

## ONE HUNDRED SECOND DAY

St. Paul, Minnesota, Tuesday, May 11, 2010

The Senate met at 11:00 a.m. and was called to order by the President.

**CALL OF THE SENATE**

Senator Pogemiller imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. Hans Jorgenson.

The roll was called, and the following Senators answered to their names:

Anderson	Fischbach	Kubly	Ortman	Sheran
Bakk	Fobbe	Langseth	Pappas	Sieben
Berglin	Foley	Latz	Pariseau	Skoe
Betzold	Frederickson	Limmer	Parry	Skogen
Bonoff	Gerlach	Lourey	Pogemiller	Sparks
Carlson	Gimse	Lynch	Prettner Solon	Stumpf
Chaudhary	Hann	Marty	Rest	Tomassoni
Clark	Higgins	Metzen	Robling	Torres Ray
Cohen	Ingebrigtsen	Michel	Rosen	Vandever
Dahle	Johnson	Moua	Rummel	Vickerman
Dibble	Jungbauer	Murphy	Saltzman	Wiger
Dille	Kelash	Olseen	Saxhaug	
Doll	Koch	Olson, G.	Scheid	
Erickson Ropes	Koering	Olson, M.	Senjem	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

**EXECUTIVE AND OFFICIAL COMMUNICATIONS**

The following communications were received.

May 10, 2010

The Honorable James P. Metzen  
President of the Senate

Dear President Metzen:

I have vetoed and am returning Senate File 915, Chapter 322, a bill creating a statewide school

employee health insurance pool.

As I indicated in my letter to the conference committee dated March 24, the concerns expressed in previous vetoed bills regarding this matter remain. The drivers of health care costs including growing prescription drug costs, benefit plan design, utilization rates, high-tech procedures, and the high cost of insuring retirees are again not addressed in this bill. Mandating participation impedes local control for districts to address these cost drivers for their employee groups.

Supporters of this legislation have used parts of the local impact study prepared by Minnesota Management and Budget based on a 2004 actuarial study that indicated the potential for savings. However, the study also indicated the cost drivers cited above as well as other unknown factors that could negate potential savings.

For years, the teachers' union has been the main advocate for various iterations of this bill, while most education and other service organizations have remained adamantly opposed. I offered to more favorably consider this bill if the teachers' union and legislators would pass bold reform initiatives such as improving teacher effectiveness and preparedness, strengthening teacher evaluations, alternative licensure programs, and tenure reform focused to improve student achievement. There has been an unwillingness to agree to any of these reforms. In fact, the union has gone to great lengths to impede reform.

Sadly, the union and its legislative allies are unwilling to improve educational opportunities for children but instead seek to improve their own benefits. So, again, I veto this bill.

Sincerely,  
Tim Pawlenty, Governor

Senator Pogemiller moved that S.F. No. 915 and the veto message thereon be laid on the table. The motion prevailed.

May 10, 2010

The Honorable James P. Metzen  
President of the Senate

Dear President Metzen:

I have vetoed and am returning Senate File 2226, Chapter 291.

This bill is unneeded because the current coercion statute (Minn. Stat. 609.27, Subd. 1) already provides criminal penalties for the behavior this bill seeks to prohibit.

Sincerely,  
Tim Pawlenty, Governor

Senator Pogemiller moved that S.F. No. 2226 and the veto message thereon be laid on the table. The motion prevailed.

May 10, 2010

The Honorable James P. Metzen  
President of the Senate

102ND DAY]

TUESDAY, MAY 11, 2010

11037

Dear President Metzen:

Please be advised that I have received, approved, signed and deposited in the Office of the Secretary of State, S.F. Nos. 2990, 2493, 364, 2437, 2713 and 2855.

Sincerely,  
Tim Pawlenty, Governor

May 10, 2010

The Honorable Margaret Anderson Kelliher  
Speaker of the House of Representatives

The Honorable James P. Metzen  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 2010 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S.F. No.	H.F. No.	Session Laws Chapter No.	Time and Date Approved 2010	Date Filed 2010
2990		292	2:05 p.m. May 10	May 10
2493		293	2:07 p.m. May 10	May 10
	3591	294	2:08 p.m. May 10	May 10
	3318	295	2:09 p.m. May 10	May 10
	1209	296	2:10 p.m. May 10	May 10
	2899	297	2:11 p.m. May 10	May 10
364		298	2:04 p.m. May 10	May 10
2437		299	2:13 p.m. May 10	May 10
2713		300	2:18 p.m. May 10	May 10
2855		301	2:19 p.m. May 10	May 10

Sincerely,  
Mark Ritchie  
Secretary of State

#### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned: S.F. Nos. 2663 and 2752.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned May 10, 2010

Mr. President:

I have the honor to announce that the House has acceded to the request of the Senate for the appointment of a Conference Committee, consisting of 3 members of the House, on the amendments adopted by the House to the following Senate File:

**S.F. No. 3046:** A bill for an act relating to energy; providing for large solar energy electric generation demonstration conservation improvement project; amending Minnesota Statutes 2008, section 216B.241, by adding a subdivision.

There has been appointed as such committee on the part of the House:

Wolti, Hilty and Demmer.

Senate File No. 3046 is herewith returned to the Senate.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned May 10, 2010

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 2859 and 2753.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Transmitted May 10, 2010

### FIRST READING OF HOUSE BILLS

The following bills were read the first time.

**H.F. No. 2859:** A bill for an act relating to human services; modifying a nursing facility rate provision; amending Minnesota Statutes 2008, section 256B.431, subdivision 35.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2567, now on General Orders.

**H.F. No. 2753:** A bill for an act relating to transportation; authorizing issuance and sale of trunk highway bonds; appropriating money.

Referred to the Committee on Finance.

### MOTIONS AND RESOLUTIONS

Senator Olseen moved that his name be stricken as chief author, shown as a co-author, and the name of Senator Rest be added as chief author to S.F. No. 2471. The motion prevailed.

Senator Rest moved that the names of Senators Gerlach, Robling and Sieben be added as co-authors to S.F. No. 2471. The motion prevailed.

Senator Scheid moved that the name of Senator Clark be added as a co-author to S.F. No. 3361. The motion prevailed.

**Senators Pogemiller and Senjem introduced –**

**Senate Resolution No. 193:** A Senate resolution commemorating the lives and work of deceased Senators.

The Honorable Otto T. Bang, 1973-1982

The Honorable Jerome V. Blatz, 1963-1976

The Honorable John E. Brandl, 1987-1990

The Honorable Edward J. Gearty, 1971-1980

The Honorable James F. Lord, 1973-1974

The Honorable Harmon T. Ogdahl, 1963-1980

The Honorable Allan H. Spear, 1973-2000

WHEREAS, those in public office need an uncommon dedication to meet the demands upon their time, resources, and talents; and

WHEREAS, in the history of the Minnesota Senate, there have been countless Senators who have left a heritage of noble deeds, thoughts, and acts; and

WHEREAS, in their endeavors to legislate for the public good of this state, they strove to represent fairly the rights of the people; and

WHEREAS, their spirits continually challenge, enlighten, and encourage those who remain to honestly and diligently exercise the work of the government for the public good; and

WHEREAS, Senators of today take courage and inspiration from those noble servants of another time who believed it was better to serve than to be served; NOW, THEREFORE,

BE IT RESOLVED by the Senate of the State of Minnesota that it recognizes the tremendous contributions of the following deceased Senators: the Honorable Otto T. Bang, 1973-1982, the Honorable Jerome V. Blatz, 1963-1976, the Honorable John E. Brandl, 1987-1990, the Honorable Edward J. Gearty, 1971-1980, the Honorable James F. Lord, 1973-1974, the Honorable Harmon T. Ogdahl, 1963-1980, and the Honorable Allan H. Spear, 1973-2000. Their dedication to the public good is a source of inspiration to, and is worthy of emulation by, their present-day colleagues.

BE IT FURTHER RESOLVED that the Secretary of the Senate is directed to prepare an enrolled copy of this resolution, to be authenticated by his signature and that of the Chair of the Senate Rules and Administration Committee, and transmit it to appropriate relatives of those commemorated by this resolution.

Senator Pogemiller moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

The Senate offered a moment of silence in memory of the deceased Senators.

**MOTIONS AND RESOLUTIONS - CONTINUED**

S.F. No. 2933 and the Conference Committee Report thereon were reported to the Senate.

**CONFERENCE COMMITTEE REPORT ON S.F. NO. 2933**

A bill for an act relating to human services; making changes to continuing care policy and technical provisions; amending Minnesota Statutes 2008, sections 245A.03, by adding a subdivision; 626.557, subdivision 9a; Minnesota Statutes 2009 Supplement, sections 144.0724, subdivision 11; 256B.0625, subdivision 19c; 256B.0651, by adding a subdivision; 256B.0652, subdivision 6; 256B.0659, subdivisions 4, 10, 11, 13, 21, 30, by adding a subdivision; 256B.0911, subdivision 2b.

May 10, 2010

The Honorable James P. Metzen  
President of the Senate

The Honorable Margaret Anderson Kelliher  
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 2933 report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that S.F. No. 2933 be further amended as follows:

Delete everything after the enacting clause and insert:

**"ARTICLE 1****CONTINUING CARE POLICY**

Section 1. Minnesota Statutes 2009 Supplement, section 144.0724, subdivision 11, is amended to read:

Subd. 11. **Nursing facility level of care.** (a) For purposes of medical assistance payment of long-term care services, a recipient must be determined, using assessments defined in subdivision 4, to meet one of the following nursing facility level of care criteria:

(1) the person requires formal clinical monitoring at least once per day;

~~(1)~~ (2) the person needs the assistance of another person or constant supervision to begin and complete at least four of the following activities of living: bathing, bed mobility, dressing, eating, grooming, toileting, transferring, and walking;

~~(2)~~ (3) the person needs the assistance of another person or constant supervision to begin and complete toileting, transferring, or positioning and the assistance cannot be scheduled;

~~(3)~~ (4) the person has significant difficulty with memory, using information, daily decision making, or behavioral needs that require intervention;

~~(4)~~ (5) the person has had a qualifying nursing facility stay of at least 90 days;

(6) the person meets the nursing facility level of care criteria determined 90 days after admission or on the first quarterly assessment after admission, whichever is later; or

~~(5)~~ (7) the person is determined to be at risk for nursing facility admission or readmission through a face-to-face long-term care consultation assessment as specified in section 256B.0911, subdivision 3a, 3b, or 4d, by a county, tribe, or managed care organization under contract with the Department of Human Services. The person is considered at risk under this clause if the person currently lives alone or will live alone upon discharge and also meets one of the following criteria:

(i) the person has experienced a fall resulting in a fracture;

(ii) the person has been determined to be at risk of maltreatment or neglect, including self-neglect; or

(iii) the person has a sensory impairment that substantially impacts functional ability and maintenance of a community residence.

(b) The assessment used to establish medical assistance payment for nursing facility services must be the most recent assessment performed under subdivision 4, paragraph (b), that occurred no more than 90 calendar days before the effective date of medical assistance eligibility for payment of long-term care services. In no case shall medical assistance payment for long-term care services occur prior to the date of the determination of nursing facility level of care.

(c) The assessment used to establish medical assistance payment for long-term care services provided under sections 256B.0915 and 256B.49 and alternative care payment for services provided under section 256B.0913 must be the most recent face-to-face assessment performed under section 256B.0911, subdivision 3a, 3b, or 4d, that occurred no more than 60 calendar days before the effective date of medical assistance eligibility for payment of long-term care services.

Sec. 2. Minnesota Statutes 2008, section 144A.071, subdivision 4b, is amended to read:

Subd. 4b. **Licensed beds on layaway status.** A licensed and certified nursing facility may lay away, upon prior written notice to the commissioner of health, ~~up to 50 percent of its~~ licensed and certified beds. A nursing facility may not discharge a resident in order to lay away a bed. Notice to the commissioner shall be given 60 days prior to the effective date of the layaway. Beds on layaway shall have the same status as voluntarily delicensed and decertified beds and shall not be subject to license fees and license surcharge fees. In addition, beds on layaway may be removed from layaway at any time on or after one year after the effective date of layaway in the facility of origin, with a 60-day notice to the commissioner. A nursing facility that removes beds from layaway may not place beds on layaway status for one year after the effective date of the removal from layaway. The commissioner may approve the immediate removal of beds from layaway if necessary to provide access to those nursing home beds to residents relocated from other nursing homes due to emergency situations or closure. In the event approval is granted, the one-year restriction on placing beds on layaway after a removal of beds from layaway shall not apply. Beds may remain on layaway for up to five ten years. The commissioner may approve placing and removing beds on layaway at any time during renovation or construction related to a moratorium project approved under this section or section 144A.073. Nursing facilities are not required to comply with any licensure or certification requirements for beds on layaway status.

Sec. 3. Minnesota Statutes 2008, section 144A.161, subdivision 1a, is amended to read:

Subd. 1a. **Scope.** Where a facility is undertaking closure, curtailment, reduction, or change in operations, or where a housing with services unit registered under chapter 144D is closed because the space that it occupies is being replaced by a nursing facility bed that is being reactivated from layaway status, the facility and the county social services agency must comply with the requirements of this section.

Sec. 4. Minnesota Statutes 2009 Supplement, section 245A.03, subdivision 7, is amended to read:

Subd. 7. **Licensing moratorium.** (a) The commissioner shall not issue an initial license for child foster care licensed under Minnesota Rules, parts 2960.3000 to 2960.3340, or adult foster care licensed under Minnesota Rules, parts 9555.5105 to 9555.6265, under this chapter for a physical location that will not be the primary residence of the license holder for the entire period of licensure. If a license is issued during this moratorium, and the license holder changes the license holder's primary residence away from the physical location of the foster care license, the commissioner shall revoke the license according to section 245A.07. Exceptions to the moratorium include:

- (1) foster care settings that are required to be registered under chapter 144D;
- (2) foster care licenses replacing foster care licenses in existence on May 15, 2009, and determined to be needed by the commissioner under paragraph (b);
- (3) new foster care licenses determined to be needed by the commissioner under paragraph (b) for the closure of a nursing facility, ICF/MR, or regional treatment center;
- (4) new foster care licenses determined to be needed by the commissioner under paragraph (b) for persons requiring hospital level care; or
- (5) new foster care licenses determined to be needed by the commissioner for the transition of people from personal care assistance to the home and community-based services.

(b) The commissioner shall determine the need for newly licensed foster care homes as defined under this subdivision. As part of the determination, the commissioner shall consider the availability of foster care capacity in the area in which the licensee seeks to operate, and the recommendation of the local county board. The determination by the commissioner must be final. A determination of need is not required for a change in ownership at the same address.

(c) Residential settings that would otherwise be subject to the moratorium established in paragraph (a), that are in the process of receiving an adult or child foster care license as of July 1, 2009, shall be allowed to continue to complete the process of receiving an adult or child foster care license. For this paragraph, all of the following conditions must be met to be considered in the process of receiving an adult or child foster care license:

- (1) participants have made decisions to move into the residential setting, including documentation in each participant's care plan;
- (2) the provider has purchased housing or has made a financial investment in the property;
- (3) the lead agency has approved the plans, including costs for the residential setting for each individual;



(4) the completion of the licensing process, including all necessary inspections, is the only remaining component prior to being able to provide services; and

(5) the needs of the individuals cannot be met within the existing capacity in that county.

To qualify for the process under this paragraph, the lead agency must submit documentation to the commissioner by August 1, 2009, that all of the above criteria are met.

(d) The commissioner shall study the effects of the license moratorium under this subdivision and shall report back to the legislature by January 15, 2011. This study shall include, but is not limited to the following:

(1) the overall capacity and utilization of foster care beds where the physical location is not the primary residence of the license holder prior to and after implementation of the moratorium;

(2) the overall capacity and utilization of foster care beds where the physical location is the primary residence of the license holder prior to and after implementation of the moratorium; and

(3) the number of licensed and occupied ICF/MR beds prior to and after implementation of the moratorium.

Sec. 5. Minnesota Statutes 2008, section 245A.03, is amended by adding a subdivision to read:

**Subd. 9. Permitted services by an individual who is related.** Notwithstanding subdivision 2, paragraph (a), clause (1), and subdivision 7, an individual who is related to a person receiving supported living services may provide licensed services to that person if:

(1) the person who receives supported living services received these services in a residential site on July 1, 2005;

(2) the services under clause (1) were provided in a corporate foster care setting for adults and were funded by the developmental disabilities home and community-based services waiver defined in section 256B.092;

(3) the individual who is related obtains and maintains both a license under chapter 245B and an adult foster care license under Minnesota Rules, parts 9555.5105 to 9555.6265; and

(4) the individual who is related is not the guardian of the person receiving supported living services.

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

Sec. 6. Minnesota Statutes 2009 Supplement, section 245A.11, subdivision 7b, is amended to read:

**Subd. 7b. Adult foster care data privacy and security.** (a) An adult foster care license holder who creates, collects, records, maintains, stores, or discloses any individually identifiable recipient data, whether in an electronic or any other format, must comply with the privacy and security provisions of applicable privacy laws and regulations, including:

(1) the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA), Public Law 104-1; and the HIPAA Privacy Rule, Code of Federal Regulations, title 45, part 160, and subparts A and E of part 164; and

(2) the Minnesota Government Data Practices Act as codified in chapter 13.

(b) For purposes of licensure, the license holder shall be monitored for compliance with the following data privacy and security provisions:

(1) the license holder must control access to data on foster care recipients according to the definitions of public and private data on individuals under section 13.02; classification of the data on individuals as private under section 13.46, subdivision 2; and control over the collection, storage, use, access, protection, and contracting related to data according to section 13.05, in which the license holder is assigned the duties of a government entity;

(2) the license holder must provide each foster care recipient with a notice that meets the requirements under section 13.04, in which the license holder is assigned the duties of the government entity, and that meets the requirements of Code of Federal Regulations, title 45, part 164.52. The notice shall describe the purpose for collection of the data, and to whom and why it may be disclosed pursuant to law. The notice must inform the recipient that the license holder uses electronic monitoring and, if applicable, that recording technology is used;

(3) the license holder must not install monitoring cameras in bathrooms;

(4) electronic monitoring cameras must not be concealed from the foster care recipients; and

(5) electronic video and audio recordings of foster care recipients shall ~~not~~ be stored by the license holder for ~~more than~~ five days unless: (i) a foster care recipient or legal representative requests that the recording be held longer based on a specific report of alleged maltreatment; or (ii) the recording captures an incident or event of alleged maltreatment under section 626.556 or 626.557 or a crime under chapter 609. When requested by a recipient or when a recording captures an incident or event of alleged maltreatment or a crime, the license holder must maintain the recording in a secured area for no longer than 30 days to give the investigating agency an opportunity to make a copy of the recording. The investigating agency will maintain the electronic video or audio recordings as required in section 626.557, subdivision 12b.

(c) The commissioner shall develop, and make available to license holders and county licensing workers, a checklist of the data privacy provisions to be monitored for purposes of licensure.

Sec. 7. Minnesota Statutes 2009 Supplement, section 256B.0625, subdivision 19c, is amended to read:

Subd. 19c. **Personal care.** Medical assistance covers personal care assistance services provided by an individual who is qualified to provide the services according to subdivision 19a and sections 256B.0651 to 256B.0656, provided in accordance with a plan, and supervised by a qualified professional.

"Qualified professional" means a mental health professional as defined in section 245.462, subdivision 18, or 245.4871, subdivision 27; or a registered nurse as defined in sections 148.171 to 148.285, a licensed social worker as defined in ~~section 148B.21~~ sections 148D.010 and 148D.055, or a qualified developmental disabilities specialist under section 245B.07, subdivision 4. The qualified professional shall perform the duties required in section 256B.0659.

Sec. 8. Minnesota Statutes 2009 Supplement, section 256B.0651, is amended by adding a subdivision to read:

**Subd. 17. Recipient protection.** (a) Providers of home care services must provide each recipient with a copy of the home care bill of rights under section 144A.44 at least 30 days prior to terminating services to a recipient, if the termination results from provider sanctions under section 256B.064, such as a payment withhold, a suspension of participation, or a termination of participation. If a home care provider determines it is unable to continue providing services to a recipient, the provider must notify the recipient, the recipient's responsible party, and the commissioner 30 days prior to terminating services to the recipient because of an action under section 256B.064, and must assist the commissioner and lead agency in supporting the recipient in transitioning to another home care provider of the recipient's choice.

(b) In the event of a payment withhold from a home care provider, a suspension of participation, or a termination of participation of a home care provider under section 256B.064, the commissioner may inform the Office of Ombudsman for Long-Term Care and the lead agencies for all recipients with active service agreements with the provider. At the commissioner's request, the lead agencies must contact recipients to ensure that the recipients are continuing to receive needed care, and that the recipients have been given free choice of provider if they transfer to another home care provider. In addition, the commissioner or the commissioner's delegate may directly notify recipients who receive care from the provider that payments have been withheld or that the provider's participation in medical assistance has been suspended or terminated, if the commissioner determines that notification is necessary to protect the welfare of the recipients. For purposes of this subdivision, "lead agencies" means counties, tribes, and managed care organizations.

Sec. 9. Minnesota Statutes 2009 Supplement, section 256B.0652, subdivision 6, is amended to read:

**Subd. 6. Authorization; personal care assistance and qualified professional.** (a) All personal care assistance services, supervision by a qualified professional, and additional services beyond the limits established in subdivision 11, must be authorized by the commissioner or the commissioner's designee before services begin except for the assessments established in subdivision 11 and section 256B.0911. The authorization for personal care assistance and qualified professional services under section 256B.0659 must be completed within 30 days after receiving a complete request.

(b) The amount of personal care assistance services authorized must be based on the recipient's home care rating. The home care rating shall be determined by the commissioner or the commissioner's designee based on information submitted to the commissioner identifying the following:

- (1) total number of dependencies of activities of daily living as defined in section 256B.0659;
- (2) ~~number~~ presence of complex health-related needs as defined in section 256B.0659; and
- (3) ~~number~~ presence of Level I behavior ~~descriptions~~ as defined in section 256B.0659.

(c) The methodology to determine total time for personal care assistance services for each home care rating is based on the median paid units per day for each home care rating from fiscal year 2007 data for the personal care assistance program. Each home care rating has a base level of hours assigned. Additional time is added through the assessment and identification of the following:

- (1) 30 additional minutes per day for a dependency in each critical activity of daily living as defined in section 256B.0659;

(2) 30 additional minutes per day for each complex health-related function as defined in section 256B.0659; and

(3) 30 additional minutes per day for each behavior issue as defined in section 256B.0659, subdivision 4, paragraph (d).

(d) A limit of 96 units of qualified professional supervision may be authorized for each recipient receiving personal care assistance services. A request to the commissioner to exceed this total in a calendar year must be requested by the personal care provider agency on a form approved by the commissioner.

Sec. 10. Minnesota Statutes 2009 Supplement, section 256B.0659, subdivision 10, is amended to read:

Subd. 10. **Responsible party; duties; delegation.** (a) A responsible party shall enter into a written agreement with a personal care assistance provider agency, on a form determined by the commissioner, to perform the following duties:

(1) be available while care is provided in a method agreed upon by the individual or the individual's legal representative and documented in the recipient's personal care assistance care plan;

(2) monitor personal care assistance services to ensure the recipient's personal care assistance care plan is being followed; and

(3) review and sign personal care assistance time sheets after services are provided to provide verification of the personal care assistance services.

Failure to provide the support required by the recipient must result in a referral to the county common entry point.

(b) Responsible parties who are parents of minors or guardians of minors or incapacitated persons may delegate the responsibility to another adult who is not the personal care assistant during a temporary absence of at least 24 hours but not more than six months. The person delegated as a responsible party must be able to meet the definition of the responsible party. The responsible party must ensure that the delegate performs the functions of the responsible party, is identified at the time of the assessment, and is listed on the personal care assistance care plan. The responsible party must communicate to the personal care assistance provider agency about the need for a ~~delegate~~ delegated responsible party, including the name of the delegated responsible party, ~~dates~~ the delegated responsible party will be living with the recipient, and contact numbers.

Sec. 11. Minnesota Statutes 2009 Supplement, section 256B.0659, subdivision 11, is amended to read:

Subd. 11. **Personal care assistant; requirements.** (a) A personal care assistant must meet the following requirements:

(1) be at least 18 years of age with the exception of persons who are 16 or 17 years of age with these additional requirements:

(i) supervision by a qualified professional every 60 days; and

(ii) employment by only one personal care assistance provider agency responsible for compliance with current labor laws;

(2) be employed by a personal care assistance provider agency;

(3) enroll with the department as a personal care assistant after clearing a background study. Except as provided in subdivision 11a, before a personal care assistant provides services, the personal care assistance provider agency must initiate a background study on the personal care assistant under chapter 245C, and the personal care assistance provider agency must have received a notice from the commissioner that the personal care assistant is:

(i) not disqualified under section 245C.14; or

(ii) is disqualified, but the personal care assistant has received a set aside of the disqualification under section 245C.22;

(4) be able to effectively communicate with the recipient and personal care assistance provider agency;

(5) be able to provide covered personal care assistance services according to the recipient's personal care assistance care plan, respond appropriately to recipient needs, and report changes in the recipient's condition to the supervising qualified professional or physician;

(6) not be a consumer of personal care assistance services;

(7) maintain daily written records including, but not limited to, time sheets under subdivision 12;

(8) effective January 1, 2010, complete standardized training as determined by the commissioner before completing enrollment. Personal care assistant training must include successful completion of the following training components: basic first aid, vulnerable adult, child maltreatment, OSHA universal precautions, basic roles and responsibilities of personal care assistants including information about assistance with lifting and transfers for recipients, emergency preparedness, orientation to positive behavioral practices, fraud issues, and completion of time sheets. Upon completion of the training components, the personal care assistant must demonstrate the competency to provide assistance to recipients;

(9) complete training and orientation on the needs of the recipient within the first seven days after the services begin; and

(10) be limited to providing and being paid for up to 310 hours per month of personal care assistance services regardless of the number of recipients being served or the number of personal care assistance provider agencies enrolled with.

(b) A legal guardian may be a personal care assistant if the guardian is not being paid for the guardian services and meets the criteria for personal care assistants in paragraph (a).

(c) Effective January 1, 2010, persons who do not qualify as a personal care assistant include parents and stepparents of minors, spouses, paid legal guardians, family foster care providers, except as otherwise allowed in section 256B.0625, subdivision 19a, or staff of a residential setting.

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

Sec. 12. Minnesota Statutes 2009 Supplement, section 256B.0659, is amended by adding a subdivision to read:

Subd. 11a. **Exception to personal care assistant; requirements.** The personal care assistant for a recipient may be allowed to enroll with a different personal care assistant provider agency upon initiation of a new background study according to chapter 245C, if all of the following are met:

(1) the commissioner determines that a change in enrollment or affiliation of the personal care assistant is needed in order to ensure continuity of services and protect the health and safety of the recipient;

(2) the chosen agency has been continuously enrolled as a personal care assistance provider agency for at least two years;

(3) the recipient chooses to transfer to the personal care assistance provider agency;

(4) the personal care assistant has been continuously enrolled with the former personal care assistance provider agency since the last background study was completed; and

(5) the personal care assistant continues to meet requirements of subdivision 11, excluding paragraph (a), clause (3).

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

Sec. 13. Minnesota Statutes 2009 Supplement, section 256B.0659, subdivision 13, is amended to read:

Subd. 13. **Qualified professional; qualifications.** (a) ~~The qualified professional must be employed by~~ work for a personal care assistance provider agency and meet the definition under section 256B.0625, subdivision 19c. Before a qualified professional provides services, the personal care assistance provider agency must initiate a background study on the qualified professional under chapter 245C, and the personal care assistance provider agency must have received a notice from the commissioner that the qualified professional:

(1) is not disqualified under section 245C.14; or

(2) is disqualified, but the qualified professional has received a set aside of the disqualification under section 245C.22.

(b) The qualified professional shall perform the duties of training, supervision, and evaluation of the personal care assistance staff and evaluation of the effectiveness of personal care assistance services. The qualified professional shall:

(1) develop and monitor with the recipient a personal care assistance care plan based on the service plan and individualized needs of the recipient;

(2) develop and monitor with the recipient a monthly plan for the use of personal care assistance services;

(3) review documentation of personal care assistance services provided;

(4) provide training and ensure competency for the personal care assistant in the individual needs of the recipient; and

(5) document all training, communication, evaluations, and needed actions to improve performance of the personal care assistants.

(c) Effective January 1, 2010, the qualified professional shall complete the provider training with basic information about the personal care assistance program approved by the commissioner within six months of the date hired by a personal care assistance provider agency. Qualified professionals who have completed the required ~~trainings~~ training as ~~an employee with a worker~~ from a personal care assistance provider agency do not need to repeat the required ~~trainings~~ training if they are hired by another agency, if they have completed the training within the last three years.

Sec. 14. Minnesota Statutes 2009 Supplement, section 256B.0659, subdivision 21, is amended to read:

**Subd. 21. Requirements for initial enrollment of personal care assistance provider agencies.**

(a) All personal care assistance provider agencies must provide, at the time of enrollment as a personal care assistance provider agency in a format determined by the commissioner, information and documentation that includes, but is not limited to, the following:

(1) the personal care assistance provider agency's current contact information including address, telephone number, and e-mail address;

(2) proof of surety bond coverage in the amount of \$50,000 or ten percent of the provider's payments from Medicaid in the previous year, whichever is less;

(3) proof of fidelity bond coverage in the amount of \$20,000;

(4) proof of workers' compensation insurance coverage;

(5) proof of liability insurance;

~~(5)~~ (6) a description of the personal care assistance provider agency's organization identifying the names of all owners, managing employees, staff, board of directors, and the affiliations of the directors, owners, or staff to other service providers;

~~(6)~~ (7) a copy of the personal care assistance provider agency's written policies and procedures including: hiring of employees; training requirements; service delivery; and employee and consumer safety including process for notification and resolution of consumer grievances, identification and prevention of communicable diseases, and employee misconduct;

~~(7)~~ (8) copies of all other forms the personal care assistance provider agency uses in the course of daily business including, but not limited to:

(i) a copy of the personal care assistance provider agency's time sheet if the time sheet varies from the standard time sheet for personal care assistance services approved by the commissioner, and a letter requesting approval of the personal care assistance provider agency's nonstandard time sheet;

(ii) the personal care assistance provider agency's template for the personal care assistance care plan; and

(iii) the personal care assistance provider agency's template for the written agreement in subdivision 20 for recipients using the personal care assistance choice option, if applicable;

~~(8)~~ (9) a list of all ~~trainings~~ training and classes that the personal care assistance provider agency requires of its staff providing personal care assistance services;

~~(9)~~ (10) documentation that the personal care assistance provider agency and staff have successfully completed all the training required by this section;

~~(10)~~ (11) documentation of the agency's marketing practices;

~~(11)~~ (12) disclosure of ownership, leasing, or management of all residential properties that is used or could be used for providing home care services; and

~~(12)~~ (13) documentation that the agency will use the following percentages of revenue generated from the medical assistance rate paid for personal care assistance services for employee personal care assistant wages and benefits: 72.5 percent of revenue in the personal care assistance choice option and 72.5 percent of revenue from other personal care assistance providers.

(b) Personal care assistance provider agencies shall provide the information specified in paragraph (a) to the commissioner at the time the personal care assistance provider agency enrolls as a vendor or upon request from the commissioner. The commissioner shall collect the information specified in paragraph (a) from all personal care assistance providers beginning July 1, 2009.

(c) All personal care assistance provider agencies shall complete mandatory training as determined by the commissioner before enrollment as a provider. Personal care assistance provider agencies are required to send all owners, qualified professionals employed by the agency, and all other managing employees to the initial and subsequent ~~trainings~~ training. Personal care assistance provider agency billing staff shall complete training about personal care assistance program financial management. This training is effective July 1, 2009. Any personal care assistance provider agency enrolled before that date shall, if it has not already, complete the provider training within 18 months of July 1, 2009. Any new owners, new qualified professionals, and new managing employees are required to complete mandatory training as a requisite of hiring.

Sec. 15. Minnesota Statutes 2009 Supplement, section 256B.0659, subdivision 30, is amended to read:

Subd. 30. **Notice of service changes to recipients.** The commissioner must provide:

(1) by October 31, 2009, information to recipients likely to be affected that (i) describes the changes to the personal care assistance program that may result in the loss of access to personal care assistance services, and (ii) includes resources to obtain further information; and

(2) notice of changes in medical assistance ~~home-care~~ personal care assistant services to each affected recipient at least 30 days before the effective date of the change.

The notice shall include how to get further information on the changes, how to get help to obtain other services, a list of community resources, and appeal rights. Notwithstanding section 256.045, a recipient may request continued services pending appeal within the time period allowed to request an appeal.

Sec. 16. Minnesota Statutes 2009 Supplement, section 256B.0911, subdivision 1a, is amended to read:

Subd. 1a. **Definitions.** For purposes of this section, the following definitions apply:



(a) "Long-term care consultation services" means:

(1) assistance in identifying services needed to maintain an individual in the most inclusive environment;

(2) providing recommendations on cost-effective community services that are available to the individual;

(3) development of an individual's person-centered community support plan;

(4) providing information regarding eligibility for Minnesota health care programs;

(5) face-to-face long-term care consultation assessments, which may be completed in a hospital, nursing facility, intermediate care facility for persons with developmental disabilities (ICF/DDs), regional treatment centers, or the person's current or planned residence;

(6) federally mandated screening to determine the need for a institutional level of care under section 256B.0911, subdivision 4, paragraph (a);

(7) determination of home and community-based waiver service eligibility including level of care determination for individuals who need an institutional level of care as defined under section 144.0724, subdivision 11, or 256B.092, service eligibility including state plan home care services identified in ~~section~~ sections 256B.0625, subdivisions 6, 7, and 19, paragraphs (a) and (c), and 256B.0657, based on assessment and support plan development with appropriate referrals, including the option for consumer-directed community supports;

(8) providing recommendations for nursing facility placement when there are no cost-effective community services available; and

(9) assistance to transition people back to community settings after facility admission.

(b) "Long-term care options counseling" means the services provided by the linkage lines as mandated by sections 256.01 and 256.975, subdivision 7, and also includes telephone assistance and follow up once a long-term care consultation assessment has been completed.

(c) "Minnesota health care programs" means the medical assistance program under chapter 256B and the alternative care program under section 256B.0913.

(d) "Lead agencies" means counties or a collaboration of counties, tribes, and health plans administering long-term care consultation assessment and support planning services.

Sec. 17. Minnesota Statutes 2009 Supplement, section 256B.0911, subdivision 2b, is amended to read:

Subd. 2b. **Certified assessors.** (a) Beginning January 1, 2011, each lead agency shall use certified assessors who have completed training and the certification processes determined by the commissioner in subdivision 2c. Certified assessors shall demonstrate best practices in assessment and support planning including person-centered planning principals and have a common set of skills that must ensure consistency and equitable access to services statewide. Assessors must be part of a multidisciplinary team of professionals that includes public health nurses, social workers, and other professionals as defined in paragraph (b). For persons with complex health care needs, a public health nurse or registered nurse from a multidisciplinary team must be consulted. A lead

agency may choose, according to departmental policies, to contract with a qualified, certified assessor to conduct assessments and reassessments on behalf of the lead agency.

(b) Certified assessors are persons with a minimum of a bachelor's degree in social work, nursing with a public health nursing certificate, or other closely related field with at least one year of home and community-based experience or a two-year registered nursing degree with at least three years of home and community-based experience that have received training and certification specific to assessment and consultation for long-term care services in the state.

Sec. 18. Minnesota Statutes 2009 Supplement, section 256B.0911, subdivision 3a, is amended to read:

Subd. 3a. **Assessment and support planning.** (a) Persons requesting assessment, services planning, or other assistance intended to support community-based living, including persons who need assessment in order to determine waiver or alternative care program eligibility, must be visited by a long-term care consultation team within 15 calendar days after the date on which an assessment was requested or recommended. After January 1, 2011, these requirements also apply to personal care assistance services, private duty nursing, and home health agency services, on timelines established in subdivision 5. Face-to-face assessments must be conducted according to paragraphs (b) to (i).

(b) The county may utilize a team of either the social worker or public health nurse, or both. After January 1, 2011, lead agencies shall use certified assessors to conduct the assessment in a face-to-face interview. The consultation team members must confer regarding the most appropriate care for each individual screened or assessed.

(c) The assessment must be comprehensive and include a person-centered assessment of the health, psychological, functional, environmental, and social needs of referred individuals and provide information necessary to develop a support plan that meets the consumers needs, using an assessment form provided by the commissioner.

(d) The assessment must be conducted in a face-to-face interview with the person being assessed and the person's legal representative, as required by legally executed documents, and other individuals as requested by the person, who can provide information on the needs, strengths, and preferences of the person necessary to develop a support plan that ensures the person's health and safety, but who is not a provider of service or has any financial interest in the provision of services.

(e) The person, or the person's legal representative, must be provided with written recommendations for community-based services, including consumer-directed options, or institutional care that include documentation that the most cost-effective alternatives available were offered to the individual. For purposes of this requirement, "cost-effective alternatives" means community services and living arrangements that cost the same as or less than institutional care.

(f) If the person chooses to use community-based services, the person or the person's legal representative must be provided with a written community support plan, regardless of whether the individual is eligible for Minnesota health care programs. A person may request assistance in identifying community supports without participating in a complete assessment. Upon a request for assistance identifying community support, the person must be transferred or referred to the services available under sections 256.975, subdivision 7, and 256.01, subdivision 24, for telephone assistance and follow up.

(g) The person has the right to make the final decision between institutional placement and community placement after the recommendations have been provided, except as provided in subdivision 4a, paragraph (c).

(h) The team must give the person receiving assessment or support planning, or the person's legal representative, materials, and forms supplied by the commissioner containing the following information:

(1) the need for and purpose of preadmission screening if the person selects nursing facility placement;

(2) the role of the long-term care consultation assessment and support planning in waiver and alternative care program eligibility determination;

(3) information about Minnesota health care programs;

(4) the person's freedom to accept or reject the recommendations of the team;

(5) the person's right to confidentiality under the Minnesota Government Data Practices Act, chapter 13;

(6) the long-term care consultant's decision regarding the person's need for institutional level of care as determined under criteria established in section 144.0724, subdivision 11, or 256B.092; and

(7) the person's right to appeal the decision regarding the need for nursing facility level of care or the county's final decisions regarding public programs eligibility according to section 256.045, subdivision 3.

(i) Face-to-face assessment completed as part of eligibility determination for the alternative care, elderly waiver, community alternatives for disabled individuals, community alternative care, and traumatic brain injury waiver programs under sections 256B.0915, 256B.0917, and 256B.49 is valid to establish service eligibility for no more than 60 calendar days after the date of assessment. The effective eligibility start date for these programs can never be prior to the date of assessment. If an assessment was completed more than 60 days before the effective waiver or alternative care program eligibility start date, assessment and support plan information must be updated in a face-to-face visit and documented in the department's Medicaid Management Information System (MMIS). The effective date of program eligibility in this case cannot be prior to the date the updated assessment is completed.

Sec. 19. Minnesota Statutes 2009 Supplement, section 256B.0911, subdivision 3b, is amended to read:

Subd. 3b. **Transition assistance.** (a) A long-term care consultation team shall provide assistance to persons residing in a nursing facility, hospital, regional treatment center, or intermediate care facility for persons with developmental disabilities who request or are referred for assistance. Transition assistance must include assessment, community support plan development, referrals to long-term care options counseling under section 256B.975, subdivision 10, for community support plan implementation and to Minnesota health care programs, including home and community-based waiver services and consumer-directed options through the waivers, and referrals to programs that provide assistance with housing. Transition assistance must also include information about the Centers for Independent Living and the Senior LinkAge Line, and about other organizations that

can provide assistance with relocation efforts, and information about contacting these organizations to obtain their assistance and support.

(b) The county shall develop transition processes with institutional social workers and discharge planners to ensure that:

- (1) persons admitted to facilities receive information about transition assistance that is available;
- (2) the assessment is completed for persons within ten working days of the date of request or recommendation for assessment; and
- (3) there is a plan for transition and follow-up for the individual's return to the community. The plan must require notification of other local agencies when a person who may require assistance is screened by one county for admission to a facility located in another county.

(c) If a person who is eligible for a Minnesota health care program is admitted to a nursing facility, the nursing facility must include a consultation team member or the case manager in the discharge planning process.

Sec. 20. Minnesota Statutes 2008, section 256B.0911, subdivision 4d, is amended to read:

Subd. 4d. **Preadmission screening of individuals under 65 years of age.** (a) It is the policy of the state of Minnesota to ensure that individuals with disabilities or chronic illness are served in the most integrated setting appropriate to their needs and have the necessary information to make informed choices about home and community-based service options.

(b) Individuals under 65 years of age who are admitted to a nursing facility from a hospital must be screened prior to admission as outlined in subdivisions 4a through 4c.

(c) Individuals under 65 years of age who are admitted to nursing facilities with only a telephone screening must receive a face-to-face assessment from the long-term care consultation team member of the county in which the facility is located or from the recipient's county case manager within 40 calendar days of admission.

(d) Individuals under 65 years of age who are admitted to a nursing facility without preadmission screening according to the exemption described in subdivision 4b, paragraph (a), clause (3), and who remain in the facility longer than 30 days must receive a face-to-face assessment within 40 days of admission.

(e) At the face-to-face assessment, the long-term care consultation team member or county case manager must perform the activities required under subdivision 3b.

(f) For individuals under 21 years of age, a screening interview which recommends nursing facility admission must be face-to-face and approved by the commissioner before the individual is admitted to the nursing facility.

(g) In the event that an individual under 65 years of age is admitted to a nursing facility on an emergency basis, the county must be notified of the admission on the next working day, and a face-to-face assessment as described in paragraph (c) must be conducted within 40 calendar days of admission.

(h) At the face-to-face assessment, the long-term care consultation team member or the

case manager must present information about home and community-based options, including consumer-directed options, so the individual can make informed choices. If the individual chooses home and community-based services, the long-term care consultation team member or case manager must complete a written relocation plan within 20 working days of the visit. The plan shall describe the services needed to move out of the facility and a time line for the move which is designed to ensure a smooth transition to the individual's home and community.

(i) An individual under 65 years of age residing in a nursing facility shall receive a face-to-face assessment at least every 12 months to review the person's service choices and available alternatives unless the individual indicates, in writing, that annual visits are not desired. In this case, the individual must receive a face-to-face assessment at least once every 36 months for the same purposes.

(j) Notwithstanding the provisions of subdivision 6, the commissioner may pay county agencies directly for face-to-face assessments for individuals under 65 years of age who are being considered for placement or residing in a nursing facility.

Sec. 21. Minnesota Statutes 2009 Supplement, section 256D.44, subdivision 5, is amended to read:

Subd. 5. **Special needs.** In addition to the state standards of assistance established in subdivisions 1 to 4, payments are allowed for the following special needs of recipients of Minnesota supplemental aid who are not residents of a nursing home, a regional treatment center, or a group residential housing facility.

(a) The county agency shall pay a monthly allowance for medically prescribed diets if the cost of those additional dietary needs cannot be met through some other maintenance benefit. The need for special diets or dietary items must be prescribed by a licensed physician. Costs for special diets shall be determined as percentages of the allotment for a one-person household under the thrifty food plan as defined by the United States Department of Agriculture. The types of diets and the percentages of the thrifty food plan that are covered are as follows:

- (1) high protein diet, at least 80 grams daily, 25 percent of thrifty food plan;
- (2) controlled protein diet, 40 to 60 grams and requires special products, 100 percent of thrifty food plan;
- (3) controlled protein diet, less than 40 grams and requires special products, 125 percent of thrifty food plan;
- (4) low cholesterol diet, 25 percent of thrifty food plan;
- (5) high residue diet, 20 percent of thrifty food plan;
- (6) pregnancy and lactation diet, 35 percent of thrifty food plan;
- (7) gluten-free diet, 25 percent of thrifty food plan;
- (8) lactose-free diet, 25 percent of thrifty food plan;
- (9) antidumping diet, 15 percent of thrifty food plan;

(10) hypoglycemic diet, 15 percent of thrifty food plan; or

(11) ketogenic diet, 25 percent of thrifty food plan.

(b) Payment for nonrecurring special needs must be allowed for necessary home repairs or necessary repairs or replacement of household furniture and appliances using the payment standard of the AFDC program in effect on July 16, 1996, for these expenses, as long as other funding sources are not available.

(c) A fee for guardian or conservator service is allowed at a reasonable rate negotiated by the county or approved by the court. This rate shall not exceed five percent of the assistance unit's gross monthly income up to a maximum of \$100 per month. If the guardian or conservator is a member of the county agency staff, no fee is allowed.

(d) The county agency shall continue to pay a monthly allowance of \$68 for restaurant meals for a person who was receiving a restaurant meal allowance on June 1, 1990, and who eats two or more meals in a restaurant daily. The allowance must continue until the person has not received Minnesota supplemental aid for one full calendar month or until the person's living arrangement changes and the person no longer meets the criteria for the restaurant meal allowance, whichever occurs first.

(e) A fee of ten percent of the recipient's gross income or \$25, whichever is less, is allowed for representative payee services provided by an agency that meets the requirements under SSI regulations to charge a fee for representative payee services. This special need is available to all recipients of Minnesota supplemental aid regardless of their living arrangement.

(f)(1) Notwithstanding the language in this subdivision, an amount equal to the maximum allotment authorized by the federal Food Stamp Program for a single individual which is in effect on the first day of July of each year will be added to the standards of assistance established in subdivisions 1 to 4 for adults under the age of 65 who qualify as shelter needy and are: (i) relocating from an institution, or an adult mental health residential treatment program under section 256B.0622; (ii) eligible for the self-directed supports option as defined under section 256B.0657, subdivision 2; or (iii) home and community-based waiver recipients living in their own home or rented or leased apartment which is not owned, operated, or controlled by a provider of service not related by blood or marriage, unless allowed under paragraph (g).

(2) Notwithstanding subdivision 3, paragraph (c), an individual eligible for the shelter needy benefit under this paragraph is considered a household of one. An eligible individual who receives this benefit prior to age 65 may continue to receive the benefit after the age of 65.

(3) "Shelter needy" means that the assistance unit incurs monthly shelter costs that exceed 40 percent of the assistance unit's gross income before the application of this special needs standard. "Gross income" for the purposes of this section is the applicant's or recipient's income as defined in section 256D.35, subdivision 10, or the standard specified in subdivision 3, paragraph (a) or (b), whichever is greater. A recipient of a federal or state housing subsidy, that limits shelter costs to a percentage of gross income, shall not be considered shelter needy for purposes of this paragraph.

(g) Notwithstanding this subdivision, to access housing and services as provided in paragraph (f), the recipient may choose housing that may ~~or may not~~ be owned, operated, or controlled by the recipient's service provider ~~if the housing is located in a multifamily building of six or more units.~~ In a multifamily building of four or more units, the maximum number of ~~units~~ apartments that may

be used by recipients of this program shall be 50 percent of the units in a building. ~~The department shall develop an exception process to the 50 percent maximum.~~ This paragraph expires on June 30, ~~2011~~ 2012.

Sec. 22. Minnesota Statutes 2008, section 326B.43, subdivision 2, is amended to read:

Subd. 2. **Agreement with municipality.** The commissioner may enter into an agreement with a municipality, in which the municipality agrees to perform plan and specification reviews required to be performed by the commissioner under Minnesota Rules, part 4715.3130, if:

(a) the municipality has adopted:

(1) the plumbing code;

(2) an ordinance that requires plumbing plans and specifications to be submitted to, reviewed, and approved by the municipality, except as provided in paragraph (n);

(3) an ordinance that authorizes the municipality to perform inspections required by the plumbing code; and

(4) an ordinance that authorizes the municipality to enforce the plumbing code in its entirety, except as provided in paragraph (p);

(b) the municipality agrees to review plumbing plans and specifications for all construction for which the plumbing code requires the review of plumbing plans and specifications, except as provided in paragraph (n);

(c) the municipality agrees that, when it reviews plumbing plans and specifications under paragraph (b), the review will:

(1) reflect the degree to which the plans and specifications affect the public health and conform to the provisions of the plumbing code;

(2) ensure that there is no physical connection between water supply systems that are safe for domestic use and those that are unsafe for domestic use; and

(3) ensure that there is no apparatus through which unsafe water may be discharged or drawn into a safe water supply system;

(d) the municipality agrees to perform all inspections required by the plumbing code in connection with projects for which the municipality reviews plumbing plans and specifications under paragraph (b);

(e) the commissioner determines that the individuals who will conduct the inspections and the plumbing plan and specification reviews for the municipality do not have any conflict of interest in conducting the inspections and the plan and specification reviews;

(f) individuals who will conduct the plumbing plan and specification reviews for the municipality are:

(1) licensed master plumbers;

(2) licensed professional engineers; or

(3) individuals who are working under the supervision of a licensed professional engineer or licensed master plumber and who are licensed master or journeyman plumbers or hold a postsecondary degree in engineering;

(g) individuals who will conduct the plumbing plan and specification reviews for the municipality have passed a competency assessment required by the commissioner to assess the individual's competency at reviewing plumbing plans and specifications;

(h) individuals who will conduct the plumbing inspections for the municipality are licensed master or journeyman plumbers, or inspectors meeting the competency requirements established in rules adopted under section 326B.135;

(i) the municipality agrees to enforce in its entirety the plumbing code on all projects, except as provided in paragraph (p);

(j) the municipality agrees to keep official records of all documents received, including plans, specifications, surveys, and plot plans, and of all plan reviews, permits and certificates issued, reports of inspections, and notices issued in connection with plumbing inspections and the review of plumbing plans and specifications;

(k) the municipality agrees to maintain the records described in paragraph (j) in the official records of the municipality for the period required for the retention of public records under section 138.17, and shall make these records readily available for review at the request of the commissioner;

(l) the municipality and the commissioner agree that if at any time during the agreement the municipality does not have in effect the plumbing code or any of ordinances described in paragraph (a), or if the commissioner determines that the municipality is not properly administering and enforcing the plumbing code or is otherwise not complying with the agreement:

(1) the commissioner may, effective 14 days after the municipality's receipt of written notice, terminate the agreement;

(2) the municipality may challenge the termination in a contested case before the commissioner pursuant to the Administrative Procedure Act; and

(3) while any challenge is pending under clause (2), the commissioner shall perform plan and specification reviews within the municipality under Minnesota Rules, part 4715.3130;

(m) the municipality and the commissioner agree that the municipality may terminate the agreement with or without cause on 90 days' written notice to the commissioner;

(n) the municipality and the commissioner agree that the municipality shall forward to the state for review all plumbing plans and specifications for the following types of projects within the municipality:

(1) hospitals, nursing homes, supervised living facilities licensed for eight or more individuals, and similar health-care-related facilities regulated by the Minnesota Department of Health;

(2) buildings owned by the federal or state government; and

(3) projects of a special nature for which department review is requested by either the municipality or the state;



(o) where the municipality forwards to the state for review plumbing plans and specifications, as provided in paragraph (n), the municipality shall not collect any fee for plan review, and the commissioner shall collect all applicable fees for plan review; and

(p) no municipality shall revoke, suspend, or place restrictions on any plumbing license issued by the state.

Sec. 23. Minnesota Statutes 2008, section 626.557, subdivision 9a, is amended to read:

Subd. 9a. **Evaluation and referral of reports made to common entry point unit.** The common entry point must screen the reports of alleged or suspected maltreatment for immediate risk and make all necessary referrals as follows:

(1) if the common entry point determines that there is an immediate need for adult protective services, the common entry point agency shall immediately notify the appropriate county agency;

(2) if the report contains suspected criminal activity against a vulnerable adult, the common entry point shall immediately notify the appropriate law enforcement agency;

~~(3) if the report references alleged or suspected maltreatment and there is no immediate need for adult protective services, the common entry point shall notify refer all reports of alleged or suspected maltreatment to the appropriate lead agency as soon as possible, but in any event no longer than two working days; and~~

~~(4) if the report does not reference alleged or suspected maltreatment, the common entry point may determine whether the information will be referred; and~~

~~(5)~~ (4) if the report contains information about a suspicious death, the common entry point shall immediately notify the appropriate law enforcement agencies, the local medical examiner, and the ombudsman established under section 245.92. Law enforcement agencies shall coordinate with the local medical examiner and the ombudsman as provided by law.

Sec. 24. Laws 2009, chapter 79, article 8, section 81, is amended to read:

**Sec. 81. ESTABLISHING A SINGLE SET OF STANDARDS.**

(a) The commissioner of human services shall consult with disability service providers, advocates, counties, and consumer families to develop a single set of standards, to be referred to as "quality outcome standards," governing services for people with disabilities receiving services under the home and community-based waiver services program to replace all or portions of existing laws and rules including, but not limited to, data practices, licensure of facilities and providers, background studies, reporting of maltreatment of minors, reporting of maltreatment of vulnerable adults, and the psychotropic medication checklist. The standards must:

(1) enable optimum consumer choice;

(2) be consumer driven;

(3) link services to individual needs and life goals;

(4) be based on quality assurance and individual outcomes;

(5) utilize the people closest to the recipient, who may include family, friends, and health and

service providers, in conjunction with the recipient's risk management plan to assist the recipient or the recipient's guardian in making decisions that meet the recipient's needs in a cost-effective manner and assure the recipient's health and safety;

- (6) utilize person-centered planning; and
- (7) maximize federal financial participation.

(b) The commissioner may consult with existing stakeholder groups convened under the commissioner's authority, including the home and community-based expert services panel established by the commissioner in 2008, to meet all or some of the requirements of this section.

(c) The commissioner shall provide the reports and plans required by this section to the legislative committees and budget divisions with jurisdiction over health and human services policy and finance by January 15, 2012.

**Sec. 25. ELDERLY WAIVER CONVERSION.**

Notwithstanding Minnesota Statutes, section 256B.0915, subdivision 3b, a person age 65 or older with an MT home care rating on January 1, 2010, is eligible for the elderly waiver program and shall be considered a conversion for purposes of accessing monthly budget caps equal to no more than the person's monthly spending under the personal care assistance program on January 1, 2010.

**Sec. 26. DIRECTION TO COMMISSIONER; CONSULTATION WITH STAKEHOLDERS.**

The commissioner shall consult with stakeholders experienced in using and providing services through the consumer-directed community supports option during the identification of data to be used in future development of an individualized budget methodology for the home and community-based waivers for individuals with disabilities under the new comprehensive assessment.

**Sec. 27. CASE MANAGEMENT RECOMMENDATIONS.**

By February 1, 2011, the commissioner of human services shall provide specific recommendations and language for proposed legislation to:

(1) define the administrative and the service functions of case management for persons with disabilities and make changes to improve the funding for administrative functions;

(2) standardize and simplify processes, standards, and timelines for case management with the Department of Human Services Disability Services Division, including eligibility determinations, resource allocation, management of dollars, provision for assignment of one case manager at a time per person, waiting lists, quality assurance, host county concurrence requirements, county of financial responsibility provisions, and waiver compliance; and

(3) increase opportunities for consumer choice of case management functions involving service coordination.

In developing these recommendations, the commissioner of human services shall consider the recommendations of the 2007 Redesigning Case Management Services for Persons with

Disabilities Report and consult with existing stakeholder groups, which include representatives of counties, disability and senior advocacy groups, service providers, and representatives of agencies that provide contacted case management.

This section is effective the day following final enactment.

## ARTICLE 2

### PERSONAL CARE ASSISTANT SERVICES

Section 1. Minnesota Statutes 2009 Supplement, section 256B.0653, subdivision 3, is amended to read:

Subd. 3. **Home health aide visits.** (a) Home health aide visits must be provided by a certified home health aide using a written plan of care that is updated in compliance with Medicare regulations. A home health aide shall provide hands-on personal care, perform simple procedures as an extension of therapy or nursing services, and assist in instrumental activities of daily living as defined in section 256B.0659, including assuring that the person gets to medical appointments if identified in the written plan of care. Home health aide visits must be provided in the recipient's home.

(b) All home health aide visits must have authorization under section 256B.0652. The commissioner shall limit home health aide visits to no more than one visit per day per recipient.

(c) Home health aides must be supervised by a registered nurse or an appropriate therapist when providing services that are an extension of therapy.

Sec. 2. Minnesota Statutes 2009 Supplement, section 256B.0659, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) For the purposes of this section, the terms defined in paragraphs (b) to ~~(p)~~ (r) have the meanings given unless otherwise provided in text.

(b) "Activities of daily living" means grooming, dressing, bathing, transferring, mobility, positioning, eating, and toileting.

(c) "Behavior," effective January 1, 2010, means a category to determine the home care rating and is based on the criteria found in this section. "Level I behavior" means physical aggression towards self, others, or destruction of property that requires the immediate response of another person.

(d) "Complex health-related needs," effective January 1, 2010, means a category to determine the home care rating and is based on the criteria found in this section.

(e) "Critical activities of daily living," effective January 1, 2010, means transferring, mobility, eating, and toileting.

(f) "Dependency in activities of daily living" means a person requires assistance to begin and complete one or more of the activities of daily living.

(g) "Extended personal care assistance service" means personal care assistance services included in a service plan under one of the home and community-based services waivers authorized under

sections 256B.49, 256B.0915, and 256B.092, subdivision 5, which exceed the amount, duration, and frequency of the state plan personal care assistance services for participants who:

(1) need assistance provided periodically during a week, but less than daily will not be able to remain in their home without the assistance, and other replacement services are more expensive or are not available when personal care assistance services are to be terminated; or

(2) need additional personal care assistance services beyond the amount authorized by the state plan personal care assistance assessment in order to ensure that their safety, health, and welfare are provided for in their homes.

(h) "Health-related procedures and tasks" means procedures and tasks that can be delegated or assigned by a licensed health care professional under state law to be performed by a personal care assistant.

~~(h)~~ (i) "Instrumental activities of daily living" means activities to include meal planning and preparation; basic assistance with paying bills; shopping for food, clothing, and other essential items; performing household tasks integral to the personal care assistance services; communication by telephone and other media; and traveling, including to medical appointments and to participate in the community.

~~(i)~~ (j) "Managing employee" has the same definition as Code of Federal Regulations, title 42, section 455.

~~(j)~~ (k) "Qualified professional" means a professional providing supervision of personal care assistance services and staff as defined in section 256B.0625, subdivision 19c.

~~(k)~~ (l) "Personal care assistance provider agency" means a medical assistance enrolled provider that provides or assists with providing personal care assistance services and includes a personal care assistance provider organization, personal care assistance choice agency, class A licensed nursing agency, and Medicare-certified home health agency.

~~(l)~~ (m) "Personal care assistant" or "PCA" means an individual employed by a personal care assistance agency who provides personal care assistance services.

~~(m)~~ (n) "Personal care assistance care plan" means a written description of personal care assistance services developed by the personal care assistance provider according to the service plan.

~~(n)~~ (o) "Responsible party" means an individual who is capable of providing the support necessary to assist the recipient to live in the community.

~~(o)~~ (p) "Self-administered medication" means medication taken orally, by injection or insertion, or applied topically without the need for assistance.

~~(p)~~ (q) "Service plan" means a written summary of the assessment and description of the services needed by the recipient.

(r) "Wages and benefits" means wages and salaries, the employer's share of FICA taxes, Medicare taxes, state and federal unemployment taxes, workers' compensation, mileage reimbursement, health and dental insurance, life insurance, disability insurance, long-term care insurance, uniform allowance, and contributions to employee retirement accounts.

Sec. 3. Minnesota Statutes 2009 Supplement, section 256B.0659, subdivision 3, is amended to read:

Subd. 3. **Noncovered personal care assistance services.** (a) Personal care assistance services are not eligible for medical assistance payment under this section when provided:

(1) by the recipient's spouse, parent of a recipient under the age of 18, paid legal guardian, licensed foster provider, except as allowed under section 256B.0651, subdivision 10, or responsible party;

(2) in lieu of other staffing options in a residential or child care setting;

(3) solely as a child care or babysitting service; or

(4) without authorization by the commissioner or the commissioner's designee.

(b) The following personal care services are not eligible for medical assistance payment under this section when provided in residential settings:

(1) effective January 1, 2010, when the provider of home care services who is not related by blood, marriage, or adoption owns or otherwise controls the living arrangement, including licensed or unlicensed services; or

(2) when personal care assistance services are the responsibility of a residential or program license holder under the terms of a service agreement and administrative rules.

(c) Other specific tasks not covered under paragraph (a) or (b) that are not eligible for medical assistance reimbursement for personal care assistance services under this section include:

(1) sterile procedures;

(2) injections of fluids and medications into veins, muscles, or skin;

(3) home maintenance or chore services;

(4) homemaker services not an integral part of assessed personal care assistance services needed by a recipient;

(5) application of restraints or implementation of procedures under section 245.825;

(6) instrumental activities of daily living for children under the age of 18, except when immediate attention is needed for health or hygiene reasons integral to the personal care services and the need is listed in the service plan by the assessor; and

(7) assessments for personal care assistance services by personal care assistance provider agencies or by independently enrolled registered nurses.

Sec. 4. Minnesota Statutes 2009 Supplement, section 256B.0659, subdivision 4, is amended to read:

Subd. 4. **Assessment for personal care assistance services; limitations.** (a) An assessment as defined in subdivision 3a must be completed for personal care assistance services.

(b) The following limitations apply to the assessment:

(1) a person must be assessed as dependent in an activity of daily living based on the person's daily need or need on the days during the week the activity is completed, ~~on a daily basis~~, for:

- (i) cuing and constant supervision to complete the task; or
- (ii) hands-on assistance to complete the task; and

(2) a child may not be found to be dependent in an activity of daily living if because of the child's age an adult would either perform the activity for the child or assist the child with the activity. Assistance needed is the assistance appropriate for a typical child of the same age.

(c) Assessment for complex health-related needs must meet the criteria in this paragraph. During the assessment process, a recipient qualifies as having complex health-related needs if the recipient has one or more of the interventions that are ordered by a physician, specified in a personal care assistance care plan, and found in the following:

(1) tube feedings requiring:

- (i) a ~~gastro/jejunosomy~~ gastrojejunosomy tube; or
- (ii) continuous tube feeding lasting longer than 12 hours per day;

(2) wounds described as:

- (i) stage III or stage IV;
- (ii) multiple wounds;
- (iii) requiring sterile or clean dressing changes or a wound vac; or
- (iv) open lesions such as burns, fistulas, tube sites, or ostomy sites that require specialized care;

(3) parenteral therapy described as:

(i) IV therapy more than two times per week lasting longer than four hours for each treatment;  
or

(ii) total parenteral nutrition (TPN) daily;

(4) respiratory interventions including:

- (i) oxygen required more than eight hours per day;
- (ii) respiratory vest more than one time per day;
- (iii) bronchial drainage treatments more than two times per day;
- (iv) sterile or clean suctioning more than six times per day;

(v) dependence on another to apply respiratory ventilation augmentation devices such as BiPAP and CPAP; and

(vi) ventilator dependence under section 256B.0652;

(5) insertion and maintenance of catheter including:

- (i) sterile catheter changes more than one time per month;
  - (ii) clean self-catheterization more than six times per day; or
  - (iii) bladder irrigations;
- (6) bowel program more than two times per week requiring more than 30 minutes to perform each time;
- (7) neurological intervention including:
- (i) seizures more than two times per week and requiring significant physical assistance to maintain safety; or
  - (ii) swallowing disorders diagnosed by a physician and requiring specialized assistance from another on a daily basis; and
- (8) other congenital or acquired diseases creating a need for significantly increased direct hands-on assistance and interventions in six to eight activities of daily living.
- (d) An assessment of behaviors must meet the criteria in this paragraph. A recipient qualifies as having a need for assistance due to behaviors if the recipient's behavior requires assistance at least four times per week and shows one or more of the following behaviors:
- (1) physical aggression towards self or others, or destruction of property that requires the immediate response of another person;
  - (2) increased vulnerability due to cognitive deficits or socially inappropriate behavior; or
  - (3) verbally aggressive and resistive to care.

Sec. 5. Minnesota Statutes 2009 Supplement, section 256B.0659, subdivision 11, is amended to read:

Subd. 11. **Personal care assistant; requirements.** (a) A personal care assistant must meet the following requirements:

- (1) be at least 18 years of age with the exception of persons who are 16 or 17 years of age with these additional requirements:
  - (i) supervision by a qualified professional every 60 days; and
  - (ii) employment by only one personal care assistance provider agency responsible for compliance with current labor laws;
- (2) be employed by a personal care assistance provider agency;
- (3) enroll with the department as a personal care assistant after clearing a background study. Before a personal care assistant provides services, the personal care assistance provider agency must initiate a background study on the personal care assistant under chapter 245C, and the personal care assistance provider agency must have received a notice from the commissioner that the personal care assistant is:
  - (i) not disqualified under section 245C.14; or

(ii) is disqualified, but the personal care assistant has received a set aside of the disqualification under section 245C.22;

(4) be able to effectively communicate with the recipient and personal care assistance provider agency;

(5) be able to provide covered personal care assistance services according to the recipient's personal care assistance care plan, respond appropriately to recipient needs, and report changes in the recipient's condition to the supervising qualified professional or physician;

(6) not be a consumer of personal care assistance services;

(7) maintain daily written records including, but not limited to, time sheets under subdivision 12;

(8) effective January 1, 2010, complete standardized training as determined by the commissioner before completing enrollment. The training must be available in languages other than English and to those who need accommodations due to disabilities. Personal care assistant training must include successful completion of the following training components: basic first aid, vulnerable adult, child maltreatment, OSHA universal precautions, basic roles and responsibilities of personal care assistants including information about assistance with lifting and transfers for recipients, emergency preparedness, orientation to positive behavioral practices, fraud issues, and completion of time sheets. Upon completion of the training components, the personal care assistant must demonstrate the competency to provide assistance to recipients;

(9) complete training and orientation on the needs of the recipient within the first seven days after the services begin; and

(10) be limited to providing and being paid for up to 310 hours per month of personal care assistance services regardless of the number of recipients being served or the number of personal care assistance provider agencies enrolled with. The number of hours worked per day shall not be disallowed by the department unless in violation of the law.

(b) A legal guardian may be a personal care assistant if the guardian is not being paid for the guardian services and meets the criteria for personal care assistants in paragraph (a).

(c) Effective January 1, 2010, persons who do not qualify as a personal care assistant include parents and stepparents of minors, spouses, paid legal guardians, family foster care providers, except as otherwise allowed in section 256B.0625, subdivision 19a, or staff of a residential setting.

Sec. 6. Minnesota Statutes 2009 Supplement, section 256B.0659, subdivision 13, is amended to read:

Subd. 13. **Qualified professional; qualifications.** (a) The qualified professional must be employed by a personal care assistance provider agency and meet the definition under section 256B.0625, subdivision 19c. Before a qualified professional provides services, the personal care assistance provider agency must initiate a background study on the qualified professional under chapter 245C, and the personal care assistance provider agency must have received a notice from the commissioner that the qualified professional:

(1) is not disqualified under section 245C.14; or



(2) is disqualified, but the qualified professional has received a set aside of the disqualification under section 245C.22.

(b) The qualified professional shall perform the duties of training, supervision, and evaluation of the personal care assistance staff and evaluation of the effectiveness of personal care assistance services. The qualified professional shall:

(1) develop and monitor with the recipient a personal care assistance care plan based on the service plan and individualized needs of the recipient;

(2) develop and monitor with the recipient a monthly plan for the use of personal care assistance services;

(3) review documentation of personal care assistance services provided;

(4) provide training and ensure competency for the personal care assistant in the individual needs of the recipient; and

(5) document all training, communication, evaluations, and needed actions to improve performance of the personal care assistants.

(c) Effective ~~January~~ July 1, 2010, the qualified professional shall complete the provider training with basic information about the personal care assistance program approved by the commissioner within six months of the date hired by a personal care assistance provider agency. Qualified professionals who have completed the required trainings as an employee with a personal care assistance provider agency do not need to repeat the required trainings if they are hired by another agency, if they have completed the training within the last three years. The required training shall be available in languages other than English and to those who need accommodations due to disabilities, online, or by electronic remote connection, and provide for competency testing to demonstrate an understanding of the content without attending in-person training. A qualified professional is allowed to be employed and is not subject to the training requirement until the training is offered online or through remote electronic connection. A qualified professional employed by a personal care assistance provider agency certified for participation in Medicare as a home health agency is exempt from the training required in this subdivision. The commissioner shall ensure there is a mechanism in place to verify the identity of persons completing the competency testing electronically.

Sec. 7. Minnesota Statutes 2009 Supplement, section 256B.0659, subdivision 14, is amended to read:

Subd. 14. **Qualified professional; duties.** (a) Effective January 1, 2010, all personal care assistants must be supervised by a qualified professional.

(b) Through direct training, observation, return demonstrations, and consultation with the staff and the recipient, the qualified professional must ensure and document that the personal care assistant is:

(1) capable of providing the required personal care assistance services;

(2) knowledgeable about the plan of personal care assistance services before services are performed; and

(3) able to identify conditions that should be immediately brought to the attention of the qualified professional.

(c) The qualified professional shall evaluate the personal care assistant within the first 14 days of starting to provide regularly scheduled services for a recipient except for the personal care assistance choice option under subdivision 19, paragraph (a), clause (4). For the initial evaluation, the qualified professional shall evaluate the personal care assistance services for a recipient through direct observation of a personal care assistant's work. Subsequent visits to evaluate the personal care assistance services provided to a recipient do not require direct observation of each personal care assistant's work and shall occur:

(1) at least every 90 days thereafter for the first year of a recipient's services; ~~and~~

(2) every 120 days after the first year of a recipient's service or whenever needed for response to a recipient's request for increased supervision of the personal care assistance staff; and

(3) after the first 180 days of a recipient's service, supervisory visits may alternate between unscheduled phone or Internet technology and in-person visits, unless the in-person visits are needed according to the care plan.

(d) Communication with the recipient is a part of the evaluation process of the personal care assistance staff.

(e) At each supervisory visit, the qualified professional shall evaluate personal care assistance services including the following information:

(1) satisfaction level of the recipient with personal care assistance services;

(2) review of the month-to-month plan for use of personal care assistance services;

(3) review of documentation of personal care assistance services provided;

(4) whether the personal care assistance services are meeting the goals of the service as stated in the personal care assistance care plan and service plan;

(5) a written record of the results of the evaluation and actions taken to correct any deficiencies in the work of a personal care assistant; and

(6) revision of the personal care assistance care plan as necessary in consultation with the recipient or responsible party, to meet the needs of the recipient.

(f) The qualified professional shall complete the required documentation in the agency recipient and employee files and the recipient's home, including the following documentation:

(1) the personal care assistance care plan based on the service plan and individualized needs of the recipient;

(2) a month-to-month plan for use of personal care assistance services;

(3) changes in need of the recipient requiring a change to the level of service and the personal care assistance care plan;

(4) evaluation results of supervision visits and identified issues with personal care assistance

staff with actions taken;

- (5) all communication with the recipient and personal care assistance staff; and
- (6) hands-on training or individualized training for the care of the recipient.
- (g) The documentation in paragraph (f) must be done on agency forms.
- (h) The services that are not eligible for payment as qualified professional services include:
  - (1) direct professional nursing tasks that could be assessed and authorized as skilled nursing tasks;
  - (2) supervision of personal care assistance completed by telephone;
  - (3) agency administrative activities;
  - (4) training other than the individualized training required to provide care for a recipient; and
  - (5) any other activity that is not described in this section.

Sec. 8. Minnesota Statutes 2009 Supplement, section 256B.0659, subdivision 18, is amended to read:

**Subd. 18. Personal care assistance choice option; generally.** (a) The commissioner may allow a recipient of personal care assistance services to use a fiscal intermediary to assist the recipient in paying and accounting for medically necessary covered personal care assistance services. Unless otherwise provided in this section, all other statutory and regulatory provisions relating to personal care assistance services apply to a recipient using the personal care assistance choice option.

(b) Personal care assistance choice is an option of the personal care assistance program that allows the recipient who receives personal care assistance services to be responsible for the hiring, training, scheduling, and firing of personal care assistants according to the terms of the written agreement with the personal care assistance choice agency required under subdivision 20, paragraph (a). This program offers greater control and choice for the recipient in who provides the personal care assistance service and when the service is scheduled. The recipient or the recipient's responsible party must choose a personal care assistance choice provider agency as a fiscal intermediary. This personal care assistance choice provider agency manages payroll, invoices the state, is responsible for all payroll-related taxes and insurance, and is responsible for providing the consumer training and support in managing the recipient's personal care assistance services.

Sec. 9. Minnesota Statutes 2009 Supplement, section 256B.0659, subdivision 19, is amended to read:

**Subd. 19. Personal care assistance choice option; qualifications; duties.** (a) Under personal care assistance choice, the recipient or responsible party shall:

- (1) recruit, hire, schedule, and terminate personal care assistants ~~and a qualified professional according to the terms of the written agreement required under subdivision 20, paragraph (a);~~
- (2) develop a personal care assistance care plan based on the assessed needs and addressing the health and safety of the recipient with the assistance of a qualified professional as needed;

(3) orient and train the personal care assistant with assistance as needed from the qualified professional;

(4) effective January 1, 2010, supervise and evaluate the personal care assistant with the qualified professional, who is required to visit the recipient at least every 180 days;

(5) monitor and verify in writing and report to the personal care assistance choice agency the number of hours worked by the personal care assistant and the qualified professional;

(6) engage in an annual face-to-face reassessment to determine continuing eligibility and service authorization; and

(7) use the same personal care assistance choice provider agency if shared personal assistance care is being used.

(b) The personal care assistance choice provider agency shall:

(1) meet all personal care assistance provider agency standards;

(2) enter into a written agreement with the recipient, responsible party, and personal care assistants;

(3) not be related as a parent, child, sibling, or spouse to the recipient, qualified professional, or the personal care assistant; and

(4) ensure arm's-length transactions without undue influence or coercion with the recipient and personal care assistant.

(c) The duties of the personal care assistance choice provider agency are to:

(1) be the employer of the personal care assistant and the qualified professional for employment law and related regulations including, but not limited to, purchasing and maintaining workers' compensation, unemployment insurance, surety and fidelity bonds, and liability insurance, and submit any or all necessary documentation including, but not limited to, workers' compensation and unemployment insurance;

(2) bill the medical assistance program for personal care assistance services and qualified professional services;

(3) request and complete background studies that comply with the requirements for personal care assistants and qualified professionals;

(4) pay the personal care assistant and qualified professional based on actual hours of services provided;

(5) withhold and pay all applicable federal and state taxes;

(6) verify and keep records of hours worked by the personal care assistant and qualified professional;

(7) make the arrangements and pay taxes and other benefits, if any, and comply with any legal requirements for a Minnesota employer;

(8) enroll in the medical assistance program as a personal care assistance choice agency; and

(9) enter into a written agreement as specified in subdivision 20 before services are provided.

Sec. 10. Minnesota Statutes 2009 Supplement, section 256B.0659, subdivision 20, is amended to read:

Subd. 20. **Personal care assistance choice option; administration.** (a) Before services commence under the personal care assistance choice option, and annually thereafter, the personal care assistance choice provider agency, ~~recipient, or responsible party, each personal care assistant, and the qualified professional~~ and the recipient or responsible party shall enter into a written agreement. The annual agreement must be provided to the recipient or responsible party, each personal care assistant, and the qualified professional when completed, and include at a minimum:

(1) duties of the recipient, qualified professional, personal care assistant, and personal care assistance choice provider agency;

(2) salary and benefits for the personal care assistant and the qualified professional;

(3) administrative fee of the personal care assistance choice provider agency and services paid for with that fee, including background study fees;

(4) grievance procedures to respond to complaints;

(5) procedures for hiring and terminating the personal care assistant; and

(6) documentation requirements including, but not limited to, time sheets, activity records, and the personal care assistance care plan.

(b) Effective January 1, 2010, except for the administrative fee of the personal care assistance choice provider agency as reported on the written agreement, the remainder of the rates paid to the personal care assistance choice provider agency must be used to pay for the salary and benefits for the personal care assistant or the qualified professional. The provider agency must use a minimum of 72.5 percent of the revenue generated by the medical assistance rate for personal care assistance services for employee personal care assistant wages and benefits.

(c) The commissioner shall deny, revoke, or suspend the authorization to use the personal care assistance choice option if:

(1) it has been determined by the qualified professional or public health nurse that the use of this option jeopardizes the recipient's health and safety;

(2) the parties have failed to comply with the written agreement specified in this subdivision;

(3) the use of the option has led to abusive or fraudulent billing for personal care assistance services; or

(4) the department terminates the personal care assistance choice option.

(d) The recipient or responsible party may appeal the commissioner's decision in paragraph (c) according to section 256.045. The denial, revocation, or suspension to use the personal care assistance choice option must not affect the recipient's authorized level of personal care assistance services.

Sec. 11. Minnesota Statutes 2009 Supplement, section 256B.0659, subdivision 21, is amended

to read:

**Subd. 21. Requirements for initial enrollment of personal care assistance provider agencies.**

(a) All personal care assistance provider agencies must provide, at the time of enrollment as a personal care assistance provider agency in a format determined by the commissioner, information and documentation that includes, but is not limited to, the following:

(1) the personal care assistance provider agency's current contact information including address, telephone number, and e-mail address;

(2) proof of surety bond coverage in the amount of \$50,000 or ten percent of the provider's payments from Medicaid in the previous year, whichever is less;

(3) proof of fidelity bond coverage in the amount of \$20,000;

(4) proof of workers' compensation insurance coverage;

(5) a description of the personal care assistance provider agency's organization identifying the names of all owners, managing employees, staff, board of directors, and the affiliations of the directors, owners, or staff to other service providers;

(6) a copy of the personal care assistance provider agency's written policies and procedures including: hiring of employees; training requirements; service delivery; and employee and consumer safety including process for notification and resolution of consumer grievances, identification and prevention of communicable diseases, and employee misconduct;

(7) copies of all other forms the personal care assistance provider agency uses in the course of daily business including, but not limited to:

(i) a copy of the personal care assistance provider agency's time sheet if the time sheet varies from the standard time sheet for personal care assistance services approved by the commissioner, and a letter requesting approval of the personal care assistance provider agency's nonstandard time sheet;

(ii) the personal care assistance provider agency's template for the personal care assistance care plan; and

(iii) the personal care assistance provider agency's template for the written agreement in subdivision 20 for recipients using the personal care assistance choice option, if applicable;

(8) a list of all trainings and classes that the personal care assistance provider agency requires of its staff providing personal care assistance services;

(9) documentation that the personal care assistance provider agency and staff have successfully completed all the training required by this section;

(10) documentation of the agency's marketing practices;

(11) disclosure of ownership, leasing, or management of all residential properties that is used or could be used for providing home care services; and

(12) documentation that the agency will use the following percentages of revenue generated from the medical assistance rate paid for personal care assistance services for employee personal

care assistant wages and benefits: 72.5 percent of revenue in the personal care assistance choice option and 72.5 percent of revenue from other personal care assistance providers; and

(13) effective the day following final enactment, documentation that the agency does not burden recipients' free exercise of their right to choose service providers by requiring personal care assistants to sign an agreement not to work with any particular personal care assistance recipient or for another personal care assistance provider agency after leaving the agency and that the agency is not taking action on any such agreements or requirements regardless of the date signed.

(b) Personal care assistance provider agencies shall provide the information specified in paragraph (a) to the commissioner at the time the personal care assistance provider agency enrolls as a vendor or upon request from the commissioner. The commissioner shall collect the information specified in paragraph (a) from all personal care assistance providers beginning July 1, 2009.

(c) All personal care assistance provider agencies shall require all employees in management and supervisory positions and owners of the agency who are active in the day-to-day management and operations of the agency to complete mandatory training as determined by the commissioner before enrollment of the agency as a provider. Personal care assistance provider agencies are required to send all owners, qualified professionals employed by the agency, and all other managing employees to the initial and subsequent trainings. Employees in management and supervisory positions and owners who are active in the day-to-day operations of an agency who have completed the required training as an employee with a personal care assistance provider agency do not need to repeat the required training if they are hired by another agency, if they have completed the training within the past three years. By September 1, 2010, the required training must be available in languages other than English and to those who need accommodations due to disabilities, online, or by electronic remote connection, and provide for competency testing. Personal care assistance provider agency billing staff shall complete training about personal care assistance program financial management. This training is effective July 1, 2009. Any personal care assistance provider agency enrolled before that date shall, if it has not already, complete the provider training within 18 months of July 1, 2009. Any new owners, new qualified professionals, and new managing or employees in management and supervisory positions involved in the day-to-day operations are required to complete mandatory training as a requisite of hiring working for the agency. Personal care assistance provider agencies certified for participation in Medicare as home health agencies are exempt from the training required in this subdivision.

Sec. 12. Minnesota Statutes 2009 Supplement, section 256B.0659, subdivision 24, is amended to read:

Subd. 24. **Personal care assistance provider agency; general duties.** A personal care assistance provider agency shall:

(1) enroll as a Medicaid provider meeting all provider standards, including completion of the required provider training;

(2) comply with general medical assistance coverage requirements;

(3) demonstrate compliance with law and policies of the personal care assistance program to be determined by the commissioner;

(4) comply with background study requirements;

(5) verify and keep records of hours worked by the personal care assistant and qualified professional;

(6) ~~market agency services only through printed information in brochures and on Web sites~~ and not engage in any agency-initiated direct contact or marketing in person, by phone, or other electronic means to potential recipients, guardians, or family members;

(7) pay the personal care assistant and qualified professional based on actual hours of services provided;

(8) withhold and pay all applicable federal and state taxes;

(9) effective January 1, 2010, document that the agency uses a minimum of 72.5 percent of the revenue generated by the medical assistance rate for personal care assistance services for employee personal care assistant wages and benefits;

(10) make the arrangements and pay unemployment insurance, taxes, workers' compensation, liability insurance, and other benefits, if any;

(11) enter into a written agreement under subdivision 20 before services are provided;

(12) report suspected neglect and abuse to the common entry point according to section 256B.0651;

(13) provide the recipient with a copy of the home care bill of rights at start of service; and

(14) request reassessments at least 60 days prior to the end of the current authorization for personal care assistance services, on forms provided by the commissioner.

Sec. 13. Minnesota Statutes 2009 Supplement, section 256B.0659, subdivision 27, is amended to read:

Subd. 27. **Personal care assistance provider agency; ~~ventilator training~~.** (a) The personal care assistance provider agency is required to provide training for the personal care assistant responsible for working with a recipient who is ventilator dependent. All training must be administered by a respiratory therapist, nurse, or physician. Qualified professional supervision by a nurse must be completed and documented on file in the personal care assistant's employment record and the recipient's health record. If offering personal care services to a ventilator-dependent recipient, the personal care assistance provider agency shall demonstrate and document the ability to:

(1) train the personal care assistant;

(2) supervise the personal care assistant in ~~ventilator operation and maintenance~~ the care of a ventilator-dependent recipient; ~~and~~

(3) supervise the recipient and responsible party in ~~ventilator operation and maintenance~~ the care of a ventilator-dependent recipient; and

(4) provide documentation of the training and supervision in clauses (1) to (3) upon request.

(b) A personal care assistant shall not undertake any clinical services, patient assessment, patient evaluation, or clinical education regarding the ventilator or the patient on the ventilator. These



services may only be provided by health care professionals licensed or registered in this state.

(c) A personal care assistant may only perform tasks associated with ventilator maintenance that are approved by the Board of Medical Practice in consultation with the Respiratory Care Practitioner Advisory Council and the Department of Human Services.

Sec. 14. Minnesota Statutes 2009 Supplement, section 256B.0659, subdivision 30, is amended to read:

Subd. 30. **Notice of service changes to recipients.** The commissioner must provide:

(1) by October 31, 2009, information to recipients likely to be affected that (i) describes the changes to the personal care assistance program that may result in the loss of access to personal care assistance services, and (ii) includes resources to obtain further information; ~~and~~

(2) notice of changes in medical assistance home care services to each affected recipient at least 30 days before the effective date of the change.

The notice shall include how to get further information on the changes, how to get help to obtain other services, a list of community resources, and appeal rights. Notwithstanding section 256.045, a recipient may request continued services pending appeal within the time period allowed to request an appeal; and

(3) a service agreement authorizing personal care assistance hours of service at the previously authorized level, throughout the appeal process period, when a recipient requests services pending an appeal.

Sec. 15. Minnesota Statutes 2008, section 256B.092, subdivision 4d, is amended to read:

Subd. 4d. **Medicaid reimbursement; licensed provider; related individuals.** ~~The commissioner shall seek a federal amendment to the home and community-based services waiver for individuals with developmental disabilities, to allow Medicaid reimbursement for the provision of supported living services to a related individual is allowed when the following conditions have been met:~~ specified in section 245A.03, subdivision 9, are met.

~~(1) the individual is 18 years of age or older;~~

~~(2) the provider is certified initially and annually thereafter, by the county, as meeting the provider standards established in chapter 245B and the federal waiver plan;~~

~~(3) the provider has been certified by the county as meeting the adult foster care provider standards established in Minnesota Rules, parts 9555.5105 to 9555.6265;~~

~~(4) the provider is not the legal guardian or conservator of the related individual; and~~

~~(5) the individual's service plan meets the standards of this section and specifies any special conditions necessary to prevent a conflict of interest for the provider.~~

Sec. 16. **REPEALER.**

Minnesota Statutes 2008, section 256B.0919, subdivision 4, is repealed."

Delete the title and insert:

"A bill for an act relating to human services; amending continuing care policy and technical provisions; modifying the nursing facility level of care criteria; modifying nursing facilities layaway status; permitting certain services by related individuals; requiring home care services providers to provide recipients with copies of the home care bill of rights; allowing personal care assistants to enroll with a different personal care assistance provider agency; allowing lead agencies to contract for assessments and reassessments; providing an elderly waiver conversion under the personal care assistance program; requiring the commissioner of human services to consult with stakeholders; requiring the commissioner of human services provide recommendations to improve case management services; clarifying personal care assistance provisions; amending Minnesota Statutes 2008, sections 144A.071, subdivision 4b; 144A.161, subdivision 1a; 245A.03, by adding a subdivision; 256B.0911, subdivision 4d; 256B.092, subdivision 4d; 326B.43, subdivision 2; 626.557, subdivision 9a; Minnesota Statutes 2009 Supplement, sections 144.0724, subdivision 11; 245A.03, subdivision 7; 245A.11, subdivision 7b; 256B.0625, subdivision 19c; 256B.0651, by adding a subdivision; 256B.0652, subdivision 6; 256B.0653, subdivision 3; 256B.0659, subdivisions 1, 3, 4, 10, 11, 13, 14, 18, 19, 20, 21, 24, 27, 30, by adding a subdivision; 256B.0911, subdivisions 1a, 2b, 3a, 3b; 256D.44, subdivision 5; Laws 2009, chapter 79, article 8, section 81; repealing Minnesota Statutes 2008, section 256B.0919, subdivision 4."

We request the adoption of this report and repassage of the bill.

Senate Conferees: Tony Lourey, John Marty, Dennis Frederickson

House Conferees: Larry Hosch, Paul Thissen, Jim Abeler

Senator Lourey moved that the foregoing recommendations and Conference Committee Report on S.F. No. 2933 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S.F. No. 2933 was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Fobbe	Latz	Pappas	Sieben
Bakk	Foley	Limmer	Parry	Skoe
Betzold	Frederickson	Lourey	Pogemiller	Skogen
Bonoff	Gerlach	Lynch	Prettner Solon	Sparks
Carlson	Gimse	Marty	Rest	Stumpf
Clark	Hann	Metzen	Robling	Tomassoni
Cohen	Higgins	Michel	Rosen	Torres Ray
Dahle	Ingebrigtsen	Moua	Rummel	Vanderveer
Dibble	Jungbauer	Murphy	Saltzman	Vickerman
Dille	Kelash	Olseen	Saxhaug	Wiger
Doll	Koch	Olson, G.	Scheid	
Erickson Ropes	Kubly	Olson, M.	Senjem	
Fischbach	Langseth	Ortman	Sheran	

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

**MOTIONS AND RESOLUTIONS - CONTINUED**

S.F. No. 2540 and the Conference Committee Report thereon were reported to the Senate.

**CONFERENCE COMMITTEE REPORT ON S.F. NO. 2540**

A bill for an act relating to transportation; modifying or adding provisions relating to truck insurance, school bus transportation, transportation construction impacts on business, rest areas, highways, bridges, transportation contracts, variances from rules and engineering standards for local streets and highways, the state park road account, tax-exempt vehicles, license plates, deputy registrars, vehicles and drivers, impounds, towing, pedestrians, intersection gridlock, bus and type III vehicle operation, various traffic regulations, cargo tank vehicle weight exemptions, drivers' licenses, transportation department goals and mission, the Disadvantaged Business Enterprise Collaborative, a Minnesota Council of Transportation Access, complete streets, a Commuter Rail Corridor Coordinating Committee, railroad track safety, motor carriers, allocation of traffic fines, airport authorities, property acquisition for highways, transit, town road interest extinguishment nullification, Northstar commuter rail, and roundabouts design; providing for State Patrol tax compliance and vehicle crimes investigations; providing for issuance and sale of trunk highway bonds; requiring reports; making technical and clarifying changes; appropriating money; amending Minnesota Statutes 2008, sections 65B.43, subdivision 2; 161.14, by adding subdivisions; 161.3426, subdivision 3, by adding a subdivision; 162.02, subdivision 3a; 162.09, subdivision 3a; 165.14, subdivisions 4, 5; 168.12, subdivisions 2a, 2b, by adding a subdivision; 168.123, subdivisions 1, 2; 168.1255, subdivision 1; 168.1291, subdivisions 1, 2; 168.33, subdivision 2; 168B.04, subdivision 2; 168B.06, subdivision 1; 168B.07, subdivision 3; 169.041, subdivision 5; 169.09, subdivision 5a; 169.15; 169.26, by adding a subdivision; 169.306; 169.79, subdivision 3; 169.87, by adding a subdivision; 169.92, subdivision 4; 171.321, subdivision 2; 174.01, subdivisions 1, 2; 174.02, subdivision 1a; 174.86, subdivision 5; 219.01; 221.012, subdivision 38, by adding a subdivision; 221.0252, subdivision 7; 221.036, subdivisions 1, 3; 221.221, subdivision 3; 221.251, subdivision 1; 360.061, subdivision 3; 473.167, subdivision 2a; 473.411, subdivision 5; 514.18, subdivision 1a; Minnesota Statutes 2009 Supplement, sections 123B.92, subdivision 1; 160.165; 161.14, subdivision 62; 162.06, subdivision 5; 168.012, subdivision 1; 168.12, subdivision 5; 169.71, subdivision 1; 169.865, subdivision 1; 171.02, subdivision 2b; 174.66; 221.026, subdivision 2; 221.031, subdivision 1; 221.122, subdivision 1; 299D.03, subdivision 5; Laws 2008, chapter 287, article 1, section 122; Laws 2009, chapter 36, article 1, sections 1, 3, subdivisions 1, 2, 3, 5, subdivisions 1, 3, 4; proposing coding for new law in Minnesota Statutes, chapters 160; 168; 174; 221; 383D; repealing Minnesota Statutes 2008, sections 169.041, subdivisions 3, 4; 221.161, subdivisions 2, 3; 221.291, subdivision 5; Minnesota Statutes 2009 Supplement, sections 221.161, subdivisions 1, 4; 221.171; Minnesota Rules, parts 7805.0300; 7805.0400.

May 8, 2010

The Honorable James P. Metzen  
President of the Senate

The Honorable Margaret Anderson Kelliher  
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 2540 report that we have agreed upon the items in

dispute and recommend as follows:

That the House recede from its amendments and that S.F. No. 2540 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2009 Supplement, section 123B.92, subdivision 1, is amended to read:

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

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

(1) the sum of:

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

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

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

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

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

(1) Regular transportation is:

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

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

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

(iv) transportation to and from or board and lodging in another district, of resident pupils of a

district without a secondary school; and

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

For the purposes of this paragraph, a district may designate a licensed day care facility, school day care facility, respite care facility, the residence of a relative, or the residence of a person chosen by the pupil's parent or guardian, or an after school program for children operated by a political subdivision of the state, as the home of a pupil for part or all of the day, if requested by the pupil's parent or guardian, and if that facility or residence, or program is within the attendance area of the school the pupil attends.

(2) Excess transportation is:

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

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

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

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

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

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

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

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

(v) transportation from one educational facility to another within the district for resident pupils enrolled on a shared-time basis in educational programs, and necessary transportation required by sections 125A.18, and 125A.26 to 125A.48, for resident pupils with disabilities who are provided special instruction and services on a shared-time basis or if resident pupils are not transported, the

costs of necessary travel between public and private schools or neutral instructional sites by essential personnel employed by the district's program for children with a disability;

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

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

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

(5) "Nonpublic nonregular transportation" is:

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

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

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

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

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

Sec. 2. Minnesota Statutes 2009 Supplement, section 160.165, is amended to read:

**160.165 MITIGATING TRANSPORTATION CONSTRUCTION IMPACTS ON BUSINESS.**

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

(1) "project" means construction work to maintain, construct, reconstruct, or improve a street or highway or for a rail transit project;

(2) "substantial business impacts" means impairment of road access, parking, or visibility for

one or more business establishments as a result of a project, for a minimum period of one month; and

(3) "transportation 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~~ statutory or home rule charter cities, as to city streets; the Metropolitan Council, for rail transit projects located entirely within the metropolitan area as defined in section 473.121, subdivision 2; and the commissioner, for all other rail transit projects.

Subd. 2. **Business liaison.** (a) Before beginning construction work on a project, a transportation authority shall identify whether the project is anticipated to include substantial business impacts. For such projects, the transportation authority shall designate an individual to serve as business liaison between the transportation authority and affected businesses.

(b) The business liaison shall consult with affected businesses before and during construction to investigate means of mitigating project impacts to businesses. The mitigation considered must include signage. The business liaison shall provide information to the identified businesses before and during construction, concerning project duration and timetables, lane and road closures, detours, access impacts, customer parking impacts, visibility, noise, dust, vibration, and public participation opportunities.

Subd. 3. **Exception.** This section does not apply to construction work in connection with the Central Corridor light rail transit line that will connect downtown Minneapolis and downtown St. Paul.

**EFFECTIVE DATE.** Subdivision 1 is effective July 1, 2012. Subdivision 3 is effective July 1, 2010.

Sec. 3. **[160.2755] PROHIBITED ACTIVITIES AT REST AREAS.**

Subdivision 1. **Prohibited activities.** It is unlawful at rest areas to:

(1) dispose of travel-related trash and rubbish, except if depositing it in a designated receptacle;

(2) dump household or commercial trash and rubbish into containers or anywhere else on site;

or

(3) drain or dump refuse or waste from any trailer, recreational vehicle, or other vehicle except where receptacles are provided and designated to receive the refuse or waste.

Subd. 2. **Penalty.** Violation of this section is a petty misdemeanor.

**EFFECTIVE DATE.** This section is effective August 1, 2010, and applies to acts committed on or after that date.

Sec. 4. Minnesota Statutes 2009 Supplement, section 161.14, subdivision 62, is amended to read:

Subd. 62. **Clearwater County Veterans Memorial Highway.** (a) The following described route is designated the "Clearwater County Veterans Memorial Highway": that portion of Legislative Route No. 168, marked on August 1, 2009, as Trunk Highway 200, from its intersection with Clearwater County State-Aid Highway 37 39 to its intersection with Legislative Route No. 169, marked on August 1, 2009, as Trunk Highway 92; and that portion of Route No. 169 to its

intersection with Clearwater County State-Aid Highway 5.

(b) The commissioner shall adopt a suitable marking design to mark this highway and erect appropriate signs, subject to section 161.139.

Sec. 5. Minnesota Statutes 2008, section 161.14, is amended by adding a subdivision to read:

Subd. 64. **Veterans Memorial Highway.** Legislative Route No. 31, signed as Trunk Highway 200 as of the effective date of this section, from the border with North Dakota to the city of Mahnomen, is designated as the "Veterans Memorial Highway." The commissioner shall adopt a suitable design to mark this highway and erect appropriate signs, subject to section 161.139.

Sec. 6. Minnesota Statutes 2008, section 161.14, is amended by adding a subdivision to read:

Subd. 65. **Becker County Veterans Memorial Highway.** Marked Trunk Highway 34, from its intersection with Washington Avenue in Detroit Lakes to its intersection with County State-Aid Highway 39; and marked Trunk Highway 87, from its intersection with County State-Aid Highway 33 to its intersection with County State-Aid Highway 39, is named and designated the "Becker County Veterans Memorial Highway." Subject to section 161.139, the commissioner shall adopt a suitable marking design to mark this highway and erect appropriate signs.

Sec. 7. Minnesota Statutes 2008, section 161.14, is amended by adding a subdivision to read:

Subd. 66. **Granite City Crossing.** The bridge over the Mississippi River on marked Trunk Highway 23 in St. Cloud is designated "Granite City Crossing." The commissioner of transportation shall adopt a suitable design to mark this bridge and erect appropriate signs, subject to section 161.139.

Sec. 8. Minnesota Statutes 2008, section 161.14, is amended by adding a subdivision to read:

Subd. 67. **Veterans Memorial Highway.** Marked Trunk Highway 59 from the city of Karlstad to the border with Canada is designated as the "Veterans Memorial Highway." The commissioner shall adopt a suitable design to mark this highway and erect appropriate signs, subject to section 161.139.

Sec. 9. Minnesota Statutes 2008, section 161.3426, subdivision 3, is amended to read:

Subd. 3. **Stipulated fee.** The commissioner shall award a stipulated fee not less than two-tenths of one percent of the department's estimated cost of design and construction to each short-listed, responsible proposer who provides a responsive but unsuccessful proposal. When the request for proposals specifies a maximum price, the stipend shall be awarded if the proposal is responsive in all other aspects but comes in above the maximum price. If the commissioner does not award a contract, all short-listed proposers must receive the stipulated fee. If the commissioner cancels the contract before reviewing the technical proposals, the commissioner shall award each design-builder on the short list a stipulated fee of not less than two-tenths of one percent of the commissioner's estimated cost of design and construction. The commissioner shall pay the stipulated fee to each proposer within 90 days after the award of the contract or the decision not to award a contract. In consideration for paying the stipulated fee, the commissioner may use any ideas or information contained in the proposals in connection with any contract awarded for the project or in connection with a subsequent procurement, without any obligation to pay any additional compensation to the unsuccessful proposers. Notwithstanding the other provisions of this subdivision, an unsuccessful



short-list proposer may elect to waive the stipulated fee. If an unsuccessful short-list proposer elects to waive the stipulated fee, the commissioner may not use ideas and information contained in that proposer's proposal. Upon the request of the commissioner, a proposer who waived a stipulated fee may withdraw the waiver, in which case the commissioner shall pay the stipulated fee to the proposer and thereafter may use ideas and information in the proposer's proposal.

Sec. 10. Minnesota Statutes 2008, section 161.3426, is amended by adding a subdivision to read:

**Subd. 6. Reissue of request for proposals.** If the commissioner rejects all bids or does not execute the contract, the commissioner may reissue the request for proposals and allow only short-listed teams to resubmit proposals. The commissioner shall then pay a reasonable stipulated fee to each short-listed, responsible proposer who provides a responsive but unsuccessful proposal in response to the reissued request for proposals. When the reissued request for proposals specifies a maximum price, the stipend shall be awarded if the proposal is responsive in all other aspects but comes in above the maximum price.

Sec. 11. Minnesota Statutes 2008, section 162.02, subdivision 3a, is amended to read:

**Subd. 3a. Variances from rules and engineering standards.** (a) The commissioner may grant variances from the rules and from the engineering standards developed pursuant to section 162.021 or 162.07, subdivision 2. A political subdivision in which a county state-aid highway is located or is proposed to be located may submit a written request to the commissioner for a variance for that highway. The commissioner shall comply with section 174.75, subdivision 5, in evaluating a variance request related to a complete streets project.

(b) The commissioner shall publish notice of the request in the State Register and give notice to all persons known to the commissioner to have an interest in the matter. The commissioner may grant or deny the variance within 30 days of providing notice of the request. If a written objection to the request is received within seven days of providing notice, the variance shall be granted or denied only after a contested case hearing has been held on the request. If no timely objection is received and the variance is denied without hearing, the political subdivision may request, within 30 days of receiving notice of denial, and shall be granted a contested case hearing.

(c) For purposes of this subdivision, "political subdivision" includes (1) an agency of a political subdivision which has jurisdiction over parks, and (2) a regional park authority.

Sec. 12. Minnesota Statutes 2008, section 162.09, subdivision 3a, is amended to read:

**Subd. 3a. Variances from rules and engineering standards.** (a) The commissioner may grant variances from the rules and from the engineering standards developed pursuant to section 162.13, subdivision 2. A political subdivision in which a municipal state-aid street is located or is proposed to be located may submit a written request to the commissioner for a variance for that street. The commissioner shall comply with section 174.75, subdivision 5, in evaluating a variance request related to a complete streets project.

(b) The commissioner shall publish notice of the request in the State Register and give notice to all persons known to the commissioner to have an interest in the matter. The commissioner may grant or deny the variance within 30 days of providing notice of the request. If a written objection to the request is received within seven days of providing notice, the variance shall be granted or denied only after a contested case hearing has been held on the request. If no timely objection is received

and the variance is denied without hearing, the political subdivision may request, within 30 days of receiving notice of denial, and shall be granted a contested case hearing.

(c) For purposes of this subdivision, "political subdivision" includes (1) an agency of a political subdivision which has jurisdiction over parks, and (2) a regional park authority.

Sec. 13. Minnesota Statutes 2008, section 165.14, subdivision 4, is amended to read:

Subd. 4. **Prioritization of bridge projects.** (a) The commissioner shall classify all bridges in the program into tier 1, 2, or 3 bridges, where tier 1 is the highest tier. Unless the commissioner identifies a reason for proceeding otherwise, before commencing bridge projects in a lower tier, all bridge projects within a higher tier must to the extent feasible be selected and funded in the approved state transportation improvement program, at any stage in the project development process, solicited for bids, in contract negotiation, under construction, or completed.

(b) The classification of each tier is as follows:

(1) tier 1 consists of any bridge in the program that (i) has an average daily traffic count that is above 1,000 and has a sufficiency rating that is at or below 50, or (ii) is identified by the commissioner as a priority project;

(2) tier 2 consists of any bridge that is not a tier 1 bridge, and (i) is classified as fracture-critical, or (ii) has a sufficiency rating that is at or below 80; and

(3) tier 3 consists of any other bridge in the program that is not a tier 1 or tier 2 bridge.

(c) By June 30, 2018, all tier 1 and tier 2 bridges originally included in the program must be under contract for repair or replacement with a new bridge that contains a load-path-redundant design, except that a specific bridge may remain in continued service if the reasons are documented in the report required under subdivision 5.

(d) All bridge projects funded under this section in fiscal year 2012 or later must include bicycle and pedestrian accommodations if both sides of the bridge are located in a city or the bridge links a pedestrian way, shared-use path, trail, or scenic bikeway.

Bicycle and pedestrian accommodations would not be required if:

(1) a comprehensive assessment demonstrates that there is an absence of need for bicycle and pedestrian accommodations for the life of the bridge; or

(2) there is a reasonable alternative bicycle and pedestrian crossing within one-quarter mile of the bridge project.

All bicycle and pedestrian accommodations should enable a connection to any existing bicycle and pedestrian infrastructure in close proximity to the bridge. All pedestrian facilities must meet or exceed federal accessibility requirements as outlined in Title II of the Americans with Disabilities Act, codified in United States Code, title 42, chapter 126, subchapter II, and Section 504 of the Rehabilitation Act of 1973, codified in United States Code, title 29, section 794.

(e) The commissioner shall establish criteria for determining the priority of bridge projects within each tier, and must include safety considerations as a criterion.

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

Sec. 14. Minnesota Statutes 2008, section 165.14, subdivision 5, is amended to read:

Subd. 5. **Statewide transportation planning report.** In conjunction with each update to the Minnesota statewide transportation plan, or at least every six years, the commissioner shall submit a report to the chairs and ranking minority members of the house of representatives and senate committees with jurisdiction over transportation finance. The report must include:

- (1) an explanation of the criteria and decision-making processes used to prioritize bridge projects;
- (2) a historical and projected analysis of the extent to which all trunk highway bridges meet bridge performance targets and comply with the accessibility requirements of Title II of the Americans with Disabilities Act of 1990, Public Law 101-336;
- (3) a summary of bridge projects (i) completed in the previous six years or since the last update to the Minnesota statewide transportation plan, and (ii) currently in progress under the program;
- (4) a summary of bridge projects scheduled in the next four fiscal years and included in the state transportation improvement program;
- (5) a projection of annual needs over the next 20 years;
- (6) a calculation of funding necessary to meet the completion date under subdivision 4, paragraph (c), compared to the total amount of bridge-related funding available; and
- (7) for any tier 1 fracture-critical bridge that is repaired but not replaced, an explanation of the reasons for repair instead of replacement.

Sec. 15. Minnesota Statutes 2008, section 168.002, is amended by adding a subdivision to read:

Subd. 31a. **Special plates.** Unless otherwise specified, "special plates" or "special plate" means plates, or a single motorcycle plate, that are designed with wording or graphics that differ from a regular Minnesota passenger automobile plate or motorcycle plate.

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

Sec. 16. Minnesota Statutes 2009 Supplement, 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) vehicles owned by nonprofit charities and used exclusively for disaster response and related activities;

(6) vehicles owned by ambulance services licensed under section 144E.10 that are equipped and specifically intended for emergency response or providing ambulance services; and

(7) 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) Provided the general appearance of the vehicle is unmistakable, the following vehicles are not required to register or display number plates:

(1) vehicles owned by the federal government, ~~municipal~~;

(2) fire apparatuses, including fire-suppression support vehicles, owned or leased by the state or a political subdivision;

(3) police patrols, owned or leased by the state or a political subdivision; and

(4) ambulances, ~~the general appearance of which is unmistakable, are not required to register or display number plates~~ owned or leased by the state or a political subdivision.

(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) Unmarked vehicles used in general investigation, surveillance, supervision, and monitoring by the staff of the Department of Human Services Office of Special Investigations and the executive director of the Minnesota sex offender program must be registered and must display passenger vehicle classification license number plates, furnished by the registrar at cost. Original and renewal applications for passenger vehicle license plates must be accompanied by a certification signed by the commissioner of human services. The certification must be on a form prescribed by the commissioner and state that the vehicles must be used exclusively for the official duties of the Office of Special Investigations and the executive director of the Minnesota sex offender program.

(h) 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.

(i) 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.

(j) 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, licensed commercial driving school, or other qualifying organization or entity, plainly displayed on both 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. 17. Minnesota Statutes 2008, section 168.12, subdivision 2a, is amended to read:

Subd. 2a. **Personalized plates; rules.** (a) The commissioner may issue personalized plates or, if requested for special plates issued under section 168.123 for veterans, 168.124 for medal of honor recipients, or 168.125 for former prisoners of war, applicable personalized special veterans plates, to an applicant who:

(1) is an owner of a passenger automobile including a passenger automobile registered as a classic car, pioneer car, collector car, or street rod; any truck with a manufacturer's nominal rated capacity of one ton or less and resembling a pickup truck; a motorcycle, including a classic motorcycle; a motorized bicycle; a commuter van as defined in section 168.126; or a recreational vehicle;

(2) pays a onetime fee of \$100 and any other fees required by this chapter;

(3) pays the registration tax required by this chapter for the motor vehicle; and

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

(b) The commissioner shall charge a replacement fee for personalized license plates and personalized special veterans plates issued under section 168.123 as specified in subdivision 5. This fee must be paid by the applicant whenever the personalized plates are required to be replaced by law, except that as provided in section 168.124, subdivision 3, and 168.125, subdivision 1b, no fee may be charged to replace plates issued under those sections.

(c) In lieu of the registration number assigned as provided in subdivision 1, personalized plates and personalized special veterans plates must have imprinted on them a series of not more than seven numbers and letters, or five numbers and letters for personalized special veterans plates, in any combination and, as applicable, satisfy the design requirements of section 168.123, 168.124, or 168.125. When an applicant has once obtained personalized plates or personalized special veterans plates, the applicant shall have a prior claim for similar personalized plates or personalized special veterans plates in the next succeeding year as long as current motor vehicle registration is maintained.

(d) The commissioner shall adopt rules in the manner provided by chapter 14, regulating the issuance and transfer of personalized plates and personalized special veterans plates. No words or combination of letters placed on these plates may be used for commercial advertising, be of an obscene, indecent, or immoral nature, or be of a nature that would offend public morals or decency. The call signals or letters of a radio or television station are not commercial advertising for the purposes of this subdivision.

(e) Despite the provisions of subdivision 1, personalized plates and personalized special veterans plates issued under this subdivision may be transferred to another motor vehicle listed in paragraph (a) and owned by the applicant, upon the payment of a fee of \$5.

(f) The commissioner may by rule specify the format for notification.

(g) A personalized plate or personalized special veterans plate issued for a classic car, pioneer car, collector car, street rod, or classic motorcycle may not be transferred to a vehicle not eligible for such a plate.

(h) Despite any law to the contrary, if the personalized license plates are lost, stolen, or destroyed, the applicant may apply and must be issued duplicate license plates bearing the same combination of letters and numbers and the same design as (1) the former personalized plates or personalized special veterans plates under section 168.123 upon the payment of the fee required by section 168.29 or (2) the former personalized special veterans plates issued under section 168.124 or 168.125, without charge.

(i) A personalized vertical motorcycle plate may be issued upon payment of an additional payment of \$100. The vertical plate must have not more than four identification characters, cannot be a duplication of any current or reserved license plate, and must meet the requirements in paragraph (d).

Sec. 18. Minnesota Statutes 2009 Supplement, section 168.12, subdivision 5, is amended to read:

Subd. 5. **Additional fee.** (a) In addition to any fee otherwise authorized or any tax otherwise imposed upon any vehicle, the payment of which is required as a condition to the issuance of any plate or plates, the commissioner shall impose the fee specified in paragraph (b) that is calculated to cover the cost of manufacturing and issuing the plate or plates, except for plates issued to disabled veterans as defined in section 168.031 and plates issued pursuant to section 168.124, 168.125, or 168.27, subdivisions 16 and 17, for passenger automobiles. The commissioner shall issue graphic design plates only for vehicles registered pursuant to section 168.017 and recreational vehicles registered pursuant to section 168.013, subdivision 1g.

(b) Unless otherwise specified or exempted by statute, the following plate and validation sticker fees apply for the original, duplicate, or replacement issuance of a plate in a plate year:

License Plate	Single	Double
Regular and Disability	\$ 4.50	\$ 6.00
Special	\$ 8.50	\$ 10.00
Personalized (Replacement)	\$ 10.00	\$ 14.00
Collector Category	\$ 13.50	\$ 15.00
Emergency Vehicle Display	\$ 3.00	\$ 6.00
Utility Trailer Self-Adhesive	\$ 2.50	
<u>Vertical Motorcycle Plate</u>	<u>\$ 100.00</u>	<u>NA</u>
Stickers		
Duplicate year	\$ 1.00	\$ 1.00
International Fuel Tax Agreement	\$ 2.50	

(c) For vehicles that require two of the categories above, the registrar shall only charge the higher of the two fees and not a combined total.

Sec. 19. Minnesota Statutes 2008, section 168.123, subdivision 1, is amended to read:

Subdivision 1. **General requirements; fees.** (a) On payment of a fee of \$10 for each set of two plates, or for a single plate in the case of a motorcycle plate, payment of the registration tax required by law, and compliance with other applicable laws relating to vehicle registration and licensing, as applicable, the commissioner shall issue:

(1) special veteran's plates to an applicant who served in the active military service in a branch of the armed forces of the United States or of a nation or society allied with the United States in conducting a foreign war, was discharged under honorable conditions, and is a registered owner of a passenger automobile, recreational motor vehicle, or truck resembling a pickup truck and having

a manufacturer's nominal rated capacity of one ton, but which is not a commercial motor vehicle as defined in section 169.011, subdivision 16; or

(2) a veteran's special motorcycle plate as described in subdivision 2, paragraph (a), (f), (h), ~~(i)~~, or (j), or another special plate designed by the commissioner to an applicant who is a registered owner of a motorcycle and meets the criteria listed in this paragraph and in subdivision 2, paragraph (a), (f), (h), ~~(i)~~, or (j). Plates issued under this clause must be the same size as regular motorcycle plates. Special motorcycle license plates issued under this clause are not subject to section 168.1293.

(b) The additional fee of \$10 is payable for each set of veteran's plates, is payable only when the plates are issued, and is not payable in a year in which stickers are issued instead of plates.

(c) The veteran must have a certified copy of the veteran's discharge papers, indicating character of discharge, at the time of application. If an applicant served in the active military service in a branch of the armed forces of a nation or society allied with the United States in conducting a foreign war and is unable to obtain a record of that service and discharge status, the commissioner of veterans affairs may certify the applicant as qualified for the veterans' plates provided under this section.

(d) For license plates issued for one-ton trucks described in paragraph (a), clause (1), the commissioner shall collect a surcharge of \$5 on each \$10 fee collected under paragraph (a). The surcharge must be deposited in the vehicle services operating account in the special revenue fund.

Sec. 20. Minnesota Statutes 2008, section 168.123, subdivision 2, is amended to read:

Subd. 2. **Design.** The commissioner of veterans affairs shall design the emblem for the veterans' special plates, subject to the approval of the commissioner, that satisfy the following requirements:

(a) For a Vietnam veteran who served after July 1, 1961, and before July 1, 1978, in the active military service in a branch of the armed forces of the United States or a nation or society allied with the United States the special plates must bear the inscription "VIETNAM VET" and the letters "V" and "V" with the first letter directly above the second letter and both letters just preceding the first numeral of the special plate number.

(b) For a veteran stationed on the island of Oahu, Hawaii, or offshore, during the attack on Pearl Harbor on December 7, 1941, the special plates must bear the inscription "PEARL HARBOR SURVIVOR" and the letters "P" and "H" with the first letter directly above the second letter and both letters just preceding the first numeral of the special plate number.

(c) For a veteran who served during World War I or World War II, the plates must bear the inscription "WORLD WAR VET" and:

(1) for a World War I veteran, the characters "W" and "I" with the first character directly above the second character and both characters just preceding the first numeral of the special plate number; or

(2) for a World War II veteran, the characters "W" and "II" with the first character directly above the second character and both characters just preceding the first numeral of the special plate number.

(d) For a veteran who served during the Korean Conflict, the special plates must bear the inscription "KOREAN VET" and the letters "K" and "V" with the first letter directly above the second letter and both letters just preceding the first numeral of the special plate number.



(e) For a combat wounded veteran who is a recipient of the purple heart medal, the plates must bear the inscription "COMBAT WOUNDED VET" and have a facsimile on an emblem of the official purple heart medal and the letters "C" over "W" with the first letter directly over the second letter just preceding the first numeral of the special plate number.

(f) For a Persian Gulf War veteran, the plates must bear the inscription "GULF WAR VET" and the letters "G" and "W" with the first letter directly above the second letter and both letters just preceding the first numeral of the special plate number. For the purposes of this section, "Persian Gulf War veteran" means a person who served on active duty after August 1, 1990, in a branch of the armed forces of the United States or a nation or society allied with the United States or the United Nations during Operation Desert Shield, Operation Desert Storm, or other military operation in the Persian Gulf area combat zone as designated in United States Presidential Executive Order No. 12744, dated January 21, 1991.

(g) For a veteran who served in the Laos War after July 1, 1961, and before July 1, 1978, the special plates must bear the inscription "LAOS WAR VET" and the letters "L" and "V" with the first letter directly above the second letter and both letters just preceding the first numeral of the special plate number.

(h) For a veteran who is the recipient of:

(1) the Iraq Campaign Medal, the special plates must be inscribed with a facsimile of that medal and must bear the inscription "IRAQ WAR VET" directly below the special plate number;

(2) the Afghanistan Campaign Medal, the special plates must be inscribed with a facsimile of that medal and must bear the inscription "AFGHAN WAR VET" directly below the special plate number; or

(3) the Global War on Terrorism Expeditionary Medal, the special plates must be inscribed with a facsimile of that medal and must bear the inscription "GWOT VETERAN" directly below the special plate number; or

(4) the Armed Forces Expeditionary Medal, the special plates must bear an appropriate inscription that includes a facsimile of that medal.

(i) For a veteran who is the recipient of the Global War on Terrorism Service Medal, the special plates must be inscribed with a facsimile of that medal and must bear the inscription "GWOT VETERAN" directly below the special plate number. In addition, any member of the National Guard or other military reserves who has been ordered to federally funded state active service under United States Code, title 32, as defined in section 190.05, subdivision 5b, and who is the recipient of the Global War on Terrorism Service Medal, is eligible for the license plate described in this paragraph, irrespective of whether that person qualifies as a veteran under section 197.447.

(j) For a veteran who is the recipient of the Korean Defense Service Medal, the special plates must be inscribed with a facsimile of that medal and must bear the inscription "KOREAN DEFENSE SERVICE" directly below the special plate number.

(k) For a veteran who is a recipient of the Bronze Star medal, the plates must bear the inscription "BRONZE STAR VET" and have a facsimile or an emblem of the official Bronze Star medal.

(l) For a veteran who is a recipient of the Silver Star medal, the plates must bear the inscription

"SILVER STAR VET" and have a facsimile or an emblem of the official Silver Star medal.

Sec. 21. Minnesota Statutes 2008, section 168.123, is amended by adding a subdivision to read:

Subd. 2b. **Eligibility; combat wounded plate.** A member of the United States armed forces who is serving actively in the military and who is a recipient of the purple heart medal is also eligible for the license plate under subdivision 2, paragraph (e). The commissioner of public safety shall ensure that information regarding the required proof of eligibility for any applicant under this subdivision who has not yet been issued military discharge papers is distributed to the public officials responsible for administering this section.

**EFFECTIVE DATE.** This section is effective August 1, 2010.

Sec. 22. Minnesota Statutes 2008, section 168.1255, subdivision 1, is amended to read:

Subdivision 1. **General requirements and procedures.** The commissioner shall issue special veteran contribution plates or a single motorcycle plate to an applicant who:

- (1) is a veteran, as defined in section 197.447;
- (2) is a registered owner of a passenger automobile, recreational vehicle, one-ton pickup truck, or motorcycle;
- (3) pays a fee of \$10 to cover the costs of handling and manufacturing the plates;
- (4) pays the registration tax required under section 168.013;
- (5) pays the fees required under this chapter;
- (6) pays an additional onetime World War II memorial contribution of \$30, which the department shall retain until all start-up costs associated with the development and issuing of the plates have been recovered, after which the commissioner shall deposit contributions in the World War II donation match account; and
- (7) complies with this chapter and rules governing the registration of motor vehicles and licensing of drivers.

**EFFECTIVE DATE.** This section is effective August 1, 2010.

Sec. 23. Minnesota Statutes 2008, section 168.1293, is amended to read:

**168.1293 CERTAIN SPECIAL PLATES; AUTHORIZATION, DISCONTINUANCE.**

Subdivision 1. **Definition.** For purposes of this section ~~and section 168.1297,~~ the following terms have the meanings given them:

(1) "new special plate" or "proposed special plate" means a special plate authorized by sections 168.12, subdivisions 2b and 2e; 168.1235; and 168.129, to have wording and graphics that differ from a Minnesota passenger vehicle plate. that is not authorized under this chapter and for which legislation authorizing the plate, including but not limited to a bill or amendment, is introduced or presented to the legislature; and

(2) "proximate special plate" means a special plate (i) authorized under section 168.12, subdivisions 2b and 2e; 168.1235; or 168.129; or (ii) authorized in law on or after August 1, 2010.

Subd. 1a. **Establishment of plate.** The commissioner may only establish a special plate as authorized under this chapter. This requirement does not apply to alternative or additional designs for a special plate.

Subd. 2. **Submissions to commissioner.** (a) A person, legal entity, or other requester, however organized, that plans to seek legislation establishing a new special plate, or is a proponent of a new special plate, shall submit the following information and fee to the commissioner:

(1) The requester shall submit a request for the special plate being sought, describing the proposed special plate in general terms, the purpose of the plate, and the proposed fee or minimum contribution required for the plate.

(2) The requester shall submit the results of a scientific sample survey of Minnesota motor vehicle owners that indicates that at least 10,000 motor vehicle owners intend to purchase the proposed plate with the proposed fee or minimum contribution. The requester's plan to undertake the survey must be reported to the commissioner before the survey is undertaken. The survey must be performed independently of the requester by another person or legal entity, however organized, that conducts similar sample surveys in the normal course of business.

(3) The requester shall submit an application fee of \$20,000, to cover the cost of reviewing the application for a new plate and developing the new special plate if authorized by law. State funds may not be used to pay the application fee. This requirement does not apply if legislation or a bill introduced to the legislature proposing the new special plate contains a mechanism by which all costs incurred by the commissioner for development and implementation of the plate are covered, provided that the application fee subsequently does apply if such a mechanism is not enacted in the law authorizing the new special plate.

(4) The requester shall submit a marketing strategy that contains (i) short-term and long-term marketing plans for the requested plate, and (ii) a financial analysis showing the anticipated revenues and the planned expenditures of any fee or contribution derived from the requested plate.

(b) The requester shall submit the information required under paragraph (a) to the commissioner at least 120 days before the convening of the next regular legislative session at which the requester will submit the proposal.

Subd. 2a. **Information for legislature.** (a) Within 15 days of the introduction of a bill proposing a new special plate, the commissioner shall submit a briefing to the chairs and ranking minority members of the house of representatives and senate committees to which the bill was referred. At a minimum, the briefing must:

(1) summarize the requirements for a special plate under this section; and

(2) identify which of the requirements have been met for the proposed special plate.

(b) If a proposed special plate is a topic of discussion at a legislative committee hearing, the commissioner shall make every reasonable effort to provide testimony. The testimony must include the information required in the briefing under paragraph (a).

(c) Notwithstanding section 3.195, the commissioner may submit the briefing under paragraph (a) by submitting an electronic version rather than a printed version.

Subd. 3. **Design; redesign.** (a) If the proposed new special plate sought by the requester is approved by law, the requester shall submit the proposed design for the plate to the commissioner as soon as practicable, but not later than 120 days after the effective date of the law authorizing issuance of the plate. The commissioner is responsible for selecting the final design for the special plate.

(b) The requester that originally requested a new special plate subsequently approved by law may not submit a new design for the plate within the five years following the date of first issuance of the plate unless the inventory of those plates has been exhausted. The requester may deplete the remaining inventory of the plates by reimbursing the commissioner for the cost of the plates.

Subd. 4. **Refund of fee.** If the special plate requested is not authorized in the legislative session at which authorization was sought, the commissioner shall, if applicable, refund \$17,500 of the application fee to the requester.

Subd. 5. **Discontinuance of plate.** (a) The commissioner shall discontinue the issuance or renewal of any proximate special plate ~~authorized by sections 168.12, subdivisions 2b and 2e; 168.1235; and 168.129~~, if (1) fewer than 1,000 sets of those plates are currently registered at the end of the first six years during which the plates are available, or (2) fewer than 1,000 sets of those plates are currently registered at the end of any subsequent two-year period following the first six years of availability.

(b) The commissioner shall discontinue the issuance or renewal of any proximate special plate ~~authorized by sections 168.12, subdivisions 2b and 2e; 168.1235; and 168.129~~, and distribution of any contributions resulting from that plate, if the commissioner determines that (1) the fund or requester receiving the contributions no longer exists, (2) the requester has stopped providing services that are authorized to be funded from the contribution proceeds, (3) the requester has requested discontinuance, or (4) contributions have been used in violation of subdivision 6.

(c) Nothing in this subdivision applies to plates issued under section 168.123, 168.124, 168.125, 168.1251, or 168.1255.

(d) Upon commencing discontinuance of a proximate special plate under this subdivision, the commissioner (1) shall not issue the plate, including as a duplicate; and (2) shall allow retention of any existing plate for the regular period. For purposes of this paragraph, "regular period" may be, as appropriate, the period specified under section 168.12, subdivision 1; the time until issuance of a duplicate plate for that vehicle; or as otherwise provided by law.

Subd. 6. **Use of contributions.** Contributions made as a condition of obtaining a proximate special plate ~~authorized by sections 168.12, subdivisions 2b and 2e; 168.1235; and 168.129~~, and interest earned on the contributions, may not be spent for commercial or for-profit purposes.

Subd. 7. **Deposit of fee; appropriation.** The commissioner shall deposit the application fee under subdivision 2, paragraph (a), clause (3), in the vehicle services operating account of the special revenue fund under section 299A.705. An amount sufficient to pay the department's cost in implementing and administering this section, including payment of refunds under subdivision 4, is appropriated to the commissioner.

Sec. 24. Minnesota Statutes 2008, section 168.33, subdivision 2, is amended to read:

Subd. 2. **Deputy registrars.** (a) The commissioner may appoint, and for cause discontinue, a

deputy registrar for any statutory or home rule charter city as the public interest and convenience may require, without regard to whether the county auditor of the county in which the city is situated has been appointed as the deputy registrar for the county or has been discontinued as the deputy registrar for the county, and without regard to whether the county in which the city is situated has established a county license bureau that issues motor vehicle licenses as provided in section 373.32.

(b) The commissioner may appoint, and for cause discontinue, a deputy registrar for any statutory or home rule charter city as the public interest and convenience may require, if the auditor for the county in which the city is situated chooses not to accept appointment as the deputy registrar for the county or is discontinued as a deputy registrar, or if the county in which the city is situated has not established a county license bureau that issues motor vehicle licenses as provided in section 373.32. The individual appointed by the commissioner as a deputy registrar for any statutory or home rule charter city must be a resident of the county in which the city is situated.

(c) The commissioner may appoint, and for cause discontinue, the county auditor of each county as a deputy registrar.

(d) Despite any other provision, a person other than a county auditor or a director of a county license bureau, who was appointed by the registrar before August 1, 1976, as a deputy registrar for any statutory or home rule charter city, may continue to serve as deputy registrar and may be discontinued for cause only by the commissioner. The county auditor who appointed the deputy registrars is responsible for the acts of deputy registrars appointed by the auditor.

(e) Each deputy, before entering upon the discharge of duties, shall take and subscribe an oath to faithfully discharge the duties and to uphold the laws of the state.

(f) If a deputy registrar appointed under this subdivision is not an officer or employee of a county or statutory or home rule charter city, the deputy shall in addition give bond to the state in the sum of \$10,000, or a larger sum as may be required by the commissioner, conditioned upon the faithful discharge of duties as deputy registrar.

(g) ~~Until January 1, 2012, A corporation governed by chapter 302A or 317A may be appointed a deputy registrar. Upon application by an individual serving as a deputy registrar and the giving of the requisite bond as provided in this subdivision, personally assured by the individual or another individual approved by the commissioner, a corporation named in an application then becomes the duly appointed and qualified successor to the deputy registrar. The appointment of any corporation as a deputy registrar expires January 1, 2012. The commissioner shall appoint an individual as successor to the corporation as a deputy registrar. The commissioner shall appoint as the successor agent to a corporation whose appointment expires under this paragraph an officer of the corporation if the officer applies for appointment before July 1, 2012.~~

(h) Each deputy registrar appointed under this subdivision shall keep and maintain office locations approved by the commissioner for the registration of vehicles and the collection of taxes and fees on vehicles.

(i) The deputy registrar shall keep records and make reports to the commissioner as the commissioner requires. The records must be maintained at the offices of the deputy registrar. The records and offices of the deputy registrar must at all times be open to the inspection of the commissioner or the commissioner's agents. The deputy registrar shall report to the commissioner by the next working day following receipt all registrations made and taxes and fees collected by

the deputy registrar.

(j) The filing fee imposed under subdivision 7 must be deposited in the treasury of the place for which appointed or, if not a public official, a deputy shall retain the filing fee, but the registration tax and any additional fees for delayed registration the deputy registrar has collected the deputy registrar shall deposit by the next working day following receipt in an approved state depository to the credit of the state through the commissioner of management and budget. The place for which the deputy registrar is appointed through its governing body must provide the deputy registrar with facilities and personnel to carry out the duties imposed by this subdivision if the deputy is a public official. In all other cases, the deputy shall maintain a suitable facility for serving the public.

Sec. 25. Minnesota Statutes 2008, section 168B.06, subdivision 1, is amended to read:

Subdivision 1. **Written notice 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 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;
- (3) inform the owner and any lienholders of their right to reclaim the vehicle under section 168B.07;
- (4) state that failure of the owner or lienholders to:
  - (i) exercise their right to reclaim the vehicle within the appropriate time allowed under section 168B.051, subdivision 1, 1a, or 2, 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 a consent to the transfer of title to and disposal or sale of the vehicle 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, or 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. 26. Minnesota Statutes 2008, section 168B.07, subdivision 3, is amended 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-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, or 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.

Sec. 27. Minnesota Statutes 2008, section 169.041, subdivision 5, is amended to read:

Subd. 5. **Towing prohibited.** ~~Unless the vehicle is described in subdivision 4,~~ (a) A towing authority may not tow a motor vehicle because:

- (1) the vehicle has expired registration tabs that have been expired for less than 90 days; or
  - (2) the vehicle is at a parking meter on which the time has expired and the vehicle has fewer than five unpaid parking tickets.
- (b) A towing authority may tow a motor vehicle, notwithstanding paragraph (a), if:
- (1) the vehicle is parked in violation of snow emergency regulations;
  - (2) the vehicle is parked in a rush-hour restricted parking area;
  - (3) the vehicle is blocking a driveway, alley, or fire hydrant;
  - (4) the vehicle is parked in a bus lane, or at a bus stop, during hours when parking is prohibited;
  - (5) the vehicle is parked within 30 feet of a stop sign and visually blocking the stop sign;
  - (6) the vehicle is parked in a disability transfer zone or disability parking space without a disability parking certificate or disability license plates;
  - (7) the vehicle is parked in an area that has been posted for temporary restricted parking (A) at least 12 hours in advance in a home rule charter or statutory city having a population under 50,000, or (B) at least 24 hours in advance in another political subdivision;
  - (8) the vehicle is parked within the right-of-way of a controlled-access highway or within the traveled portion of a public street when travel is allowed there;
  - (9) the vehicle is unlawfully parked in a zone that is restricted by posted signs to use by fire, police, public safety, or emergency vehicles;
  - (10) the vehicle is unlawfully parked on property at the Minneapolis-St. Paul International

Airport owned by the Metropolitan Airports Commission;

(11) a law enforcement official has probable cause to believe that the vehicle is stolen, or that the vehicle constitutes or contains evidence of a crime and impoundment is reasonably necessary to obtain or preserve the evidence;

(12) the driver, operator, or person in physical control of the vehicle is taken into custody and the vehicle is impounded for safekeeping;

(13) a law enforcement official has probable cause to believe that the owner, operator, or person in physical control of the vehicle has failed to respond to five or more citations for parking or traffic offenses;

(14) the vehicle is unlawfully parked in a zone that is restricted by posted signs to use by taxicabs;

(15) the vehicle is unlawfully parked and prevents egress by a lawfully parked vehicle;

(16) the vehicle is parked, on a school day during prohibited hours, in a school zone on a public street where official signs prohibit parking; or

(17) the vehicle is a junk, abandoned, or unauthorized vehicle, as defined in section 168B.011, and subject to immediate removal under chapter 168B.

Sec. 28. Minnesota Statutes 2008, section 169.041, is amended by adding a subdivision to read:

Subd. 5a. **Quick clearance.** (a) For purposes of this subdivision:

(1) "road" includes the roadway, a lane for vehicular traffic, shoulder, on-ramp, and off-ramp of a street or highway, including a parkway; and

(2) "obstructions" includes motor vehicles, debris, personal property, and cargo.

(b) Within the Department of Transportation's eight-county metropolitan district, the department and the State Patrol may move, remove, or cause to remove obstructions from a road if:

(1) there has been a traffic incident involving a collision, accident, or spilled load;

(2) the obstructions block a road or aggravate an emergency on a road; and

(3) the department cooperates with the State Patrol and private towing or recovery companies authorized by the State Patrol concerning towing of the vehicle and removal of other obstructions.

(c) The State Patrol shall make a reasonable effort to contact the owner of the motor vehicle or other obstructions before undertaking an action under this subdivision.

(d) The department shall make a reasonable effort to allow the owner of the motor vehicle to arrange for its removal, taking into account any time delay and safety issues, and shall give due consideration to having the vehicle towed by a licensed towing service capable of safely moving the vehicle.

(e) Towing charges accrued by the owner or owners of the vehicle must be reasonable for the type of vehicle removed and the circumstances surrounding its removal.

Sec. 29. Minnesota Statutes 2008, section 169.15, is amended to read:



**169.15 IMPEDING TRAFFIC; INTERSECTION GRIDLOCK.**

Subdivision 1. Impeding traffic; drive at slow speed. No person shall drive a motor vehicle at such a slow speed as to impede or block the normal and reasonable movement of traffic except when reduced speed is necessary for safe operation or in compliance with law or except when the vehicle is temporarily unable to maintain a greater speed due to a combination of the weight of the vehicle and the grade of the highway.

Subd. 2. Intersection gridlock; stop or block traffic. (a) Except as provided in paragraph (b), a driver of a vehicle shall not enter an intersection controlled by a traffic-control signal until the driver is able to move the vehicle immediately, continuously, and completely through the intersection without impeding or blocking the subsequent movement of cross traffic.

(b) Paragraph (a) does not apply to movement of a vehicle made:

(1) at the direction of a city-authorized traffic-control agent or a peace officer;

(2) to facilitate passage of an authorized emergency vehicle with its emergency lights activated;  
or

(3) to make a turn, as permitted under section 169.19, that allows the vehicle to safely leave the intersection.

(c) A violation of this subdivision does not constitute grounds for suspension or revocation of the violator's driver's license.

**EFFECTIVE DATE.** This section is effective January 1, 2011, and applies to acts committed on or after that date.

Sec. 30. Minnesota Statutes 2008, section 169.26, is amended by adding a subdivision to read:

Subd. 4. Pedestrians; penalty. (a) A pedestrian shall not pass through, around, over, or under any crossing gate or barrier at a railroad grade crossing while the gate or barrier is closed or is being opened or closed.

(b) A pedestrian shall not enter, remain upon, or traverse over a railroad track, grade crossing, or pedestrian walkway crossing a railroad track when an audible bell or clearly visible electric or mechanical signal device is operational and warning of the presence, approach, passage, or departure of a railroad train.

(c) A person who violates this subdivision is subject to a fine of up to \$100.

Sec. 31. Minnesota Statutes 2008, section 169.306, is amended to read:

**169.306 USE OF SHOULDERS BY BUSES.**

(a) The commissioner of transportation ~~may~~ is authorized to permit the use by transit buses and Metro Mobility buses of a shoulder, as designated by the commissioner, of a freeway or expressway, as defined in section 160.02, ~~in the seven-county metropolitan area in Minnesota.~~

(b) If the commissioner permits the use of a freeway or expressway shoulder by transit buses, the commissioner shall ~~also~~ permit the use on that shoulder of a bus (1) with a seating capacity of 40 passengers or more operated by a motor carrier of passengers, as defined in section 221.012,

subdivision 26, while operating in intrastate commerce or (2) providing regular route transit service, as defined in section 174.22, subdivision 8, or Metro Mobility services, and operated by or under contract with the Metropolitan Council, a local transit authority, or a transit authority created by the legislature. Drivers of these buses must have adequate training in the requirements of paragraph (c), as determined by the commissioner.

(c) Buses authorized to use the shoulder under this section may be operated on the shoulder only when main-line traffic speeds are less than 35 miles per hour. Drivers of buses being operated on the shoulder may not exceed the speed of main-line traffic by more than 15 miles per hour and may never exceed 35 miles per hour. Drivers of buses being operated on the shoulder must yield to merging, entering, and exiting traffic and must yield to other vehicles on the shoulder. Buses operated on the shoulder must be registered with the Department of Transportation.

(d) For the purposes of this section, the term "Metro Mobility bus" means a motor vehicle of not less than 20 feet in length engaged in providing special transportation services under section 473.386 that is:

(1) operated by the Metropolitan Council, or operated by or under contract with a public or private entity receiving financial assistance to provide transit services from the Metropolitan Council or the commissioner of transportation; and

(2) authorized by the ~~council~~ commissioner to use freeway or expressway shoulders.

(e) This section does not apply to the operation of buses on dynamic shoulder lanes.

Sec. 32. Minnesota Statutes 2009 Supplement, section 169.71, subdivision 1, is amended to read:

Subdivision 1. **Prohibitions generally; exceptions.** (a) A person shall not drive or operate any motor vehicle with:

(1) a windshield cracked or discolored to an extent to limit or obstruct proper vision;

(2) any objects suspended between the driver and the windshield, other than:

(i) sun visors;

(ii) rearview mirrors;

(iii) driver feedback and safety-monitoring equipment when mounted immediately behind, slightly above, or slightly below the rearview mirror;

~~(iii)~~ (iv) global positioning systems or navigation systems when mounted or located near the bottommost portion of the windshield; and

~~(iv)~~ (v) electronic toll collection devices; or

(3) any sign, poster, or other nontransparent material upon the front windshield, sidewings, or side or rear windows of the vehicle, other than a certificate or other paper required to be so displayed by law or authorized by the state director of the Division of Emergency Management or the commissioner of public safety.

(b) Paragraph (a), clauses (2) and (3), do not apply to law enforcement vehicles.

(c) Paragraph (a), clause (2), does not apply to authorized emergency vehicles.

Sec. 33. Minnesota Statutes 2008, section 169.79, subdivision 3, is amended to read:

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 or vertically, for a motorcycle issued vertical license plates under section 168.12, subdivision 2a, 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.

Sec. 34. Minnesota Statutes 2009 Supplement, section 169.865, subdivision 1, is amended to read:

Subdivision 1. **Six-axle vehicles.** (a) A road authority may issue an annual permit authorizing a vehicle or combination of vehicles with a total of six or more axles to haul raw or unprocessed agricultural products and be operated with a gross vehicle weight of up to:

(1) 90,000 pounds; and

(2) 99,000 pounds during the period set by the commissioner under section 169.826, subdivision 1.

(b) Notwithstanding subdivision 4 3, paragraph (a), clause (4), a vehicle or combination of vehicles operated under this subdivision and transporting only sealed intermodal containers may be operated on an interstate highway if allowed by the United States Department of Transportation.

(c) The fee for a permit issued under this subdivision is \$300.

**EFFECTIVE DATE.** This section is effective retroactively from July 1, 2008.

Sec. 35. Minnesota Statutes 2008, section 169.87, is amended by adding a subdivision to read:

Subd. 7. **Cargo tank vehicles.** (a) Weight restrictions imposed by the commissioner under subdivisions 1 and 2 do not apply to cargo tank vehicles with two or three permanent axles when delivering propane for heating or dyed fuel oil on seasonally weight-restricted roads if the vehicle is loaded at no more than 50 percent capacity of the cargo tank.

(b) To be exempt from weight restrictions under paragraph (a), a cargo tank vehicle used for propane must have an operating gauge on the cargo tank that shows the amount of propane as a percent of capacity of the cargo tank. Documentation of the capacity of the cargo tank must be available on the cargo tank or in the cab of the vehicle. For purposes of this subdivision, propane weighs 4.2 pounds per gallon.

(c) To be exempt from weight restrictions under paragraph (a), a cargo tank vehicle used for dyed fuel oil must utilize the forward two tank compartments and must carry documentation of the empty weight of the cargo tank vehicle from a certified scale in the cab of the vehicle. For purposes of this subdivision, dyed fuel oil weighs seven pounds per gallon.

(d) To the extent practicable, cargo tank vehicles that are exempt from weight restrictions under paragraph (a) shall complete deliveries on seasonally weight restricted roads by 12:00 p.m. and before the last week of April.

Sec. 36. Minnesota Statutes 2009 Supplement, section 171.02, subdivision 2b, is amended to read:

Subd. 2b. **Exception for type III vehicle drivers.** (a) Notwithstanding subdivision 2, the holder of a class A, B, C, or D driver's license, without a school bus endorsement, may operate a type III vehicle described in section 169.011, subdivision 71, paragraph (h), under the conditions in paragraphs (b) through (o).

(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 vehicle;

(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;

(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 vehicle in "park" during loading and unloading; and

(v) escorting a pupil across the road under clause (iii) only after the motor is stopped, the ignition key is removed, the brakes are set, and the vehicle is otherwise rendered immobile; and

(9) compliance with paragraph (k), concerning reporting certain convictions to the employer within ten days of the date of conviction.

(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 vehicle under this subdivision.

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

(f) The operator's employer requires preemployment drug ~~and alcohol~~ testing of applicants for operator positions. Current operators must comply with the employer's policy under section 181.951, subdivisions 2, 4, and 5. Notwithstanding any law to the contrary, the operator's employer may use a breathalyzer or similar device to fulfill random alcohol testing requirements.

(g) The operator's driver's license is verified annually by the entity that owns, leases, or contracts for the ~~school bus~~ type III vehicle as required under section 171.321, subdivision 5.

(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 violating or whose driver's license is revoked under a similar statute or ordinance of another state, is precluded from operating a type III vehicle 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 vehicle 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 vehicle 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 vehicle 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 vehicle 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 vehicle operating under this subdivision is responsible for maintaining these files for inspection.

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

(o) An employee of a school or of a school district, who is not employed for the sole purpose of operating a type III vehicle, is exempt from paragraphs (e) and (f).

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

Sec. 37. Minnesota Statutes 2008, section 171.321, subdivision 2, is amended to read:

Subd. 2. **Rules.** (a) The commissioner of public safety shall prescribe rules governing (1) the physical qualifications of school bus drivers and tests required to obtain a school bus endorsement, and (2) the physical qualifications of type III vehicle drivers.

(b) The rules under paragraph (a) must provide that an applicant for a school bus endorsement or renewal is exempt from the physical qualifications and medical examination required to operate a

school bus upon providing evidence of being medically examined and certified within the preceding 24 months as physically qualified to operate a commercial motor vehicle, pursuant to Code of Federal Regulations, title 49, part 391, subpart E, or rules of the commissioner of transportation incorporating those federal regulations. The commissioner shall accept physical examinations for school bus drivers conducted by medical examiners authorized as provided by Code of Federal Regulations, title 49, chapter 3, part 391, subpart E.

~~(b)~~ (c) The commissioner of public safety, in conjunction with the commissioner of education, shall adopt rules prescribing a training program for Head Start bus drivers. The program must provide for initial classroom and behind-the-wheel training, and annual in-service training. The program must provide training in defensive driving, human relations, emergency and accident procedures, vehicle maintenance, traffic laws, and use of safety equipment. The program must provide that the training will be conducted by the contract operator for a Head Start agency, the Head Start grantee, a licensed driver training school, or by another person or entity approved by both commissioners.

(d) The commissioner may exempt a type III vehicle driver from the physical qualifications required to operate a type III vehicle upon receiving evidence of the driver having been medically examined and certified within the preceding 24 months as physically qualified to operate a commercial motor vehicle as provided for applicants for a school bus endorsement under paragraph (b).

Sec. 38. Minnesota Statutes 2008, section 174.01, subdivision 1, is amended to read:

Subdivision 1. **Department created.** In order to provide ~~a balanced~~ an integrated transportation system, ~~including~~ of aeronautics, highways, motor carriers, ports, public transit, railroads, and pipelines, and ~~including facilities for walking and bicycling,~~ a Department of Transportation is created. The department is the principal agency of the state for development, implementation, administration, consolidation, and coordination of state transportation policies, plans, and programs.

Sec. 39. Minnesota Statutes 2008, section 174.01, subdivision 2, is amended to read:

Subd. 2. **Transportation goals.** The goals of the state transportation system are as follows:

(1) to ~~provide safe transportation~~ minimize fatalities and injuries for transportation users throughout the state;

(2) to provide multimodal and intermodal transportation ~~that enhances mobility and economic development and provides access to all persons and businesses in Minnesota while ensuring that there is no~~ facilities and services to increase access for all persons and businesses and to ensure economic well-being and quality of life without undue burden placed on any community;

(3) to provide a reasonable travel time for commuters;

(4) to enhance economic development and provide for the economical, efficient, and safe movement of goods to and from markets by rail, highway, and waterway;

(5) to encourage tourism by providing appropriate transportation to Minnesota facilities designed to attract tourists and to enhance the appeal, through transportation investments, of tourist destinations across the state;

(6) to provide transit services ~~throughout~~ to all counties in the state to meet the needs of transit users;

(7) to promote ~~productivity~~ accountability through ~~system~~ systematic management of system performance and productivity through the utilization of technological advancements;

(8) to maximize the long-term benefits received for each state transportation investment;

(9) to provide for and prioritize funding for of transportation investments that, at a minimum, preserves the transportation infrastructure ensures that the state's transportation infrastructure is maintained in a state of good repair;

(10) to ensure that the planning and implementation of all modes of transportation are consistent with the environmental and energy goals of the state;

(11) to promote and increase the use of high-occupancy vehicles and low-emission vehicles;

(12) to provide an air transportation system sufficient to encourage economic growth and allow all regions of the state the ability to participate in the global economy;

(13) to increase ~~transit~~ use of transit as a percentage of all trips statewide by giving highest priority to the transportation modes with the greatest people-moving capacity and lowest long-term economic and environmental cost;

(14) to promote and increase bicycling and walking as a percentage of all trips as an energy-efficient, nonpolluting, and healthful form healthy forms of transportation;

(15) to reduce greenhouse gas emissions from the state's transportation sector; and

(16) to accomplish these goals with minimal impact on the environment.

Sec. 40. Minnesota Statutes 2008, section 174.02, subdivision 1a, is amended to read:

Subd. 1a. **Mission; efficiency; legislative report, recommendations.** It is part of the department's mission that within the department's resources the commissioner shall endeavor to:

(1) prevent the waste or unnecessary spending of public money;

(2) use innovative fiscal and human resource practices to manage the state's resources and operate the department as efficiently as possible;

(3) minimize the degradation of air and, water quality, and the climate, including reduction in greenhouse gas emissions;

(4) coordinate the department's activities wherever appropriate with the activities of other governmental agencies;

(5) use technology where appropriate to increase agency productivity, improve customer service, increase public access to information about government, and increase public participation in the business of government;

(6) utilize constructive and cooperative labor-management practices to the extent otherwise required by chapters 43A and 179A;

(7) report to the legislature on the performance of agency operations and the accomplishment of agency goals in the agency's biennial budget according to section 16A.10, subdivision 1; and

(8) recommend to the legislature appropriate changes in law necessary to carry out the mission and improve the performance of the department.

Sec. 41. **[174.186] DISADVANTAGED BUSINESS ENTERPRISE COLLABORATIVE.**

Subdivision 1. **Establishment; purpose.** (a) The commissioner of transportation shall convene regular meetings of the disadvantaged business enterprise program and workforce inclusion collaborative, as constituted by the commissioner as of January 1, 2010.

(b) The collaborative shall review and evaluate the commissioner's implementation of the disadvantaged business enterprise program, under Code of Federal Regulations, title 49, and recommend changes, including possible legislation, to improve the effectiveness of the program in this state. At a minimum, the collaborative shall review, evaluate, and recommend program changes where necessary in the following areas:

- (1) an on-the-job training program to increase the diversity of the workforce on projects;
- (2) on-the-job trainee tracking and retention;
- (3) a mentor and protégé program for small, disadvantaged business entrepreneurs;
- (4) requirements for participation of disadvantaged business enterprises at the time of letting bids for contracts;
- (5) a coordinated access point to recruit disadvantaged business enterprises and a diverse workforce;
- (6) objective measures for good-faith efforts to recruit disadvantaged business enterprises;
- (7) a working capital fund for small disadvantaged business enterprises;
- (8) increased transparency for results in the on-the-job training and disadvantaged business enterprise programs;
- (9) civil rights program training;
- (10) a targeted group business program for state-funded projects; and
- (11) coding systems and dual goals for women and people of color.

(c) The commissioner shall provide staff and administrative support for the collaborative and shall establish policies and procedures for the collaborative, including quorum requirements and majority decision making.

(d) The representatives of the Department of Transportation with responsibility for civil rights and contracting shall participate in collaborative meetings and deliberations.

(e) Members of the collaborative do not receive compensation or reimbursement of expenses.

Subd. 2. **Powers and duties; report.** (a) The collaborative shall develop recommendations to the commissioner and to the legislature as provided in paragraph (b) designed to implement fully the



federal Disadvantaged Business Enterprise program in this state and to improve the effectiveness of the program. These recommendations, including any draft legislation if the collaborative decides to recommend legislation, may include, but are not limited to, strategies, policies, and actions focused on:

(1) requiring bid proposals to include information on disadvantaged business enterprise participation;

(2) defining and implementing appropriate accountability measures when disadvantaged business enterprise contract goals are not met in accordance with Code of Federal Regulations, title 49;

(3) sponsoring disadvantaged business enterprise training and development workshops; and

(4) strengthening the content and frequency of department reporting requirements relating to the disadvantaged business enterprise program.

(b) The collaborative shall report its findings and legislative recommendations, including draft legislation if the collaborative decides to recommend legislation, to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over transportation policy and finance by February 1, 2011. The report must be made available electronically and available in print upon request.

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

Sec. 42. Minnesota Statutes 2008, section 174.22, is amended by adding a subdivision to read:

Subd. 14a. **State sources of funds.** "State sources of funds" means funding for the public transit participation program appropriated from (1) the general fund, and (2) the greater Minnesota transit account.

Sec. 43. Minnesota Statutes 2008, section 174.23, subdivision 1, is amended to read:

Subdivision 1. **General.** (a) The commissioner shall have all powers necessary and convenient to carry out the provisions of sections 174.21 to 174.27 including the power to:

(1) review applications for financial assistance, execute contracts, and obligate and expend program funds, upon conditions and limitations as the commissioner deems necessary for purposes of program and project implementation, operation, and evaluation;

(2) accept and disburse federal funds available for the purposes of sections 174.21 to 174.27, and such funds are appropriated to the commissioner; and

(3) act upon request as the designated agent of any eligible person for the receipt and disbursement of federal funds.

(b) The commissioner shall perform the duties and exercise the powers under sections 174.21 to 174.27 in coordination with and in furtherance of statewide, regional, and local transportation plans and transportation development programs. ~~The commissioner shall set guidelines for financial assistance under the public transit subsidy program. The commissioner shall present any proposed guidelines regarding public transit financial assistance to a legislative committee composed of equal numbers appointed by the house of representatives local and urban affairs and senate transportation~~

~~committees. The commissioner shall not implement any new guidelines regarding public transit financial assistance, between the period January 1, 1981 to April 15, 1982, without the prior approval of that committee.~~

Sec. 44. Minnesota Statutes 2008, section 174.23, subdivision 2, is amended to read:

Subd. 2. **Financial assistance; application, approval.** (a) The commissioner shall seek out and select eligible recipients of financial assistance under sections 174.21 to 174.27.

(b) The commissioner shall establish by rule the procedures and standards for review and approval of applications for financial assistance submitted to the commissioner pursuant to sections 174.21 to 174.27. Any applicant shall provide to the commissioner any financial or other information required by the commissioner to carry out the commissioner's duties. The commissioner may require local contributions from applicants as a condition for receiving financial assistance.

(c) Before the commissioner approves any grant, the application for the grant ~~shall~~ may be reviewed ~~and approved~~ by the appropriate regional development commission only for consistency with regional transportation plans and development guides. If an applicant proposes a project within the jurisdiction of a transit authority or commission or a transit system assisted or operated by a city or county, the application shall also be reviewed by that commission, authority, or political subdivision for consistency with its transit programs, policies, and plans. ~~Any regional development commission that has not adopted a transportation plan may review but may not approve or disapprove of any application.~~

Sec. 45. Minnesota Statutes 2009 Supplement, section 174.24, subdivision 1a, is amended to read:

Subd. 1a. ~~Transit service needs implementation~~ **Greater Minnesota transit investment plan.** (a) The commissioner shall develop a greater Minnesota transit service needs implementation investment plan that contains a goal of meeting at least 80 percent of ~~unmet~~ total transit service needs in greater Minnesota by July 1, 2015, and meeting at least 90 percent of ~~unmet~~ total transit service needs in greater Minnesota by July 1, 2025.

(b) The plan must include, but is not limited to, the following:

(1) an analysis of ridership and total transit service needs throughout greater Minnesota;

(2) a calculation of ~~unmet needs; an assessment of the level and type of service required to meet~~ unmet total transit service needs, for the transit system classifications as provided under subdivision 3b, paragraph (c), of urbanized area, small urban area, rural area, and elderly and disabled service;

(3) an analysis of costs and revenue options; ~~and,~~

(4) a plan to reduce ~~unmet total~~ total transit service needs as specified in this subdivision; ~~and~~

(5) identification of the operating and capital costs necessary to meet 100 percent of the greater Minnesota transit targeted and projected bus service hours, as identified in the greater Minnesota transit plan, for 2010, 2015, 2020, 2025, and 2030.

(c) The plan must specifically address special transportation service ridership and needs. The plan must also provide that recipients of operating assistance under this section provide fixed

route public transit service without charge for disabled veterans in accordance with subdivision 7. ~~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.~~

Sec. 46. Minnesota Statutes 2008, section 174.24, subdivision 2, is amended to read:

Subd. 2. **Eligibility; application.** Any legislatively established public transit commission or authority, any county or statutory or home rule charter city providing financial assistance to or operating public transit, any private operator of public transit, or any combination thereof is eligible to receive financial assistance through the public transit participation program. Except as provided in subdivision 2b for assistance provided from federal funds, eligible recipients must be located outside of the metropolitan area.

Sec. 47. Minnesota Statutes 2008, section 174.24, is amended by adding a subdivision to read:

Subd. 2b. **Federal aid.** (a) The commissioner may accept and disburse federal funds received and appropriated under section 174.23, subdivision 1, as an additional source of funds for implementing the public transit participation program established in this section. This authority includes, but is not limited to:

(1) adopting administrative rules to establish financial assistance allocation priorities, identify factors to consider in reviewing an applicant's management plan, evaluate a request for financial assistance, and determine the amount of financial assistance to be provided; and

(2) establishing project selection criteria under the United States Code, title 49, section 5311, state management plan as approved by the Federal Transit Administration, United States Department of Transportation.

(b) If the commissioner accepts and disburses federal funds as provided in paragraph (a), the commissioner shall:

(1) maintain separate accounts for (i) state sources of funds, and (ii) federal sources of funding; and

(2) ensure that all state sources of funds are only used for assistance to eligible recipients as provided in subdivision 2.

Sec. 48. Minnesota Statutes 2008, section 174.24, subdivision 3b, is amended to read:

Subd. 3b. **Operating assistance; recipient classifications.** (a) The commissioner shall determine the total operating cost of any public transit system receiving or applying for assistance in accordance with generally accepted accounting principles. To be eligible for financial assistance, an applicant or recipient shall provide to the commissioner all financial records and other information and shall permit any inspection reasonably necessary to determine total operating cost and correspondingly the amount of assistance that may be paid to the applicant or recipient. Where more than one county or municipality contributes assistance to the operation of a public transit system, the commissioner shall identify one as lead agency for the purpose of receiving money under this section.

(b) Prior to distributing operating assistance to eligible recipients for any contract period, the commissioner shall place all recipients into one of the following classifications: urbanized area

service, small urban area service, rural area service, and elderly and disabled service.

(c) The commissioner shall distribute funds under this section so that the percentage of total contracted operating cost paid by any recipient from local sources will not exceed the percentage for that recipient's classification, except as provided in ~~an undue hardship case~~ this subdivision. The percentages must be:

- (1) for urbanized area service and small urban area service, 20 percent;
- (2) for rural area service, 15 percent; and
- (3) for elderly and disabled service, 15 percent.

Except as provided in a United States Department of Transportation program allowing or requiring a lower percentage to be paid from local sources, the remainder of the recipient's total contracted operating cost will be paid from state sources of funds less any assistance received by the recipient from any federal source the United States Department of Transportation.

(d) For purposes of this subdivision, "local sources" means all local sources of funds and includes all operating revenue, tax levies, and contributions from public funds, except that the commissioner may exclude from the total assistance contract revenues derived from operations the cost of which is excluded from the computation of total operating cost. ~~Total operating costs of the Duluth Transit Authority or a successor agency does not include costs related to the Superior, Wisconsin service contract and the Independent School District No. 709 service contract.~~

~~(e)~~ (e) If a recipient informs the commissioner in writing after the establishment of these percentages but prior to the distribution of financial assistance for any year that paying its designated percentage of total operating cost from local sources will cause undue hardship, the commissioner may reduce the percentage to be paid from local sources by the recipient and increase the percentage to be paid from local sources by one or more other recipients inside or outside the classification. However, the commissioner may not reduce or increase any recipient's percentage under this paragraph for more than two years successively. If for any year the funds appropriated to the commissioner to carry out the purposes of this section are insufficient to allow the commissioner to pay the state share of total operating cost as provided in this paragraph, the commissioner shall reduce the state share in each classification to the extent necessary.

Sec. 49. Minnesota Statutes 2009 Supplement, section 174.24, subdivision 5, is amended to read:

**Subd. 5. Method of payment, operating assistance.** Payments for operating assistance under this section from state sources of funds must be made in the following manner:

- (a) For payments made from the general fund:
  - (1) 50 percent of the total contract amount in or before the first month of operation;
  - (2) 40 percent of the total contract amount in or before the seventh month of operation;
  - (3) 9 percent of the total contract amount in or before the 12th month of operation; and
  - (4) 1 percent of the total contract amount after the final audit.
- (b) For payments made from the greater Minnesota transit account:

- (1) 50 percent of the total contract amount in or before the seventh month of operation; and
- (2) 50 percent of the total contract amount in or before the 11th month of operation.

Sec. 50. Minnesota Statutes 2008, section 174.247, is amended to read:

**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:
  - (i) the operating and capital costs;
  - (ii) each of the funding sources used to provide financial assistance; and
  - (iii) for federal funds, the amount from each specific federal program under which funding is provided;
- (6) a summary of the differences in program implementation requirements and aid recipient eligibility between federal aid and state sources of funds;
- (7) in each odd-numbered year, an analysis of public transit system needs and operating expenditures on an annual basis, which must include a methodology for identifying monetary needs, and calculations of:
  - (i) the total monetary needs for all public transit systems, for the year of the report and the ensuing five years;
  - (ii) the total expenditures from local sources for each transit system classification;
  - (iii) the comprehensive transit assistance percentage for each transit system classification, which equals (A) the expenditures identified under clause (7), item (ii), for a transit system classification, divided by (B) the amounts identified under subitem (A), plus the sum of state sources of funds plus federal funds provided to all transit systems in that classification; and
  - (iv) ~~in each odd-numbered year, beginning in 2009, a calculation of the amounts the amount of surplus or insufficient funds available for (i) paying the state share of transit operating costs under section 174.24, subdivision 3b, and (ii) paying capital and operating costs to fully implement the transit service needs implementation~~ greater Minnesota transit investment plan under section

174.24, subdivision 1a.

Sec. 51. **[174.285] MINNESOTA COUNCIL ON TRANSPORTATION ACCESS.**

Subdivision 1. **Council established.** A Minnesota Council on Transportation Access is established to study, evaluate, oversee, and make recommendations to improve the coordination, availability, accessibility, efficiency, cost-effectiveness, and safety of transportation services provided to the transit public. "Transit public" means those persons who utilize public transit and those who, because of mental or physical disability, income status, or age are unable to transport themselves and are dependent upon others for transportation services.

Subd. 2. **Duties of council.** In order to accomplish the purposes in subdivision 1, the council, following consultation with the legislative committees or divisions with jurisdiction over transportation policy and budget, or with appropriate legislative transportation subcommittees, shall adopt a biennial work plan that must incorporate the following activities:

(1) compile information on existing transportation alternatives for the transit public, and serve as a clearinghouse for information on services, funding sources, innovations, and coordination efforts;

(2) identify best practices and strategies that have been successful in Minnesota and in other states for coordination of local, regional, state, and federal funding and services;

(3) recommend statewide objectives for providing public transportation services for the transit public;

(4) identify barriers prohibiting coordination and accessibility of public transportation services and aggressively pursue the elimination of those barriers;

(5) recommend policies and procedures for coordinating local, regional, state, and federal funding and services for the transit public;

(6) identify stakeholders in providing services for the transit public, and seek input from them concerning barriers and appropriate strategies;

(7) recommend guidelines for developing transportation coordination plans throughout the state;

(8) encourage all state agencies participating in the council to purchase trips within the coordinated system;

(9) facilitate the creation and operation of transportation brokerages to match riders to the appropriate service, promote shared dispatching, compile and disseminate information on transportation options, and promote regional communication;

(10) encourage volunteer driver programs and recommend legislation to address liability and insurance issues;

(11) recommend minimum performance standards for delivery of services;

(12) identify methods to eliminate fraud and abuse in special transportation services;

(13) develop a standard method for addressing liability insurance requirements for transportation services purchased, provided, or coordinated;

- (14) design and develop a contracting template for providing coordinated transportation services;
- (15) recommend an interagency uniform contracting and billing and accounting system for providing coordinated transportation services;
- (16) encourage the design and development of training programs for coordinated transportation services;
- (17) encourage the use of public school transportation vehicles for the transit public;
- (18) develop an allocation methodology that equitably distributes transportation funds to compensate units of government and all entities that provide coordinated transportation services;
- (19) identify policies and necessary legislation to facilitate vehicle sharing; and
- (20) advocate aggressively for eliminating barriers to coordination, implementing coordination strategies, enacting necessary legislation, and appropriating resources to achieve the council's objectives.

Subd. 3. **Coordination with legislative committees.** The council shall coordinate its meeting schedule and activities pursuant to its work plan, to the extent practicable, with legislative committees and divisions with jurisdiction over transportation budget and policy, or with appropriate subcommittees. The chairperson of the council shall act as a liaison with the chairs and ranking minority members of the legislative transportation committees, divisions, and appropriate subcommittees, in carrying out these duties.

Subd. 4. **Membership.** (a) The council is composed of the following 13 members:

- (1) one representative from the Office of the Governor;
  - (2) one representative from the Council on Disability;
  - (3) one representative from the Minnesota Public Transit Association;
  - (4) the commissioner of transportation or a designee;
  - (5) the commissioner of human services or a designee;
  - (6) the commissioner of health or a designee;
  - (7) the chair of the Metropolitan Council or a designee;
  - (8) the commissioner of education or a designee;
  - (9) the commissioner of veterans affairs or a designee;
  - (10) one representative from the Board on Aging;
  - (11) the commissioner of employment and economic development or a designee;
  - (12) the commissioner of commerce or a designee; and
  - (13) the commissioner of management and budget or a designee.
- (b) All appointments required by paragraph (a) must be completed by August 1, 2010.

(c) The commissioner of transportation or a designee shall convene the first meeting of the council within two weeks after the members have been appointed to the council. The members shall elect a chairperson from their membership at the first meeting.

(d) The Department of Transportation and the Department of Human Services shall provide necessary staff support for the council.

Subd. 5. **Report.** By January 15 of each year, beginning in 2012, the council shall report its findings, recommendations, and activities to the governor's office and to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation, health, and human services, and to the legislature as provided under section 3.195.

Subd. 6. **Reimbursement.** Members of the council shall receive reimbursement of expenses from the commissioner of transportation as provided in section 15.059, subdivision 3.

Subd. 7. **Transfer of appropriation.** The amount appropriated to the Metropolitan Council in Laws 2009, chapter 36, article 1, section 4, subdivision 2, for the administrative expenses of the Minnesota Council on Transportation Access, and for other costs relating to the preparation of required reports, including the costs of hiring a consultant, is transferred to the Department of Transportation for the same purposes.

Subd. 8. **Expiration.** This section expires June 30, 2014.

#### Sec. 52. [174.75] COMPLETE STREETS.

Subdivision 1. **Definition.** "Complete streets" is the planning, scoping, design, implementation, operation, and maintenance of roads in order to reasonably address the safety and accessibility needs of users of all ages and abilities. Complete streets considers the needs of motorists, pedestrians, transit users and vehicles, bicyclists, and commercial and emergency vehicles moving along and across roads, intersections, and crossings in a manner that is sensitive to the local context and recognizes that the needs vary in urban, suburban, and rural settings.

Subd. 2. **Implementation.** The commissioner shall implement a complete streets policy after consultation with stakeholders, state and regional agencies, local governments, and road authorities. The commissioner, after such consultation, shall address relevant protocols, guidance, standards, requirements, and training, and shall integrate related principles of context-sensitive solutions.

Subd. 3. **Report.** Beginning in 2011, the commissioner shall report on the implementation of the complete streets policy in the agency's biennial budget submission under section 174.02.

Subd. 4. **Local road authorities.** Local road authorities are encouraged, but not required, to create and adopt complete streets policies for their roads that reflect local context and goals. Nothing in this section may be construed to prohibit a local road authority from adopting a complete streets policy that incorporates or exceeds statutory complete streets principles.

Subd. 5. **Variations from engineering standards.** (a) When evaluating a request for a variance from the engineering standards for state-aid projects under chapter 162 in which the variance request is related to complete streets, the commissioner shall consider the latest edition of:

(1) A Policy on Geometric Design of Highways and Streets, from the American Association of State Highway and Transportation Officials; and



(2) for projects in urban areas, the Context Sensitive Solutions in Designing Major Urban Thoroughfares for Walkable Communities, from the Institute of Transportation Engineers.

(b) If the commissioner denies a variance request related to complete streets, the commissioner shall provide written reasons for the denial to the political subdivision that submitted the request.

Sec. 53. Minnesota Statutes 2008, section 174.86, subdivision 5, is amended to read:

Subd. 5. **Commuter Rail Corridor Coordinating Committee.** (a) A Commuter Rail Corridor Coordinating Committee ~~shall be~~ is established to advise the commissioner on issues relating to the alternatives analysis, environmental review, advanced corridor planning, preliminary engineering, final design, implementation method, construction of commuter rail, public involvement, land use, service, and safety. The Commuter Rail Corridor Coordinating Committee shall consist of:

(1) one member representing each significant funding partner in whose jurisdiction the line or lines are located;

(2) one member appointed by each county in which the corridors are located;

(3) one member appointed by each city in which advanced corridor plans indicate that a station may be located;

(4) two members appointed by the commissioner, one of whom shall be designated by the commissioner as the chair of the committee;

(5) one member appointed by each metropolitan planning organization through which the commuter rail line may pass; ~~and~~

(6) one member appointed by the president of the University of Minnesota, if a designated corridor provides direct service to the university; and

(7) two ex-officio members who are members of labor organizations operating in, and with authority for, trains or rail yards or stations junctioning with freight and commuter rail lines on corridors, with one member appointed by the speaker of the house and the other member appointed by the senate Rules and Administration Subcommittee on Committees.

(b) A joint powers board existing on April 1, 1999, consisting of local governments along a commuter rail corridor, shall perform the functions set forth in paragraph (a) in place of the committee.

(c) Notwithstanding section 15.059, subdivision 5, the committee does not expire.

Sec. 54. Minnesota Statutes 2008, section 219.01, is amended to read:

**219.01 TRACK SAFETY STANDARDS; SAFETY TECHNOLOGY GRANTS.**

(a) The track safety standards of the United States Department of Transportation and Federal Railroad Administration apply to railroad trackage and are the standards for the determination of unsafe trackage within the state.

(b) The commissioner of transportation shall apply to the Federal Railroad Administration under Public Law 110-432, the Railroad Safety Enhancement Act of 2008 (the act), for (1) railroad safety technology grant funding available under section 105 of the act and (2) development and

installation of rail safety technology, including provision for switch position indicator signals in nonsignalized main track territory, under section 406 of the act. The commissioner shall respond and make application to the Federal Railroad Administration notice of funds availability under the Rail Safety Assurance Act in a timely manner and before the date of the program deadline to assure full consideration of the application. The commissioner shall (i) prioritize grant requests for the installation of switch indicator signals on all segments of nonsignalized track where posted speeds are in excess of 20 miles per hour and (ii) apply for grant funding in each year after 2010 until all nonsignalized track territory in the state has switch indicator signals installed and in operation.

(c) Prior to applying for funds under paragraph (b), the commissioner shall solicit grant requests from all eligible railroads. The commissioner shall submit written notice to the chairs of the legislative committees with jurisdiction over transportation policy and finance of an acceptance by a class I or class II railroad of federal grant program funding for switch point indicator monitor systems.

(d) Participating railroads shall provide the 20 percent nonfederal match. Railroads shall provide all technical documentation requested by the commissioner and required by the Federal Railroad Administration for the applications under paragraph (b). Railroads are responsible for developing, acquiring, and installing all rail safety technology obtained under this section in accordance with requirements established by the Federal Railroad Administration.

Sec. 55. Minnesota Statutes 2008, section 221.012, is amended by adding a subdivision to read:

Subd. 27a. **Motor carrier of railroad employees.** "Motor carrier of railroad employees" means a motor carrier engaged in the for-hire transportation of railroad employees of a class I or II common carrier, as defined in Code of Federal Regulations, title 49, part 1201, general instruction 1-1, under the terms of a contractual agreement with a common carrier, as defined in section 218.011, subdivision 10.

Sec. 56. Minnesota Statutes 2008, section 221.012, subdivision 38, is amended to read:

**Subd. 38. Small vehicle passenger service.** (a) "Small vehicle passenger service" means a service provided by a person engaged in the for-hire transportation of passengers in a vehicle designed to transport seven or fewer persons, including the driver.

(b) In the metropolitan area as defined in section 473.121, subdivision 2, "small vehicle passenger service" also includes for-hire transportation of persons who are certified by the Metropolitan Council to use special transportation service provided under section 473.386, in a vehicle designed to transport not more than 15 persons including the driver, that is equipped with a wheelchair lift and at least three wheelchair securement positions.

(c) Small vehicle passenger service does not include a motor carrier of railroad employees.

Sec. 57. [221.0255] **MOTOR CARRIER OF RAILROAD EMPLOYEES.**

(a) A motor carrier of railroad employees must meet the requirements specified in this section, is subject to section 221.291, and is otherwise exempt from the provisions of this chapter.

(b) A vehicle operator for a motor carrier of railroad employees who transports passengers must:

(1) have a valid driver's license under chapter 171; and

(2) submit to a physical examination.

(c) The carrier must implement a policy that provides for annual training and certification of the operator in:

(1) safe operation of the vehicle transporting railroad employees;

(2) knowing and understanding relevant laws, rules of the road, and safety policies;

(3) handling emergency situations;

(4) proper use of seat belts;

(5) performance of pretrip and posttrip vehicle inspections, and inspection record keeping; and

(6) proper maintenance of required records.

(d) The carrier must:

(1) perform a background check or background investigation of the operator;

(2) annually verify the operator's driver's license;

(3) document meeting the requirements in this subdivision, and maintain the file at the carrier's business location;

(4) maintain liability insurance in a minimum amount of \$5,000,000 regardless of the seating capacity of the vehicle; and

(5) maintain uninsured and underinsured coverage in a minimum amount of \$1,000,000.

If a party contracts with the motor carrier on behalf of the railroad to transport the railroad employees, then the insurance requirements may be satisfied by either that party or the motor carrier, so long as the motor carrier is a named insured or additional insured under any policy.

(e) A person who sustains a conviction 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, may not operate a vehicle under this subdivision for five years from the date of conviction. A person who sustains a conviction of a moving offense in violation of chapter 169 within three years of the first of three other moving offenses may not operate a vehicle under this subdivision for one year from the date of the last conviction. 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 vehicle under this subdivision.

(f) An operator who sustains a conviction as described in paragraph (e) while employed by the carrier shall report the conviction to the carrier within ten days of the date of the conviction.

(g) A carrier must implement a mandatory alcohol and controlled substance testing program as provided under sections 181.950 to 181.957 that consists of preemployment testing, postaccident testing, random testing, reasonable suspicion testing, return-to-duty testing, and follow-up testing.

(h) A motor carrier of railroad employees shall not allow or require a driver to drive or remain on duty for more than: ten hours after eight consecutive hours off duty; 15 hours of combined on-duty

time and drive time since last obtaining eight consecutive hours of off-duty time; or 70 hours of on-duty and drive time in any period of eight consecutive days. After 24 hours off duty, a driver begins a new seven consecutive day period and on-duty time is reset to zero.

(i) An operator who encounters an emergency and cannot, because of that emergency, safely complete a transportation assignment within the ten-hour maximum driving time permitted under paragraph (h), may drive for not more than two additional hours in order to complete that transportation assignment or to reach a place offering safety for the occupants of the vehicle and security for the transport motor vehicle, if the transportation assignment reasonably could have been completed within the ten-hour period absent the emergency.

(j) A carrier shall maintain and retain for a period of six months accurate time records that show the time the driver reports for duty each day; the total number of hours of on-duty time for each driver for each day; the time the driver is released from duty each day; and the total number of hours driven each day.

(k) For purposes of this subdivision, the following terms have the meanings given:

(1) "conviction" has the meaning given in section 609.02; and

(2) "on-duty time" means all time at a terminal, facility, or other property of a contract carrier or on any public property waiting to be dispatched. On-duty time includes time spent inspecting, servicing, or conditioning the vehicle.

**EFFECTIVE DATE.** Paragraph (d), clause (5), is effective July 1, 2011.

Sec. 58. Minnesota Statutes 2009 Supplement, section 299D.03, subdivision 5, is amended to read:

**Subd. 5. Traffic fines and forfeited bail money.** (a) All fines and forfeited bail money collected from persons apprehended or arrested by officers of the State Patrol shall be transmitted by the person or officer collecting the fines, forfeited bail money, or installments thereof, on or before the tenth day after the last day of the month in which these moneys were collected, to the commissioner of management and budget. Except where a different disposition is required in this subdivision or section 387.213, or otherwise provided by law, three-eighths of these receipts must be deposited in the state treasury and credited to the state general fund. The other five-eighths of these receipts must be deposited in the state treasury and credited as follows: (1) the first ~~\$600,000~~ \$1,000,000 in each fiscal year must be credited to the Minnesota grade crossing safety account in the special revenue fund, and (2) remaining receipts must be credited to the state trunk highway fund. If, however, the violation occurs within a municipality and the city attorney prosecutes the offense, and a plea of not guilty is entered, one-third of the receipts shall be deposited in the state treasury and credited to the state general fund, one-third of the receipts shall be paid to the municipality prosecuting the offense, and one-third shall be deposited in the state treasury and credited to the Minnesota grade crossing safety account or the state trunk highway fund as provided in this paragraph. When section 387.213 also is applicable to the fine, section 387.213 shall be applied before this paragraph is applied. All costs of participation in a nationwide police communication system chargeable to the state of Minnesota shall be paid from appropriations for that purpose.

(b) ~~Notwithstanding any other provisions of law,~~ All fines and forfeited bail money from violations of statutes governing the maximum weight of motor vehicles, collected from persons

apprehended or arrested by employees of the state of Minnesota, by means of stationary or portable scales operated by these employees, shall be transmitted by the person or officer collecting the fines or forfeited bail money, on or before the tenth day after the last day of the month in which the collections were made, to the commissioner of management and budget. Five-eighths of these receipts shall be deposited in the state treasury and credited to the state highway user tax distribution fund. Three-eighths of these receipts shall be deposited in the state treasury and credited to the state general fund.

Sec. 59. Minnesota Statutes 2008, section 360.061, subdivision 3, is amended to read:

Subd. 3. **Municipality.** "Municipality" does not include a county unless the county owns or controls an airport, in which case such county may exercise all the powers granted by said sections to other municipalities. It specifically includes a town, an airport authority, the Metropolitan Airports Commission established and operated pursuant to chapter 473, and the state of Minnesota.

Sec. 60. **[383D.75] NEW LOCATION FOR DEPUTY REGISTRAR.**

Notwithstanding section 168.33, and rules adopted by the commissioner of public safety, limiting sites for the office of deputy registrar based on either the distance to an existing deputy registrar office or the annual volume of transactions processed by any deputy registrar, the commissioner of public safety shall permit the deputy registrar of motor vehicles agent number 128 and driver's license agent number 726 for Dakota County to move from the existing deputy registrar location in Burnsville to the Dakota County Burnhaven Library in Burnsville, with full authority to function as a registration and motor vehicle tax collection and driver's license bureau, at the Dakota County Burnhaven Library. All other provisions regarding the appointment and operation of a deputy registrar of motor vehicles and driver's license agent under sections 168.33 and 171.061, and Minnesota Rules, chapter 7406, not inconsistent with this section, apply to the office.

**EFFECTIVE DATE; LOCAL APPROVAL.** This section is effective the day after the governing body of the county of Dakota and its chief clerical officer timely complete their compliance with section 645.021, subdivisions 2 and 3.

Sec. 61. Minnesota Statutes 2008, section 473.167, subdivision 2a, is amended to read:

Subd. 2a. **Hardship Loans for acquisition and relocation.** (a) The council may make hardship loans to acquiring authorities within the metropolitan area to purchase homestead property located in a proposed state trunk highway right-of-way or project, and to provide relocation assistance. Acquiring authorities are authorized to accept the loans and to acquire the property. Except as provided in this subdivision, the loans shall be made as provided in subdivision 2. Loans shall be in the amount of the fair market value of the homestead property plus relocation costs and less salvage value. Before construction of the highway begins, the acquiring authority shall convey the property to the commissioner of transportation at the same price it paid, plus relocation costs and less its salvage value. Acquisition and assistance under this subdivision must conform to sections 117.50 to 117.56.

(b) The council may make hardship loans only when:

(1) the owner of affected homestead property requests acquisition and relocation assistance from an acquiring authority;

(2) federal or state financial participation is not available;

(3) the owner is unable to sell the homestead property at its appraised market value because the property is located in a proposed state trunk highway right-of-way or project as indicated on an official map or plat adopted under section 160.085, 394.361, or 462.359; and

(4) the council agrees to and approves the fair market value of the homestead property, which approval shall not be unreasonably withheld; ~~and.~~

~~(5) the owner of the homestead property is burdened by circumstances that constitute a hardship, such as catastrophic medical expenses; a transfer of the homestead owner by the owner's employer to a distant site of employment; or inability of the owner to maintain the property due to physical or mental disability or the permanent departure of children from the homestead.~~

(c) For purposes of this subdivision, the following terms have the meanings given them.

(1) "Acquiring authority" means counties, towns, and statutory and home rule charter cities in the metropolitan area.

(2) "Homestead property" means: (i) a single-family dwelling occupied by the owner, and the surrounding land, not exceeding a total of ten acres; or (ii) a manufactured home, as defined in section 327B.01, subdivision 13.

(3) "Salvage value" means the probable sale price of the dwelling and other property that is severable from the land if offered for sale on the condition that it be removed from the land at the buyer's expense, allowing a reasonable time to find a buyer with knowledge of the possible uses of the property, including separate use of serviceable components and scrap when there is no other reasonable prospect of sale.

Sec. 62. Minnesota Statutes 2008, section 473.411, subdivision 5, is amended to read:

Subd. 5. **Use of public roadways and appurtenances.** The council may use for the purposes of sections 473.405 to 473.449 upon the conditions stated in this subdivision any state highway or other public roadway, parkway, or lane, or any bridge or tunnel or other appurtenance of a roadway, without payment of any compensation, provided the use does not interfere unreasonably with the public use or maintenance of the roadway or appurtenance or entail any substantial additional costs for maintenance. The provisions of this subdivision do not apply to the property of any common carrier railroad or common carrier railroads. The consent of the public agency in charge of such state highway or other public highway or roadway or appurtenance is not required; except that if the council seeks to use a designated parkway for regular route service in the city of Minneapolis, it must obtain permission from and is subject to reasonable limitations imposed by a joint board consisting of two representatives from the council, two members of the board of park commissioners, and a fifth member jointly selected by the ~~representatives of the council and the park~~ other members of the board. If the use is a designated Minneapolis parkway for regular route service adjacent to the city of Minneapolis, it must obtain permission from and is subject to reasonable limitations imposed by a joint board consisting of two representatives from the council, two members of the board of park commissioners, and a fifth member jointly selected by other members of the board. The joint board must include a nonvoting member appointed by the council of the city in which the parkway is located.

The board of park commissioners and the council may designate persons to sit on the joint board. In considering a request by the council to use designated parkways for additional routes or

trips, the joint board consisting of the council or their designees, the board of park commissioners or their designees, and the fifth member, shall base its decision to grant or deny the request based on the criteria to be established by the joint board. The decision to grant or deny the request must be made within 45 days of the date of the request. The park board must be notified immediately by the council of any temporary route detours. If the park board objects to the temporary route detours within five days of being notified, the joint board must convene and decide whether to grant the request, otherwise the request is deemed granted. If the agency objects to the proposed use or claims reimbursement from the council for additional cost of maintenance, it may commence an action against the council in the district court of the county wherein the highway, roadway, or appurtenance, or major portion thereof, is located. The proceedings in the action must conform to the Rules of Civil Procedure applicable to the district courts. The court shall sit without jury. If the court determines that the use in question interferes unreasonably with the public use or maintenance of the roadway or appurtenance, it shall enjoin the use by the council. If the court determines that the use in question does not interfere unreasonably with the public use or maintenance of the roadway or appurtenance, but that it entails substantial additional maintenance costs, the court shall award judgment to the agency for the amount of the additional costs. Otherwise the court shall award judgment to the council. An aggrieved party may appeal from the judgment of the district court in the same manner as is provided for such appeals in other civil actions. The council may also use land within the right-of-way of any state highway or other public roadway for the erection of traffic control devices, other signs, and passenger shelters upon the conditions stated in this subdivision and subject only to the approval of the commissioner of transportation where required by statute, and subject to the express provisions of other applicable statutes and to federal requirements where necessary to qualify for federal aid.

Sec. 63. Minnesota Statutes 2008, section 514.18, subdivision 1a, is amended to read:

Subd. 1a. **Towed motor vehicles.** A person who tows and stores a motor vehicle at the request of a law enforcement officer shall have a lien on the motor vehicle for the value of the storage and towing and the right to retain possession of the motor vehicle until the lien is lawfully discharged. This section does not apply to tows ~~authorized in section 169.041, subdivision 4, clause (1) of vehicles parked in violation of snow emergency regulations.~~

Sec. 64. Laws 2008, chapter 287, article 1, section 122, is amended to read:

Sec. 122. **NULLIFICATION OF EXPEDITED TOWN ROAD EXTINGUISHMENT.**

(a) Any extinguishment of town interest in a town road under Minnesota Statutes, section 164.06, subdivision 2, is hereby nullified if:

(1) the interest was not recorded or filed with the county recorder but was recorded or filed with the county auditor prior to 1972;

(2) the state or a political subdivision has constructed or funded a road or bridge improvement on a right-of-way affected by the interest;

(3) the affected road was the only means of access to a property;

(4) the extinguishment took place within the last ten years; and

(5) a person whose only access to property was lost because of the extinguishment files a petition of a nullification with the town board stating that the person's property became landlocked because

of the extinguishment and that the road satisfies all of the requirements of paragraph (a), clauses (1) to (4). A copy of the road order found filed or recorded with the county auditor must be attached to the petition. The town shall file the petition with the county auditor and record it with the county recorder.

(b) Notwithstanding Minnesota Statutes, sections 164.08, subdivision 1, and 541.023, for any nullification under paragraph (a), the affected road is hereby deemed to be a cartway. No additional damages or other payments may be required other than those paid at the time the fee interest was originally acquired and the order filed with the county auditor. A cartway created by this paragraph may be converted to a private driveway under Minnesota Statutes, section 164.08, subdivision 2.

(c) For purposes of this section, "affected road" means the road in which the town board extinguished its interest.

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

Sec. 65. Laws 2008, chapter 350, article 1, section 5, the effective date, is amended to read:

**EFFECTIVE DATE.** Paragraph (b) and paragraph (c), clause (1), are effective the day following final enactment and apply to any additional tax for a registration period that starts on or after March 1, ~~2011~~ 2012.

Sec. 66. Laws 2009, chapter 36, article 1, section 3, subdivision 3, is amended to read:

**Subd. 3. State Roads**

<b>(a) Infrastructure Operations and Maintenance</b>	251,643,000	245,892,000
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The base appropriation for fiscal years 2012 and 2013 is \$257,395,000 for each year.

**(b) Infrastructure Investment and Planning**

<b>(1) Infrastructure Investment Support</b>	201,461,000	196,935,000
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The base appropriation for fiscal years 2012 and 2013 is \$205,988,000 for each year.

\$266,000 the first year and \$266,000 the second year are available for grants to metropolitan planning organizations outside the seven-county metropolitan area.

\$75,000 the first year and \$75,000 the second year are for a transportation research contingent account to finance research projects that are reimbursable from the federal government or from other sources. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.



\$600,000 the first year and \$600,000 the second year are available for grants for transportation studies outside the metropolitan area to identify critical concerns, problems, and issues. These grants are available (1) to regional development commissions; (2) in regions where no regional development commission is functioning, to joint powers boards established under agreement of two or more political subdivisions in the region to exercise the planning functions of a regional development commission; and (3) in regions where no regional development commission or joint powers board is functioning, to the department's district office for that region.

\$200,000 the second year is for grants to nonprofit job training centers for: (1) job training programs related to highway construction; and (2) business training for companies that are certified disadvantaged business enterprises.

<b>(2) State Road Construction</b>	551,300,000	598,700,000
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The base appropriation for fiscal years 2012 and 2013 is \$635,000,000 for each year.

It is estimated that these appropriations will be funded as follows:

Appropriations by Fund		
Federal Highway Aid	301,100,000	388,500,000
Highway User Taxes	250,200,000	210,200,000

The commissioner of transportation shall notify the chairs and ranking minority members of the senate and house of representatives committees with jurisdiction over transportation finance of any significant events that should cause these estimates to change.

This appropriation is 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 payment to landowners for lands acquired for highway rights-of-way, payment to lessees, interest subsidies, and relocation expenses.

The commissioner may spend up to \$250,000 of trunk highway funds in fiscal year 2011 to pay the operating costs of bus service between Hastings and Minneapolis-St. Paul to mitigate the traffic impacts of the project involving construction of a bridge crossing the Mississippi River in the city of Hastings on marked Trunk Highway 61.

The commissioner shall expend up to one-half of one percent of the federal appropriations under this paragraph as grants to opportunity industrialization centers and other nonprofit job training centers for job training programs related to highway construction.

The commissioner may transfer up to \$15,000,000 each year to the transportation revolving loan fund.

The commissioner may receive money covering other shares of the cost of partnership projects. These receipts are appropriated to the commissioner for these projects.

**(3) Highway Debt Service**

101,170,000

173,400,000

\$86,517,000 the first year and \$157,304,000 the second year are for transfer to the state bond fund. If this appropriation is insufficient to make all transfers required in the year for which it is made, the commissioner of finance shall notify the Committee on Finance of the senate and the Committee on Ways and Means of the house of representatives of the amount of the deficiency and shall then transfer that amount under the statutory open appropriation. Any excess appropriation cancels to the trunk highway fund.

**(c) Electronic Communications**

5,177,000

5,177,000

Appropriations by Fund

General	9,000	9,000
Trunk Highway	5,168,000	5,168,000

The general fund appropriation is to equip and operate the Roosevelt signal tower for Lake of the Woods weather broadcasting.

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

**Sec. 67. ADDITIONAL DEPUTY REGISTRAR OF MOTOR VEHICLES FOR CITY OF FARMINGTON.**

Notwithstanding Minnesota Statutes, section 168.33, and rules adopted by the commissioner of public safety, limiting sites for the office of deputy registrar based on either the distance to an existing deputy registrar office or the annual volume of transactions processed by any deputy registrar, the commissioner of public safety shall appoint a municipal deputy registrar of motor vehicles for the city of Farmington to operate a new full-service Office of Deputy Registrar, with full authority to function as a registration and motor vehicle tax collection bureau, at the city hall in the city of Farmington. All other provisions regarding the appointment and operation of a deputy registrar of motor vehicles under Minnesota Statutes, section 168.33, and Minnesota Rules, chapter 7406, apply to the office.

**EFFECTIVE DATE; LOCAL APPROVAL.** This section is effective the day after the governing body of the city of Farmington and its chief clerical officer timely complete their compliance with Minnesota Statutes, section 645.021, subdivisions 2 and 3.

**Sec. 68. ROUNDABOUTS DESIGN.**

(a) The commissioner of transportation shall, as part of the next regular update of appropriate design and highway construction manuals, develop specifications or standards on the design of roundabouts. The specifications or standards must include consideration of the suitability of roundabout designs for commercial motor vehicles, as defined in Minnesota Statutes, section 169.011, subdivision 16, and disabled persons as defined by Minnesota Statutes, section 256.481.

(b) In developing the specifications or standards, the commissioner shall consult with:

(1) the Minnesota Trucking Association;

(2) representatives, as identified by the commissioner, of persons who regularly obtain oversize or overweight permits under Minnesota Statutes, chapter 169, and are reasonably likely to travel on routes that would include a roundabout; and

(3) the Council on Disability established under Minnesota Statutes, section 256.482.

(c) The commissioner shall distribute the specifications or standards, or a similar advisory guidance document, to local road authorities.

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

**Sec. 69. TIFIA PILOT PROGRAM.**

(a) The commissioner of transportation may conduct a pilot program to apply for and receive financial assistance under the Transportation Infrastructure Finance and Innovation Act of 1998 (TIFIA), United States Code, title 23, chapter 6, or through other federal transportation loan, grant, or credit assistance programs. The assistance may include but is not limited to loans, loan guarantees, and lines of credit. The commissioner may enter into agreements to repay the financial assistance subject to the availability of state money or other dedicated revenue or resources, with the approval of Minnesota Management and Budget.

(b) The pilot program under this section is available for one transportation project identified by the commissioner.

(c) Upon completion of the transportation project under the pilot program, the commissioner shall submit a report on the pilot program to the chairs and ranking minority members of the house of representatives and senate committees having jurisdiction over transportation policy and finance. At a minimum, the report must: describe the transportation project undertaken and each financing mechanism utilized; analyze the effectiveness of each financing mechanism; evaluate the costs, risks, and benefits of additional participation in federal financial assistance programs; and provide any recommendations for related legislative changes. The report may be submitted electronically, and is subject to Minnesota Statutes, section 3.195, subdivision 1.

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

**Sec. 70. NORTHSTAR COMMUTER RAIL INFILL STATIONS IN CITIES OF RAMSEY AND COON RAPIDS.**

The Metropolitan Council shall consider designating Northstar commuter rail stations at the city of Ramsey in the vicinity of the city of Ramsey Municipal Center and in the city of Coon Rapids at Foley Boulevard.

**Sec. 71. REPORT ON FINANCING OF BRIDGE CONSTRUCTION.**

By January 15, 2011, the commissioner of transportation shall report to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation policy and finance on the feasibility of utilizing any potential value capture options or potential public-private partnerships, which may include charging tolls, for construction of a new bridge over the St. Croix River at or near Stillwater. The report must be submitted electronically.

**Sec. 72. COMPLETE STREETS REPORTS.**

The commissioner of transportation shall submit to the chairs and ranking minority members of the house of representatives and senate committees with jurisdiction over transportation policy and finance reports that:

(1) by January 15, 2011, summarize the department's complete streets initiatives, summarize steps taken to expedite and improve the transparency of the state-aid variance process related to complete streets, outline plans to develop and implement a complete streets policy, and identify any statutory barriers to complete streets implementation;

(2) by January 15, 2012, summarize the results of the collaboration under Minnesota Statutes, section 174.75, subdivision 3; identify modifications made to or recommended for protocols, guidance, standards, or other requirements to facilitate complete streets implementation; report

status of development of complete streets performance indicators; outline other work planned related to the complete streets policy; and identify statutory recommendations to facilitate complete streets policy implementation; and

(3) by January 15, 2014, overview the department's implementation of complete streets policy; note updates to protocols, guidance, standards, or requirements; identify any recommendations for supporting local complete streets implementation under the state-aid standards variance process; and identify statutory recommendations to facilitate complete streets policy implementation.

The reports in clauses (1), (2), and (3) must be made available electronically and made available in print only upon request.

**Sec. 73. RULEMAKING EXCEPTION.**

The actions of the commissioner of public safety in establishing physical qualifications for type III vehicle drivers are not rulemaking for purposes of Minnesota Statutes, chapter 14, are not subject to the Administrative Procedure Act contained in Minnesota Statutes, chapter 14, and are not subject to Minnesota Statutes, section 14.386.

**Sec. 74. REPEALER.**

Minnesota Statutes 2008, section 169.041, subdivisions 3 and 4, are repealed."

Delete the title and insert:

"A bill for an act relating to transportation; modifying or adding provisions relating to school bus transportation, transportation construction impacts on business, rest areas, highways, bridges, transportation contracts, variances from rules and engineering standards for local streets and highways, tax-exempt vehicles, license plates, deputy registrars, impounds, towing, quick clearance of highway obstructions, pedestrians, intersection gridlock, bus and type III vehicle operation, various traffic regulations, cargo tank vehicle weight exemptions, drivers' licenses, transportation department goals and mission, the Disadvantaged Business Enterprise Collaborative, transit, a Minnesota Council of Transportation Access, complete streets, a Commuter Rail Corridor Coordinating Committee, railroad track safety, motor carriers, allocation of traffic fines, airport authorities, property acquisition for highways, town road interest extinguishment nullification, Northstar commuter rail, roundabouts design, and a pilot program to obtain federal assistance for transportation projects; providing for bus service during Hastings bridge construction; requiring reports; making technical and clarifying changes; appropriating money; amending Minnesota Statutes 2008, sections 161.14, by adding subdivisions; 161.3426, subdivision 3, by adding a subdivision; 162.02, subdivision 3a; 162.09, subdivision 3a; 165.14, subdivisions 4, 5; 168.002, by adding a subdivision; 168.12, subdivision 2a; 168.123, subdivisions 1, 2, by adding a subdivision; 168.1255, subdivision 1; 168.1293; 168.33, subdivision 2; 168B.06, subdivision 1; 168B.07, subdivision 3; 169.041, subdivision 5, by adding a subdivision; 169.15; 169.26, by adding a subdivision; 169.306; 169.79, subdivision 3; 169.87, by adding a subdivision; 171.321, subdivision 2; 174.01, subdivisions 1, 2; 174.02, subdivision 1a; 174.22, by adding a subdivision; 174.23, subdivisions 1, 2; 174.24, subdivisions 2, 3b, by adding a subdivision; 174.247; 174.86, subdivision 5; 219.01; 221.012, subdivision 38, by adding a subdivision; 360.061, subdivision 3; 473.167, subdivision 2a; 473.411, subdivision 5; 514.18, subdivision 1a; Minnesota Statutes 2009 Supplement, sections 123B.92, subdivision 1; 160.165; 161.14, subdivision 62; 168.012, subdivision 1; 168.12, subdivision 5; 169.71, subdivision 1; 171.02, subdivision 2b; 174.24,

subdivisions 1a, 5; 299D.03, subdivision 5; Laws 2008, chapter 287, article 1, section 122; Laws 2008, chapter 350, article 1, section 5; Laws 2009, chapter 36, article 1, section 3, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 160; 174; 221; 383D; repealing Minnesota Statutes 2008, section 169.041, subdivisions 3, 4."

We request the adoption of this report and repassage of the bill.

Senate Conferees: Steve Murphy, D. Scott Dibble, Michael Jungbauer, Kathy Saltzman, Katie Sieben

House Conferees: Frank Hornstein, Melissa Hortman, Terry Morrow, Bernard Lieder, Dean Urdahl

Senator Murphy moved that the foregoing recommendations and Conference Committee Report on S.F. No. 2540 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S.F. No. 2540 was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 58 and nays 3, as follows:

Those who voted in the affirmative were:

Anderson	Fischbach	Langseth	Ortman	Sheran
Bakk	Fobbe	Latz	Pappas	Sieben
Betzold	Foley	Limmer	Pogemiller	Skoe
Bonoff	Frederickson	Lourey	Prettner Solon	Skogen
Carlson	Gimse	Marty	Rest	Sparks
Clark	Hann	Metzen	Robling	Stumpf
Cohen	Higgins	Michel	Rosen	Torres Ray
Dahle	Ingebrigtsen	Moua	Rummel	Vandever
Dibble	Jungbauer	Murphy	Saltzman	Vickerman
Dille	Kelash	Olseen	Saxhaug	Wiger
Doll	Koch	Olson, G.	Scheid	
Erickson Ropes	Kubly	Olson, M.	Senjem	

Those who voted in the negative were:

Gerlach	Parry	Tomassoni
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So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

### **CONFERENCE COMMITTEE EXCUSED**

Pursuant to Rule 12, Senator Berglin moved that the following members be excused for a Conference Committee on H.F. No. 2614 at 11:30 a.m.:

Senators Berglin, Dille, Prettner Solon, Lourey and Sheran. The motion prevailed.

**MOTIONS AND RESOLUTIONS - CONTINUED**

S.F. No. 1060 and the Conference Committee Report thereon were reported to the Senate.

**CONFERENCE COMMITTEE REPORT ON S.F. NO. 1060**

A bill for an act relating to transportation; modifying management, priorities, research, and planning provisions related to Department of Transportation; requiring reports; amending Minnesota Statutes 2008, sections 161.53; 165.03, by adding a subdivision; 174.02, subdivision 1a; 174.03, subdivision 1a, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 167.

May 10, 2010

The Honorable James P. Metzen  
President of the Senate

The Honorable Margaret Anderson Kelliher  
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 1060 report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that S.F. No. 1060 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2008, section 161.53, is amended to read:

**161.53 RESEARCH ACTIVITIES.**

(a) The commissioner may set aside in each fiscal year up to two percent of the total amount of all funds appropriated to the commissioner other than county state-aid and municipal state-aid highway funds for transportation research including public and private research partnerships. The commissioner shall spend this money for (1) research to improve the design, construction, maintenance, management, and environmental compatibility of transportation systems, including research into and implementation of innovations in bridge-monitoring technology and bridge inspection technology; bridge inspection techniques and best practices; and the cost-effectiveness of deferred or lower cost highway and bridge design and maintenance activities and their impacts on long-term trunk highway costs and maintenance needs; (2) research on transportation policies that enhance energy efficiency and economic development; (3) programs for implementing and monitoring research results; and (4) development of transportation education and outreach activities.

(b) Of all funds appropriated to the commissioner other than state-aid funds, the commissioner shall spend at least 0.1 percent, but not exceeding \$1,200,000 in any fiscal year, for research and related activities performed by the Center for Transportation Studies of the University of Minnesota. The center shall establish a technology transfer and training center for Minnesota transportation professionals.

Sec. 2. Minnesota Statutes 2008, section 165.03, is amended by adding a subdivision to read:

Subd. 8. **Biennial report on bridge inspection quality assurance.** By February 1 of each odd-numbered year, the commissioner shall submit a report electronically to the members of the senate and house of representatives committees with jurisdiction over transportation policy and finance concerning quality assurance for bridge inspections. At a minimum, the report must:

(1) summarize the bridge inspection quality assurance and quality control procedures used in Minnesota;

(2) identify any substantive changes to quality assurance and quality control procedures made in the previous two years;

(3) summarize and provide a briefing on findings from bridge inspection quality reviews performed in the previous two years;

(4) identify actions taken and planned in response to findings from bridge inspection quality reviews performed in the previous two years;

(5) summarize the results of any bridge inspection compliance review by the Federal Highway Administration; and

(6) identify actions in response to the Federal Highway Administration compliance review taken by the department in order to reach full compliance.

Sec. 3. [167.60] **DEBT-FINANCING MANAGEMENT POLICY.**

(a) By July 1, 2010, the commissioner shall develop a debt-financing management policy for trunk highway bonds, federal advanced construction funds, and other forms of highway financing based on debt or future repayment. The policy must be used by the department to guide decision making related to debt financing. The commissioner may update the policy as necessary. In developing and updating the policy, the commissioner shall consult with the commissioner of management and budget and the chairs and ranking minority members of the senate and house of representatives committees with jurisdiction over transportation finance.

(b) The debt-financing management policy must address relevant financial issues, including, but not limited to:

(1) limits on cumulative amounts of debt for the trunk highway system from all state and federal sources;

(2) eligibility of projects for debt-financing funds;

(3) allocation and use of funds;

(4) terms of debt service and methods of repayment;

(5) management of trunk highway fund balance impacts; and

(6) mitigation of risks from different forms of debt financing.

(c) Upon creation or formal revision of the debt-financing management policy, the commissioner shall distribute electronic copies to the members of the senate and house of representatives



committees with jurisdiction over transportation finance, and as required for reports to the legislature under section 3.195, subdivision 1.

Sec. 4. Minnesota Statutes 2008, section 174.02, subdivision 1a, is amended to read:

Subd. 1a. **Mission; efficiency; legislative report, recommendations.** It is part of the department's mission that within the department's resources the commissioner shall endeavor to:

- (1) prevent the waste or unnecessary spending of public money;
- (2) use innovative fiscal and human resource practices to manage the state's resources and operate the department as efficiently as possible;
- (3) minimize the degradation of air and water quality;
- (4) coordinate the department's activities wherever appropriate with the activities of other governmental agencies;
- (5) use technology where appropriate to increase agency productivity, improve customer service, increase public access to information about government, and increase public participation in the business of government;
- (6) utilize constructive and cooperative labor-management practices to the extent otherwise required by chapters 43A and 179A;
- (7) ensure that the safety, maintenance, and preservation of Minnesota's transportation infrastructure is a primary priority;
- (8) report to the legislature on the performance of agency operations and the accomplishment of agency goals in the agency's biennial budget according to section 16A.10, subdivision 1; and
- ~~(8)~~ (9) recommend to the legislature appropriate changes in law necessary to carry out the mission and improve the performance of the department.

Sec. 5. Minnesota Statutes 2008, section 174.02, is amended by adding a subdivision to read:

Subd. 8. **Electronic reports.** For any legislative report required to be submitted by the commissioner by law, in which the report may or must be submitted electronically, the commissioner shall meet the requirements under section 3.195, subdivision 1.

Sec. 6. Minnesota Statutes 2008, section 174.03, subdivision 1a, is amended to read:

Subd. 1a. **Revision of state statewide multimodal transportation plan.** (a) The commissioner shall revise the ~~state~~ statewide multimodal transportation plan by January ~~15, 1996, January 1, 2000, and, if the requirements of clauses (1) and (2) have been met in the previous revision~~ 2013, and by January ~~15~~ of every ~~third even numbered year~~ four years thereafter. Before final adoption of a revised plan, the commissioner shall hold a hearing to receive public comment on the preliminary draft of the revised plan.

~~The~~ (b) Each revised state statewide multimodal transportation plan must:

- (1) incorporate the goals of the state transportation system in section 174.01; ~~and~~
- (2) establish objectives, policies, and strategies for achieving those goals; ~~and~~

(3) identify performance targets for measuring progress and achievement of transportation system goals, objectives, or policies.

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

Sec. 7. Minnesota Statutes 2008, section 174.03, is amended by adding a subdivision to read:

Subd. 1c. **Statewide highway 20-year capital investment plan.** By January 15, 2013, and in conjunction with each future revision of the statewide multimodal transportation plan, the commissioner shall prepare a 20-year statewide highway capital investment plan that:

(1) incorporates performance measures and targets for assessing progress and achievement of the state's transportation goals, objectives, and policies identified in this chapter for the state trunk highway system, and those goals, objectives, and policies established in the statewide multimodal transportation plan. Performance targets must be based on objectively verifiable measures, and address, at a minimum, preservation and maintenance of the structural condition of state highway bridges and pavements, safety, and mobility;

(2) summarizes trends and impacts for each performance target over the past five years;

(3) summarizes the amount and analyzes the impact of the department's capital investments and priorities over the past five years on each performance target, including a comparison of prior plan projected costs with actual costs;

(4) identifies the investments required to meet the established performance targets over the next 20-year period;

(5) projects available state and federal funding over the 20-year period, including any unique, competitive, time-limited, or focused funding opportunities;

(6) identifies strategies to ensure the most efficient use of existing transportation infrastructure, and to maximize the performance benefits of projected available funding;

(7) establishes investment priorities for projected funding, including a schedule of major projects or improvement programs for the 20-year period together with projected costs and impact on performance targets; and

(8) identifies those performance targets identified under clause (1) not expected to meet the target outcome over the 20-year period together with alternative strategies that could be implemented to meet the targets.

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

Sec. 8. **[174.93] GUIDEWAY INVESTMENT.**

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

(1) "commissioner" means the commissioner of transportation; and

(2) "guideway" means a form of transportation service provided to the public on a regular and ongoing basis, that operates on exclusive or controlled rights-of-way or rails in whole or in part, and includes each line for intercity passenger rail, commuter rail, light rail transit, streetcars, and

bus rapid transit.

(b) For purposes of this section, "sources of funds" includes, but is not limited to, money from federal aid, state appropriations, the Metropolitan Council, special taxing districts, local units of government, fare box recovery, and nonpublic sources.

Subd. 2. **Legislative report.** (a) By November 15 in every odd-numbered year, the commissioner shall prepare, in collaboration with the Metropolitan Council, and submit a report electronically to the chairs and ranking minority members of the house of representatives and senate committees with jurisdiction over transportation policy and finance concerning the status of guideway projects (1) currently in study, planning, development, or construction; (2) identified in the transportation policy plan under section 473.146; or (3) identified in the comprehensive statewide freight and passenger rail plan under section 174.03, subdivision 1b.

(b) At a minimum, the report must include, for each guideway project:

(1) a brief description of the project, including projected ridership;

(2) a summary of the overall status and current phase of the project;

(3) a timeline that includes (i) project phases or milestones; (ii) expected and known dates of commencement of each phase or milestone; and (iii) expected and known dates of completion of each phase or milestone;

(4) a brief progress update on specific project phases or milestones completed since the last previous submission of a report under this subdivision; and

(5) a summary financial plan that identifies, to the extent available:

(i) capital expenditures, including expenditures to date and total projected expenditures, with a breakdown by committed and proposed sources of funds for the project; and

(ii) estimated annual operations and maintenance expenditures reflecting the level of detail available in the current phase of the project development, with a breakdown by committed and proposed sources of funds for the projects in the Metropolitan Council's transportation policy plan.

Sec. 9. **REPORT ON DEPARTMENT OF TRANSPORTATION MANAGEMENT CHANGES.**

(a) By February 1, 2011, the commissioner of transportation shall submit a report electronically to the members of the senate and house of representatives committees with jurisdiction over transportation policy and finance concerning recent changes in the department's organizational structure, internal procedures and practices, and anticipated budget. The report must include, but is not limited to:

(1) a summary and review of the department organizational structure for bridge management, maintenance, and inspections, including a brief explanation of any relevant structural or organizational changes made since August 1, 2007;

(2) an analysis of the division of bridge-related duties and decision-making responsibilities between districts and central administration;

(3) a summary of current agency procedures and processes, and any changes made since August 1, 2007, related to:

- (i) initiation of bridge re-rating and use of bridge inspection findings in the re-rating process;
- (ii) implementation of agencywide standards for documenting bridge inspection findings and decision making for postinspection bridge maintenance; and
- (iii) other changes designed to ensure or enhance the safety of Minnesota's transportation infrastructure; and

(4) a budget analysis of anticipated funding and funding allocations for pavement preservation and highway maintenance, safety projects, mobility enhancement projects, and highway and bridge construction, for fiscal years 2012 through 2018, including a discussion of any anticipated budgetary challenges or risks.

(b) In addition to an electronic report, the commissioner shall prepare a summary of findings from the report for distribution and oral testimony to the chairs of the senate and house of representatives committees with jurisdiction over transportation finance, who shall make every reasonable effort to arrange testimony from the department during the 2011 legislative session."

Delete the title and insert:

"A bill for an act relating to transportation; modifying management, priorities, research, and planning provisions related to Department of Transportation; requiring reports; amending Minnesota Statutes 2008, sections 161.53; 165.03, by adding a subdivision; 174.02, subdivision 1a, by adding a subdivision; 174.03, subdivision 1a, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 167; 174."

We request the adoption of this report and repassage of the bill.

Senate Conferees: D. Scott Dibble, Kathy Saltzman, Joe Gimse

House Conferees: Melissa Hortman, Frank Hornstein, Carol McFarlane

Senator Dibble moved that the foregoing recommendations and Conference Committee Report on S.F. No. 1060 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S.F. No. 1060 was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 51 and nays 8, as follows:

Those who voted in the affirmative were:

Anderson	Cohen	Foley	Kubly	Michel
Bakk	Dahle	Frederickson	Langseth	Moua
Betzold	Dibble	Gimse	Latz	Murphy
Bonoff	Doll	Higgins	Lourey	Olseen
Carlson	Erickson Ropes	Ingebrigtsen	Marty	Olson, M.
Clark	Fobbe	Kelash	Metzen	Pappas

Parry	Rosen	Senjem	Sparks	Wiger
Pogemiller	Rummel	Sheran	Stumpf	
Prettner Solon	Saltzman	Sieben	Tomassoni	
Rest	Saxhaug	Skoe	Torres Ray	
Robling	Scheid	Skogen	Vickerman	

Those who voted in the negative were:

Fischbach	Hann	Koch	Ortman
Gerlach	Jungbauer	Olson, G.	Vandever

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

### RECESS

Senator Pogemiller moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a brief recess, the President called the Senate to order.

### MOTIONS AND RESOLUTIONS - CONTINUED

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate reverted to the Orders of Business of Messages From the House, Reports of Committees and Second Reading of Senate Bills.

### MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 271, and repassed said bill in accordance with the report of the Committee, so adopted.

**S.F. No. 271:** A bill for an act relating to state government; providing additional whistleblower protection to state employees; amending Minnesota Statutes 2008, section 181.932, subdivision 1.

Senate File No. 271 is herewith returned to the Senate.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned May 11, 2010

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 1060, and repassed said bill in accordance with the report of the Committee, so adopted.

**S.F. No. 1060:** A bill for an act relating to transportation; modifying management, priorities, research, and planning provisions related to Department of Transportation; requiring reports; amending Minnesota Statutes 2008, sections 161.53; 165.03, by adding a subdivision; 174.02,

subdivision 1a; 174.03, subdivision 1a, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 167.

Senate File No. 1060 is herewith returned to the Senate.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned May 11, 2010

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 2505, and repassed said bill in accordance with the report of the Committee, so adopted.

**S.F. No. 2505:** A bill for an act relating to child care; appropriating money to provide statewide child care provider training, coaching, consultation, and supports to prepare for the voluntary Minnesota quality rating system.

Senate File No. 2505 is herewith returned to the Senate.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned May 11, 2010

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 2510, and repassed said bill in accordance with the report of the Committee, so adopted.

**S.F. No. 2510:** A bill for an act relating to economic development; amending the definition of green economy to include the concept of green chemistry; creating a fast-action economic response team; expanding the Minnesota investment fund; removing a grant program restriction; expanding loan program to veteran-owned small businesses; creating the Minnesota Science and Technology Authority; providing for a comparative study of state laws affecting small business start-ups; modifying certain unemployment insurance administrative, benefit, and tax provisions; protecting customers from injuries resulting from use of inflatable play equipment; modifying labor and industry licensing and certain license fee provisions; modifying enforcement requirements of the State Building Code; modifying the requirements of the Manufactured Home Building Code; allowing expedited rulemaking; providing for licensing and regulation of individuals engaged in mortgage loan origination or mortgage loan business; providing for licensing and regulation of appraisal management companies; providing for property acquisition from petroleum tank fund proceeds; clarifying requirements for granting additional cable franchises; regulating cadmium in children's jewelry; regulating the sale and termination of portable electronics insurance; authorizing amendments to a municipal comprehensive plan for affordable housing; amending Iron Range resources provisions; requiring certain reports; appropriating money; amending Minnesota Statutes 2008, sections 58.04, subdivision 1; 58.08, by adding a subdivision; 58.09; 58.10, subdivision 1; 58.11; 60K.36, subdivision 2; 60K.38, subdivision 1; 82B.05, subdivision 5, by adding a

subdivision; 82B.06; 115C.08, subdivision 1; 116J.437, subdivision 1; 116J.8731, subdivisions 1, 4; 116J.996; 181.723, subdivision 5; 238.08, subdivision 1; 268.035, subdivision 20; 268.046, subdivision 1; 268.051, subdivisions 2, 5, 7; 268.07, as amended; 268.085, subdivision 9; 326B.106, subdivision 9; 326B.133, subdivisions 1, 3, 8, 11, by adding subdivisions; 326B.16; 326B.197; 326B.33, subdivisions 18, 20, 21; 326B.42, by adding subdivisions; 326B.44; 326B.46, as amended; 326B.47; 326B.475, subdivision 2; 326B.50, by adding subdivisions; 326B.54; 326B.55, as amended if enacted; 326B.56, as amended; 326B.805, subdivision 6; 326B.83, subdivisions 1, 3, 6; 326B.865; 326B.921, subdivisions 2, 4, 7; 326B.922; 326B.978, subdivision 2, by adding a subdivision; 327.31, subdivision 17, by adding subdivisions; 327.32, subdivision 1, by adding subdivisions; 327B.04, subdivision 2; 462.355, subdivision 3; Minnesota Statutes 2009 Supplement, sections 58.06, subdivision 2; 60K.55, subdivision 2; 82B.05, subdivision 1; 115C.08, subdivision 4; 116J.8731, subdivision 3; 116L.20, subdivision 1; 268.035, subdivision 19a; 268.052, subdivision 2; 268.053, subdivision 1; 268.085, subdivision 1; 268.136, subdivision 1; 326B.33, subdivision 19; 326B.475, subdivision 4; 326B.49, subdivision 1; 326B.58; 326B.815, subdivision 1; 326B.86, subdivision 1; 326B.94, subdivision 4; 326B.986, subdivision 5; 327B.04, subdivisions 7, 7a, 8; 327B.041; Laws 2009, chapter 78, article 1, section 3, subdivision 2; Laws 2010, chapter 216, section 58; proposing coding for new law in Minnesota Statutes, chapters 60K; 116J; 184B; 325E; 326B; proposing coding for new law as Minnesota Statutes, chapters 58A; 82C; 116W; repealing Minnesota Statutes 2008, sections 116J.657; 326B.133, subdivisions 9, 10; 326B.37, subdivision 13; 326B.475, subdivisions 5, 6; 326B.56, subdivision 3; 326B.885, subdivisions 3, 4; 326B.976; 327.32, subdivision 4; 327C.07, subdivisions 3, 3a, 8; Minnesota Statutes 2009 Supplement, sections 58.126; 326B.56, subdivision 4; Laws 2010, chapter 215, article 9, section 3; Minnesota Rules, parts 1301.0500; 1301.0900; 1301.1100, subparts 2, 3, 4; 1350.7200, subpart 3; 1350.8000, subpart 2.

Senate File No. 2510 is herewith returned to the Senate.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned May 11, 2010

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 2540, and repassed said bill in accordance with the report of the Committee, so adopted.

**S.F. No. 2540:** A bill for an act relating to transportation; modifying or adding provisions relating to truck insurance, school bus transportation, transportation construction impacts on business, rest areas, highways, bridges, transportation contracts, variances from rules and engineering standards for local streets and highways, the state park road account, tax-exempt vehicles, license plates, deputy registrars, vehicles and drivers, impounds, towing, pedestrians, intersection gridlock, bus and type III vehicle operation, various traffic regulations, cargo tank vehicle weight exemptions, drivers' licenses, transportation department goals and mission, the Disadvantaged Business Enterprise Collaborative, a Minnesota Council of Transportation Access, complete streets, a Commuter Rail Corridor Coordinating Committee, railroad track safety, motor carriers, allocation of traffic fines, airport authorities, property acquisition for highways, transit, town road interest extinguishment nullification, Northstar commuter rail, and roundabouts design;

providing for State Patrol tax compliance and vehicle crimes investigations; providing for issuance and sale of trunk highway bonds; requiring reports; making technical and clarifying changes; appropriating money; amending Minnesota Statutes 2008, sections 65B.43, subdivision 2; 161.14, by adding subdivisions; 161.3426, subdivision 3, by adding a subdivision; 162.02, subdivision 3a; 162.09, subdivision 3a; 165.14, subdivisions 4, 5; 168.12, subdivisions 2a, 2b, by adding a subdivision; 168.123, subdivisions 1, 2; 168.1255, subdivision 1; 168.1291, subdivisions 1, 2; 168.33, subdivision 2; 168B.04, subdivision 2; 168B.06, subdivision 1; 168B.07, subdivision 3; 169.041, subdivision 5; 169.09, subdivision 5a; 169.15; 169.26, by adding a subdivision; 169.306; 169.79, subdivision 3; 169.87, by adding a subdivision; 169.92, subdivision 4; 171.321, subdivision 2; 174.01, subdivisions 1, 2; 174.02, subdivision 1a; 174.86, subdivision 5; 219.01; 221.012, subdivision 38, by adding a subdivision; 221.0252, subdivision 7; 221.036, subdivisions 1, 3; 221.221, subdivision 3; 221.251, subdivision 1; 360.061, subdivision 3; 473.167, subdivision 2a; 473.411, subdivision 5; 514.18, subdivision 1a; Minnesota Statutes 2009 Supplement, sections 123B.92, subdivision 1; 160.165; 161.14, subdivision 62; 162.06, subdivision 5; 168.012, subdivision 1; 168.12, subdivision 5; 169.71, subdivision 1; 169.865, subdivision 1; 171.02, subdivision 2b; 174.66; 221.026, subdivision 2; 221.031, subdivision 1; 221.122, subdivision 1; 299D.03, subdivision 5; Laws 2008, chapter 287, article 1, section 122; Laws 2009, chapter 36, article 1, sections 1; 3, subdivisions 1, 2, 3; 5, subdivisions 1, 3, 4; proposing coding for new law in Minnesota Statutes, chapters 160; 168; 174; 221; 383D; repealing Minnesota Statutes 2008, sections 169.041, subdivisions 3, 4; 221.161, subdivisions 2, 3; 221.291, subdivision 5; Minnesota Statutes 2009 Supplement, sections 221.161, subdivisions 1, 4; 221.171; Minnesota Rules, parts 7805.0300; 7805.0400.

Senate File No. 2540 is herewith returned to the Senate.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned May 11, 2010

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 2695, and repassed said bill in accordance with the report of the Committee, so adopted.

**S.F. No. 2695:** A bill for an act relating to health; modifying mandatory reporting requirements related to pregnant women; amending Minnesota Statutes 2008, section 626.5561, subdivision 1.

Senate File No. 2695 is herewith returned to the Senate.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned May 11, 2010

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 2933, and repassed said bill in accordance with the report of the Committee, so adopted.



**S.F. No. 2933:** A bill for an act relating to human services; making changes to continuing care policy and technical provisions; amending Minnesota Statutes 2008, sections 245A.03, by adding a subdivision; 626.557, subdivision 9a; Minnesota Statutes 2009 Supplement, sections 144.0724, subdivision 11; 256B.0625, subdivision 19c; 256B.0651, by adding a subdivision; 256B.0652, subdivision 6; 256B.0659, subdivisions 4, 10, 11, 13, 21, 30, by adding a subdivision; 256B.0911, subdivision 2b.

Senate File No. 2933 is herewith returned to the Senate.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned May 11, 2010

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 3147, and repassed said bill in accordance with the report of the Committee, so adopted.

**S.F. No. 3147:** A bill for an act relating to health occupation; requiring license revocation for chiropractors convicted of a felony-level criminal sexual conduct offense; amending Minnesota Statutes 2008, sections 148.10, by adding a subdivision; 364.09.

Senate File No. 3147 is herewith returned to the Senate.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned May 11, 2010

## REPORTS OF COMMITTEES

Senator Pogemiller moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

### **Senator Cohen from the Committee on Finance, to which was referred**

**S.F. No. 3409:** A bill for an act relating to state government; requiring the commissioner of Minnesota Management and Budget to provide a cash flow forecast to the governor and legislature; proposing coding for new law in Minnesota Statutes, chapter 16A.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2009 Supplement, section 137.025, subdivision 1, is amended to read:

Subdivision 1. **Monthly payments.** The commissioner of management and budget shall pay 1/12 of the annual appropriation to the University of Minnesota ~~on~~ by the 21st 25th day of each

month. If the ~~21st~~ 25th day of the month falls on a Saturday or Sunday, the monthly payment must be made ~~on~~ by the first business day immediately following the ~~21st~~ 25th day of the month.

Sec. 2. Minnesota Statutes 2008, section 276.112, is amended to read:

**276.112 STATE PROPERTY TAXES; COUNTY TREASURER.**

~~On or before January 25 each year, for the period ending December 31 of the prior year, and on or before June 28 each year, for the period ending on the most recent settlement day determined in section 276.09, and on or before December 2 each year, for the period ending November 20 the estimated payment and settlement dates provided in this chapter for the settlement of taxes levied by school districts, the county treasurer must make full settlement with the county auditor according to sections 276.09, 276.10, and 276.111 for all receipts of state property taxes levied under section 275.025, and must transmit those receipts to the commissioner of revenue by electronic means on the dates and according to the provisions applicable to distributions to school districts.~~

**EFFECTIVE DATE.** This section is effective for distributions beginning October 1, 2010, and thereafter.

Sec. 3. Minnesota Statutes 2009 Supplement, section 289A.20, subdivision 4, is amended to read:

Subd. 4. **Sales and use tax.** (a) The taxes imposed by chapter 297A are due and payable to the commissioner monthly on or before the 20th day of the month following the month in which the taxable event occurred, or following another reporting period as the commissioner prescribes or as allowed under section 289A.18, subdivision 4, paragraph (f) or (g), except that:

(1) use taxes due on an annual use tax return as provided under section 289A.11, subdivision 1, are payable by April 15 following the close of the calendar year; and

(2) except as provided in paragraph (f), for a vendor having a liability of \$120,000 or more during a fiscal year ending June 30, 2009, and fiscal years thereafter, the taxes imposed by chapter 297A, except as provided in paragraph (b), are due and payable to the commissioner monthly in the following manner:

(i) on or before the 14th day of the month following the month in which the taxable event occurred, the vendor must remit to the commissioner 90 percent of the estimated liability for the month in which the taxable event occurred; and

(ii) on or before the 20th day of the month following the month in which the taxable event occurred, the vendor must pay any additional amount of tax not remitted on or before the 14th day of the month following the month in which the taxable event occurred.

(b) Notwithstanding paragraph (a), a vendor having a liability of \$120,000 or more during a fiscal year ending June 30 must remit the June liability for the next year in the following manner:

(1) Two business days before June 30 of the year, the vendor must remit 90 percent of the estimated June liability to the commissioner.

(2) On or before August 20 of the year, the vendor must pay any additional amount of tax not remitted in June.

(c) A vendor having a liability of:

~~(1) \$20,000 or more in the fiscal year ending June 30, 2005; or~~

~~(2) \$10,000 or more in the, but less than \$120,000 during a fiscal year ending June 30, 2006 2009, and fiscal years thereafter, must remit by electronic means all liabilities on returns due for periods beginning in the subsequent calendar year by electronic means on or before the 20th day of the month following the month in which the taxable event occurred, or on or before the 20th day of the month following the month in which the sale is reported under section 289A.18, subdivision 4, except for 90 percent of the estimated June liability, which is due two business days before June 30. The remaining amount of the June liability is due on August 20; or~~

(2) \$120,000 or more, during a fiscal year ending June 30, 2009, and fiscal years thereafter, must remit by electronic means all liabilities in the manner provided in paragraph (a), clause (2), on returns due for periods beginning in the subsequent calendar year, except for 90 percent of the estimated June liability, which is due two business days before June 30. The remaining amount of the June liability is due on August 20.

(d) Notwithstanding paragraph (b) or (c), a person prohibited by the person's religious beliefs from paying electronically shall be allowed to remit the payment by mail. The filer must notify the commissioner of revenue of the intent to pay by mail before doing so on a form prescribed by the commissioner. No extra fee may be charged to a person making payment by mail under this paragraph. The payment must be postmarked at least two business days before the due date for making the payment in order to be considered paid on a timely basis.

(e) Whenever the liability is \$120,000 or more separately for: (1) the tax imposed under chapter 297A; (2) a fee that is to be reported on the same return as and paid with the chapter 297A taxes; or (3) any other tax that is to be reported on the same return as and paid with the chapter 297A taxes, then the payment of all the liabilities on the return must be accelerated as provided in this subdivision.

(f) At the start of the first calendar quarter at least 90 days after the cash flow account established in section 16A.152, subdivision 1, and the budget reserve account established in section 16A.152, subdivision 1a, reach the amounts listed in section 16A.152, subdivision 2, paragraph (a), the remittance of estimated sales tax collections by the 14th day of a month required under paragraph (a), clause (2), shall be suspended. The commissioner of management and budget shall notify the commissioner of revenue when the accounts have reached the required amounts. Beginning with the suspension of paragraph (a), clause (2), for a vendor with a liability of \$120,000 or more during a fiscal year ending June 30, 2009, and fiscal years thereafter, the taxes imposed by chapter 297A are due and payable to the commissioner on the 20th day of the month following the month in which the taxable event occurred. Payments of tax liabilities for taxable events occurring in June under paragraph (b) are not changed.

**EFFECTIVE DATE.** This section is effective for taxes due and payable after September 1, 2010.

Sec. 4. Minnesota Statutes 2008, section 289A.60, is amended by adding a subdivision to read:

Subd. 31. Accelerated payment of monthly sales tax liability; penalty for underpayment. For payments made after September 1, 2010, if a vendor is required by section 289A.20, subdivision

4, to remit a 90 percent payment by the 14th day of the month following the month in which the taxable event occurred, as an estimation of monthly sales tax liabilities, including the liability of any fee or other tax that is to be reported on the same return as and paid with the chapter 297A taxes, for the month in which the taxable event occurred, the vendor shall pay a penalty equal to ten percent of the amount of liability that was required to be paid by the 14th day of the month less the amount remitted by the 14th day of the month. The penalty must not be imposed, however, if the amount remitted by the 14th day of the month equals the lesser of: (1) 90 percent of the liability for the month preceding the month in which the taxable event occurred; (2) 90 percent of the liability for the same month in the previous calendar year as the month in which the taxable event occurred; or (3) 90 percent of the average monthly liability for the previous calendar year.

**EFFECTIVE DATE.** This section is effective for taxes due and payable after September 1, 2010."

Delete the title and insert:

"A bill for an act relating to the state budget; modifying certain payment schedules to improve cash flow; amending Minnesota Statutes 2008, sections 276.112; 289A.60, by adding a subdivision; Minnesota Statutes 2009 Supplement, sections 137.025, subdivision 1; 289A.20, subdivision 4."

And when so amended the bill do pass. Amendments adopted. Report adopted.

**Senator Cohen from the Committee on Finance, to which was re-referred**

**S.F. No. 2566:** A bill for an act relating to state government; modifying authority of the executive branch to reduce unexpended allotments; amending Minnesota Statutes 2008, section 16A.152, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 16A.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 12, after "Representatives" insert "Finance Committee and"

Page 1, lines 23 and 24, delete the new language

Page 2, delete lines 1 and 2

Page 2, delete section 3

Renumber the sections in sequence

And when so amended the bill do pass. Amendments adopted. Report adopted.

**Senator Cohen from the Committee on Finance, to which was re-referred**

**S.F. No. 3398:** A bill for an act relating to campaign finance reporting; requiring reports; requiring disclosure related to independent expenditures; appropriating money; amending Minnesota Statutes 2008, sections 10A.01, subdivision 18, by adding subdivisions; 10A.12, by adding a subdivision; 10A.20, subdivisions 2, 4, 12; 10A.27, by adding subdivisions; 211B.01, subdivision 3; 211B.04; 211B.15, subdivisions 2, 3; 216B.16, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 10A; repealing Minnesota Statutes 2008, section 211B.15, subdivision 12.

Reports the same back with the recommendation that the bill be amended as follows:

Page 4, line 21, delete "individual or"

Page 4, line 22, delete "who" and insert "that"

Amend the title as follows:

Page 1, line 3, delete "appropriating money;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

### **SECOND READING OF SENATE BILLS**

S.F. Nos. 3409, 2566 and 3398 were read the second time.

### **MEMBERS EXCUSED**

Senator Berglin was excused from the Session of today from 11:00 to 11:30 a.m. Senators Johnson, Koering and Pariseau were excused from the Session of today from 11:00 to 11:55 a.m. Senator Chaudhary was excused from the Session of today from 11:40 to 11:50 a.m. Senator Lynch was excused from the Session of today from 11:45 to 11:55 a.m.

### **ADJOURNMENT**

Senator Pogemiller moved that the Senate do now adjourn until 11:00 a.m., Wednesday, May 12, 2010. The motion prevailed.

Peter S. Wattson, Secretary of the Senate (Legislative)

