

2.1 passenger rail; tourist information centers;
 2.2 parades, events, or sponsorship of events; or
 2.3 public electric vehicle infrastructure.

2.4 **Subd. 2. State Roads**

2.5 **(a) State Road Construction** -0- 2,000,000

2.6 **(b) Corridors of Commerce** -0- 6,000,000

2.7 This appropriation is for the corridors of
 2.8 commerce program under Minnesota Statutes,
 2.9 section 161.088. The commissioner may use
 2.10 up to 17 percent of the amount in each year
 2.11 for program delivery.

2.12 **Subd. 3. Local Roads**

2.13 **(a) County State-Aid Highways** -0- 64,521,000

2.14 **(b) Municipal State-Aid Streets** -0- 11,067,000

2.15 **Sec. 3. DEPARTMENT OF PUBLIC SAFETY**

2.16 **Subdivision 1. Total Appropriation** **\$** **-0-** **\$** **2,697,000**

2.17 **Appropriations by Fund**

2.18 2022 2023

2.19 Trunk Highway -0- 365,000

2.20 Special Revenue -0- 2,332,000

2.21 The appropriations in this section are to the
 2.22 commissioner of public safety.

2.23 The amounts that may be spent for each
 2.24 purpose are specified in the following
 2.25 subdivisions. The commissioner must spend
 2.26 appropriations from the trunk highway fund
 2.27 in subdivision 2 only for state patrol purposes.

2.28 **Subd. 2. State Patrol – Patrolling Highways** -0- 365,000

2.29 This appropriation is for increased
 2.30 maintenance and other costs relating to the
 2.31 purchase of additional and replacement
 2.32 aircraft.

- 3.1 Subd. 3. Driver and Vehicle Services -0- 2,332,000
- 3.2 The appropriation in this subdivision is from
- 3.3 the driver services operating account in the
- 3.4 special revenue fund.
- 3.5 \$500,000 is for the installation and
- 3.6 maintenance of security cameras at Driver and
- 3.7 Vehicle Services exam sites. This is a onetime
- 3.8 appropriation.
- 3.9 \$1,250,000 is for reimbursement to deputy
- 3.10 registrars and driver's license agents for the
- 3.11 purchase and installation of security cameras
- 3.12 at deputy registrar or driver's license agent
- 3.13 office locations. Deputy registrars and driver's
- 3.14 license agents may submit applications to the
- 3.15 commissioner for reimbursement of funds
- 3.16 spent to purchase and install security cameras.
- 3.17 When approving applications, the
- 3.18 commissioner must prioritize offices that do
- 3.19 not currently have security cameras installed.
- 3.20 This is a onetime appropriation.
- 3.21 \$45,000 is for costs related to applications for
- 3.22 veteran designations on driver's licenses and
- 3.23 identification cards. This is a onetime
- 3.24 appropriation.
- 3.25 \$108,000 is for administration and oversight
- 3.26 costs related to online driver's education under
- 3.27 Minnesota Statutes, section 171.395. The base
- 3.28 for this appropriation is \$49,000 in each of
- 3.29 fiscal years 2024 and 2025.
- 3.30 \$429,000 is for administration and oversight
- 3.31 costs of the third-party road testing program
- 3.32 for commercial driver's licenses under
- 3.33 Minnesota Statutes, section 171.135. The base

4.1 for this appropriation is \$390,000 in each of
4.2 fiscal years 2024 and 2025.

4.3 Sec. 4. Laws 2021, First Special Session chapter 5, article 1, section 2, subdivision 2, is
4.4 amended to read:

4.5 **Subd. 2. Multimodal Systems**

4.6 **(a) Aeronautics**

4.7 **(1) Airport Development and Assistance** 24,198,000 18,598,000

| | | | |
|------|------------------------|------------|------------|
| 4.8 | Appropriations by Fund | | |
| 4.9 | | 2022 | 2023 |
| 4.10 | General | 5,600,000 | -0- |
| 4.11 | Airports | 18,598,000 | 18,598,000 |

4.12 This appropriation is from the state airports
4.13 fund and must be spent according to
4.14 Minnesota Statutes, section 360.305,
4.15 subdivision 4.

4.16 \$5,600,000 in fiscal year 2022 is from the
4.17 general fund for a grant to the city of Karlstad
4.18 for the acquisition of land, predesign, design,
4.19 engineering, and construction of a primary
4.20 airport runway.

4.21 Notwithstanding Minnesota Statutes, section
4.22 16A.28, subdivision 6, this appropriation is
4.23 available for five years after the year of the
4.24 appropriation. If the appropriation for either
4.25 year is insufficient, the appropriation for the
4.26 other year is available for it.

4.27 If the commissioner of transportation
4.28 determines that a balance remains in the state
4.29 airports fund following the appropriations
4.30 made in this article and that the appropriations
4.31 made are insufficient for advancing airport
4.32 development and assistance projects, an
4.33 amount necessary to advance the projects, not

5.1 to exceed the balance in the state airports fund,
 5.2 is appropriated in each year to the
 5.3 commissioner and must be spent according to
 5.4 Minnesota Statutes, section 360.305,
 5.5 subdivision 4. Within two weeks of a
 5.6 determination under this contingent
 5.7 appropriation, the commissioner of
 5.8 transportation must notify the commissioner
 5.9 of management and budget and the chairs,
 5.10 ranking minority members, and staff of the
 5.11 legislative committees with jurisdiction over
 5.12 transportation finance concerning the funds
 5.13 appropriated. Funds appropriated under this
 5.14 contingent appropriation do not adjust the base
 5.15 for fiscal years 2024 and 2025.

5.16 **(2) Aviation Support Services** 8,332,000 8,340,000

| | Appropriations by Fund | |
|---------------|------------------------|-----------|
| | 2022 | 2023 |
| 5.17 General | 1,650,000 | 1,650,000 |
| 5.18 Airports | 6,682,000 | 6,690,000 |

5.19 \$28,000 in fiscal year 2022 and \$36,000 in
 5.20 fiscal year 2023 are from the state airports
 5.21 fund for costs related to regulating unmanned
 5.22 aircraft systems.

5.23 **(3) Civil Air Patrol** 80,000 80,000

5.24 This appropriation is from the state airports
 5.25 fund for the Civil Air Patrol.

5.26 **(b) Transit and Active Transportation** 23,501,000 18,201,000

5.27 This appropriation is from the general fund.
 5.28 \$5,000,000 in fiscal year 2022 is for the active
 5.29 transportation program under Minnesota
 5.30 Statutes, section 174.38. This is a onetime
 5.31 appropriation and is available until June 30,
 5.32 2025.

6.1 \$300,000 in fiscal year 2022 is for a grant to
 6.2 the 494 Corridor Commission. The
 6.3 commissioner must not retain any portion of
 6.4 the funds appropriated under this section. The
 6.5 commissioner must make grant payments in
 6.6 full by December 31, 2021. Funds under this
 6.7 grant are for programming and service
 6.8 expansion to assist companies and commuters
 6.9 in telecommuting efforts and promotion of
 6.10 best practices. A grant recipient must provide
 6.11 telework resources, assistance, information,
 6.12 and related activities on a statewide basis. This
 6.13 is a onetime appropriation.

6.14 **(c) Safe Routes to School** 5,500,000 500,000

6.15 This appropriation is from the general fund
 6.16 for the safe routes to school program under
 6.17 Minnesota Statutes, section 174.40.

6.18 If the appropriation for either year is
 6.19 insufficient, the appropriation for the other
 6.20 year is available for it.

6.21 The base is \$4,000,000 in fiscal year 2024 and
 6.22 \$11,000,000 in fiscal year 2025.

6.23 **(d) Passenger Rail** 10,500,000 ~~500,000~~ -0-

6.24 This appropriation is from the general fund
 6.25 for passenger rail activities under Minnesota
 6.26 Statutes, sections 174.632 to 174.636.

6.27 \$10,000,000 in fiscal year 2022 is for final
 6.28 design and construction to provide for a
 6.29 second daily Amtrak train service between
 6.30 Minneapolis and St. Paul and Chicago. The
 6.31 commissioner may expend funds for program
 6.32 delivery and administration from this amount.
 6.33 This is a onetime appropriation and is
 6.34 available until June 30, 2025.

| | | | | |
|-----|------------------------|-----------|-----------|-----------|
| 7.1 | (e) Freight | | 8,342,000 | 7,323,000 |
| 7.2 | Appropriations by Fund | | | |
| 7.3 | | 2022 | 2023 | |
| 7.4 | General | 2,464,000 | 1,445,000 | |
| 7.5 | Trunk Highway | 5,878,000 | 5,878,000 | |

7.6 \$1,000,000 in fiscal year 2022 is from the
 7.7 general fund for procurement costs of a
 7.8 statewide freight network optimization tool.

7.9 This is a onetime appropriation and is
 7.10 available until June 30, 2023.

7.11 \$350,000 in fiscal year 2022 and \$287,000 in
 7.12 fiscal year 2023 are from the general fund for
 7.13 two additional rail safety inspectors in the state
 7.14 rail safety inspection program under
 7.15 Minnesota Statutes, section 219.015. In each
 7.16 year, the commissioner must not increase the
 7.17 total assessment amount under Minnesota
 7.18 Statutes, section 219.015, subdivision 2, from
 7.19 the most recent assessment amount.

7.20 Sec. 5. Laws 2021, First Special Session chapter 5, article 1, section 3, is amended to read:

7.21 **Sec. 3. METROPOLITAN COUNCIL**

| | | | | |
|------|---|-----------|--------------------|-----------------------------|
| 7.22 | | | | 88,630,000 |
| 7.23 | Subdivision 1. Total Appropriation | \$ | 147,070,000 | \$ <u>78,630,000</u> |

7.24 The appropriations in this section are from the
 7.25 general fund to the Metropolitan Council.

7.26 The amounts that may be spent for each
 7.27 purpose are specified in the following
 7.28 subdivisions.

| | | | | |
|------|---|--|------------|-------------------|
| 7.29 | | | | <u>32,654,000</u> |
| 7.30 | Subd. 2. Transit System Operations | | 90,654,000 | <u>22,654,000</u> |

7.31 This appropriation is for transit system
 7.32 operations under Minnesota Statutes, sections
 7.33 473.371 to 473.449.

8.1 \$250,000 in fiscal year 2022 is for the
 8.2 zero-emission transit vehicle transition plan
 8.3 under Minnesota Statutes, section 473.3927.

8.4 \$250,000 in fiscal year 2022 is for an analysis
 8.5 of transit service improvements in the marked
 8.6 Trunk Highway 55 corridor from Medina to
 8.7 downtown Minneapolis. At a minimum, the
 8.8 analysis must include options for highway bus
 8.9 rapid transit service. The council must ensure
 8.10 that the analysis is performed in a manner that
 8.11 does not conflict with requirements for federal
 8.12 transit or transitway grants. The council may
 8.13 provide a grant to a local unit of government
 8.14 to perform the analysis. This appropriation is
 8.15 not available until the council determines that
 8.16 at least an equal amount is committed from
 8.17 nonstate sources.

8.18 \$57,500,000 in fiscal year 2022 is for arterial
 8.19 bus rapid transit projects, including but not
 8.20 limited to predesign, design, engineering,
 8.21 environmental analysis and mitigation,
 8.22 right-of-way acquisition, construction, and
 8.23 acquisition of rolling stock. This is a onetime
 8.24 appropriation and is available until June 30,
 8.25 2025.

| | | | |
|------|--------------------------------|------------|------------|
| 8.26 | Subd. 3. Metro Mobility | 56,416,000 | 55,976,000 |
|------|--------------------------------|------------|------------|

8.27 This appropriation is for Metro Mobility under
 8.28 Minnesota Statutes, section 473.386.

8.29 Sec. 6. Laws 2021, First Special Session chapter 5, article 1, section 4, subdivision 5, is
 8.30 amended to read:

| | | | |
|------|--------------------------------|-----------|-------------------|
| 8.31 | | | 8,464,000 |
| 8.32 | Subd. 5. Traffic Safety | 8,477,000 | <u>13,464,000</u> |

| | | | |
|------|------------------------|------|--|
| 8.33 | Appropriations by Fund | | |
| 8.34 | 2022 | 2023 | |

| | | | |
|-----|---------------|-----------|----------------------|
| 9.1 | | | 7,970,000 |
| 9.2 | General | 7,983,000 | <u>12,970,000</u> |
| 9.3 | Trunk Highway | 494,000 | 494,000 |

9.4 \$7,398,000 in fiscal year 2022 and ~~\$7,398,000~~
9.5 \$12,398,000 in fiscal year 2023 are from the
9.6 general fund for grants to school districts,
9.7 nonpublic schools, charter schools, and
9.8 companies that provide school bus services,
9.9 for the purchase and installation of school bus
9.10 stop-signal arm camera systems. In awarding
9.11 grants, the commissioner must prioritize:
9.12 regular route type A, B, C, and D buses; newer
9.13 buses; and buses that do not already have a
9.14 stop-signal arm or forward-facing camera.
9.15 Cameras purchased with grants awarded
9.16 pursuant to this section must be used within
9.17 the state. When implementing the grant
9.18 program, the commissioner must require grant
9.19 recipients to submit an estimate of the
9.20 recipient's anticipated ongoing costs associated
9.21 with the use of the cameras, including but not
9.22 limited to costs for operating and maintaining
9.23 the cameras, identifying violations, and
9.24 methods for compiling video evidence of
9.25 violations and providing the evidence to law
9.26 enforcement. If the money in the account is
9.27 sufficient to fund all requests, the
9.28 commissioner must not require a local match.
9.29 The commissioner may seek assistance from
9.30 the commissioner of education in
9.31 administering the grants. The base for this
9.32 appropriation from the general fund is
9.33 \$7,000,000 in fiscal year 2024 and \$0 in fiscal
9.34 year 2025. This is a onetime appropriation and
9.35 is available until June 30, 2025.

10.1 \$110,000 in fiscal year 2022 and \$94,000 in
10.2 fiscal year 2023 are from the general fund for
10.3 staff costs to administer grants for school bus
10.4 stop-signal arm cameras. This is a onetime
10.5 appropriation and is available until June 30,
10.6 2025.

10.7 ~~The base for the general fund is \$478,000 in~~
10.8 ~~each of fiscal years 2024 and 2025.~~

10.9 **Sec. 7. APPROPRIATION; COON RAPIDS; TRUNK HIGHWAY 610**

10.10 \$3,600,000 in fiscal year 2023 is appropriated from the trunk highway fund to the
10.11 commissioner of transportation for one or more grants to the City of Coon Rapids or Anoka
10.12 County for interchange improvements, including right-of-way acquisition and construction,
10.13 at Trunk Highway 610 and County State Aid Highway 1, East River Road NW, and the
10.14 associated frontage roads, backage roads, connecting local streets, and any associated water
10.15 and sanitary sewer infrastructure improvements, if necessary or required for the construction
10.16 of the interchange improvements. This appropriation is for the portion of the project that is
10.17 eligible for use of trunk highway funds. This appropriation does not require a nonstate
10.18 contribution. This is a onetime appropriation and is available until June 30, 2025.

10.19 **Sec. 8. APPROPRIATION; FREIGHT RAIL CAR STORAGE FACILITY.**

10.20 \$750,000 in fiscal year 2023 is appropriated from the rail service improvement account
10.21 in the special revenue fund under Minnesota Statutes, section 222.49, to the commissioner
10.22 of transportation for a grant to the city of Lakeville for planning, preliminary engineering,
10.23 and environmental analysis of a freight rail car storage facility in Lakeville. This is a onetime
10.24 appropriation.

10.25 **Sec. 9. APPROPRIATION; INTERSTATE 35 AND CSAH 50 INTERCHANGE.**

10.26 \$42,000,000 in fiscal year 2023 is appropriated from the trunk highway fund to the
10.27 commissioner of transportation for predesign, design, engineering, and construction of the
10.28 interchange at marked Interstate 35 and Dakota County State-Aid Highway 50 in Lakeville.
10.29 This appropriation is for the portion of the project that is eligible for use of trunk highway
10.30 funds. This appropriation does not require a nonstate contribution. This is a onetime
10.31 appropriation and is available until June 30, 2025.

11.1 Sec. 10. **APPROPRIATION; INTERSTATE HIGHWAY 35 AND 400TH STREET**
11.2 **INTERCHANGE, NORTH BRANCH.**

11.3 \$1,500,000 in fiscal year 2023 is appropriated from the trunk highway fund to the
11.4 commissioner of transportation for a grant to the city of North Branch for predesign, design,
11.5 and right-of-way acquisition to construct an interchange at Interstate Highway 35 and 400th
11.6 Street in the city of North Branch. This appropriation is for the portion of the project that
11.7 is eligible for use of trunk highway funds. This is a onetime appropriation and is available
11.8 until June 30, 2025.

11.9 Sec. 11. **APPROPRIATION; INTERSTATE 94 EXPANSION.**

11.10 \$33,000,000 is appropriated from the trunk highway fund to the commissioner of
11.11 transportation to construct a third travel lane in each direction of marked Interstate Highway
11.12 94 from the interchange with County Highway 19 in the city of Albertville to the interchange
11.13 with Trunk Highway 25 in the city of Monticello. This is a onetime appropriation and is
11.14 available until June 30, 2025.

11.15 Sec. 12. **APPROPRIATION; OAKDALE NOISE BARRIER.**

11.16 \$5,500,000 in fiscal year 2023 is appropriated from the general fund to the commissioner
11.17 of transportation to design and construct a noise barrier on the east side of marked Interstate
11.18 Highway 694 in Oakdale between the intersection with 15th Street North and the intersection
11.19 with Stillwater Boulevard North. Where there are existing berms or other noise barriers on
11.20 this segment of road, no additional noise barrier is required. This is a onetime appropriation.

11.21 Sec. 13. **APPROPRIATION; STATE PATROL AIRCRAFT.**

11.22 (a) \$38,000,000 is appropriated in fiscal year 2023 from the general fund to the
11.23 commissioner of public safety to purchase three twin-engine helicopters for the State Patrol.
11.24 This is a onetime appropriation and is available until June 30, 2024.

11.25 (b) \$7,100,000 is appropriated in fiscal year 2023 from the general fund to the
11.26 commissioner of public safety to purchase three airplanes for the State Patrol. This is a
11.27 onetime appropriation and is available until June 30, 2024.

11.28 (c) The proceeds from the sale of an aircraft purchased under paragraph (a) or (b) must
11.29 be credited to the general fund.

12.1 **Sec. 14. APPROPRIATION; TRUNK HIGHWAY 23 INTERCHANGE.**

12.2 (a) \$500,000 in fiscal year 2023 is appropriated from the trunk highway fund to the
12.3 commissioner of transportation to study options for the intersection of marked Trunk
12.4 Highway 9 and marked Trunk Highway 23 in the city of New London. The study must
12.5 determine if an underpass, overpass, or tunnel is the best option for improving the safety
12.6 of the intersection. The study must not consider a J-turn as an option. This is a onetime
12.7 appropriation.

12.8 (b) \$29,100,000 in fiscal year 2023 is appropriated from the trunk highway fund to the
12.9 commissioner of transportation to make safety improvements to the intersection of marked
12.10 Trunk Highway 9 and marked Trunk Highway 23, including predesign, design, engineering,
12.11 and construction of an underpass, overpass, or tunnel as determined by the study in paragraph
12.12 (a). This appropriation must not be used for a J-turn at the intersection. This is a onetime
12.13 appropriation and is available until June 30, 2025.

12.14 **Sec. 15. APPROPRIATION; TRUNK HIGHWAY 50 SAFETY IMPROVEMENTS.**

12.15 \$10,000,000 in fiscal year 2023 is appropriated from the trunk highway fund to the
12.16 commissioner of transportation for a grant to Dakota County for predesign, design,
12.17 engineering, and construction of safety improvements on marked Trunk Highway 50 between
12.18 marked Trunk Highway 52 and U.S. Highway 61. This project includes improvement and
12.19 restoration of pavement structure, drainage improvements, culvert replacement, ensuring a
12.20 traversable safety slope, and reconstructing the County Road 85, Hogan Avenue, intersection
12.21 for pedestrian safety and compliance with the Americans with Disabilities Act. This
12.22 appropriation is for the portions of the project that are eligible for use of trunk highway
12.23 funds. This appropriation does not require a nonstate contribution. This is a onetime
12.24 appropriation and is available until June 30, 2025.

12.25 **Sec. 16. APPROPRIATION; TRUNK HIGHWAY 52 INTERCHANGE AT CSAH**
12.26 **66.**

12.27 \$15,000,000 in fiscal year 2023 is appropriated from the trunk highway fund to the
12.28 commissioner of transportation for predesign, design, engineering, and construction of an
12.29 interchange in the vicinity of County State-Aid Highway 66 and County State-Aid Highway
12.30 62 at their intersection with marked Trunk Highway 52 in Vermillion Township. This
12.31 appropriation is for the portion of the project that is eligible for use of trunk highway funds.
12.32 This appropriation does not require a nonstate contribution. This is a onetime appropriation
12.33 and is available until June 30, 2025.

13.1 **Sec. 17. APPROPRIATION; TRUNK HIGHWAY 65 IMPROVEMENTS.**

13.2 \$15,000,000 in fiscal year 2023 is appropriated from the trunk highway fund to the
13.3 commissioner of transportation for one or more grants to the city of Blaine for the predesign,
13.4 right-of-way acquisition, design, engineering, and construction of intersection improvements
13.5 along Trunk Highway 65 at 99th Avenue Northeast and the associated frontage roads and
13.6 backage roads within the trunk highway system. This appropriation is for the portion of the
13.7 project that is eligible for use of trunk highway funds. This appropriation does not require
13.8 a nonstate contribution. This is a onetime appropriation and is available until June 30, 2025.

13.9 **Sec. 18. APPROPRIATION; TRUNK HIGHWAY 73.**

13.10 \$43,000,000 in fiscal year 2023 is appropriated from the trunk highway fund to the
13.11 commissioner of transportation for engineering, right-of-way acquisition, and construction
13.12 to realign portions of marked Trunk Highway 73 south of the city of Cromwell. This is a
13.13 onetime appropriation and is available until June 30, 2025.

13.14 **Sec. 19. APPROPRIATION; TRUNK HIGHWAY 74.**

13.15 \$488,000 in fiscal year 2023 is appropriated from the trunk highway fund to the
13.16 commissioner of transportation to use Otta seal to regrade 3.9 miles of marked Trunk
13.17 Highway 74 north of Elba to Winona County State-Aid Highway 30 in Winona County,
13.18 including design, engineering, construction, and acquisition of right-of-way. This is a onetime
13.19 appropriation and is available until June 30, 2025.

13.20 **Sec. 20. APPROPRIATION; TRUNK HIGHWAY 169 AND CSAH 9**
13.21 **INTERCHANGE.**

13.22 \$4,200,000 in fiscal year 2023 is appropriated from the trunk highway fund to the
13.23 commissioner of transportation for a grant to either or both Scott County and the City of
13.24 Jordan to design and construct trunk highway improvements associated with an interchange
13.25 at marked Trunk Highway 169, Trunk Highway 282, and County State-Aid Highway 9,
13.26 including bicycle and pedestrian accommodations, bridge construction, and road construction.
13.27 This appropriation is for the portion of the project that is eligible for use of trunk highway
13.28 funds. This is a onetime appropriation and is available until June 30, 2025.

16.1 Subd. 3. Local Roads16.2 (a) County State-Aid Highways

24,896,000

42,418,000

16.3 (b) Municipal State-Aid Streets

6,540,000

11,142,000

16.4 Subd. 4. Multimodal Match for Formula and
16.5 Discretionary Programs Enacted in Federal
16.6 IIJA

16.7 The appropriations in this subdivision are for
16.8 multimodal match funding and discretionary
16.9 funding related to the federal Infrastructure
16.10 Investment and Jobs Act (IIJA).

16.11 From these amounts, the commissioner may
16.12 make grants to local units of government for
16.13 the match requirement for IIJA discretionary
16.14 grant programs.

16.15 Any unspent portion of the appropriations
16.16 remaining after match requirements are met
16.17 for grant programs listed in this subdivision
16.18 must be transferred to the highway user tax
16.19 distribution fund.

16.20 These appropriations are available for three
16.21 years after the year of the appropriation.

16.22 (a) Greater Minnesota Transit

7,000,000

7,000,000

16.23 This appropriation is from the general fund
16.24 for the match requirement for Federal Transit
16.25 Administration formula and discretionary
16.26 transit grant programs under the IIJA. This
16.27 appropriation must not be used for guideway
16.28 projects, as defined in Minnesota Statutes,
16.29 section 473.4485.

16.30 (b) Metropolitan Area Transit

10,000,000

10,000,000

16.31 \$10,000,000 in each year is from the general
16.32 fund for transfer to the Metropolitan Council,
16.33 for the match requirement for Federal Transit

| | | | |
|-------|---|-------------------|-------------------|
| 17.1 | <u>Administration formula and discretionary</u> | | |
| 17.2 | <u>transit grant programs under the IIJA. The</u> | | |
| 17.3 | <u>amount transferred to the Metropolitan</u> | | |
| 17.4 | <u>Council must not be used for guideway</u> | | |
| 17.5 | <u>projects, as defined in Minnesota Statutes,</u> | | |
| 17.6 | <u>section 473.4485.</u> | | |
| 17.7 | <u>(c) Aeronautics</u> | <u>6,500,000</u> | <u>6,500,000</u> |
| 17.8 | <u>This appropriation is from the general fund</u> | | |
| 17.9 | <u>for the match requirement for Federal Aviation</u> | | |
| 17.10 | <u>Administration formula and discretionary</u> | | |
| 17.11 | <u>grant programs under the IIJA.</u> | | |
| 17.12 | <u>(d) Other Multimodal Grant Programs</u> | <u>13,100,000</u> | <u>13,100,000</u> |
| 17.13 | <u>This appropriation is from the general fund</u> | | |
| 17.14 | <u>and must not be used as match funding for</u> | | |
| 17.15 | <u>grants under the following discretionary grant</u> | | |
| 17.16 | <u>programs: the Federal-State Partnership for</u> | | |
| 17.17 | <u>Intercity Passenger Rail Grant Program; the</u> | | |
| 17.18 | <u>Restoration and Enhancement Grant Program;</u> | | |
| 17.19 | <u>Capital Investment Grants; Research,</u> | | |
| 17.20 | <u>Development, Demonstration and Deployment</u> | | |
| 17.21 | <u>Projects; the Pilot Program for Transit</u> | | |
| 17.22 | <u>Oriented Development; the Electric or</u> | | |
| 17.23 | <u>Low-Emitting Ferry Program; the</u> | | |
| 17.24 | <u>Reconnecting Communities Program; and the</u> | | |
| 17.25 | <u>Wildlife Crossings Pilot Program. This</u> | | |
| 17.26 | <u>appropriation must not be used as match</u> | | |
| 17.27 | <u>funding for guideway projects as defined in</u> | | |
| 17.28 | <u>Minnesota Statutes, section 473.4485, or for</u> | | |
| 17.29 | <u>passenger rail projects. The commissioner of</u> | | |
| 17.30 | <u>transportation must immediately report to the</u> | | |
| 17.31 | <u>chairs and ranking minority members of the</u> | | |
| 17.32 | <u>legislative committees with jurisdiction over</u> | | |
| 17.33 | <u>transportation finance when an application is</u> | | |
| 17.34 | <u>submitted to the United States Department of</u> | | |
| 17.35 | <u>Transportation for IIJA-related discretionary</u> | | |

18.1 grant funding. The commissioner must submit
18.2 a report by October 1 of each year to the chairs
18.3 and ranking minority members of the
18.4 legislative committees with jurisdiction over
18.5 transportation finance, listing the discretionary
18.6 grant programs under the IJJA to which the
18.7 commissioner has applied, the federal amounts
18.8 granted or received, and descriptions of the
18.9 funded projects. This report requirement
18.10 expires September 30, 2026.

18.11 **Sec. 3. ELECTRIC VEHICLE INFRASTRUCTURE PROGRAM REQUIREMENTS.**

18.12 Subdivision 1. Match requirements. The required match funding for electric vehicle
18.13 infrastructure formula or discretionary grant programs related to the federal Infrastructure
18.14 Investment and Jobs Act (IJJA) must be committed only from nonstate sources.

18.15 Subd. 2. Rest areas. The commissioner of transportation must spend no more than 25
18.16 percent of federal funds from IJJA-related electric vehicle infrastructure formula or
18.17 discretionary grant programs on projects located at rest areas.

18.18 Subd. 3. Regional balance. Projects funded through IJJA-related electric vehicle
18.19 infrastructure formula or discretionary grant programs must be regionally balanced throughout
18.20 the state, as much as allowable under federal law.

18.21 Subd. 4. Alternative fuel corridors. By November 1, 2023, the commissioner of
18.22 transportation must request that the United States Federal Highway Administration certify
18.23 that the designated alternative fuel corridors for electric vehicles in Minnesota are fully
18.24 built out as of that date.

18.25 **Sec. 4. HIGHWAY USER TAX DISTRIBUTION FUND; TRANSFER.**

18.26 The commissioner of revenue must transfer from the general fund to the highway user
18.27 tax distribution fund \$6,373,667 monthly in fiscal year 2022 and \$10,859,667 monthly in
18.28 fiscal year 2023. The commissioner must transfer from the general fund to the highway user
18.29 tax distribution fund \$11,927,167 monthly in fiscal year 2024 and \$13,083,000 monthly in
18.30 fiscal year 2025 and each fiscal year thereafter.

19.1 Sec. 5. **RECONNECT RONDO PROJECT; PROHIBITION.**

19.2 Subdivision 1. Definition. For purposes of this section, "ReConnect Rondo project"
19.3 means the proposed land bridge or freeway cap over Interstate 94 between Chatsworth Street
19.4 and Grotto Street in the city of Saint Paul.

19.5 Subd. 2. Commissioner of transportation. The commissioner of transportation must
19.6 not expend any money for study, planning, preliminary engineering, final design, or
19.7 construction for the ReConnect Rondo project. This prohibition includes grants to other
19.8 entities, the expenditure of federal money, and any previous unexpended appropriations
19.9 made for this purpose.

19.10 Subd. 3. Metropolitan Council. The Metropolitan Council must not expend any money
19.11 for study, planning, preliminary engineering, final design, or construction for the ReConnect
19.12 Rondo project. This prohibition includes grants to other entities, the expenditure of federal
19.13 money, and any previous unexpended appropriations made for this purpose.

19.14 Sec. 6. **SOURCE OF FEDERAL MATCH FUNDING; INFRASTRUCTURE**
19.15 **INVESTMENT AND JOBS ACT.**

19.16 The commissioner of transportation must not expend money for federal match funding
19.17 related to formula and discretionary grant programs under Public Law 117-58, otherwise
19.18 known as the federal Infrastructure Investment and Jobs Act, except pursuant to a direct
19.19 appropriation specifically for this purpose.

19.20 Sec. 7. **SUSPENSION OF STATUTORY APPROPRIATION; INFRASTRUCTURE**
19.21 **INVESTMENT AND JOBS ACT.**

19.22 Notwithstanding Minnesota Statutes, sections 3.3005 and 4.07, federal funds received
19.23 by the state of Minnesota from its allocations or grant awards administered by the United
19.24 States Department of Transportation under Public Law 117-58 must not be spent except
19.25 pursuant to a direct appropriation by law.

19.26 Sec. 8. **EFFECTIVE DATE.**

19.27 This article is effective the day following final enactment.

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ARTICLE 3
BOND APPROPRIATIONS

Section 1. BOND APPROPRIATIONS.

The sums shown in the column under "Appropriations" are appropriated from the bond proceeds account in the trunk highway fund to the state agencies or officials indicated to be spent for public purposes. Appropriations of bond proceeds must be spent as authorized by the Minnesota Constitution, articles XI and XIV. Unless otherwise specified, money appropriated in this article for a capital program or project may be used to pay state agency staff costs that are attributed directly to the capital program or project in accordance with accounting policies adopted by the commissioner of management and budget.

SUMMARY

| | | |
|--|------------------|---------------------------|
| <u>Department of Transportation</u> | <u>\$</u> | <u>299,349,000</u> |
| <u>Department of Management and Budget</u> | <u>\$</u> | <u>300,000</u> |
| <u>TOTAL</u> | <u>\$</u> | <u>299,649,000</u> |

APPROPRIATIONS

Sec. 2. DEPARTMENT OF TRANSPORTATION

Subdivision 1. Total Appropriation \$ 299,349,000

(a) This appropriation is to the commissioner of transportation for the purposes specified in this section.

(b) This appropriation is available in the amounts of:

(1) \$149,349,000 in fiscal year 2024; and

(2) \$150,000,000 in fiscal year 2025.

(c) The commissioner may use up to 17 percent of the amount for program delivery.

(d) The appropriation in this subdivision cancels as specified under Minnesota Statutes, section 16A.642, except that the commissioner of management and budget must count the start of authorization for issuance of state bonds as the first day of the fiscal year during

21.1 which the bonds are available to be issued as
 21.2 specified under paragraph (b), and not as the
 21.3 date of enactment of this section.

21.4 **Subd. 2. Oslo Area Flood Mitigation** \$ 20,000,000

21.5 (a) This appropriation is available in fiscal
 21.6 year 2024 for phase 1 of the Oslo area flood
 21.7 mitigation project as follows:

21.8 (1) \$17,450,000 for reconstruction or
 21.9 replacement of the marked Trunk Highway 1
 21.10 bridge over the Red River at Oslo and the
 21.11 border with North Dakota, which may include
 21.12 approach work on marked Trunk Highway 1;
 21.13 and

21.14 (2) \$2,550,000 for reconstruction or
 21.15 replacement of the marked Trunk Highway
 21.16 317 bridge over the Red River in Marshall
 21.17 County at the border with North Dakota.

21.18 (b) The appropriation under this subdivision
 21.19 is available for predesign, design, preliminary
 21.20 and final engineering, environmental analysis,
 21.21 right-of-way acquisition, and construction,
 21.22 including demolition.

21.23 (c) The appropriation under this subdivision
 21.24 is for the Minnesota share of project costs and
 21.25 must only be used for acquisition, betterment,
 21.26 and improvement within Minnesota.

21.27 **Subd. 3. Olmsted County; U.S. Highway 14 and**
 21.28 **County State-Aid Highway 44** \$ 17,460,000

21.29 This appropriation is available in fiscal year
 21.30 2024 to acquire property and to conduct
 21.31 environmental analysis, predesign, design,
 21.32 engineer, acquire right-of-way, construct,
 21.33 furnish, and equip an interchange at marked
 21.34 U.S. Highway 14 and County State-Aid

22.1 Highway 44, including the flyover at 7th Street
 22.2 NW, in Olmsted County, and associated
 22.3 infrastructure and road work to accommodate
 22.4 the interchange.

22.5 **Subd. 4. Marked Trunk Highway 95**
 22.6 **Improvements**

\$ 6,200,000

22.7 This appropriation is available in fiscal year
 22.8 2024 for a grant to the city of Cambridge for
 22.9 land acquisition, demolition, predesign,
 22.10 design, engineering, and construction of
 22.11 improvements to marked Trunk Highway 95,
 22.12 including but not limited to expansion to a
 22.13 four-lane at-grade segment from
 22.14 approximately Fillmore Street to Birch Street
 22.15 in the city of Cambridge. This appropriation
 22.16 is for the portion of the project that is eligible
 22.17 for use of proceeds of trunk highway bonds.

22.18 **Subd. 5. Becker Interchange Project**

\$ 1,869,000

22.19 This appropriation is available in fiscal year
 22.20 2024 to prepare final design, conduct site
 22.21 preparation work, and acquire right-of-way
 22.22 for an interchange to be constructed at marked
 22.23 U.S. Highway 10, marked Trunk Highway 25,
 22.24 Becker County State-Aid Highway Road 8,
 22.25 and Becker County Road 52 in the city of
 22.26 Becker and Becker Township. This
 22.27 appropriation is for expenses eligible to be
 22.28 paid from trunk highway bond proceeds.

22.29 **Subd. 6. Trunk Highway 24 Intersection**
 22.30 **Improvements**

\$ 2,420,000

22.31 This appropriation is available in fiscal year
 22.32 2024 for intersection improvements at marked
 22.33 Trunk Highway 24 in the city of Annandale
 22.34 and for a grant to the city of Annandale,
 22.35 Corinna Township, or both for road

- 23.1 improvements on Hemlock Street from marked
 23.2 Trunk Highway 24 to Wright County
 23.3 State-Aid Highway 6 in the city of Annandale
 23.4 and Corinna Township. This appropriation
 23.5 may be used by the commissioner, city, or
 23.6 township for acquisition of right-of-way,
 23.7 design, engineering, and construction of
 23.8 roadway improvements.
- 23.9 **Subd. 7. Sherburne County; Zimmerman**
 23.10 **Interchange** \$ 16,400,000
- 23.11 This appropriation is available in fiscal year
 23.12 2024 for property acquisition, engineering,
 23.13 and construction of the trunk highway portions
 23.14 of an interchange at marked U.S. Highway
 23.15 169 and Sherburne County State-Aid Highway
 23.16 4 in the city of Zimmerman.
- 23.17 **Subd. 8. Trunk Highway 23 Reconstruction** \$ 85,000,000
- 23.18 This appropriation is available in fiscal year
 23.19 2024 for predesign, design, engineering, and
 23.20 reconstruction of marked Trunk Highway 23
 23.21 from U.S. Highway 75 in the city of Pipestone
 23.22 to 1.8 miles north of marked Trunk Highway
 23.23 91 in the city of Russell.
- 23.24 **Subd. 9. U.S. Highway 169 Safety Improvements** \$ 150,000,000
- 23.25 This appropriation is available in fiscal year
 23.26 2025 for safety improvements on marked U.S.
 23.27 Highway 169 between Taconite and Pengilly,
 23.28 including three turn lanes, one bypass lane,
 23.29 access closures, access geometry
 23.30 improvements, and Americans with
 23.31 Disabilities Act improvements in Calumet.
- 23.32 **Sec. 3. BOND SALE EXPENSES** \$ 300,000
- 23.33 (a) This appropriation is to the commissioner
 23.34 of management and budget for bond sale

24.1 expenses under Minnesota Statutes, sections
 24.2 16A.641, subdivision 8, and 167.50,
 24.3 subdivision 4.

24.4 (b) This appropriation is available in the
 24.5 amounts of:

24.6 (1) \$150,000 in fiscal year 2024; and

24.7 (2) \$150,000 in fiscal year 2025.

24.8 Sec. 4. **BOND SALE AUTHORIZATION.**

24.9 To provide the money appropriated in this article from the bond proceeds account in the
 24.10 trunk highway fund, the commissioner of management and budget shall sell and issue bonds
 24.11 of the state in an amount up to \$299,649,000 in the manner, upon the terms, and with the
 24.12 effect prescribed by Minnesota Statutes, sections 167.50 to 167.52, and by the Minnesota
 24.13 Constitution, article XIV, section 11, at the times and in the amounts requested by the
 24.14 commissioner of transportation. The proceeds of the bonds, except accrued interest and any
 24.15 premium received from the sale of the bonds, must be deposited in the bond proceeds account
 24.16 in the trunk highway fund.

24.17 **ARTICLE 4**

24.18 **DEPARTMENT OF PUBLIC SAFETY**

24.19 Section 1. Minnesota Statutes 2020, section 3.9741, subdivision 5, is amended to read:

24.20 Subd. 5. **State Data security; account; appropriation.** ~~(a)~~ The data security account
 24.21 is created in the special revenue fund. Money in the account is appropriated to the legislative
 24.22 auditor.

24.23 ~~(b) Subject to available funds appropriated under paragraph (a), the legislative auditor~~
 24.24 ~~shall:~~

24.25 ~~(1) review and audit the audit reports of subscribers and requesters submitted under~~
 24.26 ~~section 168.327, subdivision 6, including producing findings and opinions;~~

24.27 ~~(2) in collaboration with the commissioner and affected subscribers and requesters,~~
 24.28 ~~recommend corrective action plans to remediate any deficiencies identified under clause~~
 24.29 ~~(1); and~~

25.1 ~~(3) review and audit driver records subscription services and bulk data practices of the~~
25.2 ~~Department of Public Safety, including identifying any deficiencies and making~~
25.3 ~~recommendations to the commissioner.~~

25.4 ~~(c) The legislative auditor shall submit any reports, findings, and recommendations~~
25.5 ~~under this subdivision to the legislative commission on data practices.~~

25.6 Sec. 2. Minnesota Statutes 2020, section 168.013, subdivision 1m, is amended to read:

25.7 Subd. 1m. ~~Electric~~ All-electric vehicle. (a) In addition to the tax under subdivision 1a,
25.8 a surcharge of ~~\$75~~ \$229 is imposed for an all-electric vehicle, as defined in section 169.011,
25.9 subdivision 1a. Notwithstanding subdivision 8, revenue from the fee imposed under this
25.10 subdivision must be deposited in the highway user tax distribution fund.

25.11 (b) If the gasoline excise tax imposed by section 296A.07, subdivision 3, clause (3), is
25.12 increased or decreased, the surcharge under paragraph (a) must be increased or decreased,
25.13 respectively, by a corresponding percentage. The commissioner must collect the adjusted
25.14 surcharge amount under this paragraph on vehicle registrations occurring on or after the
25.15 effective date of the gasoline excise tax adjustment.

25.16 Sec. 3. Minnesota Statutes 2020, section 168.013, is amended by adding a subdivision to
25.17 read:

25.18 Subd. 1n. Plug-in hybrid electric vehicle. (a) In addition to the tax under subdivision
25.19 1a, a surcharge of \$114.50 is imposed for a plug-in hybrid electric vehicle as defined in
25.20 section 169.011, subdivision 54a. Notwithstanding subdivision 8, revenue from the fee
25.21 imposed under this subdivision must be deposited in the highway user tax distribution fund.

25.22 (b) If the gasoline excise tax imposed by section 296A.07, subdivision 3, clause (3), is
25.23 increased or decreased, the surcharge under paragraph (a) must be increased or decreased,
25.24 respectively, by a corresponding percentage. The commissioner must collect the adjusted
25.25 surcharge amount under this paragraph on vehicle registrations occurring on or after the
25.26 effective date of the gasoline excise tax adjustment.

25.27 Sec. 4. Minnesota Statutes 2020, section 168.013, is amended by adding a subdivision to
25.28 read:

25.29 Subd. 1o. All-electric motorcycle. (a) In addition to the tax under subdivision 1b, a
25.30 surcharge of \$46 is imposed for an all-electric motorcycle as defined in section 169.011,
25.31 subdivision 1b. Notwithstanding subdivision 8, revenue from the fee imposed under this
25.32 subdivision must be deposited in the highway user tax distribution fund.

26.1 (b) If the gasoline excise tax imposed by section 296A.07, subdivision 3, clause (3), is
26.2 increased or decreased, the surcharge under paragraph (a) must be increased or decreased,
26.3 respectively, by a corresponding percentage. The commissioner must collect the adjusted
26.4 surcharge amount under this paragraph on motorcycle registrations occurring on or after
26.5 the effective date of the gasoline excise tax adjustment.

26.6 Sec. 5. Minnesota Statutes 2020, section 168.013, is amended by adding a subdivision to
26.7 read:

26.8 Subd. 1p. **Plug-in hybrid electric motorcycle.** (a) In addition to the tax under subdivision
26.9 1b, a surcharge of \$23 is imposed for a plug-in hybrid electric motorcycle as defined in
26.10 section 169.011, subdivision 54c. Notwithstanding subdivision 8, revenue from the fee
26.11 imposed under this subdivision must be deposited in the highway user tax distribution fund.

26.12 (b) If the gasoline excise tax imposed by section 296A.07, subdivision 3, clause (3), is
26.13 increased or decreased, the surcharge under paragraph (a) must be increased or decreased,
26.14 respectively, by a corresponding percentage. The commissioner must collect the adjusted
26.15 surcharge amount under this paragraph on motorcycle registrations occurring on or after
26.16 the effective date of the gasoline excise tax adjustment.

26.17 Sec. 6. Minnesota Statutes 2020, section 168.123, subdivision 2, is amended to read:

26.18 Subd. 2. **Design.** The commissioner of veterans affairs ~~shall~~ must design the emblem
26.19 for the veterans' special plates, subject to the approval of the commissioner, that satisfy the
26.20 following requirements:

26.21 (a) For a Vietnam veteran who served after July 1, 1961, and before July 1, 1978, in the
26.22 active military service in a branch of the armed forces of the United States or a nation or
26.23 society allied with the United States the special plates must bear the inscription "VIETNAM
26.24 VET."

26.25 (b) For a veteran stationed on the island of Oahu, Hawaii, or offshore, during the attack
26.26 on Pearl Harbor on December 7, 1941, the special plates must bear the inscription "PEARL
26.27 HARBOR SURVIVOR."

26.28 (c) For a veteran who served during World War II, the plates must bear the inscription
26.29 "WORLD WAR VET."

26.30 (d) For a veteran who served during the Korean Conflict, the special plates must bear
26.31 the inscription "KOREAN VET."

27.1 (e) For a combat wounded veteran who is a recipient of the Purple Heart medal, the
27.2 plates must bear the inscription "COMBAT WOUNDED VET" and have a facsimile or an
27.3 emblem of the official Purple Heart medal.

27.4 A member of the United States armed forces who is serving actively in the military and
27.5 who is a recipient of the Purple Heart medal is also eligible for this license plate. The
27.6 commissioner of public safety ~~shall~~ must ensure that information regarding the required
27.7 proof of eligibility for any applicant under this paragraph who has not yet been issued
27.8 military discharge papers is distributed to the public officials responsible for administering
27.9 this section.

27.10 (f) For a Persian Gulf War veteran, the plates must bear the inscription "GULF WAR
27.11 VET." For the purposes of this section, "Persian Gulf War veteran" means a person who
27.12 served on active duty after August 1, 1990, in a branch of the armed forces of the United
27.13 States or a nation or society allied with the United States or the United Nations during
27.14 Operation Desert Shield, Operation Desert Storm, or other military operation in the Persian
27.15 Gulf area combat zone as designated in United States Presidential Executive Order No.
27.16 12744, dated January 21, 1991.

27.17 (g) For a veteran who served in the Laos War after July 1, 1961, and before July 1, 1978,
27.18 the special plates must bear the inscription "LAOS WAR VET."

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

27.20 (1) the Iraq Campaign Medal, the special plates must be inscribed with a facsimile of
27.21 that medal and must bear the inscription "IRAQ WAR VET" directly below the special
27.22 plate number;

27.23 (2) the Afghanistan Campaign Medal, the special plates must be inscribed with a facsimile
27.24 of that medal and must bear the inscription "AFGHAN WAR VET" directly below the
27.25 special plate number;

27.26 (3) the Global War on Terrorism Expeditionary Medal, the special plates must be
27.27 inscribed with a facsimile of that medal and must bear the inscription "GWOT VETERAN"
27.28 directly below the special plate number; or

27.29 (4) the Armed Forces Expeditionary Medal, the special plates must bear an appropriate
27.30 inscription that includes a facsimile of that medal.

27.31 (i) For a veteran who is the recipient of the Global War on Terrorism Service Medal,
27.32 the special plates must be inscribed with a facsimile of that medal and must bear the
27.33 inscription "GWOT VETERAN" directly below the special plate number. In addition, any

28.1 member of the National Guard or other military reserves who has been ordered to federally
28.2 funded state active service under United States Code, title 32, as defined in section 190.05,
28.3 subdivision 5b, and who is the recipient of the Global War on Terrorism Service Medal, is
28.4 eligible for the license plate described in this paragraph, irrespective of whether that person
28.5 qualifies as a veteran under section 197.447.

28.6 (j) For a veteran who is the recipient of the Korean Defense Service Medal, the special
28.7 plates must be inscribed with a facsimile of that medal and must bear the inscription
28.8 "KOREAN DEFENSE SERVICE" directly below the special plate number.

28.9 (k) For a veteran who is a recipient of the Bronze Star medal, the plates must bear the
28.10 inscription "BRONZE STAR VET" and have a facsimile or an emblem of the official Bronze
28.11 Star medal.

28.12 (l) For a veteran who is a recipient of the Silver Star medal, the plates must bear the
28.13 inscription "SILVER STAR VET" and have a facsimile or an emblem of the official Silver
28.14 Star medal.

28.15 (m) For a veteran who is the recipient of the Air Medal, the special plates must be
28.16 inscribed with a facsimile of that medal and must bear the inscription "AIR MEDAL
28.17 VETERAN" directly below the special plate number.

28.18 ~~(m)~~ (n) For a woman veteran, the plates must bear the inscription "WOMAN VETERAN"
28.19 and have a facsimile or an emblem as designated by the commissioners of veterans affairs
28.20 and public safety.

28.21 **EFFECTIVE DATE.** This section is effective January 1, 2023, and applies to Air Medal
28.22 veteran special license plates issued on or after that date.

28.23 Sec. 7. Minnesota Statutes 2020, section 168.1235, subdivision 1, is amended to read:

28.24 Subdivision 1. **General requirements; fees.** (a) The commissioner ~~shall~~ must issue a
28.25 special plate emblem for each plate to an applicant who:

28.26 (1) is a member of a congressionally chartered veterans service organization and is a
28.27 registered owner of a passenger automobile, pickup truck, van, or self-propelled recreational
28.28 vehicle;

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

28.30 (3) pays a fee in the amount specified for special plates under section 168.12, subdivision
28.31 5, for each set of two plates, and any other fees required by this chapter; and

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

29.3 (b) The additional fee is payable at the time of initial application for the special plate
29.4 emblem and when the plates must be replaced or renewed. An applicant must not be issued
29.5 more than two sets of special plate emblems for motor vehicles listed in paragraph (a) and
29.6 registered to the applicant.

29.7 (c) The applicant must present a valid card indicating membership in the American
29.8 Legion ~~or~~, Veterans of Foreign Wars, or Disabled American Veterans.

29.9 Sec. 8. Minnesota Statutes 2020, section 168.1253, subdivision 3, is amended to read:

29.10 Subd. 3. **No fee.** The commissioner ~~shall~~ must issue a set of Gold Star plates, or a single
29.11 plate for a motorcycle, to an eligible person free of charge, and ~~shall~~ must replace the plate
29.12 or plates without charge if they become damaged. If the eligible person requests personalized
29.13 Gold Star plates, the commissioner must not charge the fees listed in section 168.12,
29.14 subdivision 2a.

29.15 Sec. 9. **[168.1258] MINNESOTA VIKINGS FOUNDATION SPECIAL PLATES.**

29.16 Subdivision 1. **Issuance of plates.** The commissioner must issue Minnesota Vikings
29.17 Foundation special plates or a single motorcycle plate to an applicant who:

29.18 (1) is a registered owner of a passenger automobile, noncommercial one-ton pickup
29.19 truck, motorcycle, or recreational vehicle;

29.20 (2) pays an additional fee in the amount specified for special plates under section 168.12,
29.21 subdivision 5;

29.22 (3) pays the registration tax as required under section 168.013;

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

29.24 (5) contributes a minimum of \$30 annually to the Minnesota Vikings Foundation account;
29.25 and

29.26 (6) complies with this chapter and rules governing registration of motor vehicles and
29.27 licensing of drivers.

29.28 Subd. 2. **Design.** In consultation with the Minnesota Vikings Foundation, the
29.29 commissioner must adopt a suitable plate design that includes the Minnesota Vikings
29.30 Foundation's marks and colors.

30.1 Subd. 3. **Plates transfer.** On application to the commissioner and payment of a transfer
30.2 fee of \$5, special plates issued under this section may be transferred to another motor vehicle
30.3 if the subsequent vehicle is:

30.4 (1) qualified under subdivision 1, clause (1), to bear the special plates; and

30.5 (2) registered to the same individual to whom the special plates were originally issued.

30.6 Subd. 4. **Contributions; account; appropriation.** Contributions collected under
30.7 subdivision 1, clause (5), must be deposited in the Minnesota Vikings Foundation account,
30.8 which is established in the special revenue fund. Money in the account is appropriated to
30.9 the commissioner of public safety. This appropriation is first for the annual cost of
30.10 administering the account funds, and the remaining funds are for distribution to the Minnesota
30.11 Vikings Foundation to advance the well-being of youth through engaging health and
30.12 education initiatives.

30.13 **EFFECTIVE DATE.** This section is effective January 1, 2023, for Minnesota Vikings
30.14 Foundation special plates issued on or after that date.

30.15 Sec. 10. **[168.1287] MINNESOTA MISSING AND MURDERED INDIGENOUS**
30.16 **RELATIVES SPECIAL LICENSE PLATES.**

30.17 Subdivision 1. **Issuance of plates.** The commissioner must issue Minnesota missing
30.18 and murdered Indigenous relatives special license plates or a single motorcycle plate to an
30.19 applicant who:

30.20 (1) is a registered owner of a passenger automobile, noncommercial one-ton pickup
30.21 truck, motorcycle, or recreational vehicle;

30.22 (2) pays an additional fee in the amount specified for special plates under section 168.12,
30.23 subdivision 5;

30.24 (3) pays the registration tax as required under section 168.013;

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

30.26 (5) contributes a minimum of \$20 annually to the Minnesota missing and murdered
30.27 Indigenous relatives account; and

30.28 (6) complies with this chapter and rules governing registration of motor vehicles and
30.29 licensing of drivers.

30.30 Subd. 2. **Design.** In consultation with the Office of Missing and Murdered Indigenous
30.31 Relatives, the commissioner must adopt a suitable plate design that includes a red handprint

31.1 to one side, a partial ribbon skirt toward the bottom corner, and reads "Missing and Murdered
31.2 Indigenous Relatives" or "MMIR."

31.3 Subd. 3. **Plates transfer.** On application to the commissioner and payment of a transfer
31.4 fee of \$5, special plates issued under this section may be transferred to another motor vehicle
31.5 if the subsequent vehicle is:

31.6 (1) qualified under subdivision 1, clause (1), to bear the special plates; and

31.7 (2) registered to the same individual to whom the special plates were originally issued.

31.8 Subd. 4. **Exemption.** Special plates issued under this section are not subject to section
31.9 168.1293, subdivision 2.

31.10 Subd. 5. **Contributions; account; appropriation.** Contributions collected under
31.11 subdivision 1, clause (5), must be deposited in the Minnesota missing and murdered
31.12 Indigenous relatives account, which is established in the special revenue fund. Money in
31.13 the account is appropriated to the commissioner of public safety. This appropriation is first
31.14 for the annual cost of administering the account funds, and the remaining funds are for
31.15 distribution to the Office of Missing and Murdered Indigenous Relatives for investigation
31.16 of unsolved cases and to establish a reward fund for information relating to missing and
31.17 murdered Indigenous relatives.

31.18 **EFFECTIVE DATE.** This section is effective January 1, 2023, for Minnesota missing
31.19 and murdered Indigenous relatives special plates issued on or after that date.

31.20 Sec. 11. Minnesota Statutes 2020, section 168.27, subdivision 11, is amended to read:

31.21 **Subd. 11. Dealers' licenses; location change notice; fee.** (a) Application for a dealer's
31.22 license or notification of a change of location of the place of business on a dealer's license
31.23 must include a street address, not a post office box, and is subject to the commissioner's
31.24 approval.

31.25 (b) Upon the filing of an application for a dealer's license and the proper fee, unless the
31.26 application on its face appears to be invalid, the commissioner ~~shall~~ must grant a 90-day
31.27 temporary license. During the 90-day period following issuance of the temporary license,
31.28 the commissioner ~~shall~~ must inspect the place of business site and insure compliance with
31.29 this section and rules adopted under this section.

31.30 (c) The commissioner may extend the temporary license 30 days to allow the temporarily
31.31 licensed dealer to come into full compliance with this section and rules adopted under this
31.32 section.

32.1 (d) In no more than 120 days following issuance of the temporary license, the dealer
32.2 license must either be granted or denied.

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

32.4 (1) ~~The license must be denied~~ if within the previous ten years the applicant was enjoined
32.5 due to a violation of section 325F.69 or convicted of violating section 325E.14, 325E.15,
32.6 325E.16, or 325F.69, or convicted under section 609.53 of receiving or selling stolen
32.7 vehicles, or convicted of violating United States Code, title 15, ~~sections 1981 to 1991~~ 49,
32.8 sections 32701 to 32711, or pleaded guilty, entered a plea of nolo contendere or no contest,
32.9 or has been found guilty in a court of competent jurisdiction of any charge of failure to pay
32.10 state or federal income or sales taxes or felony charge of forgery, embezzlement, obtaining
32.11 money under false pretenses, theft by swindle, extortion, conspiracy to defraud, or bribery;

32.12 (2) ~~A license must be denied~~ if the applicant has had a dealer license revoked within the
32.13 previous ten years; or

32.14 (3) if, at the time of inspection, the applicant is not in compliance with location
32.15 requirements or has intentionally misrepresented any information on the application that
32.16 would be grounds for suspension or revocation under subdivision 12.

32.17 (f) If the application is approved, the commissioner ~~shall~~ must license the applicant as
32.18 a dealer for one year from the date the temporary license is granted and issue a certificate
32.19 of license that must include a distinguishing number of identification of the dealer. The
32.20 license must be displayed in a prominent place in the dealer's licensed place of business.

32.21 (g) Each initial application for a license must be accompanied by a fee of \$100 in addition
32.22 to the annual fee. The annual fee is \$150. The initial fees and annual fees must be paid into
32.23 the state treasury and credited to the general fund except that \$50 of each initial and annual
32.24 fee must be paid into the vehicle services operating account in the special revenue fund
32.25 under section 299A.705.

32.26 Sec. 12. Minnesota Statutes 2020, section 168.27, subdivision 31, is amended to read:

32.27 Subd. 31. **Documentary fee.** (a) A motor vehicle dealer may not charge a documentary
32.28 fee or document administration fee in excess of the amounts provided under paragraph (b)
32.29 for services actually rendered to, for, or on behalf of the retail buyer or lessee to prepare,
32.30 handle, and process documents for the closing of a motor vehicle retail sale or lease of a
32.31 vehicle being registered in the state of Minnesota. The fee must be separately stated on the
32.32 sales agreement maintained under Minnesota Rules, part 7400.5200, and may be excluded
32.33 from the dealer's advertised price.

33.1 (b) For motor vehicle sales or leases made on or after July 1, ~~2017~~ 2022, through June
 33.2 ~~30, 2020~~ 2023, the maximum fee is ~~\$100~~ the lesser of \$200 or an amount equal to 10 percent
 33.3 of the value the sale or lease. For motor vehicle sales or leases made on or after July 1, ~~2020,~~
 33.4 2023, through June 30, 2024, the maximum fee is ~~\$125~~ the lesser of \$275 or an amount
 33.5 equal to 10 percent of the value the sale or lease. For motor vehicle sales or leases made on
 33.6 or after July 1, 2024, the maximum fee is the lesser of \$350 or an amount equal to 10 percent
 33.7 of the value the sale or lease.

33.8 (c) "Documentary fee" and "document administration fee" do not include an optional
 33.9 electronic transfer fee as defined under section 53C.01, subdivision 14.

33.10 **EFFECTIVE DATE.** This section is effective for motor vehicle sales and leases made
 33.11 on or after July 1, 2022.

33.12 Sec. 13. Minnesota Statutes 2020, section 168A.11, subdivision 3, is amended to read:

33.13 Subd. 3. **Records.** Every dealer ~~shall~~ must maintain for three years at an established
 33.14 place of business a record in the form the department prescribes of every vehicle bought,
 33.15 sold, or exchanged, or received for sale or exchange, which ~~shall~~ must be open to inspection
 33.16 by a representative of the department or peace officer during ~~reasonable business hours~~
 33.17 inspection hours as listed on the initial dealer license application or as noted on the dealer
 33.18 record. With respect to motor vehicles subject to the provisions of section 325E.15, the
 33.19 record ~~shall~~ must include either the true mileage as stated by the previous owner or the fact
 33.20 that the previous owner stated the actual cumulative mileage was unknown; the record also
 33.21 ~~shall~~ must include either the true mileage the dealer stated upon transferring the vehicle or
 33.22 the fact the dealer stated the mileage was unknown.

33.23 Sec. 14. Minnesota Statutes 2020, section 168B.045, is amended to read:

33.24 **168B.045 TOWED MOTOR VEHICLES.**

33.25 A person who tows and stores a motor vehicle at the request of a law enforcement officer
 33.26 ~~shall~~ must have a lien on the motor vehicle for the value of the ~~storage and towing and~~
 33.27 recovery of the vehicle and cargo, storage of the vehicle and cargo, and accident site cleanup,
 33.28 and must have the right to retain possession of the motor vehicle and cargo, subject to the
 33.29 right to retrieve contents under section 168B.07, subdivision 3, until the lien is lawfully
 33.30 discharged. This section does not apply to tows of vehicles parked in violation of snow
 33.31 emergency regulations.

34.1 Sec. 15. Minnesota Statutes 2020, section 168B.07, subdivision 1, is amended to read:

34.2 Subdivision 1. **Payment of charges.** The owner or any lienholder of an impounded
34.3 vehicle ~~shall~~ must have a right to reclaim such vehicle from the unit of government or
34.4 impound lot operator taking it into custody upon payment of all charges for towing and
34.5 ~~storage charges~~ recovery of the vehicle and cargo, storage of the vehicle and cargo, and
34.6 accident site cleanup resulting from taking the vehicle and cargo into custody within 15 or
34.7 45 days, as applicable under section 168B.051, subdivision 1, 1a, or 2, after the date of the
34.8 notice required by section 168B.06.

34.9 Sec. 16. Minnesota Statutes 2020, section 169.011, is amended by adding a subdivision
34.10 to read:

34.11 Subd. 1b. **All-electric motorcycle.** (a) "All-electric motorcycle" means an electric
34.12 motorcycle that is solely able to be powered by an electric motor drawing current from
34.13 rechargeable storage batteries, fuel cells, or other portable sources of electrical current.

34.14 (b) All-electric motorcycle excludes a plug-in hybrid electric motorcycle.

34.15 Sec. 17. Minnesota Statutes 2020, section 169.011, is amended by adding a subdivision
34.16 to read:

34.17 Subd. 54c. **Plug-in hybrid electric motorcycle.** "Plug-in hybrid electric motorcycle"
34.18 means an electric motorcycle that:

34.19 (1) contains an internal combustion engine and also allows power to be delivered to the
34.20 drive wheels by a battery-powered electric motor;

34.21 (2) when connected to the electrical grid via an electrical outlet, is able to recharge its
34.22 battery; and

34.23 (3) has the ability to travel at least 20 miles powered substantially by electricity.

34.24 Sec. 18. Minnesota Statutes 2020, section 171.05, subdivision 2, is amended to read:

34.25 Subd. 2. **Person less than 18 years of age.** (a) The department may issue an instruction
34.26 permit to an applicant who is 15, 16, or 17 years of age and who:

34.27 (1) has completed a course of driver education in another state, has a previously issued
34.28 valid license from another state, or:

34.29 (i) is enrolled in either: behind-the-wheel training in a driver education program; and

34.30 (ii) has completed:

35.1 ~~(i) a public, private, or commercial~~ (A) the classroom phase of instruction in a driver
 35.2 education program that is approved by the commissioner of public safety and that includes
 35.3 classroom and behind-the-wheel training; or

35.4 (B) 15 hours of classroom instruction in a driver education program that presents
 35.5 classroom and behind-the-wheel instruction concurrently;

35.6 ~~(ii) an approved behind-the-wheel driver education program~~ (C) home-classroom driver
 35.7 training, when the student is receiving full-time instruction in a home school within the
 35.8 meaning of sections 120A.22 and 120A.24, the student is working toward a ~~homeschool~~
 35.9 home school diploma, the student is taking home-classroom driver training with classroom
 35.10 materials are approved by the commissioner of public safety, and the student's parent has
 35.11 certified the student's ~~homeschool~~ home school and home-classroom driver training status
 35.12 on the form approved by the commissioner; or

35.13 (D) an online driver education program authorized by section 171.395;

35.14 ~~(2) has completed the classroom phase of instruction in the driver education program~~
 35.15 ~~or has completed 15 hours of classroom instruction in a program that presents classroom~~
 35.16 ~~and behind-the-wheel instruction concurrently;~~

35.17 ~~(3)~~ (2) has passed a test of the applicant's eyesight;

35.18 ~~(4)~~ (3) has passed a department-administered test of the applicant's knowledge of traffic
 35.19 laws;

35.20 ~~(5)~~ (4) has completed the required application, which must be approved by (i) either
 35.21 parent when both reside in the same household as the minor applicant or, if otherwise, then
 35.22 (ii) the parent or spouse of the parent having custody or, in the event there is no court order
 35.23 for custody, then (iii) the parent or spouse of the parent with whom the minor is living or,
 35.24 if items (i) to (iii) do not apply, then (iv) the guardian having custody of the minor, (v) the
 35.25 foster parent or the director of the transitional living program in which the child resides or,
 35.26 in the event a person under the age of 18 has no living father, mother, or guardian, or is
 35.27 married or otherwise legally emancipated, then (vi) the applicant's adult spouse, adult close
 35.28 family member, or adult employer; provided, that the approval required by this clause
 35.29 contains a verification of the age of the applicant and the identity of the parent, guardian,
 35.30 adult spouse, adult close family member, or adult employer; and

35.31 ~~(6)~~ (5) has paid all fees required in section 171.06, subdivision 2.

35.32 (b) In addition, the applicant may submit a certification stating that a primary driving
 35.33 supervisor has completed the supplemental parental curriculum under section 171.0701,

36.1 subdivision 1a, for the purposes of provisional license requirements under section 171.055,
 36.2 subdivision 1, paragraph (a), clause (6). The certification must be completed by a driver
 36.3 education instructor, as defined under section 171.0701, subdivision 1a.

36.4 (c) For the purposes of determining compliance with the certification of paragraph (a),
 36.5 clause (1), item (ii), subitem (C), the commissioner may request verification of a student's
 36.6 ~~homeschool~~ home school status from the superintendent of the school district in which the
 36.7 student resides and the superintendent ~~shall~~ must provide that verification.

36.8 (d) A driver education program under this subdivision includes a public, private, or
 36.9 commercial program, and must be approved by the commissioner.

36.10 ~~(d)~~ (e) The instruction permit is valid for two years from the date of application and may
 36.11 be renewed upon payment of a fee equal to the fee for issuance of an instruction permit
 36.12 under section 171.06, subdivision 2.

36.13 Sec. 19. Minnesota Statutes 2020, section 171.07, subdivision 15, is amended to read:

36.14 Subd. 15. **Veteran designation.** (a) At the request of an eligible applicant and on payment
 36.15 of the required fee, the department ~~shall~~ must issue, renew, or reissue to the applicant a
 36.16 driver's license or Minnesota identification card bearing a graphic or written designation
 36.17 of:

36.18 (1) Veteran; or

36.19 (2) Veteran 100% T&P.

36.20 (b) At the time of the initial application for the designation provided under this
 36.21 subdivision, the applicant must:

36.22 (1) be one of the following:

36.23 (i) a veteran, as defined in section 197.447; or

36.24 (ii) a retired member of the National Guard or a reserve component of the United States
 36.25 armed forces;

36.26 (2) ~~have provide~~ a certified copy of the ~~veteran's~~ applicant's discharge papers that confirms
 36.27 an honorable or general discharge under honorable conditions status, or a military retiree
 36.28 identification card, Veteran Identification Card, or Veteran Health Identification Card; and

36.29 (3) if the applicant is seeking the disability designation under paragraph (a), clause (2),
 36.30 provide satisfactory evidence of a 100 percent total and permanent service-connected
 36.31 disability as determined by the United States Department of Veterans Affairs.

37.1 ~~(e) The commissioner of public safety is required to issue drivers' licenses and Minnesota~~
37.2 ~~identification cards with the veteran designation only after entering a new contract or in~~
37.3 ~~coordination with producing a new card design with modifications made as required by~~
37.4 ~~law.~~

37.5 **EFFECTIVE DATE; APPLICATION.** This section is effective August 1, 2022, and
37.6 applies to applications submitted on or after that date.

37.7 Sec. 20. Minnesota Statutes 2021 Supplement, section 171.13, subdivision 1, is amended
37.8 to read:

37.9 Subdivision 1. **Examination subjects and locations; provisions for color blindness,**
37.10 **disabled veterans.** (a) An applicant for a driver's license must pass the examination required
37.11 by this section before being issued a driver's license. Except as otherwise provided in this
37.12 by section 171.135, the commissioner shall examine each applicant for a driver's license by
37.13 such agency as the commissioner directs must conduct the examination. This examination
37.14 must include:

37.15 (1) a test of the applicant's eyesight, provided that this requirement is met by submission
37.16 of a vision examination certificate under section 171.06, subdivision 7;

37.17 (2) a test of the applicant's ability to read and understand highway signs regulating,
37.18 warning, and directing traffic;

37.19 (3) a test of the applicant's knowledge of (i) traffic laws; (ii) the effects of alcohol and
37.20 drugs on a driver's ability to operate a motor vehicle safely and legally, and of the legal
37.21 penalties and financial consequences resulting from violations of laws prohibiting the
37.22 operation of a motor vehicle while under the influence of alcohol or drugs; (iii) railroad
37.23 grade crossing safety; (iv) slow-moving vehicle safety; (v) laws relating to pupil
37.24 transportation safety, including the significance of school bus lights, signals, stop arm, and
37.25 passing a school bus; (vi) traffic laws related to bicycles; and (vii) the circumstances and
37.26 dangers of carbon monoxide poisoning;

37.27 (4) an actual demonstration of ability to exercise ordinary and reasonable control in the
37.28 operation of a motor vehicle; and

37.29 (5) other physical and mental examinations as the commissioner finds necessary to
37.30 determine the applicant's fitness to operate a motor vehicle safely upon the highways.

37.31 (b) Notwithstanding paragraph (a), the commissioner must not deny an application for
37.32 a driver's license based on the exclusive grounds that the applicant's eyesight is deficient in
37.33 color perception or that the applicant has been diagnosed with diabetes mellitus. War veterans

38.1 operating motor vehicles especially equipped for disabled persons, if otherwise entitled to
38.2 a license, must be granted such license.

38.3 (c) The commissioner ~~shall~~ must make provision for giving the examinations under this
38.4 subdivision either in the county where the applicant resides or at a place adjacent thereto
38.5 reasonably convenient to the applicant.

38.6 (d) The commissioner ~~shall~~ must ensure that an applicant is able to obtain an appointment
38.7 for an examination to demonstrate ability under paragraph (a), clause (4), within 14 days
38.8 of the applicant's request if, under the applicable statutes and rules of the commissioner,
38.9 the applicant is eligible to take the examination.

38.10 Sec. 21. [171.135] THIRD-PARTY COMMERCIAL DRIVER'S LICENSE ROAD
38.11 TESTS.

38.12 Subdivision 1. Definitions. (a) For purposes of this section, the following terms have
38.13 the meanings given.

38.14 (b) "Applicant" means the individual or entity applying to be a third-party tester program
38.15 or a third-party tester.

38.16 (c) "Road test" means the physical demonstration of ability to exercise ordinary and
38.17 reasonable control in the operation of a motor vehicle as required in section 171.13,
38.18 subdivision 1, paragraph (a), clause (4).

38.19 (d) "Third-party tester" or "tester" means an employee of a third-party testing program
38.20 who is authorized by the commissioner to conduct the road test for a commercial driver's
38.21 license.

38.22 (e) "Third-party testing program" or "program" means a program approved by the
38.23 commissioner to administer the road test conducted by a third-party tester.

38.24 Subd. 2. Third-party testing program; application. (a) An applicant must apply in
38.25 the manner specified by the commissioner for approval to administer the road test. A
38.26 third-party testing program may administer the road test under this section if the program
38.27 is approved by the commissioner.

38.28 (b) A program application to the commissioner must include:

38.29 (1) the business or entity name;

38.30 (2) a business registration number if a business or tax identification number if a nonprofit
38.31 entity;

39.1 (3) mailing address, telephone number, and e-mail address of the administrative office;

39.2 (4) the name of an authorized official responsible for the program and application and
39.3 the official's title and telephone number;

39.4 (5) a map, drawing, or written description of each test route to be used for road tests;

39.5 (6) the name, birth date, home address, and driver's license number of all individuals
39.6 the applicant wants to employ as a certified third-party tester;

39.7 (7) the amount for fees, if any, that will be charged; and

39.8 (8) a surety bond, in the amount prescribed by the commissioner.

39.9 Subd. 3. **Third-party testing program; office location.** To qualify as a third-party
39.10 testing program, the applicant must be located in Minnesota and must maintain an
39.11 administrative office in at least one permanent, regularly occupied building with a permanent
39.12 address.

39.13 Subd. 4. **Third-party testing program; evaluation and approval.** (a) The commissioner
39.14 must evaluate each application submitted by a third-party testing program applicant. If the
39.15 application is satisfactory, the commissioner must approve the application.

39.16 (b) Upon approval of a third-party testing program application, the commissioner must
39.17 issue a letter of approval designating the third-party testing program. The letter of approval
39.18 constitutes an agreement between the state and the third-party testing program that authorizes
39.19 the program to administer the road test for a commercial driver's license.

39.20 (c) A letter of approval to operate a third-party testing program is not transferable.

39.21 Subd. 5. **Third-party tester; authority.** (a) An individual may conduct the road test
39.22 for a commercial driver's license under this section if the person:

39.23 (1) possesses a valid third-party tester certificate, as provided in subdivision 6; and

39.24 (2) meets the requirements under Minnesota Rules, chapter 7410, and Code of Federal
39.25 Regulations, title 49, part 380, section 605, and part 383.

39.26 (b) A third-party tester is subject to the same requirements as examiners employed by
39.27 the state, including but not limited to background checks. The third-party tester must pay
39.28 the cost for a required background check.

39.29 Subd. 6. **Third-party tester; certificates.** (a) The commissioner must issue a third-party
39.30 tester certificate to an individual who satisfactorily completes the required training and is
39.31 authorized as a third-party tester.

40.1 (b) A third-party tester certificate is effective on the date of issuance and expires four
40.2 years after issuance. A third-party tester must submit an application for renewal of the
40.3 certificate to the commissioner no less than 30 days before the date the previously issued
40.4 certificate expires.

40.5 (c) The third-party testing program must keep a copy of the certificate of each third-party
40.6 tester employed by the program on file in the administrative office of the program.

40.7 (d) A third-party tester certificate is not transferable.

40.8 Subd. 7. **Training and information.** (a) The commissioner must provide a training
40.9 process that allows an individual to become authorized as a third-party tester.

40.10 (b) The commissioner must provide to each third-party tester all relevant information
40.11 on how to conduct the road test. At a minimum, the commissioner must provide:

40.12 (1) the criteria on which applicants for a commercial driver's license must be tested
40.13 during the road test;

40.14 (2) the method of scoring and evaluating the applicant for a commercial driver's license;

40.15 (3) the method and criteria for determining test routes; and

40.16 (4) the necessary documentation to conduct the road test.

40.17 Subd. 8. **Road tests.** (a) A third-party tester must conduct the commercial driver's license
40.18 road test in the manner and subject to the requirements of this section; section 171.131;
40.19 Minnesota Rules, chapter 7410; and Code of Federal Regulations, title 49, part 383.

40.20 (b) If the third-party tester also provides behind-the-wheel instruction for student drivers
40.21 or employees, the third-party tester must not use the same routes for training and conducting
40.22 the road test.

40.23 (c) Upon passage of the road test, the third-party tester must provide the person with
40.24 certification of passage of the road test. The certification must be in a form prescribed by
40.25 the commissioner.

40.26 Subd. 9. **Prohibited road tests.** (a) A third-party tester must not conduct a road test for
40.27 a person who is required to be examined by the commissioner under section 171.13,
40.28 subdivision 3, and Minnesota Rules, part 7410.2400.

40.29 (b) A third-party tester must not conduct a fourth or subsequent road test for a person.

40.30 Subd. 10. **Immunity.** The department must be held harmless for any claims, losses,
40.31 damages, costs, and other proceedings made, sustained, brought, or prosecuted in any manner

41.1 based on or occasioned by or attributive to any injury, infringement, or damage rising from
41.2 any act or omission of the third-party tester or the third-party testing program in the
41.3 performance of testing duties.

41.4 Subd. 11. **Application.** This section does not apply to employees of the state that conduct
41.5 the road test.

41.6 Subd. 12. **Oversight; investigations.** (a) The commissioner must monitor and audit the
41.7 road tests conducted by third-party testers.

41.8 (b) The commissioner must establish a process to investigate alleged violations of the
41.9 law and complaints made against third-party testers or programs. The third-party tester or
41.10 program must be given notice of an investigation and be allowed to participate in the
41.11 investigation. The commissioner must provide the results of an audit or investigation to the
41.12 third-party program and any third-party testers.

41.13 Subd. 13. **Denial; cancellation; suspension.** (a) The commissioner may deny an
41.14 application for a third-party testing program or third-party tester if the applicant does not
41.15 qualify for approval or certification under this section or Minnesota Rules, parts 7410.6000
41.16 to 7410.6540. In addition, a misstatement or misrepresentation is grounds for denying a
41.17 letter of approval for a third-party program or a third-party tester certificate.

41.18 (b) The commissioner may cancel the approval of a third-party testing program or
41.19 third-party tester or may suspend a program or tester for:

41.20 (1) failure to comply with or satisfy any provision of this section or Minnesota Rules,
41.21 parts 7410.6000 to 7410.6540;

41.22 (2) falsification of any records or information relating to the third-party testing program;

41.23 (3) performance in a manner that compromises the integrity of the third-party testing
41.24 program. The commissioner must use the same standards of integrity for state-employed
41.25 testers and third-party testers; or

41.26 (4) the withdrawal of a third-party tester's driving privileges.

41.27 Subd. 14. **Commissioner's discretion.** (a) The existence of grounds for cancellation or
41.28 suspension under subdivision 13 is determined at the sole discretion of the commissioner.
41.29 If the commissioner determines that grounds for cancellation or suspension exist for failure
41.30 to comply with or satisfy any requirement in this section or Minnesota Rules, parts 7410.6000
41.31 to 7410.6540, the commissioner may immediately cancel or suspend the third-party testing
41.32 program or third-party tester from administering any further tests.

42.1 (b) When an application to be a third-party testing program or third-party tester
42.2 application is denied, or when individual program approval or a tester's certificate is canceled,
42.3 a notice must be mailed to the subject indicating the reasons for the denial or cancellation
42.4 and that the third-party testing program or third-party tester may appeal the decision as
42.5 provided in subdivision 16.

42.6 Subd. 15. **Correction order.** If an audit by the commissioner identifies a situation that
42.7 needs correction but does not merit suspension or cancellation, the commissioner may issue
42.8 a correction order to a third-party tester or program for 30 days to correct a deficiency before
42.9 the program or tester becomes subject to suspension or cancellation. The notice must include
42.10 the basis for requiring the correction. The notice must notify the individual of the ability to
42.11 appeal the correction order as provided in subdivision 16. The third-party testing program
42.12 or third-party tester is permitted 30 days to correct the deficiency without having to reapply.

42.13 Subd. 16. **Notice of denial or cancellation; request for reconsideration and**
42.14 **hearing.** (a) Within 20 calendar days of the mailing date of a notice of cancellation or denial
42.15 issued pursuant to subdivision 14 or correction order issued pursuant to subdivision 15, the
42.16 third-party testing program or third-party tester may submit a request for reconsideration
42.17 in writing to the commissioner. The commissioner must review the request for reconsideration
42.18 and issue a decision within 30 days of the mailing date of the request. The third-party testing
42.19 program or third-party tester may request a contested case hearing under chapter 14 within
42.20 20 days of receipt of the commissioner's decision.

42.21 (b) As an alternative to the process in paragraph (a), the third-party testing program or
42.22 third-party tester may initiate a contested case proceeding within 20 calendar days of the
42.23 mailing date of a notice of cancellation or denial issued pursuant to subdivision 14 or a
42.24 correction order issued pursuant to subdivision 15.

42.25 (c) If a correction order issued pursuant to subdivision 15 is appealed under paragraph
42.26 (a) or (b), the commissioner must not enforce the correction order until the appeal is complete.

42.27 Subd. 17. **Rulemaking.** (a) Except where otherwise provided by this section, the
42.28 commissioner must apply applicable provisions from Minnesota Rules, parts 7410.6000 to
42.29 7410.6540, to third-party testing of commercial drivers' licenses. The provisions in Minnesota
42.30 Rules, parts 7410.6160, 7410.6180, 7410.6280, 7410.6290, 7410.6520, subpart 2, and
42.31 7410.6540, do not apply to third-party testing for commercial drivers' licenses.

42.32 (b) To the extent that Minnesota Rules, parts 7410.6000 to 7410.6540, or other laws do
42.33 not prescribe requirements on the following topics, the commissioner may adopt rules on
42.34 these topics as they pertain to third-party testing programs and testers:

- 43.1 (1) criteria for approval of an application of a third-party testing program or tester;
43.2 (2) requirements for training to become a third-party testing program or tester;
43.3 (3) the method of scoring and evaluating an applicant for a commercial driver's license;
43.4 (4) the method and criteria for determining test routes;
43.5 (5) documentation necessary to conduct a road test;
43.6 (6) the manner of conducting a road test for a commercial driver's license; and
43.7 (7) a process to investigate alleged violations of law and complaints made against
43.8 third-party testing programs and testers.

43.9 (b) The commissioner must not adopt rules that create standards for third-party testing
43.10 programs and third-party testers to provide road tests for a commercial driver's license that
43.11 are higher than standards required for the state or state employees who perform road tests
43.12 for commercial drivers' licenses.

43.13 (c) If the commissioner does not adopt rules by June 1, 2024, rulemaking authority under
43.14 this section is repealed. Rulemaking authority under this section is not continuing authority
43.15 to amend or repeal rules. Notwithstanding section 14.125, any additional action on rules
43.16 after adoption must be under specific statutory authority to take the additional action.

43.17 **Sec. 22. [171.395] ONLINE DRIVER EDUCATION PROGRAM.**

43.18 (a) A licensed driver education program may provide online driver education as provided
43.19 in this section. The online driver education program must satisfy the requirements for
43.20 classroom driver education as provided in section 171.0701, subdivision 1, and Minnesota
43.21 Rules, chapter 7411. In addition, an online driver education program must:

- 43.22 (1) include a means for the student to measure performance outcomes;
43.23 (2) use a pool of rotating quiz questions;
43.24 (3) incorporate accountability features to ensure the identity of the student while engaged
43.25 in the course of online study;
43.26 (4) measure the amount of time that the student spends in the course;
43.27 (5) provide technical support to customers that is available 24 hours per day, seven days
43.28 per week;

44.1 (6) require a licensed Minnesota driver education instructor to monitor each student's
44.2 progress and be available to answer questions in a timely manner, provided that the instructor
44.3 is not required to monitor progress or answer questions in real time;

44.4 (7) store course content and student data on a secure server that is protected against data
44.5 breaches and is regularly backed up;

44.6 (8) incorporate preventive measures in place to protect against the access of private
44.7 information;

44.8 (9) include the ability to update course content uniformly throughout the state; and

44.9 (10) provide online interactive supplemental parental curriculum consistent with section
44.10 171.0701, subdivision 1a.

44.11 (b) Except as required by this section, the commissioner is prohibited from imposing
44.12 requirements on online driver education programs that are not equally applicable to classroom
44.13 driver education programs.

44.14 Sec. 23. Laws 2021, First Special Session chapter 5, article 4, section 131, is amended to
44.15 read:

44.16 Sec. 131. **SCHOOL BUS AGE EXEMPTION.**

44.17 Notwithstanding Minnesota Statutes, section 169.454, subdivision 2, type III vehicles
44.18 that are 12 years or older may remain in service until August 31, ~~2022~~ 2023, if the following
44.19 conditions are met:

44.20 (1) the vehicle would otherwise be required to leave service between March 1, 2021,
44.21 and June 30, ~~2022~~ 2023, because of the vehicle's age; and

44.22 (2) the vehicle passes all required state inspections.

44.23 Sec. 24. Laws 2021, First Special Session chapter 5, article 4, section 131, the effective
44.24 date, is amended to read:

44.25 **EFFECTIVE DATE.** This section is effective the day following final enactment and
44.26 expires on August 31, ~~2022~~ 2023.

44.27 Sec. 25. **RULES.**

44.28 If the commissioner of public safety determines that any additional rules, beyond those
44.29 authorized to be adopted under Minnesota Statutes, section 171.135, are required to

45.1 implement this act, the commissioner must report to the chairs and ranking minority members
45.2 of the committees in the senate and house of representatives with jurisdiction over
45.3 transportation by January 15, 2023, describing topics on which additional rulemaking is
45.4 required. The report must include draft legislation to authorize the necessary rulemaking.

45.5 Sec. 26. **REVISOR INSTRUCTION.**

45.6 The revisor of statutes must renumber the subdivisions in Minnesota Statutes, section
45.7 169.011. The revisor must make necessary cross-reference changes in Minnesota Statutes
45.8 consistent with the renumbering.

45.9 Sec. 27. **REPEALER.**

45.10 Minnesota Rules, parts 7411.0535; and 7411.0630, subpart 6, are repealed.

45.11 **ARTICLE 5**

45.12 **INDEPENDENT EXPERT REVIEW PROVISIONS**

45.13 Section 1. Minnesota Statutes 2020, section 168.002, is amended by adding a subdivision
45.14 to read:

45.15 Subd. 12a. **Full-service provider.** "Full-service provider" means a person who is
45.16 appointed by the commissioner as both a deputy registrar under this chapter and a driver's
45.17 license agent under chapter 171 who provides all driver services, excluding International
45.18 Registration Plan and International Fuel Tax Agreement transactions. The commissioner is
45.19 not a full-service provider.

45.20 Sec. 2. Minnesota Statutes 2021 Supplement, section 168.327, subdivision 1, is amended
45.21 to read:

45.22 Subdivision 1. **Records and fees.** (a) Upon request by any person authorized in this
45.23 section, the commissioner ~~shall~~ or full-service provider must furnish a certified copy of any
45.24 driver's license record, instruction permit record, Minnesota identification card record,
45.25 vehicle registration record, vehicle title record, or accident record.

45.26 (b) Except as provided in subdivisions 4, 5a, and 5b, and other than accident records
45.27 governed under section 169.09, subdivision 13, the requester ~~shall~~ must pay a fee of \$10
45.28 for each certified record specified in paragraph (a) or a fee of \$9 for each record that is not
45.29 certified.

46.1 (c) Except as provided in subdivisions 4, 5a, and 5b, in addition to the record fee in
46.2 paragraph (b), the fee for a copy of the history of any vehicle title not in electronic format
46.3 is \$1 for each page of the historical record.

46.4 (d) Fees collected by the commissioner under paragraph (b) for driver's license, instruction
46.5 permit, and Minnesota identification card records must be paid into the state treasury with
46.6 50 cents of each fee credited to the general fund. The remainder of the fees collected by the
46.7 commissioner must be credited to the driver services operating account in the special revenue
46.8 fund under section 299A.705. Of the fees collected by a full-service provider under paragraph
46.9 (b) for driver's license, instruction permit, and Minnesota identification card records, the
46.10 provider must transmit 50 cents to the commissioner to be deposited into the general fund,
46.11 and the provider must retain the remainder.

46.12 (e) Fees collected by the commissioner under paragraphs (b) and (c) for vehicle
46.13 registration or title records must be paid into the state treasury with 50 cents of each fee
46.14 credited to the general fund. The remainder of the fees collected by the commissioner must
46.15 be credited to the vehicle services operating account in the special revenue fund specified
46.16 in section 299A.705. Of the fees collected by a full-service provider under paragraphs (b)
46.17 and (c) for vehicle registration or title records, the provider must transmit 50 cents to each
46.18 fee the commissioner to be deposited into the general fund, and the provider must retain
46.19 the remainder.

46.20 (f) Except as provided in subdivisions 4, 5a, and 5b, the commissioner ~~shall~~ must permit
46.21 a person to inquire into a record by the person's own electronic means for a fee of \$4.50 for
46.22 each inquiry, except that no fee may be charged when the requester is the subject of the
46.23 data. Of the fee collected by the commissioner:

46.24 (1) \$2.70 must be deposited in the general fund;

46.25 (2) for driver's license, instruction permit, or Minnesota identification card records, the
46.26 remainder must be deposited in the driver services operating account in the special revenue
46.27 fund under section 299A.705; and

46.28 (3) for vehicle title or registration records, the remainder must be deposited in the vehicle
46.29 services operating account in the special revenue fund under section 299A.705.

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

46.32 **EFFECTIVE DATE.** This section is effective August 1, 2022, and applies to requests
46.33 for records made on or after that date.

47.1 Sec. 3. Minnesota Statutes 2020, section 168.327, subdivision 2, is amended to read:

47.2 Subd. 2. **Requests for information; surcharge on fee.** (a) Except as otherwise provided
47.3 in subdivision 3, the commissioner ~~shall~~ or full-service provider must impose a surcharge
47.4 of 50 cents on each fee charged by the commissioner or full-service provider under section
47.5 13.03, subdivision 3, for copies or electronic transmittals of public information about the
47.6 registration of a vehicle or an applicant, or holder of a driver's license, instruction permit,
47.7 or Minnesota identification card.

47.8 (b) The surcharge only applies to a fee imposed in response to a request made in person
47.9 or by mail, or ~~to a request for transmittal through a computer modem~~ online. The surcharge
47.10 does not apply to the request of an individual for information about that individual's driver's
47.11 license, instruction permit, or Minnesota identification card or about vehicles registered or
47.12 titled in the individual's name.

47.13 (c) The surcharges collected by the commissioner under this subdivision must be credited
47.14 to the general fund. The surcharges collected by a full-service provider must be transmitted
47.15 to the commissioner to be deposited into the general fund.

47.16 **EFFECTIVE DATE.** This section is effective January 1, 2023, and applies to requests
47.17 for records made on or after that date.

47.18 Sec. 4. Minnesota Statutes 2020, section 168.327, subdivision 3, is amended to read:

47.19 Subd. 3. **Exception to fee and surcharge.** (a) Notwithstanding subdivision 2 or section
47.20 13.03, a fee or surcharge may not be imposed in response to a request for public information
47.21 about the registration of a vehicle if the commissioner or full-service provider is satisfied
47.22 that:

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

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

47.27 (b) The commissioner ~~shall~~ or full-service provider must not require a requester under
47.28 paragraph (a) to make a minimum number of data requests or limit the requester to a
47.29 maximum number of data requests.

47.30 **EFFECTIVE DATE.** This section is effective January 1, 2023, and applies to requests
47.31 for records made on or after that date.

48.1 Sec. 5. Minnesota Statutes 2020, section 168.327, is amended by adding a subdivision to
48.2 read:

48.3 Subd. 7. **Monitoring and auditing.** The commissioner must monitor and audit the
48.4 furnishing of records by full-service providers under this section to ensure full-service
48.5 providers are complying with this section, chapter 13, and United States Code, title 18,
48.6 section 2721, et seq.

48.7 **EFFECTIVE DATE.** This section is effective January 1, 2023.

48.8 Sec. 6. Minnesota Statutes 2020, section 168.33, subdivision 7, is amended to read:

48.9 Subd. 7. **Filing fees; allocations.** (a) In addition to all other statutory fees and taxes, a
48.10 filing fee of:

48.11 (1) \$7 is imposed on every vehicle registration renewal, excluding pro rate transactions;
48.12 and

48.13 (2) \$11 is imposed on every other type of vehicle transaction, including motor carrier
48.14 fuel licenses under sections 168D.05 and 168D.06, and pro rate transactions.

48.15 (b) Notwithstanding paragraph (a):

48.16 (1) a filing fee may not be charged for a document returned for a refund or for a correction
48.17 of an error made by the Department of Public Safety, a dealer, or a deputy registrar; and

48.18 (2) no filing fee or other fee may be charged for the permanent surrender of a title for a
48.19 vehicle.

48.20 (c) The filing fee must be shown as a separate item on all registration renewal notices
48.21 sent out by the commissioner.

48.22 (d) The statutory fees and taxes, and the filing fees imposed under paragraph (a) may
48.23 be paid by credit card or debit card. The deputy registrar may collect a surcharge on the
48.24 statutory fees, taxes, and filing fee not greater than the cost of processing a credit card or
48.25 debit card transaction, in accordance with emergency rules established by the commissioner
48.26 of public safety. The surcharge must be used to pay the cost of processing credit and debit
48.27 card transactions.

48.28 (e) The fees collected under this subdivision by the department for in-person transactions
48.29 must be allocated as follows:

48.30 (1) of the fees collected under paragraph (a), clause (1):

48.31 (i) \$5.50 must be deposited in the vehicle services operating account; and

- 49.1 (ii) \$1.50 must be deposited in the driver and vehicle services technology account; and
- 49.2 (2) of the fees collected under paragraph (a), clause (2):
- 49.3 (i) \$3.50 must be deposited in the general fund;
- 49.4 (ii) \$6.00 must be deposited in the vehicle services operating account; and
- 49.5 (iii) \$1.50 must be deposited in the driver and vehicle services technology account.
- 49.6 (f) The fees collected under this subdivision by the department for mail or online
- 49.7 transactions must be allocated as follows:
- 49.8 (1) of the fees collected under paragraph (a), clause (1):
- 49.9 (i) \$2.75 must be deposited in the vehicle services operating account;
- 49.10 (ii) \$0.75 must be deposited in the driver and vehicle services technology account; and
- 49.11 (iii) \$3.50 must be deposited in the full-service provider account; and
- 49.12 (2) of the fees collected under paragraph (a), clause (2):
- 49.13 (i) \$3.50 must be deposited in the general fund;
- 49.14 (ii) \$3.00 must be deposited in the vehicle services operating account;
- 49.15 (iii) \$0.75 must be deposited in the driver and vehicle services technology account; and
- 49.16 (iv) \$3.75 must be deposited in the full-service provider account.
- 49.17 (g) In addition to all other statutory fees and taxes, a \$5.00 surcharge is imposed on
- 49.18 every vehicle registration renewal, excluding pro rate transactions, that is submitted by mail.
- 49.19 Of the \$5.00 surcharge, \$2.50 must be deposited in the vehicle services operating account
- 49.20 and \$2.50 must be deposited in the full service provider account.
- 49.21 **EFFECTIVE DATE.** This section is effective October 1, 2022.
- 49.22 Sec. 7. Minnesota Statutes 2021 Supplement, section 169.09, subdivision 13, is amended
- 49.23 to read:
- 49.24 Subd. 13. **Reports confidential; evidence, fee, penalty, appropriation.** (a) All reports
- 49.25 and supplemental information required under this section must be for the use of the
- 49.26 commissioner of public safety and other appropriate state, federal, county, and municipal
- 49.27 governmental agencies for accident analysis purposes, except:

50.1 (1) upon written request, the commissioner of public safety, a full-service provider as
50.2 defined in section 171.01, subdivision 33a, or any law enforcement agency ~~shall~~ must
50.3 disclose the report required under subdivision 8 to:

50.4 (i) any individual involved in the accident, the representative of the individual's estate,
50.5 or the surviving spouse, or one or more surviving next of kin, or a trustee appointed under
50.6 section 573.02;

50.7 (ii) any other person injured in person, property, or means of support, or who incurs
50.8 other pecuniary loss by virtue of the accident;

50.9 (iii) legal counsel of a person described in item (i) or (ii);

50.10 (iv) a representative of the insurer of any person described in item (i) or (ii); or

50.11 (v) a city or county attorney or an attorney representing the state in an implied consent
50.12 action who is charged with the prosecution of a traffic or criminal offense that is the result
50.13 of a traffic crash investigation conducted by law enforcement;

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

50.16 ~~(3)~~ (2) the commissioner of public safety may verify with insurance companies vehicle
50.17 insurance information to enforce sections 65B.48, 169.792, 169.793, 169.796, and 169.797;

50.18 ~~(4)~~ (3) the commissioner of public safety ~~shall~~ must provide the commissioner of
50.19 transportation the information obtained for each traffic accident involving a commercial
50.20 motor vehicle, for purposes of administering commercial vehicle safety regulations;

50.21 ~~(5)~~ (4) upon specific request, the commissioner of public safety ~~shall~~ must provide the
50.22 commissioner of transportation the information obtained regarding each traffic accident
50.23 involving damage to identified state-owned infrastructure, for purposes of debt collection
50.24 under section 161.20, subdivision 4; and

50.25 ~~(6)~~ (5) the commissioner of public safety may give to the United States Department of
50.26 Transportation commercial vehicle accident information in connection with federal grant
50.27 programs relating to safety.

50.28 (b) Accident reports and data contained in the reports are not discoverable under any
50.29 provision of law or rule of court. ~~No report shall~~ A report must not be used as evidence in
50.30 any trial, civil or criminal, or any action for damages or criminal proceedings arising out
50.31 of an accident. However, the commissioner of public safety ~~shall~~ must furnish, upon the
50.32 demand of any person who has or claims to have made a report or upon demand of any

51.1 court, a certificate showing that a specified accident report has or has not been made to the
51.2 commissioner solely to prove compliance or failure to comply with the requirements that
51.3 the report be made to the commissioner.

51.4 (c) Nothing in this subdivision prevents any individual who has made a report under
51.5 this section from providing information to any individuals involved in an accident or their
51.6 representatives or from testifying in any trial, civil or criminal, arising out of an accident,
51.7 as to facts within the individual's knowledge. It is intended by this subdivision to render
51.8 privileged the reports required, but it is not intended to prohibit proof of the facts to which
51.9 the reports relate.

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

51.12 (e) The commissioner of public safety ~~shall~~ or full-service provider as defined in section
51.13 171.01, subdivision 33a, must charge authorized persons as described in paragraph (a) a \$5
51.14 fee for a copy of an accident report. Ninety percent of the \$5 fee collected by the
51.15 commissioner under this paragraph must be deposited in the special revenue fund and
51.16 credited to the driver services operating account established in section 299A.705 and ten
51.17 percent must be deposited in the general fund. Of the \$5 fee collected by a full-service
51.18 provider, the provider must transmit 50 cents to the commissioner to be deposited into the
51.19 general fund, and the provider must retain the remainder. The commissioner may also furnish
51.20 an electronic copy of the database of accident records, which must not contain personal or
51.21 private data on an individual, to private agencies as provided in paragraph (g), for not less
51.22 than the cost of preparing the copies on a bulk basis as provided in section 13.03, subdivision
51.23 3.

51.24 (f) The fees specified in paragraph (e) notwithstanding, the commissioner and law
51.25 enforcement agencies ~~shall~~ must charge commercial users who request access to response
51.26 or incident data relating to accidents a fee not to exceed 50 cents per record. "Commercial
51.27 user" is a user who in one location requests access to data in more than five accident reports
51.28 per month, unless the user establishes that access is not for a commercial purpose. Of the
51.29 money collected by the commissioner under this paragraph, 90 percent must be deposited
51.30 in the special revenue fund and credited to the driver services operating account established
51.31 in section 299A.705 and ten percent must be deposited in the general fund.

51.32 (g) The fees in paragraphs (e) and (f) notwithstanding, the commissioner ~~shall~~ must
51.33 provide an electronic copy of the accident records database to the public on a case-by-case
51.34 basis using the cost-recovery charges provided for under section 13.03, subdivision 3. The

52.1 database provided must not contain personal or private data on an individual. However,
52.2 unless the accident records database includes the vehicle identification number, the
52.3 commissioner ~~shall~~ must include the vehicle registration plate number if a private agency
52.4 certifies and agrees that the agency:

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

52.6 (2) will use the vehicle registration plate number only for identifying vehicles that have
52.7 been involved in accidents or damaged, to provide this information to persons seeking access
52.8 to a vehicle's history and not for identifying individuals or for any other purpose; and

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

52.10 **EFFECTIVE DATE.** This section is effective January 1, 2023, and applies to requests
52.11 for records made on or after that date.

52.12 Sec. 8. Minnesota Statutes 2020, section 169.09, is amended by adding a subdivision to
52.13 read:

52.14 Subd. 20. **Monitoring and auditing.** The commissioner must monitor and audit the
52.15 furnishing of records by full-service providers under this section to ensure full-service
52.16 providers are complying with this section, chapter 13, and United States Code, title 18,
52.17 section 2721, et seq.

52.18 **EFFECTIVE DATE.** This section is effective January 1, 2023.

52.19 Sec. 9. Minnesota Statutes 2020, section 171.01, is amended by adding a subdivision to
52.20 read:

52.21 Subd. 33a. **Full-service provider.** "Full-service provider" has the meaning given in
52.22 section 168.002, subdivision 12a.

52.23 Sec. 10. Minnesota Statutes 2020, section 171.02, subdivision 3, is amended to read:

52.24 Subd. 3. **Motorized bicycle.** (a) A motorized bicycle may not be operated on any public
52.25 roadway by any person who does not possess a valid driver's license, unless the person has
52.26 obtained a motorized bicycle operator's permit or motorized bicycle instruction permit from
52.27 the commissioner of public safety. The operator's permit may be issued to any person who
52.28 has attained the age of 15 years and who has passed the examination prescribed by the
52.29 commissioner. The instruction permit may be issued to any person who has attained the age
52.30 of 15 years and who has successfully completed an approved safety course and passed the
52.31 written portion of the examination prescribed by the commissioner.

53.1 (b) This course must consist of, but is not limited to, a basic understanding of:

53.2 (1) motorized bicycles and their limitations;

53.3 (2) motorized bicycle laws and rules;

53.4 (3) safe operating practices and basic operating techniques;

53.5 (4) helmets and protective clothing;

53.6 (5) motorized bicycle traffic strategies; and

53.7 (6) effects of alcohol and drugs on motorized bicycle operators.

53.8 (c) The commissioner may adopt rules prescribing the content of the safety course,

53.9 examination, and the information to be contained on the permits. A person operating a

53.10 motorized bicycle under a motorized bicycle permit is subject to the restrictions imposed

53.11 by section 169.974, subdivision 2, on operation of a motorcycle under a two-wheel instruction

53.12 permit.

53.13 (d) The fees for motorized bicycle operator's permits are as follows:

| | | | |
|-------|---|----|------|
| 53.14 | (1) Motorized bicycle operator's permit before age 21 and valid until | \$ | 9.75 |
| 53.15 | age 21 | | |

| | | | |
|-------|---|----|------------------|
| 53.16 | (2) Renewal permit age 21 or older and valid for four <u>eight</u> years | \$ | 15.75 |
| 53.17 | | | <u>23.75</u> |

| | | | |
|-------|-------------------------------------|----|------|
| 53.18 | (3) Duplicate of any renewal permit | \$ | 5.25 |
|-------|-------------------------------------|----|------|

| | | | |
|-------|---|----|------|
| 53.19 | (4) Written examination and instruction permit, valid for 30 days | \$ | 6.75 |
|-------|---|----|------|

53.20 **EFFECTIVE DATE.** This section is effective October 1, 2022, and applies to new or
 53.21 renewal applications for driver's licenses or identification cards submitted on or after that
 53.22 date.

53.23 Sec. 11. Minnesota Statutes 2020, section 171.06, is amended by adding a subdivision to
 53.24 read:

53.25 **Subd. 8. Preapplication.** The commissioner must establish a process for an applicant
 53.26 to complete an online preapplication for a driver's license or identification card. The
 53.27 preapplication must require the applicant to enter information required for an application
 53.28 for the desired type of driver's license or identification card. The preapplication process
 53.29 must generate a list of documents the applicant is required to submit in person at the time
 53.30 of the application. An applicant who submitted a preapplication is required to appear in
 53.31 person before the commissioner, a full-service provider, or a driver's license agent to submit
 53.32 a completed application for the driver's license or identification card. At the time an individual

54.1 schedules an appointment to apply for a driver's license or identification card, the
 54.2 commissioner, full-service provider, or driver's license agent who is scheduling the
 54.3 appointment must provide to the applicant a link to the preapplication website.

54.4 Sec. 12. Minnesota Statutes 2020, section 171.061, subdivision 4, is amended to read:

54.5 Subd. 4. **Fee; equipment.** (a) The agent may charge and retain a filing fee of \$8 for each
 54.6 application- as follows:

54.7 (1) New application for a noncompliant, REAL ID compliant, or \$ 24.00
 54.8 enhanced driver's license or identification card

54.9 (2) Renewal application for a noncompliant, REAL ID compliant, or \$ 16.50
 54.10 enhanced driver's license or identification card

54.11 Except as provided in paragraph (c), the fee ~~shall~~ must cover all expenses involved in
 54.12 receiving, accepting, or forwarding to the department the applications and fees required
 54.13 under sections 171.02, subdivision 3; 171.06, subdivisions 2 and 2a; and 171.07, subdivisions
 54.14 3 and 3a.

54.15 (b) The statutory fees and the filing fees imposed under paragraph (a) may be paid by
 54.16 credit card or debit card. The driver's license agent may collect a convenience fee on the
 54.17 statutory fees and filing fees not greater than the cost of processing a credit card or debit
 54.18 card transaction. The convenience fee must be used to pay the cost of processing credit card
 54.19 and debit card transactions. The commissioner ~~shall~~ must adopt rules to administer this
 54.20 paragraph using the exempt procedures of section 14.386, except that section 14.386,
 54.21 paragraph (b), does not apply.

54.22 (c) The department ~~shall~~ must maintain the photo identification and vision examination
 54.23 equipment for all agents appointed as of January 1, 2000. Upon the retirement, resignation,
 54.24 death, or discontinuance of an existing agent, and if a new agent is appointed in an existing
 54.25 office pursuant to Minnesota Rules, chapter 7404, and notwithstanding the above or
 54.26 Minnesota Rules, part 7404.0400, the department shall provide and maintain photo
 54.27 identification equipment without additional cost to a newly appointed agent in that office
 54.28 if the office was provided the equipment by the department before January 1, 2000. All
 54.29 photo identification and vision examination equipment must be compatible with standards
 54.30 established by the department.

54.31 (d) A filing fee retained by the agent employed by a county board must be paid into the
 54.32 county treasury and credited to the general revenue fund of the county. An agent who is not
 54.33 an employee of the county ~~shall~~ must retain the filing fee in lieu of county employment or
 54.34 salary and is considered an independent contractor for pension purposes, coverage under

55.1 the Minnesota State Retirement System, or membership in the Public Employees Retirement
55.2 Association.

55.3 (e) Before the end of the first working day following the final day of the reporting period
55.4 established by the department, the agent must forward to the department all applications
55.5 and fees collected during the reporting period except as provided in paragraph (d).

55.6 **EFFECTIVE DATE.** This section is effective October 1, 2022, and applies to
55.7 applications made on or after that date.

55.8 Sec. 13. Minnesota Statutes 2020, section 171.07, subdivision 4, is amended to read:

55.9 Subd. 4. **Identification card expiration.** (a) Except as otherwise provided in this
55.10 subdivision, the expiration date of a Minnesota identification card is the birthday of the
55.11 applicant in the ~~fourth~~ eighth year following the date of issuance of the card.

55.12 ~~(b)~~ For an applicant age 65 or older;

55.13 ~~(1) the expiration date of a Minnesota identification card is the birthday of the applicant~~
55.14 ~~in the eighth year following the date of issuance of the card; or~~

55.15 ~~(2)~~ a noncompliant identification card is valid for the lifetime of the applicant.

55.16 ~~(e) For the purposes of paragraph (b), "Minnesota identification card" does not include~~
55.17 ~~an enhanced identification card issued to an applicant age 65 or older.~~

55.18 ~~(d)~~ (b) The expiration date for an Under-21 identification card is the cardholder's 21st
55.19 birthday. The commissioner ~~shall~~ must issue an identification card to a holder of an Under-21
55.20 identification card who applies for the card, pays the required fee, and presents proof of
55.21 identity and age, unless the commissioner determines that the applicant is not qualified for
55.22 the identification card.

55.23 ~~(e)~~ (c) Notwithstanding paragraphs (a) ~~to (d)~~ and (b), the expiration date for an
55.24 identification card issued to a person with temporary lawful status is the last day of the
55.25 person's legal stay in the United States, or one year after issuance if the last day of the
55.26 person's legal stay is not identified.

55.27 **EFFECTIVE DATE.** This section is effective October 1, 2022, and applies to new or
55.28 renewal applications for driver's licenses or identification cards submitted on or after that
55.29 date.

56.1 Sec. 14. Minnesota Statutes 2020, section 171.0705, is amended by adding a subdivision
56.2 to read:

56.3 Subd. 11. **Manual and study material availability.** The commissioner must publish
56.4 the driver's manual and study support materials for the written exam and skills exam. The
56.5 study support materials must focus on the subjects and skills that are most commonly failed
56.6 by exam takers. The commissioner must ensure that the driver's manual and study support
56.7 materials are easily located and are available for no cost.

56.8 Sec. 15. Minnesota Statutes 2021 Supplement, section 171.071, subdivision 4, is amended
56.9 to read:

56.10 Subd. 4. **Variance for homebound individuals.** (a) Notwithstanding section 171.07 or
56.11 Minnesota Rules, part 7410.1810, the commissioner may grant a variance from the
56.12 photograph requirements for a noncompliant identification card if: (1) the individual is
56.13 homebound as defined in paragraph (b); (2) the individual has submitted proof of homebound
56.14 status; and (3) the department has a photograph of the applicant on file that was taken within
56.15 the last ~~four~~ eight years or during the most recent renewal cycle or the applicant has submitted
56.16 a photograph to the department that meets the requirements of section 171.07, Minnesota
56.17 Rules, part 7410.1810, subpart 1, and other technical requirements established by the
56.18 commissioner, such as background color and electronic file size, to ensure the image can
56.19 be used on a credential and conforms with images taken by the department. Applicants
56.20 granted a photograph variance under this subdivision are not required to appear in person
56.21 to have a new photograph taken.

56.22 (b) For purposes of this subdivision, "homebound" means the individual is unable to
56.23 leave the individual's residence due to a medical, physical, or mental health condition or
56.24 infirmity as documented in writing by a physician, case worker, or social worker.

56.25 **EFFECTIVE DATE.** This section is effective October 1, 2022, and applies to new or
56.26 renewal applications for driver's licenses or identification cards submitted on or after that
56.27 date.

56.28 Sec. 16. Minnesota Statutes 2020, section 171.12, subdivision 1a, is amended to read:

56.29 Subd. 1a. **Driver and vehicle services information system; security and auditing.** (a)
56.30 The commissioner must establish written procedures to ensure that only individuals
56.31 authorized by law may enter, update, or access not public data collected, created, or
56.32 maintained by the driver and vehicle services information system. An authorized individual's
56.33 ability to enter, update, or access data in the system must correspond to the official duties

57.1 or training level of the individual and to the statutory authorization granting access for that
57.2 purpose. All queries and responses, and all actions in which data are entered, updated,
57.3 accessed, shared, or disseminated, must be recorded in a data audit trail. If an authorized
57.4 individual accesses data to resolve an issue and the access does not result in a completed
57.5 transaction, the individual must include a notation on the record for the transaction explaining
57.6 the business need for accessing the data. Data contained in the audit trail are public to the
57.7 extent the data are not otherwise classified by law.

57.8 (b) If the commissioner ~~must immediately and permanently revoke the authorization of~~
57.9 ~~any~~ determines that an individual who willfully entered, updated, accessed, shared, or
57.10 disseminated data in violation of state or federal law, the commissioner must impose
57.11 disciplinary action. If an individual willfully gained access to data without authorization by
57.12 law, the commissioner must forward the matter to the appropriate prosecuting authority for
57.13 prosecution. The commissioner must not impose disciplinary action with regards to an
57.14 individual who properly accessed data to complete an authorized transaction or to resolve
57.15 an issue that did not result in a completed authorized transaction.

57.16 (c) If the commissioner imposes disciplinary action, the commissioner must notify the
57.17 individual, in writing, of the action, explain the reason for the action, and explain how to
57.18 appeal the action. The commissioner must transmit the notification within five calendar
57.19 days of the action.

57.20 (d) The commissioner must arrange for an independent biennial audit of the driver and
57.21 vehicle services information system to determine whether data currently in the system are
57.22 classified correctly, how the data are used, and to verify compliance with this subdivision.
57.23 The results of the audit are public. No later than 30 days following completion of the audit,
57.24 the commissioner must provide a report summarizing the audit results to the commissioner
57.25 of administration; the chairs and ranking minority members of the committees of the house
57.26 of representatives and the senate with jurisdiction over transportation policy and finance,
57.27 public safety, and data practices; and the Legislative Commission on Data Practices and
57.28 Personal Data Privacy. The report must be submitted as required under section 3.195, except
57.29 that printed copies are not required.

57.30 (e) For purposes of this subdivision, "disciplinary action" means a formal or informal
57.31 disciplinary measure, including but not limited to requiring corrective action or suspending
57.32 or revoking the individual's access to the driver and vehicle information system.

57.33 **EFFECTIVE DATE.** This section is effective October 1, 2022. Paragraphs (b), (d),
57.34 and (e), apply to audits of data use that are open on or after October 1, 2022.

58.1 Sec. 17. Minnesota Statutes 2021 Supplement, section 171.13, subdivision 1, is amended
58.2 to read:

58.3 Subdivision 1. **Examination subjects and locations; provisions for color blindness,**
58.4 **disabled veterans.** (a) Except as otherwise provided in this section, the commissioner ~~shall~~
58.5 must examine each applicant for a driver's license by such agency as the commissioner
58.6 directs. This examination must include:

58.7 (1) a test of the applicant's eyesight, provided that this requirement is met by submission
58.8 of a vision examination certificate under section 171.06, subdivision 7;

58.9 (2) a test of the applicant's ability to read and understand highway signs regulating,
58.10 warning, and directing traffic;

58.11 (3) a test of the applicant's knowledge of (i) traffic laws; (ii) the effects of alcohol and
58.12 drugs on a driver's ability to operate a motor vehicle safely and legally, and of the legal
58.13 penalties and financial consequences resulting from violations of laws prohibiting the
58.14 operation of a motor vehicle while under the influence of alcohol or drugs; (iii) railroad
58.15 grade crossing safety; (iv) slow-moving vehicle safety; (v) laws relating to pupil
58.16 transportation safety, including the significance of school bus lights, signals, stop arm, and
58.17 passing a school bus; (vi) traffic laws related to bicycles; and (vii) the circumstances and
58.18 dangers of carbon monoxide poisoning;

58.19 (4) an actual demonstration of ability to exercise ordinary and reasonable control in the
58.20 operation of a motor vehicle; and

58.21 (5) other physical and mental examinations as the commissioner finds necessary to
58.22 determine the applicant's fitness to operate a motor vehicle safely upon the highways.

58.23 (b) Notwithstanding paragraph (a), the commissioner must not deny an application for
58.24 a driver's license based on the exclusive grounds that the applicant's eyesight is deficient in
58.25 color perception or that the applicant has been diagnosed with diabetes mellitus. War veterans
58.26 operating motor vehicles especially equipped for disabled persons, if otherwise entitled to
58.27 a license, must be granted such license.

58.28 (c) ~~The commissioner shall make provision for giving the examinations under this~~
58.29 ~~subdivision either in the county where the applicant resides or at a place adjacent thereto~~
58.30 ~~reasonably convenient to the applicant.~~

58.31 (d) ~~The commissioner shall ensure that an applicant is able to obtain an appointment for~~
58.32 ~~an examination to demonstrate ability under paragraph (a), clause (4), within 14 days of the~~

59.1 applicant's request if, under the applicable statutes and rules of the commissioner, the
59.2 applicant is eligible to take the examination.

59.3 The commissioner must ensure there are 40 or more exam stations located so that an
59.4 applicant may take an exam either in the county where the applicant resides or in an adjacent
59.5 county at a reasonably convenient location. Each exam station must be open a minimum of
59.6 one day per week. The schedule for each exam station must be posted on the department's
59.7 website.

59.8 (d) The commissioner must provide real-time information on the department's website
59.9 about the availability and location of exam appointments, including the next available exam
59.10 dates and times for each exam station. The website must also provide an option for a person
59.11 to enter an address to review the date and time of the next available exam at each exam
59.12 station sorted by distance from the address provided. The information must be easily
59.13 accessible and must not require a person to sign in or provide any information, except an
59.14 address, in order to see available exam dates.

59.15 **EFFECTIVE DATE.** This section is effective July 1, 2023, except that paragraph (d)
59.16 is effective January 1, 2023.

59.17 Sec. 18. Minnesota Statutes 2020, section 171.13, subdivision 1a, is amended to read:

59.18 Subd. 1a. **Waiver when license issued by another jurisdiction.** (a) If the commissioner
59.19 determines that an applicant 21 years of age or older possesses a valid driver's license issued
59.20 by another state or jurisdiction that requires a comparable examination for obtaining a
59.21 driver's license, the commissioner ~~may~~ must waive the ~~requirement~~ requirements that the
59.22 applicant pass a written knowledge examination and demonstrate ability to exercise ordinary
59.23 and reasonable control in the operation of a motor vehicle ~~on determining that the applicant~~
59.24 ~~possesses a valid driver's license issued by a jurisdiction that requires a comparable~~
59.25 ~~demonstration for license issuance.~~

59.26 (b) If the commissioner determines that an applicant 21 years of age or older possesses
59.27 a valid driver's license with a two-wheeled vehicle endorsement issued by another state or
59.28 jurisdiction that requires a comparable examination for obtaining the endorsement, the
59.29 commissioner must waive the requirements that the applicant for a two-wheeled vehicle
59.30 endorsement pass a written knowledge examination and demonstrate the ability to exercise
59.31 ordinary and reasonable control in the operation of a motor vehicle.

59.32 (c) For purposes of this subdivision, "jurisdiction" includes, but is not limited to, both
59.33 the active and reserve components of any branch or unit of the United States armed forces,

60.1 and "valid driver's license" includes any driver's license that is recognized by that branch
60.2 or unit as currently being valid, or as having been valid at the time of the applicant's
60.3 separation or discharge from the military within a period of time deemed reasonable and
60.4 fair by the commissioner, up to and including one year past the date of the applicant's
60.5 separation or discharge.

60.6 **EFFECTIVE DATE.** This section is effective August 1, 2022, and applies to applications
60.7 made on or after that date.

60.8 Sec. 19. Minnesota Statutes 2021 Supplement, section 171.13, subdivision 7, is amended
60.9 to read:

60.10 Subd. 7. **Examination fees.** (a) A fee of ~~\$10~~ \$20 must be paid by an individual to take
60.11 a third and any subsequent knowledge test administered by the department if the individual
60.12 has failed two previous consecutive knowledge tests on the subject.

60.13 (b) A fee of ~~\$20~~ \$30 must be paid by an individual to take a third and any subsequent
60.14 skills or road test administered by the department if the individual has previously failed two
60.15 consecutive skill or road tests in a specified class of motor vehicle.

60.16 (c) A fee of \$20 must be paid by an individual who fails to appear for a scheduled skills
60.17 or road test or who cancels a skills or road test within 24 hours of the appointment time.

60.18 (d) All fees received under this subdivision must be paid into the state treasury and
60.19 credited to the driver services operating account in the special revenue fund specified under
60.20 section 299A.705.

60.21 Sec. 20. Minnesota Statutes 2021 Supplement, section 171.27, subdivision 1, is amended
60.22 to read:

60.23 Subdivision 1. **Expiration.** (a) Except as otherwise provided in this section, the expiration
60.24 date for each driver's license is the birthday of the driver in the ~~fourth~~ eighth year following
60.25 the date of issuance of the license. The birthday of the driver ~~shall~~ must be as indicated on
60.26 the application for a driver's license. A license may be renewed on or before expiration or
60.27 within one year after expiration upon application, payment of the required fee, and passing
60.28 the examination required of all drivers for renewal. Driving privileges ~~shall~~ must be extended
60.29 or renewed on or preceding the expiration date of an existing driver's license unless the
60.30 commissioner believes that the licensee is no longer qualified as a driver.

60.31 (b) The expiration date for each under-21 license ~~shall~~ must be the 21st birthday of the
60.32 licensee. Upon the licensee attaining the age of 21 and upon the application, payment of

61.1 the required fee, and passing the examination required of all drivers for renewal, a driver's
61.2 license ~~shall~~ must be issued unless the commissioner determines that the licensee is no
61.3 longer qualified as a driver.

61.4 (c) The expiration date for each provisional license is two years after the date of
61.5 application for the provisional license.

61.6 (d) Notwithstanding paragraphs (a) to (c), the expiration date for a license issued to a
61.7 person with temporary lawful status is the last day of the person's legal stay in the United
61.8 States, or one year after issuance if the last day of the person's legal stay is not identified.

61.9 **EFFECTIVE DATE.** This section is effective October 1, 2022, and applies to new or
61.10 renewal applications for driver's licenses or identification cards submitted on or after that
61.11 date.

61.12 Sec. 21. Minnesota Statutes 2021 Supplement, section 171.27, subdivision 2, is amended
61.13 to read:

61.14 Subd. 2. **Extension of expiration.** (a) For purposes of this subdivision, "eligible
61.15 individual" means:

61.16 (1) a person then or subsequently serving outside Minnesota in active military service,
61.17 as defined in section 190.05, subdivision 5, in any branch or unit of the armed forces of the
61.18 United States;

61.19 (2) a person then or subsequently serving outside Minnesota as a volunteer in the Peace
61.20 Corps;

61.21 (3) a person who is an employee of a federal department or agency and is assigned to
61.22 foreign service outside of the United States; or

61.23 (4) a person residing outside of Minnesota because the person is a spouse, domestic
61.24 partner, or dependent under age 26 of a person in clause (1), (2), or (3).

61.25 (b) A valid Minnesota driver's license issued to an eligible individual continues in full
61.26 force and effect without requirement for renewal until the date one year following the
61.27 person's separation or discharge from active military or volunteer service, or following the
61.28 conclusion of assignment to foreign service outside the United States, and until the license
61.29 holder's birthday in the ~~fourth~~ eighth full year following the person's most recent license
61.30 renewal or, in the case of a provisional license, until the person's birthday in the third full
61.31 year following the renewal.

62.1 **EFFECTIVE DATE.** This section is effective October 1, 2022, and applies to new or
62.2 renewal applications for driver's licenses or identification cards submitted on or after that
62.3 date.

62.4 Sec. 22. **[171.375] STUDENT PASS RATE.**

62.5 (a) For each driver training school, the commissioner must determine the percentage of
62.6 students from that school who pass the written exam or road test on the student's first attempt,
62.7 second attempt, or third or subsequent attempt. The commissioner must publicly post the
62.8 information collected under this section on the department's website. At a minimum, the
62.9 commissioner must update this information on the department's website at least every six
62.10 months. The information must be searchable by the name of a school or a location.

62.11 (b) By January 1 and July 1 of each year, each driver training school must provide to
62.12 the commissioner a list of all students who completed coursework at the school during the
62.13 previous six months.

62.14 Sec. 23. Minnesota Statutes 2020, section 299A.705, subdivision 1, is amended to read:

62.15 Subdivision 1. **Vehicle services operating account.** (a) The vehicle services operating
62.16 account is created in the special revenue fund, consisting of all money from the vehicle
62.17 services fees specified in chapters 168, 168A, and 168D, and any other money donated,
62.18 allotted, transferred, or otherwise provided to the account.

62.19 (b) Funds appropriated from the account must be used by the commissioner of public
62.20 safety to administer the vehicle services specified in chapters 168, 168A, and 168D, and
62.21 section 169.345, including:

62.22 (1) designing, producing, issuing, and mailing vehicle registrations, plates, emblems,
62.23 and titles;

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

62.25 (3) transferring vehicle registration plates and titles;

62.26 (4) maintaining vehicle records;

62.27 (5) issuing disability certificates and plates;

62.28 (6) licensing vehicle dealers;

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

62.30 (8) inspecting vehicles when required by law.

63.1 (c) The following amounts are appropriated monthly from the account to the
63.2 commissioner for the expense of fulfilling the renewal submissions from the previous
63.3 calendar month:

63.4 (1) \$1.53 per motor vehicle registration renewal submitted by mail where license plates
63.5 are not issued;

63.6 (2) \$11.84 per motor vehicle registration renewal submitted by mail where license plates
63.7 are issued;

63.8 (3) \$1.26 per motor vehicle registration renewal submitted online where license plates
63.9 are not issued; and

63.10 (4) \$11.28 per motor vehicle registration renewal submitted online where license plates
63.11 are issued.

63.12 **EFFECTIVE DATE.** This section is effective July 1, 2022, and the first quarterly
63.13 distribution shall be made on or before October 15, 2022.

63.14 Sec. 24. Minnesota Statutes 2020, section 299A.705, is amended by adding a subdivision
63.15 to read:

63.16 Subd. 3a. **Full-service provider account.** (a) The full-service provider account is created
63.17 in the special revenue fund, consisting of fees described in sections 168.33, subdivision 7,
63.18 and 171.06, subdivision 2, and any other money donated, allotted, transferred, or otherwise
63.19 provided to the account.

63.20 (b) Money in the account is annually appropriated to the commissioner of public safety
63.21 to distribute to full-service providers, as defined in section 168.002, subdivision 12a. At
63.22 least quarterly, the commissioner must distribute the money in the account to each full-service
63.23 provider that was in operation during that quarter based proportionally on the total number
63.24 of transactions completed by each full-service provider.

63.25 **EFFECTIVE DATE.** This section is effective October 1, 2022, and the first quarterly
63.26 distribution shall be made on or before January 15, 2023.

63.27 Sec. 25. **REPORT; IMPLEMENTATION OF DRIVER AND VEHICLE SERVICES**
63.28 **RECOMMENDATIONS.**

63.29 (a) The legislature encourages the commissioner of public safety, in conjunction with
63.30 appropriate stakeholders, to implement the following recommendations included in
63.31 independent expert review of driver and vehicle services issued January 12, 2022:

- 64.1 (1) revise the deputy registrar and driver's license agent contracts to encourage all deputy
64.2 registrars and driver's license agents to become or remain full-service providers as defined
64.3 in Minnesota Statutes, section 168.002, subdivision 12a;
- 64.4 (2) determine how best to utilize certified and impartial third parties for administration
64.5 of knowledge and road tests;
- 64.6 (3) implement data and reporting practices to assist the commissioner in making decisions
64.7 focused on the residents of the state;
- 64.8 (4) conduct a staffing review that balances staff quantity and quality, leverages technology
64.9 automations and configurations, and establishes performance standards and targets that
64.10 meet the needs of the state;
- 64.11 (5) identify performance and service standards and create a deputy registrar performance
64.12 scorecard and a driver's license agent performance scorecard that monitors user performance
64.13 to ensure a consistently positive experience for Minnesotans;
- 64.14 (6) provide a rapid response communication method for situations where deputy registrars
64.15 or driver's license agents need immediate support;
- 64.16 (7) explore ways to speed up background checks of new employees at the division of
64.17 driver and vehicle services offices and deputy registrar offices, including using a police
64.18 department or county sheriff;
- 64.19 (8) promote the preapplication process and expand the use of preapplications to all
64.20 possible, relevant areas;
- 64.21 (9) evaluate and make recommendations to the legislature on areas where it is appropriate
64.22 to make preapplications mandatory;
- 64.23 (10) adjust policies and practices to automate as many approval transactions as possible;
- 64.24 (11) determine the proper user level field needed by transaction type and explore
64.25 additional differentiated user levels in MnDRIVE;
- 64.26 (12) allow deputy registrars to have increased visibility to and influence on the MnDRIVE
64.27 enhancement process;
- 64.28 (13) engage a learning consultant and create a content strategy and communications
64.29 campaign to meet the needs of Minnesota residents, including a feedback loop for continuous
64.30 improvement and evolution;
- 64.31 (14) provide additional training and clear guidance regarding permissible use of records
64.32 and enable in-application notation of usage other than for paid transactions;

65.1 (15) consider what security measures are appropriate at each deputy registrar or driver's
65.2 license agent location, including the possible need for a security officer or for cameras with
65.3 recording capabilities;

65.4 (16) offer training in deescalation and negotiation techniques to all public-facing staff;
65.5 and

65.6 (17) examine the potential of allowing online applications for replacement class D driver's
65.7 licenses.

65.8 (b) By December 15, 2022, the commissioner must report to the chairs and ranking
65.9 minority members of the legislative committees with jurisdiction over transportation finance
65.10 and policy on whether the recommendations in paragraph (a) and the recommendations
65.11 included in the March 2021 legislative auditor's report on driver examination stations have
65.12 been implemented, are in the process of being implemented, or will not be implemented.
65.13 For each recommendation that has been implemented, the commissioner must:

65.14 (1) describe when and how the recommendation was implemented;

65.15 (2) describe the outcome of implementing the recommendation; and

65.16 (3) provide an estimated cost of implementing the recommendation.

65.17 For each recommendation that is in the process of being implemented, the commissioner
65.18 must:

65.19 (1) describe how the recommendation is being implemented;

65.20 (2) provide the anticipated timeline for implementation; and

65.21 (3) provide an estimated cost of implementing the recommendation.

65.22 For each recommendation that will not be implemented, the commissioner must:

65.23 (1) provide a detailed explanation of why the recommendation will not be implemented;

65.24 (2) provide an estimated cost to implement the recommendation;

65.25 (3) provide an estimated timeline to implement the recommendation;

65.26 (4) describe any unmet needs that, if met, would allow the commissioner to implement
65.27 the recommendation.

65.28 In addition, the commissioner must include recommendations on any further changes to
65.29 statutes necessary or beneficial for implementing the recommendations.

65.30 (c) The report required by paragraph (b) must also include:

66.1 (1) the commissioner's plan for exam station locations, including how many exam stations
66.2 will remain open and the locations of the exam stations; and

66.3 (2) whether any limited driver's license agents are unable to become full-service providers
66.4 because of the restrictions in Minnesota Statutes, section 171.061, and Minnesota Rules,
66.5 chapter 7404, and, if so, whether the commissioner would recommend any exceptions to
66.6 allow the limited driver's license agent to participate in the fee sharing provisions of this
66.7 act.

66.8 **EFFECTIVE DATE.** This section is effective the day following final enactment.

66.9 Sec. 26. **REPEALER.**

66.10 Minnesota Statutes 2020, section 168.345, subdivision 1, is repealed.

66.11 Sec. 27. **EFFECTIVE DATE.**

66.12 Except where otherwise specified, this act is effective August 1, 2022.

66.13 **ARTICLE 6**

66.14 **SALVAGE AND PRIOR SALVAGE TITLE BRANDS**

66.15 Section 1. Minnesota Statutes 2020, section 168A.01, is amended by adding a subdivision
66.16 to read:

66.17 Subd. 16b. **Recovered intact vehicle.** "Recovered intact vehicle" means a vehicle that
66.18 was:

66.19 (1) verified by the vehicle insurer to be stolen and declared a total loss; and

66.20 (2) subsequently recovered with damage that is not in excess of 80 percent of its value
66.21 immediately before it was stolen.

66.22 Sec. 2. Minnesota Statutes 2020, section 168A.01, subdivision 17b, is amended to read:

66.23 Subd. 17b. **Salvage vehicle.** (a) "Salvage vehicle" means a vehicle ~~that has a salvage~~
66.24 ~~certificate of title~~ (1) for which an insurance company has declared a total loss or paid a
66.25 total loss claim, or (2) that has been involved in a collision or other event in which the cost
66.26 of repairs exceeds 80 percent of the value of the vehicle immediately before the damage
66.27 occurred.

66.28 (b) Salvage vehicle does not include a recovered intact vehicle.

67.1 Sec. 3. Minnesota Statutes 2020, section 168A.04, subdivision 1, is amended to read:

67.2 Subdivision 1. **Contents.** The application for the first certificate of title of a vehicle or
67.3 manufactured home in this state, or for reissuance of a certificate of title for a manufactured
67.4 home under section 168A.142, ~~shall~~ must be made by the owner to the department on the
67.5 form prescribed by the department and ~~shall~~ must contain:

67.6 (1) the first, middle, and last names, the dates of birth, and addresses of all owners who
67.7 are natural persons, the full names and addresses of all other owners;

67.8 (2) a description of the vehicle or manufactured home including, so far as the following
67.9 data exists, its make, model, year, identifying number in the case of a vehicle or serial
67.10 number in the case of a manufactured home, type of body, and whether new or used;

67.11 (3) the date of purchase by applicant, the name and address of the person from whom
67.12 the vehicle or manufactured home was acquired, the names and addresses of any secured
67.13 parties in the order of their priority, and the dates of their respective security agreements;

67.14 (4) with respect to motor vehicles subject to the provisions of section 325E.15, the true
67.15 cumulative mileage registered on the odometer or that the actual mileage is unknown if the
67.16 odometer reading is known by the owner to be different from the true mileage;

67.17 (5) ~~with respect to vehicles subject to section 325F.6641,~~ whether the vehicle sustained
67.18 damage by collision or other occurrence ~~which exceeded 70 percent of the actual cash value~~
67.19 that meets the disclosure requirements under section 325F.6641, subdivision 1; and

67.20 (6) any further information the department reasonably requires to identify the vehicle
67.21 or manufactured home and to enable it to determine whether the owner is entitled to a
67.22 certificate of title, and the existence or nonexistence and priority of any security interest in
67.23 the vehicle or manufactured home.

67.24 Sec. 4. Minnesota Statutes 2020, section 168A.04, subdivision 4, is amended to read:

67.25 Subd. 4. **Vehicle last registered out of state.** If the application refers to a vehicle last
67.26 previously registered in another state or country, the application ~~shall~~ must contain or be
67.27 accompanied by:

67.28 (1) any certificate of title issued by the other state or country;

67.29 (2) any other information and documents the department reasonably requires to establish
67.30 the ownership of the vehicle and the existence or nonexistence and priority of any security
67.31 interest in it;

68.1 (3) the certificate of a person authorized by the department that the identifying number
68.2 of the vehicle has been inspected and found to conform to the description given in the
68.3 application, or any other proof of the identity of the vehicle the department reasonably
68.4 requires; and

68.5 (4) ~~with respect to vehicles subject to section 325F.6641,~~ whether the vehicle sustained
68.6 damage by collision or other occurrence ~~which exceeded 70 percent of actual cash value~~
68.7 that meets the disclosure requirements under section 325F.6641, subdivision 1. Damage,
68.8 for the purpose of ~~this~~ the calculation under this clause, does not include the actual cost
68.9 incurred to repair, replace, or reinstall inflatable safety restraints and other vehicle
68.10 components that must be replaced due to the deployment of the inflatable safety restraints.

68.11 Sec. 5. Minnesota Statutes 2020, section 168A.05, subdivision 3, is amended to read:

68.12 Subd. 3. **Content of certificate.** (a) Each certificate of title issued by the department
68.13 ~~shall~~ must contain:

68.14 (1) the date issued;

68.15 (2) the first, middle, and last names and the dates of birth of all owners who are natural
68.16 persons, and the full names of all other owners;

68.17 (3) the residence address of the owner listed first if that owner is a natural person or the
68.18 address if that owner is not a natural person;

68.19 (4) the names of any secured parties, and the address of the first secured party, listed in
68.20 the order of priority (i) as shown on the application, or (ii) if the application is based on a
68.21 certificate of title, as shown on the certificate, or (iii) as otherwise determined by the
68.22 department;

68.23 (5) any liens filed pursuant to a court order or by a public agency responsible for child
68.24 support enforcement against the owner;

68.25 (6) the title number assigned to the vehicle;

68.26 (7) a description of the vehicle including, so far as the following data exists, its make,
68.27 model, year, identifying number, type of body, whether new or used, and if a new vehicle,
68.28 the date of the first sale of the vehicle for use;

68.29 (8) with respect to a motor vehicle subject to section 325E.15, (i) the true cumulative
68.30 mileage registered on the odometer or (ii) that the actual mileage is unknown if the odometer
68.31 reading is known by the owner to be different from the true mileage;

68.32 (9) if applicable, one or more of the following:

69.1 (i) with respect to a vehicle subject to sections ~~325F.6641~~ 168A.151 and 325F.6642, the
 69.2 appropriate ~~term~~ brand "flood damaged," "~~rebuilt~~," "salvage," "prior salvage," or
 69.3 "reconstructed";

69.4 ~~(10)~~ (ii) with respect to a vehicle contaminated by methamphetamine production, if the
 69.5 registrar has received the certificate of title and notice described in section 152.0275,
 69.6 subdivision 2, paragraph (g), the ~~term~~ brand "hazardous waste contaminated vehicle"; and

69.7 ~~(11)~~ (iii) with respect to a vehicle subject to section 325F.665, the ~~term~~ brand "lemon
 69.8 law vehicle"; and

69.9 ~~(12)~~ (10) any other data the department prescribes.

69.10 (b) For a certificate of title on a vehicle that is a restored pioneer vehicle:

69.11 (1) the identifying number must be the valid identifying number as provided under
 69.12 section 168A.04, subdivision 5;

69.13 (2) the year of the vehicle must be the year of original vehicle manufacture and not the
 69.14 year of restoration; and

69.15 (3) the title must not bear a "reconstructed vehicle" brand.

69.16 Sec. 6. Minnesota Statutes 2020, section 168A.151, subdivision 1, is amended to read:

69.17 Subdivision 1. **Salvage titles and prior salvage brands.** (a) When an insurer, licensed
 69.18 to conduct business in Minnesota, acquires ownership of a ~~late-model or high-value~~ vehicle,
 69.19 excluding a recovered intact vehicle, through payment of damages, the insurer ~~shall~~ must:

69.20 (1) for a late-model or high-value vehicle, immediately apply for a ~~salvage~~ certificate
 69.21 of title that bears a "salvage" brand or ~~shall~~ stamp the existing certificate of title with ~~the~~
 69.22 ~~legend "SALVAGE salvage CERTIFICATE OF TITLE"~~ in a manner prescribed by the
 69.23 department; or

69.24 (2) for a vehicle that is not subject to clause (1), immediately apply for a certificate of
 69.25 title that bears a "prior salvage" brand or stamp the existing certificate of title with "prior
 69.26 salvage" in a manner prescribed by the department.

69.27 (b) Within ten days of obtaining the title of a vehicle through payment of damages, an
 69.28 insurer must notify the department in a manner prescribed by the department.

69.29 ~~(b)~~ (c) Except as provided in section 168A.11, subdivision 1, ~~A~~ a person shall must
 69.30 immediately apply for a ~~salvage~~ certificate of title that bears a "salvage" brand if the person

70.1 acquires a damaged late-model or high-value vehicle ~~with an out-of-state title and the vehicle~~
70.2 that:

70.3 (1) ~~is a vehicle that~~ was acquired by an insurer through payment of damages;

70.4 (2) ~~is a vehicle for which the~~ will incur a cost of repairs that exceeds the value of the
70.5 damaged vehicle; or

70.6 (3) has an out-of-state salvage certificate of title as proof of ownership; or

70.7 (4) bears the brand "damaged," "repairable," "salvage," or any similar term on the
70.8 certificate of title.

70.9 (d) Except as provided in section 168A.11, subdivision 1, a person must immediately
70.10 apply for a certificate of title that bears a "prior salvage" brand if the person acquires a
70.11 damaged vehicle and:

70.12 (1) a "salvage" brand is not required under paragraph (c); and

70.13 (2) the vehicle:

70.14 (i) bears the brand "damaged," "repairable," "salvage," "rebuilt," "reconditioned," or
70.15 any similar term on the certificate of title; or

70.16 (ii) had a salvage certificate of title or brand issued at any time in the vehicle's history
70.17 by any other jurisdiction.

70.18 ~~(e)~~ (e) A self-insured owner of a ~~late-model or high-value~~ vehicle that sustains damage
70.19 by collision or other occurrence which exceeds 80 percent of its actual cash value ~~shall~~
70.20 must:

70.21 (1) for a late-model or high-value vehicle, immediately apply for a salvage certificate
70.22 of title that bears a "salvage" brand; or

70.23 (2) for a vehicle that is not subject to clause (1), immediately apply for a certificate of
70.24 title that bears a "prior salvage" brand.

70.25 Sec. 7. Minnesota Statutes 2020, section 168A.152, subdivision 1, is amended to read:

70.26 Subdivision 1. **Certificate of inspection.** (a) A salvage certificate of title that bears a
70.27 "salvage" brand or stamp authorizes the holder to possess, transport, and transfer ownership
70.28 in a vehicle. A salvage certificate of title that bears a "salvage" brand or stamp does not
70.29 authorize the holder to register a vehicle. A certificate of title must not be issued for a vehicle
70.30 for which a salvage certificate of title has been issued unless

71.1 (b) For a late-model or high-value vehicle with a certificate of title that bears a "salvage"
71.2 brand or stamp, the commissioner must not issue a certificate of title that bears a "prior
71.3 salvage" brand or stamp unless the application for title is accompanied by a certification of
71.4 inspection in the form and content specified by the department ~~accompanies the application~~
71.5 ~~for a certificate of title.~~

71.6 Sec. 8. Minnesota Statutes 2020, section 168A.152, subdivision 1a, is amended to read:

71.7 Subd. 1a. **Duties of salvage vehicle purchaser.** No salvage vehicle purchaser shall
71.8 possess or retain a salvage vehicle which does not have a ~~salvage~~ certificate of title that
71.9 bears a "salvage" or "prior salvage" brand or stamp. The salvage vehicle purchaser ~~shall~~
71.10 must display the salvage certificate of title upon the request of any appropriate public
71.11 authority.

71.12 Sec. 9. Minnesota Statutes 2020, section 325F.662, subdivision 3, is amended to read:

71.13 Subd. 3. **Exclusions.** Notwithstanding the provisions of subdivision 2, a dealer is not
71.14 required to provide an express warranty for a used motor vehicle:

71.15 (1) sold for a total cash sale price of less than \$3,000, including the trade-in value of
71.16 any vehicle traded in by the consumer, but excluding tax, license fees, registration fees, and
71.17 finance charges;

71.18 (2) with an engine designed to use diesel fuel;

71.19 (3) with a gross weight, as defined in section 168.002, subdivision 13, in excess of 9,000
71.20 pounds;

71.21 (4) that has been custom-built or modified for show or for racing;

71.22 (5) that is eight years of age or older, as calculated from the first day in January of the
71.23 designated model year of the vehicle;

71.24 (6) that has been produced by a manufacturer which has never manufactured more than
71.25 10,000 motor vehicles in any one year;

71.26 (7) that has 75,000 miles or more at time of sale;

71.27 (8) that has not been manufactured in compliance with applicable federal emission
71.28 standards in force at the time of manufacture as provided by the Clean Air Act, United
71.29 States Code, title 42, sections 7401 through 7642, and regulations adopted pursuant thereto,
71.30 and safety standards as provided by the National Traffic and Motor Safety Act, United

72.1 States Code, title 15, sections 1381 through 1431, and regulations adopted pursuant thereto;
72.2 or

72.3 (9) that has been issued a ~~salvage~~ certificate of title that bears a "salvage" brand or stamp
72.4 under section 168A.151.

72.5 Sec. 10. Minnesota Statutes 2020, section 325F.6641, is amended to read:

72.6 **325F.6641 DISCLOSURE OF VEHICLE DAMAGE.**

72.7 Subdivision 1. **Prior damage disclosure.** (a) If a ~~late-model~~ vehicle, ~~as defined in~~
72.8 ~~section 168A.01, subdivision 8a,~~ has sustained damage by collision or other occurrence
72.9 which exceeds 80 percent of its actual cash value immediately prior to sustaining damage,
72.10 the seller must disclose that fact to the buyer, if the seller has actual knowledge of the
72.11 damage. The amount of damage is determined by the retail cost of repairing the vehicle
72.12 based on a complete written retail repair estimate or invoice.

72.13 (b) The disclosure required under this subdivision must be made in writing on the
72.14 application for title and registration or other transfer document, in a manner prescribed by
72.15 the registrar of motor vehicles. The registrar ~~shall revise~~ must design the certificate of title
72.16 form, including the assignment by seller (transferor) and reassignment by licensed dealer
72.17 sections of the form, the separate application for title forms, and other transfer documents
72.18 to accommodate this disclosure. ~~If the seller is a motor vehicle dealer licensed pursuant to~~
72.19 ~~section 168.27, the disclosure required by this section must be made orally by the dealer to~~
72.20 ~~the prospective buyer in the course of the sales presentation.~~

72.21 ~~(c) Upon transfer and application for title to a vehicle covered by this subdivision, the~~
72.22 ~~registrar shall record the term "rebuilt" on the first Minnesota certificate of title and all~~
72.23 ~~subsequent Minnesota certificates of title used for that vehicle.~~

72.24 Subd. 2. **Form of Disclosure requirements.** (a) If a motor vehicle dealer licensed under
72.25 section 168.27 offers a vehicle for sale in the course of a sales presentation to any prospective
72.26 buyer the dealer must provide a written disclosure, and an oral disclosure except for sales
72.27 performed online, of:

72.28 (1) prior vehicle damage as required under subdivision 1;

72.29 (2) the existence or requirement of any title brand under sections 168A.05, subdivision
72.30 3, 168A.151, 325F.6642, or 325F.665, subdivision 14, if the dealer has actual knowledge
72.31 of the brand; and

73.1 (3) if a motor vehicle, which is part of a licensed motor vehicle dealer's inventory, has
 73.2 been submerged or flooded above the bottom dashboard while parked on the dealer's lot.

73.3 (b) If a person receives a flood disclosure as described in paragraph (a), clause (3),
 73.4 whether from a motor vehicle dealer or another seller, and subsequently offers that vehicle
 73.5 for sale, the person must provide the same disclosure to any prospective subsequent buyer.

73.6 (c) Written disclosure under this subdivision must be signed by the buyer and maintained
 73.7 in the motor vehicle dealer's sales file in the manner prescribed by the registrar of motor
 73.8 vehicles.

73.9 (d) The disclosure required in ~~this section~~ subdivision 1 must be made in substantially
 73.10 the following form: "To the best of my knowledge, this vehicle has has not sustained
 73.11 damage in excess of 80 percent actual cash value."

73.12 Sec. 11. Minnesota Statutes 2020, section 325F.6642, is amended to read:

73.13 **325F.6642 TITLE BRANDING.**

73.14 Subdivision 1. **Flood damage.** If the application for title and registration indicates that
 73.15 the vehicle has been classified as a total loss ~~vehicle~~ because of water or flood damage, or
 73.16 that the vehicle bears a "flood damaged" or similar brand, the registrar of motor vehicles
 73.17 ~~shall~~ must record the ~~term~~ brand "flood damaged" on the certificate of title and all subsequent
 73.18 certificates of title issued for that vehicle.

73.19 Subd. 2. ~~Total Loss~~ **Salvage vehicles.** (a) Upon transfer and application for title to all
 73.20 ~~total loss~~ vehicles for which the "salvage" brand is required under section 168A.151,
 73.21 subdivision 1, the registrar of motor vehicles ~~shall~~ must (1) record the ~~term~~ brand "prior
 73.22 salvage" on the first Minnesota certificate of title, and (2) subject to section 168A.152,
 73.23 record the brand "prior salvage" on all subsequent Minnesota certificates of title ~~used~~ issued
 73.24 for that vehicle.

73.25 (b) Notwithstanding paragraph (a), a "prior salvage" brand is not required for a recovered
 73.26 intact vehicle, as defined in section 168A.01, subdivision 16b.

73.27 ~~Subd. 3. Out-of-state vehicles.~~ (a) Upon transfer and application for title of all repaired
 73.28 ~~vehicles with out-of-state titles that bear the term "damaged," "salvage," "rebuilt,"~~
 73.29 ~~"reconditioned," or any similar term, the registrar of motor vehicles shall record the term~~
 73.30 ~~"prior salvage" on the first Minnesota certificate of title and all subsequent Minnesota~~
 73.31 ~~certificates of title used for that vehicle.~~

74.1 ~~(b) The registrar shall mark "prior salvage" on the first Minnesota certificate of title and~~
74.2 ~~all subsequent certificates of title issued for any vehicle which came into the state unrepaired~~
74.3 ~~and for which a salvage certificate of title was issued.~~

74.4 ~~(c) For vehicles with out-of-state titles which bear the term "flood damaged," the registrar~~
74.5 ~~of motor vehicles shall record the term "flood damaged" on the first Minnesota certificate~~
74.6 ~~of title and all subsequent Minnesota certificates of title issued for that vehicle.~~

74.7 ~~(d) the registrar shall mark "prior salvage" on the first Minnesota certificate of title and~~
74.8 ~~all subsequent certificates of title issued for any vehicle that had a salvage certificate of title~~
74.9 ~~issued at any time in the vehicle's history by any other jurisdiction.~~

74.10 Subd. 2a. **Prior salvage.** Upon application for title to all vehicles for which the "prior
74.11 salvage" brand is required under section 168A.151, subdivision 1, the registrar of motor
74.12 vehicles must record the brand "prior salvage" on the certificate of title and all subsequent
74.13 certificates of title issued for that vehicle.

74.14 Subd. 2b. **Certain damaged vehicles.** Upon transfer and application for title to a vehicle
74.15 that is subject to section 325F.6641, subdivision 1, the registrar of motor vehicles must (1)
74.16 record the brand "salvage" on the first certificate of title, and (2) subject to section 168A.152,
74.17 record the brand "prior salvage" on all subsequent certificates of title issued for that vehicle.

74.18 **Subd. 4. Reconstructed vehicles.** For vehicles that are reconstructed within the meaning
74.19 of section 168A.15, the registrar ~~shall~~ must record the ~~term~~ brand "reconstructed" on the
74.20 certificate of title and all subsequent certificates of title.

74.21 **Subd. 5. Manner of branding.** ~~The~~ Each brand designation of "flood damaged," "rebuilt,"
74.22 "prior salvage," or "reconstructed" under this section or section 168A.05, subdivision 3,
74.23 168A.151, or 325F.665, subdivision 14, required on a certificate of title ~~shall~~ must be made
74.24 by the registrar of motor vehicles in a clear and conspicuous manner, in a ~~color~~ format
74.25 different from all other writing on the certificate of title.

74.26 **Subd. 6. Total loss vehicle; definition.** For the purposes of this section, "total loss
74.27 vehicle" means a vehicle damaged by collision or other occurrence, for which a salvage
74.28 certificate of title has been issued. Total loss vehicle does not include a stolen and recovered
74.29 vehicle verified by the insurer who declared the vehicle to be a total loss vehicle unless
74.30 there is more than minimal damage to the vehicle as determined by the registrar.

74.31 **Subd. 7. Dealer disclosure.** ~~If a licensed motor vehicle dealer offers for sale a vehicle~~
74.32 ~~with a branded title, the dealer shall orally disclose the existence of the brand in the course~~
74.33 ~~of the sales presentation.~~

75.1 ~~Subd. 8. **Flood damage; dealer lots.** If a motor vehicle, which is part of a licensed motor~~
 75.2 ~~vehicle dealer's inventory, has been submerged or flooded above the bottom of the dashboard~~
 75.3 ~~while parked on the dealer's lot, the dealer must disclose that fact in writing to any buyer~~
 75.4 ~~and must orally disclose that fact in the course of a sales presentation to any prospective~~
 75.5 ~~buyer. The buyer must also disclose the existence of the flood damage in writing to any~~
 75.6 ~~subsequent buyer.~~

75.7 Sec. 12. Minnesota Statutes 2020, section 325F.665, subdivision 14, is amended to read:

75.8 Subd. 14. **Title branding.** (a) Upon transfer and application for title of all vehicles
 75.9 subject to this section, the registrar of motor vehicles shall record the term "lemon law
 75.10 vehicle" on the certificate of title and all subsequent certificates of title for that vehicle.

75.11 (b) For vehicles with out-of-state titles that bear the term "lemon law vehicle," or any
 75.12 similar term, the registrar of motor vehicles shall record the term "lemon law vehicle" on
 75.13 the first Minnesota certificate of title and all subsequent Minnesota certificates of title issued
 75.14 for that vehicle.

75.15 ~~(c) The designation of "lemon law vehicle" on a certificate of title must be made by the~~
 75.16 ~~registrar of motor vehicles in a clear and conspicuous manner, in a color different from all~~
 75.17 ~~other writing on the certificate of title.~~

75.18 Sec. 13. **REPEALER.**

75.19 Minnesota Statutes 2020, sections 168A.01, subdivision 17a; and 325F.6644, are repealed.

75.20 Sec. 14. **EFFECTIVE DATE.**

75.21 Unless specified otherwise, this article is effective January 1, 2023.

75.22 **ARTICLE 7**

75.23 **DEPARTMENT OF TRANSPORTATION**

75.24 Section 1. Minnesota Statutes 2020, section 160.08, subdivision 7, is amended to read:

75.25 Subd. 7. **No commercial establishment within right-of-way; exceptions.** No
 75.26 commercial establishment, including but not limited to automotive service stations, for
 75.27 serving motor vehicle users shall be constructed or located within the right-of-way of, or
 75.28 on publicly owned or publicly leased land acquired or used for or in connection with, a
 75.29 controlled-access highway; except that:

75.30 (1) structures may be built within safety rest and travel information center areas;

76.1 (2) space within state-owned buildings in those areas may be leased for the purpose of
76.2 providing information to travelers through advertising as provided in section 160.276;

76.3 (3) advertising signs may be erected within the right-of-way of interstate or
76.4 controlled-access trunk highways by franchise agreements under section 160.80;

76.5 (4) vending machines may be placed in rest areas, travel information centers, or weigh
76.6 stations constructed or located within trunk highway rights-of-way; ~~and~~

76.7 (5) acknowledgment signs may be erected under sections 160.272 and 160.2735; and

76.8 (6) electric vehicle charging stations may be installed, operated, and maintained in safety
76.9 rest areas, except where prohibited by federal law.

76.10 **EFFECTIVE DATE.** This section is effective the day following final enactment.

76.11 Sec. 2. Minnesota Statutes 2020, section 161.088, subdivision 1, is amended to read:

76.12 Subdivision 1. **Definitions.** For purposes of this section, the following terms have the
76.13 meanings given:

76.14 (1) "beyond the project limits" means any point that is located:

76.15 (i) outside of the project limits;

76.16 (ii) along the same trunk highway; and

76.17 (iii) within the same region of the state;

76.18 (2) "city" means a statutory or home rule charter city;

76.19 (3) "greater Minnesota area" means the counties that are not metropolitan counties;

76.20 (4) "metropolitan area" means Anoka, Carver, Chisago, Dakota, Hennepin, Ramsey,
76.21 Scott and Washington Counties;

76.22 ~~(3)~~ (5) "program" means the corridors of commerce program established in this section;
76.23 and

76.24 ~~(4)~~ (6) "project limits" means the estimated construction limits of a project for trunk
76.25 highway construction, reconstruction, or maintenance, that is a candidate for selection under
76.26 the corridors of commerce program.

76.27 Sec. 3. Minnesota Statutes 2020, section 161.088, subdivision 2, is amended to read:

76.28 Subd. 2. **Program authority; funding.** (a) As provided in this section, the commissioner
76.29 shall establish a corridors of commerce program for trunk highway construction,

77.1 reconstruction, and improvement, including maintenance operations, that improves commerce
77.2 in the state.

77.3 (b) The commissioner may expend funds under the program from appropriations to the
77.4 commissioner that are:

77.5 (1) made specifically by law for use under this section;

77.6 (2) at the discretion of the commissioner, made for the budget activities in the state roads
77.7 program of operations and maintenance, program planning and delivery, or state road
77.8 construction; and

77.9 (3) made for the corridor investment management strategy program, unless specified
77.10 otherwise.

77.11 (c) The commissioner ~~shall~~ must include in the program the cost participation policy
77.12 for local units of government.

77.13 (d) The commissioner may use up to 17 percent of any appropriation ~~to the program~~
77.14 under this section for program delivery and for project scoring, ranking, and selection under
77.15 subdivision 5.

77.16 Sec. 4. Minnesota Statutes 2020, section 161.088, subdivision 4, is amended to read:

77.17 Subd. 4. **Project eligibility.** (a) The eligibility requirements for projects that can be
77.18 funded under the program are:

77.19 (1) consistency with the statewide multimodal transportation plan under section 174.03;

77.20 (2) location of the project on an interregional corridor, for a project located outside of
77.21 the Department of Transportation metropolitan district;

77.22 (3) placement into at least one project classification under subdivision 3;

77.23 (4) project construction work will commence within ~~three~~ four years, or a longer length
77.24 of time as determined by the commissioner; and

77.25 (5) for each type of project classification under subdivision 3, a maximum allowable
77.26 amount for the total project cost estimate, as determined by the commissioner with available
77.27 data.

77.28 (b) A project whose construction is programmed in the state transportation improvement
77.29 program is not eligible for funding under the program. This paragraph does not apply to a
77.30 project that is programmed as result of selection under this section.

78.1 (c) A project may be, but is not required to be, identified in the 20-year state highway
78.2 investment plan under section 174.03.

78.3 (d) For each project, the commissioner must consider all of the eligibility requirements
78.4 under paragraph (a). The commissioner is prohibited from considering any eligibility
78.5 requirement not specified under paragraph (a).

78.6 (e) A project in the greater Minnesota area with a total project cost of more than
78.7 \$10,000,000 is classified as a greater Minnesota large project. A project in the greater
78.8 Minnesota area with a total project cost of \$10,000,000 or less is classified as a greater
78.9 Minnesota small project. All projects in the metropolitan area are classified as metropolitan
78.10 projects, regardless of the total project cost.

78.11 Sec. 5. Minnesota Statutes 2021 Supplement, section 161.088, subdivision 5, is amended
78.12 to read:

78.13 **Subd. 5. Project selection process; criteria.** (a) The commissioner must establish a
78.14 process to identify, evaluate, and select projects under the program. The process must be
78.15 consistent with the requirements of this subdivision and must not include any additional
78.16 evaluation criteria.

78.17 (b) As part of the project selection process, the commissioner must annually accept
78.18 recommendations on candidate projects from area transportation partnerships and ~~other~~
78.19 ~~interested stakeholders in each Department of Transportation district~~ counties in the
78.20 metropolitan area as provided by this section. The commissioner must determine the
78.21 eligibility for each candidate project ~~identified under this paragraph~~ that is submitted as
78.22 provided in this section. For each eligible project, the commissioner must classify and
78.23 evaluate the project for the program, using all of the criteria established under paragraph
78.24 ~~(e)~~ (d).

78.25 (c) Before proceeding to the evaluation required under paragraph (d), all project
78.26 recommendations submitted for consideration must be screened as follows:

78.27 (1) for projects in the greater Minnesota area:

78.28 (i) the area transportation partnership for the area must review all project
78.29 recommendations from its area;

78.30 (ii) each area transportation partnership must select up to three large projects and three
78.31 small projects as defined in subdivision 4 to recommend for advancement to the evaluation
78.32 process under paragraph (d). Each area transportation partnership may develop its own

79.1 process to determine which projects to recommend. An area transportation partnership must
79.2 not include the same segment of road in more than one project; and

79.3 (iii) only the projects recommended for evaluation may be developed by the department
79.4 and scored for selection under paragraph (d). All projects not recommended for evaluation
79.5 are disqualified from further consideration and must not be evaluated under paragraph (d);

79.6 (2) for projects located in the metropolitan area:

79.7 (i) projects located within a county in the metropolitan area must be reviewed by the
79.8 county Board;

79.9 (ii) each county board must select up to two projects to recommend for advancement to
79.10 the evaluation process under paragraph (d). A board must not include the same segment of
79.11 road in more than one project. Each board may develop its own process to determine which
79.12 project to recommend; and

79.13 (iii) only the projects submitted by the county boards as provided in this paragraph may
79.14 be developed by the department and scored for selection under paragraph (d). All projects
79.15 not recommended for evaluation are disqualified from further consideration and must not
79.16 be evaluated under paragraph (d).

79.17 ~~(e)~~ (d) Projects must be evaluated using all of the following criteria:

79.18 (1) a return on investment measure that provides for comparison across eligible projects;

79.19 (2) measurable impacts on commerce and economic competitiveness;

79.20 (3) efficiency in the movement of freight, including but not limited to:

79.21 (i) measures of annual average daily traffic and commercial vehicle miles traveled, which
79.22 may include data near the project location on that trunk highway or on connecting trunk
79.23 and local highways; and

79.24 (ii) measures of congestion or travel time reliability, which may be within or near the
79.25 project limits, or both;

79.26 (4) improvements to traffic safety;

79.27 (5) connections to regional trade centers, local highway systems, and other transportation
79.28 modes;

79.29 (6) the extent to which the project addresses multiple transportation system policy
79.30 objectives and principles;

79.31 (7) support and consensus for the project among members of the surrounding community;

80.1 (8) the time and work needed before construction may begin on the project; ~~and~~

80.2 (9) regional balance throughout the state; and

80.3 (10) written recommendations submitted as provided by subdivision 5a.

80.4 The commissioner must give the criteria in clauses (1) to (8) equal weight in the selection
80.5 process.

80.6 (e) The commissioner must select projects so that approximately 50 percent of the
80.7 available funding must be used for projects in the metro area and the other 50 percent must
80.8 be used for projects in the greater Minnesota area. Of funding for projects in the metropolitan
80.9 area, at least 55 percent must be spent for projects in Anoka, Carver, Chisago, Dakota, Scott,
80.10 and Washington Counties. Of the funding for projects in the greater Minnesota area,
80.11 approximately 25 percent must be used for projects classified as greater Minnesota small
80.12 projects as defined in subdivision 4. When selecting projects in the greater Minnesota area,
80.13 the commissioner must select projects so that no district has more than one project more
80.14 than any other district.

80.15 ~~(d)~~ (f) The list of all projects evaluated must be made public and must include the score
80.16 of each project.

80.17 ~~(e)~~ (g) As part of the project selection process, the commissioner may divide funding to
80.18 be separately available among projects within each classification under subdivision 3, and
80.19 may apply separate or modified criteria among those projects falling within each
80.20 classification.

80.21 Sec. 6. Minnesota Statutes 2020, section 161.088, is amended by adding a subdivision to
80.22 read:

80.23 Subd. 5a. **Recommendations.** After receiving all projects submitted pursuant to
80.24 subdivision 5 but before making final selections, the commissioner must compile a list of
80.25 all projects that were submitted and transmit the list to each legislator and to the Governor.
80.26 The list must include the location of each project and a brief description of the work to be
80.27 done. Within 30 days of the date the project list is transmitted, each legislator and the
80.28 governor may submit to the commissioner a written recommendation for one project on the
80.29 list. The commissioner must award one additional point to a project for each written
80.30 recommendation received for that project.

81.1 Sec. 7. Minnesota Statutes 2020, section 161.088, is amended by adding a subdivision to
81.2 read:

81.3 Subd. 5b. **Project selection period.** Between October 1 and November 1, 2022, and
81.4 every 4 years thereafter, area transportation partnerships and the metropolitan counties must
81.5 submit projects to the commissioner of transportation as provided in subdivision 5. The
81.6 commissioner must evaluate the projects and select projects by March 1 of the following
81.7 year. To the greatest extent possible, the commissioner must select a sufficient number of
81.8 projects to ensure that all funds allocated for the four-year period are encumbered or spent
81.9 by the end of the period. If all selected projects are funded in the four-year time period and
81.10 there were projects that were identified and not selected, the commissioner must select
81.11 additional projects from the original project submissions. If all the projects that were
81.12 submitted are funded, the commissioner may authorize an additional project selection period
81.13 to select projects for the remainder of the period. Except as authorized by this subdivision,
81.14 the project submission and selection process must only occur every four years.

81.15 Sec. 8. [161.0895] **HIGHWAY PURPOSE; REPORT.**

81.16 (a) To ensure compliance with the Minnesota Constitution, article XIV, sections 2, 5,
81.17 and 6, commissioners of state agencies must not include in a biennial budget any expenditures
81.18 from the trunk highway fund or the highway user tax distribution fund for a nonhighway
81.19 purpose or for any purpose prohibited by section 161.20.

81.20 (b) No later than 45 days following the submission of the governor's biennial budget to
81.21 the legislature under section 16A.11, the commissioner of management and budget and the
81.22 attorney general must jointly submit a report to the chairs and ranking minority members
81.23 of the legislative committees with jurisdiction over transportation policy and finance. The
81.24 report must examine proposed appropriations from the trunk highway fund and the highway
81.25 user tax distribution fund, explain the highway purpose of the proposed appropriations,
81.26 determine if any proposed appropriation is for a nonhighway purpose, and, for nonhighway
81.27 purposes, recommend the fund to be used.

81.28 (c) For the purposes of this section, an appropriation for a nonhighway purpose is any
81.29 appropriation not for construction, improvement, or maintenance of highways or for any
81.30 purpose prohibited by section 161.20.

82.1 Sec. 9. Minnesota Statutes 2020, section 161.115, is amended by adding a subdivision to
82.2 read:

82.3 Subd. 271. **Route No. 340.** Beginning at a point in or adjacent to Upper Sioux Agency
82.4 State Park; thence extending in a general northwesterly direction to a point on Route No.
82.5 67 at or near Granite Falls.

82.6 Sec. 10. Minnesota Statutes 2020, section 162.07, subdivision 2, is amended to read:

82.7 Subd. 2. **Money needs defined.** For the purpose of this section, money needs of each
82.8 county are defined as the estimated total annual costs of constructing, over a period of 25
82.9 years, the county state-aid highway system ~~in~~ located and established by that county. Costs
82.10 incidental to construction, or a specified portion thereof as set forth in the commissioner's
82.11 rules may be included in determining money needs. To avoid variances in costs due to
82.12 differences in construction policy, construction costs shall be estimated on the basis of the
82.13 engineering standards developed cooperatively by the commissioner and the county engineers
82.14 of the several counties.

82.15 Sec. 11. Minnesota Statutes 2020, section 162.13, subdivision 2, is amended to read:

82.16 Subd. 2. **Money needs defined.** For the purpose of this section money needs of each
82.17 city having a population of 5,000 or more are defined as the estimated cost of constructing
82.18 and maintaining over a period of 25 years the municipal state-aid street system ~~in~~ located
82.19 and established by such city. Right-of-way costs and drainage shall be included in money
82.20 needs. Lighting costs and other costs incidental to construction and maintenance, or a
82.21 specified portion of such costs, as set forth in the commissioner's rules, may be included in
82.22 determining money needs. To avoid variances in costs due to differences in construction
82.23 and maintenance policy, construction and maintenance costs shall be estimated on the basis
82.24 of the engineering standards developed cooperatively by the commissioner and the engineers,
82.25 or a committee thereof, of the cities.

82.26 Sec. 12. Minnesota Statutes 2020, section 162.145, subdivision 2, is amended to read:

82.27 Subd. 2. **Small cities assistance account.** A small cities assistance account is created
82.28 in the special revenue fund. The account consists of funds as provided by law, and any other
82.29 money donated, allotted, transferred, or otherwise provided to the account. Money in the
82.30 account is annually appropriated to the commissioner of transportation and may only be
82.31 expended as provided under this section.

83.1 Sec. 13. Minnesota Statutes 2021 Supplement, section 162.145, subdivision 3, is amended
83.2 to read:

83.3 Subd. 3. **Administration.** (a) ~~Subject to funds made available by law,~~ The commissioner
83.4 must allocate all funds as provided in subdivision 4 and must, by June 1, certify to the
83.5 commissioner of revenue the amounts to be paid.

83.6 (b) Following certification from the commissioner, the commissioner of revenue must
83.7 distribute the specified funds to cities in the same manner as local government aid under
83.8 chapter 477A. An appropriation to the commissioner under this section is available to the
83.9 commissioner of revenue for the purposes specified in this paragraph.

83.10 (c) Notwithstanding other law to the contrary, in order to receive distributions under
83.11 this section, a city must conform to the standards in section 477A.017, subdivision 2. A city
83.12 that receives funds under this section must make and preserve records necessary to show
83.13 that the funds are spent in compliance with subdivision 5.

83.14 Sec. 14. Minnesota Statutes 2020, section 162.145, subdivision 4, is amended to read:

83.15 Subd. 4. **Distribution formula.** (a) In each fiscal year ~~in which funds are available under~~
83.16 ~~this section,~~ the commissioner shall allocate funds to eligible cities.

83.17 (b) The preliminary aid to each city is calculated as follows:

83.18 (1) five percent of funds allocated equally among all eligible cities;

83.19 (2) 35 percent of funds allocated proportionally based on each city's share of lane miles
83.20 of municipal streets compared to total lane miles of municipal streets of all eligible cities;

83.21 (3) 35 percent of funds allocated proportionally based on each city's share of population
83.22 compared to total population of all eligible cities; and

83.23 (4) 25 percent of funds allocated proportionally based on each city's share of state-aid
83.24 adjustment factor compared to the sum of state-aid adjustment factors of all eligible cities.

83.25 (c) The final aid to each city is calculated as the lesser of:

83.26 (1) the preliminary aid to the city multiplied by an aid factor; or

83.27 (2) the maximum aid.

83.28 (d) The commissioner shall set the aid factor under paragraph (c), which must be the
83.29 same for all eligible cities, so that the total funds allocated under this subdivision equals
83.30 the total amount available for the fiscal year.

84.1 **Sec. 15. [169.8296] WEIGHT LIMITS; TOWING AND RECOVERY VEHICLE.**

84.2 Subdivision 1. **Annual permit.** The commissioner may issue permits to an applicant
84.3 who pays a single \$300 annual fee to cover all tow trucks and towing vehicles owned by
84.4 the applicant and meets any other conditions prescribed by the commissioner. The permit
84.5 authorizes the tow truck or towing vehicle, when towing a disabled or damaged vehicle to
84.6 a place of repair or to a place of safekeeping, to exceed the length and weight limitations
84.7 of this chapter.

84.8 Subd. 2. **Certain weight limits not applicable when movement is urgent.** Sections
84.9 169.823 to 169.828 do not apply to a tow truck or towing vehicle when towing a disabled
84.10 or damaged vehicle, when the movement is urgent, and when the movement is for the
84.11 purpose of removing the disabled vehicle from the roadway to a place of safekeeping or to
84.12 a place of repair. A permit is not required for a vehicle operating under this subdivision.

84.13 Subd. 3. **Seasonal load restrictions; exemption.** (a) The seasonal load restrictions under
84.14 section 169.87, subdivisions 1 and 2, do not apply to a towing or recovery vehicle that does
84.15 not exceed a weight of 20,000 pounds per single axle, and is being operated for the purpose
84.16 of towing or recovering another vehicle that:

84.17 (1) is involved in a vehicle crash or is inoperable and is located within a public road
84.18 right-of-way; or

84.19 (2) has entered a public body of water adjacent to the roadway.

84.20 (b) The exemption under this subdivision only applies when a request has been made
84.21 by a federal, state, or local law enforcement agency for a tow truck or recovery vehicle to
84.22 move a vehicle specified in paragraph (a).

84.23 (c) As used in this section, recovery vehicle means a vehicle equipped with a boom that
84.24 is used to move or recover an inoperable vehicle. A recovery vehicle also includes a tow
84.25 truck as defined in section 168B.011, subdivision 12a.

84.26 **Sec. 16. Minnesota Statutes 2020, section 169.865, subdivision 1a, is amended to read:**

84.27 **Subd. 1a. **Definition.**** For purposes of this section, "qualifying agricultural products"
84.28 means:

84.29 (1) agricultural crops, including but not limited to corn, soybeans, oats, grain, and
84.30 by-products of agricultural crops;

84.31 (2) livestock, including but not limited to cattle, hogs, and poultry;

84.32 (3) food crops, including but not limited to sugar beets, potatoes, carrots, and onions;

85.1 (4) fluid milk;

85.2 (5) seed and material used for or in livestock and poultry feed; ~~and~~

85.3 (6) livestock manure; and

85.4 (7) raw or processed grass seed.

85.5 **EFFECTIVE DATE.** This section is effective the day following final enactment.

85.6 Sec. 17. Minnesota Statutes 2020, section 174.185, is amended to read:

85.7 **174.185 PAVEMENT LIFE-CYCLE COST ANALYSIS.**

85.8 Subdivision 1. **Definitions.** For the purposes of this section, the following definitions
85.9 apply.

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

85.16 ~~(b)~~ (a) "Life-cycle cost analysis" or "analysis" is a ~~comparison of life-cycle costs among~~
85.17 ~~competing paving materials using equal design lives and equal comparison periods.~~ process
85.18 for evaluating the total economic worth of a usable project segment by analyzing initial
85.19 costs and discounted future costs, such as maintenance, user, reconstruction, rehabilitation,
85.20 restoring, and resurfacing costs, over the life of the project segment.

85.21 (b) "Minimum requirements" is a combination of pavement, base, and subbase materials
85.22 that minimizes the total system cost to achieve the specified design performance
85.23 requirements. Design performance requirements are based on design traffic volumes,
85.24 reliability, standard deviation, pavement structural characteristics, and various material
85.25 properties for structural design.

85.26 (c) "Pavement" is any material used for paved traffic lanes, typically asphalt or concrete,
85.27 including the underlying materials inherent to each pavement alternative considered.

85.28 (d) "Rounded value" means a measurement that is rounded to the nearest half inch
85.29 increment.

86.1 (e) "Shoulder" is the portion of the roadway contiguous with the traveled way, outside
86.2 of the edge of the pavement for accommodation of stopped vehicles, emergency use, and
86.3 lateral support of base and surface courses.

86.4 (f) "Substantial plan development" is the point in time during the plan development
86.5 process after which any further activities would preclude any of the feasible alternatives
86.6 from being selected or constructed.

86.7 (g) "Superfluous materials" are materials that are in excess of rounded values and that
86.8 are not necessary to meet the minimum requirements for a feasible alternative.

86.9 **Subd. 2. Required analysis.** (a) For each project in the reconditioning, resurfacing, and
86.10 road repair funding categories any project with 15,000 or more square yards of paving, the
86.11 commissioner shall must perform a life-cycle cost analysis and shall document the lowest
86.12 life-cycle costs and all alternatives considered. The commissioner shall document the chosen
86.13 pavement strategy and, if the lowest life cycle is not selected, document the justification
86.14 for the chosen strategy. A life-cycle cost analysis is required for projects to be constructed
86.15 after July 1, 2011. For projects to be constructed prior to July 1, 2011, when feasible, the
86.16 department will use its best efforts to perform life-cycle cost analyses, and document the
86.17 chosen pavement strategy as provided by this section. The commissioner must perform the
86.18 life-cycle cost analysis prior to substantial plan development.

86.19 (b) When conducting a life-cycle cost analysis, the commissioner must:

86.20 (1) derive initial and future costs from historical data of roadways with similar
86.21 characteristics, including but not limited to similar geographical location, rural or urban
86.22 classification, traffic volumes, construction practices, staging, and vehicle classification
86.23 percentages;

86.24 (2) determine the analysis period based on the longest design life of all feasible
86.25 alternatives or 60 years, whichever is longer;

86.26 (3) compensate for any life added or lost due to rounding if pavement thickness is rounded
86.27 up or down;

86.28 (4) ensure that each feasible alternative being considered in the analysis meets the
86.29 minimum requirements for that alternative and must consider only the pavement, base, and
86.30 subbase materials that are required to meet the minimum criteria for that alternative;

86.31 (5) identify all feasible alternatives, including a full range of rehabilitation strategies for
86.32 both rigid and flexible pavements, which must, at a minimum, include thin asphalt overlay

87.1 of less than four inches, thin concrete overlay of four inches to six inches, thick asphalt of
87.2 greater than or equal to four inches, and thick concrete options greater than six inches;

87.3 (6) include agency costs, including but not limited to initial pavement, future rehabilitation
87.4 and maintenance projects, overhead, design, contract administration, and routine maintenance;

87.5 (7) add the annual excess fuel consumption costs, as calculated in subdivision 2a, as an
87.6 annual pavement cost;

87.7 (8) identify and use realistic timing of future maintenance and construction practices
87.8 using similar characteristics, including but not limited to similar geographical location, rural
87.9 or urban classification, traffic volumes, construction practices, staging, and vehicle
87.10 classification percentages;

87.11 (9) include an explanation of the methodology used to produce the cost estimate and
87.12 why that method was selected; and

87.13 (10) include an explanation of the timing selected of rehabilitation and maintenance and
87.14 why that timing was selected.

87.15 (c) The commissioner must not include the following in a life-cycle cost analysis:

87.16 (1) elements that are the same for all alternatives;

87.17 (2) life-cycle calculations for shoulder pavement, base, or subbase; and

87.18 (3) any superfluous material that is included as part of the feasible alternative but is not
87.19 required to meet the minimum requirements of the feasible alternative, including any material
87.20 that may be included due to the designer's preference or recommendation in the department's
87.21 Pavement Design Manual. This clause does not preclude the commissioner from selecting
87.22 a pavement strategy that uses superfluous materials, but the superfluous materials must not
87.23 be a factor in making the selection.

87.24 Subd. 2a. **Excess fuel consumption calculation.** (a) For purposes of this subdivision,
87.25 the following terms have the meanings given:

87.26 (1) "diesel fuel price" means the Midwest nonhighway diesel fuel price effective for the
87.27 date the calculation is performed as provided by the United States Energy Information
87.28 Administration;

87.29 (2) "gasoline fuel price" means the Midwest regular gasoline price effective for the date
87.30 that calculation is performed as provided by the United States Energy Information
87.31 Administration;

88.1 (3) "heavy commercial annual average daily traffic (HCAADT)" means the heavy
88.2 commercial annual average daily traffic provided by the department's data and based on the
88.3 traffic forecasting and analysis system;

88.4 (4) "heavy-duty MPG" means the latest fleet average miles per gallon of heavy-duty,
88.5 short-wheelbase vehicles as provided by the United States Energy Information
88.6 Administration;

88.7 (5) "heavy-duty fuel savings factor" means the percentage of rigid pavement savings
88.8 anticipated for heavy commercial vehicles as provided by department research, state or
88.9 federal agencies, or relevant academic research projects;

88.10 (6) "light-duty fuel savings factor" is the percentage of rigid pavement savings anticipated
88.11 for passenger vehicles as provided by department research, state or federal agencies, or
88.12 relevant academic research projects;

88.13 (7) "light-duty MPG" means the latest fleet average for miles per gallon of light-duty,
88.14 short-wheelbase vehicles as provided by the United States Energy Information
88.15 Administration;

88.16 (8) "passenger annual average daily traffic (PAADT)" means the passenger annual
88.17 average daily traffic provided by the department's data and based on the traffic forecasting
88.18 and analysis system; and

88.19 (9) "project length" means the centerline miles for the project.

88.20 (b) The commissioner must determine the annual excess fuel consumption cost as
88.21 provided in this subdivision. The commissioner must use the same HCAADT or PAADT
88.22 for the duration of each analysis period.

88.23 (c) The passenger excess cost is equal to the product of PAADT, gasoline fuel price,
88.24 light-duty fuel savings factor, project length, and 365 divided by light-duty MPG.

88.25 (d) The heavy commercial excess cost is equal to the product of PAADT, gasoline fuel
88.26 price, heavy-duty fuel savings factor, project length, and 365 divided by heavy-duty MPG.

88.27 (e) The annual excess fuel consumption cost is the sum of passenger excess cost and
88.28 heavy commercial excess cost.

88.29 Subd. 2b. **Public review and collaboration.** (a) Before finalizing a pavement selection,
88.30 the commissioner must post a draft of the life-cycle cost analysis and the draft pavement
88.31 selection on the department's Office of Materials and Road Research website for 21 days.
88.32 During this period, the commissioner must allow the public to submit questions and

89.1 comments. The commissioner must collaborate with the person who submitted the question
89.2 or comment, where necessary, to ensure the commissioner fully understands the question
89.3 or comment. The commissioner must respond to each comment or question in writing, which
89.4 must include a description of any associated changes that will be made to the life-cycle cost
89.5 analysis.

89.6 (b) After the public review period closes, the commissioner must make revisions to the
89.7 life-cycle cost analysis in response to questions or comments received. If the commissioner
89.8 revises the type of pavement from concrete to asphalt or from asphalt to concrete, the
89.9 commissioner must post the revised life-cycle cost analysis for public review in accordance
89.10 with paragraph (a).

89.11 Subd. 2c. **Selection.** (a) After the public review period required in subdivision 2b and
89.12 any subsequent changes to the analysis, the commissioner must select the pavement strategy
89.13 and prepare a document of justification. At a minimum, the document of justification must
89.14 include:

89.15 (1) all comments and questions received during the public review and the commissioner's
89.16 responses to each;

89.17 (2) an explanation of why the pavement strategy was selected;

89.18 (3) if the lowest life-cycle cost is not selected, justification for why a strategy with a
89.19 higher life-cycle cost was selected;

89.20 (4) identify any superfluous materials, quantify the superfluous materials' associated
89.21 costs, and provide the rationale for the superfluous materials inclusion.

89.22 (b) The commissioner must submit the analysis and document of justification to a licensed
89.23 professional engineer for review. A life-cycle cost analysis is not considered final until it
89.24 is certified and signed by a licensed professional engineer as provided by Minnesota Rules,
89.25 part 1800.4200.

89.26 (c) For all projects that began construction on or after January 1, 2022, the commissioner
89.27 must store all life-cycle cost analyses and documents of justification on the department's
89.28 website in a manner that allows the public to easily access the documents.

89.29 (d) After completing the certification and signature requirements of paragraph (b) and
89.30 the posting requirements of paragraph (c), the commissioner may advance the project to
89.31 substantial plan development.

89.32 Subd. 3. **Report.** The commissioner ~~shall~~ must report annually to the chairs and ranking
89.33 minority members of the senate and house of representatives committees with jurisdiction

90.1 over transportation finance on the results of the analyses required in subdivision 2, the public
90.2 review required by subdivision 2b, and the final selection and document of justification
90.3 required by subdivision 2c.

90.4 **EFFECTIVE DATE.** This section is effective July 1, 2022, and applies to life-cycle
90.5 cost analyses that are started on or after that date, except that subdivision 2b and any
90.6 references to subdivision 2b are not effective until July 1, 2023.

90.7 Sec. 18. Minnesota Statutes 2020, section 174.52, subdivision 3, is amended to read:

90.8 Subd. 3. **Advisory committee.** (a) The commissioner ~~shall~~ must establish a local road
90.9 improvement program advisory committee consisting of ~~five~~ the following members;
90.10 ~~including:~~

90.11 (1) one county commissioner;

90.12 (2) one county engineer;

90.13 (3) one city engineer;

90.14 (4) one city council member or city administrator representing a city with a population
90.15 over 5,000; ~~and~~

90.16 (5) one city council member or city administrator representing a city with a population
90.17 under 5,000; and

90.18 (6) one town board member appointed by the Minnesota Association of Townships.

90.19 (b) The advisory committee ~~shall~~ must provide recommendations to the commissioner
90.20 regarding expenditures from the accounts established in this section.

90.21 **EFFECTIVE DATE.** This section is effective the day following final enactment.

90.22 Sec. 19. Minnesota Statutes 2020, section 297A.94, is amended to read:

90.23 **297A.94 DEPOSIT OF REVENUES.**

90.24 (a) Except as provided in this section, the commissioner shall deposit the revenues,
90.25 including interest and penalties, derived from the taxes imposed by this chapter in the state
90.26 treasury and credit them to the general fund.

90.27 (b) The commissioner shall deposit taxes in the Minnesota agricultural and economic
90.28 account in the special revenue fund if:

90.29 (1) the taxes are derived from sales and use of property and services purchased for the
90.30 construction and operation of an agricultural resource project; and

91.1 (2) the purchase was made on or after the date on which a conditional commitment was
91.2 made for a loan guaranty for the project under section 41A.04, subdivision 3.

91.3 The commissioner of management and budget shall certify to the commissioner the date on
91.4 which the project received the conditional commitment. The amount deposited in the loan
91.5 guaranty account must be reduced by any refunds and by the costs incurred by the Department
91.6 of Revenue to administer and enforce the assessment and collection of the taxes.

91.7 (c) The commissioner shall deposit the revenues, including interest and penalties, derived
91.8 from the taxes imposed on sales and purchases included in section 297A.61, subdivision 3,
91.9 paragraph (g), clauses (1) and (4), in the state treasury, and credit them as follows:

91.10 (1) first to the general obligation special tax bond debt service account in each fiscal
91.11 year the amount required by section 16A.661, subdivision 3, paragraph (b); and

91.12 (2) after the requirements of clause (1) have been met, the balance to the general fund.

91.13 (d) Beginning with sales taxes remitted after July 1, 2017, the commissioner shall deposit
91.14 in the state treasury the revenues collected under section 297A.64, subdivision 1, including
91.15 interest and penalties and minus refunds, and credit them to the highway user tax distribution
91.16 fund.

91.17 (e) The commissioner shall deposit the revenues, including interest and penalties,
91.18 collected under section 297A.64, subdivision 5, in the state treasury and credit them to the
91.19 general fund. By July 15 of each year the commissioner shall transfer to the highway user
91.20 tax distribution fund an amount equal to the excess fees collected under section 297A.64,
91.21 subdivision 5, for the previous calendar year.

91.22 (f) Beginning with sales taxes remitted after July 1, 2017, in conjunction with the deposit
91.23 of revenues under paragraph (d), the commissioner shall deposit into the state treasury and
91.24 credit to the highway user tax distribution fund an amount equal to the estimated revenues
91.25 derived from the tax rate imposed under section 297A.62, subdivision 1, on the lease or
91.26 rental for not more than 28 days of rental motor vehicles subject to section 297A.64. The
91.27 commissioner shall estimate the amount of sales tax revenue deposited under this paragraph
91.28 based on the amount of revenue deposited under paragraph (d).

91.29 ~~(g) Starting after July 1, 2017, the commissioner shall deposit an amount of the~~
91.30 ~~remittances monthly into the state treasury and credit them to the highway user tax~~
91.31 ~~distribution fund as a portion of the estimated amount of taxes collected from the sale and~~
91.32 ~~purchase of motor vehicle repair parts in that month. For the remittances between July 1,~~
91.33 ~~2017, and June 30, 2019, the monthly deposit amount is \$2,628,000. For remittances in~~

92.1 ~~each subsequent fiscal year, the monthly deposit amount is \$12,137,000.~~ The commissioner
92.2 must deposit on a monthly basis the revenue derived from the tax rate imposed under section
92.3 297A.62, subdivision 1, on the sale and purchase of motor vehicle repair and replacement
92.4 parts into the state treasury and credit:

92.5 (1) 86 percent to the highway user tax distribution fund;

92.6 (2) seven percent to the small cities assistance account in the special revenue fund
92.7 established under section 162.145; and

92.8 (3) seven percent to the town road account in the county state-aid highway fund
92.9 established under section 162.081.

92.10 Between July 1, 2022, and June 30, 2023, the monthly deposit amount is \$26,655,000. In
92.11 each subsequent fiscal year, the commissioner must adjust the monthly deposit amount by
92.12 the percentage change in the total amount of sales tax revenue collected for all sales and
92.13 purchases between the two preceding fiscal years. The amount as adjusted must be rounded
92.14 to the nearest \$1,000 amount. For purposes of this paragraph, "motor vehicle" has the
92.15 meaning given in section 297B.01, subdivision 11, and "motor vehicle repair and replacement
92.16 parts" includes (i) all parts, tires, accessories, and equipment incorporated into or affixed
92.17 to the motor vehicle as part of the motor vehicle maintenance and repair, and (ii) paint, oil,
92.18 and other fluids that remain on or in the motor vehicle as part of the motor vehicle
92.19 maintenance or repair. For purposes of this paragraph, "tire" means any tire of the type used
92.20 on highway vehicles, if wholly or partially made of rubber and if marked according to
92.21 federal regulations for highway use.

92.22 (h) 72.43 percent of the revenues, including interest and penalties, transmitted to the
92.23 commissioner under section 297A.65, must be deposited by the commissioner in the state
92.24 treasury as follows:

92.25 (1) 50 percent of the receipts must be deposited in the heritage enhancement account in
92.26 the game and fish fund, and may be spent only on activities that improve, enhance, or protect
92.27 fish and wildlife resources, including conservation, restoration, and enhancement of land,
92.28 water, and other natural resources of the state;

92.29 (2) 22.5 percent of the receipts must be deposited in the natural resources fund, and may
92.30 be spent only for state parks and trails;

92.31 (3) 22.5 percent of the receipts must be deposited in the natural resources fund, and may
92.32 be spent only on metropolitan park and trail grants;

93.1 (4) three percent of the receipts must be deposited in the natural resources fund, and
93.2 may be spent only on local trail grants; and

93.3 (5) two percent of the receipts must be deposited in the natural resources fund, and may
93.4 be spent only for the Minnesota Zoological Garden, the Como Park Zoo and Conservatory,
93.5 and the Duluth Zoo.

93.6 (i) The revenue dedicated under paragraph (h) may not be used as a substitute for
93.7 traditional sources of funding for the purposes specified, but the dedicated revenue shall
93.8 supplement traditional sources of funding for those purposes. Land acquired with money
93.9 deposited in the game and fish fund under paragraph (h) must be open to public hunting
93.10 and fishing during the open season, except that in aquatic management areas or on lands
93.11 where angling easements have been acquired, fishing may be prohibited during certain times
93.12 of the year and hunting may be prohibited. At least 87 percent of the money deposited in
93.13 the game and fish fund for improvement, enhancement, or protection of fish and wildlife
93.14 resources under paragraph (h) must be allocated for field operations.

93.15 (j) The commissioner must deposit the revenues, including interest and penalties minus
93.16 any refunds, derived from the sale of items regulated under section 624.20, subdivision 1,
93.17 that may be sold to persons 18 years old or older and that are not prohibited from use by
93.18 the general public under section 624.21, in the state treasury and credit:

93.19 (1) 25 percent to the volunteer fire assistance grant account established under section
93.20 88.068;

93.21 (2) 25 percent to the fire safety account established under section 297I.06, subdivision
93.22 3; and

93.23 (3) the remainder to the general fund.

93.24 For purposes of this paragraph, the percentage of total sales and use tax revenue derived
93.25 from the sale of items regulated under section 624.20, subdivision 1, that are allowed to be
93.26 sold to persons 18 years old or older and are not prohibited from use by the general public
93.27 under section 624.21, is a set percentage of the total sales and use tax revenues collected in
93.28 the state, with the percentage determined under Laws 2017, First Special Session chapter
93.29 1, article 3, section 39.

93.30 (k) The revenues deposited under paragraphs (a) to (j) do not include the revenues,
93.31 including interest and penalties, generated by the sales tax imposed under section 297A.62,
93.32 subdivision 1a, which must be deposited as provided under the Minnesota Constitution,
93.33 article XI, section 15.

94.1 **EFFECTIVE DATE.** This section is effective July 1, 2022.

94.2 Sec. 20. Minnesota Statutes 2021 Supplement, section 360.55, subdivision 9, is amended
94.3 to read:

94.4 Subd. 9. **Small unmanned aircraft systems.** (a) Any small unmanned aircraft system
94.5 ~~in which the unmanned aircraft weighs less than 55 pounds at takeoff, including payload~~
94.6 ~~and anything affixed to the aircraft, either,~~ as defined in section 360.013, subdivision 57b:

94.7 (1) must be registered in the state for an annual fee of \$25; or

94.8 (2) is not subject to registration or an annual fee if the unmanned aircraft system is owned
94.9 and operated solely for recreational purposes.

94.10 (b) An unmanned aircraft system that meets the requirements under paragraph (a) is
94.11 exempt from aircraft registration tax under sections 360.511 to 360.67.

94.12 (c) Owners must, at the time of registration, provide proof of insurability in a form
94.13 acceptable to the commissioner. Additionally, owners must maintain records and proof that
94.14 each flight was covered by an insurance policy with limits of not less than \$300,000 per
94.15 occurrence for bodily injury or death to nonpassengers in any one accident. The insurance
94.16 must comply with section 60A.081, unless that section is inapplicable under section 60A.081,
94.17 subdivision 3.

94.18 Sec. 21. Minnesota Statutes 2021 Supplement, section 360.59, subdivision 10, is amended
94.19 to read:

94.20 Subd. 10. **Certificate of insurance.** (a) Every owner of aircraft in this state when applying
94.21 for registration, reregistration, or transfer of ownership shall supply any information the
94.22 commissioner reasonably requires to determine that the aircraft during the period of its
94.23 contemplated operation is covered by an insurance policy with limits of not less than
94.24 \$100,000 per passenger seat liability both for passenger bodily injury or death and for
94.25 property damage; not less than \$100,000 for bodily injury or death to each nonpassenger
94.26 in any one accident; and not less than \$300,000 per occurrence for bodily injury or death
94.27 to nonpassengers in any one accident. The insurance must comply with section 60A.081,
94.28 unless that section is inapplicable under section 60A.081, subdivision 3.

94.29 The information supplied to the commissioner must include but is not limited to the
94.30 name and address of the owner, the period of contemplated use or operation, if any, and, if
94.31 insurance coverage is then presently required, the name of the insurer, the insurance policy
94.32 number, the term of the coverage, policy limits, and any other data the commissioner requires.

95.1 No certificate of registration shall be issued pursuant to subdivision 3 in the absence of the
95.2 information required by this subdivision.

95.3 (b) In the event of cancellation of aircraft insurance by the insurer, the insurer shall
95.4 notify the Department of Transportation at least ten days prior to the date on which the
95.5 insurance coverage is to be terminated. Unless proof of a new policy of insurance is filed
95.6 with the department meeting the requirements of this subdivision during the period of the
95.7 aircraft's contemplated use or operation, the registration certificate for the aircraft shall be
95.8 revoked forthwith.

95.9 (c) Nothing in this subdivision shall be construed to require an owner of aircraft to
95.10 maintain passenger seat liability coverage on aircraft for which an experimental certificate
95.11 has been issued by the administrator of the Federal Aviation Administration pursuant to
95.12 Code of Federal Regulations, title 14, sections 21.191 to 21.195 and 91.319, whereunder
95.13 persons operating the aircraft are prohibited from carrying passengers in the aircraft or for
95.14 an unmanned aircraft. Whenever the aircraft becomes certificated to carry passengers,
95.15 passenger seat liability coverage shall be required as provided in this subdivision.

95.16 (d) The requirements of this subdivision shall not apply to any aircraft built by the
95.17 original manufacturer prior to December 31, 1939, and owned and operated solely as a
95.18 collector's item, if the owner files an affidavit with the commissioner. The affidavit shall
95.19 state the owner's name and address, the name and address of the person from whom the
95.20 aircraft was purchased, the make, year, and model number of the aircraft, the federal aircraft
95.21 registration number, the manufacturer's identification number, and that the aircraft is owned
95.22 and operated solely as a collector's item and not for general transportation purposes.

95.23 ~~(e) A small unmanned aircraft system that meets the requirements of section 360.55,~~
95.24 ~~subdivision 9, is not subject to the requirements under paragraphs (a) and (b). Owners of~~
95.25 ~~small unmanned aircraft systems that meet the requirements of section 360.55, subdivision~~
95.26 ~~9, must, at the time of registration, provide proof of insurability in a form acceptable to the~~
95.27 ~~commissioner. Additionally, such operators must maintain records and proof that each flight~~
95.28 ~~was insured for the limits established in paragraph (a).~~

95.29 **Sec. 22. LEGISLATIVE ROUTE NO. 274 REMOVED.**

95.30 (a) Minnesota Statutes, section 161.115, subdivision 205, is repealed effective the day
95.31 after the commissioner of transportation receives a copy of the agreement between the
95.32 commissioner and the governing body of Yellow Medicine County to transfer jurisdiction
95.33 of Legislative Route No. 274 and notifies the revisor of statutes under paragraph (b).

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

96.4 Sec. 23. LEGISLATIVE ROUTE NO. 301 REMOVED.

96.5 (a) Minnesota Statutes, section 161.115, subdivision 232, is repealed effective the day
96.6 after the commissioner of transportation receives a copy of the agreement between the
96.7 commissioner and the governing body of the city of St. Cloud to transfer jurisdiction of
96.8 Legislative Route No. 301 and notifies the revisor of statutes under paragraph (b).

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

96.12 Sec. 24. REPEALER.

96.13 (a) Minnesota Statutes 2020, sections 168B.15; and 169.829, subdivision 2, are repealed.

96.14 (b) Minnesota Rules, part 8835.0350, subpart 2, is repealed.

96.15 (c) Laws 2000, chapter 479, article 2, section 1, as amended by Laws 2000, chapter 499,
96.16 section 41, Laws 2001, First Special Session chapter 5, article 20, section 20, is repealed.

96.17 ARTICLE 8

96.18 METROPOLITAN COUNCIL

96.19 Section 1. Minnesota Statutes 2020, section 297A.993, is amended by adding a subdivision
96.20 to read:

96.21 Subd. 2a. **Guideway uses, reporting.** By August 15 of each even-numbered year, a
96.22 metropolitan area county that uses, or proposes to use, the proceeds of the transportation
96.23 sales taxes to fund the planning, construction, operation or maintenance of guideways as
96.24 defined in section 473.4485, subdivision 1, must submit a report to the legislative committees
96.25 with jurisdiction over transportation policy and finance. At a minimum, the report must
96.26 include:

96.27 (1) actual transportation sales tax collections by the county over the previous five calendar
96.28 years;

96.29 (2) an estimation of the total sales tax revenues that will be collected by the county in
96.30 the current year and estimated collections for the next 10 calendar years;

97.1 (3) for each of the previous five calendar years, the current calendar year, and for the
97.2 next 10 calendar years:

97.3 (i) the amount of sales tax revenues expended or proposed to be expended for guideway
97.4 planning, construction, operation, or maintenance;

97.5 (ii) the total expenditures or proposed expenditures of sales tax revenues for nonguideway
97.6 uses; and

97.7 (iii) an estimated balance of unspent or undesignated county sales tax revenues.

97.8 **EFFECTIVE DATE.** This section is effective the day following final enactment.

97.9 Sec. 2. Minnesota Statutes 2020, section 473.375, is amended by adding a subdivision to
97.10 read:

97.11 Subd. 19. **Statistics; reports.** (a) The Metropolitan Council must post on the council's
97.12 website a monthly report including ridership statistics for each guideway and busway in
97.13 revenue operation. In each report, the council must also include the ridership projections
97.14 made at the time of the full funding grant agreement for each guideway and busway. Within
97.15 60 days after the end of a month, the council must post the report for that month. The council
97.16 must ensure that a report is available on the council's website for a minimum of five years
97.17 after the report is posted.

97.18 (b) The council must post on the council's website a quarterly report including crime
97.19 statistics for crimes occurring on a light rail transit vehicle, bus, commuter rail car, or at
97.20 any transit platform, stop, or facility. The report must break down the data by type of crime.
97.21 The council must ensure that a report is available on the council's website for a minimum
97.22 of five years after the report is posted.

97.23 **EFFECTIVE DATE; APPLICATION.** This section is effective July 1, 2022, and
97.24 applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

97.25 Sec. 3. Minnesota Statutes 2020, section 473.39, subdivision 7, is amended to read:

97.26 Subd. 7. **Limitation on certain debt obligations.** The council is prohibited from issuing
97.27 certificates of participation for ~~light rail transit~~ guideways secured in whole or in part by
97.28 (1) a pledge of motor vehicle sales tax revenue received under sections 16A.88 and 297B.09,
97.29 or (2) a pledge of any earnings from the council's investment of motor vehicle sales tax
97.30 revenues.

98.1 **EFFECTIVE DATE; APPLICATION.** This section is effective July 1, 2022, and
98.2 applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

98.3 Sec. 4. Minnesota Statutes 2020, section 473.3993, subdivision 4, is amended to read:

98.4 Subd. 4. **Responsible authority.** "Responsible authority" means ~~either~~ the Metropolitan
98.5 Council ~~or~~, the state of Minnesota acting through the commissioner of transportation, or a
98.6 county board of a metropolitan county as designated by the governor under section 473.3994,
98.7 subdivision 1a, for a particular light rail transit facility.

98.8 **EFFECTIVE DATE.** This section is effective the day following final enactment and
98.9 applies to projects that enter into full funding grant agreements on or after that date.

98.10 Sec. 5. Minnesota Statutes 2020, section 473.3994, subdivision 1a, is amended to read:

98.11 Subd. 1a. **Designation of responsible authority.** For each proposed light rail transit
98.12 facility in the metropolitan area, the governor must designate ~~either~~ the Metropolitan Council
98.13 ~~or~~, the state of Minnesota acting through the commissioner of transportation, or a county
98.14 board of a metropolitan county as the entity responsible for planning, designing, acquiring,
98.15 constructing, and equipping the facility. If a proposed light rail transit facility will be entirely
98.16 located within a single metropolitan area county, the governor must designate the county
98.17 board of that county as the entity responsible for planning, designing, acquiring, constructing,
98.18 and equipping the facility. Notwithstanding such designation, the commissioner ~~and~~, the
98.19 council, and the county board may enter into one or more cooperative agreements with
98.20 respect to the planning, designing, acquiring, constructing, or equipping of a particular light
98.21 rail transit facility that provide for the parties to exercise their respective authorities in
98.22 support of the project in a manner that best serves the project and the public.

98.23 **EFFECTIVE DATE.** This section is effective the day following final enactment and
98.24 applies to projects that enter into full funding grant agreements on or after that date.

98.25 Sec. 6. **[473.4486] MUNICIPAL APPROVAL OF GUIDEWAY PLANS.**

98.26 Subdivision 1. **Application.** "Guideway" has the meaning given in section 473.4485,
98.27 subdivision 1, paragraph (d), except that this section does not apply to light rail transit.

98.28 Subd. 2. **Preliminary design plans; public hearing.** Before final design plans are
98.29 prepared for a guideway in the metropolitan area, the council must hold a public hearing
98.30 on the physical design component of the preliminary design plans. The council must provide
98.31 appropriate public notice of the hearing and publicity to ensure that affected parties have
98.32 an opportunity to present their views at the hearing. The council must summarize the

99.1 proceedings and testimony and maintain the record of a hearing held under this section,
99.2 including any written statements submitted.

99.3 Subd. 3. **Preliminary design plans; local approval.** At least 30 days before the hearing
99.4 under subdivision 2, the council must submit the physical design component of the
99.5 preliminary design plans to the governing body of each statutory and home rule charter city,
99.6 county, and town in which the route is proposed to be located. The city, county, or town
99.7 must hold a public hearing. Within 45 days after the hearing under subdivision 2, the city,
99.8 county, or town must review and approve or disapprove the plans for the route to be located
99.9 in the city, county, or town. A local unit of government that disapproves the plans must
99.10 describe specific amendments to the plans that, if adopted, would cause the local unit to
99.11 withdraw its disapproval. Failure to approve or disapprove the plans in writing within 45
99.12 days after the hearing is deemed to be an approval unless an extension of time is agreed to
99.13 by the city, county, or town and the council.

99.14 Subd. 4. **Preliminary design plans; council hearing.** If the governing body of one or
99.15 more cities, counties, or towns disapproves the preliminary design plans within the period
99.16 allowed under subdivision 3, the council must hold a hearing on the plans, giving any
99.17 disapproving local governmental units and other persons an opportunity to present their
99.18 views on the plans. The council may conduct an independent study as it deems desirable
99.19 and may mediate and attempt to resolve disagreements about the plans. Within 60 days after
99.20 the hearing, the council must review the plans and must decide what amendments to the
99.21 plans, if any, must be made to accommodate the objections presented by the disapproving
99.22 local governmental units. Amendments to the plans as decided by the council must be made
99.23 before continuing the planning and designing process.

99.24 Subd. 5. **Final design plans.** (a) If the final design plans incorporate a substantial change
99.25 from the preliminary design plans with respect to location, length, or termini of routes;
99.26 general dimension, elevation, or alignment of routes and crossings; or shelters or stops,
99.27 before beginning construction, the council must submit the changed component of the final
99.28 design plans to the governing body of each statutory and home rule charter city, county,
99.29 and town in which the changed component is proposed to be located. Within 60 days after
99.30 the submission of the plans, the city, county, or town must review and approve or disapprove
99.31 the changed component located in the city, county, or town. A local unit of government that
99.32 disapproves the change must describe specific amendments to the plans that, if adopted,
99.33 would cause the local unit to withdraw its disapproval. Failure to approve or disapprove the
99.34 changed plans in writing within the time period is deemed to be an approval, unless an
99.35 extension is agreed to by the city, county, or town.

100.1 (b) If the governing body of one or more cities, counties, or towns disapproves the
100.2 changed plans within the period allowed under paragraph (a), the council must review the
100.3 final design plans under the same procedure and with the same effect as provided in
100.4 subdivision 4 for preliminary design plans.

100.5 Subd. 6. **Revocation.** A city, county, or town that has approved the plan as provided by
100.6 this section may revoke its approval of the plan at any point prior to the council securing
100.7 federal funding for the project. The city, county, or town must notify the council of the
100.8 revocation. Upon receipt of the notification, the council must review the final design plans
100.9 under the same procedure and with the same effect as provided in subdivision 4 for
100.10 preliminary design plans.

100.11 Subd. 7. **Prohibition.** The council must not apply for or request any federal funds for a
100.12 guideway project until each city, county, or town in which the route is proposed to be located
100.13 has approved of the plan as provided by this section.

100.14 **EFFECTIVE DATE.** This section is effective the day following final enactment and
100.15 applies to all current and future guidelines excluding the gold line bus rapid transit project.

100.16 Sec. 7. **[473.4487] GUIDEWAY COST-BENEFIT ANALYSIS.**

100.17 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have
100.18 the meanings given.

100.19 (b) "Commissioner" means the commissioner of transportation.

100.20 (c) "Project options" means the proposed guideway and each alternative identified
100.21 pursuant to subdivision 2, paragraph (b).

100.22 (d) "Responsible governmental unit" means the unit of government responsible for the
100.23 environmental analysis of the project.

100.24 Subd. 2. **Analysis required.** (a) Prior to the selection of a locally preferred alternative,
100.25 the responsible governmental unit must perform a cost-benefit analysis as described by this
100.26 section. The responsible governmental unit must submit the analysis to the commissioner
100.27 and the metropolitan council within 30 days of completing the analysis. The commissioner
100.28 must post the final analysis on the Department of Transportation website. The chair of the
100.29 Metropolitan Council must post the final analysis on the council's website. The commissioner
100.30 and the chair must jointly submit a copy of the final report to the legislative auditor and to
100.31 the chairs and ranking minority members of legislative committees with jurisdiction over
100.32 transportation finance and policy.

101.1 (b) The responsible governmental unit must determine alternatives that would serve
101.2 substantially the same area as the proposed guideway but would provide service in a different
101.3 manner. At a minimum, the following alternatives must be included: an arterial bus rapid
101.4 transit line, a regular route bus service line, and a nontransit option that expands capacity
101.5 of the road.

101.6 (c) At a minimum, the analysis must include the following information:

101.7 (1) for guideway and busway project options, the estimated ridership numbers;

101.8 (2) for the capacity expansion option, the number of additional vehicles accommodated
101.9 by the expansion;

101.10 (3) for each project option, an estimate of the increase or decrease of the number of
101.11 vehicles on the road;

101.12 (4) the amount of revenue derived from or attributable to each project option, including
101.13 but not limited to fares, tax on gasoline, and motor vehicle sales tax;

101.14 (5) for each project option, the estimated ongoing maintenance costs, which entity will
101.15 pay for the costs, and the percentage of the costs to be paid by each entity;

101.16 (6) for each project option, the estimated future capital costs, which entity will pay for
101.17 the costs, and the percentage of the costs to be paid by each entity;

101.18 (7) the estimated economic benefit attributable to each project option, including but not
101.19 limited to new or expanded housing units or businesses, increased freight movement, and
101.20 reduction of supply chain issues;

101.21 (8) for each project option, the estimated timeline for construction, road closures, and
101.22 detours and an estimate on how that affects the surrounding areas;

101.23 (9) for each project option, an estimate of whether vehicle collisions will increase or
101.24 decrease due to a change in the projected number of vehicles on the road;

101.25 (10) for each project option, an analysis of whether each project option could be altered
101.26 or stopped once construction is started and the estimated costs related to alteration or
101.27 stopping;

101.28 (11) for each project option, travel time along the route from end to end and for various
101.29 points of interest in between, including time spent waiting for transit, changing modes of
101.30 transportation, and other time spent directly related to travel but not inside of a vehicle;

101.31 (12) for busway and guideway project options, how travel time for vehicles would be
101.32 affected by any estimated reduction in vehicle traffic; and

102.1 (13) for each project option, the estimated increase or decrease in carbon emissions or
102.2 other environmental pollutants.

102.3 (d) The analysis must also determine how many miles of arterial bus rapid transit, regular
102.4 route bus service, or congestion mitigation construction could be funded for the amount
102.5 proposed to be spent on the guideway.

102.6 (e) A responsible governmental unit may request assistance from the commissioner or
102.7 metropolitan council. The commissioner or metropolitan council must provide the requested
102.8 assistance and may bill the responsible governmental unit for reasonable expenses incurred
102.9 in providing the assistance.

102.10 **EFFECTIVE DATE.** This section is effective the day following final enactment and
102.11 applies to all guideways seeking state or federal funding on or after that date, except this
102.12 section does not apply to the gold line bus rapid transit project. This section applies in the
102.13 counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

102.14 Sec. 8. **[473.4488] COUNTY RESPONSIBILITY FOR GUIDEWAY FUNDING.**

102.15 Subdivision 1. **Definitions.** (a) The following terms have the meanings given for purposes
102.16 of this section.

102.17 (b) "Guideway" has the meaning given in section 473.4485, subdivision 1, paragraph
102.18 (d).

102.19 (c) "Host county" means the county where the guideway is located.

102.20 Subd. 2. **Host county responsibility.** A host county is responsible for funding all aspects
102.21 of guideways using nonstate sources. This includes, but is not limited to, costs for:

102.22 (1) planning, design, engineering, construction, prerevenue operations, and other costs
102.23 associated with guideway development that exceed federal, state, local government, or other
102.24 funds dedicated to the guideway. This requirement pertains to all costs associated with
102.25 guideway development, including associated costs not eligible for federal funding;

102.26 (2) operating costs of guideway services determined by the service operator to be
102.27 necessary to meet reasonable standards for access, safety, and reliability and that exceed
102.28 fare revenues and federal, state, local government, or other funds dedicated to the guideway;
102.29 and

102.30 (3) capital maintenance, replacement, and modernization costs determined by the operator
102.31 of guideway services to be necessary to meet reasonable standards for access, safety,

103.1 reliability, and upkeep of the guideway and that exceed federal, state, local government, or
103.2 other funds dedicated to the guideway.

103.3 Subd. 3. **Prohibition.** The state must not provide any funding for guideways or contribute
103.4 in any manner to any costs related to guideways.

103.5 **EFFECTIVE DATE; APPLICATION.** This section is effective July 1, 2022, and
103.6 applies to existing and future guideways in the counties of Anoka, Carver, Dakota, Hennepin,
103.7 Ramsey, Scott, and Washington, except this section does not apply to the gold line bus rapid
103.8 transit project.

103.9 Sec. 9. Laws 2021, First Special Session chapter 5, article 4, section 143, is amended to
103.10 read:

103.11 Sec. 143. **STUDY ON POST-COVID PANDEMIC PUBLIC TRANSPORTATION.**

103.12 (a) ~~From funds specified under Minnesota Statutes, section 161.53, paragraph (b), the~~
103.13 ~~commissioner of transportation~~ Using existing resources, the Metropolitan Council must
103.14 arrange and pay for a study by the Center for Transportation Studies at the University of
103.15 Minnesota that examines public transportation after the COVID-19 pandemic is substantially
103.16 curtailed in the United States. At a minimum, the study must:

103.17 (1) focus primarily on transit service for commuters in the metropolitan area, as defined
103.18 in Minnesota Statutes, section 473.121, subdivision 2;

103.19 (2) specifically review Northstar Commuter Rail and commuter-oriented transit service
103.20 by the Metropolitan Council and by the suburban transit providers; and

103.21 (3) provide analysis and projections on anticipated changes in:

103.22 (i) ridership;

103.23 (ii) demand for different modes and forms of active and public transportation;

103.24 (iii) transit service levels and features;

103.25 (iv) revenue and expenditures; and

103.26 (v) long-term impacts.

103.27 (b) ~~By February~~ October 1, 2023, the commissioner chair of the Metropolitan Council
103.28 must provide a copy of the study to the members of the legislative committees with
103.29 jurisdiction over transportation policy and finance.

104.1 **EFFECTIVE DATE.** This section is effective the day following final enactment. This
104.2 section applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and
104.3 Washington.

104.4 Sec. 10. **REQUEST TO TERMINATE NORTHSTAR COMMUTER RAIL**
104.5 **OPERATIONS.**

104.6 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have
104.7 the meanings given.

104.8 (b) "Commissioner" means the commissioner of transportation.

104.9 (c) "Council" means the Metropolitan Council.

104.10 (d) "FTA" means the Federal Transit Administration.

104.11 (e) "Northstar" means the Northstar Commuter Rail line that provides rail passenger
104.12 service between downtown Minneapolis and Big Lake, including stops in Fridley, Coon
104.13 Rapids, Anoka, Ramsey, and Elk River.

104.14 Subd. 2. **Federal approval.** Within 30 days of the enactment of this section, the council
104.15 and the commissioner must request approval from the FTA to discontinue Northstar
104.16 operations. As part of the request, the council and commissioner must specify that the state
104.17 will not reimburse the FTA or any other federal agency for federal funds spent on Northstar.
104.18 Within seven days of receiving a response to the request, the council and commissioner
104.19 must report to the chairs and ranking minority members of the legislative committees with
104.20 jurisdiction over transportation policy and finance on the outcome of the request. The report
104.21 must include a copy of the request submitted to the FTA and a copy of the FTA's response.
104.22 If the FTA grants the request, the commissioner and council must submit to the chairs and
104.23 ranking minority members of the legislative committees with jurisdiction over transportation
104.24 policy and finance a proposed plan to terminate Northstar operations. The plan must be
104.25 submitted within 90 days after the FTA grants the request.

104.26 **EFFECTIVE DATE.** This section is effective the day following final enactment. This
104.27 section applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and
104.28 Washington.

104.29 Sec. 11. **SUSPENSION OF GUIDEWAY ACTIVITIES.**

104.30 The Metropolitan Council must not take any action or spend any money for study,
104.31 planning, preliminary engineering, final design, or construction for any proposed guideway.
104.32 This does not apply to the gold line bus rapid transit project or the Green Line Extension

- 105.1 light rail transit line, also known as the Southwest Light Rail project. This section expires
- 105.2 when the Green Line Extension light rail transit line begins revenue operations.
- 105.3 **EFFECTIVE DATE.** This section is effective the day following final enactment. This
- 105.4 section applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and
- 105.5 Washington. "
- 105.6 Amend the title accordingly