

SENATE
STATE OF MINNESOTA
NINETY-FOURTH SESSION

S.F. No. 1164

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Introduction and first reading
Referred to Transportation

OFFICIAL STATUS

- 1.1 A bill for an act
- 1.2 relating to transportation; driver and vehicle services; establishing a full-service
- 1.3 provider account; modifying fee distributions; amending Minnesota Statutes 2024,
- 1.4 sections 168.33, subdivision 7; 171.06, subdivision 2; 299A.705, by adding a
- 1.5 subdivision.
- 1.6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
- 1.7 Section 1. Minnesota Statutes 2024, section 168.33, subdivision 7, is amended to read:
- 1.8 Subd. 7. **Filing fees; allocations.** (a) In addition to all other statutory fees and taxes:
- 1.9 (1) an \$8 filing fee is imposed on every vehicle registration renewal, excluding pro rate
- 1.10 transactions; and
- 1.11 (2) a \$12 filing fee is imposed on every other type of vehicle transaction, including motor
- 1.12 carrier fuel licenses under sections 168D.05 and 168D.06, and pro rate transactions.
- 1.13 (b) Notwithstanding paragraph (a):
- 1.14 (1) a filing fee may not be charged for a document returned for a refund or for a correction
- 1.15 of an error made by the Department of Public Safety, a dealer, or a deputy registrar; and
- 1.16 (2) no filing fee or other fee may be charged for the permanent surrender of a title for a
- 1.17 vehicle.
- 1.18 (c) The filing fee must be shown as a separate item on all registration renewal notices
- 1.19 sent out by the commissioner.
- 1.20 (d) The statutory fees and taxes, the filing fees imposed under paragraph (a), and the
- 1.21 surcharge imposed under paragraph (f) may be paid by credit card or debit card. The deputy
- 1.22 registrar may collect a surcharge on the payment made under this paragraph not greater than

the cost of processing a credit card or debit card transaction, in accordance with emergency rules established by the commissioner of public safety. The surcharge authorized by this paragraph must be used to pay the cost of processing credit and debit card transactions.

(e) The fees collected under paragraph (a) by the department must be allocated as follows:

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

(i) \$6.50 must be deposited in the driver and vehicle services operating account under section 299A.705, subdivision 1; and

(ii) \$1.50 must be deposited in the driver and vehicle services technology account under section 299A.705, subdivision 3; and

(2) of the fees collected under paragraph (a), clause (2):

(i) \$3.50 must be deposited in the general fund;

(ii) \$7 must be deposited in the driver and vehicle services operating account under section 299A.705, subdivision 1; and

(iii) \$1.50 must be deposited in the driver and vehicle services technology account under section 299A.705, subdivision 3.

(f) In addition to all other statutory fees and taxes, a deputy registrar must assess a \$1 surcharge on every transaction for which filing fees are collected under this subdivision. The surcharge authorized by this paragraph must be (1) deposited in the treasury of the place for which the deputy registrar is appointed, or (2) if the deputy registrar is not a public official, retained by the deputy registrar. For purposes of this paragraph, a deputy registrar does not include the commissioner.

(g) The fees collected under this subdivision by the department for mail or online transactions must be allocated as follows:

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

(i) \$3.25 must be deposited in the driver and vehicle services operating account under section 299A.705, subdivision 1;

(ii) \$0.75 must be deposited in the driver and vehicle services technology account under section 299A.705, subdivision 3; and

(iii) \$4.00 must be deposited in the full-service provider account under section 299A.705, subdivision 5; and

(2) of the fees collected under paragraph (a), clause (2):

- 3.1

(i) \$3.50 must be deposited in the general fund;
- 3.2

(ii) \$3.50 must be deposited in the driver and vehicle services operating account under
- 3.3

section 299A.705, subdivision 1;
- 3.4

(iii) \$0.75 must be deposited in the driver and vehicle services technology account under
- 3.5

section 299A.705, subdivision 3; and
- 3.6

(iv) \$4.25 must be deposited in the full-service provider account under section 299A.705,
- 3.7

subdivision 5.
- 3.8

(h) In addition to all other statutory fees and taxes, a \$5.00 surcharge is imposed on
- 3.9

every vehicle registration renewal, excluding pro rate transactions, that is submitted by mail.
- 3.10

Of the \$5.00 surcharge, \$2.50 must be deposited in the driver and vehicle services operating
- 3.11

account and \$2.50 must be deposited in the full-service provider account.

3.12

EFFECTIVE DATE. This section is effective October 1, 2025.

3.13

Sec. 2. Minnesota Statutes 2024, section 171.06, subdivision 2, is amended to read:

3.14

Subd. 2. **Fees.** (a) The fees for a license and Minnesota identification card are as follows:

3.15	REAL ID Compliant or				
3.16	Noncompliant Classified				
3.17	Driver's License	D-\$27.75	C-\$31.75	B-\$38.75	A-\$46.75
3.18	REAL ID Compliant or				
3.19	Noncompliant Classified				
3.20	Under-21 D.L.	D-\$27.75	C-\$31.75	B-\$38.75	A-\$26.75
3.21	Enhanced Driver's License	D-\$42.75	C-\$46.75	B-\$53.75	A-\$61.75
3.22	REAL ID Compliant or				
3.23	Noncompliant Instruction				
3.24	Permit				\$11.25
3.25	Enhanced Instruction				
3.26	Permit				\$26.25
3.27	Commercial Learner's				
3.28	Permit				\$8.50
3.29	REAL ID Compliant or				
3.30	Noncompliant Provisional				
3.31	License				\$14.25
3.32	Enhanced Provisional				
3.33	License				\$29.25
3.34	Duplicate REAL ID				
3.35	Compliant or Noncompliant				
3.36	License or duplicate REAL				
3.37	ID Compliant or				
3.38	Noncompliant				
3.39	identification card				\$12.75

4.1	Enhanced Duplicate	
4.2	License or enhanced	
4.3	duplicate identification card	\$27.75
4.4	REAL ID Compliant or	
4.5	Noncompliant Minnesota	
4.6	identification card or REAL	
4.7	ID Compliant or	
4.8	Noncompliant Under-21	
4.9	Minnesota identification	
4.10	card, other than duplicate,	
4.11	except as otherwise	
4.12	provided in section 171.07,	
4.13	subdivisions 3 and 3a	\$17.25
4.14	Enhanced Minnesota	
4.15	identification card	\$32.25

4.16 (b) In addition to each fee required in paragraph (a), the commissioner must collect a
 4.17 surcharge of \$2.25. Surcharges collected under this paragraph must be credited to the driver
 4.18 and vehicle services technology account under section 299A.705.

4.19 (c) Notwithstanding paragraph (a), an individual who holds a provisional license and
 4.20 has a driving record free of (1) convictions for a violation of section 169A.20, 169A.33,
 4.21 169A.35, sections 169A.50 to 169A.53, or section 171.177, (2) convictions for crash-related
 4.22 moving violations, and (3) convictions for moving violations that are not crash related, has
 4.23 a \$3.50 credit toward the fee for any classified under-21 driver's license. "Moving violation"
 4.24 has the meaning given it in section 171.04, subdivision 1.

4.25 (d) In addition to the driver's license fee required under paragraph (a), the commissioner
 4.26 must collect an additional \$4 processing fee from each new applicant or individual renewing
 4.27 a license with a school bus endorsement to cover the costs for processing an applicant's
 4.28 initial and biennial physical examination certificate. The department must not charge these
 4.29 applicants any other fee to receive or renew the endorsement.

4.30 (e) In addition to the fee required under paragraph (a), a driver's license agent may charge
 4.31 and retain a filing fee as provided under section 171.061, subdivision 4.

4.32 (f) In addition to the fee required under paragraph (a), the commissioner must charge a
 4.33 filing fee at the same amount as a driver's license agent under section 171.061, subdivision
 4.34 4. Revenue collected under this paragraph for in-person transactions must be deposited in
 4.35 the driver and vehicle services operating account under section 299A.705. Revenue collected
 4.36 under this paragraph for mail or online transactions must be allocated as follows:

4.37 (1) 50 percent must be deposited in the driver and vehicle services operating account
 4.38 under section 299A.705, subdivision 1; and

5.1 (2) 50 percent must be deposited in the full-service provider account under section
5.2 299A.705, subdivision 5.

5.3 (g) An application for a Minnesota identification card, instruction permit, provisional
5.4 license, or driver's license, including an application for renewal, must contain a provision
5.5 that allows the applicant to add to the fee under paragraph (a), a \$2 donation for the purposes
5.6 of public information and education on anatomical gifts under section 171.075.

5.7 **EFFECTIVE DATE.** This section is effective October 1, 2025.

5.8 Sec. 3. Minnesota Statutes 2024, section 299A.705, is amended by adding a subdivision
5.9 to read:

5.10 **Subd. 5. Full-service provider account.** (a) The full-service provider account is created
5.11 in the special revenue fund, consisting of fees described in sections 168.33, subdivision 7,
5.12 and 171.06, subdivision 2, and any other money donated, allotted, transferred, or otherwise
5.13 provided to the account.

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

5.19 **EFFECTIVE DATE.** This section is effective October 1, 2025, and the first quarterly
5.20 distribution shall be made on or before January 15, 2026.