

1.1 moves to amend H.F. No. 586 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "Section 1. Minnesota Statutes 2020, section 65B.15, subdivision 1, is amended to read:

1.4 Subdivision 1. **Grounds and notice.** No cancellation or reduction in the limits of liability
1.5 of coverage during the policy period of any policy shall be effective unless notice thereof
1.6 is given and unless based on one or more reasons stated in the policy which shall be limited
1.7 to the following:

1.8 1. nonpayment of premium; or

1.9 2. the policy was obtained through a material misrepresentation; or

1.10 3. any insured made a false or fraudulent claim or knowingly aided or abetted another
1.11 in the presentation of such a claim; or

1.12 4. the named insured failed to disclose fully motor vehicle accidents and moving traffic
1.13 violations of the named insured for the preceding 36 months if called for in the written
1.14 application; or

1.15 5. the named insured failed to disclose in the written application any requested information
1.16 necessary for the acceptance or proper rating of the risk; or

1.17 6. the named insured knowingly failed to give any required written notice of loss or
1.18 notice of lawsuit commenced against the named insured, or, when requested, refused to
1.19 cooperate in the investigation of a claim or defense of a lawsuit; or

1.20 7. the named insured or any other operator who either resides in the same household, or
1.21 customarily operates an automobile insured under such policy, unless the other operator is
1.22 identified as a named insured in another policy as an insured:

2.1 (a) has, within the 36 months prior to the notice of cancellation, had that person's driver's
2.2 license under suspension or revocation because the person committed a moving traffic
2.3 violation or because the person refused to be tested under section 169A.20, subdivision 1;
2.4 or

2.5 (b) is or becomes subject to epilepsy or heart attacks, and such individual does not
2.6 produce a written opinion from a physician testifying to that person's medical ability to
2.7 operate a motor vehicle safely, such opinion to be based upon a reasonable medical
2.8 probability; or

2.9 (c) has an accident record, conviction record (criminal or traffic), physical condition or
2.10 mental condition, any one or all of which are such that the person's operation of an automobile
2.11 might endanger the public safety; or

2.12 (d) has been convicted, or forfeited bail, during the 24 months immediately preceding
2.13 the notice of cancellation for criminal negligence in the use or operation of an automobile,
2.14 or assault arising out of the operation of a motor vehicle, or operating a motor vehicle while
2.15 in an intoxicated condition or while under the influence of drugs; or leaving the scene of
2.16 an accident without stopping to report; or making false statements in an application for a
2.17 driver's license, or theft or unlawful taking of a motor vehicle; or

2.18 (e) has been convicted of, or forfeited bail for, one or more violations within the 18
2.19 months immediately preceding the notice of cancellation, of any law, ordinance, or rule
2.20 which justify a revocation of a driver's license; or

2.21 8. the insured automobile is:

2.22 (a) so mechanically defective that its operation might endanger public safety; or

2.23 (b) used in carrying passengers for hire or compensation, provided however that the use
2.24 of an automobile for a car pool or a private passenger vehicle used by a volunteer driver as
2.25 defined under section 65B.472, subdivision 1, paragraph (h), shall not be considered use of
2.26 an automobile for hire or compensation; or

2.27 (c) used in the business of transportation of flammables or explosives; or

2.28 (d) an authorized emergency vehicle; or

2.29 (e) subject to an inspection law and has not been inspected or, if inspected, has failed
2.30 to qualify within the period specified under such inspection law; or

3.1 (f) substantially changed in type or condition during the policy period, increasing the
3.2 risk substantially, such as conversion to a commercial type vehicle, a dragster, sports car
3.3 or so as to give clear evidence of a use other than the original use.

3.4 Sec. 2. Minnesota Statutes 2020, section 65B.43, subdivision 12, is amended to read:

3.5 Subd. 12. **Commercial vehicle.** "Commercial vehicle" means:

3.6 (a) any motor vehicle used as a common carrier,

3.7 (b) any motor vehicle, other than a passenger vehicle defined in section 168.002,
3.8 subdivision 24, which has a curb weight in excess of 5,500 pounds apart from cargo capacity,
3.9 or

3.10 (c) any motor vehicle while used in the for-hire transportation of property.

3.11 Commercial vehicle does not include a "commuter van," which for purposes of this
3.12 chapter shall mean a motor vehicle having a capacity of seven to 16 persons which is used
3.13 principally to provide prearranged transportation of persons to or from their place of
3.14 employment or to or from a transit stop authorized by a local transit authority which vehicle
3.15 is to be operated by a person who does not drive the vehicle as a principal occupation but
3.16 is driving it only to or from the principal place of employment, to or from a transit stop
3.17 authorized by a local transit authority₂, or for personal use as permitted by the owner of the
3.18 vehicle, or a private passenger vehicle driven by a volunteer driver.

3.19 Sec. 3. Minnesota Statutes 2020, section 65B.472, subdivision 1, is amended to read:

3.20 Subdivision 1. **Definitions.** (a) Unless a different meaning is expressly made applicable,
3.21 the terms defined in paragraphs (b) through (g) have the meanings given them for the
3.22 purposes of this chapter.

3.23 (b) A "digital network" means any online-enabled application, software, website, or
3.24 system offered or utilized by a transportation network company that enables the
3.25 prearrangement of rides with transportation network company drivers.

3.26 (c) A "personal vehicle" means a vehicle that is used by a transportation network company
3.27 driver in connection with providing a prearranged ride and is:

3.28 (1) owned, leased, or otherwise authorized for use by the transportation network company
3.29 driver; and

3.30 (2) not a taxicab, limousine, ~~or~~ for-hire vehicle, or a private passenger vehicle driven
3.31 by a volunteer driver.

4.1 (d) A "prearranged ride" means the provision of transportation by a driver to a rider,
4.2 beginning when a driver accepts a ride requested by a rider through a digital network
4.3 controlled by a transportation network company, continuing while the driver transports a
4.4 requesting rider, and ending when the last requesting rider departs from the personal vehicle.
4.5 A prearranged ride does not include transportation provided using a taxicab, limousine, or
4.6 other for-hire vehicle.

4.7 (e) A "transportation network company" means a corporation, partnership, sole
4.8 proprietorship, or other entity that is operating in Minnesota that uses a digital network to
4.9 connect transportation network company riders to transportation network company drivers
4.10 who provide prearranged rides.

4.11 (f) A "transportation network company driver" or "driver" means an individual who:

4.12 (1) receives connections to potential riders and related services from a transportation
4.13 network company in exchange for payment of a fee to the transportation network company;
4.14 and

4.15 (2) uses a personal vehicle to provide a prearranged ride to riders upon connection
4.16 through a digital network controlled by a transportation network company in return for
4.17 compensation or payment of a fee.

4.18 (g) A "transportation network company rider" or "rider" means an individual or persons
4.19 who use a transportation network company's digital network to connect with a transportation
4.20 network driver who provides prearranged rides to the rider in the driver's personal vehicle
4.21 between points chosen by the rider.

4.22 (h) A "volunteer driver" means an individual who transports persons or goods on behalf
4.23 of a nonprofit entity or governmental unit in a private passenger vehicle and receives no
4.24 compensation for services provided other than the reimbursement of actual expenses.

4.25 Sec. 4. Minnesota Statutes 2020, section 174.29, subdivision 1, is amended to read:

4.26 Subdivision 1. **Definition.** For the purpose of sections 174.29 and 174.30 "special
4.27 transportation service" means motor vehicle transportation provided on a regular basis by
4.28 a public or private entity or person that is designed exclusively or primarily to serve
4.29 individuals who are elderly or disabled and who are unable to use regular means of
4.30 transportation but do not require ambulance service, as defined in section 144E.001,
4.31 subdivision 3. Special transportation service includes but is not limited to service provided
4.32 by specially equipped buses, vans, taxis, and volunteers driving private automobiles, as
4.33 defined in section 65B.472. Special transportation service also means those nonemergency

5.1 medical transportation services under section 256B.0625, subdivision 17, that are subject
5.2 to the operating standards for special transportation service under sections 174.29 to 174.30
5.3 and Minnesota Rules, chapter 8840.

5.4 Sec. 5. Minnesota Statutes 2020, section 174.30, subdivision 1, is amended to read:

5.5 Subdivision 1. **Applicability.** (a) The operating standards for special transportation
5.6 service adopted under this section do not apply to special transportation provided by:

5.7 (1) a public transit provider receiving financial assistance under sections 174.24 or
5.8 473.371 to 473.449;

5.9 (2) a volunteer driver, as defined in section 65B.472, using a private automobile;

5.10 (3) a school bus as defined in section 169.011, subdivision 71; or

5.11 (4) an emergency ambulance regulated under chapter 144.

5.12 (b) The operating standards adopted under this section only apply to providers of special
5.13 transportation service who receive grants or other financial assistance from either the state
5.14 or the federal government, or both, to provide or assist in providing that service; except that
5.15 the operating standards adopted under this section do not apply to any nursing home licensed
5.16 under section 144A.02, to any board and care facility licensed under section 144.50, or to
5.17 any day training and habilitation services, day care, or group home facility licensed under
5.18 sections 245A.01 to 245A.19 unless the facility or program provides transportation to
5.19 nonresidents on a regular basis and the facility receives reimbursement, other than per diem
5.20 payments, for that service under rules promulgated by the commissioner of human services.

5.21 (c) Notwithstanding paragraph (b), the operating standards adopted under this section
5.22 do not apply to any vendor of services licensed under chapter 245D that provides
5.23 transportation services to consumers or residents of other vendors licensed under chapter
5.24 245D and transports 15 or fewer persons, including consumers or residents and the driver.

5.25 Sec. 6. Minnesota Statutes 2020, section 174.30, subdivision 10, is amended to read:

5.26 Subd. 10. **Background studies.** (a) Providers of special transportation service regulated
5.27 under this section must initiate background studies in accordance with chapter 245C on the
5.28 following individuals:

5.29 (1) each person with a direct or indirect ownership interest of five percent or higher in
5.30 the transportation service provider;

5.31 (2) each controlling individual as defined under section 245A.02;

- 6.1 (3) managerial officials as defined in section 245A.02;
- 6.2 (4) each driver employed by the transportation service provider;
- 6.3 (5) each individual employed by the transportation service provider to assist a passenger
6.4 during transport; and
- 6.5 (6) all employees of the transportation service agency who provide administrative support,
6.6 including those who:
- 6.7 (i) may have face-to-face contact with or access to passengers, their personal property,
6.8 or their private data;
- 6.9 (ii) perform any scheduling or dispatching tasks; or
- 6.10 (iii) perform any billing activities.
- 6.11 (b) The transportation service provider must initiate the background studies required
6.12 under paragraph (a) using the online NETStudy system operated by the commissioner of
6.13 human services.
- 6.14 (c) The transportation service provider shall not permit any individual to provide any
6.15 service or function listed in paragraph (a) until the transportation service provider has
6.16 received notification from the commissioner of human services indicating that the individual:
- 6.17 (1) is not disqualified under chapter 245C; or
- 6.18 (2) is disqualified, but has received a set-aside of that disqualification according to
6.19 sections 245C.22 and 245C.23 related to that transportation service provider.
- 6.20 (d) When a local or contracted agency is authorizing a ride under section 256B.0625,
6.21 subdivision 17, by a volunteer driver, as defined in section 65B.472, and the agency
6.22 authorizing the ride has reason to believe the volunteer driver has a history that would
6.23 disqualify the individual or that may pose a risk to the health or safety of passengers, the
6.24 agency may initiate a background study to be completed according to chapter 245C using
6.25 the commissioner of human services' online NETStudy system, or through contacting the
6.26 Department of Human Services background study division for assistance. The agency that
6.27 initiates the background study under this paragraph shall be responsible for providing the
6.28 volunteer driver with the privacy notice required under section 245C.05, subdivision 2c,
6.29 and payment for the background study required under section 245C.10, subdivision 11,
6.30 before the background study is completed.

7.1 Sec. 7. Minnesota Statutes 2020, section 221.031, subdivision 3b, is amended to read:

7.2 Subd. 3b. **Passenger transportation; exemptions.** (a) A person who transports
7.3 passengers for hire in intrastate commerce, who is not made subject to the rules adopted in
7.4 section 221.0314 by any other provision of this section, must comply with the rules for
7.5 hours of service of drivers while transporting employees of an employer who is directly or
7.6 indirectly paying the cost of the transportation.

7.7 (b) This subdivision does not apply to:

7.8 (1) a local transit commission;

7.9 (2) a transit authority created by law; or

7.10 (3) persons providing transportation:

7.11 (i) in a school bus as defined in section 169.011, subdivision 71;

7.12 (ii) in a Head Start bus as defined in section 169.011, subdivision 34;

7.13 (iii) in a commuter van;

7.14 (iv) in an authorized emergency vehicle as defined in section 169.011, subdivision 3;

7.15 (v) in special transportation service certified by the commissioner under section 174.30;

7.16 (vi) that is special transportation service as defined in section 174.29, subdivision 1,

7.17 when provided by a volunteer driver, as defined in section 65B.472, operating a private

7.18 passenger vehicle as defined in section 169.011, subdivision 52;

7.19 (vii) in a limousine the service of which is licensed by the commissioner under section

7.20 221.84; or

7.21 (viii) in a taxicab, if the fare for the transportation is determined by a meter inside the

7.22 taxicab that measures the distance traveled and displays the fare accumulated.

7.23 Sec. 8. Minnesota Statutes 2020, section 256B.0625, subdivision 17, is amended to read:

7.24 Subd. 17. **Transportation costs.** (a) "Nonemergency medical transportation service"
7.25 means motor vehicle transportation provided by a public or private person that serves
7.26 Minnesota health care program beneficiaries who do not require emergency ambulance
7.27 service, as defined in section 144E.001, subdivision 3, to obtain covered medical services.

7.28 (b) Medical assistance covers medical transportation costs incurred solely for obtaining
7.29 emergency medical care or transportation costs incurred by eligible persons in obtaining
7.30 emergency or nonemergency medical care when paid directly to an ambulance company,

8.1 nonemergency medical transportation company, or other recognized providers of
8.2 transportation services. Medical transportation must be provided by:

8.3 (1) nonemergency medical transportation providers who meet the requirements of this
8.4 subdivision;

8.5 (2) ambulances, as defined in section 144E.001, subdivision 2;

8.6 (3) taxicabs that meet the requirements of this subdivision;

8.7 (4) public transit, as defined in section 174.22, subdivision 7; or

8.8 (5) not-for-hire vehicles, including volunteer drivers, as defined in section 65B.472.

8.9 (c) Medical assistance covers nonemergency medical transportation provided by
8.10 nonemergency medical transportation providers enrolled in the Minnesota health care
8.11 programs. All nonemergency medical transportation providers must comply with the
8.12 operating standards for special transportation service as defined in sections 174.29 to 174.30
8.13 and Minnesota Rules, chapter 8840, and all drivers must be individually enrolled with the
8.14 commissioner and reported on the claim as the individual who provided the service. All
8.15 nonemergency medical transportation providers shall bill for nonemergency medical
8.16 transportation services in accordance with Minnesota health care programs criteria. Publicly
8.17 operated transit systems, volunteers, and not-for-hire vehicles are exempt from the
8.18 requirements outlined in this paragraph.

8.19 (d) An organization may be terminated, denied, or suspended from enrollment if:

8.20 (1) the provider has not initiated background studies on the individuals specified in
8.21 section 174.30, subdivision 10, paragraph (a), clauses (1) to (3); or

8.22 (2) the provider has initiated background studies on the individuals specified in section
8.23 174.30, subdivision 10, paragraph (a), clauses (1) to (3), and:

8.24 (i) the commissioner has sent the provider a notice that the individual has been
8.25 disqualified under section 245C.14; and

8.26 (ii) the individual has not received a disqualification set-aside specific to the special
8.27 transportation services provider under sections 245C.22 and 245C.23.

8.28 (e) The administrative agency of nonemergency medical transportation must:

8.29 (1) adhere to the policies defined by the commissioner in consultation with the
8.30 Nonemergency Medical Transportation Advisory Committee;

9.1 (2) pay nonemergency medical transportation providers for services provided to
9.2 Minnesota health care programs beneficiaries to obtain covered medical services;

9.3 (3) provide data monthly to the commissioner on appeals, complaints, no-shows, canceled
9.4 trips, and number of trips by mode; and

9.5 (4) by July 1, 2016, in accordance with subdivision 18e, utilize a web-based single
9.6 administrative structure assessment tool that meets the technical requirements established
9.7 by the commissioner, reconciles trip information with claims being submitted by providers,
9.8 and ensures prompt payment for nonemergency medical transportation services.

9.9 (f) Until the commissioner implements the single administrative structure and delivery
9.10 system under subdivision 18e, clients shall obtain their level-of-service certificate from the
9.11 commissioner or an entity approved by the commissioner that does not dispatch rides for
9.12 clients using modes of transportation under paragraph (i), clauses (4), (5), (6), and (7).

9.13 (g) The commissioner may use an order by the recipient's attending physician, advanced
9.14 practice registered nurse, or a medical or mental health professional to certify that the
9.15 recipient requires nonemergency medical transportation services. Nonemergency medical
9.16 transportation providers shall perform driver-assisted services for eligible individuals, when
9.17 appropriate. Driver-assisted service includes passenger pickup at and return to the individual's
9.18 residence or place of business, assistance with admittance of the individual to the medical
9.19 facility, and assistance in passenger securement or in securing of wheelchairs, child seats,
9.20 or stretchers in the vehicle.

9.21 Nonemergency medical transportation providers must take clients to the health care
9.22 provider using the most direct route, and must not exceed 30 miles for a trip to a primary
9.23 care provider or 60 miles for a trip to a specialty care provider, unless the client receives
9.24 authorization from the local agency.

9.25 Nonemergency medical transportation providers may not bill for separate base rates for
9.26 the continuation of a trip beyond the original destination. Nonemergency medical
9.27 transportation providers must maintain trip logs, which include pickup and drop-off times,
9.28 signed by the medical provider or client, whichever is deemed most appropriate, attesting
9.29 to mileage traveled to obtain covered medical services. Clients requesting client mileage
9.30 reimbursement must sign the trip log attesting mileage traveled to obtain covered medical
9.31 services.

9.32 (h) The administrative agency shall use the level of service process established by the
9.33 commissioner in consultation with the Nonemergency Medical Transportation Advisory
9.34 Committee to determine the client's most appropriate mode of transportation. If public transit

10.1 or a certified transportation provider is not available to provide the appropriate service mode
10.2 for the client, the client may receive a onetime service upgrade.

10.3 (i) The covered modes of transportation are:

10.4 (1) client reimbursement, which includes client mileage reimbursement provided to
10.5 clients who have their own transportation, or to family or an acquaintance who provides
10.6 transportation to the client;

10.7 (2) volunteer transport, which includes transportation by volunteers using their own
10.8 vehicle;

10.9 (3) unassisted transport, which includes transportation provided to a client by a taxicab
10.10 or public transit. If a taxicab or public transit is not available, the client can receive
10.11 transportation from another nonemergency medical transportation provider;

10.12 (4) assisted transport, which includes transport provided to clients who require assistance
10.13 by a nonemergency medical transportation provider;

10.14 (5) lift-equipped/ramp transport, which includes transport provided to a client who is
10.15 dependent on a device and requires a nonemergency medical transportation provider with
10.16 a vehicle containing a lift or ramp;

10.17 (6) protected transport, which includes transport provided to a client who has received
10.18 a prescreening that has deemed other forms of transportation inappropriate and who requires
10.19 a provider: (i) with a protected vehicle that is not an ambulance or police car and has safety
10.20 locks, a video recorder, and a transparent thermoplastic partition between the passenger and
10.21 the vehicle driver; and (ii) who is certified as a protected transport provider; and

10.22 (7) stretcher transport, which includes transport for a client in a prone or supine position
10.23 and requires a nonemergency medical transportation provider with a vehicle that can transport
10.24 a client in a prone or supine position.

10.25 (j) The local agency shall be the single administrative agency and shall administer and
10.26 reimburse for modes defined in paragraph (i) according to paragraphs (m) and (n) when the
10.27 commissioner has developed, made available, and funded the web-based single administrative
10.28 structure, assessment tool, and level of need assessment under subdivision 18e. The local
10.29 agency's financial obligation is limited to funds provided by the state or federal government.

10.30 (k) The commissioner shall:

10.31 (1) in consultation with the Nonemergency Medical Transportation Advisory Committee,
10.32 verify that the mode and use of nonemergency medical transportation is appropriate;

11.1 (2) verify that the client is going to an approved medical appointment; and

11.2 (3) investigate all complaints and appeals.

11.3 (l) The administrative agency shall pay for the services provided in this subdivision and
11.4 seek reimbursement from the commissioner, if appropriate. As vendors of medical care,
11.5 local agencies are subject to the provisions in section 256B.041, the sanctions and monetary
11.6 recovery actions in section 256B.064, and Minnesota Rules, parts 9505.2160 to 9505.2245.

11.7 (m) Payments for nonemergency medical transportation must be paid based on the client's
11.8 assessed mode under paragraph (h), not the type of vehicle used to provide the service. The
11.9 medical assistance reimbursement rates for nonemergency medical transportation services
11.10 that are payable by or on behalf of the commissioner for nonemergency medical
11.11 transportation services are:

11.12 (1) \$0.22 per mile for client reimbursement;

11.13 (2) up to 100 percent of the Internal Revenue Service business deduction rate for volunteer
11.14 transport;

11.15 (3) equivalent to the standard fare for unassisted transport when provided by public
11.16 transit, and \$11 for the base rate and \$1.30 per mile when provided by a nonemergency
11.17 medical transportation provider;

11.18 (4) \$13 for the base rate and \$1.30 per mile for assisted transport;

11.19 (5) \$18 for the base rate and \$1.55 per mile for lift-equipped/ramp transport;

11.20 (6) \$75 for the base rate and \$2.40 per mile for protected transport; and

11.21 (7) \$60 for the base rate and \$2.40 per mile for stretcher transport, and \$9 per trip for
11.22 an additional attendant if deemed medically necessary.

11.23 (n) The base rate for nonemergency medical transportation services in areas defined
11.24 under RUCA to be super rural is equal to 111.3 percent of the respective base rate in
11.25 paragraph (m), clauses (1) to (7). The mileage rate for nonemergency medical transportation
11.26 services in areas defined under RUCA to be rural or super rural areas is:

11.27 (1) for a trip equal to 17 miles or less, equal to 125 percent of the respective mileage
11.28 rate in paragraph (m), clauses (1) to (7); and

11.29 (2) for a trip between 18 and 50 miles, equal to 112.5 percent of the respective mileage
11.30 rate in paragraph (m), clauses (1) to (7).

12.1 (o) For purposes of reimbursement rates for nonemergency medical transportation
12.2 services under paragraphs (m) and (n), the zip code of the recipient's place of residence
12.3 shall determine whether the urban, rural, or super rural reimbursement rate applies.

12.4 (p) For purposes of this subdivision, "rural urban commuting area" or "RUCA" means
12.5 a census-tract based classification system under which a geographical area is determined
12.6 to be urban, rural, or super rural.

12.7 (q) The commissioner, when determining reimbursement rates for nonemergency medical
12.8 transportation under paragraphs (m) and (n), shall exempt all modes of transportation listed
12.9 under paragraph (i) from Minnesota Rules, part 9505.0445, item R, subitem (2)."

12.10 Delete the title and insert:

12.11 "A bill for an act
12.12 relating to transportation; defining volunteer driver; making technical and
12.13 conforming corrections; amending Minnesota Statutes 2020, sections 65B.15,
12.14 subdivision 1; 65B.43, subdivision 12; 65B.472, subdivision 1; 174.29, subdivision
12.15 1; 174.30, subdivisions 1, 10; 221.031, subdivision 3b; 256B.0625, subdivision
12.16 17."