

1.1 moves to amend H.F. No. 3032, the fourth engrossment, as follows:

1.2 Page 1, line 11, delete "12" and insert "14"

1.3 Page 2, delete section 3 and insert:

1.4 "Sec. 3. Minnesota Statutes 2016, section 169.685, subdivision 6, is amended to read:

1.5 Subd. 6. **Exceptions.** (a) This section does not apply to:

1.6 (1) a person transporting a child in an emergency medical vehicle while in the
1.7 performance of official duties and when the physical or medical needs of the child make
1.8 the use of a child passenger restraint system unreasonable or when a child passenger restraint
1.9 system is not available;

1.10 (2) a peace officer transporting a child while in the performance of official duties and
1.11 when a child passenger restraint system is not available, provided that a seat belt must be
1.12 substituted;

1.13 (3) a person while operating a motor vehicle for hire, including a taxi, airport limousine,
1.14 and bus, but excluding a rented, leased, or borrowed motor vehicle; ~~and~~

1.15 (4) a person while operating a school bus that has a gross vehicle weight rating of greater
1.16 than 10,000 pounds; and

1.17 (5) a TNC vehicle as defined in section 221.845, subdivision 1.

1.18 (b) A child passenger restraint system is not required for a child who cannot, in the
1.19 judgment of a licensed physician, be safely transported in a child passenger restraint system
1.20 because of a medical condition, body size, or physical disability. A motor vehicle operator
1.21 claiming exemption for a child under this paragraph must possess a typewritten statement
1.22 from the physician stating that the child cannot be safely transported in a child passenger
1.23 restraint system. The statement must give the name and birth date of the child, be dated
1.24 within the previous six months, and be made on the physician's letterhead or contain the

2.1 physician's name, address, and telephone number. A person charged with violating
 2.2 subdivision 5 may not be convicted if the person produces the physician's statement in court
 2.3 or in the office of the arresting officer.

2.4 (c) A person offering a motor vehicle for rent or lease shall provide a child passenger
 2.5 restraint device to a customer renting or leasing the motor vehicle who requests the device.
 2.6 A reasonable rent or fee may be charged for use of the child passenger restraint device."

2.7 Page 4, delete section 7 and insert:

2.8 "Sec. 7. Minnesota Statutes 2016, section 221.091, subdivision 1, is amended to read:

2.9 Subdivision 1. **Local authority over streets and highways.** (a) Sections 221.012 to
 2.10 221.291 do not authorize the use by a carrier of a public highway in a city of the first class
 2.11 in violation of a charter provision or ordinance of the city in effect January 1, 1925, unless
 2.12 the charter provision or ordinance is repealed after that date. In addition, sections 221.012
 2.13 to 221.291 do not (1) curtail the right of a city to reasonably regulate or control the routing,
 2.14 parking, speed, or safety of operation of a motor vehicle operated by a carrier under the
 2.15 terms of those sections, (2) curtail the general police power of the city over its highways,
 2.16 or (3) abrogate any provision of the city's charter requiring certain conditions to be complied
 2.17 with before a carrier can use the highways of the city; and these rights and powers are
 2.18 expressly reserved and granted to the city. ~~However, no~~

2.19 (b) A city ~~shall~~ must not prohibit or deny the use of the public highways within its
 2.20 territorial boundaries by a carrier for:

2.21 (1) transporting passengers or property received within its boundaries to destinations
 2.22 beyond the city's boundaries, ~~or for~~;

2.23 (2) transporting passengers or property from points beyond the city's boundaries to
 2.24 destinations within the city's boundaries; ~~or for~~

2.25 (3) transporting passengers or property from points beyond the city's boundaries through
 2.26 the city to points beyond the city's boundaries, ~~when the carrier is operating pursuant to a~~
 2.27 certificate of registration, permit, or license issued under this chapter ~~or a permit issued by~~
 2.28 ~~the commissioner under section 221.84."~~

2.29 Page 5, after line 7, insert:

2.30 "(d) "Gross trip fare" means the sum of any base fare charge, distance charge, and time
 2.31 charge for a complete trip, at rates published on the transportation network company's Web
 2.32 site. Gross trip fare does not include any additional fees, including but not limited to airport
 2.33 or venue fees and the fee under subdivision 4."

3.1 Reletter the paragraphs in sequence

3.2 Page 5, delete subdivision 2 and insert:

3.3 "Subd. 2. **Transportation network company account.** (a) A transportation network
3.4 company account is established in the special revenue fund. The account consists of
3.5 administrative fee remittances received under subdivision 4 and funds donated, allotted,
3.6 transferred, or otherwise provided to the account.

3.7 (b) Funds in the account are annually appropriated to the commissioner for the purposes
3.8 specified in subdivision 5."

3.9 Page 5, delete lines 26 to 30 and insert:

3.10 "(b) The commissioner must issue a license to a transportation network company that
3.11 submits an application in the form and manner provided by the commissioner and meets
3.12 the requirements of this section. The commissioner is prohibited from requiring a per-driver
3.13 or per-vehicle fee."

3.14 Page 6, line 5, delete "13" and insert "15"

3.15 Page 6, after line 9, insert:

3.16 "Subd. 4. **Administrative fee; collection, remittance.** (a) For each prearranged ride
3.17 that originates in the state, a transportation network company must collect an administrative
3.18 fee equal to one half of one percent of the gross trip fare.

3.19 (b) No later than 30 days after the end of each calendar quarter, a transportation network
3.20 company must submit to the commissioner the following for the previous calendar quarter:

3.21 (1) a remittance equal to the total administrative fees collected by the transportation
3.22 network company;

3.23 (2) a listing that identifies the percentages of administrative fees collected on prearranged
3.24 rides originating in each statutory or home rule charter city, town, or unorganized territory
3.25 within a county; and

3.26 (3) identification of the total amount collected from gross trip fares.

3.27 (c) A transportation network company is responsible for determining the originating
3.28 location of each prearranged ride.

3.29 (d) For purposes of this subdivision, by December 1, 2018, the commissioner must obtain
3.30 or prepare geographic information system (GIS) data in the form of a file that shows the
3.31 state's county, city, and town boundaries. The commissioner must make the GIS data

4.1 available to transportation network companies and notify transportation network companies
 4.2 regarding any updates to the GIS data.

4.3 Subd. 5. **Administrative fee; use of funds.** (a) From funds in the transportation network
 4.4 company account, the commissioner may expend an amount necessary to cover the
 4.5 administrative costs incurred by the commissioner under this section, provided that the
 4.6 amount expended must not exceed (1) 50 percent of the administrative fees collected under
 4.7 subdivision 4, plus (2) any other funds available in the account.

4.8 (b) No later than 60 days after the end of each calendar quarter, the commissioner must
 4.9 distribute the administrative fee revenue collected for the preceding calendar quarter, less
 4.10 the amount expended or encumbered under paragraph (a), to statutory or home rule charter
 4.11 cities and to counties for prearranged rides originating in a town or unorganized territory
 4.12 within the county. The distribution amounts must be proportional based on the percentage
 4.13 of administrative fees collected on prearranged rides originating in each statutory or home
 4.14 rule charter city, town, or unorganized territory within a county during the preceding calendar
 4.15 quarter.

4.16 (c) A statutory or home rule charter city or county that receives a distribution under this
 4.17 subdivision must expend the funds only on streets and highways."

4.18 Renumber the subdivisions in sequence

4.19 Page 6, after line 20, insert:

4.20 "(2) a photograph of the driver;"

4.21 Page 6, line 21, delete "(2)" and insert "(3)"

4.22 Page 6, line 22, delete "(3)" and insert "(4)"

4.23 Page 6, line 24, delete everything before "completion" and insert "(d) Upon"

4.24 Page 6, line 28, delete the second "and"

4.25 Page 6, line 29, delete the period and insert "; and"

4.26 Page 6, after line 29, insert:

4.27 "(4) the driver's first name."

4.28 Page 6, line 30, after the comma, insert "and annually thereafter,"

4.29 Page 7, line 2, delete "and" and insert "has at least one year of driving experience," and
 4.30 after "registration" insert a comma

4.31 Page 7, line 23, delete "subdivision 14" and insert "subdivisions 1, 2, 3, 4, or 5"

5.1 Page 8, delete lines 13 to 14 and insert:

5.2 "(c) A driver may not, at the time the driver picks up a rider, refuse to transport an orderly
5.3 rider, unless the driver has good reason to fear for the driver's personal safety or the safety
5.4 of any other riders or the driver is prohibited by law from transporting the rider."

5.5 Page 8, line 15, after "officer" insert "or an officer or official of a public airport"

5.6 Page 8, line 19, delete everything after "(a)" and insert "For a TNC vehicle that is five
5.7 model years old or older, before permitting the vehicle to be used to provide prearranged
5.8 rides and annually thereafter, a transportation network company must confirm that the
5.9 vehicle has undergone and passed a safety inspection conducted by a licensed mechanic."

5.10 Page 8, delete lines 20 to 21

5.11 Page 9, line 13, after "must" insert a colon

5.12 Page 9, delete lines 14 to 16 and insert:

5.13 "(1) have four doors;

5.14 (2) be registered under chapter 168 as a passenger automobile or noncommercial vehicle,
5.15 as defined in section 168.002;

5.16 (3) be designed to transport not more than eight passengers, including the driver; and

5.17 (4) be no older than 12 model years."

5.18 Page 9, line 17, delete "6" and insert "8"

5.19 Page 10, line 6, after the semicolon insert "and"

5.20 Page 10, line 8, delete "; and" and insert a period

5.21 Page 10, delete line 9

5.22 Page 10, line 25, after the period, insert "A transportation network company must ensure
5.23 that the commissioner has a current copy of the policy."

5.24 Page 11, delete lines 6 to 20 and insert:

5.25 "(b) For the sole purpose of verifying that a transportation network company is in
5.26 compliance with the requirements of this section, the commissioner may visually inspect a
5.27 random sample of records that the transportation network company is required to maintain
5.28 under this subdivision. Except for an inspection under paragraph (c), the commissioner must
5.29 not perform more than one inspection of a transportation network company each year.

5.30 (c) In response to a specific complaint made to the commissioner against a driver or a
5.31 transportation network company for a violation of this section, or upon reasonable suspicion

6.1 that a violation of this section has occurred, including as a result of an inspection conducted
6.2 under paragraph (b), the commissioner may inspect records maintained by the transportation
6.3 network company under this subdivision that are necessary to investigate and resolve the
6.4 complaint or violation. Any data furnished to the commissioner may exclude information
6.5 that would identify specific drivers or passengers, unless the identity of a driver or rider is
6.6 relevant to the complaint or violation."

6.7 Page 11, after line 23, insert:

6.8 "(e) No more frequently than once every two years, the commissioner may request a
6.9 transportation network company to engage an independent third party auditor to verify that
6.10 the administrative fees remitted under subdivision 4 are accurate. The transportation network
6.11 company that is subject to the audit must engage the independent third party auditor and
6.12 provide the commissioner with a copy of the third party audit report. The third party audit
6.13 report is due by the earlier of 90 days following receipt of a written request from the
6.14 commissioner or 15 days following completion of the third party audit. The transportation
6.15 network company may select the auditor at its sole discretion and bears all costs associated
6.16 with the third party audit. The independent third party auditor must be a certified public
6.17 accounting firm licensed in the state and qualified to perform engagements in accordance
6.18 with American Institute of Certified Public Accountants (AICPA) standards. The third party
6.19 audit is limited to two calendar quarters that may be selected by the commissioner. If the
6.20 audit identifies underpayments totaling more than three percent of the total administrative
6.21 fees due for the period audited, the transportation network company must remit the underpaid
6.22 administrative fees to the commissioner for distribution to the appropriate statutory or home
6.23 rule charter cities or towns as identified in the audit."

6.24 Page 11, line 25, after "including" insert "data provided as required under subdivision
6.25 4 and"

6.26 Page 12, line 3, delete "11" and insert "13"

6.27 Page 12, line 14, after "violation" insert "that the transportation network company knew
6.28 or should have known about"

6.29 Page 12, line 24, delete "assess" and insert "assesses" and after "violation" insert "that
6.30 the driver knew or should have known about"

6.31 Page 13, after line 11, insert:

6.32 "(d) Notwithstanding paragraph (c), a city of the first class may impose an annual
6.33 surchage on a transportation network company for the provision of wheelchair accessible

7.1 transportation services in the city, provided that the surcharge must not exceed \$10,000 per
7.2 year."

7.3 Page 13, line 12, delete "(d) An" and insert "(e) A public"

7.4 Page 13, after line 21, insert:

7.5 "(e) This section must not be construed to prohibit peace officers from enforcing
7.6 applicable penal or traffic laws."

7.7 Page 13, delete line 21 and insert "use of airport facilities, and review of transportation
7.8 network company activity on airport property."

7.9 Page 13, before line 22, insert:

7.10 "Sec. 9. CONTINUATION OF OPERATING AUTHORITY.

7.11 Notwithstanding Minnesota Statutes, section 221.845, subdivision 3, paragraph (a), a
7.12 transportation network company as defined in Minnesota Statutes, section 65B.472,
7.13 subdivision 1, operating in the state prior to the effective date of section 8 may continue to
7.14 operate in the state until the commissioner of transportation issues a written decision
7.15 regarding the transportation network company's permit application. A transportation network
7.16 company operating in any political subdivision in the state must apply to the commissioner
7.17 for a permit pursuant to Minnesota Statutes, section 221.845, subdivision 3, on or before
7.18 the 30th day after the commissioner begins accepting permit applications."

7.19 Renumber the sections in sequence and correct the internal references

7.20 Amend the title accordingly