate the design-build qualifications of responding firms, and compile a short list of firms in accordance with criteria based on technical and construction qualifications. Allows re-advertising or cancellation of the project if only one firm responds to the RFQ.

7 **Request for proposals.** Sets out procedures for phase two, request for proposals. Requires the department to issue an RFP to firms on the short list, including scope of the work, required qualifications, time limits of the project, project cost, and various requirements for each proposal.

8 **Replacing team members.** Prohibits persons identified in a response to an RFQ or RFP from being replaced without department approval. Allows the department to revoke a contract if subcontractors or firms are replaced without approval. Allows approval to be given only if the request for approval documents that the replacement person will be equal to or better than the replaced person, using the criteria in the RFQ or RFP.

9 **Award; stipulated fees.** Governs awarding of design-build contracts and stipends to unsuccessful proposers.

Subd. 1. Award. Sets out procedures to be followed after the department has reviewed the submitted proposals:

technical review committee scores technical proposals using the selection criteria in the RFP

technical review team submits a technical proposal score for each firm

department announces technical proposal score for each firm

department opens price proposals and divides each price by the proposer's technical score

The selected builder is the responsible and responsive proposer with the lowest adjusted score.

Allows the department to adjust bids to account for a time factor. Allows the department to reject all proposals. Requires the department to award to contract to the responsible and responsible design-builder with the lowest adjusted score. Allows the department to reject all proposals.

Subd. 2. Alternative process. Provides an alternative process for projects with a projected cost of under \$5 million. Under this proposal, the department gives the lowest cost proposal the full number of price points defined in the RPF, awards other proposals a percentage of the price points based on relation to the lowest price, adds the technical score and price score and award the contract to the responder with the highest total score.

Subd. 3. Stipulated fee. Requires the department to award a stipulated fee of at least .2 percent of the estimated cost of designing and building the contract to all responsible proposers on the

short list who provide a responsive but unsuccessful proposal. Requires all proposers on the short list to be awarded the fee if the contract is not awarded, or if the contract is canceled before review of the technical proposals. Allows the department to use ideas and information in the proposals without further obligation for payment, unless a proposer waives the stipulated fee.

Subd. 4. Low-bid design-build process. Allows the department to use a low-bid, design-build procedure where the scope of the work can be clearly defined. Requires each proposal for such a contract to include a technical proposal and a price proposal. Sets out a two-step process for such a contract:

In step 1 the technical review committee reviews the technical proposal to determine if it complies with the RFP and is responsive.

In step 2 the low bidder is determined based on the price proposal.

Requires the contract to be issued to the low bid that is responsive to the technical requirements. Prohibits paying stipulated fees for unsuccessful bids on low-bid design-build contracts.

Subd. 5. Rejection of bids. Allows the department to reject all bids under this section.

10 **List of design-build contracts.** Requires the department to submit annually to the governor and legislative transportation policy and finance committees a list of all executed design-build contracts.

11 **Effective date.** All sections effective immediately.