

STATE OF MINNESOTA

# Journal of the Senate

EIGHTY-FIFTH LEGISLATURE

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FORTY-EIGHTH DAY

St. Paul, Minnesota, Monday, April 16, 2007

The Senate met at 10:00 a.m. and was called to order by the President.

## CALL OF THE SENATE

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

Prayer was offered by the Chaplain, Rev. Phil Gotsch.

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

The President declared a quorum present.

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

## REPORTS OF COMMITTEES

Senator Pogemiller moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

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

**H.F. No. 881** for comparison with companion Senate File, reports the following House File was

found not identical with companion Senate File as follows:

<b>GENERAL ORDERS</b>		<b>CONSENT CALENDAR</b>		<b>CALENDAR</b>	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
881	981				

Pursuant to Rule 45, the Committee on Rules and Administration recommends that H.F. No. 881 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 881, the first engrossment; and insert the language after the enacting clause of S.F. No. 981, the first engrossment; further, delete the title of H.F. No. 881, the first engrossment; and insert the title of S.F. No. 981, the first engrossment.

And when so amended H.F. No. 881 will be identical to S.F. No. 981, and further recommends that H.F. No. 881 be given its second reading and substituted for S.F. No. 981, 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.

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

**H.F. No. 1490** for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

<b>GENERAL ORDERS</b>		<b>CONSENT CALENDAR</b>		<b>CALENDAR</b>	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1490	1419				

Pursuant to Rule 45, the Committee on Rules and Administration recommends that H.F. No. 1490 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1490, the first engrossment; and insert the language after the enacting clause of S.F. No. 1419; further, delete the title of H.F. No. 1490, the first engrossment; and insert the title of S.F. No. 1419.

And when so amended H.F. No. 1490 will be identical to S.F. No. 1419, and further recommends that H.F. No. 1490 be given its second reading and substituted for S.F. No. 1419, 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. Nos. 881 and 1490 were read the second time.

**MOTIONS AND RESOLUTIONS**

Senator Dibble moved that the name of Senator Lourey be added as a co-author to S.F. No. 444. The motion prevailed.

Senator Koering moved that his name be stricken as a co-author to S.F. No. 1589. The motion prevailed.

Senator Tomassoni moved that the name of Senator Sparks be added as a co-author to S.F. No. 1967. The motion prevailed.

Senator Wergin moved that the name of Senator Saltzman be added as a co-author to S.F. No. 2064. The motion prevailed.

Senator Sheran moved that the name of Senator Day be added as a co-author to S.F. No. 2114. The motion prevailed.

**Senators Koering, Sparks, Metzen and Moua introduced –**

**Senate Resolution No. 76:** A Senate resolution relating to the Republic of China (Taiwan) and the upcoming meeting of the World Health Assembly.

Referred to the Committee on Rules and Administration.

**Senators Koering, Sparks, Metzen and Moua introduced –**

**Senate Resolution No. 77:** A Senate resolution supporting a free trade agreement between the Republic of China on Taiwan and the United States.

Referred to the Committee on Rules and Administration.

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate proceeded to the Orders of Business of the Calendar and Consent Calendar.

**CALENDAR**

**S.F. No. 1363:** A bill for an act relating to utilities; regulating payment agreements for undercharges; amending Minnesota Statutes 2006, section 216B.098, subdivision 4.

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 52 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Clark	Frederickson	Koering	Lynch
Berglin	Day	Gimse	Kubly	Marty
Betzold	Dibble	Higgins	Langseth	Metzen
Bonoff	Erickson Ropes	Ingebrigtsen	Larson	Michel
Carlson	Fischbach	Jungbauer	Limmer	Moua
Chaudhary	Foley	Koch	Lourey	Murphy

Neuville	Pogemiller	Saltzman	Skoe	Wergin
Olseen	Prettner Solon	Saxhaug	Skogen	Wiger
Olson, M.	Rest	Senjem	Sparks	
Pappas	Rosen	Sheran	Vandever	
Pariseau	Rummel	Sieben	Vickerman	

So the bill passed and its title was agreed to.

**S.F. No. 1098:** A bill for an act relating to counties; providing a process for making the Office of County Recorder appointive in Beltrami County.

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 54 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Foley	Larson	Olson, M.	Sheran
Berglin	Frederickson	Limmer	Pappas	Sieben
Betzold	Gerlach	Lourey	Pariseau	Skoe
Bonoff	Gimse	Lynch	Pogemiller	Skogen
Carlson	Higgins	Marty	Prettner Solon	Sparks
Chaudhary	Ingebrigtsen	Metzen	Rest	Tomassoni
Clark	Jungbauer	Michel	Rosen	Vandever
Day	Koch	Moua	Rummel	Vickerman
Dibble	Koering	Neuville	Saltzman	Wergin
Erickson Ropes	Kubly	Olseen	Saxhaug	Wiger
Fischbach	Langseth	Olson, G.	Senjem	

So the bill passed and its title was agreed to.

**S.F. No. 1396:** A bill for an act relating to municipal planning and zoning; clarifying the determination of fair market value in certain dedication proceedings; amending Minnesota Statutes 2006, section 462.358, subdivision 2b.

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 53 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Fischbach	Langseth	Olson, G.	Sheran
Bakk	Foley	Larson	Olson, M.	Sieben
Berglin	Frederickson	Limmer	Pappas	Skoe
Betzold	Gerlach	Lourey	Pariseau	Skogen
Bonoff	Gimse	Lynch	Pogemiller	Sparks
Carlson	Higgins	Marty	Prettner Solon	Vandever
Chaudhary	Ingebrigtsen	Metzen	Rest	Vickerman
Clark	Jungbauer	Michel	Rosen	Wergin
Day	Koch	Moua	Rummel	Wiger
Dibble	Koering	Neuville	Saltzman	
Erickson Ropes	Kubly	Olseen	Saxhaug	

So the bill passed and its title was agreed to.

**S.F. No. 1017:** A bill for an act relating to local government; increasing charter commission expense limitations for certain cities; amending Minnesota Statutes 2006, section 410.06.

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 0, as follows:

Those who voted in the affirmative were:

Anderson	Foley	Limmer	Pariseau	Skogen
Bakk	Frederickson	Lourey	Pogemiller	Sparks
Berglin	Gerlach	Lynch	Prettner Solon	Tomassoni
Betzold	Gimse	Marty	Rest	Torres Ray
Bonoff	Higgins	Metzen	Rosen	Vandever
Carlson	Ingebrigtsen	Michel	Rummel	Vickerman
Chaudhary	Jungbauer	Moua	Saltzman	Wergin
Clark	Koch	Neuville	Saxhaug	Wiger
Day	Koering	Olseen	Senjem	
Dibble	Kubly	Olson, G.	Sheran	
Erickson Ropes	Langseth	Olson, M.	Sieben	
Fischbach	Larson	Pappas	Skoe	

So the bill passed and its title was agreed to.

**S.F. No. 420:** A bill for an act relating to natural resources; providing for pest control measures; requiring approved firewood on land administered by the commissioner of natural resources; amending Minnesota Statutes 2006, section 89.55; proposing coding for new law in Minnesota Statutes, chapter 89.

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 54 and nays 5, as follows:

Those who voted in the affirmative were:

Anderson	Erickson Ropes	Larson	Olson, G.	Sheran
Bakk	Foley	Latz	Olson, M.	Sieben
Berglin	Frederickson	Lourey	Pappas	Skoe
Betzold	Gimse	Lynch	Pariseau	Skogen
Bonoff	Higgins	Marty	Pogemiller	Sparks
Carlson	Ingebrigtsen	Metzen	Prettner Solon	Tomassoni
Chaudhary	Jungbauer	Michel	Rest	Torres Ray
Clark	Koch	Moua	Rosen	Vandever
Day	Koering	Murphy	Rummel	Vickerman
Dibble	Kubly	Neuville	Saltzman	Wiger
Doll	Langseth	Olseen	Saxhaug	

Those who voted in the negative were:

Fischbach	Gerlach	Limmer	Senjem	Wergin
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So the bill passed and its title was agreed to.

**S.F. No. 1201:** A bill for an act relating to traffic regulations; increasing single vehicle length limit; amending Minnesota Statutes 2006, section 169.81, subdivision 2.

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 58 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Fischbach	Latz	Olson, M.	Sieben
Bakk	Frederickson	Limmer	Pappas	Skoe
Berglin	Gerlach	Lourey	Pariseau	Skogen
Betzold	Higgins	Lynch	Pogemiller	Sparks
Bonoff	Ingebrigtsen	Marty	Prettner Solon	Tomassoni
Carlson	Johnson	Metzen	Rest	Torres Ray
Chaudhary	Jungbauer	Michel	Rosen	Vandever
Clark	Koch	Moua	Rummel	Vickerman
Day	Koering	Murphy	Saltzman	Wergin
Dibble	Kubly	Neuville	Saxhaug	Wiger
Doll	Langseth	Olseen	Senjem	
Erickson Ropes	Larson	Olson, G.	Sheran	

Those who voted in the negative were:

Foley

So the bill passed and its title was agreed to.

**S.F. No. 2034:** A bill for an act relating to state government; enhancing utilization of Minnesota Milestones; requiring a report.

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 60 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

**S.F. No. 69:** A bill for an act relating to commerce; prohibiting expiration dates and service fees on gift certificates and gift cards; proposing coding for new law in Minnesota Statutes, chapter 325G.

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 43 and nays 16, as follows:

Those who voted in the affirmative were:

Anderson	Bakk	Berglin	Betzold	Carlson
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Chaudhary	Higgins	Lourey	Olson, M.	Saxhaug
Clark	Jungbauer	Lynch	Pappas	Sieben
Day	Koering	Marty	Pariseau	Tomassoni
Dibble	Kubly	Metzen	Pogemiller	Torres Ray
Doll	Langseth	Moua	Prettner Solon	Vandever
Erickson Ropes	Larson	Neuville	Rosen	Wiger
Foley	Latz	Olseen	Rummel	
Frederickson	Limmer	Olson, G.	Saltzman	

Those who voted in the negative were:

Bonoff	Ingebrigtsen	Murphy	Skogen
Fischbach	Johnson	Rest	Sparks
Gerlach	Koch	Senjem	Vickerman
Gimse	Michel	Sheran	Wergin

So the bill passed and its title was agreed to.

### CONSENT CALENDAR

**S.F. No. 1787:** A bill for an act relating to workers' compensation; requiring the commissioner of labor and industry to provide information regarding federal exclusions from state workers' compensation coverage; requiring a report.

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 60 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

**H.F. No. 878:** A bill for an act relating to agriculture; authorizing the commissioner of agriculture to serve as a consultant to the Board of Animal Health; amending Minnesota Statutes 2006, section 35.02, subdivision 1.

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 60 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

**H.F. No. 472:** A bill for an act relating to energy; extending eligibility period for certain renewable energy production incentives; amending Laws 2005, chapter 40, section 2, subdivision 4.

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

So the bill passed and its title was agreed to.

## MOTIONS AND RESOLUTIONS - CONTINUED

### CONFIRMATION

Senator Moua moved that the report from the Committee on Judiciary, reported February 28, 2007, pertaining to appointments, be taken from the table. The motion prevailed.

Senator Moua moved that the foregoing report be now adopted. The motion prevailed.

Senator Moua moved that in accordance with the report from the Committee on Judiciary, reported February 28, 2007, the Senate, having given its advice, do now consent to and confirm the appointment of:

### BOARD ON JUDICIAL STANDARDS

Douglas A. Fuller, 2004 Grotte Ave. N.E., Bemidji, Beltrami County, effective July 18, 2005, for a term expiring on January 5, 2009.



The motion prevailed. So the appointment was confirmed.

DEPARTMENT OF PUBLIC SAFETY  
COMMISSIONER

Michael Campion, 4236 Rice St., Vadnais Heights, Ramsey County, effective January 2, 2007, for a term expiring on January 3, 2011.

Senator Pogemiller moved that the foregoing appointment be laid on the table. The motion prevailed.

**MOTIONS AND RESOLUTIONS - CONTINUED**

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate proceeded to the Order of Business of General Orders.

**GENERAL ORDERS**

The Senate resolved itself into a Committee of the Whole, with Senator Frederickson in the chair.

After some time spent therein, the committee arose, and Senator Frederickson reported that the committee had considered the following:

S.F. No. 504, which the committee recommends be re-referred to the Committee on Commerce and Consumer Protection.

S.F. Nos. 2043, 1165, 1597, 1675, 683, 1338, 1051, 1266, 984, 1296, 986, 924, 1509, 1388, 1285, 1528, 1755, 1161, 218, 289, 44, 1260, 1790, 1735, 1278 and H.F. Nos. 293, 1594, which the committee recommends to pass.

S.F. No. 1377, which the committee recommends to pass with the following amendment offered by Senator Rest:

Page 8, line 12, delete "299M.02;"

Amend the title numbers accordingly

The motion prevailed. So the amendment was adopted.

S.F. No. 1441, which the committee recommends to pass with the following amendment offered by Senator Gerlach:

Page 1, line 8, delete "offer" and insert "make available"

The motion prevailed. So the amendment was adopted.

On motion of Senator Pogemiller, the report of the Committee of the Whole, as kept by the Secretary, was adopted.

**MOTIONS AND RESOLUTIONS - CONTINUED**

Remaining on the Order of Business of Motions and Resolutions, Senator Pogemiller moved that the Senate proceed to the Order of Business of Introduction and First Reading of Senate Bills. The motion prevailed.

**INTRODUCTION AND FIRST READING OF SENATE BILLS**

The following bills were read the first time.

**Senator Tomassoni introduced—**

**S.F. No. 2233:** A bill for an act relating to economic development; appropriating money to the Board of Invention.

Referred to the Committee on Finance.

**Senator Tomassoni introduced—**

**S.F. No. 2234:** A bill for an act relating to capital investment; authorizing spending to acquire and better public land and buildings and other improvements of a capital nature; authorizing the issuance of general obligation bonds; appropriating money for a grant to the city of Eveleth for wastewater treatment plant renovation.

Referred to the Committee on Finance.

**Senator Berglin introduced—**

**S.F. No. 2235:** A bill for an act relating to human services; making changes to health care services; amending data management; Medicaid reimbursement; providing lead risk assessment services; changing the prepayment demonstration project; general assistance medical care; medical assistance provisions; eligibility requirements; the long-term care partnership program; treatment of assets; covered services; amending Minnesota Statutes 2006, sections 144.9507, by adding a subdivision; 256B.055, subdivision 14; 256B.056, subdivisions 2, 11, by adding a subdivision; 256B.057, subdivision 1; 256B.0571, subdivisions 6, 9; 256B.058; 256B.059, subdivisions 1, 1a; 256B.0594; 256B.0595, subdivisions 1, 2, 3, 4; 256B.0625, subdivisions 5a, 5j, by adding a subdivision; 256B.69, subdivisions 6, 23, 27; 256D.03, subdivision 3; 256L.035; repealing Minnesota Statutes 2006, section 256B.0571, subdivision 8a.

Referred to the Committee on Health, Housing and Family Security.

**RECESS**

Senator Pogemiller moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a brief recess, the President called the Senate to order.

**CALL OF THE SENATE**

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

**MOTIONS AND RESOLUTIONS - CONTINUED**

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate proceeded to the Order of Business of General Orders.

**GENERAL ORDERS**

The Senate resolved itself into a Committee of the Whole, with Senator Metzen in the chair.

After some time spent therein, the committee arose, and Senator Betzold reported that the committee had considered the following:

S.F. No. 599, which the committee recommends be re-referred to the Committee on Rules and Administration.

S.F. Nos. 50, 1370, 1085, 1200, 322, 608, 1366, 2053, 739, 1902, 2030, 642, 1705, 1417, 1483, 958, 758, 1069, 1464, 358, 1581, 1131, 400 and H.F. Nos. 1033, 448, 539, which the committee recommends to pass.

S.F. No. 1949, which the committee recommends to pass with the following amendment offered by Senator Dibble:

Page 2, line 14, strike "and"

Page 2, line 16, strike the period and insert "; and"

Page 2, after line 16, insert:

"(4) to make all activities celebrating the sesquicentennial as energy efficient as practicable."

The motion prevailed. So the amendment was adopted.

On motion of Senator Pogemiller, the report of the Committee of the Whole, as kept by the Secretary, was adopted.

**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 Reports of Committees, Second Reading of Senate Bills and Second Reading of House Bills.

**REPORTS OF COMMITTEES**

Senator Pogemiller moved that the Committee Reports at the Desk be now adopted. The motion

prevailed.

**Senator Moua from the Committee on Judiciary, to which was re-referred**

**S.F. No. 1533:** A bill for an act relating to commerce; regulating certain transactions with homeowners whose homes are in foreclosure; amending Minnesota Statutes 2006, sections 325N.01; 325N.03; 325N.04; 325N.10, subdivisions 3, 4, by adding a subdivision; 325N.13; 325N.14; 325N.17; 325N.18, by adding a subdivision; Laws 2004, chapter 263, section 26.

Reports the same back with the recommendation that the bill do pass. Report adopted.

**Senator Prettner Solon from the Committee on Energy, Utilities, Technology and Communications, to which was referred**

**S.F. No. 145:** A bill for an act relating to energy; enacting the Next Generation Energy Act of 2007; establishing state energy policy goals for fossil fuel-use reduction and renewable energy use; providing for electric utility renewable energy obligations of 25 percent by 2025; establishing provisions to promote community energy development; providing for transition to an energy savings requirement for electric and natural gas utilities; enacting provisions to address climate change; providing for delegation to counties for permitting wind projects under 25 megawatts; amending Minnesota Statutes 2006, sections 123B.65, subdivision 2; 216B.16, subdivisions 6b, 6c; 216B.1612, subdivision 2, by adding a subdivision; 216B.1691, subdivisions 1, 2, 3, by adding subdivisions; 216B.2426; 216B.243, subdivisions 2, 3, 3a, 5; 216C.05; 216C.31; 471.345, subdivision 13; 504B.161, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 216B; 216C; 216F; repealing Minnesota Statutes 2006, sections 216B.165; 216B.241; 216B.2411; 216C.27; 216C.30, subdivision 5; Minnesota Rules, parts 4635.0110; 4635.0130; 7365.0210; 7635.0100; 7635.0120; 7635.0140; 7635.0150; 7635.0160; 7635.0170; 7635.0180; 7635.0200; 7635.0210; 7635.0220; 7635.0230; 7635.0240; 7635.0250; 7635.0260; 7635.0300; 7635.0310; 7635.0320; 7635.0330; 7635.0340; 7635.0400; 7635.0410; 7635.0420; 7635.0500; 7635.0510; 7635.0520; 7635.0530; 7635.0600; 7635.0610; 7635.0620; 7635.0630; 7635.0640; 7635.1000; 7635.1010; 7635.1020; 7635.1030; 7655.0100; 7655.0120; 7655.0200; 7655.0220; 7655.0230; 7655.0240; 7655.0250; 7655.0260; 7655.0270; 7655.0280; 7655.0290; 7655.0300; 7655.0310; 7655.0320; 7655.0330; 7655.0400; 7655.0410; 7655.0420.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

**"ARTICLE 1**

**C-BED AND RELATED ISSUES**

Section 1. Minnesota Statutes 2006, section 216B.1612, subdivision 1, is amended to read:

Subdivision 1. **Tariff establishment.** A tariff shall be established to optimize local, regional, and state benefits from ~~wind~~ renewable energy development and to facilitate widespread development of community-based ~~wind~~ renewable energy projects throughout Minnesota.

Sec. 2. Minnesota Statutes 2006, section 216B.1612, subdivision 2, is amended to read:

Subd. 2. **Definitions.** (a) The terms used in this section have the meanings given them in this subdivision.

(b) "C-BED tariff" or "tariff" means a community-based energy development tariff.

(c) "Qualifying owner" means:

(1) a Minnesota resident;

(2) a limited liability company that is organized under ~~the laws of this state~~ chapter 322B and that is made up of members who are Minnesota residents;

(3) a Minnesota nonprofit organization organized under chapter 317A;

(4) a Minnesota cooperative association organized under chapter 308A or 308B, ~~other than including~~ a rural electric cooperative association or a generation and transmission cooperative on behalf of and at the request of a member distribution utility;

(5) a Minnesota political subdivision or local government ~~other than including~~, but not limited to, a municipal electric utility, or a municipal power agency on behalf of and at the request of a member distribution utility, including, but not limited to, a county, statutory or home rule charter city, town, school district, or public or private higher education institution or any other local or regional governmental organization such as a board, commission, or association; or

(6) a tribal council.

(d) "Net present value rate" means a rate equal to the net present value of the nominal payments to a project divided by the total expected energy production of the project over the life of its power purchase agreement.

(e) "Standard reliability criteria" means:

(1) can be safely integrated into and operated within the utility's grid without causing any adverse or unsafe consequences; and

(2) is consistent with the utility's resource needs as identified in its most recent resource plan submitted under section 216B.2422.

(f) "Renewable" refers to a technology listed in section 216B.1691, subdivision 1, paragraph (a).

(g) "Community-based energy development project" or "C-BED project" means a new wind renewable energy project that either as a stand-alone project or part of a partnership under subdivision 8:

(1) has no single qualifying owner owning more than 15 percent of a C-BED wind energy project that consists of more than two turbines; or unless: (i) the C-BED wind energy project consists of only one or two turbines; or (ii) the qualifying owner is a public entity listed under paragraph (b), clause (5), that is not a municipal utility;

(2) ~~for C-BED projects of one or two turbines, is owned entirely by one or more qualifying owners, with~~ demonstrates that at least 51 percent of the total financial benefits over the life of the project ~~flowing~~ will flow to qualifying owners; and

(3) has a resolution of support adopted by the county board of each county in which the project is to be located, or in the case of a project located within the boundaries of a reservation, the tribal council for that reservation.

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

Sec. 3. Minnesota Statutes 2006, section 216B.1612, subdivision 3, is amended to read:

Subd. 3. **Tariff rate.** (a) The tariff described in subdivision 4 must have a rate schedule that allows for a ~~rate up to a 2.7 cents per kilowatt-hour~~ net present value rate over the 20-year life of the power purchase agreement. The tariff must provide for a rate that is higher in the first ten years of the power purchase agreement than in the last ten years. The discount rate required to calculate the net present value must be the utility's normal discount rate used for its other business purposes.

(b) The commission shall consider mechanisms to encourage the aggregation of C-BED projects.

(c) The commission shall require that qualifying and nonqualifying owners provide sufficient security to secure performance under the power purchase agreement, and shall prohibit the transfer of the C-BED project to a nonqualifying owner during the initial 20 years of the contract.

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

Sec. 4. Minnesota Statutes 2006, section 216B.1612, subdivision 5, is amended to read:

Subd. 5. **Priority for C-BED projects.** (a) A utility subject to section 216B.1691 that needs to construct new generation, or purchase the output from new generation, as part of its plan to satisfy its good faith objective or standard under that section should take reasonable steps to determine if one or more C-BED projects are available that meet the utility's cost and reliability requirements, applying standard reliability criteria, to fulfill some or all of the identified need at minimal impact to customer rates.

Nothing in this section shall be construed to obligate a utility to enter into a power purchase agreement under a C-BED tariff developed under this section.

(b) Each utility shall include in its resource plan submitted under section 216B.2422 a description of its efforts to purchase energy from C-BED projects, including a list of the projects under contract and the amount of C-BED energy purchased.

(c) The commission shall consider the efforts and activities of a utility to purchase energy from C-BED projects when evaluating its good faith effort towards meeting the renewable energy objective under section 216B.1691.

Sec. 5. Minnesota Statutes 2006, section 216B.1612, is amended by adding a subdivision to read:

Subd. 8. **Community energy partnerships.** A utility providing electric service to retail or wholesale customers in Minnesota and an independent power producer may, subject to the limits specified in this section, participate in a community-based energy project, including as an owner, equity partner, or provider of technical or financial assistance.

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

Sec. 6. Minnesota Statutes 2006, section 216B.1691, is amended by adding a subdivision to read:

Subd. 7. **Utility acquisition of resources.** A competitive resource acquisition process established by the commission prior to June 1, 2007, shall not apply to a utility for the construction, ownership, and operation of generation facilities used to satisfy the requirements of this section unless, upon a finding that it is in the public interest, the commission issues an order on or after June 1, 2007, that requires compliance by a utility with a competitive resource acquisition process.

Sec. 7. **[216F.011] SIZE DETERMINATION.**

(a) The total size of a combination of wind energy conversion systems for the purpose of determining what jurisdiction has siting authority under this chapter must be determined according to this section. The nameplate capacity of one wind energy conversion system must be combined with the nameplate capacity of any other wind energy conversion system that:

- (1) is located within five miles of the wind energy conversion system;
- (2) is constructed within the same 12-month period as the wind energy conversion system; and
- (3) exhibits characteristics of being a single development, including, but not limited to, ownership structure, an umbrella sales arrangement, shared interconnection, revenue sharing arrangements, and common debt or equity financing.

(b) The commissioner shall provide forms and assistance for project developers to make a request for a size determination. Upon written request of a project developer, the commissioner of commerce shall provide a written size determination within 30 days of receipt of the request and of any information requested by the commissioner. In the case of a dispute, the chair of the Public Utilities Commission shall make the final size determination.

(c) An application to a county for a permit under this chapter for a wind energy conversion system is not complete without a size determination made under this section.

**EFFECTIVE DATE.** This section is effective January 15, 2008.

Sec. 8. **[216F.08] PERMIT AUTHORITY; ASSUMPTION BY COUNTIES.**

(a) A county board may, by resolution and upon written notice to the Public Utilities Commission, assume responsibility for processing applications for permits required under this chapter for LWECS with a combined nameplate capacity of less than 25,000 kilowatts. The responsibility for permit application processing, if assumed by a county, may be delegated by the county board to an appropriate county officer or employee. Processing by a county shall be done in accordance with procedures and processes established under chapter 394.

(b) A county board that exercises its option under paragraph (a) may issue, deny, modify, impose conditions upon, or revoke permits pursuant to this section. The action of the county board about a permit application is final, subject to appeal as provided in section 394.27.

(c) The commission shall, by order, establish general permit standards, including appropriate property line set-backs, governing site permits for LWECS under this section. The order must consider existing and historic commission standards for wind permits issued by the commission. The general permit standards shall apply to permits issued by counties and to permits issued by the commission for LWECS with a combined nameplate capacity of less than 25,000 kilowatts. The commission or a county may grant a variance from a general permit standard if the variance is

found to be in the public interest.

(d) The commission and the commissioner of commerce shall provide technical assistance to a county with respect to the processing of LWECS site permit applications.

**EFFECTIVE DATE.** This section is effective January 15, 2008.

**Sec. 9. [216F.081] APPLICATION OF COUNTY STANDARDS.**

A county may adopt by ordinance standards for LWECS that are more stringent than standards in commission rules or in the commission's permit standards. The commission, in considering a permit application for LWECS in a county that has adopted more stringent standards, shall consider and apply those more stringent standards, unless the commission finds good cause not to apply the standards.

**Sec. 10. STATEWIDE STUDY OF DISPERSED GENERATION POTENTIAL.**

Subdivision 1. **Definition.** "Dispersed generation" means an electric generation project with a generating capacity between ten and 40 megawatts that utilizes an "eligible energy technology," as defined in Minnesota Statutes, section 216B.1691, subdivision 1, paragraph (a).

Subd. 2. **Study participants.** Each electric utility subject to Minnesota Statutes, section 216B.1691, must participate collaboratively in conducting a two-phase study of the potential for dispersed generation projects that can be developed in Minnesota.

Subd. 3. **First phase study content; report.** In the first phase of the study, participants must analyze the impacts of the addition of a total of 600 megawatts of new dispersed generation projects distributed among the following Minnesota electric transmission planning zones: the Northeast zone, the Northwest zone, the Southeast zone, the Southwest zone, and the West-Central zone. Study participants must use a generally accepted 2010 year transmission system model including all transmission facilities expected to be operating in 2010. The study must take into consideration regional projected load growth, planned changes in the bulk transmission network, and the long-range transmission conceptual plan being developed under Laws 2007, chapter 3, section 2. In determining locations for the installation of dispersed generation projects that consist of wind energy conversion systems, the study should consider, at a minimum, wind resource availability, existing and contracted wind projects, and current dispersed generation projects in the Midwest Independent System Operator interconnection queue. The study must analyze the impacts of individual projects and all projects in aggregate on the transmission system, and identify specific modifications to the transmission system necessary to remedy any problems caused by the installation of dispersed generation projects, including cost estimates for the modifications. The study must analyze the additional dispersed generation projects connected at the lowest voltage level transmission that exists in the vicinity of the projected generation sites. A preliminary analysis to identify transmission system problems must be conducted with the projects installed at initially selected locations. The technical review committee may, after reviewing the locations selected for installation, recommend moving the installation sites once to new locations to reduce undesirable transmission system impacts. The commissioner of commerce must submit a report containing the findings and recommendations of the first phase of the study to the commission no later than June 15, 2008.

Subd. 4. **Second phase study content; report.** In the second phase of the study, participants



must analyze the impacts of an additional total of 600 megawatts of dispersed generation projects installed among the five transmission planning zones, or a higher total capacity amount if agreed to by both the utilities and the technical review committee. The utilities must employ an analysis method similar to that used in the first phase of the study, and must use the most recent information available, including information developed in the first phase. The second phase of the study must use a generally accepted 2013 year transmission system model including all transmission facilities that are expected to be in service at that time. The commissioner of commerce must submit a report containing the findings and recommendations of the second phase of the study to the commission no later than September 15, 2009.

Subd. 5. **Technical review committee.** Prior to the start of the first phase of the study, the commissioner of commerce must appoint a technical review committee consisting of between ten and 15 individuals with experience and expertise in electric transmission system engineering, renewable energy generation technology, and dispersed generation project development, including representatives from the federal Department of Energy, the Midwest Independent System Operator, and stakeholder interests. The technical review committee must oversee both phases of the study, and must:

(1) make recommendations to the utilities regarding the proposed methods and assumptions to be used in the technical study;

(2) in conjunction with the appropriate utilities, hold public meetings on each phase of the study in each electricity transmission planning zone prior to the beginning of each phase of study, after the impact analysis is completed, and when a draft final report is available;

(3) establish procedures for handling commercially sensitive information; and

(4) review the initial and final drafts of the study and make recommendations for improvement, including problems associated with the interconnections among utility systems that may be amenable to solution through cooperation between the utilities in each zone. During each phase of the study, the technical review committee may recommend that the installation of dispersed generation projects be moved to new locations that cause fewer undesirable transmission system impacts.

#### **Sec. 11. WIND DEVELOPMENT PROPERTY AGREEMENTS; STUDY.**

The Legislative Electric Energy Task Force shall study whether the state should regulate easements, leases, and other agreements to acquire an interest in real property for the purpose of wind energy development. The purpose of the study is to determine whether the duration and other terms of those interests should be limited to promote wind energy development. The task force must report the results of its study and any recommendations to the chairs of the energy finance and policy committees of the legislature by February 1, 2008.

## **ARTICLE 2**

### **GLOBAL CLIMATE CHANGE; GREENHOUSE GAS EMISSIONS**

#### **Section 1. GREENHOUSE GAS EMISSIONS.**

Subdivision 1. **Greenhouse gas emissions reduction goal.** (a) It is the goal of the state to reduce statewide greenhouse gas emissions across all sectors producing those emissions to a level at least

80 percent below 2005 levels by 2050.

(b) For purposes of this section, statewide greenhouse gas emissions include emissions of carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride emitted by anthropogenic sources within the state and from the generation of electricity imported from outside the state and consumed in Minnesota. Carbon dioxide that is injected into geological formations to prevent its release to the atmosphere in compliance with applicable laws, and carbon dioxide associated with the combustion of fuels other than coal, petroleum, and natural gas are not counted as contributing to statewide greenhouse gas emissions.

Subd. 2. **Climate change action plan.** By February 1, 2008, the commissioner of commerce, in consultation with the commissioners of the Pollution Control Agency, the Housing Finance Agency, and the Departments of Natural Resources, Agriculture, Employment and Economic Development, and Transportation, and the chair of the Metropolitan Council, shall submit to the legislature a climate change action plan that meets the requirements of this section.

Subd. 3. **Stakeholder process.** The plan required by subdivision 2 must be developed through a structured, broadly inclusive stakeholder-based review of potential policies and initiatives that will reduce statewide greenhouse gas emissions from a broad range of sources and activities. The commissioner shall engage a nationally recognized independent expert entity to conduct the stakeholder process. The report of the stakeholder process must form the basis for the plan submitted by the commissioner under subdivision 2.

Subd. 4. **General elements of the plan.** The plan must:

(1) estimate 1990 and 2005 greenhouse gas emissions in the state and make projections of emissions in 2015, 2025, and 2050;

(2) identify, evaluate, and integrate a broad range of statewide greenhouse gas reduction options for all emission sectors in the state;

(3) assess the costs, benefits, and feasibility of implementing the options; and

(4) recommend an integrated set of reduction options and strategies for implementing the options that will achieve the goal in subdivision 1 and interim goals recommended under subdivision 5, including analysis of the associated costs and benefits to Minnesotans.

Subd. 5. **Specific plan requirements.** (a) The plan must evaluate and recommend interim goals as steps to achieve the goal in subdivision 1. At a minimum, the plan must evaluate and recommend the efficacy of reducing statewide greenhouse gas emissions to a level at least 15 percent below 2005 emission levels by 2015 and to a level at least 30 percent below 2005 emission levels by 2025.

(b) The plan must determine the feasibility, assess the costs and benefits, and recommend how the state could adopt a regulatory system that imposes a cap on the aggregate air pollutant emissions of a group of sources, requires those subject to the cap to own an allowance for each ton of the air pollutant emitted, and allows for market-based trading of those allowances. The evaluation must contain an analysis of the state implementing a cap and trade system alone, in coordination with other states, and as a requirement of federal law applying to all states. The plan must recommend the parameters of a cap and trade system that includes a cap that would prevent significant increases in greenhouse gas emissions above current levels with a schedule for lowering the cap periodically to achieve the goal in subdivision 1 and interim goals recommended under paragraph (a). The plan

must consider cost savings and cost increases on energy consumers in the state.

(c) The plan must include recommendations for improvements in the emissions inventory and recommend whether the state should require greenhouse gas emissions reporting from specific sources and, if so, which sources should be required to report. The plan must also evaluate options for an emissions registry after reviewing registries in other states and recommend a registry that will insure the greatest opportunity for Minnesota entities to obtain marketable credits.

Subd. 6. **Regional activities.** The state must, with other states in the Midwest region, develop and implement a regional approach to reducing greenhouse gas emissions from activities in the region, including consulting on a regional cap and trade system. The commissioner of commerce shall coordinate Minnesota's regional activities under this subdivision and report to the legislative committees in the senate and house of representatives with jurisdiction over energy and environmental policy by February 1, 2008, and February 1, 2009, on the progress made and recommendations for further action. The commissioner of commerce, as part of the activities required under this subdivision, must meet with responsible officials from bordering states, other states in the Midwest region, and states in other regions of the country to: (1) determine whether other states are interested in establishing and cooperating in a multistate or regional greenhouse gas cap and trade allowance program; (2) identify and prepare an inventory of greenhouse gas reduction resources available to support a multistate or regional greenhouse gas cap and trade allowance program; (3) seek cooperation on a regional inventory of greenhouse gas emission sources; and (4) prepare an inventory of available renewable energy resources within a state or region. The commissioner of commerce must develop a definition of scope of this regional activity that is in addition to the components described in clauses (1) to (4). The commissioner must report on the additional scoping definitions to the chairs and ranking minority members of the legislative committees with jurisdiction over energy and environmental finance and policy on or before the commencement of the 2008 regular legislative session."

Delete the title and insert:

"A bill for an act relating to energy; providing for community-based energy development; requiring a plan to reduce greenhouse gas emissions; amending Minnesota Statutes 2006, sections 216B.1612, subdivisions 1, 2, 3, 5, by adding a subdivision; 216B.1691, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 216F."

And when so amended the bill do pass. Amendments adopted. Report adopted.

**Senator Scheid from the Committee on Commerce and Consumer Protection, to which was referred**

**S.F. No. 1070:** A bill for an act relating to liquor; providing for off-sale license fees; amending Minnesota Statutes 2006, section 340A.408, subdivision 3.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2006, section 37.21, subdivision 1, is amended to read:

Subdivision 1. **Liquor prohibited.** No person may sell, barter, give away, or otherwise dispose

of or introduce, have, or keep for barter, gift, or sale, any intoxicating liquors of any kind upon ~~or within one-half mile of~~ the State Fairgrounds, or aid and abet any of those acts. The presence and possession of any kind of these liquors, in any quantity, upon the person or upon the premises leased or occupied by any person within these limits is a public nuisance and is prima facie evidence of the purpose of the person to barter, give away, or sell the liquor. Any person who violates this section is guilty of a misdemeanor.

Sec. 2. Minnesota Statutes 2006, section 37.21, subdivision 2, is amended to read:

Subd. 2. **Exceptions.** Notwithstanding subdivision 1, the State Agricultural Society may authorize, under terms and conditions it chooses, the sale, possession, and consumption of intoxicating liquors at special events taking place on the fairgrounds at times other than during the annual fair including, but not limited to, family reunions, class reunions, weddings, conventions, and similar events. This section does not authorize the society to issue retail licenses for the sale of alcoholic beverages. Notwithstanding subdivision 1, the State Agricultural Society may also sell intoxicating malt liquors during the annual fair or at other times of their choosing, provided that at least one Minnesota brewed malt liquor is made available for sale at each allowed location within the grounds.

Sec. 3. Minnesota Statutes 2006, section 340A.301, subdivision 7, is amended to read:

Subd. 7. **Interest in other business.** (a) Except as provided in this subdivision, a holder of a license as a manufacturer, brewer, importer, or wholesaler may not have any ownership, in whole or in part, in a business holding a retail intoxicating liquor or 3.2 percent malt liquor license. The commissioner may not issue a license under this section to a manufacturer, brewer, importer, or wholesaler if a retailer of intoxicating liquor has a direct or indirect interest in the manufacturer, brewer, importer, or wholesaler. A manufacturer or wholesaler of intoxicating liquor may use or have property rented for retail intoxicating liquor sales only if the manufacturer or wholesaler has owned the property continuously since November 1, 1933. A retailer of intoxicating liquor may not use or have property rented for the manufacture or wholesaling of intoxicating liquor.

(b) A brewer licensed under subdivision 6, clause (d), may be issued an on-sale intoxicating liquor or 3.2 percent malt liquor license by a municipality for a restaurant operated in the place of manufacture. Notwithstanding section 340A.405, a brewer who holds an on-sale license issued pursuant to this paragraph or a brewer who manufactures fewer than 3,500 barrels of malt liquor in a year may, with the approval of the commissioner, be issued a license by a municipality for off-sale of malt liquor produced and packaged on the licensed premises. Off-sale of malt liquor shall be limited to the legal hours for off-sale at exclusive liquor stores in the jurisdiction in which the brewer is located, and the malt liquor sold off-sale must be removed from the premises before the applicable off-sale closing time at exclusive liquor stores. The malt liquor shall be packaged in 64-ounce containers commonly known as "growlers-" or in 750 milliliter bottles. The containers or bottles shall bear a twist-type closure, cork, stopper, or plug. At the time of the sale, a paper or plastic adhesive band, strip, or sleeve shall be applied to the container or bottle and extend over the top of the twist-type closure, cork, stopper, or plug forming a seal that must be broken upon opening of the container or bottle. The adhesive band, strip, or sleeve shall bear the name and address of the brewer. The containers or bottles shall be identified as malt liquor, contain the name of the malt liquor, bear the name and address of the brewer selling the malt liquor, and shall be considered intoxicating liquor unless the alcoholic content is labeled as otherwise in accordance with the provisions of Minnesota Rules, part 7515.1100. A brewer's total retail sales at on- or off-sale under this paragraph

may not exceed 3,500 barrels per year, provided that off-sales may not total more than 500 barrels. A brewer licensed under subdivision 6, clause (d), may hold or have an interest in other retail on-sale licenses, but may not have an ownership interest in whole or in part, or be an officer, director, agent, or employee of, any other manufacturer, brewer, importer, or wholesaler, or be an affiliate thereof whether the affiliation is corporate or by management, direction, or control. Notwithstanding this prohibition, a brewer licensed under subdivision 6, clause (d), may be an affiliate or subsidiary company of a brewer licensed in Minnesota or elsewhere if that brewer's only manufacture of malt liquor is:

(i) manufacture licensed under subdivision 6, clause (d);

(ii) manufacture in another state for consumption exclusively in a restaurant located in the place of manufacture; or

(iii) manufacture in another state for consumption primarily in a restaurant located in or immediately adjacent to the place of manufacture if the brewer was licensed under subdivision 6, clause (d), on January 1, 1995.

(c) Except as provided in subdivision 7a, no brewer as defined in subdivision 7a or importer may have any interest, in whole or in part, directly or indirectly, in the license, business, assets, or corporate stock of a licensed malt liquor wholesaler.

Sec. 4. Minnesota Statutes 2006, section 340A.315, is amended by adding a subdivision to read:

Subd. 6. **On-sale licenses allowed.** Nothing in this section or in any other section of law prevents a farm winery from obtaining a separate on-sale license and operating a business establishment that utilizes that license, in conjunction with and within the physical facilities of the winery and its buildings.

Sec. 5. Minnesota Statutes 2006, section 340A.404, subdivision 4a, is amended to read:

Subd. 4a. **State-owned recreation; entertainment facilities.** Notwithstanding any other law, local ordinance, or charter provision, the commissioner may issue on-sale intoxicating liquor licenses:

(1) to the state agency administratively responsible for, or to an entity holding a concession or facility management contract with such agency for beverage sales at, the premises of any Giants Ridge Recreation Area building or recreational improvement area owned by the state in the town of White, St. Louis County;

(2) to the state agency administratively responsible for, or to an entity holding a concession or facility management contract with such agency for beverage sales at, the premises of any Ironworld Discovery Center building or facility owned by the state at Chisholm; and

(3) to the Board of Regents of the University of Minnesota for events at Northrop Auditorium and in any intercollegiate football stadium constructed by the university on its Minneapolis campus, the intercollegiate football stadium, or any other location within the boundaries of the University of Minnesota, provided that the Board of Regents has approved an application for a license for the specified location.

The commissioner shall charge a fee for licenses issued under this subdivision in an amount

comparable to the fee for comparable licenses issued in surrounding cities.

Sec. 6. Minnesota Statutes 2006, section 340A.408, subdivision 3, is amended to read:

Subd. 3. **Intoxicating liquor; off-sale.** (a) The annual license fee for an off-sale intoxicating liquor license issued by a city, when combined with any occupation tax imposed by the city, may not exceed the following limits:

(1) ~~\$1,000~~ \$1,500 for cities of the first class;

(2) \$560 for cities over 10,000 population located outside of the seven-county metropolitan area other than cities of the first class;

~~(2) \$200~~ (3) \$380 for cities over 10,000 population other than cities of the first class or cities described in clause (2);

~~(3) \$150~~ (4) \$310 for cities of between 5,000 and 10,000 population; and

~~(4) \$100~~ (5) \$240 for cities with less than 5,000 population.

(b) The annual license fee for an off-sale intoxicating liquor license issued by a county or town shall not exceed ~~\$500~~ \$800.

(c) The fee set by the jurisdiction issuing the license shall be reduced by \$100 if the following conditions are met:

(1) the licensee agrees to have a private vendor train all employees within 60 days of hire and annually thereafter in laws pertaining to the sale of alcohol, the rules for identification checks, and the responsibilities of establishments serving intoxicating liquors;

(2) the licensee agrees to post a policy requiring identification checks for all persons appearing to be 30 years old or less; and

(3) a cash award and incentive program is established by the licensee, to award employees who catch underage drinkers, and a penalty program is established to punish employees in the event of a failed compliance check.

(d) Population for purposes of this subdivision shall be as determined by the state demographer.

Sec. 7. Minnesota Statutes 2006, section 340A.412, subdivision 4, is amended to read:

Subd. 4. **Licenses prohibited in certain areas.** (a) No license to sell intoxicating liquor may be issued within the following areas:

(1) where restricted against commercial use through zoning ordinances and other proceedings or legal processes regularly had for that purpose, except licenses may be issued to restaurants in areas which were restricted against commercial uses after the establishment of the restaurant;

(2) within the Capitol or on the Capitol grounds, except as provided under Laws 1983, chapter 259, section 9, or Laws 1999, chapter 202, section 13;

~~(3) on the State Fairgrounds or at any place in a city of the first class within one-half mile of the fairgrounds, except as otherwise provided by charter;~~

~~(4) on the campus of the College of Agriculture of the University of Minnesota or at any place in a city of the first class within one-half mile of the campus, provided that a city may issue one on-sale wine license and one off-sale intoxicating liquor license in this area that is not included in the area described in clause (3), except as provided by charter;~~

~~(5) within 1,000 feet of a state hospital, training school, reformatory, prison, or other institution under the supervision or control, in whole or in part, of the commissioner of human services or the commissioner of corrections;~~

~~(6) (5) in a town or municipality in which a majority of votes at the last election at which the question of license was voted upon were not in favor of license under section 340A.416, or within one-half mile of any such town or municipality, except that intoxicating liquor manufactured within this radius may be sold to be consumed outside it;~~

~~(7) at any place on the east side of the Mississippi River within one-tenth of a mile of the main building of the University of Minnesota unless (i) the licensed establishment is on property owned or operated by a nonprofit corporation organized prior to January 1, 1940, for and by former students of the University of Minnesota, or (ii) the licensed premises is Northrop Auditorium;~~

~~(8) (6) within 1,500 feet of a state university, except that:~~

~~(i) the minimum distance in the case of Winona and Southwest State University is 1,200 feet, measured by a direct line from the nearest corner of the administration building to the main entrance of the licensed establishment;~~

~~(ii) within 1,500 feet of St. Cloud State University one on-sale wine and two off-sale intoxicating liquor licenses may be issued, measured by a direct line from the nearest corner of the administration building to the main entrance of the licensed establishment;~~

~~(iii) at Mankato State University the distance is measured from the front door of the student union of the Highland campus;~~

~~(iv) a temporary license under section 340A.404, subdivision 10, may be issued to a location on the grounds of a state university for an event sponsored or approved by the state university; and~~

~~(v) this restriction does not apply to the area surrounding the premises of Metropolitan State University in Minneapolis; and~~

~~(9) (7) within 1,500 feet of any public school that is not within a city.~~

~~(b) The restrictions of this subdivision do not apply to a manufacturer or wholesaler of intoxicating liquor or to a drugstore or to a person who had a license originally issued lawfully prior to July 1, 1967.~~

#### Sec. 8. [340A.707] AUCTION FOR CHARITABLE PURPOSES.

Notwithstanding sections 340A.401, 340A.414, and 340A.505, a nonprofit organization conducting a silent auction or other fund raising event may conduct live, on premises auctions of wine, beer, or intoxicating liquors, provided that funds from the sale are dedicated to the charitable purposes of the nonprofit organization, such auctions are limited to not more than six occasions per year, and the alcohol may only be auctioned to persons who demonstrate that they are 21 years of age or older and do not show signs of obvious intoxication. Nothing in this section authorizes on

premises consumption of alcohol.

Sec. 9. **ST. PAUL; LIQUOR LICENSE.**

Notwithstanding Minnesota Statutes, section 37.21 or 340A.412, subdivision 4, paragraph (a), clause (8), the city of St. Paul may issue an on-sale intoxicating liquor license to a restaurant located at 374-378 Maria Avenue North. The provisions of Minnesota Statutes, chapter 340A, apply to licenses issued under this section."

Delete the title and insert:

"A bill for an act relating to liquor; modifying liquor regulations; authorizing intoxicating liquor licenses; amending Minnesota Statutes 2006, sections 37.21, subdivisions 1, 2; 340A.301, subdivision 7; 340A.315, by adding a subdivision; 340A.404, subdivision 4a; 340A.408, subdivision 3; 340A.412, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 340A."

And when so amended the bill do pass. Amendments adopted. Report adopted.

**Senator Scheid from the Committee on Commerce and Consumer Protection, to which was referred**

**S.F. No. 1920:** A bill for an act relating to financial institutions; regulating certain charges, expenses, electronic financial terminals, and investments; amending Minnesota Statutes 2006, sections 47.59, subdivision 6; 47.60, subdivision 2; 47.62, subdivision 1; 47.75, subdivision 1; 48.15, subdivision 4; 118A.03, subdivision 2; 332.54, subdivision 7; repealing Minnesota Statutes 2006, sections 46.043; 47.62, subdivision 5.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 7, insert:

"Section 1. Minnesota Statutes 2006, section 47.19, is amended to read:

**47.19 CORPORATION MAY BE MEMBER OR STOCKHOLDER OF FEDERAL AGENCY.**

Any corporation is hereby empowered and authorized to become a member of, or stockholder in, any such agency, and to that end to purchase stock in, or securities of, or deposit money with, such agency and/or to comply with any other conditions of membership or credit; to borrow money from such agency upon such rates of interest, not exceeding the contract rate of interest in this state, and upon such terms and conditions as may be agreed upon by such corporation and such agency, for the purpose of making loans, paying withdrawals, paying maturities, paying debts, and for any other purpose not inconsistent with the objects of the corporation; provided, that the aggregate amount of the indebtedness, so incurred by such corporation, which shall be outstanding at any time shall not exceed ~~25~~ 35 percent of the then total assets of the corporation; to assign, pledge and hypothecate its bonds, mortgages or other assets; and, in case of savings associations, to repledge with such agency the shares of stock in such association which any owner thereof may have pledged as collateral security, without obtaining the consent thereunto of such owner, as security for the repayment of the indebtedness so created by such corporation and as evidenced by its note or other evidence of indebtedness given for such borrowed money; and to do any and all things which shall or may be



necessary or convenient in order to comply with and to obtain the benefits of the provisions of any act of Congress creating such agency, or any amendments thereto."

Page 7, line 7, delete "7" and insert "8"

Reorder the sections in sequence

Amend the title as follows:

Page 1, line 2, after "certain" insert "debt,"

Amend the title numbers accordingly

And when so amended the bill do pass. Amendments adopted. Report adopted.

**Senator Scheid from the Committee on Commerce and Consumer Protection, to which was referred**

**S.F. No. 1936:** A bill for an act relating to commerce; regulating the advertising and conducting of certain live musical performances or productions; providing enforcement; imposing a penalty; proposing coding for new law in Minnesota Statutes, chapter 325E.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, delete section 1

Page 1, line 10, delete "purposes of sections" and insert "purpose of section" and delete "to 325E.494"

Page 2, delete sections 4 and 5

Reorder the sections in sequence

Amend the title as follows:

Page 1, line 3, delete everything after the first semicolon

Page 1, line 4, delete "penalty;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

**Senator Scheid from the Committee on Commerce and Consumer Protection, to which was referred**

**S.F. No. 1429:** A bill for an act relating to motor carriers; modifying definition of private carrier; amending Minnesota Statutes 2006, section 221.011, subdivision 26.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2006, section 221.141, subdivision 1, is amended to read:

Subdivision 1. **Financial responsibility of carriers.** (a) No motor carrier and no interstate

carrier shall operate a vehicle until it has obtained and has in effect the minimum amount of financial responsibility required by this section. Policies of insurance, surety bonds, other types of security, and endorsements must be continuously in effect and must remain in effect until canceled. Before providing transportation, the motor carrier or interstate carrier shall secure and cause to be filed with the commissioner and maintain in full effect, a certificate of insurance in a form required by the commissioner, evidencing public liability insurance in the amount prescribed. The insurance must cover injuries and damage to persons or property resulting from the operation or use of motor vehicles, regardless of whether each vehicle is specifically described in the policy. This insurance does not apply to injuries or death to the employees of the motor carrier or to property being transported by the carrier.

(b) Notwithstanding any other provision of this chapter, the insurance required of a motor carrier of passengers must be at least that amount required of interstate carriers under Code of Federal Regulations, title 49, section 387.33, as amended.

(c) This section does not apply to a charitable organization exempt from taxation under section 501(c)(3) of the Internal Revenue Code when the transportation furthers the charitable organization's charitable mission. The charitable organization must comply with the insurance requirements of section 65B.48."

Delete the title and insert:

"A bill for an act relating to motor carriers; changing certain financial liability requirements for charitable organizations; amending Minnesota Statutes 2006, section 221.141, subdivision 1."

And when so amended the bill do pass. Amendments adopted. Report adopted.

**Senator Carlson, for Senator Murphy, from the Committee on Transportation, to which was re-referred**

**S.F. No. 1971:** A bill for an act relating to drivers' licenses; permitting use of address designated by secretary of state for data protection purposes; amending Minnesota Statutes 2006, sections 171.06, subdivision 3; 171.07, subdivisions 1, 3.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2006, section 3.8841, subdivision 8, is amended to read:

Subd. 8. **Powers; duties; Metropolitan Council levy, budget oversight.** (a) The commission must monitor, review, and make recommendations to the Metropolitan Council and to the legislature for the following calendar year on:

- (1) the tax rate and dollar amount of the Metropolitan Council's property tax levies and any proposed increases in the rate or dollar amount of tax;
- (2) any request for an increase in the debt of the Metropolitan Council;
- (3) the overall work and role of the Metropolitan Council;
- (4) the Metropolitan Council's proposed operating and capital budgets, work program, and

capital improvement program; and

(5) the Metropolitan Council's implementation of the operating and capital budgets, work program, and capital improvement program.

(b) The commission shall review all procurements over \$125,000,000 by the Metropolitan Council. The chair of the Metropolitan Council shall give notice to the commission when a procurement over \$125,000,000 is being considered. The commission shall take testimony on procurements.

Sec. 2. Minnesota Statutes 2006, section 13.72, is amended by adding a subdivision to read:

Subd. 14. **Market research data; classification.** (a) Names, home addresses except for zip codes, home e-mail addresses, and home telephone numbers obtained for or received in response to a survey conducted by or on behalf of the Department of Transportation are classified as private data on individuals.

(b) Business names, business addresses except for zip codes, business e-mail addresses, and business telephone numbers obtained for or received in response to a survey conducted by or on behalf of the Department of Transportation are classified as nonpublic data.

Sec. 3. Minnesota Statutes 2006, section 13.72, is amended by adding a subdivision to read:

Subd. 15. **Overhead rate data.** Financial statements and shareholder financial data provided to the commissioner of transportation by a consultant in order to establish its overhead rate, and the schedule of audit adjustments and the overhead rate schedule prepared by the Department of Transportation in order to establish the overhead rate for a consultant, are classified as nonpublic data or private data on individuals. The overhead rate percentage is public data.

Sec. 4. Minnesota Statutes 2006, section 13.72, is amended by adding a subdivision to read:

Subd. 16. **Bid escrow data.** Bid documentation held in escrow by the Department of Transportation is classified as nonpublic data. Any data on individuals in the bid documentation are classified as private data on individuals. "Bid documentation" means all writings, working papers, computer printout charts, and other data calculations used by a contractor to determine its bid in bidding for a contract. The bid documentation includes, but is not limited to, the contractor's costs for operating each piece of equipment owned by the contractor, the contractor's overhead costs and its calculated overhead rate, the contractor's pay rates for its employees, efficiency or productivity factors, arithmetic extensions, and the rates and quotations from subcontractors and material suppliers to the extent that the rates and quotations were used by the contractor in formulating and determining the amount of the bid.

Sec. 5. Minnesota Statutes 2006, section 117.041, is amended by adding a subdivision to read:

Subd. 3. **Geotechnical investigation before eminent domain proceedings.** (a) A state agency by order of the commissioner or a political subdivision by resolution may enter property for purposes of investigation, monitoring, testing, surveying, boring, or other similar activities necessary or appropriate to perform geotechnical investigations.

(b) At least ten days before entering the property, the state agency or political subdivision must serve notice on the property owner requesting permission to enter the property, stating the

approximate time and purpose of the entry, and giving the owner the option of refusing entry. If the property owner refuses to consent to the entry, the state agency or political subdivision must apply for a court order authorizing the entry and the removal of any sample or portion from the property, giving notice of the court order to the property owner. The court shall issue an order if the state agency or political subdivision meets the standards in paragraph (a). Notices under this paragraph must be served in the same manner as a summons in a civil action.

(c) The state agency or political subdivision must not cause any unnecessary damage to the property and must compensate the property owner for any damages actually incurred as a result of the geotechnical investigations.

Sec. 6. Minnesota Statutes 2006, section 117.51, is amended to read:

**117.51 COOPERATION WITH FEDERAL AUTHORITIES; REESTABLISHMENT COSTS LIMIT.**

Subdivision 1. **Cooperation with federal authorities.** In all acquisitions undertaken by any acquiring authority and in all voluntary rehabilitation carried out by a person pursuant to acquisition or as a consequence thereof, the acquiring authority shall cooperate to the fullest extent with federal departments and agencies, and it shall take all necessary action in order to insure, to the maximum extent possible, federal financial participation in any and all phases of acquisition, including the provision of relocation assistance, services, payments and benefits to displaced persons.

Subd. 2. **Reestablishment costs limit.** For purposes of relocation benefits paid by the acquiring authority in accordance with this section, the provisions of Code of Federal Regulations, title 49, part 24, with respect to reimbursement of reestablishment expenses for nonresidential moves are applicable, except that the acquiring authority shall reimburse the displaced business for eligible expenses up to a maximum of \$50,000.

**EFFECTIVE DATE.** This section is effective retroactively from January 16, 2007.

Sec. 7. Minnesota Statutes 2006, section 117.52, subdivision 1a, is amended to read:

Subd. 1a. **Reestablishment costs limit.** For purposes of relocation benefits paid by the acquiring authority in accordance with this section, the provisions of Code of Federal Regulations, title 49, ~~section 24.304~~ part 24, with respect to reimbursement of reestablishment expenses for nonresidential moves are applicable, except that the acquiring authority shall reimburse the displaced business for eligible expenses ~~actually incurred~~ up to a maximum of \$50,000.

**EFFECTIVE DATE.** This section is effective retroactively from January 16, 2007.

Sec. 8. Minnesota Statutes 2006, section 123B.88, subdivision 12, is amended to read:

Subd. 12. **Early childhood family education participants.** Districts may provide bus transportation along ~~regular~~ school bus routes when space is available for participants in early childhood family education programs and school readiness programs if these services do not result in an increase in the district's expenditures for transportation. The costs allocated to these services, as determined by generally accepted accounting principles, shall be considered part of the authorized cost for ~~regular~~ transportation for the purposes of section 123B.92.

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

for fiscal year 2007 and later.

Sec. 9. Minnesota Statutes 2006, section 123B.90, subdivision 2, is amended to read:

Subd. 2. **Student training.** (a) Each district must provide public school pupils enrolled in kindergarten through grade 10 with age-appropriate school bus safety training, as described in this section, of the following concepts:

- (1) transportation by school bus is a privilege and not a right;
- (2) district policies for student conduct and school bus safety;
- (3) appropriate conduct while on the school bus;
- (4) the danger zones surrounding a school bus;
- (5) procedures for safely boarding and leaving a school bus;
- (6) procedures for safe street or road crossing; and
- (7) school bus evacuation.

(b) Each nonpublic school located within the district must provide all nonpublic school pupils enrolled in kindergarten through grade 10 who are transported by school bus at public expense and attend school within the district's boundaries with training as required in paragraph (a).

(c) Students enrolled in kindergarten through grade 6 who are transported by school bus and are enrolled during the first or second week of school must receive the school bus safety training competencies by the end of the third week of school. Students enrolled in grades 7 through 10 who are transported by school bus and are enrolled during the first or second week of school and have not previously received school bus safety training must receive the training or receive bus safety instructional materials by the end of the sixth week of school. Students taking driver's training instructional classes ~~and other students in grades 9 and 10~~ must receive training in the laws and proper procedures when operating a motor vehicle in the vicinity of a school bus as required by section 169.446, subdivisions 2 and 3. Students enrolled in kindergarten through grade 10 who enroll in a school after the second week of school and are transported by school bus and have not received training in their previous school district shall undergo school bus safety training or receive bus safety instructional materials within four weeks of the first day of attendance. Upon request of the superintendent of schools, the school transportation safety director in each district must certify to the superintendent of schools annually that all students transported by school bus within the district have received the school bus safety training according to this section. Upon request of the superintendent of the school district where the nonpublic school is located, the principal or other chief administrator of each nonpublic school must certify annually to the school transportation safety director of the district in which the school is located that the school's students transported by school bus at public expense have received training according to this section.

(d) A district and a nonpublic school with students transported by school bus at public expense may provide kindergarten pupils with bus safety training before the first day of school.

(e) A district and a nonpublic school with students transported by school bus at public expense may also provide student safety education for bicycling and pedestrian safety, for students enrolled in kindergarten through grade 5.

(f) A district and a nonpublic school with students transported by school bus at public expense must make reasonable accommodations for the school bus safety training of pupils known to speak English as a second language and pupils with disabilities.

(g) The district and a nonpublic school with students transported by school bus at public expense must provide students enrolled in kindergarten through grade 3 school bus safety training twice during the school year.

(h) A district and a nonpublic school with students transported by school bus at public expense must conduct a school bus evacuation drill at least once during the school year.

**EFFECTIVE DATE.** This section is effective July 1, 2007.

Sec. 10. Minnesota Statutes 2006, section 123B.92, subdivision 5, is amended to read:

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

(b) Salaries and fringe benefits of district employees whose primary duties are other than transportation, including central office administrators and staff, building administrators and staff, teachers, social workers, school nurses, and instructional aides, must not be included in a district's transportation expenditures, except that a district may include salaries and benefits according to paragraph (c) for (1) an employee designated as the district transportation director, (2) an employee providing direct support to the transportation director, or (3) an employee providing direct transportation services such as a bus driver or bus aide.

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

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

(e) Notwithstanding paragraph (d), districts contracting for transportation services are exempt from the standard cost allocation method for authorized and nonauthorized transportation categories if the district (1) bid its contracts separately for authorized and nonauthorized transportation categories, (2) received bids or quotes from more than one vendor for these transportation categories or can demonstrate that efforts were made to solicit bids or quotes through advertising, and (3) the district's cost-per-mile, cost-per-hour, or cost-per-route does not vary more than ten

percent among authorized transportation categories, excluding expenditures for capital outlay, leased buses, student board and lodging, crossing guards, special equipment, and aides on buses. If the costs reported by the district for contractor-owned operations vary more than the parameters outlined above, the department shall require the district to reallocate its transportation costs, excluding salaries and fringe benefits of bus aids, among all categories.

**EFFECTIVE DATE.** This section is effective the day following final enactment and applies for fiscal year 2007 and later.

Sec. 11. Minnesota Statutes 2006, section 160.02, is amended by adding a subdivision to read:

Subd. 18a. **Expressway.** "Expressway" means a divided highway with partial control of access.

Sec. 12. Minnesota Statutes 2006, section 160.02, subdivision 19, is amended to read:

Subd. 19. **Freeway or expressway.** "Freeway" or "expressway" means a divided, ~~controlled-access highway with four or more lanes~~ full control of access.

Sec. 13. **[160.2721] COMMERCIAL VEHICLE DRIVERS AT REST AREAS.**

(a) The commissioner shall allow a commercial motor vehicle operator who is subject to hours of service regulations under Code of Federal Regulations, title 49, part 395, to stop and park continuously, for a period of up to ten hours as necessary to comply with the hours of service regulations, at any Department of Transportation safety rest area or travel information center that has parking stalls designed to accommodate a commercial motor vehicle, as defined in section 169.01, subdivision 75.

(b) Any clause or provision in a lease or other agreement for the operation of a Department of Transportation safety rest area or travel information center that purports to limit the requirements under paragraph (a) is void and without effect.

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

Sec. 14. Minnesota Statutes 2006, section 161.115, subdivision 76, is amended to read:

Subd. 76. **Route No. 145.** Beginning at a point on or near Route No. 10 at or near Willmar, thence extending in a westerly direction to a point on Route No. 144 as herein established.

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

Sec. 15. Minnesota Statutes 2006, section 161.14, subdivision 18, is amended to read:

Subd. 18. **Voyageur Highway.** The following route is named and designated the "Voyageur Highway":

(a) Beginning at a point on Trunk Highway No. 26 on the boundary line between the states of Minnesota and Iowa; thence northerly along Trunk Highway No. 26 to its junction with Trunk Highway No. 61; thence northwesterly along Trunk Highway No. 61 to its junction with Trunk Highway No. 10 in the city of St. Paul; thence extending in a general northwesterly direction along Trunk Highway No. 10 to its junction with Trunk Highway No. 371 at Little Falls; thence extending in a general northerly direction along Trunk Highway No. 371 to its junction with Trunk Highway No. 210 at Brainerd; thence northeasterly along Trunk Highway No. 210 to its junction with Trunk

Highway No. 169 at Aitkin; thence in a general northerly direction along Trunk Highway No. 169 to its junction with Trunk Highway No. 2 at Grand Rapids; thence northwesterly along Trunk Highway No. 2 to its junction with Trunk Highway No. 71 at Bemidji; thence northeasterly along Trunk Highway No. 71 to its junction with Trunk Highway No. 11 at Pelland; thence northeasterly along Trunk Highway No. 11 to its junction with Trunk Highway No. 53 at International Falls; thence southeasterly along Trunk Highway No. 53 to its junction with ~~Trunk Highway No. 61~~ Central Entrance at Duluth; Beginning at a point on Trunk Highway No. 61 at its junction with Interstate Highway 35 and thence northeasterly along Trunk Highway No. 61 to the boundary line between the state of Minnesota and the province of Ontario, Canada.

(b) The route of the Voyageur Highway designated and described in clause (a) is supplemented by legs or alternative routes described as follows:

Beginning at a point on Trunk Highway No. 1 at its junction with Trunk Highway No. 61 northerly of Silver Bay; thence northwesterly along Trunk Highway No. 1 to Ely; thence southwesterly along Trunk Highway No. 1 to its junction with Trunk Highway No. 169; thence southerly and westerly along Trunk Highway No. 169 to its junction with Trunk Highway No. 53, and there terminating.

Beginning at a point on Trunk Highway No. 11 at its junction with Trunk Highway No. 53 at International Falls; thence easterly along Trunk Highway No. 11 to its easterly terminus near Island View.

Beginning at a point on Trunk Highway No. 33 at its junction with Interstate Highway marked I-35 southerly of Cloquet, thence northerly along Trunk Highway No. 33 to its junction with Trunk Highway No. 53.

(c) The commissioner of transportation shall:

- (1) adopt a suitable marking design of signs or informational plaques;
- (2) effect the installation of such signs or plaques in public waysides or other public areas as approved and designated by the commissioner.

Sec. 16. Minnesota Statutes 2006, section 161.14, is amended by adding a subdivision to read:

Subd. 57. **Purple Heart Trail.** Statutory Route No. 392, described in section 161.12 and marked on the effective date of this section as Interstate Highway 94, is designated in its entirety within Minnesota as the Purple Heart Trail. Subject to section 161.139, the commissioner shall adopt a suitable marking design to mark this highway and erect appropriate signs at each safety rest area located on the highway.

Sec. 17. Minnesota Statutes 2006, section 161.14, is amended by adding a subdivision to read:

Subd. 58. **Dallas Sams Memorial Highway.** That portion of Legislative Route No. 2, signed as Trunk Highway 210 on the date of final enactment of this section, from the city of Motley to the city of Staples, is designated as the "Dallas Sams Memorial Highway." The commissioner of transportation shall adopt a suitable design to mark this highway and erect appropriate signs, subject to section 161.139.

Sec. 18. Minnesota Statutes 2006, section 161.14, is amended by adding a subdivision to read:



Subd. 59. **Walter F. Mondale Drive.** Trunk Highway marked 53 from its intersection with Superior Street to its intersection with Central Entrance in the city of Duluth, as signed on the effective date of this section, is designated "Walter F. Mondale Drive." Subject to section 161.139, the commissioner of transportation shall adopt a suitable marking design to mark this highway and erect appropriate signs.

Sec. 19. Minnesota Statutes 2006, section 161.32, subdivision 1, is amended to read:

Subdivision 1. **Advertisement for bids.** The commissioner may conduct the work or any part of the work incidental to the construction and maintenance of the trunk highways by labor employed to do the work or by contract. In cases of construction work, the commissioner shall first advertise for bids for contracts, and if no satisfactory bids are received, may either reject all bids and readvertise, or do the work by labor employed to do the work. Except as provided in subdivision 3 or 4, when work is to be done under contract, the commissioner shall advertise for bids once each week for three successive weeks prior to the date the bids are to be received. The advertisement for bids must be published ~~in a newspaper or other periodical of general circulation in the state and may be placed~~ on the Internet. The plans and specifications for the proposed work must be on file in the commissioner's office prior to the first call for bids.

Sec. 20. Minnesota Statutes 2006, section 161.32, subdivision 1b, is amended to read:

Subd. 1b. **Lowest responsible bidder; electronic bids.** Bidders may submit bids electronically in a form and manner required by the commissioner; however, the commissioner may require that all bids of \$5,000,000 and over for trunk highway contracts must be submitted electronically. Notwithstanding section 13.591, subdivision 3, or any other law or rule to the contrary, bids are not required to be opened and read in public if the commissioner publishes the public data specified by section 13.591, subdivision 3, on a state Web site immediately after the deadline for receipt of bids has passed. Bids for federal-aid highway projects must be conducted in accordance with Code of Federal Regulations, title 23, section 635. Trunk highway construction contracts, including design-build contracts, must be awarded to the lowest responsible bidder, taking into consideration conformity with the specifications, the purpose for which the contract or purchase is intended, the status and capability of the vendor, and other considerations imposed in the call for bids. The commissioner may decide which is the lowest responsible bidder for all contracts and may use the principles of life-cycle costing, when appropriate, in determining the lowest overall bid. Any or all bids may be rejected. When competitive bids are required and all bids are rejected, new bids, if solicited, must be called for as in the first instance, unless otherwise provided by law.

Sec. 21. Minnesota Statutes 2006, section 161.32, subdivision 4, is amended to read:

Subd. 4. **Trunk highways damaged by spring breakup.** Contracts may be let for the repair and restoration of trunk highways damaged by spring breakup upon advertisement for bids ~~and publication thereof in a newspaper or periodical of general circulation~~ for a period of one week prior to the date such bids are to be received, and upon the mailing of such advertisements to all contractors who have filed a written request therefor.

Sec. 22. [161.3203] **CONTRACTS FOR WORK, SUPPLIES, OR MATERIALS FOR TRUNK HIGHWAY.**

Subdivision 1. **Privatization transportation contracts.** For purposes of this section, "privatization transportation contract" means an enforceable agreement, or combination or series

of agreements, by which a private contractor agrees with the commissioner of transportation to provide work, supplies, or materials:

- (1) that is incidental to the construction or improvement of trunk highways; or
- (2) for maintenance of trunk highways.

A privatization transportation contract does not include a design-build contract as defined in section 161.3410, subdivision 3, and does not include services by persons licensed under section 326.02 or 326.15.

Subd. 2. **Applicability.** This section applies to privatization transportation contracts in a total amount of \$25,000 or more. The requirements imposed by this section are in addition to, and do not supersede, the requirements of any other applicable section of law.

Subd. 3. **Review of contract costs.** (a) Before entering into a privatization transportation contract, the commissioner of transportation shall prepare a comprehensive written estimate of the cost of having the same work, supplies, or materials provided in the most cost-effective manner by agency employees. The cost estimate must include all direct costs of having agency employees provide the work, supplies, or materials, including the cost of pension, insurance, and other employee benefits.

(b) After soliciting and receiving responses, the commissioner shall publicly designate the responder to which it proposes to award the privatization contract. The commissioner shall prepare a comprehensive written estimate of the cost of the proposal based on the designated responder's bid, including the cost of a transition from public to private provision of the work, any additional unemployment and retirement benefits resulting from the transfer, and costs associated with monitoring the proposed contract. If the designated responder proposes to perform any or all of the desired services outside the state, the commissioner of transportation shall include in the cost estimate, as nearly as possible, any loss of sales and income tax revenue to the state. The cost estimate must not include trade secret data which is classified as nonpublic data under section 13.37, subdivision 2.

(c) Before entering into a privatization transportation contract for \$250,000 or more, the commissioner shall determine that:

- (1) the cost estimated under paragraph (b) will be lower than the cost estimated under paragraph (a);
- (2) the quality of the work, supplies, or materials to be provided by the designated responder is likely to equal or exceed the quality of services that could be provided by Department of Transportation employees; and
- (3) the proposed privatization contract is in the public interest.

Subd. 4. **Reports.** The commissioner shall provide, no later than September 1, an annual written report to the legislature, in compliance with sections 3.195 and 3.197, and shall submit the report to the chairs of the senate and house of representatives committees having jurisdiction over transportation. The report must list all privatization transportation contracts within the meaning of this section that were executed or performed, whether wholly or in part, in the previous fiscal year. The report must identify, with respect to each contract, the contractor; contract amount; duration;

work, supplies, or materials provided or to be provided; the comprehensive estimate derived under subdivision 3, paragraph (a); the comprehensive estimate derived under subdivision 3, paragraph (b); the actual cost to the agency of the contractor's performance of the contract; and for contracts of at least \$250,000 a statement containing the commissioner's determinations under subdivision 3, paragraph (c).

Subd. 5. **Short title.** This section may be cited as the "Taxpayers' Transportation Accountability Act."

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

Sec. 23. Minnesota Statutes 2006, section 161.53, is amended to read:

#### **161.53 RESEARCH ACTIVITIES.**

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; (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. Of all funds appropriated to the commissioner other than state-aid funds, the commissioner shall spend at least 0.1 percent, ~~but not exceeding \$800,000 in any fiscal year,~~ for research and related activities performed by the Center for Transportation Studies of the University of Minnesota. The center shall establish a technology transfer and training center for Minnesota transportation professionals.

Sec. 24. Minnesota Statutes 2006, section 165.01, is amended to read:

#### **165.01 DEFINITIONS.**

Subdivision 1. **Scope.** For the purposes of this chapter, the terms defined in this section and section 160.02 shall have the same meanings given them.

Subd. 2. **AASHTO manual.** "AASHTO manual" means the Manual for Condition Evaluation of Bridges, published by the American Association of State Highway and Transportation Officials.

Sec. 25. Minnesota Statutes 2006, section 165.03, is amended to read:

#### **165.03 STRENGTH OF BRIDGE; INSPECTION.**

Subdivision 1. **Standards generally.** Each bridge, including a privately owned bridge, must conform to the strength, width, clearance, and safety standards imposed by the commissioner for the connecting highway or street. This subdivision applies to a bridge that is constructed after August 1, 1989, on any public highway or street. The bridge must have sufficient strength to support with safety the maximum vehicle weights allowed under sections 169.822 to 169.829 and must have the minimum width specified in section 165.04, subdivision 3.

Subd. 1a. **Inspection.** (a) Each bridge must be inspected annually, unless a longer interval not to exceed two years for bridges or four years for bridges classified as culverts is authorized by the commissioner. The commissioner's authorization must be based on factors including, but not

limited to, the age and condition of the bridge, the rate of deterioration of the bridge, the type of structure, the susceptibility of the bridge to failure, and the characteristics of traffic on the bridge. Interim inspections at intervals of less than one year may be necessary on bridges that are posted, bridges subjected to extreme scour conditions, bridges subject to significant substructure movement or settlement, and for other reasons as specified or inferred in the AASHTO manual.

(b) The thoroughness of each inspection depends on such factors as age, traffic characteristics, state of maintenance, and known deficiencies. The evaluation of these factors is the responsibility of the engineer assigned the responsibility for inspection as defined by rule adopted by the commissioner of transportation.

Subd. 2. **Inspection and inventory responsibilities; rules; forms.** (a) The commissioner of transportation shall adopt official inventory and bridge inspection report forms for use in making bridge inspections by the owners or highway authorities specified by this subdivision. Bridge Inspections shall must be made at regular intervals, not to exceed two years for bridges and not to exceed four years for culverts, by the following owner or official:

(1) the commissioner of transportation for all bridges located wholly or partially within or over the right-of-way of a state trunk highway;

(2) the county highway engineer for all bridges located wholly or partially within or over the right-of-way of any county or ~~township~~ town road, or any street within a municipality ~~which~~ that does not have a city engineer regularly employed;

(3) the city engineer for all bridges located wholly or partially within or over the right-of-way of any street located within or along municipal limits;

(4) the commissioner of transportation in case of a toll bridge that is used by the general public and that is not inspected and certified under subdivision 6; provided, that the commissioner of transportation may assess the owner for the costs of ~~such~~ the inspection;

(5) the owner of a bridge over a public highway or street or that carries a roadway designated for public use by a public authority, if not required to be inventoried and inspected under clause (1), (2), (3), or (4).

(b) The commissioner of transportation shall prescribe the standards for bridge inspection and inventory by rules. The owner or highway authority shall inspect and inventory in accordance with these standards and furnish the commissioner with such data as may be necessary to maintain a central inventory.

Subd. 3. **County inventory and inspection records and reports.** The county engineer shall maintain a complete inventory record of all bridges as set forth in subdivision 2, paragraph (a), clause (2), with the inspection reports thereof, and shall certify annually to the commissioner, as prescribed by the commissioner, that inspections have been made at regular intervals, not to exceed two years for bridges and not to exceed four years for culverts. A report of the inspections shall must be filed annually, on or before February 15 of each year, with the county auditor or town clerk, or the governing body of the municipality. The report shall must contain recommendations for the correction of, or legal posting of load limits on any bridge or structure that is found to be understrength or unsafe.

Subd. 4. **Municipal inventory and inspection records and reports.** The city engineer shall

maintain a complete inventory record of all bridges as set forth in subdivision 2, paragraph (a), clause (3), with the inspection reports thereof, and shall certify annually to the commissioner, as prescribed by the commissioner, that inspections have been made at regular intervals, not to exceed two years for bridges and not to exceed four years for culverts. A report of the inspections ~~shall~~ must be filed annually, on or before February 15 of each year, with the governing body of the municipality. The report ~~shall~~ must contain recommendations for the correction of, or legal posting of load limits on any bridge or structure that is found to be understrength or unsafe.

Subd. 5. **Agreement.** Agreements may be made among the various units of governments, or between governmental units and qualified engineering personnel to carry out the responsibilities for the bridge inspections and reports, as established by subdivision 2.

Subd. 6. **Other bridges.** The owner of a toll bridge and the owner of a bridge described in subdivision 2, paragraph (a), clause (5), shall certify to the commissioner, as prescribed by the commissioner, that inspections of the bridge have been made at regular intervals, not to exceed two years for bridges and not to exceed four years for culverts. The certification ~~shall~~ must be accompanied by a report of the inspection. The report ~~shall~~ must contain recommendations for the correction of or legal posting of load limitations if the bridge is found to be understrength or unsafe.

Subd. 7. **Department of Natural Resources bridge.** (a) Notwithstanding subdivision 2, the commissioners of transportation and natural resources shall negotiate a memorandum of understanding that governs the inspection of bridges owned, operated, or maintained by the commissioner of natural resources.

(b) The memorandum of understanding must provide for:

- (1) the inspection and inventory of bridges subject to federal law or regulations;
- (2) the frequency of inspection of bridges described in paragraph (a); and
- (3) who may perform inspections required under the memorandum of understanding.

Sec. 26. Minnesota Statutes 2006, section 168.011, subdivision 22, is amended to read:

Subd. 22. **Special mobile equipment.** "Special mobile equipment" means every vehicle not designed or used primarily for the transportation of persons or property and only incidentally operated or moved over a highway, including but not limited to: ditch-digging apparatuses, moving dollies, pump hoists and other water well-drilling equipment registered under chapter 103I, vehicle-mounted concrete pumps with or without placement booms, street-sweeping vehicles, and other machinery such as asphalt spreaders, bituminous mixers, bucket loaders, tractors other than truck-tractors, ditchers, leveling graders, finishing machines, motor graders, road rollers, scarifiers, truck-mounted log loaders, earth-moving carryalls, scrapers, power shovels, draglines, self-propelled cranes, and earth-moving equipment. The term does not include travel trailers, dump trucks, truck-mounted transit mixers, truck-mounted feed grinders, or other motor vehicles designed for the transportation of persons or property to which machinery has been attached.

**EFFECTIVE DATE.** This section is effective August 1, 2007, and expires December 31, 2009.

Sec. 27. Minnesota Statutes 2006, section 168A.151, subdivision 1, is amended to read:

Subdivision 1. **Salvage titles.** (a) When an insurer, licensed to conduct business in Minnesota,

acquires ownership of a late-model or high-value vehicle through payment of damages, the insurer shall immediately apply for a salvage certificate of title or shall stamp the existing certificate of title with the legend "SALVAGE CERTIFICATE OF TITLE" in a manner prescribed by the department. Within 48 hours of taking possession of a vehicle through payment of damages, an insurer must notify the department in a manner prescribed by the department.

~~(b) Any person who acquires a damaged motor vehicle with an out-of-state title and the cost of repairs exceeds the value of the damaged vehicle or a motor vehicle with an out-of-state salvage title or certificate, as proof of ownership, shall immediately apply for a salvage certificate of title. A person shall immediately apply for a salvage certificate of title if the person acquires a damaged late-model or high-value motor vehicle with an out-of-state title and the vehicle:~~

- (1) is a vehicle that was acquired by an insurer through payment of damages;
- (2) is a vehicle for which the cost of repairs exceeds the value of the damaged vehicle; or
- (3) has an out-of-state salvage certificate of title as proof of ownership.

(c) A self-insured owner of a late-model or high-value vehicle who sustains damage by collision or other occurrence which exceeds 70 percent of its actual cash value shall immediately apply for a salvage certificate of title. Damage, for the purpose of this calculation, does not include the actual cost incurred to repair, replace, or reinstall inflatable safety restraints and other vehicle components that must be replaced due to the deployment of the inflatable safety restraints.

Sec. 28. Minnesota Statutes 2006, section 168A.153, is amended to read:

**168A.153 REPORT OF VEHICLE RECEIPT; SURRENDER OF CERTIFICATE.**

Subdivision 1. **Older model vehicle.** A dealer who buys an older model vehicle to be dismantled or destroyed shall report to the department within 30 days including the vehicle's license plate number and identification number, and the seller's name and driver's license number.

Subd. 2. **Late-model or high-value vehicle.** A dealer who buys a late-model or high-value vehicle to be dismantled or destroyed shall notify the secured party, if any, and ~~then surrender the certificate of title and a properly completed application for a salvage certificate of title to the department within ten days~~ the commissioner in the manner prescribed in subdivision 3. The dealer must then properly destroy the certificate of title.

Subd. 3. **Notification on vehicle to be dismantled or destroyed; service fee.** Within the time frames prescribed in subdivisions 1 and 2 of acquiring a vehicle titled and registered in Minnesota, a dealer shall notify the registrar that the dealership purchased the vehicle to be dismantled or destroyed. The notification must be made electronically as prescribed by the registrar. The dealer may contract this service to a deputy registrar and the registrar may charge a fee not to exceed \$7 per transaction to provide this service.

Sec. 29. Minnesota Statutes 2006, section 168B.04, subdivision 2, is amended to read:

Subd. 2. **Unauthorized vehicles.** (a) Units of government and peace officers may take into custody and impound any unauthorized vehicle under section 169.041.

(b) A vehicle may also be impounded after it has been left unattended in one of the following public or private locations for the indicated period of time:

(1) in a public location not governed by section 169.041:

(i) on a highway and properly tagged by a peace officer, four hours;

(ii) located so as to constitute an accident or traffic hazard to the traveling public, as determined by a peace officer, immediately; ~~or~~

(iii) located so as to constitute an accident or traffic hazard to the traveling public within the Department of Transportation's eight-county metropolitan district, as determined by an authorized employee of the department's freeway service patrol, immediately; or

(iv) that is a parking facility or other public property owned or controlled by a unit of government, properly posted, four hours; or

(2) on private property:

(i) that is single-family or duplex residential property, immediately;

(ii) that is private, nonresidential property, properly posted, immediately;

(iii) that is private, nonresidential property, not posted, 24 hours;

(iv) that is private, nonresidential property of an operator of an establishment for the servicing, repair, or maintenance of motor vehicles, five business days after notifying the vehicle owner by certified mail, return receipt requested, of the property owner's intention to have the vehicle removed from the property; or

(v) that is any residential property, properly posted, immediately.

(c) When a tow is requested under paragraph (b), clause (1), item (iii), the department shall ensure that the tower initially requested to remove the vehicle is given the opportunity, to the greatest reasonable extent, to actually conduct and complete all towing operations requested, provided that the owner of the vehicle to be towed has not already requested that another tower remove the vehicle, in which case the tower contacted by the owner must be given the first reasonable opportunity to conduct the towing operations required.

Sec. 30. Minnesota Statutes 2006, section 169.01, subdivision 6, is amended to read:

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

(1) A "type A school bus" is a ~~van conversion or~~ bus constructed utilizing a cutaway front section vehicle with a left-side driver's door. ~~The entrance door is behind the front wheels.~~ This definition

includes two classifications: type A-I, with a gross vehicle weight rating (GVWR) ~~less than or equal to 10,000~~ 14,500 pounds or less; and type A-II, with a GVWR greater than ~~10,000~~ 14,500 pounds and less than or equal to 21,500 pounds.

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

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

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

(5) A "multifunctional school activity bus" is a bus that meets the federal motor vehicle safety standards definition, except for vehicles classified as type III school buses according to paragraph (6).

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

**EFFECTIVE DATE.** This section is effective January 1, 2008.

Sec. 31. Minnesota Statutes 2006, section 169.01, subdivision 19, is amended to read:

Subd. 19. **Explosives.** ~~"Explosives" means any chemical compound or mechanical mixture that is commonly used or intended for the purpose of producing an explosion and which contains any oxidizing and combustible units or other ingredients in such proportions, quantities, or packing that an ignition by fire, by friction, by concussion, by percussion, or by detonator of any part of the compound or mixture may cause such a sudden generation of highly heated gases that the resultant gaseous pressures are capable of producing destructible effects on contiguous objects or of destroying life or limb~~ has the meaning given in Code of Federal Regulations, title 49, section 173.50.

Sec. 32. Minnesota Statutes 2006, section 169.01, subdivision 20, is amended to read:

Subd. 20. **Flammable liquid.** ~~"Flammable liquid" means~~ has the meaning given any liquid which has a flash point of 70 degrees Fahrenheit, or less, as determined by a tagliabue or equivalent closed cup test device defined in Code of Federal Regulations, title 49, section 173.120.

Sec. 33. Minnesota Statutes 2006, section 169.01, subdivision 78, is amended to read:



Subd. 78. **Recreational vehicle combination.** (a) "Recreational vehicle combination" means a combination of vehicles consisting of a pickup truck as defined in section 168.011, subdivision 29, attached by means of a fifth-wheel coupling to a ~~camper-semitrailer which middle vehicle that~~ middle vehicle that hitched to it a trailer carrying a watercraft as defined in section 86B.005, subdivision 18; off-highway motorcycle as defined in section 84.787, subdivision 7; motorcycle; motorized bicycle; snowmobile as defined in section 84.81, subdivision 3; all-terrain vehicle as defined in section 84.92, subdivision 8; motorized golf cart; or equestrian equipment or supplies.

(b) For purposes of this subdivision:

(1) a "fifth-wheel coupling" is a coupling between a ~~camper-semitrailer~~ middle vehicle and a towing pickup truck in which a portion of the weight of the ~~camper-semitrailer~~ towed middle vehicle is carried over or forward of the rear axle of the towing pickup.

(2) A ~~"camper semitrailer" is a trailer, other than a manufactured home as defined in section 327B.01, subdivision 13, designed for human habitation and used for vacation or recreational purposes for limited periods.~~

Sec. 34. Minnesota Statutes 2006, section 169.01, is amended by adding a subdivision to read:

Subd. 92. **Cellular phone.** "Cellular phone" means a cellular, analog, wireless, or digital telephone capable of sending or receiving telephone or text messages without an access line for service.

Sec. 35. Minnesota Statutes 2006, section 169.01, is amended by adding a subdivision to read:

Subd. 93. **Valid license; valid driver's license.** "Valid license," "valid driver's license," "valid Minnesota driver's license," "valid standard driver's license," or other similar term, has the meaning given in section 171.01, subdivision 49a.

Sec. 36. Minnesota Statutes 2006, section 169.041, subdivision 1, is amended to read:

Subdivision 1. **Towing authority.** For purposes of this section, "towing authority" means:

(1) any local authority authorized by section 169.04 to enforce the traffic laws, and also includes a private towing company authorized by a local authority to tow vehicles on behalf of that local authority; or

(2) an authorized employee of the Department of Transportation's freeway service patrol within the department's eight-county metropolitan district, and also includes a private towing company authorized by the department to tow vehicles on behalf of the department.

Sec. 37. Minnesota Statutes 2006, section 169.041, subdivision 2, is amended to read:

Subd. 2. **Towing order required.** A towing authority may not tow a motor vehicle from public property unless a peace officer or parking enforcement officer has prepared, in addition to the parking citation, a written towing report describing the motor vehicle and the reasons for towing. The report must be signed by the officer and the tow driver. Within the Department of Transportation's eight-county metropolitan district, an authorized employee of the department's freeway service patrol may order a tow from a trunk highway after preparing a written towing report provided by the Minnesota State Patrol. A citation need not be issued before the employee orders a tow. The department employee shall ensure that the tower initially requested to remove the

vehicle is given the opportunity, to the greatest reasonable extent, to actually conduct and complete all towing operations requested, provided that the owner of the vehicle to be towed has not already requested that another tower remove the vehicle, in which case the tower contacted by the owner must be given the first reasonable opportunity to conduct the towing operations required.

Sec. 38. Minnesota Statutes 2006, section 169.06, subdivision 5, is amended to read:

**Subd. 5. Traffic-control signal.** (a) Whenever traffic is controlled by traffic-control signals exhibiting different colored lights, or colored lighted arrows, successively one at a time or in combination, only the colors Green, Red, and Yellow shall be used, except for special pedestrian signals carrying a word or legend. The traffic-control signal lights or colored lighted arrows indicate and apply to drivers of vehicles and pedestrians as follows:

(1) Green indication:

(i) Vehicular traffic facing a circular green signal may proceed straight through or turn right or left unless a sign at such place prohibits either turn. But vehicular traffic, including vehicles turning right or left, shall yield the right-of-way to other vehicles and to pedestrians lawfully within the intersection or adjacent crosswalk at the time this signal is exhibited.

(ii) Vehicular traffic facing a green arrow signal, shown alone or in combination with another indication, may cautiously enter the intersection only to make the movement indicated by the arrow, or other movement as permitted by other indications shown at the same time. Such vehicular traffic shall yield the right-of-way to pedestrians lawfully within an adjacent crosswalk and to other traffic lawfully using the intersection.

(iii) Unless otherwise directed by a pedestrian-control signal as provided in subdivision 6, pedestrians facing any green signal, except when the sole green signal is a turn arrow, may proceed across the roadway within any marked or unmarked crosswalk. Every driver of a vehicle shall yield the right-of-way to such pedestrian, except that the pedestrian shall yield the right-of-way to vehicles lawfully within the intersection at the time that the green signal indication is first shown.

(2) Steady yellow indication:

(i) Vehicular traffic facing a steady circular yellow or yellow arrow signal is thereby warned that the related green movement is being terminated or that a red indication will be exhibited immediately thereafter when vehicular traffic must not enter the intersection, except for the continued movement allowed by any green arrow indication simultaneously exhibited.

(ii) Pedestrians facing a circular yellow signal, unless otherwise directed by a pedestrian-control signal as provided in subdivision 6, are thereby advised that there is insufficient time to cross the roadway before a red indication is shown and no pedestrian shall then start to cross the roadway.

~~(iii) Vehicular traffic facing a steady yellow arrow signal is thereby warned that the protected vehicular movement permitted by the corresponding prior green arrow indication is being terminated.~~

(3) Steady red indication:

(i) Vehicular traffic facing a circular red signal alone must stop at a clearly marked stop line but, if none, before entering the crosswalk on the near side of the intersection or, if none, then

before entering the intersection and shall remain standing until a green indication is shown, except as follows: (A) the driver of a vehicle stopped as close as practicable at the entrance to the crosswalk on the near side of the intersection or, if none, then at the entrance to the intersection in obedience to a red or stop signal, and with the intention of making a right turn may make the right turn, after stopping, unless an official sign has been erected prohibiting such movement, but shall yield the right-of-way to pedestrians and other traffic lawfully proceeding as directed by the signal at that intersection; or (B) the driver of a vehicle on a one-way street intersecting another one-way street on which traffic moves to the left shall stop in obedience to a red or stop signal and may then make a left turn into the one-way street, unless an official sign has been erected prohibiting the movement, but shall yield the right-of-way to pedestrians and other traffic lawfully proceeding as directed by the signal at that intersection.

(ii) Unless otherwise directed by a pedestrian-control signal as provided in subdivision 6, pedestrians facing a steady red signal alone shall not enter the roadway.

(iii) Vehicular traffic facing a steady red arrow signal, with the intention of making a movement indicated by the arrow, must stop at a clearly marked stop line but, if none, before entering the crosswalk on the near side of the intersection or, if none, then before entering the intersection and must remain standing until a permissive signal indication permitting the movement indicated by the red arrow is displayed, except as follows: when an official sign has been erected permitting a turn on a red arrow signal, the vehicular traffic facing a red arrow signal indication is permitted to enter the intersection to turn right, or to turn left from a one-way street into a one-way street on which traffic moves to the left, after stopping, but must yield the right-of-way to pedestrians and other traffic lawfully proceeding as directed by the signal at that intersection.

(b) In the event an official traffic-control signal is erected and maintained at a place other than an intersection, the provisions of this section are applicable except those which can have no application. Any stop required must be made at a sign or marking on the pavement indicating where the stop must be made, but in the absence of any such sign or marking the stop must be made at the signal.

(c) When a traffic-control signal indication or indications placed to control a certain movement or lane are so identified by placing a sign near the indication or indications, no other traffic-control signal indication or indications within the intersection controls vehicular traffic for that movement or lane.

Sec. 39. Minnesota Statutes 2006, section 169.34, is amended to read:

**169.34 PROHIBITIONS; STOPPING, PARKING.**

Subdivision 1. Prohibitions. (a) No person shall stop, stand, or park a vehicle, except when necessary to avoid conflict with other traffic or in compliance with the directions of a police officer or traffic-control device, in any of the following places:

- (1) on a sidewalk;
- (2) in front of a public or private driveway;
- (3) within an intersection;
- (4) within ten feet of a fire hydrant;

- (5) on a crosswalk;
  - (6) within 20 feet of a crosswalk at an intersection;
  - (7) within 30 feet upon the approach to any flashing beacon, stop sign, or traffic-control signal located at the side of a roadway;
  - (8) between a safety zone and the adjacent curb or within 30 feet of points on the curb immediately opposite the ends of a safety zone, unless a different length is indicated by signs or markings;
  - (9) within 50 feet of the nearest rail of a railroad crossing;
  - (10) within 20 feet of the driveway entrance to any fire station and on the side of a street opposite the entrance to any fire station within 75 feet of said entrance when properly signposted;
  - (11) alongside or opposite any street excavation or obstruction when such stopping, standing, or parking would obstruct traffic;
  - (12) on the roadway side of any vehicle stopped or parked at the edge or curb of a street;
  - (13) upon any bridge or other elevated structure upon a highway or within a highway tunnel, except as otherwise provided by ordinance;
  - (14) at any place where official signs prohibit stopping.
- (b) No person shall move a vehicle not owned by such person into any prohibited area or away from a curb such distance as is unlawful.
- (c) No person shall, for camping purposes, leave or park a travel trailer on or within the limits of any highway or on any highway right-of-way, except where signs are erected designating the place as a campsite.
- (d) No person shall stop or park a vehicle on a street or highway when directed or ordered to proceed by any peace officer invested by law with authority to direct, control, or regulate traffic.

**Subd. 2. Violation; penalty for owner or lessee.** (a) If a motor vehicle is stopped, standing, or parked in violation of subdivision 1, the owner of the vehicle, or for a leased motor vehicle the lessee of the vehicle, is guilty of a petty misdemeanor.

(b) The owner or lessee may not be fined under paragraph (a) if (1) another person is convicted for, or pleads guilty to, that violation, or (2) the motor vehicle was stolen at the time of the violation.

(c) Paragraph (a) does not apply to a lessor of a motor vehicle if the lessor keeps a record of the name and address of the lessee.

(d) Paragraph (a) does not prohibit or limit the prosecution of a motor vehicle operator for violating subdivision 1.

(e) A violation under paragraph (a) does not constitute grounds for revocation or suspension of the owner's or lessee's driver's license.

Sec. 40. Minnesota Statutes 2006, section 169.443, is amended by adding a subdivision to read:

Subd. 9. **Personal cellular phone call prohibition.** A school bus driver may not operate a school bus while communicating over, or otherwise operating, a cellular phone for personal reasons, whether hand-held or hands free, when the vehicle is in motion.

**EFFECTIVE DATE.** This section is effective July 1, 2007.

Sec. 41. Minnesota Statutes 2006, section 169.447, subdivision 2, is amended to read:

Subd. 2. **Driver seat belt.** New School buses and Head Start buses ~~manufactured after December 31, 1994,~~ must be equipped with driver seat belts and seat belt assemblies of the type described in section 169.685, subdivision 3. School bus drivers and Head Start bus drivers must use these seat belts.

**EFFECTIVE DATE.** This section is effective July 1, 2007.

Sec. 42. Minnesota Statutes 2006, section 169.4501, subdivision 1, is amended to read:

Subdivision 1. **National standards adopted.** Except as provided in sections 169.4502 and 169.4503, the construction, design, equipment, and color of types A, B, C, ~~and D,~~ and multifunctional school activity bus school buses used for the transportation of school children shall meet the requirements of the "bus chassis standards" and "bus body standards" in the ~~2000~~ 2005 edition of the "National School Transportation Specifications and Procedures" adopted by the ~~National Conference~~ Congress on School Transportation. Except as provided in section 169.4504, the construction, design, and equipment of types A, B, C, ~~and D,~~ and multifunctional school activity bus school buses used for the transportation of students with disabilities also shall meet the requirements of the "specially equipped school bus standards" in the ~~2000~~ 2005 National School Transportation Specifications and Procedures. The "bus chassis standards," "bus body standards," and "specially equipped school bus standards" sections of the ~~2000~~ 2005 edition of the "National School Transportation Specifications and Procedures" are incorporated by reference in this chapter.

**EFFECTIVE DATE.** This section is effective January 1, 2008.

Sec. 43. Minnesota Statutes 2006, section 169.4501, subdivision 2, is amended to read:

Subd. 2. **Applicability.** (a) The standards adopted in this section and sections 169.4502 and 169.4503, govern the construction, design, equipment, and color of school buses used for the transportation of school children, when owned or leased and operated by a school or privately owned or leased and operated under a contract with a school. Each school, its officers and employees, and each person employed under the contract is subject to these standards.

(b) The standards apply to school buses manufactured after ~~October 31, 2004~~ December 31, 2007. Buses complying with the standards when manufactured need not comply with standards established later except as specifically provided for by law.

(c) A school bus manufactured on or before ~~October 31, 2004~~ December 31, 2007, must conform to the Minnesota standards in effect on the date the vehicle was manufactured except as specifically provided for in law.

(d) A new bus body may be remounted on a used chassis provided that the remounted vehicle meets state and federal standards for new buses which are current at the time of the remounting. Permission must be obtained from the commissioner of public safety before the remounting is done.

A used bus body may not be remounted on a new or used chassis.

**EFFECTIVE DATE.** This section is effective January 1, 2008.

Sec. 44. Minnesota Statutes 2006, section 169.4502, subdivision 5, is amended to read:

Subd. 5. **Electrical system; battery.** (a) The storage battery, as established by the manufacturer's rating, must be of sufficient capacity to care for starting, lighting, signal devices, heating, and other electrical equipment. In a bus with a gas-powered chassis, the battery or batteries must provide a minimum of 800 cold cranking amperes. In a bus with a diesel-powered chassis, the battery or batteries must provide a minimum of 1050 cold cranking amperes.

(b) In a type B bus with a gross vehicle weight rating of 15,000 pounds or more, and type C and D buses, the battery shall be temporarily mounted on the chassis frame. The final location of the battery and the appropriate cable lengths in these buses must comply with the SBMI design objectives booklet.

(c) All batteries shall be mounted according to chassis manufacturers' recommendations.

(d) In a type C bus, other than are powered by diesel fuel, a battery providing at least 550 cold cranking amperes may be installed in the engine compartment only if used in combination with a generator or alternator of at least ~~120~~ 130 amperes.

(e) A bus with a gross vehicle weight rating of 15,000 pounds or less may be equipped with a battery to provide a minimum of 550 cold cranking amperes only if used in combination with an alternator of at least ~~80~~ 130 amperes. This paragraph does not apply to those buses with wheelchair lifts or diesel engines.

**EFFECTIVE DATE.** This section is effective January 1, 2008.

Sec. 45. Minnesota Statutes 2006, section 169.4503, subdivision 13, is amended to read:

Subd. 13. **Identification.** (a) Each bus shall, in the beltline, identify the school district serviced, or company name, or owner of the bus. Numbers necessary for identification must appear on the sides and rear of the bus. Symbols or letters may be used on the outside of the bus near the entrance door for student identification. A manufacturer's nameplate or logo may be placed on the bus.

(b) Effective December 31, 1994, all type A, B, C, and D buses sold must display lettering "Unlawful to pass when red lights are flashing" on the rear of the bus. The lettering shall be in two-inch black letters on school bus yellow background. This message shall be displayed directly below the upper window of the rear door. On rear engine buses, it shall be centered at approximately the same location. Only signs and lettering approved or required by state law may be displayed.

**EFFECTIVE DATE.** This section is effective January 1, 2008.

Sec. 46. Minnesota Statutes 2006, section 169.4503, subdivision 20, is amended to read:

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

(b) All seats must have a minimum cushion depth of 15 inches and a seat back height of at least 20 inches above the seating reference point.

**EFFECTIVE DATE.** This section is effective January 1, 2008.

Sec. 47. Minnesota Statutes 2006, section 169.471, subdivision 2, is amended to read:

Subd. 2. **Use of headphones in vehicle.** (a) No person, while operating a motor vehicle, shall wear headphones or earphones that are used in both ears simultaneously for purposes of receiving or listening to broadcasts or reproductions from radios, tape decks, or other sound-producing or transmitting devices.

(b) Paragraph (a) does not prohibit:

(1) the use of a hearing aid device by a person who needs the device; or

(2) the use of a communication headset by a firefighter while operating a fire department emergency vehicle in response to an emergency; or

(3) the use of a communication headset by an emergency medical services person while operating an ambulance subject to section 144E.101.

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

Sec. 48. Minnesota Statutes 2006, section 169.685, subdivision 5, is amended to read:

Subd. 5. **Violation; petty misdemeanor.** (a) Every motor vehicle operator, when transporting a child under the age of ~~four~~ eight on the streets and highways of this state in a motor vehicle equipped with factory-installed seat belts, shall equip and install for use in the motor vehicle, according to the manufacturer's instructions, a child passenger restraint system meeting federal motor vehicle safety standards.

(b) No motor vehicle operator who is operating a motor vehicle on the streets and highways of this state may transport a child under the age of ~~four~~ eight in a seat of a motor vehicle equipped with a factory-installed seat belt, unless the child is properly fastened in the child passenger restraint system. Any motor vehicle operator who violates this subdivision is guilty of a petty misdemeanor and may be sentenced to pay a fine of not more than \$50. The fine ~~may~~ must be waived ~~or the amount reduced~~ if the motor vehicle operator produces evidence that within 14 days after the date of the violation a child passenger restraint system meeting federal motor vehicle safety standards was purchased or obtained for the exclusive use of the operator.

(c) The fines collected for violations of this subdivision must be deposited in the state treasury and credited to a special account to be known as the Minnesota child passenger restraint and education account.

Sec. 49. Minnesota Statutes 2006, section 169.685, subdivision 6, is amended to read:

Subd. 6. **Exceptions.** (a) This section does not apply to:

(1) a person transporting a child in an emergency medical vehicle while in the performance of official duties and when the physical or medical needs of the child make the use of a child passenger restraint system unreasonable or when a child passenger restraint system is not available; and

(2) a peace officer transporting a child while in the performance of official duties and when a child passenger restraint system is not available, provided that a seat belt must be substituted; ~~and~~

~~(3) a person while operating a motor vehicle for hire, including a taxi, airport limousine, and bus, but excluding a rented, leased, or borrowed motor vehicle.~~

(b) A child passenger restraint system is not required for a child who cannot, in the judgment of a licensed physician, be safely transported in a child passenger restraint system because of a medical condition, body size, or physical disability. A motor vehicle operator claiming exemption for a child under this paragraph must possess a typewritten statement from the physician stating that the child cannot be safely transported in a child passenger restraint system. The statement must give the name and birth date of the child, be dated within the previous six months, and be made on the physician's letterhead or contain the physician's name, address, and telephone number. A person charged with violating subdivision 5 may not be convicted if the person produces the physician's statement in court or in the office of the arresting officer.

(c) A person offering a motor vehicle for rent or lease shall provide a child passenger restraint device to a customer renting or leasing the motor vehicle who requests the device. A reasonable rent or fee may be charged for use of the child passenger restraint device.

Sec. 50. Minnesota Statutes 2006, section 169.686, subdivision 1, is amended to read:

Subdivision 1. **Seat belt requirement.** (a) A properly adjusted and fastened seat belt, including both the shoulder and lap belt when the vehicle is so equipped, shall be worn by:

- ~~(1) the driver and passengers of a passenger vehicle or commercial motor vehicle;~~
- ~~(2) a passenger riding in the front seat of a passenger vehicle or commercial motor vehicle; and~~
- ~~(3) a passenger riding in any seat of a passenger vehicle who is older than three but younger than 11 years of age.~~

(b) A person who is 15 years of age or older and who violates paragraph (a), ~~clause (1) or (2),~~ is subject to a fine of \$25. The driver of the ~~passenger vehicle or commercial motor vehicle~~ in which the violation occurred is subject to a \$25 fine for a each violation of paragraph (a), clause (2) or (3), by the driver or by a child of the driver passenger under the age of 15 or any child under the age of 11. ~~A peace officer may not issue a citation for a violation of this section unless the officer lawfully stopped or detained the driver of the motor vehicle for a moving violation other than a violation involving motor vehicle equipment, but the court may not impose more than one surcharge under section 357.021, subdivision 6, on the driver.~~ The Department of Public Safety shall not record a violation of this subdivision on a person's driving record.

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

Sec. 51. Minnesota Statutes 2006, section 169.781, is amended to read:

**169.781 ANNUAL COMMERCIAL VEHICLE INSPECTION; INSPECTORS, FEE, PENALTY.**

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

(a) "Commercial motor vehicle":

(1) means a motor vehicle or combination of motor vehicles used to transport passengers or property if the motor vehicle:



~~(1) a commercial motor vehicle as defined in section 169.01, subdivision 75, paragraph (a); and~~  
(i) has a gross vehicle weight of more than 26,000 pounds;

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

(iii) is a bus; or

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

~~"Commercial motor vehicle"~~

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

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

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

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

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

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

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

(2) special mobile equipment as defined in section 168.011, subdivision 22, and which is self-propelled, if it is mounted on a commercial motor vehicle chassis, ~~unless the~~ in violation of the requirements of paragraph (b).

(b) A vehicle displays described in paragraph (a):

(1) must display a valid safety inspection decal issued by an inspector certified by the commissioner, ~~or the vehicle carries (1); or~~

(2) must carry (i) proof that the vehicle complies with federal motor vehicle inspection requirements for vehicles in interstate commerce, and ~~(2) (ii) a certificate of compliance with federal requirements issued by the commissioner under subdivision 9.~~

Subd. 3. **Inspector certification; suspension and revocation; hearing.** (a) An inspection required by this section may be performed only by:

(1) an employee of the Department of Public Safety or Transportation who has been certified by the commissioner after having received training provided by the State Patrol; or

(2) another person who has been certified by the commissioner after having received training provided by the State Patrol or other training approved by the commissioner.

(b) A person who is not an employee of the Department of Public Safety or Transportation may be certified by the commissioner if the person is:

(1) an owner, or employee of the owner, of one or more commercial motor vehicles that are power units;

(2) a dealer licensed under section 168.27 and engaged in the business of buying and selling commercial motor vehicles, or an employee of the dealer; ~~or~~

(3) engaged in the business of repairing and servicing commercial motor vehicles; or

(4) employed by a governmental agency that owns commercial vehicles.

(c) Certification of persons described in paragraph (b), clauses (1) to ~~(3)~~ (4), is effective for two years from the date of certification. The commissioner may require biennial retraining of persons holding a certificate under paragraph (b) as a condition of renewal of the certificate. The commissioner may charge a fee of not more than \$10 for each certificate issued and renewed. A certified person described in paragraph (b), clauses (1) to ~~(3)~~ (4), may charge a reasonable fee for each inspection of a vehicle not owned by the person or the person's employer.

(d) Except as otherwise provided in subdivision 5, the standards adopted by the commissioner for commercial motor vehicle inspections under sections 169.781 to 169.783 ~~shall~~ must be the standards prescribed in Code of Federal Regulations, title 49, section 396.17, and in chapter III, subchapter B, appendix G.

(e) The commissioner may classify types of vehicles for inspection purposes and may issue separate classes of inspector certificates for each class. ~~The commissioner shall issue separate categories of inspector certificates based on the following classifications:~~

~~(1) a class of certificate that authorizes the certificate holder to inspect commercial motor vehicles without regard to ownership or lease; and~~

~~(2) a class of certificate that authorizes the certificate holder to inspect only commercial motor vehicles the certificate holder owns or leases.~~

~~The commissioner shall issue a certificate described in clause (1) only to a person described in paragraph (b), clause (2) or (3).~~

(f) The commissioner, after notice and an opportunity for a hearing, may suspend a certificate issued under paragraph (b) for failure to meet annual certification requirements prescribed by the commissioner or failure to inspect commercial motor vehicles in accordance with inspection procedures established by the State Patrol. The commissioner shall revoke a certificate issued under paragraph (b) if the commissioner determines after notice and an opportunity for a hearing that the certified person issued an inspection decal for a commercial motor vehicle when the person knew or reasonably should have known that the vehicle was in such a state of repair that it would have been declared out of service if inspected by an employee of the State Patrol. Suspension and revocation of certificates under this subdivision are not subject to sections 14.57 to 14.69.

Subd. 4. **Inspection report.** (a) A person performing an inspection under this section shall

issue an inspection report to the owner of the commercial motor vehicle inspected. The report must include:

(1) the full name of the person performing the inspection, and the person's inspector certification number;

(2) the name of the owner of the vehicle and, if applicable, the United States Department of Transportation carrier number issued to the owner of the vehicle, or to the operator of the vehicle if other than the owner;

(3) the vehicle identification number and, if applicable, the license plate number of the vehicle;

(4) the date and location of the inspection;

(5) the vehicle components inspected and a description of the findings of the inspection, including identification of the components not in compliance with federal motor carrier safety regulations; and

(6) the inspector's certification that the inspection was complete, accurate, and in compliance with the requirements of this section.

(b) The owner must retain a copy of the inspection report for at least 14 months at a location in the state where the vehicle is domiciled or maintained. The inspector must maintain a copy of the inspection report for a period of 14 months following the inspection in a location in the state where the inspector conducts business. During this period the report must be available for inspection by an authorized federal, state, or local official.

(c) The commissioner shall prescribe the form of the inspection report and revise it as necessary to comply with state and federal law and regulations. The adoption of the report form is not subject to the Administrative Procedure Act.

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

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

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

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

~~(c) Notwithstanding paragraph (a), a person inspecting (1) a vehicle of less than 57,000 pounds gross vehicle weight and registered as a farm truck, (2) a storage semitrailer, or (3) a building mover vehicle must issue an inspection decal to the vehicle unless the vehicle has one or more defects that would result in the vehicle being declared out of service under the North American Uniform Driver, Vehicle, and Hazardous Materials Out-of-Service Criteria issued by the Federal Highway~~

~~Administration and the Commercial Vehicle Safety Alliance. A decal issued to a vehicle described in clause (1), (2), or (3) is valid for two years from the date of issuance. A decal issued to such a vehicle must clearly indicate that it is valid for two years from the date of issuance.~~

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

Subd. 6. **Record review; random inspection; audit.** Employees of the State Patrol and motor transportation representatives of the Department of Transportation may review records required to be kept under subdivision 4, paragraph (b), and conduct random vehicle inspections and audits at the facility of an owner of a commercial motor vehicle.

Subd. 7. **Disposition of revenues.** The commissioner shall pay all revenues received under this section to the commissioner of finance for deposit in the trunk highway fund.

Subd. 8. **Violation; misdemeanor.** A violation of this section is a misdemeanor.

Subd. 9. **Proof of federal inspection.** An owner of a commercial motor vehicle that is subject to and in compliance with federal motor vehicle inspection requirements for vehicles in interstate commerce may apply to the commissioner for a certificate of compliance with federal requirements. On payment of a fee equal to the fee for an inspection decal under subdivision 5, ~~paragraph (a),~~ the commissioner shall issue the certificate to the applicant. This subdivision only applies to Minnesota-licensed vehicles that are not housed or maintained in Minnesota.

Subd. 10. **Exemption.** This section does not apply to a vehicle operated by a motor carrier of passengers, as defined in section 221.011, subdivision 48, if the vehicle has been inspected under section 221.0252, subdivision 3, paragraph (a), clause (2), within the previous 12 months.

Sec. 52. Minnesota Statutes 2006, section 169.782, subdivision 1, is amended to read:

Subdivision 1. **Driver; daily inspection report.** (a) The driver of a commercial motor vehicle shall report in writing at the completion of each day's work on each commercial motor vehicle the driver has operated. A person who owns one or more commercial motor vehicles and who employs drivers for those commercial motor vehicles must require each driver to submit a written report as required in by this section. The report must cover the following parts and accessories: service brakes, including trailer and semitrailer brake connections; parking (hand) brake; steering mechanism; lighting devices and reflectors; tires; horn; windshield wiper or wipers; rear vision mirror or mirrors; coupling devices; wheels and rims; and emergency equipment.

(b) The report must identify the vehicle and list any defect or deficiency discovered by or reported to the driver that would affect the safe operation of the vehicle or result in its mechanical breakdown. If no defect or deficiency is discovered by or reported to the driver, the report must so indicate. The driver must sign the report after completing it. In the case of a commercial motor vehicle operated by two drivers, the signature of one of the drivers satisfies the requirements of this subdivision if both drivers agree concerning the defects or deficiencies. If a driver operates more than one commercial motor vehicle during a day's work, a report must be prepared for each vehicle operated.

(c) Before operating or allowing the operation of a commercial motor vehicle on which a report

has been prepared under this subdivision, the owner of the vehicle or the owner's agent must repair defects or deficiencies listed on the report that would ~~be sufficient under inspection procedures established by the State Patrol to require the vehicle to be declared out of service~~ likely affect the safe operation of the vehicle. Before allowing the commercial motor vehicle to be operated again, the owner or the owner's agent must certify, on the report listing the defect or deficiency, that the defect or deficiency has been corrected or that correction is unnecessary. A motor carrier must keep the original vehicle inspection report for at least three months after the date of inspection. The report must be available for inspection by an authorized federal, state, or local official at any time during this period.

(d) A copy of the vehicle inspection report, including a certification of corrections resulting from the report, must be carried in the commercial motor vehicle, or in the power unit of a commercial motor vehicle combination, at all times when the vehicle or power unit is operated until the next inspection report is completed under this subdivision. The copy must be made available on demand to: (1) a peace officer; (2) a person authorized under section 221.221; and (3) a person described in section 299D.06.

Sec. 53. Minnesota Statutes 2006, section 169.783, subdivision 1, is amended to read:

Subdivision 1. **Postcrash inspection.** (a) A peace officer responding to an accident involving a commercial motor vehicle must immediately notify the State Patrol if the accident results in ~~death, personal injury, or property damage to an apparent extent of more than \$4,400.~~

(1) a fatality;

(2) bodily injury to a person who, as a result of the injury, immediately receives medical treatment away from the scene of the accident; or

(3) one or more motor vehicles incurring disabling damage as a result of the accident, requiring the motor vehicles to be transported away from the scene by tow truck or other motor vehicle.

(b) It is a misdemeanor for a person to drive or cause to be driven a commercial motor vehicle after such an accident unless the vehicle:

(1) has been inspected by a state trooper or other person authorized to conduct inspections under section 169.781, subdivision 3, paragraph (a), who is an employee of the Department of Public Safety or Transportation, and the person inspecting the vehicle has determined that the vehicle may safely be operated; or

(2) a waiver has been granted under subdivision 2.

Sec. 54. Minnesota Statutes 2006, section 169.81, subdivision 2, is amended to read:

Subd. 2. **Length of single vehicle; exceptions.** (a) Statewide, no single vehicle may exceed 40 feet in overall length, including load and front and rear bumpers, except:

~~(1) mobile cranes, which may not exceed 48 feet in overall length;~~

~~(2) buses, which may not exceed 45 feet in overall length; and~~

~~(3) type A, B, or C motor homes as defined in section 168.011, subdivision 25, paragraph (e), which may not exceed 45 feet in overall length.~~

(b) Statewide, no semitrailer may exceed 48 feet in overall length, including bumper and load, but excluding non-cargo-carrying equipment, such as refrigeration units or air compressors, necessary for safe and efficient operation and located on the end of the semitrailer adjacent to the truck-tractor. However, statewide, a single semitrailer may exceed 48 feet, but not 53 feet, if the distance from the kingpin to the centerline of the rear axle group of the semitrailer does not exceed 43 feet.

(c) Statewide, no single trailer may have an overall length exceeding 45 feet, including the tow bar assembly but exclusive of rear bumpers that do not increase the overall length by more than six inches.

(d) For determining compliance with this subdivision, the length of the semitrailer or trailer must be determined separately from the overall length of the combination of vehicles.

(e) No semitrailer or trailer used in a three-vehicle combination may have an overall length in excess of 28-1/2 feet, exclusive of:

(1) non-cargo-carrying accessory equipment, including refrigeration units or air compressors and upper coupler plates, necessary for safe and efficient operation, located on the end of the semitrailer or trailer adjacent to the truck or truck-tractor;

(2) the tow bar assembly; and

(3) lower coupler equipment that is a fixed part of the rear end of the first semitrailer or trailer.

**EFFECTIVE DATE.** This section is effective August 1, 2007.

Sec. 55. Minnesota Statutes 2006, section 169.823, subdivision 1, is amended to read:

Subdivision 1. **Pneumatic-tired vehicle.** No vehicle or combination of vehicles equipped with pneumatic tires shall be operated upon the highways of this state:

(1) where the gross weight on any wheel exceeds 9,000 pounds, except that on paved county state-aid highways, paved county roads, designated local routes, and state trunk highways the gross weight on any single wheel shall not exceed 10,000 pounds unless posted;

(2) where the gross weight on any single axle exceeds 18,000 pounds, except that on paved county state-aid highways, paved county roads, designated local routes, and state trunk highways the gross weight on any single axle shall not exceed 20,000 pounds unless posted;

(3) where the maximum wheel load:

(i) on the foremost and rearmost steering axles, exceeds 600 pounds per inch of tire width or the manufacturer's recommended load, whichever is less; or

(ii) on other axles, exceeds 500 pounds per inch of tire width or the manufacturer's recommended load, whichever is less. This item applies to new vehicles manufactured after August 1, 1991. For vehicles manufactured before August 2, 1991, the maximum weight per inch of tire width is 600 pounds per inch or the manufacturer's recommended load, whichever is less, until August 1, 1996. After July 31, 1996, this item applies to all vehicles regardless of date of manufacture;

(4) where the gross weight on any axle of a tridem exceeds 15,000 pounds, except that for

vehicles to which an additional axle has been added prior to June 1, 1981, the maximum gross weight on any axle of a tridem may be up to 16,000 pounds provided the gross weight of the tridem combination does not exceed 39,900 pounds where the first and third axles of the tridem are spaced nine feet apart;

(5) where the gross weight on any group of axles exceeds the weights permitted under sections 169.822 to 169.829 with any or all of the interior axles disregarded, and with an exterior axle disregarded if the exterior axle is a variable load axle that is not carrying its intended weight, and their gross weights subtracted from the gross weight of all axles of the group under consideration.

Sec. 56. Minnesota Statutes 2006, section 169.824, subdivision 2, is amended to read:

Subd. 2. **Gross vehicle weight of all axles.** (a) Notwithstanding the provisions of section 169.85, the gross vehicle weight of all axles of a vehicle or combination of vehicles ~~shall~~ must not exceed:

(1) 80,000 pounds for any vehicle or combination of vehicles on all state (i) trunk highways as defined in section 160.02, subdivision 29, and for all (ii) routes designated under section 169.832, subdivision 11, and (iii) paved nine-ton routes;

(2) 88,000 pounds for any vehicle or combination of vehicles with six or more axles while exclusively engaged in hauling livestock on all state trunk highways other than interstate highways, if the vehicle has a permit under section 169.86, subdivision 5, paragraph (k); and

(3) 73,280 pounds for any vehicle or combination of vehicles with five axles or less on all routes, ~~other than state trunk highways and routes that are designated under section 169.832, subdivision 11, except that a vehicle needing reasonable access to a terminal or facilities for food, fuel, repairs, and rest, located within three miles of a ten-ton route, may not exceed 80,000 pounds. "Terminal" means any location where freight either originates, terminates, or is handled in the transportation process, or where commercial motor carriers maintain operating facilities; and routes identified in clause (1).~~

~~(4) 80,000 pounds for any vehicle or combination of vehicles with six or more axles on all routes, other than state trunk highways and routes that are designated under section 169.832, subdivision 11.~~

~~(b) The maximum weights specified in this section for five consecutive axles shall not apply to a four-axle ready-mix concrete truck which was equipped with a fifth axle prior to June 1, 1981. The maximum gross weight on four or fewer consecutive axles of vehicles excepted by this clause shall not exceed any maximum weight specified for four or fewer consecutive axles in this section. Notwithstanding the maximum weight provisions of this section and section 169.85, and in order to promote the reduction of fuel use and emissions because of engine idling, the maximum gross vehicle weight limits and the axle weight limits for any motor vehicle subject to sections 169.80 to 169.88 and equipped with idle reduction technology must be increased by the amount of weight necessary to compensate for the weight of the idle reduction technology, not to exceed 400 pounds. At the request of an authorized representative of the Department of Transportation or the Department of Public Safety, the vehicle operator shall provide proof that the vehicle is equipped with this technology through documentation or demonstration.~~

Sec. 57. Minnesota Statutes 2006, section 169.829, subdivision 2, is amended to read:

Subd. 2. **Tow truck.** Sections 169.822 to 169.828 do not apply to a tow truck or towing vehicle

when towing a disabled or damaged vehicle ~~damaged in such manner that the towed vehicle cannot be towed from the rear and~~, when the movement is temporary urgent, and when the movement is for the purpose of taking removing the disabled vehicle from the roadway to a place of safekeeping or to a place of repair.

Sec. 58. Minnesota Statutes 2006, section 169.86, is amended by adding a subdivision to read:

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

Sec. 59. Minnesota Statutes 2006, section 169.864, subdivision 1, is amended to read:

Subdivision 1. **Special three-unit vehicle permit.** The commissioner may issue a permit for a vehicle that meets the following requirements:

(1) is a combination of vehicles, including a truck-tractor and a semitrailer drawing one additional semitrailer, which may be equipped with an auxiliary dolly, and no semitrailer used in the three-vehicle combination has an overall length in excess of 28-1/2 feet;

(2) has a maximum gross vehicle weight of 108,000 pounds;

(3) complies with the axle weight limits in section 169.824 or with the federal bridge formula for axle groups not described in that section;

(4) complies with the tire weight limits in section 169.823 or the tire manufacturers' recommended load, whichever is less;

(5) is operated only in this state on Trunk Highway marked 2 between Grand Rapids and the port of Duluth; on Trunk Highway marked 169 between Grand Rapids and its junction with Trunk Highway marked 53; on Trunk Highway marked 194 between Trunk Highway marked 2 and Trunk Highway marked 53; and on Trunk Highway marked 53 between Virginia and the port of Duluth; and

(6) the seasonal weight increases authorized under section 169.826, subdivision 1, do not apply.

Sec. 60. Minnesota Statutes 2006, section 169.864, subdivision 2, is amended to read:

Subd. 2. **Special two-unit vehicle permit.** The commissioner may issue a permit for a vehicle that meets the following requirements:

(1) is a combination of vehicles consisting of a truck-tractor and a single semitrailer that may exceed 48 feet, but not 53 feet, if the distance from the kingpin to the centerline of the rear axle group of the semitrailer does not exceed 43 feet;

(2) has a maximum gross vehicle weight of 90,000 pounds or 97,000 pounds if the truck has seven axles;

(3) has a maximum gross vehicle weight of 98,000 pounds during the time when seasonal weight increases authorized under section 169.826, subdivision 1, are in effect;

(4) complies with the axle weight limits in section 169.824 or with the federal bridge formula for axle groups not described in that section;



(5) complies with the tire weight limits in section 169.823 or the tire manufacturers' recommended load, whichever is less; and

(6) is operated only on the highways specified in subdivision 1, clause (5).

Sec. 61. Minnesota Statutes 2006, section 171.01, is amended by adding a subdivision to read:

Subd. 49a. **Valid license; valid driver's license.** "Valid license," "valid driver's license," "valid Minnesota driver's license," "valid standard driver's license," or other similar term, means any operator's license, provisional license, temporary license, limited license, permit, or other license to operate a motor vehicle issued or issuable under the laws of this state by the commissioner, or by another state or jurisdiction if specified, that is:

(1) not expired, suspended, revoked, or canceled; and

(2) not disqualified for the class of vehicle being operated.

Sec. 62. Minnesota Statutes 2006, section 171.02, subdivision 1, is amended to read:

Subdivision 1. **License required; duplicate identification restricted.** (a) Except when expressly exempted, a person shall not drive a motor vehicle upon a street or highway in this state unless the person has a ~~license~~ valid license under this chapter for the type or class of vehicle being driven.

(b) The department shall not issue a driver's license to a person unless and until the person's license from any jurisdiction has been invalidated. The department shall provide to the issuing department of any jurisdiction, information that the licensee is now licensed in Minnesota. A person is not permitted to have more than one valid driver's license at any time. The department shall not issue to a person to whom a current Minnesota identification card has been issued a driver's license, other than a limited license, unless the person's Minnesota identification card has been invalidated. This subdivision does not require invalidation of a tribal identification card as a condition of receiving a driver's license.

Sec. 63. Minnesota Statutes 2006, section 171.02, subdivision 2, is amended to read:

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

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

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

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

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

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

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

(iv) used within 150 miles of the farm;

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

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

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

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

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

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

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

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

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

(iii) the type A school bus or a multifunctional school activity bus has a gross vehicle weight of 14,500 pounds or less;

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

(7) towing vehicles if:

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

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

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

(1) operating class D motor vehicles;

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

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

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

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

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

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

**EFFECTIVE DATE.** This section is effective January 1, 2008.

Sec. 64. Minnesota Statutes 2006, section 171.02, subdivision 2a, is amended to read:

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

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

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

(c) The operator is prohibited from using the type A school bus eight-light system. Violation of this paragraph is a misdemeanor.

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

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

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

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

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

(5) handling emergency situations; and

(6) safe loading and unloading of students.

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

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

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

(h) A person who sustains a conviction, as defined under section 609.02, of violating section

169A.25, 169A.26, 169A.27, 169A.31, 169A.51, or 169A.52, or a similar statute or ordinance of another state is precluded from operating a school bus for five years from the date of conviction.

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

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

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

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

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

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

(o) On a type A school bus, the word "School" on the front and rear of the bus must be covered by a sign that reads "Activities" when the bus is being operated under authority of this subdivision.

**EFFECTIVE DATE.** This section is effective January 1, 2008.

Sec. 65. Minnesota Statutes 2006, section 171.05, subdivision 2b, is amended to read:

Subd. 2b. **Instruction permit use by person under age 18.** (a) This subdivision applies to persons who have applied for and received an instruction permit under subdivision 2.

(b) The permit holder may, with the permit in possession, operate a motor vehicle, but must be accompanied by and be under the supervision of a certified driver education instructor, the permit holder's parent or guardian, or another licensed driver age 21 or older. The supervisor must occupy the seat beside the permit holder.

~~(c) The permit holder may operate a motor vehicle only when every occupant under the age of 18 has a seat belt or child passenger restraint system properly fastened. A person who violates this paragraph is subject to a fine of \$25. A peace officer may not issue a citation for a violation of this paragraph unless the officer lawfully stopped or detained the driver of the motor vehicle for a moving violation as defined in section 171.04, subdivision 1. The commissioner shall not record a violation of this paragraph on a person's driving record.~~

~~(d)~~ The permit holder may not operate a vehicle while communicating over, or otherwise operating, a cellular or wireless telephone, whether handheld or hands free, when the vehicle is in motion. The permit holder may assert as an affirmative defense that the violation was made for the sole purpose of obtaining emergency assistance to prevent a crime about to be committed, or in the

reasonable belief that a person's life or safety was in danger. Violation of this paragraph is a petty misdemeanor subject to section 169.89, subdivision 2.

~~(e)~~ (d) The permit holder must maintain a driving record free of convictions for moving violations, as defined in section 171.04, subdivision 1, and free of convictions for violation of section 169A.20, 169A.33, 169A.35, or sections 169A.50 to 169A.53. If the permit holder drives a motor vehicle in violation of the law, the commissioner shall suspend, cancel, or revoke the permit in accordance with the statutory section violated.

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

Sec. 66. Minnesota Statutes 2006, section 171.055, subdivision 2, is amended to read:

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

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

~~(e)~~ (b) For the first six months of provisional licensure, a provisional license holder may not operate a motor vehicle carrying more than one passenger under the age of 20 years who is not a member of the holder's immediate family. For the second six months, the holder of the license may not operate a motor vehicle that is carrying more than three passengers who are under the age of 20 years and who are not members of the holder's immediate family.

(c) For the first six months of provisional licensure, a provisional license holder may operate a motor vehicle between the hours of midnight and 5:00 a.m. only when the license holder is:

- (1) driving between the license holder's home and place of employment;
- (2) driving between the license holder's home and a school event for which the school has not provided transportation;
- (3) driving for employment purposes; or
- (4) accompanied by a licensed driver at least 25 years of age.

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

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

Sec. 67. Minnesota Statutes 2006, section 171.06, subdivision 3, is amended to read:

Subd. 3. **Contents of application; other information.** (a) An application must:

(1) state the full name, date of birth, sex, and either (i) the residence address of the applicant, or (ii) the designated address under section 5B.05;

(2) as may be required by the commissioner, contain a description of the applicant and any other facts pertaining to the applicant, the applicant's driving privileges, and the applicant's ability to operate a motor vehicle with safety;

(3) state:

(i) the applicant's Social Security number; or

(ii) if the applicant does not have a social security number and is applying for a Minnesota identification card, instruction permit, or class D provisional or driver's license, that the applicant certifies that the applicant does not have a Social Security number;

(4) contain a space where the applicant may indicate a desire to make an anatomical gift according to paragraph (b); and

(5) contain a notification to the applicant of the availability of a living will/health care directive designation on the license under section 171.07, subdivision 7.

(b) If the applicant does not indicate a desire to make an anatomical gift when the application is made, the applicant must be offered a donor document in accordance with section 171.07, subdivision 5. The application must contain statements sufficient to comply with the requirements of the Uniform Anatomical Gift Act (1987), sections 525.921 to 525.9224, so that execution of the application or donor document will make the anatomical gift as provided in section 171.07, subdivision 5, for those indicating a desire to make an anatomical gift. The application must be accompanied by information describing Minnesota laws regarding anatomical gifts and the need for and benefits of anatomical gifts, and the legal implications of making an anatomical gift, including the law governing revocation of anatomical gifts. The commissioner shall distribute a notice that must accompany all applications for and renewals of a driver's license or Minnesota identification card. The notice must be prepared in conjunction with a Minnesota organ procurement organization that is certified by the federal Department of Health and Human Services and must include:

(1) a statement that provides a fair and reasonable description of the organ donation process, the care of the donor body after death, and the importance of informing family members of the donation decision; and

(2) a telephone number in a certified Minnesota organ procurement organization that may be called with respect to questions regarding anatomical gifts.

(c) The application must be accompanied also by information containing relevant facts relating to:

(1) the effect of alcohol on driving ability;

- (2) the effect of mixing alcohol with drugs;
- (3) the laws of Minnesota relating to operation of a motor vehicle while under the influence of alcohol or a controlled substance; and
- (4) the levels of alcohol-related fatalities and accidents in Minnesota and of arrests for alcohol-related violations.

Sec. 68. Minnesota Statutes 2006, section 171.07, subdivision 1, is amended to read:

Subdivision 1. **License; contents.** (a) Upon the payment of the required fee, the department shall issue to every qualifying applicant a license designating the type or class of vehicles the applicant is authorized to drive as applied for. This license must bear a distinguishing number assigned to the licensee; the licensee's full name, ~~and date of birth, and;~~ either (1) the licensee's residence address, or (2) the designated address under section 5B.05; a description of the licensee in a manner as the commissioner deems necessary; and the usual signature of the licensee. No license is valid unless it bears the usual signature of the licensee. Every license must bear a colored photograph or an electronically produced image of the licensee.

(b) If the United States Postal Service will not deliver mail to the applicant's residence address as listed on the license, then the applicant shall provide verification from the United States Postal Service that mail will not be delivered to the applicant's residence address and that mail will be delivered to a specified alternate mailing address. When an applicant provides an alternate mailing address under this subdivision, the commissioner shall use the alternate mailing address in lieu of the applicant's residence address for all notices and mailings to the applicant.

(c) Every license issued to an applicant under the age of 21 must be of a distinguishing color and plainly marked "Under-21."

(d) The department shall use processes in issuing a license that prohibit, as nearly as possible, the ability to alter or reproduce a license, or prohibit the ability to superimpose a photograph or electronically produced image on a license, without ready detection.

(e) A license issued to an applicant age 65 or over must be plainly marked "senior" if requested by the applicant.

Sec. 69. Minnesota Statutes 2006, section 171.07, subdivision 3, is amended to read:

Subd. 3. **Identification card; fee.** (a) Upon payment of the required fee, the department shall issue to every qualifying applicant a Minnesota identification card. The department may not issue a Minnesota identification card to an individual who has a driver's license, other than a limited license. The card must bear a distinguishing number assigned to the applicant; a colored photograph or an electronically produced image of the applicant; the applicant's full name, ~~and date of birth, and;~~ either (1) the licensee's residence address, or (2) the designated address under section 5B.05; a description of the applicant in the manner as the commissioner deems necessary; and the usual signature of the applicant.

(b) If the United States Postal Service will not deliver mail to the applicant's residence address as listed on the Minnesota identification card, then the applicant shall provide verification from the United States Postal Service that mail will not be delivered to the applicant's residence address and that mail will be delivered to a specified alternate mailing address. When an applicant provides an

alternate mailing address under this subdivision, the commissioner shall use the alternate mailing address in lieu of the applicant's residence address for all notices and mailings to the applicant.

(c) Each identification card issued to an applicant under the age of 21 must be of a distinguishing color and plainly marked "Under-21."

(d) Each Minnesota identification card must be plainly marked "Minnesota identification card - not a driver's license."

(e) The fee for a Minnesota identification card is 50 cents when issued to a person who is developmentally disabled, as defined in section 252A.02, subdivision 2; a physically disabled person, as defined in section 169.345, subdivision 2; or, a person with mental illness, as described in section 245.462, subdivision 20, paragraph (c).

Sec. 70. Minnesota Statutes 2006, section 171.321, subdivision 4, is amended to read:

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

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

- (1) safely operate the type of school bus the driver will be driving;
- (2) understand student behavior, including issues relating to students with disabilities;
- (3) encourage orderly conduct of students on the bus and handle incidents of misconduct appropriately;
- (4) know and understand relevant laws, rules of the road, and local school bus safety policies;
- (5) handle emergency situations; and
- (6) safely load and unload students.

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

**EFFECTIVE DATE.** This section is effective July 1, 2007.

Sec. 71. Minnesota Statutes 2006, section 174.03, is amended by adding a subdivision to read:

Subd. 10. **Highway construction training.** (a) The commissioner of transportation shall utilize the maximum feasible amount of all federal funds available to this state under United States Code, title 23, section 140, paragraph (b), to develop, conduct, and administer highway construction training, including skill improvement programs.



(b) The commissioner of transportation must report by February 1 of each odd-numbered year to the house of representatives and senate committees having jurisdiction over transportation policy and finance concerning the commissioner's compliance with paragraph (a). The report must, with respect to each of the two previous calendar years:

(1) describe the highway construction training and skill improvement programs the commissioner has conducted and administered;

(2) analyze the results of the commissioner's training programs;

(3) state the amount of federal funds available to this state under United States Code, title 23, section 140, paragraph (b); and

(4) identify the amount spent by the commissioner in conducting and administering the programs.

Sec. 72. Minnesota Statutes 2006, section 174.03, is amended by adding a subdivision to read:

Subd. 11. **Disadvantaged business enterprise program.** (a) The commissioner shall include in each contract that is funded at least in part by federal funds, a sanction for each contractor who does not meet the established project disadvantaged business enterprise goal or demonstrate good faith effort to meet the goal.

(b) The commissioner of transportation shall report by February 1 of each odd-numbered year to the house of representatives and senate committees having jurisdiction over transportation policy and finance concerning the commissioner's disadvantaged business enterprise program. The report must, with respect to each of the two previous calendar years:

(1) state the department's annual overall goal, compared with the percentage attained;

(2) explain the methodology, applicable facts, and public participation used to establish the overall goal;

(3) describe good faith efforts to meet the goal, if the goal was not attained;

(4) describe actions to address overconcentration of disadvantaged business enterprises in certain types of work;

(5) state the number of contracts that included disadvantaged business enterprise goals, the number of contractors that met established disadvantaged business enterprise goals, and sanctions imposed for lack of good faith effort; and

(6) describe contracts with no disadvantaged business enterprise goals, and, of those, state number of contracts and amount of each contract with targeted groups under section 16C.16.

Sec. 73. **[174.185] PAVEMENT LIFE-CYCLE COST ANALYSIS.**

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

(a) "Life-cycle cost" is the sum of the cost of the initial pavement project and all anticipated costs for maintenance, repair, and resurfacing over the life of the pavement. Anticipated costs must be based on Minnesota's actual or reasonably projected maintenance, repair, and resurfacing schedules, and costs as recorded by the pavement management system.

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

Subd. 2. **Required analysis.** For each project involving paving costs anticipated to exceed \$100,000, the commissioner shall perform a life-cycle cost analysis and shall design and award the project utilizing the paving material having the lowest life-cycle cost.

Sec. 74. Minnesota Statutes 2006, section 174.30, subdivision 4, is amended to read:

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

(b) On determining that a vehicle or vehicle equipment is in a condition that is likely to cause an accident or breakdown, the commissioner shall require the vehicle to be taken out of service immediately. The commissioner shall require that vehicles and equipment not meeting standards be repaired and brought into conformance with the standards and shall require written evidence of compliance from the operator before allowing the operator to return the vehicle to service.

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

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

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

**EFFECTIVE DATE.** This section is effective July 1, 2007.

Sec. 75. Minnesota Statutes 2006, section 174.30, subdivision 9, is amended to read:

Subd. 9. ~~Complaint data;~~ **Complaints; report; data classification.** (a) The commissioner shall investigate all complaints over which the commissioner has jurisdiction regarding special transportation service providers regulated under this section.

(b) By January 15, 2008, and in every subsequent even-numbered year by January 15, the commissioner shall submit a report to the chairs and ranking minority members of the house of representatives and senate committees having jurisdiction over transportation policy and finance. The report must identify each complaint investigated by the commissioner under paragraph (a), including, but not limited to, any findings and steps taken for resolution of the complaint.

(c) When information is furnished to the Department of Transportation that alleges a violation

of this section, an operating standard adopted under this section, or section 174.315, the following data are classified as confidential data or protected nonpublic data:

- (1) names of complainants;
- (2) complaint letters; and
- (3) other unsolicited data when furnished by a person who is not the subject of the data and who is not a department employee.

**EFFECTIVE DATE.** This section is effective July 1, 2007.

**Sec. 76. [174.56] REPORT ON MAJOR HIGHWAY PROJECTS.**

**Subdivision 1. Report required.** The commissioner of transportation shall submit a report on January 15, 2008, and on January 15 of each year thereafter, on the status of major highway projects under construction or planned during the year of the report and for the ensuing 15 years. For purposes of this section, a "major highway project" is a highway project that has a total cost for all segments that the commissioner estimates at the time of the report to be at least (1) \$25,000,000 in the metropolitan highway construction district, or (2) \$10,000,000 in any nonmetropolitan highway construction district.

**Subd. 2. Report contents.** For each major highway project the report must include:

- (1) a description of the project sufficient to specify its scope and location;
- (2) a history of the project, including, but not limited to, previous official actions by the department or the appropriate area transportation partnership, or both, the date on which the project was first included in the state transportation improvement plan, the cost of the project at that time, the dates of environmental approval, the dates of municipal approval, the date of final geometric layout, and the date of establishment of any construction limits;
- (3) the project's priority listing or rank within its construction district, if any, as well as the reasons for that listing or rank, the criteria used in prioritization or rank, any changes in that prioritization or rank since the project was first included in a department work plan, and the reasons for those changes; and
- (4) past and potential future reasons for delay in letting or completing the project.

**Subd. 3. Department resources.** The commissioner shall prepare and submit the report with existing department staff and resources.

Sec. 77. Minnesota Statutes 2006, section 218.041, subdivision 6, is amended to read:

**Subd. 6. Investigative powers.** In the exercise of powers granted in this chapter, the commissioner may:

- (1) subpoena books, papers, or accounts kept by any regulated business within or without the state, or compel production of verified copies;
- (2) prepare all forms or blanks for obtaining information that the commissioner may deem necessary or useful for the proper exercise of the authority and duties of the commissioner in connection with regulated businesses, and prescribe the time and manner within which the blanks

and forms must be completed and filed;

(3) inspect, at all reasonable times, and copy the books, records, memoranda, correspondence, or other documents and records of any business under the commissioner's jurisdiction; ~~and~~

(4) examine, under oath, any officer, agent, or employee of a business under the commissioner's jurisdiction concerning any matter within the commissioner's jurisdiction; and

(5) assess common carriers, administer the state rail safety inspection account, and perform other duties on behalf of the state rail safety inspector under section 219.015.

**Sec. 78. [219.015] STATE RAIL SAFETY INSPECTOR.**

(a) The commissioner of transportation shall establish two positions of state rail safety inspector in the Office of Freight and Commercial Vehicle Operations of the Minnesota Department of Transportation. The commissioner shall apply to the Federal Railroad Administration (FRA) of the United States Department of Transportation to participate in the Federal State Rail Safety Partnership Program for training and certification of two inspectors under authority of United States Code, title 49, sections 20103, 20105, 20106, and 20113, and Code of Federal Regulations, title 49, part 212. The state rail safety inspectors shall inspect mainline, secondary yard track and industry track; inspect railroad right-of-way, including adjacent or intersecting drainage, culverts, bridges, overhead structures, and traffic and other public crossings; inspect yards and physical plants; review and enforce safety requirements; review maintenance and repair records; and review railroad security measures. To the extent delegated by the commissioner, the inspectors may issue citations for violations of this chapter, or to ensure railroad employee and public safety and welfare.

(b) The commissioner shall annually assess railroad companies that are (1) defined as common carriers under section 218.011, (2) classified by federal law or regulation as Class I Railroads or Class I Rail Carriers, and (3) operating in this state by a divisor of equal proportion between carriers in equal amounts for 365 days of the calendar year. The commissioner shall assess all start-up or re-establishment costs, and all related costs of initiating the state rail safety inspector program beginning July 1, 2007. The state rail inspector duties must begin and be assessed on January 1, 2008. The assessments must be deposited in a special account in the special revenue fund, to be known as the state rail safety inspection account. Money in the account is appropriated to the commissioner and may be expended to cover the costs incurred for the establishment and ongoing responsibilities of the state rail safety inspector.

(c) The commissioner may exempt a common carrier not federally classified as Class I from violations for a period of up to two years if the common carrier applies for participation in a work site safety coaching program, such as the "MNSharp" program administered by the Minnesota Department of Labor and Industry, and the commissioner determines such participation to be preferred enforcement for safety or security violations.

(d) Any person aggrieved by an assessment levied under this section may appeal within 90 days any assessment, violation, or administrative penalty to the Office of Administrative Hearings, with further appeal and review by the district court.

**Sec. 79. [219.373] WALKWAYS BY TRACK.**

Subdivision 1. General standards. (a) Consistent with section 219.50, every railroad company shall provide a walkway alongside track that has a regular surface that is smooth and safe for use

by railroad employees and other persons who have duties in proximity to trains. The walkway must be kept reasonably free of hazards and obstructions, including, but not limited to, debris, litter, fuel, oil, sand, boulders, posts, tie materials, holes, ruts, potholes, grains, grain products or byproducts, fertilizer products, chemical, chemical molten, steel, tin, metallic products, solid raw minerals, palletized products, silica products, materials spilled during revenue shipment, detached pieces or parts of railroad rolling stock or track structure, and vegetation.

(b) Except as otherwise provided in paragraph (g) or otherwise exempted by other law, a walkway alongside track that is required under this section must be constructed and maintained in conformity to the standards in this section.

(c) A walkway alongside track that is required pursuant to this section must:

(1) provide a reasonably regular surface that is smooth and safe for use by railroad employees and other persons who have duties in proximity to trains;

(2) be surfaced with crushed material, asphaltic concrete, planking, or other material that does not compromise track drainage;

(3) unless the grade of the track is greater than one inch in eight inches, have a grade that is less than one inch in eight inches;

(4) if the walkway is alongside track with a curve greater than 18 degrees, be not less than one foot wider than otherwise required; and

(5) be kept reasonably free of hazards and obstructions in paragraph (a).

(d) Except as provided otherwise in this section, walkways located along main-line tracks and tracks where switching is regularly performed more than twice in a seven-day period must be surfaced with crushed material not to exceed American Railway Engineering and Maintenance-of-Way Association (AREMA) standard number 4, 1-1/2 inches in size, or with asphalt, concrete, planking, grating, or similar material.

(e) Walkways located along switching lead tracks, switches in yards, car spotting areas, and railroad shop or repair tracks must be surfaced with crushed material not to exceed AREMA standard number 5, three-fourths to one inch in size, or with asphalt, concrete, planking, grating, or similar material.

(f) This section is temporarily suspended during periods of heavy rain or snow, derailments, rocks and earth slides, and similar abnormal periods and for a reasonable time thereafter to permit restoration work.

(g) Compliance with this section is not a defense to any civil action brought for the violation of a railroad safety law, regulation, rule, or order.

(h) The commissioner, after investigation, upon the commissioner's own motion, or upon the petition of the aggrieved person, may determine that the safety of railroad employees requires implementation of the applicable standards set forth in paragraphs (b) to (f), for any walkway.

Subd. 2. **Liability.** Nothing in this section precludes or preempts civil liability to an injured party under state or federal laws for failure to provide a reasonable safe walkway.

Sec. 80. Minnesota Statutes 2006, section 221.011, subdivision 49, is amended to read:

Subd. 49. **Small vehicle passenger service.** (a) "Small vehicle passenger service" means a service provided by a person engaged in the for-hire transportation of passengers, in a vehicle designed to transport seven or fewer persons, including the driver.

(b) In the metropolitan area as defined in section 473.121, subdivision 2, "small vehicle passenger service" also includes for-hire transportation of persons who are certified by the Metropolitan Council to use special transportation service provided under section 473.386, in a vehicle designed to transport not more than 15 persons including the driver, that is equipped with a wheelchair lift and at least three wheelchair securement positions.

(c) A person providing small vehicle passenger service to an individual for the purpose of obtaining nonemergency medical care and who receives reimbursement under section 256B.0625, subdivision 17, for providing the service, must comply with the rules of the commissioner adopted under section 174.30.

**EFFECTIVE DATE.** This section is effective July 1, 2007.

Sec. 81. Minnesota Statutes 2006, section 221.031, subdivision 6, is amended to read:

Subd. 6. **Vehicle identification rule.** (a) The following carriers shall display the carrier's name ~~and address~~ on the power unit of each vehicle:

(1) motor carriers, regardless of the weight of the vehicle, except that this requirement does not apply to a limousine as defined in section 168.011, subdivision 35, that is equipped with "LM" license plates;

(2) interstate and intrastate private carriers operating vehicles with a gross vehicle weight of more than 10,000 pounds; and

(3) vehicles providing transportation described in section 221.025 with a gross vehicle weight of more than 10,000 pounds except those providing transportation described in section 221.025, clauses (1), (3), and (4).

Vehicles described in clauses (2) and (3) that are operated by farmers or farm employees and have four or fewer axles are not required to comply with the vehicle identification rule of the commissioner.

(b) Vehicles subject to this subdivision must show the name or "doing business as" name of the carrier operating the vehicle ~~and the community and abbreviation of the state in which the carrier maintains its principal office or in which the vehicle is customarily based.~~ If the carrier operates a leased vehicle, it may show its name and the name of the lessor on the vehicle, if the lease relationship is clearly shown. If the name of a person other than the operating carrier appears on the vehicle, the words "operated by" must immediately precede the name of the carrier.

(c) The name ~~and address~~ must be in letters that contrast sharply in color with the background, be readily legible during daylight hours from a distance of 50 feet while the vehicle is stationary, and be maintained in a manner that retains the legibility of the markings. The name ~~and address~~ may be shown by use of a removable device if that device meets the identification and legibility requirements of this subdivision.

Sec. 82. Minnesota Statutes 2006, section 221.0314, subdivision 9, is amended to read:

Subd. 9. **Hours of service of driver.** Code of Federal Regulations, title 49, part 395, is incorporated by reference, except that paragraphs (a), (c), (d), (f), (h), (i), (k), ~~(l)~~, (m), and (n) of section 395.1 and section 395.13 of that part are not incorporated. In addition, cross-references to sections or paragraphs not incorporated in this subdivision are not incorporated by reference. The requirements of Code of Federal Regulations, title 49, part 395, do not apply to drivers of lightweight vehicles.

Sec. 83. Minnesota Statutes 2006, section 221.0314, is amended by adding a subdivision to read:

Subd. 12. **Hazardous materials safety permits.** A person who transports the hazardous materials designated in Code of Federal Regulations, title 49, section 385.403, shall comply with this section and with the provisions of Code of Federal Regulations, title 49, part 385, subpart E, which is incorporated by reference.

Sec. 84. Minnesota Statutes 2006, section 221.033, subdivision 2d, is amended to read:

Subd. 2d. **Age of driver under federal materials-of-trade regulation.** A driver of a self-propelled or towed motor vehicle transporting no hazardous material other than materials of trade, as defined in Code of Federal Regulations, title 49, section 171.8, when engaged in intrastate transportation, must be at least 18 years of age. This subdivision does not apply unless the transportation conforms to the requirements of Code of Federal Regulations, title 49, section 173.6.

Sec. 85. Minnesota Statutes 2006, section 221.037, subdivision 1, is amended to read:

Subdivision 1. **Required to provide information.** A person who generates, stores, treats, transports, disposes of, or otherwise handles or has handled hazardous materials, hazardous substances, or hazardous waste shall (1) give to transportation representatives and hazardous material specialists of the department information relating to the materials, substances, or waste, or (2) permit them access to and copying of records and safety permits relating to any or all of the materials, substances, or waste, ~~or both.~~

Sec. 86. Minnesota Statutes 2006, section 221.231, is amended to read:

#### **221.231 RECIPROCAL AGREEMENT.**

The commissioner may enter into reciprocal agreements with the regulatory bodies of other states and the provinces of the Dominion of Canada, ~~whereby the payment of the fees provided in section 221.60 may be waived in whole or in part for~~ regarding motor carriers having an established place of business in that state or province; provided that reciprocal privileges are extended under the agreement to motor carriers of this state.

Sec. 87. Minnesota Statutes 2006, section 221.60, subdivision 1, is amended to read:

Subdivision 1. **Procedure.** A motor carrier may transport persons or property for hire in interstate commerce in Minnesota only if it first:

~~(1) complies with section 221.141;~~

~~(2) either registers with the commissioner the federal operating authority that it intends to exercise, or registers and describes the transportation it performs under an exemption contained in~~

~~United States Code, title 49; and~~

~~(3) purchases an interstate identification stamp or an interstate registration trip permit for each vehicle to be used in interstate transportation in Minnesota~~ the Unified Carrier Registration Agreement authorized by United States Code, title 49, section 14504a, enacted pursuant to the Unified Carrier Registration Act of 2005, and the federal regulations adopted thereunder.

Sec. 88. Minnesota Statutes 2006, section 221.60, is amended by adding a subdivision to read:

Subd. 7. **Commissioner's authority.** The commissioner of transportation shall take all necessary actions to enter into the Unified Carrier Registration Agreement when it becomes effective. The commissioner shall implement and administer United States Code, title 49, section 14504a, and the regulations adopted thereunder.

Sec. 89. Minnesota Statutes 2006, section 222.50, subdivision 7, is amended to read:

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

(1) to make transfers as provided under section 222.57 or to pay interest adjustments on loans guaranteed under the state rail user and rail carrier loan guarantee program;

~~(2) to pay a portion of the costs of capital improvement projects designed to improve rail service including construction or improvement of short segments of rail line such as side track, team track, and connections between existing lines, and construction and improvement of loading, unloading, storage, and transfer facilities of a rail user or a rail carrier;~~

(3) to pay a portion of the costs of rehabilitation projects designed to improve rail service of a rail user or a rail carrier;

(4) to acquire, maintain, manage, and dispose of railroad right-of-way pursuant to the state rail bank program;

~~(4) (5) to provide for aerial photography survey of proposed and abandoned railroad tracks for the purpose of recording and reestablishing by analytical triangulation the existing alignment of the in-place track;~~

~~(5) (6) to pay a portion of the costs of acquiring a rail line by a regional railroad authority established pursuant to chapter 398A;~~

~~(6) (7) to pay the state matching portion of federal grants for rail-highway grade crossing improvement projects.~~

(b) All money derived by the commissioner from the disposition of railroad right-of-way or of any other property acquired pursuant to sections 222.46 to 222.62 shall be deposited in the rail service improvement account.

Sec. 90. Minnesota Statutes 2006, section 222.63, subdivision 4, is amended to read:

Subd. 4. **Disposition permitted.** (a) The commissioner may lease any rail line or right-of-way held in the state rail bank or enter into an agreement with any person for the operation of any rail line or right-of-way for any of the purposes set forth in subdivision 2 in accordance with a fee schedule



to be developed by the commissioner.

(b) The commissioner may convey any rail line or right-of-way, for consideration or for no consideration and upon other terms as the commissioner may determine to be in the public interest, to any other state agency or to a governmental subdivision of the state having power by law to utilize it for any of the purposes set forth in subdivision 2.

(c) The commissioner may convey a portion of previously acquired rail bank right-of-way to a state agency or governmental subdivision when the commissioner determines that:

(1) the portion to be conveyed is in excess of that needed for the purposes stated in subdivision 2;

(2) the conveyance is upon terms and conditions agreed upon by both the commissioner and the state agency or governmental subdivision;

(3) after the sale, the rail bank corridor will continue to meet the future public and commercial transportation and transmission needs of the state; and

(4) the conveyance will not reduce the width of the rail bank corridor to less than ~~50~~ 100 feet.

(d) The commissioner may lease previously acquired state rail bank right-of-way to a state agency or governmental subdivision or to a private entity for nontransportation purposes when:

(1) the portion to be leased is in excess of that needed for the purposes stated in subdivision 2;

(2) the lease will not reduce the useable width of the rail bank corridor to less than ~~50~~ 100 feet;

(3) the cost of the lease is based on the fair market value of the portion to be leased, as determined by appraisal;

(4) the lease allows the commissioner to terminate the lease on 90 days' written notice to the lessee; and

(5) the lease prohibits the construction or erection of any permanent structure within the ~~50-foot~~ 100-foot rail bank corridor and requires any structure erected on the leased property to be removed and the land restored to its original condition on 90 days' written notice to the lessee.

(e) Proceeds from a sale or lease must be deposited in the rail bank maintenance account described in subdivision 8.

Sec. 91. Minnesota Statutes 2006, section 222.63, is amended by adding a subdivision to read:

**Subd. 9. Rail bank property use; petty misdemeanors.** (a) Except for the actions of road authorities and their agents, employees, and contractors, and of utilities, in carrying out their duties imposed by permit, law, or contract, and except as otherwise provided in this section, it is unlawful to perform any of the following activities on rail bank property:

(1) obstruct any trail;

(2) deposit snow or ice;

(3) remove or place any earth, gravel, or rock without authorization;

- (4) obstruct or remove any ditch-draining device, or drain any harmful or dangerous materials;
- (5) erect a fence, or place or maintain any advertising, sign, or memorial;
- (6) remove, injure, displace, or destroy right-of-way markers or reference or witness monuments or markers placed to preserve section or quarter-section corners defining rail bank property limits;
- (7) drive upon any portion of rail bank property, except at approved crossings, and except where authorized for snowmobiles, emergency vehicles, maintenance vehicles, or other vehicles authorized to use rail bank property;
- (8) deface, mar, damage, or tamper with any structure, work, material, sign, marker, paving, guardrail, drain, or any other rail bank appurtenance; or
- (9) park, overhang, or abandon any unauthorized vehicle or implement of husbandry on, across, or over the limits of rail bank property.
- (b) Unless a greater penalty is provided elsewhere in statute, any violation of this subdivision is a petty misdemeanor.
- (c) The cost to remove, repair, or perform any other corrective action necessitated by a violation of this subdivision may be charged to the violator.

Sec. 92. Minnesota Statutes 2006, section 473.1466, is amended to read:

**473.1466 TRANSPORTATION SYSTEM PERFORMANCE ~~AUDIT; TRANSIT~~ EVALUATION.**

(a) ~~In 1997 and every four years thereafter, the council shall provide for an independent entity selected through a request for proposal process conducted nationwide to do~~ Prior to each major revision of the transportation policy plan, the council must carry out a performance audit evaluation of the ~~commuting~~ metropolitan area's transportation system as a whole. The performance audit evaluation must evaluate the ~~commuting~~ area's ability to meet the ~~region's~~ needs need for effective and efficient transportation of goods and people, and evaluate ~~future~~ trends and their impacts on the ~~region's~~ area's transportation system, ~~and~~. The performance evaluation must include an evaluation of the regional transit system, including a comparison with peer metropolitan regions with regard to key operating and investment measurements. The council must update the transit evaluation every two years. The council shall use the results of the performance evaluation to make recommendations for improving the system in each revision of the transportation policy plan. ~~The performance audit must recommend performance funding measures.~~

(b) ~~In 1999 and every four years thereafter, the council must evaluate the performance of the metropolitan transit system's operation in relationship to the regional transit performance standards developed by the council~~ The performance evaluation must also assess the region's success in meeting the currently adopted regional transportation benchmarks.

The council must conduct a peer review of the performance evaluation using at least two nationally recognized transportation and transit consultants. The council must submit the performance evaluation to the chairs and ranking minority members of the senate and house of representatives committees and divisions with jurisdiction over transportation and transit.

Sec. 93. Laws 2005, First Special Session chapter 1, article 4, section 39, the effective date, is

amended to read:

**EFFECTIVE DATE.** This section is effective ~~the latter of August 1, 2006, or the date on which the commissioner determines that building permits have been issued for the construction of a new pulp and paper manufacturing facility at Grand Rapids~~ 2007.

Sec. 94. **CONGESTION REDUCTION TASK FORCE.**

**Subdivision 1. Creation of task force.** The Congestion Reduction Task Force is established to advise and consult with the commissioner of transportation concerning participation by the state in the federal Urban Partnership program.

**Subd. 2. Task force membership; organization.** (a) The task force is comprised of the following members:

(1) three people appointed by the Subcommittee on Committees of the Committee on Rules and Administration of the senate, at least two of whom must reside in the metropolitan area;

(2) three people appointed by the speaker of the house of representatives, at least two of whom must reside in the metropolitan area; and

(3) six people appointed by the governor, at least three of whom must reside in the metropolitan area.

(b) The commissioner of transportation or the commissioner's designee shall be a member of the task force and shall convene the first meeting of the task force. The task force shall select a chair from its membership at the first meeting. Support staff for the task force must be provided by the Department of Transportation and Metropolitan Council. Task force members must be appointed no later than August 1, 2007.

**Subd. 3. Duties of the task force.** The task force shall:

(1) consult with the commissioner in the development of a congestion reduction program that incorporates the strategies of the Urban Partnership program; and

(2) consult with the commissioner of transportation and Metropolitan Council concerning the implementation of the Urban Partnership program.

**Subd. 4. Report.** If a metropolitan area in this state is chosen to participate in an Urban Partnership agreement, by January 15, 2008, the commissioner of transportation shall report to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over transportation policies concerning the status and future of the state's participation in the Urban Partnership program. The report must:

(1) identify the metropolitan area that has been designated as an Urban Partner;

(2) present the elements of the congestion reduction strategies to be implemented under the Urban Partnership program;

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

(4) describe the involvement of the Congestion Reduction Task Force; and

(5) include any draft legislation needed to implement the program.

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

**Sec. 95. AIRPORT FUNDING ADVISORY TASK FORCE.**

Subdivision 1. Task force established. An advisory task force on airport funding issues is established to study and make recommendations regarding the best methods for funding airports in the state and the state airports fund. The task force shall study:

- (1) the adequacy of current sources of revenue for the state airports fund and airports in the state;
- (2) policy considerations regarding the use of the sales tax on aircraft as a potential source of revenue for airports;
- (3) how other states fund airports;
- (4) projected aviation needs of the future, including required investments in aviation infrastructure;
- (5) aircraft registration taxes; and
- (6) other issues relating to the funding of airports as determined by the task force.

Subd. 2. Membership. (a) The task force is comprised of the following members:

- (1) three members of the senate, including at least one member from the minority party, appointed by the Subcommittee on Committees of the Committee on Rules and Administration of the senate; and
- (2) three members of the house of representatives, two appointed by the speaker of the house and one appointed by the minority leader.

The appointing authorities must select members based on knowledge and experience in aviation funding issues. All appointments required by this paragraph must be completed by September 1, 2007.

(b) The chair of the task force may appoint additional nonvoting members to the task force, including, but not limited to, representatives of the following organizations:

- (1) the Department of Transportation Aeronautics Office;
- (2) the Aircraft Owners and Pilots Association;
- (3) the Experimental Aircraft Association/ACAA;
- (4) the Metropolitan Airports Commission;
- (5) the Minnesota Aviation Trades Association;
- (6) the Minnesota Business Aviation Association;
- (7) the Minnesota Council of Airports;
- (8) the Minnesota Seaplane Pilots Association;

(9) the National Business Aviation Association; and

(10) the Minnesota Wing, Civil Air Patrol.

(c) The director of the aeronautics office in the Department of Transportation shall convene the first meeting of the task force within two weeks after the legislative members have been appointed to the task force. The members shall elect a chairperson from their membership at the first meeting.

Subd. 3. **Report.** By February 15, 2008, the task force shall report its recommendations to the chairs of the legislative committees with jurisdiction over airports and aviation issues and to the legislature as required by Minnesota Statutes, section 3.195.

Subd. 4. **Expiration.** This section expires after the submission of the report as required under subdivision 3.

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

Sec. 96. **CULKIN SAFETY REST AREA.**

The commissioner of transportation shall reopen without delay the Culkin safety rest area, located on marked Interstate Highway 35.

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

Sec. 97. **NONCOMPLIANCE WITH REAL ID ACT.**

The commissioner of public safety is prohibited from taking any action to implement or to plan for the implementation by this state of those sections of Public Law 109-13 known as the Real ID Act.

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

Sec. 98. **CREDIT CARD PAYMENT STUDY.**

By January 15, 2008, the commissioner of public safety shall submit a proposal to the chairs and ranking minority members of the senate transportation committee and the house of representatives transportation finance division that will allow the department, deputy registrars, and driver's license agents to collect motor vehicle registration taxes under Minnesota Statutes, section 168.013, motor vehicle certificates of title and related document fees under Minnesota Statutes, section 168A.29, motor vehicle sales tax under Minnesota Statutes, sections 297B.02 and 297B.025, and driver's license and Minnesota identification card fees under Minnesota Statutes, section 171.06, by credit or debit card. The proposal shall include options to finance the costs of credit and debit card processing fees paid to the processing vendor, the administrative costs of the department to implement the acceptance of credit and debit cards, including hardware and software costs of the department, its deputies and agents, and the ongoing administrative cost increases. Those financing options may include, but are not limited to, increasing the filing fees under Minnesota Statutes, sections 168.33 and 171.06. To the extent feasible, the proposal shall limit any fee increases or other additional costs paid by the registrant or transferor to those paying by credit or debit card. As part of its proposal, the department may:

(1) elect to not allow credit or debit cards to be used on transactions exceeding \$1,000;

(2) choose to limit which credit cards or debit cards may be accepted for payment; and

(3) choose not to allow dealers, registrants of fleet vehicles under Minnesota Statutes, section 168.127, or motor vehicles of 26,000 pounds or greater, and other designated registrants to pay by credit or debit card.

The department shall consult deputy registrars and driver's license agents in coming up with its proposal.

**Sec. 99. STUDY OF TRANSPORTATION LONG-RANGE SOLUTIONS.**

(a) The commissioner of transportation shall conduct a study in consultation with other state agencies and key stakeholders to evaluate the current and long-range needs of the state's transportation system, and investigate possible strategies to meet these needs.

(b) The study must include, but is not limited to:

(1) evaluation of the current needs of the state's highway systems, bridges, and transit;

(2) analysis and quantification of the needs for the next 20 years of the state's highway systems, bridges, and transit;

(3) comparison of estimates of revenues raised by current transportation funding sources, with long-term needs of the state's transportation system;

(4) identification of options for maintenance and improvement of the state's transportation system with specific reference to the effects of potential increases in vehicle fuel economy, availability of alternative modes of transportation, and extreme fuel price volatility on future transportation revenues;

(5) analysis of alternative pricing options utilized in other states and countries, and their potential for use, public acceptance, alleviation of congestion, and revenue generation in this state; and

(6) identification of options for road-use pricing, other alternative financing mechanisms with particular consideration of key environmental impacts such as air quality, water quality, and greenhouse gas emissions, and estimates of implementation costs, user costs, and revenue.

(c) The commissioner shall report the results of the study to the legislature no later than November 1, 2008.

**Sec. 100. STUDY AND REPORT ON SPEED LIMITS.**

The commissioner of transportation shall report to the chairs of the legislative committees with jurisdiction over transportation and local government by January 30, 2008, on speed limits on local roads. The commissioner shall consult with local governments and solicit input from local governments before issuing the report. The report must include, at a minimum:

(1) whether the current statutory speed limit of 30 miles per hour in urban districts and rural residential districts is appropriate, or if there are locations where the appropriate speed limit is 25 miles per hour;

(2) whether the current statutory speed limit of 55 miles per hour in rural residential districts within a city is appropriate, or if there are locations where the appropriate speed limit is 30 miles

per hour; and

(3) whether the current definitions of urban district, rural residential district, and residential roadway are appropriate, or whether and how they should be changed.

**Sec. 101. HIGHWAY CONSTRUCTION IN ROCHESTER.**

The commissioner of transportation shall proceed without delay to issue to the city of Rochester the necessary permits that allow the city to complete the construction of a new folded diamond interchange in the Northeast and Northwest quadrants at marked Trunk Highway 52 and 65th Street NW in the city of Rochester. The commissioner shall review the environmental documentation prepared by the city in a timely manner and shall issue the necessary construction permits without delay upon the issuance of a finding of no significant impact.

The entire cost of the interchange design, right-of-way acquisition, and construction shall be the responsibility of the state.

**Sec. 102. REVISOR'S INSTRUCTION.**

The revisor of statutes shall delete the route identified as Legislative Route No. 262 in Minnesota Statutes 2006, section 161.115, subdivision 193, from Minnesota Statutes when the commissioner of transportation sends notice to the revisor in writing that the conditions required to transfer the route are satisfied.

**Sec. 103. REPEALER.**

(a) Minnesota Statutes 2006, section 161.115, subdivision 193, is repealed effective the day after the commissioner of transportation receives a copy of the agreement between the commissioner and Martin County to transfer jurisdiction of Legislative Route No. 262 and notifies the revisor of statutes under section 102.

(b) Minnesota Statutes 2006, sections 221.60, subdivisions 2, 3, and 3a; 221.601; and 221.602, are repealed.

(c) Minnesota Statutes 2006, sections 169.4502, subdivision 15; and 169.4503, subdivisions 17, 18, and 26, are repealed effective January 1, 2008.

(d) Minnesota Statutes 2006, section 169.796, subdivision 3, is repealed effective the day following final enactment.

(e) Laws 2005, First Special Session chapter 6, article 3, section 91, is repealed effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to transportation; modifying provisions relating to department activities, data classification, eminent domain, school transportation, highways, commercial vehicles, highway construction contracting, transportation research, bridge inspection, special mobile equipment, motor vehicles, traffic regulations, towing, transport of hazardous materials, recreational vehicle combinations, parking violations, drivers' licenses and identification cards, vehicle length and weight, pavement analysis, special transportation services, and motor carriers; creating position of state rail inspector; establishing rail walkways standards; creating task forces;

requiring reports; providing penalties; amending Minnesota Statutes 2006, sections 3.8841, subdivision 8; 13.72, by adding subdivisions; 117.041, by adding a subdivision; 117.51; 117.52, subdivision 1a; 123B.88, subdivision 12; 123B.90, subdivision 2; 123B.92, subdivision 5; 160.02, subdivision 19, by adding a subdivision; 161.115, subdivision 76; 161.14, subdivision 18, by adding subdivisions; 161.32, subdivisions 1, 1b, 4; 161.53; 165.01; 165.03; 168.011, subdivision 22; 168A.151, subdivision 1; 168A.153; 168B.04, subdivision 2; 169.01, subdivisions 6, 19, 20, 78, by adding subdivisions; 169.041, subdivisions 1, 2; 169.06, subdivision 5; 169.34; 169.443, by adding a subdivision; 169.447, subdivision 2; 169.4501, subdivisions 1, 2; 169.4502, subdivision 5; 169.4503, subdivisions 13, 20; 169.471, subdivision 2; 169.685, subdivisions 5, 6; 169.686, subdivision 1; 169.781; 169.782, subdivision 1; 169.783, subdivision 1; 169.81, subdivision 2; 169.823, subdivision 1; 169.824, subdivision 2; 169.829, subdivision 2; 169.86, by adding a subdivision; 169.864, subdivisions 1, 2; 171.01, by adding a subdivision; 171.02, subdivisions 1, 2, 2a; 171.05, subdivision 2b; 171.055, subdivision 2; 171.06, subdivision 3; 171.07, subdivisions 1, 3; 171.321, subdivision 4; 174.03, by adding subdivisions; 174.30, subdivisions 4, 9; 218.041, subdivision 6; 221.011, subdivision 49; 221.031, subdivision 6; 221.0314, subdivision 9, by adding a subdivision; 221.033, subdivision 2d; 221.037, subdivision 1; 221.231; 221.60, subdivision 1, by adding a subdivision; 222.50, subdivision 7; 222.63, subdivision 4, by adding a subdivision; 473.1466; Laws 2005, First Special Session chapter 1, article 4, section 39; proposing coding for new law in Minnesota Statutes, chapters 160; 161; 174; 219; repealing Minnesota Statutes 2006, sections 161.115, subdivision 193; 169.4502, subdivision 15; 169.4503, subdivisions 17, 18, 26; 169.796, subdivision 3; 221.60, subdivisions 2, 3, 3a; 221.601; 221.602; Laws 2005, First Special Session chapter 6, article 3, section 91."

And when so amended the bill do pass. Amendments adopted. Report adopted.

**Senator Moua from the Committee on Judiciary, to which was referred**

**S.F. No. 890:** A bill for an act relating to domestic abuse; making repeat offenders who violate domestic abuse no contact orders guilty of a felony; defining qualified domestic violence-related offenses; amending Minnesota Statutes 2006, sections 518B.01, subdivision 22; 609.02, subdivision 16.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 26, strike "the following"

Page 2, line 27, strike "offenses:"

And when so amended the bill do pass. Amendments adopted. Report adopted.

**Senator Moua from the Committee on Judiciary, to which was re-referred**

**S.F. No. 1398:** A bill for an act relating to health care; providing for patient visitation by health care agents; establishing and specifying visitation rights and the right to designate a domestic partner for certain purposes; amending Minnesota Statutes 2006, sections 144.651, subdivision 26; 145C.05; 145C.07, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 9, before "Residents" insert "Patients and"



Page 1, line 16, after "patient" insert "or resident" and delete "the patient's" and insert "a"

Page 1, lines 19 and 20, after "patient" insert "or resident"

Page 1, line 22, delete "a person" and insert "the right to visitation and health care decision making by an individual"

Page 2, line 13, delete "section" and insert "subdivision"

Page 2, line 19, after the period, insert "\"Patient\" includes a person who meets the definition in subdivision 2, regardless of how long the person has been admitted to a facility, and includes a person who is being transported to an acute care inpatient facility by an emergency medical or ambulance service or who is receiving diagnosis or treatment in an emergency admissions portion of a facility."

Page 2, after line 19, insert:

"(e) The right to visitation under this subdivision does not apply to the extent that a health care provider reasonably determines that the patient or resident must be isolated from all visitors or that the presence of a visitor, domestic partner, or next of kin would endanger the health or safety of the patient or resident, other patients or residents, or the facility or vehicle in which care is being provided."

And when so amended the bill do pass. Amendments adopted. Report adopted.

**Senator Moua from the Committee on Judiciary, to which was re-referred**

**S.F. No. 2161:** A bill for an act relating to real property; providing for plats of land; amending Minnesota Statutes 2006, sections 505.01; 505.03, subdivision 1; 505.04; 505.08, subdivision 2; 505.1792, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 505; repealing Minnesota Statutes 2006, sections 505.02; 505.08, subdivisions 1, 2a, 3.

Reports the same back with the recommendation that the bill do pass. Report adopted.

**Senator Moua from the Committee on Judiciary, to which was referred**

**S.F. No. 1700:** A bill for an act relating to civil actions; including court file copy costs in expenses paid on behalf of a person proceeding in forma pauperis; amending Minnesota Statutes 2006, section 563.01, by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 9, delete "copies" and insert "a copy"

And when so amended the bill do pass. Amendments adopted. Report adopted.

**Senator Chaudhary from the Committee on Environment and Natural Resources, to which was re-referred**

**S.F. No. 1274:** A resolution memorializing the United States Congress to reauthorize the Conservation Reserve Program as part of the 2007 Farm Bill.

Reports the same back with the recommendation that the resolution do pass and be re-referred to the Committee on Rules and Administration. Report adopted.

**Senator Moua from the Committee on Judiciary, to which was referred**

**S.F. No. 2173:** A bill for an act relating to civil actions; requiring insurers to act in good faith in connection with claims practices; requiring a report; proposing coding for new law in Minnesota Statutes, chapter 604.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 7, delete the second "in"

Page 1, line 8, delete "connection with any matter"

Page 2, delete subdivision 4

Page 2, delete section 2

Amend the title as follows:

Page 1, line 3, delete "requiring a report;"

And when so amended the bill do pass and be re-referred to the Committee on Commerce and Consumer Protection. Amendments adopted. Report adopted.

**Senator Moua from the Committee on Judiciary, to which was re-referred**

**H.F. No. 532:** A bill for an act relating to consumer protection; regulating certain contracts entered into by military service personnel; authorizing cancellations; requiring utilities to establish payment arrangements for military service personnel; proposing coding for new law in Minnesota Statutes, chapters 190; 325E; 325G.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, delete section 1

Page 4, line 10, delete "2" and insert "1" and delete "1,"

Page 4, line 11, delete "3, and 4" and insert "2 and 3"

Renumber the sections in sequence

Amend the title numbers accordingly

And when so amended the bill do pass. Amendments adopted. Report adopted.

**Senator Moua from the Committee on Judiciary, to which was re-referred**

**S.F. No. 1724:** A bill for an act relating to human services; making changes to licensing provisions; modifying data practices, program administration, disaster plans, education programs, conditional license provisions, suspensions, sanctions, and contested case hearings, child care center training, family child care training requirements, vulnerable adults, maltreatment of minors,

background studies, disqualifications, reconsiderations, disqualification set-asides, fair hearings, appeals, changing definitions of neglect and physical abuse; amending Minnesota Statutes 2006, sections 13.46, subdivision 4; 245A.03, subdivision 2; 245A.04, subdivision 11, by adding subdivisions; 245A.06, subdivision 4; 245A.07, subdivisions 2a, 3, by adding a subdivision; 245A.08, subdivision 2a; 245A.14, subdivision 8; 245A.144; 245A.1445; 245A.145, subdivision 1; 245A.18, subdivision 2; 245A.65, subdivision 1, by adding a subdivision; 245C.02, subdivision 16, by adding a subdivision; 245C.05, subdivision 3; 245C.07; 245C.08; 245C.09, subdivision 1; 245C.11, by adding a subdivision; 245C.13, subdivision 2; 245C.15, subdivisions 1, 2, 3, 4; 245C.16, subdivision 1; 245C.17, subdivisions 2, 3; 245C.21, subdivisions 2, 3; 245C.22, subdivisions 4, 5; 245C.24, subdivision 3; 245C.27, subdivision 1; 245C.28, subdivision 1; 626.556, subdivisions 2, 10e, 10i; 626.557, subdivisions 9c, 9d; 626.5572, subdivision 17; proposing coding for new law in Minnesota Statutes, chapter 245A; repealing Minnesota Statutes 2006, sections 245A.023; 245A.14, subdivisions 7, 9, 9a, 12, 13; 245C.06; Minnesota Rules, parts 9502.0385; 9503.0035.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 23, insert:

"Section 1. Minnesota Statutes 2006, section 13.46, subdivision 2, is amended to read:

**Subd. 2. General.** (a) Unless the data is summary data or a statute specifically provides a different classification, data on individuals collected, maintained, used, or disseminated by the welfare system is private data on individuals, and shall not be disclosed except:

- (1) according to section 13.05;
- (2) according to court order;
- (3) according to a statute specifically authorizing access to the private data;
- (4) to an agent of the welfare system, including a law enforcement person, attorney, or investigator acting for it in the investigation or prosecution of a criminal or civil proceeding relating to the administration of a program;
- (5) to personnel of the welfare system who require the data to verify an individual's identity; determine eligibility, amount of assistance, and the need to provide services to an individual or family across programs; evaluate the effectiveness of programs; assess parental contribution amounts; and investigate suspected fraud;
- (6) to administer federal funds or programs;
- (7) between personnel of the welfare system working in the same program;
- (8) to the Department of Revenue to assess parental contribution amounts for purposes of section 252.27, subdivision 2a, administer and evaluate tax refund or tax credit programs and to identify individuals who may benefit from these programs. The following information may be disclosed under this paragraph: an individual's and their dependent's names, dates of birth, Social Security numbers, income, addresses, and other data as required, upon request by the Department of Revenue. Disclosures by the commissioner of revenue to the commissioner of human services for the purposes described in this clause are governed by section 270B.14, subdivision 1. Tax

refund or tax credit programs include, but are not limited to, the dependent care credit under section 290.067, the Minnesota working family credit under section 290.0671, the property tax refund and rental credit under section 290A.04, and the Minnesota education credit under section 290.0674;

(9) between the Department of Human Services, the Department of Education, and the Department of Employment and Economic Development for the purpose of monitoring, and when applicable, the Department of Education, for the following purposes:

(i) to monitor the eligibility of the data subject for unemployment benefits, for any employment or training program administered, supervised, or certified by that agency, for the purpose of administering;

(ii) to administer any rehabilitation program or child care assistance program, whether alone or in conjunction with the welfare system, or;

(iii) to monitor and evaluate the Minnesota family investment program by exchanging data on recipients and former recipients of food support, cash assistance under chapter 256, 256D, 256J, or 256K, child care assistance under chapter 119B, or medical programs under chapter 256B, 256D, or 256L; and

(iv) to analyze public assistance employment services and program utilization, cost, effectiveness, and outcomes as implemented under the authority established in Title II, Sections 201-204 of the Ticket to Work and Work Incentives Improvement Act of 1999. Health records governed by section 144.335 and "protected health information" as defined in Code of Federal Regulations, title 45, section 160.103, and governed by Code of Federal Regulations, title 45, parts 160-164, including health care claims utilization information, must not be exchanged under this clause;

(10) to appropriate parties in connection with an emergency if knowledge of the information is necessary to protect the health or safety of the individual or other individuals or persons;

(11) data maintained by residential programs as defined in section 245A.02 may be disclosed to the protection and advocacy system established in this state according to Part C of Public Law 98-527 to protect the legal and human rights of persons with developmental disabilities or other related conditions who live in residential facilities for these persons if the protection and advocacy system receives a complaint by or on behalf of that person and the person does not have a legal guardian or the state or a designee of the state is the legal guardian of the person;

(12) to the county medical examiner or the county coroner for identifying or locating relatives or friends of a deceased person;

(13) data on a child support obligor who makes payments to the public agency may be disclosed to the Minnesota Office of Higher Education to the extent necessary to determine eligibility under section 136A.121, subdivision 2, clause (5);

(14) participant Social Security numbers and names collected by the telephone assistance program may be disclosed to the Department of Revenue to conduct an electronic data match with the property tax refund database to determine eligibility under section 237.70, subdivision 4a;

(15) the current address of a Minnesota family investment program participant may be disclosed to law enforcement officers who provide the name of the participant and notify the agency that:

(i) the participant:

(A) is a fugitive felon fleeing to avoid prosecution, or custody or confinement after conviction, for a crime or attempt to commit a crime that is a felony under the laws of the jurisdiction from which the individual is fleeing; or

(B) is violating a condition of probation or parole imposed under state or federal law;

(ii) the location or apprehension of the felon is within the law enforcement officer's official duties; and

(iii) the request is made in writing and in the proper exercise of those duties;

(16) the current address of a recipient of general assistance or general assistance medical care may be disclosed to probation officers and corrections agents who are supervising the recipient and to law enforcement officers who are investigating the recipient in connection with a felony level offense;

(17) information obtained from food support applicant or recipient households may be disclosed to local, state, or federal law enforcement officials, upon their written request, for the purpose of investigating an alleged violation of the Food Stamp Act, according to Code of Federal Regulations, title 7, section 272.1(c);

(18) the address, Social Security number, and, if available, photograph of any member of a household receiving food support shall be made available, on request, to a local, state, or federal law enforcement officer if the officer furnishes the agency with the name of the member and notifies the agency that:

(i) the member:

(A) is fleeing to avoid prosecution, or custody or confinement after conviction, for a crime or attempt to commit a crime that is a felony in the jurisdiction the member is fleeing;

(B) is violating a condition of probation or parole imposed under state or federal law; or

(C) has information that is necessary for the officer to conduct an official duty related to conduct described in subitem (A) or (B);

(ii) locating or apprehending the member is within the officer's official duties; and

(iii) the request is made in writing and in the proper exercise of the officer's official duty;

(19) the current address of a recipient of Minnesota family investment program, general assistance, general assistance medical care, or food support may be disclosed to law enforcement officers who, in writing, provide the name of the recipient and notify the agency that the recipient is a person required to register under section 243.166, but is not residing at the address at which the recipient is registered under section 243.166;

(20) certain information regarding child support obligors who are in arrears may be made public according to section 518A.74;

(21) data on child support payments made by a child support obligor and data on the distribution of those payments excluding identifying information on obligees may be disclosed to all obligees

to whom the obligor owes support, and data on the enforcement actions undertaken by the public authority, the status of those actions, and data on the income of the obligor or obligee may be disclosed to the other party;

(22) data in the work reporting system may be disclosed under section 256.998, subdivision 7;

(23) to the Department of Education for the purpose of matching Department of Education student data with public assistance data to determine students eligible for free and reduced price meals, meal supplements, and free milk according to United States Code, title 42, sections 1758, 1761, 1766, 1766a, 1772, and 1773; to allocate federal and state funds that are distributed based on income of the student's family; and to verify receipt of energy assistance for the telephone assistance plan;

(24) the current address and telephone number of program recipients and emergency contacts may be released to the commissioner of health or a local board of health as defined in section 145A.02, subdivision 2, when the commissioner or local board of health has reason to believe that a program recipient is a disease case, carrier, suspect case, or at risk of illness, and the data are necessary to locate the person;

(25) to other state agencies, statewide systems, and political subdivisions of this state, including the attorney general, and agencies of other states, interstate information networks, federal agencies, and other entities as required by federal regulation or law for the administration of the child support enforcement program;

(26) to personnel of public assistance programs as defined in section 256.741, for access to the child support system database for the purpose of administration, including monitoring and evaluation of those public assistance programs;

(27) to monitor and evaluate the Minnesota family investment program by exchanging data between the Departments of Human Services and Education, on recipients and former recipients of food support, cash assistance under chapter 256, 256D, 256J, or 256K, child care assistance under chapter 119B, or medical programs under chapter 256B, 256D, or 256L;

(28) to evaluate child support program performance and to identify and prevent fraud in the child support program by exchanging data between the Department of Human Services, Department of Revenue under section 270B.14, subdivision 1, paragraphs (a) and (b), without regard to the limitation of use in paragraph (c), Department of Health, Department of Employment and Economic Development, and other state agencies as is reasonably necessary to perform these functions; or

(29) counties operating child care assistance programs under chapter 119B may disseminate data on program participants, applicants, and providers to the commissioner of education.

(b) Information on persons who have been treated for drug or alcohol abuse may only be disclosed according to the requirements of Code of Federal Regulations, title 42, sections 2.1 to 2.67.

(c) Data provided to law enforcement agencies under paragraph (a), clause (15), (16), (17), or (18), or paragraph (b), are investigative data and are confidential or protected nonpublic while the investigation is active. The data are private after the investigation becomes inactive under section 13.82, subdivision 5, paragraph (a) or (b).

(d) Mental health data shall be treated as provided in subdivisions 7, 8, and 9, but is not subject to the access provisions of subdivision 10, paragraph (b).

For the purposes of this subdivision, a request will be deemed to be made in writing if made through a computer interface system.

Sec. 2. Minnesota Statutes 2006, section 13.46, subdivision 4, is amended to read:

Subd. 4. **Licensing data.** (a) As used in this subdivision:

(1) "licensing data" means all data collected, maintained, used, or disseminated by the welfare system pertaining to persons licensed or registered or who apply for licensure or registration or who formerly were licensed or registered under the authority of the commissioner of human services;

(2) "client" means a person who is receiving services from a licensee or from an applicant for licensure; and

(3) "personal and personal financial data" means Social Security numbers, identity of and letters of reference, insurance information, reports from the Bureau of Criminal Apprehension, health examination reports, and social/home studies.

(b)(1) Except as provided in paragraph (c), the following data on ~~current~~ applicants, license holders, and former licensees are public: name, address, telephone number of licensees, date of receipt of a completed application, dates of licensure, licensed capacity, type of client preferred, variances granted, record of training and education in child care and child development, type of dwelling, name and relationship of other family members, previous license history, class of license, the existence and status of complaints, and the number of serious injuries to or deaths of individuals in the licensed program as reported to the commissioner of human services, the local social services agency, or any other county welfare agency. For purposes of this clause, a serious injury is one that is treated by a physician. When a correction order or fine has been issued, a license is suspended, immediately suspended, revoked, denied, or made conditional, or a complaint is resolved, the following data on current and former licensees and applicants are public: the substance and investigative findings of the licensing or maltreatment complaint, licensing violation, or substantiated maltreatment; the record of informal resolution of a licensing violation; orders of hearing; findings of fact; conclusions of law; specifications of the final correction order, fine, suspension, immediate suspension, revocation, denial, or conditional license contained in the record of licensing action; and the status of any appeal of these actions.

(2) Notwithstanding sections 626.556, subdivision 11, and 626.557, subdivision 12b, when any person subject to disqualification under section 245C.14 in connection with a license to provide family day care for children, child care center services, foster care for children in the provider's home, or foster care or day care services for adults in the provider's home is a substantiated perpetrator of maltreatment, and the substantiated maltreatment is a reason for a licensing action, the identity of the substantiated perpetrator of maltreatment is public data. For purposes of this clause, a person is a substantiated perpetrator if the maltreatment determination has been upheld under section 256.045; 626.556, subdivision 10i; 626.557, subdivision 9d; or chapter 14, or if an individual or facility has not timely exercised appeal rights under these sections.

(3) For applicants who withdraw their application prior to licensure or denial of a license, the following data are public: the name of the applicant, the city and county in which the applicant was

seeking licensure, the dates of the commissioner's receipt of the initial application and completed application, the type of license sought, and the date of withdrawal of the application.

(4) For applicants who are denied a license, the following data are public: the name and address of the applicant, the city and county in which the applicant was seeking licensure, the dates of the commissioner's receipt of the initial application and completed application, the type of license sought, the date of denial of the application, the nature of the basis for the denial, the record of informal resolution of a denial, orders of hearings, findings of fact, conclusions of law, specifications of the final order of denial, and the status of any appeal of the denial.

(5) The following data on persons subject to disqualification under section 245C.14 in connection with a license to provide family day care for children, child care center services, foster care for children in the provider's home, or foster care or day care services for adults in the provider's home, are public: the nature of any disqualification set aside under section 245C.22, subdivisions 2 and 4, and the reasons for setting aside the disqualification; the nature of any disqualification for which a variance was granted under sections 245A.04, subdivision 9; and 245C.30, and the reasons for granting any variance under section 245A.04, subdivision 9; and, if applicable, the disclosure that any person subject to a background study under section 245C.03, subdivision 1, has successfully passed a background study.

(6) When maltreatment is substantiated under section 626.556 or 626.557 and the victim and the substantiated perpetrator are affiliated with a program licensed under chapter 245A, the commissioner of human services, local social services agency, or county welfare agency may inform the license holder where the maltreatment occurred of the identity of the substantiated perpetrator and the victim.

(7) Notwithstanding clause (1), for child foster care, only the name of the license holder and the status of the license are public if the county attorney has requested that data otherwise classified as public data under clause (1) be considered private data based on the best interests of a child in placement in a licensed program.

(c) The following are private data on individuals under section 13.02, subdivision 12, or nonpublic data under section 13.02, subdivision 9: personal and personal financial data on family day care program and family foster care program applicants and licensees and their family members who provide services under the license.

(d) The following are private data on individuals: the identity of persons who have made reports concerning licensees or applicants that appear in inactive investigative data, and the records of clients or employees of the licensee or applicant for licensure whose records are received by the licensing agency for purposes of review or in anticipation of a contested matter. The names of reporters under sections 626.556 and 626.557 may be disclosed only as provided in section 626.556, subdivision 11, or 626.557, subdivision 12b.

(e) Data classified as private, confidential, nonpublic, or protected nonpublic under this subdivision become public data if submitted to a court or administrative law judge as part of a disciplinary proceeding in which there is a public hearing concerning a license which has been suspended, immediately suspended, revoked, or denied.

(f) Data generated in the course of licensing investigations that relate to an alleged violation of law are investigative data under subdivision 3.



(g) Data that are not public data collected, maintained, used, or disseminated under this subdivision that relate to or are derived from a report as defined in section 626.556, subdivision 2, or 626.5572, subdivision 18, are subject to the destruction provisions of sections 626.556, subdivision 11c, and 626.557, subdivision 12b.

(h) Upon request, not public data collected, maintained, used, or disseminated under this subdivision that relate to or are derived from a report of substantiated maltreatment as defined in section 626.556 or 626.557 may be exchanged with the Department of Health for purposes of completing background studies pursuant to section 144.057 and with the Department of Corrections for purposes of completing background studies pursuant to section 241.021.

(i) Data on individuals collected according to licensing activities under chapters 245A and 245C, and data on individuals collected by the commissioner of human services according to maltreatment investigations under sections 626.556 and 626.557, may be shared with the Department of Human Rights, the Department of Health, the Department of Corrections, the Ombudsman for Mental Health and Developmental Disabilities, and the individual's professional regulatory board when there is reason to believe that laws or standards under the jurisdiction of those agencies may have been violated.

(j) In addition to the notice of determinations required under section 626.556, subdivision 10f, if the commissioner or the local social services agency has determined that an individual is a substantiated perpetrator of maltreatment of a child based on sexual abuse, as defined in section 626.556, subdivision 2, and the commissioner or local social services agency knows that the individual is a person responsible for a child's care in another facility, the commissioner or local social services agency shall notify the head of that facility of this determination. The notification must include an explanation of the individual's available appeal rights and the status of any appeal. If a notice is given under this paragraph, the government entity making the notification shall provide a copy of the notice to the individual who is the subject of the notice.

(k) All not public data collected, maintained, used, or disseminated under this subdivision and subdivision 3 may be exchanged between the Department of Human Services, Licensing Division, and the Department of Corrections for purposes of regulating services for which the Department of Human Services and the Department of Corrections have regulatory authority."

Page 32, line 10, delete "failure to register as a" and insert "violation of" and after "offender" insert "registration law"

Page 32, line 30, after the second comma, insert "or subdivision 3, clause (1)" and delete "gross misdemeanor incident" and insert "indecent"

Page 34, line 11, reinstate the stricken "617.23 (indecent exposure" and reinstate the stricken ");" and before the semicolon, insert ", not involving a minor"

Page 35, line 28, reinstate the stricken "617.23 (indecent exposure);" and before the semicolon, insert ", not involving a minor"

Page 36, line 34, strike the third semicolon

Page 37, line 1, strike "penalties" and before the semicolon, insert ", not involving a minor"

Page 47, after line 31, insert:

"Sec. 47. Minnesota Statutes 2006, section 270B.14, subdivision 1, is amended to read:

Subdivision 1. **Disclosure to commissioner of human services.** (a) On the request of the commissioner of human services, the commissioner shall disclose return information regarding taxes imposed by chapter 290, and claims for refunds under chapter 290A, to the extent provided in paragraph (b) and for the purposes set forth in paragraph (c).

(b) Data that may be disclosed are limited to data relating to the identity, whereabouts, employment, income, and property of a person owing or alleged to be owing an obligation of child support.

(c) The commissioner of human services may request data only for the purposes of carrying out the child support enforcement program and to assist in the location of parents who have, or appear to have, deserted their children. Data received may be used only as set forth in section 256.978.

(d) The commissioner shall provide the records and information necessary to administer the supplemental housing allowance to the commissioner of human services.

(e) At the request of the commissioner of human services, the commissioner of revenue shall electronically match the Social Security numbers and names of participants in the telephone assistance plan operated under sections 237.69 to 237.711, with those of property tax refund filers, and determine whether each participant's household income is within the eligibility standards for the telephone assistance plan.

(f) The commissioner may provide records and information collected under sections 295.50 to 295.59 to the commissioner of human services for purposes of the Medicaid Voluntary Contribution and Provider-Specific Tax Amendments of 1991, Public Law 102-234. Upon the written agreement by the United States Department of Health and Human Services to maintain the confidentiality of the data, the commissioner may provide records and information collected under sections 295.50 to 295.59 to the Centers for Medicare and Medicaid Services section of the United States Department of Health and Human Services for purposes of meeting federal reporting requirements.

(g) The commissioner may provide records and information to the commissioner of human services as necessary to administer the early refund of refundable tax credits.

(h) The commissioner may disclose information to the commissioner of human services necessary to verify income for eligibility and premium payment under the MinnesotaCare program, under section 256L.05, subdivision 2.

(i) The commissioner may disclose information to the commissioner of human services necessary to verify whether applicants or recipients for the Minnesota family investment program, general assistance, food support, and Minnesota supplemental aid program have claimed refundable tax credits under chapter 290 and the property tax refund under chapter 290A, and the amounts of the credits.

(j) The commissioner may disclose information to the commissioner of human services necessary to verify income for purposes of calculating parental contribution amounts under section 252.27, subdivision 2a."

Renumber the sections in sequence

Amend the title numbers accordingly

And when so amended the bill be reported to the Senate without recommendation. Amendments adopted. Report adopted.

**Senator Moua from the Committee on Judiciary, to which was re-referred**

**S.F. No. 900:** A bill for an act relating to health; establishing the Long-Term Resident Access to Pharmaceuticals Act; amending Minnesota Statutes 2006, section 151.19, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 151.

Reports the same back with the recommendation that the bill do pass. Report adopted.

**Senator Rest from the Committee on State and Local Government Operations and Oversight, to which was referred**

**S.F. No. 1966:** A bill for an act relating to gambling; modifying expenditure restrictions; clarifying certain game requirements, prize amounts, and making other changes to lawful gambling; amending Minnesota Statutes 2006, sections 349.15, subdivision 1; 349.163, by adding a subdivision; 349.211; repealing Minnesota Statutes 2006, section 349.19, subdivision 2b.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 6, after "tipboard" insert "ticket"

And when so amended the bill do pass. Amendments adopted. Report adopted.

**Senator Rest from the Committee on State and Local Government Operations and Oversight, to which was referred**

**S.F. No. 1812:** A bill for an act relating to local government; enabling the merger of the Minneapolis Public Library and the Hennepin County library system; authorizing the transfer of property, assets, and certain bond proceeds related to the Minneapolis Public Library to Hennepin County; authorizing the transfer of Minneapolis Public Library employees to Hennepin County; amending Minnesota Statutes 2006, sections 275.065, subdivision 3; 383B.237; 383B.239; 383B.245; 383B.247.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 11, delete "PURPOSE AND"

Page 1, delete lines 12 to 16

Page 1, line 17, delete everything before "This"

Page 2, line 15, delete "may" and insert "shall" and after "County" insert "on the merger date"

Page 2, line 22, delete "may" and insert "shall"

Page 2, line 23, after "County" insert "on the merger date"

Page 3, after line 19, insert:

"(d) Employees transferred under this section must be compensated for any loss of wages, pursuant to a memorandum of understanding among the Minneapolis Library Board, the City of Minneapolis, and the exclusive representatives of the affected employees. Such compensation must be paid by the Minneapolis Library Board, the City of Minneapolis, or a combination of both. This paragraph applies to employees whose wage rate is reduced under paragraph (b)."

Page 5, line 3, delete everything after "County" and insert a period

Page 5, delete lines 4 and 5

Page 9, line 14, delete "ten" and insert "11"

And when so amended the bill do pass and be re-referred to the Committee on Taxes. Amendments adopted. Report adopted.

**Senator Rest from the Committee on State and Local Government Operations and Oversight, to which was re-referred**

**S.F. No. 2064:** A bill for an act relating to education; establishing a task force to review special education.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 4, delete "SPECIAL"

Page 1, line 7, delete "special"

Page 1, line 12, delete everything after "members" and insert ". Task force members must be appointed by"

Page 1, delete line 13 and insert "July 1, 2007. The commissioner of education must appoint the following task force members: two parents of"

Page 1, delete line 18 and insert "force must include four legislators appointed as follows:"

Page 1, delete lines 19 and 20 and insert:

"(1) two members of the senate, one appointed by the majority leader and one appointed by the minority leader; and

(2) two members of the house of representatives, one appointed by the Speaker of the House and one by the minority leader.

The task force shall select a chair from its membership at the first meeting. Per diem and expense for task force members are as provided under Minnesota Statutes, section 15.059."

Page 2, delete subdivision 5 and insert:

"Subd. 5. **Expiration.** The task force expires the day following the submission of the report required in subdivision 4."

Delete the title and insert:

"A bill for an act relating to education; establishing a task force to review education for children

with disabilities."

And when so amended the bill do pass and be re-referred to the Committee on Rules and Administration. Amendments adopted. Report adopted.

**Senator Rest from the Committee on State and Local Government Operations and Oversight, to which was re-referred**

**S.F. No. 1998:** A bill for an act relating to utilities; specifying conditions and procedures for the payment of compensation to certain intervenors in utility proceedings; amending Minnesota Statutes 2006, section 216B.16, subdivision 10.

Reports the same back with the recommendation that the bill do pass. Report adopted.

**Senator Rest from the Committee on State and Local Government Operations and Oversight, to which was re-referred**

**S.F. No. 1393:** A bill for an act relating to education; directing the commissioner of education to amend the rule governing supplemental education service providers to specify the basis for withdrawing department approval from providers that fail to increase student proficiency for two consecutive school years.

Reports the same back with the recommendation that the bill do pass. Report adopted.

**SECOND READING OF SENATE BILLS**

S.F. Nos. 1533, 145, 1070, 1920, 1936, 1429, 1971, 890, 1398, 2161, 1700, 1724, 900, 1966, 1998 and 1393 were read the second time.

**SECOND READING OF HOUSE BILLS**

H.F. No. 532 was read the second time.

**MOTIONS AND RESOLUTIONS - CONTINUED**

Senator Latz moved that the name of Senator Limmer be added as a co-author to S.F. No. 924. The motion prevailed.

Senator Betzold moved that his name be stricken as chief author, shown as a co-author, and the name of Senator Sparks be added as chief author to S.F. No. 1149. The motion prevailed.

Senator Marty moved that the name of Senator Dibble be added as a co-author to S.F. No. 1153. The motion prevailed.

Senator Larson moved that the name of Senator Michel be added as a co-author to S.F. No. 1694. The motion prevailed.

Senator Dibble moved that his name be stricken as a co-author to S.F. No. 1766. The motion

prevailed.

Senator Berglin moved that S.F. No. 356 be withdrawn from the Committee on Finance, given a second reading, and placed on General Orders. The motion prevailed.

S.F. No. 356 was read the second time.

#### **CONFIRMATION**

Senator Rest moved that the report from the Committee on State and Local Government Operations and Oversight, reported February 26, 2007, pertaining to appointments, be taken from the table. The motion prevailed.

Senator Rest moved that the foregoing report be now adopted. The motion prevailed.

Senator Rest moved that in accordance with the report from the Committee on State and Local Government Operations and Oversight, reported February 26, 2007, the Senate, having given its advice, do now consent to and confirm the appointment of:

#### **BOARD OF THE ARTS**

Matthew Anderson, 3425 Michael Ave., White Bear Lake, Ramsey County, effective June 30, 2006, for a term expiring on January 4, 2010.

Margaret Rapp, 8207 Marsh Creek Rd., Woodbury, Washington County, effective July 7, 2005, for a term expiring on January 5, 2009.

Pam Perri Weaver, 402 Rice St., Anoka, Anoka County, effective June 30, 2006, for a term expiring on January 4, 2010.

The motion prevailed. So the appointments were confirmed.

#### **CONFIRMATION**

Senator Pappas moved that the report from the Committee on Higher Education, reported April 11, 2007, pertaining to appointments, be taken from the table. The motion prevailed.

Senator Pappas moved that the foregoing report be now adopted. The motion prevailed.

Senator Pappas moved that in accordance with the report from the Committee on Higher Education, reported April 11, 2007, the Senate, having given its advice, do now consent to and confirm the appointment of:

#### **BOARD OF TRUSTEES OF THE MINNESOTA STATE COLLEGES AND UNIVERSITIES**

Caleb Anderson, 480 E. County Rd. B, Maplewood, Ramsey County, effective September 5, 2006, for a term expiring on June 30, 2008.

Michael Boulton, 2539 State Hwy. 68, Porter, Lincoln County, effective July 1, 2005, for a term expiring on June 30, 2007.

Christine Rice, 11152 - 14th St. N., Lake Elmo, Washington County, effective July 1, 2006, for a term expiring on June 30, 2012.

C. Scott Thiss, 4518 Drexel Ave., Edina, Hennepin County, effective July 1, 2006, for a term expiring on June 30, 2012.

James Van Houten, 3832 W. Calhoun Pkwy., Minneapolis, Hennepin County, effective July 1, 2006, for a term expiring on June 30, 2012.

#### MINNESOTA HIGHER EDUCATION FACILITIES AUTHORITY

Carla Nelson, 931 S.W. 22nd Ave., Rochester, Olmsted County, effective August 4, 2005, for a term expiring on January 5, 2009.

Michael Ranum, 203 E. Golden Lake Cir., Circle Pines, Anoka County, effective July 6, 2006, for a term expiring on January 4, 2010.

David Rowland, 18439 Nicklaus Way, Eden Prairie, Hennepin County, effective July 7, 2005, for a term expiring on January 5, 2009.

The motion prevailed. So the appointments were confirmed.

#### MOTIONS AND RESOLUTIONS - CONTINUED

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate proceeded to the Order of Business of General Orders.

#### GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Senator Betzold in the chair.

After some time spent therein, the committee arose, and Senator Metzen reported that the committee had considered the following:

S.F. Nos. 1343, 1062 and 2047, which the committee recommends to pass.

S.F. No. 1432, which the committee recommends to pass with the following amendment offered by Senator Olseen:

Page 1, line 20, delete the second "fair" and insert "event"

The motion prevailed. So the amendment was adopted.

S.F. No. 241, which the committee recommends to pass with the following amendment offered by Senator Neuville:

Page 1, after line 17, insert:

"Sec. 2. Minnesota Statutes 2006, section 510.02, is amended to read:

#### **510.02 AREA AND VALUE; HOW LIMITED.**

Subdivision 1. Exemption. The homestead may include any quantity of land not exceeding 160 acres, and not included in the laid-out or platted portion of any city. If the homestead is within the laid-out or platted portion of a city, its area must not exceed one-half of an acre. The value of the

~~homestead exemption.~~ The exemption per homestead, whether the exemption is claimed jointly or individually by one or more debtors, may not exceed \$200,000 \$300,000 or, if the homestead is used primarily for agricultural purposes, \$500,000 \$750,000, exclusive of the limitations set forth in section 510.05.

Subd. 2. **Adjustment of dollar amounts.** The dollar amounts in subdivision 1 must change periodically in the manner provided for under section 550.37, subdivision 4a. The commissioner of commerce shall include the changes in the dollar amounts as part of the announcement and publication made under those provisions.

Sec. 3. Minnesota Statutes 2006, section 510.05, is amended to read:

**510.05 LIMITATIONS.**

~~Such~~ The amount of the homestead exemption shall not be reduced by and shall not extend to any mortgage lawfully obtained thereon, to any valid lien for taxes or assessments, to a claim filed pursuant to section 256B.15 or section 246.53 or, to any charge arising under the laws relating to laborers or material suppliers' liens or to any charge obtained pursuant to a valid waiver of the homestead exemption.

Sec. 4. Minnesota Statutes 2006, section 541.051, is amended to read:

**541.051 LIMITATION OF ACTION FOR DAMAGES BASED ON SERVICES OR CONSTRUCTION TO IMPROVE REAL PROPERTY.**

Subdivision 1. **Limitation; service or construction of real property; improvements.** (a) Except where fraud is involved, no action by any person in contract, tort, or otherwise to recover damages for any injury to property, real or personal, or for bodily injury or wrongful death, arising out of the defective and unsafe condition of an improvement to real property, ~~nor any action for contribution or indemnity for damages sustained on account of the injury,~~ shall be brought against any person performing or furnishing the design, planning, supervision, materials, or observation of construction or construction of the improvement to real property or against the owner of the real property more than two years after discovery of the injury ~~or, in the case of an action for contribution or indemnity, accrual of the cause of action,~~ nor, in any event shall such a cause of action accrue more than ten years after substantial completion of the construction. Date of substantial completion shall be determined by the date when construction is sufficiently completed so that the owner or the owner's representative can occupy or use the improvement for the intended purpose.

(b) Notwithstanding paragraph (a), an action for contribution or indemnity arising out of the defective and unsafe condition of an improvement to real property may be brought no later than two years after the cause of action for contribution or indemnity has accrued, regardless of whether it accrued before or after the ten-year period referenced in paragraph (a).

(c) For purposes of paragraph (a), a cause of action accrues upon discovery of the injury or, in the case of an action for contribution or indemnity under paragraph (b), upon payment of a final judgment, arbitration award, or settlement arising out of the defective and unsafe condition.

~~(e)~~(d) Nothing in this section shall apply to actions for damages resulting from negligence in the maintenance, operation or inspection of the real property improvement against the owner or other person in possession.



~~(d)~~ (e) The limitations prescribed in this section do not apply to the manufacturer or supplier of any equipment or machinery installed upon real property.

Subd. 2. **Action allowed; limitation.** Notwithstanding the provisions of subdivision 1, paragraph (a), in the case of ~~an~~ a cause of action which accrues during the ninth or tenth year after substantial completion of the construction, an action to recover damages may be brought within two years after the date on which the cause of action accrued, but in no event may such an action be brought more than 12 years after substantial completion of the construction. Nothing in this subdivision shall limit the time for bringing an action for contribution or indemnity.

Subd. 3. **Not construed.** Nothing in this section shall be construed as extending the period prescribed by the laws of this state for the bringing of any action.

Subd. 4. **Applicability.** For the purposes of actions based on breach of the statutory warranties set forth in section 327A.02, or to actions based on breach of an express written warranty, such actions shall be brought within two years of the discovery of the breach. In the case of an action under section 327A.05, which accrues during the ninth or tenth year after the warranty date, as defined in section 327A.01, subdivision 8, an action may be brought within two years of the discovery of the breach, but in no event may an action under section 327A.05 be brought more than 12 years after the effective warranty date. An action for contribution or indemnity related to actions described in this subdivision may be brought no later than two years after the cause of action for contribution or indemnity has accrued, based upon the time of accrual provided in subdivision 1, paragraph (c).

**EFFECTIVE DATE.** This section is effective the day following final enactment and applies to all actions pending on or commenced on or after that date.

Sec. 5. Minnesota Statutes 2006, section 550.175, subdivision 1, is amended to read:

Subdivision 1. **Order directing sale of real property.** The executing creditor must obtain an order from the court directing a sale of the real property that includes a homestead before service of the notice of execution on real property containing the homestead of the debtor. The order shall contain the following findings:

- (1) whether the real property is the homestead of a nondebtor;
- (2) the amount of the debtor's homestead exemption, if any; and
- (3) whether the fair market value of the real property exceeds the sum of the debtor's homestead exemption and the present encumbrances.

If the court finds that there is no nondebtor with a valid homestead interest in the real property and that the fair market value of the homestead real property exceeds the sum of the debtor's homestead exemption and the present encumbrances, the court shall order a sale of the real property for cash or cash equivalents to the extent of the homestead exemption.

Subd. 1a. **Notification of homestead designation.** If real property is to be sold on execution and the property contains a portion of the homestead of the debtor, the debtor must be notified by the executing creditor that the homestead may be sold and redeemed separately from the remaining property. The notice in subdivision 2 must be included in the notice of execution served on the debtor under section 550.19.

Sec. 6. Minnesota Statutes 2006, section 550.175, subdivision 4, is amended to read:

Subd. 4. **Sale of property.** (a) If the sheriff receives a homestead property designation under subdivision 3, the sheriff must offer and sell the designated homestead property, and the remaining property, separately, unless the executing creditor denies the right to the exemption, objects to the property designated, or claims the value exceeds the exemption.

(b) If the executing creditor is dissatisfied with the homestead property designation or the debtor's valuation of the property, upon proper motion to the district court of the county in which any part of the property is located, the executing creditor is entitled to a court approved designation of the homestead and a court determination of value. The court shall either approve the debtor's designation or cause the property to be surveyed and order a homestead designation consistent with the standards of subdivision 3 and require an appraisal of fair market value, as applicable. The court's designation of the homestead property must conform to the debtor's request, to the extent not inconsistent with the standards of subdivision 3.

(c) The court, in determining appraised value, shall review any appraisals provided by the debtor and executing creditor and may require a court appointed independent appraisal. The appraisals shall evaluate the property's fair market value, net of reasonable costs of sale.

(d) If the court determines that the property claimed as a homestead exceeds in value the amount of the homestead exemption or if the court determines that the property cannot be divided without material injury, the court shall order the sale of the entire property, including the designated homestead. ~~Out of the proceeds of the sale, the court shall pay the debtor the amount of the homestead exemption and apply the balance of the proceeds of the sale on the execution~~ for cash or cash equivalents to the extent of the homestead exemption.

(e) At the sale, no bid may be accepted unless it exceeds the amount of the homestead exemption. If no bid exceeds the exemption, the homestead is exempt.

(f) The cost of any court ordered survey or appraisal and of the sale must be collected on the execution, if the debtor designated as the debtor's homestead a greater quantity of property, property of greater value than the debtor was entitled to, or designated a parcel that does not meet the standards of subdivision 3. In all other cases, the costs shall be borne by the executing creditor.

Sec. 7. Minnesota Statutes 2006, section 550.175, is amended by adding a subdivision to read:

Subd. 6. **Real property not subject to execution.** Real property that includes a homestead as defined under section 510.01 is not subject to execution under this chapter if there is a nondebtor with:

- (1) homestead rights under sections 507.02 and 510.01 to 510.04;
- (2) rights as a joint tenant or life tenant; or
- (3) rights to take the homestead under section 524.2-402.

Sec. 8. Minnesota Statutes 2006, section 550.18, is amended to read:

**550.18 NOTICE OF SALE.**

Before the sale of property on execution notice shall be given as follows:

(1) if the sale be of personal property, by giving ten days posted notice of the time and place thereof;

(2) if the sale be of real property, on execution or on judgment, by six weeks posted and published notice of the time and place thereof, describing the property with sufficient certainty to enable a person of common understanding to identify it.

(3) A judgment creditor shall record a certified copy of the order directing sale of real property issued pursuant to section 550.175, if the real property is a homestead, with the county recorder or registrar of titles as appropriate in the county in which the real property is located before the first date of publication of the notice of sale required under section 550.18, clause (2).

An officer who sells without such notice shall forfeit \$100 to the party aggrieved, in addition to paying actual damages; and a person who before the sale or the satisfaction of the execution, and without the consent of the parties, takes down or defaces the notice posted, shall forfeit \$50; but the validity of the sale shall not be affected by either act, either as to third persons or parties to the action.

Sec. 9. Minnesota Statutes 2006, section 550.19, is amended to read:

**550.19 SERVICE ON JUDGMENT DEBTOR.**

~~At or before the time of posting notice of sale, the officer shall serve a copy of the execution and inventory, and of such notice, upon the judgment debtor, if the debtor be a resident of the county, in the manner required by law for the service of a summons in a civil action. A judgment creditor must, at least four weeks before the appointed time of sale, serve a copy of the notice of sale in like manner as a summons in a civil action in the district court upon the judgment debtor if the judgment debtor is a resident of the county and upon any person in possession of the homestead other than the judgment debtor. In addition, the notice of sale must also be served upon all persons who have recorded a request for notice in accordance with section 580.032.~~

**Sec. 10. [550.206] REPORT OF SALE OF HOMESTEAD ON EXECUTION; CONFIRMATION; RESALE.**

Upon sale of a homestead on execution, the sheriff shall file a report of the sale with the court. Upon the filing of the report of sale, the court shall grant an order confirming the sale, or, if it appears upon due examination that justice has not been done, the court may order a resale on terms the court determines are just. Upon confirmation of the sale and execution of the certificate of sale, the sheriff shall hold the amount of the homestead exemption in trust for the judgment debtor until the debtor vacates the property, or the redemption period expires, whichever occurs first. The balance of the proceeds of the sale shall be applied to the execution. The sheriff shall pay any surplus thereafter in the manner provided in section 580.09.

Sec. 11. Minnesota Statutes 2006, section 550.22, is amended to read:

**550.22 CERTIFICATE OF SALE OF REALTY.**

When a sale of real property is made upon execution, or pursuant to a judgment or order of a court, unless otherwise specified therein, the officer shall execute and deliver to the purchaser a certificate containing:

- (1) a description of the execution, judgment, or order;
- (2) a description of the property;
- (3) the date of the sale and the name of the purchaser;
- (4) the price paid for each parcel separately;
- (5) if subject to redemption, the time allowed by law therefor;
- (6) the amount of the debtor's homestead exemption, if any, as determined under section 550.175.

Such certificate shall be executed, acknowledged, and recorded in the manner provided by law for a conveyance of real property, shall be prima facie evidence of the facts ~~therein~~ stated, and, upon expiration of the time for redemption, shall operate as a conveyance to the purchaser of all the right, title, and interest of the person whose property is sold in and to the same, at the date of the lien upon which the same was sold. Any person desiring to perpetuate evidence that any real property sold under this section was not homestead real property may procure an affidavit by the person enforcing the judgment, or that person's attorney, or someone having knowledge of the facts, setting forth that the real property was not homestead real property. The affidavit shall be recorded by the county recorder or registrar of titles, and the affidavit and certified copies of the affidavit shall be prima facie evidence of the facts stated in the affidavit.

Sec. 12. Minnesota Statutes 2006, section 550.24, is amended to read:

**550.24 REDEMPTION OF REALTY.**

(a) Upon the sale of real property, if the estate sold is less than a leasehold of two years' unexpired term, the sale is absolute. In all other cases the property sold, or any portion thereof which has been sold separately, is subject to redemption as provided in this section.

(b) The judgment debtor, the debtor's heirs, successors, legal representatives, or assigns may redeem within one year after the day of sale, or order confirming sale if the property is a homestead, by paying, to the purchaser or the officer making the sale, the amount for which the property was sold with interest at the judgment rate and if the purchaser is a creditor having a prior lien, the amount thereof, with interest at the judgment rate together with any costs as provided in sections 582.03 and 582.031.

(c) If there is no redemption during the debtor's redemption period, creditors having a lien, legal or equitable, on the property or some part thereof, subsequent to that on which it was sold may redeem in the manner provided for redemption by creditors of the mortgagor in section 580.24, in the order of their respective liens.

(d) If the property is abandoned during the judgment debtor's redemption period, the person holding the sheriff's certificate may request that the court reduce the judgment debtor's redemption period to five weeks using the procedures provided for a foreclosure by action in section 582.032, subdivision 5.

Sec. 13. Minnesota Statutes 2006, section 580.24, is amended to read:

**580.24 REDEMPTION BY CREDITOR.**

(a) If no redemption is made by the mortgagor, the mortgagor's personal representatives or assigns, the most senior creditor having a legal or equitable lien upon the mortgaged premises, or some part of it, subsequent to the foreclosed mortgage, may redeem within seven days after the expiration of the redemption period determined under section 580.23 or 582.032, whichever is applicable; and each subsequent creditor having a lien may redeem, in the order of priority of their respective liens, within seven days after the time allowed the prior lienholder by paying the amount required under this section. However, no creditor is entitled to redeem unless, within the period allowed for redemption by the mortgagor, the creditor:

(1) records with each county recorder and registrar of titles where the foreclosed mortgage is recorded a notice of the creditor's intention to redeem;

(2) records in each office where the notice is recorded all documents necessary to create the lien on the mortgaged premises and to evidence the creditor's ownership of the lien; and

(3) after complying with clauses (1) and (2), delivers to the sheriff who conducted the foreclosure sale or the sheriff's successor in office a copy of each of the documents required to be recorded under clauses (1) and (2), with the office, date and time of filing for record stated on the first page of each document.

The sheriff shall maintain for public inspection all documents delivered to the sheriff and shall note the date of delivery on each document. The sheriff may charge a fee of \$100 for the documents delivered to the sheriff relating to each lien. The sheriff shall maintain copies of documents delivered to the sheriff for a period of six months after the end of the mortgagor's redemption period.

(b) Saturdays, Sundays, legal holidays, and the first day following the expiration of the prior redemption period must be included in computing the seven-day redemption period. When the last day of the period falls on Saturday, Sunday, or a legal holiday, that day must be omitted from the computation. The order of redemption by judgment creditors subsequent to the foreclosed mortgage shall be determined by the order in which their judgments were entered as memorials on the certificate of title for the foreclosed premises or docketed in the office of the district court administrator if the property is not registered under chapter 508 or 508A, regardless of the homestead status of the property. All mechanic's lienholders who have coordinate liens shall have one combined seven-day period to redeem.

(c) The amount required to redeem from the holder of the sheriff's certificate of sale is the amount required under section 580.23. The amount required to redeem from a person holding a certificate of redemption is:

(1) the amount paid to redeem as shown on the certificate of redemption; plus

(2) interest on that amount to the date of redemption; plus

(3) the amount claimed due on the person's lien, as shown on the affidavit under section 580.25, clause (3).

The amount required to redeem may be paid to the holder of the sheriff's certificate of sale or the certificate of redemption, as the case may be, or to the sheriff for the holder."

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

S.F. No. 1193, which the committee recommends to pass with the following amendment offered by Senator Gerlach:

Page 1, delete section 1

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

On motion of Senator Betzold, the report of the Committee of the Whole, as kept by the Secretary, was adopted.

### **MEMBERS EXCUSED**

Senators Robling and Stumpf were excused from the Session of today. Senators Gerlach and Olson, G. were excused from the Session of today from 10:00 to 10:15 a.m. Senators Bakk, Johnson, Latz and Tomassoni were excused from the Session of today from 10:00 to 10:20 a.m. Senator Hann was excused from the Session of today from 10:00 to 10:25 a.m. Senator Ortman was excused from the Session of today from 10:00 to 10:55 a.m. Senator Dille was excused from the Session of today from 10:00 to 11:40 a.m. Senator Scheid was excused from the Session of today from 10:00 a.m. to 2:00 p.m. Senator Murphy was excused from the Session of today from 11:45 a.m. to 12:20 p.m.

### **ADJOURNMENT**

Senator Pogemiller moved that the Senate do now adjourn until 9:00 a.m., Tuesday, April 17, 2007. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

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