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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-SIXTH
SESSION

HOUSE FILE No. 1856

March 18, 2009

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The bill was read for the first time and referred to the Committee on K-12 Education Policy and Oversight

March 25, 2009

By motion, recalled and re-referred to the Transportation and Transit Policy and Oversight Division

April 2, 2009

Committee Recommendation and Adoption of Report:

To Pass and re-referred to the Committee on Finance

1.1 A bill for an act
1.2 relating to pupil transportation; authorizing a school district to report actual
1.3 costs instead of allocated costs for contracted services; clarifying certain field
1.4 trip costs; broadening resident district involvement when a student is placed in
1.5 another district for care and treatment; increasing the maximum weight of a type
1.6 A-I school bus; modifying seat back and tailpipe equipment standards; amending
1.7 Minnesota Statutes 2008, sections 123B.92, subdivisions 1, 5; 125A.15;
1.8 125A.51; 169.011, subdivision 71; 169.443, subdivision 9; 169.4501, subdivision
1.9 1; 169.4503, subdivision 20, by adding a subdivision; 169.454, subdivision 13;
1.10 169A.03, subdivision 23; 171.01, subdivision 22; 171.02, subdivisions 2, 2a;
1.11 171.321, subdivisions 1, 4, 5.

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

1.13 Section 1. Minnesota Statutes 2008, section 123B.92, subdivision 1, is amended to read:

1.14 Subdivision 1. **Definitions.** For purposes of this section and section 125A.76, the
1.15 terms defined in this subdivision have the meanings given to them.

1.16 (a) "Actual expenditure per pupil transported in the regular and excess transportation
1.17 categories" means the quotient obtained by dividing:

1.18 (1) the sum of:

1.19 (i) all expenditures for transportation in the regular category, as defined in paragraph

1.20 (b), clause (1), and the excess category, as defined in paragraph (b), clause (2), plus

1.21 (ii) an amount equal to one year's depreciation on the district's school bus fleet
1.22 and mobile units computed on a straight line basis at the rate of 15 percent per year for
1.23 districts operating a program under section 124D.128 for grades 1 to 12 for all students in
1.24 the district and 12-1/2 percent per year for other districts of the cost of the fleet, plus

1.25 (iii) an amount equal to one year's depreciation on the district's type three school
1.26 buses, as defined in section 169.011, subdivision 71, clause (5), which must be used a

2.1 majority of the time for pupil transportation purposes, computed on a straight line basis at
2.2 the rate of 20 percent per year of the cost of the type three school buses by:

2.3 (2) the number of pupils eligible for transportation in the regular category, as defined
2.4 in paragraph (b), clause (1), and the excess category, as defined in paragraph (b), clause (2).

2.5 (b) "Transportation category" means a category of transportation service provided to
2.6 pupils as follows:

2.7 (1) Regular transportation is:

2.8 (i) transportation to and from school during the regular school year for resident
2.9 elementary pupils residing one mile or more from the public or nonpublic school they
2.10 attend, and resident secondary pupils residing two miles or more from the public
2.11 or nonpublic school they attend, excluding desegregation transportation and noon
2.12 kindergarten transportation; but with respect to transportation of pupils to and from
2.13 nonpublic schools, only to the extent permitted by sections 123B.84 to 123B.87;

2.14 (ii) transportation of resident pupils to and from language immersion programs;

2.15 (iii) transportation of a pupil who is a custodial parent and that pupil's child between
2.16 the pupil's home and the child care provider and between the provider and the school, if
2.17 the home and provider are within the attendance area of the school;

2.18 (iv) transportation to and from or board and lodging in another district, of resident
2.19 pupils of a district without a secondary school; and

2.20 (v) transportation to and from school during the regular school year required under
2.21 subdivision 3 for nonresident elementary pupils when the distance from the attendance
2.22 area border to the public school is one mile or more, and for nonresident secondary pupils
2.23 when the distance from the attendance area border to the public school is two miles or
2.24 more, excluding desegregation transportation and noon kindergarten transportation.

2.25 For the purposes of this paragraph, a district may designate a licensed day care
2.26 facility, school day care facility, respite care facility, the residence of a relative, or the
2.27 residence of a person chosen by the pupil's parent or guardian as the home of a pupil for
2.28 part or all of the day, if requested by the pupil's parent or guardian, and if that facility or
2.29 residence is within the attendance area of the school the pupil attends.

2.30 (2) Excess transportation is:

2.31 (i) transportation to and from school during the regular school year for resident
2.32 secondary pupils residing at least one mile but less than two miles from the public or
2.33 nonpublic school they attend, and transportation to and from school for resident pupils
2.34 residing less than one mile from school who are transported because of extraordinary
2.35 traffic, drug, or crime hazards; and

3.1 (ii) transportation to and from school during the regular school year required under
 3.2 subdivision 3 for nonresident secondary pupils when the distance from the attendance area
 3.3 border to the school is at least one mile but less than two miles from the public school
 3.4 they attend, and for nonresident pupils when the distance from the attendance area border
 3.5 to the school is less than one mile from the school and who are transported because of
 3.6 extraordinary traffic, drug, or crime hazards.

3.7 (3) Desegregation transportation is transportation within and outside of the district
 3.8 during the regular school year of pupils to and from schools located outside their normal
 3.9 attendance areas under a plan for desegregation mandated by the commissioner or under
 3.10 court order.

3.11 (4) "Transportation services for pupils with disabilities" is:

3.12 (i) transportation of pupils with disabilities who cannot be transported on a regular
 3.13 school bus between home or a respite care facility and school;

3.14 (ii) necessary transportation of pupils with disabilities from home or from school to
 3.15 other buildings, including centers such as developmental achievement centers, hospitals,
 3.16 and treatment centers where special instruction or services required by sections 125A.03
 3.17 to 125A.24, 125A.26 to 125A.48, and 125A.65 are provided, within or outside the district
 3.18 where services are provided;

3.19 (iii) necessary transportation for resident pupils with disabilities required by sections
 3.20 125A.12, and 125A.26 to 125A.48;

3.21 (iv) board and lodging for pupils with disabilities in a district maintaining special
 3.22 classes;

3.23 (v) transportation from one educational facility to another within the district for
 3.24 resident pupils enrolled on a shared-time basis in educational programs, and necessary
 3.25 transportation required by sections 125A.18, and 125A.26 to 125A.48, for resident pupils
 3.26 with disabilities who are provided special instruction and services on a shared-time basis
 3.27 or if resident pupils are not transported, the costs of necessary travel between public
 3.28 and private schools or neutral instructional sites by essential personnel employed by the
 3.29 district's program for children with a disability;

3.30 (vi) transportation for resident pupils with disabilities to and from board and lodging
 3.31 facilities when the pupil is boarded and lodged for educational purposes; ~~and~~

3.32 (vii) transportation of pupils for a curricular field trip activity on a school bus
 3.33 equipped with a power lift when the power lift is required by a student's disability or
 3.34 section 504 plan; and

3.35 (viii) services described in clauses (i) to ~~(vi)~~ (vii), when provided for pupils with
 3.36 disabilities in conjunction with a summer instructional program that relates to the pupil's

4.1 individual education plan or in conjunction with a learning year program established
4.2 under section 124D.128.

4.3 For purposes of computing special education initial aid under section 125A.76,
4.4 subdivision 2, the cost of providing transportation for children with disabilities includes
4.5 (A) the additional cost of transporting a homeless student from a temporary nonshelter
4.6 home in another district to the school of origin, or a formerly homeless student from a
4.7 permanent home in another district to the school of origin but only through the end of the
4.8 academic year; and (B) depreciation on district-owned school buses purchased after July 1,
4.9 2005, and used primarily for transportation of pupils with disabilities, calculated according
4.10 to paragraph (a), clauses (ii) and (iii). Depreciation costs included in the disabled
4.11 transportation category must be excluded in calculating the actual expenditure per pupil
4.12 transported in the regular and excess transportation categories according to paragraph (a).

4.13 (5) "Nonpublic nonregular transportation" is:

4.14 (i) transportation from one educational facility to another within the district for
4.15 resident pupils enrolled on a shared-time basis in educational programs, excluding
4.16 transportation for nonpublic pupils with disabilities under clause (4);

4.17 (ii) transportation within district boundaries between a nonpublic school and a
4.18 public school or a neutral site for nonpublic school pupils who are provided pupil support
4.19 services pursuant to section 123B.44; and

4.20 (iii) late transportation home from school or between schools within a district for
4.21 nonpublic school pupils involved in after-school activities.

4.22 (c) "Mobile unit" means a vehicle or trailer designed to provide facilities for
4.23 educational programs and services, including diagnostic testing, guidance and counseling
4.24 services, and health services. A mobile unit located off nonpublic school premises is a
4.25 neutral site as defined in section 123B.41, subdivision 13.

4.26 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2010.

4.27 Sec. 2. Minnesota Statutes 2008, section 123B.92, subdivision 1, is amended to read:

4.28 Subdivision 1. **Definitions.** For purposes of this section and section 125A.76, the
4.29 terms defined in this subdivision have the meanings given to them.

4.30 (a) "Actual expenditure per pupil transported in the regular and excess transportation
4.31 categories" means the quotient obtained by dividing:

4.32 (1) the sum of:

4.33 (i) all expenditures for transportation in the regular category, as defined in paragraph
4.34 (b), clause (1), and the excess category, as defined in paragraph (b), clause (2), plus

5.1 (ii) an amount equal to one year's depreciation on the district's school bus fleet
 5.2 and mobile units computed on a straight line basis at the rate of 15 percent per year for
 5.3 districts operating a program under section 124D.128 for grades 1 to 12 for all students in
 5.4 the district and 12-1/2 percent per year for other districts of the cost of the fleet, plus

5.5 (iii) an amount equal to one year's depreciation on the district's type ~~three school~~
 5.6 ~~buses~~ III vehicles, as defined in section 169.011, subdivision 71, ~~clause (5)~~, which must be
 5.7 used a majority of the time for pupil transportation purposes, computed on a straight line
 5.8 basis at the rate of 20 percent per year of the cost of the type three school buses by:

5.9 (2) the number of pupils eligible for transportation in the regular category, as defined
 5.10 in paragraph (b), clause (1), and the excess category, as defined in paragraph (b), clause (2).

5.11 (b) "Transportation category" means a category of transportation service provided to
 5.12 pupils as follows:

5.13 (1) Regular transportation is:

5.14 (i) transportation to and from school during the regular school year for resident
 5.15 elementary pupils residing one mile or more from the public or nonpublic school they
 5.16 attend, and resident secondary pupils residing two miles or more from the public
 5.17 or nonpublic school they attend, excluding desegregation transportation and noon
 5.18 kindergarten transportation; but with respect to transportation of pupils to and from
 5.19 nonpublic schools, only to the extent permitted by sections 123B.84 to 123B.87;

5.20 (ii) transportation of resident pupils to and from language immersion programs;

5.21 (iii) transportation of a pupil who is a custodial parent and that pupil's child between
 5.22 the pupil's home and the child care provider and between the provider and the school, if
 5.23 the home and provider are within the attendance area of the school;

5.24 (iv) transportation to and from or board and lodging in another district, of resident
 5.25 pupils of a district without a secondary school; and

5.26 (v) transportation to and from school during the regular school year required under
 5.27 subdivision 3 for nonresident elementary pupils when the distance from the attendance
 5.28 area border to the public school is one mile or more, and for nonresident secondary pupils
 5.29 when the distance from the attendance area border to the public school is two miles or
 5.30 more, excluding desegregation transportation and noon kindergarten transportation.

5.31 For the purposes of this paragraph, a district may designate a licensed day care
 5.32 facility, school day care facility, respite care facility, the residence of a relative, or the
 5.33 residence of a person chosen by the pupil's parent or guardian as the home of a pupil for
 5.34 part or all of the day, if requested by the pupil's parent or guardian, and if that facility or
 5.35 residence is within the attendance area of the school the pupil attends.

5.36 (2) Excess transportation is:

6.1 (i) transportation to and from school during the regular school year for resident
6.2 secondary pupils residing at least one mile but less than two miles from the public or
6.3 nonpublic school they attend, and transportation to and from school for resident pupils
6.4 residing less than one mile from school who are transported because of extraordinary
6.5 traffic, drug, or crime hazards; and

6.6 (ii) transportation to and from school during the regular school year required under
6.7 subdivision 3 for nonresident secondary pupils when the distance from the attendance area
6.8 border to the school is at least one mile but less than two miles from the public school
6.9 they attend, and for nonresident pupils when the distance from the attendance area border
6.10 to the school is less than one mile from the school and who are transported because of
6.11 extraordinary traffic, drug, or crime hazards.

6.12 (3) Desegregation transportation is transportation within and outside of the district
6.13 during the regular school year of pupils to and from schools located outside their normal
6.14 attendance areas under a plan for desegregation mandated by the commissioner or under
6.15 court order.

6.16 (4) "Transportation services for pupils with disabilities" is:

6.17 (i) transportation of pupils with disabilities who cannot be transported on a regular
6.18 school bus between home or a respite care facility and school;

6.19 (ii) necessary transportation of pupils with disabilities from home or from school to
6.20 other buildings, including centers such as developmental achievement centers, hospitals,
6.21 and treatment centers where special instruction or services required by sections 125A.03
6.22 to 125A.24, 125A.26 to 125A.48, and 125A.65 are provided, within or outside the district
6.23 where services are provided;

6.24 (iii) necessary transportation for resident pupils with disabilities required by sections
6.25 125A.12, and 125A.26 to 125A.48;

6.26 (iv) board and lodging for pupils with disabilities in a district maintaining special
6.27 classes;

6.28 (v) transportation from one educational facility to another within the district for
6.29 resident pupils enrolled on a shared-time basis in educational programs, and necessary
6.30 transportation required by sections 125A.18, and 125A.26 to 125A.48, for resident pupils
6.31 with disabilities who are provided special instruction and services on a shared-time basis
6.32 or if resident pupils are not transported, the costs of necessary travel between public
6.33 and private schools or neutral instructional sites by essential personnel employed by the
6.34 district's program for children with a disability;

6.35 (vi) transportation for resident pupils with disabilities to and from board and lodging
6.36 facilities when the pupil is boarded and lodged for educational purposes; and

7.1 (vii) services described in clauses (i) to (vi), when provided for pupils with
 7.2 disabilities in conjunction with a summer instructional program that relates to the pupil's
 7.3 individual education plan or in conjunction with a learning year program established
 7.4 under section 124D.128.

7.5 For purposes of computing special education initial aid under section 125A.76,
 7.6 subdivision 2, the cost of providing transportation for children with disabilities includes
 7.7 (A) the additional cost of transporting a homeless student from a temporary nonshelter
 7.8 home in another district to the school of origin, or a formerly homeless student from a
 7.9 permanent home in another district to the school of origin but only through the end of the
 7.10 academic year; and (B) depreciation on district-owned school buses purchased after July 1,
 7.11 2005, and used primarily for transportation of pupils with disabilities, calculated according
 7.12 to paragraph (a), clauses (ii) and (iii). Depreciation costs included in the disabled
 7.13 transportation category must be excluded in calculating the actual expenditure per pupil
 7.14 transported in the regular and excess transportation categories according to paragraph (a).

7.15 (5) "Nonpublic nonregular transportation" is:

7.16 (i) transportation from one educational facility to another within the district for
 7.17 resident pupils enrolled on a shared-time basis in educational programs, excluding
 7.18 transportation for nonpublic pupils with disabilities under clause (4);

7.19 (ii) transportation within district boundaries between a nonpublic school and a
 7.20 public school or a neutral site for nonpublic school pupils who are provided pupil support
 7.21 services pursuant to section 123B.44; and

7.22 (iii) late transportation home from school or between schools within a district for
 7.23 nonpublic school pupils involved in after-school activities.

7.24 (c) "Mobile unit" means a vehicle or trailer designed to provide facilities for
 7.25 educational programs and services, including diagnostic testing, guidance and counseling
 7.26 services, and health services. A mobile unit located off nonpublic school premises is a
 7.27 neutral site as defined in section 123B.41, subdivision 13.

7.28 Sec. 3. Minnesota Statutes 2008, section 123B.92, subdivision 5, is amended to read:

7.29 Subd. 5. **District reports.** (a) Each district must report data to the department as
 7.30 required by the department to account for transportation expenditures.

7.31 (b) Salaries and fringe benefits of district employees whose primary duties are
 7.32 other than transportation, including central office administrators and staff, building
 7.33 administrators and staff, teachers, social workers, school nurses, and instructional aides,
 7.34 must not be included in a district's transportation expenditures, except that a district may
 7.35 include salaries and benefits according to paragraph (c) for (1) an employee designated

8.1 as the district transportation director, (2) an employee providing direct support to the
 8.2 transportation director, or (3) an employee providing direct transportation services such as
 8.3 a bus driver or bus aide.

8.4 (c) Salaries and fringe benefits of the district employees listed in paragraph (b),
 8.5 clauses (1), (2), and (3), who work part time in transportation and part time in other areas
 8.6 must not be included in a district's transportation expenditures unless the district maintains
 8.7 documentation of the employee's time spent on pupil transportation matters in the form
 8.8 and manner prescribed by the department.

8.9 (d) Pupil transportation expenditures, excluding expenditures for capital outlay,
 8.10 leased buses, student board and lodging, crossing guards, and aides on buses, must
 8.11 be allocated among transportation categories based on cost-per-mile, cost-per-student,
 8.12 cost-per-hour, or cost-per-route, regardless of whether the transportation services are
 8.13 provided on district-owned or contractor-owned school buses. Expenditures for school
 8.14 bus driver salaries and fringe benefits may either be directly charged to the appropriate
 8.15 transportation category or may be allocated among transportation categories based
 8.16 on cost-per-mile, cost-per-student, cost-per-hour, or cost-per-route. Expenditures
 8.17 by private contractors or individuals who provide transportation exclusively in one
 8.18 transportation category must be charged directly to the appropriate transportation category.
 8.19 Transportation services provided by contractor-owned school bus companies incorporated
 8.20 under different names but owned by the same individual or group of individuals must be
 8.21 treated as the same company for cost allocation purposes.

8.22 (e) Notwithstanding paragraph (d), districts contracting for transportation services
 8.23 are exempt from the standard cost allocation method for authorized and nonauthorized
 8.24 transportation categories if the district: (1) bids its contracts separately for authorized
 8.25 and nonauthorized transportation categories; (2) receives bids or quotes from more
 8.26 than one vendor for these transportation categories; and (3) the district's cost-per-mile,
 8.27 cost-per-hour, or cost-per-route does not vary more than ten percent among categories,
 8.28 excluding salaries and fringe benefits of bus aides. If the costs reported by the district
 8.29 for contractor-owned operations vary by more than ten percent among categories, the
 8.30 department shall require the district to reallocate its transportation costs, excluding salaries
 8.31 and fringe benefits of bus aides, among all categories.

8.32 **EFFECTIVE DATE.** This section is effective for revenue for fiscal year 2010.

8.33 Sec. 4. Minnesota Statutes 2008, section 125A.15, is amended to read:

8.34 **125A.15 PLACEMENT IN ANOTHER DISTRICT; RESPONSIBILITY.**

9.1 The responsibility for special instruction and services for a child with a disability
9.2 temporarily placed in another district for care and treatment shall be determined in the
9.3 following manner:

9.4 (a) The district of residence of a child shall be the district in which the child's parent
9.5 resides, if living, or the child's guardian, or the district designated by the commissioner if
9.6 neither parent nor guardian is living within the state.

9.7 (b) If a district other than the resident district places a pupil for care and treatment,
9.8 the district placing the pupil must notify and give the resident district an opportunity to
9.9 participate in the placement decision. When an immediate emergency placement of a
9.10 pupil is necessary and time constraints foreclose a resident district from participating in
9.11 the emergency placement decision, the district in which the pupil is temporarily placed
9.12 must notify the resident district of the emergency placement within 15 days. The resident
9.13 district has up to five business days after receiving notice of the emergency placement
9.14 to request an opportunity to participate in the placement decision, which the placing
9.15 district must then provide.

9.16 (c) When a child is temporarily placed for care and treatment in a day program
9.17 located in another district and the child continues to live within the district of residence
9.18 during the care and treatment, the district of residence is responsible for providing
9.19 transportation to and from the care and treatment facility program and an appropriate
9.20 educational program for the child. The resident district may establish reasonable
9.21 restrictions on transportation, except if a Minnesota court or agency orders the child
9.22 placed at a day care and treatment program and the resident district receives a copy of
9.23 the order, then the resident district must provide transportation to and from the program
9.24 unless the court or agency orders otherwise. Transportation shall only be provided by the
9.25 resident district during regular operating hours of the resident district. The resident district
9.26 may provide the educational program at a school within the district of residence, at the
9.27 child's residence, or in the district in which the day treatment center is located by paying
9.28 tuition to that district.

9.29 ~~(e)~~ (d) When a child is temporarily placed in a residential program for care and
9.30 treatment, the nonresident district in which the child is placed is responsible for providing
9.31 an appropriate educational program for the child and necessary transportation while the
9.32 child is attending the educational program; and must bill the district of the child's residence
9.33 for the actual cost of providing the program, as outlined in section 125A.11, except as
9.34 provided in paragraph ~~(d)~~ (e). However, the board, lodging, and treatment costs incurred
9.35 in behalf of a child with a disability placed outside of the school district of residence by
9.36 the commissioner of human services or the commissioner of corrections or their agents,

10.1 for reasons other than providing for the child's special educational needs must not become
 10.2 the responsibility of either the district providing the instruction or the district of the child's
 10.3 residence. For the purposes of this section, the state correctional facilities operated on a
 10.4 fee-for-service basis are considered to be residential programs for care and treatment.

10.5 ~~(d)~~ (e) A privately owned and operated residential facility may enter into a contract
 10.6 to obtain appropriate educational programs for special education children and services
 10.7 with a joint powers entity. The entity with which the private facility contracts for special
 10.8 education services shall be the district responsible for providing students placed in that
 10.9 facility an appropriate educational program in place of the district in which the facility is
 10.10 located. If a privately owned and operated residential facility does not enter into a contract
 10.11 under this paragraph, then paragraph ~~(e)~~ (d) applies.

10.12 ~~(e)~~ (f) The district of residence shall pay tuition and other program costs, not
 10.13 including transportation costs, to the district providing the instruction and services.
 10.14 The district of residence may claim general education aid for the child as provided by
 10.15 law. Transportation costs must be paid by the district responsible for providing the
 10.16 transportation and the state must pay transportation aid to that district.

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

10.18 Sec. 5. Minnesota Statutes 2008, section 125A.51, is amended to read:

10.19 **125A.51 PLACEMENT OF CHILDREN WITHOUT DISABILITIES;**
 10.20 **EDUCATION AND TRANSPORTATION.**

10.21 The responsibility for providing instruction and transportation for a pupil without a
 10.22 disability who has a short-term or temporary physical or emotional illness or disability, as
 10.23 determined by the standards of the commissioner, and who is temporarily placed for care
 10.24 and treatment for that illness or disability, must be determined as provided in this section.

10.25 (a) The school district of residence of the pupil is the district in which the pupil's
 10.26 parent or guardian resides.

10.27 (b) When parental rights have been terminated by court order, the legal residence
 10.28 of a child placed in a residential or foster facility for care and treatment is the district in
 10.29 which the child resides.

10.30 (c) Before the placement of a pupil for care and treatment, the district of residence
 10.31 must be notified and provided an opportunity to participate in the placement decision.
 10.32 When an immediate emergency placement is necessary and time does not permit
 10.33 resident district participation in the placement decision, the district in which the pupil is
 10.34 temporarily placed, if different from the district of residence, must notify the district

11.1 of residence of the emergency placement within 15 days of the placement. When a
11.2 nonresident district makes an emergency placement without first consulting with the
11.3 resident district, the resident district has up to five business days after receiving notice
11.4 of the emergency placement to request an opportunity to participate in the placement
11.5 decision, which the placing district must then provide.

11.6 (d) When a pupil without a disability is temporarily placed for care and treatment
11.7 in a day program and the pupil continues to live within the district of residence during
11.8 the care and treatment, the district of residence must provide instruction and necessary
11.9 transportation to and from the care and treatment facility program for the pupil. The
11.10 resident district may establish reasonable restrictions on transportation, except if a
11.11 Minnesota court or agency orders the child placed at a day care and treatment program
11.12 and the resident district receives a copy of the order, then the resident district must provide
11.13 transportation to and from the program unless the court or agency orders otherwise.

11.14 Transportation shall only be provided by the resident district during regular operating
11.15 hours of the resident district. The resident district may provide the instruction at a school
11.16 within the district of residence, at the pupil's residence, or in the case of a placement
11.17 outside of the resident district, in the district in which the day treatment program is located
11.18 by paying tuition to that district. The district of placement may contract with a facility to
11.19 provide instruction by teachers licensed by the state Board of Teaching.

11.20 (e) When a pupil without a disability is temporarily placed in a residential program
11.21 for care and treatment, the district in which the pupil is placed must provide instruction
11.22 for the pupil and necessary transportation while the pupil is receiving instruction, and in
11.23 the case of a placement outside of the district of residence, the nonresident district must
11.24 bill the district of residence for the actual cost of providing the instruction for the regular
11.25 school year and for summer school, excluding transportation costs.

11.26 (f) Notwithstanding paragraph (e), if the pupil is homeless and placed in a public or
11.27 private homeless shelter, then the district that enrolls the pupil under section 127A.47,
11.28 subdivision 2, shall provide the transportation, unless the district that enrolls the pupil
11.29 and the district in which the pupil is temporarily placed agree that the district in which
11.30 the pupil is temporarily placed shall provide transportation. When a pupil without a
11.31 disability is temporarily placed in a residential program outside the district of residence,
11.32 the administrator of the court placing the pupil must send timely written notice of the
11.33 placement to the district of residence. The district of placement may contract with a
11.34 residential facility to provide instruction by teachers licensed by the state Board of
11.35 Teaching. For purposes of this section, the state correctional facilities operated on a
11.36 fee-for-service basis are considered to be residential programs for care and treatment.

12.1 (g) The district of residence must include the pupil in its residence count of pupil
 12.2 units and pay tuition as provided in section 123A.488 to the district providing the
 12.3 instruction. Transportation costs must be paid by the district providing the transportation
 12.4 and the state must pay transportation aid to that district. For purposes of computing state
 12.5 transportation aid, pupils governed by this subdivision must be included in the disabled
 12.6 transportation category if the pupils cannot be transported on a regular school bus route
 12.7 without special accommodations.

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

12.9 Sec. 6. Minnesota Statutes 2008, section 169.011, subdivision 71, is amended to read:

12.10 Subd. 71. **School bus.** (a) "School bus" means a motor vehicle used to transport
 12.11 pupils to or from a school defined in section 120A.22, or to or from school-related
 12.12 activities, by the school or a school district, or by someone under an agreement with the
 12.13 school or a school district. A school bus does not include a motor vehicle transporting
 12.14 children to or from school for which parents or guardians receive direct compensation
 12.15 from a school district, a motor coach operating under charter carrier authority, a transit
 12.16 bus providing services as defined in section 174.22, subdivision 7, ~~a multifunction school~~
 12.17 ~~activity bus as defined by federal motor vehicle safety standards~~, or a vehicle otherwise
 12.18 qualifying as a type III vehicle under ~~paragraph (5)~~ clause (6), when the vehicle is properly
 12.19 registered and insured and being driven by an employee or agent of a school district for
 12.20 nonscheduled or nonregular transportation.

12.21 (b) A school bus may be type A, type B, type C, or type D, multifunction school
 12.22 activity bus, or type III as follows: provided in paragraphs (c) to (h).

12.23 ~~(1)~~ (c) A "type A school bus" is a van conversion or bus constructed utilizing a
 12.24 cutaway front section vehicle with a left-side driver's door. ~~The entrance door is behind the~~
 12.25 ~~front wheels.~~ This definition includes two classifications: type A-I, with a gross vehicle
 12.26 weight rating (GVWR) less than or equal to ~~10,000~~ 14,500 pounds; and type A-II, with a
 12.27 GVWR greater than ~~10,000~~ 14,500 pounds and less than or equal to 21,500 pounds.

12.28 ~~(2)~~ (d) A "type B school bus" is constructed utilizing a stripped chassis. The
 12.29 entrance door is behind the front wheels. This definition includes two classifications: type
 12.30 B-I, with a GVWR less than or equal to 10,000 pounds; and type B-II, with a GVWR
 12.31 greater than 10,000 pounds.

12.32 ~~(3)~~ (e) A "type C school bus" is constructed utilizing a chassis with a hood and front
 12.33 fender assembly. The entrance door is behind the front wheels. A "type C school bus" also
 12.34 includes a cutaway truck chassis or truck chassis with cab, with or without a left side door,
 12.35 and with a GVWR greater than 21,500 pounds.

13.1 ~~(4)~~ (f) A "type D school bus" is constructed utilizing a stripped chassis. The entrance
13.2 door is ahead of the front wheels.

13.3 ~~(5)~~ (g) A "multifunction school activity bus" is a school bus that meets the definition
13.4 of a multifunction school activity bus in Code of Federal Regulations, title 49, section
13.5 571.3. A vehicle that meets the definition of a type III vehicle is not a multifunction
13.6 school activity bus.

13.7 (h) A "Type III vehicles are vehicle" is restricted to passenger cars, station wagons,
13.8 vans, and buses having a maximum manufacturer's rated seating capacity of ten or fewer
13.9 people, including the driver, and a gross vehicle weight rating of 10,000 pounds or
13.10 less. ~~In this subdivision, "gross vehicle weight rating" means the value specified by the~~
13.11 ~~manufacturer as the loaded weight of a single vehicle.~~ A "type III vehicle" must not be
13.12 outwardly equipped and identified as a type A, B, C, or D school bus or type A, B, C, or D
13.13 Head Start bus. A van or bus converted to a seating capacity of ten or fewer and placed in
13.14 service on or after August 1, 1999, must have been originally manufactured to comply
13.15 with the passenger safety standards.

13.16 (i) In this subdivision, "gross vehicle weight rating" means the value specified by
13.17 the manufacturer as the loaded weight of a single vehicle.

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

13.19 Sec. 7. Minnesota Statutes 2008, section 169.443, subdivision 9, is amended to read:

13.20 Subd. 9. **Personal cellular phone call prohibition.** (a) As used in this subdivision,
13.21 "school bus" has the meaning given in section 169.011, subdivision 71. In addition, the
13.22 term includes type III vehicles as ~~described~~ defined in section 169.011, subdivision 71,
13.23 ~~clause (5)~~; when driven by employees or agents of school districts.

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

13.27 Sec. 8. Minnesota Statutes 2008, section 169.4501, subdivision 1, is amended to read:

13.28 Subdivision 1. **National standards adopted.** Except as provided in sections
13.29 169.4502 and 169.4503, the construction, design, equipment, and color of types A, B, C,
13.30 ~~D and multifunctional school buses and multifunction school activity bus school buses~~
13.31 used for the transportation of school children shall meet the requirements of the "bus
13.32 chassis standards" and "bus body standards" in the 2005 edition of the "National School
13.33 Transportation Specifications and Procedures" adopted by the National Congress on
13.34 School Transportation. Except as provided in section 169.4504, the construction, design,

14.1 and equipment of types A, B, C, D ~~and multifunctional~~ school buses and multifunction
 14.2 school activity bus school buses used for the transportation of students with disabilities
 14.3 also shall meet the requirements of the "specially equipped school bus standards" in the
 14.4 2005 National School Transportation Specifications and Procedures. The "bus chassis
 14.5 standards," "bus body standards," and "specially equipped school bus standards" sections
 14.6 of the 2005 edition of the "National School Transportation Specifications and Procedures"
 14.7 are incorporated by reference in this chapter.

14.8 Sec. 9. Minnesota Statutes 2008, section 169.4503, subdivision 20, is amended to read:

14.9 Subd. 20. **Seat and crash barriers.** (a) All restraining barriers and passenger seats
 14.10 shall be covered with a material that has fire retardant or fire block characteristics.

14.11 (b) All seats must have a minimum cushion depth of 15 inches and a seat back
 14.12 height of at least 20 inches above the seating reference point, and beginning October 21,
 14.13 2009, must also conform to the Federal Motor Vehicle Safety Standard in Code of Federal
 14.14 Regulations, title 49, section 571.222.

14.15 Sec. 10. Minnesota Statutes 2008, section 169.4503, is amended by adding a
 14.16 subdivision to read:

14.17 Subd. 27. **Tailpipe.** (a) The tailpipe must not extend more than two inches beyond
 14.18 the perimeter of the body for a side-exit pipe or beyond the bumper for a rear-exit pipe.

14.19 (b) The tailpipe must exit either in the rear of the vehicle or to the left side of the bus
 14.20 in front of or behind the rear drive axle. The tailpipe exit location on all type A-I or B-I
 14.21 buses must be in accordance with the manufacturer's standards. The tailpipe must not exit
 14.22 beneath any fuel filler location or beneath any emergency door.

14.23 **EFFECTIVE DATE.** This section is effective the day following final enactment
 14.24 retroactive to December 31, 2007.

14.25 Sec. 11. Minnesota Statutes 2008, section 169.454, subdivision 13, is amended to read:

14.26 Subd. 13. **Exemption.** When a vehicle otherwise qualifying as a type III vehicle
 14.27 under section 169.011, subdivision 71, ~~clause (5);~~ whether owned and operated by a
 14.28 school district or privately owned and operated, is used to transport school children in a
 14.29 nonscheduled situation, it shall be exempt from the vehicle requirements of this section
 14.30 and the licensing requirements of section 171.321, if the vehicle is properly registered
 14.31 and insured and operated by an employee or agent of a school district with a valid driver's
 14.32 license.

15.1 Sec. 12. Minnesota Statutes 2008, section 169A.03, subdivision 23, is amended to read:

15.2 Subd. 23. **School bus.** "School bus" has the meaning given in section 169.011,
15.3 subdivision 71. In addition, the term includes type III vehicles as ~~described~~ defined in
15.4 section 169.011, subdivision 71, ~~clause (5)~~; when driven by employees or agents of school
15.5 districts.

15.6 Sec. 13. Minnesota Statutes 2008, section 171.01, subdivision 22, is amended to read:

15.7 Subd. 22. **Commercial motor vehicle.** "Commercial motor vehicle" means a motor
15.8 vehicle or combination of motor vehicles used to transport passengers or property if
15.9 the motor vehicle:

15.10 (1) has a gross vehicle weight of more than 26,000 pounds;

15.11 (2) has a towed unit with a gross vehicle weight of more than 10,000 pounds and the
15.12 combination of vehicles has a combined gross vehicle weight of more than 26,000 pounds;

15.13 (3) is a bus;

15.14 (4) is of any size and is used in the transportation of hazardous materials that are
15.15 required to be placarded under Code of Federal Regulations, title 49, parts 100-185; or

15.16 (5) is outwardly equipped and identified as a school bus, except for type III vehicles
15.17 defined in section 169.011, subdivision 71, ~~clause (5)~~.

15.18 Sec. 14. Minnesota Statutes 2008, section 171.02, subdivision 2, is amended to read:

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

15.23 (b) Except as provided in paragraph (c), clauses (1) and (2), and subdivision 2a, no
15.24 class of license is valid to operate a motorcycle, school bus, tank vehicle, double-trailer
15.25 or triple-trailer combination, vehicle transporting hazardous materials, or bus, unless
15.26 so endorsed. There are four general classes of licenses as described in paragraphs (c)
15.27 through (f).

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

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

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

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

- 16.1 (iii) not used in the operations of a common or contract motor carrier as governed by
 16.2 Code of Federal Regulations, title 49, part 365; and
- 16.3 (iv) used within 150 miles of the farm;
- 16.4 (2) notwithstanding paragraph (b), operating an authorized emergency vehicle, as
 16.5 defined in section 169.011, subdivision 3, whether or not in excess of 26,000 pounds
 16.6 gross vehicle weight;
- 16.7 (3) operating a recreational vehicle as defined in section 168.002, subdivision 27,
 16.8 that is operated for personal use;
- 16.9 (4) operating all single-unit vehicles except vehicles with a gross vehicle weight of
 16.10 more than 26,000 pounds, vehicles designed to carry more than 15 passengers including
 16.11 the driver, and vehicles that carry hazardous materials;
- 16.12 (5) notwithstanding paragraph (d), operating a type A school bus or a ~~multifunctional~~
 16.13 multifunction school activity bus without a school bus endorsement if:
- 16.14 ~~(i) the bus has a gross vehicle weight of 10,000 pounds or less;~~
 16.15 ~~(ii) the bus is designed to transport 15 or fewer passengers, including the driver; and~~
 16.16 ~~(iii) the requirements of subdivision 2a are satisfied, as determined by the~~
 16.17 commissioner;
- 16.18 (6) operating any vehicle or combination of vehicles when operated by a licensed
 16.19 peace officer while on duty; and
- 16.20 (7) towing vehicles if:
- 16.21 (i) the towed vehicles have a gross vehicle weight of 10,000 pounds or less; or
 16.22 (ii) the towed vehicles have a gross vehicle weight of more than 10,000 pounds and
 16.23 the combination of vehicles has a gross vehicle weight of 26,000 pounds or less.
- 16.24 (d) Class C drivers' licenses are valid for:
- 16.25 (1) operating class D motor vehicles;
- 16.26 (2) with a hazardous materials endorsement, operating class D vehicles to transport
 16.27 hazardous materials;
- 16.28 (3) with a passenger endorsement, operating buses; and
- 16.29 (4) with a passenger endorsement and school bus endorsement, operating school
 16.30 buses.
- 16.31 (e) Class B drivers' licenses are valid for:
- 16.32 (1) operating all class C motor vehicles, class D motor vehicles, and all other
 16.33 single-unit motor vehicles including, with a passenger endorsement, buses; and
- 16.34 (2) towing only vehicles with a gross vehicle weight of 10,000 pounds or less.
- 16.35 (f) Class A drivers' licenses are valid for operating any vehicle or combination of
 16.36 vehicles.

17.1 Sec. 15. Minnesota Statutes 2008, section 171.02, subdivision 2a, is amended to read:

17.2 Subd. 2a. **Exception for certain school bus drivers.** Notwithstanding subdivision
17.3 2, paragraph ~~(e)~~ (b), the holder of a class D driver's license, without a school bus
17.4 endorsement, may operate a type A school bus ~~described in subdivision 2, paragraph (b),~~
17.5 or a multifunction school activity bus under the following conditions:

17.6 (a) The operator is an employee of the entity that owns, leases, or contracts for the
17.7 school bus and is not solely hired to provide transportation services under this subdivision.

17.8 (b) The operator drives the school bus only from points of origin to points of
17.9 destination, not including home-to-school trips to pick up or drop off students.

17.10 (c) The operator is prohibited from using the eight-light system. Violation of this
17.11 paragraph is a misdemeanor.

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

17.14 (1) safe operation of the type of school bus the operator will be driving;

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

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

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

17.21 (5) handling emergency situations; and

17.22 (6) safe loading and unloading of students.

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

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

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

17.31 (h) A person who sustains a conviction, as defined under section 609.02, of violating
17.32 section 169A.25, 169A.26, 169A.27, 169A.31, 169A.51, or 169A.52, or a similar statute
17.33 or ordinance of another state is precluded from operating a school bus for five years
17.34 from the date of conviction.

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

18.4 (j) A person who sustains a conviction, as defined under section 609.02, of a fourth
18.5 moving offense in violation of chapter 169 is precluded from operating a school bus for
18.6 one year from the date of the last conviction.

18.7 (k) Students riding the school bus must have training required under section
18.8 123B.90, subdivision 2.

18.9 (l) An operator must be trained in the proper use of child safety restraints as set
18.10 forth in the National Highway Traffic Safety Administration's "Guideline for the Safe
18.11 Transportation of Pre-school Age Children in School Buses," if child safety restraints are
18.12 used by the passengers.

18.13 (m) Annual certification of the requirements listed in this subdivision must be
18.14 maintained under separate file at the business location for each operator licensed under
18.15 this subdivision and subdivision 2, paragraph (b), clause (5). The business manager,
18.16 school board, governing body of a nonpublic school, or any other entity that owns,
18.17 leases, or contracts for the school bus operating under this subdivision is responsible
18.18 for maintaining these files for inspection.

18.19 (n) The school bus must bear a current certificate of inspection issued under section
18.20 169.451.

18.21 (o) If the word "School" appears on the front and rear of the bus, the word "School"
18.22 must be covered by a sign that reads "Activities" when the bus is being operated under
18.23 authority of this subdivision.

18.24 (p) The type A-I school bus or multifunction school activity bus is designed to
18.25 transport 15 or fewer passengers, including the driver.

18.26 (q) The school bus has a gross vehicle weight rating of 14,500 pounds or less.

18.27 **EFFECTIVE DATE.** This section is effective July 1, 2010.

18.28 Sec. 16. Minnesota Statutes 2008, section 171.321, subdivision 1, is amended to read:

18.29 Subdivision 1. **Endorsement.** No person shall drive a school bus when transporting
18.30 school children to or from school or upon a school-related trip or activity without having a
18.31 valid class A, class B, or class C driver's license with a school bus endorsement except
18.32 that a person possessing a valid driver's license but not a school bus endorsement may
18.33 drive a type III vehicle or a school bus, subject to the requirements of section 171.02,
18.34 subdivisions 2, 2a, and 2b.

19.1 Sec. 17. Minnesota Statutes 2008, section 171.321, subdivision 4, is amended to read:

19.2 Subd. 4. **Training.** (a) No person shall drive a class A, B, C, or D school bus when
 19.3 transporting school children to or from school or upon a school-related trip or activity
 19.4 without having demonstrated sufficient skills and knowledge to transport students in
 19.5 a safe and legal manner.

19.6 (b) A bus driver must have training or experience that allows the driver to meet at
 19.7 least the following competencies:

19.8 (1) safely operate the type of school bus the driver will be driving;

19.9 (2) understand student behavior, including issues relating to students with
 19.10 disabilities;

19.11 (3) encourage orderly conduct of students on the bus and handle incidents of
 19.12 misconduct appropriately;

19.13 (4) know and understand relevant laws, rules of the road, and local school bus
 19.14 safety policies;

19.15 (5) handle emergency situations; and

19.16 (6) safely load and unload students.

19.17 (c) The commissioner of public safety shall develop a comprehensive model
 19.18 school bus driver training program and model assessments for school bus driver training
 19.19 competencies, which are not subject to chapter 14. A school district, nonpublic school, or
 19.20 private contractor may use alternative assessments for bus driver training competencies
 19.21 with the approval of the commissioner of public safety. A driver may receive at least eight
 19.22 hours of school bus in-service training any year, as an alternative to being assessed for bus
 19.23 driver competencies after the initial year of being assessed for bus driver competencies.
 19.24 The employer shall keep the assessment or a record of the in-service training for the
 19.25 current period available for inspection by representatives of the commissioner.

19.26 (d) A school district, nonpublic school, or private contractor shall provide in-service
 19.27 training annually to each school bus driver.

19.28 Sec. 18. Minnesota Statutes 2008, section 171.321, subdivision 5, is amended to read:

19.29 Subd. 5. **Annual evaluation and license verification.** (a) ~~A school district,~~
 19.30 ~~nonpublic school, or private contractor shall provide in-service training annually to each~~
 19.31 ~~school bus driver.~~ For purposes of this section, "annually" means at least once every
 19.32 380 days from the initial or previous evaluation and at least once every 380 days from
 19.33 the initial or previous license verification.

19.34 (b) A school district, nonpublic school, or private contractor shall annually verify
 19.35 with the National Driver Register or with the Department of Public Safety the validity of

20.1 the driver's license of each employee who regularly transports students for the district in:
20.2 (1) a type A school bus, a type B school bus, a type C school bus, or type D school bus; (2)
20.3 a multifunction school activity bus; or regularly transports students for the district in (3) a
20.4 type III vehicle with the National Driver Register or with the Department of Public Safety.

20.5 **EFFECTIVE DATE.** This section is effective July 1, 2010.