

House Research Act Summary

CHAPTER: 19

SESSION: 2003 Special Session

TOPIC: Omnibus transportation appropriations act

Date: June 24, 2003

Analyst: John Williams, 651-296-5045

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Overview

This act appropriates \$3.79 billion, mostly in dedicated highway funds, to the departments of transportation and public safety and the metropolitan council. Detail on specific appropriations can be found in the spreadsheet.

The act authorizes sale of \$400 million in trunk highway bonds and appropriates the money to MnDOT for trunk highway improvements and authorizes the department to spend an additional \$400 million in federal advance construction funds for highways. It provides state funds to pay half the cost of operating the Hiawatha light rail transit line, with the remainder coming from the Hennepin county regional rail authority.

The act also increases various fees for motor vehicle transfers, license plates, and DWI-related driver's license reinstatements. It directs MnDOT to implement a plan for allowing single-occupant vehicles to use high-occupancy vehicle lanes for a fee. The metropolitan council is required to seek proposals from vendors seeking to operate the Hiawatha light rail transit line.

The act requires a permit for on-sale alcohol retailers who want to remain open after 1:00 a.m. (under the provisions of another 2003 act allowing such later hours) and dedicates the revenue from the permit fee to a fund for the state patrol and division of alcohol and gambling enforcement. The money is used primarily to add additional state troopers. The fee would be repealed if additional annual tax revenue resulting from the hours change exceeds \$3.85 million.

Section**Article 1: Transportation and Other Agencies**

- 1 Total appropriation.** Appropriates \$3.784 billion to the departments of transportation and public safety and the metropolitan council.
- 2 Transportation.** Appropriates \$1.68 billion in FY 2004 and \$1.76 billion in FY 2005 to the department of transportation.

Subd. 1. Total appropriation.

Subd. 2. Multi-modal systems. Requires transfer of \$3.2 million each year from the rail service improvement account in the special revenue fund to the debt service fund. Specifies an amount for long-range radar facility in Alexandria. Specifies an amount for civil air patrol hangar at South St. Paul airport. Directs the department to provide up to \$350,000 from accumulated fare revenue to continue operation of the Northstar commuter coach from October, 2003, through September, 2004, if the Northstar corridor development authority or another local government unit operates the service and provides local match for federal funds.

Subd. 3. State roads. Provides for specific amounts for metropolitan-area and greater Minnesota planning grants. Provides for a research contingent account for research that is paid from federal or other sources by reimbursement. Authorizes transfer of up to \$15 million each year to the transportation revolving loan fund. Specifies \$330,000 the first year for bus service to alleviate congestion effects of the Wakota bridge-494-TH61 construction project.

Subd. 4. Local roads. Allows for expenditure of unappropriated balances in the county state-aid highway fund and municipal state-aid street funds, after notice to legislative committees.

Subd. 5. General support and services. Specifies an amount for joint maintenance building in Pennington county,

Subd. 6. Transfers. Allows transfers among appropriations from trunk highway fund and state airports fund, but not between funds. Provides for transfers of \$14.4 million the first year and \$8.3 million the second year from the flexible account to the municipal turnback account.

Subd. 7. Use of state road construction appropriation. Allows expenditure of prior appropriations for state road construction.

Subd. 8. Contingent. Allows expenditure of unappropriated balance in trunk highway fund, with legislative advisory commission review, for trunk highway construction, emergency maintenance, and tort or environmental claims.

Subd. 9. Budget base reduction report. Requires the department to report to the

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legislature each year of the biennium on its implementation of base budget cuts.

3 Metropolitan council. Makes appropriations for bus and light rail transit.

Provides that the \$2.8 million in 2004 and \$3.9 million intended to pay 50 percent of Hiawatha LRT operations after operating revenue and federal funds. Requires the remainder to be provided by the Hennepin county regional rail authority, using a combination of (1) Hennepin county general tax revenues, (2) the HCRRA's reserves, and (3) the HCRRA's light rail levy.

Requires the council to submit to the HCRRA by September 1, 2003, a proposed operations management plan for the LRT line through June 30, 2005, including formation and negotiation of operating contracts, service schedules, fare policy, and staffing. Prohibits the council from adopting or modifying the plan without approval by the HCRRA. Exempts the procurement of operating services for the LRT line from the law that allows the council to competitively bid transit services only with the assistance and advise of a project management team that includes union representatives, private operators, and local governments,

Requires the council to report to the legislature each year of the biennium on its implementation of base budget cuts.

4 Public safety. Appropriates for public safety administration and transportation-related divisions.**Subd. 1. Total appropriation.**

Subd. 2. Administration. Specifies transfer of \$365,000 the first year and \$370,000 the second year for public safety officer survivor benefit reimbursements. Specifies transfer of \$314,000 each year for continued health insurance coverage for public safety officers or their survivors. Specifies \$508,000 each year for soft body armor reimbursements.

Subd. 3. State patrol. Specifies \$3.5 million the first year and \$3.7 million the second year for additional state patrol positions. Provides that if the money transferred to the trunk highway fund under article 2, section 50 (from money from permits allowing on-sale liquor licensees to remain open until 2:00 a.m.) is not equal to this appropriation, the department must make up the difference using federal funds from the federal repeat-offender program.

Subd. 4. Driver and vehicle services.

Subd. 5. Traffic safety. Requires commissioners of transportation and public safety to report to legislative committees annually on expenditure of federal repeat offender transfer program funds. Requires MnDOT to spend one-half of these federal funds for hazard elimination, and transfer the remainder to the commissioner of public safety.

Subd. 6. Pipeline safety.

Subd. 7. Alcohol and gambling enforcement. Appropriates \$150,000 each year from the dedicated fund established with fees for 2:00 a.m. alcohol permits (see

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sections 57 and 58) for alcohol enforcement and administration.

Subd. 8. Report. Requires the department to report to the legislature each year of the biennium on its implementation of base budget cuts.

- 5 **General contingent accounts.** Provides for contingent accounts in the trunk highway, state airports, and highway user tax distribution funds.
- 6 **Tort claims.** To the commissioner of finance.
- 7 **Commerce.** Makes appropriation from the petroleum tank release cleanup fund to the weights and measures division for inspecting and testing petroleum testing equipment.
- 8 **Inspection fees.** Provides that through FY 2004 the cost of inspecting petroleum measuring equipment can be recovered by fees.

Article 2: Other Changes Related to Transportation and Public Safety

- 1 **Appraisal data as public data.** Makes appraisals of property by government agencies public data when submitted to the owner under the following section.
- 2 **Greater Minnesota transit fund.** Amends the law setting up the greater Minnesota transit fund (motor vehicle sales tax revenues replacing property taxes for greater Minnesota transit) by directing MnDOT to use money in the fund for transit operations under the department's greater Minnesota transit assistance program and for related program administration.
- 3 **Sharing of appraisal data.** Requires governments seeking to acquire real property by eminent domain to obtain at least one appraisal, conferring with the owner if reasonably possible. Requires the government agency to give the appraisal to the owner at least 20 days before submitting the eminent domain petition to the courts. Allows the owner to obtain an independent appraisal, and be reimbursed for its costs up to \$1,500 if the owner gives to the government agency the information necessary for reimbursement within 60 days of receiving the agency's appraisal. Requires department to negotiate in good faith for direct purchase before using eminent domain.
- 4 **Reimbursement.** Increases from \$500 to \$1,500 the maximum reimbursement to property owners for their own appraisals when property is purchased by MnDOT by direct purchase.
- 5 **Requirement to use archaeologists on highway projects.** Amends the law that requires government agencies to use services of archaeologist where archaeological or historic sites are known or suspected to exist based on investigations, by changing "suspected to exist" to "based on scientific investigation are predicted to exist."
- 6 **Review of plans by state archaeologist.** Makes a change similar to the previous section in the law requiring agencies to submit plans to the state archaeologist or director of the historical society.

Sets a 30-day time limit from the date of submission for the state archaeologist and historical society to make recommendations on preserving sites.

- 7 **High-occupancy vehicle lane use.** Allows the department of transportation to allow single-occupant vehicles to use high-occupancy vehicle lanes on payment of a fee. Requires the department to obtain federal authorization before allowing such use.

Provides for deposit of fees into a dedicated account in the special revenue fund, and establishment of a separate account for each highway. Appropriates money in the account to MnDOT. Directs the department to use the appropriation to reimburse other fund sources for

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implementation costs and to pay other costs of implementing and administering the fee system, and to spend half of the remainder for transportation improvements in the corridor and the other half as a grant to the metropolitan council for expansion and improvement of bus transit in the highway corridor.

Exempts the process from rule-making requirements and from provisions relating to toll roads.

Makes it a petty misdemeanor to drive a single-occupant vehicle in an HOV lane.

- 8 Report on trunk highway expenditures.** Requires a biennial report from MnDOT to the legislature on total trunk highway fund expenditures on road construction, planning, professional and technical contracts, design and engineering, labor, right-of-way acquisition, litigation costs, maintenance, and road operations. Requires the report to estimate cost of environmental mitigation and compliance on two selected projects.
- 9 Payment of sales tax from trunk highway fund.** Deletes payment of sales tax from the statutory list of expenditures that may not be made from the trunk highway fund.
- 10 Agreements with Indian tribes.** Authorizes MnDOT to make agreements with Indian tribal authorities over maintenance, design, and construction of highways on Indian land.
- 11 Centerline miles on county state-aid highway in city.** Repeals the law that provides that if a county state-aid highway is established over the center two lanes of a street in a city over 5,000 the remaining portion may be established as a municipal state-aid street. (The law being repealed is a remnant of a period when only the center 24 feet of a county highway could be a county state-aid highway.)
- 12 State-aid rules to auditors.** Deletes the requirement that state-aid rules be sent to county auditors.
- 13 Approval of state-aid highways sent to auditors.** Deletes the requirement that copies of the commissioner of transportation's approval of designation of county state-aid highways be sent to county auditors.
- 14 MSA mileage.** Provides that the 20 percent limit for the portion of a city's total mileage that may be put on the municipal state-aid system applies to total mileage wholly or partly in the city. Allows municipal state-aid streets to be wholly or partly in a city.
- 15 Selection of county engineers.** Deletes the requirement that counties select a county engineer from a list of registered engineers maintained by MnDOT.
- 16 County cartways.** Allows a county to designate a vacated county highway as a county cartway, on which the county could spend money for maintenance or improvement only if the county board determines that such an expenditure is in the public interest.
- 17 Transfer from county jurisdiction.** Allows a county to transfer a county road to another road authority, a federal agency, or an Indian tribe.
- 18 Town line roads.** Provides for mediation, arbitration, or mediation-arbitration to resolve disputes between towns over the maintenance of a road that lies along the common town line.
- 19 Special mobile equipment.** Includes truck-mounted log loaders in the list of special mobile equipment not subject to licensing as motor vehicles.
- 20 Hauling of forest products.** Provides that the 5 percent tolerance with respect to gross vehicle weight, gross axle weight, and registered gross weight that is granted to vehicles hauling unfinished forest products does not apply on interstate highways.

Provides that a vehicle hauling forest products is not subject to axle weight limits during the

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winter weight increase period if it conforms to gross vehicle weight limits.

21 Ambulance attendant special plates. Allows a volunteer ambulance attendant to be issued up to two sets of special license plates. Requires a holder of such plates to return them if the person ceases to be a volunteer ambulance attendant.

22 Plate fees. Establishes the following license plate fees:

Plate	Current Rule	Proposed
Sequential double plate	\$3.00	\$4.25
Sequential special plate--double	\$4.00	\$7.00
Sequential single plate	\$2.00	\$3.00
Sequential special plate--single	\$3.00	\$5.50
Self-adhesive plate	Not specified	\$2.50
Nonsequential double plate	\$14.00	\$14.00
Nonsequential single plate	\$10.00	\$10.00
Duplicate sticker	Not specified	\$1.00

Under present law plate fees not set by law are set by the department in an amount calculated to cover cost of manufacturing and issuing the plates.

23 Special plate proposals. Sets out procedures for special license plates.

Subd. 1. Definition. Defines “special license plate” as a plate that has wording and graphics that differ from a standard passenger vehicle plate.

Subd. 2. Submissions to department. Requires entities that plan to seek legislation to authorize a new special plate to submit to the department of public safety:

- ▶ a description of the proposal
- ▶ a survey that shows that at least 10,000 vehicle owners would purchase the proposed plate
- ▶ an application fee to cover the department’s cost of reviewing the application and developing the plate, up to \$20,000
- ▶ a marketing strategy for the proposed plate

Subd. 3. Design. Provides that if the special plate is approved by law, the requested must submit a proposed design within 120 days of the effective date of the authorization. Provides that the department selects the final design. Prohibits submitting a new design within 5 years of the first issuance unless the first inventory of plates is exhausted or the requester buys up the remaining plates.

Subd. 4. Refund. Allows for refund of \$17,500 of the fee if the proposal is not approved by the legislature.

Subd. 5. Discontinuance of plate. Provides for discontinuance of the plate if fewer than 1,000 are registered within the first 5 years after authorization, or in any subsequent 5-year period. Allows for discontinuance by the department under specified circumstances. Exempts special veterans plates.

Subd. 6. Use of contributions. Provides that contributions made as a condition of

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obtaining special plates may not be spent for commercial or for-profit purposes.

Subd. 7. Deposit of fee. Requires the application fee to be deposited in the highway user tax distribution fund. Appropriates amounts to the commissioner sufficient to pay administrative costs, including refunds.

24 Special Rotary plates. Authorizes special license plates indicating membership in Rotary International. Provides that the plates may not be issued unless the international organization or one or more districts complies with the requirements of subdivision 2 of the above section. Makes issuance and renewal of the plates subject to subdivisions 3 to 6 of the above section.

25 Transfer fee. Increase from \$2 to \$3 the motor vehicle transfer fee that is presently dedicated to the general fund.

26 Title fee increases. Raises the following motor vehicle title fees:

Application for and issuance of original title, \$2 to \$3

Transfer and issuance of new title, \$2 to \$3.

27 School speed zones. Increases from 20 to 30 m.p.h. the maximum amount by which a speed limit in a school zone may be below the surrounding speed limit, and provides that it may be that amount below any surrounding speed limit rather than surrounding speed limits of 40 m.p.h. or more.

28 Child care provider buses. Requires a school bus operated by a licensed child care provider to comply with most of the conditions that must be complied with by a 15-passenger school bus being operated by a person without a school bus endorsement. The conditions that need not be complied with relate to training of passengers and keeping records of compliance.

29 Terms defined. Changes two cross-references to conform to the repeal of section 169.799 in this article.

30 Sampling to verify insurance coverage. Authorizes the division of driver and vehicle services (DVS) to do a monthly sampling program of licensed drivers who own vehicles, to determine whether they have insurance.

Requires the sample to include at least 2 percent annually of all licensed drivers who own motor vehicles. Half of the sample must be random. The other half must be targeted on drivers who, within the previous year, were convicted of a motor vehicle insurance violation, had their license suspended or revoked due to habitual traffic violations, had no insurance at the time of a reportable accident, or were convicted of an alcohol-related driving offense. Prohibits sampling based on race, religion, physical or mental disability, economic status, or geographic location.

Requires the department to request each owner sampled to furnish insurance information within 30 days to DVS, which would send it to the insurance company for verification. Provides that if the driver falsely claims coverage, or does not respond within 30 days, DVS must suspend the driver's license. Reinstatement of the license would require providing proof of insurance for the following 12 months.

31 Registration revocation and license suspension. Makes it mandatory, rather than optional, for DVS to suspend the driver's license of a person who has not maintained insurance, based

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on DVS records.

- 32 Authority.** Adjusts a cross-reference to conform to the repeal of section 169.799.
- 33 Attestation of insurance required.** Requires a person to “attest” that the person has insurance when the person registers, re-registers, or transfers ownership of a motor vehicle or motorcycle. This would replace the current requirement in rule, that the applicant lists the insurance company and policy number on the registration form. This bill repeals that rule.
- 34 Winter weight increases.** Repeals the statutory descriptions of northern zones in which a 10 percent winter gross weight increase is allowed for trucks and combinations, and replaces them with zones set by the commissioner of transportation.
- 35 Gross weight increase on 9-ton county roads in winter.** Allows gross vehicle weights of up to 88,000 pounds on 9-ton county highways during the time when winter weight increases are in effect in a particular zone, consistent with increases allowed on 10-ton roads.
- 36 Unloading.** Provides that a vehicle is not required to unload if its gross weight does not exceed the gross vehicle weight limit plus registration tolerance plus winter weight allowance.
- 37 Technical.** Makes a technical correction in a cross-reference in an earlier section.
- 38 Disqualifying offenses.** Amends the law that allows a 15-passenger school bus to be driven by a person without a school bus driver’s endorsement under certain circumstances to prohibit operation by a person who has ever been convicted of an offense that would require cancellation of a school bus endorsement.
- 39 Reinstatement fee.** Requires a \$20 fee to reinstate a driver’s license suspended or revoked for not having insurance, not producing proof of insurance, or not responding to the sample.
- 40 License reinstatement fee after alcohol-related revocation.** Increases from \$380 to \$430 the surcharge on the fee charged for reinstating a driver’s license revoked because of an impaired driving or implied consent violation.
- Dedicates five percent of the \$250 base reinstatement fee to a vehicle forfeiture account that would be annually appropriated to the commissioner of public safety for costs of handling vehicle forfeitures.
- Dedicates \$50 from the surcharge to the traumatic brain injury and spinal cord injury account. (Under present law this account receives five percent of the \$250 base fee, or \$12.50 per reinstatement.) Increases from 35 percent to 83 percent the amount spent by the health department on a contract with a community-based organization to provide resources and support to persons with such injuries and their families. Reduces from 65 percent to 17 percent the amount allocated for the traumatic brain injury and spinal cord injury registry.
- 41 Semi-annual forecast.** Requires MnDOT to prepare a semi-annual forecast of highway user tax distribution fund and trunk highway fund revenues and expenditures.
- 42 Greater Minnesota transit assistance program.** Provides that financial assistance to greater Minnesota transit systems under MnDOT’s greater Minnesota transit assistance program includes money from the greater Minnesota transit fund (dedicated 1.25 percent of motor vehicle sales tax). This has the effect of the greater Minnesota transit fund with legislative appropriations for greater Minnesota transit assistance and ending the fund’s tie to property tax replacement.
- 43 Greater Minnesota operating assistance.** Repeals a reference to greater Minnesota property tax replacement aid (repealed elsewhere in the article).

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Reduces percentages of total operating cost for greater Minnesota transit systems that must come from local sources: urbanized area service and small urban area service, from 40 to 20 percent; for rural area service and elderly/handicapped service, from 35 to 15 percent.

Provides that in CY 2004 and 2005 the department may adjust payments to systems that were receiving assistance on January 1, 2003, to enable those systems to meet requirements of this section.

Provides that no system presently receiving assistance will have their assistance in CY 2004 or 2005 reduced below the CY 2003 level except for reductions made necessary by budget base cuts.

44 Payment of greater Minnesota transit operating assistance. Provides for staging of payments through the year to greater Minnesota transit systems from the greater Minnesota transit fund.

45 Major transportation projects commission. Provides that the major transportation projects commission expires June 30, 2003.

46 Repeal of obsolete provision. Deletes obsolete reference to hearings on petitions for certificate of public convenience and necessity by pipeline carriers.

47 Property tax levy limit. Repeals a reference to greater Minnesota property tax replacement aid.

48 Motor vehicle sales tax transfer. Repeals expired language dedicating a percentage of motor vehicle sales tax revenue.

Repeals the transfer of 2 percent of motor vehicle sales tax revenues to a metropolitan area transit appropriation account, scheduled to begin in FY 2004.

Reallocates revenue from the motor vehicle sales tax:

	Current for FY 2003	FY 2004 – FY 2007	FY 2008 and After
Highway user tax distribution fund (HUTDF)	32%	30%	32%
Metropolitan transit fund	20.5%	21.5%	20.5%
Greater Minnesota transit fund	1.25%	1.43%	1.25%
County state-aid highway fund	0% (included in HUTDF above)	.65% (in addition to share through HUTDF)	0% (included in HUTDF above)
Municipal state-aid street fund	0% (included in HUTDF above)	.17% (in addition to share through HUTDF)	0% (included in HUTDF above)

49 Payment of reimbursements for peace officer health insurance. Amends the law that authorizes state payment of reimbursements to local public employers for costs of continued health insurance for peace officers and firefighters who suffer a disabling injury in the line of duty that forces retirement. Under this change applications would have to be made by August 1 for the preceding fiscal year. Reimbursements would be paid on an equal pro rata share based on the availability of funds. Individual shares could not exceed actual costs of

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providing coverage.

- 50 Alcohol enforcement account.** Dedicates the revenues from the fees paid by on-sale alcohol licensees for permits allowing sales and consumption after 1:00 a.m. (see sections 58 to 60) to an alcohol enforcement account in the special revenue fund. Allows money in the account to be appropriated for (1) costs of the department of public safety division of alcohol and gambling enforcement related to administration and enforcement of the permits, and (2) costs of the state patrol.

Directs the commissioner of public safety to transfer from this account \$3.5 million in FY 2004 and \$3.7 million in FY 2005, or as much as is needed to fund additional state patrol positions.

- 51 Department of public safety administrative actions.** Allows the department to take administrative actions against deputy vehicle and bicycle registrars and driver license agents.

Subd. 1. Definitions. Defines “administrative agent” to include deputy registrars of vehicles, deputy registrars of bicycles, and driver license agents.

Subd. 2. Applicability. Makes this and next two sections apply to administrative agents under authority of the department.

Subd. 3. Cumulative remedy. States that department authority to take administrative actions is in addition to other remedies.

Subd. 4. Access to information and property. Allows the department to have access to books, records, and property of administrative agents.

Subd. 5. False information. Prohibits administrative agents from making false statements in a required document, omitting material information from a required document, or altering, concealing, or failing to file a required document.

Subd. 6. Enforcement. Allows the attorney general to proceed to enforce penalties under this section. Allows the attorney general to petition a district court to file a department administrative order as a court order. Allows the attorney general to bring civil actions for payment of unpaid penalties.

Subd. 7. Recovery of costs and expenses. Allows the state to be allowed litigation expenses in an action to enforce an administrative action if the state prevails. Allows defendant to recover if defendant prevails.

Subd. 8. Education and compliance account. Creates an education and compliance account to receive administrative penalty receipts. Makes a standing appropriation from the account of \$5,000 per year to the department for education and compliance activities for administrative agents. Provides that unspent money in the account at the end of each biennium transfers to the general fund.

Subd. 9. Plan. Requires the department to prepare a plan for using the authority in sections 9 to 11. Requires a 30-day public comment period. Requires the plan to be finalized by July 1, 2004.

- 52 Orders and injunctions.** Provides for orders and injunctions issued by the department of public safety against administrative agents.

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Subd. 1. Corrective orders. Allows the department to issue corrective orders to administrative agents requiring them to correct a violation of law, rule, or other authority. Requires the agent to demonstrate that the violation has been corrected or that the agent has developed a corrective plan. Directs the department to determine if the violation has been corrected, and so inform the agent.

Allows an agent to request the department to reconsider an order the agent believes to be in error. Provides that such a request does not stay the order.

Subd. 2. Cease and desist order. Allows the commissioner of public safety or a designated employee of the department to issue a cease and desist order to cease an otherwise-lawful activity if its continuation would result in an immediate risk to public safety. Requires the department to seek an injunction or take other administrative action authorized by law in order to restrain an activity beyond 72 hours.

Subd. 3. Action for injunctive relief. Allows the department to bring an action for injunctive relief in district court to enjoin a violation of statute, rule, or other authority.

53 Administrative penalty orders. Provides for administrative penalty orders against administrative agents.

Subd. 1. General. Allows the department to issue an order requiring violations to be corrected, and imposing monetary penalties on administrative agents for violations of statute, rule, or other authority. Limits maximum penalty to \$10,000 for all violations found in an inspection or review of compliance.

Subd. 2. Considerations. Requires the department, in determining amount of penalty, to consider willfulness, gravity, past violations, number of violations, economic benefit of violations to the violator, and other factors identified in the order.

Requires the department, in determining amount of penalty for a violation after an initial violation, to consider the above factors and also similarity of violations, time since last violation, number of previous violations, and the agent's response to the most recent identified violation.

Subd. 3. Contents of order. Requires an order assessing a penalty to include a statement of fact, identification of violation, amount of proposed penalty, and a statement of the agent's right to review the order. Allows an order to be combined with a corrective order under the previous section.

Subd. 4. Due date. Makes penalties due and payable on the 31st day after receipt of the order, unless a review is requested, if the agent fails to provide information showing that the violation has been corrected or steps taken towards correction. Provides for accrual of interest on penalties.

Subd. 5. Expedited hearing. Allows an agent who has received an order to request an expedited hearing before an administrative law judge within the time periods in subd. 5. Requires the ALJ to issue a report within 30 days of the close of the record. Allows the department to increase the penalty if the ALJ finds that the hearing request was frivolous or for the purpose of delay.

Allows the department to issue a final order within 5 days of receiving the ALJ's

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report.

Subd. 6. Mediation. Allows the department to enter into mediation if both parties agree.

- 54 Towing in capitol complex.** Requires towing of vehicles in the capitol complex to conform to state law on towing.
- 55 Capitol security oversight committee.** Provides that the capitol security oversight committee expires June 30, 2004.
- 56 Web site publication.** Allows local governments to meet requirements to publish notice of transportation projects by publishing them on their web sites.
- 57 Notice to commissioner.** Requires municipalities issuing 3.2 beer licenses to report them to the department of public safety.
- 58 Authorization for consumption and display permits.** Requires a holder of a state permit to allow consumption and display of alcoholic beverages on the premises (bottle clubs and set-ups) to obtain additional authorization from the state if the permit holder wishes to extend the last hour of consumption and display from 1:00 a.m. to 2:00 a.m. Makes authorization valid for one year at a fee of \$200. Requires fees to be deposited in the special account set up in section 50. Waives the requirement if the permit holder also has an on-sale alcoholic beverage license.

(Other legislation enacted in the 2003 regular session extended the last hour for consumption and display from 1:00 a.m. to 2:00 a.m.)

- 59 Permit for 2:00 a.m. sale.** Requires an on-sale retailer of alcoholic beverages to obtain a state permit in order to sell between the hours of 1:00 a.m. and 2:00 a.m. Sets the fee according to a sliding scale based on gross receipts from on-sale of alcoholic beverages in the previous year:

(1) up to \$100,000 in gross receipts, \$200

(2) Over \$100,000 but not over \$500,000 in gross receipts, \$500

(3) Over \$500,000 in gross receipts, \$600.

Sets the fee at \$200 for a 3.2 beer licensees, and for retailers of intoxicating liquor that did not have sales for an entire year before the year the permit is issued. Requires deposit of fees into the special account set up in section 50.

(Other legislation enacted in the 2003 regular session extended the last hour for on-sale of alcohol from 1:00 a.m. to 2:00 a.m.)

- 60 Effect of annexation on town roads.** Provides that when a municipality annexes property that abuts one side of a town road, the segment of town road abutting the property must be treated as a line road, making it subject to the law that provides for agreements on costs between the town and the city. Provides that when a municipality annexes property on both sides of a town road the road ceases to be a town road and becomes a municipal responsibility. Allows the annexing municipality to contract with the town for maintenance. Allows such an annexed road to be considered as a town road for purposes of county road and bridge revenues for the year in which the annexation occurs.

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- 61 Effect of annexation on easements.** Provides that if a municipality annexes property in which an affected town holds an easement for public benefit, the easement interest continues unless the town agrees otherwise.
- 62 1999 aeronautics appropriation.** Allows money appropriated for airport development and assistance for the 2000-01 biennium to be available for five years after appropriation.
- 63 Repeal of sunset on seasonal weight exemptions.** Repeals the June 30, 2003, sunset date on provisions from 2001 that gave exemptions from seasonal weight limits for utility and recycling vehicles.
- 64 Repeal of sunsets.** Repeals the July 1, 2003, sunset on the 2001 law that exempts type A-II (10+ passenger vans under 10,000 lbs.) and type III (vans and stations wagons under 11 passengers) school buses from the definition of “commercial motor vehicle” in traffic law.
- Repeals the July 1, 2003, sunset for the 2001 provisions of law that allow persons without a school bus driver’s endorsement to operate a type A school bus that is under 10,000 pounds carrying 15 or fewer passengers under specified circumstances.
- 65 2001 aeronautics appropriation.** Allows money appropriated for airport development and assistance for the 2002-03 biennium to be available for five years after appropriation.
- 66 Transfer from loan fund.** Directs the commissioner of finance to transfer to the general fund \$8.2 million (\$4.1 million each year) of the general fund appropriation to the transportation revolving loan fund made in 2000
- 67 Study of rest area program.** Requires MnDOT to report to legislative committees on the department’s rest area program, including:
- ▶ Adequacy of funding
 - ▶ Closings and hours reductions achieved and planned
 - ▶ Steps taken for leasing or contracting-out of rest areas to private entities
- 68 Rumble strip study.** Requires MnDOT to study feasibility and practicability of milled-in rumble strips on centerline of trunk and county state-aid highways.
- 69 Transfer.** Directs the finance department to transfer to the general fund \$155,000 from the alcohol-impaired driver education account.
- 70 Hubbard marketplace.** Prohibits the metropolitan council from reducing level of public access to services and facilities at the Hubbard Marketplace transit hub in Robbinsdale, effective until June 30, 2005.
- 71 Bus rapid transit study.** Directs MnDOT to study the feasibility of a bus rapid transit system on I-35W between Minneapolis and Lakeville. Requires the study to include analysis of costs and benefits of implementing a system that includes frequent operation of buses, bus platforms that facilitate fare collection, stations located near the exclusive right-of-way, traffic management improvements on I-35W, and connections with existing transit. Requires the study to recommend implementation options, and costs and benefits of each option.
- Requires a report to legislative policy and finance committees by December 10, 2004.
- 72 LRT operation RFP.** Requires the metropolitan council, in consultation with the department of administration, to prepare a request for proposals to operate the Hiawatha light rail line. Requires the request to invite proposals from in-state and out-of-state vendors, including the councils transit operations division. Requires the administration department, in

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consultation with the finance department and the Hennepin county regional rail authority, to evaluate the proposals. Requires the council to consider the evaluations of the administration department in determining whether to issue a contract and to whom. Requires the council, if it decides to use a private vendor, to select the vendor by December 1, 2003. Exempts the procurement of operating services for LRT operations from the law that requires all council competitive bidding for transit services to be with the advise and assistance of a project management team that includes representatives of transit unions, private operators, and local government.

- 73 Itasca county land exchange.** Allows Itasca county to obtain land for highway maintenance facilities by exchange rather than advertising for bids.
- 74 Southwest transitway rail transit.** Prohibits MnDOT, the metropolitan council, and the Hennepin county regional rail authority from taking action or spending money on engineering, design, or construction of light rail or commuter rail in the southwest transitway corridor between Minneapolis and Eden Prairie. Effective until July 1, 2005.
- 75 Northstar rail study.** Directs MnDOT, in conjunction with Northstar corridor development authority, to convene a work group to further study feasibility of the Northstar commuter rail line. Require updating of ridership forecast based on new census data. Directs the work group to seek updated information from the BNSF railroad on issue related to commuter rail. Requires a report on the work group's findings to legislative committees by January 15, 2004. Prohibits payments to outside consultants related to the work group's assignments.
- 76 Commissioner of revenue study.** Directs the commissioner of revenue, in consultation with the hospitality industry, to determine amount of additional state tax revenue attributable to changes in hours for on-sale of alcohol. Requires a report to the governor and legislature by January 15, 2005. Requires the commissioner to report to the secretary of state if the amount is determined to be at least \$3.85 million.
- 77 MAC taxi advisory committee.** Requires the metropolitan airports commission to allow taxi industry participation in any taxi advisory committee it maintains. Prohibits the MAC from prohibiting participation of any representative of a qualified taxi owner, taxi company, or taxi association in the committee. Effective under June 30, 2005.
- 78 Effective date of on-sale hours change.** Changes from August 1, 2003, to July 1, 2003, the effective date of the law passed in the 2003 regular session moving the last hour of on-sale of alcohol from 1:00 a.m. to 2:00 a.m.
- 79 Repealer.** Repeals the rule that establishes license plate and sticker fees.
- Repeals statutes and rules on proof of insurance and mandatory insurance coverage that have been superseded by the new provisions relating to survey of motorists to determine insurance coverage.
- Provides that sections relating to 2:00 a.m. permits are repealed if the report under section 76 shows additional state tax revenue of at least \$3.85 million.
- 80 Effective date.** Makes all sections effective immediately except where otherwise specified.

Article 3: Trunk Highway Bonding

1 Appropriations. Appropriates \$400 million from the bond proceeds account in the trunk highway fund to the commissioner of transportation for metropolitan area bottlenecks and greater Minnesota interregional corridor improvements. Requires that within each of these categories \$25 million must go for safety and capacity improvement projects including additional lanes on highways with known safety problems.

Requires the department to the maximum feasible extent to divide spending of this money equally between the metropolitan district and the remainder of the state.

Designates at least \$36 million for transit capital improvements on trunk highways. Allows up to \$68.5 million for program delivery.

Requires a report each year through 2007 on projects to be funded from this money and adherence to criteria and spending goals.

Appropriates \$400,000 from the bond proceeds account in the trunk highway fund to the finance department for bond sale expenses.

Provides that any part of the money not encumbered or otherwise obligated by June 30, 2007, cancels to the trunk highway bond account in the state bond fund.

2 Bond sale. Authorizes sale of up to \$400.4 million in trunk highway bonds.

3 Advance construction. Allows MnDOT to spend up to \$400 million through FY 2009 in advance construction funding authorized by the federal government. Adds any additional advance construction authorization to this amount.

Requires the department to the maximum feasible extent to divide spending of this money equally between the metropolitan district and the remainder of the state. Requires a report each year to legislative committees on (1) impact of advance construction funding on the trunk highway fund, (2) estimate of additional advance construction funding available, and (3) geographic distribution of spending and compliance with spending goal.

4 Greater Minnesota transit. Allows MnDOT to spend up to \$5 million through FY 2008 in federal funds for greater Minnesota transit capital assistance, in addition to any other appropriations for this purpose.

5 Report. Requires a report to legislative committees by January 15 of each year through 2007 on how the department is spending the bond money and whether it can do so with existing staffing or if additional staffing is required.

6 Effective date. Makes sections effective immediately.

Article 4: Fiscal Year 2003 Appropriations and Transfers

1 Transportation appropriations and transfers. Summarizes the transfers and cancellations.

2 Transportation. Appropriates \$110 million from trunk highway bond proceeds for transportation purposes specified in the 2000 transportation appropriations bill and cancels \$110 million of general fund appropriations for transportation in that bill.

Transfers \$15 million of the state airport fund cash balance to the general fund by the end of fiscal year 2003.

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- 3** **Bond sale expenses.** Appropriates \$110,000 to the commissioner of finance for the expenses of selling \$110 million of bonds authorized in section 4.
- 4** **Bond sale authorization.** Authorizes the commissioner of finance to sell \$110.11 million of state bonds at the request of the commissioner of transportation with the proceeds credited to the trunk highway fund.
- 5** **Effective date.** Makes article effective the day following final enactment.