

FIFTY-FOURTH DAY

St. Paul, Minnesota, Friday, May 10, 2013

The Senate met at 9:00 a.m. and was called to order by the President.

CALL OF THE SENATE

Senator Bakk 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. Sarah Campbell.

The members of the Senate gave the pledge of allegiance to the flag of the United States of America.

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

Anderson	Eaton	Johnson	Osmek	Skoe
Bakk	Eken	Kent	Pappas	Sparks
Benson	Fischbach	Kiffmeyer	Pederson, J.	Stumpf
Bonoff	Franzen	Koenen	Petersen, B.	Thompson
Brown	Gazelka	Latz	Pratt	Tomassoni
Carlson	Goodwin	Limmer	Reinert	Torres Ray
Chamberlain	Hall	Lourey	Rest	Weber
Champion	Hann	Marty	Rosen	Westrom
Clausen	Hawj	Metzen	Saxhaug	Wiger
Cohen	Hayden	Miller	Scalze	Wiklund
Dahle	Hoffman	Nelson	Schmit	
Dahms	Housley	Newman	Senjem	
Dibble	Ingebrigtsen	Nienow	Sheran	
Dziedzic	Jensen	Ortman	Sieben	

The President declared a quorum present.

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

RECESS

Senator Bakk 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.

CALL OF THE SENATE

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

EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communications were received.

May 6, 2013

The Honorable Sandra L. Pappas
President of the Senate

Dear Madam President:

Please be advised that I have received, approved, signed and deposited in the Office of the Secretary of State, Chapter 39, S.F. No. 345.

Sincerely,
Mark Dayton, Governor

May 6, 2013

The Honorable Paul Thissen
Speaker of the House of Representatives

The Honorable Sandra L. Pappas
President of the Senate

I have the honor to inform you that the following enrolled Act of the 2013 Session of the State Legislature has been received from the Office of the Governor and is 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 2013	Date Filed 2013
345		39	3:11 p.m. May 6	May 6

Sincerely,
Mark Ritchie
Secretary of State

May 7, 2013

The Honorable Sandra L. Pappas
President of the Senate

Dear Madam President:

Please be advised that I have received, approved, signed and deposited in the Office of the Secretary of State, Chapter 42, S.F. No. 541; Chapter 43, S.F. No. 887; Chapter 44, S.F. No. 825 and Chapter 45, S.F. No. 510.

Sincerely,
Mark Dayton, Governor

54TH DAY]

FRIDAY, MAY 10, 2013

3495

May 7, 2013

The Honorable Paul Thissen
Speaker of the House of Representatives

The Honorable Sandra L. Pappas
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 2013 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 2013	Date Filed 2013
	648	40	10:42 a.m. May 7	May 7
	1195	41	10:44 a.m. May 7	May 7
541		42	10:47 a.m. May 7	May 7
887		43	10:50 a.m. May 7	May 7
825		44	10:55 a.m. May 7	May 7
510		45	10:57 a.m. May 7	May 7

Sincerely,
Mark Ritchie
Secretary of State

May 8, 2013

The Honorable Sandra L. Pappas
President of the Senate

Dear Madam President:

Please be advised that I have received, approved, signed and deposited in the Office of the Secretary of State, Chapter 46, S.F. No. 843 and Chapter 48, S.F. No. 380.

Sincerely,
Mark Dayton, Governor

May 8, 2013

The Honorable Paul Thissen
Speaker of the House of Representatives

The Honorable Sandra L. Pappas
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 2013 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 2013	Date Filed 2013
843		46	1:29 p.m. May 8	May 8
	1400	47	1:32 p.m. May 8	May 8
380		48	1:34 p.m. May 8	May 8

Sincerely,
Mark Ritchie
Secretary of State

REPORTS OF COMMITTEES

Senator Bakk moved that the Committee Report at the Desk be now adopted. The motion prevailed.

Senator Bakk, from the Committee on Rules and Administration, to which was referred

H.F. No. 1054 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1054	925				

Pursuant to Rule 45, the Committee on Rules and Administration recommends that H.F. No. 1054 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1054, the second engrossment; and insert the language after the enacting clause of S.F. No. 925, the first engrossment; further, delete the title of H.F. No. 1054, the second engrossment; and insert the title of S.F. No. 925, the first engrossment.

And when so amended H.F. No. 1054 will be identical to S.F. No. 925, and further recommends that H.F. No. 1054 be given its second reading and substituted for S.F. No. 925, and that the Senate File be indefinitely postponed.

Pursuant to Rule 45, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

SECOND READING OF HOUSE BILLS

H.F. No. 1054 was read the second time.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time.

Senators Eken and Rosen introduced—

S.F. No. 1653: A bill for an act relating to human services; modifying medical assistance coverage to include consultations with licensed independent clinical social workers; amending Minnesota Statutes 2012, section 256B.0625, subdivision 48.

Referred to the Committee on Health, Human Services and Housing.

Senators Eken and Rosen introduced—

S.F. No. 1654: A bill for an act relating to human services; increasing the medical assistance reimbursement rate for critical access mental health services; amending Minnesota Statutes 2012, section 256B.763.

Referred to the Committee on Finance.

Senators Schmit, Dahms and Sparks introduced—

S.F. No. 1655: A bill for an act relating to civil liability; creating immunity for agritourism activities; proposing coding for new law in Minnesota Statutes, chapter 604A.

Referred to the Committee on Judiciary.

Senators Weber and Rosen introduced—

S.F. No. 1656: A bill for an act relating to disaster assistance; appropriating money to match federal disaster aid for the April 2013 severe winter storm in southwest Minnesota.

Referred to the Committee on Finance.

MOTIONS AND RESOLUTIONS**Senator Schmit introduced –**

Senate Resolution No. 79: A Senate resolution honoring Sydney Erhardt for winning the state championship in extemporaneous speaking.

Referred to the Committee on Rules and Administration.

RECESS

Senator Bakk 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.

CALL OF THE SENATE

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

SPECIAL ORDERS

Pursuant to Rule 26, Senator Hayden, designee of the Chair of the Committee on Rules and Administration, designated the following bills a Special Orders Calendar to be heard immediately:

H.F. Nos. 956, 580, 1284, 461, 634, 542 and 1069.

SPECIAL ORDER

H.F. No. 956: A bill for an act relating to energy; amending various provisions related to utilities; modifying provisions governing cogeneration and small power production; establishing a value of solar rate and related regulations; permitting community solar generating facilities; creating various renewable energy incentives; requiring studies; extending sunsets; making technical corrections; appropriating money; amending Minnesota Statutes 2012, sections 16C.144, subdivision 2; 116C.779, subdivision 3; 216B.02, subdivision 4; 216B.03; 216B.16, subdivision 7b, by adding a subdivision; 216B.1635; 216B.164, subdivisions 3, 4, 6, by adding subdivisions; 216B.1691, subdivisions 1, 2a, 2e, by adding a subdivision; 216B.1692, subdivisions 1, 8, by adding a subdivision; 216B.1695, subdivision 5, by adding a subdivision; 216B.23, subdivision 1a; 216B.241, subdivision 1e; 216B.2411, subdivision 3; 216C.436, subdivisions 7, 8; Laws 2005, chapter 97, article 10, section 3; proposing coding for new law in Minnesota Statutes, chapters 216B; 216C; repealing Minnesota Statutes 2012, section 216B.1637.

Senator Benson moved to amend H.F. No. 956, as amended pursuant to Rule 45, adopted by the Senate May 9, 2013, as follows:

(The text of the amended House File is identical to S.F. No. 901.)

Page 1, delete article 1 and insert:

"ARTICLE 1**DISTRIBUTED SOLAR GENERATION ANALYSIS****Section 1. PUBLIC UTILITIES COMMISSION ANALYSIS OF DISTRIBUTED SOLAR GENERATION.**

The Public Utilities Commission shall open a public docket for the purpose of analyzing the costs and benefits in Minnesota of distributed solar generation and strategies to maximize the benefits and minimize the costs. The analysis of distributed solar generation must include, without limitation, the following:

- (1) its use to address transmission constraints and strategies to optimize that use;
- (2) its affect on grid reliability and strategies to improve that affect;
- (3) cost-effective strategies for deployment;
- (4) appropriate sizing of solar projects and economies of scale;
- (5) the cost-effectiveness of competing solar technologies and trends for that cost-effectiveness;
- (6) comprehensive assessments of its direct and indirect costs and benefits;

(7) comparison of its costs and benefits to the cost and benefits of other strategies to meet the state's electric generation needs; and

(8) the effect of a comparable expenditure on energy conservation on both the demand and supply side.

The commission shall report the results of its analysis along with any recommendations to the chairs and ranking minority members of the legislative committees with primary jurisdiction over energy issues by January 15, 2014. The commission shall cooperate with any similar activities engaged in by the Legislative Energy Commission.

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

Page 12, delete section 13

Page 14, delete section 14

Page 29, delete article 10

Renumber the sections and articles in sequence and correct the internal references

Amend the title accordingly

CALL OF THE SENATE

Senator Marty imposed a call of the Senate for the balance of the proceedings on H.F. No. 956. The Sergeant at Arms was instructed to bring in the absent members.

The question was taken on the adoption of the Benson amendment.

The roll was called, and there were yeas 24 and nays 35, as follows:

Those who voted in the affirmative were:

Anderson	Fischbach	Ingebrigtsen	Nienow	Reinert
Benson	Gazelka	Kiffmeyer	Ortman	Senjem
Brown	Hall	Limmer	Osmek	Thompson
Chamberlain	Hann	Nelson	Petersen, B.	Weber
Dahms	Housley	Newman	Pratt	

Those who voted in the negative were:

Bonoff	Dziedzic	Hoffman	Marty	Sieben
Carlson	Eaton	Jensen	Metzen	Sparks
Champion	Eken	Johnson	Pappas	Stumpf
Clausen	Franzen	Kent	Saxhaug	Tomassoni
Cohen	Goodwin	Koenen	Scalze	Torres Ray
Dahle	Hawj	Latz	Schmit	Wiger
Dibble	Hayden	Lourey	Sheran	Wiklund

The motion did not prevail. So the amendment was not adopted.

Senator Koenen moved to amend H.F. No. 956, as amended pursuant to Rule 45, adopted by the Senate May 9, 2013, as follows:

(The text of the amended House File is identical to S.F. No. 901.)

Page 12, line 33, delete "or"

Page 12, line 35, delete the period and insert "; or"

Page 12, after line 35, insert:

"(3) customers that impose a peak electrical demand on the utility's system of not less than 25 kilowatts, measured to the extent possible, in the same way as the utility measures electrical demand for billing purposes."

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 30 and nays 32, as follows:

Those who voted in the affirmative were:

Anderson	Dahms	Housley	Nelson	Petersen, B.
Benson	Eken	Ingebrigtsen	Newman	Pratt
Bonoff	Fischbach	Kiffmeyer	Nienow	Senjem
Brown	Gazelka	Koenen	Ortman	Sparks
Chamberlain	Hall	Limmer	Osmek	Thompson
Clausen	Hann	Metzen	Pederson, J.	Weber

Those who voted in the negative were:

Bakk	Franzen	Kent	Saxhaug	Tomassoni
Carlson	Goodwin	Latz	Scalze	Torres Ray
Cohen	Hawj	Lourey	Schmit	Wiger
Dahle	Hayden	Marty	Sheran	Wiklund
Dibble	Hoffman	Pappas	Sieben	
Dziedzic	Jensen	Reinert	Skoe	
Eaton	Johnson	Rest	Stumpf	

The motion did not prevail. So the amendment was not adopted.

Senator Osmek moved to amend H.F. No. 956, as amended pursuant to Rule 45, adopted by the Senate May 9, 2013, as follows:

(The text of the amended House File is identical to S.F. No. 901.)

Page 39, after line 16, insert:

"ARTICLE 16

NUCLEAR MORATORIUM REPEAL

Section 1. Minnesota Statutes 2012, section 216B.243, subdivision 3b, is amended to read:

Subd. 3b. ~~Nuclear power plant; new construction prohibited; relicensing~~ **Additional storage of spent nuclear fuel.** (a) ~~The commission may not issue a certificate of need for the construction of a new nuclear-powered electric generating plant.~~

~~(b) Any certificate of need for additional storage of spent nuclear fuel for a facility seeking a license extension shall address the impacts of continued operations over the period for which approval is sought."~~

Re-number the articles in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 26 and nays 32, as follows:

Those who voted in the affirmative were:

Anderson	Gazelka	Koenen	Pederson, J.	Thompson
Benson	Hall	Nelson	Petersen, B.	Weber
Brown	Hann	Newman	Pratt	
Chamberlain	Housley	Nienow	Reinert	
Dahms	Ingebrigtsen	Ortman	Senjem	
Fischbach	Kiffmeyer	Osmek	Stumpf	

Those who voted in the negative were:

Bonoff	Eaton	Jensen	Pappas	Tomassoni
Carlson	Eken	Johnson	Saxhaug	Torres Ray
Clausen	Franzen	Kent	Scalze	Wiger
Cohen	Goodwin	Latz	Schmit	Wiklund
Dahle	Hawj	Lourey	Sheran	
Dibble	Hayden	Marty	Sieben	
Dziedzic	Hoffman	Metzen	Sparks	

The motion did not prevail. So the amendment was not adopted.

Senator Weber moved to amend H.F. No. 956, as amended pursuant to Rule 45, adopted by the Senate May 9, 2013, as follows:

(The text of the amended House File is identical to S.F. No. 901.)

Page 12, line 33, delete "or"

Page 12, after line 35, insert:

"(3) educational facilities;

(4) businesses with less than 50 employees.

(5) data center facilities;

(6) manufacturing facilities;

(7) agricultural production, agricultural processing, food distribution, and retail grocery facilities; or

(8) health care or biomedical manufacturing facilities."

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 27 and nays 32, as follows:

Those who voted in the affirmative were:

Anderson	Fischbach	Kiffmeyer	Ortman	Sparks
Benson	Gazelka	Koenen	Osmek	Stumpf
Brown	Hall	Limmer	Pederson, J.	Weber
Chamberlain	Hann	Nelson	Petersen, B.	
Dahms	Housley	Newman	Pratt	
Eken	Ingebrigtsen	Nienow	Senjem	

Those who voted in the negative were:

Bonoff	Dziedzic	Hoffman	Marty	Scalze
Carlson	Eaton	Jensen	Metzen	Schmit
Clausen	Franzen	Johnson	Pappas	Sheran
Cohen	Goodwin	Kent	Reinert	Sieben
Dahle	Hawj	Latz	Rest	Tomassoni
Dibble	Hayden	Lourey	Saxhaug	Torres Ray

Wiger

Wiklund

The motion did not prevail. So the amendment was not adopted.

Senator Nelson moved to amend H.F. No. 956, as amended pursuant to Rule 45, adopted by the Senate May 9, 2013, as follows:

(The text of the amended House File is identical to S.F. No. 901.)

Page 12, line 25, delete "or the retail"

Page 12, delete line 26

Page 12, line 27, delete "service"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 28 and nays 31, as follows:

Those who voted in the affirmative were:

Anderson	Fischbach	Kiffmeyer	Ortman	Sparks
Benson	Gazelka	Koenen	Osmek	Stumpf
Brown	Hall	Limmer	Pederson, J.	Thompson
Chamberlain	Hann	Nelson	Petersen, B.	Weber
Dahms	Housley	Newman	Pratt	
Eken	Ingebrigtsen	Nienow	Senjem	

Those who voted in the negative were:

Bonoff	Eaton	Johnson	Reinert	Torres Ray
Carlson	Franzen	Kent	Saxhaug	Wiger
Clausen	Goodwin	Latz	Scalze	Wiklund
Cohen	Hawj	Lourey	Schmit	
Dahle	Hayden	Marty	Sheran	
Dibble	Hoffman	Metzen	Sieben	
Dziedzic	Jensen	Pappas	Tomassoni	

The motion did not prevail. So the amendment was not adopted.

Senator Weber moved to amend H.F. No. 956, as amended pursuant to Rule 45, adopted by the Senate May 9, 2013, as follows:

(The text of the amended House File is identical to S.F. No. 901.)

Page 39, after line 16, insert:

"ARTICLE 16

RENEWABLE ENERGY STANDARD

Section 1. Minnesota Statutes 2012, section 216B.1691, subdivision 2a, is amended to read:

Subd. 2a. **Eligible energy technology standard.** (a) Except as provided in paragraph (b), each electric utility shall generate or procure sufficient electricity generated by an eligible energy technology to provide its retail customers in Minnesota, or the retail customers of a distribution utility to which the electric utility provides wholesale electric service, so that at least the following standard percentages of the electric utility's total retail electric sales to retail customers in Minnesota are generated by eligible energy technologies by the end of the year indicated:

- | | | |
|-----|------|-------------|
| (1) | 2012 | 12 percent |
| (2) | 2016 | 17 percent |
| (3) | 2020 | 20 percent |
| (4) | 2025 | 25 percent. |

(b) An electric utility that owned a nuclear generating facility as of January 1, 2007, must meet the requirements of this paragraph rather than paragraph (a). An electric utility subject to this paragraph must generate or procure sufficient electricity generated by an eligible energy technology to provide its retail customers in Minnesota or the retail customer of a distribution utility to which the electric utility provides wholesale electric service so that at least the following percentages of the electric utility's total retail electric sales to retail customers in Minnesota are generated by eligible energy technologies by the end of the year indicated:

- | | | |
|-----|------|-------------|
| (1) | 2010 | 15 percent |
| (2) | 2012 | 18 percent |
| (3) | 2016 | 25 percent |
| (4) | 2020 | 30 percent. |

~~Of the 30 percent in 2020, at least 25 percent must be generated by solar energy or wind energy conversion systems and the remaining five percent by other eligible energy technology. Of the 25 percent that must be generated by wind or solar, no more than one percent may be solar generated and the remaining 24 percent or greater must be wind generated."~~

Renumber the articles in sequence and correct the internal references

Amend the title accordingly

Senator Benson moved to amend the second Weber amendment to H.F. No. 956 as follows:

Page 1, after line 6, insert:

"Section 1. Minnesota Statutes 2012, section 216B.1691, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) Unless otherwise specified in law, "eligible energy technology" means an energy technology that generates electricity from the following renewable energy sources:

- (1) solar;
- (2) wind;
- (3) hydroelectric with a capacity of less than 100 megawatts;
- (4) hydrogen, provided that after January 1, 2010, the hydrogen must be generated from the resources listed in this paragraph; or
- (5) biomass, which includes, without limitation, landfill gas; an anaerobic digester system; the predominantly organic components of wastewater effluent, sludge, or related by-products from publicly owned treatment works, but not including incineration of wastewater sludge to produce electricity; and an energy recovery facility used to capture the heat value of mixed municipal solid waste or refuse-derived fuel from mixed municipal solid waste as a primary fuel.

(b) "Electric utility" means a public utility providing electric service, a generation and transmission cooperative electric association, a municipal power agency, or a power district.

(c) "Total retail electric sales" means the kilowatt-hours of electricity sold in a year by an electric utility to retail customers of the electric utility or to a distribution utility for distribution to the retail customers of the distribution utility. ~~"Total retail electric sales" does not include the sale of hydroelectricity supplied by a federal power marketing administration or other federal agency, regardless of whether the sales are directly to a distribution utility or are made to a generation and transmission utility and pooled for further allocation to a distribution utility."~~

Renumber the sections in sequence and correct the internal references

The question was taken on the adoption of the Benson amendment to the second Weber amendment.

The roll was called, and there were yeas 29 and nays 30, as follows:

Those who voted in the affirmative were:

Anderson	Fischbach	Kiffmeyer	Ortman	Senjem
Benson	Gazelka	Koenen	Osmek	Sparks
Brown	Hall	Limmer	Pederson, J.	Stumpf
Chamberlain	Hann	Nelson	Petersen, B.	Thompson
Dahms	Housley	Newman	Pratt	Weber
Eken	Ingebrigtsen	Nienow	Reinert	

Those who voted in the negative were:

Bonoff	Dziedzic	Jensen	Metzen	Sheran
Carlson	Eaton	Johnson	Pappas	Sieben
Clausen	Goodwin	Kent	Rest	Tomassoni
Cohen	Hawj	Latz	Saxhaug	Torres Ray
Dahle	Hayden	Lourey	Scalze	Wiger
Dibble	Hoffman	Marty	Schmit	Wiklund

The motion did not prevail. So the amendment to the amendment was not adopted.

Senator Weber withdrew his second amendment.

Senator Clausen moved to amend H.F. No. 956, as amended pursuant to Rule 45, adopted by the Senate May 9, 2013, as follows:

(The text of the amended House File is identical to S.F. No. 901.)

Page 12, delete lines 31 to 33 and insert:

"(1) a large customer facility exempted by the commissioner of commerce, pursuant to section 216B.241, subdivision 1a, paragraph (b), from the investment and expenditure requirements of section 216B.241, subdivision 1a, paragraph (a); or"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 28 and nays 30, as follows:

Those who voted in the affirmative were:

Anderson	Clausen	Hall	Kiffmeyer	Nelson
Benson	Dahms	Hann	Koenen	Newman
Brown	Fischbach	Housley	Limmer	Nienow
Chamberlain	Gazelka	Ingebrigtsen	Metzen	Ortman

Osmek
Pederson, J.

Petersen, B.
Pratt

Senjem
Sparks

Thompson
Weber

Those who voted in the negative were:

Bonoff
Carlson
Cohen
Dahle
Dibble
Dziedzic

Eaton
Eken
Goodwin
Hawj
Hayden
Hoffman

Jensen
Johnson
Kent
Latz
Lourey
Marty

Pappas
Reinert
Saxhaug
Scalze
Schmit
Sheran

Sieben
Stumpf
Tomassoni
Torres Ray
Wiger
Wiklund

The motion did not prevail. So the amendment was not adopted.

Senator Hann moved to amend H.F. No. 956, as amended pursuant to Rule 45, adopted by the Senate May 9, 2013, as follows:

(The text of the amended House File is identical to S.F. No. 901.)

Page 39, after line 16, insert:

**"ARTICLE 16
WIND ENERGY SITING**

Section 1. Minnesota Statutes 2012, section 216F.04, is amended to read:

216F.04 SITE PERMIT.

(a) No person may construct an LWECS without a site permit issued by the Public Utilities Commission.

(b) Any person seeking to construct an LWECS shall submit an application to the commission for a site permit in accordance with this chapter and any rules adopted by the commission. The permitted site need not be contiguous land.

(c) The commission shall make a final decision on an application for a site permit for an LWECS within 180 days after acceptance of a complete application by the commission. The commission may extend this deadline for cause.

(d) The commission may place conditions in a permit and may deny, modify, suspend, or revoke a permit.

(e) No person seeking to construct an LWECS shall be granted a site permit for a location that would require a federal incidental take permit for eagles."

Renumber the articles in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 25 and nays 36, as follows:

Those who voted in the affirmative were:

Anderson
Benson
Brown
Chamberlain

Dahms
Fischbach
Gazelka
Hall

Hann
Housley
Ingebrigtsen
Kiffmeyer

Limmer
Nelson
Newman
Nienow

Ortman
Osmek
Pederson, J.
Petersen, B.

Pratt Senjem Sparks Thompson Weber

Those who voted in the negative were:

Bakk	Dziedzic	Jensen	Pappas	Tomassoni
Bonoff	Eaton	Johnson	Reinert	Torres Ray
Carlson	Eken	Kent	Saxhaug	Wiger
Champion	Franzen	Koenen	Scalze	Wiklund
Clausen	Goodwin	Latz	Schmit	
Cohen	Hawj	Lourey	Sheran	
Dahle	Hayden	Marty	Sieben	
Dibble	Hoffman	Metzen	Stumpf	

The motion did not prevail. So the amendment was not adopted.

Senator Nienow moved to amend H.F. No. 956, as amended pursuant to Rule 45, adopted by the Senate May 9, 2013, as follows:

(The text of the amended House File is identical to S.F. No. 901.)

Page 18, line 8, delete everything after the period

Page 18, delete lines 9 and 10

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 23 and nays 37, as follows:

Those who voted in the affirmative were:

Anderson	Fischbach	Ingebrigtsen	Nienow	Senjem
Benson	Gazelka	Kiffmeyer	Ortman	Thompson
Brown	Hall	Limmer	Osmek	Weber
Chamberlain	Hann	Nelson	Petersen, B.	
Dahms	Housley	Newman	Pratt	

Those who voted in the negative were:

Bakk	Dziedzic	Jensen	Reinert	Stumpf
Bonoff	Eaton	Johnson	Rest	Tomassoni
Carlson	Eken	Kent	Saxhaug	Torres Ray
Champion	Franzen	Koenen	Scalze	Wiger
Clausen	Goodwin	Latz	Schmit	Wiklund
Cohen	Hawj	Marty	Sheran	
Dahle	Hayden	Metzen	Sieben	
Dibble	Hoffman	Pappas	Sparks	

The motion did not prevail. So the amendment was not adopted.

Senator Nelson moved to amend H.F. No. 956, as amended pursuant to Rule 45, adopted by the Senate May 9, 2013, as follows:

(The text of the amended House File is identical to S.F. No. 901.)

Page 39, after line 16, insert:

"ARTICLE 16

DISTRIBUTED SOLAR GENERATION ANALYSIS

Section 1. PUBLIC UTILITIES COMMISSION ANALYSIS OF DISTRIBUTED SOLAR GENERATION.

The Public Utilities Commission shall open a public docket for the purpose of analyzing the costs and benefits in Minnesota of distributed solar generation and strategies to maximize the benefits and minimize the costs. The analysis of distributed solar generation must include, without limitation, the following:

- (1) its use to address transmission constraints and strategies to optimize that use;
- (2) its affect on grid reliability and strategies to improve that affect;
- (3) cost-effective strategies for deployment;
- (4) appropriate sizing of solar projects and economies of scale;
- (5) the cost-effectiveness of competing solar technologies and trends for that cost-effectiveness;
- (6) comprehensive assessments of its direct and indirect costs and benefits;
- (7) comparison of its costs and benefits to the cost and benefits of other strategies to meet the state's electric generation needs; and
- (8) the effect of a comparable expenditure on energy conservation on both the demand and supply side.

The commission shall report the results of its analysis along with any recommendations to the chairs and ranking minority members of the legislative committees with primary jurisdiction over energy issues by January 15, 2014. The commission shall cooperate with any similar activities engaged in by the Legislative Energy Commission.

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

Renumber the articles in sequence and correct the internal references

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 21 and nays 33, as follows:

Those who voted in the affirmative were:

Anderson	Fischbach	Kiffmeyer	Osmek	Weber
Benson	Gazelka	Nelson	Pederson, J.	
Brown	Hann	Newman	Petersen, B.	
Chamberlain	Housley	Nienow	Pratt	
Dahms	Ingebrigtsen	Ortman	Thompson	

Those who voted in the negative were:

Bonoff	Dziedzic	Hoffman	Metzen	Sparks
Carlson	Eaton	Jensen	Pappas	Stumpf
Champion	Eken	Johnson	Reinert	Torres Ray
Clausen	Franzen	Kent	Saxhaug	Wiger
Cohen	Goodwin	Koenen	Scalze	Wiklund
Dahle	Hawj	Lourey	Sheran	
Dibble	Hayden	Marty	Sieben	

The motion did not prevail. So the amendment was not adopted.

H.F. No. 956 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 37 and nays 26, as follows:

Those who voted in the affirmative were:

Bakk	Dziedzic	Johnson	Rest	Stumpf
Bonoff	Eaton	Kent	Saxhaug	Tomassoni
Carlson	Franzen	Koenen	Scalze	Torres Ray
Champion	Goodwin	Latz	Schmit	Wiger
Clausen	Hawj	Lourey	Sheran	Wiklund
Cohen	Hayden	Marty	Sieben	
Dahle	Hoffman	Metzen	Skoe	
Dibble	Jensen	Pappas	Sparks	

Those who voted in the negative were:

Anderson	Fischbach	Kiffmeyer	Osmek	Thompson
Benson	Gazelka	Limmer	Pederson, J.	Weber
Brown	Hall	Nelson	Petersen, B.	
Chamberlain	Hann	Newman	Pratt	
Dahms	Housley	Nienow	Reinert	
Eken	Ingebrigtsen	Ortman	Senjem	

So the bill passed and its title was agreed to.

SPECIAL ORDER

H.F. No. 580: A bill for an act relating to state government; regulating data protection for victims of violence; amending Minnesota Statutes 2012, sections 5B.02; 5B.03, subdivision 1; 5B.04; 5B.05; 5B.07, subdivision 1; 5B.10, by adding a subdivision; 13.82, subdivision 24; proposing coding for new law in Minnesota Statutes, chapter 13.

Senator Goodwin moved that the amendment made to H.F. No. 580 by the Committee on Rules and Administration in the report adopted May 1, 2013, pursuant to Rule 45, be stricken. The motion prevailed. So the amendment was stricken.

Senator Limmer moved to amend H.F. No. 580 as follows:

Page 4, line 11, after the period, insert "This paragraph does not apply to records of the judicial branch governed by rules adopted by the Supreme Court."

Page 4, delete section 6

Page 5, line 17, after "participant" insert "who submits a notice under subdivision 2"

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

H.F. No. 580 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Benson	Bonoff	Brown	Carlson
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Chamberlain	Gazelka	Kent	Ortman	Senjem
Champion	Goodwin	Kiffmeyer	Osmek	Sheran
Clausen	Hall	Koenen	Pappas	Skoe
Dahle	Hann	Latz	Pederson, J.	Sparks
Dahms	Hawj	Limmer	Petersen, B.	Stumpf
Dibble	Hayden	Lourey	Pratt	Thompson
Dziedzic	Hoffman	Marty	Reinert	Tomassoni
Eaton	Housley	Metzen	Rest	Torres Ray
Eken	Ingebrigtsen	Nelson	Saxhaug	Weber
Fischbach	Jensen	Newman	Scalze	Wiger
Franzen	Johnson	Nienow	Schmit	Wiklund

So the bill, as amended, was passed and its title was agreed to.

SPECIAL ORDER

H.F. No. 1284: A bill for an act relating to commerce; prohibiting restriction on sale of motor fuel; proposing coding for new law in Minnesota Statutes, chapter 325E.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 56 and nays 3, as follows:

Those who voted in the affirmative were:

Anderson	Eaton	Jensen	Ortman	Sparks
Benson	Eken	Johnson	Osmek	Stumpf
Bonoff	Fischbach	Kent	Pappas	Thompson
Brown	Franzen	Kiffmeyer	Pederson, J.	Tomassoni
Carlson	Gazelka	Koenen	Petersen, B.	Torres Ray
Chamberlain	Goodwin	Latz	Pratt	Weber
Champion	Hall	Limmer	Reinert	Wiger
Clausen	Hann	Lourey	Rest	Wiklund
Dahle	Hawj	Marty	Schmit	
Dahms	Hayden	Metzen	Senjem	
Dibble	Housley	Nelson	Sheran	
Dziedzic	Ingebrigtsen	Newman	Skoe	

Those who voted in the negative were:

Hoffman	Nienow	Scalze
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So the bill passed and its title was agreed to.

SPECIAL ORDER

H.F. No. 461: A bill for an act relating to natural resources; requiring general permit for mechanical control of certain cattails.

Senator Bonoff moved to amend H.F. No. 461 as follows:

Page 1, line 9, after the period, insert "The commissioner shall not charge a fee for the permit."

The motion prevailed. So the amendment was adopted.

H.F. No. 461 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Eaton	Jensen	Ortman	Skoe
Benson	Eken	Johnson	Osmek	Sparks
Bonoff	Fischbach	Kent	Pappas	Stumpf
Brown	Franzen	Kiffmeyer	Pederson, J.	Thompson
Carlson	Gazelka	Koenen	Petersen, B.	Tomassoni
Chamberlain	Goodwin	Latz	Pratt	Torres Ray
Champion	Hall	Limmer	Reinert	Weber
Clausen	Hann	Lourey	Rest	Wiger
Cohen	Hawj	Marty	Saxhaug	Wiklund
Dahle	Hayden	Metzen	Scalze	
Dahms	Hoffman	Nelson	Schmit	
Dibble	Housley	Newman	Senjem	
Dziedzic	Ingebrigtsen	Nienow	Sheran	

So the bill, as amended, was passed and its title was agreed to.

SPECIAL ORDER

H.F. No. 634: A bill for an act relating to commerce; weights and measures; adding a requirement for identical product pricing; making technical updates to bring state into compliance with most recent federal fuel standards; establishing a minimum octane rating; modifying disclosure requirements for biodiesel and biofuel blends; modifying E85 requirements; amending Minnesota Statutes 2012, sections 239.751, by adding a subdivision; 239.761, subdivisions 3, 4, 5, 6, 7, 8, 10, 11, 13, 16, 17, by adding a subdivision; 239.77, subdivisions 1, 4; 239.791, subdivision 8.

Senator Jensen moved that the amendment made to H.F. No. 634 by the Committee on Rules and Administration in the report adopted May 7, 2013, pursuant to Rule 45, be stricken. The motion prevailed. So the amendment was stricken.

H.F. No. 634 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Dziedzic	Ingebrigtsen	Nienow	Sheran
Bakk	Eaton	Jensen	Ortman	Sieben
Benson	Eken	Johnson	Osmek	Skoe
Bonoff	Fischbach	Kent	Pappas	Sparks
Brown	Franzen	Kiffmeyer	Pederson, J.	Stumpf
Carlson	Gazelka	Koenen	Petersen, B.	Thompson
Chamberlain	Goodwin	Latz	Pratt	Tomassoni
Champion	Hall	Limmer	Reinert	Torres Ray
Clausen	Hann	Lourey	Rest	Weber
Cohen	Hawj	Marty	Saxhaug	Wiger
Dahle	Hayden	Metzen	Scalze	Wiklund
Dahms	Hoffman	Nelson	Schmit	
Dibble	Housley	Newman	Senjem	

So the bill passed and its title was agreed to.

SPECIAL ORDER

H.F. No. 542: A bill for an act relating to state government; establishing expectations for classified employees as nonpartisan resources to all decision makers; providing additional

whistleblower protection to state employees; amending Minnesota Statutes 2012, section 181.932, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 43A.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Dziedzic	Jensen	Osmek	Skoe
Bakk	Eaton	Johnson	Pappas	Sparks
Benson	Eken	Kent	Pederson, J.	Stumpf
Bonoff	Fischbach	Kiffmeyer	Petersen, B.	Thompson
Brown	Franzen	Koenen	Pratt	Tomassoni
Carlson	Gazelka	Latz	Reinert	Torres Ray
Chamberlain	Goodwin	Limmer	Rest	Weber
Champion	Hall	Lourey	Saxhaug	Wiger
Clausen	Hann	Metzen	Scalze	Wiklund
Cohen	Hawj	Nelson	Schmit	
Dahle	Hoffman	Newman	Senjem	
Dahms	Housley	Nienow	Sheran	
Dibble	Ingebrigtsen	Ortman	Sieben	

So the bill passed and its title was agreed to.

SPECIAL ORDER

H.F. No. 1069: A bill for an act relating to state government; ratifying labor agreements and compensation plans.

Senator Cohen moved to amend H.F. No. 1069, the unofficial engrossment, as follows:

Page 2, after line 18, insert:

"Sec. 2. CARRYFORWARD AUTHORITY; MINNESOTA LAW ENFORCEMENT ASSOCIATION RETROACTIVE CONTRACT FUNDING.

If a collective bargaining agreement between the commissioner of management and budget and the Minnesota Law Enforcement Association for the period from July 1, 2011, to June 30, 2013, is not implemented before June 30, 2013, the commissioner of management and budget may allow the agencies identified in clauses (1) to (6) to carry forward unexpended and unencumbered nongrant operating balances from fiscal year 2013 to provide funding for any retroactive salary increase included in the final collective bargaining agreement for the period from July 1, 2011, to June 30, 2013. The carryforward authority in this section may not exceed the amounts indicated and is limited to the agencies and funds identified in clauses (1) to (6):

(1) \$400,000 from the trunk highway fund for the Department of Public Safety;

(2) \$5,000 from the general fund for the Department of Corrections;

(3) \$5,000 from the insurance fraud protection fund for the Department of Commerce;

(4) \$14,000 from the general fund for the Department of Natural Resources;

(5) \$29,000 from the natural resources fund for the Department of Natural Resources; and

(6) \$83,000 from the game and fish fund for the Department of Natural Resources."

Page 2, line 20, delete "Section 1 is" and insert "Sections 1 and 2 are"

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

H.F. No. 1069 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 47 and nays 14, as follows:

Those who voted in the affirmative were:

Bakk	Dziedzic	Ingebrigtsen	Pappas	Skoe
Bonoff	Eaton	Jensen	Pederson, J.	Sparks
Brown	Eken	Johnson	Reinert	Stumpf
Carlson	Fischbach	Kent	Rest	Torres Ray
Champion	Franzen	Koenen	Saxhaug	Weber
Clausen	Goodwin	Latz	Scalze	Wiger
Cohen	Hawj	Lourey	Schmit	Wiklund
Dahle	Hayden	Marty	Senjem	
Dahms	Hoffman	Metzen	Sheran	
Dibble	Housley	Nelson	Sieben	

Those who voted in the negative were:

Anderson	Gazelka	Kiffmeyer	Nienow	Pratt
Benson	Hall	Limmer	Osmek	Thompson
Chamberlain	Hann	Newman	Petersen, B.	

So the bill, as amended, was passed and its title was agreed to.

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 12.5, Senator Tomassoni moved that the following members be excused for a Conference Committee on H.F. No. 729 at 3:45 p.m.:

Senators Tomassoni, Saxhaug, Sparks and Metzen. The motion prevailed.

RECESS

Senator Bakk 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.

CALL OF THE SENATE

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

APPOINTMENTS

Senator Bakk from the Subcommittee on Conference Committees recommends that the following Senators be and they hereby are appointed as a Conference Committee on:

H.F. No. 92: Senators Eaton, Hayden and Tomassoni.

Senator Bakk moved that the foregoing appointments be approved. The motion prevailed.

MOTIONS AND RESOLUTIONS - CONTINUED

Senator Bakk moved that H.F. No. 1136 be taken from the table and given a second reading. The motion prevailed.

H.F. No. 1136: A bill for an act relating to health; modifying provisions for businesses regulated by the Board of Pharmacy; amending Minnesota Statutes 2012, sections 151.19, subdivisions 1, 3; 151.37, subdivision 4; 151.47, subdivision 1, by adding a subdivision; 151.49; proposing coding for new law in Minnesota Statutes, chapter 151; repealing Minnesota Statutes 2012, sections 151.19, subdivision 2; 151.25; 151.45; 151.47, subdivision 2; 151.48.

H.F. No. 1136 was read the second time.

Senator Bakk moved that H.F. No. 1136 be laid on the table. The motion prevailed.

Pursuant to Rule 26, Senator Bakk, Chair of the Committee on Rules and Administration, designated H.F. No. 1444 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 1444: A bill for an act relating to government finance; appropriating money for transportation, Metropolitan Council, and public safety activities and programs; providing for fund transfers, tort claims, and certain contingent appropriations; modifying various provisions related to transportation finance and policy; making technical and clarifying changes; amending Minnesota Statutes 2012, sections 161.20, subdivision 3; 161.44, by adding a subdivision; 168A.01, subdivision 6a; 171.05, subdivision 2, by adding a subdivision; 171.061, subdivision 4; 174.40, by adding a subdivision; 219.1651; 299E.01, subdivisions 2, 3; 398A.10, by adding a subdivision; Laws 2009, chapter 9, section 1; proposing coding for new law in Minnesota Statutes, chapters 161; 174; repealing Minnesota Statutes 2012, sections 161.04, subdivision 6; 174.285, subdivision 8.

Senator Franzen moved to amend H.F. No. 1444, the unofficial engrossment, as follows:

Delete everything after the enacting clause and insert:

"ARTICLE 1**TRANSPORTATION AND PUBLIC SAFETY APPROPRIATIONS****Section 1. SUMMARY OF APPROPRIATIONS.**

The amounts shown in this section summarize direct appropriations, by fund, made in this article.

	<u>2014</u>	<u>2015</u>	<u>Total</u>
<u>General</u>	\$ <u>160,680,000</u>	\$ <u>159,809,000</u>	\$ <u>320,489,000</u>
<u>Airports</u>	<u>18,959,000</u>	<u>18,959,000</u>	<u>37,918,000</u>
<u>C.S.A.H.</u>	<u>610,101,000</u>	<u>630,961,000</u>	<u>1,241,062,000</u>
<u>M.S.A.S.</u>	<u>156,216,000</u>	<u>161,221,000</u>	<u>317,437,000</u>
<u>Special Revenue</u>	<u>61,187,000</u>	<u>61,550,000</u>	<u>122,737,000</u>
<u>H.U.T.D.</u>	<u>10,506,000</u>	<u>10,406,000</u>	<u>20,912,000</u>
<u>State Government Special Revenue</u>	<u>59,241,000</u>	<u>63,742,000</u>	<u>122,983,000</u>
<u>Environmental</u>	<u>69,000</u>	<u>69,000</u>	<u>138,000</u>
<u>Trunk Highway</u>	<u>1,726,785,000</u>	<u>1,679,296,000</u>	<u>3,406,081,000</u>
<u>Total</u>	<u>\$ 2,803,744,000</u>	<u>\$ 2,786,013,000</u>	<u>\$ 5,589,757,000</u>

Sec. 2. TRANSPORTATION APPROPRIATIONS.

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the trunk highway fund, or another named fund, and are available for the fiscal years indicated for each purpose. The figures "2014" and "2015" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2014, or June 30, 2015, respectively. "The first year" is fiscal year 2014. "The second year" is fiscal year 2015. "The biennium" is fiscal years 2014 and 2015.

APPROPRIATIONS
Available for the Year
Ending June 30
2014 2015

Sec. 3. DEPARTMENT OF TRANSPORTATION

Subdivision 1. Total Appropriation **\$ 2,451,303,000** **\$ 2,428,598,000**

Appropriations by Fund

	<u>2014</u>	<u>2015</u>
<u>General</u>	<u>28,651,000</u>	<u>27,670,000</u>

<u>Airports</u>	<u>18,959,000</u>	<u>18,959,000</u>
<u>C.S.A.H.</u>	<u>610,101,000</u>	<u>630,961,000</u>
<u>M.S.A.S</u>	<u>156,216,000</u>	<u>161,221,000</u>
<u>H.U.T.D.</u>	<u>100,000</u>	<u>-0-</u>
<u>Trunk Highway</u>	<u>1,637,276,000</u>	<u>1,589,787,000</u>

The amounts that may be spent for each purpose are specified in the following subdivisions.

Subd. 2. Multimodal Systems

(a) Aeronautics

(1) Airport Development and Assistance 13,648,000 13,648,000

This appropriation is from the state airports fund and must be spent according to Minnesota Statutes, section 360.305, subdivision 4.

The base appropriation for fiscal years 2016 and 2017 is \$14,298,000 for each year.

Notwithstanding Minnesota Statutes, section 16A.28, subdivision 6, this appropriation is available for five years after appropriation. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

(2) Aviation Support and Services 6,386,000 6,386,000

Appropriations by Fund

<u>Airports</u>	<u>5,286,000</u>	<u>5,286,000</u>
<u>Trunk Highway</u>	<u>1,100,000</u>	<u>1,100,000</u>

\$65,000 in each year is from the state airports fund for the Civil Air Patrol.

(b) Transit 27,238,000 27,257,000

Appropriations by Fund

<u>General</u>	<u>26,463,000</u>	<u>26,482,000</u>
<u>Trunk Highway</u>	<u>775,000</u>	<u>775,000</u>

\$100,000 in each year is from the general fund for the administrative expenses of the Minnesota Council on Transportation Access under Minnesota Statutes, section 174.285.

\$90,000 in each year is from the general fund for grants to greater Minnesota transit providers as reimbursement for the costs of providing fixed route public transit rides free of charge under Minnesota Statutes, section 174.24, subdivision 7, for veterans certified as disabled.

<u>(c) Passenger Rail</u>	<u>500,000</u>	<u>500,000</u>
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This appropriation is from the general fund for passenger rail system planning, alternatives analysis, environmental analysis, design, and preliminary engineering under Minnesota Statutes, sections 174.632 to 174.636.

<u>(d) Freight</u>	<u>6,153,000</u>	<u>5,153,000</u>
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Appropriations by Fund

General	<u>1,256,000</u>	<u>256,000</u>
Trunk Highway	<u>4,897,000</u>	<u>4,897,000</u>

\$1,000,000 in the first year is from the general fund to pay for the department's share of costs associated with the cleanup of contaminated state rail bank property. This appropriation is available until expended.

<u>(e) Safe Routes to School</u>	<u>375,000</u>	<u>375,000</u>
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This appropriation is from the general fund for grants to local jurisdictions for safe routes to school.

Subd. 3. State Roads

<u>(a) Operations and Maintenance</u>	<u>262,395,000</u>	<u>262,395,000</u>
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<u>(b) Program Planning and Delivery</u>	<u>206,830,000</u>	<u>206,830,000</u>
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\$250,000 in each year is for the department's administrative costs for creation and operation of the Joint Program Office for

Economic Development and Alternative Finance, including costs of hiring a consultant and preparing required reports.

\$130,000 in each year is available for administrative costs of the targeted group business program.

\$110,000 in each year is for one new position related to increasing participation in highway projects of small businesses in economically disadvantaged areas.

\$266,000 in each year is available for grants to metropolitan planning organizations outside the seven-county metropolitan area.

\$75,000 in each year is available 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.

\$900,000 in each year is 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.

(c) State Road Construction Total

937,938,000

859,045,000

(1) Economic Recovery Funds - Federal Highway Aid

1,000,000

1,000,000

This appropriation is to complete projects using funds made available to the commissioner of transportation under title XII of the American Recovery and

Reinvestment Act of 2009, Public Law 111-5 and implemented under Minnesota Statutes, section 161.36, subdivision 7. The base appropriation is \$1,000,000 in fiscal year 2016 and \$0 in fiscal year 2017.

(2) Corridors of Commerce

23,407,000

36,078,000

This appropriation is for the Corridors of Commerce program under Minnesota Statutes, section 161.088.

Of this appropriation, the commissioner may use up to \$3,980,000 in fiscal year 2014 and \$6,133,000 in fiscal year 2015 for program delivery.

The base appropriation for Corridors of Commerce for fiscal years 2016 and 2017 is \$107,900,000 in each year.

(3) State Road Construction

913,531,000

821,967,000

It is estimated that these appropriations will be funded as follows:

<u>Appropriations by Fund</u>		
<u>Federal Highway Aid</u>	<u>489,200,000</u>	<u>482,200,000</u>
<u>Highway User Taxes</u>	<u>424,331,000</u>	<u>339,767,000</u>

The commissioner of transportation shall notify the chairs and ranking minority members of the legislative 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 base appropriation for state road construction for fiscal years 2016 and 2017 is \$651,367,000 in each year.

\$10,000,000 in each year is for transfer to the transportation economic development account in the trunk highway fund under Minnesota Statutes, section 174.12.

The commissioner may 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.

(d) Highway Debt Service

158,417,000

189,821,000

\$148,917,000 the first year and \$180,321,000 the second year are for transfer to the state bond fund. If an appropriation is insufficient to make all transfers required in the year for which it is made, the commissioner of management and budget 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.

(e) Electronic Communications

5,171,000

5,171,000

Appropriations by Fund

<u>General</u>	<u>3,000</u>	<u>3,000</u>
<u>Trunk Highway</u>	<u>5,168,000</u>	<u>5,168,000</u>

The general fund appropriation is to equip and operate the Roosevelt signal tower for Lake of the Woods weather broadcasting.

Subd. 4. Local Roads

(a) County State Aids

610,101,000

630,961,000

This appropriation is from the county state-aid highway fund under Minnesota Statutes, sections 161.082 to 161.085; and Minnesota Statutes, chapter 162. This appropriation is available until spent.

If the commissioner of transportation determines that a balance remains in the county state-aid highway fund following the appropriations and transfers made in this subdivision, and that the appropriations made are insufficient for advancing county state-aid highway projects, an amount necessary to advance the projects, not to exceed the balance in the county state-aid highway fund, is appropriated in each year to the commissioner. Within two weeks of a determination under this contingent appropriation, the commissioner of transportation shall notify the commissioner of management and budget and the chairs and ranking minority members of the legislative committees with jurisdiction over transportation finance concerning funds appropriated.

(b) Municipal State Aids

156,216,000

161,221,000

This appropriation is from the municipal state-aid street fund for municipal state-aid streets under Minnesota Statutes, chapter 162. This appropriation is available until spent.

If the commissioner of transportation determines that a balance remains in the municipal state-aid street fund following the appropriations made in this subdivision, and that the appropriations made are insufficient for advancing municipal state-aid street projects, an amount necessary to advance the projects, not to exceed the

balance in the municipal state-aid street fund, is appropriated in each year to the commissioner. Within two weeks of a determination under this contingent appropriation, the commissioner of transportation shall notify the commissioner of management and budget and the chairs and ranking minority members of the legislative committees with jurisdiction over transportation finance concerning funds appropriated.

Subd. 5. Agency Management

(a) <u>Agency Services</u>	<u>41,997,000</u>	<u>41,997,000</u>
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Appropriations by Fund

<u>Airports</u>	<u>25,000</u>	<u>25,000</u>
<u>Trunk Highway</u>	<u>41,972,000</u>	<u>41,972,000</u>

(b) <u>Buildings</u>	<u>17,838,000</u>	<u>17,838,000</u>
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Appropriations by Fund

<u>General</u>	<u>54,000</u>	<u>54,000</u>
<u>Trunk Highway</u>	<u>17,784,000</u>	<u>17,784,000</u>

If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Subd. 6. Transfers

(a) With the approval of the commissioner of management and budget, the commissioner of transportation may transfer unencumbered balances among the appropriations from the trunk highway fund and the state airports fund made in this section. No transfer may be made from the appropriations for state road construction or for debt service. Transfers under this paragraph may not be made between funds. Transfers under this paragraph must be reported immediately to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation finance.

(b) The commissioner shall transfer from the flexible highway account in the county state-aid highway fund: (1) \$3,700,000 in the first year to the trunk highway fund; and (2) the remainder in each year to the county turnback account in the county state-aid highway fund. The funds transferred are for highway turnback purposes as provided under Minnesota Statutes, section 161.081, subdivision 3.

Subd. 7. Use of State Road Construction Appropriations

Any money appropriated to the commissioner of transportation for state road construction for any fiscal year before the first year is available to the commissioner during the biennium to the extent that the commissioner spends the money on the state road construction project for which the money was originally encumbered during the fiscal year for which it was appropriated. The commissioner of transportation shall report to the commissioner of management and budget by August 1, 2013, and August 1, 2014, on a form the commissioner of management and budget provides, on expenditures made during the previous fiscal year that are authorized by this subdivision.

Subd. 8. Contingent Appropriation

The commissioner of transportation, with the approval of the governor and the written approval of at least five members of a group consisting of the members of the Legislative Advisory Commission under Minnesota Statutes, section 3.30, and the ranking minority members of the legislative committees with jurisdiction over transportation finance, may transfer all or part of the unappropriated balance in the trunk highway fund to an appropriation: (1) for trunk highway design, construction, or inspection in order to take advantage of an unanticipated receipt of income to the trunk highway fund or to take advantage of federal

advanced construction funding; (2) for trunk highway maintenance in order to meet an emergency; or (3) to pay tort or environmental claims. Nothing in this subdivision authorizes the commissioner to increase the use of federal advanced construction funding beyond amounts specifically authorized. Any transfer as a result of the use of federal advanced construction funding must include an analysis of the effects on the long-term trunk highway fund balance. The amount transferred is appropriated for the purpose of the account to which it is transferred.

Sec. 4. METROPOLITAN COUNCIL \$ 41,489,000 \$ 41,570,000

This appropriation is from the general fund for transit system operations under Minnesota Statutes, sections 473.371 to 473.449.

The base appropriation for fiscal years 2016 and 2017 is \$63,620,000 in each year.

Sec. 5. DEPARTMENT OF PUBLIC SAFETY

Subdivision 1. Total Appropriation \$ 310,352,000 \$ 315,245,000

Appropriations by Fund

	<u>2014</u>	<u>2015</u>
<u>General</u>	<u>90,540,000</u>	<u>90,569,000</u>
<u>Special Revenue</u>	<u>61,187,000</u>	<u>61,550,000</u>
<u>H.U.T.D.</u>	<u>10,406,000</u>	<u>10,406,000</u>
<u>Trunk Highway</u>	<u>88,909,000</u>	<u>88,909,000</u>
<u>State Government</u>		
<u>Special Revenue</u>	<u>59,241,000</u>	<u>63,742,000</u>
<u>Environmental</u>	<u>69,000</u>	<u>69,000</u>

The amounts that may be spent for each purpose are specified in the following subdivisions.

Subd. 2. Administration and Related Services

(a) Office of Communications 504,000 504,000

Appropriations by Fund

<u>General</u>	<u>111,000</u>	<u>111,000</u>		
<u>Trunk Highway</u>	<u>393,000</u>	<u>393,000</u>		
<u>(b) Public Safety Support</u>			<u>8,439,000</u>	<u>8,439,000</u>

Appropriations by Fund

<u>General</u>	<u>3,467,000</u>	<u>3,467,000</u>
<u>H.U.T.D.</u>	<u>1,366,000</u>	<u>1,366,000</u>
<u>Trunk Highway</u>	<u>3,606,000</u>	<u>3,606,000</u>

\$380,000 in each year is from the general fund for payment of public safety officer survivor benefits under Minnesota Statutes, section 299A.44. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

\$1,367,000 in each year is from the general fund to be deposited in the public safety officer's benefit account. This money is available for reimbursements under Minnesota Statutes, section 299A.465.

\$600,000 in each year is from the general fund and \$100,000 in each year is from the trunk highway fund for soft body armor reimbursements under Minnesota Statutes, section 299A.38.

\$792,000 in each year is from the general fund for transfer by the commissioner of management and budget to the trunk highway fund on December 31, 2013, and December 31, 2014, respectively, in order to reimburse the trunk highway fund for expenses not related to the fund. These represent amounts appropriated out of the trunk highway fund for general fund purposes in the administration and related services program.

\$610,000 in each year is from the highway user tax distribution fund for transfer by the commissioner of management and budget to the trunk highway fund on December 31, 2013, and December 31, 2014, respectively, in order to reimburse the trunk highway

fund for expenses not related to the fund. These represent amounts appropriated out of the trunk highway fund for highway user tax distribution fund purposes in the administration and related services program.

\$716,000 in each year is from the highway user tax distribution fund for transfer by the commissioner of management and budget to the general fund on December 31, 2013, and December 31, 2014, respectively, in order to reimburse the general fund for expenses not related to the fund. These represent amounts appropriated out of the general fund for operation of the criminal justice data network related to driver and motor vehicle licensing.

Before January 15, 2015, the commissioner of public safety shall review the amounts and purposes of the transfers under this paragraph and shall recommend necessary changes to the legislative committees with jurisdiction over transportation finance.

<u>(c) Technology and Support Service</u>	<u>3,685,000</u>	<u>3,685,000</u>
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<u>Appropriations by Fund</u>		
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<u>General</u>	<u>1,322,000</u>	<u>1,322,000</u>
<u>H.U.T.D.</u>	<u>19,000</u>	<u>19,000</u>
<u>Trunk Highway</u>	<u>2,344,000</u>	<u>2,344,000</u>

Subd. 3. State Patrol

<u>(a) Patrolling Highways</u>	<u>72,522,000</u>	<u>72,522,000</u>
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<u>Appropriations by Fund</u>		
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<u>General</u>	<u>37,000</u>	<u>37,000</u>
<u>H.U.T.D.</u>	<u>92,000</u>	<u>92,000</u>
<u>Trunk Highway</u>	<u>72,393,000</u>	<u>72,393,000</u>

<u>(b) Commercial Vehicle Enforcement</u>	<u>7,796,000</u>	<u>7,796,000</u>
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<u>(c) Capitol Security</u>	<u>4,605,000</u>	<u>4,605,000</u>
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This appropriation is from the general fund.

\$1,500,000 in each year is to implement the recommendations of the advisory committee on Capitol Area Security under Minnesota Statutes, section 299E.04, including the creation of an emergency manager position under Minnesota Statutes, section 299E.01, subdivision 2, and an increase in the number of State Patrol troopers and other security officers assigned to the Capitol complex.

The commissioner may not: (1) spend any money from the trunk highway fund for capitol security; or (2) permanently transfer any state trooper from the patrolling highways activity to capitol security.

The commissioner may not transfer any money appropriated to the commissioner under this section: (1) to capitol security; or (2) from capitol security.

(d) Vehicle Crimes Unit 693,000 693,000

This appropriation is from the highway user tax distribution fund.

This appropriation is to investigate: (1) registration tax and motor vehicle sales tax liabilities from individuals and businesses that currently do not pay all taxes owed; and (2) illegal or improper activity related to sale, transfer, titling, and registration of motor vehicles.

Subd. 4. Driver and Vehicle Services

(a) Vehicle Services 28,259,000 28,357,000

<u>Appropriations by Fund</u>		
<u>Special Revenue</u>	<u>20,023,000</u>	<u>20,121,000</u>
<u>H.U.T.D.</u>	<u>8,236,000</u>	<u>8,236,000</u>

The special revenue fund appropriation is from the vehicle services operating account.

\$1,000,000 in each year is from the special revenue fund for ten additional positions to enhance customer service related to vehicle title issuance.

\$98,000 the second year is from the special revenue fund for the vehicle services portion of a new telephone system. This amount is for transfer to the Office of Enterprise Technology for initial construction and development of the system. This is a onetime appropriation and is available until expended.

(b) Driver Services28,749,00029,014,000Appropriations by Fund

<u>Special Revenue</u>	<u>28,748,000</u>	<u>29,013,000</u>
<u>Trunk Highway</u>	<u>1,000</u>	<u>1,000</u>

The special revenue fund appropriation is from the driver services operating account.

\$150,000 in the second year is from the special revenue fund for two new positions to implement facial recognition.

\$52,000 the second year is from the special revenue fund for the driver services portion of a new telephone system. This amount is for transfer to the Office of Enterprise Technology for initial construction and development of the system. This is a onetime appropriation and is available until expended.

\$37,000 in the first year and \$33,000 in the second year are from the special revenue fund for one half-time position to assist with the Novice Driver Improvement Task Force under Minnesota Statutes, section 171.0701, subdivision 1a. The base appropriation for this position is \$6,000 in fiscal year 2016 and \$0 in fiscal year 2017.

\$67,000 the second year is from the special revenue fund for one new position to administer changes to the ignition interlock program. The base appropriation for this position in fiscal years 2016 and 2017 is \$62,000 in each year.

Subd. 5. Traffic Safety435,000435,000

The commissioner of public safety shall spend 50 percent of the money available to

the state under United States Code, title 23, section 164, and the remaining 50 percent must be transferred to the commissioner of transportation for hazard elimination activities under United States Code, title 23, section 152.

Subd. 6. Pipeline Safety	<u>1,354,000</u>	<u>1,354,000</u>
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This appropriation is from the pipeline safety account in the special revenue fund.

Subd. 7. Emergency Management	<u>3,079,000</u>	<u>3,029,000</u>
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Appropriations by Fund

<u>General</u>	<u>2,406,000</u>	<u>2,356,000</u>
<u>Special Revenue</u>	<u>604,000</u>	<u>604,000</u>
<u>Environmental</u>	<u>69,000</u>	<u>69,000</u>

\$604,000 each year is appropriated from the fire safety account in the special revenue fund. These amounts must be used to fund the hazardous materials and chemical assessment teams.

\$555,000 the first year and \$505,000 the second year are from the general fund to reinstate the school safety center and to provide for school safety. The commissioner of public safety shall work collaboratively with the School Climate Council and the school climate center established under Minnesota Statutes, sections 121A.07 and 127A.052.

Subd. 8. Criminal Apprehension	<u>42,853,000</u>	<u>42,932,000</u>
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Appropriations by Fund

<u>General</u>	<u>40,905,000</u>	<u>40,984,000</u>
<u>State Government</u>		
<u>Special Revenue</u>	<u>7,000</u>	<u>7,000</u>
<u>Trunk Highway</u>	<u>1,941,000</u>	<u>1,941,000</u>

Notwithstanding Minnesota Statutes, section 161.20, subdivision 3, \$1,941,000 each year is appropriated from the trunk highway fund

for laboratory analysis related to driving while impaired cases.

\$125,000 in each year is from the general fund to replace forensic laboratory equipment at the Bureau of Criminal Apprehension.
\$200,000 in each year is from the general fund to improve forensic laboratory staffing at the Bureau of Criminal Apprehension.

\$310,000 the first year and \$389,000 the second year are from the general fund to maintain Livescan fingerprinting machines.

Subd. 9. Fire Marshal

9,555,000

9,555,000

This appropriation is from the fire safety account in the special revenue fund and is for activities under Minnesota Statutes, section 299F.012.

Of this amount: (1) \$7,187,000 each year is for activities under Minnesota Statutes, section 299F.012; and (2) \$2,368,000 the first year and \$2,368,000 the second year are for transfers to the general fund under Minnesota Statutes, section 297I.06, subdivision 3.

Subd. 10. Alcohol and Gambling Enforcement

2,485,000

2,485,000

Appropriations by Fund

<u>General</u>	<u>1,582,000</u>	<u>1,582,000</u>
<u>Special Revenue</u>	<u>903,000</u>	<u>903,000</u>

\$653,000 each year is from the alcohol enforcement account in the special revenue fund. Of this appropriation, \$500,000 each year shall be transferred to the general fund.

\$250,000 each year is appropriated from the lawful gambling regulation account in the special revenue fund.

Subd. 11. Office of Justice Programs

36,201,000

36,201,000

Appropriations by Fund

<u>General</u>	<u>36,105,000</u>	<u>36,105,000</u>
<u>State Government</u>		
<u>Special Revenue</u>	<u>96,000</u>	<u>96,000</u>

Up to 2.5 percent of the grant money appropriated in this subdivision may be used to administer the grant program.

\$1,500,000 in each year is from the general fund for victim assistance grants. The funds must be distributed through an open and competitive grant process for existing crime victim programs. The funds must be used to meet the needs of underserved and unserved areas and populations.

\$1,500,000 in each year is from the general fund for youth intervention programs under Minnesota Statutes, section 299A.73. The appropriations must be used to create new programs statewide in underserved areas and to help existing programs serve unmet needs in the program's communities. These appropriations are available until expended.

\$50,000 in each year is from the general fund for a grant to the Upper Midwest Community Policing Institute for use in training community safety personnel about the use of de-escalation strategies for handling returning veterans in crisis. This is a onetime appropriation, and the unencumbered balance in the first year does not cancel but is available for the second year. The commissioner shall consult with the Peace Officers Standards and Training (POST) Board regarding the design and content of the course, and must also ensure that the training opportunities are reasonably distributed throughout the state.

\$95,000 each year is from the general fund for a grant to the Juvenile Detention Alternative Initiative. This is a onetime appropriation, and funds unexpended in the first year are available in the second year.

Subd. 12. Emergency Communication Networks

59,138,000

63,639,000

This appropriation is from the state government special revenue fund for 911 emergency telecommunications services.

(a) Public Safety Answering Points. \$13,664,000 each year is to be distributed as provided in Minnesota Statutes, section 403.113, subdivision 2.

(b) Medical Resource Communication Centers. \$683,000 each year is for grants to the Minnesota Emergency Medical Services Regulatory Board for the Metro East and Metro West Medical Resource Communication Centers that were in operation before January 1, 2000.

(c) ARMER Debt Service. \$23,261,000 each year is to the commissioner of management and budget to pay debt service on revenue bonds issued under Minnesota Statutes, section 403.275.

Any portion of this appropriation not needed to pay debt service in a fiscal year may be used by the commissioner of public safety to pay cash for any of the capital improvements for which bond proceeds were appropriated by Laws 2005, chapter 136, article 1, section 9, subdivision 8, or Laws 2007, chapter 54, article 1, section 10, subdivision 8.

(d) ARMER State Backbone Operating Costs. \$9,250,000 the first year and \$9,650,000 the second year are to the commissioner of transportation for costs of maintaining and operating the first and third phases of the statewide radio system backbone.

(e) ARMER Improvements. \$1,000,000 each year is for the Statewide Radio Board for costs of design, construction, maintenance of, and improvements to those elements of the statewide public safety radio and communication system that support mutual aid communications and emergency medical services or provide enhancement of public safety communication interoperability.

Sec. 6. **TORT CLAIMS**

\$

600,000 \$

600,000

This appropriation is to the commissioner of management and budget.

If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Sec. 7. APPROPRIATION; EWORKPLACE TELEWORK PROGRAM.

\$100,000 is appropriated in fiscal year 2014 from the highway user tax distribution fund to the commissioner of transportation for phase 2 of the eWorkPlace telework program. Program components include but are not limited to implementation planning, enhancement of tools and Web site content, informational research and development, expansion of employer participation, technical assistance, and performance measurement. This appropriation is available in fiscal years 2014 and 2015.

Sec. 8. REAUTHORIZATION; 2008 BOND SALE EXPENSES FOR TRUNK HIGHWAY BONDS.

\$1,414,600 of the amount appropriated in Laws 2008, chapter 152, article 2, section 6, for trunk highway bond sale expenses, which was reported to the legislature according to Minnesota Statutes, section 16A.642, subdivision 1, is reauthorized and does not cancel under the terms of that subdivision. This appropriation for the bond sale expenses and the bond sale authorization in Laws 2008, chapter 152, article 2, section 7, subdivision 1, as amended, are available until December 31, 2019.

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

ARTICLE 2

TRANSPORTATION FINANCE

Section 1. Minnesota Statutes 2012, section 163.051, is amended to read:

163.051 METROPOLITAN COUNTY WHEELAGE TAX.

Subdivision 1. **Tax authorized.** (a) Except as provided in paragraph (b), the board of commissioners of each metropolitan county is authorized to levy by resolution a wheelage tax of \$5 for the year 1972 and each subsequent year thereafter by resolution \$10 for each calendar year from 2014 to 2016, and up to \$20 in each calendar year beginning in 2017, on each motor vehicle that is kept in such county when not in operation and that is subject to annual registration and taxation under chapter 168. The board may provide by resolution for collection of the wheelage tax by county officials or it may request that the tax be collected by the state registrar of motor vehicles, and. The state registrar of motor vehicles shall collect such tax on behalf of the county if requested, as provided in subdivision 2.

(b) The following vehicles are exempt from the wheelage tax:

- (1) motorcycles, as defined in section 169.011, subdivision 44;
- (2) motorized bicycles, as defined in section 169.011, subdivision 45; and
- ~~(3) electric-assisted bicycles, as defined in section 169.011, subdivision 27; and~~
- ~~(4)~~ (3) motorized foot scooters, as defined in section 169.011, subdivision 46.

Subd. 2. **Collection by registrar of motor vehicles.** The wheelage tax levied by any ~~metropolitan~~ county, if made collectible by the state registrar of motor vehicles, shall be certified by the county auditor to the registrar not later than August 1 in the year before the calendar year or years for which the tax is levied, and the registrar shall collect such tax with the motor vehicle taxes on the affected vehicles for such year or years. Every owner and every operator of such a motor vehicle shall furnish to the registrar all information requested by the registrar. No state motor vehicle tax on any such motor vehicle for any such year shall be received or deemed paid unless the applicable wheelage tax is paid therewith. ~~The proceeds of the wheelage tax levied by any metropolitan county, less any amount retained by the registrar to pay costs of collection of the wheelage tax, shall be paid to the commissioner of management and budget and deposited in the state treasury to the credit of the county wheelage tax fund of each metropolitan county.~~

Subd. 2a. **Tax proceeds deposited; costs of collection; appropriation.** Notwithstanding the provisions of any other law, the state registrar of motor vehicles shall deposit the proceeds of the wheelage tax imposed by subdivision 2, to the credit of the county wheelage tax ~~fund~~ account of each ~~metropolitan~~ county. The amount necessary to pay the costs of collection of said tax is appropriated from the county wheelage tax ~~fund~~ account of each ~~metropolitan~~ county to the state registrar of motor vehicles.

Subd. 3. **Distribution to metropolitan county; appropriation.** ~~On or before April 1 in 1972 and each subsequent year, the commissioner of management and budget~~ On a monthly basis, the registrar of motor vehicles shall issue a warrant in favor of the treasurer of each ~~metropolitan~~ county for which the registrar has collected a wheelage tax in the amount of such tax then on hand in the county wheelage tax ~~fund~~ account. There is hereby appropriated from the county wheelage tax ~~fund~~ account each year, to each ~~metropolitan~~ county entitled to payments authorized by this section, sufficient moneys to make such payments.

Subd. 4. **Use of tax.** The treasurer of each ~~metropolitan~~ county receiving ~~moneys~~ payments under subdivision 3 shall deposit such ~~moneys~~ payments in the county road and bridge fund. The moneys shall be used for purposes authorized by law which are highway purposes within the meaning of the Minnesota Constitution, article 14.

Subd. 6. **Metropolitan county defined.** ~~"Metropolitan county" means any of the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.~~

Subd. 7. **Offenses; penalties; application of other laws.** (a) Any owner or operator of a motor vehicle who ~~shall~~ willfully ~~give~~ gives any false information relative to the tax ~~herein~~ authorized by this section to the registrar of motor vehicles or any ~~metropolitan~~ county, or who ~~shall~~ willfully ~~fail~~ fails or ~~refuse~~ refuses to furnish any such information, ~~shall be~~ is guilty of a misdemeanor.

(b) Except as otherwise ~~herein~~ provided in this section, the collection and payment of a wheelage tax and all matters relating thereto ~~shall be~~ are subject to all provisions of law relating to collection and payment of motor vehicle taxes so far as applicable.

Sec. 2. Minnesota Statutes 2012, section 171.061, subdivision 4, is amended to read:

Subd. 4. **Fee; equipment.** (a) The agent may charge and retain a filing fee of ~~\$5~~ \$8 for each application. Except as provided in paragraph (c), the fee shall cover all expenses involved in receiving, accepting, or forwarding to the department the applications and fees required under sections 171.02, subdivision 3; 171.06, subdivisions 2 and 2a; and 171.07, subdivisions 3 and 3a.

(b) The statutory fees and the filing fees imposed under paragraph (a) may be paid by credit card or debit card. The driver's license agent may collect a convenience fee on the statutory fees and filing fees not greater than the cost of processing a credit card or debit card transaction. The convenience fee must be used to pay the cost of processing credit card and debit card transactions. The commissioner shall adopt rules to administer this paragraph using the exempt procedures of section 14.386, except that section 14.386, paragraph (b), does not apply.

(c) The department shall maintain the photo identification equipment for all agents appointed as of January 1, 2000. Upon the retirement, resignation, death, or discontinuance of an existing agent, and if a new agent is appointed in an existing office pursuant to Minnesota Rules, chapter 7404, and notwithstanding the above or Minnesota Rules, part 7404.0400, the department shall provide and maintain photo identification equipment without additional cost to a newly appointed agent in that office if the office was provided the equipment by the department before January 1, 2000. All photo identification equipment must be compatible with standards established by the department.

(d) A filing fee retained by the agent employed by a county board must be paid into the county treasury and credited to the general revenue fund of the county. An agent who is not an employee of the county shall retain the filing fee in lieu of county employment or salary and is considered an independent contractor for pension purposes, coverage under the Minnesota State Retirement System, or membership in the Public Employees Retirement Association.

(e) Before the end of the first working day following the final day of the reporting period established by the department, the agent must forward to the department all applications and fees collected during the reporting period except as provided in paragraph (d).

Sec. 3. Minnesota Statutes 2012, section 296A.07, subdivision 3, is amended to read:

Subd. 3. **Rate of tax.** (a) Before October 1, 2015, the gasoline excise tax is imposed at the following rates:

- (1) E85 is taxed at the rate of 19.53 cents per gallon;
- (2) M85 is taxed at the rate of 15.68 cents per gallon; and
- (3) all other gasoline is taxed at the rate of 27.5 cents per gallon.

(b) On and after October 1, 2015, the gasoline excise tax is imposed at the following rates:

- (1) E85 is taxed at the rate of ~~17.75~~ 21.31 cents per gallon;
- (2) M85 is taxed at the rate of ~~14.25~~ 17.11 cents per gallon; and
- (3) all other gasoline is taxed at the rate of ~~25~~ 30 cents per gallon.

EFFECTIVE DATE. Paragraph (a) is effective October 1, 2013, and applies to all gasoline, undyed diesel fuel, and special fuel in distributor storage on or after that date. Paragraph (a) expires October 1, 2015. Paragraph (b) is effective October 1, 2015, and applies to all gasoline, undyed diesel fuel, and special fuel in distributor storage on or after that date.

Sec. 4. Minnesota Statutes 2012, section 296A.08, subdivision 2, is amended to read:

Subd. 2. **Rate of tax.** (a) Before October 1, 2015, the special fuel excise tax is imposed at the following rate:

- (1) liquefied petroleum gas or propane is taxed at the rate of 20.63 cents per gallon;
- (2) liquefied natural gas is taxed at the rate of 16.5 cents per gallon;
- (3) compressed natural gas is taxed at the rate of \$2.391 per thousand cubic feet; or 27.5 cents per gasoline equivalent. For purposes of this paragraph, "gasoline equivalent," as defined by the National Conference on Weights and Measures, is 5.66 pounds of natural gas; and
- (4) all other special fuel is taxed at the same rate as the gasoline excise tax as specified in Minnesota Statutes, section 296A.07, subdivision 2. The tax is payable in the form and manner prescribed by the commissioner.
- (b) On and after October 1, 2015, the special fuel excise tax is imposed at the following rates:
- (a) (1) liquefied petroleum gas or propane is taxed at the rate of ~~18.75~~ 22.51 cents per gallon;
- (b) (2) liquefied natural gas is taxed at the rate of ~~15~~ 18 cents per gallon;
- (c) (3) compressed natural gas is taxed at the rate of ~~\$2.174~~ \$2.608 per thousand cubic feet; or ~~25~~ 30 cents per gasoline equivalent. For purposes of this paragraph, "gasoline equivalent," as defined by the National Conference on Weights and Measures, is 5.66 pounds of natural gas; and
- (d) (4) all other special fuel is taxed at the same rate as the gasoline excise tax as specified in section 296A.07, subdivision 2. The tax is payable in the form and manner prescribed by the commissioner.

EFFECTIVE DATE. Paragraph (a) is effective October 1, 2013, and applies to all gasoline, undyed diesel fuel, and special fuel in distributor storage on or after that date. Paragraph (a) expires October 1, 2015. Paragraph (b) is effective October 1, 2015, and applies to all gasoline, undyed diesel fuel, and special fuel in distributor storage on or after that date.

Sec. 5. Minnesota Statutes 2012, section 297A.815, subdivision 3, is amended to read:

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

(1) the revenues, including interest and penalties, collected under this section, during the fiscal year; less

(2) in fiscal year 2011, \$30,100,000; in fiscal year 2012, \$31,100,000; and in fiscal year 2013 and following fiscal years, \$32,000,000.

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

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

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

(2) ~~50 percent~~ \$9,000,000 to the county state-aid highway fund. Notwithstanding any other law to the contrary, the commissioner of transportation shall allocate the funds transferred under this clause to the counties in the metropolitan area, as defined in section 473.121, subdivision 4, excluding the counties of Hennepin and Ramsey, so that each county shall receive of such amount the percentage that its population, as defined in section 477A.011, subdivision 3, estimated or

established by July 15 of the year prior to the current calendar year, bears to the total population of the counties receiving funds under this clause; and

(2) the remainder to the greater Minnesota transit account.

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

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

~~(2) for fiscal year 2011, 93.75 percent.~~

EFFECTIVE DATE. This section is effective January 1, 2014.

Sec. 6. Minnesota Statutes 2012, section 297A.992, is amended to read:

297A.992 METROPOLITAN TRANSPORTATION AREA TRANSIT SALES TAX; TAX, JOINT POWERS BOARD.

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

~~(1) "metropolitan transportation area" means the counties participating in the joint powers agreement under subdivision 3;~~

~~(2) "eligible county" means the county of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, or Washington;~~

~~(3)~~ (2) "committee" means the Grant Evaluation and Ranking System (GEARS) Committee;

~~(4) "minimum guarantee county" means any metropolitan county or eligible county that is participating in the joint powers agreement under subdivision 3, whose proportion of the annual sales tax revenue under this section collected within that county is less than or equal to three percent;~~

(3) "net transit sales tax proceeds" means the total proceeds from the sales and use taxes imposed under this section, less the deductions identified under subdivision 8; and

~~(5)~~ (4) "population" means the population, as defined in section 477A.011, subdivision 3, estimated or established by July 15 of the year prior to the calendar year in which the representatives will serve on the Grant Evaluation and Ranking System Committee established under subdivision 5.

Subd. 2. **Authorization; rates.** (a) Notwithstanding section 297A.99, subdivisions 1, 2, and 3, or 477A.016, or any other law, the board of a county participating in a joint powers agreement as specified in this section shall impose by resolution (1) a ~~transportation~~ transit sales and use tax at a rate of one-quarter of one percent on retail sales and uses taxable under this chapter, and (2) an excise tax of \$20 per motor vehicle, as defined in section 297B.01, subdivision 11, purchased or acquired from any person engaged in the business of selling motor vehicles at retail, occurring within the jurisdiction of the taxing authority. The taxes authorized are to fund transportation improvements as specified in this section, including debt service on obligations issued to finance such improvements pursuant to subdivision 7.

(b) The tax imposed under this section is not included in determining if the total tax on lodging in the city of Minneapolis exceeds the maximum allowed tax under Laws 1986, chapter 396, section 5, as amended by Laws 2001, First Special Session chapter 5, article 12, section 87, or in determining a tax that may be imposed under any other limitations.

Subd. 2a. **Additional tax; rates.** (a) A local sales tax is imposed in the metropolitan counties, as defined in section 473.121, subdivision 4. In order to maintain the same rate across the region, the tax is imposed in each county as follows:

(1) effective for sales and purchases made after June 30, 2013, a sales and use tax on retail sales and uses taxable under this chapter, at a rate equal to one-half of one percent minus the tax rate imposed by each county under subdivision 2;

(2) effective for sales and purchases made after June 30, 2015, a sales and use tax on retail sales and uses taxable under this chapter, at a rate equal to one-quarter of one percent in addition to the tax under clause (1); and

(3) effective for vehicles acquired after June 30, 2013, if not imposed by a county under subdivision 2, an excise tax of \$20 per motor vehicle, as defined in section 297B.01, subdivision 11, purchased or acquired from any person engaged in the business of selling motor vehicles at retail, occurring within the jurisdiction of the county.

(b) The taxes imposed under this subdivision are not included in determining if the total tax on lodging in the city of Minneapolis exceeds the maximum allowed tax under Laws 1986, chapter 396, section 5, as amended by Laws 2001, First Special Session chapter 5, article 12, section 87, and Laws 2012, chapter 299, article 3, section 3, or in determining a tax that may be imposed under any other limitations.

Subd. 3. **Joint powers agreement.** (a) Before imposing the taxes authorized in subdivision 2, ~~an eligible~~ a county must declare by resolution of its county board to ~~be part of the metropolitan transportation area and~~ must enter into a joint powers agreement. The joint powers agreement:

(1) must form a joint powers board, as specified in subdivision 4;

(2) must provide a process that allows ~~any eligible a county in the metropolitan area,~~ by resolution of its county board, to join the joint powers board and impose the taxes authorized in subdivision 2;

(3) may provide for withdrawal of a participating county before final termination of the agreement; and

(4) may provide for a weighted voting system for joint powers board decisions.

(b) All counties in the metropolitan area shall enter into an amended joint powers agreement that conforms to the provisions of this section.

Subd. 4. **Joint powers board.** (a) The joint powers board must consist of one or more commissioners of each county ~~that is in the metropolitan transportation area,~~ appointed by its county board, and the chair of the Metropolitan Council, who must have voting rights, subject to subdivision 3, clause (4). The joint powers board has the powers and duties provided in this section and section 471.59.

(b) The joint powers board may utilize no more than ~~three-fourths~~ one-half of one percent of the net transit sales tax proceeds of the taxes imposed under this section for ordinary administrative expenses incurred in carrying out the provisions of this section. Any additional administrative expenses must be paid by the participating counties.

(c) The joint powers board may establish a technical advisory group that is separate from the GEARS Committee. The group must consist of representatives of cities, counties, or public agencies, including the Metropolitan Council. The technical advisory group must be used solely for technical consultation purposes.

(d) The chair of the joint powers board must be a county commissioner who is elected by the board.

Subd. 5. Grant application and awards; Grant Evaluation and Ranking System (GEARS) Committee process, general requirements. (a) The joint powers board shall establish a grant application process and identify the amount of available funding for grant awards. Grant applications must be submitted in a form prescribed by the joint powers board. An applicant must provide, in addition to all other information required by the joint powers board, the estimated cost of the project, the amount of the grant sought, possible sources of funding in addition to the grant sought, and identification of any federal funds that will be utilized if the grant is awarded. A grant application seeking transit capital funding must identify the source of money necessary to operate the transit improvement.

(b) The joint powers board shall establish a timeline and procedures for the award of grants, and may award grants only to the state and political subdivisions. The board shall define objective criteria for the award of grants, which must include, but not be limited to, consistency with the most recent version of the transportation policy plan adopted by the Metropolitan Council under section 473.146. The joint powers board shall maximize the availability and use of federal funds in projects funded under this section.

(c) Grants must be funded by the proceeds of the taxes imposed under this section, bonds, notes, or other obligations issued by the joint powers board under subdivision 7.

Subd. 5a. Grant awards; Grant Evaluation and Ranking System (GEARS) Committee. ~~(c)~~ (a) The joint powers board shall establish a GEARS Committee, which must consist of:

(1) one county commissioner from each county ~~that is~~ in the metropolitan transportation area, appointed by its county board;

(2) one elected city representative from each county ~~that is~~ in the metropolitan transportation area;

(3) one additional elected city representative from each county for every additional 400,000 in population, or fraction of 400,000, in the county that is above 400,000 in population; and

(4) the chair of the Metropolitan Council Transportation Committee.

~~(d)~~ (b) Each city representative must be elected at a meeting of cities in the metropolitan transportation area, which must be convened for that purpose by the Association of Metropolitan Municipalities.

~~(e)~~ (c) The committee shall:

(1) evaluate grant applications following objective criteria established by the joint powers board; ~~and must;~~

(2) provide to the joint powers board a selection list of transportation projects that includes a priority ranking;

(3) annually evaluate and award grants to local units of government including park districts for construction and maintenance of regional bicycle, trail, and pedestrian infrastructure, and for safe routes to school infrastructure; and

(4) annually evaluate and award grants to cities for planning activities related to land use and transportation linkages, streetcar development, or bicycle and pedestrian connections.

(d) Grants awarded by the committee under paragraph (c), clauses (3) and (4), are not subject to approval by the board. Annually, the committee shall award grants under those clauses in a total amount that equals no less than 3.75 percent of the net transit sales tax proceeds.

(e) The committee may award a grant under paragraph (c), clause (3), only if the project being funded is in compliance with:

(1) a regional non-motorized transportation system plan developed by the Metropolitan Council;
or

(2) a municipal non-motorized transportation plan, which must provide coordinated development of transportation facilities located in adjacent communities including connections between facilities in each community.

Subd. 5b. Grant awards; consistency with transportation plans. (f) A grant award for a transit project located within the metropolitan area, as defined in section 473.121, subdivision 2, may be funded only after the Metropolitan Council reviews the project for consistency with the transit portion of the Metropolitan Council policy plan and one of the following occurs:

(1) the Metropolitan Council finds the project to be consistent;

(2) the Metropolitan Council initially finds the project to be inconsistent, but after a good faith effort to resolve the inconsistency through negotiations with the joint powers board, agrees that the grant award may be funded; or

(3) the Metropolitan Council finds the project to be inconsistent, and submits the consistency issue for final determination to a panel, which determines the project to be consistent. The panel is composed of a member appointed by the chair of the Metropolitan Council, a member appointed by the joint powers board, and a member agreed upon by both the chair and the joint powers board.

(g) Grants must be funded by the proceeds of the taxes imposed under this section, bonds, notes, or other obligations issued by the joint powers board under subdivision 7.

(h) Notwithstanding the provisions of this section except subdivision 6a, of the revenue collected under this section, the joint powers board shall allocate to the Metropolitan Council, in fiscal years 2012 and 2013, an amount not less than 75 percent of the net cost of operations for those transit ways that were receiving metropolitan sales tax funds through an operating grant agreement on June 30, 2011.

~~(i) The Metropolitan Council shall expend any funds allocated under paragraph (h) for the operations of the specified transit ways solely within those counties that are in the metropolitan transportation area.~~

~~(j) Nothing in paragraph (h) or (i) prevents grant awards to the Metropolitan Council for capital and operating assistance for transit ways and park-and-ride facilities.~~

Subd. 6. **Allocation of Grant awards; eligible uses.** (a) The board must allocate grant awards only for the following transit purposes:

(1) transit way development and operations, consisting of:

(i) capital improvements to transit ways, including, but not limited to, commuter rail rolling stock, light rail vehicles, and transit way buses;

(ii) capital costs for park-and-ride facilities, as defined in section 174.256, subdivision 2;

(iii) feasibility studies, planning, alternatives analyses, environmental studies, engineering, property acquisition for transit way purposes, and construction of transit ways, including Bottineau Boulevard, Red Rock, Gateway, 394 Commuter Corridor, and Rush Line transit ways; and

(iv) operating assistance for transit ways; and

(2) as specified under subdivision 5a.

(b) The joint powers board must ~~annually~~ award grants to ~~each minimum guarantee county in an amount no less than the amount of sales tax revenue collected within that county~~ as follows:

(1) to Scott County and Carver County, 55 percent of the net sales tax proceeds generated by one-quarter of one percent collected in each county respectively for calendar year 2014 through 2018;

(2) to the Metropolitan Council for development and construction of the Southwest light rail transit project and the Bottineau Boulevard, Red Rock, Gateway, 394 Commuter Corridor, and Rush Line transit ways; and

(3) to the Center for Transportation Studies, University of Minnesota, \$500,000 annually for research to improve accessibility, operational efficiency, and safety of transit systems.

~~(c) No more than 1.25 percent of the total awards may be annually allocated for planning, studies, design, construction, maintenance, and operation of pedestrian programs and bicycle programs and pathways.~~

Subd. 6a. **Priority of fund uses.** The joint powers board shall allocate all revenues from the taxes imposed under this section in conformance with the following priority order:

(1) payment of debt service necessary for the fiscal year on bonds or other obligations ~~issued prior to January 1, 2011,~~ under subdivision 7; and

(2) as otherwise authorized under this section.

Subd. 7. **Bonds.** (a) The joint powers board or any county, acting under a joint powers agreement as specified in this section, may, by resolution, authorize, issue, and sell its bonds, notes, or other obligations for the purpose of funding grants under subdivision 6. The joint powers board or county may also, by resolution, issue bonds to refund the bonds issued pursuant to this subdivision.

(b) The bonds of the joint powers board must be limited obligations, payable solely from or secured by taxes levied under this section.

(c) The bonds of any county may be limited obligations, payable solely from or secured by taxes levied under this section. A county may also pledge its full faith, credit, and taxing power as additional security for the bonds.

(d) Bonds may be issued in one or more series and sold without an election. The bonds shall be secured, bear the interest rate or rates or a variable rate, have the rank or priority, be executed in the manner, be payable in the manner, mature, and be subject to the defaults, redemptions, repurchases, tender options, or other terms, and shall be sold in such manner as the joint powers board, the regional railroad authority, or the county may determine.

(e) The joint powers board or any regional railroad authority or any county may enter into and perform all contracts deemed necessary or desirable by it to issue and secure the bonds, including an indenture of trust with a trustee within or without the state.

(f) Except as otherwise provided in this subdivision, the bonds must be issued and sold in the manner provided under chapter 475.

(g) The joint powers board or any regional railroad authority wholly within the metropolitan transportation area also may authorize, issue, and sell its bonds, notes, or other obligations for the purposes, and in accordance with the procedures, set forth in section 398A.07 to fund grants as provided in subdivision 6. The bonds of any regional railroad authority may be limited obligations, payable solely from or secured by taxes levied under this section. A regional railroad authority may also pledge its taxing powers as additional security for the bonds.

Subd. 8. **Allocation Remittance of revenues.** After the deductions allowed in section 297A.99, subdivision 11, the commissioner of revenue shall remit the net proceeds of the taxes imposed under this section on a monthly basis, as directed by the joint powers board under this section provided under section 297A.9925.

Subd. 9. **Administration, collection, enforcement.** Except as otherwise provided in this section, the provisions of section 297A.99, subdivisions 4 and 6 to 12a, govern the administration, collection, and enforcement of the tax authorized under this section.

Subd. 10. **Termination of local option taxes.** (a) The taxes imposed under ~~section 297A.99, subdivision 1, subdivision 2~~ by a county that withdraws from the joint powers agreement pursuant to subdivision 3, clause (3), shall terminate when the county has satisfied its portion, as defined in the joint powers agreement, of all outstanding bonds or obligations entered into while the county was a member of the agreement.

(b) If the joint powers agreement under subdivision 3 is terminated, the taxes imposed under ~~section 297A.99, subdivision 1, subdivision 2,~~ at the time of the agreement termination will terminate when all outstanding bonds or obligations are satisfied. The auditors of the counties in which the taxes are imposed shall see to the administration of this paragraph.

Subd. 11. **Report.** The joint powers board shall report annually by February 1 to the ~~house of representatives and senate~~ chairs and ranking minority members of the legislative committees having jurisdiction over transportation policy and finance concerning the (1) board activities and

actions, (2) bonds authorized or issued under subdivision 7, (3) revenues received, and (4) grants awarded.

Subd. 12. **Grant awards to Metropolitan Council.** Any grant award under this section made to the Metropolitan Council must supplement, and must not supplant, operating and capital assistance provided by the state.

EFFECTIVE DATE. This section is effective July 1, 2013, for sales and purchases made after June 30, 2013, except that the imposition of the tax under subdivision 2a shall be on the first day of the calendar quarter beginning at least 60 days after the date of final enactment. This section applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 7. [297A.9925] METROPOLITAN AREA TRANSIT SALES TAX; ALLOCATION OF FUNDS.

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

- (1) "board" means the joint powers board established under section 297A.992; and
- (2) "net transit sales tax proceeds" has the meaning given in section 297A.992, subdivision 1.

Subd. 2. **Allocation formula.** In the manner specified under subdivision 6, the net transit sales tax proceeds shall be allocated as follows:

- (1) payment of debt service on bonds or other obligations;
- (2) \$23,400,000 in calendar year 2014 and \$12,375,000 in calendar year 2015 to the council for Metropolitan Council Transit Operations;
- (3) 100 percent of the net operating subsidies for Central Corridor light rail transit, Cedar Avenue bus rapid transit, I-35W South bus rapid transit, Hiawatha light rail, and Northstar commuter rail to the council;
- (4) for each calendar year beginning January 1, 2014, to the joint powers board, an amount equal to grants awarded by the GEARS committee under section 297A.992, subdivision 5a;
- (5) annually to the joint powers board for capital grants to be awarded to the Metropolitan Council for the Southwest light rail transit project under section 297A.992, subdivision 6;
- (6) for each calendar year beginning January 1, 2014, to the council, the amount necessary to expand commuter transit services in transit ways by an annual average rate of one percent, including implementation and operation of bus service, prioritizing service in transit way corridors where the preferred mode of transit is not yet in revenue operation;
- (7) for each calendar year beginning January 1, 2014, to the joint powers board, an amount equal to the total sales and use tax generated by a rate equal to one-quarter of one percent and an excise tax of \$20 per motor vehicle in the metropolitan area counties, less \$21,750,000 in calendar year 2014 and \$27,150,000 in calendar year 2015;
- (8) for each calendar year beginning January 1, 2014, \$500,000 to the joint powers board for a grant to the Center for Transportation Studies at the University of Minnesota; and

(9) the remaining revenues following the allocations under clauses (1) to (8), to the board, the council, or both, as specified in the joint certification under subdivision 3.

Subd. 3. **Joint certification.** (a) The board and the Metropolitan Council shall annually develop a joint certification as provided in this subdivision. The joint certification must be separately adopted by the board and by the council no later than August 31 of each year.

(b) By July 1, 2013, and by March 15 of each subsequent year, the commissioner of Minnesota Management and Budget shall provide to the board and council an estimate of the net transit sales tax proceeds for the subsequent calendar year.

(c) If, on October 1 in any year, the board and the Metropolitan Council have not reached agreement as to the contents of the joint certification, they shall submit the issue for dispute resolution to a panel composed of a member appointed by the chair of the Metropolitan Council, a member appointed by the board, and a member agreed upon by both the chair and the board. The panel shall mediate discussion of areas of disagreement and shall issue advisory recommendations.

(d) If the commissioner does not receive a joint certification by December 1, the commissioner may not remit the proceeds identified under subdivision 2, clause (7), except as provided by a legislatively enacted appropriation.

(e) The joint certification must specify the use of sales tax proceeds and account for deposit of the remainder after allocations.

(f) A joint certification may not exceed the estimated net transit sales tax proceeds less the allocations required under subdivision 2, clauses (1) to (6).

(g) By December 15 annually, the board shall electronically submit a copy of any joint certification to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation policy and finance.

Subd. 4. **Uses and priorities; Metropolitan Council.** The Metropolitan Council shall use all funds remitted to the council under this section in the following priority order:

(1) continuation of bus and rail transit operations, including but not limited to operations of providers under section 473.388, and operations and maintenance of all transit ways under revenue operations; and

(2) transit expansion in accordance with the transit portion of the council's policy transit plan, including, but not limited to, expansion and upgrades of bus service and related amenities, including transit provided under section 473.388, development of arterial bus rapid transit, transit ways, and streetcars as appropriate, and maintenance of affordable transit fares.

Subd. 5. **Uses and priorities; joint powers board.** The board shall use all funds remitted to the board under this section as provided in section 297A.992.

Subd. 6. **Remittance schedule.** The commissioner of revenue shall remit the net transit sales tax proceeds on a monthly basis to a fiscal agent selected by the board and council. The fiscal agent shall maintain three separate accounts: a council account, a board account, and an escrow account. Proceeds shall be deposited first into the board and council accounts based on the amounts indicated in subdivisions 2, 3, and 7, then into the escrow account. The rate of deposit for all or any portion of the proceeds into any account may be modified by mutual agreement of the parties to reflect

bond covenants or cash flow needs. Proceeds deposited into the board and council accounts shall be transferred to the board and council, respectively, within five business days of receipt. Unless otherwise directed herein, money held in the escrow account is subject to the joint certification process under subdivision 3.

Subd. 7. **Transition.** Notwithstanding subdivision 2, for the calendar year ending December 31, 2013, the board shall advance proceeds from the net transit sales tax imposed in section 297A.992, subdivision 2, as follows:

- (1) \$11,700,000 to the council for transit operations under chapter 473; and
- (2) \$2,500,000 to the council for the Southwest light rail transit project.

The board account will be reimbursed \$14,200,000 from net sales tax proceeds in calendar year 2014.

EFFECTIVE DATE. This section is effective July 1, 2013, and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 8. Minnesota Statutes 2012, section 297A.993, subdivision 1, is amended to read:

Subdivision 1. **Authorization; rates.** Notwithstanding section 297A.99, subdivisions 1, 2, 3, 5, and 13, or 477A.016, or any other law, the board of a county outside the metropolitan transportation area, as defined under section 297A.992, subdivision 1, or more than one county outside the metropolitan transportation area acting under a joint powers agreement, may by resolution of the county board, or each of the county boards, following a public hearing impose (1) a transportation sales tax at a rate of up to one-half of one percent on retail sales and uses taxable under this chapter, and (2) an excise tax of \$20 per motor vehicle, as defined in section 297B.01, subdivision 11, purchased or acquired from any person engaged in the business of selling motor vehicles at retail, occurring within the jurisdiction of the taxing authority. ~~The taxes imposed under this section are subject to approval by a majority of the voters in each of the counties affected at a general election who vote on the question to impose the taxes.~~

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

Sec. 9. Minnesota Statutes 2012, section 297A.993, subdivision 2, is amended to read:

Subd. 2. **Allocation; termination.** The proceeds of the taxes must be dedicated exclusively to: (1) payment of the capital cost of a specific transportation project or improvement; (2) payment of the costs, which may include both capital and operating costs, of a specific transit project or improvement; (3) payment of the capital costs of a safe route to school program under section 174.40; or (4) payment of transit operating costs. The transportation or transit project or improvement must be designated by the board of the county, or more than one county acting under a joint powers agreement. ~~Except for taxes for operating costs of a transit project or improvement, or for transit operations, the taxes must terminate after the project or improvement has been completed~~ when revenues raised are sufficient to finance the project.

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

Sec. 10. Minnesota Statutes 2012, section 297B.01, subdivision 14, is amended to read:

Subd. 14. **Purchase price.** (a) "Purchase price" means the total consideration valued in money for a sale, whether paid in money or otherwise. The purchase price excludes the amount of a

manufacturer's rebate paid or payable to the purchaser. If a motor vehicle is taken in trade as a credit or as part payment on a motor vehicle taxable under this chapter, the credit or trade-in value allowed by the person selling the motor vehicle shall be deducted from the total selling price to establish the purchase price of the vehicle being sold and the trade-in allowance allowed by the seller shall constitute the purchase price of the motor vehicle accepted as a trade-in. The purchase price in those instances where the motor vehicle is acquired by gift or by any other transfer for a nominal or no monetary consideration shall also include the average value of similar motor vehicles, established by standards and guides as determined by the motor vehicle registrar. The purchase price in those instances where a motor vehicle is manufactured by a person who registers it under the laws of this state shall mean the manufactured cost of such motor vehicle and manufactured cost shall mean the amount expended for materials, labor, and other properly allocable costs of manufacture, except that in the absence of actual expenditures for the manufacture of a part or all of the motor vehicle, manufactured costs shall mean the reasonable value of the completed motor vehicle.

(b) The term "purchase price" shall not include the portion of the value of a motor vehicle due solely to modifications necessary to make the motor vehicle disability accessible.

(c) The term "purchase price" shall not include the transfer of a motor vehicle by way of gift between a husband and wife or parent and child, or to a nonprofit organization as provided under subdivision 16, paragraph (c), clause ~~(5)~~ (6), nor shall it include the transfer of a motor vehicle by a guardian to a ward when there is no monetary consideration and the title to such vehicle was registered in the name of the guardian, as guardian, only because the ward was a minor.

(d) The term "purchase price" shall not include the transfer of a motor vehicle as a gift between a foster parent and foster child. For purposes of this subdivision, a foster relationship exists, regardless of the age of the child, if (1) a foster parent's home is or was licensed as a foster family home under Minnesota Rules, parts 9545.0010 to 9545.0260, and (2) the county verifies that the child was a state ward or in permanent foster care.

(e) There shall not be included in "purchase price" the amount of any tax imposed by the United States upon or with respect to retail sales whether imposed upon the retailer or the consumer.

EFFECTIVE DATE. This section is effective July 1, 2013, and applies to transfers of title that occur on or after that date.

Sec. 11. Minnesota Statutes 2012, section 297B.01, subdivision 16, is amended to read:

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

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

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

(1) the acquisition of a motor vehicle by inheritance from or by bequest of, a decedent who owned it;

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

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

(4) the transfer of a motor vehicle by gift between spouses or between parent and child;

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

~~(5)~~ (6) the transfer of a motor vehicle by way of a gift to an organization that is exempt from federal income taxation under section 501(c)(3) of the Internal Revenue Code when the motor vehicle will be used exclusively for religious, charitable, or educational purposes.

EFFECTIVE DATE. This section is effective July 1, 2013, and applies to transfers of title that occur on or after that date.

Sec. 12. Minnesota Statutes 2012, section 297B.02, subdivision 3, is amended to read:

Subd. 3. **In lieu tax for collector vehicle.** In lieu of the tax imposed in subdivision 1, there is imposed a tax of ~~\$90~~ \$150 on the purchase price of a passenger automobile or a fire truck described in section 297B.025, subdivision 2.

EFFECTIVE DATE. This section is effective July 1, 2013, and applies to transfers of title that occur on or after that date.

Sec. 13. Minnesota Statutes 2012, section 398A.10, subdivision 1, is amended to read:

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

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

Sec. 14. Minnesota Statutes 2012, section 473.39, is amended by adding a subdivision to read:

Subd. 1s. **Obligations.** After July 1, 2013, in addition to other authority in this section, the council may issue certificates of indebtedness, bonds, or other obligations under this section in an amount not exceeding \$35,800,000 for capital expenditures as prescribed in the council's transit capital improvement program and for related costs, including the costs of issuance and sale of the obligations.

EFFECTIVE DATE. This section is effective the day following final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 15. Minnesota Statutes 2012, section 473.39, is amended by adding a subdivision to read:

Subd. 6. **Revenue bonds.** (a) In addition to other authority under this section, the council may, by resolution, authorize the issuance and sale of its revenue bonds, notes, or other obligations to provide funds to implement the council's transit capital improvement program and to refund bonds issued under this subdivision.

(b) The bonds shall be sold, issued, and secured in the manner provided in chapter 475 for bonds payable solely from or secured by revenues, and the council shall have the same powers and duties as a municipality and its governing body in issuing bonds under that chapter. The bonds (1) shall be payable from and secured by a pledge of all or any part of revenues receivable to the council from the metropolitan area transit sales tax imposed under section 297A.992 and allocated under section 299A.9925, and associated investment earnings on debt proceeds; (2) shall not, and shall state they do not, represent or constitute a general obligation of the council; and (3) shall not be included in the net debt of any city, county, or other subdivision of the state for the purpose of any net debt limitation. The bonds will be deemed payable wholly from the income of revenue producing conveniences within the meaning of section 475.58. The proceeds of the bonds may also be used to fund necessary reserves and to pay credit enhancement fees, issuance costs, and other financing costs during the life of the debt.

(c) The bonds may be secured by a bond resolution, or a trust indenture entered into by the council with a corporate trustee within or outside the state, which shall define the revenues and bond proceeds pledged for the payment and security of the bonds. The pledge shall be a valid charge on the revenues received by the council under section 299A.9925. Neither the state, nor any municipality or political subdivision except the council, nor any member or officer or employee of the council, is liable on the obligations. No mortgage of or security interest in any tangible real or personal property shall be granted to the bondholders or the trustee, but they shall have a valid security interest in the revenues and bond proceeds received by the council and pledged to the payment of the bonds. In the bond resolution or trust indenture, the council may make such covenants as it determines to be reasonable for the protection of the bondholders, including a covenant to issue general obligation bonds to refund the revenue bonds if and to the extent required to pay principal and interest on the bonds.

EFFECTIVE DATE. This section is effective the day following final enactment, and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 16. Laws 2009, chapter 9, section 1, the effective date, is amended to read:

EFFECTIVE DATE. This section is effective the day following final enactment, and expires on June 30, ~~2013~~ 2016.

ARTICLE 3

TRANSPORTATION AND PUBLIC SAFETY POLICY

Section 1. [161.088] CORRIDORS OF COMMERCE PROGRAM.

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

(1) "beyond the project limits" means any point that is located outside of the project limits and along the same trunk highway, and is located within the same region of the state;

(2) "city" means a statutory or home rule charter city;

(3) "program" means the corridors of commerce program established in this section; and

(4) "project limits" means the estimated construction limits of a project for trunk highway construction, reconstruction, or maintenance, that is a candidate for selection under the corridors of commerce program.

Subd. 2. **Program authority, funding.** (a) As provided in this section, the commissioner shall establish a corridors of commerce program for trunk highway construction, reconstruction, and improvement, including maintenance operations, that improves commerce in the state.

(b) The commissioner may expend funds under the program from appropriations to the commissioner that are (1) made specifically by law for use under this section; (2) at the discretion of the commissioner, made for the budget activities in the state roads program of operations and maintenance, program planning and delivery, or state road construction; and (3) made for the corridor investment management strategy program, unless specified otherwise.

(c) The commissioner shall include in the program the cost participation policy for local units of government.

Subd. 3. **Project classification.** The commissioner shall determine whether each candidate project can be classified into at least one of the following classifications:

(1) capacity development, for a project on a segment of a trunk highway where the segment:

(i) is not a divided highway, and that highway is an expressway or freeway beyond the project limits;

(ii) contains a highway terminus that lacks an intersection or interchange with another trunk highway;

(iii) contains fewer lanes of travel compared to that highway beyond the project limits; or

(iv) contains a location that is proposed as a new interchange or to be reconstructed from an intersection to an interchange; or

(2) freight improvement, for an asset preservation or replacement project that can result in: removing or reducing barriers to commerce, easing or preserving freight movement, supporting emerging industries, or providing connections between the trunk highway system and other transportation modes for the movement of freight.

Subd. 4. **Project eligibility.** (a) The commissioner shall establish eligibility requirements for projects that can be funded under the program. Eligibility must include:

(1) consistency with the statewide multimodal transportation plan under section 174.03;

(2) location of the project on an interregional corridor, for a project located outside of the Department of Transportation metropolitan district;

(3) placement into at least one project classification under subdivision 3;

(4) a maximum length of time, as determined by the commissioner, until commencement of construction work on the project; and

(5) for each type of project classification under subdivision 3, a maximum allowable amount for the total project cost estimate, as determined by the commissioner with available data.

(b) A project whose construction is programmed in the state transportation improvement program is not eligible for funding under the program. This paragraph does not apply to a project that is programmed as result of selection under this section.

(c) A project may be, but is not required to be, identified in the 20-year state highway capital investment plan under section 174.03.

Subd. 5. Project selection process; criteria. (a) The commissioner shall establish a process for identification, evaluation, and selection of projects under the program.

(b) As part of the project selection process, the commissioner shall annually accept recommendations on candidate projects from area transportation partnerships and other interested stakeholders in each Department of Transportation district. For each candidate project identified under this paragraph, the commissioner shall determine eligibility, classify, and if appropriate, evaluate the project for the program.

(c) Project evaluation and prioritization must be performed on the basis of objective criteria, which must include:

(1) a return on investment measure that provides for comparison across eligible projects;

(2) measurable impacts on commerce and economic competitiveness;

(3) efficiency in the movement of freight, including but not limited to:

(i) measures of annual average daily traffic and commercial vehicle miles traveled, which may include data near the project location on that trunk highway or on connecting trunk and local highways; and

(ii) measures of congestion or travel time reliability, which may be within or near the project limits, or both;

(4) improvements to traffic safety;

(5) connections to regional trade centers, local highway systems, and other transportation modes;

(6) extent to which the project addresses multiple transportation system policy objectives and principles; and

(7) support and consensus for the project among members of the surrounding community.

(d) As part of the project selection process, the commissioner may divide funding to be separately available among projects within each classification under subdivision 3, and may apply separate or modified criteria among those projects falling within each classification.

Subd. 6. Funding allocations; operations and maintenance. In identifying the amount of funding allocated to a project under the program, the commissioner may include allocations of funds for operations and maintenance resulting from that project, that are assigned in future years following completion of the project, subject to available funds for the program in those years from eligible sources.

Subd. 7. Legislative report, evaluation. (a) Starting in 2014, annually by November 1, the commissioner shall electronically submit a report on the corridors of commerce program to

the chairs and ranking minority members of the legislative committees with jurisdiction over transportation policy and finance. At a minimum, the report must include:

(1) a summary of the program, including a review of the project selection process, eligibility and criteria, funds expended in the previous selection cycle, and total funds expended since program inception;

(2) a listing of projects funded under the program in the previous selection cycle, including: project classification; a breakdown of project costs and funding sources; any future operating costs assigned under subdivision 7; and a brief description that is comprehensible to a lay audience;

(3) a listing of candidate project recommendations required under subdivision 5, paragraph (b), including project classification and disposition in the selection process; and

(4) any recommendations for changes to statutory requirements of the program.

(b) Starting in 2016, and in every even-numbered year thereafter, the commissioner shall incorporate into the report the results of an independent evaluation of impacts and effectiveness of the program. The evaluation must be performed by agency staff or a consultant with experience in program evaluation who have no regular involvement in program implementation.

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

Sec. 2. Minnesota Statutes 2012, section 161.20, subdivision 3, is amended to read:

Subd. 3. **Trunk highway fund appropriations.** The commissioner may expend trunk highway funds only for trunk highway purposes. Payment of expenses related to Bureau of Criminal Apprehension laboratory, Explore Minnesota Tourism kiosks, Minnesota Safety Council, ~~to~~ ~~claims~~; driver education programs, Emergency Medical Services Board, Mississippi River Parkway Commission, payments to MN.IT Services in excess of actual costs incurred for trunk highway purposes, and personnel costs incurred on behalf of the Governor's Office do not further a highway purpose and do not aid in the construction, improvement, or maintenance of the highway system.

Sec. 3. Minnesota Statutes 2012, 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~~ \$2,000,000 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. By June 30, 2018, the center shall conduct research on transportation policy and economic competitiveness, including, but not limited to, innovative transportation finance options and economic development, transportation impacts of industry clusters and freight, and transportation technology impacts on economic competitiveness.

Sec. 4. Minnesota Statutes 2012, section 162.07, subdivision 1a, is amended to read:

Subd. 1a. **Apportionment sum and excess sum.** (a) For purposes of this subdivision, "distribution amount" means the amount identified in section 162.06, subdivision 1, after the deductions provided for in section 162.06 for administrative costs, disaster account, research account, and state park road account.

(b) The apportionment sum is calculated by subtracting the excess sum, as calculated in paragraph (c), from the distribution amount.

(c) The excess sum is calculated as the sum of revenue within the distribution amount:

(1) attributed to: (i) from October 1, 2013, to September 30, 2015, that portion of the gasoline excise tax rate under section 296A.07, subdivision 3, in excess of ~~20~~ 20.5 cents per gallon, and to that portion of the excise tax rates in excess of the energy equivalent of a gasoline excise tax rate of ~~20~~ 20.5 cents per gallon for E85 and M85 under section 296A.07, subdivision 3, and special fuel under section 296A.08, subdivision 2; and (ii) on and after October 1, 2015, that portion of the gasoline excise tax rate under section 296A.07, subdivision 3, in excess of 21 cents per gallon, and to that portion of the excise tax rates in excess of the energy equivalent of a gasoline excise tax rate of 21 cents per gallon for E85 and M85 under section 296A.07, subdivision 3, and special fuel under section 296A.08, subdivision 2;

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

(3) attributed to that portion of the motor vehicle sales tax revenue in excess of the percentage allocated to the county state-aid highway fund in fiscal year 2007.

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

Sec. 5. Minnesota Statutes 2012, section 168A.01, subdivision 6a, is amended to read:

Subd. 6a. **High-value vehicle.** "High-value vehicle" means a vehicle that had an actual cash value in excess of ~~\$5,000~~ \$9,000 before being damaged, or a vehicle with a manufacturer's rating of over 26,000 pounds gross vehicle weight that is not a late-model vehicle.

Sec. 6. Minnesota Statutes 2012, section 168A.29, subdivision 1, is amended to read:

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

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

(i) ~~until December 31, 2016, \$6.25 of which \$3.25 must be paid into the vehicle services operating account of the special revenue fund under section 299A.705; until June 30, 2012, a surcharge of \$1.75 must be added to the fee and credited to the driver and vehicle services technology account; and from July 1, 2012, to June 30, 2016, a surcharge of \$1 must be added to the fee and credited to the driver and vehicle services technology account; and~~

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

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

(3) ~~until December 31, 2016, for the transfer of the interest of an owner and the issuance of a new certificate of title, the sum of \$5.50 of which \$2.50 must be paid into the vehicle services operating account of the special revenue fund under section 299A.705; until June 30, 2012, a surcharge of \$1.75 must be added to the fee and credited to the driver and vehicle services technology account; and from July 1, 2012, to June 30, 2016, a surcharge of \$1 must be added to the fee and credited to the driver and vehicle services technology account;~~

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

(5) for issuing a duplicate certificate of title, the sum of \$7.25 of which \$3.25 must be paid into the vehicle services operating account of the special revenue fund under section 299A.705; ~~until June 30, 2012, a surcharge of \$1.75 must be added to the fee and credited to the driver and vehicle services technology account;~~ from July 1, 2012, to June 30, 2016, a surcharge of \$1 must be added to the fee and credited to the driver and vehicle services technology account.

(b) ~~After June 30, 1994, In addition to each of the fees the fee required under paragraph (a), clauses clause (1) and (3), the department must be paid \$3.50. The additional \$3.50 fee collected under this paragraph must be deposited in the special revenue fund and credited to the public safety motor vehicle account established in section 299A.70.~~

Sec. 7. Minnesota Statutes 2012, section 169.865, is amended to read:

169.865 SPECIAL FARM PRODUCTS ANNUAL PERMITS FOR OVERWEIGHT VEHICLES.

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~~ freight 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 3, paragraph (a), clause (4), a vehicle or combination of vehicles operated under this subdivision and, as part of an international movement, 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.

Subd. 2. **Seven-axle vehicles.** (a) A road authority may issue an annual permit authorizing a vehicle or combination of vehicles with a total of seven or more axles to haul ~~raw or unprocessed agricultural products~~ freight and be operated with a gross vehicle weight of up to:

- (1) 97,000 pounds; and
- (2) 99,000 pounds during the period set by the commissioner under section 169.826, subdivision 1.

(b) Drivers of vehicles operating under this subdivision must comply with driver qualification requirements adopted under section 221.0314, subdivisions 2 to 5, and Code of Federal Regulations, title 49, parts 40 ~~and~~, 382, and 391.

(c) The fee for a permit issued under this subdivision is \$500.

Subd. 3. **Requirements; restrictions.** (a) A vehicle or combination of vehicles operating under this section:

- (1) is subject to axle weight limitations under section 169.824, subdivision 1;
- (2) is subject to seasonal load restrictions under section 169.87;
- (3) is subject to bridge load limits posted under section 169.84;
- (4) may only be operated on paved streets and highways other than interstate highways;
- (5) may not be operated with loads that exceed the manufacturer's gross vehicle weight rating as affixed to the vehicle, or other certification of gross vehicle weight rating complying with Code of Federal Regulations, title 49, sections 567.4 to 567.7;
- (6) must be issued a permit from each road authority having jurisdiction over a road on which the vehicle is operated, if required;
- (7) must comply with the requirements of section 169.851, subdivision 4; and
- (8) must have brakes on all wheels.

(b) The percentage allowances for exceeding gross weights if transporting unfinished forest products under section 168.013, subdivision 3, paragraph (b), or for the first haul of unprocessed or raw farm products or unfinished forest products under section 168.013, subdivision 3, paragraph (d), clause (3), do not apply to a vehicle or combination of vehicles operated under this section.

Subd. 4. **Deposit of revenues.** Revenue from the permits issued by the commissioner under this section must be deposited in the bridge inspection and signing account as provided under section 169.86, subdivision 5b.

Sec. 8. Minnesota Statutes 2012, section 169A.37, subdivision 1, is amended to read:

Subdivision 1. **Crime described.** It is a crime for a person:

(1) to fail to comply with an impoundment order under section 169A.60 (administrative plate impoundment);

(2) to file a false statement under section 169A.60, subdivision 7, 8, or 14;

(3) to operate a self-propelled motor vehicle on a street or highway when the vehicle is subject to an impoundment order issued under section 169A.60, unless specially coded plates have been issued for the vehicle pursuant to section 169A.60, subdivision 13;

(4) to fail to notify the commissioner of the impoundment order when requesting new plates;

(5) who is subject to a plate impoundment order under section 169A.60, to drive, operate, or be in control of any motor vehicle during the impoundment period, unless the vehicle is employer-owned and is not required to be equipped with an ignition interlock device pursuant to section 31 or 171.306, subdivision 4, paragraph (b), or has specially coded plates issued pursuant to section 169A.60, subdivision 13, and the person is validly licensed to drive; or

(6) who is the transferee of a motor vehicle and who has signed a sworn statement under section 169A.60, subdivision 14, to allow the previously registered owner to drive, operate, or be in control of the vehicle during the impoundment period.

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

Sec. 9. Minnesota Statutes 2012, section 169A.51, subdivision 2, is amended to read:

Subd. 2. **Implied consent advisory.** (a) Subject to paragraph (b), at the time a test is requested, the person must be informed:

(1) that Minnesota law requires the person to take a test:

(i) to determine if the person is under the influence of alcohol, controlled substances, or hazardous substances;

(ii) to determine the presence of a controlled substance listed in Schedule I or II or metabolite, other than marijuana or tetrahydrocannabinols; and

(iii) if the motor vehicle was a commercial motor vehicle, to determine the presence of alcohol;

(2) that refusal to take a test is a crime;

(3) if the peace officer has probable cause to believe the person has violated the criminal vehicular homicide and injury laws, that a test will be taken with or without the person's consent; and

(4) that the person has the right to consult with an attorney, but that this right is limited to the extent that it cannot unreasonably delay administration of the test.

(b) A peace officer who is not pursuing an implied consent revocation is not required to give the advisory described in paragraph (a) to a person whom the officer has probable cause to believe has violated section 609.21, subdivision 1, clause (2), (3), (4), (5), or (6) (criminal vehicular operation DWI-related provisions).

EFFECTIVE DATE. This section is effective July 1, 2014, and applies to crimes committed on or after that date.

Sec. 10. Minnesota Statutes 2012, section 169A.55, is amended by adding a subdivision to read:

Subd. 5. Reinstatement of driving privileges; criminal vehicular operation. A person whose driver's license has been revoked under section 171.17, subdivision 1, paragraph (a), clause (1) (revocation, criminal vehicular operation), or suspended under section 171.187 (suspension, criminal vehicular operation), for a violation of section 609.21, subdivision 1, clause (2), (3), (4), (5), or (6) (criminal vehicular operation DWI-related provisions), shall not be eligible for reinstatement of driving privileges until the person has submitted to the commissioner verification of the use of ignition interlock for the applicable time period specified in those sections. To be eligible for reinstatement under this subdivision, a person shall utilize an ignition interlock device that meets the performance standards and certification requirements under subdivision 4, paragraph (c).

EFFECTIVE DATE. This section is effective July 1, 2014, and applies to crimes committed on or after that date.

Sec. 11. Minnesota Statutes 2012, section 171.05, subdivision 2, is amended to read:

Subd. 2. Person less than 18 years of age. (a) Notwithstanding any provision in subdivision 1 to the contrary, the department may issue an instruction permit to an applicant who is 15, 16, or 17 years of age and who:

(1) has completed a course of driver education in another state, has a previously issued valid license from another state, or is enrolled in either:

(i) a public, private, or commercial driver education program that is approved by the commissioner of public safety and that includes classroom and behind-the-wheel training; or

(ii) an approved behind-the-wheel driver education program when the student is receiving full-time instruction in a home school within the meaning of sections 120A.22 and 120A.24, the student is working toward a homeschool diploma, the student is taking home-classroom driver training with classroom materials approved by the commissioner of public safety, and the student's parent has certified the student's homeschool and home-classroom driver training status on the form approved by the commissioner;

(2) has completed the classroom phase of instruction in the driver education program or has completed 15 hours of classroom instruction in a program that presents classroom and behind-the-wheel instruction concurrently;

(3) has passed a test of the applicant's eyesight;

(4) has passed a department-administered test of the applicant's knowledge of traffic laws;

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

this clause contains a verification of the age of the applicant and the identity of the parent, guardian, adult spouse, adult close family member, or adult employer; and

(6) has paid ~~the fee~~ all fees required in section 171.06, subdivision 2.

(b) For the purposes of determining compliance with the certification of paragraph (a), clause (1), item (ii), the commissioner may request verification of a student's homeschool status from the superintendent of the school district in which the student resides and the superintendent shall provide that verification.

(c) The instruction permit is valid for two years from the date of application and may be renewed upon payment of a fee equal to the fee for issuance of an instruction permit under section 171.06, subdivision 2.

(d) The commissioner of public safety shall adopt rules to carry out the provisions of this section. The rules adopted under this section are exempt from the rulemaking provisions of chapter 14. The rules are subject to section 14.386, except that section 14.386, paragraph (b), does not apply.

EFFECTIVE DATE. Paragraph (a) is effective June 1, 2014. Paragraph (d) is effective the day following final enactment.

Sec. 12. Minnesota Statutes 2012, section 171.17, is amended by adding a subdivision to read:

Subd. 4. **Criminal vehicular operation; revocation periods.** (a) As used in this subdivision, "qualified prior impaired driving incident" has the meaning given in section 169A.03, subdivision 22.

(b) Upon receiving a record of a conviction for a violation of section 609.21, subdivision 1, clause (2), (3), (4), (5), or (6), the commissioner shall revoke the driver's license or driving privileges of a person as follows:

(1) not less than ten years if the violation resulted in great bodily harm or death to another and the person has two or more qualified prior impaired driving incidents within the past ten years or three or more qualified prior impaired driving incidents, and with denial under section 171.04, subdivision 1, clause (10), until rehabilitation is established according to standards established by the commissioner;

(2) not less than eight years if the violation resulted in great bodily harm or death to another and the person has a qualified prior impaired driving incident within the past ten years;

(3) not less than six years if the violation resulted in great bodily harm or death to another;

(4) not less than six years if the violation resulted in bodily harm or substantial bodily harm to another and the person has two or more qualified prior impaired driving incidents within the past ten years or three or more qualified prior impaired driving incidents, and with denial under section 171.04, subdivision 1, clause (10), until rehabilitation is established according to standards established by the commissioner;

(5) not less than four years if the violation resulted in bodily harm or substantial bodily harm to another and the person has a qualified prior impaired driving incident within the past ten years; or

(6) not less than two years if the violation resulted in bodily harm or substantial bodily harm to another.

(c) Section 169A.09 applies when determining the number of qualified prior impaired driving incidents under this subdivision.

EFFECTIVE DATE. This section is effective July 1, 2014, and applies to crimes committed on or after that date.

Sec. 13. **[171.187] SUSPENSION; CRIMINAL VEHICULAR OPERATION AND MANSLAUGHTER.**

Subdivision 1. **Suspension required.** The commissioner shall suspend the driver's license of a person:

(1) for whom a peace officer has made the certification described in section 629.344 that probable cause exists to believe that the person violated section 609.21, subdivision 1, clause (2), (3), (4), (5), or (6); or

(2) who has been formally charged with a violation of section 609.20, 609.205, or 609.21, resulting from the operation of a motor vehicle.

Subd. 2. **Suspension period.** A suspension under this section continues until:

(1) the conviction, acquittal, or dismissal of the underlying crime that resulted in the suspension; or

(2) the commissioner, acting under subdivision 4, orders the termination of the suspension.

Subd. 3. **Credit.** If a person whose driver's license was suspended under subdivision 1 is later convicted of the underlying offense that resulted in the suspension and the commissioner revokes the person's license, the commissioner shall credit the time accrued under the suspension period toward the revocation period imposed under section 171.17, subdivision 4, or for violations of section 609.20, 609.205, or 609.21, subdivision 1, clause (1), (7), or (8).

Subd. 4. **Administrative review of license suspension.** (a) At any time during which a person's driver's license is suspended under this section, the person may request in writing a review of the suspension by the commissioner. Upon receiving a request, the commissioner or the commissioner's designee shall review the order of suspension, the evidence upon which the order was based, and any other material information brought to the attention of the commissioner, and determine whether sufficient cause exists to sustain the order. Within 15 days of receiving the request, the commissioner shall report in writing the results of the review. The review provided in this subdivision is not subject to the contested case provisions in chapter 14.

(b) In addition to any other reason provided for in this subdivision, a person may request a review of the suspension by the commissioner if the suspension has been in place for at least three months and the person has not been indicted or formally charged with the underlying crime that resulted in the license suspension.

EFFECTIVE DATE. This section is effective July 1, 2014, and applies to crimes committed on or after that date.

Sec. 14. Minnesota Statutes 2012, section 171.30, subdivision 1, is amended to read:

Subdivision 1. **Conditions of issuance.** (a) The commissioner may issue a limited license to the driver under the conditions in paragraph (b) in any case where a person's license has been:

- (1) suspended under section 171.18, 171.173, ~~or 171.186~~, or 171.187;
- (2) revoked, canceled, or denied under section:
 - (i) 169.792;
 - (ii) 169.797;
 - (iii) 169A.52:
 - (A) subdivision 3, paragraph (a), clause (1) or (2);
 - (B) subdivision 3, paragraph (a), clause (4), (5), or (6), if in compliance with section 171.306;
 - (C) subdivision 4, paragraph (a), clause (1) or (2), if the test results indicate an alcohol concentration of less than twice the legal limit;
 - (D) subdivision 4, paragraph (a), clause (4), (5), or (6), if in compliance with section 171.306;
 - (iv) 171.17; or
 - (v) 171.172; or
- (3) revoked, canceled, or denied under section 169A.54:
 - (i) subdivision 1, clause (1), if the test results indicate an alcohol concentration of less than twice the legal limit;
 - (ii) subdivision 1, clause (2);
 - (iii) subdivision 1, clause (5), (6), or (7), if in compliance with section 171.306; or
 - (iv) subdivision 2, if the person does not have a qualified prior impaired driving incident as defined in section 169A.03, subdivision 22, on the person's record, and the test results indicate an alcohol concentration of less than twice the legal limit.
- (b) The following conditions for a limited license under paragraph (a) include:
 - (1) if the driver's livelihood or attendance at a chemical dependency treatment or counseling program depends upon the use of the driver's license;
 - (2) if the use of a driver's license by a homemaker is necessary to prevent the substantial disruption of the education, medical, or nutritional needs of the family of the homemaker; or
 - (3) if attendance at a postsecondary institution of education by an enrolled student of that institution depends upon the use of the driver's license.
- (c) The commissioner in issuing a limited license may impose such conditions and limitations as in the commissioner's judgment are necessary to the interests of the public safety and welfare including reexamination as to the driver's qualifications. The license may be limited to the operation of particular vehicles, to particular classes and times of operation, and to particular conditions of traffic. The commissioner may require that an applicant for a limited license affirmatively demonstrate that use of public transportation or carpooling as an alternative to a limited license would be a significant hardship.
- (d) For purposes of this subdivision:

(1) "homemaker" refers to the person primarily performing the domestic tasks in a household of residents consisting of at least the person and the person's dependent child or other dependents; and

(2) "twice the legal limit" means an alcohol concentration of two times the limit specified in section 169A.20, subdivision 1, clause (5).

(e) The limited license issued by the commissioner shall clearly indicate the limitations imposed and the driver operating under the limited license shall have the license in possession at all times when operating as a driver.

(f) In determining whether to issue a limited license, the commissioner shall consider the number and the seriousness of prior convictions and the entire driving record of the driver and shall consider the number of miles driven by the driver annually.

(g) If the person's driver's license or permit to drive has been revoked under section 169.792 or 169.797, the commissioner may only issue a limited license to the person after the person has presented an insurance identification card, policy, or written statement indicating that the driver or owner has insurance coverage satisfactory to the commissioner of public safety. The commissioner of public safety may require the insurance identification card provided to satisfy this subdivision be certified by the insurance company to be noncancelable for a period not to exceed 12 months.

(h) The limited license issued by the commissioner to a person under section 171.186, subdivision 4, must expire 90 days after the date it is issued. The commissioner must not issue a limited license to a person who previously has been issued a limited license under section 171.186, subdivision 4.

(i) The commissioner shall not issue a limited driver's license to any person described in section 171.04, subdivision 1, clause (6), (7), (8), (11), or (14).

(j) The commissioner shall not issue a class A, class B, or class C limited license.

EFFECTIVE DATE. This section is effective July 1, 2014, and applies to crimes committed on or after that date.

Sec. 15. Minnesota Statutes 2012, section 171.30, subdivision 2a, is amended to read:

Subd. 2a. **Other waiting periods.** Notwithstanding subdivision 2, a limited license shall not be issued for a period of:

(1) 15 days, to a person whose license or privilege has been revoked or suspended for a first violation of section 169A.20, sections 169A.50 to 169A.53, or a statute or ordinance from another state in conformity with either of those sections; or

(2) one year, to a person whose license or privilege has been revoked or suspended for committing manslaughter resulting from the operation of a motor vehicle, committing criminal vehicular homicide or injury under section 609.21, subdivision 1, clause (1), (7), or (8), or violating a statute or ordinance from another state in conformity with either of those offenses.

EFFECTIVE DATE. This section is effective July 1, 2014, and applies to crimes committed on or after that date.

Sec. 16. Minnesota Statutes 2012, section 171.30, is amended by adding a subdivision to read:

Subd. 5. **Exception; criminal vehicular operation.** Notwithstanding subdivision 1, the commissioner may not issue a limited license to a person whose driver's license has been suspended or revoked due to a violation of section 609.21, subdivision 1, clause (2), (3), (4), (5), or (6).

EFFECTIVE DATE. This section is effective July 1, 2014, and applies to crimes committed on or after that date.

Sec. 17. Minnesota Statutes 2012, section 171.306, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) As used in this section, the terms in this subdivision have the meanings given them.

(b) "Ignition interlock device" or "device" means equipment that is designed to measure breath alcohol concentration and to prevent a motor vehicle's ignition from being started by a person whose breath alcohol concentration measures 0.02 or higher on the equipment.

(c) "Program participant" means a person who has qualified to take part in the ignition interlock program under this section, and whose driver's license has been:

(1) revoked, canceled, or denied under section 169A.52, 169A.54, or 171.04, subdivision 1, clause (10), and who has qualified to take part in the ignition interlock program under this section; or

(2) revoked under section 171.17, subdivision 1, paragraph (a), clause (1), or suspended under section 171.187, for a violation of section 609.21, subdivision 1, clause (2), (3), (4), (5), or (6).

(d) "Qualified prior impaired driving incident" has the meaning given in section 169A.03, subdivision 22.

EFFECTIVE DATE. This section is effective July 1, 2014, and applies to crimes committed on or after that date.

Sec. 18. Minnesota Statutes 2012, section 171.306, subdivision 4, is amended to read:

Subd. 4. **Issuance of restricted license.** (a) The commissioner shall issue a class D driver's license, subject to the applicable limitations and restrictions of this section, to a program participant who meets the requirements of this section and the program guidelines. The commissioner shall not issue a license unless the program participant has provided satisfactory proof that:

(1) a certified ignition interlock device has been installed on the participant's motor vehicle at an installation service center designated by the device's manufacturer; and

(2) the participant has insurance coverage on the vehicle equipped with the ignition interlock device. The commissioner shall require the participant to present an insurance identification card, policy, or written statement as proof of insurance coverage, and may require the insurance identification card provided be certified by the insurance company to be noncancelable for a period not to exceed 12 months.

(b) A license issued under authority of this section must contain a restriction prohibiting the program participant from driving, operating, or being in physical control of any motor vehicle not equipped with a functioning ignition interlock device certified by the commissioner. A participant may drive an employer-owned vehicle not equipped with an interlock device while in the normal

course and scope of employment duties pursuant to the program guidelines established by the commissioner and with the employer's written consent.

(c) A program participant whose driver's license has been: (1) revoked under section 169A.52, subdivision 3, paragraph (a), clause (1), (2), or (3), or subdivision 4, paragraph (a), clause (1), (2), or (3), or section 169A.54, subdivision 1, clause (1), (2), (3), or (4); or (2) revoked under section 171.17, subdivision 1, paragraph (a), clause (1), or suspended under section 171.187, for a violation of section 609.21, subdivision 1, clause (2), (3), (4), (5), or (6); may apply for conditional reinstatement of the driver's license, subject to the ignition interlock restriction.

(d) A program participant whose driver's license has been revoked, canceled, or denied under section 169A.52, subdivision 3, paragraph (a), clause (4), (5), or (6), or subdivision 4, paragraph (a), clause (4), (5), or (6), or section 169A.54, subdivision 1, clause (5), (6), or (7), may apply for a limited license, subject to the ignition interlock restriction, if the program participant is enrolled in a licensed chemical dependency treatment or rehabilitation program as recommended in a chemical use assessment, and if the participant meets the other applicable requirements of section 171.30. After completing a licensed chemical dependency treatment or rehabilitation program and one year of limited license use without violating the ignition interlock restriction, the conditions of limited license use, or program guidelines, the participant may apply for conditional reinstatement of the driver's license, subject to the ignition interlock restriction. If the program participant's ignition interlock device subsequently registers a positive breath alcohol concentration of 0.02 or higher, the commissioner shall cancel the driver's license, and the program participant may apply for another limited license according to this paragraph.

(e) Notwithstanding any statute or rule to the contrary, the commissioner has authority to determine when a program participant is eligible for restoration of full driving privileges, except that the commissioner shall not reinstate full driving privileges until the program participant has met all applicable prerequisites for reinstatement under section 169A.55 and until the program participant's device has registered no positive breath alcohol concentrations of 0.02 or higher during the preceding 90 days.

EFFECTIVE DATE. This section is effective July 1, 2014, and applies to crimes committed on or after that date.

Sec. 19. [174.12] TRANSPORTATION ECONOMIC DEVELOPMENT PROGRAM.

Subdivision 1. Program established. (a) The commissioners of transportation and employment and economic development shall develop and implement a transportation economic development program as provided in this section that provides financial assistance on a geographically balanced basis through competitive grants for projects in all modes of transportation that provide measurable local, regional, or statewide economic benefit.

(b) The commissioners of transportation and employment and economic development may provide financial assistance for a transportation project at their discretion, subject to the requirements of this section.

Subd. 2. Transportation economic development accounts. (a) A transportation economic development account is established in the special revenue fund under the budgetary jurisdiction of the legislative committees having jurisdiction over transportation finance. Money in the account may be expended only as appropriated by law. The account may not contain money transferred or otherwise provided from the trunk highway fund.

(b) A transportation economic development account is established in the trunk highway fund. The account consists of funds donated, allotted, transferred, or otherwise provided to the account. Money in the account may be used only for trunk highway purposes.

Subd. 3. **Program administration.** In implementing the transportation economic development program, the commissioners of transportation and employment and economic development shall make reasonable efforts to (1) publicize each solicitation for applications among all eligible recipients, and (2) provide technical and informational assistance in creating and submitting applications.

Subd. 4. **Economic impact performance measures.** The commissioner of employment and economic development shall develop economic impact performance measures to analyze projects for which financial assistance under this section is being applied for or has been previously provided.

Subd. 5. **Financial assistance; criteria.** The commissioners of transportation and employment and economic development shall establish criteria for evaluating projects for financial assistance under this section. At a minimum, the criteria must provide an objective method to prioritize and select projects on the basis of:

- (1) the extent to which the project provides measurable economic benefit;
- (2) consistency with relevant state and local transportation plans;
- (3) the availability and commitment of funding or in-kind assistance for the project from nonpublic sources;
- (4) the need for the project as part of the overall transportation system;
- (5) the extent to which completion of the project will improve the movement of people and freight; and
- (6) geographic balance as required under subdivision 7, paragraph (b).

Subd. 6. **Financial assistance; project evaluation process.** (a) Following the criteria established under subdivision 5, the commissioner of employment and economic development shall (1) evaluate proposed projects, and (2) certify those that may receive financial assistance.

(b) As part of the project evaluation process, the commissioner of transportation shall certify that a project constitutes an eligible and appropriate transportation project.

Subd. 7. **Financial assistance; awards.** (a) The financial assistance awarded by the commissioners of transportation and employment and economic development may not exceed 70 percent of a project's total costs.

(b) The commissioners of transportation and employment and economic development shall ensure that financial assistance is provided in a manner that is balanced throughout the state, including with respect to (1) the number of projects receiving funding in a particular geographic location or region of the state, and (2) the total amount of financial assistance provided for projects in a particular geographic location or region of the state.

Subd. 8. **Legislative report.** (a) By February 1 of each odd-numbered year, the commissioner of transportation, with assistance from the commissioner of employment and economic development, shall submit a report on the transportation economic development program to the chairs and ranking

minority members of the legislative committees with jurisdiction over transportation policy and finance and economic development policy and finance.

(b) At a minimum, the report must:

(1) summarize the requirements and implementation of the transportation economic development program established in this section;

(2) review the criteria and economic impact performance measures used for evaluation, prioritization, and selection of projects;

(3) provide a brief overview of each project that received financial assistance under the program, which must at a minimum identify:

(i) basic project characteristics, such as funding recipient, geographic location, and type of transportation modes served;

(ii) sources and respective amounts of project funding; and

(iii) the degree of economic benefit anticipated or observed, following the economic impact performance measures established under subdivision 4;

(4) identify the allocation of funds, including but not limited to a breakdown of total project funds by transportation mode, the amount expended for administrative costs, and the amount transferred to the transportation economic development assistance account;

(5) evaluate the overall economic impact of the program consistent with the accountability measurement requirements under section 116J.997; and

(6) provide recommendations for any legislative changes related to the program.

Sec. 20. Minnesota Statutes 2012, section 174.185, is amended by adding a subdivision to read:

Subd. 4. **Pavement design life.** (a) For purposes of this subdivision, "applicable project" means a trunk highway project:

(1) that is categorized in the statewide transportation improvement program with a program category of major construction, reconstruction, reconditioning, or resurfacing;

(2) that adds, removes, or replaces a pavement surface layer by more than two inches of paving material thickness;

(3) that involves within the construction limits:

(i) on a two-lane road, more than two miles of length of roadway; or

(ii) on a multilane road, more than 30,000 square yards of paving; and

(4) for which a notable portion of the roadway has an International Roughness Index of 170 inches per mile or greater.

(b) The commissioner shall, on each applicable project, select pavement material that has a design life of at least 20 years. For purposes of determining pavement design life under this subdivision, the commissioner may not consider the life of pavement following planned maintenance or repairs.

Sec. 21. Minnesota Statutes 2012, section 174.40, is amended by adding a subdivision to read:

Subd. 7a. **Related non-infrastructure activities.** (a) The commissioner may not expend an appropriation from the bond proceeds fund, or provide financial assistance from such appropriations, for the purposes specified in this subdivision.

(b) Subject to appropriations made specifically for the purposes of this subdivision, the commissioner may expend funds for non-infrastructure activities to encourage walking and bicycling to school, including:

- (1) planning activities;
- (2) public awareness campaigns and outreach to press and community leaders;
- (3) traffic education and enforcement in the vicinity of schools;
- (4) student sessions on bicycle and pedestrian safety, health, and the environment; and
- (5) financial assistance for training, volunteers, and managers of safe routes to school programs.

Sec. 22. Minnesota Statutes 2012, section 219.1651, is amended to read:

219.1651 GRADE CROSSING SAFETY ACCOUNT.

A Minnesota grade crossing safety account is created in the special revenue fund, consisting of money credited to the account by law. Money in the account is appropriated to the commissioner of transportation for rail-highway grade crossing safety projects on public streets and highways, including engineering costs. At the discretion of the commissioner of transportation, money in the account at the end of each fiscal year ~~can~~ biennium may cancel to the trunk highway fund.

Sec. 23. Minnesota Statutes 2012, section 299A.73, subdivision 3, is amended to read:

Subd. 3. **Grant allocation formula.** Up to ~~one~~ five percent of the appropriations to the grants-in-aid to the youth intervention program may be used for a grant to the Minnesota Youth Intervention Programs Association for expenses in providing ~~collaborative~~ collaboration, program development, professional development training and, technical assistance ~~to~~, tracking, and analyzing and reporting outcome data for the community-based grantees of the program. The Minnesota Youth Intervention Programs Association is not required to meet the match obligation under subdivision 2.

Sec. 24. Minnesota Statutes 2012, section 299E.01, subdivision 2, is amended to read:

Subd. 2. **Responsibilities.** (a) The division shall be responsible and shall utilize state employees for security and public information services in state-owned buildings and state leased-to-own buildings in the Capitol area, as described in section 15B.02~~;~~. It shall provide ~~such~~ personnel as are required by the circumstances to insure the orderly conduct of state business and the convenience of the public.

(b) As part of the division permanent staff, the director must establish the position of emergency manager that includes, at a minimum, the following duties:

- (1) oversight of the consolidation, development, and maintenance of plans and procedures that provide continuity of security operations;

(2) the development and implementation of tenant training that addresses threats and emergency procedures; and

(3) the development and implementation of threat and emergency exercises.

(c) The director must provide a minimum of one state trooper assigned to the Capitol complex at all times.

(d) The director, in consultation with the advisory committee under section 299E.04, shall, at least annually, hold a meeting or meetings to discuss, among other issues, Capitol complex security, emergency planning, public safety, and public access to the Capitol complex. The meetings must include, at a minimum:

(1) Capitol complex tenants and state employees;

(2) nongovernmental entities, such as lobbyists, vendors, and the media; and

(3) the public and public advocacy groups.

Sec. 25. Minnesota Statutes 2012, section 299E.01, subdivision 3, is amended to read:

Subd. 3. **Powers and duties transferred.** All powers, duties and responsibilities heretofore assigned by law to the commissioner of administration relating to the general function of security in ~~such~~ Capitol complex state-owned buildings are hereby transferred to the commissioner of public safety. The commissioner of public safety shall have the final authority regarding public safety and security in the Capitol complex. The commissioner of administration shall have the powers, duties, and responsibilities relating to the Capitol complex of state-owned buildings as provided under chapter 16B.

Sec. 26. Minnesota Statutes 2012, section 299E.02, is amended to read:

299E.02 CONTRACT SERVICES INTERAGENCY AGREEMENT; APPROPRIATION.

~~Fees charged for contracted~~ The commissioner of public safety shall execute interagency agreements with agency tenants in the Capitol complex whereby fees for the provision of security services are charged. Fees charged for security services provided by the Capitol Complex Security Division of the Department of Public Safety must be deposited in an account in the special revenue fund and are annually appropriated to the commissioner of public safety to administer and provide these services.

Sec. 27. Minnesota Statutes 2012, section 398A.04, is amended by adding a subdivision to read:

Subd. 2a. **Bus rapid transit development.** A regional rail authority may exercise the powers conferred under this section to: plan, establish, acquire, develop, purchase, enlarge, extend, improve, maintain, equip, regulate, and protect; and pay costs of construction and operation of a bus rapid transit system located within its county on transit ways included in and approved by the Metropolitan Council's 2030 Transportation Policy Plan. This subdivision applies only to the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

EFFECTIVE DATE. This section is effective the day following final enactment and applies only to the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 28. Minnesota Statutes 2012, section 398A.10, is amended by adding a subdivision to read:

Subd. 4. **Definition.** For purposes of this section, "project" means the initial construction of a minimum operable segment of a new light rail transit or commuter rail line, but does not include infill stations, project enhancements, extensions, or supportive infrastructure, constructed after the rail transit is operational.

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

Sec. 29. **[629.344] CRIMINAL VEHICULAR OPERATION AND MANSLAUGHTER; CERTIFICATION OF PROBABLE CAUSE BY PEACE OFFICER.**

If a peace officer determines that probable cause exists to believe that a person has violated section 609.21, subdivision 1, clause (2), (3), (4), (5), or (6), the officer shall certify this determination and notify the commissioner of public safety.

EFFECTIVE DATE. This section is effective July 1, 2014, and applies to crimes committed on or after that date.

Sec. 30. **NOVICE DRIVER EDUCATION IMPROVEMENT TASK FORCE.**

(a) The Novice Driver Education Improvement Task Force is established to ensure driver education programs in Minnesota meet the Novice Teen Driver Education and Training Administrative Standards published by the United States Department of Transportation, National Highway Traffic Safety Administration.

(b) The task force consists of 21 members:

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

(2) two representatives from and designated by the Minnesota Association of Student Councils;

(3) one representative from and designated by Mothers Against Drunk Driving;

(4) one representative from and designated by Minnesotans for Safe Driving;

(5) two representatives from law enforcement organizations, such as the Minnesota Chiefs of Police Association and the Minnesota Sheriffs' Association appointed by the commissioner;

(6) one representative from and designated by the American Automobile Association;

(7) one representative from and designated by the Minnesota Safety Council;

(8) two representatives from and designated by the Minnesota PTA;

(9) five driver educators from the Minnesota Driver and Traffic Safety Education Association designated by the commissioner; and

(10) five driver educators from commercial driving schools, designated by the commissioner.

(c) Any vacancies shall be filled by the appointing or designating authorities.

(d) Members shall serve without compensation.

(e) Members shall be appointed or designated by August 1, 2013.

(f) The commissioner or the commissioner's designee shall convene the first meeting of the task force after all appointments have been made. At the first meeting, the task force shall elect a chair from among its members by majority vote. The first meeting must take place by September 1, 2013.

(g) The duties of the task force are to examine and compare Minnesota law and rules concerning driver education with the Novice Teen Driver Education and Training Administrative Standards, identify discrepancies, and determine to what extent, if any, state law should be modified to conform with federal standards.

(h) The commissioner shall provide support staff and administrative services for the task force.

(i) The task force shall submit a report no later than August 31, 2015, to the chairs and ranking minority members of the committees in the house of representatives and senate having jurisdiction over transportation policy and finance, containing its recommendation as to whether or to what extent Minnesota's driver education programs should conform to national standards referenced in paragraph (a), and if so, providing draft legislation necessary or desirable to achieve the recommended level of federal conformity. The report may present recommendations for improving Minnesota's driver education curriculum and identify associated costs.

EFFECTIVE DATE. This section is effective the day following final enactment and is repealed September 1, 2015, or the day after the task force submits its report, as required in paragraph (i), whichever occurs first.

Sec. 31. **ORIGINAL IGNITION INTERLOCK DEVICE PROGRAM; USE OF EMPLOYER-OWNED VEHICLES.**

A person participating in the ignition interlock device program under Minnesota Statutes 2009, section 171.305, may drive an employer-owned vehicle not equipped with an interlock device while in the normal course and scope of employment duties pursuant to the program guidelines established by the commissioner referenced in Minnesota Statutes, section 171.306, subdivision 4, paragraph (b), and with the employer's written consent.

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

Sec. 32. **TRANSIT WAY COMMUNITY ENGAGEMENT.**

(a) In all phases of a transit way project in which the Metropolitan Council is the lead transportation authority, the council may partner and contract for services with local community-based organizations to promote community engagement activities along the project corridor. The community-based organizations may include those organizations representative of low-income people, people of color, people with disabilities, other cultural constituencies, or small businesses.

(b) For purposes of this section, project phases may include, but are not limited to:

(1) feasibility studies, alternatives analysis, preplanning, environmental analysis, land acquisition, easements, design, preliminary and final engineering, construction, and station development;

(2) review of existing public transit service along the corridor; and

(3) pedestrian, bicycle, or nonmotorized improvement projects associated with the corridor.

(c) Any community engagement activities conducted under this section shall be reported to the senate and house of representative chairs and ranking minority members of the committees and divisions with primary jurisdiction over transportation policy and finance.

Sec. 33. TRANSPORTATION INFRASTRUCTURE HIRING AND RECRUITMENT.

(a) In the construction, maintenance, replacement, and improvement of transit and transportation infrastructure, the lead transportation authority is encouraged to: (1) make every effort to employ, and encourage the construction manager and other subcontractors and vendors to employ, women and members of minority communities; (2) make every effort to contract with women-owned and minority-owned small businesses designated as small targeted group businesses under Minnesota Statutes, section 16C.16; and (3) may contract with a community-based employment assistance firm to create an employment program to recruit, hire, and retain women and minorities for the project construction workforce. In monitoring progress on meeting these goals, reports may track workers from zip codes that have high rates of poverty and unemployment.

(b) The commissioner of transportation shall make all reasonable efforts to increase participation in Department of Transportation highway projects of small businesses located in economically disadvantaged areas of Minnesota, within the meaning of Minnesota Statutes, section 16C.16, subdivision 7.

Sec. 34. FINANCIAL ASSISTANCE FOR NORTHSTAR COMMUTER RAIL EXPENSES; GREATER MINNESOTA.

The portion of the cost to provide financial assistance for the Greater Minnesota Transit component of the Northstar Commuter Rail is exempt from the requirements in Minnesota Statutes, section 174.24, subdivision 1.

Sec. 35. REPEALER.

(a) Minnesota Statutes 2012, sections 161.04, subdivision 6; and 174.285, subdivision 8, are repealed.

(b) Minnesota Rules, parts 7503.0300, subpart 1; and 7503.0800, subpart 2, are repealed effective July 1, 2014."

Amend the title accordingly

Senator Franzen moved to amend the Franzen amendment to H.F. No. 1444 as follows:

Page 5, delete lines 29 to 31

The motion prevailed. So the amendment to the amendment was adopted.

CALL OF THE SENATE

Senator Thompson imposed a call of the Senate for the balance of the proceedings on H.F. No. 1444. The Sergeant at Arms was instructed to bring in the absent members.

RECESS

Senator Thompson 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.

CALL OF THE SENATE

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

The Senate resumed consideration of H.F. No. 1444 and the Franzen amendment, as amended.

The question recurred on the Franzen amendment, as amended.

The roll was called, and there were yeas 34 and nays 26, as follows:

Those who voted in the affirmative were:

Bakk	Dibble	Jensen	Metzen	Sieben
Bonoff	Dziedzic	Johnson	Pappas	Skoe
Carlson	Eaton	Kent	Reinert	Stumpf
Champion	Franzen	Koenen	Rest	Tomassoni
Clausen	Goodwin	Latz	Saxhaug	Torres Ray
Cohen	Hawj	Lourey	Schmit	Wiger
Dahle	Hayden	Marty	Sheran	

Those who voted in the negative were:

Benson	Gazelka	Nelson	Petersen, B.	Weber
Brown	Hann	Newman	Pratt	Wicklund
Chamberlain	Hoffman	Nienow	Scalze	
Dahms	Housley	Ortman	Senjem	
Eken	Ingebrigtsen	Osmek	Sparks	
Fischbach	Kiffmeyer	Pederson, J.	Thompson	

The motion prevailed. So the Franzen amendment, as amended, was adopted.

H.F. No. 1444 was read the third time, as amended.

Senator Nienow moved that the Senate do now recess until 8:15 p.m.

The question was taken on the adoption of the motion.

Senator Nienow raised a point of order pursuant to Rule 38 and Rule 40.3. The President ruled the point of order not well taken.

Senator Nienow appealed the decision of the President.

The question was taken on "Shall the decision of the President be the judgment of the Senate?" The decision of the President was sustained.

Senator Tomassoni moved that those not voting on the Nienow motion be excused from voting. The motion prevailed.

The roll was called on the Nienow motion, and there were yeas 20 and nays 35, as follows:

Those who voted in the affirmative were:

Benson	Gazelka	Ingebrigtsen	Ortman	Pratt
Chamberlain	Hall	Kiffmeyer	Osmek	Senjem
Dahms	Hann	Nelson	Pederson, J.	Thompson
Fischbach	Housley	Newman	Petersen, B.	Weber

Those who voted in the negative were:

Bonoff	Eaton	Jensen	Metzen	Sieben
Carlson	Eken	Johnson	Pappas	Sparks
Champion	Franzen	Kent	Reinert	Stumpf
Cohen	Goodwin	Koenen	Saxhaug	Tomassoni
Dahle	Hawj	Latz	Scalze	Torres Ray
Dibble	Hayden	Lourey	Schmit	Wiger
Dziedzic	Hoffman	Marty	Sheran	Wiklund

The motion did not prevail.

The question was taken on the final passage of H.F. No. 1444, as amended.

The roll was called, and there were yeas 35 and nays 27, as follows:

Those who voted in the affirmative were:

Bakk	Dibble	Hayden	Marty	Sheran
Bonoff	Dziedzic	Jensen	Metzen	Sieben
Carlson	Eaton	Johnson	Pappas	Skoe
Champion	Eken	Kent	Reinert	Stumpf
Clausen	Franzen	Koenen	Rest	Tomassoni
Cohen	Goodwin	Latz	Saxhaug	Torres Ray
Dahle	Hawj	Lourey	Schmit	Wiger

Those who voted in the negative were:

Anderson	Hall	Limmer	Pederson, J.	Thompson
Benson	Hann	Nelson	Petersen, B.	Weber
Chamberlain	Hoffman	Newman	Pratt	Wiklund
Dahms	Housley	Nienow	Scalze	
Fischbach	Ingebrigtsen	Ortman	Senjem	
Gazelka	Kiffmeyer	Osmeck	Sparks	

So the bill, as amended, was passed and its title was agreed to.

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 and First Reading of House Bills.

MESSAGES FROM THE HOUSE

Madam President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned: S.F. Nos. 340, 250, 1564 and 683.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned May 10, 2013

Madam President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S.F. No. 1234: A bill for an act relating to workers' compensation; making various policy and housekeeping changes; adopting advisory council recommendations; requiring a report; amending Minnesota Statutes 2012, sections 176.011, subdivisions 15, 16; 176.081, subdivisions 1, 7; 176.101,

subdivision 1; 176.102, subdivisions 3a, 5, 10; 176.106, subdivisions 1, 3; 176.129, subdivision 13; 176.136, subdivision 1b; 176.138; 176.183, subdivision 4; 176.245; 176.521; 176.645; 176.83, subdivision 5.

Senate File No. 1234 is herewith returned to the Senate.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Returned May 10, 2013

CONCURRENCE AND REPASSAGE

Senator Sparks moved that the Senate concur in the amendments by the House to S.F. No. 1234 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 1234 was read the third time, as amended by the House, and placed on its repassage.

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

The roll was called, and there were yeas 45 and nays 15, as follows:

Those who voted in the affirmative were:

Bakk	Eaton	Jensen	Pappas	Sieben
Bonoff	Eken	Johnson	Pederson, J.	Skoe
Carlson	Fischbach	Kent	Pratt	Sparks
Champion	Franzen	Kiffmeyer	Reinert	Stumpf
Clausen	Goodwin	Latz	Rest	Tomassoni
Cohen	Hann	Lourey	Saxhaug	Torres Ray
Dahle	Hawj	Marty	Scalze	Weber
Dibble	Hayden	Metzen	Schmit	Wiger
Dziedzic	Hoffman	Nelson	Sheran	Wiklund

Those who voted in the negative were:

Anderson	Gazelka	Ingebrigtsen	Nienow	Petersen, B.
Chamberlain	Hall	Limmer	Ortman	Senjem
Dahms	Housley	Newman	Osmek	Thompson

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

MESSAGES FROM THE HOUSE - CONTINUED

Madam President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 956:

H.F. No. 956: A bill for an act relating to energy; amending various provisions related to utilities; modifying provisions governing cogeneration and small power production; establishing a value of solar rate and related regulations; permitting community solar generating facilities; creating various renewable energy incentives; requiring studies; extending sunsets; making technical corrections; appropriating money; amending Minnesota Statutes 2012, sections 16C.144, subdivision 2; 116C.779, subdivision 3; 216B.02, subdivision 4; 216B.03; 216B.16, subdivision 7b, by adding a subdivision; 216B.1635; 216B.164, subdivisions 3, 4, 6, by adding subdivisions; 216B.1691, subdivisions 1, 2a, 2e, by adding a subdivision; 216B.1692, subdivisions 1, 8, by

adding a subdivision; 216B.1695, subdivision 5, by adding a subdivision; 216B.23, subdivision 1a; 216B.241, subdivision 1e; 216B.2411, subdivision 3; 216C.436, subdivisions 7, 8; Laws 2005, chapter 97, article 10, section 3; proposing coding for new law in Minnesota Statutes, chapters 216B; 216C; repealing Minnesota Statutes 2012, section 216B.1637.

The House respectfully requests that a Conference Committee of 3 members be appointed thereon.

Hortman, Simonson and Garofalo have been appointed as such committee on the part of the House.

House File No. 956 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Transmitted May 10, 2013

Senator Marty moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 956, and that a Conference Committee of 3 members be appointed by the Subcommittee on Conference Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Madam President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 694, 1792 and 683.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Transmitted May 10, 2013

FIRST READING OF HOUSE BILLS

The following bills were read the first time.

H.F. No. 694: A bill for an act relating to debt management and debt settlement; clarifying exemption for attorneys at law; modifying regulation of debt settlement services; amending Minnesota Statutes 2012, sections 332A.02, subdivision 8, by adding a subdivision; 332B.02, subdivision 13, by adding a subdivision; 332B.06, subdivisions 1, 4; 332B.09.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 586, now on General Orders.

H.F. No. 1792: A bill for an act relating to claims against the state; providing for settlement of certain claims; appropriating money.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1629, now on General Orders.

H.F. No. 683: A bill for an act relating to water; creating Legislative Water Commission; providing appointments; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 3.

Senator Bakk moved that H.F. No. 683 be laid on the table. The motion prevailed.

MOTIONS AND RESOLUTIONS - CONTINUED

Senator Pappas moved that S.F. No. 489 be taken from the table. The motion prevailed.

S.F. No. 489: A bill for an act relating to retirement; Minnesota State Retirement System, Public Employees Retirement Association, and former local police and paid firefighter relief associations; authorizing investments in swaps; clarifying language; removing obsolete language; revising outdated requirements; revising contribution rate revision procedures; revising disability standards and disability benefit administration procedures; merging the elected state officers retirement plan into the legislators retirement plan; revising pension commission standards provision; revising pension plan financial report contents provision; clarifying coverage of student employees and extending duration of excluded work-study positions; revising military service credit purchase provision for consistency with federal code; clarifying average salary for benefit purposes; clarifying MERF division benefit eligibility; adding Lake County Sunrise Home to privatization chapter; removing legislative approval requirements for privatizations; modifying legislative notification requirements for privatizations; clarifying privatized public hospital pension benefit eligibility; making various administrative changes; eliminating the PERA Social Security leveling optional annuity; revising and repealing various statutes to reflect the recent mergers of local police and salaried firefighter relief associations and consolidation accounts with the public employees police and fire retirement plan; streamlining amortization state aid programs; extending the deadline for participation in the voluntary statewide lump-sum volunteer firefighter retirement plan; requiring municipal approval for deferred service pension interest rate changes by volunteer firefighter relief association boards of trustees; authorizing a resumption of the payment of a death benefit to estates of certain White Bear Lake volunteer firefighter relief association retirees; including Minnesota Association of Professional Employees in MSRS-General plan coverage; authorizing the termination of nonspousal survival designations in optional annuity form elections in certain instances; authorizing certain service credit purchases; providing instructions to the revisor of statutes; amending Minnesota Statutes 2012, sections 3.85, subdivision 10; 3A.011; 3A.03, subdivision 3; 3A.07; 3A.115; 3A.13; 3A.15; 6.495, subdivisions 1, 3; 6.67; 11A.24, subdivision 1; 13D.01, subdivision 1; 69.011, subdivisions 1, 2, 3, 4; 69.021, subdivisions 1, 2, 3, 4, 5, 7, 7a, 8, 9, 10, 11; 69.031, subdivisions 1, 3, 5; 69.041; 69.051, subdivisions 1, 1a, 1b, 2, 3, 4; 69.33; 69.77, subdivisions 1, 2, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13; 69.771, subdivision 1; 69.774, subdivision 1; 69.80; 275.70, subdivision 5; 297I.10, subdivision 1; 345.381; 352.01, subdivisions 2a, 17b; 352.029, subdivisions 1, 2a, 2b, 3, 5; 352.03, subdivisions 4, 8; 352.045, by adding subdivisions; 352.113, subdivisions 4, 6, 8, by adding subdivisions; 352.115, subdivision 3; 352.22, subdivision 3; 352.87, subdivision 3; 352.93, subdivision 2; 352.95, subdivision 1; 352.955, subdivisions 1, 3; 352B.011, subdivision 13; 352B.08, subdivision 2; 352B.10, subdivision 1, by adding a subdivision; 352D.04, subdivision 2; 353.01, subdivisions 2a, 2b, 6, 10, 16, 17a, 29; 353.03, subdivision 3; 353.27, subdivision 7; 353.29, subdivision 3; 353.34, subdivisions 1, 2; 353.50, subdivisions 3, 6; 353.64, subdivision 1a; 353.651, subdivision 3; 353.656, subdivisions 1, 1a, 3a; 353.657, subdivisions 2, 2a, 3; 353.659; 353.665, subdivisions 1, 5, 8; 353.71, subdivision 1; 353E.04, subdivision 3; 353E.06, subdivision 1; 353F.02, subdivisions 3, 4, 6, by adding a subdivision; 353F.025, subdivisions 1, 2; 353F.03; 353F.04; 353F.05; 353F.051, subdivision 1; 353F.052; 353F.06; 353F.07; 353F.08; 353G.05, subdivision 2; 354.07, subdivision 1; 354.44, subdivision 6; 354A.021, subdivision 2; 354A.31, subdivisions 4, 4a; 356.20, subdivisions 2, 4; 356.214, subdivision 1; 356.215, subdivisions 1, 8, 18; 356.216; 356.219, subdivisions 1, 2, 8;

356.30, subdivisions 1, 3; 356.315, subdivision 9; 356.401, subdivision 3; 356.406, subdivision 1; 356.415, subdivisions 1, 1a, 1b, 2; 356.48, subdivision 1; 356.635, subdivision 1; 356A.01, subdivision 19; 356A.06, subdivision 4; 356A.07, subdivision 2; 423A.02, subdivisions 1, 1b, 2, 3, 3a, 4, 5; 424A.001, subdivision 4, by adding a subdivision; 424A.01, subdivision 6; 424A.015, subdivisions 1, 4; 424A.016, subdivision 6; 424A.02, subdivisions 7, 9; 424A.10, subdivisions 1, 2; 475.52, subdivision 6; 490.121, subdivision 22; 490.124, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 3A; 6; 353F; 356; repealing Minnesota Statutes 2012, sections 3A.02, subdivision 3; 69.021, subdivision 6; 69.77, subdivision 3; 352.955, subdivision 2; 352C.001; 352C.091, subdivision 1; 352C.10; 353.29, subdivision 6; 353.64, subdivision 3; 353.665, subdivisions 2, 3, 4, 6, 7, 9, 10; 353.667; 353.668; 353.669; 353.6691; 353A.01; 353A.02; 353A.03; 353A.04; 353A.05; 353A.06; 353A.07; 353A.08; 353A.081; 353A.083; 353A.09; 353A.10; 353B.01; 353B.02; 353B.03; 353B.04; 353B.05; 353B.06; 353B.07; 353B.08; 353B.09; 353B.10; 353B.11; 353B.12; 353B.13; 353B.14; 353F.02, subdivisions 4, 5; 353F.025, subdivision 3; 356.315, subdivisions 1, 1a, 2, 2a, 2b, 3, 4, 5, 5a, 6, 7, 8; 423A.01; 423A.02, subdivision 1a; 423A.04; 423A.05; 423A.07; 423A.10; 423A.11; 423A.12; 423A.13; 423A.14; 423A.15; 423A.16; 423A.17; 423A.171; 423A.18; 423A.19; 423A.20; 423A.21; 423A.22; 424A.10, subdivision 5.

Senator Pappas moved that the Senate do not concur in the amendments by the House to S.F. No. 489, and that a Conference Committee of 3 members be appointed by the Subcommittee on Conference Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate reverted to the Order of Business of Messages From the House.

MESSAGES FROM THE HOUSE

Madam President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 459, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 459 is herewith transmitted to the Senate.

Albin A. Mathiowetz, Chief Clerk, House of Representatives

Transmitted May 10, 2013

CONFERENCE COMMITTEE REPORT ON H. F. NO. 459

A bill for an act relating to children's health; prohibiting sale of children's food containers containing bisphenol-A; proposing coding for new law in Minnesota Statutes, chapter 325F.

May 8, 2013

The Honorable Paul Thissen
Speaker of the House of Representatives

The Honorable Sandra L. Pappas
President of the Senate

We, the undersigned conferees for H. F. No. 459 report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H. F. No. 459 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. **[325F.174] BISPHENOL-A IN CHILDREN'S FOOD CONTAINERS.**

Subdivision 1. **Prohibition.** (a) Beginning August 1, 2014, no manufacturer or wholesaler may knowingly sell or offer for sale in this state infant formula, baby food, or toddler food stored in a container that contains intentionally added bisphenol-A.

(b) Beginning August 1, 2015, no retailer may knowingly sell or offer for sale in this state infant formula, baby food, or toddler food stored in a container that contains intentionally added bisphenol-A.

Subd. 2. **Definitions.** For purposes of this section, the following terms have the meanings given.

(a) "Baby food" means a prepared solid food consisting of a soft paste or an easily chewed food that is primarily intended for consumption by children two years of age or younger and is commercially available.

(b) "Container" means a receptacle, box, can, or jar, including a lid, that is in direct physical contact with a children's food.

(c) "Infant formula" means a liquid or powder that purports to be or is represented for special dietary use solely as a food for infants by reason of its simulation of human milk or its suitability as a complete or partial substitute for human milk.

(d) "Toddler food" means any food or beverage, other than baby food or infant formula, that is primarily intended for consumption by children under three years of age. For purposes of this section, toddler food in can containers is not included in this definition.

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

Sec. 2. **[325F.175] BISPHENOL-A REPLACEMENT CHEMICALS.**

Beginning August 1, 2014, a manufacturer shall not replace a chemical the use of which is prohibited in section 325F.174 with a chemical known to the manufacturer to have been identified on the basis of credible scientific evidence by a state, federal, or international agency as being known or suspected with a high degree of probability to:

- (1) harm the normal development of a fetus or child or cause other developmental toxicity;
- (2) cause cancer, genetic damage, or reproductive harm;
- (3) disrupt the endocrine or hormone system; or
- (4) damage the nervous system, immune system, or organs, or cause other systemic toxicity.

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

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

House Conferees: Joe Atkins, Leon Lillie, Jim Abeler

Senate Conferees: Katie Sieben, Chris A. Eaton, Carrie Ruud

Senator Sieben moved that the foregoing recommendations and Conference Committee Report on H.F. No. 459 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.

H.F. No. 459 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 39 and nays 18, as follows:

Those who voted in the affirmative were:

Bakk	Dziedzic	Housley	Metzen	Sheran
Bonoff	Eaton	Jensen	Nelson	Sieben
Carlson	Eken	Johnson	Pappas	Sparks
Champion	Fischbach	Kent	Reinert	Stumpf
Clausen	Franzen	Kiffmeyer	Rest	Tomassoni
Cohen	Hawj	Latz	Saxhaug	Wiger
Dahle	Hayden	Lourey	Scalze	Wiklund
Dibble	Hoffman	Marty	Schmit	

Those who voted in the negative were:

Anderson	Hall	Newman	Pederson, J.	Thompson
Chamberlain	Hann	Nienow	Petersen, B.	Weber
Dahms	Ingebrigtsen	Ortman	Pratt	
Gazelka	Limmer	Osmek	Senjem	

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

RECESS

Senator Bakk 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.

APPOINTMENTS

Senator Bakk from the Subcommittee on Conference Committees recommends that the following Senators be and they hereby are appointed as a Conference Committee on:

S.F. No. 489: Senators Pappas, Reinert and Saxhaug.

H.F. No. 956: Senators Marty, Hoffman and Dahle.

Senator Bakk moved that the foregoing appointments be approved. The motion prevailed.

MEMBERS EXCUSED

Senator Ruud was excused from the Session of today. Senators Rosen and Westrom were excused from the Session of today at 12:30 p.m. Senator Miller was excused from the Session of today at 12:50 p.m. Senator Pederson, J. was excused from the Session of today from 12:50 to 1:00 p.m.

Senators Rest and Skoe were excused from the Session of today from 12:50 to 1:20 p.m. and from 1:30 to 2:15 p.m. Senator Bakk was excused from the Session of today from 12:50 to 1:20 p.m., 1:30 to 2:15 p.m., 3:15 to 3:35 p.m. and from 7:00 to 7:50 p.m. Senator Champion was excused from the Session of today from 1:10 to 2:05 p.m. Senator Franzen was excused from the Session of today from 1:50 to 2:05 p.m. Senator Schmit was excused from the Session of today from 1:50 to 2:20 p.m. Senator Cohen was excused from the Session of today from 3:15 to 3:30 p.m. Senator Sieben was excused from the Session of today from 3:15 to 3:35 p.m. Senator Hayden was excused from the Session of today from 3:35 to 3:50 p.m. Senator Ortman was excused from the Session of today from 3:40 to 3:50 p.m. Senator Hall was excused from the Session of today from 5:20 to 5:50 p.m. Senator Brown was excused from the Session of today at 5:45 p.m. Senator Koenen was excused from the Session of today at 8:00 p.m. Senator Goodwin was excused from the Session of today at 8:10 p.m.

ADJOURNMENT

Senator Bakk moved that the Senate do now adjourn until 12:00 noon, Monday, May 13, 2013. The motion prevailed.

JoAnne M. Zoff, Secretary of the Senate

