

SENATE
STATE OF MINNESOTA
NINETY-FOURTH SESSION

S.F. No. 2082

(SENATE AUTHORS: DIBBLE and Johnson Stewart)		
DATE	D-PG	OFFICIAL STATUS
03/03/2025	613	Introduction and first reading Referred to Transportation
04/22/2025		Comm report: To pass as amended and re-refer to Finance

1.1

A bill for an act

1.2

relating to transportation; establishing a budget for transportation; appropriating

1.3

money for transportation purposes, including Department of Transportation,

1.4

Department of Public Safety, and Metropolitan Council activities; amending

1.5

Minnesota Statutes 2024, sections 168.27, subdivisions 8, 11, 16; 168.33,

1.6

subdivision 7; 168A.10, by adding a subdivision; 169.14, subdivision 1a; 169.686,

1.7

subdivision 1; 171.05, subdivision 1; 171.06, by adding a subdivision; 171.061,

1.8

subdivision 4; 171.306, subdivision 8; 174.02, by adding a subdivision; 174.38,

1.9

subdivision 4; 299A.01, by adding a subdivision; 360.511, by adding a subdivision;

1.10

360.531, subdivision 2; 360.55, subdivisions 4, 4a, 9, by adding subdivisions;

1.11

360.653; 473.408, by adding a subdivision; 473.4465, by adding a subdivision;

1.12

Laws 2021, First Special Session chapter 5, article 1, section 2, subdivision 2, as

1.13

amended; Laws 2021, First Special Session chapter 14, article 11, section 45; Laws

1.14

2023, chapter 60, article 10, section 9; Laws 2023, chapter 68, article 1, section

1.15

2, subdivisions 2, 3; Laws 2024, chapter 127, article 1, section 2, subdivision 3.

1.16

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

1.17

ARTICLE 1

1.18

APPROPRIATIONS

1.19

Section 1. TRANSPORTATION APPROPRIATIONS.

1.20

The sums shown in the columns marked "Appropriations" are appropriated to the agencies

1.21

and for the purposes specified in this article. The appropriations are from the trunk highway

1.22

fund, or another named fund, and are available for the fiscal years indicated for each purpose.

1.23

Amounts for "Total Appropriation" and sums shown in the corresponding columns marked

1.24

"Appropriations by Fund" are summary only and do not have legal effect. Unless specified

1.25

otherwise, the amounts in fiscal year 2027 under "Appropriations by Fund" show the base

1.26

within the meaning of Minnesota Statutes, section 16A.11, subdivision 3, by fund. The

1.27

figures "2026" and "2027" used in this article mean that the appropriations listed under them

1.28

are available for the fiscal year ending June 30, 2026, or June 30, 2027, respectively. "Each

year" is each of fiscal years 2026 and 2027. "The biennium" is fiscal years 2026 and 2027.
"C.S.A.H." is the county state-aid highway fund. "M.S.A.S." is the municipal state-aid street
fund. "H.U.T.D." is the highway user tax distribution fund. "Staff" means those employees
who are identified in any of the following roles for the legislative committees: committee
administrator, committee legislative assistant, caucus research, fiscal analysis, counsel, or
nonpartisan research.

APPROPRIATIONS
Available for the Year
Ending June 30
2026 **2027**

Sec. 2. DEPARTMENT OF
TRANSPORTATION

Subdivision 1. Total Appropriation **\$ 4,879,471,000** **\$ 3,958,200,000**

	<u>Appropriations by Fund</u>	
	<u>2026</u>	<u>2027</u>
<u>General</u>	<u>39,068,000</u>	<u>39,218,000</u>
<u>Airports</u>	<u>28,018,000</u>	<u>28,018,000</u>
<u>C.S.A.H.</u>	<u>1,099,805,000</u>	<u>1,123,821,000</u>
<u>M.S.A.S.</u>	<u>278,780,000</u>	<u>283,002,000</u>
<u>Trunk Highway</u>	<u>3,433,800,000</u>	<u>2,484,141,000</u>

The appropriations in this section are to the
commissioner of transportation.

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

Subd. 2. Multimodal Systems

(a) Aeronautics

(1) Airport Development and Assistance **19,623,000** **19,623,000**

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

Notwithstanding Minnesota Statutes, section
16A.28, subdivision 6, this appropriation is
available for five years after the year of the

3.1 appropriation. If the appropriation for either
3.2 year is insufficient, the appropriation for the
3.3 other year is available for it.

3.4 If the commissioner of transportation
3.5 determines that a balance remains in the state
3.6 airports fund following the appropriations
3.7 made in this article and that the appropriations
3.8 made are insufficient for advancing airport
3.9 development and assistance projects, an
3.10 amount necessary to advance the projects, not
3.11 to exceed the balance in the state airports fund,
3.12 is appropriated in each year to the
3.13 commissioner and must be spent according to
3.14 Minnesota Statutes, section 360.305,
3.15 subdivision 4. Within two weeks of a
3.16 determination under this contingent
3.17 appropriation, the commissioner of
3.18 transportation must notify the commissioner
3.19 of management and budget and the chairs,
3.20 ranking minority members, and staff of the
3.21 legislative committees with jurisdiction over
3.22 transportation finance concerning the funds
3.23 appropriated. Funds appropriated under this
3.24 contingent appropriation do not adjust the base
3.25 for fiscal years 2028 and 2029.

3.26	<u>(2) Aviation Support Services</u>	<u>10,033,000</u>	<u>10,183,000</u>
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3.27	<u>Appropriations by Fund</u>		
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3.28	<u>General</u>	<u>1,843,000</u>	<u>1,993,000</u>
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3.29	<u>Airports</u>	<u>8,190,000</u>	<u>8,190,000</u>
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3.30	<u>(3) Civil Air Patrol</u>	<u>205,000</u>	<u>205,000</u>
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3.31 This appropriation is from the state airports
3.32 fund for the Civil Air Patrol.

3.33	<u>(b) Transit and Active Transportation</u>	<u>18,376,000</u>	<u>18,376,000</u>
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3.34 This appropriation is from the general fund.

4.1	<u>(c) Safe Routes to School</u>	<u>1,500,000</u>	<u>1,500,000</u>
4.2	<u>This appropriation is from the general fund</u>		
4.3	<u>for the safe routes to school program under</u>		
4.4	<u>Minnesota Statutes, section 174.40.</u>		
4.5	<u>If the appropriation for either year is</u>		
4.6	<u>insufficient, the appropriation for the other</u>		
4.7	<u>year is available for it.</u>		
4.8	<u>(d) Passenger Rail</u>	<u>5,743,000</u>	<u>5,743,000</u>
4.9	<u>This appropriation is from the general fund</u>		
4.10	<u>for passenger rail activities under Minnesota</u>		
4.11	<u>Statutes, sections 174.632 to 174.636.</u>		
4.12	<u>(e) Freight</u>	<u>9,215,000</u>	<u>9,284,000</u>
4.13	<u>Appropriations by Fund</u>		
4.14	<u>General</u> <u>2,403,000</u> <u>2,403,000</u>		
4.15	<u>Trunk Highway</u> <u>6,812,000</u> <u>6,881,000</u>		
4.16	<u>Subd. 3. State Roads</u>		
4.17	<u>(a) Operations and Maintenance</u>	<u>436,805,000</u>	<u>440,274,000</u>
4.18	<u>(b) Program Planning and Delivery</u>		
4.19	<u>(1) Planning and Research</u>	<u>37,006,000</u>	<u>37,244,000</u>
4.20	<u>The commissioner may use any balance</u>		
4.21	<u>remaining in this appropriation for program</u>		
4.22	<u>delivery under clause (2).</u>		
4.23	<u>\$134,000 in fiscal year 2026 and \$135,000 in</u>		
4.24	<u>fiscal year 2027 are available for</u>		
4.25	<u>administrative costs of the targeted group</u>		
4.26	<u>business program.</u>		
4.27	<u>\$300,000 in each year is available for grants</u>		
4.28	<u>to metropolitan planning organizations outside</u>		
4.29	<u>the seven-county metropolitan area.</u>		
4.30	<u>\$900,000 in each year is available for grants</u>		
4.31	<u>for transportation studies outside the</u>		
4.32	<u>metropolitan area to identify critical concerns,</u>		

5.1 problems, and issues. These grants are
 5.2 available: (i) to regional development
 5.3 commissions; (ii) in regions where no regional
 5.4 development commission is functioning, to
 5.5 joint powers boards established under
 5.6 agreement of two or more political
 5.7 subdivisions in the region to exercise the
 5.8 planning functions of a regional development
 5.9 commission; and (iii) in regions where no
 5.10 regional development commission or joint
 5.11 powers board is functioning, to the Department
 5.12 of Transportation district office for that region.

5.13 **(2) Program Delivery** 280,588,000 283,701,000

5.14 Appropriations by Fund

5.15 General 2,000,000 2,000,000

5.16 Trunk Highway 278,588,000 281,701,000

5.17 This appropriation includes use of consultants
 5.18 to support development and management of
 5.19 projects.

5.20 \$1,003,000 in fiscal year 2026 and \$1,005,000
 5.21 in fiscal year 2027 are available from the trunk
 5.22 highway fund for management of
 5.23 contaminated and regulated material on
 5.24 property owned by the Department of
 5.25 Transportation, including mitigation of
 5.26 property conveyances, facility acquisition or
 5.27 expansion, chemical release at maintenance
 5.28 facilities, and spills on the trunk highway
 5.29 system where there is no known responsible
 5.30 party. If the appropriation for either year is
 5.31 insufficient, the appropriation for the other
 5.32 year is available for it.

5.33 **(c) State Road Construction** 2,214,557,000 1,231,157,000

6.1 This appropriation is for the actual
6.2 construction, reconstruction, and improvement
6.3 of trunk highways, including design-build
6.4 contracts, internal department costs associated
6.5 with delivering the construction program,
6.6 consultant usage to support these activities,
6.7 and the cost of actual payments to landowners
6.8 for lands acquired for highway rights-of-way,
6.9 payment to lessees, interest subsidies, and
6.10 relocation expenses.

6.11 This appropriation includes federal highway
6.12 aid. The commissioner of transportation must
6.13 notify the chairs, ranking minority members,
6.14 and staff of the legislative committees with
6.15 jurisdiction over transportation finance of any
6.16 significant events that cause the estimates of
6.17 federal aid to change.

6.18 \$650,000,000 in fiscal year 2026 is for the
6.19 John A. Blatnik Bridge between Duluth,
6.20 Minnesota, and Superior, Wisconsin. The
6.21 commissioner may use up to 17 percent of the
6.22 amount for program delivery. This is a
6.23 onetime appropriation and is available until
6.24 June 30, 2033.

6.25 The commissioner may expend up to one-half
6.26 of one percent of the federal appropriations
6.27 under this paragraph as grants to opportunity
6.28 industrialization centers and other nonprofit
6.29 job training centers for job training programs
6.30 related to highway construction.

6.31 The commissioner may transfer up to
6.32 \$15,000,000 in each year to the transportation
6.33 revolving loan fund.

7.1 The commissioner may receive money
7.2 covering other shares of the cost of partnership
7.3 projects. These receipts are appropriated to
7.4 the commissioner for these projects.

7.5 The base is \$1,276,546,000 in fiscal year 2028
7.6 and each year thereafter.

7.7 **(d) Corridors of Commerce** 25,000,000 25,000,000

7.8 This appropriation is for the corridors of
7.9 commerce program under Minnesota Statutes,
7.10 section 161.088. The commissioner may use
7.11 up to 17 percent of the amount in each year
7.12 for program delivery.

7.13 **(e) Highway Debt Service** 296,575,000 319,675,000

7.14 \$293,575,000 in fiscal year 2026 and
7.15 \$316,675,000 in fiscal year 2027 are for
7.16 transfer to the state bond fund. If this
7.17 appropriation is insufficient to make all
7.18 transfers required in the year for which it is
7.19 made, the commissioner of management and
7.20 budget must transfer the deficiency amount
7.21 as provided under Minnesota Statutes, section
7.22 16A.641, and notify the chairs, ranking
7.23 minority members, and staff of the legislative
7.24 committees with jurisdiction over
7.25 transportation finance and the chairs of the
7.26 senate Finance Committee and the house of
7.27 representatives Ways and Means Committee
7.28 of the amount of the deficiency. Any excess
7.29 appropriation cancels to the trunk highway
7.30 fund.

7.31 **(f) Statewide Radio Communications** 7,052,000 7,121,000

7.32	<u>Appropriations by Fund</u>		
7.33	<u>General</u>	<u>3,000</u>	<u>3,000</u>
7.34	<u>Trunk Highway</u>	<u>7,049,000</u>	<u>7,118,000</u>

8.1 \$3,000 in each year is from the general fund
8.2 to equip and operate the Roosevelt signal
8.3 tower for Lake of the Woods weather
8.4 broadcasting.

8.5 **Subd. 4. Local Roads**

8.6 <u>(a) County State-Aid Highways</u>	<u>1,099,805,000</u>	<u>1,123,821,000</u>
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8.7 This appropriation is from the county state-aid
8.8 highway fund under Minnesota Statutes,
8.9 sections 161.081, 174.49, and 297A.815,
8.10 subdivision 3, and chapter 162, and is
8.11 available until June 30, 2035.

8.12 If the commissioner of transportation
8.13 determines that a balance remains in the
8.14 county state-aid highway fund following the
8.15 appropriations and transfers made in this
8.16 paragraph and that the appropriations made
8.17 are insufficient for advancing county state-aid
8.18 highway projects, an amount necessary to
8.19 advance the projects, not to exceed the balance
8.20 in the county state-aid highway fund, is
8.21 appropriated in each year to the commissioner.

8.22 Within two weeks of a determination under
8.23 this contingent appropriation, the
8.24 commissioner of transportation must notify
8.25 the commissioner of management and budget
8.26 and the chairs, ranking minority members, and
8.27 staff of the legislative committees with
8.28 jurisdiction over transportation finance
8.29 concerning funds appropriated. The governor
8.30 must identify in the next budget submission
8.31 to the legislature under Minnesota Statutes,
8.32 section 16A.11, any amount that is
8.33 appropriated under this paragraph.

8.34 <u>(b) Municipal State-Aid Streets</u>	<u>278,780,000</u>	<u>283,002,000</u>
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9.1 This appropriation is from the municipal
9.2 state-aid street fund under Minnesota Statutes,
9.3 chapter 162, and is available until June 30,
9.4 2035.

9.5 If the commissioner of transportation
9.6 determines that a balance remains in the
9.7 municipal state-aid street fund following the
9.8 appropriations and transfers made in this
9.9 paragraph and that the appropriations made
9.10 are insufficient for advancing municipal
9.11 state-aid street projects, an amount necessary
9.12 to advance the projects, not to exceed the
9.13 balance in the municipal state-aid street fund,
9.14 is appropriated in each year to the
9.15 commissioner. Within two weeks of a
9.16 determination under this contingent
9.17 appropriation, the commissioner of
9.18 transportation must notify the commissioner
9.19 of management and budget and the chairs,
9.20 ranking minority members, and staff of the
9.21 legislative committees with jurisdiction over
9.22 transportation finance concerning funds
9.23 appropriated. The governor must identify in
9.24 the next budget submission to the legislature
9.25 under Minnesota Statutes, section 16A.11, any
9.26 amount that is appropriated under this
9.27 paragraph.

9.28 **(c) Other Local Roads**

9.29 <u>Local Transportation Disaster Support</u>	<u>1,000,000</u>	<u>1,000,000</u>
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9.30 This appropriation is from the general fund to
9.31 provide a cost-share for federal assistance
9.32 from the Federal Highway Administration for
9.33 the emergency relief program under United
9.34 States Code, title 23, section 125. If the
9.35 appropriation for either year is insufficient,

10.1

the appropriation for the other year is available

10.2

for it.

10.3

Subd. 5. Agency Management

10.4

(a) Agency Services

92,298,000

95,889,000

10.5

Appropriations by Fund

10.6

General

6,200,000

6,200,000

10.7

Trunk Highway

86,098,000

89,689,000

10.8

(b) Buildings

44,710,000

44,802,000

10.9

Any money appropriated to the commissioner

10.10

of transportation for building construction for

10.11

any fiscal year before fiscal year 2026 is

10.12

available to the commissioner during the

10.13

biennium to the extent that the commissioner

10.14

spends the money on the building construction

10.15

projects for which the money was originally

10.16

encumbered during the fiscal year for which

10.17

it was appropriated. If the appropriation for

10.18

either year is insufficient, the appropriation

10.19

for the other year is available for it.

10.20

(c) Tort Claims

600,000

600,000

10.21

If the appropriation for either year is

10.22

insufficient, the appropriation for the other

10.23

year is available for it.

10.24

Subd. 6. Transfers; General Authority

10.25

(a) With the approval of the commissioner of

10.26

management and budget, the commissioner

10.27

of transportation may transfer unencumbered

10.28

balances among the appropriations from the

10.29

trunk highway fund and the state airports fund

10.30

made in this section. Transfers under this

10.31

paragraph must not be made: (1) between

10.32

funds; (2) from the appropriations for state

10.33

road construction or debt service; or (3) from

11.1 the appropriations for operations and
11.2 maintenance or program delivery, except for
11.3 a transfer to state road construction or debt
11.4 service.

11.5 (b) The commissioner of transportation must
11.6 immediately report transfers under paragraph
11.7 (a) to the chairs, ranking minority members,
11.8 and staff of the legislative committees with
11.9 jurisdiction over transportation finance. The
11.10 authority for the commissioner of
11.11 transportation to make transfers under
11.12 Minnesota Statutes, section 16A.285, is
11.13 superseded by the authority and requirements
11.14 under this subdivision.

11.15 **Subd. 7. Transfers; Flexible Highway Account**

11.16 The commissioner of transportation must
11.17 transfer from the flexible highway account in
11.18 the county state-aid highway fund:

11.19 (1) \$21,800,000 in fiscal year 2026 to the
11.20 trunk highway fund;

11.21 (2) \$22,230,000 in fiscal year 2026 to the
11.22 municipal turnback account in the municipal
11.23 state-aid street fund; and

11.24 (3) the remainder in each year to the county
11.25 turnback account in the county state-aid
11.26 highway fund.

11.27 The money transferred under this subdivision
11.28 is for highway turnback purposes as provided
11.29 under Minnesota Statutes, section 161.081,
11.30 subdivision 3.

11.31 **Subd. 8. Contingent Appropriations**

11.32 The commissioner of transportation, with the
11.33 approval of the governor and the written

12.1 approval of at least five members of a group
12.2 consisting of the members of the Legislative
12.3 Advisory Commission under Minnesota
12.4 Statutes, section 3.30, and the ranking minority
12.5 members of the legislative committees with
12.6 jurisdiction over transportation finance, may
12.7 transfer all or part of the unappropriated
12.8 balance in the trunk highway fund to an
12.9 appropriation: (1) for trunk highway design,
12.10 construction, or inspection in order to take
12.11 advantage of an unanticipated receipt of
12.12 income to the trunk highway fund or to take
12.13 advantage of federal advanced construction
12.14 funding; (2) for trunk highway maintenance
12.15 in order to meet an emergency; or (3) to pay
12.16 tort or environmental claims. Nothing in this
12.17 subdivision authorizes the commissioner to
12.18 increase the use of federal advanced
12.19 construction funding beyond amounts
12.20 specifically authorized. Any transfer as a result
12.21 of the use of federal advanced construction
12.22 funding must include an analysis of the effects
12.23 on the long-term trunk highway fund balance.
12.24 The amount transferred is appropriated for the
12.25 purpose of the account to which it is
12.26 transferred.

12.27 Sec. 3. METROPOLITAN COUNCIL

12.28	<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>115,127,000</u>	<u>\$</u>	<u>120,190,000</u>
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12.29 The appropriation in this section is from the
12.30 general fund to the Metropolitan Council.

12.31	<u>Subd. 2. Special Transportation Service</u>	<u>115,127,000</u>	<u>120,190,000</u>
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12.32 This appropriation is for special transportation
12.33 service under Minnesota Statutes, section
12.34 473.386, including Metro Mobility and Metro
12.35 Move.

13.1 **Sec. 4. DEPARTMENT OF PUBLIC SAFETY**

13.2	<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>301,789,000</u>	<u>\$</u>	<u>303,511,000</u>
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13.3 **Appropriations by Fund**

13.4		<u>2026</u>	<u>2027</u>
13.5	<u>General</u>	<u>41,589,000</u>	<u>41,623,000</u>
13.6	<u>H.U.T.D.</u>	<u>1,382,000</u>	<u>1,395,000</u>
13.7	<u>Special Revenue</u>	<u>80,898,000</u>	<u>80,576,000</u>
13.8	<u>Trunk Highway</u>	<u>177,920,000</u>	<u>179,917,000</u>

13.9 The appropriations in this section are to the
 13.10 commissioner of public safety.

13.11 The amounts that may be spent for each
 13.12 purpose are specified in the following
 13.13 subdivisions. The commissioner must spend
 13.14 appropriations from the trunk highway fund
 13.15 in subdivision 3 only for State Patrol purposes.

13.16 **Subd. 2. Administration and Related Services**

13.17	<u>(a) Office of Communications</u>	<u>1,198,000</u>	<u>1,232,000</u>
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13.18 This appropriation is from the general fund.

13.19	<u>(b) Public Safety Support</u>	<u>11,989,000</u>	<u>12,033,000</u>
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13.20 **Appropriations by Fund**

13.21	<u>General</u>	<u>6,561,000</u>	<u>6,561,000</u>
13.22	<u>Trunk Highway</u>	<u>5,428,000</u>	<u>5,472,000</u>

13.23	<u>(c) Public Safety Officer Survivor Benefits</u>	<u>1,640,000</u>	<u>1,640,000</u>
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13.24 This appropriation is from the general fund
 13.25 for payment of public safety officer survivor
 13.26 benefits under Minnesota Statutes, section
 13.27 299A.44. If the appropriation for either year
 13.28 is insufficient, the appropriation for the other
 13.29 year is available for it.

13.30	<u>(d) Public Safety Officer Reimbursements</u>	<u>1,367,000</u>	<u>1,367,000</u>
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13.31 This appropriation is from the general fund
 13.32 for transfer to the public safety officer's benefit

14.1 account. This appropriation is available for
14.2 reimbursements under Minnesota Statutes,
14.3 section 299A.465.

14.4 **(e) Soft Body Armor Reimbursements** 745,000 745,000

14.5 This appropriation is from the general fund
14.6 for soft body armor reimbursements under
14.7 Minnesota Statutes, section 299A.38.

14.8 **(f) Technology and Support Services** 7,130,000 7,130,000

14.9 Appropriations by Fund

14.10 General 1,743,000 1,743,000

14.11 Trunk Highway 5,387,000 5,387,000

14.12 **Subd. 3. State Patrol**

14.13 **(a) Patrolling Highways** 147,013,000 148,960,000

14.14 Appropriations by Fund

14.15 General 37,000 37,000

14.16 H.U.T.D. 92,000 92,000

14.17 Trunk Highway 146,884,000 148,831,000

14.18 \$1,045,000 in each year is from the trunk
14.19 highway fund for recruitment and hiring
14.20 initiatives. The base for this purpose is
14.21 \$10,365,000 in fiscal year 2028 and later,
14.22 which includes funding to conduct an
14.23 additional annual trooper academy.

14.24 The base from the trunk highway fund is
14.25 \$158,151,000 in fiscal year 2028 and each
14.26 year thereafter.

14.27 **(b) Commercial Vehicle Enforcement** 18,861,000 18,861,000

14.28 **(c) Capitol Security** 19,243,000 19,243,000

14.29 This appropriation is from the general fund.

14.30 The commissioner must not:

14.31 (1) spend any money from the trunk highway
14.32 fund for capitol security; or

15.1 (2) permanently transfer any state trooper from
15.2 the patrolling highways activity to capitol
15.3 security.

15.4 The commissioner must not transfer any
15.5 money appropriated to the commissioner under
15.6 this section:

15.7 (1) to capitol security; or

15.8 (2) from capitol security.

15.9 **(d) Vehicle Crimes Unit** 1,290,000 1,303,000

15.10 This appropriation is from the highway user
15.11 tax distribution fund to investigate:

15.12 (1) registration tax and motor vehicle sales tax
15.13 liabilities from individuals and businesses that
15.14 currently do not pay all taxes owed; and

15.15 (2) illegal or improper activity related to the
15.16 sale, transfer, titling, and registration of motor
15.17 vehicles.

15.18 **Subd. 4. Driver and Vehicle Services**

15.19 **(a) Driver Services** 47,587,000 47,265,000

15.20 This appropriation is from the driver and
15.21 vehicle services operating account under
15.22 Minnesota Statutes, section 299A.705.

15.23 \$457,000 in fiscal year 2026 and \$133,000 in
15.24 fiscal year 2027 are for rulemaking and
15.25 implementation costs for the ignition interlock
15.26 device program under Minnesota Statutes,
15.27 section 171.306.

15.28 **(b) Vehicle Services** 31,868,000 31,868,000

15.29 This appropriation is from the driver and
15.30 vehicle services operating account under
15.31 Minnesota Statutes, section 299A.705.

- 16.1 \$2,189,000 in each year is for payments to
- 16.2 deputy registrars under Minnesota Statutes,
- 16.3 section 168.33, subdivision 7, and to driver's
- 16.4 license agents under Minnesota Statutes,
- 16.5 section 171.061, subdivision 4.
- 16.6 Subd. 5. **Traffic Safety**

9,855,000

9,861,000
- 16.7 Appropriations by Fund
- 16.8 General

8,495,000

8,495,000
- 16.9 Trunk Highway

1,360,000

1,366,000
- 16.10 \$2,000,000 in each year is from the general
- 16.11 fund for operations and traffic safety projects
- 16.12 and activities of the Advisory Council on
- 16.13 Traffic Safety under Minnesota Statutes,
- 16.14 section 4.076.
- 16.15 The following amounts are for the staff and
- 16.16 operating costs related to a Traffic Safety Data
- 16.17 Analytics Center: (1) \$813,000 in each year
- 16.18 is from the general fund; and (2) \$187,000 in
- 16.19 each year is from the trunk highway fund.
- 16.20 \$5,001,000 in each year is for the drug
- 16.21 evaluation and classification program for drug
- 16.22 recognition evaluator training; phlebotomists;
- 16.23 drug recognition training for peace officers,
- 16.24 as defined in Minnesota Statutes, section
- 16.25 626.84, subdivision 1, paragraph (c); required
- 16.26 continuing education training for drug
- 16.27 recognition experts; program administration;
- 16.28 grants to local law enforcement divisions; and
- 16.29 grants to eligible employers for drug
- 16.30 evaluation and classification training costs of
- 16.31 their staff. The commissioner must make
- 16.32 reasonable efforts to reflect the geographic
- 16.33 diversity of the state in making expenditures.
- 16.34 Any balance in the first year does not cancel
- 16.35 but is available in the second year.

17.1	Subd. 6. Pipeline Safety	2,003,000	2,003,000
17.2	Appropriations by Fund		
17.3	General	560,000	560,000
17.4	Special Revenue	1,443,000	1,443,000
17.5	The appropriation from the special revenue		
17.6	fund is from the pipeline safety account under		
17.7	Minnesota Statutes, section 299J.18.		
17.8	Sec. 5. APPROPRIATION; DEPARTMENT OF ADMINISTRATION.		
17.9	<u>\$48,513,000 in each year is appropriated from the trunk highway fund to the</u>		
17.10	<u>commissioner of administration to design, construct, remodel, equip, and furnish a central</u>		
17.11	<u>headquarters building and support facilities for the State Patrol. This appropriation may</u>		
17.12	<u>also be used to predesign, design, remodel, equip, and furnish existing State Patrol facilities.</u>		
17.13	<u>This is a onetime appropriation and is available until June 30, 2030.</u>		
17.14	Sec. 6. TRANSFER		
17.15	<u>(a) \$8,155,000 in fiscal year 2026 is transferred from the general fund to the active</u>		
17.16	<u>transportation account under Minnesota Statutes, section 174.38.</u>		
17.17	<u>(b) \$8,284,000 in fiscal year 2027 and each year thereafter is transferred from the general</u>		
17.18	<u>fund to the active transportation account under Minnesota Statutes, section 174.38.</u>		
17.19	Sec. 7. Laws 2021, First Special Session chapter 5, article 1, section 2, subdivision 2, as		
17.20	amended by Laws 2024, chapter 127, article 1, section 10, is amended to read:		
17.21	Subd. 2. Multimodal Systems		
17.22	(a) Aeronautics		
17.23	(1) Airport Development and Assistance	24,198,000	18,598,000
17.24	Appropriations by Fund		
17.25	2022	2023	
17.26	General	5,600,000	-0-
17.27	Airports	18,598,000	18,598,000
17.28	This appropriation is from the state airports		
17.29	fund and must be spent according to		
17.30	Minnesota Statutes, section 360.305,		
17.31	subdivision 4.		

18.1

\$5,600,000 in fiscal year 2022 is from the

18.2

general fund for a grant to the city of Karlstad

18.3

for the acquisition of land, predesign, design,

18.4

engineering, and construction of a primary

18.5

airport runway. This appropriation is for Phase

18.6

1 of the project.

18.7

Notwithstanding Minnesota Statutes, section

18.8

16A.28, subdivision 6, this appropriation is

18.9

available for five years after the year of the

18.10

appropriation. If the appropriation for either

18.11

year is insufficient, the appropriation for the

18.12

other year is available for it.

18.13

If the commissioner of transportation

18.14

determines that a balance remains in the state

18.15

airports fund following the appropriations

18.16

made in this article and that the appropriations

18.17

made are insufficient for advancing airport

18.18

development and assistance projects, an

18.19

amount necessary to advance the projects, not

18.20

to exceed the balance in the state airports fund,

18.21

is appropriated in each year to the

18.22

commissioner and must be spent according to

18.23

Minnesota Statutes, section 360.305,

18.24

subdivision 4. Within two weeks of a

18.25

determination under this contingent

18.26

appropriation, the commissioner of

18.27

transportation must notify the commissioner

18.28

of management and budget and the chairs,

18.29

ranking minority members, and staff of the

18.30

legislative committees with jurisdiction over

18.31

transportation finance concerning the funds

18.32

appropriated. Funds appropriated under this

18.33

contingent appropriation do not adjust the base

18.34

for fiscal years 2024 and 2025.

18.35

(2) Aviation Support Services

8,332,000

8,340,000

19.1	Appropriations by Fund		
19.2		2022	2023
19.3	General	1,650,000	1,650,000
19.4	Airports	6,682,000	6,690,000
19.5	\$28,000 in fiscal year 2022 and \$36,000 in		
19.6	fiscal year 2023 are from the state airports		
19.7	fund for costs related to regulating unmanned		
19.8	aircraft systems.		
19.9	(3) Civil Air Patrol	80,000	80,000
19.10	This appropriation is from the state airports		
19.11	fund for the Civil Air Patrol.		
19.12	(b) Transit and Active Transportation	23,501,000	18,201,000
19.13	This appropriation is from the general fund.		
19.14	\$5,000,000 in fiscal year 2022 is for the active		
19.15	transportation program under Minnesota		
19.16	Statutes, section 174.38. This is a onetime		
19.17	appropriation and is available until June 30,		
19.18	2025.		
19.19	\$300,000 in fiscal year 2022 is for a grant to		
19.20	the 494 Corridor Commission. The		
19.21	commissioner must not retain any portion of		
19.22	the funds appropriated under this section. The		
19.23	commissioner must make grant payments in		
19.24	full by December 31, 2021. Funds under this		
19.25	grant are for programming and service		
19.26	expansion to assist companies and commuters		
19.27	in telecommuting efforts and promotion of		
19.28	best practices. A grant recipient must provide		
19.29	telework resources, assistance, information,		
19.30	and related activities on a statewide basis. This		
19.31	is a onetime appropriation.		
19.32	(c) Safe Routes to School	5,500,000	500,000

20.1 This appropriation is from the general fund
20.2 for the safe routes to school program under
20.3 Minnesota Statutes, section 174.40.

20.4 If the appropriation for either year is
20.5 insufficient, the appropriation for the other
20.6 year is available for it.

20.7	(d) Passenger Rail	10,500,000	500,000
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20.8 This appropriation is from the general fund
20.9 for passenger rail activities under Minnesota
20.10 Statutes, sections 174.632 to 174.636.

20.11 \$10,000,000 in fiscal year 2022 is for final
20.12 design and construction to provide for a
20.13 second daily Amtrak train service between
20.14 Minneapolis and St. Paul and Chicago. The
20.15 commissioner may expend funds for program
20.16 delivery and administration from this amount.
20.17 This is a onetime appropriation and is
20.18 available until June 30, ~~2025~~ 2028.

20.19	(e) Freight	8,342,000	7,323,000
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20.20	Appropriations by Fund		
20.21		2022	2023
20.22	General	2,464,000	1,445,000
20.23	Trunk Highway	5,878,000	5,878,000

20.24 \$1,000,000 in fiscal year 2022 is from the
20.25 general fund for procurement costs of a
20.26 statewide freight network optimization tool.

20.27 This is a onetime appropriation and is
20.28 available until June 30, 2023.

20.29 \$350,000 in fiscal year 2022 and \$287,000 in
20.30 fiscal year 2023 are from the general fund for
20.31 two additional rail safety inspectors in the state
20.32 rail safety inspection program under
20.33 Minnesota Statutes, section 219.015. In each
20.34 year, the commissioner must not increase the

21.1 total assessment amount under Minnesota
21.2 Statutes, section 219.015, subdivision 2, from
21.3 the most recent assessment amount.

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

21.5 Sec. 8. Laws 2021, First Special Session chapter 14, article 11, section 45, is amended to
21.6 read:

21.7 Sec. 45. **APPROPRIATION; DEPARTMENT OF TRANSPORTATION.**

21.8 \$6,200,000 in fiscal year 2022 is appropriated from the general fund to the commissioner
21.9 of transportation for project development of a land bridge freeway lid over marked Interstate
21.10 Highway 94 in a portion of the segment from Lexington Avenue to Rice Street in St. Paul.
21.11 This amount is available to match federal funds and for project planning and development,
21.12 including area planning, community and land use planning, economic development planning,
21.13 design, and project management and analysis. From this amount, the commissioner may
21.14 make grants to Reconnect Rondo to perform any eligible project development activities.
21.15 This is a onetime appropriation and is available until June 30, ~~2025~~ 2026.

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

21.17 Sec. 9. Laws 2023, chapter 60, article 10, section 9, is amended to read:

21.18	Sec. 9. DEPARTMENT OF			
21.19	TRANSPORTATION	\$	310,000	\$ -0-

21.20 ~~\$310,000 the first year is for awarding grants~~
21.21 to assist manufacturers to obtain
21.22 environmental product declarations for certain
21.23 construction materials used to build roads and
21.24 other transportation infrastructure under
21.25 Minnesota Statutes, section 16B.312. Of this
21.26 amount, up to \$10,000 is for the reasonable
21.27 costs of the department to administer that
21.28 section. This appropriation is available until
21.29 June 30, 2027.

22.1 Sec. 10. Laws 2023, chapter 68, article 1, section 2, subdivision 2, is amended to read:

22.2 Subd. 2. **Multimodal Systems**

22.3 **(a) Aeronautics**

22.4	(1) Airport Development and Assistance	69,598,000	18,598,000
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22.5	Appropriations by Fund		
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22.6		2024	2025
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22.7	General	36,000,000	-0-
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22.8	Airports	33,598,000	18,598,000
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22.9 The appropriation from the state airports fund
22.10 must be spent according to Minnesota Statutes,
22.11 section 360.305, subdivision 4.

22.12 \$36,000,000 in fiscal year 2024 is from the
22.13 general fund for matches to federal aid and
22.14 state investments related to airport
22.15 infrastructure projects. This is a onetime
22.16 appropriation and is available until June 30,
22.17 2027.

22.18 \$15,000,000 in fiscal year 2024 is from the
22.19 state airports fund for system maintenance of
22.20 critical airport safety systems, equipment, and
22.21 essential airfield technology.

22.22 Notwithstanding Minnesota Statutes, section
22.23 16A.28, subdivision 6, the appropriation from
22.24 the state airports fund is available for five
22.25 years after the year of the appropriation. If the
22.26 appropriation for either year is insufficient,
22.27 the appropriation for the other year is available
22.28 for it.

22.29 If the commissioner of transportation
22.30 determines that a balance remains in the state
22.31 airports fund following the appropriations
22.32 made in this article and that the appropriations
22.33 made are insufficient for advancing airport

23.1 development and assistance projects, an
23.2 amount necessary to advance the projects, not
23.3 to exceed the balance in the state airports fund,
23.4 is appropriated in each year to the
23.5 commissioner and must be spent according to
23.6 Minnesota Statutes, section 360.305,
23.7 subdivision 4. Within two weeks of a
23.8 determination under this contingent
23.9 appropriation, the commissioner of
23.10 transportation must notify the commissioner
23.11 of management and budget and the chairs,
23.12 ranking minority members, and staff of the
23.13 legislative committees with jurisdiction over
23.14 transportation finance concerning the funds
23.15 appropriated. Funds appropriated under this
23.16 contingent appropriation do not adjust the base
23.17 for fiscal years 2026 and 2027.

23.18

(2) Aviation Support Services

15,397,000

8,431,000

23.19	Appropriations by Fund		
23.20		2024	2025
23.21	General	8,707,000	1,741,000
23.22	Airports	6,690,000	6,690,000

23.23 \$7,000,000 in fiscal year 2024 is from the
23.24 general fund to purchase two utility aircraft
23.25 for the Department of Transportation.

23.26

(3) Civil Air Patrol

80,000

80,000

23.27 This appropriation is from the state airports
23.28 fund for the Civil Air Patrol.

23.29

(b) Transit and Active Transportation

58,478,000

18,374,000

23.30 This appropriation is from the general fund.
23.31 \$200,000 in fiscal year 2024 and \$50,000 in
23.32 fiscal year 2025 are for a grant to the city of
23.33 Rochester to implement demand response
23.34 transit service using electric transit vehicles.

24.1

The money is available for mobile software

24.2

application development; vehicles and

24.3

equipment, including accessible vehicles;

24.4

associated charging infrastructure; and capital

24.5

and operating costs.

24.6

\$40,000,000 in fiscal year 2024 is for matches

24.7

to federal aid and state investments related to

24.8

transit and active transportation projects. This

24.9

is a onetime appropriation and is available

24.10

until June 30, 2027.

24.11

(c) Safe Routes to School

15,297,000

10,500,000

24.12

This appropriation is from the general fund

24.13

for the safe routes to school program under

24.14

Minnesota Statutes, section 174.40.

24.15

If the appropriation for either year is

24.16

insufficient, the appropriation for the other

24.17

year is available for it. The appropriations in

24.18

each year are available until June 30, 2027.

24.19

The base for this appropriation is \$1,500,000

24.20

in each of fiscal years 2026 and 2027.

24.21

(d) Passenger Rail

197,521,000

4,226,000

24.22

This appropriation is from the general fund

24.23

for passenger rail activities under Minnesota

24.24

Statutes, sections 174.632 to 174.636.

24.25

\$194,700,000 in fiscal year 2024 is for capital

24.26

improvements and betterments for the

24.27

Minneapolis-Duluth Northern Lights Express

24.28

intercity passenger rail project, including

24.29

preliminary engineering, design, engineering,

24.30

environmental analysis and mitigation,

24.31

acquisition of land and right-of-way,

24.32

equipment and rolling stock, and construction.

24.33

From this appropriation, the amount necessary

25.1 is for: (1) Coon Rapids station improvements
25.2 to establish a joint station that provides for
25.3 Amtrak train service on the Empire Builder
25.4 line between Chicago and Seattle; and (2)
25.5 acquisition of equipment and rolling stock for
25.6 purposes of participation in the Midwest fleet
25.7 pool to provide for service on Northern Lights
25.8 Express and expanded Amtrak train service
25.9 between Minneapolis and St. Paul and
25.10 Chicago. The commissioner of transportation
25.11 must not approve additional stops or stations
25.12 beyond those included in the Federal Railroad
25.13 Administration's January 2018 Finding of No
25.14 Significant Impact and Section 4(f)
25.15 Determination if the commissioner determines
25.16 that the resulting speed reduction would
25.17 negatively impact total ridership. This
25.18 appropriation is onetime and is available until
25.19 June 30, 2028.

25.20 \$1,833,000 in fiscal year 2024 and \$3,238,000
25.21 in fiscal year 2025 are for a match to federal
25.22 aid for capital and operating costs for
25.23 expanded Amtrak train service between
25.24 Minneapolis and St. Paul and Chicago. These
25.25 amounts are available until June 30, 2028.

25.26 The base from the general fund is \$5,742,000
25.27 in each of fiscal years 2026 and 2027.

25.28	(e) Freight	14,650,000	9,066,000
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25.29	Appropriations by Fund		
25.30		2024	2025
25.31	General	8,283,000	2,400,000
25.32	Trunk Highway	6,367,000	6,666,000

25.33 \$5,000,000 in fiscal year 2024 is from the
25.34 general fund for matching federal aid grants
25.35 for improvements, engineering, and

26.1 administrative costs for the Stone Arch Bridge
26.2 in Minneapolis. This is a onetime
26.3 appropriation and is available until June 30,
26.4 2027.

26.5 \$1,000,000 in each year is from the general
26.6 fund for staff, operating costs, and
26.7 maintenance related to weight and safety
26.8 enforcement systems.

26.9 \$974,000 in fiscal year 2024 is from the
26.10 general fund for procurement costs of a
26.11 statewide freight network optimization tool
26.12 under Laws 2021, First Special Session
26.13 chapter 5, article 4, section 133. This is a
26.14 onetime appropriation and is available until
26.15 June 30, 2025.

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

26.17 Sec. 11. Laws 2023, chapter 68, article 1, section 2, subdivision 3, is amended to read:

26.18 Subd. 3. **State Roads**

26.19	(a) Operations and Maintenance	414,220,000	425,341,000
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26.20	Appropriations by Fund		
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26.21		2024	2025
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26.22	General	2,000,000	-0-
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26.23	Trunk Highway	412,220,000	425,341,000
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26.24 \$1,000,000 in fiscal year 2024 is from the
26.25 general fund for the highways for habitat
26.26 program under Minnesota Statutes, section
26.27 160.2325. This amount is available until June
26.28 30, 2027.

26.29 \$248,000 in each year is from the trunk
26.30 highway fund for living snow fence
26.31 implementation and maintenance activities.

26.32 \$1,000,000 in fiscal year 2024 is from the
26.33 general fund for safe road zones under

27.1	Minnesota Statutes, section 169.065, including		
27.2	development and delivery of public awareness		
27.3	and education campaigns about safe road		
27.4	zones.		
27.5	(b) Program Planning and Delivery		
27.6	(1) Planning and Research	32,679,000	33,465,000
27.7	The commissioner may use any balance		
27.8	remaining in this appropriation for program		
27.9	delivery under clause (2).		
27.10	\$130,000 in each year is available for		
27.11	administrative costs of the targeted group		
27.12	business program.		
27.13	\$266,000 in each year is available for grants		
27.14	to metropolitan planning organizations outside		
27.15	the seven-county metropolitan area.		
27.16	\$900,000 in each year is available for grants		
27.17	for transportation studies outside the		
27.18	metropolitan area to identify critical concerns,		
27.19	problems, and issues. These grants are		
27.20	available: (i) to regional development		
27.21	commissions; (ii) in regions where no regional		
27.22	development commission is functioning, to		
27.23	joint powers boards established under		
27.24	agreement of two or more political		
27.25	subdivisions in the region to exercise the		
27.26	planning functions of a regional development		
27.27	commission; and (iii) in regions where no		
27.28	regional development commission or joint		
27.29	powers board is functioning, to the Department		
27.30	of Transportation district office for that region.		
27.31	(2) Program Delivery	274,451,000	273,985,000
27.32	Appropriations by Fund		
27.33		2024	2025

28.1	General	2,250,000	2,000,000
28.2	Trunk Highway	272,201,000	271,985,000

28.3 This appropriation includes use of consultants
28.4 to support development and management of
28.5 projects.

28.6 \$10,000,000 in fiscal year 2024 is from the
28.7 trunk highway fund for roadway design and
28.8 related improvements that reduce speeds and
28.9 eliminate intersection interactions on rural
28.10 high-risk roadways. The commissioner must
28.11 identify roadways based on crash information
28.12 and in consultation with the Advisory Council
28.13 on Traffic Safety under Minnesota Statutes,
28.14 section 4.076, and local traffic safety partners.

28.15 This is a onetime appropriation and is
28.16 available until June 30, 2026.

28.17 \$2,000,000 in each year is from the general
28.18 fund for implementation of climate-related
28.19 programs as provided under the federal
28.20 Infrastructure Investment and Jobs Act, Public
28.21 Law 117-58.

28.22 \$1,193,000 in fiscal year 2024 is from the
28.23 trunk highway fund for costs related to the
28.24 property conveyance to the Upper Sioux
28.25 Community of state-owned land within the
28.26 boundaries of Upper Sioux Agency State Park,
28.27 including fee purchase, property purchase,
28.28 appraisals, and road and bridge demolition
28.29 and related engineering. This amount is
28.30 available until June 30, 2027.

28.31 \$250,000 in fiscal year 2024 is from the
28.32 general fund for costs related to the Clean
28.33 Transportation Fuel Standard Working Group
28.34 established under article 4, section 124.

29.1 \$1,000,000 in each year is available from the
29.2 trunk highway fund for management of
29.3 contaminated and regulated material on
29.4 property owned by the Department of
29.5 Transportation, including mitigation of
29.6 property conveyances, facility acquisition or
29.7 expansion, chemical release at maintenance
29.8 facilities, and spills on the trunk highway
29.9 system where there is no known responsible
29.10 party. If the appropriation for either year is
29.11 insufficient, the appropriation for the other
29.12 year is available for it.

29.13	(c) State Road Construction	1,207,013,000	1,174,045,000
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29.14	Appropriations by Fund		
29.15		2024	2025
29.16	General	1,800,000	-0-
29.17	Trunk Highway	1,205,213,000	1,174,045,000

29.18 This appropriation is for the actual
29.19 construction, reconstruction, and improvement
29.20 of trunk highways, including design-build
29.21 contracts, internal department costs associated
29.22 with delivering the construction program,
29.23 consultant usage to support these activities,
29.24 and the cost of actual payments to landowners
29.25 for lands acquired for highway rights-of-way,
29.26 payment to lessees, interest subsidies, and
29.27 relocation expenses.

29.28 This appropriation includes federal highway
29.29 aid. The commissioner of transportation must
29.30 notify the chairs, ranking minority members,
29.31 and staff of the legislative committees with
29.32 jurisdiction over transportation finance of any
29.33 significant events that cause the estimates of
29.34 federal aid to change.

30.1 \$1,500,000 in fiscal year 2024 is from the
30.2 general fund for living snow fence
30.3 implementation, including: acquiring and
30.4 planting trees, shrubs, native grasses, and
30.5 wildflowers that are climate adaptive to
30.6 Minnesota; improvements; contracts;
30.7 easements; rental agreements; and program
30.8 delivery.

30.9 \$300,000 in fiscal year 2024 is from the
30.10 general fund for additions and modifications
30.11 to work zone design or layout to reduce
30.12 vehicle speeds in a work zone. This
30.13 appropriation is available following a
30.14 determination by the commissioner that the
30.15 initial work zone design or layout
30.16 insufficiently provides for reduced vehicle
30.17 speeds.

30.18 The commissioner may expend up to one-half
30.19 of one percent of the federal appropriations
30.20 under this paragraph as grants to opportunity
30.21 industrialization centers and other nonprofit
30.22 job training centers for job training programs
30.23 related to highway construction.

30.24 The commissioner may transfer up to
30.25 \$15,000,000 in each year to the transportation
30.26 revolving loan fund.

30.27 The commissioner may receive money
30.28 covering other shares of the cost of partnership
30.29 projects. These receipts are appropriated to
30.30 the commissioner for these projects.

30.31 The base from the trunk highway fund is
30.32 \$1,161,813,000 in each of fiscal years 2026
30.33 and 2027.

30.34	(d) Corridors of Commerce	25,000,000	25,000,000
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31.1 This appropriation is for the corridors of

31.2 commerce program under Minnesota Statutes,

31.3 section 161.088. The commissioner may use

31.4 up to 17 percent of the amount in each year

31.5 for program delivery.

31.6 **(e) Highway Debt Service**268,336,000291,394,000

31.7 \$265,336,000 in fiscal year 2024 and

31.8 \$288,394,000 in fiscal year 2025 are for

31.9 transfer to the state bond fund. If this

31.10 appropriation is insufficient to make all

31.11 transfers required in the year for which it is

31.12 made, the commissioner of management and

31.13 budget must transfer the deficiency amount

31.14 as provided under Minnesota Statutes, section

31.15 16A.641, and notify the chairs, ranking

31.16 minority members, and staff of the legislative

31.17 committees with jurisdiction over

31.18 transportation finance and the chairs of the

31.19 senate Finance Committee and the house of

31.20 representatives Ways and Means Committee

31.21 of the amount of the deficiency. Any excess

31.22 appropriation cancels to the trunk highway

31.23 fund.

31.24 **(f) Statewide Radio Communications**8,653,0006,907,000

31.25 Appropriations by Fund

31.26 20242025

31.27 General2,003,0003,000

31.28 Trunk Highway6,650,0006,904,000

31.29 \$3,000 in each year is from the general fund

31.30 to equip and operate the Roosevelt signal

31.31 tower for Lake of the Woods weather

31.32 broadcasting.

31.33 \$2,000,000 in fiscal year 2024 is from the

31.34 general fund for Allied Radio Matrix for

33.1 \$3,000,000 in fiscal year 2025 is for
33.2 implementation and development of statewide
33.3 and regional travel demand modeling related
33.4 to the requirements under Minnesota Statutes,
33.5 section 161.178. This is a onetime
33.6 appropriation and is available until June 30,
33.7 2026.

33.8 \$800,000 in fiscal year 2025 is for one or more
33.9 grants to metropolitan planning organizations
33.10 outside the metropolitan area, as defined in
33.11 Minnesota Statutes, section 473.121,
33.12 subdivision 2, for modeling activities related
33.13 to the requirements under Minnesota Statutes,
33.14 section 161.178. Notwithstanding Minnesota
33.15 Statutes, section 16B.98, subdivision 14, the
33.16 commissioner must not use any amount of this
33.17 appropriation for administrative costs. This is
33.18 a onetime appropriation and is available until
33.19 June 30, 2026.

33.20 \$2,000,000 in fiscal year 2025 is to complete
33.21 environmental documentation and for
33.22 preliminary engineering and design for the
33.23 reconstruction of marked Trunk Highway 55
33.24 from Hennepin County State-Aid Highway
33.25 19, north of the city of Loretto to Hennepin
33.26 County Road 118 near the city of Medina.
33.27 This is a onetime appropriation and is
33.28 available until June 30, 2027.

33.29	(c) State Road Construction	-0-	10,900,000
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33.30 \$8,900,000 in fiscal year 2025 is for the
33.31 acquisition, environmental analysis, predesign,
33.32 design, engineering, construction,
33.33 reconstruction, and improvement of trunk
33.34 highway bridges, including design-build
33.35 contracts, program delivery, consultant usage

34.1 to support these activities, and the cost of
34.2 payments to landowners for lands acquired
34.3 for highway rights-of-way. Projects under this
34.4 appropriation must follow eligible investment
34.5 priorities identified in the Minnesota state
34.6 highway investment plan under Minnesota
34.7 Statutes, section 174.03, subdivision 1c. The
34.8 commissioner may use up to 17 percent of this
34.9 appropriation for program delivery. This is a
34.10 onetime appropriation and is available until
34.11 June 30, 2028.

34.12 \$1,000,000 in fiscal year 2025 is for predesign
34.13 and design of intersection safety improvements
34.14 along marked Trunk Highway 65 from the
34.15 interchange with marked U.S. Highway 10 to
34.16 99th Avenue Northeast in the city of Blaine.
34.17 This is a onetime appropriation.

34.18 \$1,000,000 in fiscal year 2025 is to design and
34.19 construct trunk highway improvements
34.20 associated with an interchange at U.S.
34.21 Highway 169, marked Trunk Highway 282,
34.22 and Scott County State-Aid Highway 9 in the
34.23 city of Jordan, including accommodations for
34.24 bicycles and pedestrians and for bridge and
34.25 road construction. This is a onetime
34.26 appropriation and is available until June 30,
34.27 2027.

34.28	(d) Highway Debt Service	-0-	468,000
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34.29 This appropriation is for transfer to the state
34.30 bond fund. If this appropriation is insufficient
34.31 to make all transfers required in the year for
34.32 which it is made, the commissioner of
34.33 management and budget must transfer the
34.34 deficiency amount as provided under
34.35 Minnesota Statutes, section 16A.641, and

35.1 notify the chairs and ranking minority
35.2 members of the legislative committees with
35.3 jurisdiction over transportation finance and
35.4 the chairs of the senate Finance Committee
35.5 and the house of representatives Ways and
35.6 Means Committee of the amount of the
35.7 deficiency. Any excess appropriation cancels
35.8 to the trunk highway fund.

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

35.10 **ARTICLE 2**

35.11 **TRANSPORTATION FINANCE AND POLICY**

35.12 Section 1. Minnesota Statutes 2024, section 168.27, subdivision 8, is amended to read:

35.13 Subd. 8. **Exemptions.** (a) Salespeople and other employees of licensed dealers under
35.14 this section are not required to obtain individual licenses. For purposes of this subdivision,
35.15 independent contractors are not employees.

35.16 (b) Isolated or occasional sales or leases of new or used motor vehicles are exempt from
35.17 this section. A person who makes only isolated or occasional sales or leases is not required
35.18 to be licensed under this section, is not considered to be in the business of selling or leasing
35.19 motor vehicles, and does not qualify to receive dealer plates under subdivision 16. "Isolated
35.20 or occasional sales or leases" means: (1) the sale or lease of a motor vehicle with an actual
35.21 cash value of \$1,000 or less made by a charitable organization; (2) the sale, purchase, or
35.22 lease of not more than five motor vehicles in a 12-month period, other than pioneer or classic
35.23 motor vehicles as defined in section 168.10, subdivisions 1a and 1b₂; or (3) sales by a
35.24 licensed auctioneer selling motor vehicles at an auction if, in the ordinary course of the
35.25 auctioneer's business, the sale of motor vehicles is incidental to the sale of other real or
35.26 personal property. For purposes of this subdivision, charitable organization means a nonprofit
35.27 charitable organization that qualifies for tax exemption under section 501(c)(3) of the Internal
35.28 Revenue Code.

35.29 (c) A person whose sales of new and used motor vehicles consist solely of sales to
35.30 political subdivisions and their agencies of vehicles used solely as firefighting equipment
35.31 is not required to obtain a license under this section. The person may apply for and receive
35.32 in-transit plates under subdivision 17 in the same manner as licensed motor vehicle dealers
35.33 for the purpose of allowing firefighting equipment to be transported from the dealer's source

36.1 of supply or other place of storage to the dealer's place of business, to another place of
36.2 storage, or directly to the purchaser.

36.3 **EFFECTIVE DATE.** This section is effective January 1, 2026.

36.4 Sec. 2. Minnesota Statutes 2024, section 168.27, subdivision 11, is amended to read:

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

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

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

36.17 (d) In no more than 180 days following issuance of the temporary license, the dealer
36.18 license must either be granted or denied.

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

36.20 (1) if ~~within the previous ten years~~ the applicant was enjoined due to a violation of
36.21 section 325F.69 or convicted of violating section 325E.14, 325E.15, 325E.16, or 325F.69,
36.22 or convicted under section 609.53 of receiving or selling stolen vehicles, or convicted of
36.23 violating United States Code, title 49, sections 32701 to 32711 or pleaded guilty, entered a
36.24 plea of nolo contendere or no contest, or has been found guilty in a court of competent
36.25 jurisdiction of any charge of failure to pay state or federal income or sales taxes or felony
36.26 charge of forgery, embezzlement, obtaining money under false pretenses, theft by swindle,
36.27 extortion, conspiracy to defraud, ~~or~~ bribery, or similar offenses committed in another state;
36.28 or

36.29 (2) if the applicant has had a dealer license revoked within the previous ten years.

36.30 (f) A license may be denied if a dealer is not in compliance with location requirements
36.31 under subdivision 10 or has intentionally misrepresented any information on the dealer

37.1 license application that would be grounds for suspension or revocation under subdivision
37.2 12.

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

37.7 (h) Each initial application for a license must be accompanied by a fee of \$100 in addition
37.8 to the annual fee. The annual fee is \$150. The initial fees and annual fees must be paid into
37.9 the state treasury and credited to the general fund except that \$50 of each initial and annual
37.10 fee must be paid into the driver and vehicle services operating account under section
37.11 299A.705.

37.12 (i) An applicant for a dealer's license under this section must submit to a criminal history
37.13 records check of state data completed by the Bureau of Criminal Apprehension and a national
37.14 criminal history records check, including a search of the records of the Federal Bureau of
37.15 Investigation. The results of the background check must be returned to the commissioner.

37.16 (j) An applicant for a dealer's license must consent to a fingerprint-based criminal history
37.17 background check as required under paragraph (i), pay all required fees, and cooperate with
37.18 all requests for information. An applicant must complete a new criminal history background
37.19 check if more than one year has elapsed since the applicant last applied for a license.

37.20 **EFFECTIVE DATE.** This section is effective January 1, 2026.

37.21 Sec. 3. Minnesota Statutes 2024, section 168.27, subdivision 16, is amended to read:

37.22 Subd. 16. **Dealer plates: distinguishing number, fee, tax, use.** (a) The registrar ~~shall~~
37.23 must issue to every motor vehicle dealer, upon a request from the motor vehicle dealer
37.24 licensed as provided in subdivision 2 or 3 and subject to the limits provided in paragraph
37.25 (d), one or more plates displaying a general distinguishing number. This subdivision does
37.26 not apply to a scrap metal processor, a used vehicle parts dealer, or a vehicle salvage pool.
37.27 The fee for each of the first four plates is \$75 per registration year, of which \$60 must be
37.28 paid to the registrar and the remaining \$15 is payable as sales tax on motor vehicles under
37.29 section 297B.035. For each additional plate, the dealer ~~shall~~ must pay the registrar a fee of
37.30 \$25 and a sales tax on motor vehicles of \$15 per registration year. The registrar ~~shall~~ must
37.31 deposit the tax in the state treasury to be credited as provided in section 297B.09.
37.32 Replacement plates are subject to the fees in section 168.12. New or used motor vehicles;
37.33 ~~new or used~~, owned by the motor vehicle dealership and bearing the number plate, except

38.1 vehicles leased to ~~the~~ a user who is not an employee of the dealer during the term of the
38.2 lease, held for hire, or used by the dealer as a tow truck, service truck, maintenance vehicle,
38.3 or parts vehicle, may be driven upon ~~the~~ Minnesota streets and highways ~~of this state:~~

38.4 (1) by the motor vehicle dealer or dealer's spouse, or any full-time employee of the motor
38.5 vehicle dealer for either private or business purposes;

38.6 (2) by a part-time employee when the use is directly related to a particular business
38.7 transaction of the dealer; or

38.8 (3) for demonstration purposes by any prospective buyer for a period of no more than
38.9 48 hours or in the case of a truck, truck-tractor, or semitrailer, for a period of no more than
38.10 seven days; ~~or.~~

38.11 ~~(4) in a promotional event that lasts no longer than four days in which at least three~~
38.12 ~~motor vehicles are involved.~~

38.13 (b) Prior to the demonstration period under paragraph (a), clause (3), a dealer must
38.14 confirm the prospective buyer's driver's license is valid by accessing the driver and vehicle
38.15 services information system. Dealers must maintain records of each vehicle demonstration.
38.16 Demonstration records must include the vehicle identification number, license plate number,
38.17 driver or drivers, start date and time, end date and time, and location of the vehicle
38.18 demonstration. Demonstration records must be made available to the commissioner for
38.19 inspection.

38.20 ~~(b)~~ (c) A new or used motor vehicle sold by the motor vehicle dealer and bearing the
38.21 motor vehicle dealer's number plate may be driven upon the public streets and highways
38.22 for a period of 72 hours by the buyer for either of the following purposes: ~~(1) removing the~~
38.23 ~~vehicle from this state for registration in another state, or (2) permitting the buyer to use~~
38.24 ~~the motor vehicle~~ before the buyer receives number plates pursuant to registration. Use of
38.25 a motor vehicle by the buyer ~~under clause (2)~~ before the buyer receives number plates
38.26 pursuant to registration constitutes a use of the public streets or highways for the purpose
38.27 of the time requirements for registration of motor vehicles.

38.28 (d) The registrar may issue two plates displaying a general distinguishing number to a
38.29 motor vehicle dealer. The registrar may issue additional plates to the motor vehicle dealer
38.30 based on the motor vehicle dealer's inventory as follows:

38.31 (1) one plate for each of the five vehicles carried in highest inventory up to and including
38.32 400 vehicles; and

39.1 (2) one plate for each of the seven vehicles in excess of 400 vehicles up to a maximum
39.2 of 100 plates.

39.3 (e) A motor vehicle dealer must maintain insurance sufficient to cover the number of
39.4 dealer plates issued to the motor vehicle dealer and provide an annual attestation to the
39.5 registrar confirming insurance coverage.

39.6 (f) A motor vehicle dealer must destroy any dealer plate in its possession in excess of
39.7 the number the registrar may issue to the dealer under paragraph (d). A motor vehicle dealer
39.8 must destroy any dealer plate for which the annual registration fee has not been paid. A
39.9 motor vehicle dealer must provide an annual attestation to the registrar confirming the
39.10 destruction of excess plates and plates whose registration fee has not been paid.

39.11 **EFFECTIVE DATE.** This section is effective January 1, 2026.

39.12 Sec. 4. Minnesota Statutes 2024, section 168.33, subdivision 7, is amended to read:

39.13 Subd. 7. **Filing fees; allocations.** (a) In addition to all other statutory fees and taxes:

39.14 (1) an \$8 filing fee is imposed on every vehicle registration renewal, excluding pro rate
39.15 transactions; and

39.16 (2) a \$12 filing fee is imposed on every other type of vehicle transaction, including motor
39.17 carrier fuel licenses under sections 168D.05 and 168D.06, and pro rate transactions.

39.18 (b) Notwithstanding paragraph (a):

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

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

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

39.25 (d) The statutory fees and taxes, the filing fees imposed under paragraph (a), and the
39.26 surcharge imposed under paragraph (f) may be paid by credit card or debit card. The deputy
39.27 registrar may collect a surcharge on the payment made under this paragraph not greater than
39.28 the cost of processing a credit card or debit card transaction, in accordance with emergency
39.29 rules established by the commissioner of public safety. The surcharge authorized by this
39.30 paragraph must be used to pay the cost of processing credit and debit card transactions.

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

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

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

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

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

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

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

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

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

40.18 (g) The commissioner must issue payment to a deputy registrar as follows:

40.19 (1) \$2 for paying an account balance;

40.20 (2) \$4 for the following transactions:

40.21 (i) updating a vehicle's address or the county in which the vehicle is kept;

40.22 (ii) changing or verifying an address related to the International Registration Plan or the
40.23 International Fuel Tax Agreement;

40.24 (iii) updating contact information for the International Registration Plan or the
40.25 International Fuel Tax Agreement;

40.26 (iv) processing a vehicle that has been sold, donated, or removed from the state; and

40.27 (v) marking a vehicle as junked;

40.28 (3) \$8 for the following transactions:

40.29 (i) changing a customer's personal identification number;

40.30 (ii) adding or removing liens for veterans with a total service-connected disability;

- 41.1 (iii) providing a duplicate title;
- 41.2 (iv) issuing International Fuel Tax Agreement decals;
- 41.3 (v) managing an International Fuel Tax Agreement license; and
- 41.4 (vi) administrative review requests; and
- 41.5 (4) the amount of the fee established under section 168.33, subdivision 7, paragraph (a),
- 41.6 clause (2), for the following transactions:
- 41.7 (i) vehicle renewal for veterans with a total service-connected disability;
- 41.8 (ii) plate change for veterans with a total service-connected disability;
- 41.9 (iii) correcting or changing title and vehicle details;
- 41.10 (iv) issuing a new disability parking certificate;
- 41.11 (v) new title and registration for veterans with a total service-connected disability;
- 41.12 (vi) transferring title and registration for veterans with a total service-connected disability;
- 41.13 and
- 41.14 (vii) replacing plates, stickers, or registration cards.
- 41.15 (h) The following transactions for which no filing fee is collected are not eligible for
- 41.16 payment of any kind:
- 41.17 (1) collection of another fee type, including but not limited to a record request fee or a
- 41.18 fast track fee;
- 41.19 (2) voluntary waiver of a fee by the deputy registrar; and
- 41.20 (3) ancillary to a transaction for which a filing fee may be imposed.
- 41.21 (i) If the amount appropriated for payments under paragraph (g) is insufficient, the
- 41.22 commissioner must prorate the payments.
- 41.23 **EFFECTIVE DATE.** This section is effective August 1, 2025.
- 41.24 Sec. 5. Minnesota Statutes 2024, section 168A.10, is amended by adding a subdivision to
- 41.25 read:
- 41.26 Subd. 7. **Removal of license plates.** If an owner transfers interest in a vehicle other than
- 41.27 by the creation of a security interest or as defined in section 297B.01, subdivision 16,
- 41.28 paragraph (c), clauses (1) to (5), the owner must remove the existing license plates from

42.1 the vehicle, and the purchaser must, at the time of transfer, obtain new plates for the vehicle
42.2 and pay the fees specified in section 168.12, subdivision 5, paragraph (b).

42.3 **EFFECTIVE DATE.** This section is effective January 1, 2026.

42.4 Sec. 6. Minnesota Statutes 2024, section 169.14, subdivision 1a, is amended to read:

42.5 Subd. 1a. **License revocation for extreme speed.** The driver's license of a person who
42.6 violates any speed limit established in this section, by driving in excess of 100 miles per
42.7 hour or 35 miles per hour or more over the posted speed limit, is revoked for six months
42.8 under section 171.17, or for a longer minimum period of time applicable under section
42.9 169A.53, 169A.54, or 171.174.

42.10 Sec. 7. Minnesota Statutes 2024, section 169.686, subdivision 1, is amended to read:

42.11 Subdivision 1. **Seat belt requirement.** (a) Except as provided in section 169.685, a
42.12 properly adjusted and fastened seat belt, including both the shoulder and lap belt when the
42.13 vehicle is so equipped, ~~shall~~ must be worn by the driver and passengers of a passenger
42.14 vehicle, commercial motor vehicle, type III vehicle, and type III Head Start vehicle.
42.15 Notwithstanding the equipment exemption in section 169.685, subdivision 1, this paragraph
42.16 applies to the driver and passengers of an autocycle equipped with seat belts. This paragraph
42.17 applies to the operator and passengers of a class 2 all-terrain vehicle when operated on or
42.18 within the right-of-way of a public road when the all-terrain vehicle is factory-equipped
42.19 with seat belts.

42.20 (b) A person who is 15 years of age or older and who violates paragraph (a) is subject
42.21 to a fine of \$25. The driver of the vehicle in which a violation occurs is subject to a \$25
42.22 fine for each violation of paragraph (a) by the driver or by a passenger under the age of 15,
42.23 but the court may not impose more than one surcharge under section 357.021, subdivision
42.24 6, on the driver. The Department of Public Safety ~~shall~~ must not record a violation of this
42.25 subdivision on a person's driving record.

42.26 (c) The driver of a bus is not subject to the fine under paragraph (b) for a violation of
42.27 paragraph (a) by a passenger under the age of 15. This paragraph does not apply to: (1) a
42.28 school bus, including a type III vehicle; and (2) a Head Start bus, including a type III Head
42.29 Start vehicle.

42.30 Sec. 8. Minnesota Statutes 2024, section 171.05, subdivision 1, is amended to read:

42.31 Subdivision 1. **Person 18 or more years of age.** (a) Any person who is 18 or more years
42.32 of age and who, except for a lack of instruction in operating a motor vehicle, would otherwise

be qualified to obtain a class D driver's license under this chapter; may apply for an instruction permit, and the department ~~shall~~ must issue the permit. The instruction permit entitles the applicant to drive a motor vehicle for which a class D license is valid upon the highways for a period of two years if the permit holder:

(1) has the permit in immediate possession; and

(2) is driving the vehicle while accompanied by an adult licensed driver who is actually occupying a seat beside the driver.

(b) Any license of a lower class may be used as an instruction permit to operate a vehicle requiring a higher class license for a period of ~~six months~~ one year after passage of the written test or tests required for the higher class and when the licensee is accompanied by and receiving instruction from a holder of the appropriate higher class license. A copy of the record of examination taken for the higher class license must be carried by the driver while using the lower class license as an instruction permit.

Sec. 9. Minnesota Statutes 2024, section 171.06, is amended by adding a subdivision to read:

Subd. 7a. **Online renewal.** (a) For purposes of this subdivision, "applicant" means a person who renews a REAL ID-compliant or noncompliant driver's license or identification card or applies for a duplicate card through the department's online renewal system established in this subdivision.

(b) The commissioner must establish a process for an applicant to renew or request a duplicate of a REAL ID-compliant or noncompliant driver's license or identification card, whether by website or some other means, as provided in this subdivision. Notwithstanding subdivision 3, an applicant for a renewal or duplicate driver's license or identification card submitted through the department's online renewal system may not designate a temporary mailing address for the delivery of the driver's license or identification card.

(c) The commissioner may renew or request a duplicate of a REAL ID-compliant or noncompliant driver's license or identification card for an individual who does not renew in person if:

(1) there is no change in identity, including any change to the applicant's name, address, signature, and driver's license or identification card number;

(2) the renewal application is not for a different type or class of driver's license or identification card;

(3) the renewal or duplicate application is not for an enhanced driver's license or identification card;

(4) the commissioner has a previous photograph of the applicant on file that was taken within the last five years or in conjunction with the most recent issuance of the applicant's current credential;

(5) the applicant is at least 18 years of age at the time of the application;

(6) the applicant's license or identification card is valid or has been expired for less than one year;

(7) the applicant has not obtained a driving credential or identification card from another state or jurisdiction since the most recent issuance of the applicant's Minnesota credential;

(8) no knowledge or road tests are required to maintain the credential;

(9) the applicant submits a vision examination certificate as described in subdivision 7; and

(10) the application is in a form prescribed by the commissioner.

(d) The commissioner must use the photograph on file as specified in paragraph (c), clause (4), for the applicant's REAL ID-compliant or noncompliant driver's license or identification card.

EFFECTIVE DATE. This section is effective July 1, 2026.

Sec. 10. Minnesota Statutes 2024, section 171.061, subdivision 4, is amended to read:

Subd. 4. **Fee; equipment.** (a) The agent may charge and retain a filing fee for each application as follows:

(1) New application for a noncompliant, REAL ID-compliant, or enhanced driver's license or identification card	\$ 16.00
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(2) Renewal application for a noncompliant, REAL ID-compliant, or enhanced driver's license or identification card	\$ 11.00
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Except as provided in paragraph (c), the fee must cover all expenses involved in receiving, accepting, or forwarding to the department the applications and fees required under sections 171.02, subdivision 3; 171.06, subdivisions 2 and 2a; and 171.07, subdivisions 3 and 3a.

(b) The statutory fees and the filing fees imposed under paragraph (a) may be paid by credit card or debit card. The driver's license agent may collect a convenience fee on the statutory fees and filing fees not greater than the cost of processing a credit card or debit card transaction. The convenience fee must be used to pay the cost of processing credit card

45.1 and debit card transactions. The commissioner must adopt rules to administer this paragraph
45.2 using the exempt procedures of section 14.386, except that section 14.386, paragraph (b),
45.3 does not apply.

45.4 (c) The department must maintain the photo identification and vision examination
45.5 equipment for all agents. All photo identification and vision examination equipment must
45.6 be compatible with standards established by the department.

45.7 (d) A filing fee retained by the agent employed by a county board must be paid into the
45.8 county treasury and credited to the general revenue fund of the county. An agent who is not
45.9 an employee of the county must retain the filing fee in lieu of county employment or salary
45.10 and is considered an independent contractor for pension purposes, coverage under the
45.11 Minnesota State Retirement System, or membership in the Public Employees Retirement
45.12 Association.

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

45.16 (f) The commissioner must issue payment to a driver's license agent as follows:

45.17 (1) \$2 for paying an account balance;

45.18 (2) \$4 for the following transactions:

45.19 (i) correcting credentials for veterans with a total service-connected disability, homeless
45.20 fee, and those with reduced-fee credentials; and

45.21 (ii) payment of reinstatement fees for veterans with a total service-connected disability
45.22 and homeless youth;

45.23 (3) \$8 for the following transactions:

45.24 (i) changing a customer's personal identification number; and

45.25 (ii) mail-in application photograph renewal; and

45.26 (4) the amount of the fee established under section 168.33, subdivision 7, paragraph (a),
45.27 clause (2), for the following transactions:

45.28 (i) addition of court order review;

45.29 (ii) paper temporary receipt of application permit for veterans with a total
45.30 service-connected disability; and

(iii) issuing a credential for veterans with a total service-connected disability, homeless youth, and those with reduced-fee credentials.

(g) The following transactions for which no filing fee is collected are not eligible for payment of any kind:

(1) collection of another fee type, including but not limited to a record request fee or a fast track fee;

(2) voluntary waiver of a fee by the driver's license agent; and

(3) ancillary to a transaction for which a filing fee may be imposed.

(h) If the amount appropriated for payments under paragraph (f) is insufficient, the commissioner must prorate the payments.

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

Sec. 11. Minnesota Statutes 2024, section 171.306, subdivision 8, is amended to read:

Subd. 8. **Rulemaking.** ~~In establishing~~ The commissioner must adopt the performance standards and certification process of subdivision 2; and the program guidelines of subdivision 3; as rules and any other rules necessary to implement this section, ~~the commissioner~~ is subject to chapter 14.

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

Sec. 12. Minnesota Statutes 2024, section 174.02, is amended by adding a subdivision to read:

Subd. 12. **Emissions reduction goals; financial assistance.** The commissioner may provide grants or other financial assistance at the commissioner's discretion pursuant to grant requirements under state law to meet the state's goals under subdivision 1a, clause (3), or section 216H.02.

Sec. 13. Minnesota Statutes 2024, section 174.38, subdivision 4, is amended to read:

Subd. 4. **Program administration.** (a) The commissioner must establish active transportation program requirements, including:

(1) assistance eligibility, subject to the requirements under subdivision 5;

(2) a solicitation and application process that minimizes the burden on applicants; and

(3) procedures to award and pay financial assistance.

(b) The commissioner must ~~annually~~ ~~conduct a solicitation~~ solicitations for active transportation projects under the program.

(c) The commissioner must make reasonable efforts to publicize each application solicitation among all eligible recipients. The commissioner must assist applicants to create and submit applications, with an emphasis on providing assistance in communities that are historically and currently underrepresented in local or regional planning, including communities of color, low-income households, people with disabilities, and people with limited English proficiency.

(d) The commissioner may provide grants or other financial assistance for a project.

(e) The commissioner is prohibited from expending more than one percent of available funds in a fiscal year under this section on program administration.

Sec. 14. Minnesota Statutes 2024, section 299A.01, is amended by adding a subdivision to read:

Subd. 9. Grant contracts and programs; administrative costs. (a) Notwithstanding any other law to the contrary, unless money is otherwise appropriated for administrative costs, the department may retain the following percentages of a grant appropriation for staff and related operating costs for grant administration:

(1) five percent for grants enacted by the legislature, single or sole source grants, and formula grants; and

(2) ten percent for competitively awarded grants.

(b) This subdivision applies to all new and existing grant programs administered by the department.

(c) This subdivision does not apply to grants funded with an appropriation of proceeds from the sale of state general obligation bonds.

Sec. 15. Minnesota Statutes 2024, section 360.511, is amended by adding a subdivision to read:

Subd. 22a. Coordinated unmanned aerial system fleet event for entertainment purposes. "Coordinated unmanned aerial system fleet event for entertainment purposes" means a one-day event involving a group of unmanned aerial systems flying together as a unified and coordinated entity to accomplish a shared entertainment objective, including

48.1

but not limited to choreographed flight patterns, synchronized lighting, and music for visual

48.2

displays.

48.3

Sec. 16. Minnesota Statutes 2024, section 360.531, subdivision 2, is amended to read:

48.4

Subd. 2. **Rate.** The tax shall be as follows:

48.5	Base Price	Tax
48.6	Not over \$500,000	\$100 <u>\$115</u>
48.7	over \$500,000 but not over \$1,000,000	\$200 <u>\$230</u>
48.8	over \$1,000,000 but not over \$2,500,000	\$2,000 <u>\$2,300</u>
48.9	over \$2,500,000 but not over \$5,000,000	\$4,000 <u>\$4,600</u>
48.10	over \$5,000,000 but not over \$7,500,000	\$7,500 <u>\$8,625</u>
48.11	over \$7,500,000 but not over \$10,000,000	\$10,000 <u>\$11,500</u>
48.12	over \$10,000,000 but not over	
48.13	\$12,500,000	\$12,500 <u>\$14,375</u>
48.14	over \$12,500,000 but not over	
48.15	\$15,000,000	\$15,000 <u>\$17,250</u>
48.16	over \$15,000,000 but not over	
48.17	\$17,500,000	\$17,500 <u>\$20,125</u>
48.18	over \$17,500,000 but not over	
48.19	\$20,000,000	\$20,000 <u>\$23,000</u>
48.20	over \$20,000,000 but not over	
48.21	\$22,500,000	\$22,500 <u>\$25,875</u>
48.22	over \$22,500,000 but not over	
48.23	\$25,000,000	\$25,000 <u>\$28,750</u>
48.24	over \$25,000,000 but not over	
48.25	\$27,500,000	\$27,500 <u>\$31,625</u>
48.26	over \$27,500,000 but not over	
48.27	\$30,000,000	\$30,000 <u>\$34,500</u>
48.28	over \$30,000,000 but not over	
48.29	\$40,000,000	\$50,000 <u>\$57,500</u>
48.30	over \$40,000,000	\$75,000 <u>\$86,250</u>

48.31

Sec. 17. Minnesota Statutes 2024, section 360.55, subdivision 4, is amended to read:

48.32

Subd. 4. **Collector's aircraft.** (a) For purposes of this subdivision:

48.33

(1) "antique aircraft" means an aircraft constructed by the original manufacturer, or its

48.34

licensee, on or before December 31, 1945, with the exception of certain pre-World War II

48.35

aircraft models that had only a small postwar production, such as Beechcraft Staggerwing,

48.36

Fairchild 24, and Monocoupe; and

(2) "classic aircraft" means an aircraft constructed by the original manufacturer, or its licensee, on or after January 1, 1946, and has a first year of life that precedes the date of registration by at least 50 years.

(b) If an antique or classic aircraft is owned and operated solely as a collector's item, its owner may list it for taxation and registration ~~as follows:~~ under this paragraph. A sworn affidavit must be executed stating:

(1) the name and address of the owner;

(2) the name and address of the ~~person from whom purchased,~~ seller;

(3) the aircraft's make, year, model number, federal aircraft registration number, and manufacturer's identification number; and

(4) that the aircraft is owned and operated solely as a collector's item and not for general transportation or commercial operations purposes.

The affidavit must be filed with the commissioner along with ~~a~~ an annual fee of \$25.

(c) Upon satisfaction that the affidavit is true and correct, the commissioner ~~shall~~ must issue to the applicant a registration certificate. The registration certificate is valid ~~without renewal as long as~~ for one year from the date of issue, provided the owner operates continues to operate the aircraft solely as a collector's item.

(d) ~~Should~~ If an antique or classic aircraft ~~be~~ is operated other than as a collector's item, the registration certificate ~~becomes~~ is void, and the owner ~~shall~~ must list the aircraft for taxation and registration in accordance with the other provisions of sections 360.511 to 360.67.

~~(e) Upon the sale of an antique or classic aircraft, the new owner must list the aircraft for taxation and registration in accordance with this subdivision, including the payment of a \$5 fee to transfer the registration to the new owner, or the other provisions of sections 360.511 to 360.67, whichever is applicable.~~

Sec. 18. Minnesota Statutes 2024, section 360.55, subdivision 4a, is amended to read:

Subd. 4a. **Recreational aircraft; classic license.** (a) An aircraft that has a base price for tax purposes under section 360.531 of \$10,000 or less, and ~~that~~ is owned and operated solely for recreational purposes, ~~may~~ must be listed for taxation and registration by executing ~~a~~ an annual sworn affidavit stating:

(1) the name and address of the owner;

50.1 (2) the name and address of the ~~person from whom purchased,~~ seller;

50.2 (3) the aircraft's make, year, model number, federal aircraft registration number, and
50.3 manufacturer's identification number;; and

50.4 (4) that the aircraft is owned and operated solely as a recreational aircraft and not for
50.5 commercial operational purposes.

50.6 The affidavit must be filed with the commissioner along with ~~an annual~~ a registration fee
50.7 of \$25 fee.

50.8 (b) An annual fee of \$25 is required for registration renewal.

50.9 ~~(b)~~ (c) On being satisfied that the affidavit is true and correct, the commissioner ~~shall~~
50.10 must issue to the applicant a registration certificate.

50.11 ~~(c) Should~~ (d) If the aircraft ~~be~~ is operated other than as a recreational aircraft, the owner
50.12 ~~shall~~ must list the aircraft for taxation and registration and pay the appropriate registration
50.13 fee under sections 360.511 to 360.67.

50.14 ~~(d)~~ (e) If the aircraft is sold, the new owner ~~shall~~ must list the aircraft for taxation and
50.15 registration under this subdivision, including the payment of the annual \$25 fee, or under
50.16 sections 360.511 to 360.67, whichever is applicable.

50.17 Sec. 19. Minnesota Statutes 2024, section 360.55, subdivision 9, is amended to read:

50.18 Subd. 9. **Small unmanned ~~aircraft~~ aerial systems.** (a) Any small unmanned ~~aircraft~~
50.19 aerial system in which the unmanned ~~aircraft~~ aerial system weighs less than 55 pounds at
50.20 takeoff, including payload and anything affixed to the ~~aircraft~~ aerial system, either:

50.21 (1) must be registered in the state for an annual fee of \$25; or

50.22 (2) is not subject to registration or an annual fee if the unmanned ~~aircraft~~ aerial system
50.23 is owned and operated solely for recreational purposes.

50.24 (b) An unmanned ~~aircraft~~ aerial system that meets the requirements under paragraph (a)
50.25 is exempt from aircraft registration tax under sections 360.511 to 360.67.

50.26 Sec. 20. Minnesota Statutes 2024, section 360.55, is amended by adding a subdivision to
50.27 read:

50.28 Subd. 10. **Coordinated unmanned aerial system fleets.** (a) An operator planning to
50.29 conduct a coordinated unmanned aerial system fleet event for entertainment purposes, as

51.1 defined in section 360.511, subdivision 22a, must register the fleet at least 15 days before
 51.2 the event.

51.3 (b) The registration under this subdivision must include:

51.4 (1) the name and contact information of the event organizer;

51.5 (2) the date, time, and location of the event;

51.6 (3) the number of unmanned aerial systems to be used;

51.7 (4) proof of liability insurance for the unmanned aerial systems;

51.8 (5) a copy of the operator's unmanned aerial systems pilot's license; and

51.9 (6) a copy of the commercial operator's license.

51.10 (c) A daily registration fee of \$2 per unmanned aerial system used in the fleet applies

51.11 to fleets registered under this subdivision. This fee is in lieu of the registration fee in

51.12 subdivision 9. Fleets registered under this subdivision are exempt from the aircraft registration

51.13 tax under sections 360.511 to 360.67.

51.14 Sec. 21. Minnesota Statutes 2024, section 360.55, is amended by adding a subdivision to
 51.15 read:

51.16 Subd. 11. **Aircraft used for air ambulance service.** Aircraft licensed under section

51.17 144E.12 and used exclusively to provide air ambulance service are subject to the tax provided

51.18 by sections 360.511 to 360.67, except that any registration or tax imposed by sections

51.19 360.511 to 360.67 must not exceed \$1,000 annually.

51.20 Sec. 22. Minnesota Statutes 2024, section 360.653, is amended to read:

51.21 **360.653 AIRCRAFT REGISTRATION AND TAX EXEMPTIONS.**

51.22 The following aircraft, under the conditions specified, ~~shall be~~ are exempt from the

51.23 registration and the tax provided by sections 360.511 to 360.67:

51.24 (1) any aircraft held by a dealer listed and used as provided in section 360.63, except

51.25 that aircraft held by dealers on October 1, of each year, ~~shall~~ must be registered and the

51.26 entire tax provided by sections 360.511 to 360.67 ~~shall~~ must be paid for the portion of the

51.27 fiscal year, prorated on a monthly basis remaining after the aircraft came into the possession

51.28 of the dealer. ~~It is further provided that~~ A dealer who has previously had aircraft on

51.29 withholding may register ~~such~~ the aircraft in September of each fiscal year by payment of

51.30 an amount equal to one-third of the annual tax, which ~~tax shall be~~ is applicable for the

52.1 months of September through December, and in January, the dealer may again list these
52.2 aircraft on the dealer's withholding form;

52.3 (2) aircraft remaining in the possession of aircraft manufacturers ten months after
52.4 completion ~~shall become~~ are subject to the tax provided by sections 360.511 to 360.67. The
52.5 tax ~~shall be~~ is computed from the expiration of the ten months period and ~~shall be~~ is prorated
52.6 on a monthly basis; and

52.7 (3) aircraft while in the hands of aircraft refitters for the purpose of being refitted or
52.8 modified or both, and while being refitted or modified or both.

52.9 ~~(4) Aircraft licensed under section 144E.12 and used exclusively to provide air ambulance~~
52.10 ~~service.~~

52.11 Sec. 23. Minnesota Statutes 2024, section 473.408, is amended by adding a subdivision
52.12 to read:

52.13 Subd. 11. Transit service for certified disabled riders. The council must provide
52.14 regular route transit, as defined in section 473.385, subdivision 1, free of charge to an
52.15 individual who is:

52.16 (1) certified as disabled under the Americans with Disabilities Act requirements of the
52.17 Federal Transit Administration; or

52.18 (2) certified by the council under section 473.386, subdivision 2a.

52.19 (b) The requirements under this subdivision apply to operators of regular route transit
52.20 receiving financial assistance under section 473.388 or operating under section 473.405,
52.21 subdivision 12.

52.22 EFFECTIVE DATE; APPLICATION. This section is effective July 1, 2025, and
52.23 applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

52.24 Sec. 24. Minnesota Statutes 2024, section 473.4465, is amended by adding a subdivision
52.25 to read:

52.26 Subd. 2a. Use of funds; Metropolitan Council; loan authorized. From the amounts
52.27 in subdivision 2, paragraph (a), clause (2), the council is authorized to loan to the Department
52.28 of Transportation up to \$250,000,000 to advance and coordinate highway construction with
52.29 one major transitway project in the metropolitan area. Funds may be used for any costs
52.30 related to the selected project, including but not limited to construction, engineering, and

- 53.1 administration. The loan agreement, including repayment terms, must be mutually agreed
- 53.2 to by the council and the Department of Transportation.

APPENDIX
Article locations for 25-01563

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