This Document can be made available in alternative formats upon request

State of Minnesota

Printed Page No. 593

HOUSE OF REPRESENTATIVES

EIGHTY-FIFTH SESSION

HOUSE FILE NO. 3800

March 4, 2008
Authored by Hornstein, Lieder, Fritz, Masin, Nelson and others
The bill was read for the first time and referred to the Committee on Finance
April 10, 2008
Committee Recommendation and Adoption of Report:
To Pass as Amended and re-referred to the Committee on Ways and Means
April 16, 2008
Committee Recommendation and Adoption of Report:
To Pass as Amended
Read Second Time
April 24, 2008
Calendar For The Day, Amended
Read Third Time as Amended
Passed by the House as Amended and transmitted to the Senate to include Floor Amendments

A bill for an act

relating to transportation; modifying or adding provisions relating to highways, motor vehicles, traffic regulations, drivers' licenses and records, transit, railroads, motor carriers, and other transportation-related programs or activities; imposing penalties; requiring reports; making technical and clarifying corrections; amending Minnesota Statutes 2006, sections 86B.825, subdivision 5; 123B.88, subdivision 3; 161.081, subdivision 3, as amended, by adding subdivisions; 168.011, subdivision 7; 168.012, subdivision 1; 168.021, subdivisions 1, 2; 168.09, subdivision 7; 168.185; 168A.03, subdivision 1; 168A.05, subdivision 9; 168B.051, subdivision 2; 168B.06, subdivisions 1, 3; 168B.07, by adding subdivisions; 168B.08, subdivision 1; 168B.087, subdivision 1; 169.01, subdivisions 55, 76, by adding subdivisions; 169.18, subdivisions 1, 5, by adding a subdivision; 169.224; 169.67, subdivision 3; 169.781, subdivisions 1, 2, 5; 169.79; 169.801; 169.82, subdivision 3; 169.826, subdivision 1a; 169.85, subdivision 1; 169.86, by adding a subdivision; 169A.03, subdivision 23; 171.01, subdivisions 35, 46; 171.02, by adding a subdivision; 171.03; 171.055, subdivisions 1, 2; 171.0701; 171.12, subdivision 6; 171.13, by adding a subdivision; 171.165, subdivision 2; 171.321, subdivision 1; 174.02, subdivision 2; 174.03, subdivision 1; 174.24, by adding a subdivision; 221.011, by adding a subdivision; 221.031, subdivision 1; 221.036, subdivisions 1, 3; 221.121, subdivisions 1, 6a; 221.151, subdivision 1; 299D.03, subdivision 1; 299D.06; 473.1465, by adding a subdivision; 473.388, subdivision 2; 473.399, by adding a subdivision; Minnesota Statutes 2007 Supplement, sections 168.017, subdivision 3; 169.443, subdivision 9; 171.02, subdivision 2; Laws 2002, chapter 393, section 85; Laws 2008, chapter 152, article 2, sections 1; 3, subdivision 2; article 3, sections 6; 8; article 6, section 7; proposing coding for new law in Minnesota Statutes, chapters 123B; 169; 171; 174; 219; repealing Minnesota Statutes 2006, sections 168B.087, subdivision 2; 169.145; 221.121, subdivision 4.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

ARTICLE 1
TRANSPORTATION POLICY

Section 1. Minnesota Statutes 2006, section 86B.825, subdivision 5, is amended to read:

Subd. 5. **No legal title without certificate.** A person acquiring a watercraft, required to have a certificate of title under this section, through a sale or gift does not acquire a right, title, claim, or interest in the watercraft until the person has been issued a certificate of title to the watercraft or has received a manufacturer's or importer's certificate. A waiver or estoppel does not operate in favor of that person against another person who has obtained possession of the certificate of title or manufacturer's or importer's certificate for the watercraft for valuable consideration.

Sec. 2. Minnesota Statutes 2006, section 123B.88, subdivision 3, is amended to read:

Subd. 3. **Transportation services contracts; requirements.** (a) The board may contract for the furnishing of authorized transportation under section 123B.52, and may purchase gasoline and furnish same to a contract carrier for use in the performance of a contract with the school district for transportation of school children to and from school.

(b) An initiated transportation service contract shall include by contract language, addendum, or supplementary information terms addressing:

(1) a summary of school bus driver training requirements, including the minimum number of preservice training hours and the minimum number of in-service training hours;

(2) a driver recruitment and retention plan, including an explanation of:

(i) the actions the contractor has taken or will take to recruit qualified drivers for the transportation services contract;

(ii) the process for screening applicants to be certain that they meet the school bus driver requirements of federal law, of state law, and of the transportation service contract, including federal and state-controlled substance and alcohol testing requirements;

(iii) the training that drivers receive prior to assignment to transportation service; and

(iv) the actions of the employer to retain qualified drivers to meet requirements of the transportation services contract, including an explanation of wage rates and employee benefits and policies on compensated absences such as paid vacations, holidays, and sick leave;

(3) the reporting to the local school district of all school bus accidents;

(4) the reporting to the local school district of all school bus driver-reported traffic convictions, based upon the requirement of commercial drivers to report traffic convictions to their employer under Federal Motor Carrier Safety Administration regulation in Code of Federal Regulations, title 49, section 383.31;

(5) the reporting within one week to the local school district the results of any Minnesota State Patrol inspection of school buses being regularly utilized for the transportation under the transportation contract;

(6) the school bus driver employee turnover ratio, defined as the total number of school bus drivers employed during the most recent school year divided by the daily average number of school bus drivers employed during the same regular school year, within bus garage location or other reasonable basis. The turnover rate may exclude those drivers whose employment is terminated or who are otherwise removed for cause from service; and

(7) the date of hire of the employer's current employees identified by their job classifications, which may include any relevant prior experience. Summer and other regular school breaks should not be considered interruptions to employment.

(c) Notwithstanding section 123B.52, a school district may award a transportation contract in the interest of student safety and cost-effectiveness.

EFFECTIVE DATE. This section is effective July 1, 2008.

Sec. 3. **[123B.915] SCHOOL BUS DRIVERS.**

Subdivision 1. **Driver pay.** School bus driver employees must be paid for the actual time worked. If a route pay system or hourly estimation is used, school bus driver employees must be scheduled and paid for actual time for required inspection of buses.

Subd. 2. **Right to refuse.** School bus drivers who document needed bus repairs shall have the right to refuse to operate the bus immediately for a safety-related repair, which meets the out-of-service definition of Minnesota Rules, part 7470.0600. In this situation, the driver shall be provided an alternate bus, if available, and time to inspect it. The driver shall not be penalized in any way for fees, fines, or consequences incurred by the employer for delays or failure to provide the transportation service in a timely manner in this situation. Nothing in this section may diminish the rights, pay, or benefits of drivers covered by a collective bargaining agreement with an exclusive representative.

EFFECTIVE DATE. This section is effective July 1, 2008.

Sec. 4. Minnesota Statutes 2006, section 168.011, subdivision 7, is amended to read:

Subd. 7. **Passenger automobile.** (a) "Passenger automobile" means any motor vehicle designed and used for carrying not more than 15 individuals, including the driver.

(b) "Passenger automobile" does not include motorcycles, motor scooters, buses, school buses, or commuter vans as defined in section 168.126.

(c) "Passenger automobile" includes, but is not limited to:

(1) pickup trucks and vans, including those vans designed to carry passengers, with a manufacturer's nominal rated carrying capacity of one ton; ~~and~~

(2) neighborhood electric vehicles, as defined in section 169.01, subdivision 91; and

(3) medium-speed electric vehicles, as defined in section 169.01, subdivision 94.

Sec. 5. Minnesota Statutes 2006, section 168.012, subdivision 1, is amended to read:

Subdivision 1. **Vehicles exempt from tax, fees, or plate display.** (a) The following vehicles are exempt from the provisions of this chapter requiring payment of tax and registration fees, except as provided in subdivision 1c:

(1) vehicles owned and used solely in the transaction of official business by the federal government, the state, or any political subdivision;

(2) vehicles owned and used exclusively by educational institutions and used solely in the transportation of pupils to and from those institutions;

(3) vehicles used solely in driver education programs at nonpublic high schools;

(4) vehicles owned by nonprofit charities and used exclusively to transport disabled persons for charitable, religious, or educational purposes;

(5) ambulances owned by ambulance services licensed under section 144E.10, the general appearance of which is unmistakable; and

(6) vehicles owned by a commercial driving school licensed under section 171.34, or an employee of a commercial driving school licensed under section 171.34, and the vehicle is used exclusively for driver education and training.

(b) Vehicles owned by the federal government, municipal fire apparatuses including fire-suppression support vehicles, police patrols, and ambulances, the general appearance of which is unmistakable, are not required to register or display number plates.

(c) Unmarked vehicles used in general police work, liquor investigations, or arson investigations, and passenger automobiles, pickup trucks, and buses owned or operated by the Department of Corrections, must be registered and must display appropriate license number plates, furnished by the registrar at cost. Original and renewal applications for these license plates authorized for use in general police work and for use by the Department of Corrections must be accompanied by a certification signed by the appropriate chief of police if issued to a police vehicle, the appropriate sheriff if issued to a sheriff's vehicle, the commissioner of corrections if issued to a Department of Corrections vehicle, or the appropriate officer in charge if issued to a vehicle of any other law enforcement agency. The certification must be on a form prescribed by the commissioner and state that the vehicle will be used exclusively for a purpose authorized by this section.

(d) Unmarked vehicles used by the Departments of Revenue and Labor and Industry, fraud unit, in conducting seizures or criminal investigations must be registered and must display passenger vehicle classification license number plates, furnished at cost by the

registrar. Original and renewal applications for these passenger vehicle license plates must be accompanied by a certification signed by the commissioner of revenue or the commissioner of labor and industry. The certification must be on a form prescribed by the commissioner and state that the vehicles will be used exclusively for the purposes authorized by this section.

(e) Unmarked vehicles used by the Division of Disease Prevention and Control of the Department of Health must be registered and must display passenger vehicle classification license number plates. These plates must be furnished at cost by the registrar. Original and renewal applications for these passenger vehicle license plates must be accompanied by a certification signed by the commissioner of health. The certification must be on a form prescribed by the commissioner and state that the vehicles will be used exclusively for the official duties of the Division of Disease Prevention and Control.

(f) Unmarked vehicles used by staff of the Gambling Control Board in gambling investigations and reviews must be registered and must display passenger vehicle classification license number plates. These plates must be furnished at cost by the registrar. Original and renewal applications for these passenger vehicle license plates must be accompanied by a certification signed by the board chair. The certification must be on a form prescribed by the commissioner and state that the vehicles will be used exclusively for the official duties of the Gambling Control Board.

(g) Each state hospital and institution for persons who are mentally ill and developmentally disabled may have one vehicle without the required identification on the sides of the vehicle. The vehicle must be registered and must display passenger vehicle classification license number plates. These plates must be furnished at cost by the registrar. Original and renewal applications for these passenger vehicle license plates must be accompanied by a certification signed by the hospital administrator. The certification must be on a form prescribed by the commissioner and state that the vehicles will be used exclusively for the official duties of the state hospital or institution.

(h) Each county social service agency may have vehicles used for child and vulnerable adult protective services without the required identification on the sides of the vehicle. The vehicles must be registered and must display passenger vehicle classification license number plates. These plates must be furnished at cost by the registrar. Original and renewal applications for these passenger vehicle license plates must be accompanied by a certification signed by the agency administrator. The certification must be on a form prescribed by the commissioner and state that the vehicles will be used exclusively for the official duties of the social service agency.

~~(g)~~ (i) All other motor vehicles must be registered and display tax-exempt number plates, furnished by the registrar at cost, except as provided in subdivision 1c. All vehicles required to display tax-exempt number plates must have the name of the state department or political subdivision, nonpublic high school operating a driver education program, ~~or~~ licensed commercial driving school, or other qualifying organization or entity, plainly displayed on both sides of the vehicle~~; except that each state hospital and institution for persons who are mentally ill and developmentally disabled may have one vehicle without the required identification on the sides of the vehicle, and county social service agencies may have vehicles used for child and vulnerable adult protective services without the required identification on the sides of the vehicle~~. This identification must be in a color giving contrast with that of the part of the vehicle on which it is placed and must endure throughout the term of the registration. The identification must not be on a removable plate or placard and must be kept clean and visible at all times; except that a removable plate or placard may be utilized on vehicles leased or loaned to a political subdivision or to a nonpublic high school driver education program.

Sec. 6. Minnesota Statutes 2007 Supplement, section 168.017, subdivision 3, is amended to read:

Subd. 3. **Exceptions.** (a) The registrar shall register all vehicles subject to registration under the monthly series system for a period of 12 consecutive calendar months, unless:

(1) the application is an original rather than renewal application; ~~or~~

(2) the application is for quarterly registration under section 168.018; or

~~(2)~~ (3) the applicant is a licensed motor vehicle lessor under section 168.27 and the vehicle is leased or rented for periods of time of not more than 28 days, in which case the applicant may apply for initial or renewed registration of a vehicle for a period of four or more months, with the month of expiration to be designated by the applicant at the time of registration.

~~However,~~ (b) To qualify for ~~this~~ the exemption under paragraph (a), clause (3), the applicant must (1) present the application to the registrar at St. Paul, or a designated deputy registrar office, and (2) stamp in red, on the certificate of title, the phrase "The expiration month of this vehicle is ....." with the blank filled in with the month of expiration as if the vehicle is being registered for a period of 12 calendar months.

~~(b)~~ (c) In any instance except that of a licensed motor vehicle lessor, the registrar shall not approve registering the vehicle subject to the application for a period of less

than three months, except when the registrar determines that to do otherwise will help to equalize the registration and renewal work load of the department.

Sec. 7. Minnesota Statutes 2006, section 168.021, subdivision 1, is amended to read:

Subdivision 1. **Disability plates; application.** (a) When a motor vehicle registered under section 168.017, a motorcycle, a truck having a manufacturer's nominal rated capacity of one ton and resembling a pickup truck, or a self-propelled recreational vehicle is owned or primarily operated by a permanently physically disabled person or a custodial parent or guardian of a permanently physically disabled minor, the owner may apply for and secure from the commissioner (1) immediately, a temporary permit valid for 30 days if the applicant is eligible for the disability plates issued under this section and (2) two disability plates with attached emblems, one plate to be attached to the front, and one to the rear of the motor vehicle.

(b) The commissioner shall not issue more than one set of plates to any owner of a motor vehicle at the same time unless ~~all motor vehicles have been specifically modified for and are used exclusively by a permanently physically disabled person~~ the state council on disability approves the issuance of a second set of plates to a motor vehicle owner.

(c) When the owner first applies for the disability plates, the owner must submit a medical statement in a format approved by the commissioner under section 169.345, or proof of physical disability provided for in that section.

(d) No medical statement or proof of disability is required when an owner of a motor vehicle applies for plates for one or more motor vehicles that are specially modified for and used exclusively by permanently physically disabled persons.

(e) The owner of a motor vehicle may apply for and secure (i) immediately, a permit valid for 30 days, if the applicant is eligible to receive the disability plates issued under this section, and (ii) a set of disability plates for a motor vehicle if:

(1) the owner employs a permanently physically disabled person who would qualify for disability plates under this section; and

(2) the owner furnishes the motor vehicle to the physically disabled person for the exclusive use of that person in the course of employment.

Sec. 8. Minnesota Statutes 2006, section 168.021, subdivision 2, is amended to read:

Subd. 2. **Plate design; furnished by commissioner.** The commissioner shall design and furnish two disability plates with attached emblems to ~~each~~ an eligible owner. The emblem must bear the internationally accepted wheelchair symbol, as designated in section 16B.61, subdivision 5, approximately three inches square. The emblem must

be large enough to be visible plainly from a distance of 50 feet. An applicant eligible for disability plates shall pay the motor vehicle registration fee authorized by sections 168.013 and 168.09.

Sec. 9. Minnesota Statutes 2006, section 168.09, subdivision 7, is amended to read:

Subd. 7. **Display of temporary permit~~; special plates~~.** (a) A vehicle that displays a ~~special~~ Minnesota plate issued under ~~section 168.021; 168.12, subdivision 2, 2a, 2b, 2c, or 2d; 168.123; 168.124; 168.125; 168.126; 168.128; or 168.129,~~ chapter 168 may display a temporary permit in conjunction with expired registration if:

(1) the current registration tax and all other fees and taxes have been paid in full; and

(2) the plate ~~requires replacement under section 168.12, subdivision 1, paragraph (d), clause (3)~~ has been applied for.

(b) A vehicle ~~that is registered under section 168.10~~ may display a temporary permit in conjunction with expired registration, with or without a registration plate, if:

(1) the plates have been applied for ~~and~~;

(2) the registration tax ~~has~~ and other fees and taxes have been paid in full~~, as provided for in section 168.10~~; and

~~(2)~~ (3) either the vehicle is used solely as a collector vehicle while displaying the temporary permit and not used for general transportation purposes or the vehicle was issued a 21-day permit under section 168.092, subdivision 1.

(c) The permit is valid for a period of 60 days. The permit must be in a format prescribed by the commissioner and whenever practicable must be posted upon the driver's side of the rear window on the inside of the vehicle. The permit is valid only for the vehicle for which it was issued to allow a reasonable time for the new plates to be manufactured and delivered to the applicant. The permit may be only issued by the commissioner or by a deputy registrar under section 168.33.

Sec. 10. Minnesota Statutes 2006, section 168.185, is amended to read:

168.185 USDOT NUMBERS.

(a) Except as provided in paragraph (d), an owner of a truck or truck-tractor having a gross vehicle weight of more than 10,000 pounds, as defined in section 169.01, subdivision 46, ~~other than a farm truck that is not used in interstate commerce,~~ shall report to the ~~registrar~~ commissioner at the time of registration its USDOT carrier number. A person subject to this paragraph who does not have a USDOT number shall apply for the number at the time of registration by completing a form MCS-150 Motor Carrier Identification Report, issued by the Federal Motor Carrier Safety Administration, or comparable

document as determined by the ~~registrar~~ commissioner. The ~~registrar~~ commissioner shall not assign a USDOT carrier number to a vehicle owner who is not subject to this paragraph.

(b) Assigned USDOT numbers need not be displayed on the outside of the vehicle, but must be made available upon request of an authorized agent of the ~~registrar~~ commissioner, peace officer, other employees of the State Patrol authorized in chapter 299D, or employees of the Minnesota Department of Transportation. The vehicle owner shall notify the ~~registrar~~ commissioner if there is a change to the owner's USDOT number.

(c) If an owner fails to report or apply for a USDOT number, the ~~registrar~~ commissioner shall suspend the owner's registration.

(d) ~~Until October 1, 2003, paragraphs (a) to (c) do not apply to an agricultural fertilizer or agricultural chemical retailer while exclusively engaged in delivering fertilizer or agricultural chemicals to a farmer for on-farm use.~~ This section does not apply to (1) a farm truck that is not used in interstate commerce, (2) a vehicle that is not used in intrastate commerce or interstate commerce, or (3) a vehicle that is owned and used solely in the transaction of official business by the federal government, the state, or any political subdivision.

Sec. 11. Minnesota Statutes 2006, section 168A.03, subdivision 1, is amended to read:

Subdivision 1. **No certificate issued.** The registrar shall not issue a certificate of title for:

(1) a vehicle owned by the United States;

(2) a vehicle owned by a nonresident and not required by law to be registered in this state;

(3) a vehicle owned by a nonresident and regularly engaged in the interstate transportation of persons or property for which a currently effective certificate of title has been issued in another state;

(4) a vehicle moved solely by animal power;

(5) an implement of husbandry;

(6) special mobile equipment;

(7) a self-propelled wheelchair or invalid tricycle;

(8) a trailer (i) having a gross weight of 4,000 pounds or less unless a secured party holds an interest in the trailer or a certificate of title was previously issued by this state or any other state or (ii) designed primarily for agricultural purposes except a recreational vehicle or a manufactured home, both as defined in section 168.011, subdivisions 8 and 25;

(9) a snowmobile~~.~~; and

(10) a spotter truck, as defined in section 169.01, subdivision 7a.

EFFECTIVE DATE. This section is effective the day following final enactment and expires June 30, 2013.

Sec. 12. Minnesota Statutes 2006, section 168A.05, subdivision 9, is amended to read:

Subd. 9. **Neighborhood electric vehicle and medium-speed electric vehicles; certificate required.** Neighborhood electric vehicles and medium-speed electric vehicles, as defined in section 169.01, ~~subdivision~~ subdivisions 91 and 94, must be titled as specified in section 168A.02. The department shall not issue a title for a neighborhood electric vehicle or a medium-speed electric vehicle (1) that lacks a vehicle identification number, and (2) for which a manufacturer's certificate of origin clearly labeling the vehicle as a neighborhood electric vehicle or similar designation has not been issued. The department shall not issue a vehicle identification number to a homemade neighborhood electric or low-speed vehicle or retrofitted golf cart, and such vehicles do not qualify as neighborhood electric vehicles.

Sec. 13. Minnesota Statutes 2006, section 168B.051, subdivision 2, is amended to read:

Subd. 2. **Sale after 45 days or title transfer.** ~~An~~ (a) If an unauthorized vehicle is impounded, other than by the city of Minneapolis or the city of St. Paul, the impounded vehicle is eligible for disposal or sale under section 168B.08, the earlier of:

(1) 45 days after notice to the owner~~, if the vehicle is determined to be an unauthorized vehicle that was not impounded by the city of Minneapolis or the city of St. Paul~~; or

(2) the date of a voluntary written title transfer by the registered owner to the impound lot operator.

(b) A voluntary written title transfer constitutes a waiver by the registered owner of any right, title, and interest in the vehicle.

Sec. 14. Minnesota Statutes 2006, section 168B.06, subdivision 1, is amended to read:

Subdivision 1. ~~**Contents;**~~ **Written notice** ~~**given within five days**~~ **of impound.** (a) When an impounded vehicle is taken into custody, the unit of government or impound lot operator taking it into custody shall give written notice of the taking within five days to the registered vehicle owner and any lienholders.

(b) The notice ~~shall~~ must:

(1) set forth the date and place of the taking~~,~~;

(2) provide the year, make, model, and serial number of the impounded motor vehicle, if such information can be reasonably obtained, and the place where the vehicle is being held~~.~~;

~~(2)~~ (3) inform the owner and any lienholders of their right to reclaim the vehicle under section 168B.07~~, and~~;

~~(3)~~ (4) state that failure of the owner or lienholders to:

(i) exercise their right to reclaim the vehicle ~~and contents~~ within the appropriate time allowed under section 168B.051, subdivision 1, 1a, or 2, ~~shall be deemed~~ and under the conditions set forth in section 168B.07, subdivision 1, constitutes a waiver by them of all right, title, and interest in the vehicle ~~and contents~~ and a consent to the transfer of title to and disposal or sale of the vehicle ~~and contents~~ pursuant to section 168B.08; or

(ii) exercise their right to reclaim the contents of the vehicle within the appropriate time allowed and under the conditions set forth in section 168B.07, subdivision 3, constitutes a waiver by them of all right, title, and interest in the contents and consent to sell or dispose of the contents under section 168B.08; and

(5) state that a vehicle owner who provides to the impound lot operator documentation from a government or nonprofit agency or legal aid office that the owner is homeless, receives relief based on need, is eligible for legal aid services, or has a household income at or below 50 percent of state median income has the unencumbered right to retrieve any and all contents without charge.

Sec. 15. Minnesota Statutes 2006, section 168B.06, subdivision 3, is amended to read:

Subd. 3. **Unauthorized vehicle; second notice.** If an unauthorized vehicle remains unclaimed after 30 days from the date the notice was sent under subdivision 2, a second notice ~~shall~~ must be sent by certified mail, return receipt requested, to the registered owner, if any, of the unauthorized vehicle and to all readily identifiable lienholders of record.

Sec. 16. Minnesota Statutes 2006, section 168B.07, is amended by adding a subdivision to read:

Subd. 3. **Retrieval of contents.** (a) For purposes of this subdivision:

(1) "contents" does not include any permanently affixed mechanical or nonmechanical automobile parts; automobile body parts; or automobile accessories, including audio or video players; and

(2) "relief based on need" includes, but is not limited to, receipt of MFIP and Diversionary Work Program, medical assistance, general assistance, general assistance medical care, emergency general assistance, Minnesota supplemental aid (MSA),

MSA-emergency assistance, MinnesotaCare, Supplemental Security Income, energy assistance, emergency assistance, Food Stamps, earned income tax credit, or Minnesota working family tax credit.

(b) A unit of government or impound lot operator shall establish reasonable procedures for retrieval of vehicle contents, and may establish reasonable procedures to protect the safety and security of the impound lot and its personnel.

(c) At any time before the expiration of the waiting periods provided in section 168B.051, a registered owner who provides documentation from a government or nonprofit agency or legal aid office that the registered owner is homeless, receives relief based on need, is eligible for legal aid services, or has a household income at or below 50 percent of state median income has the unencumbered right to retrieve any and all contents without charge and regardless of whether the registered owner pays incurred charges or fees, transfers title, or reclaims the vehicle.

(d) At any time before the expiration of the waiting periods provided in section 168B.051, a registered owner other than a registered owner described in paragraph (c) has the unencumbered right to retrieve the following contents: medicine; medical-related items and equipment; clothing; eyeglasses; educational materials; and legal documents, including, but not limited to, a driver's license, identification, passports, insurance documents, any other documents related to a pending or concluded judicial or administrative proceeding, tax returns, and documents indicating receipt of or eligibility for public benefit programs. This provision does not prohibit the return of other contents at the discretion of the impound lot operator.

(e) An impound lot operator is not required to return any contents to a person who is not the registered owner of the impounded vehicle, other than legal documents. Legal documents include, but are not limited to, driver's license, identification, passports, insurance documents, any other documents related to a pending or concluded judicial or administrative proceeding, and tax returns. An impound lot operator is not required to return any contents to a person who is not the registered owner after the expiration of the waiting periods provided in section 168B.051, or if the registered owner voluntarily transfers title to the impound lot operator under section 168B.051, subdivision 2.

Sec. 17. Minnesota Statutes 2006, section 168B.07, is amended by adding a subdivision to read:

Subd. 4. **Waiver of rights.** The failure of the registered owner or lienholders to exercise the right to reclaim the vehicle before the expiration of the waiting periods provided under section 168B.051 constitutes a waiver of all right, title, and interest in

the vehicle and a consent to the transfer of title to, and disposal or sale of, the vehicle under section 168B.08. The failure of the registered owner to exercise the right provided under subdivision 3 constitutes a waiver of all right, title, and interest in the contents and a consent to the transfer of title to, and disposal or sale of, the contents under section 168B.08.

Sec. 18. Minnesota Statutes 2006, section 168B.08, subdivision 1, is amended to read:

Subdivision 1. **Auction or sale.** (a) If an abandoned or unauthorized vehicle ~~and contents~~ taken into custody by a unit of government or any impound lot is not reclaimed under section 168B.07, subdivision 1, it may be disposed of or sold at auction or sale when eligible pursuant to sections 168B.06 and 168B.07. If the contents of an abandoned or unauthorized vehicle taken into custody by a unit of government or any impound lot is not reclaimed under section 168B.07, subdivision 3, it may be disposed of or sold at auction or sale when eligible pursuant to sections 168B.06 and 168B.07.

(b) The purchaser shall be given a receipt in a form prescribed by the registrar of motor vehicles which shall be sufficient title to dispose of the vehicle. The receipt shall also entitle the purchaser to register the vehicle and receive a certificate of title, free and clear of all liens and claims of ownership. Before such a vehicle is issued a new certificate of title it must receive a motor vehicle safety check.

Sec. 19. Minnesota Statutes 2006, section 168B.087, subdivision 1, is amended to read:

Subdivision 1. **Deficiency claim.** (a) The ~~nonpublic~~ impound lot operator has a deficiency claim against the registered owner of the vehicle for the reasonable costs of services provided in the towing, storage, and inspection of the vehicle minus the proceeds of the sale or auction, except as provided in paragraph (c).

(b) The claim for storage costs may not exceed the costs of:

(1) 25 days storage, for a vehicle described in section 168B.051, subdivision 1; ~~and~~

(2) 15 days storage, for a vehicle described in section 168B.051, subdivision 1a; and

(3) 55 days storage, for a vehicle described in section 168B.051, subdivision 2.

(c) A public impound lot operator is prohibited from:

(1) filing a deficiency claim against a registered owner whom the operator knows:

(i) is homeless;

(ii) receives relief based on need, as defined in section 168B.07; or

(iii) has a household income at or below 50 percent of state median income; or

(2) recovering a deficiency from a registered owner who demonstrates that the owner, at the time the deficiency claim was filed:

(i) was homeless;

(ii) received relief based on need, as defined in section 168B.07; or

(iii) had a household income at or below 50 percent of state median income.

Sec. 20. Minnesota Statutes 2006, section 169.01, is amended by adding a subdivision to read:

Subd. 7a. **Spotter truck.** "Spotter truck" means a truck-tractor with a manufacturer's certificate of origin "not for on road use" specification, used exclusively for staging or shuttling trailers in the course of a truck freight operation or freight shipping operation.

EFFECTIVE DATE. This section is effective the day following final enactment and expires June 30, 2013.

Sec. 21. Minnesota Statutes 2006, section 169.01, subdivision 55, is amended to read:

Subd. 55. **Implement of husbandry.** "Implement of husbandry" ~~has the meaning given in section 168A.01, subdivision 8~~ means a self-propelled or towed vehicle designed or adapted to be used exclusively for timber-harvesting, agricultural, horticultural, or livestock-raising operations.

Sec. 22. Minnesota Statutes 2006, section 169.01, subdivision 76, is amended to read:

Subd. 76. **Hazardous materials.** "Hazardous materials" means ~~those materials found to be hazardous for the purposes of the federal Hazardous Materials Transportation Act and that require the motor vehicle~~ any material that has been designated as hazardous under United States Code, title 49, section 5103, and is required to be placarded under Code of Federal Regulations, title 49, ~~parts 100-185~~ part 172, subpart F, or any quantity of a material listed as a select agent or toxin in Code of Federal Regulations, title 42, part 73.

Sec. 23. Minnesota Statutes 2006, section 169.01, is amended by adding a subdivision to read:

Subd. 93. **Wireless communications device.** "Wireless communications device" means (1) a cellular phone, or (2) a portable electronic device that is capable of receiving and transmitting data, including but not limited to text messages and e-mail, without an access line for service. A wireless communications device does not include a device that is permanently affixed to the vehicle, or a global positioning system or navigation system.

Sec. 24. Minnesota Statutes 2006, section 169.01, is amended by adding a subdivision to read:

Subd. 94. **Medium-speed electric vehicle.** "Medium-speed electric vehicle" means an electrically powered four-wheeled motor vehicle, equipped with a roll cage or crushproof body design, that can attain a maximum speed of 35 miles per hour on a paved level surface, is fully enclosed and has at least one door for entry, has a wheelbase of 40 inches or greater and a wheel diameter of ten inches or greater, and except with respect to maximum speed otherwise meets or exceeds regulations in Code of Federal Regulations, title 49, section 571.500, and successor requirements.

Sec. 25. Minnesota Statutes 2006, section 169.18, subdivision 1, is amended to read:

Subdivision 1. **Keep to the right.** Upon all roadways of sufficient width a vehicle shall be driven upon the right half of the roadway, except as follows:

(1) when overtaking and passing another vehicle proceeding in the same direction under the rules governing such movement;

(2) when the right half of a roadway is closed to traffic while under construction or repair;

(3) upon a roadway divided into three marked lanes for traffic under the rules applicable thereon;

(4) upon a roadway designated and signposted for one-way traffic as a one-way roadway; ~~or~~

(5) as necessary to comply with subdivision 11 when approaching an authorized emergency vehicle parked or stopped on the roadway~~.~~; or

(6) as necessary to comply with subdivision 12 when approaching a road maintenance or construction vehicle parked or stopped on the roadway.

Sec. 26. Minnesota Statutes 2006, section 169.18, subdivision 5, is amended to read:

Subd. 5. **Driving left of roadway center; exception.** (a) No vehicle shall be driven to the left side of the center of the roadway in overtaking and passing another vehicle proceeding in the same direction unless such left side is clearly visible and is free of oncoming traffic for a sufficient distance ahead to permit such overtaking and passing to be completely made without interfering with the safe operation of any vehicle approaching from the opposite direction or any vehicle overtaken. In every event the overtaking vehicle must return to the right-hand side of the roadway before coming within 100 feet of any vehicle approaching from the opposite direction.

(b) Except on a one-way roadway or as provided in paragraph (c), no vehicle shall, in overtaking and passing another vehicle or at any other time, be driven to the left half of the roadway under the following conditions:

(1) when approaching the crest of a grade or upon a curve in the highway where the driver's view along the highway is obstructed within a distance of 700 feet;

(2) when approaching within 100 feet of any underpass or tunnel, railroad grade crossing, intersection within a city, or intersection outside of a city if the presence of the intersection is marked by warning signs; or

(3) where official signs are in place prohibiting passing, or a distinctive centerline is marked, which distinctive line also so prohibits passing, as declared in the Manual on Uniform Traffic Control Devices adopted by the commissioner.

~~(c) Paragraph (b) does not apply to a self-propelled or towed implement of husbandry that (1) is escorted at the front by a registered motor vehicle that is displaying vehicular hazard warning lights visible to the front and rear in normal sunlight, and (2) does not extend into the left half of the roadway to any greater extent than made necessary by the total width of the right half of the roadway together with any adjacent shoulder that is suitable for travel.~~

~~(d) Paragraph (b) does not apply to a self-propelled or towed implement of husbandry that is operated to the left half of the roadway if such operation is not to a greater extent than is necessary to avoid collision with a parked vehicle, sign, or other stationary object located on the highway right-of-way.~~

Sec. 27. Minnesota Statutes 2006, section 169.18, is amended by adding a subdivision to read:

Subd. 12. **Passing certain parked vehicles; citation; probable cause.** (a) When approaching and before passing a freeway service patrol, road maintenance, or construction vehicle with its warning lights activated that is parked or otherwise stopped on or next to a street or highway having two lanes in the same direction, the driver of a vehicle shall safely move the vehicle to the lane farthest away from the vehicle, if it is possible to do so.

(b) When approaching and before passing a freeway service patrol, road maintenance, or construction vehicle with its warning lights activated that is parked or otherwise stopped on or next to a street or highway having more than two lanes in the same direction, the driver of a vehicle shall safely move the vehicle so as to leave a full lane vacant between the driver and any lane in which the vehicle is completely or partially parked or otherwise stopped, if it is possible to do so.

(c) A peace officer may issue a citation to the driver of a motor vehicle if the peace officer has probable cause to believe that the driver has operated the vehicle in violation of this subdivision within the four-hour period following the termination of the incident.

Sec. 28. Minnesota Statutes 2006, section 169.224, is amended to read:

169.224 NEIGHBORHOOD AND MEDIUM-SPEED ELECTRIC VEHICLES.

Subdivision 1. **Definition.** For purposes of this section, "road authority" means the commissioner, as to trunk highways; the county board, as to county state-aid highways and county highways; the town board, as to town roads; and the governing body of a city, as to city streets.

Subd. 2. **Required equipment.** Notwithstanding any other law, a neighborhood electric vehicle or a medium-speed electric vehicle may be operated on public streets and highways if it meets all equipment and vehicle safety requirements in Code of Federal Regulations, title 49, section 571.500, and successor requirements.

Subd. 3. **Operation.** A neighborhood electric vehicle or a medium-speed electric vehicle may not be operated on a street or highway with a speed limit greater than 35 miles per hour, except to make a direct crossing of that street or highway.

Subd. 4. **Restrictions and prohibitions.** (a) A road authority, including the commissioner of transportation by order, may prohibit or further restrict the operation of neighborhood electric vehicles and medium-speed electric vehicles on any street or highway under the road authority's jurisdiction.

(b) Neither a neighborhood electric vehicle nor a medium-speed electric vehicle may ~~not~~ be used to take any examination to demonstrate ability to exercise control in the operation of a motor vehicle as required under section 171.13.

Sec. 29. **[169.228] SPOTTER TRUCKS.**

Notwithstanding any other law, a spotter truck may be operated on public streets and highways if:

(1) the operator has a valid class A, B, or C driver's license;

(2) the vehicle complies with the size, weight, and load restrictions under this chapter;

(3) the vehicle meets all inspection requirements under section 169.781; and

(4) the vehicle is operated (i) within a zone of two air miles from the truck freight operation or freight shipping operation where the vehicle is housed, or (ii) directly to and from a repair shop, service station, or fueling station for the purpose of repair, servicing, or refueling.

EFFECTIVE DATE. This section is effective the day following final enactment and expires June 30, 2013.

Sec. 30. Minnesota Statutes 2007 Supplement, section 169.443, subdivision 9, is amended to read:

Subd. 9. **Personal cellular phone call prohibition.** (a) As used in this subdivision, "school bus" has the meaning given in section 169.01, subdivision 6. In addition, the term includes type III school buses as described in section 169.01, subdivision 6, clause (5), when driven by employees or agents of school districts for transportation.

(b) A school bus driver may not operate a school bus while communicating over, or otherwise operating, a cellular phone for personal reasons, whether hand-held or hands free, when the vehicle is in motion.

EFFECTIVE DATE. This section is effective August 1, 2008, and applies to crimes committed on or after that date.

Sec. 31. **[169.475] USE OF WIRELESS COMMUNICATIONS DEVICE.**

Subdivision 1. **Definition.** For purposes of this section, "electronic message" means a self-contained piece of digital communication that is designed or intended to be transmitted between physical devices. An electronic message includes, but is not limited to, e-mail, a text message, an instant message, a command or request to access a World Wide Web page, or other data that uses a commonly recognized electronic communications protocol. An electronic message does not include voice or other data transmitted as a result of making a phone call, or data transmitted automatically by a wireless communications device without direct initiation by a person.

Subd. 2. **Prohibition on use.** No person may operate a motor vehicle while using a wireless communications device to compose, read, or send an electronic message, when the vehicle is in motion or a part of traffic.

Subd. 3. **Exceptions.** This section does not apply if a wireless communications device is used:

(1) solely in a voice-activated or other hands-free mode;

(2) for making a cellular phone call;

(3) for obtaining emergency assistance to (i) report a traffic accident, medical emergency, or serious traffic hazard, or (ii) prevent a crime about to be committed;

(4) in the reasonable belief that a person's life or safety is in immediate danger; or

(5) in an authorized emergency vehicle while in the performance of official duties.

Sec. 32. Minnesota Statutes 2006, section 169.67, subdivision 3, is amended to read:

Subd. 3. **Trailer, semitrailer.** (a) No trailer or semitrailer with a gross vehicle weight of 3,000 or more pounds, or a gross weight that exceeds the empty weight of the

towing vehicle, may be drawn on a highway unless it is equipped with brakes that are adequate to control the movement of and to stop and hold the trailer or semitrailer. A surge brake on a trailer or semitrailer meets the requirement of this paragraph for brakes adequate to stop and hold the trailer or semitrailer.

(b) No trailer or semitrailer ~~that is required to have brakes and that has~~ with a gross vehicle weight of more than ~~6,000~~ 3,000 pounds may be drawn on a highway unless it is equipped with brakes that are so constructed that they are adequate to stop and hold the trailer or semitrailer whenever it becomes detached from the towing vehicle.

(c) Except as provided in paragraph (d), paragraph (a) does not apply to:

(1) ~~a trailer used by a farmer while transporting farm products produced on the user's farm, or supplies back to the farm of the trailer's user;~~

~~(2)~~ a towed custom service vehicle drawn by a motor vehicle that is equipped with brakes that meet the standards of subdivision 5, provided that such a towed custom service vehicle that exceeds 30,000 pounds gross weight may not be drawn at a speed of more than 45 miles per hour;

~~(3) a trailer or semitrailer operated or used by retail dealers of implements of husbandry while engaged exclusively in the delivery of implements of husbandry;~~

~~(4)~~ (2) a motor vehicle drawn by another motor vehicle that is equipped with brakes that meet the standards of subdivision 5; and

~~(5) a tank trailer of not more than 12,000 pounds gross weight owned by a distributor of liquid fertilizer while engaged exclusively in transporting liquid fertilizer, or gaseous fertilizer under pressure;~~

~~(6) a trailer of not more than 12,000 pounds gross weight owned by a distributor of dry fertilizer while engaged exclusively in the transportation of dry fertilizer; and~~

~~(7)~~ (3) a disabled vehicle while being towed to a place of repair.

(d) Vehicles described in paragraph (c), ~~clauses (1), (3), and (4)~~ clause (2), may be operated without complying with paragraph (a) only if the trailer or semitrailer does not exceed the following gross weights:

(1) 3,000 pounds while being drawn by a vehicle registered as a passenger automobile, other than a pickup truck as defined in section 168.011, subdivision 29;

(2) 12,000 pounds while being drawn by any other motor vehicle ~~except a self-propelled implement of husbandry~~.

Sec. 33. Minnesota Statutes 2006, section 169.781, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** For purposes of sections 169.781 to 169.783:

(a) "Commercial motor vehicle" means:

(1) a commercial motor vehicle as defined in section 169.01, subdivision 75, paragraph (a); ~~and~~

(2) each vehicle in a combination of more than 26,000 pounds~~.~~; and

(3) a spotter truck.

"Commercial motor vehicle" does not include ~~(1)~~ a school bus or Head Start bus displaying a certificate under section 169.451, ~~(2)~~ a bus operated by the Metropolitan Council or by a local transit commission created in chapter 458A, or ~~(3)~~ a motor vehicle ~~that is~~ required to be placarded under Code of Federal Regulations, title 49, parts 100-185.

(b) "Commissioner" means the commissioner of public safety.

(c) "Owner" means a person who owns, or has control, under a lease of more than 30 days' duration, of one or more commercial motor vehicles.

(d) "Storage semitrailer" means a semitrailer that (1) is used exclusively to store property at a location not on a street or highway, (2) does not contain any load when moved on a street or highway, (3) is operated only during daylight hours, and (4) is marked on each side of the semitrailer "storage only" in letters at least six inches high.

(e) "Building mover vehicle" means a vehicle owned or leased by a building mover as defined in section 221.81, subdivision 1, paragraph (a), and used exclusively for moving buildings.

EFFECTIVE DATE. This section is effective the day following final enactment and expires June 30, 2013.

Sec. 34. Minnesota Statutes 2006, section 169.781, subdivision 2, is amended to read:

Subd. 2. **Inspection required.** It is unlawful for a person to operate or permit the operation of:

(1) a commercial motor vehicle registered in Minnesota or a spotter truck; or

(2) special mobile equipment as defined in section 168.011, subdivision 22, and which is self-propelled, if it is mounted on a commercial motor vehicle chassis,

unless the vehicle displays a valid safety inspection decal issued by an inspector certified by the commissioner, or the vehicle carries (1) proof that the vehicle complies with federal motor vehicle inspection requirements for vehicles in interstate commerce, and (2) a certificate of compliance with federal requirements issued by the commissioner under subdivision 9.

EFFECTIVE DATE. This section is effective the day following final enactment and expires on June 30, 2013.

Sec. 35. Minnesota Statutes 2006, section 169.781, subdivision 5, is amended to read:

Subd. 5. **Inspection decal; violation, penalty.** (a) A person inspecting a commercial motor vehicle shall issue an inspection decal for the vehicle if each inspected component of the vehicle complies with federal motor carrier safety regulations. The decal must state that in the month specified on the decal the vehicle was inspected and each inspected component complied with federal motor carrier safety regulations. The decal is valid for 12 months after the month specified on the decal. The commissioners of public safety and transportation shall make decals available, at a fee of not more than $2 for each decal, to persons certified to perform inspections under subdivision 3, paragraph (b).

(b) Minnesota inspection decals may be affixed only to:

(1) commercial motor vehicles bearing Minnesota-based license plates; or

(2) special mobile equipment, within the meaning of subdivision 2, clause (2).

(c) Notwithstanding paragraph (a), a person inspecting (1) a vehicle of less than 57,000 pounds gross vehicle weight and registered as a farm truck, (2) a storage semitrailer, or (3) a building mover vehicle must issue an inspection decal to the vehicle unless the vehicle has one or more defects that would result in the vehicle being declared out of service under the North American Uniform Driver, Vehicle, and Hazardous Materials Out-of-Service Criteria issued by the Federal Highway Administration and the Commercial Vehicle Safety Alliance. A decal issued to a vehicle described in clause (1), (2), or (3) is valid for two years from the date of issuance. A decal issued to such a vehicle must clearly indicate that it is valid for two years from the date of issuance.

(d) Notwithstanding paragraph (a), a commercial motor vehicle that (1) is registered as a farm truck, (2) is not operated more than 75 miles from the owner's home post office, and (3) was manufactured before 1979 that has a dual transmission system, is not required to comply with a requirement in an inspection standard that requires that the service brake system and parking brake system be separate systems in the motor vehicle.

(e) A person who, with the intent to defraud, falsely makes, duplicates, alters, or forges a decal or other writing or thing purporting to be a Minnesota inspection decal described in this subdivision is guilty of a felony. A person who, with the intent to defraud, possesses a decal or other writing or thing falsely purporting to be a Minnesota inspection decal described in this subdivision is guilty of a gross misdemeanor.

Sec. 36. Minnesota Statutes 2006, section 169.79, is amended to read:

169.79 VEHICLE REGISTRATION; DISPLAYING LICENSE PLATES.

Subdivision 1. **Registration required.** No person shall operate, drive, or park a motor vehicle on any highway unless the vehicle is registered in accordance with the laws

of this state and has the number plates or permit confirming that valid registration or operating authority has been obtained, except as provided in sections 168.10 and 168.12, subdivision 2f, as assigned to it by the commissioner of public safety, conspicuously displayed thereon in a manner that the view of any plate or permit is not obstructed. A plate issued under section 168.27 or a permit issued under chapter 168 may be displayed on a vehicle in conjunction with expired registration whether or not it displays the license plate to which the last registration was issued.

Subd. 2. **Semitrailer.** If the vehicle is a semitrailer, the number plate displayed must be assigned to the registered owner and correlate to the ~~certificate of title~~ documentation on file with the department ~~and shall not display a year indicator~~.

Subd. 3. **Rear display of single plate.** If the vehicle is a motorcycle, motor scooter, motorized bicycle, motorcycle sidecar, trailer registered at greater than 3,000 pounds gross vehicle weight (GVW), semitrailer, or vehicle displaying a dealer plate, then one license plate must be displayed horizontally with the identifying numbers and letters facing outward from the vehicle and must be mounted in the upright position on the rear of the vehicle.

Subd. 3a. **Small trailer.** If the vehicle is a trailer with 3,000 pounds or less GVW with lifetime registration, the numbered plate or sticker must be adhered to the side of the trailer frame tongue near the hitch.

Subd. 4. **Collector's vehicle.** If the vehicle is (1) a collector's vehicle with a pioneer, classic car, collector, or street rod license; (2) a vehicle that meets the requirements of a pioneer, classic, or street rod vehicle except that the vehicle is used for general transportation purposes; or (3) a vehicle that is of model year 1972 or earlier, not registered under section 168.10, subdivision 1c, and is used for general transportation purposes, then one plate must be displayed on the rear of the vehicle, or one plate on the front and one on the rear, at the discretion of the owner.

Subd. 5. **Truck-tractor, road-tractor, or farm truck.** If the vehicle is a truck-tractor, road-tractor, or farm truck, as defined in section 168.011, subdivision 17, but excluding from that definition semitrailers and trailers, then one plate must be displayed on the front of the vehicle.

Subd. 6. **Other motor vehicles.** If the motor vehicle is any kind of motor vehicle other than those provided for in subdivisions 2 to 4, one plate must be displayed on the front and one on the rear of the vehicle.

Subd. 7. **Plate fastened and visible.** All plates must be (1) securely fastened so as to prevent them from swinging, (2) displayed horizontally with the identifying numbers and letters facing outward from the vehicle, and (3) mounted in the upright position. The

person driving the motor vehicle shall keep the plate legible and unobstructed and free from grease, dust, or other blurring material so that the lettering is plainly visible at all times. It is unlawful to cover any assigned letters and numbers or the name of the state of origin of a license plate with any material whatever, including any clear or colorless material that affects the plate's visibility or reflectivity.

Subd. 8. **Plate registration stickers.** As viewed facing the plates:

(a) License plates issued to vehicles registered under section 168.017 must display the month of expiration in the lower left corner ~~as viewed facing the~~ of each plate and the year of expiration in the lower right corner ~~as viewed facing the~~ of each plate.

(b) License plates issued to vehicles registered under section 168.127 must display either fleet registration validation stickers in the lower right corner ~~as viewed facing the plates~~ of each plate or distinctive license plates, issued by the registrar, with "FLEET REG" displayed on the bottom center portion of ~~the~~ each plate.

(c) License plates issued after July 1, 2008, requiring validation must display the month of expiration in the lower left corner of each plate and the year of expiration in the lower right corner of the plate.

Subd. 9. **Tax-exempt vehicle marking.** Vehicles displaying tax-exempt plates issued under section 16B.581 or 168.012 must have vehicle markings that comply with section 168.012, subdivision 1.

Sec. 37. Minnesota Statutes 2006, section 169.801, is amended to read:

169.801 IMPLEMENT OF HUSBANDRY.

Subdivision 1. **Exemption from size, weight, load provisions.** Except as provided in this section and section 169.82, the provisions of sections 169.80 to 169.88 that govern size, weight, and load do not apply to~~:~~

~~(1) a horse-drawn wagon while carrying a load of loose straw or hay;~~

~~(2) a specialized vehicle resembling a low-slung trailer having a short bed or platform, while transporting one or more implements of husbandry; or~~

~~(3)~~ an implement of husbandry ~~while being driven or towed at a speed of not more than 30 miles per hour; provided that this exemption applies to an implement of husbandry owned, leased, or under the control of a farmer or implement dealer only while the implement of husbandry is being operated on noninterstate roads or highways within 75 miles of any farmland or implement dealership: (i) owned, leased, or operated by the farmer or implement dealer and (ii) on which the farmer or implement dealer regularly uses or sells or leases the implement of husbandry~~ while operated in compliance with this section.

Subd. 2. **Weight ~~per inch of tire width~~ restrictions.** (a) An implement of husbandry that is not self-propelled and is equipped with pneumatic tires may not be operated on a public highway with a maximum wheel load that exceeds ~~600 pounds per inch of tire width before August 1, 1996, and~~ 500 pounds per inch of tire width ~~on and after August 1, 1996~~.

(b) After December 31, 2009, a person operating or towing an implement of husbandry on a bridge must comply with the gross weight limitations provided in section 169.824.

Subd. 3. **Hitches.** A towed implement of husbandry must be equipped with (1) safety chains that meet the requirements of section 169.82, subdivision 3, paragraph (b); (2) a regulation fifth wheel and kingpin assembly approved by the commissioner of public safety; or (3) a hitch pin or other hitching device with a retainer that prevents accidental unhitching.

Subd. 4. **Bridge posting.** Despite subdivision 2, a person operating or towing an implement of husbandry must comply with a sign that limits the maximum weight allowed on a bridge.

Subd. 5. **Height and width.** A person operating, towing, or transporting an implement of husbandry that is higher than 13 feet six inches or wider than allowed under section 169.80, subdivision 2, must ensure that the operation or transportation does not damage a highway structure, utility line or structure, or other fixture adjacent to or over a public highway.

Subd. 6. **Speed.** No person may operate or tow an implement of husbandry at a speed of more than 30 miles per hour.

Subd. 7. **Driving rules.** (a) An implement of husbandry may not be operated or towed on an interstate highway.

(b) An implement of husbandry may be operated or towed to the left of the center of a roadway only if it is escorted at the front by a vehicle displaying hazard warning lights visible in normal sunlight and the operation does not extend into the left half of the roadway more than is necessary.

Subd. 8. **Lights.** An implement of husbandry must be equipped with lights that comply with section 169.55, subdivisions 2 and 3.

Subd. 9. **Slow moving vehicle emblem.** An implement of husbandry must comply with section 169.522.

Subd. 10. **Brakes.** Notwithstanding section 169.67:

(a) A self-propelled implement of husbandry must be equipped with brakes adequate to control its movement and to stop and hold it and any vehicle it is towing.

(b) A towed implement of husbandry must be equipped with brakes adequate to control its movement and to stop and hold it if:

(1) it has a gross vehicle weight of more than 24,000 pounds and was manufactured and sold after January 1, 1994;

(2) it has a gross vehicle weight of more than 12,000 pounds and is towed by a vehicle other than a self-propelled implement of husbandry; or

(3) it has a gross vehicle weight of more than 3,000 pounds and is being towed by a registered passenger automobile other than a pickup truck as defined in section 168.011, subdivision 29.

(c) If a towed implement of husbandry with a gross vehicle weight of more than 6,000 pounds is required under paragraph (b) to have brakes, it must also have brakes adequate to stop and hold it if it becomes detached from the towing vehicle.

Subd. 11. **Manure application technologies.** The Department of Transportation shall investigate and recommend opportunities for infrastructure adaptation to accommodate the implementation of manure application technologies that lessen impacts on roads and bridges.

Sec. 38. Minnesota Statutes 2006, section 169.82, subdivision 3, is amended to read:

Subd. 3. **Hitch, chain, or cable.** (a) Every trailer or semitrailer must be hitched to the towing motor vehicle by a device approved by the commissioner of public safety.

(b) Every trailer and semitrailer must be equipped with safety chains or cables permanently attached to the trailer except in cases where the coupling device is a regulation fifth wheel and kingpin assembly approved by the commissioner of public safety. In towing, the chains or cables must be attached to the vehicles near the points of bumper attachments to the chassis of each vehicle, and must be of sufficient strength to control the trailer in the event of failure of the towing device. The length of chain or cable must be no more than necessary to permit free turning of the vehicles. A minimum fine of $25 must be imposed for a violation of this paragraph.

(c) This subdivision does not apply to towed implements of husbandry.

(d) No person may be charged with a violation of this section solely by reason of violating a maximum speed prescribed in section ~~169.145 or~~ 169.67 or 169.801.

Sec. 39. Minnesota Statutes 2006, section 169.826, subdivision 1a, is amended to read:

Subd. 1a. **Harvest season increase amount.** The limitations provided in sections 169.822 to 169.829 are increased by ten percent from the beginning of harvest to November 30 each year for the movement of sugar beets, carrots, and potatoes from the

field of harvest to the point of the first unloading. Transfer of the product from a farm vehicle or small farm trailer, within the meaning of chapter 168, to another vehicle is not considered to be the first unloading. A permit issued under section 169.86, subdivision 1, paragraph (a), is required. The commissioner shall not issue permits under this subdivision if to do so will result in a loss of federal highway funding to the state.

Sec. 40. Minnesota Statutes 2006, section 169.85, subdivision 1, is amended to read:

Subdivision 1. **Driver to stop for weighing.** (a) The driver of a vehicle that has been lawfully stopped may be required by an officer to submit the vehicle and load to a weighing by means of portable or stationary scales.

(b) In addition, the officer may require that the vehicle be driven to the nearest available scales, but only if:

(1) the distance to the scales is no further than five miles, or if the distance from the point where the vehicle is stopped to the vehicle's destination is not increased by more than ten miles as a result of proceeding to the nearest available scales; and

(2) if the vehicle is a commercial motor vehicle, no more than two other commercial motor vehicles are waiting to be inspected at the scale.

(c) Official traffic control devices as authorized by section 169.06 may be used to direct the driver to the nearest scale.

(d) When a truck weight enforcement operation is conducted by means of portable or stationary scales, signs giving notice of the operation must be posted within the highway right-of-way and adjacent to the roadway within two miles of the operation. The driver of a truck or combination of vehicles registered for or ~~weighing in excess of 12,000~~ with a gross vehicle weight exceeding 10,000 pounds shall proceed to the scale site and submit the vehicle to weighing and inspection.

Sec. 41. Minnesota Statutes 2006, section 169.86, is amended by adding a subdivision to read:

Subd. 8. **Tow truck.** A tow truck or towing vehicle, when towing a disabled or damaged vehicle to a place of repair or to a place of safekeeping, may exceed the length and weight limitations of this chapter, subject to a $300 annual permit fee and any other conditions prescribed by the commissioner.

Sec. 42. Minnesota Statutes 2006, section 169A.03, subdivision 23, is amended to read:

Subd. 23. **School bus.** "School bus" has the meaning given in section 169.01, subdivision 6. In addition, the term includes type III school buses as described in section

169.01, subdivision 6, clause (5), when driven by employees or agents of school districts for transportation.

EFFECTIVE DATE. This section is effective August 1, 2008, and applies to crimes committed on or after that date.

Sec. 43. Minnesota Statutes 2006, section 171.01, subdivision 35, is amended to read:

Subd. 35. **Hazardous materials.** "Hazardous materials" means ~~those materials found to be hazardous for the purposes of the federal Hazardous Materials Transportation Act and that require the motor vehicle~~ any material that has been designated as hazardous under United States Code, title 49, section 5103, and is required to be placarded under Code of Federal Regulations, title 49, ~~parts 100-185~~ part 172, subpart F, or any quantity of a material listed as a select agent or toxin in Code of Federal Regulations, title 42, part 73.

Sec. 44. Minnesota Statutes 2006, section 171.01, subdivision 46, is amended to read:

Subd. 46. **School bus.** "School bus" ~~means a motor vehicle used to transport pupils to or from a school defined in section 120A.22, or to or from school-related activities, by the school or a school district or by someone under an agreement with the school or a school district. A school bus does not include a motor vehicle transporting children to or from school for which parents or guardians receive direct compensation from a school district, a motor coach operating under charter carrier authority, a transit bus providing services as defined in section 174.22, subdivision 7, or a vehicle otherwise qualifying as a type III vehicle under section 169.01, subdivision 6, paragraph (5), when the vehicle is properly registered and insured and being driven by an employee or agent of a school district for nonscheduled transportation.~~ has the meaning given in section 169.01, subdivision 6.

Sec. 45. Minnesota Statutes 2007 Supplement, section 171.02, subdivision 2, is amended to read:

Subd. 2. **Driver's license classifications, endorsements, exemptions.** (a) Drivers' licenses are classified according to the types of vehicles that may be driven by the holder of each type or class of license. The commissioner may, as appropriate, subdivide the classes listed in this subdivision and issue licenses classified accordingly.

(b) Except as provided in paragraph (c), clauses (1) and (2), and subdivision 2a, no class of license is valid to operate a motorcycle, school bus, tank vehicle, double-trailer or triple-trailer combination, vehicle transporting hazardous materials, or bus, unless

so endorsed. There are four general classes of licenses as described in paragraphs (c) through (f).

(c) Class D drivers' licenses are valid for:

(1) operating all farm trucks if the farm truck is:

(i) controlled and operated by a farmer, including operation by an immediate family member or an employee of the farmer;

(ii) used to transport agricultural products, farm machinery, or farm supplies, including hazardous materials, to or from a farm;

(iii) not used in the operations of a common or contract motor carrier as governed by Code of Federal Regulations, title 49, part 365; and

(iv) used within 150 miles of the farm;

(2) notwithstanding paragraph (b), operating an authorized emergency vehicle, as defined in section 169.01, subdivision 5, whether or not in excess of 26,000 pounds gross vehicle weight;

(3) operating a recreational vehicle as defined in section 168.011, subdivision 25, that is operated for personal use;

(4) operating all single-unit vehicles except vehicles with a gross vehicle weight of more than 26,000 pounds, vehicles designed to carry more than 15 passengers including the driver, and vehicles that carry hazardous materials;

(5) notwithstanding paragraph (d), operating a type A school bus or a multifunctional school activity bus without a school bus endorsement if:

(i) the bus has a gross vehicle weight of 10,000 pounds or less;

(ii) the bus is designed to transport 15 or fewer passengers, including the driver; and

(iii) the requirements of subdivision 2a are satisfied, as determined by the commissioner;

(6) operating any vehicle or combination of vehicles when operated by a licensed peace officer while on duty; and

(7) towing vehicles if:

(i) the towed vehicles have a gross vehicle weight of 10,000 pounds or less; or

(ii) the towed vehicles have a gross vehicle weight of more than 10,000 pounds and the combination of vehicles has a gross vehicle weight of 26,000 pounds or less.

(d) Class C drivers' licenses are valid for:

(1) operating class D motor vehicles;

(2) with a hazardous materials endorsement, ~~transporting hazardous materials in~~ operating class D vehicles to transport hazardous materials; ~~and~~

(3) with a passenger endorsement, operating buses; and

~~(3)~~ (4) with a passenger endorsement and school bus endorsement, operating school buses ~~designed to transport 15 or fewer passengers, including the driver~~.

(e) Class B drivers' licenses are valid for:

(1) operating all class C motor vehicles, class D motor vehicles, and all other single-unit motor vehicles including, with a passenger endorsement, buses; and

(2) towing only vehicles with a gross vehicle weight of 10,000 pounds or less.

(f) Class A drivers' licenses are valid for operating any vehicle or combination of vehicles.

Sec. 46. Minnesota Statutes 2006, section 171.02, is amended by adding a subdivision to read:

Subd. 2b. **Exception for type III school bus drivers.** (a) Notwithstanding subdivision 2, paragraph (c), the holder of a class D driver's license, without a school bus endorsement, may operate a type III school bus described in section 169.01, subdivision 6, clause (5), under the conditions in paragraphs (b) through (n).

(b) The operator is an employee of the entity that owns, leases, or contracts for the school bus.

(c) The operator's employer has adopted and implemented a policy that provides for annual training and certification of the operator in:

(1) safe operation of a type III school bus;

(2) understanding student behavior, including issues relating to students with disabilities;

(3) encouraging orderly conduct of students on the bus and handling incidents of misconduct appropriately;

(4) knowing and understanding relevant laws, rules of the road, and local school bus safety policies;

(5) handling emergency situations;

(6) proper use of seat belts and child safety restraints;

(7) performance of pretrip vehicle inspections; and

(8) safe loading and unloading of students, including, but not limited to:

(i) utilizing a safe location for loading and unloading students at the curb, on the nontraffic side of the roadway, or at off-street loading areas, driveways, yards, and other areas to enable the student to avoid hazardous conditions;

(ii) refraining from loading and unloading students in a vehicular traffic lane, on the shoulder, in a designated turn lane, or a lane adjacent to a designated turn lane;

(iii) avoiding a loading or unloading location that would require a pupil to cross a road, or ensuring that the driver or an aide personally escort the pupil across the road if it is not reasonably feasible to avoid such a location; and

(iv) placing the type III school bus in "park" during loading and unloading.

(d) A background check or background investigation of the operator has been conducted that meets the requirements under section 122A.18, subdivision 8, or 123B.03 for school district employees; section 144.057 or chapter 245C for day care employees; or section 171.321, subdivision 3, for all other persons operating a type A or type III school bus under this subdivision.

(e) Operators shall submit to a physical examination as required by section 171.321, subdivision 2.

(f) The operator's employer has adopted and implemented a policy that provides for mandatory drug and alcohol testing of applicants for operator positions and current operators, in accordance with section 181.951, subdivisions 2, 4, and 5.

(g) The operator's driver's license is verified annually by the entity that owns, leases, or contracts for the school bus.

(h) A person who sustains a conviction, as defined under section 609.02, of violating section 169A.25, 169A.26, 169A.27, or 169A.31, or whose driver's license is revoked under sections 169A.50 to 169A.53 of the implied consent law, or who is convicted of or has their driver's license revoked under a similar statute or ordinance of another state, is precluded from operating a type III school bus for five years from the date of conviction.

(i) A person who has ever been convicted of a disqualifying offense as defined in section 171.3215, subdivision 1, paragraph (c), may not operate a type III school bus under this subdivision.

(j) A person who sustains a conviction, as defined under section 609.02, of a moving offense in violation of chapter 169 within three years of the first of three other moving offenses is precluded from operating a type III school bus for one year from the date of the last conviction.

(k) An operator who sustains a conviction as described in paragraph (h), (i), or (j) while employed by the entity that owns, leases, or contracts for the school bus, shall report the conviction to the employer within ten days of the date of the conviction.

(l) Students riding the type III school bus must have training required under section 123B.90, subdivision 2.

(m) Documentation of meeting the requirements listed in this subdivision must be maintained under separate file at the business location for each type III school bus operator. The business manager, school board, governing body of a nonpublic school, or

any other entity that owns, leases, or contracts for the type III school bus operating under this subdivision is responsible for maintaining these files for inspection.

(n) The type III school bus must bear a current certificate of inspection issued under section 169.451.

(o) An operator employed by a school or school district, whose normal duties do not include operating a type III school bus, who holds a class D driver's license without a school bus endorsement, may operate a type III school bus and is exempt from paragraphs (d), (e), (f), (g), and (k).

EFFECTIVE DATE. This section is effective September 1, 2008.

Sec. 47. Minnesota Statutes 2006, section 171.03, is amended to read:

171.03 PERSONS EXEMPT.

The following persons are exempt from license hereunder:

(a) A person in the employ or service of the United States federal government is exempt while driving or operating a motor vehicle owned by or leased to the United States federal government.

(b) A person in the employ or service of the United States federal government is exempt from the requirement to possess a valid class A, class B, or class C commercial driver's license while driving or operating for military purposes a commercial motor vehicle ~~owned by or leased to~~ for the United States federal government if the person is:

(1) on active duty in the U. S. Coast Guard;

(2) on active duty in a branch of the U. S. Armed Forces, which includes the Army, Air Force, Navy, and Marine Corps;

(3) a member of a reserve component of the U. S. Armed Forces; or

(4) on active duty in the Army National Guard or Air National Guard, which includes (i) a member on full-time National Guard duty, (ii) a member undergoing part-time National Guard training, and (iii) a National Guard military technician, who is a civilian required to wear a military uniform.

The exemption provided under this paragraph does not apply to a U. S. Armed Forces Reserve technician.

(c) Any person while driving or operating any farm tractor or implement of husbandry temporarily on a highway is exempt. For purposes of this section, an all-terrain vehicle, as defined in section 84.92, subdivision 8, an off-highway motorcycle, as defined in section 84.787, subdivision 7, and an off-road vehicle, as defined in section 84.797, subdivision 7, are not implements of husbandry.

(d) A nonresident who is at least 15 years of age and who has in immediate possession a valid driver's license issued to the nonresident in the home state or country may operate a motor vehicle in this state only as a driver.

(e) A nonresident who has in immediate possession a valid commercial driver's license issued by a state or jurisdiction in accordance with the standards of Code of Federal Regulations, title 49, part 383, and who is operating in Minnesota the class of commercial motor vehicle authorized by the issuing state or jurisdiction is exempt.

(f) Any nonresident who is at least 18 years of age, whose home state or country does not require the licensing of drivers may operate a motor vehicle as a driver, but only for a period of not more than 90 days in any calendar year, if the motor vehicle so operated is duly registered for the current calendar year in the home state or country of the nonresident.

(g) Any person who becomes a resident of the state of Minnesota and who has in possession a valid driver's license issued to the person under and pursuant to the laws of some other state or jurisdiction or by military authorities of the United States may operate a motor vehicle as a driver, but only for a period of not more than 60 days after becoming a resident of this state, without being required to have a Minnesota driver's license as provided in this chapter.

(h) Any person who becomes a resident of the state of Minnesota and who has in possession a valid commercial driver's license issued by another state or jurisdiction in accordance with the standards of Code of Federal Regulations, title 49, part 383, is exempt for not more than 30 days after becoming a resident of this state.

(i) Any person operating a snowmobile, as defined in section 84.81, is exempt.

Sec. 48. Minnesota Statutes 2006, section 171.055, subdivision 1, is amended to read:

Subdivision 1. **Requirements for provisional license; misdemeanor.** (a) The department may issue a provisional license, which must be distinctive in appearance from a driver's license, to an applicant who:

(1) has reached the age of 16 years;

(2) during the six months immediately preceding the application for the provisional license has possessed an instruction permit and has incurred (i) no convictions for a violation of section 169A.20, 169A.33, 169A.35, or sections 169A.50 to 169A.53, (ii) no convictions for a crash-related moving violation, and (iii) no convictions for a moving violation that is not crash related;

(3) has successfully completed a course of driver education in accordance with department rules, including but not limited to 30 hours of classroom instruction and six hours of behind-the-wheel driving instruction; provided that, upon request of a parent

or guardian, an additional four hours of behind-the-wheel driving instruction must be provided during the months of December, January, and February;

(4) completes the required application, which must be approved by (i) either parent when both reside in the same household as the minor applicant or, if otherwise, then (ii) the parent or spouse of the parent having custody or, in the event there is no court order for custody, then (iii) the parent or spouse of the parent with whom the minor is living or, if items (i) to (iii) do not apply, then (iv) the guardian having custody of the minor or, in the event a person under the age of 18 has no living father, mother, or guardian, or is married or otherwise legally emancipated, then (v) the applicant's adult spouse, adult close family member, or adult employer; provided, that the approval required by this clause contains a verification of the age of the applicant and the identity of the parent, guardian, adult spouse, adult close family member, or adult employer;

(5) presents ~~certification~~ a logbook or schedule certified by the person who approves the application under clause (4) ~~stating~~ attesting that the applicant has driven a motor vehicle accompanied by and under the supervision of a licensed driver at least 21 years of age, for no less than ~~30~~ 50 hours, at least ten of which were nighttime hours; and

(6) pays the fee required in section 171.06, subdivision 2.

(b) For purposes of this section, "moving violation" has the meaning given it in section 171.04, subdivision 1.

(c) Notwithstanding paragraph (a), clause (2), the commissioner shall not issue a provisional license to a person who has ever incurred a conviction for violation of section 169A.20, 169A.33, or 169A.35; a violation of a provision of sections 169A.50 to 169A.53; or a crash-related moving violation, and at the time of the conviction the person did not possess an instruction permit.

(d) If a person approving the application under paragraph (a), clause (4), falsifies an entry, or knows an entry is false, in a logbook or schedule certified by the person under paragraph (a), clause (5), that person is guilty of a misdemeanor.

Sec. 49. Minnesota Statutes 2006, section 171.055, subdivision 2, is amended to read:

Subd. 2. **Use of provisional license.** (a) A provisional license holder may operate a motor vehicle only when every occupant under the age of 18 has a seat belt or child passenger restraint system properly fastened. A person who violates this paragraph is subject to a fine of $25. A peace officer may not issue a citation for a violation of this paragraph unless the officer lawfully stopped or detained the driver of the motor vehicle for a moving violation as defined in section 171.04. The commissioner shall not record a violation of this paragraph on a person's driving record.

(b) A provisional license holder may not operate a vehicle while communicating over, or otherwise operating, a cellular or wireless telephone, whether handheld or hands free, when the vehicle is in motion. The provisional license holder may assert as an affirmative defense that the violation was made for the sole purpose of obtaining emergency assistance to prevent a crime about to be committed, or in the reasonable belief that a person's life or safety was in danger. Violation of this paragraph is a petty misdemeanor subject to section 169.89, subdivision 2.

(c) For the first six months of provisional licensure, a provisional license holder may not operate a motor vehicle carrying more than one passenger under the age of 20 years who is not a member of the holder's immediate family. For the second six months, the holder of the license may not operate a motor vehicle that is carrying more than three passengers who are under the age of 20 years and who are not members of the holder's immediate family. This paragraph does not apply if the provisional license holder is accompanied by a parent or guardian.

(d) For the first six months of provisional licensure, a provisional license holder who is less than 18 years of age may operate a motor vehicle between the hours of midnight and 5:00 a.m. only when the license holder is:

(1) driving between the license holder's home and place of employment;

(2) driving between the license holder's home and a school event for which the school has not provided transportation;

(3) driving for employment purposes; or

(4) accompanied by a licensed driver or Minnesota identification card holder who is at least 20 years of age.

(e) If the holder of a provisional license during the period of provisional licensing incurs (1) a conviction for a violation of section 169A.20, 169A.33, 169A.35, or sections 169A.50 to 169A.53, (2) a conviction for a crash-related moving violation, or (3) more than one conviction for a moving violation that is not crash related, the person may not be issued a driver's license until 12 consecutive months have expired since the date of the conviction or until the person reaches the age of 18 years, whichever occurs first.

(f) For purposes of this section, "immediate family" means permanent members of the same household who are related by blood, adoption, or marriage.

Sec. 50. Minnesota Statutes 2006, section 171.0701, is amended to read:

171.0701 DRIVER EDUCATION~~; ORGAN AND TISSUE DONATION~~ CONTENT.

(a) The commissioner shall adopt rules requiring a minimum of 30 minutes of instruction, beginning January 1, 2007, relating to organ and tissue donations and the provisions of section 171.07, subdivision 5, for persons enrolled in driver education programs offered at public schools, private schools, and commercial driver training schools.

(b) The commissioner shall adopt rules for persons enrolled in driver education programs offered at public schools, private schools, and commercial driver training schools, requiring inclusion in the course of instruction, by January 1, 2009, a section on awareness and safe interaction with commercial motor vehicle traffic. The rules must require classroom instruction and behind-the-wheel training that includes, but is not limited to, truck stopping distances, proper distances for following trucks, identification of truck blind spots, and avoidance of driving in truck blind spots.

(c) The rules adopted by the commissioner under paragraph (b) are exempt from the rulemaking provisions of chapter 14. The rules are subject to section 14.386, except that notwithstanding paragraph (b) of section 14.386, the rules continue in effect until repealed or superseded by other law or rule.

Sec. 51. Minnesota Statutes 2006, section 171.12, subdivision 6, is amended to read:

Subd. 6. **Certain convictions not recorded.** (a) Except as provided in paragraph (b), the department shall not keep on the record of a driver any conviction for a violation of a speed limit of 55 or 60 miles per hour unless the violation consisted of a speed greater than ten miles per hour in excess of a 55 miles per hour speed limit, or more than ~~five~~ ten miles per hour in excess of a 60 miles per hour speed limit.

(b) This subdivision does not apply to (1) a violation that occurs in a commercial motor vehicle, or (2) a violation committed by a holder of a class A, B, or C commercial driver's license, without regard to whether the violation was committed in a commercial motor vehicle or another vehicle.

Sec. 52. Minnesota Statutes 2006, section 171.13, is amended by adding a subdivision to read:

Subd. 1j. **Driver's manual; interaction with commercial motor vehicle.** The commissioner shall include in each edition of the driver's manual published by the department after August 1, 2008, a section that includes information on awareness and safe interaction with commercial motor vehicle traffic.

Sec. 53. Minnesota Statutes 2006, section 171.165, subdivision 2, is amended to read:

Subd. 2. **Implied consent revocation.** The commissioner shall disqualify a person from operating commercial motor vehicles for a revocation under section 169A.52 or a statute or ordinance from another state or jurisdiction in conformity with it, ~~in accordance with~~ for a period that is equivalent in duration under the driver disqualifications and penalties in Code of Federal Regulations, title 49, part 383, subpart D, that pertain to a conviction of being under the influence of alcohol or refusal to be tested.

Sec. 54. **[171.168] NOTIFICATION OF CONVICTION FOR VIOLATION BY COMMERCIAL DRIVER.**

(a) Each person who operates a commercial motor vehicle, who has a commercial driver's license issued by this state, and who is convicted of a criminal offense; of a serious traffic violation, as defined in Code of Federal Regulations, title 49, section 383.5; or of violating any other state or local law relating to motor vehicle traffic control, other than a parking violation, in any type of motor vehicle in another state or jurisdiction, shall notify the department's Division of Driver and Vehicle Services of the conviction. The person shall notify the division within 30 days after the date that the person was convicted.

(b) Each person who operates a commercial motor vehicle, who has a commercial driver's license issued by this state, and who is convicted of violating, in any type of motor vehicle, a Minnesota state or local law relating to motor vehicle traffic control, other than a parking violation, shall notify the person's employer of the conviction. The person shall notify the person's employer within 30 days after the date that the person was convicted. If the person is not currently employed, the person shall notify the division according to paragraph (a).

(c) Notification to the division must be made in writing and contain the following information:

(1) the driver's full name;

(2) the driver's license number;

(3) the date of conviction;

(4) the specific criminal or other offense; serious traffic violation, as defined in Code of Federal Regulations, title 49, section 383.5; and any other violation of state or local law relating to motor vehicle traffic control, for which the person was convicted and any suspension, revocation, or cancellation of certain driving privileges that resulted from the conviction;

(5) an indication whether the violation was in a commercial motor vehicle;

(6) the location of the offense; and

(7) the driver's signature.

Sec. 55. **[171.169] NOTIFICATION OF SUSPENSION OF LICENSE OF COMMERCIAL DRIVER.**

Each employee, as defined in Code of Federal Regulations, title 49, section 383.5, who has a Minnesota-issued driver's license suspended, revoked, or canceled by this state or another state or jurisdiction, who loses the right to operate a commercial motor vehicle in this state or another state or jurisdiction for any period, or who is disqualified from operating a commercial motor vehicle for any period, shall notify the person's employer of the suspension, revocation, cancellation, lost privilege, or disqualification. The employee shall notify the employer before the end of the business day following the day the employee received notice of the suspension, revocation, cancellation, lost privilege, or disqualification.

Sec. 56. Minnesota Statutes 2006, section 171.321, subdivision 1, is amended to read:

Subdivision 1. **Endorsement.** No person shall drive a school bus when transporting school children to or from school or upon a school-related trip or activity without having a valid class A, class B, or class C driver's license with a school bus endorsement except that a person possessing a valid driver's license but not a school bus endorsement may drive a ~~vehicle with a seating capacity of ten or less persons used as a school bus but not outwardly equipped or identified as a school bus~~ type III vehicle.

Sec. 57. Minnesota Statutes 2006, section 174.02, subdivision 2, is amended to read:

Subd. 2. **Unclassified positions.** The commissioner shall appoint a deputy commissioner/chief engineer. If the commissioner is not a licensed professional engineer under section 326.02, the deputy commissioner/chief engineer must be licensed as a professional engineer under Minnesota Statutes, section 326.02. The commissioner may establish ~~four~~ three other positions in the unclassified service at the deputy and assistant commissioner, assistant to commissioner, or personal secretary levels. No more than two of these positions shall be at the deputy commissioner level.

Sec. 58. Minnesota Statutes 2006, section 174.03, subdivision 1, is amended to read:

Subdivision 1. **Statewide transportation plan; priorities; schedule of expenditures.** In order to best meet the present and future transportation needs of the public, to insure a strong state economy, to make most efficient use of public and private funds, and to promote the more efficient use of energy and other resources for transportation purposes, the commissioner shall:

(1) three months after notification that the department is ready to commence operations and prior to the drafting of the statewide transportation plan, hold public hearings as may be appropriate solely for the purpose of receiving suggestions for future transportation alternatives and priorities for the state. The Metropolitan Council, regional development commissions, and port authorities shall appear at the hearings and submit information concerning transportation-related planning undertaken and accomplished by these agencies. Other political subdivisions may appear and submit such information at the hearings. These hearings shall be completed no later than six months from the date of the commissioner's notification;

(2) develop, adopt, revise, and monitor a statewide transportation plan, taking into account the suggestions and information submitted at the public hearings held pursuant to clause (1). The plan shall incorporate all modes of transportation and provide for the interconnection and coordination of different modes of transportation. The commissioner shall evaluate alternative transportation programs and facilities proposed for inclusion in the plan in terms of economic costs and benefits, safety aspects, impact on present and planned land uses, environmental effects, energy efficiency, national transportation policies and priorities, and availability of federal and other financial assistance;

(3) based upon the statewide transportation plan, develop statewide transportation priorities and schedule authorized public capital improvements and other authorized public transportation expenditures pursuant to the priorities. As permitted by the federal surface transportation program, the commissioner shall prioritize for funding those transportation projects in the metropolitan area, as defined in section 473.121, subdivision 2, that are consistent with policies included in the Metropolitan Council's metropolitan development guide, transportation policy plan, and regional development framework, and that have been awarded funding through the federal surface transportation program;

(4) complete the plan and priorities required by this subdivision no later than July 1, 1978. Upon completion of the plan and priorities, the commissioner shall prepare and periodically revise, as necessary, the schedule of authorized public transportation expenditures. The plan, priorities, and schedule are exempt from the provisions of the Administrative Procedure Act.

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

Sec. 59. Minnesota Statutes 2006, section 174.24, is amended by adding a subdivision to read:

Subd. 1a. **Transit service needs implementation plan.** The commissioner shall develop and implement a transit service needs implementation plan that contains a goal of

meeting at least 80 percent of unmet transit service needs in greater Minnesota by July 1, 2015, and meeting at least 90 percent of unmet transit service needs in greater Minnesota by July 1, 2025. The plan must include, but is not limited to, the following: an analysis of ridership and transit service needs throughout greater Minnesota; a calculation of unmet needs; an assessment of the level and type of service required to meet unmet needs; an analysis of costs and revenue options; and, a plan to reduce unmet transit service needs as specified in this subdivision. The plan must specifically address special transportation service ridership and needs. The commissioner may amend the plan as necessary, and may use all or part of the 2001 greater Minnesota public transportation plan created by the Minnesota Department of Transportation.

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

Sec. 60. **[174.247] ANNUAL TRANSIT REPORT.**

(a) By February 15 annually, the commissioner shall submit a report to the legislature on transit services outside the metropolitan area. The Metropolitan Council and any public transit system receiving assistance under section 174.24 shall provide assistance in creating the report, as requested by the commissioner.

(b) The report must include, at a minimum, the following:

(1) a descriptive overview of public transit in Minnesota;

(2) a descriptive summary of funding sources and assistance programs;

(3) a summary of each public transit system receiving assistance under section 174.24;

(4) data that identifies use of volunteers in providing transit service;

(5) financial data that identifies operating and capital costs, and funding sources, for each public transit system and for each transit system classification under section 174.24, subdivision 3b;

(6) a summary of progress with the transit service needs implementation plan under section 174.24, subdivision 1a, including identification of any adjustments made to the plan; and

(7) a calculation of the amounts of surplus or insufficient funds available for (i) paying the state share of transit operating costs under section 174.24, subdivision 3b, and (ii) following the transit service needs implementation plan.

EFFECTIVE DATE. This section is effective August 1, 2009.

Sec. 61. Minnesota Statutes 2006, section 221.011, is amended by adding a subdivision to read:

Subd. 50. **Out-of-service order.** "Out-of-service order" has the meaning given it in Code of Federal Regulations, title 49, section 383.5.

Sec. 62. Minnesota Statutes 2006, section 221.031, subdivision 1, is amended to read:

Subdivision 1. **Powers, duties, reports, limitations.** (a) This subdivision applies to motor carriers engaged in intrastate commerce.

(b) The commissioner shall prescribe rules for the operation of motor carriers, including their facilities; accounts; leasing of vehicles and drivers; service; safe operation of vehicles; equipment, parts, and accessories; hours of service of drivers; driver qualifications; accident reporting; identification of vehicles; installation of safety devices; inspection, repair, and maintenance; and proper automatic speed regulators if, in the opinion of the commissioner, there is a need for the rules.

(c) The commissioner shall direct the repair and reconstruction or replacement of an inadequate or unsafe motor carrier vehicle or facility. The commissioner may require the construction and maintenance or furnishing of suitable and proper freight terminals, passenger depots, waiting rooms, and accommodations or shelters in a city in this state or at a point on the highway traversed which the commissioner, after investigation by the department, may deem just and proper for the protection of passengers or property.

(d) The commissioner shall require holders of household goods mover permits to file ~~annual and other reports including annual accounts of motor carriers,~~ schedules of rates and charges, or other data by motor carriers, regulate motor carriers in matters affecting the relationship between them and the traveling and shipping public, and prescribe other rules as may be necessary to carry out the provisions of this chapter.

(e) ~~A motor carrier subject to paragraph (d) but having gross revenues from for-hire transportation in a calendar year of less than $200,000 may, at the discretion of the commissioner, be exempted from the filing of an annual report, if instead the motor carrier files an abbreviated annual report, in a form as may be prescribed by the commissioner, attesting that the motor carrier's gross revenues did not exceed $200,000 in the previous calendar year. Motor carrier gross revenues from for-hire transportation, for the purposes of this subdivision only, do not include gross revenues received from the operation of school buses as defined in section 169.01, subdivision 6.~~

~~(f)~~ The commissioner shall enforce sections 169.781 to 169.783.

Sec. 63. Minnesota Statutes 2006, section 221.036, subdivision 1, is amended to read:

Subdivision 1. **Order.** The commissioner may issue an order requiring violations to be corrected and administratively assessing monetary penalties for a violation of (1) section 221.021; (2) section 221.033, subdivision 2b; (3) section 221.151; (4) section 221.171; (5) section 221.141; (6) a federal, state, or local law, regulation, rule, or ordinance pertaining to railroad-highway grade crossings; or ~~(6)~~ (7) rules of the commissioner relating to the transportation of hazardous waste, motor carrier operations, insurance, or tariffs and accounting. An order must be issued as provided in this section.

Sec. 64. Minnesota Statutes 2006, section 221.036, subdivision 3, is amended to read:

Subd. 3. **Amount of penalty; considerations.** (a) The commissioner may issue an order assessing a penalty of up to $5,000 for all violations of section 221.021; 221.141; 221.151; or 221.171, or rules of the commissioner relating to motor carrier operations, insurance, or tariffs and accounting, identified during a single inspection, audit, or investigation.

(b) The commissioner may issue an order assessing a penalty up to a maximum of $10,000 for all violations of section 221.033, subdivision 2b, identified during a single inspection or audit.

(c) In determining the amount of a penalty, the commissioner shall consider:

(1) the willfulness of the violation;

(2) the gravity of the violation, including damage to humans, animals, air, water, land, or other natural resources of the state;

(3) the history of past violations, including the similarity of the most recent violation and the violation to be penalized, the time elapsed since the last violation, the number of previous violations, and the response of the person to the most recent violation identified;

(4) the economic benefit gained by the person by allowing or committing the violation; and

(5) other factors as justice may require, if the commissioner specifically identifies the additional factors in the commissioner's order.

(d) The commissioner shall assess a penalty ~~of not less than $1,000 against a driver who is convicted of a violation of an out-of-service order. The commissioner shall assess a penalty of not more than $10,000 against an employer who knowingly allows or requires an employee to operate a commercial motor vehicle in violation of an out-of-service order.~~ in accordance with Code of Federal Regulations, title 49, section 383.53 against:

(1) a driver who is convicted of a violation of an out-of-service order;

(2) an employer who knowingly allows or requires an employee to operate a commercial motor vehicle in violation of an out-of-service order; or

(3) an employer who knowingly allows or requires an employee to operate a commercial motor vehicle in violation of a federal, state, or local law or regulation pertaining to railroad-highway grade crossings.

Sec. 65. Minnesota Statutes 2006, section 221.121, subdivision 1, is amended to read:

Subdivision 1. **Petition; ~~notice and hearing;~~ scope.** (a) A person desiring to operate as a permit carrier, except as provided in subdivision 5 or section 221.296, shall file a petition with the commissioner specifying the kind of permit desired, the name and address of the petitioner and the names and addresses of the officers, if a corporation, and other information as the commissioner may require. Letters of shipper support must be filed with the petition. No person shall knowingly make a false or misleading statement in a petition.

(b) The commissioner~~, after notice to interested parties and a hearing,~~ shall issue the permit upon compliance with the laws and rules relating to it, if it finds that petitioner is fit and able to conduct the proposed operations, that petitioner's vehicles meet the safety standards established by the department, ~~that the area to be served has a need for the transportation services requested in the petition, and that existing permit and certificated carriers in the area to be served have failed to demonstrate that they offer sufficient transportation services to meet fully and adequately those needs,~~ provided that no person who holds a permit at the time sections 221.011 to 221.291 take effect may be denied a renewal of the permit upon compliance with other provisions of sections 221.011 to 221.291.

(c) A permit once granted continues in full force and effect until abandoned or unless suspended or revoked, subject to compliance by the permit holder with the applicable provisions of law and the rules of the commissioner governing permit carriers.

(d) No permit may be issued to a common carrier by rail permitting the common carrier to operate trucks for hire within this state, nor may a common carrier by rail be permitted to own, lease, operate, control, or have an interest in a permit carrier by truck, either by stock ownership or otherwise, directly, indirectly, through a holding company, or by stockholders or directors in common, or in any other manner. Nothing in sections 221.011 to 221.291 prevents the commissioner from issuing a permit to a common carrier by rail authorizing the carrier to operate trucks wholly within the limits of a municipality or within adjacent or contiguous municipalities or a common rate point served by the railroad and only as a service supplementary to the rail service now established by the carriers.

Sec. 66. Minnesota Statutes 2006, section 221.121, subdivision 6a, is amended to read:

Subd. 6a. **Household goods carrier.** A person who desires to hold out or to operate as a carrier of household goods shall ~~follow the procedure established in subdivision 1, and shall specifically request a household goods mover permit. The permit granted by the commissioner to a person who meets the criteria established in this subdivision and subdivision 1 shall authorize the person to hold out and to operate as a household goods mover. A person who provides or offers to provide household goods packing services and who makes any arrangement directly or indirectly by lease, rental, referral, or by other means to provide or to obtain drivers, vehicles, or transportation service for moving household goods, must have a household goods mover permit~~ file an application with the commissioner on a form the commissioner prescribes. Notwithstanding this or any other section or rule to the contrary, the commissioner must not provide public notice or hearing when reviewing the application or before granting the requested operating authority. All permits granted to household goods carriers must allow statewide operation. Notwithstanding any geographical restrictions imposed upon a permit at the time it was granted or any section or rule to the contrary, the holder of a household goods permit may operate statewide.

Sec. 67. Minnesota Statutes 2006, section 221.151, subdivision 1, is amended to read:

Subdivision 1. **Petition.** (a) Permits, except livestock permits, issued under section 221.121 may be assigned or transferred but only upon the order of the commissioner approving the transfer or assignment after notice and hearing.

(b) The proposed seller and buyer or lessor and lessee of a permit, except for livestock carrier permits, shall file a joint notarized petition with the commissioner setting forth the name and address of the parties, the identifying number of the permit, and the description of the authority which the parties seek to sell or lease, a short statement of the reasons for the proposed sale or lease, a statement of outstanding claims of creditors which are directly attributable to the operation to be conducted under the permit, a copy of the contract of sale or lease, and a financial statement with a balance sheet and an income statement, if existent, of the buyer or lessee. If it appears to the commissioner~~, after notice to interested parties and a hearing,~~ from the contents of the petition~~, from the evidence produced at the hearing,~~ and from the department's records, files, and investigation that the approval of the sale or lease of the permit will not adversely affect the rights of the users of the service ~~and will not have an adverse effect upon other competing carriers~~, the commissioner may make an order granting the sale or lease. Provided, however, that the commissioner shall make no order granting the sale or lease of a permit to a person

or corporation or association which holds a certificate or permit other than local cartage carrier permit from the commissioner under this chapter or to a common carrier by rail.

~~Provided further that the commissioner shall make no order approving the sale or lease of a permit if the commissioner finds that the price paid for the sale or lease of a permit is disproportionate to the reasonable value of the permit considering the assets and goodwill involved. The commissioner shall approve the sale or lease of a permit only after a finding that the transferee is fit and able to conduct the operations authorized under the permit and that the vehicles the transferee proposes to use in conducting the operations meet the safety standards of the commissioner. In determining the extent of the operating authority to be conducted by the transferee under the sale or lease of the permit, the past operations of the transferor within the two-year period immediately preceding the transfer must be considered. Only such operating authority may be granted to the transferee as was actually exercised by the transferor under the transferor's authority within the two-year period immediately preceding the transfer as evidenced by bills of lading, company records, operation records, or other relevant evidence. For purposes of determining the two-year period, the date of divesting of interest or control is the date of the sale.~~

(c) The commissioner shall look to the substance of the transaction rather than the form. An agreement for the transfer or sale of a permit must be reported and filed with the commissioner within 30 days of the agreement.

(d) If an authority to operate as a permit carrier is held by a corporation, a sale, assignment, pledge, or other transfer of the stock interest in the corporation which will accomplish a substantial or material change or transfer of the majority ownership of the corporation, as exercised through its stockholders, must be reported in the manner prescribed in the rules of the commissioner within 30 days after the sale, assignment, pledge, or other transfer of stock. The commissioner shall then make a finding whether or not the stock transfer does, in fact, constitute a sale, lease, or other transfer of the permit of the corporation to a new party or parties and, if they so find, then the continuance of the permit issued to the corporation may only be upon the corporation's complying with the standards and procedures otherwise imposed by this section.

Sec. 68. Minnesota Statutes 2006, section 299D.03, subdivision 1, is amended to read:

Subdivision 1. **Members, powers, and duties.** (a) The commissioner is hereby authorized to employ and designate a chief supervisor, a chief assistant supervisor, and such assistant supervisors, sergeants and officers as are provided by law, who shall comprise the Minnesota State Patrol.

(b) The members of the Minnesota State Patrol shall have the power and authority:

(1) as peace officers to enforce the provisions of the law relating to the protection of and use of trunk highways;

(2) at all times to direct all traffic on trunk highways in conformance with law, and in the event of a fire or other emergency, or to expedite traffic or to insure safety, to direct traffic on other roads as conditions may require notwithstanding the provisions of law;

(3) to serve search warrants related to criminal motor vehicle and traffic violations and arrest warrants, and legal documents anywhere in the state;

(4) to serve orders of the commissioner of public safety or the commissioner's duly authorized agents issued under the provisions of the Driver's License Law, the Safety Responsibility Act, or relating to authorized brake- and light-testing stations, anywhere in the state and to take possession of any license, permit, or certificate ordered to be surrendered;

(5) to inspect official brake and light adjusting stations;

(6) to make appearances anywhere within the state for the purpose of conducting traffic safety educational programs and school bus clinics;

(7) to exercise upon all trunk highways the same powers with respect to the enforcement of laws relating to crimes, as sheriffs and police officers;

(8) to cooperate, under instructions and rules of the commissioner of public safety, with all sheriffs and other police officers anywhere in the state, provided that said employees shall have no power or authority in connection with strikes or industrial disputes;

(9) to assist and aid any peace officer whose life or safety is in jeopardy;

(10) as peace officers to provide security and protection to the governor, governor elect, either or both houses of the legislature, and state buildings or property in the manner and to the extent determined to be necessary after consultation with the governor, or a designee. Pursuant to this clause, members of the State Patrol, acting as peace officers have the same powers with respect to the enforcement of laws relating to crimes, as sheriffs and police officers have within their respective jurisdictions;

(11) to inspect school buses anywhere in the state for the purposes of determining compliance with vehicle equipment, pollution control, and registration requirements;

(12) as peace officers to make arrests for public offenses committed in their presence anywhere within the state. Persons arrested for violations other than traffic violations shall be referred forthwith to the appropriate local law enforcement agency for further investigation or disposition~~.~~; and

(13) to enforce the North American uniform out-of-service criteria and issue out-of-service orders, as defined in Code of Federal Regulations, title 49, section 383.5.

(c) The state may contract for State Patrol members to render the services described in this section in excess of their regularly scheduled duty hours and patrol members rendering such services shall be compensated in such amounts, manner and under such conditions as the agreement provides.

(d) Employees thus employed and designated shall subscribe an oath.

Sec. 69. Minnesota Statutes 2006, section 299D.06, is amended to read:

299D.06 PATROL EMPLOYEES WHO ARE NOT TROOPERS.

(a) Department personnel must be classified employees assigned to the Division of State Patrol if they are employed to enforce:

(1) laws relating to motor vehicle equipment; school bus equipment; drivers' licenses; motor vehicle registration; motor vehicle size and weight; motor carrier insurance, registration, and safety; and motor vehicle petroleum taxes;

(2) Pollution Control Agency rules relating to motor vehicle noise abatement; ~~and~~

(3) laws relating to directing the movement of vehicles~~.~~; and

(4) the North American uniform out-of-service criteria and issue out-of-service orders, as defined in Code of Federal Regulations, title 49, section 383.5.

(b) Employees engaged in these duties, while actually on the job during their working hours only, shall have power to:

(1) issue citations in lieu of arrest and continued detention; and

(2) prepare notices to appear in court for violation of these laws and rules, in the manner provided in section 169.91, subdivision 3.

(c) They shall not be armed and, except as provided in this section, shall have none of the other powers and privileges reserved to peace officers including the power to enforce traffic laws and regulations.

Sec. 70. Minnesota Statutes 2006, section 473.1465, is amended by adding a subdivision to read:

Subd. 4. **Special transportation service assessment.** As part of its annual update to the performance evaluation report under section 473.13, subdivision 1a, the Metropolitan Council shall include an assessment of progress towards meeting transit goals for people with disabilities. The assessment must include, but is not limited to, the following: a description of proposed program enhancements; an assessment of progress; identification of the estimated total number of potential and actual riders who are disabled; an assessment of the level and type of service required to meet unmet ridership needs; and

an analysis of costs and revenue options, including a calculation of the amounts of surplus or insufficient funds available for achieving paratransit needs.

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

Sec. 71. Minnesota Statutes 2006, section 473.388, subdivision 2, is amended to read:

Subd. 2. **Replacement service; eligibility.** (a) The council may provide assistance under the program to a statutory or home rule charter city or town or combination thereof, that:

~~(a)~~ (1) is located in the metropolitan transit taxing district;

~~(b)~~ (2) is not served by the council bus service or is served only with council bus routes which begin or end within the applying city or town or combination thereof; and

~~(c)~~ (3) has fewer than four scheduled runs of council bus service during off-peak hours ~~defined in section 473.408, subdivision 1~~.

(b) Eligible cities or towns or combinations thereof may apply on behalf of a transit operator with whom they propose to contract for service.

(c) The council may not provide assistance under this section to a statutory or home rule charter city or town unless the city or town~~,~~:

~~(i)~~ (1) was receiving assistance under Minnesota Statutes 1982, section 174.265 by July 1, 1984~~,~~;

~~(ii)~~ (2) had submitted an application for assistance under that section by July 1, 1984~~,~~; or

~~(iii)~~ (3) had submitted a letter of intent to apply for assistance under that section by July 1, 1984, and ~~submits~~ submitted an application for assistance under this section by July 1, 1988. A statutory or home rule charter city or town has an additional 12-month extension if it notified the former regional transit board before July 1, 1988, that the city or town is in the process of completing a transportation evaluation study that includes an assessment of the local transit needs of the city or town.

(d) Nothing in this section prevents a local governmental unit from providing public transit service that extends outside of the metropolitan transit taxing district.

(e) For purposes of this subdivision, "off-peak hours" means the time from 9:00 a.m. to 3:30 p.m. and 6:30 p.m. until the last bus on Monday through Friday of each week and all day Saturday, Sunday, and holidays designated by the council.

Sec. 72. Minnesota Statutes 2006, section 473.399, is amended by adding a subdivision to read:

Subd. 5. **Availability of light rail transit information.** The Metropolitan Council shall maintain in a centralized location on an Internet Web site, for each light rail transit line operated by the council and for each year of operation of the line:

(1) financial data, including revenue by source and operating and capital expenses; and

(2) ridership information, including ridership and passenger miles.

Sec. 73. Laws 2002, chapter 393, section 85, is amended to read:

Sec. 85. **DAN PATCH COMMUTER RAIL LINE; PROHIBITIONS.**

Subdivision 1. **Definition.** For purposes of this section, "Dan Patch commuter rail line" means the commuter rail line between Northfield and Minneapolis identified in the metropolitan council's transit 2020 master plan as the Dan Patch line.

Subd. 2. **Metropolitan council; prohibitions.** The metropolitan council must not take any action or spend any money for ~~study, planning,~~ preliminary engineering, final design, or construction for the Dan Patch commuter rail line. ~~The council must remove all references, other than references for historical purposes, to the Dan Patch commuter rail line from any future revisions to the council's transportation development guide and the council's regional transit master plan.~~

Subd. 3. **Commissioner of transportation.** The commissioner of transportation must not expend any money for ~~study, planning,~~ preliminary engineering, final design, or construction for the Dan Patch commuter rail line. ~~The commissioner must remove all references, other than references for historical purposes, to the Dan Patch commuter rail line from any future revisions to the state transportation plan and the commissioner's commuter rail system plan.~~

Subd. 4. **Regional rail authorities.** No regional rail authority may expend any money for ~~study, planning,~~ preliminary engineering, final design, or construction for the Dan Patch commuter rail line.

Sec. 74. **REPORT ON URBAN PARTNERSHIP AGREEMENT.**

By January 15, 2009, and on January 15 each year through 2014, the commissioner of transportation, in conjunction with the Metropolitan Council, shall report to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation concerning the status of the state's participation in the urban partnership agreement. The report must:

(1) present the elements of congestion reduction strategies to be implemented under the urban partnership agreement;

(2) summarize average daily traffic and congestion levels on affected roadways;

(3) summarize transit usage in affected corridors;

(4) identify the costs of participation and the sources of funding secured or to be secured;

(5) include information on revenues and expenditures under the urban partnership agreement;

(6) summarize any user fees collected on marked Interstate Highway 35W high-occupancy vehicle and dynamic shoulder lanes;

(7) recommend any further legislative action necessary for the successful implementation and operation of the urban partnership agreement; and

(8) starting with the January 15, 2011, report and in each report thereafter, evaluate strategies used within the urban partnership agreement, and develop recommendations for:

(i) the Rush Line corridor transit way along marked Interstate Highway 35E and marked Trunk Highway 35 from downtown St. Paul to Hinckley;

(ii) the Red Rock corridor transit way between Minneapolis and Hastings via St. Paul; and

(iii) the marked Interstate Highway 94 corridor from downtown St. Paul to the Minnesota-Wisconsin border.

Sec. 75. **CREDIT CARD PAYMENT STUDY; PROPOSAL.**

(a) By February 1, 2009, the commissioner of public safety shall submit a proposal to the chairs and ranking minority members of the senate and house of representatives committees with jurisdiction over transportation finance. The proposal must identify a method that allows the Department of Public Safety, its deputy registrars, and driver's license agents to collect by credit or debit card, motor vehicle registration taxes under Minnesota Statutes, section 168.013; motor vehicle certificates of title and related document fees under Minnesota Statutes, section 168A.29; motor vehicle sales tax under Minnesota Statutes, sections 297B.02 and 297B.025; and, driver's license and Minnesota identification card fees under Minnesota Statutes, section 171.06.

(b) The proposal must identify the total estimated statewide cost of the processing fees paid to either a vendor, financial institution, or credit card company. The proposal must consider options to finance the acceptance fees through either (1) state fee increases necessary to finance (i) the costs of credit and debit card processing fees paid to a processing vendor, (ii) the administrative costs of the department to implement the acceptance of credit and debit cards, including hardware and software costs of the department, its deputy registrars, and agents, and (iii) associated ongoing administrative

cost increases, or (2) an agreement with a vendor that allows the addition of a convenience fee to each transaction to be paid directly by customers who choose to utilize credit or debit cards.

(c) The commissioner of public safety, with the assistance of the commissioners of finance and administration, shall develop a request for proposals from vendors, to be issued by January 1, 2010, to implement the acceptance of credit and debit payments by the Department of Public Safety, its deputy registrars, and agents. The department shall consult deputy registrars and driver's license agents in developing the request for proposals.

Sec. 76. **ENGINE BRAKES; REGULATION BY MINNEAPOLIS.**

Notwithstanding any other law or charter provision, the governing body of the city of Minneapolis may by ordinance restrict or prohibit the use of an engine brake on motor vehicles along Legislative Route No. 107, also known as marked Interstate Highway 394, beginning at the South Penn Avenue interchange in the city of Minneapolis and thence extending easterly to the terminus of marked Interstate Highway 394. Upon notification to the commissioner of transportation by the city of Minneapolis, the commissioner of transportation shall erect the appropriate signs, with the cost of the signs to be paid by the city. For purposes of this section, "engine brake" means any device that uses the engine and transmission to impede the forward motion of the motor vehicle by compression of the engine.

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

Sec. 77. **ROAD CONSTRUCTION BIDS; CITY ORDINANCE.**

Notwithstanding any other law, the commissioner of transportation shall accept the low bid amount among any cancelled bids for a cooperative road construction project involving a city of the first class located outside of the metropolitan area, as defined in Minnesota Statutes, section 473.121, subdivision 2, if:

(1) the bid cancellation occurred after July 1, 2007, as a result of a city ordinance relating to green space setback;

(2) the city changes the ordinance before October 1, 2008, in such a manner that a bid cancellation would not occur were the same bids submitted under the revised ordinance.

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

Sec. 78. **LITTLE CROW TRANSIT WAY.**

The commissioner of transportation and the Metropolitan Council shall reference in planning or study documents any commuter rail or other transit service proposal along or near marked Trunk Highway 12 between Willmar and downtown Minneapolis as the Little Crow transit way.

Sec. 79. **HIGHWAY CHANGES; REPEALERS; EFFECTIVE DATES; REVISOR INSTRUCTIONS.**

Subdivision 1. **Legislative Route No. 295 removed.** (a) Minnesota Statutes 2006, section 161.115, subdivision 226, is repealed effective the day after the commissioner of transportation receives a copy of the agreement between the commissioner and the city of St. Peter to transfer jurisdiction of Legislative Route No. 295 to the city of St. Peter and notifies the revisor of statutes under paragraph (b).

(b) The revisor of statutes shall delete the route identified in paragraph (a) from Minnesota Statutes when the commissioner of transportation sends notice to the revisor in writing that the conditions required to transfer the route are satisfied.

Subd. 2. **Legislative Route No. 335 removed.** (a) Minnesota Statutes 2006, section 161.115, subdivision 266, is repealed effective the day after the commissioner of transportation receives a copy of the agreement between the commissioner and the city of St. Peter to transfer jurisdiction of Legislative Route No. 335 to the city of St. Peter and notifies the revisor of statutes under paragraph (b).

(b) The revisor of statutes shall delete the route identified in paragraph (a) from Minnesota Statutes when the commissioner of transportation sends notice to the revisor in writing that the conditions required to transfer the route are satisfied.

Sec. 80. **JOEY'S LAW.**

The amendment by this act to Minnesota Statutes 2006, section 171.07, subdivision 1, may be cited as "Joey's Law."

Sec. 81. **RIGHT-OF-WAY TRANSFERRED TO STATE RAIL BANK.**

(a) Notwithstanding Minnesota Statutes, section 16B.281, 16B.282, 92.45, or any other law to the contrary, the trunk highway right-of-way described in paragraph (b) is hereby transferred to the state rail bank under Minnesota Statutes, section 222.63, being a certain parcel of land located in the county of Otter Tail, state of Minnesota, being more particularly described in paragraph (b).

(b) All of Tracts A, B, and C described below:

TRACT A

That part of Government Lot 1 of Section 12, Township 132 North, Range 43 West, Otter Tail County, Minnesota, lying Northeasterly of the former Southwesterly right-of-way line of the BNSF Railway Company (formerly the St. Paul, Minneapolis and Manitoba Railway Company);

TRACT B

A strip of land 150 feet in width, being 75 feet on each side of the former centerline of the BNSF Railway Company (formerly the St. Paul, Minneapolis and Manitoba Railway Company) across the SW1/4NW1/4 of Section 12, Township 132 North, Range 43 West, Otter Tail County, Minnesota, said strip extending from the South line to the West line of said SW1/4NW1/4; together with that part of said SW1/4NW1/4 adjoining and Westerly of the above described strip and Easterly of the Easterly right-of-way line of said railroad company as located prior to 1888;

TRACT C

A strip of land 100 feet in width, being 50 feet on each side of the former centerline of the BNSF Railway Company (formerly the St. Paul, Minneapolis and Manitoba Railway Company) across the E1/2NE1/4 of Section 11, Township 132 North, Range 43 West, Otter Tail County, Minnesota, said strip extending from the East to the North line of said E1/2NE1/4;

together with that part of Tract D described below:

TRACT D

A strip of land 100 feet in width, being 50 feet on each side of the former centerline of the BNSF Railway Company (formerly the St. Paul, Minneapolis and Manitoba Railway Company) across the E1/2 of Section 2, Township 132 North, Range 43 West, Otter Tail County, Minnesota;

which lies Southeasterly of a line run parallel with and distant 135 feet Southeasterly of Line 1 described below:

LINE 1.

Beginning at a point on the North and South Quarter line of said Section 2, distant 1,060.11 feet North of the South Quarter corner thereof; thence run Northeasterly at an angle of 72°36'15" (measured from North to East) from said North and South Quarter line for 1,600 feet and there terminating;

together with all right of access, being the right of ingress to and egress from that part of Tract D hereinbefore described, not acquired herein, to the above described strip.

Sec. 82. **WATER QUALITY AND ROAD DEICING STUDY.**

By January 15, 2009, the commissioner of transportation, in consultation with the commissioner of the Pollution Control Agency shall submit a report to the legislature, in compliance with Minnesota Statutes, sections 3.195 and 3.197, that includes the impacts of different methods of applying road salt and other deicing methods on the state's streams, rivers, and lakes, and recommendations including best management practices designed to minimize the impact of deicing on the state's waters.

Sec. 83. **LAFAYETTE BRIDGE.**

The commissioner of transportation shall ensure that design, construction, and environmental documentation of the reconstruction of the Lafayette Bridge segment of U.S. Highway 52 include bridge footings that will accommodate future implementation of transit.

Sec. 84. **REVISOR'S INSTRUCTION.**

The revisor of statutes shall change the terms "type III school bus," "type III bus," and "type III Head Start bus" to "type III vehicle," and the terms "type III school buses," "type III buses," and "type III Head Start buses" to "type III vehicles," in Minnesota Statutes, chapters 169, 169A, and 171, and in Minnesota Rules, parts 7470.1400 and 7470.1500.

Sec. 85. **REPEALER.**

(a) Minnesota Statutes 2006, sections 168B.087, subdivision 2; and 169.145, are repealed.

(b) Minnesota Statutes 2006, section 221.121, subdivision 4, is repealed.

ARTICLE 2
RAILROAD WALKWAY SAFETY ACT

Section 1. **[219.372] WALKWAYS BY TRACK; GENERAL REQUIREMENTS; DEFINITIONS.**

(a) Walkways may be surfaced with asphalt, concrete, planking, grating, native material, crushed material, or similar or other nonrevenue material. When crushed material is used, 100 percent of the material must be capable of passing through a 1-1/2-inch square sieve opening and 90 - 100 percent of the material must be capable of passing through a one-inch square sieve opening; provided however, a de minimus variation is not a violation of this paragraph when the rail carrier has made a good faith effort to comply with the percentage requirements. Smaller crushed material may be used

where drainage and durability issues do not arise. Material that is three-fourths inch or less must conform with standards set forth by the American Railway Engineering and Maintenance of Way Association for switching lead tracks.

(b) Walkways must have a uniform surface and must be maintained in a safe condition without compromising track drainage.

(c) Cross slopes for walkways must not exceed one inch of elevation for each eight inches of horizontal length in any direction.

(d) Walkways must be a minimum width of two feet.

(e) Walkways within the scope of sections 219.372 to 219.378 must be kept free of spilled oil, sand, posts, rocks, and other hazards or obstructions.

Sec. 2. **[219.373] NEW YARD TRACKS.**

(a) Rail carriers shall provide walkways adjacent to those portions of yard tracks constructed after July 1, 2008, where rail carrier employees frequently work on the ground performing switching activities.

(b) For the purpose of this section, "frequently" means occurring at least five days per week, one shift per day.

Sec. 3. **[219.374] OTHER TRACKS.**

(a) Walkways in the following segments of track must be constructed with materials set forth in section 219.372 at walkways by main and secondary track switches and turnouts, walkways by siding track train inspection points, walkways by tracks where relief train crews frequently board or deboard trains en route, walkways by industry track turnouts and spotting areas, and walkways by main track within two miles in either direction of a track-side train detector, with a total walkway not less than 500 feet on both sides of track.

(b) Walkways by switch stands may have a wider apron from base of switch stand area and must be maintained in a safe condition without compromising track drainage.

(c) When the commissioner of transportation finds, after notice and hearing, that rail carrier employees who frequently work adjacent to a portion of track performing switching activities are exposed to safety hazards due to the lack of a walkway or to the condition of a walkway constructed before July 1, 2008, the commissioner shall order the rail carrier to construct a walkway adjacent to a portion of track where employees are performing switching activities, or require a rail carrier to modify an existing walkway in conformance with the standards set forth in section 219.373 within a reasonable period of time.

(d) For purposes of this section, "frequently" means at least five days per week, one shift per day, or any other period deemed "frequently" by the commissioner to warrant an order pursuant to this section.

Sec. 4. **[219.375] EXCEPTIONS TO COMPLIANCE.**

Rail carriers are excused from complying with sections 219.372 to 219.378 during maintenance activities or any period of heavy rain or snow, derailments, rock and earth slides, washouts, and similar weather or seismic conditions, and during a reasonable period afterwards to allow a return to compliance.

Sec. 5. **[219.376] WAIVERS.**

A rail carrier may petition the commissioner of transportation for a waiver of any provision of sections 219.372 to 219.378 pursuant to section 218.041 or other applicable statute.

Sec. 6. **[219.377] COMPLAINTS; ENFORCEMENT.**

(a) A formal complaint of an alleged violation of sections 219.372 to 219.378 may not be filed until the filing party has attempted to address the alleged violations with the rail carrier. Any complaint of an alleged violation of sections 219.372 to 219.378 must contain a written statement that the filing party has made a reasonable, good faith attempt to address the alleged violation with the rail carrier.

(b) All formal complaints filed with the commissioner of transportation must be resolved pursuant to procedures set forth in section 218.041 or other applicable statute.

Sec. 7. **[219.378] WALKWAY EXEMPTIONS.**

(a) Sections 219.372, paragraphs (a), (c), and (d); 219.373; and 219.374, paragraphs (a) and (b), do not apply to track placed in revenue service before the effective date of this section until the date and time track and supporting structure are repaired, replaced, resurfaced, or as otherwise ordered by the commissioner of transportation pursuant to section 219.374 to eliminate an unsafe or hazardous condition.

(b) A small business that owns or operates any track in this state is exempt from sections 219.372, paragraphs (a), (c), and (d); 219.373; 219.374, paragraphs (a) and (b); 219.375; and 219.376. On determining after notice and hearing that exempting a small business that owns or operates any track in this state pursuant to paragraph (a) poses an unreasonable threat or substantial harm to the public safety, the commissioner of transportation shall order that business to eliminate any unsafe walkway condition.

(c) As used in this section, "small business" either has the meaning given in section 645.445 or is a class three carrier as classified by the Federal Railroad Administration.

Sec. 8. **SHORT TITLE.**

Sections 1 to 7 may be cited as the "Railroad Walkway Safety Act."

Sec. 9. **EFFECTIVE DATE.**

This article is effective July 1, 2008.

ARTICLE 3
CHAPTER 152 CHANGES

Section 1. Minnesota Statutes 2006, section 161.081, subdivision 3, as amended by Laws 2008, chapter 152, article 6, section 4, is amended to read:

Subd. 3. **Flexible highway account; ~~turnback~~ other accounts.** (a) The flexible highway account is created in the state treasury. ~~Money in~~ The ~~account~~ commissioner shall ~~be used~~:

(1) annually transfer in fiscal ~~years 2009 and~~ year 2010, 100 percent of the excess sum, ~~as calculated in paragraph (i),~~ and in fiscal years 2011 and thereafter, 50 percent of the excess sum, ~~as calculated in paragraph (i), for counties in the metropolitan area, as defined in section 473.121, subdivision 4, but for the purposes of the calculation cities of the first class will be excluded in the metropolitan area; and~~ to the metropolitan routes of regional significance account under subdivision 4; and

(2) ~~of~~ expend the amount available in the flexible highway account ~~less the amount~~, after the transfer under clause (1), as determined by the commissioner under this ~~section~~ subdivision, for:

(i) restoration of former trunk highways that have reverted to counties or to statutory or home rule charter cities, or for trunk highways that will be restored and subsequently turned back by agreement between the commissioner and the local road authority;

(ii) safety improvements on county highways, municipal highways, streets, or town roads; and

(iii) statewide routes of regional significance.

(b) For purposes of this subdivision, "restoration" means the level of effort required to improve the route that will be turned back to an acceptable condition as determined by agreement made between the commissioner and the county or city before the route is turned back.

(c) The commissioner shall review the need for funds to restore highways that have been or will be turned back. The commissioner shall determine, on a biennial basis, the percentage of funds in the flexible highway account to be distributed to each district, and within each district the percentage to be used for each of the purposes specified in paragraph (a), clause (2). Money in the account may be used for safety improvements and routes of regional significance only after money is set aside to restore the identified turnbacks. The commissioner shall make these determinations only after meeting and holding discussions with committees selected by the statewide associations of both county commissioners and municipal officials. The commissioner shall, to the extent feasible, annually allocate 50 percent of the funds in the flexible highway account under paragraph (a), clause (2), to the department's metropolitan district, and 50 percent to districts in greater Minnesota.

(d) Money that will be used for the restoration of trunk highways that have reverted or that will revert to cities must be deposited in the municipal turnback account, which is created in the state treasury.

(e) Money that will be used for the restoration of trunk highways that have reverted or that will revert to counties must be deposited in the county turnback account, which is created in the state treasury.

(f) Money that will be used for safety improvements must be deposited in the highway safety improvement account, which is created in the state treasury to be used as grants to statutory or home rule charter cities, towns, and counties to assist in paying the costs of constructing or reconstructing city streets, county highways, or town roads to reduce crashes, deaths, injuries, and property damage.

(g) Money that will be used for statewide routes of regional significance must be deposited in the statewide routes of regional significance account, which is created in the state treasury, and used as grants to statutory or home rule charter cities, towns, and counties to assist in paying the costs of constructing or reconstructing city streets, county highways, or town roads with statewide or regional significance that have not been fully funded through other state, federal, or local funding sources.

(h) As part of each biennial budget submission to the legislature, the commissioner shall describe how the money in the flexible highway account will be apportioned among the county turnback account, the municipal turnback account, the trunk highway fund for routes turned back to local governments by agreement, the highway safety improvement account, and the statewide routes of regional significance account.

~~(i) The excess sum is calculated as the sum of revenue within the flexible highway account:~~

~~(1) attributed to that portion of the gasoline excise tax rate under section 296A.07, subdivision 3, in excess of 20 cents per gallon, and to that portion of the excise tax rates in excess of the energy equivalent of a gasoline excise tax rate of 20 cents per gallon for E85 and M85 under section 296A.07, subdivision 3, and special fuel under section 296A.08, subdivision 2;~~

~~(2) attributed to a change in the passenger vehicle registration tax under section 168.013, imposed on or after July 1, 2008, that exceeds (i) the amount collected in fiscal year 2008, multiplied by (ii) the annual average United States Consumer Price Index for the calendar year previous to the current calendar year, divided by the annual average United States Consumer Price Index for calendar year 2007; and~~

~~(3) attributed to that portion of the motor vehicle sales tax revenue in excess of the percentage allocated to the flexible highway account in fiscal year 2007.~~

~~(j) For purposes of this subdivision, the United States Consumer Price Index identified in paragraph (i), clause (2), is for all urban consumers, United States city average, as determined by the United States Department of Labor.~~

EFFECTIVE DATE. This section is effective July 1, 2009.

Sec. 2. Minnesota Statutes 2006, section 161.081, is amended by adding a subdivision to read:

Subd. 4. **Metropolitan routes of regional significance account.** (a) For purposes of this subdivision, the following terms have the meanings given them:

(1) "metropolitan area" has the meaning given in section 473.121, subdivision 4; and

(2) "population" has the meaning given in section 477A.011, subdivision 3, except that it excludes the three most populous cities in the metropolitan area.

(b) The metropolitan routes of regional significance account is created in the state treasury. Funds in the account are for allocation to metropolitan counties to assist in paying the costs of construction, reconstruction, or maintenance of county highways with statewide or regional significance that have not been fully funded through other state, federal, or local funding sources.

(c) The commissioner shall allocate funds in the account to counties in the metropolitan area so that each county receives an amount proportional to the percentage that its population, estimated or established by July 15 of the year prior to the current calendar year, bears to the total population of the counties receiving funds under this subdivision.

EFFECTIVE DATE. This section is effective July 1, 2009.

Sec. 3. Minnesota Statutes 2006, section 161.081, is amended by adding a subdivision to read:

Subd. 5. **Excess sum.** (a) For purposes of this section, "excess sum" means an amount calculated by the commissioner as the sum of revenue within the flexible highway account:

(1) attributed to that portion of the gasoline excise tax rate under section 296A.07, subdivision 3, in excess of 20 cents per gallon, and to that portion of the excise tax rates in excess of the energy equivalent of a gasoline excise tax rate of 20 cents per gallon for E85 and M85 under section 296A.07, subdivision 3, and special fuel under section 296A.08, subdivision 2;

(2) attributed to a change in the passenger vehicle registration tax under section 168.013, imposed on or after July 1, 2008, that exceeds (i) the amount collected in fiscal year 2008, multiplied by (ii) the annual average United States Consumer Price Index for the calendar year previous to the current calendar year, divided by the annual average United States Consumer Price Index for calendar year 2007; and

(3) attributed to that portion of the motor vehicle sales tax revenue in excess of the percentage allocated to the flexible highway account in fiscal year 2007.

(b) For purposes of this subdivision, the United States Consumer Price Index identified in paragraph (a), clause (2), is for all urban consumers, United States city average, as determined by the United States Department of Labor.

EFFECTIVE DATE. This section is effective July 1, 2009.

Sec. 4. Laws 2008, chapter 152, article 2, section 1, is amended to read:

Section 1. **[296A.083] DEBT SERVICE SURCHARGE.**

Subdivision 1. **Definitions.** For purposes of this section, the following terms have the meanings given them:

(1) "debt service" means the amount of principal and interest in each fiscal year attributable to the trunk highway bonds authorized in this article; and

(2) "surcharge" means the rate imposed under this section on gasoline taxed under section 296A.07, subdivision 3, clause (3), and includes a proportional rate for each type of fuel taxed under sections 296A.07, subdivision 3, clauses (1) and (2), and 296A.08, subdivision 2.

Subd. 2. **Debt service forecast.** On June 30, 2008, and each March 1 thereafter, the commissioner of finance shall report to the commissioner of revenue on trunk highway debt service. The report must include the annual amount of revenue from the surcharge

previously deposited in the trunk highway fund, and a forecast of the total and annual amounts necessary to pay the remaining debt service.

Subd. 3. **Surcharge rate.** (a) By July 16, 2008, and each April 1 thereafter, the commissioner of revenue shall calculate and publish a surcharge as provided in paragraphs (b) and (c). The surcharge is imposed from August 1, 2008, through June 30, 2009, and each new surcharge thereafter is imposed the following July 1 through June 30.

(b) For fiscal years 2009 through 2012, the commissioner shall set the surcharge as specified in the following surcharge rate schedule.

Surcharge Rate Schedule

Fiscal Year	Rate (in cents per gallon)
2009	0.5
2010	2.1
2011	2.5
2012	3.0

(c) For fiscal year 2013 and thereafter, the commissioner shall set the surcharge at the lesser of (1) 3.5 cents, or (2) an amount calculated so that the total proceeds from the surcharge deposited in the trunk highway fund from fiscal year 2009 to the upcoming fiscal year equals the total amount of debt service from fiscal years 2009 to 2039, and the surcharge is rounded to the nearest 0.1 cent.

Subd. 4. **Surcharge administration.** The audit, assessment, appeal, collection, enforcement, penalty, interest, refund, and administrative provisions that apply to the taxes in this chapter apply to the surcharge imposed by this section.

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

Sec. 5. Laws 2008, chapter 152, article 2, section 3, subdivision 2, is amended to read:

Subd. 2. **State Road Construction** 1,717,694,000

(a) For the actual construction, reconstruction, and improvement of trunk highways, including design-build contracts and consultant usage to support these activities. This includes the cost of actual payments to landowners for lands acquired for highway rights-of-way, payments to lessees, interest subsidies, and

relocation expenses. This appropriation is in the following amounts:

(1) $417,694,000 in fiscal year 2009, and the commissioner may use up to $71,008,000 of this amount for program delivery;

(2) $500,000,000 in fiscal year 2010, and the commissioner may use up to $85,000,000 of this amount for program delivery; and

(3) $100,000,000 in each fiscal year for fiscal years 2011 through 2018, and the commissioner may use up to $17,000,000 of the amount in each fiscal year for program delivery.

(b) Of the amount in fiscal year 2009, $40,000,000 is for construction of interchanges and intersections involving a trunk highway, where the interchange or intersection will promote economic development, increase employment, relieve growing traffic congestion, and promote traffic safety. The amount under this paragraph must be allocated 50 percent to the department's metropolitan district, and 50 percent to districts in greater Minnesota.

(c) Of the amount in fiscal years 2009 and 2010, the commissioner shall use $300,000,000 each year for predesign, design, preliminary engineering, right-of-way acquisition, reasonable approaches, construction, reconstruction, and maintenance of bridges in the trunk highway bridge improvement program under Minnesota Statutes, section 165.14.

(d) Of the total appropriation under this subdivision, the commissioner shall use at

least $50,000,000 for accelerating transit facility improvements on or adjacent to trunk highways.

(e) Of the total appropriation under this subdivision provided to the Department of Transportation's district 7, excluding the amount allocated to district 7 under paragraph (c), the commissioner shall first expend funds as necessary to accelerate all projects that (1) are on a trunk highway classified as a medium priority interregional corridor, (2) are included in the district's long-range transportation plan, but are not included in the state transportation improvement program or the ten-year highway work plan, and (3) expand capacity from a two-lane highway to a freeway or expressway, as defined in Minnesota Statutes, section 160.02, subdivision 19. The commissioner shall establish as the highest priority under this paragraph any project that currently has a final environmental impact statement completed. The requirement under this paragraph does not change the department's funding allocation process or the amount otherwise allocated to each transportation district.

(f) Notwithstanding Minnesota Statutes, section 16A.642, the appropriation under this subdivision does not expire and may not be canceled.

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

Sec. 6. Laws 2008, chapter 152, article 3, section 6, is amended to read:

Sec. 6. **SPECIAL FUEL EXCISE TAX; TRANSITION PROVISION.**

Notwithstanding Minnesota Statutes, section 296A.08, subdivision 2, before October 1, 2008, the special fuel excise tax is imposed at the following rates:

(a) Liquefied petroleum gas or propane is taxed at the rate of 16.5 cents per gallon.

(b) Liquefied natural gas is taxed at the rate of 13.2 cents per gallon.

(c) Compressed natural gas is taxed at the rate of ~~$1.1913~~ $1.913 per thousand cubic feet; or 22 cents per gasoline equivalent. For purposes of this paragraph, "gasoline equivalent," as defined by the National Conference on Weights and Measures, is 5.66 pounds of gas.

(d) All other special fuel is taxed at the same rate as the gasoline excise tax as specified in section 4. The tax is payable in the form and manner prescribed by the commissioner.

EFFECTIVE DATE. This section is effective ~~on the first day of the month following 21 days after the date of enactment~~ April 1, 2008, and applies to all gasoline, undyed diesel fuel, and special fuel in distributor storage on that date. This section expires October 1, 2008.

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

Sec. 7. Laws 2008, chapter 152, article 3, section 8, is amended to read:

Sec. 8. Minnesota Statutes 2006, section 297A.815, is amended by adding a subdivision to read:

Subd. 3. **Motor vehicle lease sales tax revenue.** (a) For purposes of this subdivision, "net revenue" means an amount equal to:

(1) the revenues, including interest and penalties, collected under section 297A.815, during the fiscal year; less

(2) the estimated reduction in individual income tax receipts and the estimated amount of refunds paid out under section 290.06, subdivision 34, for the fiscal year.

(b) On or before June 30 of each fiscal year, the commissioner of revenue shall estimate the amount of the revenues and subtraction under paragraph (a) for the current fiscal year.

(c) On or after July 1 of the subsequent fiscal year, the commissioner of finance shall transfer the net revenue as estimated in paragraph (b) from the general fund, as follows:

(1) 50 percent to the greater Minnesota transit account; and

(2) 50 percent to the ~~county state-aid highway fund. Notwithstanding any other law to the contrary, the commissioner of transportation shall allocate the funds transferred under this clause to the counties in the metropolitan area, as defined in section 473.121,~~

~~subdivision 4, excluding the counties of Hennepin and Ramsey, so that each county shall receive of such amount the percentage that its population, as defined in section 477A.011, subdivision 3, estimated or established by July 15 of the year prior to the current calendar year, bears to the total population of the counties receiving funds under this clause~~ metropolitan routes of regional significance account under section 161.081, subdivision 4.

(d) For fiscal years 2010 and 2011, the amount under paragraph (a), clause (1), must be calculated using the following percentages of the total revenues:

(1) for fiscal year 2010, 83.75 percent; and

(2) for fiscal year 2011, 93.75 percent.

EFFECTIVE DATE. This section is effective July 1, 2009.

Sec. 8. Laws 2008, chapter 152, article 6, section 7, is amended to read:

Sec. 7. **[398A.10] TRANSIT FUNDING.**

Subdivision 1. **Capital costs.** A county regional railroad authority may not contribute more than ten percent of the capital costs of a light rail transit or commuter rail project. This subdivision does not apply to a light rail transit project for which a county regional railroad authority commits to providing an amount greater than ten percent of the capital costs, if the commitment (1) is made before October 2, 2008, (2) is made as part of an application for federal funds, and (3) is adjusted by the county regional railroad authority to meet the requirements of this subdivision as part of the next scheduled federal funding application for the project.

Subd. 2. **Operating and maintenance costs.** A county regional railroad authority may not contribute any funds to pay the operating and maintenance costs for a light rail transit or commuter rail project. If a county regional railroad authority is contributing funds for operating and maintenance costs on a light rail transit or commuter rail project on the date of the enactment of this act, the authority may continue to contribute funds for these purposes until January 1, 2009.

Subd. 3. **Application.** This section only applies if a county has imposed the metropolitan transportation sales and use tax under section 297A.992.

EFFECTIVE DATE. ~~This section is effective the day after the metropolitan transportation area sales tax is imposed under Minnesota Statutes, section 297A.992, subdivision 2.~~ This section is effective July 1, 2008.

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

168B.087 OPERATOR'S DEFICIENCY CLAIM; CONSENT TO SALE.

Subd. 2. **Implied consent to sale.** A registered owner who fails to claim the impounded vehicle within the applicable time period allowed under section 168B.051 is deemed to waive any right to reclaim the vehicle and consents to the disposal or sale of the vehicle and its contents and transfer of title.

169.145 IMPLEMENT OF HUSBANDRY; SPEED, BRAKES.

No person may:

(1) drive or tow an implement of husbandry that exceeds 6,000 pounds registered gross weight or gross vehicle weight and is not equipped with brakes; or

(2) tow a vehicle registered as a farm trailer that exceeds 6,000 pounds registered gross weight or gross vehicle weight and is not equipped with brakes, at a speed in excess of 30 miles per hour.

221.121 PERMIT: APPROVAL PROCESS; OPERATING AUTHORITY; FEE.

Subd. 4. **Extensions of authority.** The commissioner may grant extensions of authority ex parte after due notice of a petition has been published. A party desiring to protest the petition shall file its protest by mail or in person within 20 days of the date of notice, except that no protest may be filed against an application submitted under subdivision 6f. If a timely filed protest is received, the matter must be placed on the calendar for hearing. If a timely protest is not received, the commissioner may issue its order ex parte.