

## ARTICLE 1

## TRANSPORTATION FISCAL PROVISIONS

Section 1. **[86B.841] TRANSFER-ON-DEATH TITLE TO WATERCRAFT.**

Subdivision 1. **Titled as transfer-on-death.** A natural person who is the owner of a watercraft may have the watercraft titled in transfer-on-death or TOD form by including in the application for the certificate of title a designation of a beneficiary or beneficiaries to whom the watercraft must be transferred on death of the owner or the last survivor of joint owners with rights of survivorship, subject to the rights of secured parties.

Subd. 2. **Designation of beneficiary.** A watercraft is registered in transfer-on-death form by designating on the certificate of title the name of the owner and the names of joint owners with identification of rights of survivorship, followed by the words "transfer-on-death to (name of beneficiary or beneficiaries)." The designation "TOD" may be used instead of "transfer-on-death." A title in transfer-on-death form is not required to be supported by consideration, and the certificate of title in which the designation is made is not required to be delivered to the beneficiary or beneficiaries in order for the designation to be effective.

Subd. 3. **Interest of beneficiary.** The transfer-on-death beneficiary or beneficiaries have no interest in the watercraft until the death of the owner or the last survivor of joint owners with rights of survivorship. A beneficiary designation may be changed at any time by the owner or by all joint owners with rights of survivorship, without the consent of the beneficiary or beneficiaries, by filing an application for a new certificate of title.

Subd. 4. **Vesting of ownership in beneficiary.** Ownership of a watercraft titled in transfer-on-death form vests in the designated beneficiary or beneficiaries on the death of the owner or the last of the joint owners with rights of survivorship, subject to the rights of secured parties. The transfer-on-death beneficiary or beneficiaries who survive the owner may apply for a new certificate of title to the watercraft upon submitting a certified death record of the owner of the watercraft. If no transfer-on-death beneficiary or beneficiaries survive the owner of a watercraft, the watercraft must be included in the probate estate of the deceased owner. A transfer of a watercraft to a transfer-on-death beneficiary or beneficiaries is not a testamentary transfer.

Subd. 5. **Rights of creditors.** (a) This section does not limit the rights of any secured party or creditor of the owner of a watercraft against a transfer-on-death beneficiary or beneficiaries.

(b) The state or a county agency with a claim or lien authorized by section 246.53, 256B.15, 261.04, or 270C.63, is a creditor for purposes of this subdivision. A claim

2.1 or lien under those sections continues to apply against the designated beneficiary or  
 2.2 beneficiaries after the transfer under this section if other assets of the deceased owner's  
 2.3 estate are insufficient to pay the amount of the claim. The claim or lien continues to apply  
 2.4 to the watercraft until the designated beneficiary sells or transfers it to a person against  
 2.5 whom the claim or lien does not apply and who did not have actual notice or knowledge  
 2.6 of the claim or lien.

2.7 Sec. 2. Minnesota Statutes 2014, section 115E.042, is amended to read:

2.8 **115E.042 PREPAREDNESS AND RESPONSE FOR CERTAIN RAILROADS.**

2.9 Subdivision 1. **Application.** In addition to the requirements of section 115E.04,  
 2.10 a person who owns or operates railroad car rolling stock transporting a unit train must  
 2.11 comply with this section.

2.12 Subd. 2. **Training.** (a) Each railroad must offer training to each fire department,  
 2.13 and each local organization for emergency management under section 12.25, having  
 2.14 jurisdiction along the route of unit trains routes over which oil and other hazardous  
 2.15 substances are transported. ~~Initial training under this subdivision must be offered to each~~  
 2.16 ~~fire department by June 30, 2016,~~ and Refresher training must be offered to each fire  
 2.17 department and local organization for emergency management at least once every three  
 2.18 years ~~thereafter~~ after initial training under this subdivision.

2.19 (b) The training must address the general hazards of oil and hazardous substances,  
 2.20 techniques to assess hazards to the environment and to the safety of responders and the  
 2.21 public, factors an incident commander must consider in determining whether to attempt to  
 2.22 suppress a fire or to evacuate the public and emergency responders from an area, and other  
 2.23 strategies for initial response by local emergency responders. The training must include  
 2.24 suggested protocol or practices for local responders to safely accomplish these tasks.

2.25 Subd. 3. **Coordination.** ~~Beginning June 30, 2015,~~ Each railroad must communicate  
 2.26 at least annually with each county or city emergency manager, safety representatives of  
 2.27 railroad employees governed by the Railway Labor Act, and a senior fire department  
 2.28 officer of each fire department having jurisdiction along the route of a unit train routes  
 2.29 over which oil and other hazardous substances are transported, to:

2.30 (1) ensure coordination of emergency response activities between the railroad and  
 2.31 local responders; and

2.32 (2) assist emergency managers identify and assess local threats, hazards, and risks in  
 2.33 areas (i) having high population concentration, or (ii) in which key facilities are located.

2.34 Subd. 4. **Response capabilities; time limits.** (a) Following confirmation of a  
 2.35 discharge, a railroad must deliver and deploy sufficient equipment and trained personnel to

3.1 contain and recover discharged oil or hazardous substances and to protect the environment  
3.2 and public safety.

3.3 (b) Within one hour of confirmation of a discharge, a railroad must provide a  
3.4 qualified company employee to advise the incident commander. The employee may be  
3.5 made available by telephone, and must be authorized to deploy all necessary response  
3.6 resources of the railroad.

3.7 (c) Within three hours of confirmation of a discharge, a railroad must be capable of  
3.8 delivering monitoring equipment and a trained operator to assist in protection of responder  
3.9 and public safety. A plan to ensure delivery of monitoring equipment and an operator to a  
3.10 discharge site must be provided each year to the commissioner of public safety.

3.11 (d) Within three hours of confirmation of a discharge, a railroad must provide qualified  
3.12 personnel at a discharge site to assess the discharge and to advise the incident commander.

3.13 (e) A railroad must be capable of deploying containment boom from land across  
3.14 sewer outfalls, creeks, ditches, and other places where oil or hazardous substances  
3.15 may drain, in order to contain leaked material before it reaches those resources. The  
3.16 arrangement to provide containment boom and staff may be made by:

- 3.17 (1) training and caching equipment with local jurisdictions;
- 3.18 (2) training and caching equipment with a fire mutual-aid group;
- 3.19 (3) means of an industry cooperative or mutual-aid group;
- 3.20 (4) deployment of a contractor;
- 3.21 (5) deployment of a response organization under state contract; or
- 3.22 (6) other dependable means acceptable to the Pollution Control Agency.

3.23 (f) Each arrangement under paragraph (e) must be confirmed each year. Each  
3.24 arrangement must be tested by drill at least once every five years.

3.25 (g) Within eight hours of confirmation of a discharge, a railroad must be capable of  
3.26 delivering and deploying containment boom, boats, oil recovery equipment, trained staff,  
3.27 and all other materials needed to provide:

3.28 (1) on-site containment and recovery of a volume of oil equal to ten percent of the  
3.29 calculated worst case discharge at any location along the route; and

3.30 (2) protection of listed sensitive areas and potable water intakes within one mile of  
3.31 a discharge site and within eight hours of water travel time downstream in any river  
3.32 or stream that the right-of-way intersects.

3.33 (h) Within 60 hours of confirmation of a discharge, a railroad must be capable of  
3.34 delivering and deploying additional containment boom, boats, oil recovery equipment,  
3.35 trained staff, and all other materials needed to provide containment and recovery of a

4.1 worst case discharge and to protect listed sensitive areas and potable water intakes at any  
4.2 location along the route.

4.3 Subd. 5. **Railroad Environmental response drills.** Each railroad must conduct at  
4.4 ~~least one~~ oil containment, recovery, and sensitive area protection ~~drill~~ exercises as follows:  
4.5 (1) at least one tabletop exercise every year; and (2) at least one full-scale exercise every  
4.6 three years, at a location and time and in the manner chosen by the Pollution Control  
4.7 Agency, and attended by safety representatives of railroad employees governed by the  
4.8 Railway Labor Act.

4.9 Subd. 5a. **Prevention and response plans; capacity information.** In addition to  
4.10 other requirements, a prevention and response plan under section 115E.04 must include a  
4.11 description of the capacity and methods a railroad intends to utilize in order to meet the  
4.12 requirements under subdivision 4.

4.13 Subd. 6. **Prevention and response plans; submission requirements.** (a) ~~By~~  
4.14 ~~June 30, 2015,~~ A railroad shall submit the prevention and response plan required under  
4.15 section 115E.04, as necessary to comply with the requirements of this section, to the  
4.16 commissioner of the Pollution Control Agency on a form designated by the commissioner.

4.17 (b) ~~By June 30 of~~ In every third year following a plan submission under this  
4.18 subdivision, or sooner as provided under section 115E.04, subdivision 2, a railroad must  
4.19 update and resubmit the prevention and response plan to the commissioner.

4.20 Subd. 7. **Financial responsibility.** (a) Each railroad must file with the commissioner  
4.21 of transportation a financial responsibility plan that complies with the requirements of this  
4.22 subdivision, in a form and manner determined by the commissioner.

4.23 (b) The financial responsibility plan must include (1) evidence demonstrating that  
4.24 the railroad has the financial ability to pay for the environmental costs that may arise  
4.25 while the financial responsibility plan is in effect, and (2) business information required by  
4.26 the commissioner.

4.27 (c) Evidence of the railroad's financial ability to pay, in the form, at the amount,  
4.28 and with such contractual terms, conditions, or defenses required by the commissioner  
4.29 can be demonstrated by:

4.30 (1) insurance meeting the requirements of chapter 60A;

4.31 (2) self-insurance;

4.32 (3) surety bond; or

4.33 (4) irrevocable letter of credit, as defined in section 336.5-102.

4.34 (d) The commissioner must set the amount of financial ability to pay in consultation  
4.35 with the commissioner of the Pollution Control Agency: (1) using a calculation based on  
4.36 the volume of oil or other hazardous substances to be transported within or through the

5.1 state; and (2) at a level no less than the expected environmental costs from a worst-case  
5.2 discharge.

5.3 (e) A financial responsibility plan must be continuous until canceled. The  
5.4 commissioner must receive 90 days' written notice prior to cancellation of any evidence of  
5.5 the railroad's ability to pay. A railroad shall notify the commissioner promptly following a  
5.6 material change in ability to pay.

5.7 Sec. 3. Minnesota Statutes 2014, section 161.368, is amended to read:

5.8 **161.368 HIGHWAY CONTRACTS WITH TRIBAL AUTHORITIES.**

5.9 (a) On behalf of the state, the commissioner may enter into agreements with Indian  
5.10 tribal authorities for the purpose of providing maintenance, design, and construction to  
5.11 highways on tribal lands. These agreements may include (1) a provision for waiver of  
5.12 immunity from suit by a party to the contract on the part of the tribal authority with respect  
5.13 to any controversy arising out of the contract and (2) a provision conferring jurisdiction on  
5.14 state district courts to hear such a controversy.

5.15 (b) Notwithstanding section 161.32, for construction of highways on tribal lands  
5.16 in a reservation exempt from Public Law 83-280, the commissioner may: (1) award  
5.17 a preference for Indian-owned contractors to the same extent provided in the applicable  
5.18 Tribal Employment Rights Ordinance, but not to exceed ten percent; or (2) negotiate  
5.19 with the tribal authority and enter into an agreement for the tribal authority to award and  
5.20 administer the construction contract, with the commissioner providing funding for the  
5.21 state share of the project. If negotiating with the tribal authority, the commissioner must  
5.22 perform an independent cost estimate and determine that the cost proposed by the tribal  
5.23 authority is reasonable. An agreement negotiated with a tribal authority must include a  
5.24 clause requiring conformance with plans and specifications approved by the commissioner.

5.25 Sec. 4. Minnesota Statutes 2014, section 165.14, subdivision 6, is amended to read:

5.26 Subd. 6. **Annual report.** ~~Annually~~ By January 15 of each odd-numbered year, the  
5.27 commissioner shall submit a report on the program to the chairs and ranking minority  
5.28 members of the house of representatives and senate committees with jurisdiction over  
5.29 transportation finance. The report must include the inventory information required under  
5.30 subdivision 3, and an analysis, including any recommendations for changes, of the  
5.31 adequacy and efficacy of (1) the program requirements under subdivision 3, and (2) the  
5.32 prioritization requirements under subdivision 4.

6.1 Sec. 5. Minnesota Statutes 2014, section 168.017, is amended by adding a subdivision  
6.2 to read:

6.3 Subd. 6. Refunds; grace period. The registrar shall cancel registration and provide  
6.4 a full refund on a vehicle registered under this section if an application for refund is  
6.5 submitted within the first ten days of the month commencing the registration period for  
6.6 which the refund is submitted.

6.7 EFFECTIVE DATE. This section is effective the day following final enactment,  
6.8 and applies to registration periods starting on or after January 1, 2017.

6.9 Sec. 6. [168.1294] LAW ENFORCEMENT MEMORIAL PLATES.

6.10 Subdivision 1. Issuance of plates. The commissioner shall issue special law  
6.11 enforcement memorial license plates or a single motorcycle plate to an applicant who:

6.12 (1) is a registered owner of a passenger automobile, noncommercial one-ton pickup  
6.13 truck, motorcycle, or recreational motor vehicle;

6.14 (2) pays an additional fee of \$10 for each set of plates;

6.15 (3) pays the registration tax as required under section 168.013, along with any  
6.16 other fees required by this chapter;

6.17 (4) contributes \$25 upon initial application and a minimum of \$5 annually to the  
6.18 Minnesota Law Enforcement Memorial Association; and

6.19 (5) complies with this chapter and rules governing registration of motor vehicles  
6.20 and licensing of drivers.

6.21 Subd. 2. Design. After consultation with the Minnesota Law Enforcement Memorial  
6.22 Association, the commissioner shall design the special plate. The final design of the plate  
6.23 is subject to the approval of the commissioner.

6.24 Subd. 3. Plates transfer. On application to the commissioner and payment of a  
6.25 transfer fee of \$5, special plates may be transferred to another qualified motor vehicle that  
6.26 is registered to the same individual to whom the special plates were originally issued.

6.27 Subd. 4. Exemption. Special plates issued under this section are not subject to  
6.28 section 168.1293, subdivision 2.

6.29 Subd. 5. Fees. Fees collected under subdivision 1, clauses (2) and (3), and  
6.30 subdivision 3 are credited to the vehicle services operating account in the special revenue  
6.31 fund.

6.32 EFFECTIVE DATE. This section is effective January 1, 2017, for special law  
6.33 enforcement memorial plates issued on or after that date.

7.1 Sec. 7. **[168A.125] TRANSFER-ON-DEATH TITLE TO MOTOR VEHICLE.**

7.2 Subdivision 1. **Titled as transfer-on-death.** A natural person who is the owner of  
7.3 a motor vehicle may have the motor vehicle titled in transfer-on-death or TOD form by  
7.4 including in the application for the certificate of title a designation of a beneficiary or  
7.5 beneficiaries to whom the motor vehicle must be transferred on death of the owner or the last  
7.6 survivor of joint owners with rights of survivorship, subject to the rights of secured parties.

7.7 Subd. 2. **Designation of beneficiary.** A motor vehicle is registered in  
7.8 transfer-on-death form by designating on the certificate of title the name of the owner  
7.9 and the names of joint owners with identification of rights of survivorship, followed by  
7.10 the words "transfer-on-death to (name of beneficiary or beneficiaries)." The designation  
7.11 "TOD" may be used instead of "transfer-on-death." A title in transfer-on-death form is  
7.12 not required to be supported by consideration, and the certificate of title in which the  
7.13 designation is made is not required to be delivered to the beneficiary or beneficiaries in  
7.14 order for the designation to be effective. If the owner of the motor vehicle is married at  
7.15 the time of the designation, the designation of a beneficiary other than the owner's spouse  
7.16 requires the spouse's written consent.

7.17 Subd. 3. **Interest of beneficiary.** The transfer-on-death beneficiary or beneficiaries  
7.18 have no interest in the motor vehicle until the death of the owner or the last survivor of  
7.19 joint owners with rights of survivorship. A beneficiary designation may be changed at any  
7.20 time by the owner or by all joint owners with rights of survivorship, without the consent of  
7.21 the beneficiary or beneficiaries, by filing an application for a new certificate of title.

7.22 Subd. 4. **Vesting of ownership in beneficiary.** Ownership of a motor vehicle titled  
7.23 in transfer-on-death form vests in the designated beneficiary or beneficiaries on the death  
7.24 of the owner or the last of the joint owners with rights of survivorship, subject to the  
7.25 rights of secured parties. The transfer-on-death beneficiary or beneficiaries who survive  
7.26 the owner may apply for a new certificate of title to the motor vehicle upon submitting  
7.27 a certified death record of the owner of the motor vehicle. If no transfer-on-death  
7.28 beneficiary or beneficiaries survive the owner of a motor vehicle, the motor vehicle must  
7.29 be included in the probate estate of the deceased owner. A transfer of a motor vehicle to a  
7.30 transfer-on-death beneficiary or beneficiaries is not a testamentary transfer.

7.31 Subd. 5. **Rights of creditors.** (a) This section does not limit the rights of any  
7.32 secured party or creditor of the owner of a motor vehicle against a transfer-on-death  
7.33 beneficiary or beneficiaries.

7.34 (b) The state or a county agency with a claim or lien authorized by section 246.53,  
7.35 256B.15, 261.04, or 270C.63, is a creditor for purposes of this subdivision. A claim  
7.36 or lien under those sections continues to apply against the designated beneficiary or

8.1 beneficiaries after the transfer under this section if other assets of the deceased owner's  
 8.2 estate are insufficient to pay the amount of the claim. The claim or lien continues to  
 8.3 apply to the motor vehicle until the designated beneficiary sells or transfers it to a person  
 8.4 against whom the claim or lien does not apply and who did not have actual notice or  
 8.5 knowledge of the claim or lien.

8.6 Sec. 8. Minnesota Statutes 2014, section 168A.29, subdivision 1, is amended to read:

8.7 Subdivision 1. **Amounts.** (a) The department must be paid the following fees:

8.8 (1) for filing an application for and the issuance of an original certificate of title,  
 8.9 the sum of:

8.10 (i) until December 31, 2016, \$6.25 of which \$3.25 must be paid into the vehicle  
 8.11 services operating account of the special revenue fund under section 299A.705, and from  
 8.12 July 1, 2012, to June 30, ~~2016~~ 2019, a surcharge of \$1 must be added to the fee and  
 8.13 credited to the driver and vehicle services technology account; and

8.14 (ii) on and after January 1, 2017, \$8.25 of which \$4.15 must be paid into the vehicle  
 8.15 services operating account;

8.16 (2) for each security interest when first noted upon a certificate of title, including the  
 8.17 concurrent notation of any assignment thereof and its subsequent release or satisfaction,  
 8.18 the sum of \$2, except that no fee is due for a security interest filed by a public authority  
 8.19 under section 168A.05, subdivision 8;

8.20 (3) until December 31, 2016, for the transfer of the interest of an owner and the  
 8.21 issuance of a new certificate of title, the sum of \$5.50 of which \$2.50 must be paid into the  
 8.22 vehicle services operating account of the special revenue fund under section 299A.705,  
 8.23 and from July 1, 2012, to June 30, ~~2016~~ 2019, a surcharge of \$1 must be added to the fee  
 8.24 and credited to the driver and vehicle services technology account;

8.25 (4) for each assignment of a security interest when first noted on a certificate of title,  
 8.26 unless noted concurrently with the security interest, the sum of \$1; and

8.27 (5) for issuing a duplicate certificate of title, the sum of \$7.25 of which \$3.25 must  
 8.28 be paid into the vehicle services operating account of the special revenue fund under  
 8.29 section 299A.705; from July 1, 2012, to June 30, ~~2016~~ 2019, a surcharge of \$1 must be  
 8.30 added to the fee and credited to the driver and vehicle services technology account.

8.31 (b) In addition to the fee required under paragraph (a), clause (1), the department  
 8.32 must be paid \$3.50. The additional \$3.50 fee collected under this paragraph must be  
 8.33 deposited in the special revenue fund and credited to the public safety motor vehicle  
 8.34 account established in section 299A.70.

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

9.1 Sec. 9. Minnesota Statutes 2014, section 169.345, subdivision 2, is amended to read:

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

9.4 (b) "Health professional" means a licensed physician, licensed physician assistant,  
9.5 advanced practice registered nurse, or licensed chiropractor.

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

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

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

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

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

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

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

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

9.20 (5) has an arterial oxygen tension (PaO<sub>2</sub>) of less than 60 mm/Hg on room air at rest;

9.21 (6) uses portable oxygen;

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

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

9.26 (9) has a disability that would be aggravated by walking 200 feet under normal  
9.27 environmental conditions to an extent that would be life threatening; or

9.28 (10) has been diagnosed with a form of dementia that is progressive in nature with  
9.29 physical complications, or the condition either impacts activities of daily living or presents  
9.30 an unreasonable safety risk.

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

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

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

10.1 Sec. 10. Minnesota Statutes 2014, section 171.06, subdivision 2, is amended to read:

10.2 Subd. 2. **Fees.** (a) The fees for a license and Minnesota identification card are  
10.3 as follows:

10.4	Classified Driver's License	D-\$17.25	C-\$21.25	B-\$28.25	A-\$36.25
10.5	Classified Under-21 D.L.	D-\$17.25	C-\$21.25	B-\$28.25	A-\$16.25
10.6	Enhanced Driver's License	D-\$32.25	C-\$36.25	B-\$43.25	A-\$51.25
10.7	Instruction Permit				\$5.25
10.8	Enhanced Instruction				
10.9	Permit				\$20.25
10.10	Commercial Learner's				
10.11	Permit				\$2.50
10.12	Provisional License				\$8.25
10.13	Enhanced Provisional				
10.14	License				\$23.25
10.15	Duplicate License or				
10.16	duplicate identification				
10.17	card				\$6.75
10.18	Enhanced Duplicate				
10.19	License or enhanced				
10.20	duplicate identification				
10.21	card				\$21.75
10.22	Minnesota identification				
10.23	card or Under-21				
10.24	Minnesota identification				
10.25	card, other than duplicate,				
10.26	except as otherwise				
10.27	provided in section 171.07,				
10.28	subdivisions 3 and 3a				\$11.25
10.29	Enhanced Minnesota				
10.30	identification card				\$26.25

10.31 In addition to each fee required in this paragraph, the commissioner shall collect a  
10.32 surcharge of: (1) \$1.75 until June 30, 2012; and (2) \$1.00 from July 1, 2012, to June 30,  
10.33 ~~2016~~ 2019. Surcharges collected under this paragraph must be credited to the driver and  
10.34 vehicle services technology account in the special revenue fund under section 299A.705.

10.35 (b) Notwithstanding paragraph (a), an individual who holds a provisional license and  
10.36 has a driving record free of (1) convictions for a violation of section 169A.20, 169A.33,  
10.37 169A.35, or sections 169A.50 to 169A.53, (2) convictions for crash-related moving  
10.38 violations, and (3) convictions for moving violations that are not crash related, shall have a  
10.39 \$3.50 credit toward the fee for any classified under-21 driver's license. "Moving violation"  
10.40 has the meaning given it in section 171.04, subdivision 1.

10.41 (c) In addition to the driver's license fee required under paragraph (a), the  
10.42 commissioner shall collect an additional \$4 processing fee from each new applicant  
10.43 or individual renewing a license with a school bus endorsement to cover the costs for

11.1 processing an applicant's initial and biennial physical examination certificate. The  
 11.2 department shall not charge these applicants any other fee to receive or renew the  
 11.3 endorsement.

11.4 (d) In addition to the fee required under paragraph (a), a driver's license agent may  
 11.5 charge and retain a filing fee as provided under section 171.061, subdivision 4.

11.6 (e) In addition to the fee required under paragraph (a), the commissioner shall  
 11.7 charge a filing fee at the same amount as a driver's license agent under section 171.061,  
 11.8 subdivision 4. Revenue collected under this paragraph must be deposited in the driver  
 11.9 services operating account.

11.10 (f) An application for a Minnesota identification card, instruction permit, provisional  
 11.11 license, or driver's license, including an application for renewal, must contain a provision  
 11.12 that allows the applicant to add to the fee under paragraph (a), a \$2 donation for the  
 11.13 purposes of public information and education on anatomical gifts under section 171.075.

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

11.15 Sec. 11. Minnesota Statutes 2014, section 174.185, is amended to read:

11.16 **174.185 PAVEMENT LIFE-CYCLE COST ANALYSIS.**

11.17 Subdivision 1. **Definitions.** For the purposes of this section, the following  
 11.18 definitions apply.

11.19 (a) "Life-cycle cost" is the sum of the cost of the initial pavement project and  
 11.20 all anticipated costs for maintenance, repair, and resurfacing over the life of the  
 11.21 pavement. Anticipated costs must be based on Minnesota's actual or reasonably projected  
 11.22 maintenance, repair, and resurfacing schedules, and costs determined by the Department  
 11.23 of Transportation district personnel based upon recently awarded local projects and  
 11.24 experience with local material costs.

11.25 (b) "Life-cycle cost analysis" is a comparison of life-cycle costs among competing  
 11.26 paving materials using equal design lives and equal comparison periods.

11.27 Subd. 2. **Required analysis.** For each project in the reconditioning, resurfacing,  
 11.28 and road repair funding categories, the commissioner shall perform a life-cycle cost  
 11.29 analysis and shall document the lowest life-cycle costs and all alternatives considered.  
 11.30 The commissioner shall document the chosen pavement strategy and, if the lowest life  
 11.31 cycle is not selected, document the justification for the chosen strategy. ~~A life-cycle cost  
 11.32 analysis is required for projects to be constructed after July 1, 2011. For projects to be  
 11.33 constructed prior to July 1, 2011, when feasible, the department will use its best efforts to  
 11.34 perform life-cycle cost analyses.~~

12.1 Subd. 3. **Report.** The commissioner shall report ~~annually~~ by January 15 of each  
 12.2 year to the chairs and ranking minority members of the senate and house of representatives  
 12.3 committees with jurisdiction over transportation finance ~~beginning on January 1, 2012,~~ the  
 12.4 results of the analyses required in subdivision 2.

12.5 Sec. 12. Minnesota Statutes 2014, section 174.30, subdivision 1, is amended to read:

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

12.8 (1) ~~a common carrier operating on fixed routes and schedules~~ public transit provider  
 12.9 receiving financial assistance under sections 174.24 or 473.371 to 473.449;

12.10 (2) a volunteer driver using a private automobile;

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

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

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

12.23 (c) Notwithstanding paragraph (b), the operating standards adopted under this  
 12.24 section do not apply to any vendor of services licensed under chapter 245D that provides  
 12.25 transportation services to consumers or residents of other vendors licensed under chapter  
 12.26 245D and transports 15 or fewer persons, including consumers or residents and the driver.

12.27 Sec. 13. Minnesota Statutes 2014, section 174.30, is amended by adding a subdivision  
 12.28 to read:

12.29 Subd. 1a. **Definition.** For purposes of this section, unless the context clearly  
 12.30 indicates otherwise, "disqualified" means an individual disqualified under chapter 245C  
 12.31 who has not received a disqualification set-aside under sections 245C.22 and 245C.23  
 12.32 specific to that special transportation service provider.

13.1 Sec. 14. Minnesota Statutes 2015 Supplement, section 174.30, subdivision 4, is  
13.2 amended to read:

13.3 Subd. 4. **Vehicle and equipment inspection; rules; decal; complaint contact**  
13.4 **information; restrictions on name of service.** (a) The commissioner shall inspect or  
13.5 provide for the inspection of vehicles at least annually. In addition to scheduled annual  
13.6 inspections and reinspections scheduled for the purpose of verifying that deficiencies have  
13.7 been corrected, unannounced inspections of any vehicle may be conducted.

13.8 (b) On determining that a vehicle or vehicle equipment is in a condition that is likely  
13.9 to cause an accident or breakdown, the commissioner shall require the vehicle to be taken  
13.10 out of service immediately. The commissioner shall require that vehicles and equipment  
13.11 not meeting standards be repaired and brought into conformance with the standards  
13.12 and shall require written evidence of compliance from the operator before allowing the  
13.13 operator to return the vehicle to service. The commissioner may prohibit a vehicle from  
13.14 being placed in or returned to service under a certificate of compliance until the vehicle  
13.15 fully complies with all of the requirements in Minnesota Rules, chapter 8840.

13.16 (c) The commissioner shall provide in the rules procedures for inspecting vehicles,  
13.17 removing unsafe vehicles from service, determining and requiring compliance, and  
13.18 reviewing driver qualifications.

13.19 (d) The commissioner shall design a distinctive decal to be issued to special  
13.20 transportation service providers with a current certificate of compliance under this section.  
13.21 A decal is valid for one year from the last day of the month in which it is issued. A person  
13.22 who is subject to the operating standards adopted under this section may not provide  
13.23 special transportation service in a vehicle that does not conspicuously display a decal  
13.24 issued by the commissioner.

13.25 (e) All special transportation service providers shall pay an annual fee of \$45  
13.26 to obtain a decal. Providers of ambulance service, as defined in section 144E.001,  
13.27 subdivision 3, are exempt from the annual fee. Fees collected under this paragraph must  
13.28 be deposited in the trunk highway fund, and are appropriated to the commissioner to pay  
13.29 for costs related to administering the special transportation service program.

13.30 (f) Special transportation service providers shall prominently display in each vehicle  
13.31 all contact information for the submission of complaints regarding the transportation  
13.32 services provided to that individual. All vehicles providing service under section  
13.33 473.386 shall display contact information for the Metropolitan Council. All other special  
13.34 transportation service vehicles shall display contact information for the commissioner of  
13.35 transportation.

14.1 (g) Nonemergency medical transportation providers must comply with Minnesota  
14.2 Rules, part 8840.5450, except that a provider may use the phrase "nonemergency medical  
14.3 transportation" in its name or in advertisements or information describing the service.

14.4 Sec. 15. Minnesota Statutes 2014, section 174.30, subdivision 4a, is amended to read:

14.5 Subd. 4a. **Certification of special transportation provider.** (a) The commissioner  
14.6 may refuse to issue a certificate of compliance if an individual specified in subdivision 10,  
14.7 paragraph (a), clauses (1) to (3), is disqualified.

14.8 (b) The commissioner shall annually evaluate or provide for the evaluation of each  
14.9 provider of special transportation service regulated under this section and certify that the  
14.10 provider is in compliance with the standards under this section.

14.11 Sec. 16. Minnesota Statutes 2014, section 174.30, subdivision 8, is amended to read:

14.12 Subd. 8. **Administrative penalties; loss of certificate of compliance.** (a) The  
14.13 commissioner may issue an order requiring violations of this section and the operating  
14.14 standards adopted under this section to be corrected and assessing monetary penalties  
14.15 of up to \$1,000 for all violations identified during a single inspection, investigation,  
14.16 or audit. Section 221.036 applies to administrative penalty orders issued under this  
14.17 section or section 174.315. The commissioner shall suspend, without a hearing, a special  
14.18 transportation service provider's certificate of compliance for failure to pay, or make  
14.19 satisfactory arrangements to pay, an administrative penalty when due.

14.20 (b) If the commissioner determines that an individual subject to background studies  
14.21 under subdivision 10, paragraph (a), is disqualified, the commissioner must issue a written  
14.22 notice ordering the special transportation service provider to immediately cease permitting  
14.23 the individual to perform services or functions listed in subdivision 10, paragraph (a). The  
14.24 written notice must include a warning that failure to comply with the order may result in  
14.25 the suspension or revocation of the provider's certificate of compliance under this section.

14.26 (c) The commissioner may suspend or revoke a provider's certificate of compliance  
14.27 upon determining that, following receipt by a provider of written notice under paragraph  
14.28 (b), the individual has continued to perform services or functions listed in subdivision 10,  
14.29 paragraph (a), for the provider. A provider whose certificate is suspended or revoked may  
14.30 appeal the commissioner's action in a contested case proceeding under chapter 14.

14.31 (d) Penalties collected under this section must be deposited in the state treasury  
14.32 and credited to the trunk highway fund.

15.1 Sec. 17. Minnesota Statutes 2015 Supplement, section 174.30, subdivision 10, is  
15.2 amended to read:

15.3 Subd. 10. **Background studies.** (a) Providers of special transportation service  
15.4 regulated under this section must initiate background studies in accordance with chapter  
15.5 245C on the following individuals:

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

15.8 (2) each controlling individual as defined under section 245A.02, subdivision 5a;

15.9 (3) managerial officials as defined in section 245A.02, subdivision 5a;

15.10 (4) each driver employed by the transportation service provider;

15.11 (5) each individual employed by the transportation service provider to assist a  
15.12 passenger during transport; and

15.13 (6) all employees of the transportation service agency who provide administrative  
15.14 support, including those who:

15.15 (i) may have face-to-face contact with or access to passengers, their personal  
15.16 property, or their private data;

15.17 (ii) perform any scheduling or dispatching tasks; or

15.18 (iii) perform any billing activities.

15.19 (b) The transportation service provider must initiate the background studies required  
15.20 under paragraph (a) using the online NETStudy system operated by the commissioner  
15.21 of human services.

15.22 (c) The transportation service provider shall not permit any individual to provide  
15.23 any service or function listed in paragraph (a) until the transportation service provider  
15.24 has received notification from the commissioner of human services indicating that the  
15.25 individual:

15.26 (1) is not disqualified under chapter 245C; or

15.27 (2) is disqualified, but has received a set-aside of that disqualification according to  
15.28 ~~section~~ sections 245C.22 and 245C.23 related to that transportation service provider.

15.29 (d) When a local or contracted agency is authorizing a ride under section 256B.0625,  
15.30 subdivision 17, by a volunteer driver, and the agency authorizing the ride has reason  
15.31 to believe the volunteer driver has a history that would disqualify the individual or  
15.32 that may pose a risk to the health or safety of passengers, the agency may initiate a  
15.33 background study to be completed according to chapter 245C using the commissioner  
15.34 of human services' online NETStudy system, or through contacting the Department of  
15.35 Human Services background study division for assistance. The agency that initiates the  
15.36 background study under this paragraph shall be responsible for providing the volunteer

16.1 driver with the privacy notice required under section 245C.05, subdivision 2c, and  
16.2 payment for the background study required under section 245C.10, subdivision 11, before  
16.3 the background study is completed.

16.4 Sec. 18. Minnesota Statutes 2014, section 219.015, is amended to read:

16.5 **219.015 STATE RAIL SAFETY INSPECTOR INSPECTION PROGRAM.**

16.6 Subdivision 1. **Positions established; duties.** (a) The commissioner of  
16.7 transportation shall establish three state rail safety inspector positions ~~in the Office~~  
16.8 ~~of Freight and Commercial Vehicle Operations of the Minnesota Department of~~  
16.9 ~~Transportation. On or after July 1, 2015, and~~ the commissioner may establish ~~a fourth~~ up  
16.10 to nine state rail safety inspector ~~position~~ positions following consultation with railroad  
16.11 companies. The commissioner shall apply to and enter into agreements with the Federal  
16.12 Railroad Administration (FRA) of the United States Department of Transportation  
16.13 to participate in the federal State Rail Safety Participation Program for training and  
16.14 certification of an inspector under authority of United States Code, title 49, sections 20103,  
16.15 20105, 20106, and 20113, and Code of Federal Regulations, title 49, part 212.

16.16 (b) A state rail safety inspector ~~shall~~ may inspect mainline track, secondary  
16.17 track, and yard and industry track; inspect railroad right-of-way, including adjacent or  
16.18 intersecting drainage, culverts, bridges, overhead structures, and traffic and other public  
16.19 crossings; inspect yards and physical plants; inspect train equipment; review and enforce  
16.20 safety requirements; review maintenance and repair records; and review railroad security  
16.21 measures.

16.22 (c) A state rail safety inspector may perform, but is not limited to, the duties  
16.23 described in the federal State Rail Safety Participation Program. An inspector may train,  
16.24 be certified, and participate in any of the federal State Rail Safety Participation Program  
16.25 disciplines, including: track, signal and train control, motive power and equipment,  
16.26 operating practices compliance, hazardous materials, and highway-rail grade crossings.

16.27 (d) To the extent delegated by the Federal Railroad Administration and authorized  
16.28 by the commissioner, an inspector may issue citations for violations of this chapter, or to  
16.29 ensure railroad employee and public safety and welfare.

16.30 Subd. 2. **Railroad company assessment; account; appropriation.** (a) As provided  
16.31 in this subdivision, the commissioner shall annually assess railroad companies that are  
16.32 (1) defined as common carriers under section 218.011; (2) classified by federal law  
16.33 or regulation as Class I Railroads, Class I Rail Carriers, Class II Railroads, or Class II  
16.34 Carriers; and (3) operating in this state.

17.1 (b) The assessment must be ~~by a division of~~ calculated to allocate state rail  
 17.2 safety inspector inspection program costs in equal proportion between proportionally  
 17.3 among carriers based on route miles operated in Minnesota, assessed in equal amounts  
 17.4 for 365 days of the calendar year at the time of assessment. The commissioner shall  
 17.5 assess include in the assessment calculation all program or additional position start-up  
 17.6 or re-establishment costs; all related costs of ~~initiating~~ the state rail safety ~~inspector~~  
 17.7 inspection program, including but not limited to inspection, administration, supervision,  
 17.8 travel, equipment, and training; and costs of ongoing state rail inspector duties.

17.9 (c) The assessments collected under this subdivision must be deposited in a ~~special~~  
 17.10 account in the special revenue fund, to be known as the state rail safety inspection account,  
 17.11 which is established in the special revenue fund. The account consists of funds as provided  
 17.12 by this subdivision, and any other money donated, allotted, transferred, or otherwise  
 17.13 provided to the account. Money in the account is appropriated to the commissioner for  
 17.14 the establishment and ongoing responsibilities of the state rail safety ~~inspector~~ inspection  
 17.15 program.

17.16 Subd. 3. **Work site safety coaching program.** The commissioner may exempt a  
 17.17 common carrier not federally classified as Class I from violations for a period of up to  
 17.18 two years if the common carrier applies for participation in a work site safety coaching  
 17.19 program, such as the "MNSharp" program administered by the Minnesota Department of  
 17.20 Labor and Industry, and the commissioner determines such participation to be preferred  
 17.21 enforcement for safety or security violations.

17.22 Subd. 4. **Appeal.** Any person aggrieved by an assessment levied under this section  
 17.23 may appeal within 90 days any assessment, violation, or administrative penalty to the  
 17.24 Office of Administrative Hearings, with further appeal and review by the district court.

17.25 Subd. 5. **Inspection program information.** (a) The commissioner must maintain  
 17.26 on the department's public Web site information on state rail safety inspection program  
 17.27 activity under this section.

17.28 (b) At a minimum, the Web site information must include:

17.29 (1) summaries of defects and violations by (i) railroad company, (ii) shipper  
 17.30 company, (iii) State Rail Safety Participation Program discipline, (iv) type of defect or  
 17.31 violation, (v) level of severity, and (vi) geographic location such as city or region;

17.32 (2) to the extent permitted by federal law, inspection reports or basic details  
 17.33 regarding any identified critical or major defects, or critical or major violations;

17.34 (3) a summary of any enforcement activity;

17.35 (4) a review of corrective actions taken; and

18.1 (5) a review of revenue sources for and summary of expenditures from the state rail  
 18.2 safety inspection account.

18.3 (c) In addition, the Web site information must include railroad bridge inspection  
 18.4 reports provided to the commissioner under section 219.925, subdivision 5.

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

18.6 Sec. 19. Minnesota Statutes 2014, section 219.1651, is amended to read:

18.7 **219.1651 GRADE CROSSING SAFETY ACCOUNT.**

18.8 A Minnesota grade crossing safety account is created in the special revenue fund,  
 18.9 consisting of money credited to the account by law. The account consists of funds as  
 18.10 provided by law, and any other money donated, allotted, transferred, or otherwise provided  
 18.11 to the account. Money in the account is appropriated to the commissioner of transportation  
 18.12 for rail-highway grade crossing safety projects on public streets and highways, including  
 18.13 planning, engineering costs, and other costs associated with the administration and delivery  
 18.14 of grade crossing safety projects. At the discretion of the commissioner of transportation,  
 18.15 money in the account at the end of each biennium may cancel to the trunk highway fund.

18.16 Sec. 20. **[219.925] INCIDENT EMERGENCY RESPONSE; PREPAREDNESS**  
 18.17 **AND INFORMATION.**

18.18 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms  
 18.19 have the meanings given them.

18.20 (b) "Emergency manager" means the director of a local organization for emergency  
 18.21 management under section 12.25.

18.22 (c) "Hazardous substance" has the meaning given in Code of Federal Regulations,  
 18.23 title 49, section 171.8.

18.24 (d) "Oil" has the meaning given in section 115E.01, subdivision 8.

18.25 (e) "Rail carrier" means a railroad company that is (1) defined as a common carrier  
 18.26 under section 218.011; (2) classified by federal law or regulation as Class I Railroad, Class  
 18.27 I Rail Carrier, Class II Railroad, Class II Carrier, Class III Railroad, or Class III Carrier;  
 18.28 and (3) operating in this state.

18.29 Subd. 2. **Emergency response capability notification.** (a) A rail carrier must  
 18.30 provide an emergency response capability notification to each emergency manager and fire  
 18.31 chief having jurisdiction along the routes over which oil and other hazardous substances  
 18.32 are transported and to the commissioner of public safety. At a minimum, the notification  
 18.33 must include geographic inventories of:

19.1 (1) life-safety emergency response equipment and related major supplies, including  
19.2 details on fire-suppression equipment, equipment capacity, and supply amounts; and  
19.3 (2) response staff, including information on number and expertise areas of personnel  
19.4 responding from each geographic location.

19.5 (b) Each inventory under paragraph (a), clauses (1) and (2), must specify storage  
19.6 or starting locations of equipment, supplies, and personnel, and must provide estimates  
19.7 of travel times to a sample of reasonable locations along the routes over which oil and  
19.8 other hazardous substances are transported.

19.9 (c) A rail carrier must promptly provide an updated notification following any  
19.10 material change in the information under this subdivision.

19.11 Subd. 3. **Route planning risk assessment.** A rail carrier must provide a copy of  
19.12 the route planning and analysis, including risk assessment information, required under  
19.13 Code of Federal Regulations, title 49, section 172.820, or successor requirements, to each  
19.14 emergency manager and fire chief having jurisdiction along the routes over which oil and  
19.15 other hazardous substances are transported and to the commissioner of public safety.

19.16 Subd. 4. **Hazardous materials response plans.** A rail carrier must provide a copy of  
19.17 the carrier's hazardous materials emergency response plan to each emergency manager and  
19.18 fire chief having jurisdiction along the routes over which oil and other hazardous substances  
19.19 are transported for integration and coordination with local emergency operations planning.

19.20 Subd. 5. **Bridge inspection reports.** A rail carrier must provide a copy of bridge  
19.21 inspection reports on railroad bridges along the routes over which oil and other hazardous  
19.22 substances are transported to:

19.23 (1) each emergency manager, for those bridges located within the emergency  
19.24 manager's jurisdiction;

19.25 (2) each city or county engineer, for those bridges over a roadway under the  
19.26 engineer's jurisdiction; and

19.27 (3) the commissioner of transportation, for all applicable bridges.

19.28 Subd. 6. **Software program; comprehensive oil and other hazardous materials**  
19.29 **transportation tracking.** (a) All rail carriers subject to this section shall collectively  
19.30 maintain a single software program that must be accessible both by a downloadable  
19.31 application and by means of the Internet. The program must provide comprehensive,  
19.32 accurate, and real-time information regarding transportation of oil and other hazardous  
19.33 substances.

19.34 (b) At a minimum, the software program must:

19.35 (1) contain data that is updated on a real-time basis, including, as practicable,  
19.36 updates due to rail car switching, assembly and disassembly, and storage operations;

20.1 (2) contain information on all tanker railcars carrying oil and other hazardous  
20.2 substances in this state, which must include:

20.3 (i) identification of the specific substance in each railcar; and

20.4 (ii) reasonable estimates of the volume of the substance in each railcar;

20.5 (3) be available to emergency first responders having jurisdiction along the routes  
20.6 over which oil and other hazardous substances are transported, and to employees in the  
20.7 Department of Public Safety designated by the commissioner of public safety; and

20.8 (4) provide a user interface that is accessible by authorized individuals through a  
20.9 Web site.

20.10 (c) The requirement under paragraph (b), clause (3), does not prevent access through  
20.11 software applications on wireless communications devices if it is made available for  
20.12 each operating system commonly in use.

20.13 Subd. 7. **Data-sharing requirements.** (a) A rail carrier must provide all data  
20.14 required under subdivisions 2 to 6 in its entirety, without abridgment.

20.15 (b) A railroad is prohibited from, as a condition of providing any data required under  
20.16 this section, requiring an emergency manager or fire chief to enter into an agreement that  
20.17 restricts the ability of the emergency manager or fire chief to share the data with:

20.18 (1) local emergency responders in the same jurisdiction; or

20.19 (2) other emergency managers or fire chiefs, if information sharing is for emergency  
20.20 life-safety response planning and coordination purposes.

20.21 Subd. 8. **Transported substances community notice.** (a) As provided in this  
20.22 subdivision, each rail carrier must provide a community notice concerning all oil and other  
20.23 hazardous substance transportation within or through the state. The notice requirement  
20.24 under this subdivision does not apply to transportation of goods that are not oil or other  
20.25 hazardous substances. All rail carriers subject to this section must collectively maintain  
20.26 the community notices on a public Web site.

20.27 (b) A notice under this subdivision must include:

20.28 (1) the specific routes over which the oil or other hazardous substance is transported;

20.29 (2) the transportation schedule, including the time, frequency, and volume of oil or  
20.30 other hazardous substance transported on a daily or other reasonable basis as authorized  
20.31 by the commissioner;

20.32 (3) the number of tanker railcars transported;

20.33 (4) a description of the material transported, including, as applicable, the gravity as  
20.34 measured by industry standards and the vapor pressure;

20.35 (5) all applicable emergency response information required under Code of Federal  
20.36 Regulations, title 49, part 172, subpart G, or successor requirements; and

21.1 (6) contact information, including name, title, telephone number, and address, of  
 21.2 at least one qualified company employee who is responsible for serving as a point of  
 21.3 contact for discharge response.

21.4 (c) A railroad must provide a community notice prior to transporting oil and other  
 21.5 hazardous substances, and must provide an updated notice prior to any material change in  
 21.6 the information under paragraph (b).

21.7 **EFFECTIVE DATE.** This section is effective July 1, 2016, except that subdivision  
 21.8 6 is effective July 1, 2017.

21.9 Sec. 21. Minnesota Statutes 2014, section 222.49, is amended to read:

21.10 **222.49 RAIL SERVICE IMPROVEMENT ACCOUNT; APPROPRIATION.**

21.11 The rail service improvement account is created in the special revenue fund ~~in~~  
 21.12 ~~the state treasury.~~ The commissioner shall deposit in this account all consists of funds  
 21.13 as provided by law, and any other money appropriated to or received by the department  
 21.14 for the purpose of rail service improvement donated, allotted, transferred, or otherwise  
 21.15 provided to the account, excluding bond proceeds as authorized by article XI, section 5,  
 21.16 clause (i), of the Minnesota Constitution. All money so deposited is appropriated to the  
 21.17 department for expenditure for rail service improvement in accordance with applicable  
 21.18 state and federal law. This appropriation shall not lapse but shall be available until the  
 21.19 purpose for which it was appropriated has been accomplished. No money appropriated to  
 21.20 the department for the purposes of administering the rail service improvement program  
 21.21 shall be deposited in the rail service improvement account nor shall such administrative  
 21.22 costs be paid from the account.

21.23 Sec. 22. Minnesota Statutes 2014, section 222.50, subdivision 6, is amended to read:

21.24 Subd. 6. **Grants.** The commissioner may approve grants from the rail service  
 21.25 improvement account for ~~payment of up to 50 percent of the nonfederal share of the cost~~  
 21.26 ~~of any rail line project under the federal rail service continuation program~~ freight rail  
 21.27 service improvements that support economic development.

21.28 Sec. 23. Minnesota Statutes 2015 Supplement, section 222.50, subdivision 7, is  
 21.29 amended to read:

21.30 Subd. 7. **Expenditures.** (a) The commissioner may expend money from the rail  
 21.31 service improvement account for the following purposes:

- 22.1 (1) to make transfers as provided under section 222.57 or to pay interest adjustments  
 22.2 on loans guaranteed under the state rail user and rail carrier loan guarantee program;
- 22.3 (2) to pay a portion of the costs of capital improvement projects designed to improve  
 22.4 rail service of a rail user or a rail carrier;
- 22.5 (3) to pay a portion of the costs of rehabilitation projects designed to improve rail  
 22.6 service of a rail user or a rail carrier;
- 22.7 (4) to acquire, maintain, manage, and dispose of railroad right-of-way pursuant to  
 22.8 the state rail bank program;
- 22.9 (5) to provide for aerial photography survey of proposed and abandoned railroad  
 22.10 tracks for the purpose of recording and reestablishing by analytical triangulation the  
 22.11 existing alignment of the in-place track;
- 22.12 (6) to pay a portion of the costs of acquiring a rail line by a regional railroad  
 22.13 authority established pursuant to chapter 398A;
- 22.14 (7) to pay the state matching portion of federal grants for rail-highway grade  
 22.15 crossing improvement projects;
- 22.16 (8) ~~for expenditures made before July 1, 2017, to pay the state matching portion~~  
 22.17 ~~of grants under the federal Transportation Investment Generating Economic Recovery~~  
 22.18 ~~(TIGER) program of the United States Department of Transportation to pay the state~~  
 22.19 matching portion of federal grants for freight rail projects;
- 22.20 (9) to fund rail planning ~~studies~~ activities and other administrative and program  
 22.21 expenses; and
- 22.22 (10) to pay a portion of the costs of capital improvement projects designed to  
 22.23 improve capacity or safety at rail yards.
- 22.24 (b) All money derived by the commissioner from the disposition of railroad  
 22.25 right-of-way or of any other property acquired pursuant to sections 222.46 to 222.62 shall  
 22.26 be deposited in the rail service improvement account.

22.27 Sec. 24. Minnesota Statutes 2015 Supplement, section 256B.0625, subdivision 17,  
 22.28 is amended to read:

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

22.33 (b) Medical assistance covers medical transportation costs incurred solely for  
 22.34 obtaining emergency medical care or transportation costs incurred by eligible persons in  
 22.35 obtaining emergency or nonemergency medical care when paid directly to an ambulance

23.1 company, common carrier, or other recognized providers of transportation services.

23.2 Medical transportation must be provided by:

23.3 (1) nonemergency medical transportation providers who meet the requirements  
23.4 of this subdivision;

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

23.6 (3) taxicabs;

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

23.8 (5) not-for-hire vehicles, including volunteer drivers.

23.9 (c) Medical assistance covers nonemergency medical transportation provided by  
23.10 nonemergency medical transportation providers enrolled in the Minnesota health care  
23.11 programs. All nonemergency medical transportation providers must comply with the  
23.12 operating standards for special transportation service as defined in sections 174.29 to  
23.13 174.30 and Minnesota Rules, chapter 8840, and in consultation with the Minnesota  
23.14 Department of Transportation. All nonemergency medical transportation providers shall  
23.15 bill for nonemergency medical transportation services in accordance with Minnesota  
23.16 health care programs criteria. Publicly operated transit systems, volunteers, and  
23.17 not-for-hire vehicles are exempt from the requirements outlined in this paragraph.

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

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

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

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

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

23.27 ~~(d)~~ (e) The administrative agency of nonemergency medical transportation must:

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

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

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

23.34 (4) by July 1, 2016, in accordance with subdivision 18e, utilize a Web-based single  
23.35 administrative structure assessment tool that meets the technical requirements established

24.1 by the commissioner, reconciles trip information with claims being submitted by  
24.2 providers, and ensures prompt payment for nonemergency medical transportation services.

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

24.8 ~~(f)~~ (g) The commissioner may use an order by the recipient's attending physician or  
24.9 a medical or mental health professional to certify that the recipient requires nonemergency  
24.10 medical transportation services. Nonemergency medical transportation providers shall  
24.11 perform driver-assisted services for eligible individuals, when appropriate. Driver-assisted  
24.12 service includes passenger pickup at and return to the individual's residence or place of  
24.13 business, assistance with admittance of the individual to the medical facility, and assistance  
24.14 in passenger securement or in securing of wheelchairs or stretchers in the vehicle.

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

24.19 Nonemergency medical transportation providers may not bill for separate base rates  
24.20 for the continuation of a trip beyond the original destination. Nonemergency medical  
24.21 transportation providers must maintain trip logs, which include pickup and drop-off times,  
24.22 signed by the medical provider or client, whichever is deemed most appropriate, attesting  
24.23 to mileage traveled to obtain covered medical services. Clients requesting client mileage  
24.24 reimbursement must sign the trip log attesting mileage traveled to obtain covered medical  
24.25 services.

24.26 ~~(g)~~ (h) The administrative agency shall use the level of service process established  
24.27 by the commissioner in consultation with the Nonemergency Medical Transportation  
24.28 Advisory Committee to determine the client's most appropriate mode of transportation.  
24.29 If public transit or a certified transportation provider is not available to provide the  
24.30 appropriate service mode for the client, the client may receive a onetime service upgrade.

24.31 ~~(h)~~ (i) The covered modes of transportation, which may not be implemented without  
24.32 a new rate structure, are:

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

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

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

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

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

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

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

25.20 ~~(h)~~ (j) The local agency shall be the single administrative agency and shall administer  
25.21 and reimburse for modes defined in paragraph ~~(h)~~ (i) according to paragraphs ~~(h)~~ (m) and  
25.22 ~~(m)~~ (n) when the commissioner has developed, made available, and funded the Web-based  
25.23 single administrative structure, assessment tool, and level of need assessment under  
25.24 subdivision 18e. The local agency's financial obligation is limited to funds provided by  
25.25 the state or federal government.

25.26 ~~(j)~~ (k) The commissioner shall:

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

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

25.31 (3) investigate all complaints and appeals.

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

26.1 ~~(f)~~ (m) Payments for nonemergency medical transportation must be paid based  
 26.2 on the client's assessed mode under paragraph ~~(g)~~ (h), not the type of vehicle used to  
 26.3 provide the service. The medical assistance reimbursement rates for nonemergency  
 26.4 medical transportation services that are payable by or on behalf of the commissioner for  
 26.5 nonemergency medical transportation services are:

26.6 (1) \$0.22 per mile for client reimbursement;

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

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

26.12 (4) \$13 for the base rate and \$1.30 per mile for assisted transport;

26.13 (5) \$18 for the base rate and \$1.55 per mile for lift-equipped/ramp transport;

26.14 (6) \$75 for the base rate and \$2.40 per mile for protected transport; and

26.15 (7) \$60 for the base rate and \$2.40 per mile for stretcher transport, and \$9 per trip  
 26.16 for an additional attendant if deemed medically necessary.

26.17 ~~(m)~~ (n) The base rate for nonemergency medical transportation services in areas  
 26.18 defined under RUCA to be super rural is equal to 111.3 percent of the respective base rate  
 26.19 in paragraph ~~(f)~~ (m), clauses (1) to (7). The mileage rate for nonemergency medical  
 26.20 transportation services in areas defined under RUCA to be rural or super rural areas is:

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

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

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

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

26.32 Sec. 25. Minnesota Statutes 2014, section 256B.15, subdivision 1a, is amended to read:

26.33 Subd. 1a. **Estates subject to claims.** (a) If a person receives any medical assistance  
 26.34 hereunder, on the person's death, if single, or on the death of the survivor of a married  
 26.35 couple, either or both of whom received medical assistance, or as otherwise provided

27.1 for in this section, the total amount paid for medical assistance rendered for the person  
27.2 and spouse shall be filed as a claim against the estate of the person or the estate of the  
27.3 surviving spouse in the court having jurisdiction to probate the estate or to issue a decree  
27.4 of descent according to sections 525.31 to 525.313.

27.5 (b) For the purposes of this section, the person's estate must consist of:

27.6 (1) the person's probate estate;

27.7 (2) all of the person's interests or proceeds of those interests in real property the  
27.8 person owned as a life tenant or as a joint tenant with a right of survivorship at the time of  
27.9 the person's death;

27.10 (3) all of the person's interests or proceeds of those interests in securities the person  
27.11 owned in beneficiary form as provided under sections 524.6-301 to 524.6-311 at the time  
27.12 of the person's death, to the extent the interests or proceeds of those interests become part  
27.13 of the probate estate under section 524.6-307;

27.14 (4) all of the person's interests in joint accounts, multiple-party accounts, and  
27.15 pay-on-death accounts, brokerage accounts, investment accounts, or the proceeds of  
27.16 those accounts, as provided under sections 524.6-201 to 524.6-214 at the time of the  
27.17 person's death to the extent the interests become part of the probate estate under section  
27.18 524.6-207; and

27.19 (5) assets conveyed to a survivor, heir, or assign of the person through survivorship,  
27.20 living trust, transfer-on-death of title or deed, or other arrangements.

27.21 (c) For the purpose of this section and recovery in a surviving spouse's estate for  
27.22 medical assistance paid for a predeceased spouse, the estate must consist of all of the legal  
27.23 title and interests the deceased individual's predeceased spouse had in jointly owned or  
27.24 marital property at the time of the spouse's death, as defined in subdivision 2b, and the  
27.25 proceeds of those interests, that passed to the deceased individual or another individual, a  
27.26 survivor, an heir, or an assign of the predeceased spouse through a joint tenancy, tenancy  
27.27 in common, survivorship, life estate, living trust, or other arrangement. A deceased  
27.28 recipient who, at death, owned the property jointly with the surviving spouse shall have  
27.29 an interest in the entire property.

27.30 (d) For the purpose of recovery in a single person's estate or the estate of a survivor  
27.31 of a married couple, "other arrangement" includes any other means by which title to all or  
27.32 any part of the jointly owned or marital property or interest passed from the predeceased  
27.33 spouse to another including, but not limited to, transfers between spouses which are  
27.34 permitted, prohibited, or penalized for purposes of medical assistance.

27.35 (e) A claim shall be filed if medical assistance was rendered for either or both  
27.36 persons under one of the following circumstances:

28.1 (1) the person was over 55 years of age, and received services under this chapter;

28.2 (2) the person resided in a medical institution for six months or longer, received  
 28.3 services under this chapter, and, at the time of institutionalization or application for  
 28.4 medical assistance, whichever is later, the person could not have reasonably been expected  
 28.5 to be discharged and returned home, as certified in writing by the person's treating  
 28.6 physician. For purposes of this section only, a "medical institution" means a skilled  
 28.7 nursing facility, intermediate care facility, intermediate care facility for persons with  
 28.8 developmental disabilities, nursing facility, or inpatient hospital; or

28.9 (3) the person received general assistance medical care services under chapter 256D.

28.10 (f) The claim shall be considered an expense of the last illness of the decedent for  
 28.11 the purpose of section 524.3-805. Notwithstanding any law or rule to the contrary, a  
 28.12 state or county agency with a claim under this section must be a creditor under section  
 28.13 524.6-307. Any statute of limitations that purports to limit any county agency or the state  
 28.14 agency, or both, to recover for medical assistance granted hereunder shall not apply to any  
 28.15 claim made hereunder for reimbursement for any medical assistance granted hereunder.  
 28.16 Notice of the claim shall be given to all heirs and devisees of the decedent, and to other  
 28.17 persons with an ownership interest in the real property owned by the decedent at the time  
 28.18 of the decedent's death, whose identity can be ascertained with reasonable diligence. The  
 28.19 notice must include procedures and instructions for making an application for a hardship  
 28.20 waiver under subdivision 5; time frames for submitting an application and determination;  
 28.21 and information regarding appeal rights and procedures. Counties are entitled to one-half  
 28.22 of the nonfederal share of medical assistance collections from estates that are directly  
 28.23 attributable to county effort. Counties are entitled to ten percent of the collections for  
 28.24 alternative care directly attributable to county effort.

28.25 Sec. 26. Minnesota Statutes 2014, section 297B.01, subdivision 16, is amended to read:

28.26 Subd. 16. **Sale, sells, selling, purchase, purchased, or acquired.** (a) "Sale,"  
 28.27 "sells," "selling," "purchase," "purchased," or "acquired" means any transfer of title of any  
 28.28 motor vehicle, whether absolutely or conditionally, for a consideration in money or by  
 28.29 exchange or barter for any purpose other than resale in the regular course of business.

28.30 (b) Any motor vehicle utilized by the owner only by leasing such vehicle to others  
 28.31 or by holding it in an effort to so lease it, and which is put to no other use by the owner  
 28.32 other than resale after such lease or effort to lease, shall be considered property purchased  
 28.33 for resale.

28.34 (c) The terms also shall include any transfer of title or ownership of a motor vehicle  
 28.35 by other means, for or without consideration, except that these terms shall not include:

29.1 (1) the acquisition of a motor vehicle by inheritance from or by bequest of, or  
 29.2 transfer-on-death of title by, a decedent who owned it;

29.3 (2) the transfer of a motor vehicle which was previously licensed in the names of  
 29.4 two or more joint tenants and subsequently transferred without monetary consideration to  
 29.5 one or more of the joint tenants;

29.6 (3) the transfer of a motor vehicle by way of gift from a limited used vehicle dealer  
 29.7 licensed under section 168.27, subdivision 4a, to an individual, when the transfer is with  
 29.8 no monetary or other consideration or expectation of consideration and the parties to the  
 29.9 transfer submit an affidavit to that effect at the time the title transfer is recorded;

29.10 (4) the transfer of a motor vehicle by gift between:

29.11 (i) spouses;

29.12 (ii) parents and a child; or

29.13 (iii) grandparents and a grandchild;

29.14 (5) the voluntary or involuntary transfer of a motor vehicle between a husband and  
 29.15 wife in a divorce proceeding; or

29.16 (6) the transfer of a motor vehicle by way of a gift to an organization that is exempt  
 29.17 from federal income taxation under section 501(c)(3) of the Internal Revenue Code when  
 29.18 the motor vehicle will be used exclusively for religious, charitable, or educational purposes.

29.19 Sec. 27. Minnesota Statutes 2014, section 299A.41, subdivision 3, is amended to read:

29.20 Subd. 3. **Killed in the line of duty.** "Killed in the line of duty" does not include  
 29.21 deaths from natural causes, except as provided in this subdivision. In the case of a ~~peace~~  
 29.22 public safety officer, "killed in the line of duty" includes the death of ~~an~~ a public safety  
 29.23 officer caused by accidental means while the ~~peace~~ public safety officer is acting in the  
 29.24 course and scope of duties as a ~~peace~~ public safety officer. Killed in the line of duty also  
 29.25 means if a public safety officer dies as the direct and proximate result of a heart attack,  
 29.26 stroke, or vascular rupture, that officer shall be presumed to have died as the direct and  
 29.27 proximate result of a personal injury sustained in the line of duty if:

29.28 (1) that officer, while on duty:

29.29 (i) engaged in a situation, and that engagement involved nonroutine stressful or  
 29.30 strenuous physical law enforcement, fire suppression, rescue, hazardous material response,  
 29.31 emergency medical services, prison security, disaster relief, or other emergency response  
 29.32 activity; or

29.33 (ii) participated in a training exercise, and that participation involved nonroutine  
 29.34 stressful or strenuous physical activity;

29.35 (2) that officer died as a result of a heart attack, stroke, or vascular rupture suffered:

- 30.1 (i) while engaging or participating under clause (1);  
 30.2 (ii) while still on duty after engaging or participating under clause (1); or  
 30.3 (iii) not later than 24 hours after engaging or participating under clause (1); and  
 30.4 (3) the presumption is not overcome by competent medical evidence to the contrary.

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

30.6 Sec. 28. Minnesota Statutes 2014, section 299A.41, subdivision 4, is amended to read:

30.7 Subd. 4. **Public safety officer.** "Public safety officer" includes:

- 30.8 (1) a peace officer defined in section 626.84, subdivision 1, paragraph (c) or (d);  
 30.9 (2) a correction officer employed at a correctional facility and charged with  
 30.10 maintaining the safety, security, discipline, and custody of inmates at the facility;  
 30.11 (3) an individual employed on a full-time basis by the state or by a fire department of  
 30.12 a governmental subdivision of the state, who is engaged in any of the following duties:  
 30.13 (i) firefighting;  
 30.14 (ii) emergency motor vehicle operation;  
 30.15 (iii) investigation into the cause and origin of fires;  
 30.16 (iv) the provision of emergency medical services; or  
 30.17 (v) hazardous material responder;  
 30.18 (4) a legally enrolled member of a volunteer fire department or member of an  
 30.19 independent nonprofit firefighting corporation who is engaged in the hazards of firefighting;  
 30.20 (5) a good samaritan while complying with the request or direction of a public  
 30.21 safety officer to assist the officer;  
 30.22 (6) a reserve police officer or a reserve deputy sheriff while acting under the  
 30.23 supervision and authority of a political subdivision;  
 30.24 (7) a driver or attendant with a licensed basic or advanced life-support transportation  
 30.25 service who is engaged in providing emergency care;  
 30.26 (8) a first responder who is certified by the emergency medical services regulatory  
 30.27 board to perform basic emergency skills before the arrival of a licensed ambulance service  
 30.28 and who is a member of an organized service recognized by a local political subdivision  
 30.29 to respond to medical emergencies to provide initial medical care before the arrival of  
 30.30 an ambulance; and  
 30.31 (9) a person, other than a state trooper, employed by the commissioner of public  
 30.32 safety and assigned to the State Patrol, whose primary employment duty is either Capitol  
 30.33 security or the enforcement of commercial motor vehicle laws and regulations.

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

31.1 Sec. 29. Minnesota Statutes 2014, section 299A.55, is amended to read:

31.2 **299A.55 RAILROAD AND PIPELINE SAFETY INCIDENT**  
 31.3 **PREPAREDNESS; OIL AND OTHER HAZARDOUS MATERIALS SUBSTANCES.**

31.4 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms  
 31.5 have the meanings given them.

31.6 (b) "Applicable rail carrier" means a railroad company that is subject to an  
 31.7 assessment under section 219.015, subdivision 2.

31.8 (c) "Hazardous substance" has the meaning given in ~~section 115B.02, subdivision 8~~  
 31.9 Code of Federal Regulations, title 49, section 171.8.

31.10 (d) "Oil" has the meaning given in section 115E.01, subdivision 8.

31.11 (e) "Pipeline company" means any individual, partnership, association, or public  
 31.12 or private corporation who owns and operates pipeline facilities and is required to show  
 31.13 specific preparedness under section 115E.03, subdivision 2.

31.14 Subd. 2. **Railroad and pipeline safety incident account.** (a) A railroad and  
 31.15 pipeline safety incident account is created in the special revenue fund. The account  
 31.16 consists of funds collected under subdivision 4 and funds donated, allotted, transferred, or  
 31.17 otherwise provided to the account.

31.18 (b) ~~\$104,000 is annually~~ \$345,000 in fiscal year 2017, and \$250,000 annually  
 31.19 beginning in fiscal year 2018 are appropriated from the railroad and pipeline safety  
 31.20 incident account to the commissioner of the Pollution Control Agency for environmental  
 31.21 protection activities related to railroad discharge preparedness under chapter 115E.

31.22 (c) Following the appropriation in paragraph (b), the remaining money in the  
 31.23 account is annually appropriated to the commissioner of public safety for the purposes  
 31.24 specified in subdivision 3.

31.25 Subd. 3. **Allocation of funds.** (a) Subject to funding appropriated for this  
 31.26 subdivision, the commissioner shall provide funds for training and response preparedness  
 31.27 related to (1) derailments, discharge incidents, or spills involving trains carrying oil or  
 31.28 other hazardous substances, and (2) pipeline discharge incidents or spills involving oil  
 31.29 or other hazardous substances.

31.30 (b) The commissioner shall allocate available funds as follows:

31.31 (1) \$100,000 annually for emergency response teams; and

31.32 (2) the remaining amount to the Board of Firefighter Training and Education under  
 31.33 section 299N.02 and the Division of Homeland Security and Emergency Management.

31.34 (c) Prior to making allocations under paragraph (b), the commissioner shall consult  
 31.35 with the Fire Service Advisory Committee under section 299F.012, subdivision 2.

32.1 (d) The commissioner and the entities identified in paragraph (b), clause (2), shall  
 32.2 prioritize uses of funds based on:

32.3 (1) firefighter training needs;

32.4 (2) community risk from discharge incidents or spills;

32.5 (3) geographic balance; ~~and~~

32.6 (4) risks to the general public; and

32.7 (5) recommendations of the Fire Service Advisory Committee.

32.8 (e) The following are permissible uses of funds provided under this subdivision:

32.9 (1) training costs, which may include, but are not limited to, training curriculum,  
 32.10 trainers, trainee overtime salary, other personnel overtime salary, and tuition;

32.11 (2) costs of gear and equipment related to hazardous materials readiness, response,  
 32.12 and management, which may include, but are not limited to, original purchase,  
 32.13 maintenance, and replacement;

32.14 (3) supplies related to the uses under clauses (1) and (2); ~~and~~

32.15 (4) emergency preparedness planning and coordination;<sub>2</sub>

32.16 (5) life-safety emergency response exercises, including coordinated or comprehensive  
 32.17 exercises in conjunction with the requirements under section 115E.042, subdivision 5; and

32.18 (6) public education and outreach, including but not limited to: (i) informing and  
 32.19 engaging the public regarding hazards of derailments and discharge incidents; (ii) assisting  
 32.20 in development of evacuation readiness; (iii) undertaking public information campaigns;  
 32.21 and (iv) providing accurate information to the media on likelihood and consequences of  
 32.22 derailments and discharge incidents.

32.23 (f) Notwithstanding paragraph (b), clause (2), from funds in the railroad and pipeline  
 32.24 safety incident account provided for the purposes under this subdivision, the commissioner  
 32.25 may retain a balance in the account for budgeting in subsequent fiscal years.

32.26 Subd. 4. **Assessments.** (a) The commissioner of public safety shall annually assess  
 32.27 \$2,500,000 to railroad and pipeline companies based on the formula specified in paragraph  
 32.28 (b). The commissioner shall deposit funds collected under this subdivision in the railroad  
 32.29 and pipeline safety incident account under subdivision 2.

32.30 (b) The assessment for each railroad is 50 percent of the total annual assessment  
 32.31 amount, divided in equal proportion between applicable rail carriers based on route miles  
 32.32 operated in Minnesota. The assessment for each pipeline company is 50 percent of the  
 32.33 total annual assessment amount, divided in equal proportion between companies based  
 32.34 on the yearly aggregate gallons of oil and hazardous substance transported by pipeline  
 32.35 in Minnesota.

32.36 (c) The assessments under this subdivision expire July 1, 2017.

33.1 Sec. 30. Minnesota Statutes 2014, section 299D.03, subdivision 5, is amended to read:

33.2 Subd. 5. **Traffic fines and forfeited bail money.** (a) All fines and forfeited bail  
33.3 money collected from persons apprehended or arrested by officers of the State Patrol  
33.4 shall be transmitted by the person or officer collecting the fines, forfeited bail money,  
33.5 or installments thereof, on or before the tenth day after the last day of the month in  
33.6 which these moneys were collected, to the commissioner of management and budget.  
33.7 Except where a different disposition is required in this subdivision or section 387.213, or  
33.8 otherwise provided by law, three-eighths of these receipts must be deposited in the state  
33.9 treasury and credited to the state general fund. The other five-eighths of these receipts  
33.10 must be deposited in the state treasury and credited as follows: (1) the first ~~\$1,000,000~~  
33.11 \$2,500,000 in each fiscal year must be credited to the Minnesota grade crossing safety  
33.12 account in the special revenue fund, and (2) remaining receipts must be credited to the state  
33.13 trunk highway fund. If, however, the violation occurs within a municipality and the city  
33.14 attorney prosecutes the offense, and a plea of not guilty is entered, one-third of the receipts  
33.15 shall be deposited in the state treasury and credited to the state general fund, one-third of  
33.16 the receipts shall be paid to the municipality prosecuting the offense, and one-third shall be  
33.17 deposited in the state treasury and credited to the Minnesota grade crossing safety account  
33.18 or the state trunk highway fund as provided in this paragraph. When section 387.213 also  
33.19 is applicable to the fine, section 387.213 shall be applied before this paragraph is applied.  
33.20 All costs of participation in a nationwide police communication system chargeable to the  
33.21 state of Minnesota shall be paid from appropriations for that purpose.

33.22 (b) All fines and forfeited bail money from violations of statutes governing the  
33.23 maximum weight of motor vehicles, collected from persons apprehended or arrested by  
33.24 employees of the state of Minnesota, by means of stationary or portable scales operated  
33.25 by these employees, shall be transmitted by the person or officer collecting the fines or  
33.26 forfeited bail money, on or before the tenth day after the last day of the month in which the  
33.27 collections were made, to the commissioner of management and budget. Five-eighths of  
33.28 these receipts shall be deposited in the state treasury and credited to the state highway  
33.29 user tax distribution fund. Three-eighths of these receipts shall be deposited in the state  
33.30 treasury and credited to the state general fund.

33.31 Sec. 31. Minnesota Statutes 2014, section 353.01, subdivision 43, is amended to read:

33.32 Subd. 43. **Line of duty death.** "Line of duty death" means:

33.33 (1) a death that occurs while performing or as a direct result of performing normal or  
33.34 less frequent duties which are specific to protecting the property and personal safety of

34.1 others and that present inherent dangers that are specific to the positions covered by the  
 34.2 public employees police and fire plan; or

34.3 (2) a death determined by the commissioner of public safety that meets the  
 34.4 requirements of sections 299A.41 to 299A.46.

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

34.6 Sec. 32. Minnesota Statutes 2014, section 360.013, is amended by adding a subdivision  
 34.7 to read:

34.8 Subd. 47a. **Drones.** "Drone" means a powered aircraft that is operated without the  
 34.9 possibility of direct human intervention from within or on the aircraft.

34.10 **EFFECTIVE DATE.** This section is effective January 1, 2017.

34.11 Sec. 33. Minnesota Statutes 2014, section 360.075, subdivision 1, is amended to read:

34.12 Subdivision 1. **Misdemeanor.** Every person who:

34.13 (1) operates an aircraft either on or over land or water in this state without the  
 34.14 consent of the owner of such aircraft;

34.15 (2) operates aircraft while in the possession of any federal license, certificate, or  
 34.16 permit or any certificate of registration issued by the ~~Transportation~~ department of this  
 34.17 state, or displays, or causes or permits to be displayed, such federal license, certificate,  
 34.18 or permit or such state certificate of registration, knowing either to have been canceled,  
 34.19 revoked, suspended, or altered;

34.20 (3) lends to, or knowingly permits the use of by, one not entitled thereto of any  
 34.21 federal airman's or aircraft license, certificate, or permit, or any state airman's or aircraft  
 34.22 certificate of registration issued to that person;

34.23 (4) displays or represents as the person's own any federal airman's or aircraft license,  
 34.24 certificate, or permit or any state airman's or aircraft certificate of registration not issued  
 34.25 to that person;

34.26 (5) tampers with, climbs upon or into, makes use of, or navigates any aircraft without  
 34.27 the knowledge or consent of the owner or person having control thereof, whether while the  
 34.28 same is in motion or at rest, or hurls stones or any other missiles at aircraft, or the occupants  
 34.29 thereof, or otherwise damages or interferes with the same, or places upon any portion of any  
 34.30 airport any object, obstruction, or other device tending to injure aircraft or parts thereof;

34.31 (6) uses a false or fictitious name, gives a false or fictitious address, knowingly  
 34.32 makes any false statement or report, or knowingly conceals a material fact, or otherwise

35.1 commits a fraud in any application or form required under the provisions of sections  
35.2 360.011 to 360.076, or by any rules or orders of the commissioner;

35.3 (7) operates any aircraft ~~in such a manner~~ so as to indicate either a reckless ~~willful or~~  
35.4 ~~a wanton~~ disregard for the safety of persons or property;

35.5 (8) carries on or over land or water in this state in an aircraft other than a public  
35.6 aircraft any explosive substance except as permitted by ~~the Federal Explosives Act, being~~  
35.7 ~~the Act of October 6, 1917, as amended by Public Law 775, 77th Congress, approved~~  
35.8 ~~November 24, 1942~~ United States Code, title 18, chapter 40; Code of Federal Regulations,  
35.9 title 27, part 555; and successor laws and regulations;

35.10 (9) discharges a gun, pistol, or other weapon in or from any aircraft in this state  
35.11 except as the hunting of certain wild animals from aircraft may be permitted by other laws  
35.12 of this state, or unless the person is the pilot or officer in command of the aircraft or a  
35.13 peace officer or a member of the military or naval forces of the United States, engaged in  
35.14 the performance of duty;

35.15 (10) carries in any aircraft, other than a public aircraft, any shotgun, rifle, pistol, or  
35.16 small arms ammunition except in the manner in which such articles may be lawfully carried  
35.17 in motor vehicles in this state, or is a person excepted from the provisions of clause (9);

35.18 (11) engages in acrobatic or stunt flying without being equipped with a parachute  
35.19 and without providing any other occupants of the aircraft with parachutes and requiring  
35.20 that they be worn;

35.21 (12) while in flying over a thickly inhabited area or over a public gathering in this  
35.22 state, engages in trick or acrobatic flying or in any acrobatic feat;

35.23 (13) except while in landing or taking off, flies at such low levels as to endanger  
35.24 persons on the surface beneath, or engages in advertising through the playing of music  
35.25 or transcribed or oral announcements, or makes any noise with any siren, horn, whistle,  
35.26 or other audible device which is not necessary for the normal operation of the aircraft,  
35.27 except that sound amplifying devices may be used in aircraft when operated by or under  
35.28 the authority of any agency of the state or federal government for the purpose of giving  
35.29 warning or instructions to persons on the ground;

35.30 (14) drops any object, except loose water, loose fuel, or loose sand ballast, without  
35.31 the prior written consent of the commissioner of transportation and the prior written  
35.32 consent of the municipality or property owner where objects may land; drops objects  
35.33 from an aircraft that endanger person or property on the ground, or drops leaflets for any  
35.34 purpose whatsoever; or

36.1 (15) while in flight in an aircraft, whether as a pilot, passenger, or otherwise,  
 36.2 endangers, kills, or attempts to kill any birds or animals or uses any aircraft for the purpose  
 36.3 of concentrating, driving, rallying, or stirring up migratory waterfowl;

36.4 (16) uses a drone with intent to damage, disrupt, or otherwise interfere with an  
 36.5 aircraft that is in motion on the ground or in the air; or

36.6 (17) knowingly operates a drone within an emergency zone established by a law  
 36.7 enforcement agency, fire department, or emergency medical service provider, or within  
 36.8 one mile of a helicopter being operated by one of these entities;

36.9 except as may be permitted by other laws of this state, shall be guilty of a misdemeanor.

36.10 Notwithstanding section 609.035 or 609.04, a prosecution for or conviction of violating  
 36.11 clause (16) is not a bar to conviction of or punishment for any other crime.

36.12 **EFFECTIVE DATE.** This section is effective January 1, 2017, and applies to  
 36.13 crimes committed on and after that date.

36.14 Sec. 34. Minnesota Statutes 2014, section 360.075, subdivision 2, is amended to read:

36.15 Subd. 2. **Gross misdemeanor.** ~~Every A person who shall commit any of the acts~~  
 36.16 ~~specified in~~ commits a violation of subdivision 1 for a second or other subsequent time  
 36.17 ~~shall be after having previously been convicted of violating subdivision 1 is guilty of a~~  
 36.18 gross misdemeanor.

36.19 **EFFECTIVE DATE.** This section is effective January 1, 2017, and applies to  
 36.20 crimes committed on and after that date.

36.21 Sec. 35. Minnesota Statutes 2014, section 360.55, is amended by adding a subdivision  
 36.22 to read:

36.23 Subd. 9. **Drones.** A drone that weighs up to a maximum of 55 pounds may be  
 36.24 subject to fees under section 360.679, and is exempt from taxes and fees under sections  
 36.25 360.511 to 360.67.

36.26 **EFFECTIVE DATE.** This section is effective January 1, 2017.

36.27 Sec. 36. **[360.679] DRONE; COMMERCIAL USE PERMIT.**

36.28 Subdivision 1. **Requirements for commercial use permit.** The commissioner  
 36.29 shall issue a commercial use permit to an owner of a drone weighing up to a maximum  
 36.30 of 55 pounds, when the owner:

36.31 (1) utilizes the drone for any purpose other than hobby or recreational use;

- 37.1 (2) provides proof of payment of sales tax on the purchase of the drone;  
 37.2 (3) identifies each individual who will operate the drone and certifies to the  
 37.3 commissioner that each operator meets the qualifications under subdivision 3;  
 37.4 (4) provides proof of insurance that complies with the requirements of and limits in  
 37.5 section 360.59, subdivision 10;  
 37.6 (5) pays an annual permit fee of \$25; and  
 37.7 (6) provides additional information the commissioner deems to be necessary or  
 37.8 desirable.

37.9 Subd. 2. **Deposit of fee.** The proceeds of the fee required under subdivision 1  
 37.10 must be collected by the commissioner, paid into the state treasury, and credited to the  
 37.11 state airports fund.

37.12 Subd. 3. **Qualifications for drone operators.** The commissioner shall develop and  
 37.13 administer a written knowledge test for drone operators that complies with all applicable  
 37.14 state and federal regulations. To be eligible to take the knowledge test, a person must:

- 37.15 (1) be at least 17 years of age;  
 37.16 (2) possess a valid driver's license issued by this state, another state or territory of  
 37.17 the United States, or the District of Columbia; and  
 37.18 (3) satisfy all other applicable state or federal requirements.

37.19 A drone operator must pass the test and meet all qualifications under this subdivision in  
 37.20 this state or in a state with comparable requirements.

37.21 Subd. 4. **Commercial use permit process.** The commissioner shall implement a  
 37.22 permit application process, including a requirement that the department provide notice to an  
 37.23 applicant of the department's permit issuance decision no later than ten days from the date  
 37.24 the department receives the application. The commissioner shall offer technical guidance  
 37.25 for permit applicants and permit holders to enable compliance with program requirements.

37.26 Subd. 5. **Unlawful operations.** A person who owns or operates a drone in violation  
 37.27 of this section is guilty of a misdemeanor.

37.28 **EFFECTIVE DATE.** This section is effective January 1, 2017, and applies to  
 37.29 crimes committed on and after that date.

37.30 Sec. 37. Laws 1994, chapter 643, section 15, subdivision 8, is amended to read:

37.31 Subd. 8. Trunk Highway Facility Projects 13,016,000

37.32 To the commissioner of transportation for the

37.33 purposes specified in this subdivision. The

38.1 appropriations in this subdivision are from

38.2 the trunk highway fund.

38.3 (a) Installation of automatic fire sprinkler systems at maintenance headquarters in  
38.4 Virginia, Owatonna, and Windom 365,000

38.5 (b) Repair, replace, or construct chemical and salt storage buildings at 36 department  
38.6 of transportation locations statewide 1,030,000

38.7 (c) Construct, furnish, and equip a truck enforcement site and weigh scale in the  
38.8 Albert Lea area to replace the Lakeville site 886,000

38.9 (d) Construct, furnish, and equip a truck station and maintenance facility in  
38.10 Hutchinson on a new site to replace the current facility 897,000

38.11 (e) Construct, furnish, and equip a new truck station on Maryland Avenue in St. Paul  
38.12 to replace the current facility 5,440,000

38.13 (f) Construct an addition to the Detroit Lakes welding shop 355,000

38.14 (g) Remodel facilities and construct additions to truck stations in Ely, Montgomery,  
38.15 and Forest Lake 302,000

38.16 (h) Purchase, remodel, and expand the Minnesota National Guard truck maintenance  
38.17 facility in Tracy to fit the needs of a department of transportation truck station 359,000

38.18 (i) Build an unheated equipment storage building at the Golden Valley headquarters  
38.19 site 435,000

38.20 (j) Construct, furnish, and equip a truck station in Wadena on a new site to replace  
38.21 the current facility 527,000

38.22 (k) Remodel facility and construct an addition to the Preston truck station 174,000

38.23 (l) Construct, furnish, and equip class II safety rest areas in Darwin Winter park,  
38.24 Preston/Fountain vicinity, Pioneer monument, Camp Release historic monument, and  
38.25 Lake Shetek 200,000

38.26 (m) Land acquisition for new replacement truck station sites at Illgen City, Rushford,  
38.27 Gaylord, Madelia, Sherburne, and Litchfield 250,000

38.28 (n) Design fees to complete construction drawings for projects at Windom,  
38.29 Maplewood, Hastings, central services building, Arden Hills training center, and Albert  
38.30 Lea weigh scale 371,000

38.31 (o) Construct pole type storage buildings at department of transportation locations  
38.32 throughout the state 611,000

38.33 (p) Remove asbestos from various department of transportation buildings statewide  
38.34 150,000

38.35 (q) Remodel facility and construct an addition to the Carlton truck station 259,000

38.36 (r) Remodel facility and construct an addition to the Sauk Centre truck station 255,000

39.1 (s) Remodel the old Burlington Northern train depot in Floodwood into a safety  
 39.2 information center and rest area and phase out the wayside rest at Trunk Highways 2  
 39.3 and 73 150,000

39.4 After completion of the project, the  
 39.5 commissioner of transportation shall  
 39.6 convey the newly remodeled rest area for  
 39.7 no or nominal consideration to the city of  
 39.8 Floodwood, ~~which thereafter shall operate~~  
 39.9 ~~and maintain it.~~

39.10 (t) The commissioner may use the balance  
 39.11 of funds appropriated by Laws 1985,  
 39.12 first special session chapter 15, section  
 39.13 9, subdivision 6, paragraph (c), for land  
 39.14 acquisition for a weigh station on interstate  
 39.15 highway 94 at Moorhead to supplement funds  
 39.16 appropriated by Laws of 1989, chapter 269,  
 39.17 section 2, subdivision 11, paragraph (d), for  
 39.18 construction of the Moorhead weigh station.

39.19 Sec. 38. Laws 2014, chapter 312, article 11, section 10, the effective date, is amended  
 39.20 to read:

39.21 **EFFECTIVE DATE.** This section is effective November 30, ~~2016~~ 2018, and  
 39.22 applies to permits issued on and after that date.

39.23 Sec. 39. Laws 2014, chapter 312, article 11, section 11, the effective date, is amended  
 39.24 to read:

39.25 **EFFECTIVE DATE.** This section is effective November 30, ~~2016~~ 2018, and  
 39.26 applies to permits issued on and after that date.

39.27 Sec. 40. Laws 2014, chapter 312, article 11, section 13, the effective date, is amended  
 39.28 to read:

39.29 **EFFECTIVE DATE.** This section is effective November 30, ~~2016~~ 2018, and  
 39.30 applies to permits issued on and after that date.

40.1 Sec. 41. Laws 2014, chapter 312, article 11, section 16, the effective date, is amended  
40.2 to read:

40.3 **EFFECTIVE DATE.** This section is effective November 30, ~~2016~~ 2018, and  
40.4 applies to permits issued on and after that date.

40.5 Sec. 42. Laws 2014, chapter 312, article 11, section 18, the effective date, is amended  
40.6 to read:

40.7 **EFFECTIVE DATE.** This section is effective November 30, ~~2016~~ 2018, and  
40.8 applies to permits issued on and after that date.

40.9 Sec. 43. **MINNESOTA LICENSE AND REGISTRATION SYSTEM**  
40.10 **OPERATING COSTS; REPORT.**

40.11 Before January 1, 2019, the commissioners of public safety and MN.IT services  
40.12 must submit a report documenting the costs of operating the new Minnesota License and  
40.13 Registration System, including any recommendations for ongoing funding, to the chairs  
40.14 and ranking members of the committees in the house of representatives and the senate  
40.15 having jurisdiction over transportation and public safety policy and finance.

40.16 Sec. 44. **TRANSPORTATION PROJECT SELECTION PROCESS.**

40.17 Subdivision 1. **Adoption of best practices.** (a) The commissioner of transportation,  
40.18 after consultation with the Federal Highway Administration, metropolitan planning  
40.19 organizations, regional development commissions, area transportation partnerships,  
40.20 local governments, the Metropolitan Council, and transportation stakeholders, shall  
40.21 develop, adopt, and implement best practices for project evaluation and selection to apply  
40.22 to the standard process and to special programs, such as corridors of commerce. The  
40.23 commissioner must adopt and begin implementing the best practices no later than October  
40.24 2017 and may update the best practices as appropriate. The commissioner shall publicize  
40.25 the best practices and updates on the department's Web site and through other effective  
40.26 means selected by the commissioner.

40.27 (b) The best practices adopted under this section must include:

40.28 (1) a description of each selection process and identification of ranking criteria and  
40.29 weight of each criterion with respect to any selection process;

40.30 (2) identification and application of all relevant criteria contained in enacted  
40.31 Minnesota or federal law, or added by the commissioner;

41.1 (3) identification to the stakeholders and general public of each candidate project  
 41.2 selected under each selection process, including identification of all the projects  
 41.3 considered that are not selected;

41.4 (4) involvement in the process of scoring and ranking candidate projects of area  
 41.5 transportation partnerships and other local authorities as appropriate for the projects under  
 41.6 consideration; and

41.7 (5) means of publicizing scoring, ranking, and decision outcomes concerning each  
 41.8 candidate project, including the projects that were considered and were not selected.

41.9 Subd. 2. **Report to legislature.** By March 1, 2017, the commissioner shall report  
 41.10 to the chairs and ranking minority members of the senate and house of representatives  
 41.11 committees having jurisdiction over transportation policy and finance concerning the  
 41.12 adopted best practices and how these best practices are anticipated to improve the  
 41.13 consistency, objectivity, and transparency of the selection process. The report must  
 41.14 include information on input from members of the public and the organizations identified  
 41.15 in subdivision 1.

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

41.17 Sec. 45. **ESTABLISHMENT OF AUTONOMOUS VEHICLES TASK FORCE.**

41.18 Subdivision 1. **Purpose.** The autonomous vehicles task force is established to  
 41.19 design a demonstration project, analyze policy and recommended legislation, and report  
 41.20 to the legislature concerning issues related to the use by people with disabilities of  
 41.21 autonomous vehicles on public roads and highways.

41.22 Subd. 2. **Definition of autonomous vehicle.** For the purposes of this section,  
 41.23 "autonomous vehicle" is a vehicle equipped with technology that has the capability to  
 41.24 drive a vehicle without the active control or monitoring of a human operator. Autonomous  
 41.25 vehicle excludes a motor vehicle enabled with active safety systems or driver assistance  
 41.26 systems, including, without limitation, a system to provide electronic blind spot assistance,  
 41.27 crash avoidance, emergency braking, parking assistance, adaptive cruise control, lane keep  
 41.28 assistance, lane departure warning, or traffic jam and queuing assistant, unless the system  
 41.29 alone or in combination with other systems enables the vehicle to drive without the active  
 41.30 control or monitoring by a human operator.

41.31 Subd. 3. **Task force membership.** (a) The autonomous vehicles task force consists  
 41.32 of 21 members, all of whom are voting members and who must be appointed by July  
 41.33 31, 2016, as follows:

41.34 (1) two senators, including one senator appointed by the senate majority leader and  
 41.35 one senator appointed by the senate minority leader;

42.1 (2) two members of the house of representatives, including one member appointed  
 42.2 by the speaker of the house of representatives and one member appointed by the minority  
 42.3 leader;

42.4 (3) the commissioner of public safety or a designee;

42.5 (4) the commissioner of transportation or a designee;

42.6 (5) the commissioner of commerce or a designee;

42.7 (6) one member appointed by the Minnesota State Council on Disability;

42.8 (7) one member with experience in greater Minnesota paratransit administration  
 42.9 appointed by the commissioner of transportation;

42.10 (8) one member with experience in metropolitan-area paratransit administration  
 42.11 appointed by the Metropolitan Council;

42.12 (9) three members who are not public officials, and at least one of whom represents  
 42.13 the disability community, appointed by the senate majority leader;

42.14 (10) three members who are not public officials, and at least one of whom represents  
 42.15 the disability community, appointed by the speaker of the house of representatives;

42.16 (11) three members who are not public officials, and at least one of whom represents  
 42.17 the disability community, appointed by the governor;

42.18 (12) one member with expertise in autonomous vehicle technology, appointed by  
 42.19 the commissioner of transportation; and

42.20 (13) one member representing the Alliance of Automobile Manufacturers, appointed  
 42.21 by the commissioner of commerce.

42.22 (b) The appointing authorities for the members appointed under clauses (9), (10),  
 42.23 and (11), shall to the extent practicable make their appointments to reflect geographic  
 42.24 balance across the state. The governor must select one of the appointees under paragraph  
 42.25 (a), clause (11), to serve as chair of the task force.

42.26 Subd. 4. **First meeting; chair.** The member who is appointed to serve as the chair  
 42.27 shall convene the first meeting of the task force by October 15, 2016. The task force may  
 42.28 elect from among its members a cochair and any other officers the task force determines  
 42.29 are necessary or convenient.

42.30 Subd. 5. **Duties.** The task force shall examine and report to the legislature  
 42.31 concerning ways in which autonomous vehicles can best be equipped and utilized to  
 42.32 provide mobility service for people with disabilities. To further this goal, the task force  
 42.33 shall design a demonstration project.

42.34 Subd. 6. **Authorization.** The task force may solicit gifts, grants, or donations  
 42.35 of any kind from any private or public source to carry out the purposes of this act. All  
 42.36 gifts, grants, or donations received by the task force must be deposited in an autonomous

43.1 vehicle project account established in the special revenue fund. Money in the account is  
 43.2 appropriated to the commissioner of transportation for the activities of the task force and  
 43.3 implementation of the demonstration project.

43.4 Subd. 7. **Compensation.** Public members of the task force shall receive no  
 43.5 compensation or per diem payments for participating on the task force.

43.6 Subd. 8. **Administrative support.** The commissioner of transportation must  
 43.7 provide meeting space, administrative support, and staff support for the task force. The  
 43.8 task force may hold meetings in any publicly accessible location in the state.

43.9 Subd. 9. **Open Meeting Law.** Meetings of the task force are subject to Minnesota  
 43.10 Statutes, chapter 13D.

43.11 Subd. 10. **Reports.** The task force shall report its findings and recommendations to  
 43.12 the chairs and ranking minority members of the committees in the house of representatives  
 43.13 and the senate with jurisdiction over transportation policy and finance. By January 31,  
 43.14 2017, the task force shall report its findings and recommendations for implementing  
 43.15 the technology demonstration project to the chairs and ranking minority members of  
 43.16 the committees in the house of representatives and the senate with jurisdiction over  
 43.17 transportation policy and finance. By December 31, 2018, the task force shall report  
 43.18 findings concerning recommended legislation, administrative rules, and policies to  
 43.19 utilize autonomous vehicles in the provision of equitable, safe, and cost-effective  
 43.20 transportation solutions to people with disabilities both in the metropolitan area and  
 43.21 greater Minnesota. The report must analyze benefits, costs, business models, liability  
 43.22 issues, legal implications, and safety issues.

43.23 Subd. 11. **Sunset.** This section expires June 30, 2019.

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

43.25 Sec. 46. **ESTABLISHMENT OF HIGH-SPEED RAIL PROJECT ADVISORY**  
 43.26 **WORKING GROUP.**

43.27 Subdivision 1. **Definition.** For the purposes of this section, "project" means the  
 43.28 planning, design, engineering, and construction, including environmental processes, land  
 43.29 acquisition, and federal agency interaction, of a potential privately financed passenger  
 43.30 high-speed rail line between the city of Rochester and a location in the Minneapolis-St.  
 43.31 Paul metropolitan area.

43.32 Subd. 2. **Purpose.** The high-speed rail project advisory working group is  
 43.33 established to examine issues related to the potential development of the project to ensure  
 43.34 affected landowners, area residents, and other stakeholders have the opportunity to engage

44.1 in public discussion related to various aspects of high-speed rail generally and specific  
 44.2 elements of the potential project, and so that:

44.3 (1) adequate public engagement opportunities are offered at a range of locations  
 44.4 along the project corridor and through various means of communication; and

44.5 (2) considerations related to taxpayer protections, landowner rights, potential  
 44.6 development processes, and associated contracts and agreements adequately manage risks  
 44.7 to the state and the public, including but not limited to risks associated with the project's  
 44.8 finances, right-of-way acquisition, environmental processes, and construction impacts.

44.9 Subd. 3. **Advisory working group membership.** (a) The high-speed rail project  
 44.10 advisory working group consists of 29 members, all of whom are voting members as  
 44.11 follows:

44.12 (1) two senators, including one senator appointed by the senate majority leader and  
 44.13 one senator appointed by the senate minority leader;

44.14 (2) two members of the house of representatives, one from the majority party and  
 44.15 one from the minority party, appointed by the speaker of the house;

44.16 (3) the commissioner of transportation or the commissioner's designee;

44.17 (4) the commissioner of public safety or the commissioner's designee;

44.18 (5) two members who reside in the county of Dakota appointed by the Dakota  
 44.19 County Board, one of whom is employed in county government and one of whom is a  
 44.20 public member;

44.21 (6) two members who reside in the county of Goodhue appointed by the Goodhue  
 44.22 County Board, one of whom is employed in county government and one of whom is a  
 44.23 public member;

44.24 (7) two members who reside in the county of Hennepin appointed by the Hennepin  
 44.25 County Board, one of whom is employed in county government and one of whom is a  
 44.26 public member;

44.27 (8) two members who reside in the county of Olmsted appointed by the Olmsted  
 44.28 County Board, one of whom is employed in county government and one of whom is a  
 44.29 public member;

44.30 (9) one person who resides in each of the cities of Bloomington, Cannon Falls,  
 44.31 Coates, Hampton, Inver Grove Heights, Mendota Heights, Oronoco, Pine Island,  
 44.32 Rochester, Rosemount, and Zumbrota, appointed by the mayor of each city;

44.33 (10) one person who is an expert on rail transportation appointed by the governor;

44.34 (11) one person who represents an exclusive representative under Minnesota  
 44.35 Statutes, chapter 179 or 179A, appointed by the governor;

45.1 (12) one person who is appointed by the high-speed rail developer who provides  
45.2 funding to the working group or who seeks a permit to develop high-speed rail along the  
45.3 high-speed rail line; and

45.4 (13) one member who represents the University of Minnesota appointed by the  
45.5 executive director of the Center for Transportation Studies.

45.6 (b) Members serve until the working group expires or until replaced as provided in  
45.7 paragraph (c).

45.8 (c) The removal of members and the filling of vacancies shall be as provided in  
45.9 Minnesota Statutes, section 15.059, subdivision 4.

45.10 (d) The advisory working group must elect from among its members a chair and  
45.11 may elect a cochair and any other officers the advisory working group determines are  
45.12 necessary or convenient.

45.13 Subd. 4. **Notices.** (a) The commissioner of transportation must notify the executive  
45.14 director of the University of Minnesota Center for Transportation Studies that a request  
45.15 to extend an existing permit or an application for a new permit for use of right-of-way  
45.16 to construct a project has been received. The commissioner must provide this notice  
45.17 within 15 days of receiving the request.

45.18 (b) The executive director of the Center for Transportation Studies, after receiving  
45.19 notice from the commissioner of transportation under paragraph (a), and determining that  
45.20 sufficient funds have been deposited in the high-speed rail project account to carry out  
45.21 the activities of the working group, shall notify all appointing authorities to make initial  
45.22 appointments by a deadline that is 45 to 60 days following receipt of notice.

45.23 Subd. 5. **First meeting.** The executive director of the University of Minnesota Center  
45.24 for Transportation Studies must convene the first meeting of the advisory working group  
45.25 within 30 days after the deadline for appointments under subdivision 4, paragraph (b).

45.26 Subd. 6. **Duties.** The advisory working group must examine and report to the chairs  
45.27 and ranking minority members of the committees in the house of representatives and the  
45.28 senate with jurisdiction over transportation annually by February 1 concerning its activities  
45.29 and developments regarding the potential project, its findings, and recommendations.  
45.30 Items the advisory working group must report on include public engagement processes,  
45.31 land acquisition activities, and relevant contracts and agreements and the adequacy of each  
45.32 to protect the public from risks associated with the project.

45.33 Subd. 7. **Authorization.** The advisory working group may solicit gifts, grants, or  
45.34 donations of any kind from any private source to carry out the purposes of this section,  
45.35 except that the advisory working group may not solicit or accept gifts, grants, or donations  
45.36 from an unnamed source or from an attorney on behalf of an unnamed source. The

46.1 commissioner of transportation must publish a list of all gifts, grants, or donations  
 46.2 received by the working group, including the identity of the source and the amount of  
 46.3 each contribution. All gifts, grants, or donations received by the advisory working group  
 46.4 must be deposited in a high-speed rail project account, which is established in the special  
 46.5 revenue fund. Money in the account is appropriated to the commissioner of transportation  
 46.6 for a grant to the University of Minnesota Center for Transportation Studies to support the  
 46.7 activities of the advisory working group. When the advisory working group expires under  
 46.8 subdivision 12, the commissioner of management and budget must transfer any money  
 46.9 remaining in the account to the private sources that provided the gift, grant, or donation.

46.10 Subd. 8. **Compensation.** The executive director of the University of Minnesota  
 46.11 Center for Transportation Studies may compensate public members of the advisory  
 46.12 working group and may reimburse members of the working group for expenses incurred in  
 46.13 participating in the working group. Compensation and reimbursements must be made from  
 46.14 the grant funds received by the Center for Transportation Studies under subdivision 7.

46.15 Subd. 9. **Administrative support.** The University of Minnesota Center for  
 46.16 Transportation Studies must provide meeting space, administrative support, and staff  
 46.17 support for the advisory working group. The working group shall strive to meet at  
 46.18 locations along the corridor that facilitate public engagement and participation.

46.19 Subd. 10. **Open Meeting Law.** Meetings of the advisory working group are  
 46.20 subject to Minnesota Statutes, chapter 13D. The executive director for the Center for  
 46.21 Transportation Studies shall post meeting minutes and related meeting materials on a  
 46.22 publicly accessible Web site that permits public engagement and comment.

46.23 Subd. 11. **Funding.** The costs of the advisory working group must be paid entirely  
 46.24 by nonstate sources that are deposited in the high-speed rail project account in the special  
 46.25 revenue fund.

46.26 Subd. 12. **Sunset.** This section expires June 30, 2020, or when the project  
 46.27 commences revenue operation or is abandoned, whichever occurs first.

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

46.29 Sec. 47. **TRANSITWAY DEVELOPMENT OUTREACH PILOT GRANT**  
 46.30 **PROGRAM.**

46.31 Subdivision 1. **Grant program.** The Metropolitan Council shall fund a grant to  
 46.32 the city of St. Paul to conduct a transitway development outreach pilot program, under  
 46.33 which the city shall award grants to entities selected through a competitive process  
 46.34 to conduct outreach, education, and engagement activities. These activities must be  
 46.35 directed to minority communities, relating to the status and future development of

47.1 transitways, including, but not limited to, Rush Line corridor, Red Rock corridor, and  
47.2 Gateway Corridor Gold Line. The program must focus on minorities and new American  
47.3 communities, especially Karen, Somali, Hispanic, and Hmong, whose members live,  
47.4 work, or own businesses in the areas to be served by transitway development. A portion  
47.5 of the grant proceeds must be used for ethnic radio programs and dissemination of  
47.6 information by credible liaisons in the oral-culture communities.

47.7 Subd. 2. **Report.** By September 1, 2017, the Metropolitan Council shall report to the  
47.8 chairs and ranking minority members of the senate and house of representatives committees  
47.9 and divisions with jurisdiction over transportation policy and budget concerning the use of  
47.10 this appropriation, the nature of activities funded, and results achieved.

47.11 Sec. 48. **REVISOR'S INSTRUCTION.**

47.12 The revisor of statutes shall recodify Minnesota Statutes, section 115E.042,  
47.13 subdivision 2, as Minnesota Statutes, section 219.925, subdivision 9, and Minnesota  
47.14 Statutes, section 115E.042, subdivision 3, as Minnesota Statutes, section 219.925,  
47.15 subdivision 10. The revisor shall correct any cross-references made necessary by this  
47.16 recodification.

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ARTICLE 1

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TRANSPORTATION FISCAL PROVISIONS

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