

**SENATE**  
**STATE OF MINNESOTA**  
**EIGHTY-NINTH SESSION**

**S.F. No. 2741**

(SENATE AUTHORS: KENT and Dibble)

DATE	D-PG	OFFICIAL STATUS
03/14/2016		Introduction and first reading Referred to Transportation and Public Safety

A bill for an act

1.1 relating to transportation; modifying various provisions administered by  
 1.2 and governing the activities of the Department of Transportation; removing  
 1.3 a legislative route; amending Minnesota Statutes 2014, sections 161.081,  
 1.4 subdivision 3; 161.46, subdivision 2; 165.14, subdivision 6; 171.12, subdivision  
 1.5 6; 174.185; Laws 2014, chapter 312, article 11, sections 10; 11; 13; 16; 18.  
 1.6

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

1.8 Section 1. Minnesota Statutes 2014, section 161.081, subdivision 3, is amended to read:

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

1.11 (1) ~~in fiscal years 2009 and 2010, 100 percent of the excess sum, as calculated in~~  
 1.12 ~~paragraph (i), and in fiscal years 2011 and thereafter, 50 percent of the excess sum, as~~  
 1.13 calculated in paragraph (i), for counties in the metropolitan area, as defined in section  
 1.14 473.121, subdivision 4, but for the purposes of the calculation cities of the first class will  
 1.15 be excluded in the metropolitan area; and

1.16 (2) of the amount available in the flexible highway account less the amount under  
 1.17 clause (1), as determined by the commissioner under this section for:

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

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

1.23 (iii) routes of regional significance.

1.24 (b) For purposes of this subdivision, "restoration" means the level of effort required  
 1.25 to improve the route that will be turned back to an acceptable condition as determined

2.1 by agreement made between the commissioner and the county or city before the route  
2.2 is turned back.

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

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

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

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

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

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

3.1 (i) The excess sum is calculated as ~~the sum of revenue~~ 32 percent of the distribution  
 3.2 amount within the flexible highway account:

3.3 ~~(1) attributed to that portion of the gasoline excise tax rate under section 296A.07,~~  
 3.4 ~~subdivision 3, in excess of 20 cents per gallon, and to that portion of the excise tax rates~~  
 3.5 ~~in excess of the energy equivalent of a gasoline excise tax rate of 20 cents per gallon~~  
 3.6 ~~for E85 and M85 under section 296A.07, subdivision 3, and special fuel under section~~  
 3.7 ~~296A.08, subdivision 2;~~

3.8 ~~(2) attributed to a change in the passenger vehicle registration tax under section~~  
 3.9 ~~168.013, imposed on or after July 1, 2008, that exceeds (i) the amount collected in fiscal~~  
 3.10 ~~year 2008, multiplied by (ii) the annual average United States Consumer Price Index for~~  
 3.11 ~~the calendar year previous to the current calendar year, divided by the annual average~~  
 3.12 ~~United States Consumer Price Index for calendar year 2007; and~~

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

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

3.18 Sec. 2. Minnesota Statutes 2014, section 161.46, subdivision 2, is amended to read:

3.19 Subd. 2. **Relocation of facilities; reimbursement.** (a) Whenever the commissioner  
 3.20 shall determine the relocation of any utility facility is necessitated by the construction of a  
 3.21 project on the routes of federally aided state trunk highways, including urban extensions  
 3.22 thereof, which routes are included within the National System of Interstate Highways, the  
 3.23 owner or operator of such utility facility shall relocate the same in accordance with the  
 3.24 order of the commissioner. After the completion of such relocation the cost thereof shall  
 3.25 be ascertained and paid by the state out of trunk highway funds; provided, however, the  
 3.26 amount to be paid by the state for such reimbursement shall not exceed the amount on  
 3.27 which the federal government bases its reimbursement for said interstate system.

3.28 (b) Notwithstanding paragraph (a), any utility facility installed after August 1, 2016,  
 3.29 is not eligible for relocation reimbursement.

3.30 Sec. 3. Minnesota Statutes 2014, section 165.14, subdivision 6, is amended to read:

3.31 Subd. 6. **Annual report.** Annually By January 15 of each odd-numbered year, the  
 3.32 commissioner shall submit a report on the program to the chairs and ranking minority  
 3.33 members of the house of representatives and senate committees with jurisdiction over  
 3.34 transportation finance. The report must include the inventory information required under

4.1 subdivision 3, and an analysis, including any recommendations for changes, of the  
4.2 adequacy and efficacy of (1) the program requirements under subdivision 3, and (2) the  
4.3 prioritization requirements under subdivision 4.

4.4 Sec. 4. Minnesota Statutes 2014, section 171.12, subdivision 6, is amended to read:

4.5 Subd. 6. **Certain convictions not recorded.** (a) Except as provided in paragraph  
4.6 (c), the department shall not keep on the record of a driver any conviction for a violation  
4.7 of a speed limit of 55 miles per hour unless the violation consisted of a speed greater than  
4.8 ten miles per hour in excess of the speed limit.

4.9 (b) Except as provided in paragraph (c), the department shall not keep on the record  
4.10 of a driver any conviction for a violation of a speed limit of 60 miles per hour unless the  
4.11 violation consisted of a speed greater than:

4.12 (1) ten miles per hour in excess of the speed limit, for any violation occurring on or  
4.13 after August 1, 2012, and before August 1, 2014; or

4.14 (2) five miles per hour in excess of the speed limit, for any violation occurring on  
4.15 or after August 1, 2014.

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

4.20 Sec. 5. Minnesota Statutes 2014, section 174.185, is amended to read:

4.21 **174.185 PAVEMENT LIFE-CYCLE COST ANALYSIS.**

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

4.24 (a) "Life-cycle cost" is the sum of the cost of the initial pavement project and  
4.25 all anticipated costs for maintenance, repair, and resurfacing over the life of the  
4.26 pavement. Anticipated costs must be based on Minnesota's actual or reasonably projected  
4.27 maintenance, repair, and resurfacing schedules, and costs determined by the Department  
4.28 of Transportation district personnel based upon recently awarded local projects and  
4.29 experience with local material costs.

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

4.32 Subd. 2. **Required analysis.** For each project in the reconditioning, resurfacing,  
4.33 and road repair funding categories, the commissioner shall perform a life-cycle cost  
4.34 analysis and shall document the lowest life-cycle costs and all alternatives considered.

5.1 The commissioner shall document the chosen pavement strategy and, if the lowest life  
5.2 cycle is not selected, document the justification for the chosen strategy. ~~A life-cycle cost~~  
5.3 ~~analysis is required for projects to be constructed after July 1, 2011. For projects to be~~  
5.4 ~~constructed prior to July 1, 2011, when feasible, the department will use its best efforts to~~  
5.5 ~~perform life-cycle cost analyses.~~

5.6 Subd. 3. **Report.** The commissioner shall report ~~annually~~ by January 15 of each  
5.7 year to the chairs and ranking minority members of the senate and house of representatives  
5.8 committees with jurisdiction over transportation finance ~~beginning on January 1, 2012,~~ the  
5.9 results of the analyses required in subdivision 2.

5.10 Sec. 6. Laws 2014, chapter 312, article 11, section 10, the effective date, is amended to  
5.11 read:

5.12 **EFFECTIVE DATE.** This section is effective November 30, ~~2016~~ 2018, and  
5.13 applies to permits issued on and after that date.

5.14 Sec. 7. Laws 2014, chapter 312, article 11, section 11, the effective date, is amended to  
5.15 read:

5.16 **EFFECTIVE DATE.** This section is effective November 30, ~~2016~~ 2018, and  
5.17 applies to permits issued on and after that date.

5.18 Sec. 8. Laws 2014, chapter 312, article 11, section 13, the effective date, is amended to  
5.19 read:

5.20 **EFFECTIVE DATE.** This section is effective November 30, ~~2016~~ 2018, and  
5.21 applies to permits issued on and after that date.

5.22 Sec. 9. Laws 2014, chapter 312, article 11, section 16, the effective date, is amended to  
5.23 read:

5.24 **EFFECTIVE DATE.** This section is effective November 30, ~~2016~~ 2018, and  
5.25 applies to permits issued on and after that date.

5.26 Sec. 10. Laws 2014, chapter 312, article 11, section 18, the effective date, is amended  
5.27 to read:

5.28 **EFFECTIVE DATE.** This section is effective November 30, ~~2016~~ 2018, and  
5.29 applies to permits issued on and after that date.

6.1       Sec. 11. **LEGISLATIVE ROUTE NO. 225 REMOVED.**

6.2             (a) Minnesota Statutes, section 161.115, subdivision 156, is repealed effective the  
6.3 day after the commissioner of transportation receives a copy of the agreement between  
6.4 the commissioner and the governing body of Becker County to transfer jurisdiction of  
6.5 Legislative Route No. 225 and after the commissioner notifies the revisor of statutes  
6.6 under paragraph (b).

6.7             (b) The revisor of statutes shall delete the route identified in paragraph (a) from  
6.8 Minnesota Statutes when the commissioner of transportation sends notice to the revisor  
6.9 electronically or in writing that the conditions required to transfer the route have been  
6.10 satisfied.