

Tom Bottem, Director

Minnesota Senate Building  
95 University Ave. W. Suite 3300  
ST. PAUL, MN 55155-1800  
(651) 296-4791  
www.senate.mn/scrfa

## S.F. No. 3582 – Driver and vehicle service process modifications (as amended by the A-8 amendment)

**Author:** Senator Scott J. Newman

**Prepared by:** Alexis C. Stangl, Senate Counsel (651/296-4397)

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**S.F. 3582** makes various changes relating to driver and vehicle services processes. With two exceptions<sup>1</sup>, the bill implements the recommendations from the “Driver and Vehicle Services Report of the Independent Expert Review” (“Report”) submitted to the legislature on January 12, 2022.<sup>2</sup>

**Section 1 [§168.002; Full-service provider]** provides a definition of “full-service provider” in **chapter 168** (vehicle registration). A full-service provider is a person who performs the functions of both a deputy registrar and a full-service driver’s license agent. This corresponds to the term “full-service deputy registrar” used in the Report.

**Section 2 [§168.327; Records and fees]** allows a full-service provider to provide copies of driver and vehicle records. The full-service provider collects a fee for the request and retains the majority of the fee but must submit a portion of the fee to the commissioner of public safety (“commissioner”) to be deposited into the general fund. This section corresponds to Report recommendation 2.

**Section 3 [§168.327; Requests for information; surcharge on fee]** requires a full-service provider to impose a surcharge on certain requests. The full-service provider must submit the fee to the commissioner to be deposited into the general fund. This section corresponds to Report

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<sup>1</sup> Two recommendations were not included because current state law addresses the issue raised by the recommendation. Recommendation 20 is that the Department of Public Safety should identify cost-effective and customer-friendly ways to use kiosks for driver and vehicle transactions. Laws 2021, 1<sup>st</sup> special session, article 4, section 136, requires the commissioner of public safety to submit a report on the use of kiosks by December 1, 2022. Recommendation 21 suggests that statutes should be amended to allow online application for replacement of class D driver’s licenses. Minn. Stat. §171.07, subd. 7, was enacted in June 2022 and requires the commissioner to establish a process for an eligible individual to apply remotely for a driver’s license or identification card.

<sup>2</sup> The full report is available here: [https://www.senate.mn/committees/2021-2022/3102\\_Committee\\_on\\_Transportation\\_Finance\\_and\\_Policy/IER%20Final%20Report%20-%20Jan%2012%202022.pdf](https://www.senate.mn/committees/2021-2022/3102_Committee_on_Transportation_Finance_and_Policy/IER%20Final%20Report%20-%20Jan%2012%202022.pdf)

recommendation 2. An outdated reference to technology is deleted and replaced with current technology terminology.

**Section 4 [§168.327; exception to fee and surcharge]** prohibits a full-service provider from collecting the surcharge referenced in **section 3** in certain situations. This section corresponds to Report recommendation 2.

**Section 5 [§168.33; Filing fees; allocations]** requires a portion of filing fees collected by the commissioner for mail or online vehicle transactions to be deposited into the full-service provider account established in **section 23**. This corresponds to Report recommendation 5. A \$5 surcharge is imposed on all transactions submitted by mail.

**Section 6 [§168.345; Use of Vehicle Registration Information]** allows information about vehicle registrations to be provided over the phone to the owner of the vehicle. This section corresponds to Report recommendation 3.

**Section 7 [§169.09, subd. 13; Reports confidential; evidence, fee, penalty, appropriation]** allows a full-service provider to provide copies of accident reports and to collect a fee. The full-service provider collects a fee for the request and retains the majority of the fee but must submit a portion of the fee to the commissioner to be deposited into the general fund. This section corresponds to Report recommendation 2. Obsolete language is stricken.

**Section 8 [§171.01; Full-service provider]** provides a definition of “full-service provider” in **chapter 171** (drivers’ licenses and training schools). A full-service provider is a person who performs the functions of both a deputy registrar and a full-service driver’s license agent. This corresponds to the term “full-service deputy registrar” used in the Report.

**Section 9 [§171.02; Motorized bicycle]** extends the renewal period for a motorized bicycle permit from four to eight years. This section corresponds to Report recommendation 10.

**Section 10 [§171.06; Fees]** requires half of the filing fees collected by the commissioner for mail or online driver’s licenses and ID transactions to be deposited into the full-service provider account established in **section 23**. This corresponds to Report recommendation 5.

**Section 11 [§171.06; Preapplication; REAL ID]** requires the commissioner to establish a process for an applicant for a REAL ID driver’s license or ID card to submit a preapplication. The preapplication must generate a list of documents the applicant must submit in person at the time of application. This mirrors the existing process. The commissioner must also provide a link to the preapplication website at the time an individual schedules an appointment to apply for a REAL ID driver’s license or ID card. This corresponds to a portion of Report recommendation 22.

**Section 12 [§171.061; Fee; equipment]** increases the filing fees for new and renewal driver’s license and ID card applications. This corresponds to Report recommendation 4.

**Section 13 [§171.07; Identification card expiration]** extends the renewal period for ID cards from four to eight years. This section corresponds to Report recommendation 10.

**Section 14 [§171.0705; Manual and study materials availability]** requires the commissioner to post on the department’s website the driver’s manual and study support materials for the written and skills exam. This corresponds to a portion of Report recommendation 7.

**Section 15 [§171.071; Variance for homebound individuals]** makes a conforming change to reference the eight-year renewal period. This section corresponds to Report recommendation 10.

**Section 16 [§171.12; Driver and vehicle services information system; security and auditing]** prohibits the commissioner from suspending or revoking access to MnDRIVE when the person properly accessed the data, regardless of whether a transaction was complete. It also requires the commissioner to establish an appeals process. This section corresponds to Report recommendation 29.

**Section 17 [§171.13; Examination subjects and locations; provisions for color blindness, disabled veterans]** requires the commissioner to ensure that 40 or more exam stations are located throughout the state. The existing requirements on exam station locations is stricken. This section corresponds to Report recommendation 6. The requirement that the commissioner ensure applicants are able to obtain an appointment within 13 days is stricken. The commissioner is required to provide real-time information on the department's website about availability and location of exam appointments.

**Section 18 [171.13; Waiver when license issued by another jurisdiction]** eliminates the requirement for new Minnesota residents to take the written knowledge test when getting a Minnesota driver's license. This section corresponds with Report recommendation 10.

**Section 19 [§ 171.13, subd. 7; Examination fee]** amends the fee amount for a third or subsequent knowledge or skills test. The amount is unspecified. This corresponds to a portion of Report recommendation 7.

**Section 20 [§171.27; Expiration]** extends the renewal period for driver's licenses from four to eight years. This section corresponds to Report recommendation 10.

**Section 21 [§171.27; Extension of expiration]** makes a conforming change to the extended renewal period for driver's licenses. This section corresponds to Report recommendation 10.

**Section 22 [§299A.705; Vehicle services operating account]** appropriates an unspecified amount per mail or online transaction from the vehicle services operating account to the commissioner for purposes of fulfilling mail and online transactions. This section corresponds to Report recommendation 19.

**Section 23 [§299A.705; Full-service provider account]** establishes a new account in the special revenue fund. Money in this account is annually appropriated to the commissioner to distribute to full-service providers based proportionally on the number of transactions completed. These sections correspond to Report recommendation 5, except the Report recommends that the fees be distributed to the nearest full-service provider.

**Section 24 [Report; transition to digital titles and drivers' licenses]** requires the commissioner of public safety to report to the legislature on transitioning from physical driver and vehicle documents to digital versions of the same documents. This section corresponds to Report recommendation 26.

**Section 25 [Report; Department of Natural Resources; potential use of MnDRIVE]** requires the commissioners of public safety and natural resources to study replacing the Department of Natural Resource's registration system with MnDRIVE (the state's driver and vehicle registration system) and report back to the legislature. This section corresponds to Report recommendation 17.

**Section 26 [Report; Implementation of driver and vehicle services recommendations]** includes the remainder of the recommendations from the Report and encourages the commissioner to implement the recommendations. The commissioner must report to the legislature at the end of the

year about which recommendations have been implemented, are in the process of being implemented, or will not be implemented. The commissioner must also report on whether the recommendations from the March 2021 report by the Legislative Auditor have been implemented. This section corresponds to Report recommendations 1, 7, 8, 11-16, 18, 22-25, and 27-31. This section is effective the day following final enactment.

**Section 25 [Effective date]** provides that this act is effective August 1, 2022, except as otherwise provided.