

Section 06:
Types of Intrastate
Carriers & Obtaining and
Maintaining Minnesota
Intrastate For-Hire
Operating Authority

### Section 06

## Types of Intrastate Carriers

Minn. Stat. § 221.012 and 221.025

Intrastate transportation is the transportation of passengers or property entirely within one state that is not interstate in nature. There are two types of intrastate carriers in Minnesota: Private Carriers and For-hire Motor Carriers

**Private Carriers:** A private carrier is a person or company that transports property or passengers by motor vehicle when:

- Their primary business is not transportation; and
- The transportation is incidental to and furthers their primary business.

**For-Hire Motor Carriers:** Motor Carrier means a person or company engaged in the for-hire transportation of property or passengers in intrastate commerce. For-hire means for remuneration or compensation of any kind promised, paid, or given to or received by a person or company for the transportation of persons or property on the highways.

For-hire Motor Carrier's must obtain MN Operating Authority, unless exempted (see Exemptions below). The for-hire motor carrier operating authority registration process begins by filing an application with the Office of Freight and Commercial Vehicle Operations (see Section 15).

**Exemptions:** (Minn. Stat. § 221.025): An intrastate for-hire motor carrier is <u>not</u> required to obtain operating authority when exclusively engaged in the transportation described below:

- (1) the transportation of students to or from school or school activities in a school bus inspected and certified under Minn. Stat. § 169.451; and the transportation of children or parents to or from a Head Start facility or Head Start activity in a Head Start bus inspected and certified under Minn. Stat. § 169.451;
- (2) the transportation of solid waste, as defined in Minn. Stat. § 116.06 Subd. 22, including recyclable materials and waste tires, except that the term "hazardous waste" has the meaning given it in Minn. Stat. § 221.012 Subd. 18;
- (3) a commuter van as defined in Minn. Stat. § 221.012 Subd. 9;
- (4) authorized emergency vehicles as defined in Minn. Stat. § 169.011 Subd. 3, including ambulances; and tow trucks equipped with proper

and legal warning devices when picking up and transporting disabled or wrecked motor vehicles or (2) vehicles towed or transported under a towing order issued by a public employee authorized to issue a towing order;

- **(5)** the transportation of grain samples under conditions prescribed by the commissioner;
- (6) the delivery of agricultural lime;
- (7) the transportation of dirt and sod within an area having a 50-mile radius from the home post office of the person performing the transportation;
- (8) the transportation of sand, gravel, bituminous asphalt mix, concrete ready mix, concrete blocks or tile and the mortar mix to be used with the concrete blocks or tile, or crushed rock to or from the point of loading or a place of gathering within an area having a 50-mile radius from that person's home post office or a 50-mile radius from the site of construction or maintenance of public roads and streets;
- (9) the transportation of pulpwood, cordwood, mining timber, poles, posts, decorator evergreens, wood chips, sawdust, shavings, and bark from the place where the products are produced to the point where they are to be used or shipped;
- (10) the transportation of fresh vegetables from farms to canneries or viner stations, from viner stations to canneries, or from canneries to canneries during the harvesting, canning, or packing season, or transporting sugar beets, wild rice, or rutabagas from the field of production to the first place of delivery or unloading, including a processing plant, warehouse, or railroad siding;
- (11) the transportation of unprocessed dairy products in bulk within an area having a 100-mile radius from the home post office of the person providing the transportation;
- (12) the transportation of agricultural, horticultural, dairy, livestock, or other farm products within an area having a 100-mile radius from the person's home post office and the carrier may transport other commodities within the 100-mile radius if the destination of each haul is a farm;
- (13) the transportation of newspapers, telephone books, handbills, circulars, or pamphlets in a vehicle with a gross vehicle weight of 10,000 pounds or less; and
- (14) transportation of potatoes from the field of production, or storage site owned or otherwise controlled by the producer, to the first place of processing.

# Obtaining and Maintaining Minnesota Intrastate For-Hire Operating Authority

Minnesota operating authority is required for those persons engaged in for-hire transportation and certain other transportation providers within the state of Minnesota. Operating authority will not be issued to an applicant with an unsatisfactory USDOT safety rating. Application forms and instructions are available by calling the MnDOT Office of Freight and Commercial Vehicle Operations at 651-366-3700, fax 651-366-3718 or visiting their website at www.mndot.gov/cvo.

## **Certificate of Compliance Minnesota Workers' Compensation Law**

Minnesota Statutes, Section 176.182 requires every state and local licensing agency to withhold the issuance or renewal of license or permit to operate a business or engage in any activity in Minnesota until the applicant presents acceptable evidence of compliance with the workers' compensation insurance coverage requirement of Minnesota Statutes, Chapter 176. The required workers' compensation insurance information is the name of the insurance company, the policy number, and the dates of coverage, or the permit to self-insure. If the required information is not provided or is falsely stated, it shall result in a \$2,000 penalty assessed against the applicant by the commissioner of the Department of Labor and Industry.

There are six types of for-hire carriers in Minnesota:

## Motor Carrier of Property (Minn. Stat. § 221.0251)

Motor Carrier of Property means a motor carrier engaged in the for-hire transportation of property, other than household goods, in Minnesota who has filed a registration statement with the commissioner.

To obtain a Motor Carrier of Property Certificate of Registration, you must:

- Submit a completed registration statement (no fee);
- Complete a certificate of Compliance Minnesota Workers' Compensation Law form;
- Have your insurance company file, with MnDOT, the Uniform Motor Carrier Bodily Injury and Property Damage Liability Certificate of Insurance (Form E) with proper coverage limits: \$100,000/300,000
   Public Liability, \$50,000 Property Damage (You, the Motor Carrier, are responsible for maintaining continuous coverage); and,

 Complete the Initial Motor Carrier Contact (IMCC) education requirement within 90 days of being issued a certificate of registration (https://www.dot.state.mn.us/cvo/education). A motor carrier's authority will be canceled for non-compliance of the IMCC requirement, or if the carrier does not correct any of the causes for suspension listed above within the required time as stated in the notice of suspension and Minn. Stat. §221.185.

A motor carrier's authority of this type will be suspended if the carrier:

- Does not maintain and file required insurance;
- · Receives an unsatisfactory safety rating;
- Fails to pay an administrative penalty, if issued against the carrier;
- Does not comply with DOT audit, if required; and/or,
- Fails to maintain workers' compensation insurance.

#### Household Goods Carriers (Minn. Stat. §221.121)

"Household goods" means personal effects and property used or to be used by the owner in the owner's dwelling.

To obtain Household Goods Permit, you must:

- Submit a completed Household Goods Mover Permit application packet (application, Workers' Compensation form, and the vehicle registration form). You will need a US DOT number to apply for this authority. If you do not already have a US DOT number, see Section 14 for information on how to obtain one.
- Have your insurance company file, with MnDOT, the Uniform Motor Carrier Bodily Injury and Property Damage Liability Certificate of Insurance (Form E) with proper coverage limits: \$100,000/300,000 Public Liability, \$50,000 Property Damage; and, Form H Cargo: minimum coverage of \$50,000. (You, the Carrier, are responsible for maintaining continuous coverage);
- Complete and submit a vehicle registration form, \$75.00 per vehicle for registration fee; and,
- Complete the Initial Motor Carrier Contact (IMCC) training within 90 days of being issued a Household Good Permit (https://www.dot.state.mn.us/cvo/education).

A motor carrier's authority of this type will be suspended if the carrier:

- Does not maintain and file required insurance;
- Does not pay the annual vehicle registration fees and purchase vehicle
   ID cab cards or renew permits as required;
- Receives an unsatisfactory safety rating;
- Fails to pay an administrative penalty, if issued against the carrier;
- Does not comply with DOT audit, if required;
- Fails to maintain workers' compensation insurance; and
- Fails to renew registration.



## Intrastate Authority Cab Card

#### Building Movers (Minn. Stat. § 221.81)

"Building Mover" means a person, corporation (private and for-hire motor carriers), or other entity who raises, supports off the foundation and moves buildings on or over public streets and highways. It does not include moving manufactured or modular homes, farmers moving their own farm buildings or persons moving buildings less than 16 feet wide by 20 feet long.

To be licensed as a Building Mover, you must:

- Submit a completed application for a Building Mover License application packet (application, Workers' Compensation form) (\$150.00 filing fee due at time of application);
- Have your insurance company file, with MnDOT, a Certificate of Insurance with proper coverage limits: \$500,000 Motor Vehicle Liability, \$500,000 General Liability, (Certificate of Insurance filing -Minn. Stat. §221.81, subd. 3(a)). (You, the Carrier, are responsible for maintaining continuous coverage); and,
- Complete and submit a vehicle registration form, \$10.00 per vehicle for registration fee.

A building mover may not move a building on or across a street or highway without first obtaining a permit from the road authority having jurisdiction over the street or highway. Depending upon route, more than one overweight/over-dimension permit may be required.

A motor carrier's authority of this type will be suspended if the carrier:

- Does not maintain and file required insurance;
- Does not pay the annual vehicle registration fees and purchase vehicle ID cab cards or renew permits as required;
- Receives an unsatisfactory safety rating;



Intrastate Motor Carrier of Passengers Certificate

- Fails to pay an administrative penalty, if issued against the carrier;
- Does not comply with DOT audit, if required; and/or,
- Fails to maintain workers' compensation insurance.

#### Motor Carriers of Passengers (Minn. Stat. § 221.0252)

"Motor Carriers of Passengers" are persons engaged in the for-hire transportation of passengers in vehicles designed to transport 8 or more passengers, including the driver.

To obtain Intrastate Passenger Certificate of Registration, you must:

- Submit a completed application (application, Workers' Compensation form);
- Have your insurance company file, with MnDOT, the Uniform Motor Carrier Bodily Injury and Property Damage Liability Certificate of Insurance (Form E) with proper coverage limits: \$5 million (16 or more passengers), \$1.5 million (8 to 15 passengers). (You, the Motor Carrier, are responsible for maintaining continuous coverage);
- Apply for a USDOT number at www.fmcsa.dot.gov/registration (print a copy of your online filing and submit with your completed application);
- Have all Motor Carrier of Passenger vehicles inspected by a certified inspector;
- Complete and submit a Vehicle Registration Form (including a copy of your vehicle inspection report) along with \$75.00 registration fee for each vehicle; and,
- Complete the Initial Motor Carrier Contact (IMCC) training within 90 days of being issued a certificate of authority (https://www.dot.state.mn.us/cvo/education).

Within 90 days, and before issuing an annual renewal of a certificate of registration, an audit will be conducted to check for compliance with the motor carrier safety regulations.

**Note:** (1) Driver criminal background checks must be completed before transporting passengers (see Section 07). (2) "Small vehicle passenger service" is a service provided by a person engaged in the for-hire transportation of passengers in a vehicle designed to transport 7 or fewer persons including the driver other than a limousine. Small vehicle passenger service is regulated by the cities in which they operate and also by the Metropolitan Airport Commission.

A motor carrier's authority of this type will be suspended if the carrier:

- Does not maintain and file required insurance;
- Does not pay the annual vehicle registration fees and purchase vehicle
   ID cab cards or renew permits as required;
- Receives an unsatisfactory safety rating;
- Fails to pay an administrative penalty, if issued against the carrier;
- Does not comply with DOT audit, if required; and/or,
- Fails to maintain workers' compensation insurance;
- Fails to renew registration.

A motor carrier's authority will be canceled for non-compliance of the IMCC requirement, or if the carrier does not correct any of the causes for suspension listed above within the required time as stated in the notice of suspension and Minn. Stat. § 221.185.

Limousine Permit (Minn. Stat. § 221.84 and Minn. Rules Chapter 8880)

"Limousine service" means a service that:

- (1) is not provided on a regular route;
- (2) is provided in a luxury passenger automobile that has a seating capacity of not more than 15 persons, including the driver;
- (3) provides only prearranged pickup; and
- (4) charges more than a taxicab fare for a comparable trip.

Minnesota Rules, Chapter 8880 defines "Luxury passenger automobile" as a passenger automobile that does not have a meter and:

- Has a chassis and wheelbase that have been stretched beyond the length of the manufacturer's original specifications for the vehicle;
- Is a sedan that the manufacturer characterizes as a luxury automobile in sales or promotional material regularly distributed to the public; or
- Is a sedan with an original manufacturer's suggested retail price or present fair market value of more than \$25,000.

Luxury passenger automobile does not include a bus, pickup truck, truck, or taxi cab. Limousines meeting these criteria must be registered and display a decal. The Permit must be kept at the principal place of business and in each vehicle.



Minnesota Limousine Vehicle Decal

**Note:** MN Statute § 168.128 requires that all limousines, other than other than those driven for personal use, must have LM class license plates.

To obtain Intrastate Limousine Authority:

- Submit a completed Limousine Service Permit application packet (application, Workers' Compensation form). (Permit Filing Fee: \$150.00 due at time of application);
- Have your insurance company file, with MnDOT, the Uniform Motor Carrier Bodily Injury and Property Damage Liability Certificate of Insurance (Form E) with the proper amount of insurance; minimum aggregate amount of \$1,500,000 per accident for each limousine covered, \$100,000 Property Damage. You, the Limousine Operator, are responsible for maintaining continuous insurance coverage; and,
- Submit a completed Vehicle Registration Form and copy of your Inspection Report along with \$80.00 per vehicle decal fee (due at time of application).

A motor carrier's authority of this type will be suspended or revoked if the carrier:

- Not in compliance with the insurance requirements;
- Willfully refused to permit an inspection;

- Did not pay, or make arrangements to pay, an administrative penalty, including costs assessed;
- Revocation of permit may occur if: (1) a limousine operator knowingly made a material false or misleading statement in a permit application, (2) if a carrier provided limousine service while the limousine operator's permit was suspended, or (3) the operator does not correct any of the causes for suspension listed above within the required time as stated in the notice of suspension MN Rules 8880.1300. If the operator does not correct any of the causes for suspension listed above within the required time as stated in the notice of suspension MN Rules 8880.1300.

A driver must meet the driver qualification requirements under Minn. Rule §8880.0800 including an initial criminal background check completed before transporting passengers for-hire in a limousine.

**Special Transportation Service** (Minn. Stat. § 174.29, Minn. Stat. § 174.30, Minn. Rule Part 8840).

Motor vehicle transportation provided on a regular basis by a public or private entity or person, that is designed exclusively or primarily to serve individuals who are elderly or disabled and who are unable to use regular means of transportation but do not require ambulance service, and that transportation is provided using, in part, by specially equipped buses, vans, taxis, and volunteers driving private automobiles; and, non-emergency medical transportation services under section 256B.0625, subdivision 17, that are subject to the operating standards for special transportation service under sections 174.29 to 174.30 and Minnesota Rules, chapter 8840, must first be certified by the Office of Freight and Commercial Vehicle Operations. Application forms and instructions are available by calling 651-215-6330.

To obtain Intrastate Special Transportation Services Authority:

- Begin the process to become MnDOT certified (mndot.gov/cvo/sts/newprovider.html);
- Apply to become an active provider (mndot.gov/cvo/sts/newprovider.html);
- Complete the online STS Provider education requirement within 90 days of being issued a certificate of authority (mndot.gov/cvo/education).

An annual audit will be conducted to check for compliance with driver qualification, driver training requirements, and criminal background checks as required by Minn. Stat. § 174.30, subd. 10.

A motor carrier's authority of this type will be suspended if the carrier:

- Fails to correct a violation within 15 days of receiving written notice;
- Operated a special transportation vehicle after the provider has been directed to remove the vehicle from service unless the defect has first been corrected;
- Used a driver or attendant after the provider has been directed by the commissioner to stop using the driver or attendant;
- Fails to permit an inspection as provided in part 8840.5700;
- Fails to maintain insurance as provided in part 8840.6000; and/or
- Fails to pay an administrative penalty, if issued against the carrier;
- Allows an individual to perform services or functions after being notified by the Dept. of Human Services that the individual is disqualified;
- Fails to pay required decal fees; and
- If it is determined that an individual subject to background studies is disqualified or is not on the provider's active roster.

Revocation of the certificate of compliance may occur if a provider:

- Provides special transportation service after the provider's certificate of compliance has been suspended or canceled;
- Provider has committed a pattern of violating the standards that shows a willful or reckless disregard for the health and safety of persons who use special transportation service.

A motor carrier's authority of this type will be canceled if the carrier:

- Fails to renew a certificate of compliance;
- Knowingly made a material statement that was false or fraudulent;
- Fails to maintain insurance after a notice of suspension was issued.

For additional information on obtaining and maintaining Minnesota Intrastate for-hire operating authority please visit our website at <a href="https://www.mndot.gov/cvo.">www.mndot.gov/cvo.</a>

Licensing and	Credentials Issued & Experiation
credentialing	
Building House Movers (New)	Permit/License and cab card expires in 1 year on the last day of the month it was issued.
Building House Movers (Renewal)	Permit/License and cab card expires in 1 year from the current expiration date.
Household Good Movers (New)	Permit/License and cab card expires in 1 year on the last day of the month it was issued.
Household Good Movers (Renewal)	Permit and cab card expires in 1 year from the current expiration date. There is a late fee if not renewed by expiration date.
Limousine Carrier (New)	There is no expiration date for the permit license unless revoked. Decals expire in 1 year on the last day of the month it was issued.
Limousine Carrier (Renewal)	Decals expire in 1 year on the last day of the month it was issued. No renewal of the permit is required.
Passenger (New)	Certificate/license and cab card expires in 1 year on the last day of the month it was issued.
Passenger (Renewal)	Certificate/license and cab card expires in 1 year from the current expiration date. There is a late fee if not renewed by expiration date.
Property Carrier (New)	No expiration date.
STS (New)	Certificate and decal expires in 1 year on the last day of the month it was issued.
STS (Renewal)	Certificate expires in 1 year from the current expiration date. Decal expires in 1 year on the last day of the month it was issued.
STS (Trainers)	Certificate issued for 3 years.
Waivers - All	Expiration based on medical examiners determination.
UCR (Renewal)	Expires annually. Interstate carriers expiration is December 31.