

SENATE
STATE OF MINNESOTA
NINETY-FOURTH SESSION

S.F. No. 2197

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DATE	D-PG	OFFICIAL STATUS
03/06/2025	657	Introduction and first reading Referred to Transportation

1.1A bill for an act

1.2relating to driver's education; establishing financial assistance pilot program to

1.3attend driver's education courses; requiring reports; creating a work group;

1.4appropriating money.

1.5BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6Section 1. **DRIVER'S EDUCATION FINANCIAL ASSISTANCE PILOT PROGRAM.**

1.7Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have

1.8the meanings given.

1.9(b) "Commissioner" means the commissioner of public safety.

1.10(c) "Eligible entities" means a school district; city; county; town; local government unit;

1.11federally recognized Tribe, as defined in United States Code, title 25, section 5304(e); or

1.12nonprofit organization providing or seeking to provide assistance to low-income or

1.13disadvantaged youth.

1.14(d) "Eligible youth" means a person who is at least 15 years of age and not more than

1.1524 years of age and meets one of the criteria specified in subdivision 4, paragraph (c).

1.16(e) "Driver's education" means a public driver's education course offered by a public

1.17school or a private driver training school as defined in Minnesota Statutes, section 171.33,

1.18subdivision 1, that is licensed and authorized to offer driver's education courses in Minnesota.

1.19(f) "Driver's license" has the meaning given in Minnesota Statutes, section 171.01,

1.20subdivision 37.

1.21Subd. 2. **Pilot program established.** A driver's education financial assistance pilot

1.22program is established in the Department of Public Safety to award grants to eligible entities

2.1 to expand access and availability to driver's education courses and drivers' licenses for
2.2 eligible youth ages 15 to 24.

2.3 Subd. 3. **Account established; eligible expenditures.** (a) A driver's education financial
2.4 assistance account is created in the special revenue fund in the state treasury. The
2.5 commissioner must credit to the account appropriations and transfers to the account. Earnings,
2.6 including interest, dividends, and any other earnings arising from assets of the account,
2.7 must be credited to the account. Money in the account at the end of the fiscal year does not
2.8 cancel to the general fund but remains available in the account until expended.

2.9 (b) Money in the account must be used only to:

2.10 (1) award grants to eligible organizations under this section; and

2.11 (2) reimburse the Department of Public Safety's reasonable costs for administrative and
2.12 staffing expenses.

2.13 Subd. 4. **Eligibility.** (a) The commissioner must establish the driver's education financial
2.14 pilot program and coordinate its operation with eligible entities. Upon a successful
2.15 application, a participating eligible entity may award an eligible youth financial assistance
2.16 as provided under this section. The commissioner must establish the pilot program in at
2.17 least one urban, rural, suburban, and Tribal community and make extensive efforts to
2.18 publicize the pilot program and how the funds may be used. The commissioner must
2.19 coordinate amongst eligible entities to ensure a community-driven approach to provide
2.20 access for eligible youth and support to complete the driver's license process.

2.21 (b) A person seeking financial assistance under the pilot program must submit an
2.22 application in the form and manner prescribed by the commissioner and eligible entity.

2.23 (c) A person seeking financial assistance under the pilot program must meet one of the
2.24 following criteria:

2.25 (1) has experienced homelessness in the last 24 months, as defined under the
2.26 McKinney-Vento Homeless Assistance Act, United States Code, title 42, section 1143a;

2.27 (2) is a homeless youth, as defined by the Homeless Youth Act in Minnesota Statutes,
2.28 section 256K.45;

2.29 (3) receives housing support under Minnesota Statutes, chapter 256I;

2.30 (4) is a child placed in foster care who is no more than 18 years old;

(5) is a foster child who is at least 18 years old and no more than 21 years old and who receives extended foster care benefits under Minnesota Statutes, section 142A.609 or 260C.451;

(6) is a parent or legal custodian of a minor child who receives Minnesota family investment program assistance under Minnesota Statutes, chapter 142G;

(7) is a participant who is no more than 16 years old in a juvenile diversion or restorative justice program;

(8) is a child who is no more than 16 years old and who is out of school, out of work, and enrolled in a workforce program; or

(9) is a youth with a demonstrated and evidenced financial hardship, lack of valid driver's license, and inability to secure driver's education instruction.

Subd. 5. Program administration. (a) The commissioner must establish a referral system to administer the pilot program. The referral system must be operated by an intermediary selected by the commissioner and identify a community-driven approach to ensure eligible youth have access and support to complete the driver's license process. Entities seeking to participate in the pilot program must have the support of school districts and community-based organizations that focus on under-served and low-income populations and identify and establish an application procedure to recruit, obtain, and support up to 200 eligible youth in the pilot program per location. An intermediary selected under this section by the commissioner is eligible for reimbursement for the costs of administering and operating the pilot program, not to exceed \$100,000.

(b) Assistance awarded under this section to an eligible youth must not exceed \$2,000, of which \$700 may be used as specified in paragraph (c). An eligible youth receiving an award under this section must use the funds to make use of private or public driver's education pathways. Eligible uses of the funds include:

(1) the cost of attending driver's education and behind-the-wheel instruction;

(2) instructional permit and driver's license application fees;

(3) the use of a vehicle for a road test; or

(4) other courses or materials designed to assist in securing a valid driver's license.

(c) An eligible youth may use funds received to pay for all or a portion of previous fines or fees that prohibit the individual from applying for and receiving a valid driver's license.

4.1 (d) An eligible entity may provide additional funds to program participants for, or require
4.2 program participants to, participate in data reporting and collection on program outcomes.

4.3 (e) The commissioner must provide staff assistance and administrative support for the
4.4 pilot project.

4.5 Subd. 6. **Records.** (a) Participating eligible entities must keep records of financial
4.6 assistance awarded to individuals and all expenses associated with appropriated money.

4.7 (b) Participating eligible entities must not exceed 15 percent of the total appropriation
4.8 for administrative costs.

4.9 Subd. 7. **Data collection and outcomes.** To collect uniform data to measure the nature
4.10 and extent of the need for support to complete the driver's license process, participating
4.11 entities must collect and make available to the commissioner the following information:

4.12 (1) the number of persons who applied for financial assistance;

4.13 (2) the number of awards issued to eligible youth and the amount of financial assistance;

4.14 (3) the average amount per award issued to eligible youth;

4.15 (4) the number of award recipients who were successful in acquiring a driver's license;
4.16 and

4.17 (5) the amount of award funds spent on paying previously instituted fines or fees that
4.18 prohibited an eligible youth from receiving a valid driver's license.

4.19 Subd. 8. **Reporting.** (a) By February 1 of each year, participating entities must submit
4.20 a report to the commissioner itemizing all expenditures and grants made to individuals
4.21 during the previous calendar year. The report must be in the form and manner prescribed
4.22 by the commissioner. Participating entities must assist the commissioner in preparing the
4.23 report required under paragraph (b).

4.24 (b) By January 15, 2027, the commissioner must submit a report to the chairs and ranking
4.25 minority members of the legislative committees with jurisdiction over transportation and
4.26 education policy. The report must describe the activities of the pilot program.

4.27 Subd. 9. **Work group.** (a) The commissioners of education, public safety, and
4.28 employment and economic development must form a work group to study driver education
4.29 availability in Minnesota. A member of the work group must include an eligible youth
4.30 participating in the program who received an award for driver's education expenses under
4.31 this section. Each commissioner may name additional members to the work group, including
4.32 representatives of public and private driver education programs and representatives of higher

education institutions providing training for driver education instructors. The work group must study the availability of and access to driver education courses in Minnesota, analyze the geographic availability of courses, identify barriers for course participation for low-income students, and analyze potential permanent funding sources to expand the availability of driver education opportunities.

(b) The commissioner of education must provide staff support, administrative resources, and convene the first meeting of the work group by September 1, 2025.

(c) The work group must prepare and submit a written report to the legislative committees with jurisdiction over education, driver education, and drivers' licenses by February 1, 2026. The report must describe the status of driver education courses in Minnesota and recommend changes to increase student access to driver education courses. The report must also recommend a permanent funding mechanism to expand the availability of driver education courses to Minnesota's low-income students.

(d) Public members of the work group, except the eligible youth appointed to the workgroup under paragraph (a), serve without compensation or payment of expenses. The work group may accept gifts and grants, which are accepted on behalf of the state and constitute donations to the state. Funds received under this paragraph are appropriated to the commissioner of education for purposes of this work group.

(e) The work group expires upon submission of the report under paragraph (c), or June 30, 2028, whichever is sooner.

Subd. 10. **Expiration.** The pilot program established under this section expires on June 30, 2028.

Sec. 2. APPROPRIATION.

\$3,850,000 in fiscal year 2026 is appropriated from the general fund to the commissioner of education for the driver's education financial assistance pilot program established in section 1; the reporting requirements in section 1, subdivision 8; and the driver's education work group created in section 1, subdivision 9, paragraph (a). This is a onetime appropriation.