

Agenda #1

1

A bill for an act

2 relating to appropriations; appropriating money for
3 transportation, Metropolitan Council, and public
4 safety activities; providing for general contingent
5 accounts and tort claims; authorizing issuance of
6 trunk highway bonds; modifying provision for handling
7 state mail; modifying vehicle registration tax and fee
8 provisions; increasing fees for motor vehicle
9 transfers and driver and vehicle services;
10 establishing and modifying accounts; abolishing
11 statewide bicycle registration program; exempting
12 certain projects from competitive bidding; authorizing
13 issuance of special license plates; providing for road
14 signs; establishing multimodal transportation fund;
15 increasing tax on motor fuels and allocating proceeds
16 of the increase; reapportioning highway state-aid
17 money to counties; changing vehicle registration tax
18 rates; allocating proceeds of sales tax on motor
19 vehicles; requiring studies and reports; making
20 technical and clarifying revisions; amending Minnesota
21 Statutes 2004, sections 16B.49; 115A.908, subdivision
22 1; 160.294, subdivision 1a; 161.081, subdivision 3;
23 161.14, by adding a subdivision; 162.06, subdivision
24 2; 162.07, subdivision 1, by adding subdivisions;
25 168.011, by adding a subdivision; 168.013,
26 subdivisions 1a, 8; 168.09, subdivision 7; 168.105,
27 subdivisions 2, 3, 5; 168.12; 168.123; 168.1235;
28 168.124; 168.125; 168.1255; 168.127, subdivision 6;
29 168.128; 168.129; 168.1291; 168.1293; 168.1296;
30 168.1297; 168.27, subdivision 11; 168.33; 168.345,
31 subdivisions 1, 2; 168.381; 168.54, subdivisions 4, 5;
32 168A.152, subdivision 2; 168A.29; 168A.31; 169.01,
33 subdivision 78; 169.09, subdivision 13; 169.81,
34 subdivision 3c; 169.8261; 169.851, subdivision 5;
35 169.86, subdivision 5; 169A.60, subdivision 16;
36 171.06, subdivisions 2, 2a; 171.061, subdivision 4;
37 171.07, subdivision 11; 171.13, subdivision 6, by
38 adding a subdivision; 171.20, subdivision 4; 171.26;
39 171.29, subdivision 2; 171.36; 296A.07, subdivision 3;
40 296A.08, subdivision 2; 297B.09, subdivision 1;
41 446A.085, subdivisions 3, 8, by adding a subdivision;
42 469.015, subdivision 4; proposing coding for new law
43 in Minnesota Statutes, chapters 16A; 160; 161; 168;
44 169; 190; 299A; repealing Minnesota Statutes 2004,
45 sections 168.012, subdivision 12; 168.041, subdivision
46 11; 168.105, subdivision 6; 168.231; 168.345,

1 subdivisions 3, 4; 168C.01; 168C.02; 168C.03; 168C.04;
 2 168C.05; 168C.06; 168C.07; 168C.08; 168C.09; 168C.10;
 3 168C.11; 168C.12; 168C.13; 170.23; 171.12, subdivision
 4 8; 171.185; 473.408, subdivision 1; Minnesota Rules,
 5 parts 7407.0100; 7407.0200; 7407.0300; 7407.0400;
 6 7407.0500; 7407.0600; 7407.0700; 7407.0800; 7407.0900;
 7 7407.1000; 7407.1100; 7407.1200; 7407.1300; 7800.0600;
 8 7800.3200, subpart 1; 7805.0700; 8850.6900, subpart
 9 20; 8855.0500, subpart 1.

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

11 ARTICLE 1

12 APPROPRIATIONS

13 TRANSPORTATION AND OTHER AGENCIES

14 Section 1. [APPROPRIATIONS.]

15 The sums shown in the columns marked "APPROPRIATIONS" are
 16 added to, or, if shown in parentheses, are subtracted from the
 17 appropriations to the specified agencies in 2005 S.F. No. 1879,
 18 article 8, if enacted. The appropriations are available for the
 19 fiscal year indicated for each purpose. The figures "2006" and
 20 "2007," where used in this article, mean that the additions to
 21 or subtractions from the appropriations listed under them are
 22 for the year ending June 30, 2006, or June 30, 2007,
 23 respectively. The "first year" is fiscal year 2006. The
 24 "second year" is fiscal year 2007.

25 SUMMARY BY FUND

		2006	2007	TOTAL
26				
27	Trunk Highway	\$ 785,000	\$ -0-	\$ 785,000
28	Special Revenue	\$ 746,000	\$ 1,396,000	\$ 2,142,000
29	TOTAL	\$ 1,531,000	\$ 1,396,000	\$ 2,927,000

30 APPROPRIATIONS
 31 Available for the Year
 32 Ending June 30
 33 2006 2007

34 Sec. 2. TRANSPORTATION

35 Subdivision 1. State Roads -0- -0-

36 This appropriation is from the trunk
 37 highway fund.

38 (a) Infrastructure Investment Support

39 50,000,000 50,000,000

40 (b) State Road Construction

41 (50,000,000) (50,000,000)

42 This reduction reduces the amount of

1 highway user tax revenues necessary to
2 fund the state road construction
3 appropriation.

4 \$1,000,000 of the appropriation for
5 fiscal year 2006 contained in 2005 S.F.
6 No. 1879, article 8, section 2,
7 subdivision 3, paragraph (a), clause
8 (2), if enacted, must be used to
9 construct concrete or cable median
10 safety barriers on interstate or trunk
11 highways within the metropolitan area
12 that do not have existing safety
13 barriers.

14 Subd. 2. Transfers

15 The commissioner of finance shall
16 transfer from the flexible account in
17 the county state-aid highway fund
18 \$7,429,000 the first year and
19 \$5,277,000 the second year to the
20 county principal arterial account in
21 the county state-aid highway fund; and
22 \$2,961,000 the first year and
23 \$2,103,000 the second year to the
24 municipal principal arterial account in
25 the municipal state-aid street fund.

26 Sec. 3. PUBLIC SAFETY 1,531,000 1,396,000

27 Summary by Fund

28 Trunk Highway 785,000 -0-
29 Special Revenue 746,000 1,396,000

30 (a) State Patrol, Patrolling Highways

31 785,000 -0-

32 Of this amount, \$785,000 in the first
33 year is for the purchase of automated
34 external defibrillators for state
35 patrol vehicles.

36 (b) Driver and Vehicle Services

37 246,000 196,000

38 This appropriation is from the vehicle
39 services operating account in the
40 special revenue fund.

41 These amounts must be used for plate
42 production, postage costs, and
43 administration of the Support Our
44 Troops special license plates.

45 (c) Traffic Safety

46 500,000 1,200,000

47 This appropriation is from the driver
48 services operating account in the
49 special revenue fund for traffic safety.

50 \$1,200,000 is added to the budget base
51 for each of fiscal years 2008 and 2009
52 for this appropriation.

1 These amounts must be used for traffic
2 and pedestrian safety, including, but
3 not limited to, producing educational
4 and informational materials on
5 pedestrian crosswalk safety, impaired
6 driving, seat belt usage, speeding, and
7 driver distraction. The commissioner
8 of public safety may make grants to
9 local units of government or use the
10 funds for research related to traffic
11 and pedestrian safety. As part of the
12 next biennial budget submission, the
13 commissioner shall report on the
14 expenditure of these funds and make
15 recommendations regarding the need for
16 continued funding of traffic and
17 pedestrian safety initiatives.

18 ARTICLE 2

19 CAPITAL PROJECTS

20 Section 1. [TRUNK HIGHWAY BOND PROCEEDS ACCOUNT
21 APPROPRIATIONS.]

22 Subdivision 1. [EXTERIOR REPAIR OF TRANSPORTATION
23 BUILDING.] \$9,342,000 is appropriated to the commissioner of
24 transportation from the trunk highway bond proceeds account to
25 repair and renovate the exterior of the Department of
26 Transportation building at 395 John Ireland Boulevard in St.
27 Paul. This appropriation is available until expended.

28 Subd. 2. [MANKATO HEADQUARTERS BUILDING.] \$16,620,000 is
29 appropriated to the commissioner of transportation from the
30 trunk highway bond proceeds account to design, construct,
31 furnish, and equip a new district headquarters facility in
32 Mankato. This appropriation is available until expended.

33 Subd. 3. [SMALL CAPITAL PROJECTS.] \$4,728,000 is
34 appropriated to the commissioner of transportation from the
35 trunk highway bond proceeds account to design, construct,
36 furnish, and equip statewide building projects, consisting of
37 truck stations, salt storage facilities, cold storage
38 facilities, and Mankato headquarters site work. Of this amount,
39 \$600,000 is for the department's share of the feasibility
40 studies, design, site preparation, and upgrade of common utility
41 services for a joint use truck station and public works facility
42 with Pope County. This appropriation is available until
43 expended.

44 Sec. 2. [BOND SALE.]

1 To provide the money appropriated by section 1 from the
2 bond proceeds account in the trunk highway fund, the
3 commissioner of finance shall sell and issue bonds of the state
4 in an amount up to \$30,690,000 in the manner, on the terms, and
5 with the effect prescribed by Minnesota Statutes, sections
6 167.50 to 167.52, and by the Minnesota Constitution, article
7 XIV, section 11.

8 ARTICLE 3

9 PUBLIC SAFETY ACTIVITIES, FEES, ACCOUNTS

10 Section 1. Minnesota Statutes 2004, section 16B.49, is
11 amended to read:

12 16B.49 [CENTRAL MAILING SYSTEM.]

13 (a) The commissioner shall maintain and operate for state
14 agencies, departments, institutions, and offices a central mail
15 handling unit. Official, outgoing mail for units in St. Paul
16 must be delivered unstamped to the unit. The unit shall also
17 operate an interoffice mail distribution system. The department
18 may add personnel and acquire equipment that may be necessary to
19 operate the unit efficiently and cost-effectively. Account must
20 be kept of the postage required on that mail, which is then a
21 proper charge against the agency delivering the mail. To
22 provide funds for the payment of postage, each agency shall make
23 advance payments to the commissioner sufficient to cover its
24 postage obligations for at least 60 days. For purposes of this
25 section, the Minnesota State Colleges and Universities is a
26 state agency.

27 (b) Notwithstanding paragraph (a) or section 16C.09, the
28 commissioner may approve the performance of mail-related
29 functions by an agency outside the state's central mail-handling
30 unit if the agency demonstrates it furthers program
31 effectiveness, better use of services, greater efficiency, or
32 greater economy in state government.

33 Sec. 2. Minnesota Statutes 2004, section 115A.908,
34 subdivision 1, is amended to read:

35 Subdivision 1. [FEE CHARGED.] A fee of \$4 \$10 shall be
36 charged on the initial registration and each subsequent transfer

1 of title within the state, other than transfers for resale
2 purposes, of every motor vehicle weighing more than 1,000
3 pounds. The fee shall be collected ~~in-an-appropriate-manner~~ by
4 the ~~motor-vehicle-registrar~~ commissioner of public safety.
5 Registration plates or certificates of title may not be issued
6 by the ~~motor-vehicle-registrar~~ commissioner of public safety for
7 the ownership or operation of a motor vehicle subject to the
8 transfer fee unless the fee is paid. The fee may not be charged
9 on the transfer of:

10 (1) previously registered vehicles if the transfer is to
11 the same person;

12 (2) vehicles subject to the conditions specified in section
13 297A.70, subdivision 2; or

14 (3) vehicles purchased in another state by a resident of
15 another state if more than 60 days have elapsed after the date
16 of purchase and the purchaser is transferring title to this
17 state and has become a resident of this state after the purchase.

18 Sec. 3. Minnesota Statutes 2004, section 168.011, is
19 amended by adding a subdivision to read:

20 Subd. 2a. [COMMISSIONER.] "Commissioner" means the
21 commissioner of the Department of Public Safety.

22 Sec. 4. Minnesota Statutes 2004, section 168.013,
23 subdivision 8, is amended to read:

24 Subd. 8. [PROCEEDS TO HIGHWAY USER FUND; VEHICLE SERVICES
25 OPERATING ACCOUNT.] (a) Unless otherwise specified in this
26 chapter, the net proceeds of the registration tax imposed on
27 motor-vehicles under this chapter shall must be collected by the
28 registrar-of-motor-vehicles-and commissioner, paid into the
29 state treasury, and credited to the highway user tax
30 distribution fund.

31 (b) All fees collected under this chapter, unless otherwise
32 specified, must be deposited in the vehicle services operating
33 account in the special revenue fund under section 299A.705.

34 Sec. 5. Minnesota Statutes 2004, section 168.09,
35 subdivision 7, is amended to read:

36 Subd. 7. [DISPLAY OF TEMPORARY PERMIT; SPECIAL PLATES.]

1 (a) A vehicle that displays a special plate issued under section
2 168.021; 168.12, subdivision 2, 2a, 2b, 2c, or 2d; 168.123;
3 168.124; 168.125; 168.126; 168.128; or 168.129, may display a
4 temporary permit in conjunction with expired registration if:

5 (1) the current registration tax and all other fees have
6 been paid in full; and

7 (2) the plate requires replacement under section 168.12,
8 subdivision 1, paragraph ~~(b)~~ (d), clause (3).

9 (b) A vehicle that is registered under section 168.10 may
10 display a temporary permit in conjunction with expired
11 registration, with or without a registration ~~license~~ plate, if:

12 (1) the ~~license~~ plates have been applied for and the
13 registration tax has been paid in full, as provided for in
14 section 168.10; and

15 (2) the vehicle is used solely as a collector vehicle while
16 displaying the temporary permit and not used for general
17 transportation purposes.

18 (c) The permit is valid for a period of 60 days. The
19 permit must be in a ~~form~~ format prescribed by the commissioner
20 ~~of-public-safety~~ and whenever practicable must be posted upon
21 the driver's side of the rear window on the inside of the
22 vehicle. The permit is valid only for the vehicle for which it
23 was issued to allow a reasonable time for the new ~~license~~ plates
24 to be manufactured and delivered to the applicant.

25 Sec. 6. Minnesota Statutes 2004, section 168.105,
26 subdivision 2, is amended to read:

27 Subd. 2. [AFFIDAVIT FOR REGISTRATION AND TAXATION.] (a) A
28 classic motorcycle must be ~~listed-for-taxation~~ taxed and
29 registration registered by executed the vehicle owner submitting
30 an affidavit to the commissioner stating (1) the name and
31 address of the owner, (2) the name and address of the person
32 from whom purchased, (3) the make of the classic motorcycle, (4)
33 the year and number of the model, (5) the manufacturer's vehicle
34 identification number, (6) that the motorcycle is owned and
35 operated solely as a collector's item and will not be used for
36 general transportation purposes, and (7) that the owner has one

1 or more motor vehicles with regular license plates.

2 (b) When the registrar commissioner is satisfied that the
3 affidavit is true, correct, and complete and that the owner has
4 paid a \$10 registration tax, the registrar commissioner shall
5 ~~list-the-vehicle-for-taxation-and-registration~~ register the
6 vehicle and ~~shall~~ issue special number plates.

7 Sec. 7. Minnesota Statutes 2004, section 168.105,
8 subdivision 3, is amended to read:

9 Subd. 3. [SPECIAL CLASSIC PLATES.] The registrar
10 commissioner shall issue number plates of the same size as
11 standard motorcycle license plates and inscribed "collector" and
12 "Minnesota" with the registration number or other combination of
13 characters authorized under section 168.12, subdivision 2a, but
14 without a date. The plates are valid without renewal as long as
15 the classic motorcycle exists and may be issued for the
16 applicant's use only for the classic motorcycle. The registrar
17 commissioner may revoke the plates for noncompliance with this
18 subdivision.

19 Sec. 8. Minnesota Statutes 2004, section 168.105,
20 subdivision 5, is amended to read:

21 Subd. 5. [ORIGINAL PLATES.] (a) Instead of being
22 issued ~~special~~ classic motorcycle plates, a classic motorcycle
23 registered under this section may display original Minnesota
24 number plates issued in the same year as the model year of the
25 motorcycle on which they are displayed. The number of on the
26 original plates must be provided to the registrar commissioner.

27 (b) Original Minnesota number plates may not be used if the
28 number on the original plate is identical to the number on a
29 current collector's plate issued by the registrar commissioner.

30 (c) ~~A-person-currently-using-classic-motorcycle-plates~~
31 ~~issued-under-this-section, shall return those plates to the~~
32 ~~registrar before substituting original plates.~~

33 (d) If the vehicle is not registered as a collector
34 vehicle, the registrar ~~may~~ commissioner shall charge a fee of
35 \$10 for registering the number on the original plates.

36 Sec. 9. Minnesota Statutes 2004, section 168.12, is

1 amended to read:

2 168.12 [LICENSE PLATES.]

3 Subdivision 1. [NUMBER PLATES; DESIGN, VISIBILITY, PERIODS
4 OF ISSUANCE.] (a) The registrar commissioner, upon the approval
5 and payment, shall issue to the applicant the number plates
6 required by law this chapter, bearing the state name and the an
7 assigned vehicle registration number assigned. The number
8 assigned by the commissioner may be a combination of a letter or
9 sign with figures. The color of the plates and the color of the
10 abbreviation of the state name and the number assigned ~~shall~~
11 must be in marked contrast. The plates ~~shall~~ must be lettered,
12 spaced, or distinguished to suitably indicate the registration
13 of the vehicle according to the rules of the ~~registrar~~ and
14 commissioner.

15 (b) When a vehicle is registered on the basis of total
16 gross weight, the plates issued ~~shall~~ must clearly indicate by
17 letters or other suitable insignia the maximum gross weight for
18 which the tax has been paid. ~~These-number~~

19 (c) The plates ~~shall~~ must be so treated as to be at least
20 100 times brighter than the conventional painted number plates.
21 When properly mounted on an unlighted vehicle, ~~these-number~~ the
22 plates, when viewed from a vehicle equipped with standard
23 headlights, ~~shall~~ must be visible for a distance of not less
24 than 1,500 feet and readable for a distance of not less than 110
25 feet.

26 ~~(b)~~ (d) The registrar commissioner shall issue these
27 number plates for the following periods:

28 (1) New number plates issued pursuant to section 168.012,
29 subdivision 1, ~~shall~~ must be issued to a vehicle for as long as
30 ~~it~~ the vehicle is owned by the exempt agency and the plate shall
31 not be transferable from one vehicle to another but the plate
32 may be transferred with the vehicle from one tax-exempt agency
33 to another.

34 (2) Plates issued for passenger automobiles ~~as-defined-in~~
35 ~~section-168-0117-subdivision-77~~ shall must be issued for a
36 seven-year period. All plates issued under this paragraph must

1 be replaced if they are seven years old or older at the time
 2 of ~~annual~~ registration renewal or will become so during the
 3 registration period.

4 (3) Number Plates issued under sections 168.053 and 168.27,
 5 subdivisions 16 and 17, ~~shall~~ must be for a seven-year period.

6 (4) Number Plates issued under subdivisions 2c and 2d and
 7 section 168.123 ~~shall~~ must be issued for the life of the veteran
 8 under section 169.79.

9 (5) Plates for any vehicle not specified in clauses (1) to
 10 (3), except for trailers as hereafter provided, ~~shall~~ must be
 11 issued for the life of the vehicle. Beginning with number
 12 plates issued for the year 1981, plates issued for trailers with
 13 a total gross weight of 3,000 pounds or less ~~shall~~ must be
 14 issued for the life of the trailer and ~~shall~~ must be not more
 15 than seven inches in length and four inches in width.

16 ~~(c)~~ (e) In a year in which plates are not issued, the
 17 ~~registrar~~ commissioner shall issue for each registration a tab
 18 or sticker to designate the year of registration. This tab-or
 19 sticker ~~shall~~ must show the ~~calendar~~ year or years for which the
 20 sticker is issued, and is valid only for that period.

21 The number plates, ~~number-tabs-or~~ and stickers issued for a
 22 motor vehicle may not be transferred to another motor vehicle
 23 during the period for which it the sticker is issued, except
 24 when issued for a motor vehicle registered under section 168.187.

25 ~~(d)-Notwithstanding~~ (f) Despite any other provision of this
 26 subdivision, number plates issued to a vehicle which-is used for
 27 behind-the-wheel instruction in a driver education course in a
 28 public school may be transferred to another vehicle used for the
 29 same purpose without payment of any additional fee. The
 30 ~~registrar-shall-be-notified~~ public school shall notify the
 31 commissioner of each transfer of number plates under this
 32 paragraph and. The commissioner may prescribe a form format for
 33 notification.

34 Subd. 2. [AMATEUR RADIO LICENSEE; SPECIAL PLATES.] (a) Any
 35 The commissioner shall issue amateur radio plates to an
 36 applicant who:

1 (1) is an owner or-joint-owner of a passenger automobile,
2 van-or-pickup-truck, or a-self-propelled recreational motor
3 vehicle-and;

4 (2) is a resident of this state-and-who;

5 (3) holds an official amateur radio station license, or a
6 citizens radio service class D license, in good standing, issued
7 by the Federal Communications Commission ~~shall-upon-compliance;~~

8 (4) pays the registration tax required under section
9 168.013;

10 (5) pays a fee of \$10 for each set of special plates and
11 any other fees required by this chapter; and

12 (6) complies with all-laws-of-this-state-relating-to this
13 chapter and rules governing the registration of motor vehicles
14 and the licensing of motor-vehicles-and drivers, be-furnished
15 with-license-plates-for-the-motor-vehicle, as-prescribed-by-law,
16 upon-which;

17 (b) In lieu of the numbers registration number required for
18 identification under subdivision 1, ~~shall-be-inscribed~~ the
19 plates must indicate the official amateur call letters of the
20 applicant, as assigned by the Federal Communications Commission,
21 and the words "AMATEUR RADIO."

22 ~~The-applicant-shall-pay-in-addition-to-the-registration-tax~~
23 ~~required-by-law, the-sum-of-\$10-for-the-special-license-plates,~~
24 ~~and-at-the-time-of-delivery-of-the-special-license-plates-the~~
25 ~~applicant-shall-surrender-to-the-registrar-the-current-license~~
26 ~~plates-issued-for-the-motor-vehicle.~~

27 (c) This provision for the issue of special license plates
28 ~~shall-apply~~ applies only if the applicant's motor vehicle is
29 already registered in Minnesota so that the applicant has valid
30 regular Minnesota plates issued for that motor vehicle under
31 which to operate it during the time that it will take to have
32 the necessary special license plates made.

33 (d) If owning or-jointly-owning more than one motor vehicle
34 of the type specified in this subdivision, the applicant may
35 apply for special plates for each of not more than two motor
36 vehicles, and, if each application complies with this

1 subdivision, the registrar commissioner shall furnish the
 2 applicant with the special plates, ~~inscribed with~~ indicating the
 3 official amateur call letters and other distinguishing
 4 information as the registrar commissioner considers necessary,
 5 for each of the two motor vehicles.

6 (e) And The registrar commissioner may make reasonable
 7 rules governing the use of the special license plates as will
 8 assure the full compliance by the owner ~~and-holder~~ of the
 9 special plates, with all existing laws governing the
 10 registration of motor vehicles, and the transfer and the use
 11 thereof of the plates.

12 ~~(b)~~ (f) Despite any contrary provision of subdivision 1,
 13 the special license plates issued under this subdivision may be
 14 transferred by an owner to another motor vehicle listed in
 15 paragraph (a) and registered to the same owner, upon the payment
 16 of a fee of \$5. The registrar commissioner must be notified of
 17 before the transfer and may prescribe a form format for the
 18 notification.

19 ~~(c)-Fees-collected-under-this-subdivision-must-be-paid-into~~
 20 ~~the-state-treasury-and-credited-to-the-highway-user-tax~~
 21 ~~distribution-fund-~~

22 Subd. 2a. [PERSONALIZED PLATES; RULES.] (a) The
 23 commissioner shall issue personalized license plates ~~must-be~~
 24 ~~issued~~ to an applicant ~~for-registration-of~~ who:

25 (1) is an owner of a passenger automobile including a
 26 passenger automobile registered as a classic car, pioneer car,
 27 collector car, or street rod; ~~van; pickup-truck-as-defined-in~~
 28 ~~section-168.011; subdivision-29;~~ and any other truck with a
 29 manufacturer's nominal rated capacity of one ton or less and
 30 resembling a pickup truck; a motorcycle, including a classic
 31 motorcycle; or ~~self-propelled~~ a recreational motor vehicle, ~~upon~~
 32 ~~compliance-with-the-laws-of-this-state-relating-to-registration~~
 33 ~~of-the-vehicle-and-upon-payment-of;~~

34 (2) pays a onetime fee of \$100 ~~in-addition-to~~ and any other
 35 fees required by this chapter;

36 (3) pays the registration tax required by law this chapter

1 for the motor vehicle; and

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

4 (b) The registrar commissioner shall designate charge a
5 replacement fee for personalized license plates that-is
6 calculated-to-cover-the-cost-of-replacement as specified in
7 subdivision 5. This fee must be paid by the applicant whenever
8 the personalized license plates are required to be replaced by
9 law.

10 (c) In lieu of the numbers registration number assigned as
11 provided in subdivision 1, personalized license plates must have
12 imprinted on them a series of not more than seven numbers and
13 letters in any combination. When an applicant has once obtained
14 personalized plates, the applicant shall have a prior claim for
15 similar personalized plates in the next succeeding year as long
16 as current motor vehicle registration is maintained.

17 (d) The commissioner of-public-safety shall adopt rules in
18 the manner provided by chapter 14, regulating the issuance and
19 transfer of personalized license plates. No words or
20 combination of letters placed on personalized license plates may
21 be used for commercial advertising, be of an obscene, indecent,
22 or immoral nature, or be of a nature that would offend public
23 morals or decency. The call signals or letters of a radio or
24 television station are not commercial advertising for the
25 purposes of this subdivision.

26 ~~(b)-Notwithstanding~~ (e) Despite the provisions of
27 subdivision 1, personalized license plates issued under this
28 subdivision may be transferred to another motor vehicle owned-or
29 jointly listed in paragraph (a) and owned by the applicant, upon
30 the payment of a fee of \$57-which-must-be-paid-into-the-state
31 treasury-and-credited-to-the-highway-user-tax-distribution-fund.

32 (f) The registrar commissioner may by rule provide-a-form
33 specify the format for notification.

34 (g) A personalized license plate issued for a classic car,
35 pioneer car, collector car, street rod, or classic motorcycle
36 may not be transferred to a vehicle not eligible for such

1 a license plate.

2 ~~(c)-Notwithstanding~~ (h) Despite any law to the contrary, if
3 the personalized license plates are lost, stolen, or destroyed,
4 the applicant may apply and ~~shall receive~~ must be issued
5 duplicate license plates bearing the same combination of letters
6 and numbers as the former personalized plates upon the payment
7 of the fee required by section 168.29.

8 ~~(d)-Fees-from-the-sale-of-permanent-and-duplicate~~
9 ~~personalized-license-plates-must-be-paid-into-the-state-treasury~~
10 ~~and-credited-to-the-highway-user-tax-distribution-fund.~~

11 Subd. 2b. [FIREFIGHTERS; SPECIAL PLATES.] (a) The
12 registrar commissioner shall issue special license plates to any
13 applicant who:

14 (1) is both a member of a fire department receiving state
15 aid under chapter 69 and an owner ~~or-joint-owner~~ of a passenger
16 automobile, or truck with a manufacturer's nominal rated
17 capacity of one ton and resembling a pickup truck, ~~upon-payment~~
18 of;

19 (2) pays a fee of \$10 and ~~upon-payment-of~~ any other fees
20 required by this chapter;

21 (3) pays the registration tax required by ~~law~~ this chapter
22 for the motor vehicle ~~and-compliance-with-other-laws-of-this~~
23 ~~state-relating-to;~~ and

24 (4) complies with this chapter and rules governing the
25 registration of motor vehicles and licensing of ~~motor-vehicles~~
26 and drivers.

27 (b) In lieu of the identification required under
28 subdivision 1, the special license plates ~~shall-be-inscribed~~
29 ~~with-a-symbol~~ must bear an emblem of a Maltese Cross together
30 with five any numbers or characters prescribed by the
31 commissioner. No applicant shall receive more than two sets of
32 plates for motor vehicles ~~owned-or-jointly~~ owned by the
33 applicant.

34 ~~(b)~~ (c) Special plates issued under this subdivision may
35 only be used during the period that the owner ~~or-joint-owner~~ of
36 the motor vehicle is a member of a fire department as specified

1 in this subdivision. When the person individual to whom the
2 special plates were issued is no longer a member of a fire
3 department or when the motor vehicle ownership is transferred,
4 the owner shall remove the special license plates shall-be
5 removed from the motor vehicle and-returned-to-the-registrar.
6 Upon return removal of the special plates, either the owner or
7 purchaser of the motor vehicle is entitled to receive regular
8 plates for the motor vehicle without cost for the remainder of
9 the registration period for which the special plates were issued.

10 (d) Firefighter license plates issued pursuant to this
11 subdivision may be transferred to another motor vehicle upon
12 payment of a \$57-which fee shall-be-paid-into-the-state-treasury
13 and-credited-to-the-highway-user-tax-distribution-fund.

14 ~~(c)~~ (e) The commissioner of-public-safety may adopt rules
15 under the Administrative Procedure Act, sections 14.001 to
16 14.69, to govern the issuance and use of the special plates
17 authorized in this subdivision. ~~All-fees-from-the-sale-of~~
18 ~~special-license-plates-for-firefighters-shall-be-paid-into-the~~
19 ~~state-treasury-and-credited-to-the-highway-user-tax-distribution~~
20 ~~fund.~~

21 Subd. 2c. [NATIONAL GUARD; SPECIAL PLATES.] (a) The
22 registrar commissioner shall issue special license plates to any
23 applicant who:

24 (1) is a regularly enlisted, commissioned, or retired
25 member of the Minnesota National Guard, other than an inactive
26 member who is not a retired member, and is an owner or-joint
27 owner of a passenger automobile7-van7-or-pickup-truck-included
28 within-the-definition-of-a-passenger-automobile-upon-payment-of;

29 (2) pays a fee of \$107-payment-of and any other fees
30 required by this chapter;

31 (3) pays the registration tax required by law7-and
32 compliance-with-other-laws-of-this-state-relating-to this
33 chapter; and

34 (4) complies with this chapter and rules governing the
35 registration of motor vehicles and licensing of motor-vehicles
36 and drivers.

1 (b) The adjutant general shall design the emblem for these
 2 special plates subject to the approval of the registrar
 3 commissioner. No

4 (c) An applicant ~~shall~~ must not be issued more than two
 5 sets of plates for motor vehicles ~~owned-or-jointly-owned-by~~
 6 registered to the applicant. ~~The-adjutant-general-shall~~
 7 ~~estimate-the-number-of-special-plates-that-will-be-required-and~~
 8 ~~submit-the-estimate-to-the-registrar.~~

9 (b) (d) Special plates issued under this subdivision may
 10 only be used during the period that the owner ~~or-joint-owner~~ of
 11 the motor vehicle is an active or retired member of the
 12 Minnesota National Guard as specified in this subdivision. When
 13 the person individual to whom the special plates were issued is
 14 no longer an active or retired member of the Minnesota National
 15 Guard, the special plates must be removed from the vehicle and
 16 ~~returned-to~~ by the registrar owner. Upon ~~return~~ removal of
 17 the special plates, either the owner or purchaser of the motor
 18 vehicle is entitled to receive regular plates for the motor
 19 vehicle without cost for the remainder of the registration
 20 period for which the special plates were issued.

21 (e) While the person is an active or retired member of the
 22 Minnesota National Guard, plates issued pursuant to this
 23 subdivision may be transferred to another motor vehicle owned or
 24 jointly-owned by that person individual upon payment of a fee of
 25 \$5.

26 (c) (f) For purposes of this subdivision, "retired member"
 27 means a-person an individual placed on the roll of retired
 28 officers or roll of retired enlisted members in the Office of
 29 the Adjutant General under section 192.18 and who is not
 30 deceased.

31 (d) ~~All-fees-collected-under-the-provisions-of-this~~
 32 ~~subdivision-shall-be-paid-into-the-state-treasury-and-credited~~
 33 ~~to-the-highway-user-tax-distribution-fund.~~

34 (e) (g) The registrar commissioner may adopt rules under
 35 the Administrative Procedure Act to govern the issuance and use
 36 of the special plates authorized by this subdivision.

1 Subd. 2d. [READY RESERVE; SPECIAL PLATES.] (a) The
2 registrar commissioner shall issue special license plates to an
3 applicant who:

4 (1) is not eligible for special license National Guard
5 plates under subdivision 2c, who is a member of the United
6 States Armed Forces Ready Reserve as described in United States
7 Code, title 10, section 10142 or 10143, and is an owner ~~or-joint~~
8 owner of a passenger automobile~~7-van7-or-pickup-truck7-on~~
9 paying;

10 (2) pays a fee of \$107-paying and any other fees required
11 by this chapter;

12 (3) pays the registration tax required by law7-and
13 complying-with-other-laws-of-this-state-relating-to this
14 chapter; and

15 (4) complies with this chapter and rules governing the
16 registration of motor vehicles and licensing of ~~motor-vehicles~~
17 and drivers.

18 (b) The commissioner of veterans affairs shall design the
19 emblem for these special plates subject to the approval of the
20 registrar commissioner. No

21 (c) An applicant may must not be issued more than two sets
22 of plates for motor vehicles owned ~~or-jointly-owned~~ by the
23 applicant. ~~The-commissioner-of-veterans-affairs-shall-estimate~~
24 ~~the-number-of-special-plates-that-will-be-required-and-submit~~
25 ~~the-estimate-to-the-registrar.~~

26 (b) (d) Special plates issued under this subdivision may
27 only be used during the period that the owner ~~or-joint-owner~~ of
28 the motor vehicle is a member of the ready reserve. When the
29 person owner is no longer a member, the special plates must be
30 removed from the motor vehicle ~~and-returned-to-the-registrar~~ by
31 the owner. On ~~returning~~ removing the special plates, either the
32 owner or purchaser of the motor vehicle is entitled to receive
33 regular plates for the motor vehicle without cost for the rest
34 of the registration period for which the special plates were
35 issued. While the person owner is a member of the ready
36 reserve, plates issued under this subdivision may be transferred

1 to another motor vehicle owned or-jointly-owned by that person
2 individual on paying a fee of \$5.

3 ~~(c)-The-fees-collected-under-this-subdivision-must-be-paid~~
4 ~~into-the-state-treasury-and-credited-to-the-highway-user-tax~~
5 ~~distribution-fund-~~

6 (d) (e) The registrar commissioner may adopt rules under
7 the Administrative Procedure Act to govern the issuance and use
8 of the special plates authorized by this subdivision.

9 Subd. 2e. [VOLUNTEER AMBULANCE ATTENDANTS; SPECIAL
10 PLATES.] (a) The registrar commissioner shall issue special
11 license plates to an applicant who:

12 (1) is a volunteer ambulance attendant as defined in
13 section 144E.001, subdivision 15, and ~~who-owns-or-jointly~~ owns a
14 motor vehicle taxed as a passenger automobile.--~~The-registrar~~
15 ~~shall-issue-the-special-plates-on-payment-of;~~

16 (2) pays the registration tax required by ~~law~~ this chapter
17 for the motor vehicle, ~~compliance-with-all-other-applicable-laws~~
18 ~~relating-to;~~

19 (3) pays a fee of \$10 and any other fees required by this
20 chapter; and

21 (4) complies with this chapter and rules governing the
22 registration of motor vehicles and licensing of ~~motor-vehicles~~
23 and drivers, ~~and-payment-of-an-additional-fee-of-\$10.~~

24 (b) The registrar commissioner shall not issue more than
25 two sets of these plates to each qualified applicant.

26 ~~(b)-A-person~~ (c) An individual may use special plates
27 issued under this subdivision only during the period that
28 the person individual is a volunteer ambulance attendant. When
29 the person individual to whom the special plates were issued
30 ceases to be a volunteer ambulance attendant, the person
31 individual shall ~~return~~ remove each set of special plates issued
32 ~~to-that-person~~. When ownership of a the motor vehicle is
33 transferred, the person individual shall remove the special
34 plates from that motor vehicle ~~and-return-them-to-the~~
35 registrar. On ~~return~~ removal of each set of plates, the owner
36 of the motor vehicle, or new owner in case of a

1 transferred motor vehicle, is entitled to receive
2 regular license plates for the motor vehicle without cost for
3 the rest of the registration period for which the set of special
4 plates were issued. Special plates issued under this
5 subdivision may be transferred to another motor vehicle owned by
6 the volunteer ambulance attendant on payment of a fee of \$5.

7 ~~(c) The fees specified in this subdivision must be paid~~
8 ~~into the state treasury and deposited in the highway user tax~~
9 ~~distribution fund.~~

10 (d) The commissioner may adopt rules governing the design,
11 issuance, and sale of the special plates authorized by this
12 subdivision.

13 Subd. 2f. [ORIGINAL LICENSE PLATES.] (a) On application of
14 the owner and in lieu of issuing license plates under
15 subdivision 1 to a motor vehicle registered and taxed as a
16 passenger automobile, the registrar commissioner may assign to
17 the motor vehicle original Minnesota number registration plates
18 issued in the same year as the model year of the motor vehicle,
19 if (1) the original license plates are at least 20 years old,
20 (2) the owner of the motor vehicle has the original license
21 plates in possession at the time of the application, and (3) the
22 owner provides the license plate number to the registrar
23 commissioner.

24 (b) License Plates displayed under this subdivision,
25 including ~~tabs and~~ stickers applied to the plates, must be
26 clearly legible and must be displayed ~~at the front and rear of~~
27 on the motor vehicle.

28 (c) The registrar commissioner shall not assign the
29 registration number on the original license plates to the motor
30 vehicle if the registrar commissioner determines that the number
31 on the original plate is identical to the number on any current
32 license plate in the current or reserved numbering system used
33 by the registrar commissioner. ~~A person currently using license~~
34 ~~plates issued by the registrar on the vehicle shall return those~~
35 ~~license plates to the registrar before displaying original~~
36 ~~license plates under this subdivision.~~

1 (d) ~~Notwithstanding~~ Despite subdivision 1, an original
 2 license plate whose number has been assigned under this
 3 subdivision may be displayed for as long as the license plates,
 4 including tabs and stickers on the plates, are clearly
 5 legible and the number is not subsequently used by the
 6 commissioner as a plate number in a registration numbering
 7 system.

8 (e) ~~Notwithstanding~~ Despite subdivision 1, original license
 9 plates assigned under this subdivision need not bear a tab or
 10 sticker to indicate the month or year of registration if
 11 the motor vehicle carries the registration certificate issued
 12 under section 168.11 at all times when the motor vehicle is
 13 operated on the public highways.

14 (f) The ~~registrar~~ commissioner may charge a fee for
 15 receiving an application and assigning original license plate
 16 numbers.

17 Subd. 5. [ADDITIONAL FEE.] (a) In addition to any fee
 18 otherwise authorized or any tax otherwise imposed upon any motor
 19 vehicle, the payment of which is required as a condition to the
 20 issuance of any number-license plate or plates, the commissioner
 21 ~~of-public-safety~~ shall impose the fee specified in paragraph (b)
 22 that is calculated to cover the cost of manufacturing and
 23 issuing the license plate or plates, except for license plates
 24 issued to disabled veterans as defined in section 168.031 and
 25 license plates issued pursuant to section 168.124, 168.125, or
 26 168.27, subdivisions 16 and 17, for passenger automobiles. The
 27 commissioner shall issue graphic design license plates ~~shall~~
 28 ~~only be-issued~~ for vehicles registered pursuant to section
 29 168.017 and recreational vehicles registered pursuant to section
 30 168.013, subdivision 1g.

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

35 Sequential <u>Regular</u> Double Plate	\$ 4.25
36 Sequential Special Plate-Double	\$ 7.00

1	Sequential <u>Regular</u> Single Plate	\$ 3.00
2	Sequential Special Plate-Single	\$ 5.50
3	<u>Utility Trailer</u> Self-Adhesive Plate	\$ 2.50
4	Nonsequential Double Plate	\$14.00
5	Nonsequential Single Plate	\$10.00
6	Duplicate Sticker	\$ 1.00

7 ~~(c)-Fees-collected-under-this-subdivision-must-be-paid-into~~
8 ~~the-state-treasury-and-credited-to-the-highway-user-tax~~
9 ~~distribution-fund.~~

10 Sec. 10. Minnesota Statutes 2004, section 168.123, is
11 amended to read:

12 168.123 [VETERANS; SPECIAL LICENSE PLATES.]

13 Subdivision 1. [GENERAL REQUIREMENTS; FEES.] (a) On
14 payment of a fee of \$10 for each set of two plates, or for a
15 single plate in the case of a motorcycle plate, payment of the
16 registration tax required by law, and compliance with other laws
17 relating to the registration and licensing of a passenger
18 automobile, ~~pickup-truck, van, self-propelled~~ recreational
19 equipment motor vehicle, or motorcycle, as applicable,
20 the registrar commissioner shall issue:

21 (1) special license veteran's plates to an applicant who
22 served in the active military service in a branch of the armed
23 forces of the United States or of a nation or society allied
24 with the United States in conducting a foreign war, was
25 discharged under honorable conditions, and is ~~an-owner-or-joint~~
26 a registered owner of a passenger automobile, ~~pickup-truck, van,~~
27 or ~~self-propelled~~ recreational equipment motor vehicle; or

28 (2) a veteran's special motorcycle license plate as
29 described in subdivision 2, paragraph (a), or another
30 special license plate designed by the commissioner ~~of-public~~
31 safety to an applicant who is a Vietnam veteran who served after
32 July 1, 1961, and before July 1, 1978, and who served in the
33 active military service in a branch of the armed forces of the
34 United States in conducting a foreign war, was discharged under
35 honorable conditions, and is ~~an-owner-or-joint~~ a registered
36 owner of a motorcycle. Plates issued under this clause must be

1 the same size as standard regular motorcycle license plates.

2 (b) The additional fee of \$10 is payable for each set
3 of veteran's plates, is payable only when the plates are issued,
4 and is not payable in a year in which ~~tabs-or~~ stickers are
5 issued instead of ~~number~~ plates. An applicant must not be
6 issued ~~more-than-two-sets-of~~ plates for more than two motor
7 vehicles listed in paragraph (a) and ~~owned-or-jointly-owned-by~~
8 registered to the applicant.

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

18 Subd. 2. [DESIGN.] The commissioner of veterans affairs
19 shall design the emblem for the veterans' special plates,
20 subject to the approval of the ~~registrar~~ commissioner, that
21 satisfy the following requirements:

22 (a) For a Vietnam veteran who served after July 1, 1961,
23 and before July 1, 1978, the special plates must bear the
24 inscription "VIETNAM VET" and the letters "V" and "V" with the
25 first letter directly above the second letter and both letters
26 just preceding the first numeral of the special license plate
27 number.

28 (b) For a veteran stationed on the island of Oahu, Hawaii,
29 or offshore, during the attack on Pearl Harbor on December 7,
30 1941, the special plates must bear the inscription "PEARL HARBOR
31 SURVIVOR" and the letters "P" and "H" with the first letter
32 directly above the second letter and both letters just preceding
33 the first numeral of the special license plate number.

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

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

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

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

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

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

32 (g) For a veteran who served in the Laos War after July 1,
33 1961, and before July 1, 1978, the special plates must bear the
34 inscription "LAOS WAR VET" and the letters "L" and "V" with the
35 first letter directly above the second letter and both letters
36 just preceding the first numeral of the special license plate

1 number.

2 ~~Subd. 3. [NUMBER ESTIMATED.] The commissioner of veterans~~
 3 ~~affairs shall estimate the number of special plates that will be~~
 4 ~~required and submit the estimate to the registrar.~~

5 Subd. 4. [PLATES TRANSFER.] (a) On payment of a fee of \$5,
 6 plates issued under subdivision 1, paragraph (a), clause (1),
 7 may be transferred to another passenger automobile, pickup
 8 truck, van, or self-propelled recreational equipment owned or
 9 jointly owned by motor vehicle registered to the person
 10 individual to whom the plates were issued.

11 (b) On payment of a fee of \$5, a plate issued under
 12 subdivision 1, paragraph (a), clause (2), may be transferred to
 13 another motorcycle ~~owned or jointly owned by~~ registered to the
 14 person individual to whom the plate was issued.

15 ~~Subd. 5. [FEES CREDITED.] Fees collected under this~~
 16 ~~section must be paid into the state treasury and credited to the~~
 17 ~~highway user tax distribution fund.~~

18 Subd. 6. [RULES.] The registrar commissioner may adopt
 19 rules under the Administrative Procedure Act to govern the
 20 issuance and use of the special plates authorized by this
 21 section.

22 Sec. 11. Minnesota Statutes 2004, section 168.1235, is
 23 amended to read:

24 168.1235 [VETERANS SERVICE GROUPS; ~~SPECIAL STICKERS~~ GROUP
 25 EMBLEMS.]

26 Subdivision 1. [GENERAL REQUIREMENTS; FEES.] (a) On
 27 ~~payment of a fee of \$10 for each set of two license plates,~~
 28 ~~payment of the registration tax required by law, and compliance~~
 29 ~~with other laws relating to the registration and licensing of a~~
 30 ~~passenger automobile, pickup truck, van, or self-propelled~~
 31 ~~recreational vehicle, as applicable,~~ The registrar commissioner
 32 shall issue a special license plate sticker emblem for each
 33 plate to an applicant who:

34 (1) is a member of a congressionally chartered veterans
 35 service organization and is ~~an owner or joint~~ a registered owner
 36 of a passenger automobile, pickup truck, van, or self-propelled

1 recreational vehicle;

2 (2) pays the registration tax required by law;

3 (3) pays a fee of \$10 for each set of two plates, and any
4 other fees required by this chapter; and

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

7 (b) The additional fee of \$10 is payable at the time of
8 initial application for the special license plate stickers
9 emblem and when the license plates must be replaced or renewed.
10 An applicant must not be issued more than two sets of special
11 license plate stickers emblems for motor vehicles listed in
12 paragraph (a) and owned-or-jointly-owned-by registered to the
13 applicant.

14 (c) ~~The commissioner-of-veterans-affairs-shall-determine~~
15 ~~what-documentation-is-required-by-each-applicant-to-show-that~~
16 ~~the-applicant-is-a-member-of-a-congressionally-chartered~~
17 ~~veterans-service-organization-and-is-entitled-to-the-special~~
18 ~~license-plate-stickers applicant must present a valid card~~
19 ~~indicating membership in the American Legion or Veterans of~~
20 ~~Foreign Wars.~~

21 Subd. 2. [DESIGN.] (a) The commissioner of veterans
22 affairs, after consultation with each of the congressionally
23 chartered veterans service organizations, shall design the
24 special license plate stickers emblems, subject to the approval
25 of the registrar commissioner. The emblem~~7-symbol7-or-other~~
26 ~~pictorial-representation-on-the-sticker~~ must be at least as
27 large as the letters and numerals on the plate and the registrar
28 commissioner shall allow for plates with spaces for the stickers
29 emblem in place of a numeral or letter.

30 (b) Each congressionally chartered veterans service
31 organization must arrange for any applicable rules of the
32 national organization to be changed or copyrights to be released
33 before the commissioner may issue special license-plate-stickers
34 emblems to members of any particular service organization under
35 this section.

36 ~~Subd. 3. --[NUMBER ESTIMATED.]--The commissioner-of-veterans~~

1 ~~affairs shall estimate the number of special plate stickers that~~
2 ~~will be required and submit the estimate to the registrar.~~

3 Subd. 4. [PLATE STICKERS EMBLEM TRANSFER.] Notwithstanding
4 Despite section 168.12 or other law to the contrary, on payment
5 of a fee of \$5, the veterans service organization special plate
6 stickers emblems issued under subdivision 1, may be transferred
7 by the owner to other license plates on a passenger automobile,
8 pickup truck, van, or self-propelled recreational vehicle owned
9 or jointly owned by registered to the person to whom the
10 stickers emblems were issued.

11 ~~Subd. 5. --{FEES CREDITED.} Fees collected under this~~
12 ~~section must be paid into the state treasury and credited to the~~
13 ~~highway user tax distribution fund.~~

14 Sec. 12. Minnesota Statutes 2004, section 168.124, is
15 amended to read:

16 168.124 [SPECIAL PLATES FOR MEDAL OF HONOR RECIPIENTS.]

17 Subdivision 1. [ISSUANCE AND DESIGN.] (a) The registrar of
18 motor vehicles commissioner shall issue special license plates
19 bearing the inscription "MEDAL OF HONOR" to an applicant who:
20 (1) is a recipient of the Congressional Medal of Honor and
21 upon the applicant's compliance with the laws of this state
22 relating to;

23 (2) is a registered owner of a passenger automobile,
24 motorcycle, or recreational motor vehicle; and

25 (3) complies with this chapter and rules governing the
26 registration of motor vehicles and licensing of motor vehicles
27 and drivers.

28 (b) The special license plates must be of a design and size
29 determined by the registrar commissioner. Only one set of
30 plates, or a single plate in the case of a motorcycle, bearing
31 the inscription "MEDAL OF HONOR" may be issued for each
32 qualified applicant.

33 Subd. 2. [APPLICATION.] Application for issuance of these
34 plates may be made only at the time of renewal or first
35 application for registration.

36 Subd. 3. [NO FEE.] The registrar commissioner shall issue

1 a set of medal of honor plates to qualified applicants free of
2 charge and the plates must be replaced by ~~the department~~ without
3 charge if they become damaged. In addition, no fee may be
4 charged for a subsequent year when ~~tabs or~~ stickers are issued
5 for that a motor vehicle listed in subdivision 1 on which the
6 ~~special~~ medal of honor plates are placed. The motor vehicle
7 must be for personal use, not commercial purposes.

8 Subd. 4. [TRANSFER.] Despite the provisions of section
9 168.12, subdivision 1, medal of honor plates issued under this
10 section may be transferred to another personal motor vehicle
11 ~~owned or jointly owned by~~ registered to the medal of honor
12 recipient upon notification to the ~~registrar of motor vehicles~~
13 commissioner.

14 Subd. ~~5.~~ ~~{MOTOR VEHICLE, SPECIAL DEFINITION.}~~ For purposes
15 of this section, "motor vehicle" means a vehicle for personal
16 use, not used for commercial purposes, and may include a
17 passenger automobile, van, pickup truck, motorcycle, or
18 recreational vehicle.

19 Subd. ~~6.~~ ~~{WHEN ISSUED.}~~ The registrar of motor vehicles
20 shall begin issuing medal of honor plates for the calendar year
21 ~~1984 and thereafter.~~

22 Sec. 13. Minnesota Statutes 2004, section 168.125, is
23 amended to read:

24 168.125 [SPECIAL LICENSE PLATES FOR FORMER PRISONERS OF
25 WAR.]

26 Subdivision 1. [ISSUANCE AND DESIGN.] (a) The registrar
27 commissioner shall issue special license plates bearing the
28 inscription "EX-POW" to any applicant who:

29 (1) is both a former prisoner of war and an ~~owner or joint~~
30 registered owner of a passenger automobile, motorcycle, or
31 recreational motor vehicle upon the applicant's compliance with
32 all the laws of this state relating to; and

33 (2) complies with this chapter and rules governing the
34 registration of motor vehicles and licensing of ~~motor vehicles~~
35 and drivers.

36 (b) The special license plates shall must be of a design

1 and size to be determined by the commissioner. Only one set of
2 plates, or a single plate in the case of a motorcycle, bearing
3 the "EX-POW" inscription may be issued for ~~only-one-motor~~
4 ~~vehicle-per~~ each qualified applicant.

5 Subd. 1a. [APPLICATION.] Application for issuance of these
6 plates ~~shall~~ must be made at the time of renewal or first
7 application for registration. The application ~~shall~~ must
8 include a certification by the commissioner of veterans affairs
9 that the applicant was a member of the military forces of the
10 United States who was captured, separated, and incarcerated by
11 an enemy of the United States during a period of armed conflict.

12 Subd. 1b. [NO FEE.] The ~~registrar~~ commissioner shall issue
13 a set of EX-POW plates, or a single plate for a motorcycle, to
14 qualified applicants, free of charge ~~for-the-cost-of-the-plates,~~
15 and shall replace them without charge if they become damaged.
16 In addition, no fee may be charged for a subsequent year
17 when ~~tabs-or~~ stickers are issued for that motor vehicle on which
18 the ~~special~~ EX-POW plates are placed.

19 Subd. 1c. [PLATES TRANSFER.] ~~Notwithstanding~~ Despite the
20 provisions of section 168.12, subdivision 1, the special ~~license~~
21 plates issued under this section may be transferred to another
22 motor vehicle ~~owned-or-jointly-owned-by~~ registered to the former
23 prisoner of war upon notification to the ~~registrar-of-motor~~
24 ~~vehicles~~ commissioner.

25 Subd. 1d. [SURVIVING SPOUSE.] Upon the death of a former
26 prisoner of war, the ~~registrar~~ commissioner shall continue to
27 issue free of charge, upon renewal, the special ~~license~~ plates
28 to a motor vehicle owned by the surviving spouse of the former
29 prisoner of war. Special ~~license~~ plates issued to a surviving
30 spouse may be transferred to another motor vehicle ~~owned-by~~
31 registered to the surviving spouse as provided in subdivision
32 1c. No fee may be charged for replacement plates issued to a
33 surviving spouse or for ~~tabs-or~~ stickers issued for the motor
34 vehicle on which the special "EX-POW" plates are placed. A
35 surviving spouse is not exempt from the motor vehicle
36 registration tax.

1 Subd. ~~1e.~~ ~~{MOTOR-VEHICLE; SPECIAL-DEFINITION.}~~ For
2 purposes of this section, "motor vehicle" means a passenger
3 automobile, van, pickup truck, motorcycle, or recreational
4 vehicle.

5 Subd. 2. [SPECIAL PLATES; EX-POW AND DISABILITY
6 INSIGNIA EMBLEMS.] The registrar commissioner shall issue
7 special license plates bearing both the "EX-POW" and
8 disability insignia emblem to any applicant who is entitled to
9 the special license plates provided under this section and who
10 is also entitled to special license plates for the physically
11 disabled under section 168.021 upon compliance with the
12 provisions of both sections. The ~~special-license~~ plates shall
13 must be of a design and size ~~to be~~ determined by the
14 commissioner.

15 Subd. 3. [RULES; COMMISSIONER OF PUBLIC SAFETY.] The
16 commissioner of public safety may ~~promulgate~~ adopt by rule, in
17 accordance with ~~the provisions of~~ chapter 14, the procedures for
18 issuance or transfer of the special license plates authorized
19 under this section.

20 Subd. 4. [RULES; COMMISSIONER OF VETERANS AFFAIRS.] The
21 commissioner of veterans affairs shall establish the procedure
22 for obtaining the certification of former prisoner of war status.

23 Subd. 5. [SAVINGS PROVISION.] Nothing in this section
24 ~~shall alter~~ alters the exemption for disabled war veterans
25 provided for in section 168.031.

26 Sec. 14. Minnesota Statutes 2004, section 168.1255, is
27 amended to read:

28 168.1255 [SPECIAL VETERAN CONTRIBUTION LICENSE PLATES.]

29 Subdivision 1. [GENERAL REQUIREMENTS AND PROCEDURES.]

30 The registrar commissioner shall issue special veteran
31 contribution license plates to an applicant who:

32 (1) is a veteran, as defined in section 197.447;

33 (2) is ~~an owner or joint~~ a registered owner of a passenger
34 automobile, pickup truck, or van;

35 (3) pays a fee of \$10 to cover the costs of handling and
36 manufacturing the plates;

1 (4) pays the registration tax required under section
2 168.013;

3 (5) pays the fees required under this chapter;

4 (6) pays an additional onetime World War II memorial
5 contribution of \$30, which the department shall retain until all
6 start-up costs associated with the development and issuing of
7 the plates have been recovered, after which the commissioner
8 shall deposit contributions in the World War II donation match
9 account; and

10 (7) complies with laws this chapter and rules governing the
11 registration of motor vehicles and licensing of vehicles-and
12 drivers.

13 Subd. 2. [DESIGN.] The commissioner of veterans affairs
14 shall design an emblem for the special plates, subject to the
15 approval of the registrar commissioner of public safety,
16 that satisfy satisfies the following requirements in this
17 subdivision:

18 (1) the special veteran contribution plates must bear the
19 inscription "PROUD TO BE A VETERAN" on the bottom of the plate;
20 and

21 (2) the flag of the United States of America must appear on
22 the left side of the plate just preceding the first letter or
23 numeral of the special license plate number.

24 Subd. 3. [PLATE TRANSFERS.] Notwithstanding Despite
25 section 168.12, subdivision 1, on payment of a transfer fee of
26 \$5, plates issued under this section may be transferred to
27 another passenger automobile, ~~pickup-truck, or van-owned or~~
28 ~~jointly-owned-by~~ registered to the person individual to whom the
29 special veteran contribution plates were issued.

30 Subd. 4. [FEES CREDITED.] ~~The-fees-collected-under-this~~
31 ~~section-must-be-deposited-in-the-state-treasury-and-credited-to~~
32 ~~the-highway-user-tax-distribution-fund.~~ Fees collected under
33 this section do not include the contributions collected for the
34 World War II memorial donation match account.

35 Subd. 5. [RECORD.] The registrar commissioner shall
36 maintain a record of the number of special plates issued under

1 this section.

2 Sec. 15. Minnesota Statutes 2004, section 168.127,
3 subdivision 6, is amended to read:

4 Subd. 6. [FEES.] Instead of the filing fee described in
5 section 168.33, subdivision 7, the applicant for fleet
6 registration shall pay an equivalent administrative fee to the
7 commissioner for each vehicle in the fleet. ~~The administrative~~
8 ~~fee must be deposited in the state treasury and credited to the~~
9 ~~highway user tax distribution fund.~~

10 Sec. 16. Minnesota Statutes 2004, section 168.128, is
11 amended to read:

12 168.128 [LIMOUSINE REGISTRATION, LICENSE PLATES.]

13 Subdivision 1. [UNIQUE LIMOUSINE REGISTRATION CATEGORY.] A
14 unique vehicle registration category is established for
15 limousines ~~as defined in section 168.011, subdivision 35.~~

16 Subd. 2. [LICENSE PLATES.] (a) A person who operates a
17 limousine for other than personal use shall ~~apply to~~ register
18 the motor vehicle as provided in this section.

19 (b) A person who operates a limousine for personal use may
20 apply. The registrar commissioner shall issue limousine ~~license~~
21 ~~plates upon the applicant's compliance with laws relating to~~
22 ~~registration and licensing of motor vehicles and drivers and~~
23 ~~certification by~~ to the registered owner of a limousine who:

24 (1) certifies that an insurance policy under section 65B.13
25 in an aggregate amount of \$300,000 per accident is in effect for
26 the entire period of the registration ~~under section 65B.135.~~
27 ~~The applicant must provide the registrar;~~

28 (2) provides the commissioner with proof that the passenger
29 automobile license tax and a \$10 fee have been paid for each
30 limousine receiving limousine ~~license~~ plates; and

31 (3) complies with this chapter and rules governing the
32 registration of motor vehicles and licensing of drivers.

33 (c) The limousine ~~license~~ plates must be designed to
34 specifically identify the vehicle as a limousine and must be
35 clearly marked with the letters "LM." Limousine ~~license~~ plates
36 may not be transferred upon sale of the limousine, but may be

1 transferred to another limousine owned by the same person upon
2 notifying the registrar commissioner and paying a \$5 transfer
3 fee.

4 Subd. 3. [INSURANCE.] (a) The application must include a
5 certificate of insurance verifying that a valid commercial
6 insurance policy is in effect and giving the name of the
7 insurance company and the number of the insurance policy. The
8 policy must provide stated limits of liability, exclusive of
9 interest and costs, with respect to each motor vehicle for which
10 coverage is granted, of not less than \$100,000 because of bodily
11 injury to one person in any one accident and, subject to said
12 that limit for one person, of not less than \$300,000 because of
13 injury to two or more persons in any one accident and of not
14 less than \$100,000 because of injury to or destruction of
15 property. The insurance company must notify the commissioner if
16 the policy is canceled or if the policy no longer provides the
17 coverage required by this subdivision.

18 (b) The commissioner shall immediately notify the
19 commissioner of transportation if the policy of a person
20 required to have a permit under section 221.84 is canceled or no
21 longer provides the coverage required by this subdivision.

22 ~~Subd. 4. --{FEES CREDITED TO HIGHWAY USER FUND.} Fees~~
23 ~~collected from the sale of license plates under this section~~
24 ~~must be paid into the state treasury and credited to the highway~~
25 ~~user tax distribution fund.~~

26 Sec. 17. Minnesota Statutes 2004, section 168.129, is
27 amended to read:

28 168.129 [SPECIAL COLLEGIATE LICENSE PLATES.]

29 Subdivision 1. [GENERAL REQUIREMENTS AND PROCEDURES.] The
30 commissioner of ~~public safety~~ shall issue special collegiate
31 ~~license~~ plates to an applicant who:

32 (1) is ~~an owner or joint~~ a registered owner of a passenger
33 automobile, ~~pickup truck, or van;~~

34 (2) pays a fee ~~determined by the commissioner~~ as specified
35 in section 168.12, subdivision 5, to cover the costs of handling
36 and manufacturing the plates;

1 (3) pays the registration tax required under section
2 168.013;

3 (4) pays the fees required under this chapter;

4 (5) contributes at least \$25 annually to the scholarship
5 account established in subdivision 6; and

6 (6) complies with ~~laws~~ this chapter and rules governing
7 registration of motor vehicles and licensing of ~~vehicles-and~~
8 drivers.

9 Subd. 2. [DESIGN.] (a) After consultation with each
10 participating college, university, or postsecondary system, the
11 commissioner shall design the an emblem for each special
12 collegiate plates plate.

13 (b) In consultation with the commissioner, a participating
14 college or university annually shall indicate the anticipated
15 number of plates needed.

16 Subd. 3. [NO REFUND.] Contributions under this section
17 must not be refunded.

18 Subd. 4. [PLATES TRANSFER.] Notwithstanding Despite
19 section 168.12, subdivision 1, on payment of a transfer fee of
20 \$5, plates issued under this section may be transferred to
21 another passenger ~~vehicle, pickup, or van owned or jointly owned~~
22 by automobile registered to the person individual to whom the
23 special collegiate plates were issued.

24 Subd. 5. [FEES CREDITED.] ~~The fees collected under this~~
25 ~~section must be deposited in the state treasury and credited to~~
26 ~~the highway user tax distribution fund.~~ Fees collected under
27 this section do not include the contributions collected for the
28 scholarship account.

29 Subd. 6. [SCHOLARSHIP ACCOUNT.] A scholarship account is
30 created in the state treasury. Except for one percent that may
31 be retained by the commissioner ~~of public safety~~ for
32 administrative costs, all contributions received under this
33 section must be deposited by the commissioner in the scholarship
34 account. Money in the scholarship account is appropriated to
35 the governing board of the institution to which it is
36 attributable, as provided in subdivision 7.

1 Subd. 7. [RECORD.] The commissioner shall maintain a
 2 record of the number of license plates issued for each
 3 postsecondary institution or system in order to determine the
 4 amount of scholarship funds available to that institution or
 5 system.

6 Sec. 18. Minnesota Statutes 2004, section 168.1291, is
 7 amended to read:

8 168.1291 [SPECIAL LICENSE PLATES; UNIFORM DESIGN, UNIQUE
 9 EMBLEMS.]

10 Subdivision 1. [DEFINITION.] For purposes of this section
 11 "special license plates" means license plates issued under
 12 sections 168.12, subdivisions 2b and 2e; 168.1235; and 168.129.

13 Subd. 2. [UNIFORM DESIGN OF SPECIAL PLATES.] (a) The
 14 commissioner shall design a single special license plate that
 15 will contain a unique number and a space for a unique symbol
 16 emblem for plates issued under sections 168.12, subdivisions 2b
 17 and 2e; 168.1235; and 168.129. The commissioner shall design a
 18 unique symbol emblem related to the purpose of each
 19 special license plate.

20 (b) Any provision of sections 168.12, subdivisions 2b to
 21 2e; 168.123; and 168.129, that requires the placement of a
 22 specified letter or letters on a special license plate applies
 23 to those license plates only to the extent that the commissioner
 24 includes the letter or letters in the design. Where

25 (c) If a law authorizing a special license plate contains a
 26 specific requirement for graphic design of that license plate,
 27 that requirement applies to the appropriate unique symbol-the
 28 commissioner-designs emblem.

29 Subd. 3. [ISSUANCE OF SPECIAL PLATES WITH UNIQUE
 30 SYMBOLS EMBLEMS.] Notwithstanding Despite section 168.12,
 31 subdivisions 2b to 2e; 168.123; or 168.129, beginning with
 32 special license plates issued in calendar year 1996, the
 33 commissioner shall issue each class of special license plates
 34 permanently marked with specific designs under those laws only
 35 until the commissioner's supply of those license plates is
 36 exhausted. Thereafter the commissioner shall issue under those

1 laws only the license plate authorized under subdivision 2, with
2 the appropriate unique ~~symbol~~ emblem attached.

3 Subd. 4. [FEES.] Notwithstanding Despite section 168.12,
4 subdivisions 2b to 2e; 168.123; or 168.129, the commissioner
5 shall charge a fee of \$10 for each set of license plates issued
6 under this section.

7 Subd. 5. [APPLICATION APPLICABILITY.] This section does
8 not apply to a special motorcycle license plate designed by the
9 registrar commissioner under section 168.123, subdivision 1,
10 clause (2).

11 Sec. 19. Minnesota Statutes 2004, section 168.1293, is
12 amended to read:

13 168.1293 [SPECIAL LICENSE PLATES; AUTHORIZATION;
14 DISCONTINUANCE.]

15 Subdivision 1. [DEFINITION.] For purposes of this section
16 and section 168.1297, "special license plate" means a license
17 plate ~~that-is~~ authorized by ~~law~~ sections 168.12, subdivisions 2b
18 and 2e; 168.1235; and 168.129, to have wording and graphics that
19 differ from a Minnesota passenger vehicle license plate.

20 Subd. 2. [SUBMISSIONS TO DEPARTMENT COMMISSIONER.] (a) A
21 person, legal entity, or other requester, however organized,
22 that plans to seek legislation establishing a new ~~special~~
23 license plate shall submit the following information and fee to
24 the ~~Department-of-Public-Safety~~ commissioner:

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

29 (2) The requester shall submit the results of a scientific
30 sample survey of Minnesota motor vehicle owners that indicates
31 that at least 10,000 motor vehicle owners intend to purchase the
32 proposed plate with the proposed fee or minimum contribution.
33 The requester's plan to undertake the survey must be reported to
34 the ~~department~~ commissioner before the survey is undertaken.
35 The survey must be performed independently of the requester by
36 another person or legal entity, however organized, that conducts

1 similar sample surveys in the normal course of business.

2 (3) The requester shall submit an application fee of
3 \$20,000, to cover the department's cost of reviewing the
4 application for a new plate and developing the new special
5 license plate if authorized by law. State funds may not be used
6 to pay the application fee.

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

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

16 Subd. 3. [DESIGN; REDESIGN.] (a) If the proposed new
17 special license plate sought by the requester is approved by
18 law, the requester shall submit the proposed design for the
19 plate to the department commissioner as soon as practicable, but
20 not later than 120 days after the effective date of the law
21 authorizing issuance of the plate. The department commissioner
22 is responsible for selecting the final design for the
23 special license plate.

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

31 Subd. 4. [REFUND OF FEE.] If the special license plate
32 requested is not authorized in the legislative session at which
33 authorization was sought, the department commissioner shall
34 refund \$17,500 of the application fee to the requester.

35 Subd. 5. [DISCONTINUANCE OF PLATE.] (a) The
36 department commissioner shall discontinue the issuance or

1 renewal of any special license plate authorized by sections
2 168.12, subdivisions 2b and 2e; 168.1235; and 168.129, if (1)
3 fewer than 1,000 sets of those plates are currently registered
4 at the end of the first six years during which the plates are
5 available, or (2) fewer than 1,000 sets of those plates are
6 currently registered at the end of any subsequent two-year
7 period following the first six years of availability.

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

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

20 Subd. 6. [USE OF CONTRIBUTIONS.] Contributions made as a
21 condition of obtaining a special license plate authorized by
22 sections 168.12, subdivisions 2b and 2e; 168.1235; and 168.129,
23 and interest earned on the contributions, may not be spent for
24 commercial or for-profit purposes.

25 Subd. 7. [DEPOSIT OF FEE; APPROPRIATION.] The commissioner
26 shall deposit the application fee under subdivision 2, paragraph
27 (a), clause (3), in the ~~highway-user-tax-distribution-fund~~
28 vehicle services operating account of the special revenue fund
29 under section 299A.705. An amount sufficient to pay the
30 department's cost in implementing and administering this
31 section, including payment of refunds under subdivision 4, is
32 appropriated to the commissioner.

33 Sec. 20. Minnesota Statutes 2004, section 168.1296, is
34 amended to read:

35 168.1296 [SPECIAL CRITICAL HABITAT LICENSE PLATES.]

36 Subdivision 1. [GENERAL REQUIREMENTS AND PROCEDURES.] (a)

1 The registrar commissioner shall issue ~~special~~ critical
2 habitat license plates to an applicant who:

3 (1) is ~~an-owner-or-joint~~ a registered owner of a passenger
4 automobile~~-pickup-truck-or-van~~;

5 (2) pays a fee of \$10 to cover the costs of handling and
6 manufacturing the plates;

7 (3) pays the registration tax required under section
8 168.013;

9 (4) pays the fees required under this chapter;

10 (5) contributes a minimum of \$30 annually to the Minnesota
11 critical habitat private sector matching account established in
12 section 84.943; and

13 (6) complies with ~~laws~~ this chapter and rules governing
14 registration of motor vehicles and licensing of ~~vehicles-and~~
15 drivers.

16 (b) The critical habitat license plate application form
17 must clearly indicate that the annual contribution specified
18 under paragraph (a), clause (5), is a minimum contribution to
19 receive the license plate and that the applicant may make an
20 additional contribution to the account.

21 Subd. 2. [DESIGN.] After consultation with interested
22 groups, the commissioner of natural resources and the
23 registrar commissioner shall jointly select a suitable symbol
24 for use by the registrar commissioner to design the ~~special~~
25 plates.

26 Subd. 3. [NO REFUND.] Contributions under this section
27 must not be refunded.

28 Subd. 4. [PLATE TRANSFERS.] Notwithstanding section
29 168.12, subdivision 1, on payment of a transfer fee of \$5,
30 plates issued under this section may be transferred to another
31 passenger automobile~~-pickup-truck-or-van-owned-or-jointly~~
32 ~~owned-by~~ registered to the person to whom the ~~special~~ plates
33 were issued.

34 Subd. 5. [CONTRIBUTION AND FEES CREDITED.] Contributions
35 under subdivision 1, paragraph (a), clause (5), must be paid to
36 the registrar commissioner and credited to the Minnesota

1 critical habitat private sector matching account established in
2 section 84.943. The fees collected under this section must be
3 deposited in the highway-user-tax-distribution-fund vehicle
4 services operating account of the special revenue fund under
5 section 299A.705.

6 Subd. 6. [RECORD.] The registrar commissioner shall
7 maintain a record of the number of ~~special~~ plates issued under
8 this section.

9 Sec. 21. Minnesota Statutes 2004, section 168.1297, is
10 amended to read:

11 168.1297 [SPECIAL "ROTARY MEMBER" LICENSE PLATES.]

12 Subdivision 1. [GENERAL REQUIREMENTS AND PROCEDURES.]

13 The registrar commissioner shall issue special "Rotary member"
14 license plates to an applicant who:

15 (1) is an-owner-or-joint a registered owner of a passenger
16 automobile~~7-pickup-truck7-or-van~~;

17 (2) pays a fee of \$10 to cover the costs of handling and
18 manufacturing the plates;

19 (3) pays the registration tax required under section
20 168.013;

21 (4) pays the fees required under this chapter;

22 (5) submits proof to the registrar commissioner that the
23 applicant is a member of Rotary International; and

24 (6) complies with ~~laws~~ this chapter and rules governing
25 registration of motor vehicles and licensing of ~~vehicles-and~~
26 drivers.

27 Subd. 2. [DESIGN.] A special license plate under this
28 section consists of a ~~special-license~~ plate as described in
29 section 168.1291 with a unique ~~symbol~~ emblem that is the
30 recognized emblem of Rotary International.

31 Subd. 3. [COMPLIANCE WITH OTHER LAW.] The commissioner
32 shall take no action under this section unless the commissioner
33 determines that Rotary International, or one or more districts
34 of Rotary International, has complied with section 168.1293,
35 subdivision 2, paragraph (a). Issuance and renewal of license
36 plates under this section are subject to section 168.1293,

1 subdivisions 3 to 6.

2 Sec. 22. Minnesota Statutes 2004, section 168.27,
3 subdivision 11, is amended to read:

4 Subd. 11. [DEALER'S LICENSES; LOCATION CHANGE NOTICE;
5 FEE.] (a) Application for a dealer's license or notification of
6 a change of location of the place of business on a dealer's
7 license must include a street address, not a post office box,
8 and is subject to the ~~registrar's~~ commissioner's approval.

9 (b) Upon the filing of an application for a dealer's
10 license and the proper fee, ~~the registrar is authorized,~~ unless
11 the application on its face appears to be invalid, ~~to the~~
12 commissioner shall grant a 90-day temporary license. During the
13 90-day period following issuance of the temporary license,
14 ~~the registrar commissioner shall investigate the fitness of the~~
15 ~~applicant,~~ inspect the place of business site, and ~~make other~~
16 ~~investigation as necessary to~~ insure compliance with the
17 licensing law this section and rules adopted under this section.

18 (c) ~~The registrar commissioner~~ may extend the temporary
19 license 30 days to allow the temporarily licensed dealer to come
20 into full compliance with this section and rules adopted under
21 this section.

22 ~~At the end of the period of investigation~~ (d) In no more
23 than 120 days following issuance of the temporary license, the
24 dealer license must either be granted or denied.

25 (e) A license must be denied under the following conditions:

26 (1) The license must be denied if within the previous ten
27 years the applicant was enjoined due to a violation of section
28 325F.69 or convicted of violating section 325E.14, 325E.15,
29 325E.16, or 325F.69, or convicted under section 609.53 of
30 receiving or selling stolen vehicles, or convicted of violating
31 United States Code, title 15, sections 1981 to 1991, ~~as amended~~
32 ~~through December 31, 1984,~~ or pleaded guilty, entered a plea of
33 nolo contendere or no contest, or has been found guilty in a
34 court of competent jurisdiction of any charge of failure to pay
35 state or federal income or sales taxes or felony charge of
36 forgery, embezzlement, obtaining money under false pretenses,

1 theft by swindle, extortion, conspiracy to defraud, or bribery.

2 (2) The license must also be denied if within the previous
3 year the applicant has been denied a dealer license.

4 (3) A license must also be denied if the applicant has had
5 a dealer license revoked within the previous ten years.

6 (f) If the application is approved, the registrar
7 commissioner shall license the applicant as a motor-vehicle
8 dealer for one year from the date the temporary license is
9 granted and issue a certificate of license that must include a
10 distinguishing number of identification of the dealer. The
11 license must be displayed in a prominent place in the dealer's
12 licensed location place of business.

13 (g) Each initial application for a license must be
14 accompanied by a fee of \$50 \$100 in addition to the annual fee.
15 The annual fee ~~shall be \$100~~ is \$150. ~~All~~ The initial fees and
16 annual fees must be paid into the state treasury and credited to
17 the general fund except that \$50 of each initial and annual fee
18 must be paid into the vehicle services operating account in the
19 special revenue fund under section 299A.705.

20 Sec. 23. [168.326] [EXPEDITED DRIVER AND VEHICLES
21 SERVICES; FEE.]

22 (a) When an applicant requests and pays an expedited
23 service fee of \$20, in addition to other specified and
24 statutorily mandated fees and taxes, the commissioner shall
25 expedite the processing of an application for a driver's
26 license, driving instruction permit, Minnesota identification
27 card, or vehicle title transaction.

28 (b) A driver's license agent or deputy registrar may retain
29 \$10 of the expedited service fee for each expedited service
30 request processed by the licensing agent or deputy registrar.

31 (c) When expedited service is requested, materials must be
32 mailed or delivered to the requestor within three days of
33 receipt of the expedited service fee excluding Saturdays,
34 Sundays, or the holidays listed in section 645.44, subdivision
35 5. The requestor shall comply with all relevant requirements of
36 the requested document.

1 (d) The commissioner may decline to accept an expedited
2 service request if it is apparent at the time it is made that
3 the request cannot be granted.

4 (e) The expedited service fees collected under this section
5 for an application for a driver's license, driving instruction
6 permit, or Minnesota identification card minus any portion
7 retained by a licensing agent or deputy registrar under
8 paragraph (b) must be paid into the driver services operating
9 account in the special revenue fund specified under section
10 299A.705.

11 (f) The expedited service fees collected under this section
12 for a transaction for a vehicle service minus any portion
13 retained by a licensing agent or deputy registrar under
14 paragraph (b) must be paid into the vehicle services operating
15 account in the special revenue fund specified under section
16 299A.705.

17 Sec. 24. [168.327] [DRIVER AND VEHICLE RECORD FEES.]

18 Subdivision 1. [RECORDS AND FEES.] (a) Upon request by any
19 person authorized in this section, the commissioner shall
20 furnish a certified copy of any driver's license record,
21 instruction permit record, Minnesota identification card record,
22 vehicle registration record, vehicle title record, or accident
23 record.

24 (b) Other than accident records governed under section
25 169.09, subdivision 13, the requester shall pay a fee of \$10 for
26 each certified record specified in paragraph (a) or a fee of \$9
27 for each record that is not certified.

28 (c) In addition to the record fee in paragraph (b), the fee
29 for a copy of the history of any vehicle title not in electronic
30 format is \$1 for each page of the historical record.

31 (d) Fees collected under paragraph (b) for driver's
32 license, instruction permit, and Minnesota identification card
33 records must be paid into the state treasury with 50 cents of
34 each fee credited to the general fund. The remainder of the
35 fees collected must be credited to the driver services operating
36 account in the special revenue fund under section 299A.705.

1 (e) Fees collected under paragraphs (b) and (c) for vehicle
2 registration or title records must be paid into the state
3 treasury with 50 cents of each fee credited to the general
4 fund. The remainder of the fees collected must be credited to
5 the vehicle services operating account in the special revenue
6 fund specified in section 299A.705.

7 (f) The commissioner shall permit a person to inquire into
8 a record by the person's own electronic means for a fee of \$4.50
9 for each inquiry, except that no fee may be charged when the
10 requester is the subject of the data.

11 (1) Of the \$4.50 fee, \$2.70 must be deposited in the
12 general fund.

13 (2) For driver's license, instruction permit, or Minnesota
14 identification card records, the remainder must be deposited in
15 the driver services operating account in the special revenue
16 fund under section 299A.705.

17 (3) For vehicle title or registration records, the
18 remainder must be deposited in the vehicle services operating
19 account in the special revenue fund under section 299A.705.

20 (g) Fees and the deposit of the fees for accident records
21 and reports are governed by section 169.09, subdivision 13.

22 Subd. 2. [REQUESTS FOR INFORMATION; SURCHARGE ON FEE.] (a)
23 Except as otherwise provided in subdivision 3, the commissioner
24 shall impose a surcharge of 50 cents on each fee charged by the
25 commissioner under section 13.03, subdivision 3, for copies or
26 electronic transmittals of public information about the
27 registration of a vehicle or an applicant, or holder of a
28 driver's license, instruction permit, or Minnesota
29 identification card.

30 (b) The surcharge only applies to a fee imposed in response
31 to a request made in person or by mail, or to a request for
32 transmittal through a computer modem. The surcharge does not
33 apply to the request of an individual for information about that
34 individual's driver's license, instruction permit, or Minnesota
35 identification card or about vehicles registered or titled in
36 the individual's name.

1 (c) The surcharges collected under this subdivision must be
2 credited to the general fund.

3 Subd. 3. [EXCEPTION TO FEE AND SURCHARGE.] (a)
4 Notwithstanding subdivision 2 or section 13.03, a fee or
5 surcharge may not be imposed in response to a request for public
6 information about the registration of a vehicle if the
7 commissioner is satisfied that:

8 (1) the requester seeks the information on behalf of a
9 community-based, nonprofit organization designated by a local
10 law enforcement agency to be a requester; and

11 (2) the information is needed to identify suspected
12 prostitution law violators, controlled substance law violators,
13 or health code violators.

14 (b) The commissioner shall not require a requester under
15 paragraph (a) to make a minimum number of data requests or limit
16 the requester to a maximum number of data requests.

17 Sec. 25. Minnesota Statutes 2004, section 168.33, is
18 amended to read:

19 168.33 [COMMISSIONER AS REGISTRAR OF MOTOR VEHICLES; DEPUTY
20 REGISTRARS.]

21 Subdivision 1. [REGISTRAR COMMISSIONER'S DUTIES AND
22 POWERS, GENERALLY.] The commissioner of public safety shall be
23 is the registrar of motor vehicles of the state of Minnesota,
24 and shall exercise all the powers granted to and perform all the
25 duties imposed by this chapter. The commissioner of public
26 ~~safety may employ not to exceed eight persons as inspectors,~~ is
27 authorized to obtain information ~~and report to the registrar~~
28 ~~regarding motor~~ about all vehicles subject to taxation under
29 this chapter upon which the tax has not been paid, and to
30 present suitable complaints to courts of competent jurisdiction.

31 Subd. 2. [DEPUTY REGISTRARS.] (a) ~~The registrar may~~
32 ~~appoint, hire, and discharge and fix the compensation of the~~
33 ~~necessary employees, in the manner provided by law, as may be~~
34 ~~required to enable the registrar to properly carry out the~~
35 ~~duties imposed by this chapter.~~ The registrar commissioner may
36 appoint, and for cause discontinue, a deputy registrar for any

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

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

21 (c) The registrar commissioner may appoint, and for cause
22 discontinue, the county auditor of each county as a deputy
23 registrar. ~~Upon approval of the county board, the auditor, with~~
24 ~~the approval of the director of motor vehicles, may appoint, and~~
25 ~~for cause discontinue, the clerk or equivalent officer of each~~
26 ~~statutory or home rule charter city or any other person as a~~
27 ~~deputy registrar as public interest and convenience may require,~~
28 ~~regardless of the appointee's county of residence. At the~~
29 ~~request of the governing body of a statutory or home rule~~
30 ~~charter city, the auditor shall appoint, and may for cause~~
31 ~~discontinue, the clerk or equivalent officer of a city, or~~
32 ~~another officer or employee of the city designated by the~~
33 ~~governing body, as a deputy registrar.~~

34 ~~(1) if the city is a county seat or, if not, is larger than~~
35 ~~the seat of the county in which it is situated, and~~

36 ~~(2) no office of a deputy registrar is situated within the~~

1 ~~city-or-within-15-miles-of-the-city-by-the-most-direct-public~~
 2 ~~route.~~

3 (d) ~~Notwithstanding~~ Despite any other provision, a person
 4 other than a county auditor or a director of a county license
 5 bureau, who was appointed by the registrar before August 1,
 6 1976, as a deputy registrar for any statutory or home rule
 7 charter city, may continue to serve as deputy registrar and may
 8 be discontinued for cause only by the registrar commissioner.
 9 The county auditor who appointed the deputy registrars is
 10 responsible for the acts of deputy registrars appointed by the
 11 auditor.

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

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

21 ~~(e)~~ (g) Until January 1, 2009, a corporation governed by
 22 chapter 302A may be appointed a deputy registrar. Upon
 23 application by an individual serving as a deputy registrar and
 24 the giving of the requisite bond as provided in this
 25 subdivision, personally assured by the individual or another
 26 individual approved by the commissioner ~~of-public-safety~~, a
 27 corporation named in an application ~~shall-become~~ then becomes
 28 the duly appointed and qualified successor to the deputy
 29 registrar. The appointment of any corporation as a deputy
 30 registrar expires January 1, 2009. ~~A-county-board-shall~~
 31 ~~appoint,~~ or The commissioner shall appoint ~~if-the-county-board~~
 32 ~~declines-to-do-so,~~ an individual as successor to the corporation
 33 as a deputy registrar. The ~~county-board-or~~ commissioner shall
 34 appoint as the successor agent to a corporation whose
 35 appointment expires under this paragraph an officer of the
 36 corporation if the officer applies for appointment before July

1 1, 2009.

2 ~~(f)~~ (h) Each deputy registrar appointed under this
3 subdivision shall keep and maintain ~~in a convenient public~~
4 ~~place within or in close proximity to the place for which~~
5 ~~appointed, a registration and motor vehicle tax collection~~
6 ~~bureau, to be approved by the registrar,~~ office locations
7 approved by the commissioner for the registration of motor
8 vehicles and the collection of taxes and fees on motor vehicles.

9 (i) The deputy registrar shall keep records and make
10 reports to the registrar commissioner as the registrar ~~from~~
11 ~~time to time, may require~~ commissioner requires. The records
12 must be maintained at the facility offices of the deputy
13 registrar. The records and facilities offices of the deputy
14 registrar must at all times be open to the inspection of
15 the registrar commissioner or the registrar's commissioner's
16 agents. The deputy registrar shall report to the registrar
17 commissioner by the next working day following receipt all
18 registrations made and taxes and fees collected by the deputy
19 registrar.

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

33 Subd. 2a. [DEPUTY REGISTRARS, CONTINUATION IN OFFICE.]
34 Persons serving as deputy registrars on ~~the effective date of~~
35 ~~this act shall~~ July 1, 1970, continue to hold such office until
36 a successor is duly appointed and qualifies.

1 Subd. 2b. [DEPUTY REGISTRARS, EMPLOYMENT STATUS.] (a)
 2 Deputy registrars, and their employees, who retain the filing
 3 fee in lieu of a salary, shall, after July 1, 1971, be
 4 considered as independent contractors for pension purposes, and
 5 ineligible because of such service for coverage under the
 6 Minnesota State Retirement System or membership in the Public
 7 Employees Retirement Association.

8 (b) Those deputy registrars as defined in this subdivision
 9 who are covered by the Minnesota State Retirement System on June
 10 30, 1971, ~~shall have the option of terminating said~~ may
 11 terminate coverage on July 1, 1971, or ~~of continuing said~~
 12 continue coverage until termination of state service. The form
 13 of the this option and the time for filing ~~shall~~ must be as
 14 prescribed by the board of directors of the system. Those
 15 choosing to continue ~~said~~ coverage, shall provide from the
 16 filing fees retained the employee and employer contributions as
 17 required by chapter 352.

18 Subd. 3. [RECORD OF VEHICLE REGISTRATION; DISCLOSURE.] (a)
 19 The registrar commissioner shall keep a suitable record of all
 20 motor registered vehicles ~~registered in the registrar's office,~~
 21 ~~indexed,~~ according to (1) registration plate number, according
 22 to (2) name of the registered owner, according to (3) make of
 23 motor vehicle and the factory vehicle's identification number,
 24 for ~~such makes as are~~ a vehicle so identified, or according
 25 to, if none, the vehicle's serial number of ~~such makes as are so~~
 26 ~~identified until the manufacturers thereof adopt and use~~
 27 an manufacturer adopts and uses a vehicle identification number,
 28 ~~and according to such other information as the registrar shall~~
 29 ~~deem advisable. Duplicates of the certificate of registration~~
 30 ~~shall be used, until a more efficient system is evolved, to make~~
 31 ~~the registration number and registered owner's indexes herein~~
 32 ~~required, and such other copies as are desirable. The registrar~~
 33 ~~may furnish to any one applying therefor transcripts of such~~
 34 ~~records for not less than the cost of preparing the same,~~
 35 ~~provided, that any sums in excess of such cost received by the~~
 36 ~~registrar for furnishing such transcripts shall be paid by the~~

1 ~~registrar-into-the-state-treasury-~~

2 (b) The commissioner shall furnish to any person applying
3 for a copy of the registration, a copy as specified in section
4 168.327.

5 (c) The registrar commissioner shall also furnish copies
6 thereof vehicle registration records, without charge, to the
7 chiefs of police of-the-cities-of-Minneapolis, St. Paul, and
8 Duluth, county sheriffs, prosecuting attorneys, and other law
9 enforcement agencies with the power to arrest.

10 Subd. 6. [APPLICATION FORMS.] The Every deputy registrar
11 shall provide, in a manner and format prescribed by the
12 registrar, necessary forms and information to deputy
13 registrars. The registrar and deputy registrars shall
14 immediately destroy all number plates surrendered and shall
15 cancel all certificates surrendered use application forms or
16 formats as prescribed by or approved by the commissioner.

17 Subd. 7. [FILING FEE.] (a) In addition to all other
18 statutory fees and taxes, a filing fee of:

19 ~~(i)~~ (1) \$4.50 is imposed on every motor vehicle
20 registration renewal, excluding pro rate transactions; and
21 ~~(ii)~~ (2) \$8.50 is imposed on every other type of vehicle
22 transaction, including pro rate transactions, through June 30,
23 2007, and then \$10 thereafter;

24 except that a filing fee may not be charged for a document
25 returned for a refund or for a correction of an error made by
26 the Department of Public Safety, a licensed auto dealer, or a
27 deputy registrar. The filing fee must be shown as a separate
28 item on all registration renewal notices sent out by the
29 department commissioner. No filing fee or other fee may be
30 charged for the permanent surrender of a ~~certificate of title~~
31 ~~and license plates~~ for a motor vehicle.

32 (b) Filing All of the fees collected by the commissioner
33 under this subdivision by the department paragraph (a), clause
34 (1), must be paid into the state treasury and credited to the
35 highway user tax distribution fund, except fees for
36 registrations of motor vehicles. Filing fees collected for

1 registrations-of-motor-vehicles-in-conjunction-with-a-title
2 transfer-or-first-application-in-this-state-must-be-paid-into
3 the-state-treasury-with-50-percent-of-the-money-credited-to-the
4 general-fund-and-50-percent-credited-to-the-highway-user-tax
5 distribution-fund vehicle services operating account in the
6 special revenue fund under section 299A.705. Of the fee
7 collected under paragraph (a), clause (2), \$3.50 must be paid
8 into the general fund with the remainder of the fee collected by
9 the commissioner deposited into the vehicle services operating
10 account in the special revenue fund under section 299A.705.

11 (c) A motor-vehicle dealer shall retain \$2.50 of each
12 filing fee imposed under this subdivision for a completed
13 transaction involving the sale of a motor vehicle to or by a
14 licensed dealer, if the dealer electronically transmits the
15 transaction to the department commissioner or a deputy registrar.
16 The department commissioner shall develop procedures to
17 implement this subdivision in consultation with the Minnesota
18 Deputy Registrar Association and the Minnesota Automobile
19 Dealers Association. Deputy registrars ~~shall~~ must not be
20 prohibited from receiving and processing required documents
21 supporting an electronic transaction.

22 Subd. 8. [TEMPORARY DISABILITY PERMIT AND FEE.] The
23 registrar commissioner shall allow deputy registrars to
24 implement and follow procedures for processing applications and
25 accepting and remitting fee payments for 30-day temporary
26 disability permits issued under section 169.345, subdivision 3,
27 paragraph (c), that are identical or substantially similar to
28 the procedures required by law or rule for motor vehicle
29 registration and titling transactions.

30 Subd. 9. [RULES.] The commissioner ~~of-public-safety~~ may
31 adopt rules for administering and enforcing this section.

32 Sec. 26. Minnesota Statutes 2004, section 168.345,
33 subdivision 1, is amended to read:

34 Subdivision 1. [INFORMATION BY TELEPHONE.] Information
35 concerning-motor about vehicle registrations shall not be
36 furnished on the telephone to any person except the personnel of

1 law enforcement agencies and the personnel of governmental motor
2 vehicle and registration offices.

3 Sec. 27. Minnesota Statutes 2004, section 168.345,
4 subdivision 2, is amended to read:

5 Subd. 2. [LESSEES; INFORMATION.] The ~~registrar~~
6 commissioner may not furnish information concerning about
7 registered owners of passenger automobiles who are lessees under
8 a lease for a term of 180 days or more to any person except the
9 personnel of law enforcement agencies and federal, state, and
10 local governmental units, and, at the ~~registrar's~~ commissioner's
11 discretion, to persons who use the information to notify lessees
12 of automobile recalls. The ~~registrar~~ commissioner may release
13 information about lessees in the form of summary data, as
14 defined in section 13.02, to persons who use the information in
15 conducting statistical analysis and market research.

16 Sec. 28. Minnesota Statutes 2004, section 168.381, is
17 amended to read:

18 168.381 [MANUFACTURE OF VEHICLE LICENSE PLATES;
19 APPROPRIATIONS.]

20 Subdivision 1. [CORRECTIONAL FACILITIES; OTHER
21 MANUFACTURERS.] (a) ~~License-number~~ Plates required by ~~law~~ this
22 chapter may be manufactured by the Minnesota Correctional
23 Facility-St. Cloud, the Minnesota Correctional
24 Facility-Stillwater, or other facility established by law for
25 the confinement of persons convicted of felony, upon order from
26 the ~~registrar-of-motor-vehicles~~ commissioner. The order must
27 state the quality of material desired in the plates, the plate
28 specifications, and the amount or number desired.

29 (b) Should the commissioner of corrections decide not to
30 supply the required quantity of ~~license~~ plates, or discontinue
31 the manufacture of plates, the commissioner of public safety is
32 authorized to seek other suppliers on a competitive basis.

33 Subd. 2. [LABORATORY TESTING; COSTS.] (a) Materials
34 purchased to be used in the manufacture of ~~motor-vehicle-number~~
35 plates must be tested as to conformance with specifications
36 established by the ~~commissioner of-public-safety~~ in a privately

1 operated laboratory service to be designated by the
2 commissioner. The cost of the laboratory must be included in
3 the cost of materials purchased.

4 (b) The cost of delivery of number plates to the
5 commissioner of-public-safety at places designated by the
6 commissioner must be included in the expenses incurred in their
7 manufacture.

8 Subd. 3. [SPECIFICATIONS.] The commissioner of-public
9 safety shall establish new or revised specifications for the
10 material and equipment used in the manufacture of number plates
11 ordered for manufacture after August 1, 1975, and may from time
12 to time revise the specifications; provided that the
13 specifications conform to the requirements of section 168.12.
14 In establishing new or revised specifications, the commissioner
15 shall consult with and give consideration to the advice and
16 recommendations of representatives of the Minnesota State
17 Patrol, local police officers' associations, and the county
18 sheriffs' association.

19 Subd. 4. [APPROPRIATIONS.] (a) Money appropriated to the
20 Department of Public Safety to procure the plates for any fiscal
21 year or years are is available for allotment, encumbrance, and
22 expenditure from and after the date of the enactment of the
23 appropriation. Materials and equipment used in the manufacture
24 of number plates are subject only to the approval of the
25 commissioner of-public-safety.

26 (b) This section contemplates that money to be appropriated
27 to the Department of Public Safety in-order to carry out the
28 terms and provisions of this section will be appropriated by the
29 legislature from the highway-user-tax-distribution vehicle
30 services operating account in the special revenue fund.

31 ~~(c)-A-sum-sufficient-is-appropriated-annually-from-the~~
32 ~~highway-user-tax-distribution-fund-to-the-commissioner-of-public~~
33 ~~safety-to-pay-the-costs-of-purchasing, delivering, and mailing~~
34 ~~motor-vehicle-license-number-plates, license-plate-registration~~
35 ~~tabs-or-stickers, and license-plate-registration-notices.~~

36 Sec. 29. Minnesota Statutes 2004, section 168.54,

1 subdivision 4, is amended to read:

2 Subd. 4. [TRANSFER FEE.] A fee of \$3 is imposed upon every
3 transfer of ownership by the commissioner ~~of public safety~~ of
4 any motor vehicle for which a registration certificate has
5 heretofore been issued under this chapter, except vehicles sold
6 for the purposes of salvage ~~or~~, dismantling, or permanent
7 removal from the state.

8 Sec. 30. Minnesota Statutes 2004, section 168.54,
9 subdivision 5, is amended to read:

10 Subd. 5. [PROCEEDS TO GENERAL FUND.] The
11 registrar commissioner shall collect the proceeds of the fee
12 imposed under this section and deposit them in the general fund
13 pursuant to section 168A.31.

14 Sec. 31. Minnesota Statutes 2004, section 168A.152,
15 subdivision 2, is amended to read:

16 Subd. 2. [INSPECTION FEE; PROCEEDS TO GENERAL-FUND VEHICLE
17 SERVICES OPERATING ACCOUNT.] (a) A fee of \$20 \$35 must be paid
18 to the department before the department issues a certificate of
19 title for a vehicle that has been inspected and for which a
20 certificate of inspection has been issued pursuant to
21 subdivision 1. The only additional fee that may be assessed for
22 issuing the certificate of title is the filing fee imposed under
23 section 168.33, subdivision 7.

24 (b) Fees Of the fee collected by the department under this
25 subdivision, for conducting inspections under subdivision 1, \$20
26 must be deposited in the general fund and the remainder of the
27 fee collected must be deposited in the vehicle services
28 operating account in the special revenue fund as specified in
29 section 299A.705.

30 Sec. 32. Minnesota Statutes 2004, section 168A.29, is
31 amended to read:

32 168A.29 [FEES.]

33 Subdivision 1. [AMOUNTS.] (a) The department ~~shall~~ must be
34 paid the following fees:

35 (1) for filing an application for and the issuance of an
36 original certificate of title, the sum of \$3 \$5.50 of which

1 \$2.50 must be paid into the vehicle services operating account
2 of the special revenue fund under section 299A.705;

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

9 (3) for the transfer of the interest of an owner and the
10 issuance of a new certificate of title, the sum of ~~\$3~~ \$5.50 of
11 which \$2.50 must be paid into the vehicle services operating
12 account of the special revenue fund under section 299A.705;

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

16 (5) for issuing a duplicate certificate of title, the sum
17 of ~~\$4~~ \$6.50 of which \$2.50 must be paid into the vehicle
18 services operating account of the special revenue fund under
19 section 299A.705.

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

26 Subd. 2. [FEE IN LIEU OF OTHER FEE.] If a person applies
27 for an original or a new certificate of title to a vehicle,
28 concurrently with an application, as transferee, of registration
29 of the vehicle, the fee prescribed in subdivision 1 ~~shall~~ must
30 be in lieu of the fee prescribed by section 168.54, with respect
31 to any transfer of ownership or registration of the vehicle to
32 the applicant.

33 Subd. 3. [NO CERTIFICATE ISSUED UNTIL FEES PAID.] Subject
34 to subdivision 2, the department shall not issue a certificate
35 of title to a vehicle until all fees prescribed by sections
36 168.54 and 168A.10, subdivision 6, with respect to any prior

1 transfer of ownership or registration of the vehicle shall have
2 been paid.

3 Sec. 33. Minnesota Statutes 2004, section 168A.31, is
4 amended to read:

5 168A.31 [DISPOSITION OF FEES; PAYMENT OF EXPENSES.]

6 Subdivision 1. [~~PAID-TO-GENERAL FUND DISTRIBUTION.~~] All
7 fees prescribed by sections 168A.01 to 168A.31 and 168.54
8 collected by the department must be paid into the general fund,
9 unless otherwise specified in chapter 168A.

10 Subd. 2. [EXPENSES; APPROPRIATION.] All necessary expenses
11 incurred by the department for the administration of sections
12 168A.01 to 168A.31 shall must be paid from moneys money in the
13 transfer-of-ownership-revolving vehicle services operating
14 account of the special revenue fund,--and-such-funds-are-hereby
15 appropriated as specified in section 299A.705.

16 Sec. 34. Minnesota Statutes 2004, section 169.09,
17 subdivision 13, is amended to read:

18 Subd. 13. [REPORTS CONFIDENTIAL; EVIDENCE, FEE, PENALTY,
19 APPROPRIATION.] (a) All written reports and supplemental reports
20 information required under this section shall must be for the
21 use of the commissioner of public safety and other appropriate
22 state, federal, county, and municipal governmental agencies for
23 accident analysis purposes, except:

24 (1) the commissioner of public safety or any law
25 enforcement agency shall, upon written request of any person
26 individual involved in an accident or upon written request of
27 the representative of the person's individual's estate,
28 surviving spouse, or one or more surviving next of kin, or a
29 trustee appointed pursuant-to under section 573.02, disclose to
30 the requester, the requester's legal counsel, or a
31 representative of the requester's insurer the report required
32 under subdivision 8;

33 (2) the commissioner of public safety shall, upon written
34 request, provide the driver filing a report under subdivision 7
35 with a copy of the report filed by the driver;

36 (3) the commissioner of public safety may verify with

1 insurance companies vehicle insurance information to enforce
2 sections 65B.48, 169.792, 169.793, 169.796, and 169.797;

3 (4) the commissioner of public safety shall provide the
4 commissioner of transportation the information obtained for each
5 traffic accident involving a commercial motor vehicle, for
6 purposes of administering commercial vehicle safety regulations;
7 and

8 (5) the commissioner of public safety may give to the
9 United States Department of Transportation commercial vehicle
10 accident information in connection with federal grant programs
11 relating to safety.

12 (b) Accident reports and data contained in the reports
13 ~~shall~~ are not be discoverable under any provision of law or rule
14 of court. No report shall be used as evidence in any trial,
15 civil or criminal, or any action for damages or criminal
16 proceedings arising out of an accident, ~~except that~~. However,
17 the commissioner of public safety shall furnish, upon the demand
18 of any person who has, or claims to have, made a report, or
19 upon demand of any court, a certificate showing that a specified
20 accident report has or has not been made to the commissioner
21 solely to prove compliance or failure to comply with the
22 requirements that the report be made to the commissioner.

23 (c) Nothing in this subdivision prevents any person
24 individual who has made a report ~~pursuant to~~ under this section
25 from providing information to any persons individuals involved
26 in an accident or their representatives or from testifying in
27 any trial, civil or criminal, arising out of an accident, as to
28 facts within the ~~person's~~ individual's knowledge. It is
29 intended by this subdivision to render privileged the reports
30 required, but it is not intended to prohibit proof of the facts
31 to which the reports relate.

32 (d) Disclosing any information contained in any accident
33 report, except as provided in this subdivision, section 13.82,
34 subdivision 3 or 6, or other statutes, is a misdemeanor.

35 (e) The commissioner of public safety ~~may~~ shall charge
36 authorized persons as described in paragraph (a) a \$5 fee for a

1 copy of an accident report. Ninety percent of the \$5 fee
2 collected under this paragraph must be deposited in the special
3 revenue fund and credited to the driver services operating
4 account established in section 299A.705 and ten percent must be
5 deposited in the general fund. The commissioner may also
6 furnish ~~copies of the modified accident records~~ an electronic
7 copy of the database of accident records, which must not contain
8 personal or private data on an individual, to private agencies
9 as provided in paragraph (g), for not less than the cost of
10 preparing the copies on a bulk basis as provided in section
11 13.03, subdivision 3.

12 (f) The fees specified in paragraph (e) notwithstanding,
13 the commissioner and law enforcement agencies ~~may~~ shall charge
14 commercial users who request access to response or incident data
15 relating to accidents a fee not to exceed 50 cents per
16 ~~report record.~~ "Commercial user" is a user who in one location
17 requests access to data in more than five accident reports per
18 month, unless the user establishes that access is not for a
19 commercial purpose. Of the money collected by the commissioner
20 under this paragraph is appropriated to the commissioner, 90
21 percent must be deposited in the special revenue fund and
22 credited to the driver services operating account established in
23 section 299A.705 and ten percent must be deposited in the
24 general fund.

25 (g) The fees in paragraphs (e) and (f) notwithstanding, the
26 commissioner ~~may~~ shall provide ~~a modified~~ an electronic copy of
27 the accident records database ~~that does~~ to the public on a
28 case-by-case basis using the cost-recovery charges provided for
29 under section 13.03, subdivision 3. The database provided must
30 not contain ~~names, driver's license numbers, vehicle license~~
31 ~~plate numbers, addresses, or other identifying data to the~~
32 ~~public upon request~~ personal or private data on an individual.
33 However, unless the accident records data base includes
34 the motor vehicle identification number, the commissioner shall
35 include the vehicle ~~license~~ registration plate number if a
36 private agency certifies and agrees that the agency:

1 (1) is in the business of collecting accident and damage
2 information on vehicles;

3 (2) will use the vehicle ~~license~~ registration plate number
4 only for ~~the-purpose-of~~ identifying vehicles that have been
5 involved in accidents or damaged ~~in-order,~~ to provide this
6 information to persons seeking access to a vehicle's history and
7 not for ~~the-purpose-of~~ identifying individuals or for any other
8 purpose; and

9 (3) will be subject to the penalties and remedies under
10 sections 13.08 and 13.09.

11 Sec. 35. Minnesota Statutes 2004, section 169A.60,
12 subdivision 16, is amended to read:

13 Subd. 16. [~~FEES CREDITED TO-HIGHWAY-USER-FUND.~~] Fees
14 collected from the sale or reinstatement of license plates under
15 this section must be paid into the state treasury and credited
16 one-half to the ~~highway-user-tax-distribution-fund~~ vehicle
17 services operating account in the special revenue fund specified
18 in section 299A.705 and one-half to the general fund.

19 Sec. 36. Minnesota Statutes 2004, section 171.06,
20 subdivision 2, is amended to read:

21 Subd. 2. [FEES.] (a) The fees for a license and Minnesota
22 identification card are as follows:

23 Classified Driver's License D-~~\$18-50~~ \$16.50 C-~~\$22-50~~ \$20.50
24 B-~~\$29-50~~ \$27.50 A-~~\$37-50~~ \$35.50
25 Classified Under-21 D.L. D-~~\$18-50~~ \$16.50 C-~~\$22-50~~ \$20.50
26 B-~~\$29-50~~ \$27.50 A-~~\$17-50~~ \$15.50

27 Instruction Permit \$ 9.50
28 Provisional License \$-~~9-50~~ \$7.50
29 Duplicate License or
30 duplicate identification card \$-~~8-00~~ \$6

31 Minnesota identification card or Under-21 Minnesota
32 identification card, other than duplicate,
33 except as otherwise provided in section 171.07,
34 subdivisions 3 and 3a \$~~12-50~~ \$10.50

35 (b) Notwithstanding paragraph (a), ~~a-person~~ an individual
36 who holds a provisional license and has a driving record free of

1 (1) convictions for a violation of section 169A.20, 169A.33,
2 169A.35, or sections 169A.50 to 169A.53, (2) convictions for
3 crash-related moving violations, and (3) convictions for moving
4 violations that are not crash related, shall have a \$3.50 credit
5 toward the fee for any classified under-21 driver's license.
6 "Moving violation" has the meaning given it in section 171.04,
7 subdivision 1.

8 (c) In addition to the driver's license fee required under
9 paragraph (a), the ~~registrar~~ commissioner shall collect an
10 additional \$4 processing fee from each new applicant or ~~person~~
11 individual renewing a license with a school bus endorsement to
12 cover the costs for processing an applicant's initial and
13 biennial physical examination certificate. The department shall
14 not charge these applicants any other fee to receive or renew
15 the endorsement.

16 (d) In addition to the fees required under this section,
17 the registrar shall collect an additional filing fee for each
18 application for a driver's license, provisional license,
19 restricted license, duplicate license, instruction permit,
20 Minnesota identification card, or motorized bicycle operator's
21 permit in the amount of \$5 through June 30, 2007, and then a
22 filing fee of \$6.50 thereafter.

23 Sec. 37. Minnesota Statutes 2004, section 171.06,
24 subdivision 2a, is amended to read:

25 Subd. 2a. [TWO-WHEELED VEHICLE ENDORSEMENT FEE INCREASED.]

26 (a) The fee for any duplicate driver's license which-is obtained
27 for the purpose of adding a two-wheeled vehicle endorsement is
28 increased by \$18.50 for each first such duplicate license and
29 \$13 for each renewal thereof. The additional fee shall must be
30 paid into the state treasury and credited as follows:

31 (1) \$11 of the additional fee for each first duplicate
32 license, and \$7 of the additional fee for each renewal, must be
33 credited to the motorcycle safety fund, which is hereby created;
34 provided, that any ten percent of fee receipts in excess of
35 \$750,000 in a fiscal year shall must be credited 90-percent-to
36 ~~the-trunk-highway-fund-and-ten-percent~~ to the general fund, ~~as~~

1 ~~provided in section 171.26.~~

2 (2) The remainder of the additional fee must be credited to
3 the general fund.

4 (b) All application forms prepared by the commissioner for
5 two-wheeled vehicle endorsements ~~shall~~ must clearly state the
6 amount of the total fee that is dedicated to the motorcycle
7 safety fund.

8 Sec. 38. Minnesota Statutes 2004, section 171.061,
9 subdivision 4, is amended to read:

10 Subd. 4. [FEE; EQUIPMENT.] (a) The agent may charge and
11 retain a filing fee of ~~\$3.50~~ \$5 for each application through
12 June 30, 2007, and then a filing fee of \$6.50 thereafter.

13 Except as provided in paragraph (b), the fee shall cover all
14 expenses involved in receiving, accepting, or forwarding to the
15 department the applications and fees required under sections
16 171.02, subdivision 3; 171.06, subdivisions 2 and 2a; and
17 171.07, subdivisions 3 and 3a.

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

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

1 Retirement Association.

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

7 Sec. 39. Minnesota Statutes 2004, section 171.07,
8 subdivision 11, is amended to read:

9 Subd. 11. [STANDBY OR TEMPORARY CUSTODIAN.] (a) Upon the
10 written request of the applicant and upon payment of an
11 additional fee of \$3.50, the department shall issue a driver's
12 license or Minnesota identification card bearing a symbol or
13 other appropriate identifier indicating that the license holder
14 has appointed an individual to serve as a standby or temporary
15 custodian under chapter 257B.

16 (b) The request must be accompanied by a copy of the
17 designation executed under section 257B.04.

18 (c) The department shall maintain a computerized records
19 system of all ~~persons~~ individuals listed as standby or temporary
20 custodians by driver's license and identification card
21 applicants. This data ~~shall~~ must be released to appropriate law
22 enforcement agencies under section 13.69. Upon a parent's
23 request and payment of a fee of \$3.50, the department shall
24 revise its list of standby or temporary custodians to reflect a
25 change in the appointment.

26 (d) At the request of the license or cardholder, the
27 department shall cancel the standby or temporary custodian
28 indication without additional charge. However, this paragraph
29 does not prohibit a fee that may be applicable for a duplicate
30 or replacement license or card, renewal of a license, or other
31 service applicable to a driver's license or identification card.

32 (e) Notwithstanding sections 13.08, subdivision 1, and
33 13.69, the department and department employees are conclusively
34 presumed to be acting in good faith when employees rely on
35 statements made, in person or by telephone, by persons
36 purporting to be law enforcement and subsequently release

1 information described in paragraph (b). When acting in good
 2 faith, the department and department personnel are immune from
 3 civil liability and not subject to suit for damages resulting
 4 from the release of this information.

5 (f) The department and its employees:

6 (1) have no duty to inquire or otherwise determine whether
 7 a designation submitted under this subdivision is legally valid
 8 and enforceable; and

9 (2) are immune from all civil liability and not subject to
 10 suit for damages resulting from a claim that the designation was
 11 not legally valid and enforceable.

12 (g) Of the fees received by the department under this
 13 subdivision:

14 (1) ~~Up to \$111,000 received in fiscal year 1997 and up to~~
 15 \$61,000 received ~~in subsequent fiscal years~~ must be deposited in
 16 the general fund.

17 (2) All other fees must be deposited in the trunk-highway
 18 driver services operating account in the special revenue fund
 19 specified in section 299A.705.

20 Sec. 40. Minnesota Statutes 2004, section 171.13,
 21 subdivision 6, is amended to read:

22 Subd. 6. [INITIAL MOTORCYCLE ENDORSEMENT FEE.] A person
 23 applying for an initial motorcycle endorsement on a driver's
 24 license shall pay at the place of examination a total fee of
 25 \$21, which includes the examination fee and endorsement fee, but
 26 does not include the fee for a duplicate driver's license
 27 prescribed in section 171.06, subdivision 2. Of this amount,
 28 \$11 must be credited as provided in section 171.06, subdivision
 29 2a, paragraph (a), clause (1), \$2.50 must be credited to
 30 the trunk-highway driver services operating account in the
 31 special revenue fund specified under section 299A.705, and the
 32 remainder must be credited to the general fund.

33 Sec. 41. Minnesota Statutes 2004, section 171.13, is
 34 amended by adding a subdivision to read:

35 Subd. 7. [REPEAT EXAMINATION FEE.] (a) A fee of \$10 must
 36 be paid by an individual to take a third and any subsequent

1 knowledge test administered by the department if the individual
2 has failed two previous consecutive knowledge tests on the
3 subject.

4 (b) A fee of \$20 must be paid by an individual to take a
5 third and any subsequent skills or road test administered by the
6 department if the individual has previously failed two
7 consecutive skill or road tests in a specified class of motor
8 vehicle.

9 (c) All fees received under this subdivision must be paid
10 into the state treasury and credited to the driver services
11 operating account in the special revenue fund specified under
12 section 299A.705.

13 Sec. 42. Minnesota Statutes 2004, section 171.20,
14 subdivision 4, is amended to read:

15 Subd. 4. [REINSTATEMENT FEE.] (a) Before the license is
16 reinstated, (1) a-person an individual whose driver's license
17 has been suspended under section 171.16, subdivision 2; 171.18,
18 except subdivision 1, clause (10); or 171.182, or who has been
19 disqualified from holding a commercial driver's license under
20 section 171.165, and (2) a-person an individual whose driver's
21 license has been suspended under section 171.186 and who is not
22 exempt from such a fee, must pay a fee of \$20.

23 (b) Before the license is reinstated, a-person an
24 individual whose license has been suspended under sections
25 169.791 to 169.798 must pay a \$20 reinstatement fee.

26 (c) When fees are collected by a licensing agent appointed
27 under section 171.061, a handling charge is imposed in the
28 amount specified under section 171.061, subdivision 4. The
29 reinstatement fee and surcharge must be deposited in an approved
30 state depository as directed under section 171.061, subdivision
31 4.

32 (d) A suspension may be rescinded without fee for good
33 cause.

34 Sec. 43. Minnesota Statutes 2004, section 171.26, is
35 amended to read:

36 171.26 [MONEY CREDITED TO FUNDS.]

1 All money received under this chapter must be paid into the
 2 state treasury and credited to the trunk-highway driver services
 3 operating account in the special revenue fund specified under
 4 section 299A.705, except as provided in sections 171.06,
 5 subdivision 2a; 171.07, subdivision 11, paragraph (g); ~~171.12,~~
 6 ~~subdivision-8,~~ and 171.29, subdivision 2, paragraph (b).

7 Sec. 44. Minnesota Statutes 2004, section 171.29,
 8 subdivision 2, is amended to read:

9 Subd. 2. [REINSTATEMENT FEES AND SURCHARGES ALLOCATED AND
 10 APPROPRIATED.] (a) ~~A person~~ An individual whose driver's license
 11 has been revoked as provided in subdivision 1, except under
 12 section 169A.52, 169A.54, or 609.21, ~~shall~~ must pay a \$30 fee
 13 before the driver's license is reinstated.

14 (b) A person whose driver's license has been revoked as
 15 provided in subdivision 1 under section 169A.52, 169A.54, or
 16 609.21, ~~shall~~ must pay a \$250 fee plus a \$40 surcharge before
 17 the driver's license is reinstated. Beginning July 1, 2002, the
 18 surcharge is \$145. Beginning July 1, 2003, the surcharge is
 19 \$430. The \$250 fee is to be credited as follows:

20 (1) Twenty percent must be credited to the trunk-highway
 21 driver services operating account in the special revenue fund as
 22 specified in section 299A.705.

23 (2) Sixty-seven percent must be credited to the general
 24 fund.

25 (3) Eight percent must be credited to a separate account to
 26 be known as the Bureau of Criminal Apprehension account. Money
 27 in this account may be appropriated to the commissioner of
 28 public safety and the appropriated amount must be apportioned 80
 29 percent for laboratory costs and 20 percent for carrying out the
 30 provisions of section 299C.065.

31 (4) Five percent must be credited to a separate account to
 32 be known as the vehicle forfeiture account, which is created in
 33 the special revenue fund. The money in the account is annually
 34 appropriated to the commissioner for costs of handling vehicle
 35 forfeitures.

36 (c) The revenue from \$50 of each surcharge must be credited

1 to a separate account to be known as the traumatic brain injury
2 and spinal cord injury account. The money in the account is
3 annually appropriated to the commissioner of health to be used
4 as follows: 83 percent for contracts with a qualified
5 community-based organization to provide information, resources,
6 and support to assist persons with traumatic brain injury and
7 their families to access services, and 17 percent to maintain
8 the traumatic brain injury and spinal cord injury registry
9 created in section 144.662. For the purposes of this
10 ~~clause~~ paragraph, a "qualified community-based organization" is
11 a private, not-for-profit organization of consumers of traumatic
12 brain injury services and their family members. The
13 organization must be registered with the United States Internal
14 Revenue Service under section 501(c)(3) as a tax-exempt
15 organization and must have as its purposes:

16 (i) the promotion of public, family, survivor, and
17 professional awareness of the incidence and consequences of
18 traumatic brain injury;

19 (ii) the provision of a network of support for persons with
20 traumatic brain injury, their families, and friends;

21 (iii) the development and support of programs and services
22 to prevent traumatic brain injury;

23 (iv) the establishment of education programs for persons
24 with traumatic brain injury; and

25 (v) the empowerment of persons with traumatic brain injury
26 through participation in its governance.

27 ~~No~~ A patient's name, identifying information, or identifiable
28 medical data ~~will~~ must not be disclosed to the organization
29 without the informed voluntary written consent of the patient or
30 patient's guardian or, if the patient is a minor, of the parent
31 or guardian of the patient.

32 (d) The remainder of the surcharge must be credited to a
33 separate account to be known as the remote electronic
34 alcohol-monitoring program account. The commissioner shall
35 transfer the balance of this account to the commissioner of
36 finance on a monthly basis for deposit in the general fund.

1 (e) When these fees are collected by a licensing agent,
 2 appointed under section 171.061, a handling charge is imposed in
 3 the amount specified under section 171.061, subdivision 4. The
 4 reinstatement fees and surcharge must be deposited in an
 5 approved state depository as directed under section 171.061,
 6 subdivision 4.

7 Sec. 45. Minnesota Statutes 2004, section 171.36, is
 8 amended to read:

9 171.36 [LICENSE RENEWAL; FEES; PROCEEDS TO TRUNK-HIGHWAY
 10 FUND DRIVER SERVICES OPERATING ACCOUNT.]

11 All licenses shall expire one year from the date of
 12 issuance and may be renewed upon application to the
 13 commissioner. Each application for an original or renewal
 14 school license shall must be accompanied by a fee of \$150 and
 15 each application for an original or renewal instructor's license
 16 shall must be accompanied by a fee of \$50. The license fees
 17 collected under sections 171.33 to 171.41 shall must be paid
 18 into the trunk-highway driver services operating account in the
 19 special revenue fund specified under section 299A.705. No A
 20 license fee shall must not be refunded in the event that the
 21 license is rejected or revoked.

22 Sec. 46. [299A.705] [DRIVER AND VEHICLE SERVICES OPERATING
 23 ACCOUNTS.]

24 Subdivision 1. [VEHICLE SERVICES OPERATING ACCOUNT.] (a)
 25 The vehicle services operating account is created in the special
 26 revenue fund, consisting of all money from the vehicle services
 27 fees specified in chapters 168 and 168A and any other money
 28 otherwise donated, allotted, appropriated, or legislated to this
 29 account.

30 (b) Funds appropriated are available to administer vehicle
 31 services as specified in chapters 168 and 168A and section
 32 169.345, including:

33 (1) designing, producing, issuing, and mailing vehicle
 34 registrations, plates, emblems, and titles;

35 (2) collecting title and registration taxes and fees;

36 (3) transferring vehicle registration plates and titles;

- 1 (4) maintaining vehicle records;
- 2 (5) issuing disability certificates and plates;
- 3 (6) licensing vehicle dealers;
- 4 (7) appointing, monitoring, and auditing deputy registrars;
- 5 and
- 6 (8) inspecting vehicles when required by law.

7 Subd. 2. [DRIVER SERVICES OPERATING ACCOUNT.] (a) The
 8 driver services operating account is created in the special
 9 revenue fund, consisting of all money collected under chapter
 10 171 and any other money otherwise donated, allotted,
 11 appropriated, or legislated to the account.

12 (b) Money in the account must be used by the commissioner
 13 of public safety to administer the driver services specified in
 14 chapters 169A and 171, including the activities associated with
 15 producing and mailing drivers' licenses and identification cards
 16 and notices relating to issuance, renewal, or withdrawal of
 17 driving and identification card privileges for any fiscal year
 18 or years and for the testing and examination of drivers. Money
 19 in the account may also be used for driver and traffic safety
 20 activities.

21 Sec. 47. [INSTRUCTION TO REVISOR.]

22 (a) In the statute listed in column A, the revisor shall
 23 change the reference in column B to the reference shown in
 24 column C:

<u>A</u>	<u>B</u>	<u>C</u>
<u>168.181,</u>	<u>sections 168.181</u>	<u>this section and</u>
<u>subdivision 1</u>	<u>to 168.231</u>	<u>sections 168.183</u>
		<u>to 168.221</u>
<u>168.211</u>	<u>168.231</u>	<u>168.221</u>
<u>168.221</u>	<u>168.231</u>	<u>168.211 and this</u>
		<u>section</u>
<u>168.346</u>	<u>168.345,</u>	<u>168.327,</u>
	<u>subdivision 4</u>	<u>subdivision 3</u>

34 (b) The revisor of statutes shall renumber Minnesota
 35 Statutes, section 168.33, subdivision 3, as section 168.0185.

36 (c) The revisor of statutes shall also correct any

1 references in Minnesota Rules to the rules repealed or
2 renumbered by this act, as appropriate.

3 Sec. 48. [REPEALER.]

4 (a) Minnesota Statutes 2004, sections 168.012, subdivision
5 12; 168.041, subdivision 11; 168.105, subdivision 6; 168.231;
6 168.345, subdivisions 3 and 4; 170.23; 171.12, subdivision 8;
7 171.185; and 473.408, subdivision 1, are repealed.

8 (b) Minnesota Statutes 2004, sections 168C.01; 168C.02;
9 168C.03; 168C.04; 168C.05; 168C.06; 168C.07; 168C.08; 168C.09;
10 168C.10; 168C.11; 168C.12; and 168C.13, are repealed.

11 (c) Minnesota Rules, parts 7407.0100; 7407.0200; 7407.0300;
12 7407.0400; 7407.0500; 7407.0600; 7407.0700; 7407.0800;
13 7407.0900; 7407.1000; 7407.1100; 7407.1200; and 7407.1300, are
14 repealed.

15 ARTICLE 4

16 MISCELLANEOUS FINANCE POLICY

17 Section 1. Minnesota Statutes 2004, section 160.294,
18 subdivision 1a, is amended to read:

19 Subd. 1a. [BUSINESS PANELS.] (a) Business panels shall be
20 made of reflective sheeting and shall not resemble a traffic
21 sign, signal, or device. The business' trademark, symbol, or
22 logo shall be consistent on all business panels for a specific
23 business. Except as provided in paragraph (b), the business
24 panel shall not include any supplemental messages or additional
25 verbiage.

26 (b) The Department of Transportation shall include on the
27 business panel of a business that sells E85, as defined in
28 section 296A.01, subdivision 19, at retail, a symbol or logo
29 indicating that E85 is available at the business. The
30 department shall not charge the business any additional fee for
31 this symbol or logo.

32 Sec. 2. [160.298] [HIGHWAY SIGN PROGRAM; BILLING, ACCOUNT,
33 APPROPRIATION.]

34 The commissioner of transportation may bill highway
35 operations units of the department and local road authorities
36 for the costs of a centrally managed highway sign program.

1 These costs may include equipment acquisition and rental, labor,
2 materials, and other costs as determined by the commissioner.
3 Receipts must be credited to a special account, which is
4 established in the trunk highway fund, and are appropriated to
5 the commissioner to pay the costs for which the billings are
6 made. Amounts credited to the account are exempt from statewide
7 and agency indirect costs payments.

8 Sec. 3. Minnesota Statutes 2004, section 161.081,
9 subdivision 3, is amended to read:

10 Subd. 3. [FLEXIBLE HIGHWAY ACCOUNT; TURNBACK ACCOUNTS.]

11 (a) The flexible highway account is created in the state
12 treasury. Money in the account may be used either for the
13 restoration of former trunk highways that have reverted to
14 counties or to statutory or home rule charter cities, for grants
15 to counties for rural road safety under section 161.088, or
16 for regular-trunk-highway-purposes construction, reconstruction,
17 and maintenance of local roads functionally classified as
18 principal arterial roads under section 161.087.

19 (b) For purposes of this subdivision, "restoration" means
20 the level of effort required to improve the route that will be
21 turned back to an acceptable condition as determined by
22 agreement made between the commissioner and the county or city
23 before the route is turned back.

24 (c) The commissioner shall review the need for funds to
25 restore highways that have been or will be turned back and the
26 need for funds for the-trunk-highway-system rural road safety
27 and local principal arterials. The commissioner
28 shall ~~determine,~~ on-a recommend as part of the biennial basis
29 budget, the percentage of this flexible account to be used for
30 county turnbacks, for municipal turnbacks, and for regular-trunk
31 highway-projects rural road safety grants, and for construction,
32 reconstruction, and maintenance of local principal arterials.
33 The commissioner shall make this determination recommendation
34 only after meeting and holding discussions with committees
35 selected by the statewide associations of both county
36 commissioners and municipal officials.

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

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

9 (f) Money that will be used for grants to counties for
10 rural road safety must be deposited in the rural road safety
11 account under section 161.088.

12 (g) Money that will be used for the construction and
13 maintenance of county principal arterials must be deposited in
14 the county principal arterial account under section 161.087.

15 (h) Money that will be used for the construction,
16 reconstruction, and maintenance of municipal principal arterials
17 must be deposited in the municipal principal arterial account
18 under section 161.087.

19 (i) As part of each biennial budget submission to the
20 legislature, the commissioner shall describe how the money in
21 the flexible highway account will be apportioned among the
22 county turnback account, the municipal turnback account, and the
23 trunk-highway-fund rural road safety account, county principal
24 arterial account, and municipal principal arterial account.

25 ~~(g)-Money-apportioned-from-the-flexible-highway-account-to~~
26 ~~the-trunk-highway-fund-must-be-used-for-state-road-construction~~
27 ~~and-engineering-costs.~~

28 Sec. 4. [161.087] [PRINCIPAL ARTERIAL ACCOUNTS.]

29 (a) A county principal arterial account is established in
30 the county state-aid highway fund. Money in the account is
31 annually appropriated to the commissioner of transportation for
32 expenditure as specified in this subdivision. Money in the
33 account must be used as grants to counties to assist in paying
34 the costs of capital improvement projects on county state-aid
35 highways that are functionally classified as principal arterials.

36 (b) A municipal principal arterial account is established

1 in the municipal state-aid street fund. Money in the account is
2 annually appropriated to the commissioner of transportation for
3 expenditure as specified in this subdivision. Money in the
4 account must be used as grants to cities to assist in paying the
5 costs of capital improvement projects on municipal state-aid
6 streets that are functionally classified as principal arterials.

7 (c) The commissioner shall establish procedures for
8 counties and cities to apply for grants from the principal
9 arterial accounts and criteria to be used to select projects for
10 funding. The commissioner shall establish these procedures in
11 consultation with representatives appointed by the Association
12 of Minnesota Counties and the League of Minnesota Cities.
13 Project selection must be based on the ability of each project
14 to improve traffic flow in the principal arterial corridor and
15 improve safety.

16 Sec. 5. [161.088] [RURAL ROAD SAFETY ACCOUNT.]

17 (a) A rural road safety account is established in the
18 county state-aid highway fund. Money in the account is annually
19 appropriated to the commissioner of transportation for
20 expenditure as specified in this subdivision. Money in the
21 account must be used as grants to counties to assist in paying
22 the costs of capital improvement projects on county state-aid
23 highways that are intended primarily to reduce traffic crashes,
24 deaths, injuries, and property damage.

25 (b) The commissioner shall establish procedures for
26 counties to apply for grants from the rural road safety account
27 and criteria to be used to select projects for funding. The
28 commissioner shall establish these procedures and criteria in
29 consultation with representatives appointed by the Association
30 of Minnesota Counties. Eligibility for project selection must
31 be based on the ability of each proposed project to reduce the
32 frequency and severity of crashes.

33 (c) Money in the account must be allocated in each fiscal
34 year as follows:

35 (1) one-half of money in the account must be used for
36 projects in the counties of Anoka, Chisago, Carver, Dakota,

1 Hennepin, Ramsey, Scott, and Washington; and

2 (2) the remainder must be used for projects elsewhere in
3 the state.

4 Sec. 6. Minnesota Statutes 2004, section 161.14, is
5 amended by adding a subdivision to read:

6 Subd. 51. [VETERANS MEMORIAL BRIDGE.] The interstate
7 bridge on marked Trunk Highway 10 connecting the city of
8 Moorhead with the city of Fargo, North Dakota, is named and
9 designated as the Veterans Memorial Bridge. The commissioner of
10 transportation shall adopt a suitable marking design to mark
11 this bridge and erect appropriate signs, subject to section
12 161.139.

13 Sec. 7. Minnesota Statutes 2004, section 162.06,
14 subdivision 2, is amended to read:

15 Subd. 2. [ADMINISTRATIVE COSTS OF DEPARTMENT.] ~~A-sum-of~~
16 ~~1-1/2~~ Two percent shall must be deducted from the total amount
17 available in the county state-aid highway fund, set aside in a
18 separate account, and used for administrative costs incurred by
19 the state Transportation Department in carrying out the
20 provisions relating to the county state-aid highway system.

21 Sec. 8. Minnesota Statutes 2004, section 169.01,
22 subdivision 78, is amended to read:

23 Subd. 78. [RECREATIONAL VEHICLE COMBINATION.]
24 "Recreational vehicle combination" means a combination of
25 vehicles consisting of a pickup truck as defined in section
26 168.011, subdivision 29, attached by means of a fifth-wheel
27 coupling to a camper-semitrailer which has hitched to it a
28 trailer carrying a watercraft as defined in section 86B.005,
29 subdivision 18; off-highway motorcycle as defined in section
30 84.787, subdivision 7; motorcycle; motorized bicycle; snowmobile
31 as defined in section 84.81, subdivision 3; or all-terrain
32 vehicle as defined in section 84.92, subdivision 8; or
33 equestrian equipment and supplies. For purposes of this
34 subdivision:

35 (a) A "fifth-wheel coupling" is a coupling between a
36 camper-semitrailer and a towing pickup truck in which a portion

1 of the weight of the camper-semitrailer is carried over or
2 forward of the rear axle of the towing pickup.

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

7 Sec. 9. Minnesota Statutes 2004, section 169.81,
8 subdivision 3c, is amended to read:

9 Subd. 3c. [RECREATIONAL VEHICLE COMBINATION.]

10 Notwithstanding subdivision 3, a recreational vehicle
11 combination may be operated without a permit if:

12 (1) the combination does not consist of more than three
13 vehicles, and the towing rating of the pickup truck is equal to
14 or greater than the total weight of all vehicles being towed;

15 (2) the combination does not exceed 60 feet in length;

16 (3) the camper-semitrailer in the combination does not
17 exceed 28 feet in length;

18 (4) the operator of the combination is at least 18 years of
19 age;

20 (5) the trailer carrying a watercraft, motorcycle,
21 motorized bicycle, off-highway motorcycle, snowmobile, or
22 all-terrain vehicle, or equestrian equipment and supplies meets
23 all requirements of law;

24 (6) the trailers in the combination are connected to the
25 pickup truck and each other in conformity with section 169.82;
26 and

27 (7) the combination is not operated within the seven-county
28 metropolitan area, as defined in section 473.121, subdivision 2,
29 during the hours of 6:00 a.m. to 9:00 a.m. and 4:00 p.m. to 7:00
30 p.m. on Mondays through Fridays.

31 Sec. 10. Minnesota Statutes 2004, section 169.8261, is
32 amended to read:

33 169.8261 [GROSS WEIGHT LIMITATIONS; FOREST PRODUCTS.]

34 (a) A vehicle or combination of vehicles hauling raw or
35 unfinished forest products, including wood chips, by the most
36 direct route to the nearest highway that has been designated

1 under section 169.832, subdivision 11, may be operated on any
2 highway with gross weights permitted under sections 169.822 to
3 169.829 without regard to load restrictions imposed on that
4 highway, except that such the vehicles must:

5 (1) comply with seasonal load restrictions in effect
6 between the dates set by the commissioner under section 169.87,
7 subdivision 2;

8 (2) comply with bridge load limits posted under section
9 169.84;

10 (3) be equipped and operated with six axles and brakes;

11 (4) not exceed 90,000 pounds gross weight, or 98,000 pounds
12 gross weight during the time when seasonal increases are
13 authorized under section 169.826;

14 (5) not be operated on interstate and defense highways;

15 (6) obtain an annual permit from the commissioner of
16 transportation; and

17 (7) obey all road postings; and

18 (8) not exceed 20,000 pounds gross weight on any single
19 axle.

20 (b) A vehicle operated under this section may exceed the
21 legal axle weight limits listed in section 169.824 by not more
22 than 12.5 percent; except that, the weight limits may be
23 exceeded by not more than 22.5 percent during the time when
24 seasonal increases are authorized under section 169.826,
25 subdivision 1.

26 Sec. 11. Minnesota Statutes 2004, section 169.851,
27 subdivision 5, is amended to read:

28 Subd. 5. [EXCEPTION FOR FARM AND FOREST PRODUCTS.] The
29 maximum-weight-provisions-of-this-section-do Subdivision 4 of
30 this section does not apply to the first haul of unprocessed or
31 raw farm products and the transportation of raw and unfinished
32 forest products, including wood chips, when the prescribed
33 maximum weight ~~limitation-is~~ limitations permitted under
34 sections 169.822 to 169.829 are not exceeded by more than ten
35 percent.

36 Sec. 12. Minnesota Statutes 2004, section 169.86,

1 subdivision 5, is amended to read:

2 Subd. 5. [FEE; PROCEEDS DEPOSITED; APPROPRIATION.] The
3 commissioner, with respect to highways under the commissioner's
4 jurisdiction, may charge a fee for each permit issued. All such
5 fees for permits issued by the commissioner of transportation
6 shall be deposited in the state treasury and credited to the
7 trunk highway fund. Except for those annual permits for which
8 the permit fees are specified elsewhere in this chapter, the
9 fees shall be:

10 (a) \$15 for each single trip permit.

11 (b) \$36 for each job permit. A job permit may be issued
12 for like loads carried on a specific route for a period not to
13 exceed two months. "Like loads" means loads of the same
14 product, weight, and dimension.

15 (c) \$60 for an annual permit to be issued for a period not
16 to exceed 12 consecutive months. Annual permits may be issued
17 for:

18 (1) motor vehicles used to alleviate a temporary crisis
19 adversely affecting the safety or well-being of the public;

20 (2) motor vehicles which travel on interstate highways and
21 carry loads authorized under subdivision 1a;

22 (3) motor vehicles operating with gross weights authorized
23 under section 169.826, subdivision 1a;

24 (4) special pulpwood vehicles described in section 169.863;

25 (5) motor vehicles bearing snowplow blades not exceeding
26 ten feet in width; and

27 (6) noncommercial transportation of a boat by the owner or
28 user of the boat.

29 (d) \$120 for an oversize annual permit to be issued for a
30 period not to exceed 12 consecutive months. Annual permits may
31 be issued for:

32 (1) mobile cranes;

33 (2) construction equipment, machinery, and supplies;

34 (3) manufactured homes and manufactured storage buildings;

35 (4) implements of husbandry when the movement is not made
36 according to the provisions of paragraph (i);

1 (5) double-deck buses;
 2 (6) commercial boat hauling; and
 3 (7) three-vehicle combinations consisting of two empty,
 4 newly manufactured trailers for cargo, horses, or livestock, not
 5 to exceed 28-1/2 feet per trailer; provided, however, the permit
 6 allows the vehicles to be moved from a trailer manufacturer to a
 7 trailer dealer only while operating on twin-trailer routes
 8 designated under section 169.81, subdivision 3, paragraph (c).

9 (e) For vehicles which have axle weights exceeding the
 10 weight limitations of sections 169.822 to 169.829, an additional
 11 cost added to the fees listed above. However, this paragraph
 12 applies to any vehicle described in section 168.013, subdivision
 13 3, paragraph (b), but only when the vehicle exceeds its gross
 14 weight allowance set forth in that paragraph, and then the
 15 additional cost is for all weight, including the allowance
 16 weight, in excess of the permitted maximum axle weight. The
 17 additional cost is equal to the product of the distance traveled
 18 times the sum of the overweight axle group cost factors shown in
 19 the following chart:

20 Overweight Axle Group Cost Factors

21 Weight (pounds)	22 Cost Per Mile For Each Group Of:		
23 exceeding weight limitations on axles	24 Two consecutive axles spaced within 8 feet or less	25 Three consecutive axles spaced within 9 feet or less	26 Four consecutive axles spaced within 14 feet or less
27 0-2,000	.12	.05	.04
28 2,001-4,000	.14	.06	.05
29 4,001-6,000	.18	.07	.06
30 6,001-8,000	.21	.09	.07
31 8,001-10,000	.26	.10	.08
32 10,001-12,000	.30	.12	.09
33 12,001-14,000	Not permitted	.14	.11
34 14,001-16,000	Not permitted	.17	.12
35 16,001-18,000	Not permitted	.19	.15
36 18,001-20,000	Not permitted	Not permitted	.16
37 20,001-22,000	Not permitted	Not permitted	.20

1 The amounts added are rounded to the nearest cent for each axle
2 or axle group. The additional cost does not apply to paragraph
3 (c), clauses (1) and (3).

4 For a vehicle found to exceed the appropriate maximum permitted
5 weight, a cost-per-mile fee of 22 cents per ton, or fraction of
6 a ton, over the permitted maximum weight is imposed in addition
7 to the normal permit fee. Miles must be calculated based on the
8 distance already traveled in the state plus the distance from
9 the point of detection to a transportation loading site or
10 unloading site within the state or to the point of exit from the
11 state.

12 (f) As an alternative to paragraph (e), an annual permit
13 may be issued for overweight, or oversize and overweight,
14 construction equipment, machinery, and supplies. The fees for
15 the permit are as follows:

16 Gross Weight (pounds) of Vehicle	Annual Permit Fee
17 90,000 or less	\$200
18 90,001 - 100,000	\$300
19 100,001 - 110,000	\$400
20 110,001 - 120,000	\$500
21 120,001 - 130,000	\$600
22 130,001 - 140,000	\$700
23 140,001 - 145,000	\$800

24 If the gross weight of the vehicle is more than 145,000 pounds
25 the permit fee is determined under paragraph (e).

26 (g) For vehicles which exceed the width limitations set
27 forth in section 169.80 by more than 72 inches, an additional
28 cost equal to \$120 added to the amount in paragraph (a) when the
29 permit is issued while seasonal load restrictions pursuant to
30 section 169.87 are in effect.

31 (h) \$85 for an annual permit to be issued for a period not
32 to exceed 12 months, for refuse-compactor vehicles that carry a
33 gross weight of not more than: 22,000 pounds on a single rear
34 axle; 38,000 pounds on a tandem rear axle; or, subject to
35 section 169.828, subdivision 2, 46,000 pounds on a tridem rear
36 axle. A permit issued for up to 46,000 pounds on a tridem rear

1 axle must limit the gross vehicle weight to not more than 62,000
2 pounds.

3 (i) For vehicles exclusively transporting implements of
4 husbandry, an annual permit fee of \$24. A vehicle operated
5 under a permit authorized by this paragraph may be moved at the
6 discretion of the permit holder without prior route approval by
7 the commissioner if:

8 (1) the total width of the transporting vehicle, including
9 load, does not exceed 14 feet;

10 (2) the vehicle is operated only between sunrise and 30
11 minutes after sunset, and is not operated at any time after
12 12:00 noon on Sundays or holidays;

13 (3) the vehicle is not operated when visibility is impaired
14 by weather, fog, or other conditions that render persons and
15 other vehicles not clearly visible at 500 feet;

16 (4) the vehicle displays at the front and rear of the load
17 or vehicle a pair of flashing amber lights, as provided in
18 section 169.59, subdivision 4, whenever the overall width of the
19 vehicle exceeds 126 inches; and

20 (5) the vehicle is not operated on a trunk highway with a
21 surfaced roadway width of less than 24 feet unless such
22 operation is authorized by the permit.

23 A permit under this paragraph authorizes movements of the
24 permitted vehicle on an interstate highway, and movements of 75
25 miles or more on other highways.

26 (j) \$300 for a motor vehicle described in section
27 169.8261. The fee under this paragraph must be deposited as
28 follows:

29 (1) in fiscal years 2005 through 2010:

30 (i) the first \$50,000 in each fiscal year must be deposited
31 in the trunk highway fund for costs related to administering the
32 permit program and inspecting and posting bridges;

33 (ii) all remaining money in each fiscal year must be
34 deposited in a bridge inspection and signing account in the
35 special revenue fund. Money in the account is appropriated to
36 the commissioner for:

1 (A) inspection of local bridges and identification of local
2 bridges to be posted, including contracting with a consultant
3 for some or all of these functions; and

4 (B) erection of weight-posting signs on local bridges; and

5 (2) in fiscal year 2011 and subsequent years must be
6 deposited in the trunk highway fund.

7 Sec. 13. [169.864] [SPECIAL PAPER PRODUCTS VEHICLE
8 PERMIT.]

9 Subdivision 1. [THREE-UNIT VEHICLE.] The commissioner may
10 issue a permit for a vehicle that meets the following
11 requirements:

12 (1) is a combination of vehicles, including a truck-tractor
13 and a semitrailer drawing one additional semitrailer, which may
14 be equipped with an auxiliary dolly. No semitrailer used in a
15 three-vehicle combination may have an overall length in excess
16 of 28-1/2 feet;

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

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

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

23 (5) is operated only in this state on Trunk Highway marked
24 2 between Grand Rapids and the port of Duluth; on Trunk Highway
25 marked 169 between Grand Rapids and its junction with Trunk
26 Highway marked 53; and on Trunk Highway marked 53 between
27 Virginia and the port of Duluth; and

28 (6) the seasonal weight increases authorized under section
29 169.826, subdivision 1, do not apply.

30 Subd. 2. [TWO-UNIT VEHICLE.] The commissioner may issue a
31 permit for a vehicle that meets the following requirements:

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

1 (2) has a maximum gross vehicle weight of 90,000 pounds;
2 (3) has a maximum gross vehicle weight of 98,000 pounds
3 during the time when seasonal weight increases authorized under
4 section 169.826, subdivision 1, are in effect;

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

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

10 and

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

13 Subd. 3. [RESTRICTIONS.] Vehicles issued permits under
14 subdivisions 1 and 2 must comply with the following restrictions:

15 (1) the vehicle must be operated in compliance with
16 seasonal load restrictions under section 169.87;

17 (2) the vehicle may not be operated on the interstate
18 highway system; and

19 (3) the vehicle may be operated on streets or highways
20 under the control of local authorities only upon the approval of
21 the local authority; however, vehicles may have reasonable
22 access to terminals and facilities for food, fuel, repairs, and
23 rest and for continuity of route within one mile of the national
24 network as provided by section 169.81, subdivision 3, and by
25 Code of Federal Regulations, title 23, part 658.19.

26 Subd. 4. [PERMIT FEE.] Vehicle permits issued under
27 subdivision 1, clause (1), must be annual permits. The fee is
28 \$850 for each vehicle and must be deposited in the trunk highway
29 fund. An amount sufficient to administer the permit program is
30 appropriated to the commissioner for the costs of administering
31 the permit program.

32 [EFFECTIVE DATE.] This section is effective the later of
33 August 1, 2006, or the date on which the commissioner determines
34 that building permits have been issued for the construction of a
35 new pulp and paper manufacturing facility at Grand Rapids.

36 Sec. 14. Minnesota Statutes 2004, section 469.015,

1 subdivision 4, is amended to read:

2 Subd. 4. [EXCEPTIONS.] (a) An authority need not require
3 competitive bidding in the following circumstances:

4 (1) in the case of a contract for the acquisition of a
5 low-rent housing project:

6 (i) for which financial assistance is provided by the
7 federal government;

8 (ii) which does not require any direct loan or grant of
9 money from the municipality as a condition of the federal
10 financial assistance; and

11 (iii) for which the contract provides for the construction
12 of the project upon land that is either owned by the authority
13 for redevelopment purposes or not owned by the authority at the
14 time of the contract but the contract provides for the
15 conveyance or lease to the authority of the project or
16 improvements upon completion of construction;

17 (2) with respect to a structured parking facility:

18 (i) constructed in conjunction with, and directly above or
19 below, a development; and

20 (ii) financed with the proceeds of tax increment or parking
21 ramp general obligation or revenue bonds; and

22 (3) until August 1, 2009, with respect to a facility built
23 for the purpose of facilitating the operation of public transit
24 or encouraging its use:

25 (i) constructed in conjunction with, and directly above or
26 below, a development; and

27 (ii) financed with the proceeds of parking ramp general
28 obligation or revenue bonds or with at least 60 percent of the
29 construction cost being financed with funding provided by the
30 federal government; and

31 (4) in the case of any building in which at least 75
32 percent of the usable square footage constitutes a housing
33 development project if:

34 (i) the project is financed with the proceeds of bonds
35 issued under section 469.034 or from nongovernmental sources;

36 (ii) the project is either located on land that is owned or

1 is being acquired by the authority only for development
2 purposes, or is not owned by the authority at the time the
3 contract is entered into but the contract provides for
4 conveyance or lease to the authority of the project or
5 improvements upon completion of construction; and

6 (iii) the authority finds and determines that elimination
7 of the public bidding requirements is necessary in order for the
8 housing development project to be economical and feasible.

9 (b) An authority need not require a performance bond for
10 the following projects:

11 (1) a contract described in paragraph (a), clause (1);

12 (2) a construction change order for a housing project in
13 which 30 percent of the construction has been completed;

14 (3) a construction contract for a single-family housing
15 project in which the authority acts as the general construction
16 contractor; or

17 (4) a services or materials contract for a housing project.

18 For purposes of this paragraph, "services or materials
19 contract" does not include construction contracts.

20 Sec. 15. [FEDERAL FUNDS FORMULA.]

21 The commissioner of transportation may not implement a new
22 formula for allocating federal transportation funds that results
23 in any construction district receiving an annual amount of
24 federal funds that is less than the annual average amount of
25 federal funding that district received in the previous three
26 years.

27 Sec. 16. [STUDY AND REPORT ON LOCAL ROAD FUNDING
28 ALTERNATIVES.]

29 (a) The commissioner of transportation shall study and
30 report on alternative methods of funding local road maintenance
31 and reconstruction.

32 (b) The study must include an identification and analysis
33 of alternatives to existing methods of collecting revenues,
34 including, but not limited to, a street utility fee.

35 (c) The study must focus on roads that are not on the
36 county state-aid highway system or municipal state-aid street

1 system, although state-aid streets and highways may be included
2 in any alternative included in the study. The study shall be
3 completed by November 15, 2005.

4 (d) By February 15, 2006, the commissioner shall report the
5 study results and recommendations to the chairs of the
6 legislative committees having jurisdiction over transportation
7 finance and to the governor. The commissioner shall also
8 present the study results to representatives of local
9 government, city and county highway engineers, and highway users.

10 Sec. 17. [TOWN ROAD SIGN REPLACEMENT PROGRAM.]

11 Subdivision 1. [SCOPE OF PROGRAM.] The commissioner of
12 transportation shall develop and implement a town road sign
13 replacement program to:

14 (1) inventory all county and town road signs;

15 (2) evaluate town road signs for compliance with applicable
16 sign standards;

17 (3) remove and replace town road signs as the commissioner
18 deems necessary; and

19 (4) establish an ongoing sign maintenance program.

20 Subd. 2. [SIGN STANDARDS.] Standards for sign removal,
21 replacement, and installation must conform to applicable
22 federal, state, and local safety standards, including
23 retroreflectivity standards and other provisions of the Manual
24 on Uniform Traffic Control Devices adopted by the commissioner.

25 Subd. 3. [LOCAL GOVERNMENT PARTICIPATION.] The
26 commissioner may establish conditions for local government
27 participation in the town road sign replacement program,
28 including, but not limited to, involvement of county engineers,
29 and establishment and maintenance by the local government of a
30 database of county and town road signs.

31 Subd. 4. [USE OF APPROPRIATIONS.] The commissioner may
32 utilize the proceeds of state appropriations for the town road
33 sign replacement program to match federal funds. The
34 commissioner may establish a pilot program in consultation with
35 the Minnesota Association of Townships.

36 [EFFECTIVE DATE.] This section takes effect on the

1 effective date of a state or federal appropriation for the town
2 road sign replacement program.

3 Sec. 18. [HIGHWAY SIGNS FOR NORTHWESTERN HEALTH SCIENCES
4 UNIVERSITY.]

5 Notwithstanding any contrary law, rule, or agency order,
6 the commissioner of transportation shall place directional signs
7 displaying the name Northwestern Health Sciences University, in
8 appropriate locations approaching the Penn Avenue exit on
9 eastbound marked Interstate Highway 494 and approaching the 90th
10 Street exit on northbound marked Interstate Highway 35W and
11 southbound marked Interstate Highway 35W. The commissioner
12 shall erect the signs after being assured of the availability of
13 funds from nonstate sources sufficient to pay all costs of
14 producing, erecting, and maintaining the signs.

15 Sec. 19. [SPECIFIC SERVICE SIGN.]

16 Notwithstanding any other law or administrative rule or
17 order, the commissioner of transportation, after being assured
18 of adequate funding from nonstate sources, shall erect a
19 specific service sign on the east side of Trunk Highway 52, near
20 its intersection with 37th Street NW in Olmsted County. The
21 sign must display the name or business panel or both, of a
22 retail establishment on the east side of Trunk Highway 52 that
23 began operation before construction of the noise wall on the
24 east side of Trunk Highway 52, and the premises of which is
25 blocked by the noise wall from view from Trunk Highway 52.

26 Sec. 20. [FORMER AIRPORT PROPERTY.]

27 Notwithstanding any other law, the commissioner of
28 transportation shall not require the city of Willmar to repay
29 the state airports fund for acquisition costs of land that was
30 previously used for aviation purposes.

31 Sec. 21. [REPEALER.]

32 Minnesota Rules, parts 7800.0600; 7800.3200, subpart 1;
33 7805.0700; 8850.6900, subpart 20; and 8855.0500, subpart 1, are
34 repealed.

35

ARTICLE 5

36

SPECIAL PLATES

1 Section 1. Minnesota Statutes 2004, section 168.12,
2 subdivision 2a, is amended to read:

3 Subd. 2a. [PERSONALIZED PLATES; RULES.] (a) Personalized
4 license plates or, if requested for special plates issued under
5 section 168.123 for veterans, 168.124 for medal of honor
6 recipients, or 168.125 for former prisoners of war, applicable
7 personalized special veterans license plates must be issued to
8 an applicant for registration of a passenger automobile
9 including a passenger automobile registered as a classic car,
10 pioneer car, collector car, or street rod; van; pickup truck as
11 defined in section 168.011, subdivision 29, and any other truck
12 with a manufacturer's nominal rated capacity of one ton or less
13 and resembling a pickup truck; motorcycle including a classic
14 motorcycle; or self-propelled recreational vehicle, upon
15 compliance with the laws of this state relating to registration
16 of the vehicle and upon payment of a onetime fee of \$100 in
17 addition to the registration tax required by law for the
18 vehicle. The registrar shall designate a replacement fee fees
19 for personalized license plates and personalized special
20 veterans license plates issued according to section 168.123 that
21 is are calculated to cover the cost of replacement. ~~This-fee~~
22 These fees must be paid by the applicant whenever
23 the ~~personalized-license~~ plates are required to be replaced by
24 law. Fees may not be charged to replace personalized special
25 veterans license plates issued under section 168.124 or
26 168.125. In lieu of the numbers assigned as provided in
27 subdivision 1, personalized license plates and personalized
28 special veterans license plates must have imprinted on them a
29 series of not more than seven numbers and letters in any
30 combination and, as applicable, satisfy the design requirements
31 of section 168.123, 168.124, or 168.125. When an applicant has
32 once obtained personalized license plates or personalized
33 special veterans license plates, the applicant ~~shall-have~~ has a
34 prior claim for similar personalized plates in the next
35 succeeding year as long as current registration is maintained.
36 The commissioner of public safety shall adopt rules in the

1 manner provided by chapter 14, regulating the issuance and
2 transfer of personalized license plates and personalized special
3 veterans license plates. No words or combination of letters
4 placed on ~~personalized-license~~ these plates may be used for
5 commercial advertising, be of an obscene, indecent, or immoral
6 nature, or be of a nature that would offend public morals or
7 decency. The call signals or letters of a radio or television
8 station are not commercial advertising for the purposes of this
9 subdivision.

10 (b) Notwithstanding the provisions of subdivision 1,
11 personalized license plates and personalized special veterans
12 license plates issued under this subdivision may be transferred
13 to another motor vehicle described in paragraph (a) and owned or
14 jointly owned by the applicant, upon the payment of a fee of \$5,
15 which must be paid into the state treasury and credited to the
16 highway user tax distribution fund. The registrar may by rule
17 provide a form for notification. A personalized license
18 plate or personalized special veterans license plate issued for
19 a classic car, pioneer car, collector car, street rod, or
20 classic motorcycle may not be transferred to a vehicle not
21 eligible for such a license plate.

22 (c) Notwithstanding any law to the contrary, if the
23 ~~personalized-license~~ plates are lost, stolen, or destroyed, the
24 applicant may apply and shall receive duplicate license plates
25 bearing the same combination of letters and numbers and the same
26 design as:

27 (1) the former personalized license plates or personalized
28 special veterans license plates issued according to section
29 168.123, upon the payment of the fee required by section 168.29;
30 or

31 (2) the former personalized special veterans license plates
32 issued according to section 168.124 or 168.125, without charge.

33 (d) Fees from the sale of permanent and duplicate
34 personalized ~~license~~ plates must be paid into the state treasury
35 and credited to the highway user tax distribution fund.

36 Sec. 2. Minnesota Statutes 2004, section 168.12,

1 subdivision 2b, is amended to read:

2 Subd. 2b. [FIREFIGHTERS; SPECIAL PLATES.] (a) The
3 registrar shall issue special license plates, or a single plate
4 in the case of a motorcycle plate, to any applicant who is both
5 a member of a fire department receiving state aid under chapter
6 69 and an owner or joint owner of a passenger automobile, or a
7 truck with a manufacturer's nominal rated capacity of one ton
8 and resembling a pickup truck, or a motorcycle, upon payment of
9 a fee of \$10 and upon payment of the registration tax required
10 by law for the vehicle and compliance with other laws of this
11 state relating to registration and licensing of motor vehicles
12 and drivers. In lieu of the identification required under
13 subdivision 1, the special license plates ~~shall~~ must be
14 inscribed with a symbol of a Maltese Cross together with five
15 numbers. No applicant shall receive special plates for more
16 than two ~~sets of plates for~~ vehicles owned or jointly owned by
17 the applicant.

18 (b) Special plates issued under this subdivision may only
19 be used during the period that the owner or joint owner of the
20 vehicle is a member of a fire department as specified in this
21 subdivision. When the person to whom the special plates were
22 issued is no longer a member of a fire department or when the
23 vehicle ownership is transferred, the special license plates
24 ~~shall~~ must be removed from the vehicle and returned to the
25 registrar. Upon return of the special plates, or special
26 motorcycle plate, the owner or purchaser of the vehicle is
27 entitled to receive regular plates, or a regular motorcycle
28 plate, for the vehicle, as applicable, without cost for the
29 remainder of the registration period for which the special plate
30 or plates were issued. ~~Firefighter-license-plates-issued~~
31 ~~pursuant-to-this-subdivision-may-be-transferred-to-another-motor~~
32 ~~vehicle-upon-payment-of-\$57-which-fee-shall-be-paid-into-the~~
33 ~~state-treasury-and-credited-to-the-highway-user-tax-distribution~~
34 ~~fund.~~

35 (c) A special motorcycle license plate issued under this
36 subdivision must be the same size as a standard motorcycle

1 license plate.

2 (d) Upon payment of a fee of \$5, plates issued under this
3 subdivision for a passenger automobile or truck may be
4 transferred to another passenger automobile or truck owned or
5 jointly owned by the person to whom the plates were issued. On
6 payment of a fee of \$5, a plate issued under this subdivision
7 for a motorcycle may be transferred to another motorcycle owned
8 or jointly owned by the person to whom the plate was issued.

9 ~~(c)~~ (e) The commissioner of public safety may adopt rules
10 under the Administrative Procedure Act, sections 14.001 to
11 14.69, to govern the issuance and use of the special plates
12 authorized in this subdivision.

13 (f) All fees from the sale or transfer of special license
14 plates for firefighters ~~shall~~ must be paid into the state
15 treasury and credited to the highway user tax distribution fund.

16 Sec. 3. Minnesota Statutes 2004, section 168.123,
17 subdivision 1, is amended to read:

18 Subdivision 1. [GENERAL REQUIREMENTS; FEES.] (a) On
19 payment of a fee of \$10 for each set of two plates, or for a
20 single plate in the case of a motorcycle plate, payment of the
21 registration tax required by law, and compliance with
22 other applicable laws relating to the vehicle registration and
23 ~~licensing of-a-passenger-automobile,-pickup-truck,-van-~~
24 ~~self-propelled-recreational-equipment,-or-motorcycle,~~ as
25 applicable, the registrar shall issue:

26 (1) special license plates to an applicant who served in
27 the active military service in a branch of the armed forces of
28 the United States or of a nation or society allied with the
29 United States in conducting a foreign war, was discharged under
30 honorable conditions, and is an owner or joint owner of a
31 passenger automobile, pickup truck, van, or self-propelled
32 recreational equipment, or truck resembling a pickup truck and
33 having a manufacturer's nominal rated capacity of one ton, but
34 which is not a commercial motor vehicle as defined in section
35 169.01, subdivision 75; or

36 (2) a special motorcycle license plate as described in

1 subdivision 2, paragraph (a), ~~or another special license plate~~
2 ~~designed by the commissioner of public safety to an applicant~~
3 ~~who is a Vietnam veteran who served after July 17, 1961, and~~
4 ~~before July 17, 1978, and~~ (f), (h), or (i). A plate may be
5 issued under this clause only to a person who served in the
6 active military service in a branch of the armed forces of the
7 United States or a nation or society allied with the United
8 States in conducting a foreign war, was discharged under
9 honorable conditions, and is an owner or joint owner of a
10 motorcycle, and meets the criteria listed in this paragraph and
11 in subdivision 2, paragraph (a), (f), (h), or (i). Plates
12 issued under this clause must be the same size as standard
13 motorcycle license plates. Special motorcycle license plates
14 issued under this clause are not subject to section 168.1293.

15 (b) The additional fee of \$10 is payable for each set of
16 plates, is payable only when the plates are issued, and is not
17 payable in a year in which tabs or stickers are issued instead
18 of number plates. An applicant must not be issued plates for
19 more than two sets of plates for vehicles listed in paragraph
20 (a) and owned or jointly owned by the applicant.

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

30 (d) When issuing a set of license plates, or for a
31 motorcycle a single license plate, under subdivision 2,
32 paragraph (h) or (i), the commissioner shall assess a \$5
33 surcharge to the applicant, in addition to the fee required
34 under this section and the registration tax required by law.
35 The revenue from the surcharge must be deposited in the highway
36 user tax distribution fund. The commissioner shall cease to

1 collect the surcharge when total collections from the surcharge
2 since its inception exceed \$3,500.

3 [EFFECTIVE DATE.] This section is effective the day
4 following final enactment.

5 Sec. 4. Minnesota Statutes 2004, section 168.123,
6 subdivision 2, is amended to read:

7 Subd. 2. [DESIGN.] The commissioner of veterans affairs
8 shall design the special plates, subject to the approval of the
9 registrar, that satisfy the following requirements:

10 (a) For a Vietnam veteran who served after July 1, 1961,
11 and before July 1, 1978, the special plates must bear the
12 inscription "VIETNAM VET" and the letters "V" and "V" with the
13 first letter directly above the second letter and both letters
14 just preceding the first numeral of the special license plate
15 number.

16 (b) For a veteran stationed on the island of Oahu, Hawaii,
17 or offshore, during the attack on Pearl Harbor on December 7,
18 1941, the special plates must bear the inscription "PEARL HARBOR
19 SURVIVOR" and the letters "P" and "H" with the first letter
20 directly above the second letter and both letters just preceding
21 the first numeral of the special license plate number.

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

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

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

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

1 of the special license plate number.

2 (e) For a combat wounded veteran who is a recipient of the
3 purple heart medal, the special plates must bear the inscription
4 "COMBAT WOUNDED VET" and inscribed with a facsimile of the
5 official purple heart medal and the letters "C" over "W" with
6 the first letter directly over the second letter just preceding
7 the first numeral of the special license plate number.

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

19 (g) For a veteran who served in the Laos War after July 1,
20 1961, and before July 1, 1978, the special plates must bear the
21 inscription "LAOS WAR VET" and the letters "L" and "V" with the
22 first letter directly above the second letter and both letters
23 just preceding the first numeral of the special license plate
24 number.

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

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

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

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

1 special license plate number.

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

13 [EFFECTIVE DATE.] This section is effective the day
14 following final enactment.

15 Sec. 5. Minnesota Statutes 2004, section 168.123,
16 subdivision 4, is amended to read:

17 Subd. 4. [PLATES TRANSFER.] (a) On payment of a fee of \$5,
18 plates issued under subdivision 1, paragraph (a), clause (1),
19 may be transferred to another vehicle, but only if the vehicle:

20 (1) is a passenger automobile, pickup truck, van, or
21 self-propelled recreational equipment, or one-ton truck
22 described in subdivision 1, paragraph (a), clause (1); and

23 (2) is owned or jointly owned by the person to whom the
24 plates were issued.

25 (b) On payment of a fee of \$5, a plate issued under
26 subdivision 1, paragraph (a), clause (2), may be transferred to
27 another motorcycle owned or jointly owned by the person to whom
28 the plate was issued.

29 Sec. 6. [168.1251] [DISABLED VETERANS OF AMERICA PLATES.]

30 Subdivision 1. [ISSUANCE AND DESIGN.] The registrar of
31 motor vehicles shall issue special license plates bearing the
32 inscription "DISABLED AMERICAN VETERAN" to an applicant who is
33 certified in writing by the United States Department of Veterans
34 Affairs or the state commissioner of veterans affairs as having
35 a permanent and total service-connected disability, who complies
36 with all laws relating to the registration and licensing of

1 motor vehicles and drivers, and who pays a fee of \$10 for each
2 set of license plates applied for. The special license plates
3 must be of a design and size determined by the registrar.

4 Subd. 2. [APPLICATION.] Application for issuance of these
5 plates may be made only at the time of renewal or first
6 application for registration.

7 Subd. 3. [TRANSFER.] On payment of a fee of \$5, special
8 plates issued under this section may be transferred to another
9 motor vehicle owned or jointly owned by the disabled veteran
10 upon notification to the registrar of motor vehicles.

11 Subd. 4. [MOTOR VEHICLE; SPECIAL DEFINITION.] For purposes
12 of this section, "motor vehicle" means a vehicle for personal
13 use, not used for commercial purposes, and may include a
14 passenger automobile, van, pickup truck, motorcycle, or
15 recreational vehicle.

16 Subd. 5. [FEES CREDITED.] Fees paid under this section
17 must be credited to the highway user tax distribution fund.

18 Sec. 7. Minnesota Statutes 2004, section 168.1293,
19 subdivision 5, is amended to read:

20 Subd. 5. [DISCONTINUANCE OF PLATE.] (a) The department
21 shall discontinue the issuance or renewal of any special license
22 plate if (1) fewer than 1,000 sets of those plates are currently
23 registered at the end of the first six years during which the
24 plates are available, or (2) fewer than 1,000 sets of those
25 plates are currently registered at the end of any subsequent
26 two-year period following the first six years of availability.

27 (b) The department may discontinue the issuance or renewal
28 of any special license plate, and distribution of any
29 contributions resulting from that plate, if the department
30 determines that (1) the fund or requester receiving the
31 contributions no longer exists, (2) the requester has stopped
32 providing services that are authorized to be funded from the
33 contribution proceeds, (3) the requester has requested
34 discontinuance, or (4) contributions have been used in violation
35 of subdivision 6.

36 (c) Nothing in this subdivision applies to license plates

1 issued under section 168.123, 168.124, 168.125, 168.1251, or
2 168.1255.

3 Sec. 8. [168.1298] [SPECIAL "SUPPORT OUR TROOPS" LICENSE
4 PLATES.]

5 Subdivision 1. [GENERAL REQUIREMENTS AND PROCEDURES.] (a)

6 The commissioner shall issue special "Support Our Troops"
7 license plates to an applicant who:

8 (1) is an owner of a passenger automobile, one-ton pickup
9 truck, recreational vehicle, or motorcycle;

10 (2) pays a fee of \$10 to cover the costs of handling and
11 manufacturing the plates;

12 (3) pays the registration tax required under section
13 168.013;

14 (4) pays the fees required under this chapter;

15 (5) contributes a minimum of \$30 annually to the Minnesota
16 "Support Our Troops" account established in section 190.19; and

17 (6) complies with laws and rules governing registration and
18 licensing of vehicles and drivers.

19 (b) The license application under this section must
20 indicate that the annual contribution specified under paragraph
21 (a), clause (5), is a minimum contribution to receive the plate
22 and that the applicant may make an additional contribution to
23 the account.

24 Subd. 2. [DESIGN.] After consultation with interested
25 groups, the adjutant general and the commissioner of veterans
26 affairs shall design the special plate, subject to the approval
27 of the commissioner.

28 Subd. 3. [NO REFUND.] Contributions under this section
29 must not be refunded.

30 Subd. 4. [PLATE TRANSFERS.] Notwithstanding section
31 168.12, subdivision 1, on payment of a transfer fee of \$5,
32 plates issued under this section may be transferred to another
33 passenger automobile, one-ton pickup truck, recreational
34 vehicle, or motorcycle owned by the individual to whom the
35 special plates were issued.

36 Subd. 5. [CONTRIBUTION AND FEES CREDITED.] Contributions

1 under subdivision 1, paragraph (a), clause (5), must be paid to
 2 the commissioner and credited to the Minnesota "Support Our
 3 Troops" account established in section 190.19. The fees
 4 collected under this section must be deposited in the vehicle
 5 services operating account in the special revenue fund.

6 Subd. 6. [RECORD.] The commissioner shall maintain a
 7 record of the number of plates issued under this section.

8 Sec. 9. [168.1299] [SPECIAL "KNIGHTS OF COLUMBUS MEMBER"
 9 LICENSE PLATES.]

10 Subdivision 1. [GENERAL REQUIREMENTS AND PROCEDURES.] The
 11 registrar shall issue special "Knights of Columbus member"
 12 license plates to an applicant who:

13 (1) is an owner or joint owner of a passenger automobile,
 14 pickup truck, or van;

15 (2) pays a fee of \$10 to cover the costs of handling and
 16 manufacturing the plates;

17 (3) pays the registration tax required under section
 18 168.013;

19 (4) pays the fees required under this chapter; and

20 (5) complies with laws and rules governing registration and
 21 licensing of vehicles and drivers.

22 Subd. 2. [DESIGN.] A special license plate under this
 23 section consists of a license plate with a unique symbol that is
 24 the recognized emblem of the Knights of Columbus. The symbol
 25 must be designed by the Knights of Columbus or a council
 26 thereof, with the approval of the commissioner. The license
 27 plate may be an embossed license plate or a generic license
 28 plate with attached decal.

29 Subd. 3. [APPLICABILITY OF OTHER LAW.] Section 168.1293
 30 does not apply to license plates authorized under this section.

31 Sec. 10. [190.19] [MINNESOTA "SUPPORT OUR TROOPS"
 32 ACCOUNT.]

33 Subdivision 1. [ESTABLISHMENT.] The Minnesota "Support Our
 34 Troops" account is established in the state treasury. The
 35 account shall consist of contributions from private sources and
 36 appropriations.

1 Subd. 2. [GRANTS.] (a) Money in the Minnesota "Support Our
2 Troops" account is appropriated to the adjutant general for the
3 purpose of making grants:

4 (1) directly to eligible individuals; or

5 (2) to one or more eligible foundations for the purpose of
6 making grants to eligible individuals, as provided in this
7 section.

8 (b) The term, "eligible individual" includes any person who
9 is:

10 (1) a member of the Minnesota National Guard or a reserve
11 unit based in Minnesota who has been called to active service as
12 defined in section 190.05, subdivision 5;

13 (2) a Minnesota resident who is a member of a military
14 reserve unit not based in Minnesota, if the member is called to
15 active service as defined in section 190.05, subdivision 5;

16 (3) any other Minnesota resident performing active service
17 for any branch of the military of the United States; and

18 (4) members of the immediate family of an individual
19 identified in clause (1), (2), or (3). For purposes of this
20 clause, "immediate family" means the individual's spouse and
21 minor children and, if they are dependents of the member of the
22 military, the member's parents, grandparents, siblings,
23 stepchildren, and adult children.

24 (c) The term "eligible foundation" includes any
25 organization that:

26 (1) is a tax-exempt organization under section 501(c)(3) of
27 the Internal Revenue Code;

28 (2) has articles of incorporation under chapter 317A
29 specifying the purpose of the organization as including the
30 provision of financial assistance to members of the Minnesota
31 National Guard and other United States armed forces reserves and
32 their families and survivors; and

33 (3) agrees in writing to distribute any grant money
34 received from the adjutant general under this section to
35 eligible individuals as defined in this section and in
36 accordance with any written policies and rules the adjutant

1 general may impose as conditions of the grant to the foundation.

2 (d) The maximum grant awarded to an eligible individual in
3 a calendar year with funds from the Minnesota "Support Our
4 Troops" account, either through an eligible institution or
5 directly from the adjutant general, may not exceed \$2,000.

6 Subd. 3. [ANNUAL REPORT.] The adjutant general must report
7 by February 1, 2007, and each year thereafter, to the chairs and
8 ranking minority members of the legislative committees and
9 divisions with jurisdiction over military and veterans' affairs
10 on the number, amounts, and use of grants issued from the
11 Minnesota "Support Our Troops" account in the previous year.

12 ARTICLE 6

13 TRANSPORTATION FINANCE

14 Section 1. [16A.89] [MULTIMODAL TRANSPORTATION FUND.]

15 A multimodal transportation fund is established in the
16 state treasury. The fund consists of money credited under
17 section 297B.09, subdivision 1, and other money credited to the
18 fund by law. Money in the fund must be appropriated for
19 multimodal surface transportation purposes. Of the money
20 available in the fund each year, a minimum of 25 percent must be
21 expended on highways and a minimum of 25 percent must be
22 expended on transit purposes. Highway expenditures may include,
23 but are not limited to, state road construction and related
24 sales tax charges whether incurred by the department or by
25 persons who contract with the department, state patrol
26 operations, local road construction and maintenance,
27 transportation safety and research activities, Department of
28 Transportation tort claims, and government agency indirect costs
29 assessed against the Department of Transportation or the trunk
30 highway fund.

31 Sec. 2. Minnesota Statutes 2004, section 162.07,
32 subdivision 1, is amended to read:

33 Subdivision 1. [FORMULA.] After deducting for
34 administrative costs and for the disaster account and research
35 account and state park roads as heretofore provided in section
36 162.06, subdivisions 2 to 5, the remainder of the total sum

1 provided for in section 162.06, subdivision 1, shall be is
2 identified as the apportionment sum and shall be apportioned by
3 the commissioner to the several counties on the basis of the
4 needs of the counties as determined in accordance with the
5 following formula:

6 (a) An amount equal to ten percent of the apportionment sum
7 shall be apportioned equally among the 87 counties.

8 (b) An amount equal to ten percent of the apportionment sum
9 shall be apportioned among the several counties so that each
10 county shall receive of such amount the percentage that its
11 motor vehicle registration for the calendar year preceding the
12 one last past, determined by residence of registrants, bears to
13 the total statewide motor vehicle registration.

14 (c) An amount equal to 30 percent of the apportionment sum
15 shall be apportioned among the several counties so that each
16 county shall receive of such amount the percentage that its
17 total lane miles of approved county state aid highways bears to
18 the total lane miles of approved statewide county state aid
19 highways. --- In 1997 and subsequent years no county may receive,
20 as a result of an apportionment under this clause based on
21 lane miles rather than miles of approved county state aid
22 highways, an apportionment that is less than its apportionment
23 in 1996.

24 (d) An amount equal to 50 percent of the apportionment sum
25 shall be apportioned among the several counties so that each
26 county shall receive of such amount the percentage that its
27 money needs bears to the sum of the money needs of all of the
28 individual counties, provided, that the percentage of such
29 amount that each county is to receive shall be adjusted so that
30 each county shall receive in 1958 a total apportionment at least
31 ten percent greater than its total 1956 apportionments from the
32 state road and bridge fund, and provided further that those
33 counties whose money needs are thus adjusted shall never receive
34 a percentage of the apportionment sum less than the percentage
35 that such county received in 1958 the excess sum.

36 (a) The excess sum is calculated as the sum of the amounts

1 described in clauses (1) and (2), reduced by a proportionate
2 share of the deductions for administrative costs and for the
3 disaster account and research account, as follows:

4 (1) on or after July 1, 2005, the amount due to an increase
5 imposed in the gasoline excise tax rate above a rate of 20 cents
6 per gallon; or in the excise tax rate for E85, M85, and special
7 fuels above the energy equivalent of a gasoline tax rate of 20
8 cents per gallon; and

9 (2) the amount due to a change in the passenger vehicle
10 registration tax under section 168.013, imposed on or after July
11 1, 2005, that exceeds the amount collected in fiscal year 2005
12 multiplied by the annual average United States Consumer Price
13 Index for all urban consumers, United States city average, as
14 determined by the United States Department of Labor for the
15 previous year, divided by that annual average for calendar year
16 2004.

17 (b) The apportionment sum is calculated by subtracting the
18 excess sum from the remainder of the total sum.

19 Sec. 3. Minnesota Statutes 2004, section 162.07, is
20 amended by adding a subdivision to read:

21 Subd. 1a. [APPORTIONMENT SUM.] The commissioner shall
22 apportion the apportionment sum among the several counties on
23 the basis of the needs of the counties as determined in
24 accordance with the following formula:

25 (a) An amount equal to ten percent of the apportionment sum
26 must be apportioned equally among the 87 counties.

27 (b) An amount equal to ten percent of the apportionment sum
28 must be apportioned among the several counties so that each
29 county receives of that amount the percentage that its motor
30 vehicle registration for the calendar year preceding the one
31 last past, determined by residence of registrants, bears to the
32 total statewide motor vehicle registration.

33 (c) An amount equal to 30 percent of the apportionment sum
34 must be apportioned among the several counties so that each
35 county receives of that amount the percentage that its total
36 lane-miles of approved county state-aid highways bears to the

1 total lane-miles of approved statewide county state-aid
2 highways. In 1997 and subsequent years, no county may receive,
3 as a result of an apportionment under this paragraph based on
4 lane-miles rather than miles of approved county state-aid
5 highways, an apportionment that is less than its apportionment
6 in 1996.

7 (d) An amount equal to 50 percent of the apportionment sum
8 must be apportioned among the several counties so that each
9 county receives of that amount the percentage that its money
10 needs bears to the sum of the money needs of all of the
11 individual counties; provided that the percentage of the amount
12 that each county is to receive must be adjusted so that each
13 county receives in 1958 a total apportionment at least ten
14 percent greater than its total 1956 apportionments from the
15 state road and bridge fund; and provided, further, that those
16 counties whose money needs are thus adjusted shall never receive
17 a percentage of the apportionment sum less than the percentage
18 that such county received in 1958.

19 Sec. 4. Minnesota Statutes 2004, section 162.07, is
20 amended by adding a subdivision to read:

21 Subd. 1b. [EXCESS SUM.] The commissioner shall apportion
22 the excess sum to the several counties on the basis of the needs
23 of the counties as determined in accordance with the following
24 formula:

25 (a) An amount equal to 40 percent of the excess sum must be
26 apportioned among the several counties so that each county
27 receives of that amount the percentage that its motor vehicle
28 registration for the calendar year preceding the one last past,
29 determined by residence of registrants, bears to the total
30 statewide motor vehicle registration.

31 (b) An amount equal to 60 percent of the excess sum must be
32 apportioned among the several counties so that each county
33 receives of that amount the percentage that its money needs
34 bears to the sum of the money needs of all of the individual
35 counties.

36 Sec. 5. Minnesota Statutes 2004, section 168.013,

1 subdivision 1a, is amended to read:

2 Subd. 1a. [PASSENGER AUTOMOBILE; HEARSE.] (a) On passenger
3 automobiles as defined in section 168.011, subdivision 7, and
4 hearses, except as otherwise provided, the tax shall be \$10 plus
5 an additional tax equal to 1.25 percent of the base value.

6 (b) Subject to the classification provisions herein, "base
7 value" means the manufacturer's suggested retail price of the
8 vehicle including destination charge using list price
9 information published by the manufacturer or determined by the
10 registrar if no suggested retail price exists, and shall not
11 include the cost of each accessory or item of optional equipment
12 separately added to the vehicle and the suggested retail price.

13 (c) If the manufacturer's list price information contains a
14 single vehicle identification number followed by various
15 descriptions and suggested retail prices, the registrar shall
16 select from those listings only the lowest price for determining
17 base value.

18 (d) If unable to determine the base value because the
19 vehicle is specially constructed, or for any other reason, the
20 registrar may establish such value upon the cost price to the
21 purchaser or owner as evidenced by a certificate of cost but not
22 including Minnesota sales or use tax or any local sales or other
23 local tax.

24 (e) The registrar shall classify every vehicle in its
25 proper base value class as follows:

26	FROM	TO
27	\$ 0	\$199.99
28	200	399.99

29 and thereafter a series of classes successively set in brackets
30 having a spread of \$200 consisting of such number of classes as
31 will permit classification of all vehicles.

32 (f) The base value for purposes of this section shall be
33 the middle point between the extremes of its class.

34 (g) The registrar shall establish the base value, when new,
35 of every passenger automobile and hearse registered prior to the
36 effective date of Extra Session Laws 1971, chapter 31, using

1 list price information published by the manufacturer or any
2 nationally recognized firm or association compiling such data
3 for the automotive industry. If unable to ascertain the base
4 value of any registered vehicle in the foregoing manner, the
5 registrar may use any other available source or method. The
6 registrar shall calculate tax using base value information
7 available to dealers and deputy registrars at the time the
8 application for registration is submitted. The tax on all
9 previously registered vehicles shall be computed upon the base
10 value thus determined taking into account the depreciation
11 provisions of paragraph (h).

12 (h) The annual additional tax computed upon the base value
13 as provided herein, during the first ~~and-second-years~~ year of
14 vehicle life shall be computed upon 100 percent of the base
15 value; for the second year, 80 percent of such value; for the
16 ~~third and-fourth-years, 70~~ year, 70 percent of such value; for
17 the fourth year, 60 percent of such value; for the fifth and
18 ~~sixth-years, 50~~ year, 50 percent of such value; for the sixth
19 year, 40 percent of such value; for the seventh year, ~~60~~ 35
20 percent of such value; for the eighth year, ~~40~~ 30 percent of
21 such value; for the ninth year, ~~30~~ 20 percent of such value; for
22 the tenth year, ten percent of such value; for the 11th and each
23 succeeding year, the sum of \$25.

24 In no event shall the annual additional tax be less than
25 \$25. ~~The-total-tax-under-this-subdivision-shall-not-exceed-\$189~~
26 ~~for-the-first-renewal-period-and-shall-not-exceed-\$99-for~~
27 ~~subsequent-renewal-periods.--The-total-tax-under-this~~
28 ~~subdivision-on-any-vehicle-filing-its-initial-registration-in~~
29 ~~Minnesota-in-the-second-year-of-vehicle-life-shall-not-exceed~~
30 ~~\$189-and-shall-not-exceed-\$99-for-subsequent-renewal-periods.~~
31 ~~The-total-tax-under-this-subdivision-on-any-vehicle-filing-its~~
32 ~~initial-registration-in-Minnesota-in-the-third-or-subsequent~~
33 ~~year-of-vehicle-life-shall-not-exceed-\$99-and-shall-not-exceed~~
34 ~~\$99-in-any-subsequent-renewal-period.~~

35 (i) ~~As-used-in-this-subdivision-and-section-168.0177, the~~
36 ~~following-terms-have-the-meanings-given:--"initial-registration"~~

~~1 means the 12 consecutive months calendar period from the day of~~
~~2 first registration of a vehicle in Minnesota, and "renewal~~
~~3 periods" means the 12 consecutive calendar months periods~~
4 following the initial registration period The annual additional
5 tax under paragraph (h) must not exceed the annual additional
6 tax that was previously paid or due on that vehicle.

7 [EFFECTIVE DATE.] This section is effective for first
8 registration periods in which the tax is first due on or after
9 July 1, 2005, and for renewals of registrations on those
10 vehicles assigned registration periods of July 1, 2005, through
11 June 30, 2006, or later.

12 Sec. 6. Minnesota Statutes 2004, section 296A.07,
13 subdivision 3, is amended to read:

14 Subd. 3. [RATE OF TAX.] The gasoline excise tax is imposed
15 at the following rates:

16 ~~(1)~~ (a) From July 1, 2005, to June 30, 2007, E85 is taxed
17 at the rate of ~~14.2~~ 17.0 cents per gallon;

18 ~~(2)~~ M85 is taxed at the rate of ~~11.4~~ 13.7 cents per gallon;
19 and

20 ~~(3)~~ all other gasoline is taxed at the rate of ~~20~~ 24 cents
21 per gallon.

22 (b) On and after July 1, 2007, E85 is taxed at the rate of
23 19.2 cents per gallon; M85 is taxed at the rate of 15.4 cents
24 per gallon; and all other gasoline is taxed at the rate of 27
25 cents per gallon.

26 [EFFECTIVE DATE.] This section is effective July 1, 2005,
27 and applies to all gasoline, undyed diesel fuel, and special
28 fuel in distributor storage on July 1, 2005.

29 Sec. 7. Minnesota Statutes 2004, section 296A.08,
30 subdivision 2, is amended to read:

31 Subd. 2. [RATE OF TAX.] The special fuel excise tax is
32 imposed at the following rates:

33 (a) From July 1, 2005, to June 30, 2007, liquefied
34 petroleum gas or propane is taxed at the rate of ~~15~~ 18 cents per
35 gallon;

36 ~~(b)~~ liquefied natural gas is taxed at the rate of ~~12~~ 14.4

1 cents per gallon; and

2 (e) compressed natural gas is taxed at the rate
3 of ~~\$1.739~~ \$2.087 per thousand cubic feet; or ~~20~~ 24 cents per
4 gasoline equivalent, as defined by the National Conference on
5 Weights and Measures, which is 5.66 pounds of natural gas.

6 (b) On and after July 1, 2007, liquefied petroleum gas or
7 propane is taxed at the rate of 20.3 cents per gallon; liquefied
8 natural gas is taxed at the rate of 16.2 cents per gallon; and
9 compressed natural gas is taxed at the rate of \$2.348 per
10 thousand cubic feet; or 27 cents per gasoline equivalent, as
11 defined by the National Conference on Weights and Measures,
12 which is 5.66 pounds of natural gas.

13 (d) (c) All other special fuel is taxed at the same rate as
14 the gasoline excise tax as specified in section 296A.07,
15 subdivision 2. The tax is payable in the form and manner
16 prescribed by the commissioner.

17 [EFFECTIVE DATE.] This section is effective July 1, 2005,
18 and applies to all gasoline, undyed diesel fuel, and special
19 fuel in distributor storage on July 1, 2005.

20 Sec. 8. Minnesota Statutes 2004, section 297B.09,
21 subdivision 1, is amended to read:

22 Subdivision 1. [DEPOSIT OF REVENUES.] (a) Money collected
23 and received under this chapter must be deposited as provided in
24 this subdivision.

25 ~~(b) From July 1, 2002, to June 30, 2003, 32 percent of the~~
26 ~~money collected and received must be deposited in the highway~~
27 ~~user tax distribution fund, 20.5 percent must be deposited in~~
28 ~~the metropolitan area transit fund under section 16A.88, and~~
29 ~~1.25 percent must be deposited in the greater Minnesota transit~~
30 ~~fund under section 16A.88. The remaining money must be~~
31 ~~deposited in the general fund.~~

32 (e) From July 1, 2003, to June 30, ~~2007~~ 2005, 30 percent of
33 the money collected and received must be deposited in the
34 highway user tax distribution fund, 21.5 percent must be
35 deposited in the metropolitan area transit fund under section
36 16A.88, 1.43 percent must be deposited in the greater Minnesota

1 transit fund under section 16A.88, 0.65 percent must be
2 deposited in the county state-aid highway fund, and 0.17 percent
3 must be deposited in the municipal state-aid street fund. The
4 remaining money must be deposited in the general fund.

5 (c) From July 1, 2005, to June 30, 2006, 20.82 percent of
6 the money collected and received must be deposited in the
7 highway user tax distribution fund, one percent must be
8 deposited in the right-of-way advance acquisition loan account
9 established under section 446A.085, subdivision 3, 29.60 percent
10 must be deposited in the metropolitan area transit fund under
11 section 16A.88, and 2.33 percent must be deposited in the
12 greater Minnesota transit fund under section 16A.88. The
13 remaining money must be deposited in the general fund.

14 (d) From July 1, 2006, to June 30, 2007, 19.83 percent of
15 the money collected and received must be deposited in the
16 highway user tax distribution fund, one percent must be
17 deposited in the right-of-way advance acquisition loan account
18 under section 446A.085, subdivision 3, 30.50 percent must be
19 deposited in the metropolitan area transit fund under section
20 16A.88, and 2.43 percent must be deposited in the greater
21 Minnesota transit fund under section 16A.88. The remaining
22 money must be deposited in the general fund.

23 (e) From July 1, 2007, to June 30, 2008, 17.37 percent of
24 the money collected and received must be deposited in the
25 highway user tax distribution fund, 43.30 percent must be
26 deposited in the metropolitan area transit fund under section
27 16A.88, 5.33 percent must be deposited in the greater Minnesota
28 transit fund under section 16A.88, and ten percent must be
29 deposited in the multimodal transportation fund under section
30 16A.89. The remaining money must be deposited in the general
31 fund.

32 (f) From July 1, 2008, to June 30, 2009, 16.57 percent of
33 the money collected and received must be deposited in the
34 highway user tax distribution fund, 44.03 percent must be
35 deposited in the metropolitan area transit fund under section
36 16A.88, 5.40 percent must be deposited in the greater Minnesota

1 transit fund under section 16A.88, and 20 percent must be
2 deposited in the multimodal transportation fund under section
3 16A.89. The remaining money must be deposited in the general
4 fund.

5 (g) From July 1, 2009, to June 30, 2010, 15.94 percent of
6 the money collected and received must be deposited in the
7 highway user tax distribution fund, 44.59 percent must be
8 deposited in the metropolitan area transit fund under section
9 16A.88, 5.47 percent must be deposited in the greater Minnesota
10 transit fund under section 16A.88, and 30 percent must be
11 deposited in the multimodal transportation fund under section
12 16A.89. The remaining money must be deposited in the general
13 fund.

14 ~~(d)~~ (h) On and after July 1, 2010, 32 15.5 percent
15 of the money collected and received must be deposited in the
16 highway user tax distribution fund, 20-5 45 percent must be
17 deposited in the metropolitan area transit fund under section
18 16A.88, and-1-25 5.5 percent must be deposited in the greater
19 Minnesota transit fund under section 16A.88, and 34 percent must
20 be deposited in the multimodal transportation fund under section
21 16A.89. The-remaining-money-must-be-deposited-in-the-general
22 fund.

23 Sec. 9. Minnesota Statutes 2004, section 446A.085,
24 subdivision 3, is amended to read:

25 Subd. 3. [ESTABLISHMENT OF FUND; ACCOUNTS.] (a) A
26 transportation revolving loan fund is established to make loans
27 for the purposes described in subdivision 2. A highway account
28 is established in the fund for highway projects eligible under
29 United States Code, title 23. A transit account is established
30 in the fund for transit capital projects eligible under United
31 States Code, title 49. A state funds general loan account is
32 established in the fund for transportation projects eligible
33 under state law. A right-of-way advance acquisition loan
34 account is established in the fund for projects described in
35 subdivision 10a. Other accounts may be established in the fund
36 as necessary for its management and administration.

1 **(b)** The transportation revolving loan fund receives federal
2 money under the act and money from any source. Money received
3 under this section must be paid to the commissioner of finance
4 and credited to the transportation revolving loan fund. Money
5 in the fund is annually appropriated to the authority and does
6 not lapse. The fund must be credited with investment income,
7 and with repayments of principal and interest, except for
8 servicing fees assessed under sections 446A.04, subdivision 5,
9 and 446A.11, subdivision 8.

10 Sec. 10. Minnesota Statutes 2004, section 446A.085,
11 subdivision 8, is amended to read:

12 Subd. 8. [CERTIFICATION OF PROJECTS.] **(a)** Except as
13 **provided in paragraph (b),** the commissioner of transportation
14 shall consider the following information when evaluating
15 projects to certify for funding to the Transportation Committee:

16 (1) a description of the nature and purpose of the proposed
17 transportation project including an explanation of the need for
18 the project and the reasons why it is in the public interest;

19 (2) the relationship of the project to the area
20 transportation improvement program, the approved statewide
21 transportation improvement program, and to any transportation
22 plans required under state or federal law;

23 (3) the estimated cost of the project and the amount of
24 loans sought;

25 (4) proposed sources of funding in addition to loans sought
26 from the transportation revolving loan fund;

27 (5) the need for the project as part of the overall
28 transportation system;

29 (6) the overall economic impact of the project; and

30 (7) the extent to which completion of the project will
31 improve the movement of people and freight.

32 **(b)** For loans made from the right-of-way advance
33 **acquisition loan account,** the commissioner of transportation
34 **shall consider the following information when evaluating**
35 **projects to certify for funding to the transportation committee:**

36 **(1)** a description of the highway project, including

1 estimated schedules and costs, for which advance acquisition of
 2 right-of-way is sought;

3 (2) the importance of the project as measured by the
 4 criteria in paragraph (a), clauses (2) and (5) to (7);

5 (3) other sources of funding available for the acquisition;

6 (4) the necessity of preserving right-of-way for the
 7 project as a means of reducing overall project costs and
 8 preventing incompatible land uses;

9 (5) other options available for right-of-way preservation;

10 and

11 (6) the overall cost-effectiveness of advance right-of-way
 12 acquisition for the project.

13 Sec. 11. Minnesota Statutes 2004, section 446A.085, is
 14 amended by adding a subdivision to read:

15 Subd. 10a. [RIGHT-OF-WAY ADVANCE ACQUISITION LOANS.] (a)
 16 Loans from the right-of-way advance acquisition loan account may
 17 be made to the state, counties, towns, and statutory or home
 18 rule charter cities for purchasing property within the
 19 right-of-way of a state trunk highway shown on an official map
 20 adopted under section 394.361 or 462.359.

21 (b) Loans under this subdivision may be made only:

22 (1) to accelerate the acquisition of primarily undeveloped
 23 property when there is a reasonable probability that the
 24 property will increase in value before highway construction, and
 25 to update an expired environmental impact statement on a project
 26 for which the right-of-way is being purchased;

27 (2) to avert the imminent conversion or the granting of
 28 approvals that would allow the conversion of property to uses
 29 that would jeopardize its availability for highway construction;

30 or

31 (3) to take advantage of open market opportunities when
 32 developed properties become available for sale, provided all
 33 parties involved are agreeable to the sale and funds are
 34 available.

35 (c) A private property owner whose property is purchased
 36 with proceeds of a loan under this subdivision may elect to

1 receive the purchase price either in a lump sum or in not more
2 than four annual installments without interest on the deferred
3 installments. If the purchase agreement provides for
4 installment payments, the loan may be made in installments
5 corresponding to those in the purchase agreement. The recipient
6 of an acquisition loan shall convey the property for the
7 construction of the highway at the same price the recipient paid
8 for the property. The price may include the costs of preparing
9 environmental documents that were required for the acquisition
10 and that were paid for with money that the recipient received
11 from the account. Upon notification by the commissioner to the
12 loan recipient that the plan to construct the highway has been
13 abandoned or the anticipated location of the highway changed,
14 the recipient shall sell the property at market value in
15 accordance with the procedures required for the disposition of
16 the property.

17 (d) All rents and other money received by the loan
18 recipient because of the recipient's ownership of the property
19 and all proceeds from the conveyance or sale of the property
20 must be paid to the commissioner for deposit in the account.
21 Amounts so received may be applied to repayment of the loan.

22 Sec. 12. [TRUNK HIGHWAY BONDS; ISSUANCE.]

23 The commissioner of finance shall, on recommendation of the
24 commissioner of transportation, sell and issue Minnesota trunk
25 highway bonds under Minnesota Statutes, sections 167.50 to
26 167.52, and the Minnesota Constitution, article XI, sections 4
27 to 7, and article XIV, section 11, at times and in amounts
28 determined by the commissioner of transportation. Bonds issued
29 under this section are authorized in an aggregate principal
30 amount of \$1,000,000,000 over a ten-year period. The proceeds
31 of the bonds, except accrued interest and any premium received
32 on the sale of the bonds, must be credited to the bond proceeds
33 account in the trunk highway fund. Notwithstanding Minnesota
34 Statutes, section 16A.642, this authorization must not be
35 canceled before February 1, 2017.

36 Sec. 13. [TRUNK HIGHWAY BOND PROCEEDS APPROPRIATION.]

1 \$1,000,000,000 is appropriated to the commissioner of
2 transportation from the separate bond proceeds account in the
3 trunk highway fund for the construction, reconstruction, and
4 improvement of trunk highways, including acquisition of real
5 property. No more than \$100,000,000 of this appropriation may
6 be encumbered in each of fiscal years 2006 to 2015. Up to 17
7 percent of the appropriation each year may be used by the
8 department for program delivery. A minimum of ten percent of
9 this appropriation each year must be used for transit capital
10 improvements on trunk highways.

11 Sec. 14. [ROAD CONSTRUCTION APPROPRIATIONS.]

12 (a) \$55,800,000 in fiscal year 2006 and \$65,700,000 in
13 fiscal year 2007 are appropriated from the trunk highway fund to
14 the commissioner of transportation for state road construction.
15 Up to 17 percent of the appropriation each year may be used by
16 the department for program delivery.

17 (b) \$23,700,000 in fiscal year 2006 and \$32,600,000 in
18 fiscal year 2007 is appropriated to the commissioner from the
19 county state-aid highway fund for county state aid.

20 (c) \$7,700,000 in fiscal year 2006 and \$10,300,000 in
21 fiscal year 2007 is appropriated to the commissioner from the
22 municipal state-aid street fund for municipal state aid.

23 (d) \$1,800,000 in fiscal year 2006 and \$11,300,000 in
24 fiscal year 2007, are appropriated to the commissioner from the
25 trunk highway fund for transfer to the state bond fund for
26 highway debt service.

27 (e) These appropriations are in addition to any other
28 appropriation made for fiscal years 2006 and 2007 for the same
29 purposes.

30 Sec. 15. [TRANSIT BUDGET BASE.]

31 The general fund budget base for metropolitan transit and
32 greater Minnesota transit for fiscal years 2008 and 2009 is zero.

Article 1 APPROPRIATIONS.....	page	2
TRANSPORTATION AND OTHER AGENCIES		
Article 2 CAPITAL PROJECTS.....	page	4
Article 3 PUBLIC SAFETY ACTIVITIES, FEES, ACCOUNTS.....	page	5
Article 4 MISCELLANEOUS FINANCE POLICY.....	page	68
Article 5 SPECIAL PLATES.....	page	84
Article 6 TRANSPORTATION FINANCE.....	page	97

APPENDIX
Repealed Minnesota Statutes for S1980-2

168.012 VEHICLES EXEMPT FROM TAX OR LICENSE FEES.

Subd. 12. Fees credited to highway user fund. Administrative fees and fees collected from the sale of license plates under this section must be paid into the state treasury and credited to the highway user tax distribution fund.

168.041 IMPOUNDING REGISTRATION PLATES.

Subd. 11. Fees credited to highway user fund. Fees collected from the sale of license plates under this section must be paid into the state treasury and credited to the highway user tax distribution fund.

168.105 CLASSIC MOTORCYCLE REGISTRATION.

Subd. 6. Issuance. The registrar shall begin issuing classic motorcycle plates on January 1, 1984, and thereafter.

168.231 TAX PROCEEDS CREDITED TO HIGHWAY USER FUND.

The proceeds of the tax imposed under the provisions of sections 168.181 to 168.231 shall be collected by the registrar of motor vehicles and paid into the state treasury and credited to the highway user tax distribution fund.

168.345 USE OF VEHICLE REGISTRATION INFORMATION.

Subd. 3. Requests for information; surcharge on fee. Except as otherwise provided in subdivision 4, the commissioner shall impose a surcharge of 50 cents on each fee charged by the commissioner under section 13.03, subdivision 3, for copies or electronic transmittal of public information concerning motor vehicle registrations. This surcharge only applies to a fee imposed in responding to a request made in person or by mail, or to a request for transmittal through a computer modem. The surcharge does not apply to the request of an individual for information concerning vehicles registered in that individual's name. The commissioner shall forward the surcharges collected under this subdivision to the commissioner of finance on a monthly basis. Upon receipt, the commissioner of finance shall credit the surcharges to the general fund.

Subd. 4. Exception to fee and surcharge. (a) Notwithstanding subdivision 3 or section 13.03, no fee or surcharge shall be imposed in responding to a request for public information concerning motor vehicle registrations if the requester gives the commissioner a signed statement that:

(1) the requester seeks the information on behalf of a community-based, nonprofit organization which has been designated by the local law enforcement agency to be a requester; and

(2) the information is needed in order to identify suspected prostitution law violators, controlled substance law violators, or health code violators.

(b) The commissioner may not require a requester to make a certain minimum number of data requests nor limit a requester to a certain maximum number of data requests.

168C.01 POLICY STATEMENT.

The legislature of the state of Minnesota finds that the use of bicycles as a means of travel and recreation embodying physical, environmental and social benefits is already recognized by many people in the state, and will be further encouraged given the opportunity for safe, convenient and pleasant bicycle travel. The legislature further finds that dependence on the private automobile must be reduced, particularly in the light of an energy shortage and encouragement of increased bicycle usage by the provision and maintenance of bikeways and with the addition of some traffic

APPENDIX
Repealed Minnesota Statutes for S1980-2

laws designed for the orderly integration of bicycles into traffic systems, is a way of reducing this dependence. However, the growth in popularity of the bicycle as a mode of transportation and as a recreational vehicle has led to an increase in the number of bicycle thefts. To more effectively deal with the problems associated with theft and to aid in the recovery of stolen bicycles, a statewide bicycle registration system is hereby created.

168C.02 DEFINITIONS.

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

Subd. 2. **Bicycle.** "Bicycle" means every device propelled by human power upon which a person may ride, having two tandem wheels either of which is over 14 inches in diameter, or any device generally recognized as a bicycle though equipped with two front or rear wheels, or a unicycle.

Subd. 3. **Bicycle dealer.** "Bicycle dealer" means a person, firm, partnership, association, or corporation which is engaged, wholly or partly, in the business of selling bicycles, or buying or taking in trade bicycles for the purpose of resale, selling, or offering for sale, or otherwise dealing in bicycles, whether or not the bicycles are owned by the person or entity. The term does not include agents or employees of the person or entity.

Subd. 4. **Commissioner.** "Commissioner" means the commissioner of public safety.

Subd. 5. **License.** "License" means a tag, plate, seal, sticker, or other device that can be securely attached to a bicycle and that is issued upon registration of the bicycle.

168C.03 REGISTRATION APPLICATION.

On or after March 1, 1977 any owner of a bicycle may apply for registration of the bicycle to the commissioner, to any deputy registrar of motor vehicles acting pursuant to section 168.33, or to any deputy registrar of bicycles appointed by the commissioner pursuant to section 168C.11. Applications must be in a format prescribed by the commissioner and contain information required by the commissioner to license a bicycle. The commissioner shall designate a number to be stamped or otherwise permanently affixed on the frames of bicycles on which no serial number can be found, or on which the number is illegible or insufficient for identification purposes.

168C.04 REGISTRATION REQUIREMENTS, FEE, ACCOUNT, APPROPRIATION.

Subdivision 1. **Three-year registration fee; procedures.** The registration fee for bicycles is \$9 after July 1, 1991. These fees must be paid at the time of registration. The fees, and any donations in excess of the fees, must be deposited in a bicycle transportation account in the special revenue fund. Proof of ownership is required for registration. Bicycles lacking proof of ownership may be registered if there is no evidence that the bicycle is stolen. The registration is valid for three calendar years. A person registering a bicycle may add an additional amount to the registration fee, and all amounts so added must be deposited in the same manner as registration fees. A person registering a bicycle must, at the time of registration, be informed that a registrant may add an additional amount to the fee and that all such additional amounts will be used for the purposes specified in subdivision 2.

Subd. 2. **Bicycle transportation account; money**

APPENDIX
Repealed Minnesota Statutes for S1980-2

allocated. A bicycle transportation account is created in the special revenue fund. All funds in the account, up to a maximum of \$160,000 in a fiscal year, are annually appropriated as follows:

(1) one-half to the commissioner of transportation for the development of bicycle transportation and recreational facilities on public highways, including but not limited to bicycle lanes and ways on highways, off-road bicycle trails, and bicycle mapping; and

(2) one-half to the commissioner of public safety for bicycle safety programs, administration of the bicycle registration program, and public information and education designed to encourage participation in the program.

Subd. 3. Considerations before money distributed. An agency of the state expending funds from the bicycle transportation account must, in making expenditures for the purposes of subdivision 2, paragraph (c), give consideration to participation or nonparticipation by a political subdivision in the bicycle registration program as provided in section 168C.13 and the extent of local public participation in the program before approving a project or expenditure in that political subdivision.

168C.05 REPORT OF TRANSFER.

Every person who sells or transfers ownership of any bicycle registered pursuant to this chapter shall report the sale or transfer to the commissioner within 14 days of the sale or transfer. The report of sale must include the information required by the commissioner and be in the format prescribed by the commissioner.

168C.06 NOTIFICATION OF CHANGE OF ADDRESS.

Upon moving or change of address, the owner of a bicycle registered pursuant to this chapter shall notify the commissioner in the format and manner prescribed by the commissioner of the new address within 14 days.

168C.07 LICENSE AND REGISTRATION; REPLACEMENT FEE.

(a) The commissioner shall provide to the registrant a suitable registration card that has the registration number stamped on the card and that indicates the date of registration, the make and serial number of the bicycle, the owner's name and address, and any additional information as the commissioner may require. The commissioner shall retain information concerning each registration.

(b) The commissioner shall issue a license, which must be securely attached to the bicycle covered by the registration.

(c) Upon a satisfactory showing that the license or registration card has been lost or destroyed, the commissioner shall issue a replacement license or registration card upon payment of a fee of \$1. All fees so collected must be deposited to the general fund.

168C.08 ALTERING SERIAL NUMBER; PENALTY.

A person shall not willfully remove, destroy, mutilate, or otherwise alter the serial number or equivalent number of any bicycle designated by the commissioner pursuant to section 168C.03. A person shall not willfully remove, destroy, mutilate, or otherwise alter any license during the time in which the license is operative. Any person who violates this section is guilty of a misdemeanor.

APPENDIX
Repealed Minnesota Statutes for S1980-2

168C.09 THEFT; PENALTY.

Subdivision 1. Reports; entry into crime information center. The local law enforcement agency shall report the theft of all bicycles registered pursuant to this chapter to the Department of Public Safety within five days. Reports of the stolen bicycles must be entered in the Minnesota Crime Information Center of the Department of Public Safety. When the stolen bicycle has been recovered by a local law enforcement agency, the agency shall report the recovery to the Department of Public Safety within five days of the recovery in the format and manner prescribed by the commissioner.

Subd. 2. Records. The commissioner shall maintain a record of all bicycles registered pursuant to this chapter in the state in an automated system. The records must be available to all authorized law enforcement agencies through the Minnesota Crime Information Center.

Subd. 3. Violation and penalty. Any person who knowingly sells or offers for sale a bicycle registered under this chapter that is not owned by that person or a family member is guilty of theft and subject to punishment under section 609.52, subdivision 3.

168C.10 TAMPERING; PENALTY.

No person, other than the owner or the owner's authorized agent, except for protection of the bicycle, shall tamper with any bicycle which has been locked or placed in a rack or otherwise secured. Any person who violates the provision of this section is guilty of a misdemeanor.

168C.11 DEPUTY REGISTRARS OF BICYCLES.

Subdivision 1. Appointment; service fee. (a) Subject to subdivision 2, the commissioner shall appoint as deputy registrars of bicycles any bicycle dealer, or agent or employee of the dealer, or agent or employee of a nonprofit organization promoting bicycling or in whose activities bicycling plays an integral part, or an agent or employee designated by a municipality that sells bicycles at public auction who applies for appointment in a manner prescribed by the commissioner; provided that concurrently there may be no more than one deputy for each separate place of business of a bicycle dealer. Deputy registrars of bicycles shall act as agents of the commissioner and may accept registrations as provided in this chapter.

(b) The commissioner, deputy registrars of motor vehicles, and deputy registrars of bicycles may charge and retain an additional \$1 per registration granted for their services. In the case of a deputy registrar of motor vehicles, the \$1 must be deposited in the treasury of the place for which the deputy registrar is appointed, or if not a public official the deputy registrar shall retain the filing fee. Other registration fees collected by the commissioner, deputy registrars of motor vehicles, and deputy registrars of bicycles must be processed, accounted for, and transmitted to the commissioner of finance as required by the commissioner.

Subd. 2. Denial, suspension, or revocation of appointment. The commissioner, without prior notice or hearing, may issue an order denying, suspending, or revoking any appointment made or applied for pursuant to this section upon finding that the applicant or deputy registrar of bicycles has violated or failed to comply with any provision of this chapter or any rule adopted under the authority of this chapter. Upon the entry of such an order, the commissioner shall promptly

APPENDIX
Repealed Minnesota Statutes for S1980-2

serve a copy of the order on the applicant or deputy registrar of bicycles. The order must state the reasons for its issuance and, in the case of a suspension or revocation of appointment, must specify that upon the written request of the deputy registrar of bicycles the matter will be set for hearing within 15 days after the receipt of the request; provided, that with the consent of the deputy registrar of bicycles a hearing may be held subsequent to the expiration of the 15-day period. If no hearing is requested, the order remains in effect until it is modified or vacated by the commissioner. If a hearing is requested, the commissioner, after notice and hearing in accordance with chapter 14, shall affirm, modify, or vacate the order.

168C.12 ADMINISTRATION; RULES.

The commissioner shall adopt rules for the implementation and administration of this chapter. Nothing in this chapter prevents the commissioner from contracting any service provided under this chapter to any private person or entity or other unit of government.

168C.13 REGISTRATION BY POLITICAL SUBDIVISION.

Subdivision 1. **Bicycle registration powers of political subdivision.** No political subdivision may license or register bicycles except as a deputy registrar pursuant to section 168C.11, subdivision 1. However, any political subdivision that had the power of a deputy registrar before March 1, 1977, may thereafter require that any or all bicycles used or ridden upon any highway, street, alley, sidewalk, or other public way, or property within the boundaries of the public way, must be registered. Applications for new registrations required pursuant to this subdivision must be made to the commissioner in the same manner and subject to the same rules, fees, and penalties as those made voluntarily pursuant to section 168C.03.

Subd. 2. **Records of registration; notice of transfers.** Any political subdivision of the state which licensed or registered bicycles prior to March 1, 1977, may after such date, continue to maintain its licensing or registration records and may require the owner of record as of March 1, 1977, of any bicycle registered therewith on or prior to that date to notify the political subdivision upon selling or otherwise transferring ownership of the bicycle.

Subd. 3. **Registration of impounded bicycles upon sale.** A political subdivision that sells bicycles it has impounded may require that the purchaser of an impounded bicycle register the bicycle under section 168C.03 as a condition of the sale.

170.23 ABSTRACT; FEE; ADMISSIBLE IN EVIDENCE.

The commissioner shall upon request furnish any person a certified abstract of the operating record of any person subject to the provisions of this chapter, and, if there shall be no record of any conviction of such person of violating any law relating to the operation of a motor vehicle or of any injury or damage caused by such person, the commissioner shall so certify. Such abstracts shall not be admissible as evidence in any action for damages or criminal proceedings arising out of a motor vehicle accident. A fee of \$5 shall be paid for each such abstract. The commissioner shall permit a person to inquire into the operating record of any person by means of the inquiring person's own computer facilities for a fee to be determined by the commissioner of at least \$2 for each inquiry. The commissioner shall furnish an abstract that is not certified

APPENDIX
Repealed Minnesota Statutes for S1980-2

for a fee to be determined by the commissioner in an amount less than the fee for a certified abstract but more than the fee for an inquiry by computer. Fees collected under this section must be paid into the state treasury with 90 percent of the money credited to the trunk highway fund and ten percent credited to the general fund.

171.12 DRIVING RECORD; FILING; PRIVATE DATA; SURCHARGE.

Subd. 8. Request for information; surcharge on fee.

The commissioner shall impose a surcharge of 50 cents on each fee charged by the commissioner under section 13.03, subdivision 3, for copies or electronic transmittal of public information concerning driver's license and Minnesota identification card applicants. This surcharge only applies to a fee imposed in responding to a request made in person or by mail, or to a request for transmittal through a computer modem. The surcharge does not apply to the request of an individual for information concerning that individual's driver's license or Minnesota identification card. The commissioner shall forward the surcharges collected under this subdivision to the commissioner of finance on a monthly basis. Upon receipt, the commissioner of finance shall credit the surcharges to the general fund.

171.185 COSTS PAID FROM TRUNK HIGHWAY FUND.

All costs incurred by the commissioner in carrying out the provisions of sections 171.182 to 171.184 shall be paid from the trunk highway fund.

473.408 FARE POLICY.

Subdivision 1. Definition. "Off-peak hours" means the time from 9:00 a.m. to 3:30 p.m. and 6:30 p.m. until the last bus on Monday through Friday of each week and all day Saturday, Sunday, and holidays designated by the council.

**Senate Counsel, Research,
and Fiscal Analysis**

G-17 STATE CAPITOL
75 REV. DR. MARTIN LUTHER KING, JR. BLVD.
ST. PAUL, MN 55155-1606
(651) 296-4791
FAX: (651) 296-7747
JO ANNE ZOFF SELLNER
DIRECTOR

Senate

State of Minnesota

S.F. No. 1980 - Omnibus Transportation Funding Bill (Second Engrossment)

Author: Senator Steve Murphy

Prepared by: Bonnie Berezovsky, Senate Counsel (651/296-9191) *BB*
Amy Vennewitz, Fiscal Analyst (651/296-7681) *Amv*

Date: May 2, 2005

ARTICLE 1
[TRANSPORTATION AND OTHER AGENCIES APPROPRIATIONS]

ARTICLE 2
[CAPITAL PROJECTS]

ARTICLE 3
[PUBLIC SAFETY ACTIVITIES, FEES, ACCOUNTS] Page 3

ARTICLE 4
[MISCELLANEOUS FINANCE POLICY] Page 10

ARTICLE 5
[SPECIAL PLATES] Page 13

ARTICLE 6
[TRANSPORTATION FINANCE] Page 14

**ARTICLE 1
TRANSPORTATION AND OTHER AGENCIES APPROPRIATIONS**

Section 1. TOTAL TRANSPORTATION APPROPRIATIONS.

Numbers shown are additions to or subtractions from the appropriations in 2005 Senate File No. 1879, Article 8, if enacted.

Section 2. TRANSPORTATION DEPARTMENT APPROPRIATIONS.

Subdivision 1. State Roads

The trunk highway fund appropriation for infrastructure investment support is increased by \$50 million, and the state road construction appropriation is decreased by \$50 million, reducing the amount of highway user tax revenues necessary to fund state road construction.

\$1 million of the fiscal year 2006 state road construction appropriation is for concrete or cable median safety barriers on interstate or trunk highways in the metropolitan area that do not have safety barriers.

Subdivision 2. Transfers

The Commissioner of Finance is directed to transfer \$7.429 million the first year, and \$5.277 million the second year from the flexible account to the county principal arterial account, both in the county state-aid highway fund, and to transfer \$2.961 million the first year and \$2.103 million the second year to the municipal principal arterial account in the municipal state-aid street fund.

Section 3. PUBLIC SAFETY.

(a) The state patrol appropriation for patrolling highways is increased by \$785,000 in the first year for the purchase of automated external defibrillators for state patrol vehicles.

(b) Appropriates \$246,000 in fiscal year 2006 and \$196,000 in fiscal year 2007 from the vehicle services operating account to Driver and Vehicle Services for production of Support Our Troops special license plates.

(c) The traffic safety appropriation from the driver services operating account in the special revenue fund is increased \$500,000 in the first year, and \$1.2 million in the second year, for traffic and pedestrian safety.

**ARTICLE 2
CAPITAL PROJECTS**

Section 1. TRUNK HIGHWAY BOND PROCEEDS ACCOUNT APPROPRIATIONS.

Subdivision 1. Exterior Repair of Transportation Building. Appropriates \$9.342 million to the commissioner from the trunk highway bond proceeds account to repair and renovate the exterior of the Department of Transportation building.

Subdivision 2. Mankato Headquarters Building. Appropriates \$16.620 million to the commissioner from the bond proceeds account to design, construct and furnish a new district headquarters facility in Mankato.

Subdivision 3. Small Capital Projects. Appropriates \$4.728 million to the commissioner from the bond proceeds account for statewide small capital buildings. Of this amount, \$600,000 is for the department's share of feasibility studies, design and upgrade of common utilities for a joint use facility with Pope County.

Section 2. BOND SALE. Authorizes the Commissioner of Finance to sell trunk highway bonds in an amount up to \$30.690 million to provide the money appropriated in section 1.

ARTICLE 3 PUBLIC SAFETY ACTIVITIES, FEES, ACCOUNTS

Section 1 allows the Commissioner of Administration to permit an agency outside the state's central mail-handling unit to perform mail-related functions, if the agency demonstrates efficiency and economy.

Section 2 increases from \$4 to \$10 the fee paid on initial motor vehicle registration and on vehicle transfer that is currently dedicated to the general fund and, beginning in fiscal year 2009, to the environmental fund.

Section 3 adds a definition of commissioner.

Section 4 provides that, unless otherwise specified in the vehicle registration chapter (168), the net proceeds of the registration tax are credited to the highway user tax distribution fund, and all fees are deposited in the vehicle services operating account in the special revenue fund under section 299A.705 (Section 46 of this article).

Sections 5, 6, and 7 make technical changes.

Section 8 deletes language requiring a person using classic motorcycle plates to return the plates to the registrar before substituting original plates. The section also specifies \$10 as the amount of the fee for registering the number on the original plates, which are plates from the model year of the classic motorcycle.

Section 9, Subdivision 1 makes technical and conforming changes.

Subdivision 2 strikes the requirement that holders of amateur radio licenses surrender current licenses to obtain special amateur radio plates.

Subdivision 2a provides that the replacement fee for personalized license plates is set by statute, not by the commissioner.

Subdivision 2b describes firefighters' special plates as bearing an emblem, rather than being inscribed with a symbol, of a Maltese Cross. The firefighters' plates may be inscribed with any numbers or characters prescribed by the commissioner. Current law requires five numbers.

Subdivision 2c strikes the requirement that the adjutant general estimate the number of required National Guard special plates and submit this to the commissioner.

Subdivision 2d strikes the requirement that the Commissioner of Veterans Affairs estimate the number of required United States Armed Forces Ready Reserve special plates and submit this to the commissioner.

Subdivision 2e makes technical and conforming changes.

Subdivision 2f strikes the requirement that a holder of original license plates (issued in the vehicle's model year) surrender current licenses to obtain the original plates.

Subdivision 5 makes technical and conforming changes.

Section 10 specifies that the design on veterans' special plates must be an emblem. The requirement is stricken that the Commissioner of Veterans Affairs specify the number of required plates.

Section 11 specifies that the commissioner issue an emblem rather than a sticker for members of veterans service organizations. To obtain the veterans service group emblem, an applicant must present a valid membership card in the American Legion or Veterans of Foreign Wars. The authority of the Commissioner of Veterans Affairs to determine required membership documentation is stricken. The requirement is stricken that the Commissioner of Veterans Affairs specify the number of required plates.

Section 12 allows the commissioner to issue a single motorcycle special plate for a recipient of the Congressional Medal of Honor.

Section 13 allows the commissioner to issue a single motorcycle special plate for a former Prisoner of War. The design issued by the commissioner for EX-POW plates and disability plates must be an emblem rather than an insignia.

Section 14 provides that the design issued by the Commissioner of Veterans Affairs for veteran contribution plates must be an emblem.

Sections 15 and 16 make technical and conforming changes.

Section 17 specifies that the design for special collegiate plates must be an emblem.

Section 18 provides that the design on the special plate (sometimes referred to as the generic plate) issued by the commissioner must be a unique emblem for firefighter plates, volunteer ambulance attendants plates, veterans service groups plates, and collegiate plates.

Section 19 applies the provisions relating to authorization and discontinuance of production of special plates to firefighter plates, volunteer ambulance attendants plates, veterans service groups plates, and collegiate plates.

Section 20 makes technical and conforming changes.

Section 21 specifies that the design on the special Rotary license plates must be an emblem.

Section 22 strikes the requirement that the commissioner investigate the fitness of a motor vehicle dealer applicant, but requires the commissioner to insure compliance with law and rules. Language is added to state that a 30-day extension of the temporary license is for the purpose allowing the temporarily-licensed dealer to come into full compliance with law and rules. A time limit of 120 days following issuance of the temporary license is specified during which the dealer license must be granted or denied. Motor vehicle dealer license application fees are increased from \$50 to \$100, and annual fees are increased from \$100 to \$150. Of each fee, \$50 is credited to the vehicle services operating account.

Section 23 allows for an applicant to pay a \$20 expedited service fee when applying for a driver's license, instruction permit, identification card, or vehicle title transaction. The commissioner may decline the request if expedited service cannot be given. Acceptance of the fee requires the commissioner to expedite processing of the application, by mailing or delivering requested documents within three days. Of this fee, the driver's license agent or deputy registrar may retain \$10, and the remainder is paid into the driver services operating account (if the application is for driver's license, permit, or ID card) or the vehicle services operating account (if the application is for vehicle service).

Section 24, Subdivision 1 sets fees to be paid to the commissioner to obtain certain documents. Fees are:

- \$10 for a certified copy of a driver's license record, instruction permit record, ID card record, vehicle registration record, vehicle title record, or accident record;
- \$9 for an uncertified copy of the above-named documents; and
- \$1/page additional fee for a copy of the history of any vehicle title not in electronic format.

Fees for vehicle registration or title are deposited in the general fund (\$.50) and the remainder in the vehicle services operating account. Fees for other documents are deposited in the general fund (\$.50) and the remainder in the driver services operating account.

A person may make inquiry through his/her own computer into another person's records for a fee of \$4.50, \$2.70 of which is deposited in the general fund, and the remainder in the vehicle or driver services operating account, depending on the nature of the documents accessed. No fee may be charged for a person to access data about the requester. Fees for accident records and reports are governed by another section of law, which is modified in section 34 of this article.

Subdivision 2 authorizes the commissioner to impose a \$.50 surcharge on a fee charged for a section 13.03 request for mailed or e-mailed information concerning vehicle registration or applications for driver's license, instruction permit, or ID card about someone other than the requester. Surcharge revenues are deposited in the general fund.

Subdivision 3 exempts from the fee and surcharge a community-based nonprofit designated by a local law enforcement agency as a requester, and a requester of information needed to identify violators of prostitution laws, controlled substance laws, or health codes.

Section 25, Subdivision 1 strikes language specifically authorizing the Commissioner of Public Safety to employ up to eight persons as inspectors, in favor of a general authorization to the commissioner to obtain information about taxable vehicles.

Subdivision 2 strikes language authorizing the commissioner to hire and compensate the employees necessary to carry out the duties of chapter 168. Language is stricken that authorizes the auditor to appoint a city official to act as deputy registrar, if the city is a county seat or larger than the county seat, and no deputy registrar office is located within 15 miles of the city. Language is stricken that requires deputy registrars to maintain a registration and motor vehicle tax collection bureau in a convenient public place in close proximity to the place for which the registrar was appointed. The subdivision requires office locations approved by the commissioner for vehicle registration and collection of taxes and fees.

Subdivisions 2a and 2b make technical changes.

Subdivision 3 strikes obsolete language concerning the commissioner's duty to furnish copies of a vehicle registration upon request. New language cross-references section 168.327 (section 24 in this Article) which governs the furnishing of registration copies. Chiefs of police, county sheriffs, prosecuting attorneys, and other law enforcement agencies with the power to arrest are entitled to vehicle registration records without charge.

Subdivision 6 strikes the requirement that the commissioner and deputy registrars destroy all number plates surrendered and cancel all certificates surrendered.

Subdivision 7 increases from \$7 to \$8.50 through June 30, 2007, and to \$10 thereafter, the filing fee on every vehicle transaction other than registration renewal (which continues to be \$4.50). Of the \$8.50 filing fee, \$3.50 is paid into the general fund, and the remaining \$5, along with the \$4.50 registration renewal fees, are paid into the vehicle services operating account in the special revenue fund.

Subdivisions 8 and 9 make technical changes.

Sections 26 and 27 contain technical changes.

Section 28 provides that appropriations to the Department of Public Safety for manufacture of license plates are to be made from the vehicle services operating account in the special revenue fund. Current law provides that these appropriations be made from the highway user tax distribution fund. This section strikes a standing appropriation from the highway user fund to the commissioner for purchasing, delivering, and mailing plates, registration tabs or stickers, and registration notices.

Sections 29 and 30 contain technical changes.

Section 31 increases from \$20 to \$35 the inspection fee for issuance of a salvage certificate of title. Of this fee, \$20 is paid to the general fund, and the remainder is paid to the vehicle services operating account in the special revenue fund.

Section 32 increases and deposits fees as follows:

- For an original certificate of title, fee is increased from \$3 to \$5.50, of which \$2.50 is paid into the vehicle services operating account;
- For a certificate of title after transfer, fee is increased from \$3 to \$5.50, of which \$2.50 is paid into the vehicle services operating account; and
- For a duplicate certificate of title, fee is increased from \$4 to \$6.50, of which \$2.50 is paid into the vehicle services operating account.

Section 33 provides that necessary expenses incurred by the department in administering the vehicle title system must be paid from the vehicle services operating account of the special revenue fund. A reference to the transfer of ownership revolving fund is stricken.

Section 34 prohibits the use of an accident report as evidence in an action for damages or criminal proceedings, expanding the current prohibition against use of accident reports in trials. The section requires (current language permits) the commissioner to charge government agencies \$5 for a copy of an accident report. Of the fee, 90 percent must be deposited in the driver services operating account, and ten percent must be deposited in the general fund. The commissioner is authorized to furnish an electronic copy of the database of accident records, which must not contain personal or private data on an individual, to the public at cost or to companies in the business of collecting accident and damage information on vehicles. The existing fee of 50 cents per record charged to

commercial users who request access to accident data is deposited 90 percent in the driver services operating account, and ten percent in the general fund.

Section 35 redirects one-half of the fees from the sale or reinstatement of license plates following administrative impoundment, from the highway user fund to the vehicle services operating account. The other half continues to be deposited in the general fund.

Section 36 changes driver's license and identification card fees as follows:

- Class D driver's license from \$18.50 to \$16.50
- Class C driver's license from \$22.50 to \$20.50
- Class B driver's license from \$29.50 to \$27.50
- Class A driver's license from \$37.50 to \$35.50
- Under-21 Class D driver's license from \$18.50 to \$16.50
- Under-21 Class C driver's license from \$22.50 to \$20.50
- Under-21 Class B driver's license from \$29.50 to \$27.50
- Under-21 Class A driver's license from \$17.50 to \$15.50
- Provisional license from \$9.50 to \$7.50
- Duplicate license or duplicate ID card from \$8.00 to \$6.00
- Minnesota identification card from \$12.50 to \$10.50

In addition to the specified fees, the registrar must collect a filing fee of \$5.00 for each application through June 30, 2007. The additional fee increases to \$6.50 after June 30, 2007.

Section 37 provides that ten percent of certain fee receipts from the motorcycle driver's license endorsement in excess of \$750,000 in a fiscal year is credited to the general fund. The remaining 90 percent is credited to the motorcycle safety fund rather than to the trunk highway fund.

Section 38 increases from \$3.50 to \$5 the filing fee that a driver's license agent may charge and retain.

Section 39 provides that existing fees collected by the department to issue a driver's license or identification card bearing a temporary custodian identifier must be deposited in the driver services operating account.

Section 40 credits \$2.50 of each initial motorcycle endorsement on a driver's license to the driver services operating account, instead of the trunk highway fund.

Section 41 imposes fees, to be credited to the driver services operating account, for certain repeat examinations as follows:

- \$10 for a third and subsequent knowledge test, if the individual has failed two previous consecutive knowledge tests; and
- \$20 for a third and subsequent skills and road test if the individual has failed two

previous consecutive road or skills tests in a specified motor vehicle class.

Section 42 makes technical changes.

Section 43 credits all money received under the driver's license chapter to the driver services operating account, except as otherwise specifically provided.

Section 44 redirects 20 percent of the \$250 driver's license reinstatement fee from the trunk highway fund to the driver services operating account.

Section 45 redirects driver training school license fees from the trunk highway fund to the driver services operating account.

Section 46 creates the driver and vehicle services operating accounts in the special revenue fund.

Subdivision 1 creates the vehicle services operating account, consisting of fees specified in chapters 168 and 168A and any other appropriations. Funds are available to administer vehicle services related to vehicle registrations, plates, and titles; vehicle records; disability certificates and plates; vehicle dealer licensing; deputy registrars; and vehicle inspection.

Subdivision 2 creates the driver services operating account, consisting of fees specified in chapter 171 and any other appropriations. Funds are available to administer driver services specified in chapters 169A and 171, including activities associated with drivers' licenses and identification cards, driver examination, and traffic safety activities.

Section 47 states an instruction to the Revisor to change certain statutory and Rules references.

Section 48 repeals:

- Minnesota Statutes, section 168.012, subdivision 12, crediting fees from license plate sales to highway user fund;
- Minnesota Statutes, section 168.041, subdivision 11, crediting fees from special series license plate sales to highway user fund;
- Minnesota Statutes, section 168.105, subdivision 6, containing obsolete language;
- Minnesota Statutes, section 168.231, crediting proceeds of reciprocity tax to highway user fund;
- Minnesota Statutes, section 168.345, subdivisions 3 and 4, imposing surcharge on requests for certain information;
- Minnesota Statutes, section 170.23, authorizing the commissioner to furnish an abstract of a person's driving record;
- Minnesota Statutes, section 171.12, subdivision 8, imposing surcharge on requests for certain driver's license information;
- Minnesota Statutes, section 171.185, spending trunk highway funds to pay the commissioner's costs in suspending licenses for lack of vehicle insurance;

- Minnesota Statutes, section 473.408, subdivision 1, defining “off-peak hours” in the transit sections of law;
- Minnesota Statutes, section 168C.01 through 168C.13, providing for bicycle registration; and
- Minnesota Rules, chapter 7407, relating to bicycle registration.

ARTICLE 4 MISCELLANEOUS FINANCE POLICY

Section 1 requires the Department of Transportation to include, without charge, a symbol or logo relating to E85, on a business panel sign of a business that sells E85.

Section 2 establishes a revolving account for the state highway sign program. Receipts collected by the commissioner from local road authorities and the department’s highway operations unit that relate to equipment acquisition and rental, labor, materials, and other costs are credited to a special account in the trunk highway fund. The section includes an open and standing appropriation of money in the fund to pay sign costs. Money in the account is exempt from statewide and agency indirect cost payments.

Section 3 changes the allowable uses of the flexible highway account that receives 53.5 percent of the five percent formula from the highway user tax distribution fund. The ability to use the funds for trunk highway road construction purposes is eliminated and two new purposes are added, including the ability to use the funds for rural road safety purposes and for construction and maintenance of local roads functionally classified as principal arterial roads. The commissioner must recommend as part of the biennial budget the percentage of funds in the flexible highway account to be used for county and municipal turnbacks, rural road safety, and county and municipal principal arterials.

Section 4 establishes a county principal arterial account in the county state-aid highway fund and a municipal principal arterial account in the municipal state-aid street fund. Money in the accounts must be used as grants to counties and cities for capital improvements on county state-aid highways and municipal state-aid streets that are functionally classified as principal arterials. The commissioner must establish procedures for counties and cities to apply for the grants in consultation with representatives of the Association of Minnesota Counties and League of Minnesota Cities.

Section 5 establishes the rural road safety account in the county state-aid highway fund. Money in the account is annually appropriated to the Commissioner of Transportation for grants to counties to pay for capital improvement projects on county state-aid highways to increase safety. The commissioner must establish a grant process, in consultation with the Association of Minnesota Counties. Grant eligibility must be based on the project’s ability to reduce the frequency and severity of crashes. Half the money must be used for projects in the counties of Anoka, Chisago, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington; half the money must be used for projects in the rest of the state.

Section 6 designates the interstate bridge on Trunk Highway 10, connecting Moorhead and Fargo, as the Veterans Memorial Bridge. The commissioner must erect appropriate signs, using nonstate funds.

Section 7 increases the amount deducted from the county state-aid highway fund for administrative costs from one and one-half percent to two percent.

Section 8 modifies the definition of “recreational vehicle combination” to provide that the third vehicle, which is a trailer, can carry equestrian equipment and supplies.

Section 9 adds language conforming to section 8 to the description of the conditions under which recreational vehicle combinations may be operated without a permit.

Section 10 adds the condition that a vehicle hauling raw or unfinished forest products may not exceed 20,000 pounds gross weight on any single axle, to the conditions on which these vehicles may operate without regard to load restrictions. A vehicle under this section may exceed legal axle weights in the statutory gross weight schedule by up to 12.5 percent. Weight limits may be exceeded by up to 22.5 percent during the winter seasonal increase set by the commissioner.

Section 11 includes wood chips among the raw and unfinished forest products that may, in a first haul, exceed statutory weight limitations by up to ten percent.

Section 12 prescribes an annual oversize permit fee of \$120 for manufactured storage buildings.

Section 13, Subdivision 1 authorizes the commissioner to issue a permit for a three unit vehicle, consisting of a truck-tractor and semitrailer drawing one additional semitrailer, with a maximum gross vehicle weight of 108,000. These vehicles may be operated on Trunk Highway 2 between Grand Rapids and Duluth, on Trunk Highway 169 between Grand Rapids and Trunk Highway 53, and on Trunk Highway 53 between Virginia and Duluth.

Subdivision 2 authorizes the commissioner to issue a permit for a two unit vehicle, consisting of a truck-tractor and single semitrailer that may exceed 48 feet, but not 53 feet, and has a maximum gross vehicle weight of 90,000 pounds, or 98,000 pounds when seasonal weight increases are in effect.

Subdivision 3 restricts vehicles operated under these permits as follows:

- Must comply with seasonal load restrictions;
- May not be operated on interstates; and
- May be operated on local streets or highways only with approval of local authority, except they may have reasonable access to terminals and facilities for food, fuel, repairs, and rest, and for continuity of route within one mile of the national network.

Subdivision 4 requires permits under this section to be annual permits, issued for a fee of \$850/vehicle. Proceeds are deposited in the trunk highway fund. An amount sufficient to administer the permit program is appropriated to the commissioner.

This section is effective the later of August 1, 2006, or when the commissioner determines that building permits have been issued for construction of a new pulp and paper manufacturing facility in Grand Rapids.

Section 14 provides that until August 1, 2009, a facility built for the purpose of facilitating operation of public transit, constructed in conjunction with a development and financed with 60 percent of construction costs provided by the federal government need not require competitive bidding.

Section 15 prohibits the Commissioner of Transportation from implementing a new formula for allocating federal funds that would result in a district receiving an amount of federal funding that is less than the annual average of the amounts received by that district over the previous three years.

Section 16 directs the Commissioner of Transportation to study and report by February 15, 2006, on alternative methods of funding local road maintenance and reconstruction, including, but not limited to, a street utility fee.

Section 17 establishes the town road sign replacement program.

Subdivision 1 directs the Commissioner of Transportation to implement the program to inventory and evaluate signs, and remove and replace signs as necessary on an ongoing basis.

Subdivision 2 requires program standards to comply with federal, state, and local safety standards, including retroreflectivity standards in the Manual on Uniform Traffic Control Devices.

Subdivision 3 allows the commissioner to establish conditions for local government participation, including involvement of county engineers and maintenance of a database of county and town road signs.

Subdivision 4 authorizes the commissioner to use state appropriations for sign replacement to match federal funds, and to establish a pilot program in consultation with the Minnesota Association of Townships.

This section takes effect on the effective date of a state or federal appropriation for this purpose.

Section 18 directs the Commissioner of Transportation, using nonstate funds, to place directional signs identifying Northwestern Health Sciences University, approaching the Penn Avenue exit on eastbound I-494, and approaching the 90th Street exit on northbound and southbound I-35W.

Section 19 directs the Commissioner of Transportation to erect a specific service sign, using nonstate funds, on the east side of Trunk Highway 52, near 37th Street NW in Olmsted County, displaying the name of a retail establishment that operates behind the noise wall and is blocked from view from Trunk Highway 52.

Section 20 prohibits the Commissioner of Transportation from requiring the city of Willmar to repay the state airports fund for acquisition costs of land that was previously used for airport purposes.

Section 21 repeals Minnesota Rules as follows:

- Part 7800.0600 requires regular route common carrier or petroleum carrier applicants to submit multiple copies of the application to the commissioner to serve all interested parties.
- Part 7800.3200, subpart 1, requires certificated regular route common carriers or petroleum carriers to present freight bills for payment of transportation charges within ten days from the delivery of the shipment, and to collect the charges within 20 days from delivery of the shipment.
- Part 7805.0700 provides that a carrier's class is determined by the average of its annual gross operating revenues for the preceding three years.
- Part 8850.6900, subpart 20, defines "regular route common carrier."
- Part 8855.0500, subpart 1, requires each petroleum carrier and regular route common freight carrier to obtain cargo insurance of \$5,000, and have the cargo insurer file a certificate of insurance or bond with the commissioner.

ARTICLE 5 SPECIAL PLATES

Section 1 requires the issuance of personalized special plates upon request for veterans, medal of honor recipients, and former prisoners of war. A replacement fee may be charged for personalized veterans plates, but not for personalized medal of honor recipient plates or personalized former prisoner of war plates.

Section 2 authorizes the issuance of single motorcycle firefighter special plates.

Section 3 authorizes issuance of veterans special license plates for a one-ton truck that resembles a pickup truck, but is not a commercial motor vehicle. Veterans of active military service to a nation or society allied with the United States in conducting a foreign war, who meets statutory requirements, qualifies for a veterans special plate. The commissioner must assess a surcharge of \$5 upon issuance of special plates for Iraq War Vets, Afghan War Vets, and Global War on Terrorism Vets, until the commissioner has collected a total of \$3,500, at which time the surcharge ceases to be collected. This section is effective the day following final enactment.

Section 4 authorizes issuance of certain special plates. Veterans who have received the Iraq Campaign Medal may obtain Iraq War Vet plates; those who have received the Afghanistan Campaign Medal may obtain Afghan War Vet plates. GWOT Veteran plates are available to veterans who have received the Global War on Terrorism Expeditionary Medal, and to veterans and military service reserve members who have received the Global War on Terrorism Service Medal. This section is effective the day following final enactment.

Section 5 allows transfer of veterans special license plates to another vehicle that is a one-ton truck that resembles a pickup truck, but is not a commercial motor vehicle.

Section 6 requires the commissioner to issue Disabled American Veteran special plates to an applicant who is certified as having a permanent and total service-connected disability, and meets all other statutory requirements. These plates may be used for personal vehicles, not used for commercial purposes, including a passenger automobile, van, pickup truck, motorcycle, or recreational vehicle.

Section 7 exempts the Disabled American Veteran special plates from provisions requiring the department to discontinue renewal and issuance of special plates under specified circumstances.

Section 8 requires the commissioner to issue Support Our Troops special plates to an applicant who owns a passenger automobile, one-ton pickup truck, recreational vehicle, or motorcycle, pays required fees and taxes and contributes a minimum of \$30 annually to the Minnesota "Support Our Troops" account, established in section 10. The adjutant general and Commissioner of Veterans Affairs must design the plate, subject to approval of the Commissioner of Public Safety.

Section 9 requires the commissioner to issue Knights of Columbus Member special plates to an owner of a passenger automobile, pickup truck, or van, who pays all applicable fees and taxes. The plate may be embossed or a generic plate with decal, and it must bear the emblem of the Knights of Columbus, designed by the Knights of Columbus or its council with the approval of the commissioner.

Section 10 establishes the Minnesota Support Our Troops account in the state treasury. Money in the account is appropriated to the adjutant general to provide assistance through grants to eligible individuals (up to \$2000 per individual) or to foundations. The adjutant general must report by February 1, 2007, and each year thereafter, to the legislative committees with jurisdiction over Military and Veterans' Affairs on the number, amounts, and use of grants from this account in the previous year.

ARTICLE 6 TRANSPORTATION FINANCE

Section 1. Multimodal Transportation Fund. Establishes a multimodal transportation fund in the state treasury. The fund consists of money credited under section 297B.09 (motor vehicle sales tax)

and other money credited by law. Money in the fund must be appropriated for surface transportation purposes. A minimum of 25 percent of the fund must be expended on highways and a minimum of 25 percent must be expended on transit purposes.

Section 2. Formula. Provides that the total county state-aid sum consists of an apportionment sum and an excess sum. The excess sum is calculated as the sum of the amounts collected from an increase in the gas tax above 20 cents per gallon and a change in the registration tax that exceeds the amount collected in fiscal year 2005 multiplied by the consumer price index for the previous year divided by the consumer price index for the 2004, reduced by a proportionate share of the costs for administrative costs and the disaster and research account. The apportionment sum is calculated by subtracting the excess sum from the remainder of the total sum.

Section 3. Apportionment Sum. Recodifies the existing county state-aid apportionment sum, which distributes the funds ten percent equally to each county, ten percent based upon each county's share of vehicle registrations, 30 percent based upon each county's share of county state-aid highway lane miles, and 50 percent based upon each county's share of county state-aid highway needs.

Section 4. Excess Sum. Provides that the excess sum is to be distributed to the state's counties according to a formula that allocates 40 percent of the funds based upon each county's share of vehicle registrations and 60 percent based upon each county's share of county state-aid highway needs.

Section 5. Passenger Automobile. Changes the depreciation schedule for the passenger vehicle registration tax to be 100 percent of base value in the first year; 80 percent in the second year; 70 percent in the third year; 60 percent in the fourth year; 50 percent in the fifth year; 40 percent in the sixth year; 35 percent in the seventh year; 30 percent in the eighth year; 20 percent in the ninth year and ten percent in the tenth year. Deletes language establishing maximum tax rates of \$189 in the second year and \$99 in the third year and on. Specifies that a vehicle's registration tax may not exceed the tax paid for the same vehicle in the previous year.

Section 6. Rate of Tax. Increases the rate of the gasoline, E85 and M85 excise taxes as follows:

- (a) From July 1, 2005 to June 30, 2007, E85 is taxed at 17 cents per gallon, M85 is taxed at 13.7 cents per gallon and gasoline is taxed at 24 cents per gallon.
- (b) On and after July 1, 2007, E85 is taxed at 19.2 cents per gallon, M85 is taxed at 15.4 cents per gallon and gasoline is taxed at 27 cents per gallon.

Section 7. Rate of Tax. Increases the rate of the special fuels excise tax as follows:

- (a) From July 1, 2005 to June 30, 2007, liquified petroleum or propane is taxed at 18 cents per gallon, liquified natural gas at 14.4 cents per gallon, and compressed natural gas is taxed at \$2.087 per thousand cubic feet or 24 cents per gasoline equivalent.

(b) On and after July 1, 2007, liquified petroleum or propane is taxed at 20.3 cents per gallon, liquified natural gas at 16.2 cents per gallon, and compressed natural gas is taxed at \$2.348 per thousand cubic feet or 27 cents per gasoline equivalent.

Section 8. Deposit of Revenues.

(a) Specifies the deposit of revenues from the motor vehicle sales tax as follows below.

(b) From July 1, 2003 to June 30, 2005 is the existing distribution under current law.

(c) From July 1, 2005 to June 30, 2006, 20.82 percent to the highway user fund, one percent to the right-of-way advance acquisition loan fund, 29.60 percent to the metropolitan area transit fund, 2.33 percent to the Greater Minnesota transit fund, and the remaining money to the general fund.

(d) From July 1, 2006 to June 30, 2007, 19.83 percent to the highway user fund, one percent to the right-of-way advance acquisition loan fund, 30.50 percent to the metropolitan area transit fund, 2.43 percent to the Greater Minnesota transit fund, and the remaining money to the general fund.

(e) From July 1, 2007 to June 30, 2008, 17.37 percent to the highway user fund, 43.30 percent to the metropolitan area transit fund, 5.33 percent to the Greater Minnesota transit fund, ten percent to the multimodal fund and the remaining money to the general fund.

(f) From July 1, 2008 to June 30, 2009, 16.57 percent to the highway user fund, 44.03 percent to the metropolitan area transit fund, 5.40 percent to the Greater Minnesota transit fund, 20 percent to the multimodal fund and the remaining money to the general fund.

(g) From July 1, 2009 to June 30, 2010, 15.94 percent to the highway user fund, 44.59 percent to the metropolitan area transit fund, 5.47 percent to the Greater Minnesota transit fund, 30 percent to the multimodal fund and the remaining money to the general fund.

(h) On and after July 1, 2010, 15.5 percent to the highway user fund, 45.0 percent to the metropolitan area transit fund, 5.5 percent to the Greater Minnesota transit fund, and 34 percent to the multimodal fund.

Section 9. Establishment of Fund. Establishes a right-of-way advance acquisition loan account in the transportation revolving loan fund.

Section 10. Certification of Projects. Specifies the criteria the commissioner must consider when evaluating projects to certify for funding from the right-of-way advance acquisition loan account including the importance of the project, the availability of other funding, the necessity of preserving right-of-way and preventing incompatible land uses, other options for preserving the right-of-way and the cost-effectiveness of advance right-of-way acquisition.

Section 11. Right-of-Way Advance Acquisition Loan Account. (a) Provides that loans for the right-of-way advance acquisition loan account may be made to the state, counties, towns, or cities for purchasing property within the right-of-way of a trunk highway shown on an official map.

(b) Specifies that loans may be made only to accelerate the acquisition of primarily undeveloped property where there is a reasonable probability the property will increase in value before highway construction, to avert the imminent conversion of the property to uses that would jeopardize its availability for highway construction, or to take advantage of open market opportunities when property becomes available for sale.

(c) Allows a private property owner to elect to receive the purchase price either in a lump sum or in not more than four annual installments. The recipient of an acquisition loan must convey the property for the construction of the highway at the same price the recipient paid for the property. The recipient must sell the property at market value upon notification that the plan to construct the highway has been abandoned.

(d) Requires all rents and other money received by the loan recipient from ownership of the property or from sale of the property to be paid into the loan account. These amounts may be applied to repayment of the loan.

Section 12. Trunk Highway Bond Issuance. Requires the Commissioner of Finance to sell and issue, upon recommendation of the Commissioner of Transportation, \$1.0 billion in trunk highway bonds over a ten year period. The proceeds of the bonds are deposited in the trunk highway fund bond proceeds account.

Section 13. Trunk Highway Bond Proceeds Appropriation. Appropriates \$1.0 billion to the Commissioner of Transportation from the bond proceeds account in the trunk highway fund for road construction. No more than \$100 million may be encumbered in each of fiscal years 2006 to 2015. The commissioner to use up to 17 percent of the appropriation for program delivery each year. A minimum of ten percent each year must be used for transit capital improvements on trunk highways.

Section 14. Road Construction Appropriations.

(a) Appropriates \$55.8 million in fiscal year 2006 and \$65.7 million in fiscal year 2007 to the commissioner for state road construction.

(b) Appropriates \$23.7 million in fiscal year 2006 and \$32.6 million in fiscal year 2007 to the commissioner for county state-aid highways.

(c) Appropriates \$7.7 million in fiscal year 2006 and \$10.3 million in fiscal year 2007 to the commissioner for municipal state-aid streets.

(d) Appropriates \$1.8 million in fiscal year 2006 and \$11.3 million in fiscal year 2007 from the trunk highway fund for highway debt service.

(e) Specifies that these appropriations are in addition to any other appropriation made in fiscal year 2006 and 2007 for the same purpose.

Section 15. Transit Budget Base. Specifies that the general fund budget base for metropolitan transit and Greater Minnesota transit in fiscal years 2008 and 2009 is zero.

BB/AV:rer

**Senate Counsel, Research,
and Fiscal Analysis**

G-17 STATE CAPITOL
75 REV. DR. MARTIN LUTHER KING, JR. BLVD.
ST. PAUL, MN 55155-1606
(651) 296-4791
FAX: (651) 296-7747
JO ANNE ZOFF SELLNER
DIRECTOR

Senate

State of Minnesota

TO: Tax Committee Members

FROM: Amy Vennewitz, Fiscal Analyst (651/296-7681) *Amv*
Bonnie Berezovsky, Senate Counsel (651/296-9191)

DATE: May 9, 2005

RE: Tax and Fee Related Items in SF 1980-2

The sections of the Omnibus Transportation Funding bill (S.F. 1980-2) which contain tax or fee related provisions are described below.

Article 3

Section 2 increases from \$4 to \$10 the fee paid on initial motor vehicle registrations and on vehicle transfers. This increase raises \$7.05 million each year for the general fund.

Section 22 increases motor vehicle dealer application fees from \$50 to \$100 and annual fees from \$100 to \$150. This fee raises \$215,000 in FY06 and \$217,000 in FY07 for the vehicle services operating account in the special revenue fund.

Section 23 allows applicants to pay \$20 for expedited services when applying for a driver's license or vehicle title transaction. This fee raises \$900,000 in FY06 and \$909,000 in FY07 for the vehicle services operating account and \$200,000 in FY06 and \$202,000 in FY07 for the driver services operating account in the special revenue fund.

Section 24, subdivision 1 increases fees for copies of paper documents from driver and vehicle services as follows: \$10 for a certified copy of a driver's license record (\$5 increase), \$9 for an uncertified copy (\$5 increase) and \$1 per page for a copy of the history of any vehicle title. These fee increases raise \$20,000 each year for the vehicle services operating account and \$600,000 in FY06 and \$606,000 in FY07 for the driver services operating account in the special revenue fund.

Section 24, subdivision 2 authorizes a surcharge of \$.50 on fees charged for transmittal of electronic information concerning vehicle registrations or driver's license data. This surcharge raises \$1.5 million each year for the general fund.

Section 25, subdivision 7 increases the filing fee on vehicle transactions other than registration renewals from \$7.00 to \$8.50 through June 30, 2007 and to \$10.00 thereafter. This fee is retained by deputy registrars and is estimated to raise approximately \$2.1 million each year.

Section 31 increases the fee for issuance of salvage certificate of titles from \$20 to \$35. This fee increase raises \$197,000 in FY06 and \$199,000 in FY07 for the vehicle services operating account in the special revenue fund.

Section 32 increases fees for a certificate of title by \$2.50. This fee increase raises \$3.5 million in FY06 and \$3.535 million in FY07 for the vehicle services operating account in the special revenue fund.

Section 34 transfers 90% of the revenues collected from the existing \$5.00 fee for copies of accident reports (\$16,000) from the general fund to the driver services operating account in the special revenue fund.

Section 36 increases driver's license fees by \$1.50 and separates and increases the filing fee for a driver's license that is administered by the state (driver and vehicle services) under a new subdivision (d). The current filing fee of \$3.50 is increased to \$5.00 through June 30, 2007 and to \$6.50 in FY07 and on. These fee increases raise \$2.250 million in FY06 and \$2.273 million in FY07 for the driver services operating account in the special revenue fund.

Section 38 increases the filing fee for a driver's license that is administered by a non-state driver's license agent from \$3.50 to \$5.00 through June 30, 2007 and to \$6.50 in FY07 and on. This fee increase raises an additional \$1.6 million each year for non-state driver's license agents.

Section 41 imposes new fees for a third and subsequent driver's knowledge test (\$10) and road test (\$20). These fees raise \$500,000 in FY06 and \$505,000 in FY07 for the driver services operating account in the special revenue fund.

Article 4

Section 12 imposes a \$120 permit fee for hauling manufactured storage buildings. This fee is estimated to raise \$1,440 each year beginning in FY07 for the trunk highway fund.

Section 23, subdivision 4 imposes a permit fee of \$850 for three unit vehicles on a designated route between Grand Rapids and Duluth. This fee is estimated to raise \$15,300 each year beginning in FY07 for the trunk highway fund.

Article 6

(Estimates of revenues for these taxes are shown in the three page spreadsheet.)

Section 5 changes the depreciation schedule for the motor vehicle registration tax and eliminates the existing caps of \$189 in year two and \$99 in year 3 and on for the tax. The change also provides that a vehicle's registration tax may not exceed the tax paid for the same vehicle in the previous year.

Section 6 increases the existing gasoline tax from the 20 cents per gallon to 24 cents per gallon in FY05 and 27 cents per gallon in FY 07 and on.

Section 7 increases the special fuel tax rates by the same proportion as the increase in the gasoline tax under section 6.

Section 8 changes the deposit of revenues from the motor vehicle sales tax to: shift revenues from the existing dedication of MVST for transportation purposes from the highway user tax distribution fund to the transit funds (53.75% of MVST); replace existing general fund appropriations for transit with MVST percentages beginning in FY08 and on (12.25% of MVST); and phase-in a dedication of the remaining 34% of MVST from the general fund to a multimodal fund beginning in FY08 and on.



1 Senator moves to amend S.F. No. 1980 as follows:

2 Page 84, after line 30, insert:

3 "Sec. 21. [SUSPENSION OF PROGRAM TO VERIFY INSURANCE
4 COVERAGE THROUGH SAMPLING.]

5 The commissioner of public safety shall take no action
6 under Minnesota Statutes, section 169.796, subdivision 3, and
7 shall discontinue all activities related to the program to
8 verify insurance coverage through sampling, except as provided
9 in sections 22 to 28.

10 Sec. 22. [REINSTATEMENT OF SUSPENDED LICENSES.]

11 The commissioner, without requiring proof of insurance or
12 payment of a reinstatement fee, shall reinstate the driver's
13 license of every vehicle owner whose license is suspended under
14 Minnesota Statutes, section 169.796, subdivision 3, retroactive
15 to the date of the suspension. The commissioner shall promptly
16 refund any such reinstatement fees previously paid.

17 Sec. 23. [DISMISSAL OF CHARGES.]

18 All charges, complaints, and citations issued for a
19 violation of Minnesota Statutes, section 169.796, subdivision 3,
20 or a related violation, including driving after a license
21 suspension imposed for failure to comply with the provisions of
22 Minnesota Statutes, section 169.796, subdivision 3, are void and
23 must be dismissed.

24 Sec. 24. [REMOVAL OF PREVIOUS VIOLATIONS.]

25 The commissioner shall purge from a person's driving record
26 any notation of a violation of Minnesota Statutes, section
27 169.796, subdivision 3, and any notation of a related suspension
28 or violation, including driving after a license suspension
29 imposed for failure to comply with the provisions of Minnesota
30 Statutes, section 169.796, subdivision 3. An insurer may not
31 increase a premium for a policy of vehicle insurance on the
32 basis of a violation described in this section by a named
33 insured if the violation occurred before the effective date of
34 this section, and any such increase previously imposed must be
35 rescinded and any related premium increase promptly refunded.

36 Sec. 25. [REMEDICATION FOR CONVICTIONS.]

1 A court in which a conviction for an offense referred to in
2 section 23 occurred, must vacate the conviction, on its own
3 motion, without cost to the person convicted, and must
4 immediately notify the person that the conviction has been
5 vacated.

6 Sec. 26. [REMEDICATION BY INSURERS.]

7 (a) Insurers that issue or renew motor vehicle insurance in
8 this state shall, within 60 days after the effective date of
9 this section, inform the commissioner of commerce as to whether
10 it has canceled, failed to renew, denied an application for
11 coverage, or imposed a surcharge on any motor vehicle insurance
12 due to a suspension or conviction as a result of Minnesota
13 Statutes, section 169.796, subdivision 3, provide a list of any
14 such persons, and indicate for each person the remediation the
15 insurer intends to provide.

16 (b) Remediation under paragraph (a) must compensate the
17 victim by providing refunds and reinstatements of coverage.

18 (c) Insurers shall provide the remediation without
19 requiring that the person make a request for remediation.

20 (d) The commissioner of commerce shall enforce this section
21 under its general enforcement powers under Minnesota Statutes,
22 chapter 45.

23 Sec. 27. [REPORT.]

24 The commissioner of public safety shall report to the
25 chairs of the house of representatives and senate committees
26 with jurisdiction over transportation policy and finance by
27 March 15, 2006, recommendations for a vehicle insurance
28 verification program that would identify and reduce the number
29 of uninsured motorists.

30 Sec. 28. [PUBLIC SAFETY FUNDING.]

31 The commissioner of public safety shall use unspent funds
32 appropriated for purposes of administering Minnesota Statutes,
33 section 169.796, subdivision 3, to carry out the provisions of
34 sections 22 and 24. Funds remaining at the conclusion of fiscal
35 year 2005 may be carried over to fiscal year 2006 until
36 expended, to complete the required provisions of sections 22 and

1 24, including the payment of refunds of reinstatement fees."

2 Renumber the sections in sequence and correct the internal
3 references

4 Amend the title accordingly

1 Senator moves to amend S.F. No. 1980 as follows:

2 Page 110, after line 29, insert:

3 "Sec. 15. [APPROPRIATION; COMMUTER BUS, ELK RIVER TO
4 MINNEAPOLIS.]

5 \$200,000 for fiscal year 2006 and \$200,000 for fiscal year
6 2007 are appropriated from the Greater Minnesota transit fund to
7 the commissioner of transportation to be disbursed as grants to
8 the Northstar Corridor Development Authority to defray the costs
9 of transporting, on Northstar Commuter Coach bus service between
10 the cities of Elk River and Minneapolis, passengers whose origin
11 or destination is outside the metropolitan area."

12 Renumber the sections in sequence and correct the internal
13 references

14 Amend the title accordingly



- 1 Senator moves to amend S.F. No. 1980 as follows:
- 2 Page 58, line 27, strike "\$ 9.50" and insert "\$6"
- 3 Page 59, line 17, delete "registrar" and insert
- 4 "commissioner"
- 5 Page 60, line 11, strike everything after "fee" and delete
- 6 the new language
- 7 Page 60, line 12, delete the new language and insert "under
- 8 section 171.06, subdivision 2, paragraph (d)"
- 9 Pages 95 to 97, delete section 10
- 10 Page 105, line 14, delete "19.83" and insert "19.82"

1 Senator moves to amend S.F. No. 1980 as follows:

2 Page 3, after line 13 insert:

3 "The commissioner shall erect and
4 operate a changeable message sign on
5 U.S. Highway 2, on the approach to the
6 Richard I. Bong Bridge in the city of
7 Duluth."

1 Senator moves to amend S.F. No. 1980 as follows:

2 Page 97, after line 13 insert:

3 "Section 1. [CONSTITUTIONAL AMENDMENT PROPOSED.]

4 An amendment to the Minnesota Constitution is proposed to
5 the people. If the amendment is adopted, a section must be
6 added to article XIV, to read:

7 Sec. 12. The proceeds of a tax imposed by the state on the
8 sale of new and used motor vehicles must be appropriated
9 exclusively for surface transportation purposes as defined by
10 law.

11 Sec. 2. [SUBMISSION TO VOTERS.]

12 The constitutional amendment proposed in section 1 must be
13 submitted to the people at the 2006 general election. If
14 approved, motor vehicle sales tax proceeds will be used
15 exclusively for surface transportation purposes as of July 1,
16 2010. The question submitted must be:

17 "Shall the Minnesota Constitution be amended to use the
18 revenue from the state motor vehicle sales tax exclusively for
19 surface transportation purposes, beginning July 1, 2010?

20 Yes

21 No"

22 Sec. 3. [CONSTITUTIONAL AMENDMENT PROPOSED.]

23 An amendment to the Minnesota Constitution, article XIV,
24 section 10, is proposed to the people. If the amendment is
25 adopted, the section will read:

26 Sec. 10. The legislature may levy an excise tax on any
27 means or substance used for propelling vehicles on the public
28 highways of this state or on the business of selling it. The
29 proceeds of the tax shall be paid into the highway user tax
30 distribution fund.

31 The rate of tax under this section on gasoline and special
32 fuel, other than alternative fuels as defined by law, may not be
33 less than 27 cents per gallon.

34 Sec. 4. [SUBMISSION TO VOTERS.]

35 The constitutional amendment proposed in section 3 must be
36 presented to the people at the 2006 general election. The

1 question submitted must be:

2 "Shall the Minnesota Constitution be amended to increase
3 the state tax on gasoline and special fuel, other than
4 alternative fuels, from 20 to 27 cents per gallon ?

5 Yes

6 No"

7 Renumber the sections in sequence and correct the internal
8 references

9 Amend the title accordingly

1 Subd. 3. [PROPERTY TAX LEVY ALLOWED FOR OPERATIONS.] A tax
2 levied in a city or town pursuant to an agreement under
3 subdivision 2 may be used to fund transit operations or to pay
4 the costs of principal and interest for transit-related bonded
5 debt for a period of time not to exceed four years. After the
6 four-year period, the tax levied in the city or town may be used
7 only as provided under section 473.446, subdivision 1.

8 [EFFECTIVE DATE.] This section is effective the day
9 following final enactment, for taxes payable in 2006 and
10 thereafter."

11 Renumber the sections in sequence and correct the internal
12 references

13 Amend the title accordingly

ORTMAN
(Handwritten signature)

1 Senator moves to amend S.F. No. 1980 as follows:

2 Page 82, after line 19 insert:

3 "Sec. 15. Minnesota Statutes 2004, section 473.446,
4 subdivision 3, is amended to read:

5 Subd. 3. [CERTIFICATION AND COLLECTION.] Each county
6 treasurer shall collect and make settlement of the taxes levied
7 under subdivisions 1 and 1a and section 473.4461, subdivision 2,
8 with the treasurer of the council. The levy of transit taxes
9 pursuant to this section shall not affect the amount or rate of
10 taxes which may be levied by any county or municipality or by
11 the council for other purposes authorized by law and shall be in
12 addition to any other property tax authorized by law.

13 [EFFECTIVE DATE.] This section is effective for taxes
14 payable in 2006 and thereafter.

15 Sec. 16. Minnesota Statutes 2004, section 473.4461, is
16 amended to read:

17 473.4461 [ADDITIONS TO TRANSIT TAXING DISTRICT.]

18 Subdivision 1. [SERVICE EXPANSION PLAN REQUIRED.]

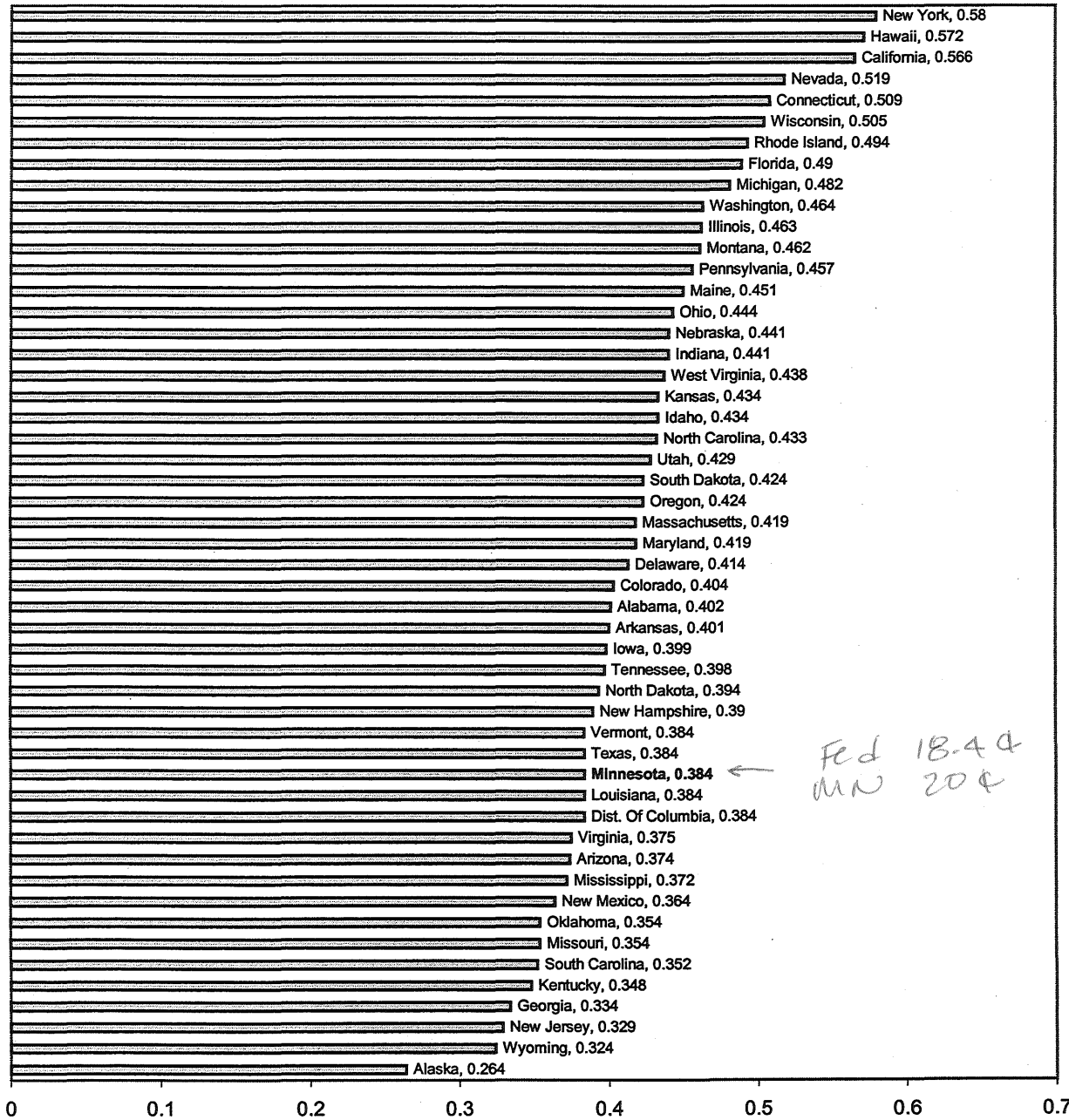
19 Notwithstanding any provision of section 473.446 or any other
20 law, the Metropolitan Council may not levy a tax under section
21 473.446, subdivision 1, in any city or town not included in the
22 transit taxing district as it existed on January 1, 2001, unless
23 the council and the governing body of that city or town have
24 agreed on a service expansion plan.

25 Subd. 2. [CONTRACTUAL AGREEMENT; PROPERTY TAX LEVY.]

26 Notwithstanding section 473.446, subdivision 2, the Metropolitan
27 Council may enter into an agreement with a city or a town to
28 join the transit taxing district. The agreement shall describe
29 the types and levels of transit services to be provided within
30 the area comprising the city or town. The agreement must
31 provide that the area comprising the city or town shall be
32 subject to the levy under section 473.446, subdivision 1. If a
33 city or town enters into an agreement to join the transit taxing
34 district, a copy of that portion of the agreement must be filed
35 with the auditor or auditors of the county or counties
36 containing the city or town.

Source: American Petroleum Institute

Total Federal and State Motor Fuel-Related Taxes Per Gallon



Fed 18.4¢
MN 20¢

Average state gas tax is 25.6 cents per gallon

HANNA #2

**Omnibus Transportation Finance Bill
S.F. 1980-2**

(all dollars in thousands, direct appropriations shown)
FY 2006 - 2007 Appropriations
Senator Steve Murphy

AGENCY/PROGRAM/ACTIVITY	FUND	Governor's Rec's			Senate 1879			Senate 1980CE1 Changes			Senate Total			Senate Over/(Under) Governor
		2006	2007	Total Biennium	2006	2007	Total Biennium	2006	2007	Total Biennium	2006	2007	Total Biennium	
SF 1879 ARTICLE 8 TRANSPORTATION APPROPRIATIONS														
DEPARTMENT OF TRANSPORTATION														
MULTIMODAL SYSTEMS														
Aeronautics	AIR	19,383	19,383	38,766	19,383	19,383	38,766				19,383	19,383	38,766	0
	TH	1,012	1,012	2,024	1,012	1,012	2,024				1,012	1,012	2,024	0
Base Adjustments														
Approved Transfer	TH	(175)	(175)	(350)	(175)	(175)	(350)				(175)	(175)	(350)	0
Recommendations														
FY05 State Airports Fund Reduction	AIR													
Total Direct	AIR	19,383	19,383	38,766	19,383	19,383	38,766				19,383	19,383	38,766	0
	TH	837	837	1,674	837	837	1,674				837	837	1,674	0
	ALL	20,220	20,220	40,440	20,220	20,220	40,440				20,220	20,220	40,440	0
Greater MN Transit	GEN	15,810	15,810	31,620	15,810	15,810	31,620				15,810	15,810	31,620	0
	TH	148	148	296	148	148	296				148	148	296	0
(MVST Statutory Appropriation)	GrMN	8,032	8,384	16,416	8,032	8,384	16,416				8,032	8,384	16,416	0
Base Adjustments														
Approved Transfer	TH	647	647	1,294	647	647	1,294				647	647	1,294	0
Total Direct	GEN	15,810	15,810	31,620	15,810	15,810	31,620				15,810	15,810	31,620	0
	TH	795	795	1,590	795	795	1,590				795	795	1,590	0
	ALL	16,605	16,605	33,210	16,605	16,605	33,210				16,605	16,605	33,210	0
Freight/Commercial Vehicles	GEN	346	346	692	346	346	692				346	346	692	0
	TH	4,850	4,850	9,700	4,850	4,850	9,700				4,850	4,850	9,700	0
Base Adjustments														
Approved Transfer	TH	126	126	252	126	126	252				126	126	252	0
Total Direct	GEN	346	346	692	346	346	692				346	346	692	0
	TH	4,976	4,976	9,952	4,976	4,976	9,952				4,976	4,976	9,952	0
	ALL	5,322	5,322	10,644	5,322	5,322	10,644				5,322	5,322	10,644	0
TOTAL MULTIMODAL SYSTEMS	GEN	16,156	16,156	32,312	16,156	16,156	32,312				16,156	16,156	32,312	0
	AIR	19,383	19,383	38,766	19,383	19,383	38,766				19,383	19,383	38,766	0
	TH	6,608	6,608	13,216	6,608	6,608	13,216				6,608	6,608	13,216	0
	ALL	42,147	42,147	84,294	42,147	42,147	84,294				42,147	42,147	84,294	0

AGENCY/PROGRAM/ACTIVITY	FUND	Governor's Rec's			Senate 1879			Senate 1980CE1 Changes			Senate Total			Senate Over/(Under) Governor
		2006	2007	Total Biennium	2006	2007	Total Biennium	2006	2007	Total Biennium	2006	2007	Total Biennium	
STATE ROADS														
Infrastructure Investment & PIng	TH													
Infrastructure Invst Support	TH	160,994	160,994	321,988	160,994	160,994	321,988				160,994	160,994	321,988	0
<i>Base Adjustments</i>														
Approved Transfer	TH	7,213	7,213	14,426	7,213	7,213	14,426				7,213	7,213	14,426	0
Transfer Consult. Design & Research	TH	0	0	0	0	0	0	50,000	50,000	100,000	50,000	50,000	100,000	100,000
Total Infrastructure Invst. Support	TH	168,207	168,207	336,414	168,207	168,207	336,414				218,207	218,207	436,414	100,000
State Road Construction	TH	685,450	685,450	1,370,900	685,450	685,450	1,370,900				685,450	685,450	1,370,900	0
<i>Base Adjustments</i>														
Current Law -- AC Adjustment	TH	25,000	25,000	50,000	25,000	25,000	50,000				25,000	25,000	50,000	0
<i>Recommendations</i>														
Road Construction Decrease	TH	(133,500)	(29,500)	(163,000)	(133,500)	(29,500)	(163,000)				(133,500)	(29,500)	(163,000)	0
Transfer Consult. Design & Research	TH	0	0	0	0	0	0	(50,000)	(50,000)	(100,000)	(50,000)	(50,000)	(100,000)	(100,000)
Total Road Construction	TH	576,950	680,950	1,257,900	576,950	680,950	1,257,900				526,950	630,950	1,157,900	(100,000)
Highway Debt Service	TH	60,583	60,583	121,166	60,583	60,583	121,166				60,583	60,583	121,166	0
<i>Base Adjustments</i>														
Feb. Forecast Debt Service Adj.	TH	(4,493)	3,803	(690)	(4,493)	3,803	(690)				(4,493)	3,803	(690)	0
<i>Recommendations</i>														
Debt Service Capital Bonding	TH	314	2,570	2,884	314	2,570	2,884				314	2,570	2,884	0
Debt Service Construction Bonding	TH	897	4,647	5,544	0	0	0				0	0	0	(5,544)
Total Debt Service	TH	57,301	71,603	128,904	56,404	66,956	123,360				56,404	66,956	123,360	(5,544)
Infrastructure Investment & PIng														
Total Direct	TH	802,458	920,760	1,723,218	801,561	916,113	1,717,674				801,561	916,113	1,717,674	(5,544)
Infrastructure Operations & Maint	TH	203,641	203,641	407,282	203,641	203,641	407,282				203,641	203,641	407,282	0
<i>Base Adjustments</i>														
Approved Transfer	TH	(7,520)	(7,520)	(15,040)	(7,520)	(7,520)	(15,040)				(7,520)	(7,520)	(15,040)	0
<i>Recommendations</i>														
Increase Maintenance Operations	TH	8,625	8,625	17,250	8,625	8,625	17,250				8,625	8,625	17,250	0
Total Direct	TH	204,746	204,746	409,492	204,746	204,746	409,492				204,746	204,746	409,492	0

AGENCY/PROGRAM/ACTIVITY	FUND	Governor's Rec's			Senate 1879			Senate 1980CE1 Changes			Senate Total			Senate Over/(Under) Governor
		2006	2007	Total Biennium	2006	2007	Total Biennium	2006	2007	Total Biennium	2006	2007	Total Biennium	
Electronic Communications	GEN TH	9 4,981	9 4,981	18 9,962	9 4,981	9 4,981	18 9,962				9 4,981	9 4,981	18 9,962	0 0
<i>Base Adjustments</i>														
Approved Transfer	TH	100	100	200	100	100	200				100	100	200	0
<i>Recommendations</i>														
Increase Operations	TH	875	875	1,750	875	875	1,750				875	875	1,750	0
Total Direct	GEN TH ALL	9 5,956 5,965	9 5,956 5,965	18 11,912 11,930	9 5,956 5,965	9 5,956 5,965	18 11,912 11,930				9 5,956 5,965	9 5,956 5,965	18 11,912 11,930	0 0 0
TOTAL STATE ROADS	GEN TH ALL	9 1,013,160 1,013,169	9 1,131,462 1,131,471	18 2,144,622 2,144,640	9 1,012,263 1,012,272	9 1,126,815 1,126,824	18 2,139,078 2,139,096				9 1,012,263 1,012,272	9 1,126,815 1,126,824	18 2,139,078 2,139,096	0 (5,544) (5,544)
LOCAL ROADS														
County State Aid Roads	CSA	441,335	453,948	895,283	441,335	453,948	895,283				441,335	453,948	895,283	0
<i>Flexible Fund Recommendations</i>														
Transfer to TH Fund		10,390	7,380	17,770	0	0	0				0	0	0	(17,770)
Transfer to MSA Turnbacks		5,650	1,480	7,130	5,650	1,480	7,130				5,650	1,480	7,130	0
County Turnbacks														
Local Principal Arterials Account		0	0	0	0	0	0	10,390	7,380	17,770	10,390	7,380	17,770	17,770
Municipal State Aid Streets	MSA	117,048	120,841	237,889	117,048	120,841	237,889				117,048	120,841	237,889	0
Total Direct	ALL	558,383	574,789	1,133,172	558,383	574,789	1,133,172				558,383	574,789	1,133,172	0
GENERAL SUPPORT & SERVICES														
Department Support	AIR TH	25 38,628	25 38,628	50 77,256	25 38,628	25 38,628	50 77,256				25 38,628	25 38,628	50 77,256	0 0
<i>Base Adjustments</i>														
Approved Transfer	TH	346	346	692	346	346	692				346	346	692	0
Total Direct	AIR TH ALL	25 38,974 38,999	25 38,974 38,999	50 77,948 77,998	25 38,974 38,999	25 38,974 38,999	50 77,948 77,998				25 38,974 38,999	25 38,974 38,999	50 77,948 77,998	0 0 0

AGENCY/PROGRAM/ACTIVITY	FUND	Governor's Rec's			Senate 1879			Senate 1980CE1 Changes			Senate Total			Senate Over/(Under) Governor	
		2006	2007	Total Biennium	2006	2007	Total Biennium	2006	2007	Total Biennium	2006	2007	Total Biennium		
Buildings	GEN	56	56	112	56	56	112				56	56	112	0	
	TH	13,271	13,271	26,542	13,271	13,271	26,542				13,271	13,271	26,542	0	
	<i>Base Adjustments</i>														
	Approved Transfer	TH	(737)	(737)	(1,474)	(737)	(737)	(1,474)				(737)	(737)	(1,474)	0
	<i>Recommendations</i>														
	Small Buildings Request	TH	4,000	4,000	8,000	4,000	4,000	8,000				4,000	4,000	8,000	0
Total Direct	GEN	56	56	112	56	56	112				56	56	112	0	
	TH	16,534	16,534	33,068	16,534	16,534	33,068				16,534	16,534	33,068	0	
	ALL	16,590	16,590	33,180	16,590	16,590	33,180				16,590	16,590	33,180	0	
TOTAL GENERAL SUPPORT	GEN	56	56	112	56	56	112				56	56	112	0	
	TH	55,508	55,508	111,016	55,508	55,508	111,016				55,508	55,508	111,016	0	
	AIR	25	25	50	25	25	50				25	25	50	0	
	ALL	55,589	55,589	111,178	55,589	55,589	111,178				55,589	55,589	111,178	0	
TOTAL DEPT OF TRANSPORTATION	GEN	16,221	16,221	32,442	16,221	16,221	32,442				16,221	16,221	32,442	0	
	TH	1,075,276	1,193,578	2,268,854	1,074,379	1,188,931	2,263,310				1,074,379	1,188,931	2,263,310	(5,544)	
	AIR	19,408	19,408	38,816	19,408	19,408	38,816				19,408	19,408	38,816	0	
	CSA	441,335	453,948	895,283	441,335	453,948	895,283				441,335	453,948	895,283	0	
	MSA	117,048	120,841	237,889	117,048	120,841	237,889				117,048	120,841	237,889	0	
	ALL	1,669,288	1,803,996	3,473,284	1,668,391	1,799,349	3,467,740				1,668,391	1,799,349	3,467,740	(5,544)	
METROPOLITAN COUNCIL															
MET COUNCIL TRANSIT															
GF Budget Base	GEN	54,010	54,010	108,020	54,010	54,010	108,020				54,010	54,010	108,020	0	
(MVST Statutory Appropriation)	MAT	120,766	126,055	246,821	120,766	126,055	246,821				120,766	126,055	246,821	0	
<i>Base Adjustments</i>															
Current Law Base Established	GEN	(557)	(557)	(1,114)	(557)	(557)	(1,114)				(557)	(557)	(1,114)	0	
Total Direct	GEN	53,453	53,453	106,906	53,453	53,453	106,906				53,453	53,453	106,906	0	
RAIL OPERATIONS	GEN	3,900	3,900	7,800	3,900	3,900	7,800				3,900	3,900	7,800	0	
<i>Base Adjustments</i>															
Current Law Base Established	GEN	150	1,400	1,550	150	1,400	1,550				150	1,400	1,550	0	
Total Direct	GEN	4,050	5,300	9,350	4,050	5,300	9,350				4,050	5,300	9,350	0	

AGENCY/PROGRAM/ACTIVITY	FUND	Governor's Rec's			Senate 1879			Senate 1980CE1 Changes			Senate Total			Senate Over/(Under) Governor
		2006	2007	Total Biennium	2006	2007	Total Biennium	2006	2007	Total Biennium	2006	2007	Total Biennium	
TOTAL METROPOLITAN COUNCIL (MVST Statutory Appropriation)	GEN	57,503	58,753	116,256	57,503	58,753	116,256				57,503	58,753	116,256	0
	MAT	120,766	126,055	246,821	120,766	126,055	246,821				120,766	126,055	246,821	0
DEPARTMENT OF PUBLIC SAFETY														
ADMIN & RELATED SERVICES														
Office of Communications														
(No Recs) Total Direct														
	GEN	39	39	78	39	39	78				39	39	78	0
	TH	346	346	692	346	346	692				346	346	692	0
	ALL	385	385	770	385	385	770				385	385	770	0
Public Safety Support														
	GEN	2,236	2,236	4,472	2,236	2,236	4,472				2,236	2,236	4,472	0
	HUTD	1,366	1,366	2,732	1,366	1,366	2,732				1,366	1,366	2,732	0
	TH	3,248	3,248	6,496	3,248	3,248	6,496				3,248	3,248	6,496	0
<i>Base Adjustments</i>														
Current Law Base Change														
	GEN	5	10	15	5	10	15				5	10	15	0
	TH													
	ALL													
	Total Direct	2,241	2,246	4,487	2,241	2,246	4,487				2,241	2,246	4,487	0
	HUTD	1,366	1,366	2,732	1,366	1,366	2,732				1,366	1,366	2,732	0
	TH	3,248	3,248	6,496	3,248	3,248	6,496				3,248	3,248	6,496	0
	ALL	6,855	6,860	13,715	6,855	6,860	13,715				6,855	6,860	13,715	0
Technical Support Services														
(No Recs) Total Direct														
	GEN	91	91	182	91	91	182				91	91	182	0
	HUTD	19	19	38	19	19	38				19	19	38	0
	TH	2,344	2,344	4,688	2,344	2,344	4,688				2,344	2,344	4,688	0
	ALL	2,454	2,454	4,908	2,454	2,454	4,908				2,454	2,454	4,908	0
TOTAL ADMIN & RELATED SERVICES														
	GEN	2,371	2,376	4,747	2,371	2,376	4,747				2,371	2,376	4,747	0
	HUTD	1,385	1,385	2,770	1,385	1,385	2,770				1,385	1,385	2,770	0
	TH	5,938	5,938	11,876	5,938	5,938	11,876				5,938	5,938	11,876	0
	ALL	9,694	9,699	19,393	9,694	9,699	19,393				9,694	9,699	19,393	0

AGENCY/PROGRAM/ACTIVITY	FUND	Governor's Rec's			Senate 1879			Senate 1980CE1 Changes			Senate Total			Senate Over/(Under) Governor
		2006	2007	Total Biennium	2006	2007	Total Biennium	2006	2007	Total Biennium	2006	2007	Total Biennium	
STATE PATROL														
Patrolling Highways	GEN	37	37	74	37	37	74				37	37	74	0
	HUTD	92	92	184	92	92	184				92	92	184	0
	TH	60,595	60,595	121,190	60,595	60,595	121,190				60,595	60,595	121,190	0
<i>Base Adjustments</i>														
Current Law Base Change	TH	15	6	21	15	6	21				15	6	21	0
External Defibrillators	TH	0	0	0	0	0	0	785	0	785	785	0	0	0
Total Direct	GEN	37	37	74	37	37	74				37	37	74	0
	HUTD	92	92	184	92	92	184				92	92	184	0
	TH	60,610	60,601	121,211	60,610	60,601	121,211				61,395	60,601	121,996	785
	ALL	60,739	60,730	121,469	60,739	60,730	121,469				61,524	60,730	122,254	785
Commercial Vehicle Enforcement (No Recommendations)	TH	6,474	6,474	12,948	6,474	6,474	12,948				6,474	6,474	12,948	0
Total Direct	ALL	6,474	6,474	12,948	6,474	6,474	12,948				6,474	6,474	12,948	0
Capitol Complex Security (No Recommendations)	GEN	2,834	2,834	5,668	2,834	2,834	5,668				2,834	2,834	5,668	0
Total Direct	ALL	2,834	2,834	5,668	2,834	2,834	5,668				2,834	2,834	5,668	0
TOTAL STATE PATROL	GEN	2,871	2,871	5,742	2,871	2,871	5,742				2,871	2,871	5,742	0
	HUTD	92	92	184	92	92	184				92	92	184	0
	TH	67,084	67,075	134,159	67,084	67,075	134,159				67,869	67,075	134,944	785
	ALL	70,047	70,038	140,085	70,047	70,038	140,085				70,832	70,038	140,870	785
DRIVER & VEHICLE SERVICES														
Vehicles Services	GEN	1,718	1,718	3,436	1,718	1,718	3,436				1,718	1,718	3,436	0
	HUTD	10,734	10,734	21,468	10,734	10,734	21,468				10,734	10,734	21,468	0
<i>Base Adjustments</i>														
Current Law Base Change	HUTD	8	6	14	8	6	14				8	6	14	0
<i>Recommendations</i>														
Create Sp Rev Veh Serv Op Acc	GEN	(1,718)	(1,718)	(3,436)	(1,718)	(1,718)	(3,436)				(1,718)	(1,718)	(3,436)	0
	HUTD	(3,776)	(3,704)	(7,480)	(3,776)	(3,704)	(7,480)				(3,776)	(3,704)	(7,480)	0
Repeal HUTD Open Approp.	HUTD	(8,462)	(8,462)	(16,924)	(8,462)	(8,462)	(16,924)				(8,462)	(8,462)	(16,924)	0
Sp Rev Vehicle Services	SR-VS	16,417	16,813	33,230	16,417	16,813	33,230				16,417	16,813	33,230	0
Support Our Troops Plates	SR-VS	246	196	442	0	0	0	246	196	442	246	196	442	0
Total Direct	GEN	0	0	0	0	0	0				0	0	0	0
	HUTD	6,966	7,036	14,002	6,966	7,036	14,002				6,966	7,036	14,002	0
	SR-VS	0	0	0	16,417	16,813	33,230				16,663	17,009	33,672	33,672
	ALL	6,966	7,036	14,002	23,383	23,849	47,232				23,629	24,045	47,674	33,672

AGENCY/PROGRAM/ACTIVITY	FUND	Governor's Rec's			Senate 1879			Senate 1980CE1 Changes			Senate Total			Senate Over/(Under) Governor
		2006	2007	Total Biennium	2006	2007	Total Biennium	2006	2007	Total Biennium	2006	2007	Total Biennium	
Driver Services	GEN	56	56	112	56	56	112				56	56	112	0
	TH	24,362	24,362	48,724	24,362	24,362	48,724				24,362	24,362	48,724	0
<i>Base Adjustments</i>														
Current Law Base Change	TH	54	49	103	54	49	103				54	49	103	0
<i>Recommendations</i>														
Create Sp Rev Driver Serv Op Acc	GEN	(56)	(56)	(112)	(56)	(56)	(112)				(56)	(56)	(112)	0
	TH	(24,416)	(24,411)	(48,827)	(24,416)	(24,411)	(48,827)				(24,416)	(24,411)	(48,827)	0
Sp Rev Driver Services. (Gov's rec is for statutory approp.)	SR-DS	28,006	26,965	54,971	28,006	26,965	54,971				28,006	26,965	54,971	0
Total Direct	GEN	0	0	0	0	0	0				0	0	0	0
	TH	0	0	0	0	0	0				0	0	0	0
	SR-DS	0	0	0	28,006	26,965	54,971				28,006	26,965	54,971	54,971
	ALL	0	0	0	0	0	0				0	0	0	0
TOTAL DRIVER & VEHICLE SERVICES	GEN	0	0	0	0	0	0				0	0	0	0
	HUTD	6,966	7,036	14,002	6,966	7,036	14,002				6,966	7,036	14,002	0
	TH	0	0	0	0	0	0				0	0	0	0
	SR	0	0	0	44,423	43,778	88,201				44,669	43,974	88,643	88,643
	ALL	6,966	7,036	14,002	51,389	50,814	102,203				51,635	51,010	102,645	88,643
TRAFFIC SAFETY														
Traffic Safety & Research	TH	324	324	648	0	0	0				0	0	0	(648)
Traffic Safety & Research	SR-DS				324	324	648				324	324	648	648
Safety Education & Grants	SR-DS	0	0	0	0	0	0	500	1,200	1,700	500	1,200	1,700	1,700
TOTAL TRAFFIC SAFETY	TH	324	324	648	0	0	0				0	0	0	(648)
	SR-DS	0	0	0	324	324	648				824	1,524	2,348	2,348
PIPELINE SAFETY														
Pipeline Safety (No Governor's Rec's)	SR	994	994	1,988	994	994	1,988				994	994	1,988	0
TOTAL DEPT OF PUBLIC SAFETY	GEN	5,242	5,247	10,489	5,242	5,247	10,489				5,242	5,247	10,489	0
	HUTD	8,443	8,513	16,956	8,443	8,513	16,956				8,443	8,513	16,956	0
	TH	73,346	73,337	146,683	73,022	73,013	146,035				73,807	73,013	146,820	137
	SR	994	994	1,988	45,741	45,096	90,837				46,487	46,492	92,979	90,991
	ALL	88,025	88,091	176,116	132,448	131,869	264,317				133,979	133,265	267,244	91,128
GENERAL CONTINGENCY ACCOUNTS	TH	200	200	400	200	200	400				200	200	400	0
	HUTD	125	125	250	125	125	250				125	125	250	0
	AIR	50	50	650	50	50	650				50	50	650	0
	ALL	375	375	750	375	375	750				375	375	750	0

AGENCY/PROGRAM/ACTIVITY	FUND	Governor's Rec's			Senate 1879			Senate 1980CE1 Changes			Senate Total			Senate Over/(Under) Governor
		2006	2007	Total Biennium	2006	2007	Total Biennium	2006	2007	Total Biennium	2006	2007	Total Biennium	
TORT CLAIMS	TH	600	600	1,200	600	600	1,200				600	600	1,200	0
ARTICLE 1														
ALL AGENCIES TOTAL DIRECT	GEN	78,966	80,221	159,187	78,966	80,221	159,187				78,966	80,221	159,187	0
	HUTD	8,568	8,638	17,206	8,568	8,638	17,206				8,568	8,638	17,206	0
	TH	1,149,422	1,267,715	2,417,137	1,148,201	1,262,744	2,410,945	785	0	785	1,148,986	1,262,744	2,411,730	(5,407)
	AIR	19,458	19,458	38,916	19,458	19,458	38,916				19,458	19,458	38,916	0
	CSA	441,335	453,948	895,283	441,335	453,948	895,283				441,335	453,948	895,283	0
	MSA	117,048	120,841	237,889	117,048	120,841	237,889				117,048	120,841	237,889	0
	SR	994	994	1,988	45,741	45,096	90,837	746	1,396	2,142	46,487	46,492	92,979	90,991
	ALL	1,815,791	1,951,815	3,767,606	1,859,317	1,990,946	3,850,263	1,531	1,396	2,927	1,860,848	1,992,342	3,853,190	85,584
AGENCY TOTAL DIRECT GENERAL FUND														
MnDOT Multimodal	GEN	16,156	16,156	32,312	16,156	16,156	32,312				16,156	16,156	32,312	0
MnDOT State Roads	GEN	9	9	18	9	9	18				9	9	18	0
MnDOT General Support	GEN	56	56	112	56	56	112				56	56	112	0
TOTAL MnDOT	GEN	16,221	16,221	32,442	16,221	16,221	32,442				16,221	16,221	32,442	0
METROPOLITAN COUNCIL TRANSIT	GEN	57,503	58,753	116,256	57,503	58,753	116,256				57,503	58,753	116,256	0
DPS Administration	GEN	2,371	2,376	4,747	2,371	2,376	4,747				2,371	2,376	4,747	0
DPS State Patrol	GEN	2,871	2,871	5,742	2,871	2,871	5,742				2,871	2,871	5,742	0
DPS Driver & Vehicle Services	GEN	0	0	0	0	0	0				0	0	0	0
TOTAL PUBLIC SAFETY	GEN	5,242	5,247	10,489	5,242	5,247	10,489				5,242	5,247	10,489	0
TOTAL GENERAL FUND		78,966	80,221	159,187	78,966	80,221	159,187				78,966	80,221	159,187	0
TRUNK HIGHWAY BOND APPROPRIATIONS (Article 2)														
Exterior Repair of Transp. Bldg.	THB	9,342	0	9,342				9,342	0	9,342	9,342	0	9,342	0
Mankato Building	THB	16,620	0	16,620				16,620	0	16,620	16,620	0	16,620	0
Small Capital Projects	THB	4,128	0	4,128				4,728	0	4,728	4,728	0	4,728	600
Total	THB	30,090	0	30,090				30,690	0	30,690	30,690	0	30,690	600

AGENCY/PROGRAM/ACTIVITY	FUND	Governor's Rec's			Senate 1879			Senate 1980CE1 Changes			Senate Total			Senate Over/(Under) Governor
		2006	2007	Total Biennium	2006	2007	Total Biennium	2006	2007	Total Biennium	2006	2007	Total Biennium	
GENERAL FUND REVENUE ITEMS (Article 3)														
<i>Recommendations:</i>														
Driver's Lic Electronic Record Fee \$.50 surcharge	GF	1,500	1,500	3,000				1,500	1,500	3,000	1,500	1,500	3,000	0
Motor Vehicle Transfer Fee Increase \$4 to \$8, Senate \$10	GF	4,700	4,700	9,400				7,050	7,050	14,100	7,050	7,050	14,100	4,700
Accident Report Fees Transfer to SR-DS	GF	(16)	(16)	(32)				(16)	(16)	(32)	(16)	(16)	(32)	0
TOTAL NEW GF REVENUE	GF	6,184	6,184	12,368				8,534	8,534	17,068	8,534	8,534	17,068	4,700
OTHER FUND REVENUE ITEMS (Article 3)														
<i>Recommendations:</i>														
SR Vehicle Services Operating Account														
Transfer current HUTDF Fees	SR-VS	11,834	11,952	23,786	11,834	11,952	23,786				11,834	11,952	23,786	0
Increase title fee by \$2.50	SR-VS	3,500	3,535	7,035	3,500	3,535	7,035				3,500	3,535	7,035	0
Increase salvage veh insp fee by \$15	SR-VS	197	199	396	197	199	396				197	199	396	0
Motor veh dealer lic fee increase \$50	SR-VS	215	217	432	215	217	432				215	217	432	0
New fee to expedite veh transfer \$20	SR-VS	900	909	1,809	900	909	1,809				900	909	1,809	0
Records fee increase	SR-VS	20	20	40	20	20	40				20	20	40	0
Support Our Troops Plate Revenue	SR-VS	261	401	662	0	0	0	261	401	662	261	401	662	0
Total Vehicle Services Operating Account	SR-VS	16,927	17,233	34,160	16,666	16,832	33,498				16,927	17,233	34,160	0
SR Driver Services Operating Account														
Transfer current trunk highway fees	SR-DS	24,631	24,196	48,827	25,364	25,619	50,983				25,364	25,619	50,983	2,156
Transfer current accident report fees	SR-DS	16	16	32	16	16	32				16	16	32	0
Driver's lic agent fee increase \$1.50	SR-DS	600	606	1,206	600	606	1,206				600	606	1,206	0
Driver's lic card fee increase \$1.50	SR-DS	1,650	1,667	3,317	1,650	1,667	3,317				1,650	1,667	3,317	0
New multiple road test fee \$20	SR-DS	200	202	402	200	202	402				200	202	402	0
New multiple written test fee \$10	SR-DS	300	303	603	300	303	603				300	303	603	0
New expedite service fee \$20	SR-DS	9	9	18	9	9	18				9	9	18	0
Records fee increase	SR-DS	600	606	1,206	600	606	1,206				600	606	1,206	0
Total Driver Services Operating Account	SR-DS	28,006	27,605	55,611	28,739	29,028	57,767				28,739	29,028	57,767	2,156
Motorcycle Safety Account														
Transfer from trunk highway	SR-MS	0	0	0	100	100	200				100	100	200	200
Trunk Highway Fund														
Transfer to Motorcycle Safety	THF	0	0	0	(100)	(100)	(200)				(100)	(100)	(200)	(200)
Transfer to Driver Services	THF	(24,631)	(24,196)	(48,827)	(25,364)	(25,619)	(50,983)				(25,364)	(25,619)	(50,983)	(2,156)
Total Trunk Highway	THF	(24,631)	(24,196)	(48,827)	(25,464)	(25,719)	(51,183)				(25,464)	(25,719)	(51,183)	(2,356)

AGENCY/PROGRAM/ACTIVITY	FUND	Governor's Rec's			Senate 1879			Senate 1980CE1 Changes			Senate Total			Senate Over/(Under) Governor
		2006	2007	Total Biennium	2006	2007	Total Biennium	2006	2007	Total Biennium	2006	2007	Total Biennium	
TRANSPORTATION FINANCE (Article 6)														
Department of Transportation														
Road Construction	TH	0	0	0				55,800	65,700	121,500	55,800	65,700	121,500	121,500
Highway Debt Service	TH	0	0	0				1,800	11,300	13,100	1,800	11,300	13,100	13,100
Trunk Highway Bonds	THB	25,000	25,000	50,000				100,000	100,000	200,000	100,000	100,000	200,000	150,000
County State Aid Highways	CSA	0	0	0				23,700	32,600	56,300	23,700	32,600	56,300	56,300
Municipal State Aid Streets	MSA	0	0	0				7,700	10,300	18,000	7,700	10,300	18,000	18,000
Greater MN Transit (MVST Stat. Appr.)	GrMN	0	0	0				5,100	5,900	11,000	5,100	5,900	11,000	11,000
Total MnDOT		25,000	25,000	50,000				194,100	225,800	419,900	194,100	225,800	419,900	369,900
Metropolitan Council														
Metro Transit (MVST Stat. Appr.)	MSA	0	0	0				45,500	52,800	98,300	45,500	52,800	98,300	98,300

Omnibus Transportation Bill 1980-2

Article 6 -- Transportation Finance

Senator Steve Murphy

10 Year Revenue Estimates

New Gas Tax Revenues

Gas Tax Increase: 4 cents FY06
0 cents FY07
3 cents FY08

Fiscal Year	06	07	08	09	2010	2011	2012	2013	2014	2015	10 Year Total
Trunk Highway	75.4	76.5	135.9	138.0	140.0	142.1	144.3	146.4	148.6	150.9	1298.1
County State-Aid Highway	35.3	35.8	63.6	64.5	65.5	66.5	67.5	68.5	69.5	70.6	607.2
Municipal State-Aid Streets	10.9	11.1	19.7	20.0	20.3	20.6	20.9	21.3	21.6	21.9	188.4
Township Roads & Bridges	2.9	3.0	5.3	5.4	5.5	5.6	5.6	5.7	5.8	5.9	50.7
County & City Turnbacks	3.5	3.5	6.2	6.3	6.4	6.5	6.6	6.7	6.8	6.9	59.5
TOTAL	128.0	129.9	230.8	234.2	237.7	241.3	244.9	248.6	252.3	256.1	2204.0

Million \$'S Per Penny of Increase 32.0 32.5 33.0 33.5 34.0 34.5 35.0 35.5 36.0 36.6

New Vehicle Registration Tax Revenues

Depreciation schedule: 100, 80, 70, 60, 50, 40, 35, 30, 20, 10
Phased-in, no one pays more than previous year

Fiscal Year	06	07	08	09	2010	2011	2012	2013	2014	2015	10 Year Total
Trunk Highway	9.0	33.8	54.2	70.5	83.2	93.5	102.9	111.1	119.6	128.4	806.2
County State-Aid Highway	4.2	15.8	25.3	33.0	38.9	43.7	48.1	52.0	55.9	60.1	377.1
Municipal State-Aid Streets	1.3	4.9	7.9	10.2	12.1	13.6	14.9	16.1	17.4	18.6	117.0
Township Roads & Bridges	0.4	1.3	2.1	2.8	3.2	3.7	4.0	4.3	4.7	5.0	31.5
County & City Turnbacks	0.4	1.5	2.5	3.2	3.8	4.3	4.7	5.1	5.5	5.9	37.0
TOTAL	15.3	57.4	92.0	119.7	141.2	158.8	174.7	188.7	203.0	218.0	1368.8

Total New Gas Tax & Registration Tax 143.3 187.3 322.8 353.9 378.9 400.1 419.6 437.3 455.3 474.1 3572.8

25% of New Revenues 35.8 46.8 80.7 88.5 94.7 100.0 104.9 109.3 113.8 118.5 893.2
New Revenues as a % of MVST 6.4 8.0 13.4 14.2 14.9 15.3 15.7 15.9 16.2 16.5

Transfer MVST from HUTDF for Transit Operating

% of MVST Transferred to Transit		9.0	10.0	14.6	15.4	16.1	16.5	16.5	16.5	16.5	16.5
(Includes eliminating MVST reduction to transit in current law in FY08 and on)											
Fiscal Year	06	07	08	09	2010	2011	2012	2013	2014	2015	
Trunk Highway	-27.1	-31.7	-54.6	-59.4	-63.3	-66.6	-68.3	-70.0	-71.7	-73.5	
County State-Aid Highway	-16.3	-18.6	-21.6	-23.8	-25.5	-26.9	-27.6	-28.3	-29.0	-29.7	
Municipal State-Aid Streets	-4.9	-5.6	-6.9	-7.6	-8.1	-8.6	-8.8	-9.0	-9.2	-9.4	
Township Roads & Bridges	-1.1	-1.2	-2.1	-2.3	-2.5	-2.6	-2.7	-2.7	-2.8	-2.9	
County & City Turnbacks	-1.2	-1.5	-2.5	-2.7	-2.9	-3.1	-3.1	-3.2	-3.3	-3.4	
Metropolitan Transit	45.5	52.8	78.6	85.8	91.6	96.6	99.0	101.4	104.0	106.6	
Greater Minnesota Transit	5.1	5.9	9.1	10.0	10.6	11.2	11.5	11.7	12.0	12.3	
TOTAL	-0.0	0.0	0.0	-0.0	0.0	0.0	-0.0	0.0	0.0	0.0	0.0
MVST Forecast	561.7	586.3	600.1	621.1	636.6	652.5	668.9	685.6	702.7	720.3	

Statutory Transfer of MVST from General Fund to Multimodal

Phase-in of new 34% of MVST to new Multimodal Transportation Fund
 Phase-in occurs over four year period FY08-FY11 -- 10%, FY08, 10% FY09, 10% FY10, 4% FY11
 (Assumes existing transit general fund appropriations will be replaced with 12.25% MVST in FY 08)
 (2.5% MVST growth after FY09)

Fiscal Year	06	07	08	09	2010	2011	2012	2013	2014	2015	10 Year Total
Multimodal Fund Revenues (GF "Hole")	0.0	0.0	60.0	124.2	191.0	221.9	227.4	233.1	238.9	244.9	1541.4

(Multimodal fund to be legislatively or statutorily appropriated to surface transportation purposes)

Distribution of MVST (percentage):

HUTDF	21.82	20.82	17.37	16.57	15.94	15.49	15.49	15.49	15.49	15.49	15.49
Metropolitan Transit	29.60	30.50	43.30	44.02	44.59	45.00	45.00	45.00	45.00	45.00	45.00
Greater MN Transit	2.33	2.43	5.32	5.40	5.47	5.51	5.51	5.51	5.51	5.51	5.51
Multimodal Fund	0.00	0.00	10.00	20.00	30.00	34.00	34.00	34.00	34.00	34.00	34.00
General Fund	46.25	46.25	24.00	14.00	4.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00

TOTAL REVENUES

Fiscal Year	06	07	08	09	2010	2011	2012	2013	2014	2015	10 Year Total
Trunk Highways	57.3	78.6	135.5	149.0	159.9	169.1	178.9	187.6	196.5	205.7	1518.2
County State-Aid Highways	23.2	33.0	67.3	73.7	78.9	83.3	88.0	92.2	96.5	100.9	737.0
Municipal State-Aid Streets	7.4	10.4	20.7	22.7	24.3	25.7	27.1	28.4	29.7	31.1	227.4
Township Roads & Bridges	2.2	3.1	5.3	5.8	6.2	6.6	7.0	7.3	7.7	8.0	59.3
County & City Turnbacks	2.6	3.6	6.2	6.8	7.3	7.7	8.2	8.6	9.0	9.4	69.6
Metropolitan Transit	45.5	52.8	78.6	85.8	91.6	96.6	99.0	101.4	104.0	106.6	861.9
Greater Minnesota Transit	5.1	5.9	9.1	10.0	10.6	11.2	11.5	11.7	12.0	12.3	99.4
Multimodal Transportation Fund	0.0	0.0	60.0	124.2	191.0	221.9	227.4	233.1	238.9	244.9	1541.4
TOTAL	143.3	187.3	382.8	478.2	569.9	622.0	647.0	670.4	694.3	719.0	5114.2

New Trunk Highway Bond Authorization	100	100	100	100	100	100	100	100	100	100	1000
Estimated Debt Service	-1.8	-11.3	-20.0	-35.6	-39.4	-54.7	-57.9	-72.6	-75.3	-89.1	-457.7
TH Revenues (w/90% bonds-debt)	145.5	157.3	205.5	203.4	210.5	204.4	211.0	205.0	211.2	206.6	1960.5

Total New Revenues All Funds	241.5	276.0	462.8	542.6	630.5	667.3	689.1	697.8	719.0	729.9	5656.5
(with bonds - debt)											
Transit Revenues	60.6	68.6	127.8	167.9	207.7	228.7	234.1	239.7	245.5	251.4	2502.8
(with bonds, MVST & 50% multimodal)											
Transit as % of Total	25.1	24.9	27.6	31.0	32.9	34.3	34.0	34.4	34.1	34.4	

Estimated Federal Funds Increase											
Fiscal Year	06	07	08	09	2010	2011	2012	2013	2014	2015	Total
Trunk Highways	60.0	70.0	112.0	112.0	112.0	112.0	112.0	112.0	112.0	112.0	1026.0
Local Roads	26.0	30.0	48.0	48.0	48.0	48.0	48.0	48.0	48.0	48.0	440.0
Total	86.0	100.0	160.0	160.0	160.0	160.0	160.0	160.0	160.0	160.0	1466.0

TOTAL NEW REVENUES OVER 10 YEARS

Trunk Highways (net of debt service)	\$1,960.5 million
County Highways	737.0
Municipal Streets	227.4
Township Roads	59.3
County & City Turnbacks	69.6
Subtotal Highways	3,053.8
Metropolitan Transit	961.9
Greater MN Transit	99.4
Subtotal Transit	1061.3
Multimodal Fund for Highways and Transit	1,541.4
TOTAL REVENUES	5,656.5
New Federal Funds	1,466.0
TOTAL WITH FEDERAL	7,122.5 million

SEATTLE POST-INTELLIGENCER

http://seattlepi.nwsourc.com/transportation/221505_oly25.html

Lawmakers OK bump in gas tax of 9.5 cents

Viaduct, I-405 will benefit from \$8 billion road package

Monday, April 25, 2005

By CHRIS MCGANN

SEATTLE POST-INTELLIGENCER CAPITOL CORRESPONDENT

OLYMPIA -- The House blasted through the Legislature's biggest roadblock yesterday, passing a 9.5-cent-a-gallon gas tax increase for transportation projects and adjourning the 105-day legislative session on time.

After a session punctuated by angry outbursts and partisan pot shots, Democrats and Republicans reached across the aisle to exchange back slaps, hugs and tearful thank-yous.

related article

[How House members voted on the gas tax increase](#)

"Yeah, we tangled, but we got the job done," House Speaker Frank Chopp, D-Seattle, said.

Many lawmakers were simply pleased that it was over until next year. But leaders said there was much more to it than that.

"This is the single biggest investment in infrastructure in the history of Washington state," Senate Transportation Committee Chairwoman Mary Margaret Haugen said of the \$8 billion roads package as she embraced House Majority Leader Lynn Kessler.

Democrats said throughout the session that the transportation plan to help pay for replacing the Alaskan Way Viaduct, expanding Interstate 405 and hundreds of other road projects could be passed only with help from minority Republicans.

That wasn't easy.

The new transportation taxes failed Saturday after Republican leaders, who complained that they had been steamrolled by the Democrats all session, challenged Democrats to vote as they had on other big bills -- without Republican help.

In the resulting standoff, Seattle Democrats threatened to block the \$26 billion operating budget if the gas tax was not revived to help pay for the earthquake-damaged viaduct. Several of the eight Republicans who voted for the transportation tax bill on Saturday vowed to withdraw their support.

"The wheels had fallen off," said Kessler, D-Hoquiam. "We had to put them back on the track."

The state's most powerful business lobbyists, Gov. Christine Gregoire and leading lawmakers immediately stepped in to keep negotiations alive through yesterday. The transportation package was a top goal of the business lobby.

Gregoire told leaders that she would veto a transportation budget that did not include money for the big

projects.

"We are on the brink of disaster, I cannot stand by and do nothing," Gregoire said.

Senate Majority Leader Lisa Brown, D-Spokane, said Gregoire's leadership "has been incredible."

Senate Minority Leader Bill, Finkbeiner, R-Kirkland, met with Gregoire earlier yesterday to discourage a special session for transportation.

"It would be an exercise in futility," he said.

"I sat through one four years ago," Finkbeiner said. "Without deadlines and without having everybody here ... the Legislature rarely performs on things it doesn't absolutely have to in special sessions."

Finkbeiner said he told Gregoire that if she wanted to pass the transportation package, "it's got to be done (yesterday) and if they are that close and she really wants to get it passed, she could do it."

Gregoire said, "In the end, I simply asked them to stand up and do the right thing."

Chopp brought the bill up again yesterday, and 11 Republicans and 43 Democrats voted yes.

Kessler said that after the first vote, Democrats went back to Republicans with a promise to deliver 43 votes -- seven more than they'd previously said would support the tax, including many from swing districts.

When Chopp called for the second vote, Republicans held back to make sure Democrats delivered on their promise and then followed suit with their own votes to pass the bill 54-43.

"We agreed to do it in a manner that we could be sure there were no more political games played on a matter as important as transportation," said House Minority Leader Bruce Chandler, R-Granger.

The gas tax increase will be phased in over four years, beginning with a 3-cent boost in July. The tax now is 28 cents a gallon.

Tolls, local taxes and weight fees on cars, light trucks and SUVs also are planned. The full gas tax increase and weight fee will cost motorists \$67 to \$172 a year, depending on vehicle size.

With transportation settled, Democrats breezed to the finish line, passing the operating budget with party-line votes in both chambers.

Rep. Helen Sommers, D-Seattle, the House's main budget writer, called the spending plan "a strong commitment to kids" with a focus on education "to prepare our population for the new and emerging economy."

Said Gregoire: "I can't tell you how many times I've heard that old saying, nothing ever gets done around here. That has changed."

Republicans were still fuming about the \$481 million tax package Democrats pushed through last week. They used the operating budget debate as a chance to vent and cast dire predictions about Democrats' chances in future elections.

"Do you remember the last time this body considered a budget with a tax increase of over \$500 million?" Rep. Gary Alexander, R-Olympia, asked rhetorically, referring to 1993, the year before the "Republican Revolution," which cost Democrats 25 House seats and majority control.

"I believe that sometimes history repeats itself," Alexander said.

Chandler said the Legislature "missed a crucial opportunity to restore the economic health and fiscal discipline to the state."

In the early weeks of this year's session, Democratic budget writers braced to begin closing a budget deficit of more than \$2 billion -- though that dire prediction was later tempered by an optimistic revenue forecast.

Nonetheless, Senate Ways and Means Chairwoman Margarita Prentice, D-Renton, said it was the "heaviest lifting" she'd done in 17 years as a legislator. "I was afraid it was going to be back-breaking. We had to figure out how to get there and make sure the budget reflected what we believe in."

The budget provided long-awaited pay raises for state employees, cost-of-living allowances for teachers, money to keep 100,000 people insured under the state's Basic Health Plan, college enrollments for more than 8,000 more students and class-size reductions as outlined by voter Initiative 728.

Prentice said the state's needs grant to help lower-income students attend college was the "crowning jewel" of the budget.

Democrats also modified the state's unemployment insurance plan for the benefit of some seasonal workers, mandated that insurance companies provide mental health coverage, and implemented a system for substance abuse and mental health treatment.

Democratic leaders said their biggest disappointment was failure to expand the state Civil Rights Act to include gay people.

House Transportation Committee Chairman Ed Murray, D-Seattle, has championed the rights bill for a decade.

Although he could chalk up several successes this session -- including the transportation package and landmark legislation to reduce vehicle emissions -- he left Olympia on a down note.

"I had three big bills this session -- I'm happy with two out of three, even though I didn't get the one I wanted most."

GAS TAX PROJECTS

The 16-year transportation plan would help finance "mega-projects." It also would finance hundreds of highway and bridge projects and rail, ferry and other improvements. Among the big-ticket items:

Alaskan Way Viaduct: \$2 billion

I-405: \$972 million

State Route 520: \$500 million

Money for public transportation: \$411 million

Money for rail projects: \$387 million

Bridge replacements: \$341 million

Ferries: \$185 million

This report includes information from The Associated Press.

© 1998-2005 Seattle Post-Intelligencer

Agenda #2

1 A bill for an act

2 relating to transportation; creating a high-speed rail
3 fund; imposing a sales tax within the metropolitan
4 area with the proceeds dedicated to metropolitan
5 transportation and transit improvements and services;
6 appropriating money; proposing coding for new law in
7 Minnesota Statutes, chapter 174; proposing coding for
8 new law as Minnesota Statutes, chapter 473J.

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

10 Section 1. [174.56] [HIGH-SPEED RAIL FUND.]

11 A high-speed rail fund is created in the state treasury,
12 consisting of money credited to the fund under section 297B.09,
13 subdivision 1. Money in the fund is appropriated to the
14 commissioner of transportation for the planning and design,
15 including environmental studies, of the Minnesota portion of a
16 high-speed rail corridor between the Twin Cities and Chicago as
17 part of the Midwest Regional Rail System.

18 Sec. 2. [473J.01] [METROPOLITAN TRANSPORTATION AREA.]

19 The metropolitan transportation area is the area within the
20 counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and
21 Washington.

22 Sec. 3. [473J.02] [SALES TAX.]

23 A sales tax and a use tax of 0.50 percent is imposed on
24 retail sales and uses taxable under chapter 297A that occur in
25 the metropolitan transportation area. These taxes are in
26 addition to the taxes imposed by sections 297A.62, subdivision
27 1, and 297A.63, subdivision 1, and any local taxes imposed

1 pursuant to a special law.

2 [EFFECTIVE DATE.] This section is effective for sales and
3 purchases made after June 30, 2005.

4 Sec. 4. [473J.03] [TAX COLLECTION.]

5 The taxes imposed by section 473J.02 must be reported and
6 paid to the commissioner of revenue with the taxes imposed by
7 chapter 297A and in accordance with an agreement between the
8 counties in the metropolitan transportation area and the
9 commissioner of revenue. The taxes are subject to the same
10 interest, penalty, and other provisions provided for sales and
11 use taxes under chapters 289A and 297A. The commissioner has
12 the same powers to assess and collect the taxes as are given the
13 commissioner in chapters 270, 289A, and 297A to assess and
14 collect sales and use taxes. The commissioner shall deposit the
15 revenues, including interest and penalties, derived from the
16 taxes in the state treasury and credit them to the general fund.

17 [EFFECTIVE DATE.] This section is effective for sales and
18 purchases made after June 30, 2005.

19 Sec. 5. [473J.04] [METROPOLITAN TRANSPORTATION SALES TAX
20 ACCOUNT.]

21 Subdivision 1. [TRANSFER TO FUND.] (a) The revenue
22 collected under section 473J.03, less the cost of collection, is
23 appropriated from the general fund to the commissioner of
24 finance for transfer to a special account within the
25 metropolitan area transit fund in the state treasury, to be
26 called the metropolitan transportation sales tax account.

27 (b) The cost of collection equals the direct and indirect
28 costs of the Department of Revenue to administer, audit, and
29 collect the revenue, plus the metropolitan transportation area's
30 proportionate share of the indirect cost of administering all
31 local sales and use taxes under section 297A.99.

32 Subd. 2. [USE OF FUND.] Money in the metropolitan
33 transportation sales tax account is appropriated as follows:

34 (1) 85 percent to the Metropolitan Council:

35 (i) for capital and operating costs of bus, rail, and
36 paratransit service within the metropolitan transportation area,

1 including special transportation service under section 473.386
2 and replacement transit service under section 473.388; and
3 (ii) to provide for implementation by 2020 of the transit
4 portion of the Metropolitan Council's "2030 Transportation
5 Policy Plan"; and

6 (2) 15 percent to the Metropolitan Council for annual
7 distribution based on population to counties in the metropolitan
8 transportation area that are eligible for distribution under
9 section 473J.05, subdivision 2, with a minimum annual
10 distribution to each qualifying county of \$1,500,000. For
11 purposes of this subdivision, "population" has the meaning given
12 in section 477A.011, subdivision 3. This money must be used as
13 provided in section 473J.05 by counties, home rule charter and
14 statutory cities, and towns to plan, design, build, maintain,
15 promote, and operate public transit, bicycle, and pedestrian
16 projects, and to plan, design, and provide transportation
17 infrastructure associated with transit-oriented development.

18 [EFFECTIVE DATE.] This section is effective for sales and
19 purchases made after June 30, 2005.

20 Sec. 6. [473J.05] [COUNTY USE OF DISTRIBUTION.]

21 Subdivision 1. [PURPOSES.] A county receiving money
22 distributed by the Metropolitan Council under section 473J.04
23 must distribute 50 percent of the funds to home rule charter and
24 statutory cities and towns within the county. To receive a
25 distribution from the county, a city or town shall apply for a
26 grant from the county under this section by the time required by
27 the county. The application must contain information specifying
28 the project, amount of funds requested, and how the funds will
29 be expended to further the implementation of the project. Funds
30 may be used by the county, or distributed to a city for use by
31 the city, only to:

32 (1) plan, design, build, maintain, promote, and operate
33 public transit;

34 (2) plan, design, build, maintain, promote, and operate
35 bicycle programs and pathways including, but not limited to,
36 bicycle racks, bicycle lockers, off-road bicycle paths,

1 on-street bicycle striping, signage, lighting, and other
2 projects with a primary focus on bicycle transportation;
3 (3) plan, design, build, maintain, promote, and operate
4 pedestrian programs within the county including, but not limited
5 to, sidewalks, paths, signage, lighting, and pedestrian
6 crossings with an emphasis on pedestrian transportation;
7 (4) plan, design, and provide transportation infrastructure
8 associated with transit-oriented development; and
9 (5) provide the local match for federal transportation
10 grants for projects that encourage transit use, bicycling, and
11 walking under the federal Transportation Enhancement, Congestion
12 Mitigation and Air Quality, or Surface Transportation programs.

13 Subd. 2. [ELIGIBILITY TO RECEIVE MONEY.] (a) To be
14 eligible to receive money distributed by the Metropolitan
15 Council under section 473J.04, a county shall by January 1, 2006:

16 (1) create a separate account in its general fund to credit
17 the money; and

18 (2) set up accounting procedures to ensure that money in
19 the separate account is spent only for the purposes in this
20 section.

21 (b) In each following year, each county shall also submit a
22 report by April 1 of each year to the chair of the Metropolitan
23 Council detailing for the previous calendar year:

24 (1) how the money was spent including, but not limited to,
25 specific information on the planning completed, the programs
26 implemented, the staff resources required, and a full accounting
27 of how the revenues were spent and distributed to local
28 communities; and

29 (2) the resulting increase in transit, bicycle, and
30 pedestrian travel; the improvement in transit, bicycle, and
31 pedestrian safety; the impact on roadway congestion; and the
32 need for vehicle parking.

33 (c) The chair of the Metropolitan Council shall withhold
34 all or part of the funds to be distributed to a county under
35 this section if the county fails to comply with this section.
36 Funds withheld under this paragraph may be distributed to the

1 county in the following year if the requirements of this section
2 have been met. If a county has not met these requirements by
3 the date of the following year's distribution, the withheld
4 funds and the funds for distribution to the county in the
5 current year must be included in the amount for distribution to
6 qualifying counties.

7 Subd. 3. [REPORT.] By July 1 of each odd-numbered year,
8 the Metropolitan Council shall report on how the money was spent
9 and the resulting improvements within the metropolitan area in
10 transit, bicycle travel, pedestrian travel, and safety to the
11 committees of the house of representatives and senate with
12 jurisdiction over transportation and transportation finance.

13 Sec. 7. [APPLICATION.]

14 Sections 2 to 6 apply in the counties of Anoka, Carver,
15 Dakota, Hennepin, Ramsey, Scott, and Washington.

**Senate Counsel, Research,
and Fiscal Analysis**

G-17 STATE CAPITOL
75 REV. DR. MARTIN LUTHER KING, JR. BLVD.
ST. PAUL, MN 55155-1606
(651) 296-4791
FAX: (651) 296-7747
JO ANNE ZOFF SELLNER
DIRECTOR

Senate

State of Minnesota

S.F. No. 1703 (First Engrossment) – Imposing a Half Cent Metropolitan Area Sales Tax for Transit Purposes

Author: Senator Sharon Marko

Prepared by: Amy Vennewitz, Fiscal Analyst (651/296-7681) *Amv*
Bonnie Berezovsky, Senate Counsel (651/296-9191)

Date: May 9, 2005

Section 1 creates a high speed rail fund in the state treasury. Money in the fund is appropriated to the commissioner for the planning and design, including environmental studies, of the high speed rail corridor between the Twin Cities and Chicago.

Section 2 defines the metropolitan transportation area as the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington.

Section 3 imposes an additional sales tax of one half of one percent in the metropolitan transportation area. This section is effective for sales made after June 30, 2005.

Section 4 requires the sales tax imposed to be paid to the commissioner of revenue with other sales taxes imposed by chapter 297A. The commissioner must credit the sales tax to the general fund.

Section 5, subdivision 1 appropriates the revenue collected from the sales tax, less the cost of collection, to the commissioner of finance for transfer to the metropolitan transportation sales tax account within the metropolitan area transit fund.

Subdivision 2 specifies that money in the metropolitan transportation sales tax account is appropriated: (1) 85 percent to the Metropolitan Council for the capital and operating costs of bus, rail and paratransit service within the metropolitan area and to provide for implementation of the Metropolitan Council's 2030 Transportation Policy Plan by 2020; and (2) 15 percent to the Metropolitan Council for distribution based on population to the counties in the metropolitan

transportation area. Each county must receive a minimum distribution of \$1.5 million. The money must be used as provided in section 7.

Section 6, subdivision 1 requires a county receiving money under section 6 to distribute 50 percent of the funds to cities and towns within the county. A city or town must apply for a grant from the county to receive the funds. The application must contain information specifying the project, amount of funds requested and how the funds will be expended. Funds may be used by the county, city or town only to plan, design, build, maintain, promote and operate public transit, bicycle and pathway programs, pedestrian programs, plan and provide transportation infrastructure for transit-oriented development and provide the local match for federal transportation grants.

Subdivision 2 specifies that to be eligible to receive money from the Metropolitan Council a county must by January 1, 2006, create a special account and accounting procedures to ensure the money is spent only for the allowable purposes. By April 1st of each year, the county must submit a report to the Council detailing how the money was spent, the resulting increase in transit, bicycle and pedestrian travel and the impact on roadway congestion and the need for vehicle parking. The chair of the Council must withhold funds if a county fails to comply with the requirements. If a county has not met the requirements by the date of the following year's distribution, the funds must be included in the distribution to the other qualifying counties.

Subdivision 3 requires the Council by July 1st of each odd numbered year, to report to the legislative committees with jurisdiction over transportation on how the money was spent and the resulting improvements in transit, bicycle and pedestrian travel.

Section 7 makes sections 2 to 6 effective in the metropolitan area.

Consolidated Fiscal Note – 2005-06 Session

Bill #: S1703-0 **Complete Date:** 05/06/05

Chief Author: MARKO, SHARON

Title: MODIFY TRANSPORTATION FUNDING PROV

Fiscal Impact	Yes	No
State	X	
Local	X	
Fee/Departmental Earnings	X	
Tax Revenue	X	

Agencies: Metropolitan Council (05/06/05)
Revenue Dept (04/11/05)

Transportation Dept (04/18/05)
Public Safety Dept (04/18/05)

This table reflects fiscal impact to state government. Local government impact is reflected in the narrative only.

Dollars (in thousands)	FY05	FY06	FY07	FY08	FY09
Net Expenditures					
General Fund		37,650			
Transportation Dept		8,900			
Metropolitan Council		28,750			
Metropolitan Area Transit Fund		169,400	186,700	192,300	199,000
Metropolitan Council		169,400	186,700	192,300	199,000
Revenues					
New Fund		10,000	10,000		
Transportation Dept		10,000	10,000		
General Fund		(105,319)	(109,931)	(187,531)	(209,621)
Transportation Dept		(105,319)	(109,931)	(187,531)	(209,621)
Municipal State Aid Street Fund		6	6	0	0
Transportation Dept		6	6	0	0
County State Aid Highway Fund		6	6	0	0
Transportation Dept		6	6	0	0
Trunk Highway Fund		(3,383)	(3,093)	0	0
Transportation Dept		(3,383)	(3,093)	0	0
Metropolitan Area Transit Fund		225,600	245,350	303,300	329,400
Metropolitan Council		225,600	245,350	303,300	329,400
Greater Minnesota Transit Fund		51,421	44,383	76,513	79,190
Transportation Dept		51,421	44,383	76,513	79,190
Net Cost <Savings>					
New Fund		(10,000)	(10,000)		
Transportation Dept		(10,000)	(10,000)		
General Fund		142,969	109,931	187,531	209,621
Transportation Dept		114,219	109,931	187,531	209,621
Metropolitan Council		28,750			
Municipal State Aid Street Fund		(6)	(6)	0	0
Transportation Dept		(6)	(6)	0	0
County State Aid Highway Fund		(6)	(6)	0	0
Transportation Dept		(6)	(6)	0	0
Trunk Highway Fund		3,383	3,093	0	0
Transportation Dept		3,383	3,093	0	0
Metropolitan Area Transit Fund		(56,200)	(58,650)	(111,000)	(130,400)
Metropolitan Council		(56,200)	(58,650)	(111,000)	(130,400)
Greater Minnesota Transit Fund		(51,421)	(44,383)	(76,513)	(79,190)
Transportation Dept		(51,421)	(44,383)	(76,513)	(79,190)
Total Cost <Savings> to the State		28,719	(21)	18	31

	FY05	FY06	FY07	FY08	FY09
Full Time Equivalents					
-- No Impact --					
Total FTE					

Consolidated EBO Comments

I have reviewed this Fiscal Note for accuracy and content.

EBO Signature: NORMAN FOSTER

Bill Description: This bill provides the following funding to transit:

MVST Distribution

<u>FY 2006 – 2007</u>	<u>FY 2009</u>	<u>FY 2011 and Beyond</u>
31.5% Metro Transit Fund	41.5% Metro Transit Fund	46% Metro Transit Fund
9% Greater MN Transit	14% Greater MN Transit	14% Greater MN Transit
<u>FY 2008</u>	<u>FY 2010</u>	
39% Metro Transit Fund	44% Metro Transit Fund	
14% Greater MN Transit	14% Greater MN Transit	

Sales Tax: This bill adds a ½ cent sales tax in the seven county metro area starting July 1, 2005.

- 85% of the money goes to the Metropolitan Council for transit
- 15% of the money goes to seven counties for transit-oriented development, transit improvements, and bike/ped improvements. The counties must distribute half to local units of government.

State General Fund: This bill allocates \$28.75 million to the Metropolitan Council and \$8.9 million to MnDOT for Greater Minnesota Transit from the General Fund in FY 2005.

High Speed Rail: \$10 M from trunk highway fund FY 2006 and in FY 2007 for high speed rail planning

Assumptions: The revenue information only provides the fiscal impacts on the Metropolitan Council. It is assumed appropriate agencies will provide fiscal information on the aspects of this legislation as to their impacts.

The sales tax revenues to be collected in the metropolitan area is shown below. The bill shows these revenues to be appropriated from the general fund by the Dept. of Finance for transfer into a special fund within the metropolitan area transit fund. Since this is a technical appropriation the spreadsheet for this fund shows the revenue and expenditure of these funds from the metropolitan area transit fund.

The calculations are based on the Feb. '05 forecasts.

Expenditure/Revenue Formula:

MVST Distribution for metropolitan transit (including the additional fund transfers):

	<u>MVST</u>
2006	\$177.0
2007	\$184.8
2008	\$234.0
2009	\$257.7

New Sales Tax for metropolitan transit

1/2 cent sales tax collections:

FY 2006: \$169.4 M
FY 2007: \$186.7 M
FY 2008: \$192.3 M
FY 2009: \$199.0 M

Of this, 85% is for transit:

FY 2006: \$144
FY 2007: \$158.7
FY 2008: \$163.5
FY 2009: \$169.2

Consolidated Fiscal Note – 2005-06 Session

Bill #: S1703-0 Complete Date: 05/06/05

Chief Author: MARKO, SHARON

Title: MODIFY TRANSPORTATION FUNDING PROV

Fiscal Impact	Yes	No
State	X	
Local	X	
Fee/Departmental Earnings	X	
Tax Revenue	X	

Agencies: Metropolitan Council (05/06/05)
Revenue Dept (04/11/05)

Transportation Dept (04/18/05)
Public Safety Dept (04/18/05)

This table reflects fiscal impact to state government. Local government impact is reflected in the narrative only.

Dollars (in thousands)	FY05	FY06	FY07	FY08	FY09
Net Expenditures					
General Fund		37,650			
Transportation Dept		8,900			
Metropolitan Council		28,750			
Metropolitan Area Transit Fund		169,400	186,700	192,300	199,000
Metropolitan Council		169,400	186,700	192,300	199,000
Revenues					
New Fund		10,000	10,000		
Transportation Dept		10,000	10,000		
General Fund		(105,319)	(109,931)	(187,531)	(209,621)
Transportation Dept		(105,319)	(109,931)	(187,531)	(209,621)
Municipal State Aid Street Fund		6	6	0	0
Transportation Dept		6	6	0	0
County State Aid Highway Fund		6	6	0	0
Transportation Dept		6	6	0	0
Trunk Highway Fund		(3,383)	(3,093)	0	0
Transportation Dept		(3,383)	(3,093)	0	0
Metropolitan Area Transit Fund		225,600	245,350	303,300	329,400
Metropolitan Council		225,600	245,350	303,300	329,400
Greater Minnesota Transit Fund		51,421	44,383	76,513	79,190
Transportation Dept		51,421	44,383	76,513	79,190
Net Cost <Savings>					
New Fund		(10,000)	(10,000)		
Transportation Dept		(10,000)	(10,000)		
General Fund		142,969	109,931	187,531	209,621
Transportation Dept		114,219	109,931	187,531	209,621
Metropolitan Council		28,750			
Municipal State Aid Street Fund		(6)	(6)	0	0
Transportation Dept		(6)	(6)	0	0
County State Aid Highway Fund		(6)	(6)	0	0
Transportation Dept		(6)	(6)	0	0
Trunk Highway Fund		3,383	3,093	0	0
Transportation Dept		3,383	3,093	0	0
Metropolitan Area Transit Fund		(56,200)	(58,650)	(111,000)	(130,400)
Metropolitan Council		(56,200)	(58,650)	(111,000)	(130,400)
Greater Minnesota Transit Fund		(51,421)	(44,383)	(76,513)	(79,190)
Transportation Dept		(51,421)	(44,383)	(76,513)	(79,190)
Total Cost <Savings> to the State		28,719	(21)	18	31

	FY05	FY06	FY07	FY08	FY09
Full Time Equivalents					
- No Impact -					
Total FTE					

Consolidated EBO Comments

I have reviewed this Fiscal Note for accuracy and content.

EBO Signature: NORMAN FOSTER

Date: 05/06/05 Phone: 215-0594

Fiscal Note – 2005-06 Session

Bill #: S1703-0 **Complete Date:** 05/06/05

Chief Author: MARKO, SHARON

Title: MODIFY TRANSPORTATION FUNDING PROV

Fiscal Impact	Yes	No
State	X	
Local	X	
Fee/Departmental Earnings	X	
Tax Revenue	X	

Agency Name: Metropolitan Council

This table reflects fiscal impact to state government. Local government impact is reflected in the narrative only.

Dollars (in thousands)	FY05	FY06	FY07	FY08	FY09
Expenditures					
General Fund		28,750			
Metropolitan Area Transit Fund		169,400	186,700	192,300	199,000
Less Agency Can Absorb					
-- No Impact --					
Net Expenditures					
General Fund		28,750			
Metropolitan Area Transit Fund		169,400	186,700	192,300	199,000
Revenues					
Metropolitan Area Transit Fund		225,600	245,350	303,300	329,400
Net Cost <Savings>					
General Fund		28,750			
Metropolitan Area Transit Fund		(56,200)	(58,650)	(111,000)	(130,400)
Total Cost <Savings> to the State		(27,450)	(58,650)	(111,000)	(130,400)

	FY05	FY06	FY07	FY08	FY09
Full Time Equivalents					
-- No Impact --					
Total FTE					

Bill Description: This bill provides the following funding to transit:

MVST Distribution

<u>FY 2006 – 2007</u>	<u>FY 2009</u>	<u>FY 2011 and Beyond</u>
31.5% Metro Transit Fund 9% Greater MN Transit	41.5% Metro Transit Fund 14% Greater MN Transit	46% Metro Transit Fund 14% Greater MN Transit
<u>FY 2008</u>	<u>FY 2010</u>	
39% Metro Transit Fund 14% Greater MN Transit	44% Metro Transit Fund 14% Greater MN Transit	

Sales Tax: This bill adds a ½ cent sales tax in the seven county metro area starting July 1, 2005.

- 85% of the money goes to the Metropolitan Council for transit
- 15% of the money goes to seven counties for transit-oriented development, transit improvements, and bike/ped improvements. The counties must distribute half to local units of government.

State General Fund: This bill allocates \$28.75 million to the Metropolitan Council and \$8.9 million to MnDOT for Greater Minnesota Transit from the General Fund in FY 2005.

High Speed Rail: \$10 M from trunk highway fund FY 2006 and in FY 2007 for high speed rail planning

Assumptions: The revenue information only provides the fiscal impacts on the Metropolitan Council. It is assumed appropriate agencies will provide fiscal information on the aspects of this legislation as to their impacts.

The sales tax revenues to be collected in the metropolitan area is shown below. The bill shows these revenues to be appropriated from the general fund by the Dept. of Finance for transfer into a special fund within the metropolitan area transit fund. Since this is a technical appropriation the spreadsheet for this fund shows the revenue and expenditure of these funds from the metropolitan area transit fund.

The calculations are based on the Feb. '05 forecasts.

Expenditure/Revenue Formula:

MVST Distribution for metropolitan transit (including the additional fund transfers):

	<u>MVST</u>
2006	\$177.0
2007	\$184.8
2008	\$234.0
2009	\$257.7

New Sales Tax for metropolitan transit

1/2 cent sales tax collections:

FY 2006: \$169.4 M
FY 2007: \$186.7 M
FY 2008: \$192.3 M
FY 2009: \$199.0 M

Of this, 85% is for transit:

FY 2006: \$144
FY 2007: \$158.7
FY 2008: \$163.5
FY 2009: \$169.2

Additional State General Funds for metropolitan transit: \$28.75 M

Total: These revenue sources would provide the following new revenues to the Metropolitan Council for transit programs in the metro area:

	MVST	Sales Tax	SGF	Total
2006	\$56.19	\$144	\$29	\$228.94
2007	\$58.65	\$158.70		\$217.35
2008	\$111.00	\$163.50		\$274.50
2009	\$130.40	\$169.20		\$299.60

The revenue formula is set in state law. The choice of expenditures is left up to the Metropolitan Council.

Long-Term Fiscal Considerations:

These revenue increases would be expected to be ongoing

Local Government Costs:

Local governments would not have costs, but receive 15% of the 0.5 state sales tax increase in the metro area. One-half of this amount would remain with the counties and the other one-half would go to municipalities.

Agency Contact Name: Nacho Diaz, Transp Plng Dir., 651-602-1754
FN Coord Signature: MIKE KUEHN
Date: 04/26/05 Phone: 602-1364

EBO Comments

I have reviewed this Fiscal Note for accuracy and content.

EBO Signature: NORMAN FOSTER
Date: 05/06/05 Phone: 215-0594

Fiscal Note – 2005-06 Session

Bill #: S1703-0 **Complete Date:** 04/11/05

Chief Author: MARKO, SHARON

Title: MODIFY TRANSPORTATION FUNDING PROV

Fiscal Impact	Yes	No
State		X
Local		X
Fee/Departmental Earnings		X
Tax Revenue		X

Agency Name: Revenue Dept

This table reflects fiscal impact to state government. Local government impact is reflected in the narrative only.

Dollars (in thousands)	FY05	FY06	FY07	FY08	FY09
Expenditures					
– No Impact –					
Less Agency Can Absorb					
– No Impact –					
Net Expenditures					
– No Impact –					
Revenues					
– No Impact –					
Net Cost <Savings>					
– No Impact –					
Total Cost <Savings> to the State					

	FY05	FY06	FY07	FY08	FY09
Full Time Equivalents					
– No Impact –					
Total FTE					

This bill version has no fiscal effect on our agency.

FN Coord Signature: JOHN POWERS
Date: 04/11/05 Phone: 556-4054

EBO Comments

Because the bill provides that the Department of Revenue's costs associated with assessing and collecting the sales and use taxes are reimbursed to the Department, no departmental costs are detailed on the fiscal note.

EBO Signature: NANCY HOMANS
Date: 04/11/05 Phone: 296-9370

Fiscal Note – 2005-06 Session

Bill #: S1703-0 **Complete Date:** 04/18/05

Chief Author: MARKO, SHARON

Title: MODIFY TRANSPORTATION FUNDING PROV

Fiscal Impact	Yes	No
State		X
Local		X
Fee/Departmental Earnings		X
Tax Revenue	X	

Agency Name: Public Safety Dept

This table reflects fiscal impact to state government. Local government impact is reflected in the narrative only.

Dollars (in thousands)	FY05	FY06	FY07	FY08	FY09
Expenditures					
– No Impact –					
Less Agency Can Absorb					
– No Impact –					
Net Expenditures					
– No Impact –					
Revenues					
– No Impact –					
Net Cost <Savings>					
– No Impact –					
Total Cost <Savings> to the State					

	FY05	FY06	FY07	FY08	FY09
Full Time Equivalent					
– No Impact –					
Total FTE					

Bill Description

Senate File 1703 proposes a substantial increase to transit funding through changes in the distribution of revenues attributed to the motor vehicle sales tax and a 0.5% sales tax increase dedicated to transit in the seven county metropolitan area. Appropriations are made, effective July 1, 2005, from the General Fund that also provide increased funding for both metropolitan area and greater Minnesota transit programs. The bill also proposes funding for a proposed new High Speed Rail Fund by reducing for fiscal years 2006 and 2007 the revenues from the motor vehicle sales tax that would ultimately be received by the Trunk Highway Fund and instead depositing these revenues in the proposed new fund.

Assumptions

Expenditure and/or Revenue Formula

Changes in allocation of revenues from motor vehicle sales tax are reflected in MnDOT's fiscal note. No additional costs are anticipated by Driver & Vehicle Services Division with the changes in allocation of motor vehicle sales tax revenues.

Long-Term Fiscal Considerations

Local Government Costs

References/Sources

Agency Contact Name: Larry Ollila 651 296-2497
FN Coord Signature: FRANK AHRENS
Date: 04/14/05 Phone: 296-9484

EBO Comments

I have reviewed this Fiscal Note for accuracy and content.

EBO Signature: NORMAN FOSTER
Date: 04/18/05 Phone: 215-0594

Fiscal Note – 2005-06 Session

Bill #: S1703-0 **Complete Date:** 04/18/05

Chief Author: MARKO, SHARON

Title: MODIFY TRANSPORTATION FUNDING PROV

Fiscal Impact	Yes	No
State	X	
Local	X	
Fee/Departmental Earnings		X
Tax Revenue	X	

Agency Name: Transportation Dept

This table reflects fiscal impact to state government. Local government impact is reflected in the narrative only.

Dollars (in thousands)	FY05	FY06	FY07	FY08	FY09
Expenditures					
General Fund		8,900			
Less Agency Can Absorb					
- No Impact --					
Net Expenditures					
General Fund		8,900			
Revenues					
New Fund		10,000	10,000		
General Fund		(105,319)	(109,931)	(187,531)	(209,621)
Municipal State Aid Street Fund		6	6	0	0
County State Aid Highway Fund		6	6	0	0
Trunk Highway Fund		(3,383)	(3,093)	0	0
Greater Minnesota Transit Fund		51,421	44,383	76,513	79,190
Net Cost <Savings>					
New Fund		(10,000)	(10,000)		
General Fund		114,219	109,931	187,531	209,621
Municipal State Aid Street Fund		(6)	(6)	0	0
County State Aid Highway Fund		(6)	(6)	0	0
Trunk Highway Fund		3,383	3,093	0	0
Greater Minnesota Transit Fund		(51,421)	(44,383)	(76,513)	(79,190)
Total Cost <Savings> to the State		56,169	58,629	111,018	130,431

	FY05	FY06	FY07	FY08	FY09
Full Time Equivalents					
- No Impact --					
Total FTE					

Bill Description

Senate File 1703 proposes a substantial increase to transit funding through changes in the distribution of revenues attributed to the motor vehicle sales tax and a 0.5% sales tax increase dedicated to transit in the seven county metropolitan area. Appropriations are made, effective July 1, 2005, from the General Fund that also provide increased funding for both metropolitan area and greater Minnesota transit programs. The bill also proposes funding for a proposed new High Speed Rail Fund by reducing for fiscal years 2006 and 2007 the revenues from the motor vehicle sales tax that would ultimately be received by the Trunk Highway Fund and instead depositing these revenues in the proposed new fund.

Section 1 creates the proposed high speed rail fund.

Section 2 proposes an amendment to the sales tax on motor vehicles statute (M.S. 297B). The amendment would increase the percentages allocated to the Greater Minnesota Transit Fund and to Metropolitan Area Transit Fund, create a special distribution to the proposed high speed rail fund for fiscal years 2006 and 2007, and decrease the percentage allocated to the General Fund.

Sections 3 through 8 contain the provisions related to the 0.5% metropolitan area sales tax dedicated to transit.

Section 3 defines the metropolitan transportation area as the area within Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington counties.

Sections 4 – 8 prescribe the processes related to the 0.5% metropolitan area sales tax. They provide that the net revenues from this tax would be deposited in the General Fund. This revenue would be appropriated to the Commissioner of Finance for transfer to a proposed metropolitan transportation sales tax account in the Metropolitan Area Transit Fund.

Section 9 appropriates \$28.75 million to the Metropolitan Area Transit Fund and \$8.9 million to the Greater Minnesota Transit Fund. These appropriations are from the General Fund and would occur on July 1, 2005.

Assumptions

Money would not be directly distributed from the Highway User Tax Distribution Fund to the proposed High Speed Rail Fund, as described in Section 2, paragraph (g). A separate mechanism would be used to make this transfer prior to the money being deposited in the Highway User Tax Distribution Fund. (The provision, as drafted in the bill, does not seem to be consistent with Article XIV of the Minnesota Constitution.)

Changes in Revenues and Expenditures

Funds under the jurisdiction of the Department of Transportation would receive changed revenues as a result of the proposed provisions in Section 2. For all revenue that is required to be distributed to the Highway User Tax Distribution Fund shown in this fiscal note, the amounts are shown as being received by the three funds that ultimately receive those revenues after required distributions. The reason for this is that constitutional (Article XIV) and statutory (M.S. 161.081) provisions require that these revenues be distributed to the funds and accounts shown below.

1. Trunk Highway Fund (TH)	58.90%
2. County State Aid Highway (CSAH) Fund	32.55%
CSAH further allocated as follows:	
Regular Distribution	27.55%
Flexible Highway Account	2.675%
Township Roads	1.525%
Township Bridges	0.8%
3. Municipal State Aid Street (MSAS) Fund	8.55%

Section 2 -- Change in Allocation of Revenues From Motor Vehicle Sales Tax

The bill proposes a change in the allocation of revenues that are received from the motor vehicle sales tax. The specific changes are shown in the table below.

Percents of Motor Vehicle Sales Tax Revenues Allocated to Various Funds:
Current Versus Proposed In Senate File 1703

Fiscal Year	2005	2006	2007	2008	2009	2010	2011 & beyond
Highway User Tax Distribution Fund	30	32	32	32	32	32	32
County State Aid Highway Fund	0.65	0	0	0	0	0	0
Municipal State Aid Street Fund	0.17	0	0	0	0	0	0
Greater Minnesota Transit Fund	1.43	9	9	14	14	14	14
Metropolitan Area Transit Fund	21.5	31.5	31.5	39	41.5	44	46
General Fund	46.25	27.5	27.5	15	12.5	10	8

Note that under current law the percentages change in 2008, compared to what is shown above for 2005. The percentages in 2008 and beyond under current law are:

Highway User Tax Distribution Fund	32
Greater Minnesota Transit Fund	1.25
Metropolitan Area Transit Fund	20.5
General Fund	46.25

In addition to these changes the bill also directs that, for fiscal years 2006 and 2007, \$10 million in each year of the amount that would under normal procedures be transferred to the Trunk Highway Fund should instead be deposited in the proposed High Speed Rail Fund.

These changes would result in the changes in revenues to the funds listed above, as shown below.

(dollars in thousands)

Fund	FY 06	FY 07	FY 08	FY 09
Trunk Highway	(3,383)	(3,093)	0	0
County State Aid Highway	6	6	0	0
Municipal State Aid Street	6	6	0	0
Greater Minnesota Transit	42,521	44,383	76,513	79,190
Metropolitan Area Transit	56,170	58,630	111,019	130,431
High Speed Rail Fund	10,000	10,000	0	0
General Fund	(105,319)	(109,931)	(187,531)	(209,621)

These amounts, except for the amounts for the Metropolitan Area Transit Fund, have been entered on the front page of the fiscal note (see below, however, for fiscal year 2006 amount for the Greater Minnesota Transit Fund). The Metropolitan Council's fiscal note will contain the increased revenue for the Metropolitan Area Transit Fund.

Sections 3 – 8: 0.5% -- Metropolitan Area Sales Tax

These provisions would provide for increased revenue to the Metropolitan Area Transit Fund; they therefore do not directly affect Mn/DOT.

Section 9 – General Fund Appropriations for Transit

This section proposes that \$28,750,000 be appropriated from the General Fund for transfer to the Metropolitan Area Transit Fund and \$8,900,000 be appropriated for transfer to the Greater Minnesota Transit Fund, effective July 1, 2005. Based on this \$8,900,000 is added to the amount of additional revenue for fiscal year 2006 for the Greater Minnesota Transit Fund in Mn/DOT's fiscal note. Thus, the amount entered on the fiscal note for fiscal year 2006 is \$42,521 (from the table above) plus \$8,900, for a total of \$51,421.

In addition, the \$8,900,000 is shown as an expenditure from the General Fund. (The \$28,750,000 portion of this appropriation will be addressed in the Metropolitan Council's fiscal note.)

Long-Term Fiscal Considerations

The percentage of motor vehicle sales tax revenue allocated to the Metropolitan Area Transit Fund would continue to increase beyond fiscal year 2009 (an increase of 2.5% in fiscal year 2010, and another increase of 2% in 2011); the percentage allocated to the General Fund would decrease by the same percentages for these two years.

Local Government Costs

References/Sources

FN Coord Signature: BRUCE BRIESE
Date: 04/13/05 Phone: 297-1203

EBO Comments

I have reviewed this Fiscal Note for accuracy and content.

EBO Signature: NORMAN FOSTER
Date: 04/18/05 Phone: 215-0594

Handwritten: HWSDC #1

METRO AREA TRANSIT NEEDS 2005 to 2020 - State share of unmet needs (in millions)

To double transit ridership by increasing bus service and completing transitways by 2020

Total

\$2005 constant \$	Project Cost-total	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total 2005-20	Avg \$ Needed	
BUS-CAPITAL NEEDS -2004\$																				
Increase system by 80% by 2020 (1)			65.0	65.0	65.0	65.0	65.0	65.0	65.0	65.0	65.0	65.0	65.0	65.0	65.0	65.0	65.0	65.0	975.6	
Debt service maintenance on regional bonding (2)								20.1	20.1	20.1	20.1	19.6							100.0	
BUS-OPERATING NEEDS-2004\$																				
Maintain current system (3.85% incr./yr (4))		187.0	187.0	187.0	187.0	187.0	187.0	187.0	187.0	187.0	187.0	187.0	187.0	187.0	187.0	187.0	187.0	187.0	2992.0	
Percentage increase of bus system by year/(100)			6.7	13.3	20.0	26.7	33.4	40.1	46.8	53.5	60.2	66.9	73.6	80.3	87.0	93.7	100.4			
Increase system by 80% by 2020 (3)			11.1	22.1	33.3	44.4	55.5	66.6	77.7	88.9	100.0	111.1	122.2	133.4	144.5	155.6	166.0		1332.4	
BUS OP/CAP NEEDS TOTAL																				
			76.2	87.2	98.3	109.4	120.5	151.8	162.9	174.0	185.1	195.7	187.3	198.4	209.5	220.6	231.0	2408.0	160.5	
TRANSITWAYS-CAPITAL NEEDS (4)																				
Hiawatha LRT	715																		0.0	
Northstar CR '07\$ (5)	265	37.5	50.8																88.3	
NW Bswy '02\$ (6)	92	2.2	33.1																35.3	
Central LRT '07\$ (7)	840	5.0	21.3	59.7	57.8	59.7	55.9	58.8											318.4	
Cedar Bswy '03\$ (8)	119	10.5		21.0	3.8	19.3	8.4												63.0	
Red Rock CR '01\$ (9)	262	1.1				41.4	41.4	11.9	15.7	4.2									115.7	
Rush Line CR '00\$ (10)	191	1.1											21.5	21.5	21.3	21.3			86.7	
Southwest LRT '10\$ (11)	805	0.4	0.9						19.8	55.7	91.1	97.9	72.6						338.3	
Midtown Gwny Streetcar '05\$ (12)	53										2	11.0	9.0	9.0	4.0	4.8			39.8	
Union Depot '03\$ (13)	189	2.6							2.6	11.2	11.2	10.5	10.5	6.8	6.8	8.3	8.3		78.9	
High Speed Rail '02\$ (14)	500									32.3	32.3	32.3	10.8						107.7	
Subtotal Transitways Capital	4031	60.5	106.1	80.7	61.6	120.5	105.7	70.7	38.1	103.4	136.6	140.7	126.3	37.3	37.1	33.6	13.0	1272.0	84.8	
Total Federal New Starts \$ assumed by year (15)		32.5	48.0	100.0	89.1	105.3	104.0	100.3	100	24.25	100	100	100					1003.4	66.9	
Total other Fed \$ assumed by year (15)		17.5	7.3	20.4	3.6	23.0		8.0	0.8	113.3	113.3	117.7	136.3	41.8	33.5	33.3	9.8	679.5	45.3	
TRANSITWAYS-OPER. NEEDS(16)																				
Hiawatha LRT '04\$		12.3	12.3	12.3	12.3	12.3	12.3	12.3	12.3	12.3	12.3	12.3	12.3	12.3	12.3	12.3	12.3	12.3	196.8	
Northstar CR '07\$					7.6	7.6	7.6	7.6	7.6	7.6	7.6	7.6	7.6	7.6	7.6	7.6	7.6	7.6	99.0	
Northwest Bswy '04\$ (17)				5.1	5.1	5.1	5.1	5.1	5.1	5.1	5.1	5.1	5.1	5.1	5.1	5.1	5.1	5.1	71.8	
Central LRT '08\$									3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.7	33.2	
Cedar Bswy '03\$ (18)				0.9	0.9	0.9	0.9	0.9	4.0	4.0	4.0	4.0	4.0	7.4	7.4	7.4	7.4	7.4	54.1	
Red Rock CR '01\$ (19)											8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	61.8	
Rush Line CR '00\$																		8.8	8.8	
SW LRT '10\$ (20)														14.4	14.4	14.4	14.4	14.4	57.8	
Mt Gwny '05\$																	1.9	1.9	1.9	
Union Depot '03\$																				
High Speed Rail '02\$														29.1	29.1	29.1	29.1	29.1		
Subtotal Transitways Operating		12.3	12.3	18.3	25.9	25.9	25.9	25.9	32.8	32.8	41.6	41.6	41.6	102.4	102.4	102.4	113.1	757.2	50.5	
TRANSITWAYS OP/CAP NEEDS																				
		72.8	118.4	99.1	87.5	146.4	131.7	96.6	70.9	136.1	178.2	182.3	167.9	139.7	139.5	135.9	126.1	2029.2	135.3	
BUS TRANSITWAYS OP/CAP TOTAL																				
		72.8	194.6	186.2	185.8	255.8	252.2	248.4	233.7	310.1	363.3	378.0	355.2	338.1	349.0	356.6	357.2	4437.1	\$295.81	
+10% local transit /bike/walk (21)		80.1	214.0	204.9	204.4	281.4	277.4	273.2	257.1	341.2	399.7	415.8	390.7	371.9	383.9	392.2	392.9	4880.8	\$325.39	

ITASCAproject

March 22, 2005

The Honorable Steve Murphy
306 State Capitol
75 Rev. Dr. Martin Luther King Jr. Blvd.
St. Paul, MN 55155

Dear Mr. Chairman,

On behalf of the Itasca Project, I thank you for the opportunity to contribute our perspective to your committee's discussion of transportation investment in Minnesota.

"We offer the following four points for your consideration:

First, I want to applaud this committee taking a step forward to do something about the transportation funding crisis that currently exists. Some time ago, Itasca applauded the Governor for his initiative in offering a transportation solution; today, Itasca wants the Senate to know that we applaud your recognition of the depth and breadth of the transportation problem that faces Minnesota. This is a problem that needs to be dealt with this year.

Second, I would be remiss if I did not indicate areas where Itasca believes your proposal needs work. Itasca has consistently emphasized the need to tie funding for transportation as closely as possible to the utilization of transportation. In many ways, this proposal achieves this goal. The gas tax, motor vehicle sales tax, and tab fees are a few examples where this plan closely ties transportation funding to transportation choices. There are some clear instances in this bill, however, where the connection between transportation and the funding mechanism is not as close. We hope that as this bill moves forward to the Tax Committee we will be able to work with the Senate to achieve a good transportation funding plan which utilizes funding mechanisms that are closely connected to transportation.

Third, we are concerned about the lack of predictability in transit funding. Every project requires separate pleadings for financial support. This is a formula for needless delay, escalating costs, and missed opportunities for federal matching funds. Funding predictability is essential for Minnesota to build the system it

ITASCAproject

requires to be competitive. Transit needs a secure and adequate source for capital and operating funds that is the equivalent of what the Highway Users Trust Fund is for roads.

Finally, Itasca and others have sought to ensure that prior to raising and spending any new revenue for transportation, the current systems that exist for doing so are achieving the best possible bang for the buck. Consequently, we hope that as the process unfolds over the next few months an opportunity will exist to include language that would require a review of best practices, and other innovations that may lead to greater efficiencies.

Please do not hesitate to contact me if you have any questions or concerns about our position. We look forward to working with you in the future.

Sincerely,

A handwritten signature in cursive script that reads "Jay Cowles". The signature is written in black ink and is positioned above the printed name.

Jay Cowles

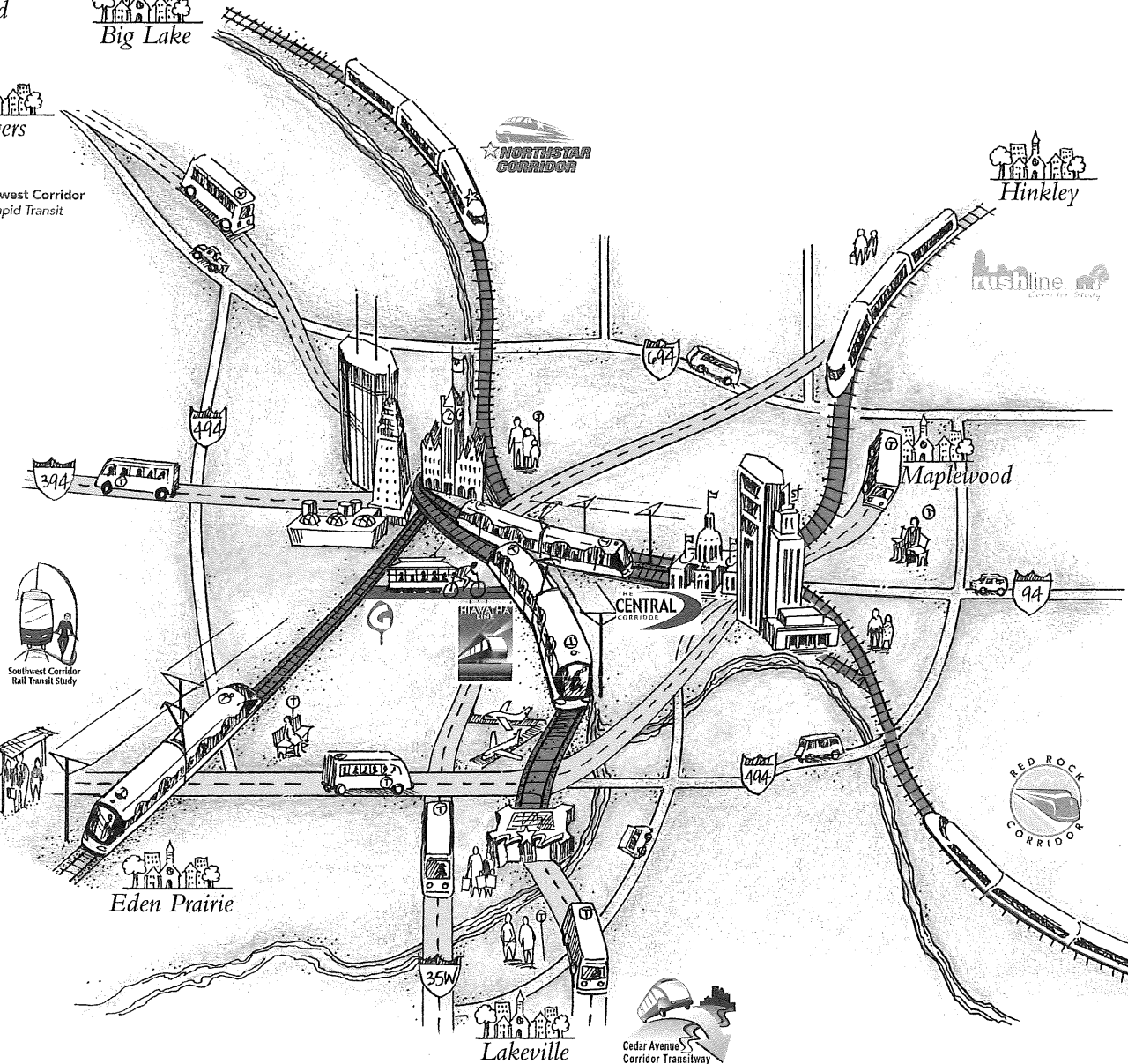
Itasca Project Transportation Initiative Co-Chair

Handout #3

Envision Twin Cities Transitways



Northwest Corridor
Bus Rapid Transit



Eden Prairie

Lakeville

Cedar Avenue
Corridor Transitway



Cedar Avenue Corridor
A 16-mile busway running from the Mall of America south to Burnsville, Eagan, Apple Valley and Lakeville.



Central Corridor
An 11-mile light rail line connecting downtown St. Paul and downtown Minneapolis by way of University and Washington Avenues.



Hiawatha Light Rail Transit Line
A 12-mile light rail line running south from downtown Minneapolis to the Airport and the Mall of America.



Midtown Greenway
A bicycle trail and walking path within a wider Greenway corridor that connects the Chain of Lakes to the Mississippi River in South Minneapolis. The Greenway lies parallel to and one block north of Lake Street. A streetcar line is planned to run through the Midtown Greenway in the future.



Northstar Corridor
A 40-mile six-station commuter rail corridor linking downtown Minneapolis to Big Lake.



Northwest Corridor
A 22-mile busway from Minneapolis northwest to Robbinsdale, Crystal, Brooklyn Park, Osseo, Dayton, Maple Grove and Rogers.



Red Rock Corridor
A 30-mile commuter rail corridor running north along Highway 61 from Hastings to St. Paul and on to Minneapolis.



Rush Line Corridor
An 80-mile corridor connecting downtown St. Paul with Hinckley.



Southwest Transitway
An approximately 14-mile light rail corridor extending southwest from downtown Minneapolis through Hopkins, St. Louis Park, Minnetonka and Eden Prairie.

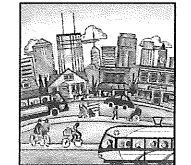
Busways
High capacity, express bus service on dedicated bus lanes or designated streets.

Commuter Rail
Diesel-propelled trains for passenger service typically between a central city and suburbs. Stations are spaced approximately five miles apart with less frequent service than light rail. Tracks are often shared with freight rail.

Light Rail
One to three car trains powered by overhead electric wires running on dedicated right-of-way that is often shared with motor vehicles. Stations spaced one-quarter to one mile apart with frequent all day service.

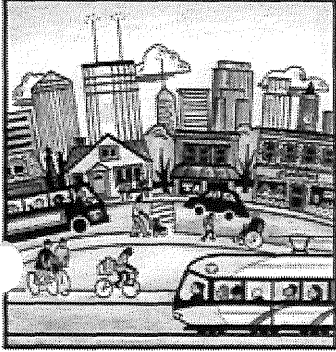
© Transit for Livable Communities (TLC) 2004

TRANSIT for



Livable Communities
www.tlcmnnesota.org





Transportation Choices 2020

To double bus ridership and build a network of major transitways in the Metro area by the year 2020 the state must dramatically increase stable transit funding.

Transit for Livable Communities and its allies are working to promote a vision for a transportation system that provides more choices for everyone, maintains our economic prosperity and protects our quality of life. To reach these goals, supporters together are launching the **Transportation Choices 2020 Initiative**.

The initiative will allow the region to:

- Dramatically expand bus service and facilities.
- Create new park-and-ride capacity.
- Construct at least eight new dedicated bus and rail transitways by the year 2020.
- Provide local communities with revenue for local transit, bicycle, and pedestrian projects.
- Expand transit in Greater Minnesota to all counties and provide more evening and weekend service.
- Prevent fare increases and service cuts this year.

The Funding

The initiative is estimated to increase annual transit funding by \$365 million statewide. The initiative would institute a regional sales tax of one half-cent in the metropolitan area and allocate additional revenue from the state's Motor Vehicle Sales Tax. All of the revenue raised will go to public transit, bicycling and walking.

The Supporters

A coalition of transit, environmental, labor, faith, and community advocacy organizations is partnering to promote this initiative.

The Transportation Choices 2020 Difference

While other transportation proposals have been introduced in the legislature this session, the funding included for transit is too little, too late, and too uncertain. No other proposal also includes funding for local transit, walk and bike projects to make transit more effective.

Transportation Choices 2020 Endorsements as of May 9, 2005

1. Alliance for Metropolitan Stability
2. Amalgamated Transit Union Local 1005
3. AFL-CIO Minnesota
4. American Institute of Architects Minnesota
5. American Heart Association
6. Environmental Justice Advocates of Minnesota
7. Friends of the Parks and Trails of Ramsey County
8. Isaiah
9. Jewish Community Action
10. Metropolitan Interfaith Council on Affordable Housing
11. Midtown Greenway Coalition
12. Minnesota Center for Independent Living
13. Minnesota Consortium for Citizens with Disabilities and its member organizations
14. Minnesota Public Health Association
15. Minnesota Public Transit Association
16. Minnesota Senior Federation
17. Minnesotans for an Energy Efficient Economy
18. National Federation of the Blind of Minnesota
19. Service Employees International Union Local 26
20. Sierra Club Northstar Chapter
21. Thousand Friends of Minnesota
22. Transit for Livable Communities
23. United Food and Commercial Workers Union Local 789
24. University United

Sources of Funding for Public Transit in Peer Cities

In Addition to Fare Revenues and Federal Funding

	Region (Transit Organization)	Local Sales Tax	Other Source or Sources of Transit Funding
1	Atlanta MARTA	1.0%	
2	Baltimore MTA		State transportation trust fund (vehicle taxes), state general fund
3	Cleveland RTA	1.0%	
4	Dallas DART	1.0%	
5	Denver RTD	1.0%	
6	Houston METRO	1.0%	
7	Minneapolis-St. Paul Metro Transit		State general fund, motor vehicle sales tax, regional property tax (for capital) & select county property tax for rail operations.
8	Pittsburgh Port Authority		State transit fund (various taxes), state and county general funds
9	Portland Tri-Met		Regional payroll tax (0.6218%)
10	St. Louis Bi-State	0.25% 0.75%	
11	San Diego MTS, Trolley, others	0.11%	CA Transportation Development Act (state gas tax revenues)
12	San Jose VTA	0.5%	CA Transportation Development Act (state gas tax revenues)
13	Seattle King County Metro	0.8%	

SOURCES:

Atlanta: call to MARTA office (Knox O'Callahan), 11 March 2002

Baltimore: call to MTA Maryland office, 6 March 2002

Cleveland: RTA press release (<http://www.gcrta.org/pressreleaselist.asp?listingid=286>)

Dallas: call to DART office (Donna Henry), 7 March 2002

Denver: call to RTD office (planning dept.), 6 March 2002

Houston: Metro financial report (<http://www.hou-metro.harris.tx.us/pdf/ar01/financial.pdf>), Texas tax rate information (<http://www.window.state.tx.us/taxinfo/local/rateinfo.html>)

Pittsburgh: call to Port Authority office (Kathy Williams), 7 March 2002

Portland: Tri-Met 2001 financial report (<http://www.tri-met.org/financials2001.pdf>) and tax rate information (<http://www.tri-met.org/taxinfo.htm>); call to Tri-Met office, December 2001

St. Louis: list of municipal tax rates (<http://www.co.st-louis.mo.us/taxes/s&pchart.html>), Bi-State Facts (<http://www.bi-state.org/facts.html>)

San Diego: call to MTDB office (Nancy Irwin), 13 March 2002

San Jose: VTA capital report (http://www.vta.org/inside/about/2002_Adopted_Budget.pdf), Transportation Development Act (<http://www.dot.ca.gov/hq/MassTrans/dastatu.htm>)

Seattle: call to King County Metro Transit office (Jill Krekalow), 15 March 2002

Prepared by:
Transit for Livable Communities
 626 Selby Avenue, Suite A
 St. Paul, MN 55104
 Tel.: (651) 767-0298
 Email: tlc@tlcminnesota.org

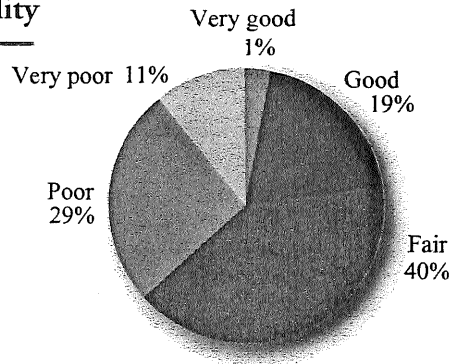
Rating the metro transportation system

Ninety percent of those surveyed said traffic congestion in the Twin Cities metro area has increased over the previous year.

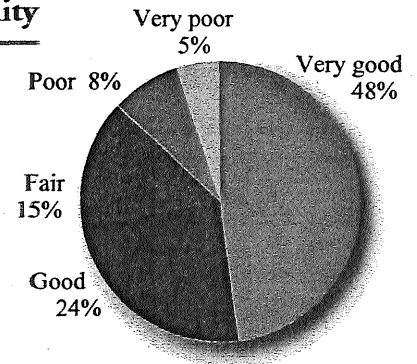
Among those who are familiar with transit service, nearly half think the quality of the Hiawatha Light-Rail Line is "very good" and another quarter think the quality is "good." Since opening in June, the Hiawatha Line has enjoyed public enthusiasm and ridership that has exceeded projections.

Far more people said they're familiar with and expressed opinions on highways and freeways. Four out of five feel the quality of highway capacity (number of lanes) is only "fair" or worse.

Highway quality

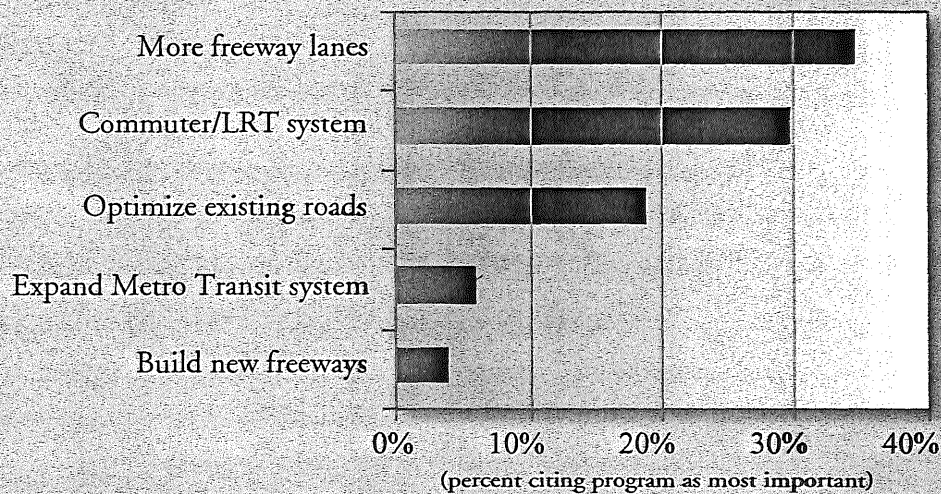


LRT quality



Meeting transportation needs

Residents identified a number of programs they consider important for meeting the long-term transportation needs of the region. They said it's not just roads or transit; it's roads AND transit.



To pay for more roads, residents suggested an increase in gas tax, license tab fees and sales tax, as well as tolls and shifting funds from other state programs.

To pay for expanded transit service, residents suggested using gas tax revenue, increasing the sales tax, increasing fares and shifting funds from other state programs.

America's Crumbling Infrastructure

More than one in four bridges in the United States is structurally deficient or functionally obsolete. The number of unsafe dams in the country has risen by 33 percent since 1998 to 3,500. One-third of America's major roads are in poor or mediocre condition, and poor road conditions are a factor in approximately 30 percent of traffic fatalities.

These are a few of the many unsettling facts found in the American Society of Civil Engineers' latest *Report Card for America's Infrastructure*. The nation's infrastructure earned an overall grade of D, down from D+ in 2001.

"The infrastructure that supports our economy and quality of life is crumbling and we have failed to invest in the improvements needed to keep pace with our growing population, let alone our increasing demands," said William P. Henry, president of ASCE. "Our infrastructure is sliding toward failure and the prospect for any real improvement is grim. If we treated our own homes like we treat our infrastructure, we'd all live in shacks."

Henry called on President Bush and Congress to appoint a federal commission to develop a long-term infrastructure agenda for the nation, similar to the commission President Reagan appointed in the mid-1980s. "It's clear that we must adopt a coordinated approach to the development and maintenance of our infrastructure, and that the choices and decisions we must make will affect the health, safety and prosperity of every citizen in this country."

The full report, along with previous report cards, is available online at www.infrastructurereportcard.org.

Infrastructure	2001 Grade	2005 Grade
Aviation	D	D+
Bridges	C	C
Dams	D	D
Drinking water	D	D-
Energy (national power grid)	D+	D
Hazardous waste	D+	D
Navigable waterways	D+	D-
Public parks and recreation	—	C-
Rail	—	C-
Roads	D+	D
Schools	D-	D
Solid waste	C+	C+
Transit	C-	D+
Wastewater	D	D-
Overall	D+	D

We the People: Arabs in the United States

More than 1 million people living in the United States in 2000 were of Arab ancestry, according to the U.S. Census Bureau. *We the People of Arab Ancestry in the United States* reports that about 850,000 people claimed only Arab ancestry, while about 340,000 said they had Arab and non-Arab ancestry, for a total of 1,190,000. People solely of Arab ancestry made up about 0.3 percent of the U.S. population. Combined with people who had Arab and other ancestry, the total was 0.42 percent.

Out of those who claimed only Arab ancestry, the largest group—about 29 percent, or 245,000 people—reported Lebanese heritage. Other common ancestries included:

- Egyptian—123,000 or 14.5 percent
- Syrian—76,000 or 8.9 percent

- Palestinian—62,000 or 7.3 percent
- Jordanian—36,000 or 4.2 percent
- Moroccan—30,000 or 3.6 percent
- Other Arab—82,000 or 9.6 percent

Almost half—about 46 percent—of those who claimed only Arab ancestry were native U.S. citizens or were born overseas to American parents. Of the 54 percent who were foreign born, more than half had become naturalized citizens by 2000. About 46 percent of the foreign born arrived in the United States during the 1990s.

For more information, download the full report at www.census.gov/prod/2005pubs/censr-21.pdf.