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**Senate**  
State of Minnesota

**S.F. No. XXXX - Omnibus Transportation Funding Bill**

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**ARTICLE 1  
TRANSPORTATION AND OTHER AGENCIES APPROPRIATIONS**

**Section 1. TOTAL TRANSPORTATION APPROPRIATIONS.**

**Section 2. TRANSPORTATION DEPARTMENT APPROPRIATIONS.**

**Subdivision 1.** Total MnDOT Appropriations. Contains the total appropriations to the Department of Transportation by fund.

**Subdivision 2.** Multimodal Systems.

- (a) Aeronautics. Appropriates \$20.220 million in FY06 and FY07 for aeronautics. Requires a cancellation of \$1.9 million from the FY05 appropriation from the state airports fund.
- (b) Transit. Appropriates \$16.605 million in FY06 and FY07 for Greater Minnesota transit.
- (c) Freight. Appropriates \$5.322 million in FY06 and FY07 for freight and commercial vehicle purposes.

**Subdivision 3.** State Roads.

- (a) Infrastructure Investment and Planning. Appropriates \$801.561 million in FY06 and \$916.113 million in FY07 for infrastructure investment and planning. Specifies that

\$168.207 million each year is for infrastructure investment support; \$576.950 million in FY06 and \$680.950 million in FY07 is for state road construction and that \$280 million in FY06 and \$384 million in FY07 of this amount is from federal highway aid. Requires the commissioner to notify the chairs of the Senate and House of Representatives transportation budget divisions of significant changes in these estimates. Allows the commissioner to transfer \$15.0 million each year to the trunk highway revolving loan account. Specifies that \$56.404 million in FY06 and \$66.956 million in FY07 is for highway debt service.

(b) Infrastructure Operations and Maintenance. Appropriates \$204.746 million in FY06 and FY07 for infrastructure operations and maintenance. .

(c) Electronic Communications. Appropriates \$5.965 million in FY06 and FY07 for electronic communications.

**Subdivision 4. Local Roads (state aid systems).**

(a) Appropriates \$441.335 million in FY06 and \$453.948 million in FY07 from the county state aid highway fund for distribution to counties.

(b) Appropriates \$117.048 million in FY06 and \$120.841 million in FY07 from the municipal state aid fund for distribution to cities.

**Subdivision 5. General Support and Services.**

(a) Department Support. Appropriates \$38.999 million in FY06 and FY07 for department support.

(b) Buildings. Appropriates \$16.590 million in FY06 and FY07 for building needs.

**Subdivision 6. Transfers.**

(a) Allows the commissioner to transfer unencumbered fund balances among the appropriations for the trunk highway fund and the state airports fund. Specifies that no transfers may be made from the state road construction or debt service appropriations or between funds.

(b) Requires the Commissioner of Finance to transfer \$5.65 million in FY06 and \$1.48 million in FY07 from the flexible account in the county state aid highway fund to the municipal turnback account; \$7.429 million the first year and \$5.277 million the second year to the county principal arterial account; \$2.961 million the first year and \$2.103 million the second year to the municipal principal arterial account and the remainder in each year to the county turnback account.

**Subdivision 7. Use of State Road Appropriations.** Specifies that money appropriated for state road construction for any fiscal year before FY06 is available during FY06 and FY07 provided the money is spent on the project for which the money was originally encumbered during the fiscal year for which it was appropriated.

**Subdivision 8. Contingent Appropriation.** Allows the commissioner, with approval by the Governor, to transfer all or part of the balance in the trunk highway fund to an appropriation (1) for trunk highway design, construction, or inspection in order to take advantage of an unanticipated receipt of income or federal advance construction funding, (2) for trunk highway maintenance in order to meet an emergency, or (3) to pay tort or environmental claims. Specifies that any transfer as a result of using federal advance construction funding must include an analysis of the effects on the long term trunk highway fund balance.

**Section 3. METROPOLITAN COUNCIL TRANSIT.** Appropriates \$57.503 million in FY06 and \$58.753 million in FY07 from the general fund for metropolitan transit.

(a) Specifies that in FY06 and FY07 \$53.453 million is for operations of the bus system.

(b) Specifies that in FY06 \$4.05 million and in FY07 \$5.3 million is for operations of the Hiawatha LRT line. States that this appropriation is for paying 50% of the operating costs after fare revenue and federal funds are used. The remaining operating costs to a maximum of \$4.05 million in FY06 and \$5.3 million in FY07, are to be paid by Hennepin county regional rail authority using (1) the general revenues of the county, (2) the authority's reserves, or (3) taxes levied by the regional rail authority.

**Section 4. PUBLIC SAFETY.**

**Subdivision 1. DPS Total Appropriations.**

**Subdivision 2. Administration and Related Services.**

(a) Appropriates \$385,000 in FY06 and FY07 for the office of communications.

(b) Appropriates \$6.855 million in FY06 and \$6.860 million in FY07 for public safety support. Specifies that \$375,000 the first year and \$380,000 the second year is for payment of public safety survivor benefits, \$314,000 each year is for the public safety officer's benefit account, and \$508,000 each year is for soft body armor reimbursements.

(c) Appropriates \$2.454 million in FY06 and FY07 for technical support services.

**Subdivision 3. State Patrol.**

(a) Appropriates \$60.739 million in FY06 and \$60.730 in FY07 for patrolling highways.

States that \$3.7 million are for the costs of adding state patrol positions. If money transferred to the trunk highway fund from the alcohol enforcement account is less than the appropriation, than the commissioner shall make up the difference by transferring to the trunk highway fund money allocated under the federal repeat offender transfer program.

(b) Appropriates \$6.474 million in FY06 and FY07 for commercial vehicle enforcement.

(c) Appropriates \$2.834 million in FY06 and FY07 for capitol security. Prohibits the commissioner from expending any money from the trunk highway fund for capitol security or from permanently transferring any state trooper from patrolling highways to capitol security. Prohibits the commissioner from transferring any money appropriated to the department to or from capitol security.

**Subdivision 4. Driver and Vehicle Services.**

(a) Appropriates \$23.383 million in FY06 and \$23.849 million in FY07 from the vehicle services account in the special revenue fund for vehicle services.

(b) Appropriates \$28.006 million in FY06 and \$26.965 million in FY07 from the driver services account in the special revenue fund for driver services.

**Subdivision 5. Traffic Safety.** Appropriates \$824,000 in FY06 and \$1.524 million in FY07 from the driver services account in the special revenue fund. Specifies that of this appropriation, \$500,000 the first year and \$1.2 million the second year must be used for a public information campaign to improve driver safety.

**Subdivision 6. Pipeline Safety.** Appropriates \$994,000 in FY06 and FY07 rom the special revenue fund for pipeline safety.

**Section 5. GENERAL CONTINGENT ACCOUNTS.** Appropriates \$375,000 in FY06 and FY07 or contingencies related to the trunk highway, highway user and airport funds.

**Section 6. TORT CLAIMS.** Appropriates \$600,000 each year from the trunk highway fund to the Commissioner of Finance for tort claims.

**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 \$16.62 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 \$8 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 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. The 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** increases driver's license and identification card fees as follows:

- Class D driver's license from \$18.50 to \$21.50
- Class C driver's license from \$22.50 to \$25.50
- Class B driver's license from \$29.50 to \$32.50
- Class A driver's license from \$37.50 to \$40.50
- Under-21 Class D driver's license from \$18.50 to \$21.50
- Under-21 Class C driver's license from \$22.50 to \$25.50
- Under-21 Class B driver's license from \$29.50 to \$32.50
- Under-21 Class A driver's license from \$17.50 to \$20.50
- Provisional license from \$9.50 to \$12.50
- Duplicate license or duplicate ID card from \$8.00 to \$11.00
- Minnesota identification card from \$12.50 to \$15.50

**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 are 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 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** 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 2** 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 3** 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 4** increases the amount deducted from the county state-aid highway fund for administrative costs from one and one-half percent to two percent.

**Section 5** 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 6** makes section 1 effective the day following final enactment.

## **ARTICLE 5 TRANSPORTATION FINANCE**

**Section 1. Constitutional Amendment Proposed.** Proposes an amendment to the Minnesota Constitution to dedicate the proceeds of the motor vehicle sales tax to be used exclusively for transportation purposes.

**Section 2. Schedule and Question.** States the question that must be posed to voters at the 2006 general election. If approved, the motor vehicle sales tax will be used exclusively for transportation purposes as of July 1, 2010 (fiscal year 2011).

**Section 3. 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.

**Section 4. 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 5. 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 6. 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 7. County Wheelage Tax.**

**Subdivision 1. Tax Authorized.** Allows each county, upon resolution of the county board, to levy a wheelage tax of up to \$20 on each motor vehicle, except motorcycles, registered within the county.

**Subdivision 2. Collection by Registrar of Motor Vehicles.** If the county chooses to have the tax collected by the state registrar, the county auditor must certify the tax to the state registrar no later than August 1st in the year before the tax is levied. Language requiring the tax to be deposited in a county wheelage tax fund is stricken.

**Subdivision 2a. Tax Proceeds Deposited; Costs of Collection.** Requires the registrar to deposit the proceeds in the road and bridge fund of each county and allows the registrar to retain the amount necessary to pay the costs of collection.

**Subdivisions 3 through 6 are stricken.** These subdivisions relate to existing law limiting the wheelage tax to metropolitan counties and requiring the county to deduct from its property tax levy any amount collected from the county wheelage tax.

**Subdivision 7** makes technical changes to an existing section of law that states that an individual who gives false information relative to the tax is guilty of a misdemeanor.

**Section 8. 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 9. Rate of Tax.** Increases the rate of the gasoline, E85 and M85 excise taxes as follows:

- (a) From July 1, 2005 to June 30, 2006, 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) From July 1, 2006 to June 30, 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.
- (c) On and After July 1, 2007, E85 is taxed at 21.3 cents per gallon, M85 is taxed at 17.1 cents per gallon and gasoline is taxed at 30 cents per gallon.

**Section 10. Annual Gasoline Tax Rate Adjustment.** Requires the Commissioner of Revenue to annually recompute the gasoline, E85 and M85 tax rates. The new rate is calculated by multiplying the existing tax rate by the annual consumer price index for the previous year, divided by the consumer price index for the year before the previous year.

**Section 11. Rate of Tax.** Increases the rate of the special fuels excise tax as follows:

- (a) From July 1, 2005 to June 30, 2006, 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) From July 1, 2006 to June 30, 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.
- (c) On and After July 1, 2007, liquified petroleum or propane is taxed at 22.5 cents per gallon, liquified natural gas at 18 cents per gallon, and compressed natural gas is taxed at \$2.609 per thousand cubic feet or 30 cents per gasoline equivalent.

**Section 12. Annual Special Fuel Tax Rate Adjustment.** Requires the Commissioner of Revenue to annually recompute the special fuel tax rates. The new rate is calculated by multiplying the existing tax rate by the annual consumer price index for the previous year, divided by the consumer price index for the year before the previous year.

**Section 13. 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, 24 percent to the highway user fund, one percent to the right-of-way advance acquisition loan fund, 26.75 percent to the metropolitan area transit fund, two percent to the Greater Minnesota transit fund, and the remaining money to the general fund.

(d) From July 1, 2006 to June 30, 2007, 20 percent to the highway user fund, one percent to the right-of-way advance acquisition loan fund, 30.5 percent to the metropolitan area transit fund, 2.25 percent to the Greater Minnesota transit fund, and the remaining money to the general fund.

(e) From July 1, 2007 to June 30, 2008, 18 percent to the highway user fund, 42.75 percent to the metropolitan area transit fund, 5.25 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 percent to the highway user fund, 44.5 percent to the metropolitan area transit fund, 5.5 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, 16 percent to the highway user fund, 44.5 percent to the metropolitan area transit fund, 5.5 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, 2011, 16 percent to the highway user fund, 44.5 percent to the metropolitan area transit fund, 5.5 percent to the Greater Minnesota transit fund, and 34 percent to the multimodal fund.

**Section 14. Establishment of Fund.** Establishes a right-of-way advance acquisition loan account in the transportation revolving loan fund.

**Section 15. 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 16. 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 17. 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 18. 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.

**Section 19. Road Construction Appropriations.**

(a) Appropriates \$61 million in fiscal year 2006 and \$123 million in fiscal year 2007 to the commissioner for state road construction.

(b) Appropriates \$25.3 million in fiscal year 2006 and \$54 million in fiscal year 2007 to the commissioner for county state-aid highways.

(c) Appropriates \$8.6 million in fiscal year 2006 and \$16.9 million in fiscal year 2007 to the commissioner for municipal state-aid streets.

(d) Specifies that these appropriations are in addition to any other appropriation made in fiscal year 2006 and 2007 for the same purpose.

**Section 20. 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.

**Section 21. Effective Dates.** Specifies that section 8 is effective for first registrations in this state occurring on or after July 1, 2003, and for renewals of registrations that have been assigned expiration dates of August 2003 or later. Specifies that sections 1 to 7, 9, 11, and 13 to 20 are

effective July 1, 2005. Sections 10 and 12 are effective July 1, 2007. Sections 9 and 11 apply to gasoline and special fuels in distributor storage on that date.

## **ARTICLE 6 LOCAL SALES TAX**

**Section 1** provides that, in any year in which the metropolitan transportation area sales tax for transportation is imposed, trunk highway fund expenditures may not vary more than two percentage points from the average metropolitan area trunk highway fund expenditures of the previous five years.

**Section 2, Subdivision 1** defines “metropolitan transportation area” as the seven-county metropolitan area, together with any adjacent county that is declared by county board resolution to be part of the metropolitan transportation area.

**Subdivision 2** allows the metropolitan transportation area joint powers board to impose a transportation sales and use tax of one-half percent, and a \$20 tax on the sale of new motor vehicles, occurring within the jurisdiction of the taxing authority, to fund transportation improvements.

**Subdivision 3, paragraph (a)** permits imposition of the tax in the metropolitan transportation area, if the voters approve at the 2006 general election.

**Paragraph (b)** deposits revenues from the sales tax in a metropolitan transportation area fund in the state treasury and appropriates the funds to the commissioner of finance, who must allocate the money according to resolution of the joint powers board.

**Paragraph (c)** requires the counties in the metropolitan transportation area to enter into a joint powers agreement to create a joint powers board to exercise powers relating to the local sales tax. The board consists of one representative of each county in the metropolitan area.

**Paragraph (d)** requires the joint powers board to allocate sales tax revenue by May 1 of each year. Revenues may be allocated to:

- The Commissioner of Transportation for metropolitan transportation area highway projects included in the commissioner’s current ten-year highway work plan;
- The Commissioner of Transportation for implementation of the commissioner’s greater Minnesota transit plan in those metropolitan counties served by greater Minnesota transit;
- To the Metropolitan Council for implementation of the public transit components of the council’s 2030 Transportation Policy plan, and for other public transit operations and capital in the metropolitan area counties;
- To counties in the metropolitan transportation area for local roads; and

- To counties in the metropolitan transportation area for operation and capital for public transit systems that cities or counties own, operate, or contract for.

**Subdivision 4** allows the board of a county outside the metropolitan transportation area, or more than one county in the exercise of joint powers, to impose a transportation sales tax of one-half of one percent on retail sales, and a \$20 tax on sales of new motor vehicles, occurring within the taxing authority jurisdiction. This decision is subject to voter approval at a general election. Tax proceeds must be dedicated exclusively to payment of the cost of a transportation project, designated at least 90 days before the referendum. The tax must terminate after completion of the improvement.

**Subdivision 5** applies administration, collection, and enforcement provisions of the local sales tax law to taxes imposed under this section.

**Section 3** requires the Commissioner of Transportation and the Metropolitan Council to report annually by February 1 to the legislature concerning revenues and expenditures of the local transportation sales taxes.

**Section 4** gives effect to sections 1; 2, subdivision 3; and 3 upon voter approval in the 2006 election. The taxes authorized in section 2, subdivision 3, if approved, are effective as to sales made on and after July 1, 2007.

BB/AV:rer

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; modifying provision for  
6 handling state mail; modifying vehicle registration  
7 tax and fee provisions; increasing fees for motor  
8 vehicle transfers and driver and vehicle services;  
9 establishing accounts; abolishing statewide bicycle  
10 registration program; proposing an amendment to the  
11 Minnesota Constitution, article XIV; making technical  
12 and clarifying revisions; amending Minnesota Statutes  
13 2004, sections 16B.49; 115A.908, subdivision 1;  
14 161.04, by adding a subdivision; 161.081, subdivision  
15 3; 162.06, subdivision 2; 162.07, subdivision 1, by  
16 adding subdivisions; 163.051; 168.011, by adding a  
17 subdivision; 168.013, subdivisions 1a, 8; 168.09,  
18 subdivision 7; 168.105, subdivisions 2, 3, 5; 168.12;  
19 168.123; 168.1235; 168.124; 168.125; 168.1255;  
20 168.127, subdivision 6; 168.128; 168.129; 168.1291;  
21 168.1293; 168.1296; 168.1297; 168.27, subdivision 11;  
22 168.33; 168.345, subdivisions 1, 2; 168.381; 168.54,  
23 subdivisions 4, 5; 168A.152, subdivision 2; 168A.29;  
24 168A.31; 169.09, subdivision 13; 169A.60, subdivision  
25 16; 171.06, subdivisions 2, 2a; 171.061, subdivision  
26 4; 171.07, subdivision 11; 171.13, subdivision 6, by  
27 adding a subdivision; 171.20, subdivision 4; 171.26;  
28 171.29, subdivision 2; 171.36; 296A.07, subdivision 3,  
29 by adding a subdivision; 296A.08, subdivision 2, by  
30 adding a subdivision; 297B.09, subdivision 1;  
31 446A.085, subdivisions 3, 8, by adding a subdivision;  
32 proposing coding for new law in Minnesota Statutes,  
33 chapters 16; 160; 161; 168; 297A; 299A; repealing  
34 Minnesota Statutes 2004, sections 168.012, subdivision  
35 12; 168.041, subdivision 11; 168.105, subdivision 6;  
36 168.231; 168.345, subdivisions 3, 4; 168C.01; 168C.02;  
37 168C.03; 168C.04; 168C.05; 168C.06; 168C.07; 168C.08;  
38 168C.09; 168C.10; 168C.11; 168C.12; 168C.13; 170.23;  
39 171.12, subdivision 8; 171.185; Minnesota Rules, parts  
40 7407.0100; 7407.0200; 7407.0300; 7407.0400; 7407.0500;  
41 7407.0600; 7407.0700; 7407.0800; 7407.0900; 7407.1000;  
42 7407.1100; 7407.1200; 7407.1300.

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

44

## ARTICLE 1

1

## APPROPRIATIONS

2

## TRANSPORTATION AND OTHER AGENCIES

3

## Section 1. [TRANSPORTATION AND OTHER AGENCIES APPROPRIATIONS.]

4

The sums shown in the columns marked "APPROPRIATIONS" are

5

appropriated from the general fund, or another named fund, to

6

the agencies and for the purposes specified in this article, to

7

be available for the fiscal years indicated for each purpose.

8

The figures "2006" and "2007," where used in this article, mean

9

that the appropriations listed under them are available for the

10

year ending June 30, 2006, or June 30, 2007, respectively. If

11

the figures are not used, the appropriations are available for

12

the year ending June 30, 2006, or June 30, 2007, respectively.

13

The term "first year" means the year ending June 30, 2006, and

14

the term "second year" means the year ending June 30, 2007.

15

## SUMMARY BY FUND

16

2006

2007

TOTAL

17

General	\$ 78,966,000	\$ 80,221,000	\$ 159,187,000
---------	---------------	---------------	----------------

18

Airports	19,458,000	19,458,000	38,916,000
----------	------------	------------	------------

19

C.S.A.H.	441,335,000	453,948,000	895,283,000
----------	-------------	-------------	-------------

20

M.S.A.S.	117,048,000	120,841,000	237,889,000
----------	-------------	-------------	-------------

21

Special Revenue	74,247,000	73,261,000	147,508,000
-----------------	------------	------------	-------------

22

Highway User	8,568,000	8,638,000	17,206,000
--------------	-----------	-----------	------------

23

Trunk Highway	1,148,201,000	1,262,744,000	2,410,945,000
---------------	---------------	---------------	---------------

24

TOTAL	\$1,887,823,000	\$2,019,111,000	\$3,906,934,000
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25

## APPROPRIATIONS

26

Available for the Year

27

Ending June 30

28

2006

2007

29

## Sec. 2. TRANSPORTATION

30

## Subdivision 1. Total

31

Appropriation	\$1,668,391,000	\$1,799,349,000
---------------	-----------------	-----------------

32

The appropriations in this section are

33

from the trunk highway fund, except

34

when another fund is named.

35

## Summary by Fund

36

2006

2007

37

General	16,221,000	16,221,000
---------	------------	------------

38

Airports	19,408,000	19,408,000
----------	------------	------------

39

C.S.A.H.	441,335,000	453,948,000
----------	-------------	-------------



1	M.S.A.S.	117,048,000	120,841,000
2	Trunk Highway	1,074,379,000	1,188,931,000

3 The amounts that may be spent from this  
4 appropriation for each program are  
5 specified in the following subdivisions.

6	Subd. 2. Multimodal Systems	42,147,000	42,147,000
---	-----------------------------	------------	------------

7 Summary by Fund

8	Airports	19,383,000	19,383,000
9	General	16,156,000	16,156,000
10	Trunk Highway	6,608,000	6,608,000

11 The amounts that may be spent from this  
12 appropriation for each activity are as  
13 follows:

14 (a) Aeronautics

15	20,220,000	20,220,000
----	------------	------------

16 Summary by Fund

17	Airports	19,383,000	19,383,000
18	Trunk Highway	837,000	837,000

19 Except as otherwise provided, the  
20 appropriations in this subdivision are  
21 from the state airports fund.

22 (1) Airport Development  
23 and Assistance

24	14,298,000	14,298,000
----	------------	------------

25 These appropriations must be spent  
26 according to Minnesota Statutes,  
27 section 360.305, subdivision 4.

28 Notwithstanding Minnesota Statutes,  
29 section 16A.28, subdivision 6, funds  
30 are available for five years after  
31 appropriation.

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

35 Of this state airports fund  
36 appropriation in Laws 2003, First  
37 Special Session chapter 19, article 1,  
38 section 2, subdivision 2, paragraph  
39 (a), clause (1), \$1,900,000 cancels to  
40 the state airports fund. This  
41 cancellation is effective the day  
42 following final enactment.

43 (2) Aviation Support and Services

44	5,922,000	5,922,000
----	-----------	-----------

45 Summary by Fund

46	Airports	5,085,000	5,085,000
----	----------	-----------	-----------

1 Trunk Highway 837,000 837,000

2 \$65,000 the first year and \$65,000 the  
3 second year are for the Civil Air  
4 Patrol.

5 (b) Transit

6 16,605,000 16,605,000

7 Summary by Fund

8 General 15,810,000 15,810,000

9 Trunk Highway 795,000 795,000

10 (c) Freight

11 5,322,000 5,322,000

12 Summary by Fund

13 General 346,000 346,000

14 Trunk Highway 4,976,000 4,976,000

15 Subd. 3. State Roads 1,012,272,000 1,126,824,000

16 Summary by Fund

17 General 9,000 9,000

18 Trunk Highway 1,012,263,000 1,126,815,000

19 The amounts that may be spent from this  
20 appropriation for each activity are as  
21 follows:

22 (a) Infrastructure Investment and Planning

23 801,561,000 916,113,000

24 (1) Infrastructure Investment Support

25 168,207,000 168,207,000

26 \$266,000 the first year and \$266,000  
27 the second year are available for  
28 grants to metropolitan planning  
29 organizations outside the seven-county  
30 metropolitan area.

31 \$75,000 the first year and \$75,000 the  
32 second year are for a transportation  
33 research contingent account to finance  
34 research projects that are reimbursable  
35 from the federal government or from  
36 other sources. If the appropriation  
37 for either year is insufficient, the  
38 appropriation for the other year is  
39 available for it.

40 \$600,000 the first year and \$600,000  
41 the second year are available for  
42 grants for transportation studies  
43 outside the metropolitan area to  
44 identify critical concerns, problems,  
45 and issues. These grants are available  
46 (1) to regional development  
47 commissions, and (2) in regions where  
48 no regional development commission is

1 functioning, to joint powers boards  
 2 established under agreement of two or  
 3 more political subdivisions in the  
 4 region to exercise the planning  
 5 functions of a regional development  
 6 commission, and (3) in regions where no  
 7 regional development commission or  
 8 joint powers board is functioning, to  
 9 the department's district office for  
 10 that region.

11 (2) State Road Construction

12 576,950,000 680,950,000

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

16 Federal Highway Aid

17 280,000,000 384,000,000

18 Highway User Taxes

19 296,950,000 296,950,000

20 The commissioner of transportation  
 21 shall notify the chair of the  
 22 Transportation Budget Division of the  
 23 senate and the chair of the  
 24 Transportation Finance Committee of the  
 25 house of representatives of any  
 26 significant events that should cause  
 27 these estimates to change.

28 This appropriation is for the actual  
 29 construction, reconstruction, and  
 30 improvement of trunk highways,  
 31 including design-build contracts. This  
 32 includes the cost of actual payment to  
 33 landowners for lands acquired for  
 34 highway rights-of-way, payment to  
 35 lessees, interest subsidies, and  
 36 relocation expenses.

37 The commissioner may transfer up to  
 38 \$15,000,000 each year to the  
 39 transportation revolving loan fund.

40 The commissioner may receive money  
 41 covering other shares of the cost of  
 42 partnership projects. These receipts  
 43 are appropriated to the commissioner  
 44 for these projects.

45 (3) Highway Debt Service

46 56,404,000 66,956,000

47 \$42,086,000 the first year and  
 48 \$62,005,000 the second year are for  
 49 transfer to the state bond fund. If  
 50 this appropriation is insufficient to  
 51 make all transfers required in the year  
 52 for which it is made, the commissioner  
 53 of finance shall notify the Committee  
 54 on State Government Finance of the  
 55 senate and the Committee on Ways and  
 56 Means of the house of representatives  
 57 of the amount of the deficiency and

1 shall then transfer that amount under  
2 the statutory open appropriation. Any  
3 excess appropriation cancels to the  
4 trunk highway fund.

5 (b) Infrastructure Operations  
6 and Maintenance

7 204,746,000 204,746,000

8 (c) Electronic Communications

9 5,965,000 5,965,000

10 Summary by Fund

11 General 9,000 9,000

12 Trunk Highway 5,956,000 5,956,000

13 \$9,000 the first year and \$9,000 the  
14 second year are from the general fund  
15 for equipment and operation of the  
16 Roosevelt signal tower for Lake of the  
17 Woods weather broadcasting.

18 Subd. 4. Local Roads 558,383,000 574,789,000

19 Summary by Fund

20 C.S.A.H. 441,335,000 453,948,000

21 M.S.A.S. 117,048,000 120,841,000

22 The amounts that may be spent from this  
23 appropriation for each activity are as  
24 follows:

25 (a) County State Aids

26 441,335,000 453,948,000

27 This appropriation is from the county  
28 state-aid highway fund and is available  
29 until spent.

30 (b) Municipal State Aids

31 117,048,000 120,841,000

32 This appropriation is from the  
33 municipal state-aid street fund and is  
34 available until spent.

35 If an appropriation for either county  
36 state aids or municipal state aids does  
37 not exhaust the balance in the fund  
38 from which it is made in the year for  
39 which it is made, the commissioner of  
40 finance, upon request of the  
41 commissioner of transportation, shall  
42 notify the chair of the Transportation  
43 Finance Committee of the house of  
44 representatives and the chair of the  
45 Transportation Budget Division of the  
46 senate of the amount of the remainder  
47 and shall then add that amount to the  
48 appropriation. The amount added is  
49 appropriated for the purposes of county  
50 state aids or municipal state aids, as  
51 appropriate.

1 If the appropriation for either county  
 2 state aids or municipal state aids does  
 3 exhaust the balance in the fund from  
 4 which it is made in the year for which  
 5 it is made, the commissioner of finance  
 6 shall notify the chair of the  
 7 Transportation Finance Committee of the  
 8 house of representatives and the chair  
 9 of the Transportation Budget Division  
 10 of the senate of the amount by which  
 11 the appropriation exceeds the balance  
 12 and shall then reduce that amount from  
 13 the appropriation.

14 Subd. 5. General Support  
 15 and Services 55,589,000 55,589,000

16 Summary by Fund

17 General 56,000 56,000  
 18 Airports 25,000 25,000  
 19 Trunk Highway 55,508,000 55,508,000

20 The amounts that may be spent from this  
 21 appropriation for each activity are as  
 22 follows:

23 (a) Department Support

24 38,999,000 38,999,000

25 Summary by Fund

26 Airports 25,000 25,000  
 27 Trunk Highway 38,974,000 38,974,000

28 (b) Buildings

29 16,590,000 16,590,000

30 Summary by Fund

31 General 56,000 56,000  
 32 Trunk Highway 16,534,000 16,534,000

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

36 Subd. 6. Transfers

37 (a) With the approval of the  
 38 commissioner of finance, the  
 39 commissioner of transportation may  
 40 transfer unencumbered balances among  
 41 the appropriations from the trunk  
 42 highway fund and the state airports  
 43 fund made in this section. No transfer  
 44 may be made from the appropriation for  
 45 state road construction. No transfer  
 46 may be made from the appropriations for  
 47 debt service to any other appropriation.  
 48 Transfers under this paragraph may not  
 49 be made between funds. Transfers  
 50 between programs must be reported  
 51 immediately to the chair of the  
 52 Transportation Budget Division of the

1 senate and the chair of the  
2 Transportation Finance Committee of the  
3 house of representatives.

4 (b) The commissioner of finance shall  
5 transfer from the flexible account in  
6 the county state-aid highway fund  
7 \$5,650,000 the first year and  
8 \$1,480,000 the second year to the  
9 municipal turnback account in the  
10 municipal state-aid street fund;  
11 \$7,429,000 the first year and  
12 \$5,277,000 the second year to the  
13 county principal arterial account in  
14 the county state-aid highway fund;  
15 \$2,961,000 the first year and  
16 \$2,103,000 the second year to the  
17 municipal principal arterial account in  
18 the municipal state-aid street fund;  
19 and the remainder in each year to the  
20 county turnback account in the county  
21 state-aid highway fund.

22 Subd. 7. Use of State Road  
23 Construction Appropriations

24 Any money appropriated to the  
25 commissioner of transportation for  
26 state road construction for any fiscal  
27 year before fiscal year 2006 is  
28 available to the commissioner during  
29 fiscal years 2006 and 2007 to the  
30 extent that the commissioner spends the  
31 money on the state road construction  
32 project for which the money was  
33 originally encumbered during the fiscal  
34 year for which it was appropriated.  
35 The commissioner of transportation  
36 shall report to the commissioner of  
37 finance by August 1, 2005, and August  
38 1, 2006, on a form the commissioner of  
39 finance provides, on expenditures made  
40 during the previous fiscal year that  
41 are authorized by this subdivision.

42 Subd. 8. Contingent Appropriation

43 The commissioner of transportation,  
44 with the approval of the governor after  
45 review by the Legislative Advisory  
46 Commission under Minnesota Statutes,  
47 section 3.30, may transfer all or part  
48 of the unappropriated balance in the  
49 trunk highway fund to an appropriation  
50 (1) for trunk highway design,  
51 construction, or inspection in order to  
52 take advantage of an unanticipated  
53 receipt of income to the trunk highway  
54 fund or to take advantage of Federal  
55 Advanced Construction funding, (2) for  
56 trunk highway maintenance in order to  
57 meet an emergency, or (3) to pay tort  
58 or environmental claims. Any transfer  
59 as a result of the use of Federal  
60 Advanced Construction funding must  
61 include an analysis of the effects on  
62 the long-term trunk highway fund  
63 balance. The amount transferred is  
64 appropriated for the purpose of the  
65 account to which it is transferred.

1	Sec. 3. METROPOLITAN COUNCIL		
2	TRANSIT	57,503,000	58,753,000
3	(a) Bus Transit		
4	53,453,000	53,453,000	
5	This appropriation is for bus system		
6	operations.		
7	(b) Rail Operations		
8	4,050,000	5,300,000	
9	This appropriation is for operations of		
10	the Hiawatha LRT line.		
11	This appropriation is for paying 50		
12	percent of operating costs for the		
13	Hiawatha light rail transit line after		
14	operating revenue and federal funds are		
15	used for light rail transit operations.		
16	The remaining operating costs up to a		
17	maximum of \$4,050,000 the first year		
18	and \$5,300,000 the second year are to		
19	be paid by the Hennepin County Regional		
20	Rail Authority, using any or all of		
21	these sources:		
22	(1) general tax revenues of Hennepin		
23	County;		
24	(2) the authority's reserves; and		
25	(3) taxes levied under Minnesota		
26	Statutes, section 398A.04, subdivision		
27	8, notwithstanding any provision in		
28	that subdivision that limits amounts		
29	that may be levied for light rail		
30	transit purposes.		
31	Sec. 4. PUBLIC SAFETY		
32	Subdivision 1. Total		
33	Appropriation	160,954,000	160,034,000
34	Summary by Fund		
35	General	5,242,000	5,247,000
36	Trunk Highway	73,022,000	73,013,000
37	Highway User	8,443,000	8,513,000
38	Special Revenue	74,247,000	73,261,000
39	Subd. 2. Administration		
40	and Related Services	9,684,000	9,689,000
41	Summary by Fund		
42	General	2,371,000	2,376,000
43	Trunk Highway	5,938,000	5,938,000
44	Highway User	1,385,000	1,385,000
45	(a) Office of Communications		
46	385,000	385,000	

1                   Summary by Fund

2   General                           39,000           39,000

3   Trunk Highway                   346,000           346,000

4   (b) Public Safety Support

5           6,855,000           6,860,000

6                   Summary by Fund

7   General                           2,241,000        2,246,000

8   Trunk Highway                   3,248,000        3,248,000

9   Highway User                    1,366,000        1,366,000

10 \$375,000 the first year and \$380,000  
 11 the second year are for payment of  
 12 public safety officer survivor benefits  
 13 under Minnesota Statutes, section  
 14 299A.44. If the appropriation for  
 15 either year is insufficient, the  
 16 appropriation for the other year is  
 17 available for it.

18 \$314,000 the first year and \$314,000  
 19 the second year are to be deposited in  
 20 the public safety officer's benefit  
 21 account. This money is available for  
 22 reimbursements under Minnesota  
 23 Statutes, section 299A.465.

24 \$508,000 the first year and \$508,000  
 25 the second year are for soft body armor  
 26 reimbursements under Minnesota  
 27 Statutes, section 299A.38.

28 \$792,000 the first year and \$792,000  
 29 the second year are appropriated from  
 30 the general fund for transfer by the  
 31 commissioner of finance to the trunk  
 32 highway fund on December 31, 2005, and  
 33 December 31, 2006, respectively, in  
 34 order to reimburse the trunk highway  
 35 fund for expenses not related to the  
 36 fund. These represent amounts  
 37 appropriated out of the trunk highway  
 38 fund for general fund purposes in the  
 39 administration and related services  
 40 program.

41 \$610,000 the first year and \$610,000  
 42 the second year are appropriated from  
 43 the highway user tax distribution fund  
 44 for transfer by the commissioner of  
 45 finance to the trunk highway fund on  
 46 December 31, 2005, and December 31,  
 47 2006, respectively, in order to  
 48 reimburse the trunk highway fund for  
 49 expenses not related to the fund.  
 50 These represent amounts appropriated  
 51 out of the trunk highway fund for  
 52 highway user tax distribution fund  
 53 purposes in the administration and  
 54 related services program.

55 \$716,000 the first year and \$716,000  
 56 the second year are appropriated from  
 57 the highway user tax distribution fund



1 for transfer by the commissioner of  
 2 finance to the general fund on December  
 3 31, 2005, and December 31, 2006,  
 4 respectively, in order to reimburse the  
 5 general fund for expenses not related  
 6 to the fund. These represent amounts  
 7 appropriated out of the general fund  
 8 for operation of the criminal justice  
 9 data network related to driver and  
 10 motor vehicle licensing.

11 (c) Technical Support Services

12 2,454,000 2,454,000

13 Summary by Fund

14 General 91,000 91,000

15 Trunk Highway 2,344,000 2,344,000

16 Highway User 19,000 19,000

17 Subd. 3. State Patrol 70,047,000 70,038,000

18 Summary by Fund

19 General 2,871,000 2,871,000

20 Trunk Highway 67,084,000 67,075,000

21 Highway User 92,000 92,000

22 (a) Patrolling Highways

23 60,739,000 60,730,000

24 Summary by Fund

25 General 37,000 37,000

26 Trunk Highway 60,610,000 60,601,000

27 Highway User 92,000 92,000

28 Of this appropriation, \$3,700,000 the  
 29 first year is for the cost of adding  
 30 State Patrol positions. If money  
 31 transferred to the trunk highway fund  
 32 in the first year from the alcohol  
 33 enforcement account in the special  
 34 revenue fund is less than the amount  
 35 specified in this paragraph, the  
 36 commissioner shall make up the  
 37 difference by transferring to the trunk  
 38 highway fund money allocated to the  
 39 commissioner under the federal repeat  
 40 offender transfer program, Public Law  
 41 105-206, section 164.

42 (b) Commercial Vehicle Enforcement

43 6,474,000 6,474,000

44 This appropriation is from the trunk  
 45 highway fund.

46 (c) Capitol Security

47 2,834,000 2,834,000

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

7 The commissioner may not transfer any  
 8 money (1) appropriated for Department  
 9 of Public Safety administration, the  
 10 patrolling of highways, commercial  
 11 vehicle enforcement, or driver and  
 12 vehicle services to capitol security or  
 13 (2) from capitol security.

14 Subd. 4. Driver and Vehicle Services

15 51,389,000 50,814,000

16 Summary by Fund

17 Highway User 6,966,000 7,036,000

18 Special Revenue 44,423,000 43,778,000

19 (a) Vehicle Services

20 23,383,000 23,849,000

21 Summary by Fund

22 Highway User 6,966,000 7,036,000

23 Special Revenue 16,417,000 16,813,000

24 This appropriation is from the vehicle  
 25 services operating account in the  
 26 special revenue fund.

27 (b) Driver Services

28 28,006,000 26,965,000

29 This appropriation is from the driver  
 30 services operating account in the  
 31 special revenue fund.

32 Subd. 5. Traffic Safety 824,000 1,524,000

33 This appropriation is from the driver  
 34 services operating account in the  
 35 special revenue fund.

36 Of this appropriation, \$500,000 in  
 37 fiscal year 2006 and \$1,200,000 in  
 38 fiscal year 2007 must be used for a  
 39 public information campaign to improve  
 40 traffic/pedestrian safety, including,  
 41 but not limited to, producing  
 42 educational and informational materials  
 43 on pedestrian crosswalk safety,  
 44 impaired driving, seat belt usage,  
 45 speeding, and driver distraction. The  
 46 commissioner may make grants to local  
 47 units of government or use the funds  
 48 for research related to driver safety.  
 49 As part of the next biennial budget  
 50 submission, the commissioner shall  
 51 report on the expenditure of these  
 52 funds and make recommendations  
 53 regarding the need for continued

*and*

*traffic and pedestrian*

1 funding of driver safety initiatives.

*traffic and*

2 The commissioner of public safety shall  
3 spend 50 percent of the money available  
4 to the state under Public Law 105-206,  
5 section 164, and the remaining 50  
6 percent must be transferred to the  
7 commissioner of transportation for  
8 hazard elimination activities under  
9 United States Code, title 23, section  
10 152.

11 Subd. 6. Pipeline Safety 994,000 994,000

12 This appropriation is from the pipeline  
13 safety account in the special revenue  
14 fund.

15 Sec. 5. GENERAL CONTINGENT  
16 ACCOUNTS 375,000 375,000

17 Summary by Fund

18 Trunk Highway	200,000	200,000
19 Highway User	125,000	125,000
20 Airports	50,000	50,000

21 The appropriations in this section may  
22 only be spent with the approval of the  
23 governor after consultation with the  
24 Legislative Advisory Commission  
25 pursuant to Minnesota Statutes, section  
26 3.30.

27 If an appropriation in this section for  
28 either year is insufficient, the  
29 appropriation for the other year is  
30 available for it.

31 Sec. 6. TORT CLAIMS 600,000 600,000

32 To be spent by the commissioner of  
33 finance.

34 This appropriation is from the trunk  
35 highway fund.

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

39 ARTICLE 2

40 CAPITAL PROJECTS

41 Section 1. [TRUNK HIGHWAY BOND PROCEEDS ACCOUNT  
42 APPROPRIATIONS.]

43 Subdivision 1. [EXTERIOR REPAIR OF TRANSPORTATION  
44 BUILDING.] \$9,342,000 is appropriated to the commissioner of  
45 transportation from the trunk highway bond proceeds account to  
46 repair and renovate the exterior of the Department of  
47 Transportation building at 395 John Ireland Boulevard in St.

1 Paul. This appropriation is available until expended.

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

7 Subd. 3. [SMALL CAPITAL PROJECTS.] \$4,728,000 is  
8 appropriated to the commissioner of transportation from the  
9 trunk highway bond proceeds account to design, construct,  
10 furnish, and equip statewide building projects, consisting of  
11 truck stations, salt storage facilities, cold storage  
12 facilities, and Mankato headquarters site work. Of this amount,  
13 \$600,000 is for the department's share of the feasibility  
14 studies, design, site preparation, and upgrade of common utility  
15 services for a joint use truck station and public works facility  
16 with Pope County. This appropriation is available until  
17 expended.

18 Sec. 2. [BOND SALE.]

19 To provide the money appropriated by section 1 from the  
20 bond proceeds account in the trunk highway fund, the  
21 commissioner of finance shall sell and issue bonds of the state  
22 in an amount up to \$30,690,000 in the manner, on the terms, and  
23 with the effect prescribed by Minnesota Statutes, sections  
24 167.50 to 167.52, and by the Minnesota Constitution, article  
25 XIV, section 11.

26 **ARTICLE 3**

27 **PUBLIC SAFETY ACTIVITIES, FEES, ACCOUNTS**

28 **Section 1. Minnesota Statutes 2004, section 16B.49, is**  
29 **amended to read:**

30 **16B.49 [CENTRAL MAILING SYSTEM.]**

31 **(a) The commissioner shall maintain and operate for state**  
32 **agencies, departments, institutions, and offices a central mail**  
33 **handling unit. Official, outgoing mail for units in St. Paul**  
34 **must be delivered unstamped to the unit. The unit shall also**  
35 **operate an interoffice mail distribution system. The department**  
36 **may add personnel and acquire equipment that may be necessary to**

1 operate the unit efficiently and cost-effectively. Account must  
2 be kept of the postage required on that mail, which is then a  
3 proper charge against the agency delivering the mail. To  
4 provide funds for the payment of postage, each agency shall make  
5 advance payments to the commissioner sufficient to cover its  
6 postage obligations for at least 60 days. For purposes of this  
7 section, the Minnesota State Colleges and Universities is a  
8 state agency.

9 (b) Notwithstanding paragraph (a) or section 16C.09, the  
10 commissioner may approve the performance of mail-related  
11 functions by an agency outside the state's central mail-handling  
12 unit if the agency demonstrates it furthers program  
13 effectiveness, better use of services, greater efficiency, or  
14 greater economy in state government.

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

17 Subdivision 1. [FEE CHARGED.] A fee of \$4 \$8 shall be  
18 charged on the initial registration and each subsequent transfer  
19 of title within the state, other than transfers for resale  
20 purposes, of every motor vehicle weighing more than 1,000  
21 pounds. The fee shall be collected ~~in-an-appropriate-manner~~ by  
22 the ~~motor-vehicle-registrar~~ commissioner of public safety.  
23 Registration plates or certificates of title may not be issued  
24 by the ~~motor-vehicle-registrar~~ commissioner of public safety for  
25 the ownership or operation of a motor vehicle subject to the  
26 transfer fee unless the fee is paid. The fee may not be charged  
27 on the transfer of:

28 (1) previously registered vehicles if the transfer is to  
29 the same person;

30 (2) vehicles subject to the conditions specified in section  
31 297A.70, subdivision 2; or

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

36 Sec. 3. Minnesota Statutes 2004, section 168.011, is

1 amended by adding a subdivision to read:

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

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

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

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

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

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

19 (a) A vehicle that displays a special plate issued under section  
20 168.021; 168.12, subdivision 2, 2a, 2b, 2c, or 2d; 168.123;  
21 168.124; 168.125; 168.126; 168.128; or 168.129, may display a  
22 temporary permit in conjunction with expired registration if:

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

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

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

30 (1) the license plates have been applied for and the  
31 registration tax has been paid in full, as provided for in  
32 section 168.10; and

33 (2) the vehicle is used solely as a collector vehicle while  
34 displaying the temporary permit and not used for general  
35 transportation purposes.

36 (c) The permit is valid for a period of 60 days. The

1 permit must be in a form format prescribed by the commissioner  
2 ~~of public safety~~ and whenever practicable must be posted upon  
3 the driver's side of the rear window on the inside of the  
4 vehicle. The permit is valid only for the vehicle for which it  
5 was issued to allow a reasonable time for the new ~~license~~ license plates  
6 to be manufactured and delivered to the applicant.

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

9 Subd. 2. [AFFIDAVIT FOR REGISTRATION AND TAXATION.] (a) A  
10 classic motorcycle must be ~~listed for taxation~~ taxed and  
11 registration registered by ~~executed~~ the vehicle owner submitting  
12 an affidavit to the commissioner stating (1) the name and  
13 address of the owner, (2) the name and address of the person  
14 from whom purchased, (3) the make of the classic motorcycle, (4)  
15 the year and number of the model, (5) the manufacturer's vehicle  
16 identification number, (6) that the motorcycle is owned and  
17 operated solely as a collector's item and will not be used for  
18 general transportation purposes, and (7) that the owner has one  
19 or more motor vehicles with regular ~~license~~ license plates.

20 (b) When the ~~registrar~~ commissioner is satisfied that the  
21 affidavit is true, correct, and complete and ~~that~~ the owner has  
22 paid a \$10 registration tax, the ~~registrar~~ commissioner shall  
23 ~~list the vehicle for taxation and registration~~ register the  
24 vehicle and ~~shall~~ issue special number plates.

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

27 Subd. 3. [SPECIAL CLASSIC PLATES.] The ~~registrar~~  
28 commissioner shall issue number plates of the same size as  
29 standard motorcycle ~~license~~ license plates and inscribed "collector" and  
30 "Minnesota" with the registration number or other combination of  
31 characters authorized under section 168.12, subdivision 2a, but  
32 without a date. The plates are valid without renewal as long as  
33 the classic motorcycle exists and may be issued for the  
34 applicant's use only for the classic motorcycle. The ~~registrar~~  
35 commissioner may revoke the plates for noncompliance with this  
36 subdivision.

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

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

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

12 ~~(c) A person currently using classic motorcycle plates~~  
13 ~~issued under this section, shall return those plates to the~~  
14 ~~registrar before substituting original plates.~~

15 ~~(d) If the vehicle is not registered as a collector~~  
16 ~~vehicle, the registrar may~~ commissioner shall charge a fee of  
17 \$10 for registering the number on the original plates.

18 Sec. 9. Minnesota Statutes 2004, section 168.12, is  
19 amended to read:

20 168.12 [LICENSE PLATES.]

21 Subdivision 1. [NUMBER PLATES; DESIGN, VISIBILITY, PERIODS  
22 OF ISSUANCE.] (a) The ~~registrar~~ commissioner, upon the approval  
23 and payment, shall issue to the applicant the number plates  
24 required by ~~law~~ this chapter, bearing the state name and ~~the~~ an  
25 assigned vehicle registration number assigned. The number  
26 assigned by the commissioner may be a combination of a letter or  
27 sign with figures. The color of the plates and the color of the  
28 abbreviation of the state name and the number assigned shall  
29 must be in marked contrast. The plates shall must be lettered,  
30 spaced, or distinguished to suitably indicate the registration  
31 of the vehicle according to the rules of the ~~registrar,~~ and  
32 commissioner.

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



1       (c) ~~The~~ plates ~~shall~~ must be so treated as to be at least  
2 100 times brighter than the conventional painted number plates.  
3 When properly mounted on an unlighted vehicle, ~~these-number~~ the  
4 plates, when viewed from a vehicle equipped with standard  
5 headlights, ~~shall~~ must be visible for a distance of not less  
6 than 1,500 feet and readable for a distance of not less than 110  
7 feet.

8       **~~(b)~~** (d) ~~The registrar~~ commissioner shall issue these  
9 number plates for the following periods:

10       (1) New number plates issued pursuant to section 168.012,  
11 subdivision 1, ~~shall~~ must be issued to a vehicle for as long as  
12 ~~it~~ the vehicle is owned by the exempt agency and the plate shall  
13 not be transferable from one vehicle to another but the plate  
14 may be transferred with the vehicle from one tax-exempt agency  
15 to another.

16       (2) Plates issued for passenger automobiles ~~as-defined-in~~  
17 ~~section-168-0117-subdivision-77-~~~~shall~~ must be issued for a  
18 seven-year period. All plates issued under this paragraph must  
19 be replaced if they are seven years old or older at the time  
20 of ~~annual~~ registration renewal or will become so during the  
21 registration period.

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

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

27       (5) Plates for any vehicle not specified in clauses (1) to  
28 (3), except for trailers as hereafter provided, ~~shall~~ must be  
29 issued for the life of the vehicle. Beginning with number  
30 plates issued for the year 1981, plates issued for trailers with  
31 a total gross weight of 3,000 pounds or less ~~shall~~ must be  
32 issued for the life of the trailer and ~~shall~~ must be not more  
33 than seven inches in length and four inches in width.

34       **~~(e)~~** (e) In a year in which plates are not issued, the  
35 ~~registrar~~ commissioner shall issue for each registration a ~~tab~~  
36 ~~er~~ sticker to designate the year of registration. This ~~tab-er~~

1 sticker ~~shall~~ must show the calendar year or years for which the  
2 sticker is issued, and is valid only for that period.

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

7 ~~(d)-Notwithstanding~~ (f) Despite any other provision of this  
8 subdivision, number plates issued to a vehicle ~~which-is~~ used for  
9 behind-the-wheel instruction in a driver education course in a  
10 public school may be transferred to another vehicle used for the  
11 same purpose without payment of any additional fee. The  
12 ~~registrar-shall-be-notified~~ public school shall notify the  
13 commissioner of each transfer of number plates under this  
14 paragraph and. The commissioner may prescribe a form format for  
15 notification.

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

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

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

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

26 (4) pays the registration tax required under section  
27 168.013;

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

30 (6) complies with all-laws-of-this-state-relating-to this  
31 chapter and rules governing the registration of motor vehicles  
32 and the licensing of motor-vehicles-and drivers,-be-furnished  
33 with-license-plates-for-the-motor-vehicle,-as-prescribed-by-law,  
34 upon-which;

35 (b) In lieu of the numbers registration number required for  
36 identification under subdivision 1, ~~shall-be-inscribed~~ the

1 plates must indicate the official amateur call letters of the  
2 applicant, as assigned by the Federal Communications Commission,  
3 and the words "AMATEUR RADIO."

4 ~~The applicant shall pay in addition to the registration tax~~  
5 ~~required by law, the sum of \$10 for the special license plates,~~  
6 ~~and at the time of delivery of the special license plates the~~  
7 ~~applicant shall surrender to the registrar the current license~~  
8 ~~plates issued for the motor vehicle.~~

9 (c) This provision for the issue of special license plates  
10 shall apply applies only if the applicant's motor vehicle is  
11 already registered in Minnesota so that the applicant has valid  
12 regular Minnesota plates issued for that motor vehicle under  
13 which to operate it during the time that it will take to have  
14 the necessary special license plates made.

15 (d) If owning ~~or jointly owning~~ more than one motor vehicle  
16 of the type specified in this subdivision, the applicant may  
17 apply for special plates for each of not more than two motor  
18 vehicles, and, if each application complies with this  
19 subdivision, the registrar commissioner shall furnish the  
20 applicant with the special plates, ~~inscribed with~~ indicating the  
21 official amateur call letters and other distinguishing  
22 information as the registrar commissioner considers necessary,  
23 for each of the two motor vehicles.

24 (e) ~~And~~ The registrar commissioner may make reasonable  
25 rules governing the use of the special license plates as will  
26 assure the full compliance by the owner ~~and holder~~ of the  
27 special plates, with all existing laws governing the  
28 registration of motor vehicles, and the transfer and the use  
29 thereof of the plates.

30 (b) (f) Despite any contrary provision of subdivision 1,  
31 the special license plates issued under this subdivision may be  
32 transferred by an owner to another motor vehicle listed in  
33 paragraph (a) and registered to the same owner, upon the payment  
34 of a fee of \$5. The registrar commissioner must be notified of  
35 before the transfer and may prescribe a form format for the  
36 notification.

1 ~~(e)-Fees-collected-under-this-subdivision-must-be-paid-into~~  
2 ~~the-state-treasury-and-credited-to-the-highway-user-tax~~  
3 ~~distribution-fund-~~

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

7 (1) is an owner of a passenger automobile including a  
8 passenger automobile registered as a classic car, pioneer car,  
9 collector car, or street rod; ~~van-pickup-truck-as-defined-in~~  
10 section-168-0117,-subdivision-297,-and any other truck with a  
11 manufacturer's nominal rated capacity of one ton or less and  
12 resembling a pickup truck; a motorcycle, including a classic  
13 motorcycle; or self-propelled a recreational motor vehicle,-upon  
14 compliance-with-the-laws-of-this-state-relating-to-registration  
15 of-the-vehicle-and-upon-payment-of;

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

18 (3) pays the registration tax required by law this chapter  
19 for the motor vehicle; and

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

22 (b) The registrar commissioner shall designate charge a  
23 replacement fee for personalized license plates that-is  
24 calculated-to-cover-the-cost-of-replacement as specified in  
25 subdivision 5. This fee must be paid by the applicant whenever  
26 the personalized license plates are required to be replaced by  
27 law.

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

35 (d) The commissioner of-public-safety shall adopt rules in  
36 the manner provided by chapter 14, regulating the issuance and

1 transfer of personalized license plates. No words or  
2 combination of letters placed on personalized license plates may  
3 be used for commercial advertising, be of an obscene, indecent,  
4 or immoral nature, or be of a nature that would offend public  
5 morals or decency. The call signals or letters of a radio or  
6 television station are not commercial advertising for the  
7 purposes of this subdivision.

8 ~~(b)-Notwithstanding~~ (e) Despite the provisions of  
9 subdivision 1, personalized license plates issued under this  
10 subdivision may be transferred to another motor vehicle ~~owned-or~~  
11 jointly listed in paragraph (a) and owned by the applicant, upon  
12 the payment of a fee of \$5, ~~-which-must-be-paid-into-the-state~~  
13 ~~treasury-and-credited-to-the-highway-user-tax-distribution-fund.~~

14 (f) The registrar commissioner may by rule ~~provide-a-form~~  
15 specify the format for notification.

16 (g) A personalized license plate issued for a classic car,  
17 pioneer car, collector car, street rod, or classic motorcycle  
18 may not be transferred to a vehicle not eligible for such  
19 a license plate.

20 ~~(e)-Notwithstanding~~ (h) Despite any law to the contrary, if  
21 the personalized license plates are lost, stolen, or destroyed,  
22 the applicant may apply and ~~shall-receive~~ must be issued  
23 duplicate license plates bearing the same combination of letters  
24 and numbers as the former personalized plates upon the payment  
25 of the fee required by section 168.29.

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

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

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

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

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

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

9        (b) In lieu of the identification required under  
10 subdivision 1, the special license plates shall-be-inscribed  
11 with-a-symbol must bear an emblem of a Maltese Cross together  
12 with five any numbers or characters prescribed by the  
13 commissioner. No applicant shall receive more than two sets of  
14 plates for motor vehicles owned-or-jointly owned by the  
15 applicant.

16        ~~(b)~~ (c) Special plates issued under this subdivision may  
17 only be used during the period that the owner or-joint-owner of  
18 the motor vehicle is a member of a fire department as specified  
19 in this subdivision. When the person individual to whom the  
20 special plates were issued is no longer a member of a fire  
21 department or when the motor vehicle ownership is transferred,  
22 the owner shall remove the special license plates shall-be  
23 removed from the motor vehicle and-returned-to-the-registrar.  
24 Upon return removal of the special plates, either the owner or  
25 purchaser of the motor vehicle is entitled to receive regular  
26 plates for the motor vehicle without cost for the remainder of  
27 the registration period for which the special plates were issued.

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

32        ~~(c)~~ (e) The commissioner of-public-safety may adopt rules  
33 under the Administrative Procedure Act, sections 14.001 to  
34 14.69, to govern the issuance and use of the special plates  
35 authorized in this subdivision. All-fees-from-the-sale-of  
36 special-license-plates-for-firefighters-shall-be-paid-into-the

1 ~~state-treasury-and-credited-to-the-highway-user-tax-distribution~~  
2 ~~fund.~~

3 Subd. 2c. [NATIONAL GUARD; SPECIAL PLATES.] (a) The  
4 ~~registrar~~ commissioner shall issue special license plates to any  
5 applicant who:

6 (1) is a regularly enlisted, commissioned, or retired  
7 member of the Minnesota National Guard, other than an inactive  
8 member who is not a retired member, and is an owner or-joint  
9 owner of a passenger automobile,-van,-or-pickup-truck-included  
10 within-the-definition-of-a-passenger-automobile-upon-payment-of;

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

13 (3) pays the registration tax required by law,-and  
14 compliance-with-other-laws-of-this-state-relating-to this  
15 chapter; and

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

19 (b) The adjutant general shall design the emblem for these  
20 special plates subject to the approval of the registrar  
21 commissioner. No

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

27 ~~(b)~~ (d) Special plates issued under this subdivision may  
28 only be used during the period that the owner or-joint-owner of  
29 the motor vehicle is an active or retired member of the  
30 Minnesota National Guard as specified in this subdivision. When  
31 the person individual to whom the special plates were issued is  
32 no longer an active or retired member of the Minnesota National  
33 Guard, the special plates must be removed from the vehicle and  
34 returned-to by the registrar owner. Upon return removal of  
35 the special plates, either the owner or purchaser of the motor  
36 vehicle is entitled to receive regular plates for the motor

1 vehicle without cost for the remainder of the registration  
2 period for which the special plates were issued.

3 (e) While the person is an active or retired member of the  
4 Minnesota National Guard, plates issued pursuant to this  
5 subdivision may be transferred to another motor vehicle owned or  
6 jointly-owned by that person individual upon payment of a fee of  
7 \$5.

8 ~~(e)~~ (f) For purposes of this subdivision, "retired member"  
9 means a-person an individual placed on the roll of retired  
10 officers or roll of retired enlisted members in the Office of  
11 the Adjutant General under section 192.18 and who is not  
12 deceased.

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

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

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

22 (1) is not eligible for special ~~license~~ National Guard  
23 plates under subdivision 2c, who is a member of the United  
24 States Armed Forces Ready Reserve as described in United States  
25 Code, title 10, section 10142 or 10143, and is an owner or-joint  
26 owner of a passenger automobile, ~~van, or pickup truck, on~~  
27 paying;

28 (2) pays a fee of \$10, ~~paying~~ and any other fees required  
29 by this chapter;

30 (3) pays the registration tax required by ~~law, and~~  
31 ~~complying with other laws of this state relating to this~~  
32 chapter; and

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

36 (b) The commissioner of veterans affairs shall design the



1 emblem for these special plates subject to the approval of the  
2 registrar commissioner. No

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

8 ~~(b)~~ (d) Special plates issued under this subdivision may  
9 only be used during the period that the owner or-joint-owner of  
10 the motor vehicle is a member of the ready reserve. When the  
11 person owner is no longer a member, the special plates must be  
12 removed from the motor vehicle ~~and-returned-to-the-registrar~~ by  
13 the owner. On ~~returning~~ removing the special plates, either the  
14 owner or purchaser of the motor vehicle is entitled to receive  
15 regular plates for the motor vehicle without cost for the rest  
16 of the registration period for which the special plates were  
17 issued. While the person owner is a member of the ready  
18 reserve, plates issued under this subdivision may be transferred  
19 to another motor vehicle owned or-jointly-owned by that person  
20 individual on paying a fee of \$5.

21 ~~(c)-The-fees-collected-under-this-subdivision-must-be-paid~~  
22 ~~into-the-state-treasury-and-credited-to-the-highway-user-tax~~  
23 ~~distribution-fund.~~

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

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

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

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

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

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

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

8       ~~(b)-A-person~~ (c) An individual may use special plates  
9 issued under this subdivision only during the period that  
10 the person individual is a volunteer ambulance attendant. When  
11 the person individual to whom the special plates were issued  
12 ceases to be a volunteer ambulance attendant, the person  
13 individual shall return remove each set of special plates issued  
14 ~~to-that-person~~. When ownership of a the motor vehicle is  
15 transferred, the person individual shall remove the special  
16 plates from that motor vehicle ~~and-return-them-to-the~~  
17 registrar. On return removal of each set of plates, the owner  
18 of the motor vehicle, or new owner in case of a  
19 transferred motor vehicle, is entitled to receive  
20 regular license plates for the motor vehicle without cost for  
21 the rest of the registration period for which the set of special  
22 plates were issued. Special plates issued under this  
23 subdivision may be transferred to another motor vehicle owned by  
24 the volunteer ambulance attendant on payment of a fee of \$5.

25       ~~(c)-The-fees-specified-in-this-subdivision-must-be-paid~~  
26 ~~into-the-state-treasury-and-deposited-in-the-highway-user-tax~~  
27 ~~distribution-fund.~~

28       (d) The commissioner may adopt rules governing the design,  
29 issuance, and sale of the special plates authorized by this  
30 subdivision.

31       Subd. 2f. [ORIGINAL LICENSE PLATES.] (a) On application of  
32 the owner and in lieu of issuing license plates under  
33 subdivision 1 to a motor vehicle registered and taxed as a  
34 passenger automobile, the registrar commissioner may assign to  
35 the motor vehicle original Minnesota number registration plates  
36 issued in the same year as the model year of the motor vehicle,

1 if (1) the original license plates are at least 20 years old,  
2 (2) the owner of the motor vehicle has the original license  
3 plates in possession at the time of the application, and (3) the  
4 owner provides the license plate number to the registrar  
5 commissioner.

6 (b) License Plates displayed under this subdivision,  
7 including tabs and stickers applied to the plates, must be  
8 clearly legible and must be displayed ~~at the front and rear of~~  
9 on the motor vehicle.

10 (c) The registrar commissioner shall not assign the  
11 registration number on the original license plates to the motor  
12 vehicle if the registrar commissioner determines that the number  
13 on the original plate is identical to the number on any current  
14 license plate in the current or reserved numbering system used  
15 by the registrar commissioner. ~~A person currently using license~~  
16 ~~plates issued by the registrar on the vehicle shall return those~~  
17 ~~license plates to the registrar before displaying original~~  
18 ~~license plates under this subdivision.~~

19 (d) ~~Notwithstanding~~ Despite subdivision 1, an original  
20 license plate whose number has been assigned under this  
21 subdivision may be displayed for as long as the license plates,  
22 including tabs and stickers on the plates, are clearly  
23 legible and the number is not subsequently used by the  
24 commissioner as a plate number in a registration numbering  
25 system.

26 (e) ~~Notwithstanding~~ Despite subdivision 1, original license  
27 plates assigned under this subdivision need not bear a tab or  
28 sticker to indicate the month or year of registration if  
29 the motor vehicle carries the registration certificate issued  
30 under section 168.11 at all times when the motor vehicle is  
31 operated on the public highways.

32 (f) The registrar commissioner may charge a fee for  
33 receiving an application and assigning original license plate  
34 numbers.

35 Subd. 5. [ADDITIONAL FEE.] (a) In addition to any fee  
36 otherwise authorized or any tax otherwise imposed upon any meter

1 vehicle, the payment of which is required as a condition to the  
 2 issuance of any ~~number-license~~ plate or plates, the commissioner  
 3 ~~of-public-safety~~ shall impose the fee specified in paragraph (b)  
 4 that is calculated to cover the cost of manufacturing and  
 5 issuing the license plate or plates, except for license plates  
 6 issued to disabled veterans as defined in section 168.031 and  
 7 license plates issued pursuant to section 168.124, 168.125, or  
 8 168.27, subdivisions 16 and 17, for passenger automobiles. The  
 9 commissioner shall issue graphic design license plates shall  
 10 only be-issued for vehicles registered pursuant to section  
 11 168.017 and recreational vehicles registered pursuant to section  
 12 168.013, subdivision 1g.

13 (b) Unless otherwise specified or exempted by statute, the  
 14 following plate and validation sticker fees apply for the  
 15 original, duplicate, or replacement issuance of a plate in a  
 16 plate year:

17 Sequential <u>Regular</u> Double Plate	\$ 4.25
18 Sequential Special Plate-Double	\$ 7.00
19 Sequential <u>Regular</u> Single Plate	\$ 3.00
20 Sequential Special Plate-Single	\$ 5.50
21 <u>Utility Trailer</u> Self-Adhesive Plate	\$ 2.50
22 Nonsequential Double Plate	\$14.00
23 Nonsequential Single Plate	\$10.00
24 Duplicate Sticker	\$ 1.00

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

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

30 168.123 [VETERANS; SPECIAL LICENSE PLATES.]

31 Subdivision 1. [GENERAL REQUIREMENTS; FEES.] (a) On  
 32 payment of a fee of \$10 for each set of two plates, or for a  
 33 single plate in the case of a motorcycle plate, payment of the  
 34 registration tax required by law, and compliance with other laws  
 35 relating to the registration and licensing of a passenger  
 36 automobile, ~~pickup-truck,-van,-self-propelled~~ recreational

1 ~~equipment~~ motor vehicle, or motorcycle, as applicable,  
2 the ~~registrar~~ commissioner shall issue:

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

10 (2) a veteran's special motorcycle ~~license~~ plate as  
11 described in subdivision 2, paragraph (a), or another  
12 special ~~license~~ plate designed by the commissioner of ~~public~~  
13 ~~safety~~ to an applicant who is a Vietnam veteran who served after  
14 July 1, 1961, and before July 1, 1978, and who served in the  
15 active military service in a branch of the armed forces of the  
16 United States in conducting a foreign war, was discharged under  
17 honorable conditions, and is ~~an-owner-or-joint~~ a registered  
18 owner of a motorcycle. Plates issued under this clause must be  
19 the same size as ~~standard~~ regular motorcycle ~~license~~ plates.

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

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

36 Subd. 2. [DESIGN.] The commissioner of veterans affairs

1 shall design the emblem for the veterans' special plates,  
2 subject to the approval of the registrar commissioner, that  
3 satisfy the following requirements:

4 (a) For a Vietnam veteran who served after July 1, 1961,  
5 and before July 1, 1978, the special plates must bear the  
6 inscription "VIETNAM VET" and the letters "V" and "V" with the  
7 first letter directly above the second letter and both letters  
8 just preceding the first numeral of the special license plate  
9 number.

10 (b) For a veteran stationed on the island of Oahu, Hawaii,  
11 or offshore, during the attack on Pearl Harbor on December 7,  
12 1941, the special plates must bear the inscription "PEARL HARBOR  
13 SURVIVOR" and the letters "P" and "H" with the first letter  
14 directly above the second letter and both letters just preceding  
15 the first numeral of the special license plate number.

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

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

23 (2) for a World War II veteran, the characters "W" and "II"  
24 with the first character directly above the second character and  
25 both characters just preceding the first numeral of the special  
26 license plate number.

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

32 (e) For a combat wounded veteran who is a recipient of the  
33 purple heart medal, the ~~special~~ plates must bear the inscription  
34 "COMBAT WOUNDED VET" and ~~inscribed-with~~ have a facsimile on an  
35 emblem of the official purple heart medal and the letters "C"  
36 over "W" with the first letter directly over the second letter

1 just preceding the first numeral of the special license plate  
2 number.

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

14 (g) For a veteran who served in the Laos War after July 1,  
15 1961, and before July 1, 1978, the special plates must bear the  
16 inscription "LAOS WAR VET" and the letters "L" and "V" with the  
17 first letter directly above the second letter and both letters  
18 just preceding the first numeral of the special license plate  
19 number.

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

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

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

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

36 Subd. 6. [RULES.] The registrar commissioner may adopt

1 rules under the Administrative Procedure Act to govern the  
2 issuance and use of the special plates authorized by this  
3 section.

4 Sec. 11. Minnesota Statutes 2004, section 168.1235, is  
5 amended to read:

6 168.1235 [VETERANS SERVICE GROUPS, ~~SPECIAL STICKERS~~ GROUP  
7 EMBLEMS.]

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

16 (1) is a member of a congressionally chartered veterans  
17 service organization and is an owner or joint a registered owner  
18 of a passenger automobile, pickup truck, van, or self-propelled  
19 recreational vehicle;

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

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

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

25 (b) The additional fee of \$10 is payable at the time of  
26 initial application for the special license plate ~~stickers~~  
27 emblem and when the license plates must be replaced or renewed.  
28 An applicant must not be issued more than two sets of special  
29 license plate ~~stickers~~ emblems for motor vehicles listed in  
30 paragraph (a) and ~~owned or jointly owned by~~ registered to the  
31 applicant.

32 (c) ~~The commissioner of veterans affairs shall determine~~  
33 ~~what documentation is required by each applicant to show that~~  
34 ~~the applicant is a member of a congressionally chartered~~  
35 ~~veterans service organization and is entitled to the special~~  
36 ~~license plate stickers~~ applicant must present a valid card



1 indicating membership in the American Legion or Veterans of  
 2 Foreign Wars.

3 Subd. 2. [DESIGN.] (a) The commissioner of veterans  
 4 affairs, after consultation with each of the congressionally  
 5 chartered veterans service organizations, shall design the  
 6 special license plate ~~stickers~~ emblems, subject to the approval  
 7 of the ~~registrar~~ commissioner. The ~~emblem, symbol, or other~~  
 8 ~~pictorial representation on the sticker~~ must be at least as  
 9 large as the letters and numerals on the plate and the ~~registrar~~  
 10 commissioner shall allow for plates with spaces for the ~~stickers~~  
 11 emblem in place of a numeral or letter.

12 (b) Each congressionally chartered veterans service  
 13 organization must arrange for any applicable rules of the  
 14 national organization to be changed or copyrights to be released  
 15 before the commissioner may issue special ~~license-plate-stickers~~  
 16 emblems to members of any particular service organization under  
 17 this section.

18 ~~Subd. 3. --[NUMBER ESTIMATED.] The commissioner of veterans~~  
 19 ~~affairs shall estimate the number of special plate stickers that~~  
 20 ~~will be required and submit the estimate to the registrar.~~

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

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

32 Sec. 12. Minnesota Statutes 2004, section 168.124, is  
 33 amended to read:

34 168.124 [SPECIAL PLATES FOR MEDAL OF HONOR RECIPIENTS.]

35 Subdivision 1. [ISSUANCE AND DESIGN.] (a) The ~~registrar of~~  
 36 ~~motor vehicles~~ commissioner shall issue special license plates

1 bearing the inscription "MEDAL OF HONOR" to an applicant who:

2 (1) is a recipient of the Congressional Medal of Honor and  
3 ~~upon-the-applicant's-compliance-with-the-laws-of-this-state~~  
4 ~~relating-to;~~

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

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

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

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

18 Subd. 3. [NO FEE.] The registrar commissioner shall issue  
19 a set of medal of honor plates to qualified applicants free of  
20 charge and the plates must be replaced ~~by-the-department~~ without  
21 charge if they become damaged. In addition, no fee may be  
22 charged for a subsequent year when ~~tabs-or~~ stickers are issued  
23 for ~~that~~ a motor vehicle listed in subdivision 1 on which the  
24 ~~special~~ medal of honor plates are placed. The motor vehicle  
25 must be for personal use, not commercial purposes.

26 Subd. 4. [TRANSFER.] Despite the provisions of section  
27 168.12, subdivision 1, medal of honor plates issued under this  
28 section may be transferred to another personal motor vehicle  
29 ~~owned-or-jointly-owned-by~~ registered to the medal of honor  
30 recipient upon notification to the ~~registrar-of-motor-vehicles~~  
31 commissioner.

32 ~~Subd.-5---{MOTOR-VEHICLE,-SPECIAL-DEFINITION:-} For purposes~~  
33 ~~of this section, "motor vehicle" means a vehicle for personal~~  
34 ~~use, not used for commercial purposes, and may include a~~  
35 ~~passenger automobile, van, pickup truck, motorcycle, or~~  
36 ~~recreational vehicle.~~

1       ~~Subd. 6. [WHEN ISSUED.] The registrar of motor vehicles~~  
2       ~~shall begin issuing medal of honor plates for the calendar year~~  
3       ~~1984 and thereafter.~~

4       Sec. 13. Minnesota Statutes 2004, section 168.125, is  
5       amended to read:

6       168.125 [SPECIAL LICENSE PLATES FOR FORMER PRISONERS OF  
7       WAR.]

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

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

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

18      (b) The special license plates shall must be of a design  
19      and size to be determined by the commissioner. Only one set of  
20      plates, or a single plate in the case of a motorcycle, bearing  
21      the "EX-POW" inscription may be issued for only one motor  
22      vehicle per each qualified applicant.

23      Subd. 1a. [APPLICATION.] Application for issuance of these  
24      plates shall must be made at the time of renewal or first  
25      application for registration. The application shall must  
26      include a certification by the commissioner of veterans affairs  
27      that the applicant was a member of the military forces of the  
28      United States who was captured, separated, and incarcerated by  
29      an enemy of the United States during a period of armed conflict.

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

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

7 Subd. 1d. [SURVIVING SPOUSE.] Upon the death of a former  
 8 prisoner of war, the ~~registrar~~ commissioner shall continue to  
 9 issue free of charge, upon renewal, the special ~~license~~ plates  
 10 to a motor vehicle owned by the surviving spouse of the former  
 11 prisoner of war. Special ~~license~~ plates issued to a surviving  
 12 spouse may be transferred to another motor vehicle ~~owned-by~~  
 13 registered to the surviving spouse as provided in subdivision  
 14 1c. No fee may be charged for replacement plates issued to a  
 15 surviving spouse or for ~~tabs-or~~ stickers issued for the motor  
 16 vehicle on which the special "EX-POW" plates are placed. A  
 17 surviving spouse is not exempt from the motor vehicle  
 18 registration tax.

19 ~~Subd. 1e. --[MOTOR VEHICLE; SPECIAL DEFINITION.] For~~  
 20 ~~purposes of this section, "motor vehicle" means a passenger~~  
 21 ~~automobile, van, pickup truck, motorcycle, or recreational~~  
 22 ~~vehicle.~~

23 Subd. 2. [SPECIAL PLATES; EX-POW AND DISABILITY  
 24 ~~INSIGNIA EMBLEMS.~~] The ~~registrar~~ commissioner shall issue  
 25 special ~~license~~ plates bearing both the "EX-POW" and  
 26 disability ~~insignia~~ emblem to any applicant who is entitled to  
 27 the special ~~license~~ plates provided under this section and who  
 28 is also entitled to special ~~license~~ plates for the physically  
 29 disabled under section 168.021 upon compliance with the  
 30 provisions of both sections. The ~~special-license~~ plates shall  
 31 must be of a design and size ~~to-be~~ determined by the  
 32 commissioner.

33 Subd. 3. [RULES; COMMISSIONER OF PUBLIC SAFETY.] The  
 34 commissioner of public safety may ~~promulgate~~ adopt by rule, in  
 35 accordance with ~~the-provisions-of~~ chapter 14, the procedures for  
 36 issuance or transfer of the special ~~license~~ plates authorized

1 under this section.

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

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

8 Sec. 14. Minnesota Statutes 2004, section 168.1255, is  
9 amended to read:

10 168.1255 [SPECIAL VETERAN CONTRIBUTION LICENSE PLATES.]

11 Subdivision 1. [GENERAL REQUIREMENTS AND PROCEDURES.]

12 The ~~registrar~~ commissioner shall issue special veteran  
13 contribution ~~license~~ plates to an applicant who:

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

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

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

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

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

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

28 (7) complies with ~~laws~~ this chapter and rules governing the  
29 registration of motor vehicles and licensing of ~~vehicles and~~  
30 drivers.

31 Subd. 2. [DESIGN.] The commissioner of veterans affairs  
32 shall design an emblem for the special plates, subject to the  
33 approval of the ~~registrar~~ commissioner of public safety,  
34 that ~~satisfy~~ satisfies the following requirements in this  
35 subdivision:

36 (1) the special veteran contribution plates must bear the

1 inscription "PROUD TO BE A VETERAN" on the bottom of the plate;  
2 and

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

6 Subd. 3. [PLATE TRANSFERS.] ~~Notwithstanding~~ Despite  
7 section 168.12, subdivision 1, on payment of a transfer fee of  
8 \$5, plates issued under this section may be transferred to  
9 another passenger automobile, ~~pickup-truck, or van owned or~~  
10 ~~jointly-owned-by~~ registered to the person individual to whom the  
11 ~~special~~ veteran contribution plates were issued.

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

17 Subd. 5. [RECORD.] The ~~registrar~~ commissioner shall  
18 maintain a record of the number of special plates issued under  
19 this section.

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

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

28 Sec. 16. Minnesota Statutes 2004, section 168.128, is  
29 amended to read:

30 168.128 [LIMOUSINE REGISTRATION, ~~LICENSE PLATES.~~]

31 Subdivision 1. [UNIQUE LIMOUSINE REGISTRATION CATEGORY.] A  
32 unique vehicle registration category is established for  
33 limousines ~~as-defined-in-section-168.011, subdivision-35.~~

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

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

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

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

13       **(3)** complies with this chapter and rules governing the  
14 registration of motor vehicles and licensing of drivers.

15       **(c)** The limousine ~~license~~ plates must be designed to  
16 specifically identify the vehicle as a limousine and must be  
17 clearly marked with the letters "LM." Limousine ~~license~~ plates  
18 may not be transferred upon sale of the limousine, but may be  
19 transferred to another limousine owned by the same person upon  
20 notifying the ~~registrar~~ commissioner and paying a \$5 transfer  
21 fee.

22       Subd. 3. [INSURANCE.] (a) The application must include a  
23 certificate of insurance verifying that a valid commercial  
24 insurance policy is in effect and giving the name of the  
25 insurance company and the number of the insurance policy. The  
26 policy must provide stated limits of liability, exclusive of  
27 interest and costs, with respect to each motor vehicle for which  
28 coverage is granted, of not less than \$100,000 because of bodily  
29 injury to one person in any one accident and, subject to ~~said~~  
30 that limit for one person, of not less than \$300,000 because of  
31 injury to two or more persons in any one accident and of not  
32 less than \$100,000 because of injury to or destruction of  
33 property. The insurance company must notify the commissioner if  
34 the policy is canceled or if the policy no longer provides the  
35 coverage required by this subdivision.

36       **(b)** The commissioner shall immediately notify the

1 commissioner of transportation if the policy of a person  
2 required to have a permit under section 221.84 is canceled or no  
3 longer provides the coverage required by this subdivision.

4 ~~Subd. 4. ---[FEES CREDITED TO HIGHWAY USER FUND.] Fees~~  
5 ~~collected from the sale of license plates under this section~~  
6 ~~must be paid into the state treasury and credited to the highway~~  
7 ~~user tax distribution fund.~~

8 Sec. 17. Minnesota Statutes 2004, section 168.129, is  
9 amended to read:

10 168.129 [SPECIAL COLLEGIATE LICENSE PLATES.]

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

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

16 (2) pays a fee ~~determined by the commissioner~~ as specified  
17 in section 168.12, subdivision 5, to cover the costs of handling  
18 and 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) contributes at least \$25 annually to the scholarship  
23 account established in subdivision 6; 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) After consultation with each  
28 participating college, university, or postsecondary system, the  
29 commissioner shall design the an emblem for each special  
30 collegiate plates plate.

31 (b) In consultation with the commissioner, a participating  
32 college or university annually shall indicate the anticipated  
33 number of plates needed.

34 Subd. 3. [NO REFUND.] Contributions under this section  
35 must not be refunded.

36 Subd. 4. [PLATES TRANSFER.] Notwithstanding Despite



1 section 168.12, subdivision 1, on payment of a transfer fee of  
2 \$5, plates issued under this section may be transferred to  
3 another passenger ~~vehicle, pickup, or van owned or jointly owned~~  
4 by automobile registered to the person individual to whom the  
5 special collegiate plates were issued.

6 Subd. 5. [FEES CREDITED.] ~~The fees collected under this~~  
7 ~~section must be deposited in the state treasury and credited to~~  
8 ~~the highway user tax distribution fund.~~ Fees collected under  
9 this section do not include the contributions collected for the  
10 scholarship account.

11 Subd. 6. [SCHOLARSHIP ACCOUNT.] A scholarship account is  
12 created in the state treasury. Except for one percent that may  
13 be retained by the commissioner ~~of public safety~~ for  
14 administrative costs, all contributions received under this  
15 section must be deposited by the commissioner in the scholarship  
16 account. Money in the scholarship account is appropriated to  
17 the governing board of the institution to which it is  
18 attributable, as provided in subdivision 7.

19 Subd. 7. [RECORD.] The commissioner shall maintain a  
20 record of the number of ~~license~~ plates issued for each  
21 postsecondary institution or system ~~in order~~ to determine the  
22 amount of scholarship funds available to that institution or  
23 system.

24 Sec. 18. Minnesota Statutes 2004, section 168.1291, is  
25 amended to read:

26 168.1291 [SPECIAL ~~license~~ PLATES; UNIFORM DESIGN, UNIQUE  
27 EMBLEMS.]

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

31 Subd. 2. [UNIFORM DESIGN OF SPECIAL PLATES.] (a) The  
32 commissioner shall design a single special ~~license~~ plate that  
33 will contain a unique number and a space for a unique ~~symbol~~  
34 emblem for plates issued under sections 168.12, subdivisions 2b  
35 and 2e; 168.1235; and 168.129. The commissioner shall design a  
36 unique ~~symbol~~ emblem related to the purpose of each

1 special license plate.

2 (b) Any provision of sections 168.12, subdivisions 2b to  
3 2e; 168.123; and 168.129, that requires the placement of a  
4 specified letter or letters on a special license plate applies  
5 to those license plates only to the extent that the commissioner  
6 includes the letter or letters in the design. Where

7 (c) If a law authorizing a special license plate contains a  
8 specific requirement for graphic design of that license plate,  
9 that requirement applies to the appropriate unique symbol-the  
10 commissioner-designs emblem.

11 Subd. 3. [ISSUANCE OF SPECIAL PLATES WITH UNIQUE  
12 SYMBOLS EMBLEMS.] Notwithstanding Despite section 168.12,  
13 subdivisions 2b to 2e; 168.123; or 168.129, beginning with  
14 special license plates issued in calendar year 1996, the  
15 commissioner shall issue each class of special license plates  
16 permanently marked with specific designs under those laws only  
17 until the commissioner's supply of those license plates is  
18 exhausted. Thereafter the commissioner shall issue under those  
19 laws only the license plate authorized under subdivision 2, with  
20 the appropriate unique symbol emblem attached.

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

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

29 Sec. 19. Minnesota Statutes 2004, section 168.1293, is  
30 amended to read:

31 168.1293 [SPECIAL LICENSE PLATES; AUTHORIZATION;  
32 DISCONTINUANCE.]

33 Subdivision 1. [DEFINITION.] For purposes of this section  
34 and section 168.1297, "special license plate" means a license  
35 plate ~~that is~~ authorized by law sections 168.12, subdivisions 2b  
36 and 2e; 168.1235; and 168.129, to have wording and graphics that

1 differ from a Minnesota passenger vehicle license plate.

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

7 (1) The requester shall submit a request for the special  
8 license plate being sought, describing the proposed license  
9 plate in general terms, the purpose of the plate, and the  
10 proposed fee or minimum contribution required for the plate.

11 (2) The requester shall submit the results of a scientific  
12 sample survey of Minnesota motor vehicle owners that indicates  
13 that at least 10,000 motor vehicle owners intend to purchase the  
14 proposed plate with the proposed fee or minimum contribution.

15 The requester's plan to undertake the survey must be reported to  
16 the department commissioner before the survey is undertaken.

17 The survey must be performed independently of the requester by  
18 another person or legal entity, however organized, that conducts  
19 similar sample surveys in the normal course of business.

20 (3) The requester shall submit an application fee of  
21 \$20,000, to cover the department's cost of reviewing the  
22 application for a new plate and developing the new special  
23 license plate if authorized by law. State funds may not be used  
24 to pay the application fee.

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

30 (b) The requester shall submit the information required  
31 under paragraph (a) to the department commissioner at least 120  
32 days before the convening of the next regular legislative  
33 session at which the requester will submit the proposal.

34 Subd. 3. [DESIGN; REDESIGN.] (a) If the proposed new  
35 special license plate sought by the requester is approved by  
36 law, the requester shall submit the proposed design for the

1 plate to the department commissioner as soon as practicable, but  
2 not later than 120 days after the effective date of the law  
3 authorizing issuance of the plate. The department commissioner  
4 is responsible for selecting the final design for the  
5 special license plate.

6 (b) The requester that originally requested a special  
7 license plate subsequently approved by law may not submit a new  
8 design for the plate within the five years following the date of  
9 first issuance of the plate unless the inventory of those plates  
10 has been exhausted. The requester may deplete the remaining  
11 inventory of the plates by reimbursing the department  
12 commissioner for the cost of the plates.

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

17 Subd. 5. [DISCONTINUANCE OF PLATE.] (a) The  
18 department commissioner shall discontinue the issuance or  
19 renewal of any special license plate authorized by sections  
20 168.12, subdivisions 2b and 2e; 168.1235; and 168.129, if (1)  
21 fewer than 1,000 sets of those plates are currently registered  
22 at the end of the first six years during which the plates are  
23 available, or (2) fewer than 1,000 sets of those plates are  
24 currently registered at the end of any subsequent two-year  
25 period following the first six years of availability.

26 (b) The department-~~may~~ commissioner shall discontinue the  
27 issuance or renewal of any special license plate authorized by  
28 sections 168.12, subdivisions 2b and 2e; 168.1235; and 168.129,  
29 and distribution of any contributions resulting from that plate,  
30 if the department commissioner determines that (1) the fund or  
31 requester receiving the contributions no longer exists, (2) the  
32 requester has stopped providing services that are authorized to  
33 be funded from the contribution proceeds, (3) the requester has  
34 requested discontinuance, or (4) contributions have been used in  
35 violation of subdivision 6.

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

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

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

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

15 Sec. 20. Minnesota Statutes 2004, section 168.1296, is  
16 amended to read:

17 168.1296 [SPECIAL CRITICAL HABITAT LICENSE PLATES.]

18 Subdivision 1. [GENERAL REQUIREMENTS AND PROCEDURES.] (a)  
19 The ~~registrar~~ commissioner shall issue ~~special~~ critical  
20 habitat ~~license~~ plates to an applicant who:

21 (1) is ~~an-owner-or-joint~~ a registered owner of a passenger  
22 automobile, ~~pickup-truck,~~ ~~or-van;~~

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

25 (3) pays the registration tax required under section  
26 168.013;

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

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

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

34 (b) The critical habitat ~~license~~ license plate application form  
35 must ~~clearly~~ indicate that the annual contribution specified  
36 under paragraph (a), clause (5), is a minimum contribution to

1 receive the license plate and that the applicant may make an  
2 additional contribution to the account.

3 Subd. 2. [DESIGN.] After consultation with interested  
4 groups, the commissioner of natural resources and the  
5 registrar commissioner shall jointly select a suitable symbol  
6 for use by the registrar commissioner to design the special  
7 plates.

8 Subd. 3. [NO REFUND.] Contributions under this section  
9 must not be refunded.

10 Subd. 4. [PLATE TRANSFERS.] Notwithstanding section  
11 168.12, subdivision 1, on payment of a transfer fee of \$5,  
12 plates issued under this section may be transferred to another  
13 passenger automobile, ~~pickup-truck, or van owned or jointly~~  
14 ~~owned by~~ registered to the person to whom the special plates  
15 were issued.

16 Subd. 5. [CONTRIBUTION AND FEES CREDITED.] Contributions  
17 under subdivision 1, paragraph (a), clause (5), must be paid to  
18 the registrar commissioner and credited to the Minnesota  
19 critical habitat private sector matching account established in  
20 section 84.943. The fees collected under this section must be  
21 deposited in the highway-user-tax-distribution-fund vehicle  
22 services operating account of the special revenue fund under  
23 section 299A.705.

24 Subd. 6. [RECORD.] The registrar commissioner shall  
25 maintain a record of the number of special plates issued under  
26 this section.

27 Sec. 21. Minnesota Statutes 2004, section 168.1297, is  
28 amended to read:

29 168.1297 [SPECIAL "ROTARY MEMBER" LICENSE PLATES.]

30 Subdivision 1. [GENERAL REQUIREMENTS AND PROCEDURES.]

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

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

35 (2) pays a fee of \$10 to cover the costs of handling and  
36 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) submits proof to the registrar commissioner that the  
5 applicant is a member of Rotary International; 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 special ~~license~~ plate under this  
10 section consists of a ~~special-license~~ plate as described in  
11 section 168.1291 with a unique ~~symbol~~ emblem that is the  
12 recognized emblem of Rotary International.

13 Subd. 3. [COMPLIANCE WITH OTHER LAW.] The commissioner  
14 shall take no action under this section unless the commissioner  
15 determines that Rotary International, or one or more districts  
16 of Rotary International, has complied with section 168.1293,  
17 subdivision 2, paragraph (a). Issuance and renewal of ~~license~~  
18 plates under this section are subject to section 168.1293,  
19 subdivisions 3 to 6.

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

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

27 (b) Upon the filing of an application for a dealer's  
28 license and the proper fee, ~~the-registrar-is-authorized,~~ unless  
29 the application on its face appears to be invalid, ~~to the~~  
30 commissioner shall grant a 90-day temporary license. During the  
31 90-day period following issuance of the temporary license,  
32 the registrar commissioner shall ~~investigate-the-fitness-of-the~~  
33 ~~applicant,~~ inspect the place of business site, and ~~make-other~~  
34 ~~investigation-as-necessary-to~~ insure compliance with the  
35 licensing-law this section and rules adopted under this section.

36 (c) The registrar commissioner may extend the temporary

1 license 30 days to allow the temporarily licensed dealer to come  
2 into full compliance with this section and rules adopted under  
3 this section.

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

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

8 (1) The license must be denied if within the previous ten  
9 years the applicant was enjoined due to a violation of section  
10 325F.69 or convicted of violating section 325E.14, 325E.15,  
11 325E.16, or 325F.69, or convicted under section 609.53 of  
12 receiving or selling stolen vehicles, or convicted of violating  
13 United States Code, title 15, sections 1981 to 1991, ~~as amended~~  
14 ~~through December 31, 1984~~, or pleaded guilty, entered a plea of  
15 nolo contendere or no contest, or has been found guilty in a  
16 court of competent jurisdiction of any charge of failure to pay  
17 state or federal income or sales taxes or felony charge of  
18 forgery, embezzlement, obtaining money under false pretenses,  
19 theft by swindle, extortion, conspiracy to defraud, or bribery.

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

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

24 (f) If the application is approved, the registrar  
25 commissioner shall license the applicant as a motor-vehicle  
26 dealer for one year from the date the temporary license is  
27 granted and issue a certificate of license that must include a  
28 distinguishing number of identification of the dealer. The  
29 license must be displayed in a prominent place in the dealer's  
30 licensed location place of business.

31 (g) Each initial application for a license must be  
32 accompanied by a fee of ~~\$50~~ \$100 in addition to the annual fee.  
33 The annual fee ~~shall be \$100~~ is \$150. ~~All~~ The initial fees and  
34 annual fees must be paid into the state treasury and credited to  
35 the general fund except that \$50 of each initial and annual fee  
36 must be paid into the vehicle services operating account in the



1 special revenue fund under section 299A.705.

2       Sec. 23. [168.326] [EXPEDITED DRIVER AND VEHICLES  
3 SERVICES; FEE.]

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

10       (b) A driver's license agent or deputy registrar may retain  
11 \$10 of the expedited service fee for each expedited service  
12 request processed by the licensing agent or deputy registrar.

13       (c) When expedited service is requested, materials must be  
14 mailed or delivered to the requestor within three days of  
15 receipt of the expedited service fee excluding Saturdays,  
16 Sundays, or the holidays listed in section 645.44, subdivision  
17 5. The requestor shall comply with all relevant requirements of  
18 the requested document.

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

22       (e) The expedited service fees collected under this section  
23 for an application for a driver's license, driving instruction  
24 permit, or Minnesota identification card minus any portion  
25 retained by a licensing agent or deputy registrar under  
26 paragraph (b) must be paid into the driver services operating  
27 account in the special revenue fund specified under section  
28 299A.705.

29       (f) The expedited service fees collected under this section  
30 for a transaction for a vehicle service minus any portion  
31 retained by a licensing agent or deputy registrar under  
32 paragraph (b) must be paid into the vehicle services operating  
33 account in the special revenue fund specified under section  
34 299A.705.

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

36       Subdivision 1. [RECORDS AND FEES.] (a) Upon request by any

1 person authorized in this section, the commissioner shall  
2 furnish a certified copy of any driver's license record,  
3 instruction permit record, Minnesota identification card record,  
4 vehicle registration record, vehicle title record, or accident  
5 record.

6 (b) Other than accident records governed under section  
7 169.09, subdivision 13, the requester shall pay a fee of \$10 for  
8 each certified record specified in paragraph (a) or a fee of \$9  
9 for each record that is not certified.

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

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

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

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

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

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

35 (3) For vehicle title or registration records, the  
36 remainder must be deposited in the vehicle services operating

1 account in the special revenue fund under section 299A.705.

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

4 Subd. 2. [REQUESTS FOR INFORMATION; SURCHARGE ON FEE.] (a)  
5 Except as otherwise provided in subdivision 3, the commissioner  
6 shall impose a surcharge of 50 cents on each fee charged by the  
7 commissioner under section 13.03, subdivision 3, for copies or  
8 electronic transmittals of public information about the  
9 registration of a vehicle or an applicant, or holder of a  
10 driver's license, instruction permit, or Minnesota  
11 identification card.

12 (b) The surcharge only applies to a fee imposed in response  
13 to a request made in person or by mail, or to a request for  
14 transmittal through a computer modem. The surcharge does not  
15 apply to the request of an individual for information about that  
16 individual's driver's license, instruction permit, or Minnesota  
17 identification card or about vehicles registered or titled in  
18 the individual's name.

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

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

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

29 (2) the information is needed to identify suspected  
30 prostitution law violators, controlled substance law violators,  
31 or health code violators.

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

35 Sec. 25. Minnesota Statutes 2004, section 168.33, is  
36 amended to read:

1 168.33 [COMMISSIONER AS REGISTRAR OF MOTOR VEHICLES; DEPUTY  
2 REGISTRARS.]

3 Subdivision 1. [REGISTRAR COMMISSIONER'S DUTIES AND  
4 POWERS, GENERALLY.] The commissioner of public safety shall be  
5 is the registrar of motor vehicles of the state of Minnesota,  
6 and shall exercise all the powers granted to and perform all the  
7 duties imposed by this chapter. The commissioner of public  
8 safety ~~may employ not to exceed eight persons as inspectors,~~ is  
9 authorized to obtain information ~~and report to the registrar~~  
10 ~~regarding motor~~ about all vehicles subject to taxation under  
11 this chapter upon which the tax has not been paid, and to  
12 present suitable complaints to courts of competent jurisdiction.

13 Subd. 2. [DEPUTY REGISTRARS.] (a) ~~The registrar may~~  
14 ~~appoint, hire, and discharge and fix the compensation of the~~  
15 ~~necessary employees, in the manner provided by law, as may be~~  
16 ~~required to enable the registrar to properly carry out the~~  
17 ~~duties imposed by this chapter.~~ The registrar commissioner may  
18 appoint, and for cause discontinue, a deputy registrar for any  
19 statutory or home rule charter city as the public interest and  
20 convenience may require, without regard to whether the county  
21 auditor of the county in which the city is situated has been  
22 appointed as the deputy registrar for the county or has been  
23 discontinued as the deputy registrar for the county, and without  
24 regard to whether the county in which the city is situated has  
25 established a county license bureau ~~which~~ that issues motor  
26 vehicle licenses as provided in section 373.32.

27 (b) The registrar commissioner may appoint, and for cause  
28 discontinue, a deputy registrar for any statutory or home rule  
29 charter city as the public interest and convenience may require,  
30 if the auditor for the county in which the city is situated  
31 chooses not to accept appointment as the deputy registrar for  
32 the county or is discontinued as a deputy registrar, or if the  
33 county in which the city is situated has not established a  
34 county license bureau ~~which~~ that issues motor vehicle licenses  
35 as provided in section 373.32. ~~A person~~ The individual  
36 appointed by the registrar commissioner as a deputy registrar

1 for any statutory or home rule charter city must be a resident  
2 of the county in which the city is situated.

3 (c) The registrar commissioner may appoint, and for cause  
4 discontinue, the county auditor of each county as a deputy  
5 registrar. ~~Upon approval of the county board, the auditor, with~~  
6 ~~the approval of the director of motor vehicles, may appoint, and~~  
7 ~~for cause discontinue, the clerk or equivalent officer of each~~  
8 ~~statutory or home rule charter city or any other person as a~~  
9 ~~deputy registrar as public interest and convenience may require,~~  
10 ~~regardless of the appointee's county of residence. At the~~  
11 ~~request of the governing body of a statutory or home rule~~  
12 ~~charter city, the auditor shall appoint, and may for cause~~  
13 ~~discontinue, the clerk or equivalent officer of a city, or~~  
14 ~~another officer or employee of the city designated by the~~  
15 ~~governing body, as a deputy registrar.~~

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

18 (2) ~~no office of a deputy registrar is situated within the~~  
19 ~~city or within 15 miles of the city by the most direct public~~  
20 ~~route.~~

21 (d) Notwithstanding Despite any other provision, a person  
22 other than a county auditor or a director of a county license  
23 bureau, who was appointed by the registrar before August 1,  
24 1976, as a deputy registrar for any statutory or home rule  
25 charter city, may continue to serve as deputy registrar and may  
26 be discontinued for cause only by the registrar commissioner.  
27 The county auditor who appointed the deputy registrars is  
28 responsible for the acts of deputy registrars appointed by the  
29 auditor.

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

33 (f) If a deputy registrar appointed under this subdivision  
34 is not an officer or employee of a county or statutory or home  
35 rule charter city, the deputy shall in addition give bond to the  
36 state in the sum of \$10,000, or a larger sum as may be required

1 by the registrar commissioner, conditioned upon the faithful  
2 discharge of duties as deputy registrar.

3 ~~(e)~~ (g) Until January 1, 2009, a corporation governed by  
4 chapter 302A may be appointed a deputy registrar. Upon  
5 application by an individual serving as a deputy registrar and  
6 the giving of the requisite bond as provided in this  
7 subdivision, personally assured by the individual or another  
8 individual approved by the commissioner ~~of-public-safety~~, a  
9 corporation named in an application ~~shall-become~~ then becomes  
10 the duly appointed and qualified successor to the deputy  
11 registrar. The appointment of any corporation as a deputy  
12 registrar expires January 1, 2009. ~~A-county-board-shall~~  
13 ~~appoint,-or~~ The commissioner shall appoint ~~if-the-county-board~~  
14 ~~declines-to-do-so,~~ an individual as successor to the corporation  
15 as a deputy registrar. The ~~county-board-or~~ commissioner shall  
16 appoint as the successor agent to a corporation whose  
17 appointment expires under this paragraph an officer of the  
18 corporation if the officer applies for appointment before July  
19 1, 2009.

20 ~~(f)~~ (h) Each deputy registrar appointed under this  
21 subdivision shall keep and maintain, ~~in-a-convenient-public~~  
22 ~~place-within-or-in-close-proximity-to-the-place-for-which~~  
23 ~~appointed,-a-registration-and-motor-vehicle-tax-collection~~  
24 ~~bureau,-to-be-approved-by-the-registrar,~~ office locations  
25 approved by the commissioner for the registration of motor  
26 vehicles and the collection of taxes and fees on motor vehicles.

27 (i) The deputy registrar shall keep records and make  
28 reports to the registrar commissioner as the registrar, ~~from~~  
29 ~~time-to-time,-may-require~~ commissioner requires. The records  
30 must be maintained at the ~~facility~~ offices of the deputy  
31 registrar. The records and ~~facilities~~ offices of the deputy  
32 registrar must at all times be open to the inspection of  
33 the registrar commissioner or the registrar's commissioner's  
34 agents. The deputy registrar shall report to the registrar  
35 commissioner by the next working day following receipt all  
36 registrations made and taxes and fees collected by the deputy

1 registrar.

2       (j) The filing fee imposed under subdivision 7 must be  
3 deposited in the treasury of the place for which appointed or,  
4 if not a public official, a deputy shall retain the filing fee,  
5 but the registration tax and any additional fees for delayed  
6 registration the deputy registrar has collected the deputy  
7 registrar shall deposit by the next working day following  
8 receipt in an approved state depository to the credit of the  
9 state through the commissioner of finance. The place for which  
10 the deputy registrar is appointed through its governing body  
11 must provide the deputy registrar with facilities and personnel  
12 to carry out the duties imposed by this subdivision if the  
13 deputy is a public official. In all other cases, the deputy  
14 shall maintain a suitable facility for serving the public.

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

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

26       (b) Those deputy registrars as defined in this subdivision  
27 who are covered by the Minnesota State Retirement System on June  
28 30, 1971, ~~shall-have-the-option-of-terminating-said~~ may  
29 terminate coverage on July 1, 1971, or ~~of-continuing-said~~  
30 continue coverage until termination of state service. The form  
31 of ~~the~~ this option and the time for filing shall must be as  
32 prescribed by the board of directors of the system. Those  
33 choosing to continue ~~said~~ coverage, shall provide from the  
34 filing fees retained the employee and employer contributions as  
35 required by chapter 352.

36       Subd. 3. [RECORD OF VEHICLE REGISTRATION; DISCLOSURE.] (a)

1 The registrar commissioner shall keep a suitable record of all  
 2 motor registered vehicles registered-in-the-registrar's-office,  
 3 indexed, according to (1) registration plate number, according  
 4 to (2) name of the registered owner, according to (3) make of  
 5 motor vehicle and the factory vehicle's identification number,  
 6 for such-makes-as-are a vehicle so identified, or according  
 7 to, if none, the vehicle's serial number of-such-makes-as-are-so  
 8 identified until the manufacturers-thereof-adopt-and-use  
 9 an manufacturer adopts and uses a vehicle identification number,  
 10 and-according-to-such-other-information-as-the-registrar-shall  
 11 deem-advisable. Duplicates-of-the-certificate-of-registration  
 12 shall-be-used,-until-a-more-efficient-system-is-evolved,-to-make  
 13 the-registration-number-and-registered-owner's-indexes-herein  
 14 required,-and-such-other-copies-as-are-desirable.--The-registrar  
 15 may-furnish-to-any-one-applying-therefor-transcripts-of-such  
 16 records-for-not-less-than-the-cost-of-preparing-the-same,  
 17 provided,-that-any-sums-in-excess-of-such-cost-received-by-the  
 18 registrar-for-furnishing-such-transcripts-shall-be-paid-by-the  
 19 registrar-into-the-state-treasury.

20 (b) The commissioner shall furnish to any person applying  
 21 for a copy of the registration, a copy as specified in section  
 22 168.327.

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

28 Subd. 6. [APPLICATION FORMS.] The Every deputy registrar  
 29 shall provide,-in-a-manner-and-format-prescribed-by-the  
 30 registrar,-necessary-forms-and-information-to-deputy  
 31 registrars.--The-registrar-and-deputy-registrars-shall  
 32 immediately-destroy-all-number-plates-surrendered-and-shall  
 33 cancel-all-certificates-surrendered use application forms or  
 34 formats as prescribed by or approved by the commissioner.

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



1           ~~(i)~~ (1) \$4.50 is imposed on every motor vehicle  
2 registration renewal, excluding pro rate transactions; and  
3           ~~(ii)~~-~~\$7~~ (2) \$8.50 is imposed on every other type of vehicle  
4 transaction, including pro rate transactions;  
5 except that a filing fee may not be charged for a document  
6 returned for a refund or for a correction of an error made by  
7 the Department of Public Safety, a ~~licensed~~-auto dealer, or a  
8 deputy registrar. The filing fee must be shown as a separate  
9 item on all registration renewal notices sent out by the  
10 department commissioner. No filing fee or other fee may be  
11 charged for the permanent surrender of a ~~certificate-of~~ title  
12 ~~and-license-plates~~ for a motor vehicle.

13           (b) Filing All of the fees collected under this-subdivision  
14 by-the-department paragraph (a), clause (1), must be paid into  
15 the state-treasury-and-credited-to-the-highway-user-tax  
16 distribution-fund,-except-fees-for-registrations-of-motor  
17 vehicles---Filing-fees-collected-for-registrations-of-motor  
18 vehicles-in-conjunction-with-a-title-transfer-or-first  
19 application-in-this-state-must-be-paid-into-the-state-treasury  
20 with-50-percent-of-the-money-credited-to-the-general-fund-and-50  
21 percent-credited-to-the-highway-user-tax-distribution  
22 fund vehicle services operating account in the special revenue  
23 fund under section 299A.705. Of the fee collected under  
24 paragraph (a), clause (2), \$3.50 must be paid into the general  
25 fund with the remainder deposited into the vehicle services  
26 operating account in the special revenue fund under section  
27 299A.705.

28           (c) A ~~motor-vehicle~~ dealer shall retain \$2.50 of each  
29 filing fee imposed under this subdivision for a completed  
30 transaction involving the sale of a ~~motor~~ vehicle to or by a  
31 ~~licensed~~ dealer, if the dealer electronically transmits the  
32 transaction to the department commissioner or a deputy registrar.  
33 The department commissioner shall develop procedures to  
34 implement this subdivision in consultation with the Minnesota  
35 Deputy Registrar Association and the Minnesota Automobile  
36 Dealers Association. Deputy registrars shall must not be

1 prohibited from receiving and processing required documents  
2 supporting an electronic transaction.

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

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

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

15 Subdivision 1. [INFORMATION BY TELEPHONE.] Information  
16 ~~concerning motor~~ about vehicle registrations shall not be  
17 furnished on the telephone to any person except the personnel of  
18 law enforcement agencies and the personnel of governmental motor  
19 vehicle and registration offices.

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

22 Subd. 2. [LESSEES; INFORMATION.] The ~~registrar~~  
23 commissioner may not furnish information ~~concerning~~ about  
24 registered owners of passenger automobiles who are lessees under  
25 a lease for a term of 180 days or more to any person except the  
26 personnel of law enforcement agencies and federal, state, and  
27 local governmental units, and, at the ~~registrar's~~ commissioner's  
28 discretion, to persons who use the information to notify lessees  
29 of automobile recalls. The ~~registrar~~ commissioner may release  
30 information about lessees in the form of summary data, as  
31 defined in section 13.02, to persons who use the information in  
32 conducting statistical analysis and market research.

33 Sec. 28. Minnesota Statutes 2004, section 168.381, is  
34 amended to read:

35 168.381 [MANUFACTURE OF VEHICLE LICENSE PLATES;  
36 APPROPRIATIONS.]

1       Subdivision 1. [CORRECTIONAL FACILITIES; OTHER  
2 MANUFACTURERS.] (a) ~~License-number~~ Plates required by ~~law~~ this  
3 chapter may be manufactured by the Minnesota Correctional  
4 Facility-St. Cloud, the Minnesota Correctional  
5 Facility-Stillwater, or other facility established by law for  
6 the confinement of persons convicted of felony, upon order from  
7 the ~~registrar-of-motor-vehicles~~ commissioner. The order must  
8 state the quality of material desired in the plates, the plate  
9 specifications, and the amount or number desired.

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

14       Subd. 2. [LABORATORY TESTING; COSTS.] (a) Materials  
15 purchased to be used in the manufacture of ~~motor-vehicle-number~~  
16 plates must be tested as to conformance with specifications  
17 established by the commissioner ~~of-public-safety~~ in a privately  
18 operated laboratory service to be designated by the  
19 commissioner. The cost of the laboratory must be included in  
20 the cost of materials purchased.

21       (b) The cost of delivery of ~~number~~ plates to the  
22 commissioner ~~of-public-safety~~ at places designated by the  
23 commissioner must be included in the expenses incurred in their  
24 manufacture.

25       Subd. 3. [SPECIFICATIONS.] The commissioner ~~of-public~~  
26 ~~safety~~ shall establish new or revised specifications for the  
27 material and equipment used in the manufacture of ~~number~~ plates  
28 ordered for manufacture after August 1, 1975, and may from time  
29 to time revise the specifications; provided that the  
30 specifications conform to the requirements of section 168.12.  
31 In establishing new or revised specifications, the commissioner  
32 shall consult with and give consideration to the advice and  
33 recommendations of representatives of the Minnesota State  
34 Patrol, local police officers' associations, and the county  
35 sheriffs' association.

36       Subd. 4. [APPROPRIATIONS.] (a) Money appropriated to the

1 Department of Public Safety to procure the plates for any fiscal  
 2 year or years are is available for allotment, encumbrance, and  
 3 expenditure from and after the date of the enactment of the  
 4 appropriation. Materials and equipment used in the manufacture  
 5 of number plates are subject only to the approval of the  
 6 commissioner ~~of-public-safety~~.

7 (b) This section contemplates that money to be appropriated  
 8 to the Department of Public Safety ~~in-order~~ to carry out the  
 9 terms and provisions of this section will be appropriated by the  
 10 legislature from the ~~highway-user-tax-distribution~~ vehicle  
 11 services operating account in the special revenue fund.

12 ~~(c)-A-sum-sufficient-is-appropriated-annually-from-the~~  
 13 ~~highway-user-tax-distribution-fund-to-the-commissioner-of-public~~  
 14 ~~safety-to-pay-the-costs-of-purchasing,-delivering,-and-mailing~~  
 15 ~~motor-vehicle-license-number-plates,-license-plate-registration~~  
 16 ~~tabs-or-stickers,-and-license-plate-registration-notices-~~

17 Sec. 29. Minnesota Statutes 2004, section 168.54,  
 18 subdivision 4, is amended to read:

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

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

27 Subd. 5. [PROCEEDS TO GENERAL FUND.] The  
 28 ~~registrar~~ commissioner shall collect the proceeds of the fee  
 29 imposed under this section and deposit them in the general fund  
 30 pursuant to section 168A.31.

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

33 Subd. 2. [INSPECTION FEE; PROCEEDS TO GENERAL-FUND VEHICLE  
 34 SERVICES OPERATING ACCOUNT.] (a) A fee of \$20 \$35 must be paid  
 35 to the department before the department issues a certificate of  
 36 title for a vehicle that has been inspected and for which a

1 certificate of inspection has been issued pursuant to  
2 subdivision 1. The only additional fee that may be assessed for  
3 issuing the certificate of title is the filing fee imposed under  
4 section 168.33, subdivision 7.

5 (b) Fees Of the fee collected by the department under this  
6 subdivision, for conducting inspections under subdivision 1, \$20  
7 must be deposited in the general fund and the remainder of the  
8 fee collected must be deposited in the vehicle services  
9 operating account in the special revenue fund as specified in  
10 section 299A.705.

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

13 168A.29 [FEES.]

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

16 (1) for filing an application for and the issuance of an  
17 original certificate of title, the sum of ~~\$3~~ \$5.50 of which  
18 \$2.50 must be paid into the vehicle services operating account  
19 of the special revenue fund under section 299A.705;

20 (2) for each security interest when first noted upon a  
21 certificate of title, including the concurrent notation of any  
22 assignment thereof and its subsequent release or satisfaction,  
23 the sum of \$2, except that no fee is due for a security interest  
24 filed by a public authority under section 168A.05, subdivision  
25 8;

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

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

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

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

7 Subd. 2. [FEE IN LIEU OF OTHER FEE.] If a person applies  
8 for an original or a new certificate of title to a vehicle,  
9 concurrently with an application, as transferee, of registration  
10 of the vehicle, the fee prescribed in subdivision 1 ~~shall~~ must  
11 be in lieu of the fee prescribed by section 168.54, with respect  
12 to any transfer of ownership or registration of the vehicle to  
13 the applicant.

14 Subd. 3. [NO CERTIFICATE ISSUED UNTIL FEES PAID.] Subject  
15 to subdivision 2, the department shall not issue a certificate  
16 of title to a vehicle until all fees prescribed by sections  
17 168.54 and 168A.10, subdivision 6, with respect to any prior  
18 transfer of ownership or registration of the vehicle ~~shall~~ have  
19 been paid.

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

22 168A.31 [DISPOSITION OF FEES; PAYMENT OF EXPENSES.]

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

27 Subd. 2. [EXPENSES; APPROPRIATION.] All necessary expenses  
28 incurred by the department for the administration of sections  
29 168A.01 to 168A.31 ~~shall~~ must be paid from moneys money in the  
30 transfer-of-ownership-revolving vehicle services operating  
31 account of the special revenue fund,--and-such-funds-are-hereby  
32 appropriated as specified in section 299A.705.

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

35 Subd. 13. [REPORTS CONFIDENTIAL; EVIDENCE, FEE, PENALTY,  
36 APPROPRIATION.] (a) All written reports and supplemental reports

1 information required under this section ~~shall~~ must be for the  
2 use of the commissioner of public safety and other appropriate  
3 state, federal, county, and municipal governmental agencies for  
4 accident analysis purposes, except:

5 (1) the commissioner of public safety or any law  
6 enforcement agency shall, upon written request of any person  
7 individual involved in an accident or upon written request of  
8 the representative of the ~~person's~~ individual's estate,  
9 surviving spouse, or one or more surviving next of kin, or a  
10 trustee appointed ~~pursuant-to~~ under section 573.02, disclose to  
11 the requester, the requester's legal counsel, or a  
12 representative of the requester's insurer the report required  
13 under subdivision 8;

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

17 (3) the commissioner of public safety may verify with  
18 insurance companies vehicle insurance information to enforce  
19 sections 65B.48, 169.792, 169.793, 169.796, and 169.797;

20 (4) the commissioner of public safety shall provide the  
21 commissioner of transportation the information obtained for each  
22 traffic accident involving a commercial motor vehicle, for  
23 purposes of administering commercial vehicle safety regulations;  
24 and

25 (5) the commissioner of public safety may give to the  
26 United States Department of Transportation commercial vehicle  
27 accident information in connection with federal grant programs  
28 relating to safety.

29 (b) Accident reports and data contained in the reports  
30 ~~shall~~ are not be discoverable under any provision of law or rule  
31 of court. No report shall be used as evidence in any trial,  
32 civil or criminal, or any action for damages or criminal  
33 proceedings arising out of an accident, ~~except that.~~ However,  
34 the commissioner of public safety shall furnish, upon the demand  
35 of any person who has, or claims to have, made a report, or,  
36 upon demand of any court, a certificate showing that a specified

1 accident report has or has not been made to the commissioner  
2 solely to prove compliance or failure to comply with the  
3 requirements that the report be made to the commissioner.

4 (c) Nothing in this subdivision prevents any person  
5 individual who has made a report pursuant-to under this section  
6 from providing information to any persons individuals involved  
7 in an accident or their representatives or from testifying in  
8 any trial, civil or criminal, arising out of an accident, as to  
9 facts within the person's individual's knowledge. It is  
10 intended by this subdivision to render privileged the reports  
11 required, but it is not intended to prohibit proof of the facts  
12 to which the reports relate.

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

16 (e) The commissioner of public safety may shall charge  
17 authorized persons as described in paragraph (a) a \$5 fee for a  
18 copy of an accident report. Ninety percent of the \$5 fee  
19 collected under this paragraph must be deposited in the special  
20 revenue fund and credited to the driver services operating  
21 account established in section 299A.705 and ten percent must be  
22 deposited in the general fund. The commissioner may also  
23 furnish ~~copies-of-the-modified-accident-records~~ an electronic  
24 copy of the database of accident records, which must not contain  
25 personal or private data on an individual, to private agencies  
26 as provided in paragraph (g), for not less than the cost of  
27 preparing the copies on a bulk basis as provided in section  
28 13.03, subdivision 3.

29 (f) The fees specified in paragraph (e) notwithstanding,  
30 the commissioner and law enforcement agencies may shall charge  
31 commercial users who request access to response or incident data  
32 relating to accidents a fee not to exceed 50 cents per  
33 ~~report~~ record. "Commercial user" is a user who in one location  
34 requests access to data in more than five accident reports per  
35 month, unless the user establishes that access is not for a  
36 commercial purpose. Of the money collected by the commissioner



1 under this paragraph ~~is appropriated to the commissioner, 90~~  
2 percent must be deposited in the special revenue fund and  
3 credited to the driver services operating account established in  
4 section 299A.705 and ten percent must be deposited in the  
5 general fund.

6 (g) The fees in paragraphs (e) and (f) notwithstanding, the  
7 commissioner may shall provide a modified an electronic copy of  
8 the accident records database that does to the public on a  
9 case-by-case basis using the cost-recovery charges provided for  
10 under section 13.03, subdivision 3. The database provided must  
11 not contain names, driver's license numbers, vehicle license  
12 plate numbers, addresses, or other identifying data to the  
13 public upon request personal or private data on an individual.  
14 However, unless the accident records data base includes  
15 the motor vehicle identification number, the commissioner shall  
16 include the vehicle license registration plate number if a  
17 private agency certifies and agrees that the agency:

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

20 (2) will use the vehicle license registration plate number  
21 only for ~~the purpose of~~ identifying vehicles that have been  
22 involved in accidents or damaged ~~in order,~~ to provide this  
23 information to persons seeking access to a vehicle's history and  
24 not for ~~the purpose of~~ identifying individuals or for any other  
25 purpose; and

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

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

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

36 Sec. 36. Minnesota Statutes 2004, section 171.06,

1 subdivision 2, is amended to read:

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

4 Classified Driver's License D-~~\$18.50~~ \$21.50 C-~~\$22.50~~ \$25.50

5 B-~~\$29.50~~ \$32.50 A-~~\$37.50~~ \$40.50

6 Classified Under-21 D.L. D-~~\$18.50~~ \$21.50 C-~~\$22.50~~ \$25.50

7 B-~~\$29.50~~ \$32.50 A-~~\$17.50~~ \$20.50

8 Instruction Permit \$ 9.50

9 Provisional License \$-9.50 \$12.50

10 Duplicate License or

11 duplicate identification card \$-8.00 \$11.00

12 Minnesota identification card or Under-21 Minnesota

13 identification card, other than duplicate,

14 except as otherwise provided in section 171.07,

15 subdivisions 3 and 3a \$12.50 \$15.50

16 (b) Notwithstanding paragraph (a), ~~a person~~ an individual  
17 who holds a provisional license and has a driving record free of  
18 (1) convictions for a violation of section 169A.20, 169A.33,  
19 169A.35, or sections 169A.50 to 169A.53, (2) convictions for  
20 crash-related moving violations, and (3) convictions for moving  
21 violations that are not crash related, shall have a \$3.50 credit  
22 toward the fee for any classified under-21 driver's license.  
23 "Moving violation" has the meaning given it in section 171.04,  
24 subdivision 1.

25 (c) In addition to the driver's license fee required under  
26 paragraph (a), the ~~registrar~~ commissioner shall collect an  
27 additional \$4 processing fee from each new applicant or ~~person~~  
28 individual renewing a license with a school bus endorsement to  
29 cover the costs for processing an applicant's initial and  
30 biennial physical examination certificate. The department shall  
31 not charge these applicants any other fee to receive or renew  
32 the endorsement.

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

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

36 (a) The fee for any duplicate driver's license ~~which is~~ obtained

1 for the purpose of adding a two-wheeled vehicle endorsement is  
2 increased by \$18.50 for each first such duplicate license and  
3 \$13 for each renewal thereof. The additional fee shall must be  
4 paid into the state treasury and credited as follows:

5 (1) \$11 of the additional fee for each first duplicate  
6 license, and \$7 of the additional fee for each renewal, must be  
7 credited to the motorcycle safety fund, which is hereby created;  
8 provided, that any ten percent of fee receipts in excess of  
9 \$750,000 in a fiscal year shall must be credited 90-percent-to  
10 ~~the-trunk-highway-fund-and-ten-percent~~ to the general fund, ~~as~~  
11 ~~provided-in-section-171-26.~~

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

14 (b) All application forms prepared by the commissioner for  
15 two-wheeled vehicle endorsements shall must clearly state the  
16 amount of the total fee that is dedicated to the motorcycle  
17 safety fund.

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

20 Subd. 4. [FEE; EQUIPMENT.] (a) The agent may charge and  
21 retain a filing fee of ~~\$3.50~~ \$5 for each application. Except as  
22 provided in paragraph (b), the fee shall cover all expenses  
23 involved in receiving, accepting, or forwarding to the  
24 department the applications and fees required under sections  
25 171.02, subdivision 3; 171.06, subdivisions 2 and 2a; and  
26 171.07, subdivisions 3 and 3a.

27 (b) The department shall maintain the photo identification  
28 equipment for all agents appointed as of January 1, 2000. Upon  
29 the retirement, resignation, death, or discontinuance of an  
30 existing agent, and if a new agent is appointed in an existing  
31 office pursuant to Minnesota Rules, chapter 7404, and  
32 notwithstanding the above or Minnesota Rules, part 7404.0400,  
33 the department shall provide and maintain photo identification  
34 equipment without additional cost to a newly appointed agent in  
35 that office if the office was provided the equipment by the  
36 department before January 1, 2000. All photo identification

1 equipment must be compatible with standards established by the  
2 department.

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

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

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

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

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

27 (c) The department shall maintain a computerized records  
28 system of all ~~persons~~ individuals listed as standby or temporary  
29 custodians by driver's license and identification card  
30 applicants. This data ~~shall~~ must be released to appropriate law  
31 enforcement agencies under section 13.69. Upon a parent's  
32 request and payment of a fee of \$3.50, the department shall  
33 revise its list of standby or temporary custodians to reflect a  
34 change in the appointment.

35 (d) At the request of the license or cardholder, the  
36 department shall cancel the standby or temporary custodian

1 indication without additional charge. However, this paragraph  
2 does not prohibit a fee that may be applicable for a duplicate  
3 or replacement license or card, renewal of a license, or other  
4 service applicable to a driver's license or identification card.

5 (e) Notwithstanding sections 13.08, subdivision 1, and  
6 13.69, the department and department employees are conclusively  
7 presumed to be acting in good faith when employees rely on  
8 statements made, in person or by telephone, by persons  
9 purporting to be law enforcement and subsequently release  
10 information described in paragraph (b). When acting in good  
11 faith, the department and department personnel are immune from  
12 civil liability and not subject to suit for damages resulting  
13 from the release of this information.

14 (f) The department and its employees:

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

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

21 (g) Of the fees received by the department under this  
22 subdivision:

23 (1) ~~Up to \$111,000 received in fiscal year 1997 and up to~~  
24 \$61,000 received ~~in subsequent fiscal years~~ must be deposited in  
25 the general fund.

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

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

31 Subd. 6. [INITIAL MOTORCYCLE ENDORSEMENT FEE.] A person  
32 applying for an initial motorcycle endorsement on a driver's  
33 license shall pay at the place of examination a total fee of  
34 \$21, which includes the examination fee and endorsement fee, but  
35 does not include the fee for a duplicate driver's license  
36 prescribed in section 171.06, subdivision 2. Of this amount,

1 \$11 must be credited as provided in section 171.06, subdivision  
2 2a, paragraph (a), clause (1), \$2.50 must be credited to  
3 the trunk-highway driver services operating account in the  
4 special revenue fund specified under section 299A.705, and the  
5 remainder must be credited to the general fund.

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

8 Subd. 7. [REPEAT EXAMINATION FEE.] (a) A fee of \$10 must  
9 be paid by an individual to take a third and any subsequent  
10 knowledge test administered by the department if the individual  
11 has failed two previous consecutive knowledge tests on the  
12 subject.

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

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

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

24 Subd. 4. [REINSTATEMENT FEE.] (a) Before the license is  
25 reinstated, (1) a-person an individual whose driver's license  
26 has been suspended under section 171.16, subdivision 2; 171.18,  
27 except subdivision 1, clause (10); or 171.182, or who has been  
28 disqualified from holding a commercial driver's license under  
29 section 171.165, and (2) a-person an individual whose driver's  
30 license has been suspended under section 171.186 and who is not  
31 exempt from such a fee, must pay a fee of \$20.

32 (b) Before the license is reinstated, a-person an  
33 individual whose license has been suspended under sections  
34 169.791 to 169.798 must pay a \$20 reinstatement fee.

35 (c) When fees are collected by a licensing agent appointed  
36 under section 171.061, a handling charge is imposed in the

1 amount specified under section 171.061, subdivision 4. The  
2 reinstatement fee and surcharge must be deposited in an approved  
3 state depository as directed under section 171.061, subdivision  
4 4.

5 (d) A suspension may be rescinded without fee for good  
6 cause.

7 Sec. 43. Minnesota Statutes 2004, section 171.26, is  
8 amended to read:

9 171.26 [MONEY CREDITED TO FUNDS.]

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

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

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

23 (b) A person whose driver's license has been revoked as  
24 provided in subdivision 1 under section 169A.52, 169A.54, or  
25 609.21, ~~shall~~ must pay a \$250 fee plus a \$40 surcharge before  
26 the driver's license is reinstated. Beginning July 1, 2002, the  
27 surcharge is \$145. Beginning July 1, 2003, the surcharge is  
28 \$430. The \$250 fee is to be credited as follows:

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

32 (2) Sixty-seven percent must be credited to the general  
33 fund.

34 (3) Eight percent must be credited to a separate account to  
35 be known as the Bureau of Criminal Apprehension account. Money  
36 in this account may be appropriated to the commissioner of

1 public safety and the appropriated amount must be apportioned 80  
2 percent for laboratory costs and 20 percent for carrying out the  
3 provisions of section 299C.065.

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

9 (c) The revenue from \$50 of each surcharge must be credited  
10 to a separate account to be known as the traumatic brain injury  
11 and spinal cord injury account. The money in the account is  
12 annually appropriated to the commissioner of health to be used  
13 as follows: 83 percent for contracts with a qualified  
14 community-based organization to provide information, resources,  
15 and support to assist persons with traumatic brain injury and  
16 their families to access services, and 17 percent to maintain  
17 the traumatic brain injury and spinal cord injury registry  
18 created in section 144.662. For the purposes of this  
19 ~~clause~~ paragraph, a "qualified community-based organization" is  
20 a private, not-for-profit organization of consumers of traumatic  
21 brain injury services and their family members. The  
22 organization must be registered with the United States Internal  
23 Revenue Service under section 501(c)(3) as a tax-exempt  
24 organization and must have as its purposes:

25 (i) the promotion of public, family, survivor, and  
26 professional awareness of the incidence and consequences of  
27 traumatic brain injury;

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

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

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

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

36 No A patient's name, identifying information, or identifiable



1 medical data ~~will~~ must not be disclosed to the organization  
2 without the informed voluntary written consent of the patient or  
3 patient's guardian or, if the patient is a minor, of the parent  
4 or guardian of the patient.

5 (d) The remainder of the surcharge must be credited to a  
6 separate account to be known as the remote electronic  
7 alcohol-monitoring program account. The commissioner shall  
8 transfer the balance of this account to the commissioner of  
9 finance on a monthly basis for deposit in the general fund.

10 (e) When these fees are collected by a licensing agent,  
11 appointed under section 171.061, a handling charge is imposed in  
12 the amount specified under section 171.061, subdivision 4. The  
13 reinstatement fees and surcharge must be deposited in an  
14 approved state depository as directed under section 171.061,  
15 subdivision 4.

16 Sec. 45. Minnesota Statutes 2004, section 171.36, is  
17 amended to read:

18 171.36 [LICENSE RENEWAL; FEES; PROCEEDS TO TRUNK-HIGHWAY  
19 FUND DRIVER SERVICES OPERATING ACCOUNT.]

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

31 Sec. 46. [299A.705] [DRIVER AND VEHICLE SERVICES OPERATING  
32 ACCOUNTS.]

33 Subdivision 1. [VEHICLE SERVICES OPERATING ACCOUNT.] (a)  
34 The vehicle services operating account is created in the special  
35 revenue fund, consisting of all money from the vehicle services  
36 fees specified in chapters 168 and 168A and any other money

1 otherwise donated, allotted, appropriated, or legislated to this  
 2 account.

3 (b) Funds appropriated are available to administer vehicle  
 4 services as specified in chapters 168 and 168A and section  
 5 169.345, including:

6 (1) designing, producing, issuing, and mailing vehicle  
 7 registrations, plates, emblems, and titles;

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

9 (3) transferring vehicle registration plates and titles;

10 (4) maintaining vehicle records;

11 (5) issuing disability certificates and plates;

12 (6) licensing vehicle dealers;

13 (7) appointing, monitoring, and auditing deputy registrars;

14 and

15 (8) inspecting vehicles when required by law.

16 Subd. 2. [DRIVER SERVICES OPERATING ACCOUNT.] (a) The  
 17 Driver and Vehicle Services Division driver services operating  
 18 account is created in the special revenue fund, consisting of  
 19 all money collected under chapter 171 and any other money  
 20 otherwise donated, allotted, appropriated, or legislated to the  
 21 account.

22 (b) Money in the account must be used by the commissioner  
 23 of public safety to administer the driver services specified in  
 24 chapters 169A and 171, including the activities associated with  
 25 producing and mailing drivers' licenses and identification cards  
 26 and notices relating to issuance, renewal, or withdrawal of  
 27 driving and identification card privileges for any fiscal year  
 28 or years and for the testing and examination of drivers. Money  
 29 in the account may also be used for driver and traffic safety  
 30 activities.

31 Sec. 47. [INSTRUCTION TO REVISOR.]

32 (a) In the statute listed in column A, the revisor shall  
 33 change the reference in column B to the reference shown in  
 34 column C:

<u>A</u>	<u>B</u>	<u>C</u>
168.181,	sections 168.181	<u>this section and</u>

1     subdivision 1             to 168.231             sections 168.183  
2   to 168.221  
3     168.211                     168.231             168.221  
4     168.221                     168.231             168.211 and this  
5   section  
6     168.346                     168.345,             168.327,  
7   subdivision 4     subdivision 3

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

10    (c) The revisor of statutes shall also correct any  
11 references in Minnesota Rules to the rules repealed or  
12 renumbered by this act, as appropriate.

13     Sec. 48. [REPEALER.]

14    (a) Minnesota Statutes 2004, sections 168.012, subdivision  
15 12; 168.041, subdivision 11; 168.105, subdivision 6; 168.231;  
16 168.345, subdivisions 3 and 4; 170.23; 171.12, subdivision 8;  
17 and 171.185, are repealed.

18    (b) Minnesota Statutes 2004, sections 168C.01; 168C.02;  
19 168C.03; 168C.04; 168C.05; 168C.06; 168C.07; 168C.08; 168C.09;  
20 168C.10; 168C.11; 168C.12; and 168C.13, are repealed.

21    (c) Minnesota Rules, parts 7407.0100; 7407.0200; 7407.0300;  
22 7407.0400; 7407.0500; 7407.0600; 7407.0700; 7407.0800;  
23 7407.0900; 7407.1000; 7407.1100; 7407.1200; and 7407.1300, are  
24 repealed.

25                                     ARTICLE 4

26                                     MISCELLANEOUS FINANCE POLICY

27     Section 1. [160.298] [HIGHWAY SIGN PROGRAM; BILLING,  
28 ACCOUNT, APPROPRIATION.]

29     The commissioner of transportation may bill highway  
30 operations units of the department and local road authorities  
31 for the costs of a centrally managed highway sign program.  
32 These costs may include equipment acquisition and rental, labor,  
33 materials, and other costs as determined by the commissioner.  
34 Receipts must be credited to a special account, which is  
35 established in the trunk highway fund, and are appropriated to  
36 the commissioner to pay the costs for which the billings are

1 made. Amounts credited to the account are exempt from statewide  
2 and agency indirect costs payments.

3 Sec. 2. Minnesota Statutes 2004, section 161.081,  
4 subdivision 3, is amended to read:

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

6 (a) The flexible highway account is created in the state  
7 treasury. Money in the account may be used either for the  
8 restoration of former trunk highways that have reverted to  
9 counties or to statutory or home rule charter cities for grants  
10 to counties for rural road safety under section 174.52,  
11 subdivision 4a, or for regular-trunk-highway  
12 purposes construction, reconstruction, and maintenance of local  
13 roads functionally classified as principal arterial roads under  
14 section 161.087.

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

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

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

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

5 (f) Money that will be used for grants to counties for  
6 rural road safety must be deposited in the rural road safety  
7 account under section 174.52, subdivision 4a.

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

11 (h) Money that will be used for the construction,  
12 reconstruction, and maintenance of municipal principal arterials  
13 must be deposited in the municipal principal arterial account  
14 under section 161.087.

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

21 ~~(g)-Money-apportioned-from-the-flexible-highway-account-to~~  
22 ~~the-trunk-highway-fund-must-be-used-for-state-road-construction~~  
23 ~~and-engineering-costs-~~

24 Sec. 3. [161.087] [PRINCIPAL ARTERIAL ACCOUNTS.]

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

32 (b) A municipal principal arterial account is established  
33 in the municipal state-aid street fund. Money in the account is  
34 annually appropriated to the commissioner of transportation for  
35 expenditure as specified in this subdivision. Money in the  
36 account must be used as grants to cities to assist in paying the

1 costs of capital improvement projects on municipal state-aid  
 2 streets that are functionally classified as principal arterials.

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

12 Sec. 4. Minnesota Statutes 2004, section 162.06,  
 13 subdivision 2, is amended to read:

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

20 Sec. 5. [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. 6. [EFFECTIVE DATE.]

28 Section 1 is effective the day following final enactment.

## 29 ARTICLE 5

### 30 TRANSPORTATION FINANCE

31 Section 1. [CONSTITUTIONAL AMENDMENT PROPOSED.]

32 An amendment to the Minnesota Constitution is proposed to  
 33 the people. If the amendment is adopted, a section must be  
 34 added to article XIV, to read:

35 Sec. 12. [MOTOR VEHICLE SALES TAX.]

36 The proceeds of a tax imposed by the state on the sale of

1 new and used motor vehicles must be appropriated exclusively for  
2 transportation purposes as defined by law.

3 Sec. 2. [SCHEDULE AND QUESTION.]

4 The constitutional amendment proposed in section 1 must be  
5 submitted to the people at the 2006 general election. If  
6 approved, motor vehicle sales tax proceeds will be used  
7 exclusively for transportation purposes as of July 1, 2010. The  
8 question submitted must be:

9 "Shall the Minnesota Constitution be amended to use the  
10 revenue from the state motor vehicle sales tax exclusively for  
11 transportation purposes, beginning July 1, 2010?

12 Yes .....

13 No ....."

14 Sec. 3. [16.89] [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, including, but not  
20 limited to, state road construction, transit capital and  
21 operating, operations of the state patrol, local road  
22 construction and maintenance, transportation safety and research  
23 activities, and department of transportation tort claims.

24 Sec. 4. Minnesota Statutes 2004, section 162.07,  
25 subdivision 1, is amended to read:

26 Subdivision 1. [FORMULA.] After deducting for  
27 administrative costs and for the disaster account and research  
28 account and state park roads as heretofore provided in section  
29 162.06, subdivisions 2 to 5, the remainder of the total sum  
30 provided for in section 162.06, subdivision 1, shall-be is  
31 identified as the apportionment sum and shall-be-apportioned-by  
32 the-commissioner-to-the-several-counties-on-the-basis-of-the  
33 needs-of-the-counties-as-determined-in-accordance-with-the  
34 following-formula:

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

1       ~~(b)-An amount equal to ten percent of the apportionment sum~~  
2 ~~shall be apportioned among the several counties so that each~~  
3 ~~county shall receive of such amount the percentage that its~~  
4 ~~motor vehicle registration for the calendar year preceding the~~  
5 ~~one last past, determined by residence of registrants, bears to~~  
6 ~~the total statewide motor vehicle registration.~~

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

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

29       (a) The excess sum is calculated as the sum of the amounts  
30 described in clauses (1) and (2), reduced by a proportionate  
31 share of the deductions for administrative costs and for the  
32 disaster account and research account, as follows:

33       (1) on or after July 1, 2005, the amount due to an increase  
34 imposed in the gasoline excise tax rate above a rate of 20.0  
35 cents per gallon; or in the excise tax rate for E85, M85, and  
36 special fuels above the energy equivalent of a gasoline tax rate



1 of 20.0 cents per gallon; and

2 (2) the amount due to a change in the passenger vehicle  
3 registration tax under section 168.013, imposed on or after July  
4 1, 2005, that exceeds the amount collected in fiscal year 2005  
5 multiplied by the annual average United States Consumer Price  
6 Index for all urban consumers, United States city average, as  
7 determined by the United States Department of Labor for the  
8 previous year, divided by that annual average for calendar year  
9 2004.

10 (b) The apportionment sum is calculated by subtracting the  
11 excess sum from the remainder of the total sum.

12 Sec. 5. Minnesota Statutes 2004, section 162.07, is  
13 amended by adding a subdivision to read:

14 Subd. 1a. [APPORTIONMENT SUM.] The commissioner shall  
15 apportion the apportionment sum among the several counties on  
16 the basis of the needs of the counties as determined in  
17 accordance with the following formula:

18 (a) An amount equal to ten percent of the apportionment sum  
19 must be apportioned equally among the 87 counties.

20 (b) An amount equal to ten percent of the apportionment sum  
21 must be apportioned among the several counties so that each  
22 county receives of that amount the percentage that its motor  
23 vehicle registration for the calendar year preceding the one  
24 last past, determined by residence of registrants, bears to the  
25 total statewide motor vehicle registration.

26 (c) An amount equal to 30 percent of the apportionment sum  
27 must be apportioned among the several counties so that each  
28 county receives of that amount the percentage that its total  
29 lane-miles of approved county state-aid highways bears to the  
30 total lane-miles of approved statewide county state-aid  
31 highways. In 1997 and subsequent years, no county may receive,  
32 as a result of an apportionment under this paragraph based on  
33 lane-miles rather than miles of approved county state-aid  
34 highways, an apportionment that is less than its apportionment  
35 in 1996.

36 (d) An amount equal to 50 percent of the apportionment sum

1 must be apportioned among the several counties so that each  
2 county receives of that amount the percentage that its money  
3 needs bears to the sum of the money needs of all of the  
4 individual counties; provided that the percentage of the amount  
5 that each county is to receive must be adjusted so that each  
6 county receives in 1958 a total apportionment at least ten  
7 percent greater than its total 1956 apportionments from the  
8 state road and bridge fund; and provided, further, that those  
9 counties whose money needs are thus adjusted shall never receive  
10 a percentage of the apportionment sum less than the percentage  
11 that such county received in 1958.

12 Sec. 6. Minnesota Statutes 2004, section 162.07, is  
13 amended by adding a subdivision to read:

14 Subd. 1b. [EXCESS SUM.] The commissioner shall apportion  
15 the excess sum to the several counties on the basis of the needs  
16 of the counties as determined in accordance with the following  
17 formula:

18 (a) An amount equal to 40 percent of the excess sum must be  
19 apportioned among the several counties so that each county  
20 receives of that amount the percentage that its motor vehicle  
21 registration for the calendar year preceding the one last past,  
22 determined by residence of registrants, bears to the total  
23 statewide motor vehicle registration.

24 (b) An amount equal to 60 percent of the excess sum must be  
25 apportioned among the several counties so that each county  
26 receives of that amount the percentage that its money needs  
27 bears to the sum of the money needs of all of the individual  
28 counties.

29 Sec. 7. Minnesota Statutes 2004, section 163.051, is  
30 amended to read:

31 163.051 [METROPOLITAN COUNTY WHEELAGE TAX.]

32 Subdivision 1. [TAX AUTHORIZED.] The board of  
33 commissioners of each metropolitan county is authorized to levy  
34 by resolution a wheelage tax of \$5-for-the-year-1972-and-each  
35 subsequent-year-thereafter-by-resolution up to \$20 on each motor  
36 vehicle, except motorcycles as defined in section 169.01,

1 subdivision 4, which is kept in such the county when not in  
2 operation and which is subject to annual registration and  
3 taxation under chapter 168. The board may provide by resolution  
4 for collection of the wheelage tax by county officials or it may  
5 request that the tax be collected by the state registrar of  
6 motor vehicles, and the state registrar of motor vehicles shall  
7 collect such the tax on behalf of the county if requested, as  
8 provided in subdivision 2.

9 Subd. 2. [COLLECTION BY REGISTRAR OF MOTOR VEHICLES.] The  
10 wheelage tax levied by any metropolitan county, if made  
11 collectible by the state registrar of motor vehicles, shall must  
12 be certified by the county auditor to the registrar not later  
13 than August 1 in the year before the calendar year or years for  
14 which the tax is levied, and the registrar shall collect such  
15 the tax with the motor vehicle taxes on the affected vehicles  
16 for such year or years. Every owner and every operator of such  
17 a motor vehicle subject to the wheelage tax shall furnish to the  
18 registrar all information requested by the registrar. No state  
19 motor vehicle tax on any such motor vehicle for any such year  
20 shall be received or deemed paid unless the applicable wheelage  
21 tax is paid therewith. ~~The proceeds of the wheelage tax levied~~  
22 ~~by any metropolitan county, less any amount retained by the~~  
23 ~~registrar to pay costs of collection of the wheelage tax, shall~~  
24 ~~be paid to the commissioner of finance and deposited in the~~  
25 ~~state treasury to the credit of the county wheelage tax fund of~~  
26 ~~each metropolitan county.~~

27 Subd. 2a. [TAX PROCEEDS DEPOSITED; COSTS OF COLLECTION;  
28 APPROPRIATION.] Notwithstanding ~~the provisions of~~ any other law,  
29 the state registrar of motor vehicles shall deposit the proceeds  
30 of the wheelage tax imposed by subdivision 2, to the credit of  
31 the county wheelage tax road and bridge fund of each  
32 metropolitan county levying the tax. The amount necessary to  
33 pay the costs of collection of said the tax is appropriated to  
34 the state registrar of motor vehicles from the county wheelage  
35 tax road and bridge fund of each metropolitan county ~~to the~~  
36 ~~state registrar of motor vehicles~~ levying the tax.

1       Subd. 3.---[DISTRIBUTION-TO-METROPOLITAN-COUNTY,  
2       APPROPRIATION.]-On-or-before-April-1-in-1972-and-each-subsequent  
3       year,-the-commissioner-of-finance-shall-issue-a-warrant-in-favor  
4       of-the-treasurer-of-each-metropolitan-county-for-which-the  
5       registrar-has-collected-a-wheelage-tax-in-the-amount-of-such-tax  
6       then-on-hand-in-the-county-wheelage-tax-fund.---There-is-hereby  
7       appropriated-from-the-county-wheelage-tax-fund-each-year,-to  
8       each-metropolitan-county-entitled-to-payments-authorized-by-this  
9       section,-sufficient-moneys-to-make-such-payments.

10       Subd. 4.---[USE-OF-TAX.]-The-treasurer-of-each-metropolitan  
11       county-receiving-moneys-under-subdivision-3-shall-deposit-such  
12       moneys-in-the-county-road-and-bridge-fund.---The-moneys-shall-be  
13       used-for-purposes-authorized-by-law-which-are-highway-purposes  
14       within-the-meaning-of-the-Minnesota-Constitution,-article-14.

15       Subd. 5.---[EFFECT-ON-ROAD-AND-BRIDGE-LEVY.]-The-county  
16       auditor-of-each-metropolitan-county-shall-reduce-the-amount-of  
17       the-property-taxes-levied-pursuant-to-law-in-1973-for-collection  
18       in-1974,-by-the-board-of-commissioners-of-such-county-for-the  
19       county-road-and-bridge-fund,-by-the-following-amount:--Anoka  
20       County,-\$341,750,-Carver-County,-\$86,725,-Dakota-County,  
21       \$386,165,-Hennepin-County,-\$2,728,425,-Ramsey-County,  
22       \$1,276,815,-Scott-County,-\$104,805,-Washington-County,-\$227,220,  
23       and-shall-spread-only-the-balance-thereof-on-the-tax-rolls-for  
24       collection-in-1972.---The-county-auditor-shall-also-reduce-the  
25       amount-of-such-taxes-levied-pursuant-to-law-in-1972-and-any  
26       subsequent-year,-for-collection-in-the-respective-ensuing-years,  
27       by-the-amount-of-wheelage-taxes-received-by-the-county-in-the-12  
28       months-immediately-preceding-such-levy.

29       Subd. 6.---[METROPOLITAN-COUNTY-DEFINED.]-"Metropolitan  
30       county"-means-any-of-the-counties-of-Anoka,-Carver,-Dakota,  
31       Hennepin,-Ramsey,-Scott,-and-Washington.

32       Subd. 7. [OFFENSES; PENALTIES; APPLICATION OF OTHER LAWS.]  
33       Any owner or operator of a motor vehicle who shall willfully  
34       give gives any false information relative to the tax herein  
35       authorized under this section to the registrar of motor vehicles  
36       or any metropolitan county, or who shall willfully fail-or

1 refuse fails or refuses to furnish any such information, shall  
 2 be is guilty of a misdemeanor. Except as otherwise herein  
 3 provided, the collection and payment of a wheelage tax and all  
 4 matters relating thereto shall be subject to all provisions of  
 5 law relating to collection and payment of motor vehicle taxes so  
 6 far as applicable.

7 Sec. 8. Minnesota Statutes 2004, section 168.013,  
 8 subdivision 1a, is amended to read:

9 Subd. 1a. [PASSENGER AUTOMOBILE; HEARSE.] (a) On passenger  
 10 automobiles as defined in section 168.011, subdivision 7, and  
 11 hearses, except as otherwise provided, the tax shall be \$10 plus  
 12 an additional tax equal to 1.25 percent of the base value.

13 (b) Subject to the classification provisions herein, "base  
 14 value" means the manufacturer's suggested retail price of the  
 15 vehicle including destination charge using list price  
 16 information published by the manufacturer or determined by the  
 17 registrar if no suggested retail price exists, and shall not  
 18 include the cost of each accessory or item of optional equipment  
 19 separately added to the vehicle and the suggested retail price.

20 (c) If the manufacturer's list price information contains a  
 21 single vehicle identification number followed by various  
 22 descriptions and suggested retail prices, the registrar shall  
 23 select from those listings only the lowest price for determining  
 24 base value.

25 (d) If unable to determine the base value because the  
 26 vehicle is specially constructed, or for any other reason, the  
 27 registrar may establish such value upon the cost price to the  
 28 purchaser or owner as evidenced by a certificate of cost but not  
 29 including Minnesota sales or use tax or any local sales or other  
 30 local tax.

31 (e) The registrar shall classify every vehicle in its  
 32 proper base value class as follows:

33	FROM	TO
34	\$ 0	\$199.99
35	200	399.99

36 and thereafter a series of classes successively set in brackets

1 having a spread of \$200 consisting of such number of classes as  
2 will permit classification of all vehicles.

3 (f) The base value for purposes of this section shall be  
4 the middle point between the extremes of its class.

5 (g) The registrar shall establish the base value, when new,  
6 of every passenger automobile and hearse registered prior to the  
7 effective date of Extra Session Laws 1971, chapter 31, using  
8 list price information published by the manufacturer or any  
9 nationally recognized firm or association compiling such data  
10 for the automotive industry. If unable to ascertain the base  
11 value of any registered vehicle in the foregoing manner, the  
12 registrar may use any other available source or method. The  
13 registrar shall calculate tax using base value information  
14 available to dealers and deputy registrars at the time the  
15 application for registration is submitted. The tax on all  
16 previously registered vehicles shall be computed upon the base  
17 value thus determined taking into account the depreciation  
18 provisions of paragraph (h).

19 (h) The annual additional tax computed upon the base value  
20 as provided herein, during the first ~~and-second-years~~ year of  
21 vehicle life shall be computed upon 100 percent of the base  
22 value; for the second year, 80 percent of such value; for the  
23 ~~third and-fourth-years,-90~~ year, 70 percent of such value; for  
24 the fourth year, 60 percent of such value; for the fifth and  
25 ~~sixth-years,-75~~ year, 50 percent of such value; for the sixth  
26 year, 40 percent of such value; for the seventh year, ~~60~~ 35  
27 percent of such value; for the eighth year, ~~40~~ 30 percent of  
28 such value; for the ninth year, ~~30~~ 20 percent of such value; for  
29 the tenth year, ten percent of such value; for the 11th and each  
30 succeeding year, the sum of \$25.

31 In no event shall the annual additional tax be less than  
32 \$25. ~~The-total-tax-under-this-subdivision-shall-not-exceed-\$189~~  
33 ~~for-the-first-renewal-period-and-shall-not-exceed-\$99-for~~  
34 ~~subsequent-renewal-periods.--The-total-tax-under-this~~  
35 ~~subdivision-on-any-vehicle-filing-its-initial-registration-in~~  
36 ~~Minnesota-in-the-second-year-of-vehicle-life-shall-not-exceed~~

~~1 \$189-and-shall-not-exceed-\$99-for-subsequent-renewal-periods.~~  
~~2 The-total-tax-under-this-subdivision-on-any-vehicle-filing-its~~  
~~3 initial-registration-in-Minnesota-in-the-third-or-subsequent~~  
~~4 year-of-vehicle-life-shall-not-exceed-\$99-and-shall-not-exceed~~  
~~5 \$99-in-any-subsequent-renewal-period. The total tax paid for a~~  
~~6 vehicle's registration under this subdivision must not exceed~~  
~~7 the amount paid for the same vehicle in the previous year.~~

~~8 (i)-As-used-in-this-subdivision-and-section-168.017,-the~~  
~~9 following-terms-have-the-meanings-given:--"initial-registration"~~  
~~10 means-the-12-consecutive-months-calendar-period-from-the-day-of~~  
~~11 first-registration-of-a-vehicle-in-Minnesota,-and-"renewal~~  
~~12 periods"-means-the-12-consecutive-calendar-months-periods~~  
~~13 following-the-initial-registration-period.~~

14 Sec. 9. Minnesota Statutes 2004, section 296A.07,  
 15 subdivision 3, is amended to read:

16 Subd. 3. [RATE OF TAX.] The gasoline excise tax is imposed  
 17 at the following rates:

18 ~~(1)~~ (a) From July 1, 2005, to June 30, 2006, E85 is taxed  
 19 at the rate of ~~14.2~~ 17.0 cents per gallon;

20 ~~(2)~~ M85 is taxed at the rate of ~~11.4~~ 13.7 cents per gallon;  
 21 and

22 ~~(3)~~ all other gasoline is taxed at the rate of ~~20~~ 24 cents  
 23 per gallon.

24 (b) From July 1, 2006, to June 30, 2007, E85 is taxed at  
 25 the rate of 19.2 cents per gallon; M85 is taxed at the rate of  
 26 15.4 cents per gallon; and all other gasoline is taxed at the  
 27 rate of 27 cents per gallon.

28 (c) On and after July 1, 2007, E85 is taxed at the rate of  
 29 21.3 cents per gallon; M85 is taxed at the rate of 17.1 cents  
 30 per gallon; and all other gasoline is taxed at the rate of 30  
 31 cents per gallon.

32 Sec. 10. Minnesota Statutes 2004, section 296A.07, is  
 33 amended by adding a subdivision to read:

34 Subd. 5. [ANNUAL GASOLINE TAX RATE ADJUSTMENT.] (a) Before  
 35 April 1 of each year, the commissioner of revenue shall  
 36 recompute and publish the rate of the gasoline excise tax. The

1 new rate per gallon must be calculated by multiplying the rate  
2 in effect at the time of the calculation by an amount obtained  
3 under paragraph (b). The new rate must be rounded to the  
4 nearest 0.1 cent and is effective on April 1 of each year.

5 (b) Divide the annual average United States Consumer Price  
6 Index for all urban consumers, United States city average, as  
7 determined by the United States Department of Labor for the  
8 previous year by that annual average for the year before the  
9 previous year.

10 Sec. 11. Minnesota Statutes 2004, section 296A.08,  
11 subdivision 2, is amended to read:

12 Subd. 2. [RATE OF TAX.] The special fuel excise tax is  
13 imposed at the following rates:

14 (a) From July 1, 2005, to June 30, 2006, liquefied  
15 petroleum gas or propane is taxed at the rate of ~~15~~ 18 cents per  
16 gallon;

17 ~~(b)~~ liquefied natural gas is taxed at the rate of ~~12~~ 14.4  
18 cents per gallon; and

19 ~~(c)~~ compressed natural gas is taxed at the rate  
20 of ~~\$1.739~~ \$2.087 per thousand cubic feet; or ~~20~~ 24 cents per  
21 gasoline equivalent, as defined by the National Conference on  
22 Weights and Measures, which is 5.66 pounds of natural gas.

23 (b) From July 1, 2006, to June 30, 2007, liquefied  
24 petroleum gas or propane is taxed at the rate of 20.3 cents per  
25 gallon; liquefied natural gas is taxed at the rate of 16.2 cents  
26 per gallon; and compressed natural gas is taxed at the rate of  
27 \$2.348 per thousand cubic feet; or 27 cents per gasoline  
28 equivalent, as defined by the National Conference on Weights and  
29 Measures, which is 5.66 pounds of natural gas.

30 (c) On and after July 1, 2007, liquefied petroleum gas or  
31 propane is taxed at the rate of 22.5 cents per gallon; liquefied  
32 natural gas is taxed at the rate of 18 cents per gallon; and  
33 compressed natural gas is taxed at the rate of \$2.609 per  
34 thousand cubic feet; or 30 cents per gasoline equivalent, as  
35 defined by the National Conference on Weights and Measures,  
36 which is 5.66 pounds of natural gas.



1 (d) All other special fuel is taxed at the same rate as the  
2 gasoline excise tax as specified in section 296A.07, subdivision  
3 2. The tax is payable in the form and manner prescribed by the  
4 commissioner.

5 Sec. 12. Minnesota Statutes 2004, section 296A.08, is  
6 amended by adding a subdivision to read:

7 Subd. 7. [ANNUAL SPECIAL FUEL TAX RATE ADJUSTMENT.] (a)  
8 Before June 1 of each year, the commissioner of revenue shall  
9 recompute and publish the rate of the special fuel tax. The new  
10 rate must be calculated by multiplying the rate in effect at the  
11 time of the calculation by an amount obtained under paragraph  
12 (b). The new rate must be rounded to the nearest 0.1 cent and  
13 is effective on June 1 of each year.

14 (b) Divide the annual average United States Consumer Price  
15 Index for all urban consumers, United States city average, as  
16 determined by the United States Department of Labor for the  
17 previous year by that annual average for the year before the  
18 previous year.

19 Sec. 13. Minnesota Statutes 2004, section 297B.09,  
20 subdivision 1, is amended to read:

21 Subdivision 1. [DEPOSIT OF REVENUES.] (a) Money collected  
22 and received under this chapter must be deposited as provided in  
23 this subdivision.

24 ~~(b) From July 1, 2002, to June 30, 2003, 32 percent of the~~  
25 ~~money collected and received must be deposited in the highway~~  
26 ~~user tax distribution fund, 20.5 percent must be deposited in~~  
27 ~~the metropolitan area transit fund under section 16A.88, and~~  
28 ~~1.25 percent must be deposited in the greater Minnesota transit~~  
29 ~~fund under section 16A.88. The remaining money must be~~  
30 ~~deposited in the general fund.~~

31 ~~(c)~~ From July 1, 2003, to June 30, ~~2007~~ 2005, 30 percent of  
32 the money collected and received must be deposited in the  
33 highway user tax distribution fund, 21.5 percent must be  
34 deposited in the metropolitan area transit fund under section  
35 16A.88, 1.43 percent must be deposited in the greater Minnesota  
36 transit fund under section 16A.88, 0.65 percent must be

1 deposited in the county state-aid highway fund, and 0.17 percent  
2 must be deposited in the municipal state-aid street fund. The  
3 remaining money must be deposited in the general fund.

4 (c) From July 1, 2005, to June 30, 2007, 24 percent of the  
5 money collected and received must be deposited in the highway  
6 user tax distribution fund, one percent must be deposited in the  
7 right-of-way advance acquisition loan account established under  
8 section 446A.085, subdivision 3, 26.75 percent must be deposited  
9 in the metropolitan area transit fund under section 16A.88, and  
10 2.00 percent must be deposited in the greater Minnesota transit  
11 fund under section 16A.88. The remaining money must be  
12 deposited in the general fund.

13 (d) From July 1, 2006, to June 30, 2007, 20 percent of the  
14 money collected and received must be deposited in the highway  
15 user tax distribution fund, one percent must be deposited in the  
16 right-of-way advance acquisition loan account under section  
17 466A.085, subdivision 3, 30.5 percent must be deposited in the  
18 metropolitan area transit fund under section 16A.88, and 2.25  
19 percent must be deposited in the greater Minnesota transit fund  
20 under section 16A.88. The remaining money must be deposited in  
21 the general fund.

22 (e) From July 1, 2007, to June 30, 2008, 18 percent of the  
23 money collected and received must be deposited in the highway  
24 user tax distribution fund, 42.75 percent must be deposited in  
25 the metropolitan area transit fund under section 16A.88, 5.25  
26 percent must be deposited in the greater Minnesota transit fund  
27 under section 16A.88, and ten percent must be deposited in the  
28 multimodal transportation fund under section 16A.89. The  
29 remaining money must be deposited in the general fund.

30 (f) From July 1, 2008, to June 30, 2009, 16 percent of the  
31 money collected and received must be deposited in the highway  
32 user tax distribution fund, 44.5 percent must be deposited in  
33 the metropolitan area transit fund under section 16A.88, 5.5  
34 percent must be deposited in the greater Minnesota transit fund  
35 under section 16A.88, and 20 percent must be deposited in the  
36 multimodal transportation fund under section 16A.89. The

1 remaining money must be deposited in the general fund.

2 (g) From July 1, 2009, to June 30, 2010, 16 percent of the  
3 money collected and received must be deposited in the highway  
4 user tax distribution fund, 44.5 percent must be deposited in  
5 the metropolitan area transit fund under section 16A.88, and 5.5  
6 percent must be deposited in the greater Minnesota transit fund  
7 under section 16A.88, and 30 percent must be deposited in the  
8 multimodal transportation fund under section 16A.89. The  
9 remaining money must be deposited in the general fund.

10 ~~(d)~~ (h) On and after July 1, 2007 2011, 32 16 percent  
11 of the money collected and received must be deposited in the  
12 highway user tax distribution fund, 20-5 44.5 percent must be  
13 deposited in the metropolitan area transit fund under section  
14 16A.88, and-1-25 5.5 percent must be deposited in the greater  
15 Minnesota transit fund under section 16A.88, and 34 percent must  
16 be deposited in the multimodal transportation fund under section  
17 16A.89. The-remaining-money-must-be-deposited-in-the-general  
18 fund-

19 Sec. 14. Minnesota Statutes 2004, section 446A.085,  
20 subdivision 3, is amended to read:

21 Subd. 3. [ESTABLISHMENT OF FUND; ACCOUNTS.] (a) A  
22 transportation revolving loan fund is established to make loans  
23 for the purposes described in subdivision 2. A highway account  
24 is established in the fund for highway projects eligible under  
25 United States Code, title 23. A transit account is established  
26 in the fund for transit capital projects eligible under United  
27 States Code, title 49. A state funds general loan account is  
28 established in the fund for transportation projects eligible  
29 under state law. A right-of-way advance acquisition loan  
30 account is established in the fund for projects described in  
31 subdivision 10a. Other accounts may be established in the fund  
32 as necessary for its management and administration.

33 (b) The transportation revolving loan fund receives federal  
34 money under the act and money from any source. Money received  
35 under this section must be paid to the commissioner of finance  
36 and credited to the transportation revolving loan fund. Money

1 in the fund is annually appropriated to the authority and does  
2 not lapse. The fund must be credited with investment income,  
3 and with repayments of principal and interest, except for  
4 servicing fees assessed under sections 446A.04, subdivision 5,  
5 and 446A.11, subdivision 8.

6 Sec. 15. Minnesota Statutes 2004, section 446A.085,  
7 subdivision 8, is amended to read:

8 Subd. 8. [CERTIFICATION OF PROJECTS.] (a) Except as  
9 provided in paragraph (b), the commissioner of transportation  
10 shall consider the following information when evaluating  
11 projects to certify for funding to the Transportation Committee:

12 (1) a description of the nature and purpose of the proposed  
13 transportation project including an explanation of the need for  
14 the project and the reasons why it is in the public interest;

15 (2) the relationship of the project to the area  
16 transportation improvement program, the approved statewide  
17 transportation improvement program, and to any transportation  
18 plans required under state or federal law;

19 (3) the estimated cost of the project and the amount of  
20 loans sought;

21 (4) proposed sources of funding in addition to loans sought  
22 from the transportation revolving loan fund;

23 (5) the need for the project as part of the overall  
24 transportation system;

25 (6) the overall economic impact of the project; and

26 (7) the extent to which completion of the project will  
27 improve the movement of people and freight.

28 (b) For loans made from the right-of-way advance  
29 acquisition loan account, the commissioner of transportation  
30 shall consider the following information when evaluating  
31 projects to certify for funding to the transportation committee:

32 (1) a description of the highway project, including  
33 estimated schedules and costs, for which advance acquisition of  
34 right-of-way is sought;

35 (2) the importance of the project as measured by the  
36 criteria in paragraph (a), clauses (2) and (5) to (7);

1       (3) other sources of funding available for the acquisition;  
2       (4) the necessity of preserving right-of-way for the  
3 project as a means of reducing overall project costs and  
4 preventing incompatible land uses;  
5       (5) other options available for right-of-way preservation;  
6 and  
7       (6) the overall cost-effectiveness of advance right-of-way  
8 acquisition for the project.

9       Sec. 16. Minnesota Statutes 2004, section 446A.085, is  
10 amended by adding a subdivision to read:

11       Subd. 10a. [RIGHT-OF-WAY ADVANCE ACQUISITION LOAN  
12 ACCOUNT.] (a) Loans from the right-of-way advance acquisition  
13 loan account may be made to the state, counties, towns, and  
14 statutory or home rule charter cities for purchasing property  
15 within the right-of-way of a state trunk highway shown on an  
16 official map adopted under section 394.361 or 462.359.

17       (b) Loans under this subdivision may be made only:

18       (1) to accelerate the acquisition of primarily undeveloped  
19 property when there is a reasonable probability that the  
20 property will increase in value before highway construction, and  
21 to update an expired environmental impact statement on a project  
22 for which the right-of-way is being purchased;

23       (2) to avert the imminent conversion or the granting of  
24 approvals that would allow the conversion of property to uses  
25 that would jeopardize its availability for highway construction;  
26 or

27       (3) to take advantage of open market opportunities when  
28 developed properties become available for sale, provided all  
29 parties involved are agreeable to the sale and funds are  
30 available.

31       (c) A private property owner whose property is purchased  
32 with proceeds of a loan under this subdivision may elect to  
33 receive the purchase price either in a lump sum or in not more  
34 than four annual installments without interest on the deferred  
35 installments. If the purchase agreement provides for  
36 installment payments, the loan may be made in installments

1 corresponding to those in the purchase agreement. The recipient  
2 of an acquisition loan shall convey the property for the  
3 construction of the highway at the same price the recipient paid  
4 for the property. The price may include the costs of preparing  
5 environmental documents that were required for the acquisition  
6 and that were paid for with money that the recipient received  
7 from the account. Upon notification by the commissioner to the  
8 loan recipient that the plan to construct the highway has been  
9 abandoned or the anticipated location of the highway changed,  
10 the recipient shall sell the property at market value in  
11 accordance with the procedures required for the disposition of  
12 the property.

13 (d) All rents and other money received by the loan  
14 recipient because of the recipient's ownership of the property  
15 and all proceeds from the conveyance or sale of the property  
16 must be paid to the commissioner for deposit in the account.  
17 Amounts so received may be applied to repayment of the loan.

18 Sec. 17. [TRUNK HIGHWAY BONDS; ISSUANCE.]

19 The commissioner of finance shall, on recommendation of the  
20 commissioner of transportation, sell and issue Minnesota trunk  
21 highway bonds under Minnesota Statutes, sections 167.50 to  
22 167.52, and the Minnesota Constitution, article XI, sections 4  
23 to 7, and article XIV, section 11, at such times and in such  
24 amounts as are determined by the commissioner of  
25 transportation. Bonds issued under this section are authorized  
26 in an aggregate principal amount of \$1,000,000,000 over a  
27 ten-year period. The proceeds of the bonds, except accrued  
28 interest and any premium received on the sale of the bonds, must  
29 be credited to the bond proceeds account in the trunk highway  
30 fund. Notwithstanding Minnesota Statutes, section 16A.642, this  
31 authorization must not be canceled before February 1, 2017.

32 Sec. 18. [TRUNK HIGHWAY BOND PROCEEDS APPROPRIATION.]

33 \$1,000,000,000 is appropriated to the commissioner of  
34 transportation from the separate bond proceeds account in the  
35 trunk highway fund for the construction, reconstruction, and  
36 improvement of trunk highways, including acquisition of real

1 property. No more than \$100,000,000 of this appropriation may  
2 be encumbered in each of fiscal years 2006 to 2015. Up to 17  
3 percent of the appropriation each year may be used by the  
4 department for program delivery.

5 Sec. 19. [ROAD CONSTRUCTION APPROPRIATIONS.]

6 (a) \$61,000,000 in fiscal year 2006 and \$123,000,000 in  
7 fiscal year 2007 are appropriated from the trunk highway fund to  
8 the commissioner of transportation for state road construction.  
9 Up to 17 percent of the appropriation each year may be used by  
10 the department for program delivery.

11 (b) \$25,300,000 in fiscal year 2006 and \$54,000,000 in  
12 fiscal year 2007 is appropriated to the commissioner from the  
13 county state-aid highway fund for county state-aid.

14 (c) \$8,600,000 in fiscal year 2006 and \$16,900,000 in  
15 fiscal year 2007 is appropriated to the commissioner from the  
16 municipal state-aid street fund for municipal state-aid.

17 (d) These appropriations are in addition to any other  
18 appropriation made for fiscal years 2006 and 2007 for the same  
19 purposes.

20 Sec. 20. [TRANSIT BUDGET BASE.]

21 The general fund budget base for metropolitan transit and  
22 greater Minnesota transit for fiscal years 2008 and 2009 is zero.

23 Sec. 21. [EFFECTIVE DATE.]

24 Section 8 is effective for first registrations in this  
25 state occurring on or after July 1, 2005, and for renewals of  
26 registrations that have been assigned expiration dates of August  
27 2005 or later. Sections 1 to 7, 9, 11, and 13 to 20, are  
28 effective July 1, 2005. Sections 10 and 12 are effective July  
29 1, 2007. Sections 9 and 11 apply to all gasoline, undyed diesel  
30 fuel, and special fuel in distributor storage on July 1, 2005.

31 ARTICLE 6

32 LOCAL SALES TAX

33 Section 1. Minnesota Statutes 2004, section 161.04, is  
34 amended by adding a subdivision to read:

35 Subd. 5. [HIGHWAY SPENDING IN METROPOLITAN TRANSPORTATION  
36 DISTRICT.] In any year during which taxes authorized in section

1 297A.992, subdivision 3, are imposed, and exclusive of the  
2 expenditure of these revenues, the percentage of total trunk  
3 highway fund expenditures attributable to projects in the  
4 metropolitan transportation area, within the meaning of section  
5 297A.992, subdivision 1, may not vary more than two percentage  
6 points from the average of the previous five years of trunk  
7 highway fund metropolitan transportation area expenditures.

8 Sec. 2. [297A.992] [LOCAL TRANSPORTATION SALES AND EXCISE  
9 TAX.]

10 Subdivision 1. [DEFINITIONS.] For purposes of this section  
11 and section 161.04, subdivision 5:

12 (a) "Metropolitan transportation area" means the counties  
13 of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and  
14 Washington; and any adjacent county that is declared by  
15 resolution of its county board to be a part of the metropolitan  
16 transportation area.

17 (b) "Joint powers board" means the Metropolitan  
18 Transportation Area Joint Powers Board.

19 Subd. 2. [AUTHORIZATION; RATES.] Notwithstanding sections  
20 297A.99, subdivisions 1, 2, 3, 5, and 13; 477A.016; or any other  
21 law, the joint powers board may impose a transportation sales  
22 and use tax, at a rate of one-half of one percent on retail  
23 sales and uses taxable under chapter 297A, and may impose an  
24 excise tax on the sale of new motor vehicles, at the rate of \$20  
25 per vehicle, occurring within the jurisdiction of the taxing  
26 authority, to fund transportation improvements, as provided in  
27 this section.

28 Subd. 3. [METROPOLITAN TRANSPORTATION AREA SALES TAX.] (a)  
29 The joint powers board may impose the transportation sales and  
30 use tax and motor vehicle excise tax within the metropolitan  
31 transportation area, if approved by a majority of the voters in  
32 the metropolitan transportation area who vote on the question to  
33 impose the tax at a special election held in the metropolitan  
34 transportation area at the time of the general election the  
35 Tuesday after the first Monday in November 2006.

36 (b) A metropolitan transportation area fund is created in



1 the state treasury. After the deductions allowed in section  
2 297A.99, subdivision 11, the commissioner of revenue shall  
3 deposit all revenue from taxes imposed under this section in the  
4 fund. Money in the fund is appropriated to the commissioner of  
5 finance. The commissioner of finance shall allocate money in  
6 the fund as directed by resolution of the joint powers board  
7 under paragraph (d).

8 (c) Before imposing the tax under paragraph (a), counties  
9 in the metropolitan transportation area shall enter into a joint  
10 powers agreement to create the joint powers board to exercise  
11 the powers provided in this section. The joint powers board  
12 must consist of one representative of each county in the  
13 metropolitan transportation area. The joint powers board has  
14 the powers and duties provided in this section and in section  
15 471.59, except that the joint powers board may not issue bonds.

16 (d) By May 1 of each year, the joint powers board shall, by  
17 resolution, direct the commissioner of finance to allocate  
18 revenue in the metropolitan transportation area fund for the  
19 next fiscal year. The resolution must direct the commissioner  
20 to allocate funds to the following recipients for the following  
21 purposes:

22 (1) to the commissioner of transportation for metropolitan  
23 transportation area highway projects included in the  
24 commissioner's current ten-year highway work plan;

25 (2) to the commissioner of transportation for  
26 implementation of the commissioner's greater Minnesota transit  
27 plan in counties in the metropolitan transportation area that  
28 are directly served by greater Minnesota transit;

29 (3) to the Metropolitan Council for implementation of the  
30 public transit components of the council's 2030 transportation  
31 policy plan, and for other public transit operations and capital  
32 improvements provided or assisted by the council in counties in  
33 the metropolitan transportation area;

34 (4) to counties in the metropolitan transportation area for  
35 construction, maintenance, and improvement of local roads; and

36 (5) to counties in the metropolitan transportation area for

1 operation of and capital assistance to public transit systems  
2 that the county, or one or more cities in the county owns,  
3 operates, or contracts for.

4 Subd. 4. [TAX IN COUNTIES OUTSIDE METROPOLITAN  
5 TRANSPORTATION AREA.] Notwithstanding sections 297A.99,  
6 subdivisions 1, 2, 3, 5, and 13; 477A.016; or any other law, the  
7 board of a county outside the metropolitan transportation area,  
8 or more than one county acting under a joint powers agreement,  
9 may impose, either or both, a transportation sales tax at a rate  
10 of one-half of one percent on retail sales and uses taxable  
11 under chapter 297A and a motor vehicle excise tax on the sale of  
12 new motor vehicles at the rate of \$20 per vehicle, occurring  
13 within the jurisdiction of the taxing authority subject to  
14 approval by the voters of the county or counties at a general  
15 election. The proceeds of the tax must be dedicated exclusively  
16 to payment of the cost of a specific transportation project,  
17 which is designated at least 90 days before the referendum on  
18 imposition of the tax is conducted. The tax must terminate  
19 after the improvement has been completed.

20 Subd. 5. [ADMINISTRATION, COLLECTION, ENFORCEMENT.] The  
21 administration, collection, and enforcement provisions in  
22 section 297A.99, subdivisions 4 and 6 to 12, apply to all taxes  
23 imposed under this section.

24 Sec. 3. [REPORT.]

25 In each year during the period of imposition of the taxes  
26 authorized in Minnesota Statutes, section 297A.992, subdivision  
27 3, the commissioner of transportation and the Metropolitan  
28 Council shall report by February 1 to the house of  
29 representatives and senate committees having jurisdiction over  
30 transportation policy and finance concerning the revenues  
31 received from the metropolitan transportation area sales tax and  
32 the expenditures of that money.

33 Sec. 4. [EFFECTIVE DATE.]

34 Sections 1; 2, subdivision 3; and 3, are effective upon  
35 approval of the sales tax by the metropolitan transportation  
36 area voters in the 2006 election, and the taxes authorized in

03/17/05

[COUNSEL ] BB

SC3992

1 section 2, subdivision 3, are effective as to sales made on and  
2 after July 1, 2007.

1 Senator ..... moves to amend S.F. No. .... (SC3992) as  
2 follows:

3 Page 92, line 4, delete "24" and insert "23"

4 Page 92, line 8, delete "26.75" and insert "27.25"

5 Page 92, line 10, delete "2.00" and insert "2.50"

6 Page 92, line 13, delete "20" and insert "19"

7 Page 92, line 17, delete "30.5" and insert "31.0"

8 Page 92, line 18, delete "2.25" and insert "2.75"

9 Page 93, lines 2 and 10, delete "16" and insert "14"

10 Page 93, lines 4 and 12, delete "44.5" and insert "46"

11 Page 93, lines 5 and 14, delete "5.5" and insert "6.0"

1 Senator ..... moves to amend S.F. No. .... (SC3992) as  
2 follows:

3 Page 12, line 40, after "traffic" insert "and"

4 Page 12, line 48, delete "driver" and insert "traffic and  
5 pedestrian"

6 Page 13, line 1, delete "driver" and insert "traffic and  
7 pedestrian"

8 Page 80, delete section 6, and insert:

9 "Sec. 6. [TOWN ROAD SIGN REPLACEMENT PROGRAM.]

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

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

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

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

18 (4) establish an ongoing sign maintenance program.

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

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

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

35 [EFFECTIVE DATE.] This section takes effect on the  
36 effective date of a state or federal appropriation for the town

1 road sign replacement program."

2 Page 81, lines 1, 7, 10, after "for" insert "surface"

3 Page 89, lines 5 to 7, delete the new language and insert:

4 "(i) The annual additional tax under paragraph (h) must not

5 exceed the annual additional tax that was previously paid or due

6 on that vehicle."

7 Page 97, line 24, delete "registrations in this" and insert

8 "registration periods in which the tax is first due"

9 Page 97, line 25, delete "state occurring"

10 Page 97, line 26, delete everything after "registrations"

11 and insert "on those vehicles assigned registration periods of

12 July 1, 2005, through June 30, 2006"

13 Page 97, line 27, delete "2005"

# 2005 TRANSPORTATION FUNDING PROPOSAL

## Senator Steve Murphy

### 10 Year Revenue Estimates

#### New Gas Tax Revenues

Gas Tax Increase: 4 cents FY06  
3 cents FY07  
3 cents FY08

Fiscal Year	06	07	08	09	2010	2011	2012	2013	2014	2015	10 Year Total
Trunk Highway	75.4	133.9	194.2	197.1	200.0	203.0	206.1	209.2	212.3	215.5	1846.8
County State-Aid Highway	35.3	62.6	90.8	92.2	93.6	95.0	96.4	97.8	99.3	100.8	863.8
Municipal State-Aid Streets	10.9	19.4	28.2	28.6	29.0	29.5	29.9	30.4	30.8	31.3	268.1
Township Roads & Bridges	2.9	5.2	7.6	7.7	7.8	7.9	8.0	8.2	8.3	8.4	72.1
County & City Turnbacks	3.5	6.1	8.9	9.0	9.2	9.3	9.4	9.6	9.7	9.9	84.7
<b>TOTAL</b>	<b>128.0</b>	<b>227.4</b>	<b>329.7</b>	<b>334.6</b>	<b>339.6</b>	<b>344.7</b>	<b>349.9</b>	<b>355.2</b>	<b>360.5</b>	<b>365.9</b>	<b>3135.4</b>

#### New Gas Tax Indexing Revenues

(Assumed inflation rate, CPI-U, of 2.0% per year)

Fiscal Year	06	07	08	09	2010	2011	2012	2013	2014	2015	10 Year Total
Trunk Highway (for debt service)	0.0	0.0	0.0	11.8	24.0	36.5	49.5	64.8	80.7	97.0	364.3
County State-Aid Highway	0.0	0.0	0.0	5.5	11.2	17.1	23.1	30.3	37.7	45.4	170.4
Municipal State-Aid Streets	0.0	0.0	0.0	1.7	3.5	5.3	7.2	9.4	11.7	14.1	52.9
Township Roads & Bridges	0.0	0.0	0.0	0.5	0.9	1.4	1.9	2.5	3.2	3.8	14.2
County & City Turnbacks	0.0	0.0	0.0	0.5	1.1	1.7	2.3	3.0	3.7	4.4	16.7
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>20.1</b>	<b>40.8</b>	<b>62.1</b>	<b>84.0</b>	<b>110.1</b>	<b>137.0</b>	<b>164.6</b>	<b>618.6</b>

Gas Tax Rate in Effect (cents)	24.0	27.0	30.0	30.6	31.2	31.8	32.4	33.1	33.8	34.5
		27.00	30.00	30.60	31.21	31.82	32.44	33.05	33.76	34.48
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 Trunk Highway Bond Authorization:** \$100 mill \$100 mill \$100 mill \$100 mill \$100 mill \$100 mill \$100 mill \$100 mill \$100 mill \$100 mill \$1.0 billion

#### New Vehicle Registration Tax Revenues

Depreciation schedule: 100, 80, 70, 60, 50, 40, 35, 30, 20, 10

Phased-in, growth rate of 4.5% per 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
<b>TOTAL</b>	<b>15.3</b>	<b>57.4</b>	<b>92.0</b>	<b>119.7</b>	<b>141.2</b>	<b>158.8</b>	<b>174.7</b>	<b>188.7</b>	<b>203.0</b>	<b>218.0</b>	<b>1368.8</b>

**Transfer MVST from HUTDF for transit operating**

(Transit new share is 6.8% FY06, 10.8% FY07, 14% FY08, 16% FY09, 18% FY10 and on)

Fiscal Year	06	07	08	09	2010	2011	2012	2013	2014	2015	10 Year Total
Trunk Highway	-19.9	-34.5	-49.5	-58.5	-67.5	-69.2	-70.9	-72.7	-74.5	-76.4	
County State-Aid Highway	-12.9	-20.0	-23.1	-27.4	-31.6	-32.4	-33.2	-34.0	-34.8	-35.7	
Municipal State-Aid Streets	-3.8	-6.0	-7.2	-8.5	-9.8	-10.0	-10.3	-10.6	-10.8	-11.1	
Township Roads & Bridges	-0.8	-1.3	-1.9	-2.3	-2.6	-2.7	-2.8	-2.8	-2.9	-3.0	
County & City Turnbacks	-0.9	-1.6	-2.3	-2.7	-3.1	-3.2	-3.3	-3.3	-3.4	-3.5	
Metropolitan Transit	32.3	55.7	75.0	88.5	100.3	102.8	105.3	108.0	110.7	113.4	
Greater Minnesota Transit	6.0	7.7	9.0	10.9	14.3	14.7	15.0	15.4	15.8	16.2	
<b>TOTAL</b>	<b>0.0</b>	<b>-0.0</b>	<b>-0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-0.0</b>	<b>-0.0</b>	<b>-0.0</b>	<b>-0.0</b>	

**Gain of MVST from Passage of Constitutional Amendment**

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	08	09	2010	2011	2012	2013	2014	2015	10 Year Total
Multimodal Fund Revenues (GF "Hole")	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 transportation purposes including roads, transit and state patrol)									

TOTAL Fiscal Year	06	07	08	09	2010	2011	2012	2013	2014	2015	10 Year Total
Trunk Highway (includ bond rev; exclud. debt)	164.6	233.2	298.9	309.1	315.7	327.4	338.1	347.6	357.4	367.5	3059.4
County State-Aid Highway	26.5	58.5	93.0	103.3	112.1	123.5	134.5	146.2	158.1	170.5	1126.2
Municipal State-Aid Streets	8.4	18.3	28.9	32.1	34.8	38.3	41.7	45.4	49.1	52.9	349.9
Township Roads & Bridges	2.5	5.2	7.8	8.6	9.4	10.3	11.2	12.2	13.2	14.2	94.6
County & City Turnbacks	3.0	6.1	9.1	10.1	11.0	12.1	13.2	14.3	15.5	16.7	111.1
Metropolitan Transit	32.3	55.7	75.0	88.5	100.3	102.8	105.3	108.0	110.7	113.4	892.0
Greater Minnesota Transit	6.0	7.7	9.0	10.9	14.3	14.7	15.0	15.4	15.8	16.2	125.1
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
<b>TOTAL</b>	<b>243.3</b>	<b>384.8</b>	<b>581.7</b>	<b>686.8</b>	<b>788.6</b>	<b>850.9</b>	<b>886.5</b>	<b>922.2</b>	<b>958.7</b>	<b>996.5</b>	<b>7299.9</b>



**LOCAL OPTION TAXES**

**Metropolitan Area Transportation Sales Tax**

February 05 Forecast

FY08 Total Statewide Sales Tax	4850.1	Amount per .5 cents	373.1	\$20 per Vehicle Sale	\$10.5
FY09 Total Statewide Sales Tax	5018.6	Amount per .5 cents	386.0		\$10.7

56.4% share of statewide; 2% growth)

Fiscal Year	06	07	08	09	2010	2011	2012	2013	2014	2015	Total
Amount From 7 County Sales Tax			220.9	228.4	233.0	237.7	242.4	247.3	252.2	257.2	1919.1
50% to MnDOT for trunk highways			110.5	114.2	116.5	118.8	121.2	123.6	126.1	128.6	959.6
50% for Transit			110.5	114.2	116.5	118.8	121.2	123.6	126.1	128.6	959.6

**Wheelage Tax Revenues**

Applies to passenger vehicles, light trucks and commercial trucks

Total CY04 registrations: 4,090,947

Tax applies to 50% of vehicles after four years, at average of \$10

Fiscal Year	06	07	08	09	2010	2011	2012	2013	2014	2015	Total
Total statewide wheelage tax:	8.2	12.3	16.4	20.5	20.9	21.3	21.7	22.1	22.6	23.0	188.9

**TOTAL NEW REVENUES OVER 10 YEARS**

Trunk Highways (net of debt service)	\$3,059.4 million	Metropolitan Transit	1,851.6
County Highways (with wheelage tax)	1315.1	Greater MN Transit	125.1
Municipal Streets	349.9	Subtotal Transit	1,976.7
Township Roads	94.6		
County & City Turnbacks	111.1	Multimodal Fund for	
Metropolitan Area Highways	959.6	highways and transit	1541.4
Subtotal Highways	5,889.8		
<b>TOTAL REVENUES</b>	<b>9,407.9</b>		

Senate Research AMV

**SENATE TRANSPORTATION BUDGET DIVISION – S.F. XX**

(all dollars in thousands, direct appropriations shown)

FY 2006 - 2007 Appropriations

Senator Steve Murphy

AGENCY/PROGRAM/ACTIVITY	FUND	Governor's Rec's			Senate		
		2006	2007	Total Biennium	2006	2007	Total Biennium
<b>ARTICLE 1 TRANSPORTATION APPROPRIATIONS</b>							
<b>DEPARTMENT OF TRANSPORTATION</b>							
<b>MULTIMODAL SYSTEMS</b>							
Aeronautics	AIR	19,383	19,383	38,766	19,383	19,383	38,766
	TH	1,012	1,012	2,024	1,012	1,012	2,024
<i>Base Adjustments</i>							
Approved Transfer	TH	(175)	(175)	(350)	(175)	(175)	
<i>Recommendations</i>							
State Airports Fund Reduction	AIR						
Total Direct	AIR	19,383	19,383	38,766	19,383	19,383	38,766
	TH	837	837	1,674	837	837	1,674
	ALL	20,220	20,220	40,440	20,220	20,220	40,440
Greater MN Transit	GEN	15,810	15,810	31,620	15,810	15,810	31,620
	TH	148	148	296	148	148	296
(Open Appropriation)	GrMN	8,032	8,384	16,416	8,032	8,384	16,416
<i>Base Adjustments</i>							
Approved Transfer	TH	647	647	1,294	647	647	1,294
Total Direct	GEN	15,810	15,810	31,620	15,810	15,810	31,620
	TH	795	795	1,590	795	795	1,590
	ALL	16,605	16,605	33,210	16,605	16,605	33,210
Freight/Commercial Vehicles	GEN	346	346	692	346	346	692
	TH	4,850	4,850	9,700	4,850	4,850	9,700
<i>Base Adjustments</i>							
Approved Transfer	TH	126	126	252	126	126	252
Total Direct	GEN	346	346	692	346	346	692
	TH	4,976	4,976	9,952	4,976	4,976	9,952
	ALL	5,322	5,322	10,644	5,322	5,322	10,644
<b>TOTAL MULTIMODAL SYSTEMS</b>	GEN	16,156	16,156	32,312	16,156	16,156	32,312
	AIR	19,383	19,383	38,766	19,383	19,383	38,766
	TH	6,608	6,608	13,216	6,608	6,608	13,216
	ALL	42,147	42,147	84,294	42,147	42,147	84,294
<b>STATE ROADS</b>							
Infrastructure Investment & Ping	TH						
Infrastructure Invst Support	TH	160,994	160,994	321,988	160,994	160,994	321,988
<i>Base Adjustments</i>							
Approved Transfer	TH	7,213	7,213	14,426	7,213	7,213	14,426
Total Infrastructure Invst. Support	TH	168,207	168,207	336,414	168,207	168,207	336,414
State Road Construction	TH	685,450	685,450	1,370,900	685,450	685,450	1,370,900
<i>Base Adjustments</i>							
Current Law – AC Adjustment	TH	25,000	25,000	50,000	25,000	25,000	50,000
<i>Recommendations</i>							
Road Construction Decrease	TH	(133,500)	(29,500)	(163,000)	(133,500)	(29,500)	(163,000)
Total Road Construction	TH	576,950	680,950	1,257,900	576,950	680,950	1,257,900
Highway Debt Service	TH	60,583	60,583	121,166	60,583	60,583	121,166
<i>Base Adjustments</i>							
Feb. Forecast Debt Service Adj.	TH	(4,493)	3,803	(690)	(4,493)	3,803	(690)
<i>Recommendations</i>							
Debt Service Capital Bonding	TH	314	2,570	2,884	314	2,570	2,884
Debt Service Construction Bonding	TH	897	4,647	5,544	0	0	0
Total Debt Service	TH	57,301	71,603	128,904	56,404	66,956	123,360
Infrastructure Investment & Ping	TH						
Total Direct	TH	802,458	920,760	1,723,218	801,561	916,113	1,717,674

AGENCY/PROGRAM/ACTIVITY	FUND	Governor's Rec's			Senate		
		2006	2007	Total Biennium	2006	2007	Total Biennium
Infrastructure Operations & Maint	TH	203,641	203,641	407,282	203,641	203,641	407,282
<i>Base Adjustments</i> Approved Transfer	TH	(7,520)	(7,520)	(15,040)	(7,520)	(7,520)	(15,040)
<i>Recommendations</i> Increase Maintenance Operations	TH	8,625	8,625	17,250	8,625	8,625	17,250
Total Direct	TH	204,746	204,746	409,492	204,746	204,746	409,492
Electronic Communications	GEN	9	9	18	9	9	18
	TH	4,981	4,981	9,962	4,981	4,981	9,962
<i>Base Adjustments</i> Approved Transfer	TH	100	100	200	100	100	200
<i>Recommendations</i> Increase Operations	TH	875	875	1,750	875	875	1,750
Total Direct	GEN	9	9	18	9	9	18
	TH	5,956	5,956	11,912	5,956	5,956	11,912
	ALL	5,965	5,965	11,930	5,965	5,965	11,930
TOTAL STATE ROADS	GEN	9	9	18	9	9	18
	TH	1,013,160	1,131,462	2,144,622	1,012,263	1,126,815	2,139,078
	ALL	1,013,169	1,131,471	2,144,640	1,012,272	1,126,824	2,139,096
LOCAL ROADS							
County State Aid Roads	CSA	441,335	453,948	895,283	441,335	453,948	895,283
<i>Flexible Fund Recommendations</i> Transfer to TH Fund		10,390	7,380	17,770	0	0	0
Transfer to MSA Turnbacks County Turnbacks		5,650	1,480	7,130	5,650	1,480	7,130
Local Principal Arterials Account Rural Road Safety Account							
Municipal State Aid Streets	MSA	117,048	120,841	237,889	117,048	120,841	237,889
Total Direct	ALL	558,383	574,789	1,133,172	558,383	574,789	1,133,172
GENERAL SUPPORT & SERVICES							
Department Support	AIR	25	25	50	25	25	50
	TH	38,628	38,628	77,256	38,628	38,628	77,256
<i>Base Adjustments</i> Approved Transfer	TH	346	346	692	346	346	692
Total Direct	AIR	25	25	50	25	25	50
	TH	38,974	38,974	77,948	38,974	38,974	77,948
	ALL	38,999	38,999	77,998	38,999	38,999	77,998
Buildings	GEN	56	56	112	56	56	112
	TH	13,271	13,271	26,542	13,271	13,271	26,542
<i>Base Adjustments</i> Approved Transfer	TH	(737)	(737)	(1,474)	(737)	(737)	(1,474)
<i>Recommendations</i> Small Buildings Request	TH	4,000	4,000	8,000	4,000	4,000	8,000
Total Direct	GEN	56	56	112	56	56	112
	TH	16,534	16,534	33,068	16,534	16,534	33,068
	ALL	16,590	16,590	33,180	16,590	16,590	33,180
TOTAL GENERAL SUPPORT	GEN	56	56	112	56	56	112
	TH	55,508	55,508	111,016	55,508	55,508	111,016
	AIR	25	25	50	25	25	50
	ALL	55,589	55,589	111,178	55,589	55,589	111,178
TOTAL DEPT OF TRANSPORTATION	GEN	16,221	16,221	32,442	16,221	16,221	32,442
	TH	1,075,276	1,193,578	2,268,854	1,074,379	1,188,931	2,263,310
	AIR	19,408	19,408	38,816	19,408	19,408	38,816
	CSA	441,335	453,948	895,283	441,335	453,948	895,283
	MSA	117,048	120,841	237,889	117,048	120,841	237,889
	ALL	1,669,288	1,803,996	3,473,284	1,668,391	1,799,349	3,467,740

AGENCY/PROGRAM/ACTIVITY	FUND	Governor's Rec's			Senate		
		2006	2007	Total Biennium	2006	2007	Total Biennium
<b>METROPOLITAN COUNCIL</b>							
<b>MET COUNCIL TRANSIT</b>							
GF Budget Base	GEN	54,010	54,010	108,020	54,010	54,010	108,020
(MVST Statutory Appropriation)	MAT	120,766	126,055	246,821	120,766	126,055	246,821
<i>Base Adjustments</i>							
Current Law Base Established	GEN	(557)	(557)	(1,114)	(557)	(557)	(1,114)
Total Direct	GEN	53,453	53,453	106,906	53,453	53,453	106,906
<b>RAIL OPERATIONS</b>							
Base Adjustments	GEN	3,900	3,900	7,800	3,900	3,900	7,800
Current Law Base Established	GEN	150	1,400	1,550	150	1,400	1,550
Total Direct	GEN	4,050	5,300	9,350	4,050	5,300	9,350
<b>TOTAL METROPOLITAN COUNCIL (MVST Statutory Appropriation)</b>							
	GEN	57,503	58,753	116,256	57,503	58,753	116,256
	MAT	124,614	131,107	255,721	124,614	131,107	255,721
<b>DEPARTMENT OF PUBLIC SAFETY</b>							
<b>ADMIN &amp; RELATED SERVICES</b>							
<b>Office of Communications (No Recs)</b>							
Total Direct	GEN	39	39	78	39	39	78
	TH	346	346	692	346	346	692
	ALL	385	385	770	385	385	770
<b>Public Safety Support</b>							
	GEN	2,236	2,236	4,472	2,236	2,236	4,472
	HUTD	1,366	1,366	2,732	1,366	1,366	2,732
	TH	3,248	3,248	6,496	3,248	3,248	6,496
<i>Base Adjustments</i>							
Current Law Base Change	GEN	5	10	15	5	10	15
Total Direct	GEN	2,241	2,246	4,487	2,241	2,246	4,487
	HUTD	1,366	1,366	2,732	1,366	1,366	2,732
	TH	3,248	3,248	6,496	3,248	3,248	6,496
	ALL	6,855	6,860	13,715	6,855	6,860	13,715
<b>Technical Support Services (No Recs)</b>							
Total Direct	GEN	91	91	182	91	91	182
	HUTD	19	19	38	19	19	38
	TH	2,344	2,344	4,688	2,344	2,344	4,688
	ALL	2,454	2,454	4,908	2,454	2,454	4,908
<b>TOTAL ADMIN &amp; RELATED SERVICES</b>							
	GEN	2,371	2,376	4,747	2,371	2,376	4,747
	HUTD	1,385	1,385	2,770	1,385	1,385	2,770
	TH	5,938	5,938	11,876	5,938	5,938	11,876
	ALL	9,694	9,699	19,393	9,694	9,699	19,393
<b>STATE PATROL</b>							
<b>Patrolling Highways</b>							
	GEN	37	37	74	37	37	74
	HUTD	92	92	184	92	92	184
	TH	60,595	60,595	121,190	60,595	60,595	121,190
<i>Base Adjustments</i>							
Current Law Base Change	TH	15	6	21	15	6	21
Total Direct	GEN	37	37	74	37	37	74
	HUTD	92	92	184	92	92	184
	TH	60,610	60,601	121,211	60,610	60,601	121,211
	ALL	60,724	60,724	121,448	60,724	60,724	121,448
<b>Commercial Vehicle Enforcement (No Recommendations)</b>							
Total Direct	TH	6,474	6,474	12,948	6,474	6,474	12,948
	ALL	6,474	6,474	12,948	6,474	6,474	12,948
<b>Capitol Complex Security (No Recommendations)</b>							
Total Direct	GEN	2,834	2,834	5,668	2,834	2,834	5,668
	ALL	2,834	2,834	5,668	2,834	2,834	5,668
<b>TOTAL STATE PATROL</b>							
	GEN	2,871	2,871	5,742	2,871	2,871	5,742
	HUTD	92	92	184	92	92	184
	TH	67,084	67,075	134,159	67,084	67,075	134,159
	ALL	70,047	70,038	140,085	70,047	70,038	140,085

AGENCY/PROGRAM/ACTIVITY	FUND	Governor's Rec's			Senate		
		2006	2007	Total Biennium	2006	2007	Total Biennium
<b>DRIVER &amp; VEHICLE SERVICES</b>							
Vehicles Services	GEN HUTD	1,718	1,718	3,436	1,718	1,718	3,436
<i>Base Adjustments</i>		10,734	10,734	21,468	10,734	10,734	21,468
Current Law Base Change	HUTD	8	6	14	8	6	14
<i>Recommendations</i>							
Create Sp Rev Veh Serv Op Acc	GEN HUTD	(1,718)	(1,718)	(3,436)	(1,718)	(1,718)	(3,436)
Repeal HUTD Open Approp.	HUTD	(3,776)	(3,704)	(7,480)	(3,776)	(3,704)	(7,480)
Sp Rev Vehicle Services	HUTD	(8,462)	(8,462)	(16,924)	(8,462)	(8,462)	(16,924)
(Gov's rec is for statutory approp.)	SR-VS	16,417	16,813	33,230	16,417	16,813	33,230
Total Direct	GEN HUTD	0	0	0	0	0	0
	HUTD	6,966	7,036	14,002	6,966	7,036	14,002
	SR-VS	0	0	0	16,417	16,813	33,230
	ALL	6,966	7,036	14,002	23,383	23,849	47,232
<b>Driver Services</b>							
	GEN TH	56	56	112	56	56	112
<i>Base Adjustments</i>		24,362	24,362	48,724	24,362	24,362	48,724
Current Law Base Change	TH	54	49	103	54	49	103
<i>Recommendations</i>							
Create Sp Rev Driver Serv Op Acc	GEN TH	(56)	(56)	(112)	(56)	(56)	(112)
Sp Rev Driver Services.	TH	(24,416)	(24,411)	(48,827)	(24,416)	(24,411)	(48,827)
(Gov's rec is for statutory approp.)	SR-DS	28,006	26,965	54,971	28,006	26,965	54,971
Total Direct	GEN TH	0	0	0	0	0	0
	TH	0	0	0	0	0	0
	SR-DS	0	0	0	28,006	26,965	54,971
	ALL	0	0	0	0	0	0
<b>TOTAL DRIVER &amp; VEHICLE SERVICES</b>							
	GEN HUTD	0	0	0	0	0	0
	HUTD	6,966	7,036	14,002	6,966	7,036	14,002
	TH	0	0	0	0	0	0
	SR	0	0	0	44,423	43,778	88,201
	ALL	6,966	7,036	14,002	6,966	7,036	14,002
<b>TRAFFIC SAFETY</b>							
Traffic Safety & Research	TH SR-DS	324	324	648	0	0	0
		0	0	0	824	1,524	2,348
<b>PIPELINE SAFETY</b>							
Pipeline Safety (No Governor's Rec's)	SR	994	994	1,988	994	994	1,988
<b>TOTAL DEPT OF PUBLIC SAFETY</b>							
	GEN HUTD	5,242	5,247	10,489	5,242	5,247	10,489
	HUTD	8,443	8,513	16,956	8,443	8,513	16,956
	TH	73,346	73,337	146,683	73,022	73,013	146,035
	SR	994	994	1,988	74,247	73,261	147,508
	ALL	88,025	88,091	176,116	160,954	160,034	320,988
<b>GENERAL CONTINGENCY ACCOUNTS</b>							
	TH	200	200	400	200	200	400
	HUTD	125	125	250	125	125	250
	AIR	50	50	650	50	50	650
	ALL	375	375	750	375	375	750
<b>TORT CLAIMS</b>							
	TH	600	600	1,200	600	600	1,200
<b>ARTICLE 1</b>							
ALL AGENCIES TOTAL DIRECT	GEN	78,966	80,221	159,187	78,966	80,221	159,187
	HUTD	8,568	8,638	17,206	8,568	8,638	17,206
	TH	1,149,422	1,267,715	2,417,137	1,148,201	1,262,744	2,410,945
	AIR	19,458	19,458	38,916	19,458	19,458	38,916
	CSA	441,335	453,948	895,283	441,335	453,948	895,283
	MSA	117,048	120,841	237,889	117,048	120,841	237,889
	SR	994	994	1,988	74,247	73,261	147,508
	ALL	1,815,791	1,951,815	3,767,606	1,887,823	2,019,111	3,906,934

AGENCY/PROGRAM/ACTIVITY	FUND	Governor's Rec's			Senate		Total Biennium
		2006	2007	Total Biennium	2006	2007	
<b>AGENCY TOTAL DIRECT GENERAL FUND</b>							
MnDOT Multimodal	GEN	16,156	16,156	32,312	16,156	16,156	32,312
MnDOT State Roads	GEN	9	9	18	9	9	18
MnDOT General Support	GEN	56	56	112	56	56	112
TOTAL MnDOT	GEN	16,221	16,221	32,442	16,221	16,221	32,442
METROPOLITAN COUNCIL TRANSIT	GEN	57,503	58,753	116,256	57,503	58,753	116,256
DPS Administration	GEN	2,371	2,376	4,747	2,371	2,376	4,747
DPS State Patrol	GEN	2,871	2,871	5,742	2,871	2,871	5,742
DPS Driver & Vehicle Services	GEN	0	0	0	0	0	0
TOTAL PUBLIC SAFETY	GEN	5,242	5,247	10,489	5,242	5,247	10,489
<b>TOTAL GENERAL FUND</b>		<b>78,966</b>	<b>80,221</b>	<b>159,187</b>	<b>78,966</b>	<b>80,221</b>	<b>159,187</b>
<b>GENERAL FUND REVENUE ITEMS</b>							
<i>Recommendations:</i>							
Driver's Lic Electronic Record Fee Increase \$2.50 to \$5.00	GF	1,500	1,500	3,000	1,500	1,500	3,000
Motor Vehicle Transfer Fee Increase \$4 to \$8	GF	4,700	4,700	9,400	4,700	4,700	9,400
Accident Report Fees Transfer to SR-DS	GF	(16)	(16)	(32)	(16)	(16)	(32)
<b>TOTAL NEW GF REVENUE</b>	GF	<b>6,184</b>	<b>6,184</b>	<b>12,368</b>	<b>6,184</b>	<b>6,184</b>	<b>12,368</b>
<b>OTHER FUND REVENUE ITEMS</b>							
<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
Increase title fee by \$2.50	SR-VS	3,500	3,535	7,035	3,500	3,535	7,035
Increase salvage veh insp fee by \$15	SR-VS	197	199	396	197	199	396
Motor veh dealer lic fee increase \$50	SR-VS	215	217	432	215	217	432
New fee to expedite veh transfer \$20	SR-VS	900	909	1,809	900	909	1,809
Increase fee for driver records by \$5	SR-VS	20	20	40	20	20	40
Total Vehicle Services Operating Account	SR-VS	16,666	16,832	33,498	16,666	16,832	33,498
SR Driver Services Operating Account							
Transfer current trunk highway fees	SR-DS	24,631	24,196	48,827	25,464	25,719	51,183
Transfer current accident report fees	SR-DS	16	16	32	16	16	32
Driver's lic agent fee increase \$1.50	SR-DS	600	606	1,206	600	606	1,206
Driver's lic card fee increase \$1.50	SR-DS	1,650	1,667	3,317	1,650	1,667	3,317
New multiple road test fee \$20	SR-DS	200	202	402	200	202	402
New multiple written test fee \$10	SR-DS	300	303	603	300	303	603
New expedite service fee \$20	SR-DS	9	9	18	9	9	18
Records fee increase \$1	SR-DS	600	606	1,206	600	606	1,206
Total Driver Services Operating Account	SR-DS	28,006	27,605	55,611	28,839	29,128	57,967



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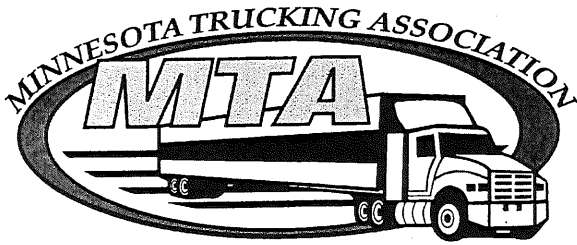
## **MBP Position Statement Transportation Funding**

A transportation system that effectively and efficiently supports the movement of people, goods and services is critical to the economic vitality of our region. The Minnesota Business Partnership joins and supports other business groups in recommending a significant investment toward improving the capacity of our multimodal transportation system. As the state considers how to fund transportation improvements, however, the Legislature should look first to reallocating existing dollars. Further, we believe that any transportation solution should reflect the following principles:

- 1) Lawmakers should review the current planning, construction and maintenance processes to identify improvements and efficiencies.
- 2) State revenues, including appropriate user fees, which derive from transportation-related activities, should be dedicated to developing and maintaining our transportation system.
- 3) Since transportation infrastructure represents a long-term capital investment, state bonding should be a component of any funding strategy.

*January 27, 2005*

3



*Minnesota's Trucking Industry...  
So Much Depends on Us*

March 22, 2005

Members of the Senate Transportation Committee:

For the last several years, the Minnesota Trucking Association (MTA) has advocated for a balanced approach to increased transportation funding. We appreciate your efforts in advocating for additional revenues.

The bill before you today continues in the Senate's tradition of providing a bold and aggressive solution to address the backlog of projects and unmet needs. Our members are delighted to see the constitutional dedication of the motor vehicle sales tax, restoration of the cuts in license tab fees, and highway bonding as part of the package. However, they are deeply concerned about the impacts of increasing the fuel tax by 50% and tying the future rate to inflation.

As major users of the state's highways, our member trucking companies have always said they are willing to pay their fair share. To that end, they have not closed the door on a fuel tax increase. But they do have concerns about implementing a steep fuel tax increase, without considering the other cost factors and regulatory burdens that truckers are currently facing. Yesterday, the price of diesel fuel hit an all-time high and is 60-cents higher than a year ago. Over the course of the next three years, fuel costs are expected to increase further due to the Minnesota biodiesel and federal ultra-low sulfur diesel mandates (see attached). Fuel is the second highest cost of a trucking operation, and sharp increases can rapidly erode profit margins that are already razor thin.

The members of the MTA ask that you take these considerations to heart as you contemplate the funding package before you today. We hope that you will move toward a package that will not be so onerous on Minnesota's trucking industry.

Sincerely,

Amber L. Backhaus  
Director of Public Affairs



Affiliate

2277 Highway 36 West #302 • Roseville, Minnesota 55113  
Ph: (651) 646-7351 Fax: (651) 641-8995 • Email: mta@mntruck.org

Good stuff.





# Annual Tax & Regulatory Burden of Minnesota's Trucking Industry

**Current:**

MN Annual Registration Fees		\$1,772
MN Fuel Tax (on 20,870 Gallons)		\$4,174
Federal Fuel, Heavy Vehicle Use & Excise Taxes		\$8,959
	Subtotal	\$14,905

**\$14,905<sup>1</sup>**

**Upcoming:**

MN Biodiesel Mandate: 2-3 Cents per Gallon (effective 7/05)		\$417-626 <sup>2</sup>
Federal Ultra-Low Sulfur Diesel Mandate: 4.7-9.2 Cents per Gallon (effective 1/06)		\$981-1,920 <sup>3</sup>
New Federal Engine Standards (effective 1/07)		\$1,319-2,070 <sup>4</sup>
<b>18-31% Increase in Costs</b>	Subtotal	\$2,717-\$4,616

**\$19,521**

**Potential:**

MN Fuel Tax Increase: 5-10 Cents per Gallon		\$1,043-2,087
<b>Additional 7-14% Increase in Costs</b>		<b>\$21,608</b>

<sup>1</sup> American Transportation Research Institute: Annual State & Federal Highway User Taxes Paid on a Typical 5-Axle Tractor-Trailer Combination; October 2004  
<sup>2</sup> *Minnesota Environment Magazine*; MPCA; Winter 2005  
<sup>3</sup> American Trucking Associations; January 2005  
<sup>4</sup> Additional engine cost of \$5,310-7,966 amortized over 5 years plus additional \$257-477 in annual maintenance



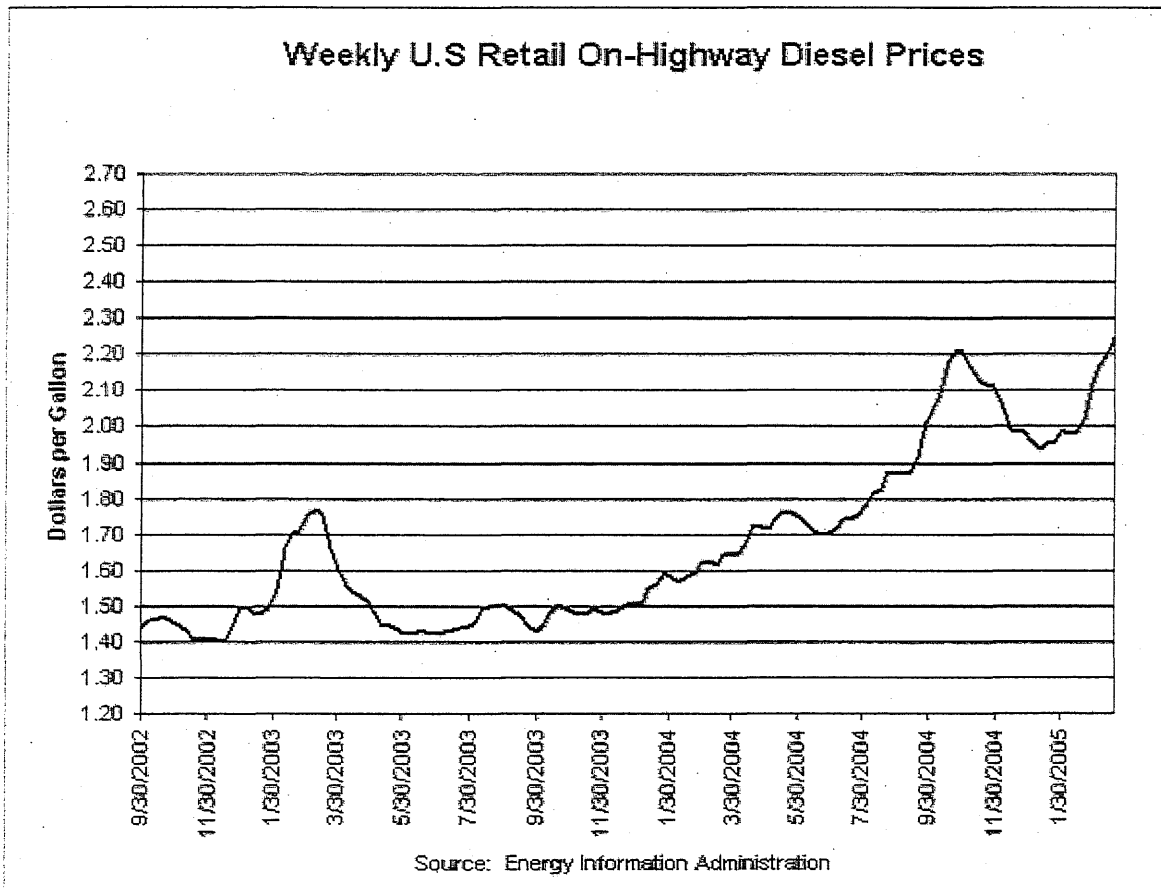
# Fuel Usage and Cost for 5-Axle Tractor-Trailer Combination

## Usage:

- 250 gallons of diesel per fill
- 20,000 gallons of diesel per year
- \$.10 increase adds \$2,000 to cost of operating one truck

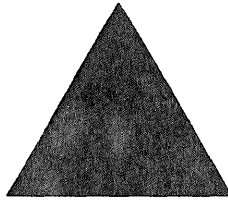
## Cost:

- March 21, 2004 \$1.64
- March 21, 2005 \$2.24\*
- \$.60 per gallon increase or 36.5% over past twelve months



\*All-time record high

①




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**NORTH METRO MAYORS  
ASSOCIATION  
TRANSPORTATION PRINCIPLES  
FOR CONSIDERATION BY THE GOVERNOR AND LEGISLATURE  
2005 SESSION**

**OVERVIEW**

The North Metro Mayors Association members believe that significant new revenues are needed for Minnesota's transportation system. We have fallen behind prudent investment schedules and are suffering safety, congestion, economic and quality of life impacts as a result. Our future well being demands that we invest now to enhance our future ability to sustain our growing population and our economic base that provides jobs and wealth to us all.

The problems created by chronic underinvestment in transportation are well known and have been well documented in reports and media coverage. There are serious proposals under consideration in the Legislature from the Governor, the Association of Minnesota Counties, the Minnesota Chamber of Commerce, the Minnesota Transportation Alliance and individual Legislators. These organizations and leaders should be congratulated for their efforts that are raising awareness of the need for significant new funding and for providing specific solutions to the funding dilemma. Our challenge now is to draw the best features from each plan and to craft a composite plan that can receive bipartisan support in the Legislature as well as the concurrence of the Governor.

The NMMA puts forth for consideration the attached PRINCIPLES that should guide the crafting of the increased transportation funding legislation.

**NMMA MEMBER CITIES**

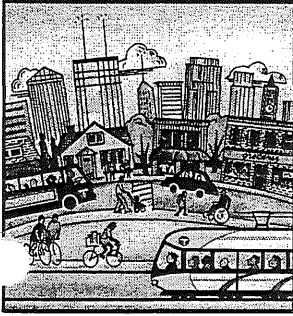
Andover	Coon Rapids	New Brighton
Anoka	Crystal	New Hope
Blaine	Dayton	Oak Grove
Brooklyn Center	Lexington	Osseo
Brooklyn Park	Maple Grove	Ramsey
Champlin	Minneapolis	Robbinsdale
Circle Pines	Mounds View	Spring Lake Park

**CONTACTS: 763-493-5373**

Steve Larson, Mayor, City of New Brighton, NMMA President  
Mark Steffenson, Mayor, City of Maple Grove, NMMA Vice President  
Joseph Strauss, NMMA Executive Vice President

## KEY PRINCIPLES

- **RELIANCE ON INCREASED USER FEES TO FUND HIGHWAY IMPROVEMENTS**
  - CONTRIBUTION PROPORTIONAL TO BURDEN IMPOSED
  - TRANSPARENCY OF RELATIONSHIP
  - GENERATIONAL EQUITY
  
- **CERTAINTY OF FUNDING FOR TRANSIT & HIGHWAYS**
  - LEGISLATIVE ACTION FOR IMMEDIATE IMPACT WITHOUT REFERENDA REQUIREMENTS
  - 100% MVST TRANSFER, STATEWIDE SALES TAX REPLACEMENT TO OFFSET GENERAL FUND IMPACT
  - MINIMAL RELIANCE ON UNCERTAIN SOURCES:
    - FEDERAL FUNDING INCREASES
    - TOLL FACILITIES
    - EFFICIENCIES
  
- **PRUDENT FISCAL MANAGEMENT**
  - PHASE IN OF REVENUE INCREASES:
    - AVOID HIGHWAY PROGRAM SURGE/DELIVERY PROBLEMS
    - LEAD TIME NEEDED FOR MAJOR TRANSIT CORRIDOR PROJECTS
  - LIMITED BONDING PAID FROM NEW REVENUE SOURCE:
    - PROVIDE RESOURCES TO ADVANCE HIGH PRIORITY CRITICAL BRIDGES AND BELTWAY BOTTLENECK PROJECTS
    - NEW BOND REVENUES AFTER CURRENT BONDS/ADVANCED FEDERAL CONSTRUCTION FUNDS
  - PROVIDE EARLY NEW FUNDING FOR SYSTEM PARTNERS THAT ALSO NEED HELP:
    - CITY AND COUNTY STATE AID ACCOUNTS NOT BENEFITED FROM USER FEE INCREASES SINCE 1988
    - TRANSIT SERVICE CUTS MUST BE REVERSED



## Denver Colorado The Next Transit Metropolis

(E)

### Transit for Livable Communities

*TLC is a non-profit organization working to improve the quality of life in Minnesota communities by promoting transit, walking, biking and transit oriented development.*

*Our major policy initiatives include:*

- *Securing increased and dedicated funding for transit, biking and walking.*
- *Encouraging development and zoning that supports walking, biking, and transit.*
- *Advocating for reform of state transportation funding, road design practices, and local parking policies.*

To contact TLC:

Write to:

626 Selby Avenue, Suite A  
St. Paul, MN 55104

Phone: 651-767-0298

E-mail: [tlc@tlcminnesota.org](mailto:tlc@tlcminnesota.org)

Web: [www.tlcminnesota.org](http://www.tlcminnesota.org)

Jan 05

Color Green

### Transit referendum passes.

On November 2nd, voters in the Denver metropolitan area approved a referendum to greatly expand public transit. Passage of the referendum will pay for **\$4.7 billion** in transit improvements over the next 12 years through an increase in the regional sales tax – from 6/10ths of a cent to a full cent (a dime on a \$10 purchase). The referendum, known as FasTracks, was strongly supported by Denver voters, the business community, and local elected officials.

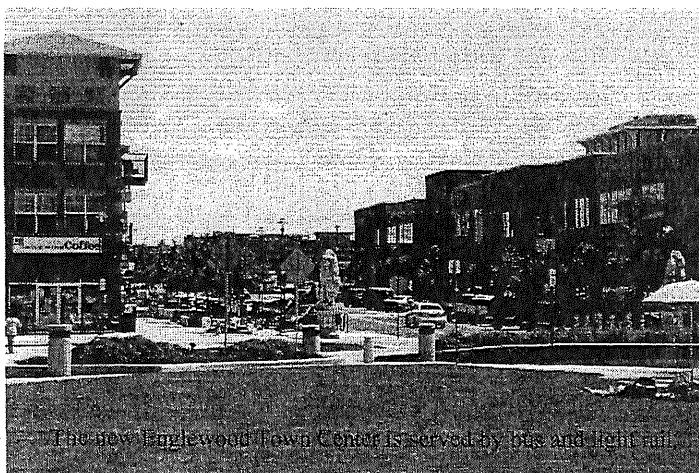


Fare-free buses on Denver's Transit Mall

**FasTracks will add 119 miles of new light rail and commuter rail, 18 miles of rapid bus transit, 21,000 new parking spaces at transit stations, and expanded bus service throughout the region; much of it in the suburbs.** Denver's transit agency, the Regional Transit District (RTD), currently operates 16 miles of LRT, two downtown transit stations connected by a fare-free transit mall, express bus service on dozens of miles of HOV lanes, and frequent bus service. Denver's T-REX project, which opens in 2006, will widen I-25 to three lanes in each direction and add 19 miles of light rail.

**The Denver metro area has 20% FEWER highway lane miles per person than does the Twin Cities region.<sup>1</sup>** Transit ridership in Denver was 78 million in 2003 (8% higher than in the Twin Cities region).

**Transit-oriented development** continues in Denver; in down-town along the transit mall and at Union Station; and to the southwest along the light rail line. Light rail has helped to transform the site of an abandoned shopping mall in the City of Englewood into a new Civic Center and acres of high density housing. RTD is planning for 50 new transit villages, most of them along the expanding rail system.

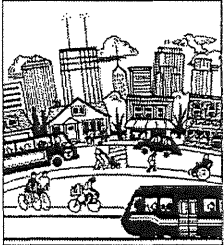


The new Englewood Town Center is served by bus and light rail.

(over)

## Denver Colorado The New Transit Metropolis

### TRANSIT for



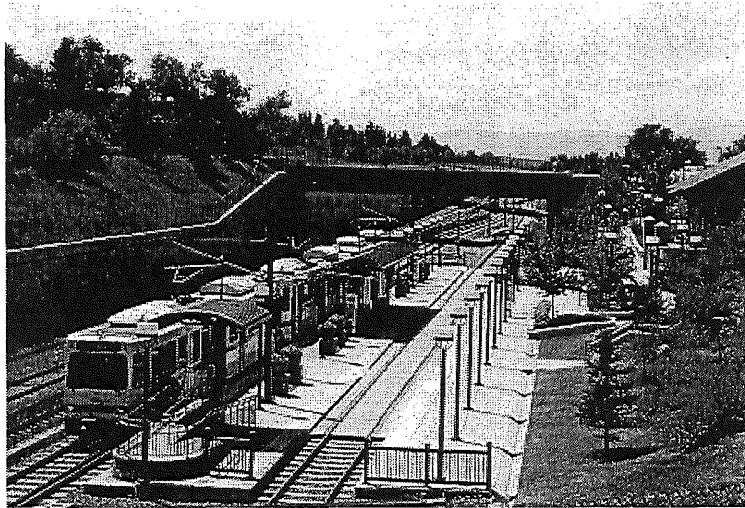
### Livable Communities

This fact sheet was produced with support from the Joyce, McKnight, and Minneapolis Foundations.

Check out TLC's other fact sheets.

Available fact sheets include:

- *New Rail Starts*
- *Subsidies for Roads and Transit*
- *Peer City Investment in Public Transit*
- *Sources of Funding for Transit in Peer Cities*
- *Myths about Transit in the Twin Cities Region*
- *Revenues to Minnesota's Highway Users Tax Distribution Fund*
- *Transit Routes and Ridership in North American Cities*
- *Highway Lane miles in the Largest 25 Regions*



Light rail station in Littleton Colorado, southwest of downtown Denver. Light rail on this corridor carries 33,000 riders each weekday. During peak hours, LRT carries 19 percent of peak hour travelers in the US-85 corridor.

**Transit is key transportation strategy.** The *2030 Metro Vision RTP* developed by Denver's Regional Council of Governments identifies \$30 billion in state and regional spending for roads, transit, safety, bike and pedestrian spending for the 25-year planning horizon. Of this amount, \$19.5 billion or 65% is for transit, travel demand management, and bike and pedestrian projects.

**Denver is not alone.** Nearly every major metropolitan area in the US has made a similar commitment to transit.

- **Dallas** with its one cent sales tax for transit has built a robust bus, light rail and commuter rail system. That region now has 44 miles of light rail and 35 miles of regional rail connecting Dallas and Ft. Worth. Dallas plans to double its light rail system by 2014. Dallas has more highway lane miles per capita than the Twin Cities and a very sprawling land use pattern.
- **San Diego** has nearly 100 miles of rail transit. *Mobility 2030*, the transportation plan for the region, calls for "transit to be the first choice for many trips" and projects a "double-digit transit mode share in the peak hour." Of the \$20 billion in major capital investments planned for 2002 to 2030, \$8.5 billion (42%) is for transit; \$6.6 billion (37%) is for HOV, managed lanes, and HOV connectors; and \$4.1 billion is for highway system completion, widening, and connections.
- **Phoenix** voters approved a roads and transit referendum in 2004. That proposal will add 27 miles of light rail. Phoenix will also expand its regional highway system which is only 2/3rds the size of the highway system in the Twin Cities region.

#### Endnotes:

1. Department of Transportation, Federal Highway Administration. Urbanized Areas, Selected Characteristics—2002 ([www.fhwa.dot.gov/policy/ohim/hs02/hm72.htm](http://www.fhwa.dot.gov/policy/ohim/hs02/hm72.htm))

# 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.gccta.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](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**

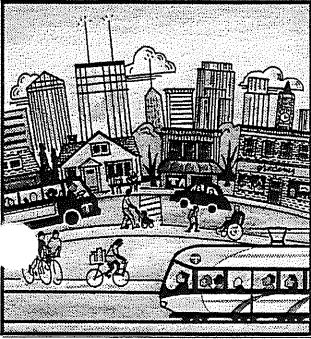
626 Selby Avenue, Suite A

St. Paul, MN 55104

Tel.: (651) 767-0298

Email: [tic@tcmnnesota.org](mailto:tic@tcmnnesota.org)





## Findings from the 2004 Urban Mobility Report

Twin Cities transit cuts increased congestion delay and costs

### Transit for Livable Communities

TLC is a non-profit organization working to improve the quality of life in Minnesota communities by encouraging transit, walking, biking and transit oriented development.

Our major policy initiatives include:

- Securing increased and dedicated funding for transit, biking and walking.
- Encouraging development and zoning that supports walking, biking, and transit.
- Advocating for reform of state transportation funding, road design practices, and local parking policies.

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Web: [www.tlcminnesota.org](http://www.tlcminnesota.org)

Nov 04 White

The Texas Transportation Institute at Texas A & M University issued its **2004 Urban Mobility Report** in September. The *Mobility Report* estimates peak period highway congestion and its costs for 85 urban areas in the U.S. for 2002. The report also estimates the value of public transit and "operational treatments," including incident management, ramp meters, access management, and signal coordination in reducing congestion.

**The report notes that nationwide, congestion continues to increase and that transit and operational treatments play a vital role in reducing congestion delay and costs.**

For the Twin Cities region, the *Mobility Report* found that congestion delay and the rate as which congestion is growing declined in 2002, but is still up dramatically from the 1980's. In addition, the impact of cuts in Twin Cities area bus service and fare increases were evident as the estimated value of transit's benefit in congestion relief declined dramatically in 2002. Finally, MnDOT's program of ramp meters, incident and access management have a significant impact on reducing congestion delays and costs.

### Transit Reduces Congestion

The *Mobility Report* estimates public transit's role in reducing delay. For the Twin Cities region, it found that transit reduced delay by 10.1 million hours for an estimated annual congestion savings

of **\$180 million**. This number is **\$47 million less** than the 2001 estimate of **\$227 million**. A bus fare increase and transit service cuts in 2002 reduced transit ridership and transit's ability to provide congestion relief.

Regions with greater transit investment are found to have far greater congestion savings. Transit in Seattle saved \$585 million - 225% more than transit in the Twin Cities region, Chicago transit saved \$1.6 billion - 800% more, Portland transit saved \$256 million - 42% more, San Diego transit saved \$236 million - 30% more.

These estimates of congestion savings do not include a financial estimate of transit's value in serving people without access to a car, reducing the need for parking, reducing air and water pollution, and influencing development patterns.

### "Operational Treatments" Reduce Congestion

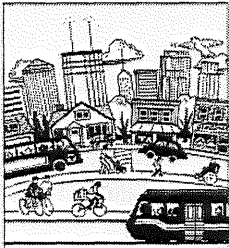
The report also measures the collective congestion savings from operational treatments including ramp metering, HOV lanes, incident management, traffic signal coordination, and arterial street access management. The *Mobility Report* found that in the Twin Cities region, operational treatments reduced delay by 10.5 million hours for an annual estimated congestion savings of \$187 million.

When compared with other regions, the Twin Cities region ranks very high (7<sup>th</sup>)



## Findings from the 2004 Urban Mobility Report

### TRANSIT for



### Livable Communities

Check out additional TLC policy briefs.

- *Subsidies for Roads and Transit*
- *Peer City Investment in Public Transit*
- *Sources of Funding for Transit in Peer Cities*
- *Myths about Transit in the Twin Cities Region*
- *Revenues to Minnesota's Highway Users Tax Distribution Fund*
- *Transit Routes and Ridership in North American Cities*
- *New Rail Starts*

in estimated savings from operational treatments – scoring higher than many larger regions. The estimate of time savings from operational treatments was up from 9 million hours in 2001. According to a spokesperson from the Minnesota Department of Transportation, this increase is primarily a result of improved data collection.

### Travel Time Index (TTI) was 1.34

The travel time index or the time penalty for traveling in the peak hours for the Twin Cities region was calculated to be **1.34**. With a travel time index of 1.34, a 20 minute trip made in the off peak hours takes 27 minutes when made in the peak period (20 minutes multiplied by 1.34). The ranking of TTI indexes placed the Twin Cities region **21st** when compared with other regions.

### Peak Hour Travelers Wasted 42 Hours in Congestion

The annual delay per traveler for the Twin Cities region for travel during the peak period was calculated to be **42 hours**. This means that those drivers traveling during the peak hours experience on average 42 hours of delay each year. The ranking of annual delay per traveler placed the Twin Cities region **22<sup>nd</sup>** when compared with other regions.

Putting the delay measurement in context:

- The 11 largest metropolitan regions had an average annual delay per traveler of 62 hours and the 27 cities with a population of 1 million to 3

million (of which we are one of the largest) has an average delay of 38 hours.

- The method of calculating delay changed from the previous report so a comparison with 2001 can't be made.
- The Twin Cities region ranked **9<sup>th</sup>** for the rate at which congestion grew between 1982 and 2002.

### Region's Estimated Congestion Cost Nears \$1 billion

The *Mobility Report* estimates that peak period congestion cost travelers in the Twin Cities region \$971 million in wasted time and fuel in 2002. At this amount, the Twin Cities region ranks 17th.

### Recommended "Solutions" from the *Mobility Report*

To reduce the rate of congestion growth, the authors recommend a broad range of strategies tailored to each particular region including:

- More road and public transit projects
- Efficient utilization of current facilities
- Manage the demand to avoid peak period travel
- Provide land use options that reduce the effect of growth
- Realistic expectations

For a copy of the *Mobility Report* see [www.mobility.tamu.edu](http://www.mobility.tamu.edu)

## Federal New Starts Program

### Grant Awards for Top Grant Recipients 1992 - 2003

**Overview:** The New Starts program is a competitive grant program administered by the Federal Transit Administration authorized by the transportation funding bill known as TEA-21 and its predecessor ISTEA. The program funds locally-planned, implemented, and operated transit "guideway" capital investments, both bus and rail. TEA-21 authorized a total of \$8.2 billion in New Starts for the six-year period. Grants are available for start-up, expansion, and rehabilitation.

**The Twin Cities region:** The Twin Cities region received funding from TEA-21 for the Hiawatha LRT project. The Twin Cities region received no funding under ISTEA because it had no project and no local matching funds.

#### Federal New Starts Program - Award Amounts 1992 - 2003

(In millions of dollars, rounded)

Grantee Name	Total ISTEA	Total TEA-21	Total 1992 - 2003	Per-capita Amount (1)
1 Tri-Met (Portland OR)	\$551	\$240	\$791	\$500
2 UTA (Salt Lake City)	67	278	345	388
3 Bi-State (St. Louis)	144	204	349	168
4 MUNI (San Francisco)	196	287	484	150
5 MTA (Maryland)	172	107	280	148
6 Metro (Houston)	287	249	536	140
7 RTD (Denver)	3	247	250	126
8 MBTA (Boston)	143	196	339	122
9 MARTA (Atlanta)	142	283	425	122
10 VTA (San Jose)	103	80	183	119
11 Port Authority (Pittsburgh)	131	52	183	104
12 MTA & New Jersey Transit Corp.	894	641	1,535	96
13 Metro Council (Mpls-St Paul)	0	227	227	95
14 DART (Dallas)	176	215	391	94
15 RTD (Sacramento)	9	103	112	80
16 MTDB (San Diego)	1	187	188	70
17 MTA (Los Angeles)	441	302	742	65
18 Puget Sound RTA (Seattle)	2	160	163	60
19 RTA, CTA, City of Chicago (2)	55	256	310	46
20 WMATA (Washington DC)	0	153	153	39
21 Miami-Dade Transit+Tri-Rail (Florida)	82	99	181	37

(1) Based on urban area population from the 2000 Census

(2) Grants to three agencies in Chicago region combined

Information from the Federal Transit Administration  
 Prepared by Transit for Livable Communities  
 626 Selby Avenue, Suite A, St. Paul, MN 55104  
 Phone 651-767-0298, E-mail [tlc@tlcminnesota.org](mailto:tlc@tlcminnesota.org)

1 Senator ..... moves to amend S.F. No. .... (SC3992) as  
2 follows:

3 Page 5, after line 10, insert:

4 "\$100,000 the first year is to develop  
5 and evaluate engineering concepts and  
6 layouts for the reconstruction of  
7 marked Interstate Highway I-35W from  
8 marked Interstate Highway I-694 in  
9 Ramsey County to marked Interstate  
10 Highway I-35 in Anoka County. This  
11 appropriation may be used to conduct  
12 all necessary planning and public  
13 involvement actions leading to a  
14 scoping decision based on the preferred  
15 alternative. Plans for marked  
16 Interstate Highway I-35W must identify  
17 all necessary improvements to  
18 appropriate segments of Trunk Highway  
19 marked 10, marked Interstate Highway  
20 I-694, and related county and city  
21 infrastructure."

1 Senator ..... moves to amend S.F. No. .... (SC3992) as  
2 follows:

3 Page 98, line 12, delete "counties" and insert "area of all  
4 counties designated on or before ....., by resolution of each  
5 county board, to be a part of the metropolitan transportation  
6 area, together with counties so designated after ....., subject  
7 to the concurrence of the joint powers board. Counties eligible  
8 for designation as part of the metropolitan transportation area  
9 are Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, Washington,  
10 and any adjacent county."

11 Page 98, delete lines 13 to 16

12 Page 98, line 31, delete "voters in" and insert "members of  
13 the joint powers board."

14 Page 98, delete lines 32 to 35

15 Page 100, line 13, delete "subject to" and insert ". The  
16 board of a county that is eligible for designation as part of  
17 the metropolitan transportation area under section 297A.992,  
18 subdivision 1, may not impose a transportation sales tax other  
19 than through participation in the Metropolitan Transportation  
20 Area Joint Powers Board"

21 Page 100, delete line 14

22 Page 100, line 15, delete "election"

23 Page 100, line 16, delete the comma, and insert "or to the  
24 costs of transit operations."

25 Page 100, delete line 17

26 Page 100, line 18, delete everything before "The"

27 Page 100, delete line 19, and insert "on the date  
28 determined by majority vote of the county board or joint powers  
29 board."

30 Pages 100 to 101, delete section 4

1 Senator ..... moves to amend S.F. No. .... (SC3992) as  
2 follows:

3 Page 78, after line 2, insert:

4 "Sec. 2. [160.95] [STREET UTILITY FEE.]

5 Subdivision 1. [DEFINITIONS.] For the purposes of this  
6 section, the following terms have the meanings given.

7 (a) "Municipality" means a home rule charter or statutory  
8 city.

9 (b) "Governing body" means the city council of a  
10 municipality.

11 (c) "Reconstruction" means paving, grading, curbs and  
12 gutters, bridge repair, overlays, drainage, base work, subgrade  
13 corrections, and boulevard restoration.

14 (d) "Facility upgrade" means traffic signals, turn lanes,  
15 medians, street approaches, alleys, rights-of-way, sidewalks,  
16 retaining walls, fence installation, and additional traffic  
17 lanes.

18 (e) "Maintenance" means striping, seal coating, crack  
19 sealing, sidewalk maintenance, signal maintenance, street light  
20 maintenance, and signage.

21 Subd. 2. [AUTHORIZATION.] A municipality may impose the  
22 street utility fee provided in this section against land located  
23 within its boundaries.

24 Subd. 3. [PROCEDURES FOR ADOPTION.] A municipality may  
25 impose the street utility fee provided in this section by  
26 ordinance adopted by a two-thirds vote of its governing body.  
27 The ordinance must not be voted on or adopted until after a  
28 public hearing has been held on the question. A notice of the  
29 time, place, and purpose of the hearing must be published at  
30 least once in each week for two successive weeks in the official  
31 newspaper of the municipality, or in a newspaper of general  
32 content and circulation within the municipality, and the last  
33 notice must be published at least seven days before the  
34 hearing. The municipality must file the ordinance of record, if  
35 adopted, with the county recorder and provide a copy to the  
36 county auditor.

1        Subd. 4. [COLLECTION.] The ordinance adopted under this  
2 section must provide for the billing and payment of the fee on a  
3 monthly, quarterly, or other basis as directed by the governing  
4 body. Fees that, as of October 15 each calendar year, have  
5 remained unpaid for at least 30 days must be certified to the  
6 county auditor for collection as a special assessment payable in  
7 the following calendar year against the affected property.

8        Subd. 5. [MASTER PLAN REQUIREMENT.] A municipality may not  
9 impose the fee provided in this section unless it has prepared  
10 and adopted a master plan that includes information on the  
11 proposed reconstruction, facility upgrade, and maintenance for  
12 the following five years. A capital improvement plan, public  
13 facility plan, or comparable information qualifies as a master  
14 plan. The master plan must include information on the proposed  
15 funding sources for all projects required to be included in the  
16 plan. The master plan must be adopted by the governing body  
17 following a hearing and publication of notice of the hearing, as  
18 provided in subdivision 3.

19        Subd. 6. [USE OF PROCEEDS.] Revenues from the fee  
20 authorized in this section may only be used for specific  
21 projects listed in the master plan. The municipality may not  
22 accumulate revenues from the fee beyond the estimated costs for  
23 reconstructions, facility upgrades, and maintenance that are  
24 described in the master plan.

25        Subd. 7. [DETERMINATION OF FEES.] The fee imposed must be  
26 based on the relationship of the revenues the municipality  
27 proposes to generate and the traffic impact of each type of land  
28 use, and may be established:

29        (1) by reference to the trip-generation rate for each type  
30 of land use based on the most current edition of the Institute  
31 of Traffic Engineers Trip Generation Manual;

32        (2) on another methodology that recognizes the relationship  
33 between land use and traffic impact; or

34        (3) on any other equitable basis as may be determined by  
35 the municipality.

36        Subd. 8. [APPEALS.] A property owner may administratively

1 appeal the amount of the fee or the basis on which the  
2 municipality calculated the fee, to the governing body within 60  
3 days after notice of the amount of fee due has been mailed to  
4 the property owner. The appeal must be in writing, signed, and  
5 dated by the property owner, and must state the reasons why the  
6 amount of the fee or the basis for its calculation is  
7 incorrect. The decision of the governing body may be appealed  
8 to the district court. If the governing body does not make a  
9 decision within six months after the filing of an administrative  
10 appeal, the property owner may elect to appeal to the district  
11 court. Appeals of a fee or the basis for its calculation, to  
12 the district court shall be made as prescribed in section  
13 429.081.

14 Subd. 9. [SPECIAL ASSESSMENTS; BONDS; PROPERTY TAX  
15 LEVIES.] The use of the street utility fee by a municipality  
16 does not restrict the municipality from imposing other measures  
17 to pay the costs of local street reconstruction, facility  
18 upgrades, or maintenance, such as levying special assessments,  
19 issuing bond debt, or levying property taxes.

20 [EFFECTIVE DATE.] This section is effective for fees  
21 payable in 2006 and thereafter."

22 Renumber the sections in sequence and correct the internal  
23 references

24 Amend the title accordingly