

Senator moves to amend S.F. No. 1159 as follows:

Delete everything after the enacting clause and insert:

"ARTICLE 1

TRANSPORTATION FINANCE

Section 1. TRANSPORTATION APPROPRIATIONS.

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the trunk highway fund, or another named fund, and are available for the fiscal years indicated for each purpose. Amounts for "Total Appropriation" and sums shown in the corresponding columns marked "Appropriations by Fund" are summary only and do not have legal effect. Unless specified otherwise, the amounts in the second year under "Appropriations by Fund" show the base within the meaning of Minnesota Statutes, section 16A.11, subdivision 3, by fund. The figures "2022" and "2023" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2022, or June 30, 2023, respectively. "The first year" is fiscal year 2022. "The second year" is fiscal year 2023. "The biennium" is fiscal years 2022 and 2023. "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.

<u>APPROPRIATIONS</u>	
<u>Available for the Year</u>	
<u>Ending June 30</u>	
<u>2022</u>	<u>2023</u>

Sec. 2. DEPARTMENT OF

TRANSPORTATION

<u>Subdivision 1. Total Appropriation</u>	<u>\$ 3,204,031,000</u>	<u>\$ 3,301,502,000</u>
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<u>Appropriations by Fund</u>		
	<u>2022</u>	<u>2023</u>
<u>General</u>	<u>79,127,000</u>	<u>78,127,000</u>
<u>Airports</u>	<u>25,360,000</u>	<u>25,368,000</u>
<u>C.S.A.H.</u>	<u>873,712,000</u>	<u>898,083,000</u>
<u>M.S.A.S.</u>	<u>219,603,000</u>	<u>225,974,000</u>
<u>Trunk Highway</u>	<u>2,006,229,000</u>	<u>2,073,950,000</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.

2.1 The commissioner must not spend
2.2 appropriations from the trunk highway fund
2.3 in this section for transit and active
2.4 transportation; aeronautics; passenger rail;
2.5 statewide radio communication; government
2.6 affairs; tourist centers; parades, events, or
2.7 sponsorship of events; public electric vehicle
2.8 infrastructure; the Office of Communication
2.9 and Public Engagement; the Office of
2.10 Environmental Stewardship; the Office of
2.11 Civil Rights; or the Office of Equity and
2.12 Diversity.

2.13 Subd. 2. **Multimodal Systems**

2.14 (a) **Aeronautics**

2.15 (1) **Airport Development and Assistance**

18,598,000

18,598,000

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

2.20 Notwithstanding Minnesota Statutes, section
2.21 16A.28, subdivision 6, this appropriation is
2.22 available for five years after the year of the
2.23 appropriation. If the appropriation for either
2.24 year is insufficient, the appropriation for the
2.25 other year is available for it.

2.26 If the commissioner of transportation
2.27 determines that a balance remains in the state
2.28 airports fund following the appropriations
2.29 made in this article and that the appropriations
2.30 made are insufficient for advancing airport
2.31 development and assistance projects, an
2.32 amount necessary to advance the projects, not
2.33 to exceed the balance in the state airports fund,
2.34 is appropriated in each year to the

3.1 commissioner and must be spent according to
3.2 Minnesota Statutes, section 360.305,
3.3 subdivision 4. Within two weeks of a
3.4 determination under this contingent
3.5 appropriation, the commissioner of
3.6 transportation must notify the commissioner
3.7 of management and budget and the chairs,
3.8 ranking minority members, and staff of the
3.9 legislative committees with jurisdiction over
3.10 transportation finance concerning the funds
3.11 appropriated. Funds appropriated under this
3.12 contingent appropriation do not adjust the base
3.13 for fiscal years 2024 and 2025.

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

3.15	<u>Appropriations by Fund</u>		
3.16		<u>2022</u>	<u>2023</u>
3.17	<u>Airports</u>	<u>6,682,000</u>	<u>6,690,000</u>
3.18	<u>General</u>	<u>1,650,000</u>	<u>1,650,000</u>

3.19 \$28,000 in the first year and \$36,000 in the
3.20 second year is from the state airports fund for
3.21 costs related to regulating unmanned aircraft
3.22 systems.

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

3.24 This appropriation is from the state airports
3.25 fund for the Civil Air Patrol.

3.26 **(b) Transit** 18,181,000 18,181,000

3.27 This appropriation is from the general fund.

3.28 **(c) Safe Routes to School** 500,000 500,000

3.29 This appropriation is from the general fund
3.30 for the safe routes to school program under
3.31 Minnesota Statutes, section 174.40.

3.32 **(d) Freight** 7,857,000 6,857,000

4.1 Appropriations by Fund

4.2		<u>2022</u>	<u>2023</u>
4.3	<u>General</u>	<u>2,069,000</u>	<u>1,069,000</u>
4.4	<u>Trunk Highway</u>	<u>5,788,000</u>	<u>5,788,000</u>

4.5 The commissioner must not spend this
 4.6 appropriation for passenger rail system
 4.7 planning, alternatives analysis, environmental
 4.8 analysis, design, or preliminary engineering
 4.9 under Minnesota Statutes, sections 174.632
 4.10 to 174.636.

4.11 \$1,000,000 in the first year is from the general
 4.12 fund for procurement costs of a statewide
 4.13 freight network optimization tool. This is a
 4.14 onetime appropriation and is available in the
 4.15 second year.

4.16 Subd. 3. State Roads

4.17 (a) Operations and Maintenance 364,300,000 362,806,000

4.18 (b) Program Planning and Delivery

4.19 (1) Planning and Research 30,950,000 30,950,000

4.20 The commissioner may use any balance
 4.21 remaining in this appropriation for program
 4.22 delivery under clause (2).

4.23 (2) Program Delivery 219,938,000 219,938,000

4.24 Appropriations by Fund

4.25		<u>2022</u>	<u>2023</u>
4.26	<u>Trunk Highway</u>	<u>219,485,000</u>	<u>219,485,000</u>
4.27	<u>General</u>	<u>453,000</u>	<u>453,000</u>

4.28 This appropriation includes use of consultants
 4.29 to support development and management of
 4.30 projects.

4.31 \$1,000,000 in each year is available for
 4.32 management of contaminated and regulated
 4.33 material on property owned by the Department

5.1 of Transportation, including mitigation of
 5.2 property conveyances, facility acquisition or
 5.3 expansion, chemical release at maintenance
 5.4 facilities, and spills on the trunk highway
 5.5 system where there is no known responsible
 5.6 party. If the appropriation for either year is
 5.7 insufficient, the appropriation for the other
 5.8 year is available for it.

5.9 **(c) State Road Construction**

924,282,000

939,282,000

5.10 This appropriation is for the actual
 5.11 construction, reconstruction, and improvement
 5.12 of trunk highways, including design-build
 5.13 contracts, internal department costs associated
 5.14 with delivering the construction program,
 5.15 consultant usage to support these activities,
 5.16 and the cost of actual payments to landowners
 5.17 for lands acquired for highway rights-of-way,
 5.18 payment to lessees, interest subsidies, and
 5.19 relocation expenses.

5.20 The commissioner of transportation must
 5.21 notify the chairs, ranking minority members,
 5.22 and staff of the legislative committees with
 5.23 jurisdiction over transportation finance of any
 5.24 significant events that cause the estimates of
 5.25 federal aid to change.

5.26 This appropriation includes federal highway
 5.27 aid.

5.28 The commissioner may expend up to one-half
 5.29 of one percent of the federal appropriations
 5.30 under this paragraph as grants to opportunity
 5.31 industrialization centers and other nonprofit
 5.32 job training centers for job training programs
 5.33 related to highway construction.

6.1 The commissioner may transfer up to
 6.2 \$15,000,000 each year to the transportation
 6.3 revolving loan fund.

6.4 The commissioner may receive money
 6.5 covering other shares of the cost of partnership
 6.6 projects. These receipts are appropriated to
 6.7 the commissioner for these projects.

6.8 The base is \$954,282,000 in fiscal year 2024,
 6.9 \$1,004,282,000 in fiscal year 2025, and
 6.10 \$924,282,000 in each fiscal year thereafter.

6.11	<u>(d) Corridors of Commerce</u>	<u>157,500,000</u>	<u>177,500,000</u>
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6.12 This appropriation is for the corridors of
 6.13 commerce program under Minnesota Statutes,
 6.14 section 161.088. The commissioner may use
 6.15 up to 17 percent of the amount each year for
 6.16 program delivery.

6.17 The base is \$127,500,000 in each of fiscal
 6.18 years 2024 and 2025 and \$25,000,000 in each
 6.19 fiscal year thereafter.

6.20	<u>(e) Highway Debt Service</u>	<u>229,449,000</u>	<u>264,164,000</u>
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6.21 \$219,949,000 in fiscal year 2022 and
 6.22 \$254,664,000 in fiscal year 2023 are for
 6.23 transfer to the state bond fund. If this
 6.24 appropriation is insufficient to make all
 6.25 transfers required in the year for which it is
 6.26 made, the commissioner of management and
 6.27 budget must transfer the deficiency amount
 6.28 under the statutory open appropriation and
 6.29 notify the chairs, ranking minority members,
 6.30 and staff of the legislative committees with
 6.31 jurisdiction over transportation finance and
 6.32 the chairs of the senate Finance Committee
 6.33 and the house of representatives Ways and
 6.34 Means Committee of the amount of the

7.1 deficiency. Any excess appropriation cancels
 7.2 to the trunk highway fund.

7.3 **(f) Statewide Radio Communications** 6,159,000 6,159,000

7.4 This appropriation is from the general fund.

7.5 \$3,000 in each year is to equip and operate the
 7.6 Roosevelt signal tower for Lake of the Woods
 7.7 weather broadcasting.

7.8 **Subd. 4. Local Roads**

7.9 **(a) County State-Aid Roads** 873,712,000 898,083,000

7.10 This appropriation is from the county state-aid
 7.11 highway fund under Minnesota Statutes,
 7.12 sections 161.081 and 297A.815, subdivision
 7.13 3, and chapter 162, and is available until June
 7.14 30, 2031.

7.15 If the commissioner of transportation
 7.16 determines that a balance remains in the
 7.17 county state-aid highway fund following the
 7.18 appropriations and transfers made in this
 7.19 paragraph, and that the appropriations made
 7.20 are insufficient for advancing county state-aid
 7.21 highway projects, an amount necessary to
 7.22 advance the projects, not to exceed the balance
 7.23 in the county state-aid highway fund, is
 7.24 appropriated in each year to the commissioner.
 7.25 Within two weeks of a determination under
 7.26 this contingent appropriation, the
 7.27 commissioner of transportation must notify
 7.28 the commissioner of management and budget
 7.29 and the chairs, ranking minority members, and
 7.30 staff of the legislative committees with
 7.31 jurisdiction over transportation finance
 7.32 concerning funds appropriated. The
 7.33 commissioner must identify in the next budget
 7.34 submission to the legislature under Minnesota

8.1 Statutes, section 16A.11, any amount that is
8.2 appropriated under this paragraph.

8.3 **(b) Municipal State-Aid Roads** 219,603,000 225,974,000

8.4 This appropriation is from the municipal
8.5 state-aid street fund under Minnesota Statutes,
8.6 chapter 162, and is available until June 30,
8.7 2031.

8.8 If the commissioner of transportation
8.9 determines that a balance remains in the
8.10 municipal state-aid street fund following the
8.11 appropriations and transfers made in this
8.12 paragraph, and that the appropriations made
8.13 are insufficient for advancing municipal
8.14 state-aid street projects, an amount necessary
8.15 to advance the projects, not to exceed the
8.16 balance in the municipal state-aid street fund,
8.17 is appropriated in each year to the
8.18 commissioner. Within two weeks of a
8.19 determination under this contingent
8.20 appropriation, the commissioner of
8.21 transportation must notify the commissioner
8.22 of management and budget and the chairs,
8.23 ranking minority members, and staff of the
8.24 legislative committees with jurisdiction over
8.25 transportation finance concerning funds
8.26 appropriated. The commissioner must identify
8.27 in the next budget submission to the legislature
8.28 under Minnesota Statutes, section 16A.11, any
8.29 amount that is appropriated under this
8.30 paragraph.

8.31 **(c) Other Local Roads**

8.32 **(1) Local Bridges** 30,000,000 30,000,000

8.33 This appropriation is from the general fund to
8.34 replace or rehabilitate local deficient bridges

9.1 as provided in Minnesota Statutes, section
9.2 174.50. These are onetime appropriations and
9.3 are available until June 30, 2025.

9.4 **(2) Local Roads** 11,360,000 11,360,000

9.5 This appropriation is from the general fund
9.6 for construction and reconstruction of local
9.7 roads under Minnesota Statutes, section
9.8 174.52. These are onetime appropriations and
9.9 are available until June 30, 2025.

9.10 **Subd. 5. Agency Management**

9.11 **(a) Agency Services** 50,008,000 50,008,000

9.12	<u>Appropriations by Fund</u>		
9.13		<u>2022</u>	<u>2023</u>
9.14	<u>General</u>	<u>8,706,000</u>	<u>8,706,000</u>
9.15	<u>Trunk Highway</u>	<u>41,302,000</u>	<u>41,302,000</u>

9.16 **(b) Buildings** 32,622,000 32,122,000

9.17	<u>Appropriations by Fund</u>		
9.18		<u>2022</u>	<u>2023</u>
9.19	<u>General</u>	<u>49,000</u>	<u>49,000</u>
9.20	<u>Trunk Highway</u>	<u>32,573,000</u>	<u>32,073,000</u>

9.21 Any money appropriated to the commissioner
9.22 of transportation for building construction for
9.23 any fiscal year before the first year is available
9.24 to the commissioner during the biennium to
9.25 the extent that the commissioner spends the
9.26 money on the building construction projects
9.27 for which the money was originally
9.28 encumbered during the fiscal year for which
9.29 it was appropriated. If the appropriation for
9.30 either year is insufficient, the appropriation
9.31 for the other year is available for it.

9.32 **(c) Tort Claims** 600,000 600,000

10.1 If the appropriation for either year is
10.2 insufficient, the appropriation for the other
10.3 year is available for it.

10.4 **Subd. 6. Transfers**

10.5 (a) With the approval of the commissioner of
10.6 management and budget, the commissioner
10.7 of transportation may transfer unencumbered
10.8 balances among the appropriations from the
10.9 trunk highway fund and the state airports fund
10.10 made in this section. Transfers under this
10.11 paragraph must not be made: (1) between
10.12 funds; (2) from the appropriations for state
10.13 road construction or debt service; or (3) from
10.14 the appropriations for operations and
10.15 maintenance or program delivery, except for
10.16 a transfer to state road construction or debt
10.17 service.

10.18 (b) The commissioner of transportation must
10.19 immediately report transfers under paragraph
10.20 (a) to the chairs, ranking minority members,
10.21 and staff of the legislative committees with
10.22 jurisdiction over transportation finance. The
10.23 authority for the commissioner of
10.24 transportation to make transfers under
10.25 Minnesota Statutes, section 16A.285, is
10.26 superseded by the authority and requirements
10.27 under this subdivision.

10.28 (c) The commissioner of transportation must
10.29 transfer from the flexible highway account in
10.30 the county state-aid highway fund:

10.31 (1) \$10,000,000 in the first year to the trunk
10.32 highway fund;

- 11.1 (2) \$5,000,000 in the first year to the
11.2 municipal turnback account in the municipal
11.3 state-aid street fund; and
- 11.4 (3) the remainder in each year to the county
11.5 turnback account in the county state-aid
11.6 highway fund.
- 11.7 The funds transferred are for highway
11.8 turnback purposes as provided under
11.9 Minnesota Statutes, section 161.081,
11.10 subdivision 3.
- 11.11 **Subd. 7. Previous State Road Construction**
11.12 **Appropriations**
- 11.13 Any money appropriated to the commissioner
11.14 of transportation for state road construction
11.15 for any fiscal year before the first year is
11.16 available to the commissioner during the
11.17 biennium to the extent that the commissioner
11.18 spends the money on the state road
11.19 construction project for which the money was
11.20 originally encumbered during the fiscal year
11.21 for which it was appropriated.
- 11.22 **Subd. 8. Contingent Appropriations**
- 11.23 The commissioner of transportation, with the
11.24 approval of the governor and the written
11.25 approval of at least five members of a group
11.26 consisting of the members of the Legislative
11.27 Advisory Commission under Minnesota
11.28 Statutes, section 3.30, and the ranking minority
11.29 members of the legislative committees with
11.30 jurisdiction over transportation finance, may
11.31 transfer all or part of the unappropriated
11.32 balance in the trunk highway fund to an
11.33 appropriation: (1) for trunk highway design,
11.34 construction, or inspection that takes
11.35 advantage of an unanticipated receipt of

12.1 income to the trunk highway fund or federal

12.2 advanced construction funding; (2) for

12.3 emergency trunk highway maintenance; or (3)

12.4 to pay tort or environmental claims. Nothing

12.5 in this subdivision authorizes the

12.6 commissioner to increase the use of federal

12.7 advanced construction funding beyond

12.8 amounts specifically authorized. Any transfer

12.9 as a result of the use of federal advanced

12.10 construction funding must include an analysis

12.11 of the effects on the long-term trunk highway

12.12 fund balance. The amount transferred is

12.13 appropriated for the purpose of the account to

12.14 which it is transferred.

12.15 Sec. 3. **METROPOLITAN COUNCIL**

12.16 Subdivision 1. **Total Appropriation** \$ **10,000** \$ **10,000**

12.17 The appropriations in this section are from the

12.18 general fund to the Metropolitan Council. The

12.19 amounts that may be spent for each purpose

12.20 are specified in the following subdivisions.

12.21 Subd. 2. **Transit System Operations** 5,000 5,000

12.22 This appropriation is for transit system

12.23 operations under Minnesota Statutes, sections

12.24 473.371 to 473.449.

12.25 The base is \$5,000 in fiscal year 2024 and

12.26 \$32,654,000 in fiscal year 2025.

12.27 Subd. 3. **Metro Mobility** 5,000 5,000

12.28 This appropriation is for Metro Mobility under

12.29 Minnesota Statutes, section 473.386.

12.30 The base is \$5,000 in fiscal year 2024 and

12.31 \$55,976,000 in fiscal year 2025.

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

13.1		<u>2020</u>	<u>2021</u>
13.2	<u>Subdivision 1. Total Appropriation</u>	<u>\$ 249,536,000</u>	<u>\$ 240,053,000</u>
13.3	<u>Appropriations by Fund</u>		
13.4		<u>2022</u>	<u>2023</u>
13.5	<u>General</u>	<u>44,309,000</u>	<u>44,175,000</u>
13.6	<u>H.U.T.D.</u>	<u>980,000</u>	<u>976,000</u>
13.7	<u>Special Revenue</u>	<u>85,879,000</u>	<u>79,088,000</u>
13.8	<u>Trunk Highway</u>	<u>118,368,000</u>	<u>115,814,000</u>
13.9	<u>The appropriations in this section are to the</u>		
13.10	<u>commissioner of public safety. The amounts</u>		
13.11	<u>that may be spent for each purpose are</u>		
13.12	<u>specified in the following subdivisions. The</u>		
13.13	<u>commissioner must spend appropriations from</u>		
13.14	<u>the trunk highway fund in subdivisions 2 and</u>		
13.15	<u>3 of this section only for state patrol purposes.</u>		
13.16	<u>Subd. 2. Administration and Related Services</u>		
13.17	<u>(a) Office of Communications</u>	<u>575,000</u>	<u>575,000</u>
13.18	<u>This appropriation is from the general fund.</u>		
13.19	<u>(b) Public Safety Support</u>	<u>5,662,000</u>	<u>5,588,000</u>
13.20	<u>This appropriation is from the general fund.</u>		
13.21	<u>The commissioner must not spend this</u>		
13.22	<u>appropriation on additional full- or part-time</u>		
13.23	<u>permanent or temporary employees for the</u>		
13.24	<u>Public Information Center in the Division of</u>		
13.25	<u>Driver and Vehicle Services.</u>		
13.26	<u>(c) Public Safety Officer Survivor Benefits</u>	<u>640,000</u>	<u>640,000</u>
13.27	<u>This appropriation is from the general fund</u>		
13.28	<u>for payment of public safety officer survivor</u>		
13.29	<u>benefits under Minnesota Statutes, section</u>		
13.30	<u>299A.44. If the appropriation for either year</u>		
13.31	<u>is insufficient, the appropriation for the other</u>		
13.32	<u>year is available for it.</u>		
13.33	<u>(d) Public Safety Officer Reimbursements</u>	<u>1,367,000</u>	<u>1,367,000</u>

14.1	<u>This appropriation is from the general fund</u>		
14.2	<u>for transfer to the public safety officer's benefit</u>		
14.3	<u>account. This money is available for</u>		
14.4	<u>reimbursements under Minnesota Statutes,</u>		
14.5	<u>section 299A.465.</u>		
14.6	<u>(e) Soft Body Armor Reimbursements</u>	<u>745,000</u>	<u>745,000</u>
14.7	<u>This appropriation is from the general fund</u>		
14.8	<u>for soft body armor reimbursements under</u>		
14.9	<u>Minnesota Statutes, section 299A.38.</u>		
14.10	<u>(f) Technology and Support Service</u>	<u>6,299,000</u>	<u>6,299,000</u>
14.11	<u>This appropriation is from the general fund.</u>		
14.12	<u>Subd. 3. State Patrol</u>		
14.13	<u>(a) Patrolling Highways</u>	<u>107,823,000</u>	<u>105,403,000</u>
14.14	<u>Appropriations by Fund</u>		
14.15		<u>2022</u>	<u>2023</u>
14.16	<u>General</u>	<u>37,000</u>	<u>37,000</u>
14.17	<u>H.U.T.D.</u>	<u>92,000</u>	<u>92,000</u>
14.18	<u>Trunk Highway</u>	<u>107,694,000</u>	<u>105,274,000</u>
14.19	<u>\$1,718,000 in the first year is from the trunk</u>		
14.20	<u>highway fund for costs associated with the</u>		
14.21	<u>2021 State Patrol Trooper Academy. This is</u>		
14.22	<u>a onetime appropriation.</u>		
14.23	<u>\$3,524,000 in the first year and \$2,822,000 in</u>		
14.24	<u>the second year is from the trunk highway</u>		
14.25	<u>fund for the purchase, deployment, and</u>		
14.26	<u>management of body-worn cameras.</u>		
14.27	<u>(b) Commercial Vehicle Enforcement</u>	<u>10,180,000</u>	<u>10,046,000</u>
14.28	<u>\$494,000 in the first year and \$360,000 in the</u>		
14.29	<u>second year is for the purchase, deployment,</u>		
14.30	<u>and management of body-worn cameras.</u>		
14.31	<u>(c) Capitol Security</u>	<u>10,977,000</u>	<u>10,923,000</u>
14.32	<u>This appropriation is from the general fund.</u>		

15.1 \$449,000 in the first year and \$395,000 in the
 15.2 second year is for the purchase, deployment,
 15.3 and management of body-worn cameras.

15.4 The commissioner must not:

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

15.7 (2) permanently transfer any state trooper from
 15.8 the patrolling highways activity to capitol
 15.9 security.

15.10 The commissioner must not transfer any
 15.11 money appropriated to the commissioner under
 15.12 this section:

15.13 (1) to capitol security; or

15.14 (2) from capitol security.

15.15 (d) **Vehicle Crimes Unit**

888,000

884,000

15.16 This appropriation is from the highway user
 15.17 tax distribution fund to investigate:

15.18 (1) registration tax and motor vehicle sales tax
 15.19 liabilities from individuals and businesses that
 15.20 currently do not pay all taxes owed; and

15.21 (2) illegal or improper activity related to the
 15.22 sale, transfer, titling, and registration of motor
 15.23 vehicles.

15.24 \$22,000 in the first year and \$18,000 in the
 15.25 second year is for the purchase, deployment,
 15.26 and management of body-worn cameras.

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

15.28 (a) **Vehicle Services**

37,979,000

34,179,000

15.29 This appropriation is from the vehicle services
 15.30 operating account under Minnesota Statutes,
 15.31 section 299A.705, subdivision 1.

16.1 \$2,390,000 in the first year is for staff and
 16.2 operating costs to hire temporary or contract
 16.3 employees to process and issue driver's
 16.4 licenses and Minnesota identification cards.
 16.5 This is a onetime appropriation and must not
 16.6 be spent for permanent state employees.
 16.7 \$326,000 in the first year and \$391,000 in the
 16.8 second year is for costs to establish, equip,
 16.9 and staff two additional vehicle inspection
 16.10 sites.
 16.11 \$250,000 in the first year is for programming
 16.12 costs related to the implementation of
 16.13 self-service kiosks for vehicle registration
 16.14 renewal. This is a onetime appropriation and
 16.15 is available in the second year.
 16.16 \$8,000 in the first year is for FastDS
 16.17 programming costs to allow for inclusion of
 16.18 additional veterans plates in the lifetime
 16.19 issuance category.
 16.20 \$16,000 in the first year is for Fast DS
 16.21 programming costs to change temporary
 16.22 permit fees for out-of-state carriers.
 16.23 \$16,000 in the first year is for FastDS
 16.24 programming costs related to motor vehicle
 16.25 data subscriptions.
 16.26 **(b) Driver Services**
 16.27 This appropriation is from the driver services
 16.28 operating account in the special revenue fund
 16.29 under Minnesota Statutes, section 299A.705,
 16.30 subdivision 2.
 16.31 \$2,229,000 in the first year and \$155,000 in
 16.32 the second year is for costs of a pilot project

39,840,00036,793,000

17.1 for same-day issuance of driver's licenses and
17.2 state identification cards.

17.3 \$425,000 in the first year and \$369,000 in the
17.4 second year is for costs of administration of
17.5 the third-party commercial driver's license
17.6 examination program.

17.7 \$108,000 in the first year and \$49,000 in the
17.8 second year is for staff costs to support online
17.9 driver education programs.

17.10 \$24,000 in the first year is for Fast DS
17.11 programming costs related to no-show fees
17.12 for driver examinations. This is a onetime
17.13 appropriation.

17.14 **Subd. 5. Traffic Safety**

17.15 Appropriations by Fund

17.16	<u>2022</u>	<u>2023</u>
17.17 <u>General</u>	<u>18,070,000</u>	<u>18,048,000</u>
17.18 <u>Trunk Highway</u>	<u>494,000</u>	<u>494,000</u>

17.19 \$17,500,000 in each year is from the general
17.20 fund for grants to school districts, nonpublic
17.21 schools, charter schools, and companies that
17.22 provide school bus services, for the purchase
17.23 and installation of school bus stop-signal arm
17.24 camera systems. In awarding grants, the
17.25 commissioner must prioritize: regular route
17.26 type A, B, C, and D buses; newer buses; and
17.27 buses that do not already have a stop-signal
17.28 arm or forward-facing camera. Cameras
17.29 purchased with grants awarded pursuant to
17.30 this section must be used within the state. If
17.31 the money in the account is sufficient to fund
17.32 all requests, then the commissioner must not
17.33 require a local match. The commissioner may
17.34 seek assistance from the commissioner of

18,564,000

18,542,000

18.1 education in administering the grants. This is
18.2 a onetime appropriation and is available until
18.3 June 30, 2025.

18.4 \$110,000 in the first year and \$94,000 in the
18.5 second year are for staff costs to administer
18.6 grants for school bus stop-arm cameras. These
18.7 are onetime appropriations.

18.8	<u>Subd. 6. Pipeline Safety</u>	<u>1,443,000</u>	<u>1,443,000</u>
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18.9 This appropriation is from the pipeline safety
18.10 account in the special revenue fund under
18.11 Minnesota Statutes, section 299J.18.

18.12 Sec. 5. **RAIL SERVICE IMPROVEMENT; TRANSFER.**

18.13 \$15,000,000 in fiscal year 2022 and \$15,000,000 in fiscal year 2023 are transferred from
18.14 the general fund to the rail service improvement account in the special revenue fund under
18.15 Minnesota Statutes, section 222.49. These are onetime transfers.

18.16 Sec. 6. **SMALL CITIES ASSISTANCE; TRANSFER.**

18.17 \$6,150,000 in fiscal year 2022 and \$5,750,000 in fiscal year 2023 are transferred from
18.18 the general fund to the small cities assistance account under Minnesota Statutes, section
18.19 162.145. The base for this transfer is \$5,394,000 in fiscal year 2024, \$5,049,000 in fiscal
18.20 year 2025, and \$0 thereafter.

18.21 Sec. 7. **TOWNSHIP ROADS; TRANSFER.**

18.22 \$6,150,000 in fiscal year 2022 and \$5,750,000 in fiscal year 2023 are transferred from
18.23 the general fund to the township road account in the county state-aid highway fund under
18.24 Minnesota Statutes, section 162.081. The base for this transfer is \$5,394,000 in fiscal year
18.25 2024, \$5,049,000 in fiscal year 2025, and \$0 thereafter.

18.26 Sec. 8. **APPROPRIATION; AIRPORT INFRASTRUCTURE RENEWAL (AIR)**
18.27 **GRANT PROGRAM.**

18.28 (a) \$2,000,000 in fiscal year 2022 and \$1,000,000 in fiscal year 2023 are appropriated
18.29 from the general fund to the commissioner of employment and economic development for

19.1 the airport infrastructure renewal (AIR) grant program under Minnesota Statutes, section
19.2 116J.439. These are onetime appropriations.

19.3 (b) In awarding grants with this appropriation, the commissioner of employment and
19.4 economic development must consult with the commissioner of transportation and prioritize
19.5 eligible applicants that did not receive a grant pursuant to the appropriation in Laws 2019,
19.6 First Special Session chapter 7, article 1, section 2, subdivision 2, paragraph (q).

19.7 **Sec. 9. APPROPRIATION CANCELLATION; PATROLLING HIGHWAYS.**

19.8 \$1,718,000 of the appropriation from the trunk highway fund in Laws 2019, First Special
19.9 Session chapter 3, article 1, section 4, subdivision 3, paragraph (a), is canceled to the trunk
19.10 highway fund on the effective date of this section.

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

19.12 **Sec. 10. APPROPRIATION CANCELLATION; PASSENGER RAIL.**

19.13 \$271,000 of the appropriation in fiscal year 2021 under Laws 2019, First Special Session
19.14 chapter 3, article 1, section 2, subdivision 2, paragraph (d), is canceled to the general fund
19.15 on the effective date of this section.

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

19.17 **Sec. 11. APPROPRIATION CANCELLATION; PUBLIC SAFETY SUPPORT.**

19.18 \$220,000 of the appropriation from the general fund in fiscal year 2021 under Laws
19.19 2019, First Special Session chapter 3, article 1, section 4, subdivision 1, paragraph (b), is
19.20 canceled to the general fund on the effective date of this section.

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

19.22 **Sec. 12. APPROPRIATION; DEPARTMENT OF EMPLOYMENT AND**
19.23 **ECONOMIC DEVELOPMENT.**

19.24 \$15,000 in fiscal year 2022 and \$15,000 in fiscal year 2023 are appropriated from the
19.25 general fund to the commissioner of employment and economic development for temporary
19.26 staff costs related to the procurement of a statewide freight optimization tool for the
19.27 Department of Transportation. These are onetime appropriations.

20.1 Sec. 13. **BECKER INTERCHANGE PROJECT; APPROPRIATION.**

20.2 \$1,979,000 in fiscal year 2022 is appropriated from the general fund to the commissioner
20.3 of transportation to prepare final design, conduct site preparation work, and acquire
20.4 right-of-way for an interchange to be constructed at marked U.S. Highway 10, marked
20.5 Trunk Highway 25, Becker County State-Aid Highway 8, and Becker County Road 52 in
20.6 the city of Becker and Becker Township. This is a onetime appropriation and is available
20.7 until June 30, 2025.

20.8 Sec. 14. **BLAINE; 99TH AVENUE AT MARKED TRUNK HIGHWAY 65;**
20.9 **APPROPRIATION.**

20.10 (a) \$7,000,000 is appropriated from the general fund to the commissioner of transportation
20.11 for one or more grants to the city of Blaine for a local road intersection at 99th Avenue
20.12 Northeast and marked Trunk Highway 65 and associated local road improvements. This
20.13 appropriation does not require a nonstate contribution. For purposes of this section, "local
20.14 road intersection" means a grade-separated intersection if that is the preferred alternative
20.15 following completion of the environmental analysis. This is a onetime appropriation and is
20.16 available until June 30, 2025.

20.17 (b) \$2,000,000 of this appropriation is for environmental analysis and design of local
20.18 road intersections along marked Trunk Highway 65 from north of 93rd Avenue to north of
20.19 117th Avenue and associated local road improvements.

20.20 (c) \$5,000,000 of this appropriation is for acquisition of right-of-way associated with
20.21 the improvements on 99th Avenue Northeast and adjacent frontage roads at marked Trunk
20.22 Highway 65.

20.23 Sec. 15. **CULVERT UNDER U.S. HIGHWAY 29; DOUGLAS COUNTY;**
20.24 **APPROPRIATION.**

20.25 \$2,000,000 in fiscal year 2022 is appropriated from the general fund to the commissioner
20.26 of transportation for a grant to Douglas County to install a new box culvert under U.S.
20.27 Highway 29 between Lake Le Homme Dieu and Lake Geneva and to regrade and reconstruct
20.28 a portion of U.S. Highway 29 to accommodate the new culvert. This appropriation does not
20.29 require a nonstate match. This is a onetime appropriation and is available until June 30,
20.30 2025.

21.1 Sec. 16. **DULUTH AERIAL LIFT BRIDGE; APPROPRIATION.**

21.2 \$12,000,000 in fiscal year 2022 is appropriated from the general fund to the commissioner
21.3 of transportation for a grant to the city of Duluth for capital repairs and restoration of the
21.4 Aerial Lift Bridge. This is a onetime appropriation and is available until June 30, 2025.

21.5 Sec. 17. **IMPROVED ACCESS AND SAFETY STUDY; MARKED U.S. HIGHWAY**
21.6 **10 IN ST. CLOUD; APPROPRIATIONS.**

21.7 (a) \$400,000 in fiscal year 2022 is appropriated from the trunk highway fund to the
21.8 commissioner of transportation to study options to improve access to and safety on marked
21.9 U.S. Highway 10 from 45th Avenue SE to 32nd Street SE in St. Cloud. At a minimum, the
21.10 study must (1) evaluate options and costs for improving access and safety, including
21.11 increasing or improving the lighting at intersections, installation of traffic-control signals
21.12 at intersections, increasing the number or length of bypass lanes, increasing the number or
21.13 length of acceleration and deceleration lanes, and J-turns or other methods of reduced conflict
21.14 intersections; and (2) provide specific recommendations on how to best reduce high-speed
21.15 collisions and create improved access for slower moving vehicles entering marked U.S.
21.16 Highway 10 and cost estimates for each recommended improvement. By January 31, 2022,
21.17 the commissioner must transmit a copy of the study to the chairs and ranking minority
21.18 members of the legislative committees with jurisdiction over transportation policy finance.
21.19 This is a onetime appropriation.

21.20 (b) \$600,000 in fiscal year 2022 is appropriated from the trunk highway fund to the
21.21 commissioner of transportation for a grant to the St. Cloud Area Planning Organization to
21.22 be used for projects in the transportation improvement program or the regional infrastructure
21.23 investment plan. This is a onetime appropriation.

21.24 Sec. 18. **INTERSTATE HIGHWAY 35 AT COUNTY ROAD 9 IN RICE COUNTY**
21.25 **INTERCHANGE FEASIBILITY STUDY; APPROPRIATION.**

21.26 \$500,000 in fiscal year 2022 is appropriated from the trunk highway fund to the
21.27 commissioner of transportation to conduct a study on the feasibility of an interchange at
21.28 marked Interstate Highway 35 and County Road 9 in Rice County. At a minimum, the
21.29 commissioner's study must include estimated construction costs, traffic modeling, an
21.30 environmental analysis, and a potential design layout for an interchange. This is a onetime
21.31 appropriation and is available until June 30, 2025.

22.1 Sec. 19. **INTERSTATE 35 STUDY AND INTERCHANGE PROJECT;**
22.2 **APPROPRIATION.**

22.3 \$700,000 in fiscal year 2022 is appropriated from the trunk highway fund to the
22.4 commissioner of transportation to study corridor mobility and safety improvement needs
22.5 along marked Interstate 35 from approximately the Dakota County State-Aid Highway 50
22.6 interchange in Lakeville to Dakota County State-Aid Highway 42 in Burnsville. This
22.7 appropriation is also for preliminary engineering of the mobility and safety improvements
22.8 and a redesign of the interchange at marked Interstate 35 and Dakota County State-Aid
22.9 Highway 50 in Lakeville, including development of a geometric layout and environmental
22.10 documentation for the corridor. This is a onetime appropriation and is available until June
22.11 30, 2025.

22.12 Sec. 20. **KARLSTAD AIRPORT RUNWAY; APPROPRIATION.**

22.13 \$5,600,000 in fiscal year 2022 is appropriated from the general fund to the commissioner
22.14 of transportation for a grant to the city of Karlstad for the acquisition of land, predesign,
22.15 design, engineering, and construction of a primary airport runway. This is a onetime
22.16 appropriation and is available until June 30, 2025.

22.17 Sec. 21. **MARKED U.S. HIGHWAY 8 RECONSTRUCTION; APPROPRIATION.**

22.18 \$10,000,000 in fiscal year 2022 is appropriated from the general fund to the commissioner
22.19 of transportation for a grant to Chisago County to design, engineer, and construct a
22.20 reconstruction of marked U.S. Highway 8 from Karmel Avenue in Chisago City to Interstate
22.21 35 and pedestrian and bike trails along and crossings of this portion of U.S. Highway 8.
22.22 This reconstruction may include expanding segments of U.S. Highway 8 to four lanes,
22.23 constructing or reconstructing frontage roads and backage roads, and realigning local roads
22.24 to consolidate, remove, and relocate access onto and off of U.S. Highway 8. This is a onetime
22.25 appropriation and is available until June 30, 2025.

22.26 Sec. 22. **MARKED U.S. HIGHWAY 10 STRATEGIC CONGESTION MITIGATION;**
22.27 **APPROPRIATION.**

22.28 \$23,550,000 in fiscal year 2022 is appropriated from the trunk highway fund to the
22.29 commissioner of transportation for a grant to Anoka County to complete the preliminary
22.30 engineering, environmental documentation, final design, right-of-way acquisition,
22.31 construction, and construction administration of a third travel lane in each direction of
22.32 marked U.S. Highway 10 from east of the interchange with Hanson Boulevard to Round

23.1 Lake Boulevard in the city of Coon Rapids. This appropriation does not require a nonstate
23.2 contribution. This is a onetime appropriation and is available until June 30, 2025.

23.3 Sec. 23. **MARKED U.S. HIGHWAY 61 LIGHTING PROJECT; APPROPRIATION.**

23.4 \$3,500,000 in fiscal year 2022 is appropriated from the general fund to the commissioner
23.5 of transportation to install lighting along the entire marked U.S. Highway 61 corridor from
23.6 its interchange with Washington County State-Aid Highway 22 to its interchange with
23.7 marked Trunk Highway 95 in the city of Cottage Grove. This is a onetime appropriation
23.8 and is available until June 30, 2023.

23.9 Sec. 24. **OLMSTED COUNTY; TRUNK HIGHWAY 14 AND COUNTY ROAD 104**
23.10 **INTERCHANGE; APPROPRIATION.**

23.11 \$11,060,000 in fiscal year 2022 is appropriated from the trunk highway fund to acquire
23.12 property and to predesign, design, engineer, construct, furnish, and equip an interchange at
23.13 marked Trunk Highway 14 and County Road 104, including the flyover at 7th Street NW,
23.14 in Olmsted County. This is a onetime appropriation and is available until June 30, 2025.

23.15 Sec. 25. **RAMSEY GATEWAY PROJECT; APPROPRIATION.**

23.16 \$12,000,000 in fiscal year 2022 is appropriated from the general fund to the commissioner
23.17 of transportation for one or more grants to Anoka County, the city of Ramsey, or both for
23.18 acquisition of right-of-way associated with the local road portions of the Ramsey Gateway
23.19 Project, which includes local road interchanges by marked U.S. Highway 10/169 at County
23.20 State-Aid Highway 56 (Ramsey Boulevard) and County State-Aid Highway 57 (Sunfish
23.21 Lake Boulevard) and the associated railroad grade separations, frontage roads, backage
23.22 roads, connecting local streets, and any associated water and sanitary sewer infrastructure
23.23 improvements, if necessary or required for the construction of the local road improvements
23.24 of the Ramsey Gateway Project in the city of Ramsey. This appropriation does not require
23.25 a nonstate contribution. This is a onetime appropriation and is available until June 30, 2025.

23.26 Sec. 26. **SCOTT COUNTY INTERCHANGE PROJECT; APPROPRIATION.**

23.27 \$2,500,000 in fiscal year 2022 is appropriated from the general fund to the commissioner
23.28 of transportation for a grant to Scott County to complete preliminary and final design,
23.29 environmental documentation, and right-of-way acquisition for construction of an interchange
23.30 located at the intersections of marked Trunk Highway 169, marked Trunk Highway 282,

24.1 and Scott County State-Aid Highway 9 in the city of Jordan. This is a onetime appropriation
24.2 and is available until June 30, 2025.

24.3 Sec. 27. **SCOTT COUNTY; LOCAL ROAD IMPROVEMENTS; APPROPRIATION.**

24.4 \$20,650,000 in fiscal year 2022 is appropriated from the general fund as provided in
24.5 Minnesota Statutes, section 174.50, for a grant under Minnesota Statutes, section 174.52,
24.6 to Scott County to design and construct local road improvements, including accommodations
24.7 for bicycles and pedestrians, to support a programmed interchange at the intersection of
24.8 marked Trunk Highway 13 and Dakota Avenue in Savage. This is a onetime appropriation
24.9 and is available until June 30, 2025.

24.10 Sec. 28. **STREET AND UTILITY RECONSTRUCTION; SHERBURN;**
24.11 **APPROPRIATION.**

24.12 \$3,030,000 in fiscal year 2022 is appropriated from the general fund to the commissioner
24.13 of transportation for a grant to the city of Sherburn to acquire property or easements,
24.14 predesign, design, construct, and equip the reconstruction of the city streets of Osborne
24.15 Street, between West 1st Street and West 5th Street and one block to the west and east of
24.16 Osborne Street on West 2nd Street, West 3rd Street, and West 4th Street, and the storm
24.17 water and sanitary sewer systems along those streets. This is a onetime appropriation and
24.18 is available until June 30, 2025.

24.19 Sec. 29. **TELEWORK ACTIVITIES; APPROPRIATION.**

24.20 \$300,000 in fiscal year 2022 is appropriated from the general fund to the commissioner
24.21 of transportation for a grant to transportation management organizations that provide services
24.22 exclusively or primarily in the city located along the marked Interstate Highway 494 corridor
24.23 having the highest population as of the effective date of this section. The commissioner
24.24 must not retain any portion of the funds appropriated under this section. The commissioner
24.25 must make grant payments in full by June 30, 2022. Funds under this grant are for
24.26 programming and service expansion to assist companies and commuters in telecommuting
24.27 efforts and promotion of best practices. A grant recipient must provide telework resources,
24.28 assistance, information, and related activities on a statewide basis. This is a onetime
24.29 appropriation.

25.1 Sec. 30. **TRUNK HIGHWAY 3; APPROPRIATION.**

25.2 \$500,000 in fiscal year 2022 is appropriated from the trunk highway fund to the
25.3 commissioner of transportation for a grant to Dakota County to complete preliminary
25.4 engineering for corridor mobility and safety improvements on marked Trunk Highway 3,
25.5 from approximately 142nd Street West in Rosemount to marked Interstate Highway 494 in
25.6 Inver Grove Heights. This appropriation does not require a nonstate contribution. This is a
25.7 onetime appropriation and is available until June 30, 2025.

25.8 Sec. 31. **TRUNK HIGHWAY 41 ROUNDABOUT IN CHANHASSEN;**
25.9 **APPROPRIATION.**

25.10 \$1,500,000 in fiscal year 2022 is appropriated from the trunk highway fund to the
25.11 commissioner of transportation to design and construct a roundabout on Trunk Highway
25.12 41 at the intersection with the entrance and exit of Minnetonka Middle School West in
25.13 Chanhassen. This is a onetime appropriation and is available until June 30, 2025.

25.14 Sec. 32. **TRUNK HIGHWAY 55; APPROPRIATION.**

25.15 \$4,500,000 in fiscal year 2022 is appropriated from the trunk highway fund to the
25.16 commissioner of transportation for preliminary design, final design, and right-of-way
25.17 acquisition to establish marked Trunk Highway 55 as a four-lane divided highway from a
25.18 point near Hennepin County Road 118, known as Arrowhead Drive, in Medina to Hennepin
25.19 County State-Aid Highway 19 in Corcoran. This is a onetime appropriation and is available
25.20 until June 30, 2025.

25.21 Sec. 33. **TRUNK HIGHWAY 55; APPROPRIATION.**

25.22 \$1,000,000 in fiscal year 2022 is appropriated from the trunk highway fund to the
25.23 commissioner of transportation for a grant to Dakota County to complete preliminary
25.24 engineering for corridor mobility and safety improvements on marked Trunk Highway 55
25.25 from approximately marked U.S. Highway 52 to General Sieben Drive in Hastings. This
25.26 appropriation does not require a nonstate contribution. This is a onetime appropriation and
25.27 is available until June 30, 2025.

25.28 Sec. 34. **TRUNK HIGHWAY 77; APPROPRIATION.**

25.29 \$1,000,000 in fiscal year 2022 is appropriated from the trunk highway fund to the
25.30 commissioner of transportation for a grant to Dakota County to complete preliminary
25.31 engineering for corridor mobility and safety improvements on marked Trunk Highway 77,

26.1 from approximately 140th Street West in Apple Valley to marked Interstate 494 in
26.2 Bloomington. This appropriation does not require a nonstate contribution. This is a onetime
26.3 appropriation and is available until June 30, 2025.

26.4 **Sec. 35. U.S. HIGHWAY 10 INTERCHANGE; BECKER; APPROPRIATION.**

26.5 \$1,869,000 in fiscal year 2022 is appropriated from the trunk highway fund to prepare
26.6 final design, conduct site preparation work, and acquire right-of-way for an interchange to
26.7 be constructed at marked U.S. Highway 10, marked Trunk Highway 25, Becker County
26.8 State-Aid Highway Road 8, and Becker County Road 52 in the city of Becker and Becker
26.9 Township. This is a onetime appropriation and is available until June 30, 2025.

26.10 **Sec. 36. U.S. HIGHWAY 169; APPROPRIATION.**

26.11 \$95,000 in fiscal year 2022 is appropriated from the general fund to the commissioner
26.12 of transportation to be used for cost estimating, environmental permitting, and preliminary
26.13 engineering for the improvement of marked U.S. Highway 169 from a two-lane undivided
26.14 highway to a four-lane divided highway for the remaining eight-mile segment of Cross
26.15 Range Expressway from Taconite to Pengilly. This is a onetime appropriation and is available
26.16 until June 30, 2023.

26.17 **Sec. 37. U.S. HIGHWAY 169 AND SHERBURNE COUNTY STATE-AID HIGHWAY**
26.18 **4; ZIMMERMAN; APPROPRIATION.**

26.19 \$16,400,000 in fiscal year 2022 is appropriated from the trunk highway fund to the
26.20 commissioner of transportation for property acquisition, engineering, and construction of
26.21 the trunk highway portions of an interchange at marked U.S. Highway 169 and Sherburne
26.22 County State-Aid Highway 4 in the city of Zimmerman. This is a onetime appropriation
26.23 and is available until June 30, 2025.

26.24 **Sec. 38. U.S. HIGHWAY 212 EXPANSION TO FOUR LANES BETWEEN**
26.25 **NORWOOD YOUNG AMERICA AND COLOGNE; APPROPRIATION.**

26.26 \$34,080,000 in fiscal year 2022 is appropriated from the trunk highway fund to the
26.27 commissioner of transportation to acquire property or permanent easements for, and to
26.28 design, engineer, construct, furnish, and equip an expansion of U.S. Highway 212 to four
26.29 lanes from Tacoma Avenue North in Norwood Young America to Lake Street West in
26.30 Cologne. Of this amount, up to \$10,000,000 is for safety improvements to the intersection

27.1 of Trunk Highway 212 and Carver County Road 51. This is a onetime appropriation and is
27.2 available until June 30, 2025.

27.3 Sec. 39. **WADENA; U.S. HIGHWAY 10; APPROPRIATION.**

27.4 \$25,000,000 in fiscal year 2022 is appropriated from the trunk highway fund for design,
27.5 preliminary and final engineering, environmental analysis, and reconstruction of marked
27.6 U.S. Highway 10 as a four-lane highway in Wadena. This is a onetime appropriation and
27.7 is available until June 30, 2025.

27.8 Sec. 40. **WASHINGTON COUNTY; BRIDGE OVER I-694; APPROPRIATION.**

27.9 \$3,500,000 in fiscal year 2022 is appropriated from the general fund to the commissioner
27.10 of transportation for a grant to Washington County to predesign, design, engineer, construct,
27.11 and equip the reconstruction of the 4th Street Bridge over Interstate 694 in the city of
27.12 Oakdale. This appropriation is not available until the commissioner of management and
27.13 budget determines that a sufficient amount has been committed from nonstate sources to
27.14 complete the project. This is a onetime appropriation and is available until June 30, 2025.

27.15 **ARTICLE 2**

27.16 **MINNESOTA DEPARTMENT OF TRANSPORTATION**

27.17 Section 1. Minnesota Statutes 2020, section 16E.15, subdivision 2, is amended to read:

27.18 Subd. 2. **Software sale fund.** (a) Except as provided in paragraphs (b) and (c), proceeds
27.19 from the sale or licensing of software products or services by the chief information officer
27.20 must be credited to the MN.IT services revolving fund. If a state agency other than the
27.21 Office of MN.IT Services has contributed to the development of software sold or licensed
27.22 under this section, the chief information officer may reimburse the agency by discounting
27.23 computer services provided to that agency.

27.24 (b) Proceeds from the sale or licensing of software products or services developed by
27.25 the Pollution Control Agency, or custom developed by a vendor for the agency, must be
27.26 credited to the environmental fund.

27.27 (c) If the Department of Transportation develops software products or services using
27.28 trunk highway funds, proceeds from the subsequent sale or licensing of the software products
27.29 or services must be credited to the trunk highway fund. This paragraph also applies to
27.30 software products or services custom developed by a vendor for the department using trunk

28.1 highway funds. This paragraph does not authorize the use of trunk highway funds for
28.2 development of software products or services in violation of section 161.20.

28.3 Sec. 2. Minnesota Statutes 2020, section 117.075, subdivision 2, is amended to read:

28.4 Subd. 2. **Appoint commissioners for damages.** (a) If the proposed taking shall appear
28.5 to be necessary and such as is authorized by law, the court by an order shall appoint three
28.6 disinterested commissioners, and at least two alternates, to ascertain and report the amount
28.7 of damages that will be sustained by the several owners on account of such taking.

28.8 (b) All disinterested commissioners or alternates appointed under this subdivision must
28.9 reside in Minnesota.

28.10 Sec. 3. Minnesota Statutes 2020, section 117.075, subdivision 3, is amended to read:

28.11 Subd. 3. **Commissioner qualifications.** ~~Before appointing a commissioner,~~ The court
28.12 shall inquire whether each prospective commissioner has any relationship, business or
28.13 otherwise, to any of the parties in the proceeding, or any interest in the proceeding which
28.14 may constitute a conflict of interest, or which may create the appearance of impropriety
28.15 should that person be appointed. Responses to this inquiry must be either written or on the
28.16 record and made available by the court to any party in the proceeding ~~before and after~~
28.17 ~~appointment.~~ No person who might have difficulty in rendering an unbiased decision may
28.18 be appointed to serve. The court, in its discretion, may appoint one registered, practicing
28.19 attorney to the commission who is knowledgeable in eminent domain matters. All other
28.20 commissioners appointed must be persons actively engaged in the occupation of real estate
28.21 sales or real estate appraising or persons knowledgeable in real estate values.

28.22 Sec. 4. Minnesota Statutes 2020, section 160.02, is amended by adding a subdivision to
28.23 read:

28.24 Subd. 1b. **Bicycle lane.** "Bicycle lane" means a portion of a roadway or shoulder designed
28.25 for exclusive or preferential use by persons using bicycles. Bicycle lanes are to be
28.26 distinguished from the portion of the roadway or shoulder used for motor vehicle traffic by
28.27 physical barrier, striping, marking, or other similar device.

28.28 Sec. 5. Minnesota Statutes 2020, section 160.02, is amended by adding a subdivision to
28.29 read:

28.30 Subd. 1c. **Bicycle route.** "Bicycle route" means a roadway or shoulder signed to
28.31 encourage bicycle use.

29.1 Sec. 6. Minnesota Statutes 2020, section 160.262, subdivision 1, is amended to read:

29.2 Subdivision 1. **Bikeways; powers and duties; design guidelines.** (a) The legislature
29.3 determines that it is in the interests of the public health, safety and welfare, to provide for
29.4 the addition of bikeways to proposed and existing public highways without converting
29.5 vehicle travel lanes into bicycle lanes or bicycle routes. The commissioner of transportation
29.6 is authorized to plan, design, establish, and maintain bikeways on the right-of-way of any
29.7 trunk highway. The commissioner is responsible for the design and construction of all
29.8 bikeway projects within the right-of-way of any trunk highway. The commissioner must
29.9 consider the development of bikeways during the planning, design, construction,
29.10 reconstruction, or improvement of any trunk highway, or allow the establishment of such
29.11 bikeways within trunk highway right-of-way. The commissioner must not convert vehicle
29.12 travel lanes on the trunk highway system into a bicycle lane or bicycle route.

29.13 (b) The commissioner must maintain bikeway design guidelines consistent with the state
29.14 transportation goals in section 174.01.

29.15 (c) The commissioner must compile and maintain a map of bikeways in the state and
29.16 must publish and distribute the map's information at least once every two years in a form
29.17 and manner suitable to assist persons wishing to use the bikeways.

29.18 (d) The commissioner must maintain bikeways within the limits of trunk highway
29.19 right-of-way unless a written agreement or limited use permit provides otherwise.

29.20 Sec. 7. Minnesota Statutes 2020, section 160.263, subdivision 3, is amended to read:

29.21 Subd. 3. **Designation.** (a) A governing body designating a bikeway under this section
29.22 may:

29.23 (1) designate the type and character of vehicles or other modes of travel which may be
29.24 operated on a bikeway, provided that the operation of such vehicle or other mode of travel
29.25 is not inconsistent with the safe use and enjoyment of the bikeway by bicycle traffic;

29.26 (2) establish priority of right-of-way on the bicycle lane or bicycle path and otherwise
29.27 regulate the use of bikeways as it deems necessary; and

29.28 (3) paint lines or construct curbs or establish other physical separations to exclude the
29.29 use of the bikeways by vehicles other than those specifically permitted to operate thereon.

29.30 (b) The designating governing body may, after public hearing, prohibit through traffic
29.31 on any highway or portion thereof designated as a bicycle lane or bicycle route, except that
29.32 through traffic may not be prohibited on a trunk highway. The designating governing body

shall erect and maintain official signs giving notice of the regulations and priorities established under this subdivision and shall mark all bikeways with appropriate signs. Marking and signing of bikeways by the designating governing body shall be in conformance with the Minnesota Manual on Uniform Traffic Control Devices.

(c) When a disability parking space is designated pursuant to section 169.346, subdivision 2, on a segment of road on which the governing body is considering designating bikeway, the governing body must work with the primary user of the disability parking space to determine if the space may be relocated to a mutually agreeable location. At the request of the primary user, the governing body must meet with the primary user at the primary user's chosen location. Any agreement to relocate a disability parking space must be in writing and signed by the primary user and an appropriate representative of the governing body. If there is no agreement on relocating the disability parking space, the governing body must designate the bikeway in a manner that does not eliminate or interfere with the space.

(d) For purposes of this subdivision, "primary user" means the person who will primarily use the disability parking space. If the disability parking space will not be used primarily by one person, the primary user is the owner of the property that abuts the segment of road where the disability parking space is located.

Sec. 8. Minnesota Statutes 2020, section 160.264, is amended to read:

160.264 REPLACING BIKEWAYS AND PEDESTRIAN WAYS.

Whenever an existing bikeway, pedestrian way, or roadway used by bicycles or pedestrians or the sole access to such is destroyed by any new, reconstructed, or relocated federal, state, or local highway, the road authority responsible shall replace the destroyed facility or access with a comparable facility or access. Replacement is not required where it would be contrary to public safety or when sparsity of population, other available ways or other factors indicate an absence of need for such facility or access. When the road authority is the commissioner, the commissioner must not convert vehicle travel lanes on the trunk highway system into a bicycle lane or bicycle route.

Sec. 9. Minnesota Statutes 2020, section 160.266, is amended by adding a subdivision to read:

Subd. 1c. **Prohibition on lane conversion.** The commissioner must not convert vehicle travel lanes on the trunk highway system into a bicycle lane or bicycle route.

31.1 Sec. 10. Minnesota Statutes 2020, section 160.93, subdivision 1, is amended to read:

31.2 Subdivision 1. **Fees authorized.** (a) To improve efficiency and provide more options
31.3 to individuals traveling in a trunk highway corridor, the commissioner of transportation
31.4 may charge user fees to owners or operators of single-occupant vehicles using dynamic
31.5 shoulder lanes as designated by the commissioner and any designated high-occupancy
31.6 vehicle lanes. The fees may be collected using electronic or other toll-collection methods
31.7 ~~and may vary in amount with the time of day and level of traffic congestion within the~~
31.8 ~~corridor.~~ The commissioner shall consult with the Metropolitan Council and obtain necessary
31.9 federal authorizations before implementing user fees on a high-occupancy vehicle lane or
31.10 dynamic shoulder lane. Fees under this section are not subject to section 16A.1283.

31.11 (b) Fees collected pursuant to this section must vary in amount based on the level of
31.12 traffic congestion within the corridor. The commissioner must collect fees based on traffic
31.13 congestion levels. The commissioner must adopt a policy that specifies the traffic congestion
31.14 threshold that will initiate the collection of fees. The policy must also identify what fee will
31.15 be collected for each specified traffic congestion threshold. The commissioner must not
31.16 collect fees based solely on the time of day. The commissioner must not collect fees if the
31.17 minimum traffic congestion threshold is not met. The commissioner must post the policy
31.18 adopted pursuant to this section on the department's website. The commissioner must ensure
31.19 that signage is posted in dynamic shoulder lanes and high-occupancy vehicle lanes to indicate
31.20 in real time when fees are being collected and the amount of the fee.

31.21 (c) The commissioner must establish fees in an amount that will, at a minimum, pay for
31.22 all of the costs described in subdivision 2, paragraph (b), clauses 1 and 2.

31.23 **EFFECTIVE DATE.** This section is effective August 1, 2021.

31.24 Sec. 11. Minnesota Statutes 2020, section 160.93, subdivision 2, is amended to read:

31.25 Subd. 2. **Deposit of revenues; appropriation.** ~~(a) Except as provided in subdivision~~
31.26 ~~2a,~~ Money collected from fees authorized under subdivision 1 must be deposited in a
31.27 high-occupancy vehicle lane user fee account in the special revenue fund. A separate account
31.28 must be established for each trunk highway corridor. Money in the account is appropriated
31.29 to the commissioner.

31.30 (b) From this appropriation the commissioner shall ~~first~~:

31.31 (1) first, repay the trunk highway fund and any other fund source for money spent to
31.32 install, equip, or modify the corridor for the purposes of subdivision 1, ~~and then shall;~~

32.1 (2) second, pay all the costs of implementing and administering the fee collection system
32.2 for that corridor;

32.3 ~~(c) The commissioner shall spend remaining money in the account as follows:~~

32.4 ~~(1) one-half must be spent~~ (3) third, pay for transportation capital improvements within
32.5 the corridor; and

32.6 (4) fourth, pay for maintenance of the corridor; and

32.7 ~~(2) one-half must be transferred~~ (5) fifth, transfer any funds not spent according to clauses
32.8 (1) to (4) to the Metropolitan Council for expansion and improvement of bus transit services
32.9 within the corridor beyond the level of service provided on the date of implementation of
32.10 subdivision 1.

32.11 **EFFECTIVE DATE.** This section is effective August 1, 2021.

32.12 Sec. 12. Minnesota Statutes 2020, section 160.93, subdivision 4, is amended to read:

32.13 Subd. 4. **Prohibition.** No person may operate a single-occupant vehicle in a designated
32.14 high-occupancy vehicle lane or dynamic shoulder lane except in compliance with the
32.15 requirements of ~~the commissioner~~ this section. A person who violates this subdivision is
32.16 guilty of a petty misdemeanor and is subject to sections 169.89, subdivisions 1, 2, and 4,
32.17 and 169.891 and any other provision of chapter 169 applicable to the commission of a petty
32.18 misdemeanor traffic offense. Upon approval of the Federal Highway Administration, this
32.19 subdivision does not apply on New Year's Day, Memorial Day, Independence Day, Labor
32.20 Day, Thanksgiving Day, and Christmas Day.

32.21 **EFFECTIVE DATE.** This section is effective August 1, 2021.

32.22 Sec. 13. **[161.0815] RESTRICTIONS ON FUNDING FOR BICYCLE LANES AND**
32.23 **ROUTES.**

32.24 Notwithstanding any law to the contrary, the commissioner is prohibited from spending
32.25 funds from the highway user tax distribution fund or the trunk highway fund to create,
32.26 construct, expand, mark, or maintain bicycle lanes or bicycle routes on the trunk highway
32.27 system.

32.28 Sec. 14. Minnesota Statutes 2020, section 161.088, subdivision 5, is amended to read:

32.29 Subd. 5. **Project selection process; criteria.** (a) The commissioner must establish a
32.30 process to identify, evaluate, and select projects under the program. The process must be

33.1 consistent with the requirements of this subdivision and must not include any additional
33.2 evaluation criteria.

33.3 (b) As part of the project selection process, the commissioner must annually accept
33.4 recommendations on candidate projects from area transportation partnerships and other
33.5 interested stakeholders in each Department of Transportation district. The commissioner
33.6 must determine the eligibility for each candidate project identified under this paragraph.
33.7 For each eligible project, the commissioner must classify and evaluate the project for the
33.8 program, using all of the criteria established under paragraph (c).

33.9 (c) Projects must be evaluated using all of the following criteria:

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

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

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

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

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

33.18 (4) improvements to traffic safety;

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

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

33.23 (7) support and consensus for the project among members of the surrounding community;
33.24 ~~and~~

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

33.26 (9) regional balance throughout the state.

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

33.29 (d) The list of all projects evaluated must be made public and must include the score of
33.30 each project.

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

Sec. 15. [161.0895] HIGHWAY PURPOSE; REPORT.

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

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

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

Sec. 16. Minnesota Statutes 2020, section 161.11, subdivision 2, is amended to read:

Subd. 2. **Payment of premium and reimbursement.** ~~The commissioner may pay the premiums for any said policy of insurance out of the trunk highway fund.~~ The political subdivision or agency of the state for whom work is performed by employees of the Department of Transportation pursuant to any agreement therefor made with the commissioner shall pay to the trunk highway fund that portion of the premium for said policy of insurance directly attributable to the work performed for it. The commissioner may pay the premiums of any said policy of insurance out of the trunk highway fund only in the amount deposited into the fund by the political subdivision or agency. If any additional amount is due on said policy, the remaining amount must not be paid out of the trunk highway fund.

35.1 Sec. 17. Minnesota Statutes 2020, section 161.115, subdivision 27, is amended to read:

35.2 Subd. 27. **Route No. 96.** Beginning at a point on Route No. ~~95~~ 244 as herein established
35.3 at or near ~~Stillwater~~ Dellwood City, thence extending in a westerly direction to a point on
35.4 Route No. ~~63~~ 1 at or near ~~New Brighton~~ White Bear Lake.

35.5 **EFFECTIVE DATE.** This section is effective the day after the commissioner of
35.6 transportation receives a copy of the agreement between the commissioner and the governing
35.7 body of Washington County to transfer jurisdiction of Legislative Route No. 96 and after
35.8 the commissioner sends notice to the revisor of statutes electronically or in writing that the
35.9 conditions required to transfer the route have been satisfied.

35.10 Sec. 18. Minnesota Statutes 2020, section 161.14, is amended by adding a subdivision to
35.11 read:

35.12 Subd. 97. **Chief Daryl "Taddy" Drusch Memorial Highway.** The segment of marked
35.13 U.S. Highway 12 within the city limits of Howard Lake is designated as "Chief Daryl
35.14 "Taddy" Drusch Memorial Highway." Subject to section 161.139, the commissioner must
35.15 adopt a suitable design to mark this highway and erect appropriate signs.

35.16 Sec. 19. Minnesota Statutes 2020, section 161.14, is amended by adding a subdivision to
35.17 read:

35.18 Subd. 98. **Deputy Richard K. Magnuson Memorial Highway.** The segment of marked
35.19 Trunk Highway 310 from Roseau to the border with Canada is designated as "Deputy
35.20 Richard K. Magnuson Memorial Highway." Subject to section 161.139, the commissioner
35.21 must adopt a suitable design to mark this highway and erect appropriate signs.

35.22 Sec. 20. Minnesota Statutes 2020, section 161.14, is amended by adding a subdivision to
35.23 read:

35.24 Subd. 99. **Patrol Inspector Robert H. Lobdell Memorial Highway.** The segment of
35.25 marked Trunk Highway 11 from Roseau to Warroad is designated as "Patrol Inspector
35.26 Robert H. Lobdell Memorial Highway." Subject to section 161.139, the commissioner must
35.27 adopt a suitable design to mark this highway and erect appropriate signs.

35.28 Sec. 21. Minnesota Statutes 2020, section 161.14, is amended by adding a subdivision to
35.29 read:

35.30 Subd. 100. **Corporal Caleb L. Erickson Memorial Highway.** That segment of marked
35.31 Trunk Highway 13 in Waseca County from the southern border of Woodville Township to

36.1 the northern border of Blooming Grove Township is designated as "Corporal Caleb L.
36.2 Erickson Memorial Highway." Subject to section 161.139, the commissioner must adopt a
36.3 suitable design to mark this highway and erect appropriate signs.

36.4 Sec. 22. Minnesota Statutes 2020, section 161.167, is amended to read:

36.5 **161.167 REIMBURSEMENT OF EXPENSES.**

36.6 Members of the appeal board shall submit to the commissioner an itemized list of the
36.7 expenses incurred in disposing of matters presented to them. The appeal board members
36.8 shall be reimbursed for all reasonable expenses incurred by them in the performance of their
36.9 duties. ~~The commissioner shall pay these costs out of the trunk highway fund.~~ An amount
36.10 sufficient to make reimbursements required under this section is appropriated from the
36.11 general fund to the commissioner for this purpose.

36.12 Sec. 23. Minnesota Statutes 2020, section 161.19, is amended to read:

36.13 **161.19 CERTAIN RECORDS OBTAINED AND FILED.**

36.14 Upon the written request of the commissioner the court administrator of any court, the
36.15 auditor of any county, the clerk of any town, or the recorder or clerk of any city shall furnish
36.16 a copy of the proceedings, documents, and plats, if any, relating to the establishment of any
36.17 road or the procuring of the right-of-way of any road which has been or may be taken over
36.18 by the state of Minnesota as a trunk highway. The copy shall be filed in the records of the
36.19 commissioner and shall be prima facie evidence of the existence of the road as described
36.20 therein. The legal fee for the copies ~~shall~~ must not be paid from the trunk highway fund.
36.21 An amount sufficient to pay the legal fee for the copies is appropriated from the general
36.22 fund to the commissioner for these costs.

36.23 Sec. 24. Minnesota Statutes 2020, section 161.20, subdivision 3, is amended to read:

36.24 Subd. 3. **Highway user tax distribution fund appropriations; trunk highway fund**
36.25 **appropriations.** The commissioner may expend highway user tax distribution funds only
36.26 for highway purposes and may expend trunk highway funds only for trunk highway purposes.
36.27 ~~Payment of expenses related to~~ The following must not be funded out of the highway user
36.28 tax distribution fund or the trunk highway fund:

36.29 (1) Bureau of Criminal Apprehension laboratory;

36.30 (2) Explore Minnesota Tourism kiosks;

36.31 (3) tourist information centers;

- 37.1 (4) Minnesota Safety Council;
- 37.2 (5) driver education programs;
- 37.3 (6) Emergency Medical Services Board;
- 37.4 (7) Mississippi River Parkway Commission;
- 37.5 (8) payments to MN.IT Services in excess of actual costs incurred for trunk highway
- 37.6 purposes; and;
- 37.7 (9) personnel costs incurred on behalf of the Governor's Office do not further a highway
- 37.8 purpose and do not aid in the construction, improvement, or maintenance of the highway
- 37.9 system;
- 37.10 (10) parades, events, or sponsorships of events;
- 37.11 (11) the creation, construction, expansion, or maintenance of bikeways;
- 37.12 (12) administration and related services for the Department of Public Safety, the
- 37.13 commissioner's office, fiscal services, human resources, communications, and technology
- 37.14 services;
- 37.15 (13) the statewide notification center for excavation services pursuant to chapter 216D;
- 37.16 (14) rent and utility expenses for the department's central office building;
- 37.17 (15) the cost of manufacturing license plates;
- 37.18 (16) the cost of collecting highway user taxes;
- 37.19 (17) the installation, construction, expansion, or maintenance of public electric vehicle
- 37.20 infrastructure; and
- 37.21 (18) the following entities within the department: site development unit; labor compliance
- 37.22 efforts in the Office of Project Management and Technical Support; Environmental
- 37.23 Stewardship Office; Office of Transit and Active Transportation; Office of Aeronautics;
- 37.24 Passenger Rail Office; Modal Planning & Program Management Division; Statewide Radio
- 37.25 Communications within the department's state aid division; Workforce and Agency Services
- 37.26 Division; Office of Financial Management; Human Resources; commissioner's staff offices;
- 37.27 Office of Audit; Office of Chief Counsel; Office of Civil Rights; Communications and
- 37.28 Public Engagement; Office of Equity and Diversity; Government Affairs Office; and Office
- 37.29 of Freight and Commercial Vehicle Operations.
- 37.30 The prohibition on funding includes all expenses for the named entity or program, including
- 37.31 but not limited to payroll, purchased services, supplies, repairs, and equipment. This

38.1 prohibition on spending applies to any successor entities or programs that are substantially
38.2 similar to the entity or program named here.

38.3 Sec. 25. Minnesota Statutes 2020, section 161.23, subdivision 2, is amended to read:

38.4 Subd. 2. **Conveyance of excess.** (a) On acquiring real estate in excess of what is needed
38.5 for trunk highway purposes as authorized in subdivision 1, the commissioner of transportation
38.6 shall, within one year after the completion of the construction, reconstruction, or improvement
38.7 of the highway for which a portion of the real estate was needed and required, convey and
38.8 quitclaim the excess real estate.

38.9 (b) The excess real estate may be sold and conveyed to the owner of the land abutting
38.10 upon the excess real estate in the same manner and under the same terms provided under
38.11 section 161.44, subdivision 2, or to the highest responsible bidder, after receipt of sealed
38.12 bids following mailed notice to adjacent landowners and published notice of the sale for
38.13 three successive weeks in a newspaper or trade journal of general circulation in the territory
38.14 from which bids are likely to be received. All bids may be rejected and new bids received
38.15 upon like advertisement.

38.16 (c) If the lands remain unsold after being offered for sale, the commissioner may offer
38.17 the remaining lands to any person who agrees to pay the minimum bid established for the
38.18 public sale. The sale must continue until all eligible lands have been sold or the commissioner
38.19 withdraws the remaining lands from the sale. The lands to be sold must be listed on the
38.20 department's unsold property inventory list.

38.21 (d) The deed may contain restrictive clauses limiting the use of such real estate in the
38.22 interests of safety and convenient public travel when the commissioner finds that the
38.23 restrictions are reasonably necessary.

38.24 Sec. 26. Minnesota Statutes 2020, section 161.23, subdivision 2a, is amended to read:

38.25 Subd. 2a. **Services of licensed real estate broker.** If the lands remain unsold after being
38.26 offered for sale to the highest bidder, the commissioner may retain the services of a licensed
38.27 real estate broker to find a buyer. The sale price may be negotiated by the broker, but must
38.28 not be less than ~~90~~ 80 percent of the appraised market value as determined by the
38.29 commissioner. The broker's fee must be established by prior agreement between the
38.30 commissioner and the broker, and must not exceed ten percent of the sale price for sales of
38.31 \$10,000 or more. The broker's fee must be paid to the broker from the proceeds of the sale.

39.1 Sec. 27. Minnesota Statutes 2020, section 161.44, subdivision 6a, is amended to read:

39.2 Subd. 6a. **Services of licensed real estate broker.** If the lands are withdrawn from sale
39.3 under subdivision 6b, the commissioner may retain the services of a licensed real estate
39.4 broker to find a buyer. The sale price may be negotiated by the broker, but must not be less
39.5 than ~~90~~ 80 percent of the appraised market value as determined by the commissioner. The
39.6 broker's fee must be established by prior agreement between the commissioner and the
39.7 broker, and must not exceed ten percent of the sale price for sales of \$10,000 or more. The
39.8 broker's fee must be paid to the broker from the proceeds of the sale.

39.9 Sec. 28. Minnesota Statutes 2020, section 161.44, subdivision 6b, is amended to read:

39.10 Subd. 6b. **Unsold lands.** If lands remain unsold after being offered for sale to the highest
39.11 bidder, the commissioner may offer the remaining lands to any person who agrees to pay
39.12 at least 80 percent of the minimum bid established for the public sale. Any offers less than
39.13 100 percent of the minimum bid must be approved by the commissioner prior to a sale. The
39.14 sale must continue until all eligible lands have been sold or the commissioner withdraws
39.15 the remaining lands from sale. The lands to be sold must be listed on the department's Unsold
39.16 Property Inventory list.

39.17 Sec. 29. Minnesota Statutes 2020, section 161.465, is amended to read:

39.18 **161.465 REIMBURSEMENT FOR FIRE SERVICES.**

39.19 (a) Ordinary expenses incurred by a municipal or volunteer fire department in
39.20 extinguishing a grass fire within the right-of-way of a trunk highway must be reimbursed
39.21 upon certification to the commissioner of transportation ~~from the trunk highway fund~~. In
39.22 addition, ordinary expenses incurred by a municipal or volunteer fire department in
39.23 extinguishing a fire outside the right-of-way of any trunk highway if the fire originated
39.24 within the right-of-way, upon approval of a police officer or an officer or employee of the
39.25 Department of Public Safety must, upon certification to the commissioner of transportation
39.26 by the proper official of the municipality or fire department within 60 days after the
39.27 completion of the service, be reimbursed to the municipality or fire department ~~from funds~~
39.28 ~~in the trunk highway fund~~. The commissioner must not make reimbursements authorized
39.29 by this section from the trunk highway fund. An amount sufficient to pay the reimbursement
39.30 costs is appropriated from the general fund to the commissioner for this purpose. The
39.31 commissioner of transportation shall take action practicable to secure reimbursement to the
39.32 ~~trunk highway~~ general fund of money expended under this section from the person, firm,
39.33 or corporation responsible for the fire or danger of fire.

(b) The provisions of this section shall not be construed to admit state liability for damage or destruction to private property or for injury to persons resulting from a fire originating within a trunk highway right-of-way.

Sec. 30. Minnesota Statutes 2020, section 162.145, subdivision 2, is amended to read:

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

Sec. 31. Minnesota Statutes 2020, section 162.145, subdivision 3, is amended to read:

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

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

(c) Notwithstanding other law to the contrary, in order to receive distributions under this section, a city must conform to the standards in section 477A.017, subdivision 2. A city that receives funds under this section must make and preserve records necessary to show that the funds are spent in compliance with subdivision ~~4~~ 5.

Sec. 32. Minnesota Statutes 2020, section 163.07, subdivision 2, is amended to read:

Subd. 2. **Qualifications, salary, and term.** The county highway engineer shall be a registered highway or civil engineer, registered under the laws of the state of Minnesota. The county board may appoint a new county engineer for a term of only one year. All reappointments shall be for a term of four years, and shall be made in May of the year in which the term expires. ~~The county highway engineer shall be a citizen and resident of this state.~~ The county highway engineer's salary shall be fixed by the county board and shall be payable the same as other county officers are paid. The salary shall not be reduced during the county highway engineer's term of office.

41.1 Sec. 33. Minnesota Statutes 2020, section 167.45, is amended to read:

41.2 **167.45 OPERATION COSTS FOR CENTRAL OFFICE BUILDING, PAYMENT.**

41.3 The cost of operation and maintenance of the ~~new~~ central office building for the
41.4 Department of Transportation, or so much thereof as is properly attributable to the
41.5 Department of Transportation, ~~shall~~ must not be paid out of the trunk highway fund. An
41.6 amount sufficient to pay these costs is appropriated from the general fund to the commissioner
41.7 for this purpose.

41.8 Sec. 34. Minnesota Statutes 2020, section 169.812, subdivision 2, is amended to read:

41.9 Subd. 2. **Escort vehicles required; width.** (a) Except as provided in paragraphs (d) and
41.10 (e), no escort vehicle is required if the width of an overdimensional load is 15 feet or less
41.11 as measured at the bottom of the load or is 16 feet or less as measured at the top of the load.

41.12 (b) Only one rear escort vehicle is required on a multilane divided roadway if the width
41.13 of an overdimensional load is more than 15 feet as measured at the bottom of the load or is
41.14 more than 16 feet as measured at the top of the load.

41.15 (c) Only one lead escort vehicle and one rear escort vehicle is required on any undivided
41.16 roadway if the width of an overdimensional load is more than 15 feet as measured at the
41.17 bottom of the load or is more than 16 feet as measured at the top of the load.

41.18 (d) ~~Only~~ One lead escort vehicle, one rear escort vehicle, and one lead licensed peace
41.19 officer is required when any part of an overdimensional load or a vehicle transporting an
41.20 overdimensional load extends beyond the left of the centerline on an undivided roadway.

41.21 (e) The commissioner may require additional escorts when deemed necessary to protect
41.22 public safety or to ensure against undue damage to the road foundations, surfaces, or
41.23 structures. The commissioner must specify in the permit (1) the number of additional escorts
41.24 required; and (2) whether the operators of the escort vehicles must be licensed peace officers
41.25 or may be escort drivers, as defined in subdivision 1.

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

41.27 Sec. 35. **[169.8665] SPECIAL SOYBEAN MEAL-HAULING VEHICLE PERMIT.**

41.28 Subdivision 1. **Special three-unit vehicle permit.** The commissioner may issue a permit
41.29 for a vehicle that transports soybean meal and meets the following requirements:

42.1 (1) is a combination of vehicles, including a truck-tractor and a semitrailer drawing one
42.2 additional semitrailer, and no semitrailer used in the three-vehicle combination has an overall
42.3 length in excess of 28-1/2 feet;

42.4 (2) does not exceed a maximum gross vehicle weight of 106,000 pounds; and

42.5 (3) is operated only in this state on marked U.S. Highway 75 in Crookston to marked
42.6 U.S. Highway 2, and on marked U.S. Highway 2 from Crookston to the North Dakota
42.7 border.

42.8 Subd. 2. **Special two-unit vehicle permit.** The commissioner may issue a permit for a
42.9 vehicle that transports soybean meal and meets the following requirements:

42.10 (1) is a combination of vehicles consisting of a truck-tractor and a single semitrailer that
42.11 may exceed 48 feet, but not 53 feet, if the distance from the kingpin to the centerline of the
42.12 rear axle group of the semitrailer does not exceed 43 feet;

42.13 (2) does not exceed a maximum gross vehicle weight of 106,000 pounds; and

42.14 (3) is operated only on the highways specified in subdivision 1, clause (3).

42.15 Subd. 3. **Restrictions.** (a) A vehicle issued a permit under subdivision 1 or 2:

42.16 (1) is subject to the axle weight limits in section 169.824;

42.17 (2) is subject to bridge load limits posted pursuant to section 169.84;

42.18 (3) is subject to seasonal load restrictions under section 169.87;

42.19 (4) may not be operated with a load that exceeds the tire manufacturer's recommended
42.20 load under section 169.823, the manufacturer's gross vehicle weight rating as affixed to the
42.21 vehicle, or other certification of gross weight rating under Code of Federal Regulations,
42.22 title 49, sections 567.4 to 567.7;

42.23 (5) may not be operated on the interstate highway system; and

42.24 (6) may be operated on streets or highways under the control of a local authority only
42.25 upon the approval of the local authority. However, vehicles may have reasonable access to
42.26 terminals and facilities for food, fuel, repairs, and rest, and for continuity of route within
42.27 one mile of the national network as provided by section 169.81, subdivision 3, and Code
42.28 of Federal Regulations, title 23, section 658.19.

42.29 (b) The seasonal weight increases authorized under section 169.829 do not apply to
42.30 permits issued under this section.

43.1 Subd. 4. **Permit fee; appropriation.** Vehicle permits issued under subdivision 1 must
43.2 be annual permits. The fee is \$850 for each vehicle, or a proportional amount as provided
43.3 in section 169.86, subdivision 5, and must be deposited in the trunk highway fund. An
43.4 amount sufficient to administer the permit program is appropriated from the trunk highway
43.5 fund to the commissioner for the costs of administering the permit program.

43.6 Subd. 5. **Expiration date.** Upon request of the permit applicant, the expiration date for
43.7 a permit issued under this section must be the same as the expiration date of the permitted
43.8 vehicle's registration.

43.9 **EFFECTIVE DATE.** This section is effective January 1, 2022.

43.10 Sec. 36. Minnesota Statutes 2020, section 174.03, subdivision 1b, is amended to read:

43.11 Subd. 1b. **Statewide freight and passenger rail plan.** (a) The commissioner shall
43.12 develop a comprehensive statewide freight and passenger rail plan to be ~~included and~~ revised
43.13 as a part within two years of each update to the statewide multimodal transportation plan
43.14 that prioritizes future passenger rail capital improvement projects based a scoring system.
43.15 The plan must identify the criteria, weight of each criterion, and process used to score each
43.16 project based on the weighted criteria. The plan must list the candidate projects evaluated,
43.17 the score assigned, and any other reasons for prioritizing a project other than the score. The
43.18 commissioner shall publish the plan on the department's website.

43.19 ~~(b) Before the initial version of the plan is adopted, the commissioner shall provide a~~
43.20 ~~copy for review and comment to the chairs and ranking minority members of the senate and~~
43.21 ~~house of representatives committees with jurisdiction over transportation policy and finance.~~
43.22 ~~Notwithstanding paragraph (a), the commissioner may adopt the next revision of the statewide~~
43.23 ~~transportation plan, scheduled to be completed in calendar year 2009, prior to completion~~
43.24 ~~of the initial version of the comprehensive statewide freight and passenger rail plan. The~~
43.25 commissioner shall spend all funds for passenger rail on projects listed in the plan in order
43.26 of priority unless the appropriation authorizing the funding explicitly designates the funding
43.27 for a specific project.

43.28 Sec. 37. Minnesota Statutes 2020, section 174.03, subdivision 8, is amended to read:

43.29 Subd. 8. **Salaries and expenses.** Salaries and expenses of the department relating to
43.30 highway purposes shall be paid from moneys available in the trunk highway fund, except
43.31 as provided in section 161.20, subdivision 3. The funds provided in sections 360.011 to
43.32 360.076 and 360.305 to 360.91 shall be expended by the commissioner of transportation in
43.33 accordance with the purposes prescribed by those sections. Funds appropriated pursuant to

44.1 the authority conferred by any constitutional article shall be expended in conformity with
44.2 the purposes and uses authorized thereby.

44.3 Sec. 38. [174.13] TRANSPORTATION PROGRAMMING AND INVESTMENT
44.4 COMMITTEE.

44.5 Subdivision 1. Establishment; duties. (a) The Transportation Programming and
44.6 Investment Committee is established in the department. The committee must provide policy
44.7 direction for the department's capital investments on the transportation system and must
44.8 make programmatic capital investment decisions and recommendations to the commissioner.
44.9 At a minimum, the committee must:

44.10 (1) make, approve, or confirm major policy and spending decisions related to construction
44.11 on trunk highways;

44.12 (2) select projects pursuant to state law and department policies;

44.13 (3) make decisions on trunk highway programming;

44.14 (4) distribute uncommitted funds;

44.15 (5) direct state road construction funds to specific projects, programs, and studies; and

44.16 (6) create and maintain the investment opportunity plan and select projects from that
44.17 list for funding as funds allow.

44.18 (b) In making programming decisions, the Transportation Programming and Investment
44.19 Committee must follow state and federal law and any policy or procedure established by
44.20 the commissioner. The committee and the commissioner must not override or contradict
44.21 state or federal law or any policy or procedure adopted by the commissioner.

44.22 Subd. 2. Members. (a) The Transportation Programming and Investment Committee
44.23 consists of the following ten voting members:

44.24 (1) the department's assistant commissioner for modal planning and program management;

44.25 (2) the department's assistant commissioner for state aid;

44.26 (3) the department's assistant commissioner for engineering services;

44.27 (4) the department's assistant commissioner for operations;

44.28 (5) the department's assistant commissioner for sustainability and public health;

44.29 (6) the department's chief financial officer;

45.1 (7) two members of the house of representatives, one appointed by the speaker of the
45.2 house and one appointed by the minority leader of the house; and

45.3 (8) two senators, one appointed by the senate majority leader and one appointed by the
45.4 senate minority leader.

45.5 (b) In addition to the voting members specified in paragraph (a), the Transportation
45.6 Programming and Investment Committee consists of the following six nonvoting members:

45.7 (1) the department's assistant division director for modal planning and program
45.8 management;

45.9 (2) the department's two assistant division directors for operations;

45.10 (3) the department's assistant division director for engineering services;

45.11 (4) the department's controller or office director for financial management; and

45.12 (5) the department's deputy engineer for state aid.

45.13 (c) Any decision or recommendation made by the committee must be made by six or
45.14 more of the voting members described in paragraph (b), including at least one legislator
45.15 from each party represented by a legislator on the committee.

45.16 (d) The assistant commissioner for modal planning and program management, or the
45.17 assistant commissioner's designee, serves as the chair of the Transportation Programming
45.18 and Investment Committee.

45.19 Subd. 3. **Meetings.** (a) The Transportation Programming and Investment Committee
45.20 must meet at least once each calendar month.

45.21 (b) The chair must designate a person to take minutes for each meeting. At a minimum,
45.22 the minutes must include the following information:

45.23 (1) the members and anyone else present for the meeting;

45.24 (2) the issues considered by the committee;

45.25 (3) a summary of the discussion for each issue; and

45.26 (4) the number of yes and no votes for each vote taken.

45.27 The minutes must be posted on the department's website within three calendar days after
45.28 the meeting. The minutes must remain available on the department's website for two calendar
45.29 years after the minutes were posted.

Subd. 4. **Commissioner response.** If the commissioner does not follow a decision or recommendation made by the Transportation Programming and Investment Committee, the commissioner must notify the committee, in writing, that the commissioner did not follow the decision or recommendation and explain the reasons for the decision. The commissioner must post the notification on the department's website within three calendar days of submitting it to the committee. The notification must remain available on the department's website for two calendar years after the notification was posted.

Subd. 5. **Investment opportunity plan.** The Transportation Programming and Investment Committee must establish and maintain an investment opportunity plan that includes projects with an identified need but are not funded by or cannot be funded by the standard programming process. The plan must set forth a process to be used when determining how to allocate funding. The commissioner must publish the plan on the department's website. The committee must publish on the department's website a list of all projects that the committee considers for funding. The list must identify the projects that were selected and the projects that were not selected. For each project that was not selected, the commissioner must include the reason it was not selected.

Sec. 39. Minnesota Statutes 2020, section 174.185, subdivision 3, is amended to read:

Subd. 3. **Report.** The commissioner shall report annually to the chairs and ranking minority members of the senate and house of representatives committees with jurisdiction over transportation finance ~~beginning on January 1, 2012,~~ the results of the analyses required in subdivision 2.

Sec. 40. **[174.20] PAVEMENT SELECTION GUIDELINES.**

(a) The commissioner must develop, implement, and adhere to a pavement investment guide.

(b) The commissioner must review and approve all pavement selections made by district offices for construction, reconstruction, rehabilitation, or preservation projects to ensure that the pavement selection is consistent with the pavement investment guide. Nothing in this section allows the commissioner to alter projects selected by district offices, except for the type of pavement to be used.

Sec. 41. Minnesota Statutes 2020, section 174.24, subdivision 7, is amended to read:

Subd. 7. **Transit service for disabled veterans.** ~~On and after July 1, 2009,~~ An eligible recipient of operating assistance under this section, who contracts or has contracted to

provide fixed route public transit, shall provide fixed route public transit service free of charge for veterans, as defined in section 197.447, certified as disabled. For purposes of this section, "certified as disabled" means certified in writing by the United States Department of Veterans Affairs or the state commissioner of veterans affairs as having a permanent service-connected disability.

Sec. 42. Minnesota Statutes 2020, section 174.285, subdivision 5, is amended to read:

Subd. 5. **Report.** By January 15 of each year, ~~beginning in 2012,~~ the council shall report its findings, recommendations, and activities to the governor's office and to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation, health, and human services, and to the legislature as provided under section 3.195.

Sec. 43. Minnesota Statutes 2020, section 174.40, subdivision 5, is amended to read:

Subd. 5. **Program administration.** (a) The commissioner shall establish general program requirements and a competitive process for financial assistance, including but not limited to eligibility requirements for grant recipients and projects; procedures for solicitation of grants; application requirements; procedures for payment of financial assistance awards; and a schedule for application, evaluation, and award of financial assistance. The commissioner shall publish the program requirements and the competitive process on the department's website.

(b) An application must include:

(1) a detailed and specific description of the project;

(2) an estimate, along with necessary supporting evidence, of the total costs for the project and the allocation of identified and proposed funding sources for the project;

(3) an assessment of the need for and benefits of the project;

(4) a resolution adopted by the governing body of the school for which a safe routes to school grant is requested, certifying that: (i) the governing body of the school supports the project; and (ii) funds, if any, required to be supplied by the school to complete the project are available and committed;

(5) a timeline indicating the major milestones of the project and their anticipated completion dates; and

(6) any additional information or material the commissioner prescribes.

(c) The commissioner shall ~~make reasonable efforts to:~~

(1) publicize each solicitation for applications among all eligible recipients, ~~and;~~

(2) provide technical and informational assistance in creating and submitting applications;

and

(3) publish on the department's website a list of all projects that were considered for funding. The list must identify the projects that were selected and the projects that were not selected. For each project that was not selected, the commissioner must include the reason it was not selected. This clause does not apply when there is no funding from any source for the program in a fiscal year.

~~(d) By January 1, 2013,~~ The commissioner of transportation shall publish and maintain a manual on the safe routes to school program that assists applicants for and recipients of financial assistance. The commissioner must publish the manual on the department's website. The manual must include a list of eligibility and general program requirements, an explanation of the application process, and a review of the criteria used to evaluate projects.

Sec. 44. Minnesota Statutes 2020, section 174.50, subdivision 6d, is amended to read:

Subd. 6d. **Major local bridges.** ~~For an appropriation made specifically for purposes of this subdivision,~~ The commissioner may make grants pursuant to this subdivision only if an enacted appropriation specifically references this specific subdivision. The commissioner must not make grants pursuant to this subdivision if an enacted appropriation references this section generally. When authorized by this subdivision, the commissioner may make a grant ~~under this section~~ to any political subdivision for replacement or rehabilitation of a major local bridge ~~in which the grant award is~~ with a total bridge cost estimate of \$7,000,000 or more. If in any year money appropriated for local bridge replacement and rehabilitation projects under this subdivision remains available after all identified and eligible projects under this subdivision have been funded, the commissioner may use remaining funds to make grants under this section for replacement or rehabilitation projects with a total bridge cost estimate of less than \$7,000,000.

EFFECTIVE DATE. This section is effective July 1, 2021, and applies to grants made on or after that date.

Sec. 45. Minnesota Statutes 2020, section 174.50, subdivision 7, is amended to read:

Subd. 7. **Bridge grant program; rulemaking.** (a) The commissioner of transportation shall develop rules, procedures for application for grants, conditions of grant administration, standards, and criteria as provided under subdivision 6, including bridge specifications, in

cooperation with road authorities of political subdivisions, for use in the administration of funds appropriated to the commissioner and for the administration of grants to subdivisions. The commissioner must publish all rules, procedures, conditions, standards, and criteria on the department's website. Grants under this section are subject to the procedures and criteria established in this subdivision and in subdivisions 5 and 6.

(b) The maximum use of standardized bridges is encouraged. Regardless of the size of the existing bridge, a bridge or replacement bridge is eligible for assistance from the state transportation fund if a hydrological survey indicates that the bridge or replacement bridge must be ten feet or more in length.

(c) As part of the standards or rules, the commissioner shall, in consultation with local road authorities, establish a minimum distance between any two bridges that cross over the same river, stream, or waterway, so that only one of the bridges is eligible for a grant under this section. As appropriate, the commissioner may establish exceptions from the minimum distance requirement or procedures for obtaining a variance.

(d) Political subdivisions may use grants made under this section to construct or reconstruct bridges, including but not limited to:

(1) matching federal aid grants to construct or reconstruct key bridges;

(2) paying the costs to abandon an existing bridge that is deficient and in need of replacement but where no replacement will be made; and

(3) paying the costs to construct a road or street to facilitate the abandonment of an existing bridge if the commissioner determines that the bridge is deficient, and that construction of the road or street is more economical than replacement of the existing bridge.

(e) Funds appropriated to the commissioner from the Minnesota state transportation fund shall be segregated from the highway tax user distribution fund and other funds created by article XIV of the Minnesota Constitution.

~~(f) Except as provided in subdivision 6d, the commissioner is prohibited from awarding a grant under this section for a local bridge replacement or rehabilitation project with a total project cost estimate of \$7,000,000 or more.~~ The commissioner must maintain a local bridge project list that includes every project that is a local bridge replacement or rehabilitation project which has approved plans. The list must include the total bridge cost estimate for each project. The commissioner must update this list annually. The commissioner must publish the list on the department's website.

(g) ~~Notwithstanding paragraph (f), the commissioner may award a grant under this section for a portion of a local bridge replacement or rehabilitation project with a total project cost estimate of \$7,000,000 or more if every other local bridge replacement or rehabilitation project on the commissioner's priority list with a total project cost estimate of less than \$7,000,000 has been fully funded.~~ The commissioner is prohibited from awarding a grant of \$7,000,000 or more under this section for a local bridge replacement or rehabilitation project, except:

(1) for major local bridges as provided in subdivision 6d; or

(2) if every other local bridge replacement or rehabilitation project with a total bridge cost estimate of \$7,000,000 or less on the local bridge project list required by paragraph (f) has been fully funded.

(h) The commissioner must publish on the department's website a list of all projects that were considered for funding. The list must identify the projects that were selected and the projects that were not selected. For each project that was not selected, the commissioner must include the reason it was not selected. This paragraph does not apply when there is no funding from any source for the program in a fiscal year.

EFFECTIVE DATE. This section is effective July 1, 2021, and applies to grants made on or after that date.

Sec. 46. Minnesota Statutes 2020, section 174.50, is amended by adding a subdivision to read:

Subd. 8. **Total bridge cost estimate; definition.** For purposes of this section, a "total bridge cost estimate" includes the costs for the work directly relating only to the bridge itself.

Sec. 47. Minnesota Statutes 2020, section 174.52, subdivision 5, is amended to read:

Subd. 5. Grant procedures and criteria. (a) The commissioner shall establish procedures for statutory or home rule charter cities, towns, and counties to apply for grants or loans from the fund and criteria to be used to select projects for funding. The commissioner must publish the procedures on the department's website. The commissioner shall establish these procedures and criteria in consultation with representatives appointed by the Association of Minnesota Counties, League of Minnesota Cities, Minnesota Association of Townships, and the appropriate state agency as needed. The criteria for determining project priority and the amount of a grant or loan must be based upon consideration of:

- 51.1 (1) the availability of other state, federal, and local funds;
- 51.2 (2) the regional significance of the route;
- 51.3 (3) effectiveness of the proposed project in eliminating a transportation system deficiency;
- 51.4 (4) the number of persons who will be positively impacted by the project;
- 51.5 (5) the project's contribution to other local, regional, or state economic development or
- 51.6 redevelopment efforts including livestock and other agricultural operations permitted after
- 51.7 the effective date of this section; and
- 51.8 (6) ability of the local unit of government to adequately provide for the safe operation
- 51.9 and maintenance of the facility upon project completion.

51.10 (b) The commissioner must publish on the department's website a list of all projects that

51.11 were considered for funding. The list must identify the projects that were selected and the

51.12 projects that were not selected. For each project that was not selected, the commissioner

51.13 must include the reason it was not selected. This paragraph does not apply when there is no

51.14 funding from any source for the program in a fiscal year.

51.15 Sec. 48. Minnesota Statutes 2020, section 174.56, subdivision 1, is amended to read:

51.16 Subdivision 1. **Report required.** (a) The commissioner of transportation shall submit

51.17 a report by December 15 of each year on (1) the status of major highway projects completed

51.18 during the previous two years or under construction or planned during the year of the report

51.19 and for the ensuing 15 years, (2) trunk highway fund expenditures, and (3) ~~beginning with~~

51.20 ~~the report due in 2016,~~ efficiencies achieved during the previous two fiscal years.

51.21 (b) For purposes of this section, a "major highway project" is a highway project that has

51.22 a total cost for all segments that the commissioner estimates at the time of the report to be

51.23 at least (1) \$15,000,000 in the metropolitan highway construction district, or (2) \$5,000,000

51.24 in any nonmetropolitan highway construction district.

51.25 Sec. 49. Minnesota Statutes 2020, section 174.75, is amended by adding a subdivision to

51.26 read:

51.27 Subd. 6. **Prohibition on lane conversion.** The complete streets policy must not allow

51.28 for the conversion of vehicle travel lanes on the trunk highway system into a bicycle lane

51.29 or bicycle route.

52.1 Sec. 50. Minnesota Statutes 2020, section 221.83, is amended to read:

52.2 **221.83 COSTS PAID FROM TRUNK HIGHWAY FUND.**

52.3 The costs of administering the provisions of this chapter ~~shall~~ must not be paid from the
52.4 trunk highway fund.

52.5 Sec. 51. Minnesota Statutes 2020, section 296A.083, subdivision 2, is amended to read:

52.6 Subd. 2. **Debt service forecast.** On ~~June 30, 2008, and each March 1 thereafter~~ April 1
52.7 each year, the commissioner of management and budget shall report to the commissioner
52.8 of revenue on trunk highway debt service. The report must include the annual amount of
52.9 revenue from the surcharge previously deposited in the trunk highway fund, and a forecast
52.10 of the total and annual amounts necessary to pay the remaining debt service.

52.11 Sec. 52. Minnesota Statutes 2020, section 297A.94, is amended to read:

52.12 **297A.94 DEPOSIT OF REVENUES.**

52.13 (a) Except as provided in this section, the commissioner shall deposit the revenues,
52.14 including interest and penalties, derived from the taxes imposed by this chapter in the state
52.15 treasury and credit them to the general fund.

52.16 (b) The commissioner shall deposit taxes in the Minnesota agricultural and economic
52.17 account in the special revenue fund if:

52.18 (1) the taxes are derived from sales and use of property and services purchased for the
52.19 construction and operation of an agricultural resource project; and

52.20 (2) the purchase was made on or after the date on which a conditional commitment was
52.21 made for a loan guaranty for the project under section 41A.04, subdivision 3.

52.22 The commissioner of management and budget shall certify to the commissioner the date on
52.23 which the project received the conditional commitment. The amount deposited in the loan
52.24 guaranty account must be reduced by any refunds and by the costs incurred by the Department
52.25 of Revenue to administer and enforce the assessment and collection of the taxes.

52.26 (c) The commissioner shall deposit the revenues, including interest and penalties, derived
52.27 from the taxes imposed on sales and purchases included in section 297A.61, subdivision 3,
52.28 paragraph (g), clauses (1) and (4), in the state treasury, and credit them as follows:

52.29 (1) first to the general obligation special tax bond debt service account in each fiscal
52.30 year the amount required by section 16A.661, subdivision 3, paragraph (b); and

52.31 (2) after the requirements of clause (1) have been met, the balance to the general fund.

(d) Beginning with sales taxes remitted after July 1, 2017, the commissioner shall deposit in the state treasury the revenues collected under section 297A.64, subdivision 1, including interest and penalties and minus refunds, and credit them to the highway user tax distribution fund.

(e) The commissioner shall deposit the revenues, including interest and penalties, collected under section 297A.64, subdivision 5, in the state treasury and credit them to the general fund. By July 15 of each year the commissioner shall transfer to the highway user tax distribution fund an amount equal to the excess fees collected under section 297A.64, subdivision 5, for the previous calendar year.

(f) Beginning with sales taxes remitted after July 1, 2017, in conjunction with the deposit of revenues under paragraph (d), the commissioner shall deposit into the state treasury and credit to the highway user tax distribution fund an amount equal to the estimated revenues derived from the tax rate imposed under section 297A.62, subdivision 1, on the lease or rental for not more than 28 days of rental motor vehicles subject to section 297A.64. The commissioner shall estimate the amount of sales tax revenue deposited under this paragraph based on the amount of revenue deposited under paragraph (d).

~~(g) Starting after July 1, 2017, the commissioner shall deposit an amount of the remittances monthly into the state treasury and credit them to the highway user tax distribution fund as a portion of the estimated amount of taxes collected from the sale and purchase of motor vehicle repair parts in that month. For the remittances between July 1, 2017, and June 30, 2019, the monthly deposit amount is \$2,628,000. For remittances in each subsequent fiscal year, the monthly deposit amount is \$12,137,000. The commissioner must deposit the revenues derived from the taxes imposed on the sale and purchase of motor vehicle repair and replacement parts in the state treasury and credit:~~

(1) 54 percent to the highway user tax distribution fund;

(2) three percent to the small cities assistance account in the special revenue fund established under section 162.145;

(3) three percent to the township road account in the county state-aid highway fund established under section 162.081; and

(4) the remainder to the general fund.

For purposes of this paragraph, "motor vehicle" has the meaning given in section 297B.01, subdivision 11, and "motor vehicle repair and replacement parts" includes (i) all parts, tires, accessories, and equipment incorporated into or affixed to the motor vehicle as part of the

motor vehicle maintenance and repair, and (ii) paint, oil, and other fluids that remain on or in the motor vehicle as part of the motor vehicle maintenance or repair. For purposes of this paragraph, "tire" means any tire of the type used on highway vehicles, if wholly or partially made of rubber and if marked according to federal regulations for highway use.

(h) 72.43 percent of the revenues, including interest and penalties, transmitted to the commissioner under section 297A.65, must be deposited by the commissioner in the state treasury as follows:

(1) 50 percent of the receipts must be deposited in the heritage enhancement account in the game and fish fund, and may be spent only on activities that improve, enhance, or protect fish and wildlife resources, including conservation, restoration, and enhancement of land, water, and other natural resources of the state;

(2) 22.5 percent of the receipts must be deposited in the natural resources fund, and may be spent only for state parks and trails;

(3) 22.5 percent of the receipts must be deposited in the natural resources fund, and may be spent only on metropolitan park and trail grants;

(4) three percent of the receipts must be deposited in the natural resources fund, and may be spent only on local trail grants; and

(5) two percent of the receipts must be deposited in the natural resources fund, and may be spent only for the Minnesota Zoological Garden, the Como Park Zoo and Conservatory, and the Duluth Zoo.

(i) The revenue dedicated under paragraph (h) may not be used as a substitute for traditional sources of funding for the purposes specified, but the dedicated revenue shall supplement traditional sources of funding for those purposes. Land acquired with money deposited in the game and fish fund under paragraph (h) must be open to public hunting and fishing during the open season, except that in aquatic management areas or on lands where angling easements have been acquired, fishing may be prohibited during certain times of the year and hunting may be prohibited. At least 87 percent of the money deposited in the game and fish fund for improvement, enhancement, or protection of fish and wildlife resources under paragraph (h) must be allocated for field operations.

(j) The commissioner must deposit the revenues, including interest and penalties minus any refunds, derived from the sale of items regulated under section 624.20, subdivision 1, that may be sold to persons 18 years old or older and that are not prohibited from use by the general public under section 624.21, in the state treasury and credit:

55.1 (1) 25 percent to the volunteer fire assistance grant account established under section
55.2 88.068;

55.3 (2) 25 percent to the fire safety account established under section 297I.06, subdivision
55.4 3; and

55.5 (3) the remainder to the general fund.

55.6 For purposes of this paragraph, the percentage of total sales and use tax revenue derived
55.7 from the sale of items regulated under section 624.20, subdivision 1, that are allowed to be
55.8 sold to persons 18 years old or older and are not prohibited from use by the general public
55.9 under section 624.21, is a set percentage of the total sales and use tax revenues collected in
55.10 the state, with the percentage determined under Laws 2017, First Special Session chapter
55.11 1, article 3, section 39.

55.12 (k) The revenues deposited under paragraphs (a) to (j) do not include the revenues,
55.13 including interest and penalties, generated by the sales tax imposed under section 297A.62,
55.14 subdivision 1a, which must be deposited as provided under the Minnesota Constitution,
55.15 article XI, section 15.

55.16 Sec. 53. Minnesota Statutes 2020, section 297A.993, is amended by adding a subdivision
55.17 to read:

55.18 Subd. 5. **Reporting.** (a) A metropolitan county, as defined in section 473.121, subdivision
55.19 4, that imposes the transportation sales and use tax under this section must annually submit
55.20 to the commissioner of transportation the following information for each of the county's
55.21 three most recently completed fiscal years:

55.22 (1) a brief overview of the projects or improvements funded under this section, whether
55.23 wholly or in part;

55.24 (2) a summary of any future funding commitments or dedications;

55.25 (3) total revenues, expenditures, encumbrances or dedications, and unexpended balances
55.26 from the sales tax;

55.27 (4) expenditure breakdowns for (i) capital and operating costs, and (ii) transportation
55.28 mode; and

55.29 (5) a summary of any bonds, notes, or other obligations under subdivision 4 that includes
55.30 identification of total outstanding debt obligations and debt that is authorized but unissued.

55.31 (b) The information under paragraph (a) must be submitted in the form, manner, and
55.32 schedule prescribed by the commissioner of transportation. The information must be

56.1 structured to provide financial information in six-month increments corresponding to state
56.2 and local fiscal years.

56.3 (c) By February 15 annually, the commissioner of transportation must submit a report
56.4 to the members and staff of the legislative committees with jurisdiction over transportation
56.5 policy and finance that compiles the information received under paragraph (a).

56.6 Sec. 54. Minnesota Statutes 2020, section 360.012, is amended by adding a subdivision
56.7 to read:

56.8 Subd. 1a. **Ordinances of political subdivisions.** A political subdivision must: (1) allow
56.9 the commissioner to review a proposed ordinance affecting the operation of an unmanned
56.10 aircraft; and (2) notify the commissioner whenever the political subdivision adopts an
56.11 ordinance affecting the operation of unmanned aircraft.

56.12 Sec. 55. Minnesota Statutes 2020, section 360.013, is amended by adding a subdivision
56.13 to read:

56.14 Subd. 57a. **Small unmanned aircraft.** "Small unmanned aircraft" means an aircraft, as
56.15 defined in subdivision 37, that weighs less than 55 pounds and is operated without the
56.16 possibility of human intervention from within or on the aircraft.

56.17 Sec. 56. Minnesota Statutes 2020, section 360.013, is amended by adding a subdivision
56.18 to read:

56.19 Subd. 57b. **Small unmanned aircraft system.** "Small unmanned aircraft system" means
56.20 a small unmanned aircraft and all of its associated elements, including components and
56.21 communication links, that are required to control and operate the aircraft.

56.22 Sec. 57. Minnesota Statutes 2020, section 360.55, is amended by adding a subdivision to
56.23 read:

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

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

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

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

Sec. 58. Minnesota Statutes 2020, section 360.59, subdivision 10, is amended to read:

Subd. 10. **Certificate of insurance.** (a) Every owner of aircraft in this state when applying for registration, reregistration, or transfer of ownership shall supply any information the commissioner reasonably requires to determine that the aircraft during the period of its contemplated operation is covered by an insurance policy with limits of not less than \$100,000 per passenger seat liability both for passenger bodily injury or death and for property damage; not less than \$100,000 for bodily injury or death to each nonpassenger in any one accident; and not less than \$300,000 per occurrence for bodily injury or death to nonpassengers in any one accident. The insurance must comply with section 60A.081, unless that section is inapplicable under section 60A.081, subdivision 3.

The information supplied to the commissioner must include but is not limited to the name and address of the owner, the period of contemplated use or operation, if any, and, if insurance coverage is then presently required, the name of the insurer, the insurance policy number, the term of the coverage, policy limits, and any other data the commissioner requires. No certificate of registration shall be issued pursuant to subdivision 3 in the absence of the information required by this subdivision.

(b) In the event of cancellation of aircraft insurance by the insurer, the insurer shall notify the Department of Transportation at least ten days prior to the date on which the insurance coverage is to be terminated. Unless proof of a new policy of insurance is filed with the department meeting the requirements of this subdivision during the period of the aircraft's contemplated use or operation, the registration certificate for the aircraft shall be revoked forthwith.

(c) Nothing in this subdivision shall be construed to require an owner of aircraft to maintain passenger seat liability coverage on aircraft for which an experimental certificate has been issued by the administrator of the Federal Aviation Administration pursuant to Code of Federal Regulations, title 14, sections 21.191 to 21.195 and ~~91.42~~ 91.319, whereunder persons operating the aircraft are prohibited from carrying passengers in the aircraft or for an unmanned aircraft. Whenever the aircraft becomes certificated to carry passengers, passenger seat liability coverage shall be required as provided in this subdivision.

(d) The requirements of this subdivision shall not apply to any aircraft built by the original manufacturer prior to December 31, 1939, and owned and operated solely as a collector's item, if the owner files an affidavit with the commissioner. The affidavit shall

state the owner's name and address, the name and address of the person from whom the aircraft was purchased, the make, year, and model number of the aircraft, the federal aircraft registration number, the manufacturer's identification number, and that the aircraft is owned and operated solely as a collector's item and not for general transportation purposes.

(e) A small unmanned aircraft system that meets the requirements of section 360.55, subdivision 9, is not subject to the requirements under paragraphs (a) and (b). Owners of small unmanned aircraft systems that meet the requirements of section 360.55, subdivision 9, must, at the time of registration, provide proof of insurability in a form acceptable to the commissioner. Additionally, such operators must maintain records and proof that each flight was insured for the limits established in paragraph (a).

Sec. 59. APPOINTMENTS; TRANSPORTATION PROGRAMMING AND INVESTMENT COMMITTEE.

The speaker of the house of representatives, minority leader of the house of representatives, the senate majority leader, and the senate minority leader must make the appointments to the Transportation Programming and Investment Committee by June 30, 2021.

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

Sec. 60. BUREAU OF CRIMINAL APPREHENSION LABORATORY EXPENDITURES.

Any bill in the legislature that proposes to spend money from the highway user tax distribution fund or trunk highway fund for the Bureau of Criminal Apprehension laboratory must be referred to the house of representatives and senate committees with jurisdiction over transportation finance prior to second reading of the bill.

Sec. 61. FREIGHT NETWORK OPTIMIZATION TOOL CREATION.

(a) The commissioner of transportation, in consultation with the commissioner of employment and economic development, must procure a statewide freight network optimization tool. The tool, at a minimum, must be able to:

(1) use data and mathematical models to reduce transportation inefficiencies for lowering supply chain costs to Minnesota businesses;

(2) develop return on investment metrics to promote public-private partnerships that result in network investments that address supply chain bottlenecks;

59.1 (3) analyze site locations for economic development that help to lower the cost of moving
59.2 goods;

59.3 (4) improve the state's capabilities for transportation network planning and creating an
59.4 efficient multimodal network for moving goods and people;

59.5 (5) identify investments that relieve freight bottlenecks which reduce costs for freight
59.6 transportation system users and generate public benefits; and

59.7 (6) develop strategic supply chain information to help identify economic development
59.8 opportunities for business expansion or relocation in Minnesota.

59.9 (b) The commissioner of transportation, in consultation with the commissioner of
59.10 employment and economic development and the Minnesota Freight Advisory Committee,
59.11 must establish a process that allows public or private entities to access and use the tool.

59.12 **Sec. 62. LEGISLATIVE ROUTE NO. 263 REMOVED.**

59.13 (a) Minnesota Statutes, section 161.115, subdivision 194, is repealed effective the day
59.14 after the commissioner of transportation receives a copy of the agreement between the
59.15 commissioner and the governing body of Martin County to transfer jurisdiction of Legislative
59.16 Route No. 263 and notifies the revisor of statutes under paragraph (b).

59.17 (b) The revisor of statutes shall delete the route identified in paragraph (a) from Minnesota
59.18 Statutes when the commissioner of transportation sends notice to the revisor electronically
59.19 or in writing that the conditions required to transfer the route have been satisfied.

59.20 **Sec. 63. LEGISLATIVE ROUTE NO. 267 REMOVED.**

59.21 (a) Minnesota Statutes, section 161.115, subdivision 198, is repealed effective the day
59.22 after the commissioner of transportation receives a copy of the agreement between the
59.23 commissioner and the governing body of Murray County to transfer jurisdiction of Legislative
59.24 Route No. 267 and notifies the revisor of statutes under paragraph (b).

59.25 (b) The revisor of statutes shall delete the route identified in paragraph (a) from Minnesota
59.26 Statutes when the commissioner of transportation sends notice to the revisor electronically
59.27 or in writing that the conditions required to transfer the route have been satisfied.

60.1 Sec. 64. **MNPASS LANES; REQUEST TO FEDERAL HIGHWAY**

60.2 **ADMINISTRATION.**

60.3 The commissioner of transportation must request approval from the Federal Highway
60.4 Administration to allow MnPASS lanes to be used by any vehicle on New Year's Day,
60.5 Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

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

60.7 Sec. 65. **TRAFFIC-CONTROL SIGNAL REQUIRED.**

60.8 If left turn lanes are constructed on marked Trunk Highway 47 at the intersection with
60.9 McKinley Street in Anoka, the commissioner of transportation must install a traffic-control
60.10 signal at the intersection.

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

60.12 Sec. 66. **TRANSPORTATION PROJECT SELECTION PROCESS.**

60.13 Subdivision 1. **Adoption of policy.** (a) The commissioner of transportation must develop,
60.14 adopt, and implement a policy for every program or process the commissioner uses to
60.15 evaluate, prioritize, or select capital projects; award grants for capital projects; or allocate
60.16 funding or resources for capital projects, including trunk highway and general obligation
60.17 bonds. At a minimum, the commissioner must adopt a policy for capital project selections
60.18 and programs for each of the following: rail grade separation program; greater Minnesota
60.19 transit capital program; safety improvements on crude oil corridors; facilities capital
60.20 improvement program; Minnesota rail service improvement program; port development
60.21 assistance program; and airport projects funded entirely with state or local funds. Prior to
60.22 developing, adopting, or implementing a policy for a program or selection process, the
60.23 commissioner must consult with the following entities, where appropriate: the Federal
60.24 Highway Administration; metropolitan planning organizations; regional development
60.25 commissions; area transportation partnerships; local governments; the Metropolitan Council;
60.26 transportation stakeholders; or other appropriate federal, state, or local government agencies.
60.27 The commissioner must develop, adopt, and implement the policy no later than November
60.28 1, 2022, and may update the policy as appropriate. The commissioner must publish the
60.29 policy and updates on the department's website and through other effective means selected
60.30 by the commissioner.

60.31 (b) For each selection process, the policy adopted under this section must:

61.1 (1) establish a process that identifies criteria, the weight of each criterion, and a process
61.2 to score each project based on the weighted criteria. The scoring system may consider project
61.3 readiness as a criterion for evaluation, but project readiness must not be a major factor in
61.4 determining the final score;

61.5 (2) identify and apply all relevant criteria contained in enacted Minnesota or federal law,
61.6 or added by the commissioner;

61.7 (3) identify for stakeholders and the general public the candidate project selected under
61.8 each selection process and every project considered that was not selected;

61.9 (4) involve area transportation partnerships and other local authorities, as appropriate,
61.10 in the process of scoring and ranking candidate projects under consideration;

61.11 (5) publicize scoring and decision outcomes concerning each candidate project, including
61.12 the projects that were considered but not selected, and the reason each project was not
61.13 selected; and

61.14 (6) require that the projects in the state transportation improvement program include the
61.15 score assigned to the project.

61.16 (c) This section does not apply to the following: the safe routes to school program under
61.17 Minnesota Statutes, section 174.40; the local bridge replacement program under Minnesota
61.18 Statutes, section 174.50; the local road improvement program under Minnesota Statutes,
61.19 section 174.52; highway railroad grade crossing-warning devices replacement; statewide
61.20 freight safety improvements; the airport capital improvement program; or high priority
61.21 bridges for the trunk highway system. This section does not apply to any programs or
61.22 processes for which the commissioner has already established a project selection process
61.23 pursuant to Laws 2017, First Special Session chapter 3, article 3, section 124.

61.24 (d) For purposes of this section, a capital project means a project to purchase, replace,
61.25 or recondition the physical assets that make up the transportation system.

61.26 Subd. 2. **Report to legislature.** By February 1, 2023, the commissioner must submit a
61.27 report to the chairs, ranking minority members, and staff of the legislative committees with
61.28 jurisdiction over transportation policy and finance concerning the adopted policy and how
61.29 the policy is anticipated to improve the consistency, objectivity, and transparency of the
61.30 selection process. The report must include information on input from members of the public
61.31 and the organizations identified in subdivision 1.

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

62.1 Sec. 67. **TRANSPORTATION REVENUE AND EXPENDITURES; REPORT.**

62.2 (a) The commissioner of transportation, in collaboration with the commissioners of
62.3 revenue and management and budget, must submit a report to the chairs and ranking minority
62.4 members of the legislative committees with jurisdiction over transportation policy and
62.5 finance on transportation revenues and expenditures in Minnesota.

62.6 (b) At a minimum, the report must include analysis regarding:

62.7 (1) revenue sources for transportation activities, including detailed information on how
62.8 much revenue is generated on both a geographic and a per-capita basis;

62.9 (2) the various constitutional and statutory formulas used to distribute transportation
62.10 funding, including detailed information on the amounts spent under each formula over the
62.11 past five years;

62.12 (3) expenditures for transportation-related activities, including detailed information on
62.13 how transportation funds are distributed and expended on both a geographic and a per-capita
62.14 basis;

62.15 (4) the current number of roadways with two or more paved lanes, on a per-county basis;
62.16 and

62.17 (5) the projected cost to meet Minnesota's transportation needs, taking into account
62.18 specific factors that include but are not limited to (i) action needed to achieve meaningful
62.19 congestion relief, and (ii) labor costs to both maintain existing transportation assets and
62.20 expand to meet future needs.

62.21 (c) The report under this section must be submitted no later than January 1, 2022.

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

62.23 Sec. 68. **REPEALER.**

62.24 (a) Minnesota Statutes 2020, section 16A.60, is repealed.

62.25 (b) Minnesota Statutes 2020, section 160.93, subdivisions 2a and 3, are repealed.

62.26 (c) Laws 2000, chapter 479, article 2, section 1, as amended by Laws 2000, chapter 499,
62.27 section 41, Laws 2001, First Special Session chapter 5, article 20, section 20, are repealed.

62.28 **EFFECTIVE DATE.** Paragraphs (a) and (b) are effective July 1, 2021. Paragraph (c)
62.29 is effective August 1, 2021.

64.1 from outside of tire rim to outside of tire rim that is 65 inches or less. All-terrain vehicle
64.2 includes a class 1 all-terrain vehicle and class 2 all-terrain vehicle.

64.3 (b) All-terrain vehicle does not include a an electric-assisted bicycle as defined in section
64.4 169.011, subdivision 27, golf cart, mini-truck, dune buggy, or go-cart or a vehicle designed
64.5 and used specifically for lawn maintenance, agriculture, logging, or mining purposes.

64.6 **EFFECTIVE DATE.** This section is effective August 1, 2021.

64.7 Sec. 4. Minnesota Statutes 2020, section 168.002, subdivision 18, is amended to read:

64.8 Subd. 18. **Motor vehicle.** (a) "Motor vehicle" means any self-propelled vehicle designed
64.9 and originally manufactured to operate primarily on highways, and not operated exclusively
64.10 upon railroad tracks. It includes any vehicle propelled or drawn by a self-propelled vehicle
64.11 and includes vehicles known as trackless trolleys that are propelled by electric power obtained
64.12 from overhead trolley wires but not operated upon rails. ~~It does not include snowmobiles,~~
64.13 ~~manufactured homes, or park trailers.~~

64.14 (b) "Motor vehicle" includes an all-terrain vehicle only if the all-terrain vehicle (1) has
64.15 at least four wheels, (2) is owned and operated by a physically disabled person, and (3)
64.16 displays both disability plates and a physically disabled certificate issued under section
64.17 169.345.

64.18 (c) "Motor vehicle" does not include an all-terrain vehicle except (1) an all-terrain vehicle
64.19 described in paragraph (b), or (2) an all-terrain vehicle licensed as a motor vehicle before
64.20 August 1, 1985. The owner may continue to license an all-terrain vehicle described in clause
64.21 (2) as a motor vehicle until it is conveyed or otherwise transferred to another owner, is
64.22 destroyed, or fails to comply with the registration and licensing requirements of this chapter.

64.23 (d) "Motor vehicle" does not include a snowmobile; a manufactured home; a park trailer;
64.24 an electric personal assistive mobility device as defined in section 169.011, subdivision 26;

64.25 ~~(e) "Motor vehicle" does not include~~ a motorized foot scooter as defined in section
64.26 169.011, subdivision 46; or an electric-assisted bicycle as defined in section 169.011,
64.27 subdivision 27.

64.28 ~~(f)~~ (e) "Motor vehicle" includes an off-highway motorcycle modified to meet the
64.29 requirements of chapter 169 according to section 84.788, subdivision 12.

64.30 **EFFECTIVE DATE.** This section is effective August 1, 2021.

Sec. 5. Minnesota Statutes 2020, section 168.013, subdivision 1m, is amended to read:

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

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

Sec. 6. Minnesota Statutes 2020, section 168.013, is amended by adding a subdivision to read:

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

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

Sec. 7. Minnesota Statutes 2020, section 168.013, is amended by adding a subdivision to read:

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

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

Sec. 8. Minnesota Statutes 2020, section 168.013, is amended by adding a subdivision to read:

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

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

Sec. 9. **[168.0135] MOTOR VEHICLE REGISTRATION SELF-SERVICE KIOSKS.**

Subdivision 1. **Authorization.** (a) The commissioner, in consultation with deputy registrars, must establish a process to implement, locate, and install self-service kiosks that may be used for passenger vehicle and motorcycle registration renewals. The commissioner must establish reasonable performance, security, technical, and financial standards to approve a vendor. Self-service kiosks authorized by this section must:

(1) allow a customer to renew a passenger vehicle or motorcycle registration pursuant to section 168.013, without assistance of a deputy registrar;

(2) collect the appropriate annual contribution for a special license plate;

(3) process requests for duplicate license plates, except that the self-service kiosk must not process any request for a special plate that requires documentation to prove eligibility to receive that type of plate;

(4) dispense license plate registration renewal stickers to the applicant at the time of the application; and

(5) display the contact phone number and e-mail address of the deputy registrar's office that is responsible for the self-service kiosk.

(b) A self-service kiosk may dispense license plates, except that a kiosk must not dispense any type of special license plate that requires documentation to prove eligibility to receive that type of plate.

(c) This section only applies to deputy registrars appointed pursuant to section 168.33, subdivision 2.

67.1 Subd. 2. **Administration.** (a) The commissioner must contract with a vendor to provide
67.2 the hardware and software necessary to implement the self-service kiosk program. The
67.3 commissioner must provide fair and reasonable access to department facilities, staff, and
67.4 technology. The vendor is responsible for the maintenance and installation of all self-service
67.5 kiosks. The vendor must provide training to deputy registrars on how to operate and
67.6 troubleshoot issues with a self-service kiosk.

67.7 (b) In order to have a self-service kiosk placed in a deputy registrar's service area, the
67.8 deputy registrar must make a request to the commissioner. The commissioner must review
67.9 the request. If the request is approved, the commissioner must place a self-service kiosk in
67.10 the requesting deputy registrar's service area.

67.11 (c) The deputy registrar that requested the placement of the self-service kiosk is
67.12 responsible for the kiosk. The deputy registrar must coordinate with the vendor for
67.13 administration and to ensure that all registration materials contained within the self-service
67.14 kiosks are properly handled and accounted for.

67.15 Subd. 3. **Fees.** (a) The commissioner may assess a convenience fee of \$5 or less for each
67.16 transaction completed using a self-service kiosk. The vendor must collect and retain the
67.17 revenue from any convenience fee that is assessed.

67.18 (b) The filing fees in section 168.33, subdivision 7, apply to transactions conducted at
67.19 a self-service kiosk. The deputy registrar must retain the filing fees.

67.20 (c) The fees authorized in this subdivision are in addition to any transaction fees,
67.21 convenience fees, or other fees charged by a financial institution for use of a debit or credit
67.22 card.

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

67.24 Sec. 10. Minnesota Statutes 2020, section 168.12, subdivision 1, is amended to read:

67.25 Subdivision 1. **Plates; design, visibility, periods of issuance.** (a) The commissioner,
67.26 upon approval and payment, shall issue to the applicant the plates required by this chapter,
67.27 bearing the state name and an assigned vehicle registration number. The number assigned
67.28 by the commissioner may be a combination of a letter or sign with figures. The color of the
67.29 plates and the color of the abbreviation of the state name and the number assigned must be
67.30 in marked contrast. The plates must be lettered, spaced, or distinguished to suitably indicate
67.31 the registration of the vehicle according to the rules of the commissioner.

(b) When a vehicle is registered on the basis of total gross weight, the plates issued must clearly indicate by letters or other suitable insignia the maximum gross weight for which the tax has been paid.

(c) Plates issued to a noncommercial vehicle must bear the inscription "noncommercial" unless the vehicle is displaying a special plate authorized and issued under this chapter.

(d) A one-ton pickup truck that is used for commercial purposes and is subject to section 168.185, is eligible to display special plates as authorized and issued under this chapter.

(e) The plates must be so treated as to be at least 100 times brighter than the conventional painted number plates. When properly mounted on an unlighted vehicle, the plates, when viewed from a vehicle equipped with standard headlights, must be visible for a distance of not less than 1,500 feet and readable for a distance of not less than 110 feet.

(f) The commissioner shall issue plates for the following periods:

(1) New plates issued pursuant to section 168.012, subdivision 1, must be issued to a vehicle for as long as the vehicle is owned by the exempt agency and the plate shall not be transferable from one vehicle to another but the plate may be transferred with the vehicle from one tax-exempt agency to another.

(2) Plates issued for passenger automobiles must be issued for a seven-year period. All plates issued under this paragraph must be replaced if they are seven years old or older at the time of registration renewal or will become so during the registration period.

(3) Plates issued under sections 168.053 and 168.27, subdivisions 16 and 17, must be for a seven-year period.

(4) Plates issued under subdivisions 2c and 2d and ~~section~~ sections 168.123, 168.1235, and 168.1255 must be issued for the life of the veteran under section 169.79.

(5) Plates for any vehicle not specified in clauses (1) to (3) must be issued for the life of the vehicle.

(g) In a year in which plates are not issued, the commissioner shall issue for each registration a sticker to designate the year of registration. This sticker must show the year or years for which the sticker is issued, and is valid only for that period. The plates and stickers issued for a vehicle may not be transferred to another vehicle during the period for which the sticker is issued, except when issued for a vehicle registered under section 168.187.

(h) Despite any other provision of this subdivision, plates issued to a vehicle used for behind-the-wheel instruction in a driver education course in a public school may be

transferred to another vehicle used for the same purpose without payment of any additional fee. The public school shall notify the commissioner of each transfer of plates under this paragraph. The commissioner may prescribe a format for notification.

Sec. 11. Minnesota Statutes 2020, section 168.12, subdivision 5, is amended to read:

Subd. 5. Additional fee. (a) In addition to any fee otherwise authorized or any tax otherwise imposed upon any vehicle, the payment of which is required as a condition to the issuance of any plate or plates, the commissioner shall impose the fee specified in paragraph (b) that is calculated to cover the cost of manufacturing and issuing the plate or plates, except for plates issued to disabled veterans as defined in section 168.031 and plates issued pursuant to section 168.124, 168.125, or 168.27, subdivisions 16 and 17, for passenger automobiles. The commissioner shall issue graphic design plates only for vehicles registered pursuant to section 168.017 and recreational vehicles registered pursuant to section 168.013, subdivision 1g.

(b) Unless otherwise specified or exempted by statute, the following plate and validation sticker fees apply for the original, duplicate, or replacement issuance of a plate in a plate year:

License Plate	Single	Double
Regular and Disability	\$ 5.25 <u>13.50</u>	\$ 7.00 <u>15.50</u>
	10.00	11.50
Special	\$ <u>13.50</u>	\$ <u>15.50</u>
	11.50	
Personalized (Replacement)	\$ <u>13.50</u>	\$ 15.50
	15.00	16.50
Collector Category	\$ <u>13.50</u>	\$ <u>15.50</u>
Emergency Vehicle Display	\$ 3.00	\$ 6.00
Utility Trailer Self-Adhesive	\$ 2.50	
Vertical Motorcycle Plate	\$ 100.00	NA
Replacement Dealer Plates	\$ 5.25	
Replacement Tax Exempt Plates	\$ 5.25	
Stickers		
Duplicate year	\$ 1.25 <u>1.50</u>	\$ 1.25 <u>1.50</u>
International Fuel Tax Agreement	\$ 2.50	

(c) Notwithstanding paragraph (b), for plates issued on and after August 1, 2019, and before July 1, 2022, the following plate and validation sticker fees apply for the original, duplicate, or replacement issuance of a plate in a plate year:

70.1	License Plate	Single	Double
70.2	Regular and Disability	\$ 6.00	\$ 8.00
70.3	Special	\$ 11.00	\$ 12.50
70.4	Personalized (Replacement)	\$ 12.50	\$ 16.50
70.5	Collector Category	\$ 16.00	\$ 17.50
70.6	Emergency Vehicle Display	\$ 3.00	\$ 6.00
70.7	Utility Trailer Self-Adhesive	\$ 2.50	
70.8	Vertical Motorcycle Plate	\$ 100.00	NA
70.9	Replacement Dealer Plates	\$ 5.25	
70.10	Replacement Tax Exempt Plates	\$ 5.25	
70.11	Stickers		
70.12	Duplicate year	\$ 1.50	\$ 1.50
70.13	International Fuel Tax Agreement	\$ 2.50	

70.14 (d) For vehicles that require two of the categories in paragraph (b) or (c), the registrar
70.15 shall only charge the higher of the two fees and not a combined total.

70.16 Sec. 12. **[168.1258] MINNESOTA 100 CLUB PLATES.**

70.17 **Subdivision 1. Issuance of plates.** The commissioner must issue Minnesota 100 Club
70.18 special plates or a single motorcycle plate to an applicant who:

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

70.21 (2) pays the registration tax as required under section 168.013;

70.22 (3) pays a fee in the amount specified under section 168.12, subdivision 5, for each set
70.23 of plates, along with any other fees required by this chapter;

70.24 (4) contributes a minimum of \$40 annually to the Minnesota 100 Club account; and

70.25 (5) complies with this chapter and rules governing registration of motor vehicles and
70.26 licensing of drivers.

70.27 **Subd. 2. Design.** The commissioner must adopt a suitable design for the plate, in
70.28 consultation with representatives from the Minnesota 100 Club.

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

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

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

71.2 Subd. 4. **Exemption.** Special plates issued under this section are not subject to section
71.3 168.1293, subdivision 2.

71.4 Subd. 5. **Contributions; account; appropriation.** Contributions collected under
71.5 subdivision 1, clause (4), must be deposited in the Minnesota 100 Club account, which is
71.6 established in the special revenue fund. Money in the account is annually appropriated to
71.7 the commissioner. This appropriation is first for the annual cost of administering the account
71.8 funds, and the remaining funds are for distribution to the Minnesota 100 Club to further the
71.9 organization's mission and purpose of providing charitable gifts and contributions.

71.10 **EFFECTIVE DATE.** This section is effective July 1, 2021, for Minnesota 100 Club
71.11 special plates issued on or after that date.

71.12 Sec. 13. **[168.1283] MINNESOTA AGRICULTURE SPECIAL PLATES.**

71.13 Subdivision 1. **Issuance of plates.** The commissioner must issue Minnesota agriculture
71.14 special plates or a single motorcycle plate to an applicant who:

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

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

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

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

71.21 (5) contributes a minimum of \$20 annually to the Minnesota agriculture account; and

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

71.24 Subd. 2. **Design.** In consultation with the commissioner of agriculture, the commissioner
71.25 must adopt a suitable plate design that includes a depiction of lands and activity related to
71.26 agriculture.

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

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

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

72.1 Subd. 4. **Exemption.** Special plates issued under this section are not subject to section
72.2 168.1293, subdivision 2.

72.3 Subd. 5. **Contributions; account; appropriation.** Contributions collected under
72.4 subdivision 1, clause (5), must be deposited in the Minnesota agriculture account, which is
72.5 established in the special revenue fund. Money in the account is appropriated to the
72.6 commissioner of public safety. This appropriation is first for the annual cost of administering
72.7 the account funds, and the remaining funds are for distribution to (1) the Minnesota FFA
72.8 Foundation to support the mission of the foundation, and (2) the University of Minnesota
72.9 Extension Service to support Minnesota 4-H programming and activities. The commissioner
72.10 must annually consult with the Minnesota FFA Foundation and the University of Minnesota
72.11 Extension Service for recommendations regarding how to allocate funds.

72.12 **EFFECTIVE DATE.** This section is effective January 1, 2022, for Minnesota agriculture
72.13 special plates issued on or after that date.

72.14 Sec. 14. Minnesota Statutes 2020, section 168.183, is amended to read:

72.15 **168.183 MOTOR VEHICLES OF CERTAIN NONRESIDENTS.**

72.16 Subdivision 1. **Payment of taxes.** All trucks, truck-tractors, trucks using combination,
72.17 and buses which comply with all of the provisions of section 168.181, subdivision 1, clause
72.18 (6), but are excluded from the exemptions solely because of the temporary nature of their
72.19 movement in this state, shall be required to comply with all laws and rules as to the payment
72.20 of taxes applicable to like vehicles owned by Minnesota residents, except that nonresidents
72.21 may make application to pay the tax for each vehicle proportionate to the number of months
72.22 or fraction thereof the vehicles are in this state. For the purposes of this subdivision, buses
72.23 do not include charter buses that are considered proratable vehicles under section 168.187,
72.24 subdivision 4. Fees are determined by section 168.013, subdivision 1e.

72.25 Subd. 2. **Contents of application.** The application shall contain such information and
72.26 shall be executed in such manner as the registrar may require and shall include a complete
72.27 itinerary of the applicant and shall be accompanied by such evidence of ownership as the
72.28 registrar shall deem necessary.

72.29 Subd. 3. **Permit.** Upon payment of the required tax the registrar shall issue, in lieu of
72.30 registration plates, a permit for each vehicle so taxed. The permit shall contain the name
72.31 and address of the owner, the make, type, serial number and year model of the vehicle, the
72.32 expiration date and any other information deemed necessary by the registrar. The permit

73.1 must be ~~carried in the vehicle at all times~~ available in a format prescribed by the registrar
73.2 while the vehicle is being operated in this state.

73.3 Sec. 15. Minnesota Statutes 2020, section 168.301, subdivision 1, is amended to read:

73.4 Subdivision 1. **Surrender plates and credit tax paid.** (a) On transferring a motor
73.5 vehicle, the transferor shall surrender the registration plates and assign the registration tax
73.6 paid to the credit of the transferee.

73.7 (b) A fee of \$10 shall be charged on each transfer of title within the state, other than
73.8 transfers for resale purposes, of every motor vehicle weighing more than 1,000 pounds, as
73.9 specified in section 115A.908.

73.10 Sec. 16. Minnesota Statutes 2020, section 168.31, subdivision 4, is amended to read:

73.11 Subd. 4. **Installments; registration generally.** (a) If the tax for a vehicle assessed under
73.12 section 168.013, subdivision 1c, 1d, 1e, or 1g, amounts to more than \$400, the owner may
73.13 pay the tax by installments.

73.14 (b) The owner shall tender with the application for registration one-third of the annual
73.15 tax due or \$400, whichever is greater, plus any penalties or arrears, plus a fee of \$10. Instead
73.16 of this fee, the applicant may furnish a bond, bank letter of credit, or certificate of deposit
73.17 approved by the registrar of motor vehicles, for the total of the tax still due. The amount of
73.18 the bond, letter of credit, or certificate of deposit may include any penalties assessed. The
73.19 bond, letter of credit, or certificate of deposit must be for the benefit of the state for monetary
73.20 loss caused by failure of the vehicle owner to pay delinquent license fees and penalties.

73.21 (c) The remainder of the tax due must be paid in two equal installments; ~~The due date~~
73.22 ~~of the first installment is the first day of the fifth month of the registration period for which~~
73.23 ~~the tax is assessed~~ July 1, and the second installment is due ~~on the first day of the ninth~~
73.24 ~~month of the registration period for which the tax is assessed~~ November 1.

73.25 (d) When the applicant elects to pay the administrative fee, the registrar shall issue to
73.26 the applicant validation stickers indicating the expiration date of a registration. When the
73.27 applicant elects to furnish a bond, bank letter, or letter of deposit, the registrar shall issue
73.28 regular validation stickers for the registration year.

73.29 (e) If an owner of a vehicle fails to pay an installment on or before its due date, the
73.30 vehicle must not be used on the public streets or highways in this state until the installment
73.31 or installments of the tax remaining due on the vehicle have been paid in full for the licensed
73.32 year together with a penalty at the rate of \$1 per day for the remainder of the month in which

the balance of the tax becomes due and \$4 a month for each succeeding month or fraction of a month during which the balance of the tax remains unpaid. Upon the payment of the balance of the tax and the penalties, the registrar shall issue a registration certificate to the owner of the vehicle in the manner provided by law. The registrar shall deny installment payment privileges provided in this subdivision in the subsequent year to any owner on any or all vehicles of the owner who during the current year fails to pay any installment due within one month after the due date.

Sec. 17. Minnesota Statutes 2020, section 168.327, is amended by adding a subdivision to read:

Subd. 5a. **Vehicle records subscription service.** (a) The commissioner may implement a vehicle record subscription service to provide information concerning access to motor vehicle records, including regular notice of records that have changed, to subscribers who:

(1) pay applicable fees; and

(2) are approved by the commissioner in accordance with section 168.346 and United States Code, title 18, section 2721.

(b) If a vehicle records subscription service is implemented, the commissioner must establish a fee that does not exceed \$3,680 per month for a subscription to the service. Fees collected under this paragraph must be credited to the vehicle services operating account under section 299A.705, subdivision 1, and are appropriated to the commissioner for the purposes in this paragraph and paragraph (a).

(c) If a motor vehicle records subscription service is implemented, the commissioner must charge a fee of \$0.02 per motor vehicle record requested. Of the fees collected, 20 percent must be credited to the vehicle services operating account under section 299A.705, subdivision 1, and is appropriated to the commissioner for the purposes of this subdivision; 30 percent must be credited to the data security account in the special revenue fund under section 3.9741, subdivision 5; and 50 percent must be credited to the driver and vehicle services technology account under section 299A.705, subdivision 3.

Sec. 18. Minnesota Statutes 2020, section 168.327, subdivision 6, is amended to read:

Subd. 6. Review and audit of ~~purchases of bulk driver license and motor vehicle records~~ subscription service. Each ~~subscriber and each requester of bulk vehicle records~~ subscription of vehicle records or driver license records shall annually engage an independent professional organization to audit its uses of ~~bulk~~ data and its information technology security

procedures, including the methods and practices employed in the processing and use of driver and vehicle services data. Within 30 days of the date of the audit report, each subscriber and requester must submit each report to the legislative auditor and the commissioner.

Sec. 19. Minnesota Statutes 2020, section 168.327, is amended by adding a subdivision to read:

Subd. 7. Custom data request record fee. (a) For purposes of this subdivision, "custom data request records" means a total of 1,000 or more vehicle title records and vehicle registration records or a total of 1,000 or more driver's license records.

(b) The commissioner must charge a fee of \$0.02 per record for custom data request vehicle records and custom data request vehicle registration records or custom data request driver's license records.

(c) Of the vehicle record fees collected, 20 percent must be credited to the vehicle services operating account under section 299A.705, subdivision 1, and is appropriated to the commissioner for the purposes of this subdivision; 30 percent must be credited to the data security account in the special revenue fund under section 3.9741, subdivision 5; and 50 percent must be credited to the driver and vehicle services technology account under section 299A.705, subdivision 3.

(d) Of the driver's license record fees collected, 20 percent must be credited to the driver services operating account under section 299A.705, subdivision 2 and is appropriated to the commissioner for the purposes of this subdivision; 30 percent must be credited to the data security account in the special revenue fund under section 3.9741, subdivision 5; and 50 percent must be credited to the driver and vehicle services technology account under section 299A.705, subdivision 3.

(e) Additional fees apply for technical staff to create the custom set of data.

Sec. 20. Minnesota Statutes 2020, section 168.33, subdivision 7, is amended to read:

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

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

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

76.1 (b) Notwithstanding paragraph (a):

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

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

76.6 (c) For every transaction where a deputy registrar collects a fee pursuant to paragraph
76.7 (a), clause (1), the commissioner must transmit a payment of \$1 to the deputy registrar that
76.8 collected the fee. For every transaction where a deputy registrar collects a fee pursuant to
76.9 paragraph (a), clause (2), the commissioner must transmit a payment of \$3 to the deputy
76.10 registrar that collected the fee. The commissioner must make the payments required by this
76.11 paragraph on a quarterly basis. An amount sufficient to make the payments required by this
76.12 paragraph is appropriated to the commissioner from the vehicle services operating account
76.13 in the special revenue fund.

76.14 (d) The filing fee must be shown as a separate item on all registration renewal notices
76.15 sent out by the commissioner.

76.16 ~~(d)~~ (e) The statutory fees and taxes, and the filing fees imposed under paragraph (a) may
76.17 be paid by credit card or debit card. The deputy registrar may collect a surcharge on the
76.18 statutory fees, taxes, and filing fee not greater than the cost of processing a credit card or
76.19 debit card transaction, in accordance with emergency rules established by the commissioner
76.20 of public safety. The surcharge must be used to pay the cost of processing credit and debit
76.21 card transactions.

76.22 ~~(e)~~ (f) The fees collected under this subdivision by the department must be allocated as
76.23 follows:

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

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

76.26 (ii) \$1.50 must be deposited in the driver and vehicle services technology account; and

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

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

76.29 (ii) \$6.00 must be deposited in the vehicle services operating account; and

76.30 (iii) \$1.50 must be deposited in the driver and vehicle services technology account.

77.1 **EFFECTIVE DATE.** This section is effective July 1, 2021, and applies to transactions
77.2 completed on or after that date.

77.3 Sec. 21. Minnesota Statutes 2020, section 168.63, subdivision 5, is amended to read:

77.4 Subd. 5. **Annual recomputation and tax adjustment.** At the close of each calendar
77.5 year and not later than February 15th of the next succeeding year, beginning with 1959, the
77.6 registrar of motor vehicles shall recompute and redetermine the number of intercity buses
77.7 required to have been registered in Minnesota for the prior year and the actual amount of
77.8 tax liability for such previous year shall likewise be redetermined. Any additional tax which
77.9 may be due by any owner or operator of intercity buses shall be paid forthwith. If it is
77.10 determined as a result of such recomputation that there has been an overpayment of tax, the
77.11 amount of such overpayment shall be credited to the amount of tax which may be due by
77.12 the owner or operator of intercity buses in any subsequent year. In the event any owner or
77.13 operator of intercity buses discontinues operations in Minnesota and has a tax credit due as
77.14 a result of overpayment of motor vehicle taxes for any year, the amount of such overpayment
77.15 shall be refunded. Such sums as are necessary to make the refunds herein are hereby
77.16 appropriated annually from the ~~highway user tax distribution~~ general fund.

77.17 Sec. 22. Minnesota Statutes 2020, section 168A.11, subdivision 1, is amended to read:

77.18 Subdivision 1. **Requirements upon subsequent transfer; service fee.** (a) A dealer who
77.19 buys a vehicle and holds it for resale need not apply for a certificate of title. Upon transferring
77.20 the vehicle to another person, other than by the creation of a security interest, the dealer
77.21 shall promptly execute the assignment and warranty of title by a dealer, showing the names
77.22 and addresses of the transferee and of any secured party holding a security interest created
77.23 or reserved at the time of the resale, and the date of the security agreement in the spaces
77.24 provided therefor on the certificate of title or secure reassignment.

77.25 (b) If a dealer elects to apply for a certificate of title on a vehicle held for resale, the
77.26 dealer need not register the vehicle but shall pay one month's registration tax. If a dealer
77.27 elects to apply for a certificate of title on a vehicle held for resale, the department shall not
77.28 place any legend on the title that no motor vehicle sales tax was paid by the dealer, but may
77.29 indicate on the title whether the vehicle is a new or used vehicle.

77.30 (c) With respect to motor vehicles subject to the provisions of section 325E.15, the dealer
77.31 shall also, in the space provided therefor on the certificate of title or secure reassignment,
77.32 state the true cumulative mileage registered on the odometer or that the exact mileage is

78.1 unknown if the odometer reading is known by the transferor to be different from the true
78.2 mileage.

78.3 (d) The transferee shall complete the application for title section on the certificate of
78.4 title or separate title application form prescribed by the department. The dealer shall mail
78.5 or deliver the certificate to the registrar or deputy registrar with the transferee's application
78.6 for a new certificate and appropriate taxes and fees, within ten business days.

78.7 (e) With respect to vehicles sold to buyers who will remove the vehicle from this state,
78.8 the dealer shall remove any license plates from the vehicle, issue a 31-day temporary permit
78.9 pursuant to section 168.091, and notify the registrar within 48 hours of the sale that the
78.10 vehicle has been removed from this state. The notification must be made in an electronic
78.11 format prescribed by the registrar. The dealer may contract with a deputy registrar for the
78.12 notification of sale to an out-of-state buyer. The deputy registrar may charge a fee ~~not to~~
78.13 ~~exceed~~ of \$7 per transaction to provide this service.

78.14 Sec. 23. Minnesota Statutes 2020, section 168A.11, subdivision 2, is amended to read:

78.15 Subd. 2. **Notification on vehicle held for resale; service fee.** Within 48 hours of
78.16 acquiring a vehicle titled and registered in Minnesota, a dealer shall notify the registrar that
78.17 the dealership is holding the vehicle for resale. The notification must be made electronically
78.18 as prescribed by the registrar. The dealer may contract this service to a deputy registrar and
78.19 the registrar may charge a fee ~~not to exceed~~ of \$7 per transaction to provide this service.

78.20 Sec. 24. Minnesota Statutes 2020, section 168A.151, subdivision 1, is amended to read:

78.21 Subdivision 1. **Salvage titles.** (a) When an insurer, licensed to conduct business in
78.22 Minnesota, acquires ownership of a ~~late-model or high-value~~ vehicle through payment of
78.23 damages, the insurer shall immediately apply for a salvage certificate of title or shall stamp
78.24 the existing certificate of title with the legend "SALVAGE CERTIFICATE OF TITLE" in
78.25 a manner prescribed by the department. Within ten days of obtaining the title of a vehicle
78.26 through payment of damages, an insurer must notify the department in a manner prescribed
78.27 by the department.

78.28 (b) A person shall immediately apply for a salvage certificate of title if the person acquires
78.29 a damaged ~~late-model or high-value~~ vehicle with an out-of-state title and the vehicle:

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

78.31 (2) is a vehicle for which the cost of repairs exceeds the value of the damaged vehicle;

78.32 or

79.1 (3) has an out-of-state salvage certificate of title as proof of ownership.

79.2 (c) A self-insured owner of a ~~late-model or high-value~~ vehicle that sustains damage by
79.3 collision or other occurrence which exceeds 80 percent of its actual cash value shall
79.4 immediately apply for a salvage certificate of title.

79.5 (d) A person who retains ownership of a late-model or high-value motor vehicle and
79.6 receives a total loss settlement from an insurance company, shall immediately apply for a
79.7 salvage certificate of title.

79.8 **EFFECTIVE DATE.** This section is effective January 1, 2023, and applies to: (1) a
79.9 vehicle subject to this section that is acquired on or after that date; (2) a vehicle that sustains
79.10 damage by collision as described in paragraph (c) on or after that date; or (3) a vehicle for
79.11 which a person receives a total loss settlement as described in paragraph (d) on or after that
79.12 date.

79.13 Sec. 25. Minnesota Statutes 2020, section 169.011, is amended by adding a subdivision
79.14 to read:

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

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

79.19 Sec. 26. Minnesota Statutes 2020, section 169.011, is amended by adding a subdivision
79.20 to read:

79.21 Subd. 15a. **Class 1 electric-assisted bicycle.** "Class 1 electric-assisted bicycle" means
79.22 an electric-assisted bicycle equipped with an electric motor that provides assistance only
79.23 when the rider is pedaling and ceases to provide assistance when the bicycle reaches the
79.24 speed of 20 miles per hour.

79.25 **EFFECTIVE DATE.** This section is effective August 1, 2021.

79.26 Sec. 27. Minnesota Statutes 2020, section 169.011, is amended by adding a subdivision
79.27 to read:

79.28 Subd. 15b. **Class 2 electric-assisted bicycle.** "Class 2 electric-assisted bicycle" means
79.29 an electric-assisted bicycle equipped with an electric motor that is capable of propelling the
79.30 bicycle without the rider pedaling and ceases to provide assistance when the bicycle reaches
79.31 the speed of 20 miles per hour.

80.1 **EFFECTIVE DATE.** This section is effective August 1, 2021.

80.2 Sec. 28. Minnesota Statutes 2020, section 169.011, is amended by adding a subdivision
80.3 to read:

80.4 Subd. 15c. **Class 3 electric-assisted bicycle.** "Class 3 electric-assisted bicycle" means
80.5 an electric-assisted bicycle equipped with an electric motor that provides assistance only
80.6 when the rider is pedaling and ceases to provide assistance when the bicycle reaches the
80.7 speed of 28 miles per hour.

80.8 **EFFECTIVE DATE.** This section is effective August 1, 2021.

80.9 Sec. 29. Minnesota Statutes 2020, section 169.011, subdivision 27, is amended to read:

80.10 Subd. 27. **Electric-assisted bicycle.** "Electric-assisted bicycle" means a bicycle with
80.11 two or three wheels that:

80.12 (1) has a saddle and fully operable pedals for human propulsion;

80.13 (2) meets the requirements:

80.14 ~~(i) of federal motor vehicle safety standards for a motor-driven cycle in Code of Federal~~
80.15 ~~Regulations, title 49, sections 571.1 et seq.; or~~

80.16 ~~(ii) for bicycles under Code of Federal Regulations, title 16, part 1512, or successor~~
80.17 ~~requirements; and~~

80.18 (3) ~~has~~ is equipped with an electric motor that ~~(i) has a power output of not more than~~
80.19 ~~1,000~~ 750 watts; ~~(ii) is incapable of propelling the vehicle at a speed of more than 20 miles~~
80.20 ~~per hour, (iii) is incapable of further increasing the speed of the device when human power~~
80.21 ~~alone is used to propel the vehicle at a speed of more than 20 miles per hour, and (iv)~~
80.22 ~~disengages or ceases to function when the vehicle's brakes are applied; and~~

80.23 (4) meets the requirements of a class 1, class 2, or class 3 electric-assisted bicycle.

80.24 **EFFECTIVE DATE.** This section is effective August 1, 2021.

80.25 Sec. 30. Minnesota Statutes 2020, section 169.011, subdivision 42, is amended to read:

80.26 Subd. 42. **Motor vehicle.** (a) "Motor vehicle" means every vehicle which is self-propelled
80.27 and every vehicle which is propelled by electric power obtained from overhead trolley wires.

80.28 (b) Motor vehicle does not include an electric-assisted bicycle; an electric personal
80.29 assistive mobility device; or a vehicle moved solely by human power.

81.1 **EFFECTIVE DATE.** This section is effective August 1, 2021.

81.2 Sec. 31. Minnesota Statutes 2020, section 169.011, is amended by adding a subdivision
81.3 to read:

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

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

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

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

81.11 Sec. 32. Minnesota Statutes 2020, section 169.035, subdivision 3, is amended to read:

81.12 Subd. 3. **Transportation by animal.** ~~Every~~ A person riding an animal or ~~driving any~~
81.13 ~~animal drawing a~~ operating an animal-drawn vehicle upon a roadway ~~shall be~~ is subject to
81.14 the provisions of this chapter applicable to the driver of a vehicle, except those provisions
81.15 which by their nature can have no application. A person operating an animal-drawn vehicle
81.16 must comply with sections 169.18, subdivision 10; 169.522; and 169.58, subdivision 6.

81.17 Sec. 33. Minnesota Statutes 2020, section 169.09, subdivision 13, is amended to read:

81.18 Subd. 13. **Reports confidential; evidence, fee, penalty, appropriation.** (a) All reports
81.19 and supplemental information required under this section must be for the use of the
81.20 commissioner of public safety and other appropriate state, federal, county, and municipal
81.21 governmental agencies for accident analysis purposes, except:

81.22 (1) upon written request, the commissioner of public safety or any law enforcement
81.23 agency shall disclose the report required under subdivision 8 to:

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

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

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

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

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

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

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

82.8 (4) the commissioner of public safety shall provide the commissioner of transportation
82.9 the information obtained for each traffic accident involving a commercial motor vehicle,
82.10 for purposes of administering commercial vehicle safety regulations;

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

82.15 (6) the commissioner of public safety may give to the United States Department of
82.16 Transportation commercial vehicle accident information in connection with federal grant
82.17 programs relating to safety.

82.18 (b) Accident reports and data contained in the reports are not discoverable under any
82.19 provision of law or rule of court. No report shall be used as evidence in any trial, civil or
82.20 criminal, or any action for damages or criminal proceedings arising out of an accident.
82.21 However, the commissioner of public safety shall furnish, upon the demand of any person
82.22 who has or claims to have made a report or upon demand of any court, a certificate showing
82.23 that a specified accident report has or has not been made to the commissioner solely to prove
82.24 compliance or failure to comply with the requirements that the report be made to the
82.25 commissioner.

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

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

(e) The commissioner of public safety shall charge authorized persons as described in paragraph (a) a \$5 fee for a copy of an accident report. Ninety percent of the \$5 fee collected under this paragraph must be deposited in the special revenue fund and credited to the driver services operating account established in section 299A.705 and ten percent must be deposited in the general fund. The commissioner may also furnish an electronic copy of the database of accident records, which must not contain personal or private data on an individual, to private agencies as provided in paragraph (g), for not less than the cost of preparing the copies on a bulk basis as provided in section 13.03, subdivision 3.

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

(g) The fees in paragraphs (e) and (f) notwithstanding, the commissioner shall provide an electronic copy of the accident records database to the public on a case-by-case basis using the cost-recovery charges provided for under section 13.03, subdivision 3. The database provided must not contain personal or private data on an individual. However, unless the accident records database includes the vehicle identification number, the commissioner shall include the vehicle registration plate number if a private agency certifies and agrees that the agency:

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

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

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

Sec. 34. Minnesota Statutes 2020, section 169.18, subdivision 10, is amended to read:

Subd. 10. **Slower vehicles.** (a) Upon a roadway with one lane in the direction of travel, a person proceeding at a speed that is sufficiently low as to create a traffic hazard, including when operating an animal-drawn vehicle upon a roadway or shoulder of a roadway, must operate the vehicle as close as practicable to the right-hand curb or edge of the roadway.

(b) Upon a roadway with more than one lane in the same direction of travel, a person must move out of the left-most lane to allow another vehicle to pass, when practicable under existing conditions. A left-most lane under this paragraph is the lane adjacent to one designated and posted for a specific type of traffic, including as provided under section 160.93. This paragraph does not apply when:

- (1) overtaking and passing another vehicle proceeding in the same direction;
- (2) preparing for a left turn at an intersection or into a private road or driveway;
- (3) preparing to exit a controlled-access highway on the left side of the road;
- (4) the lane is designated and posted for a specific type of traffic; or
- (5) the vehicle is an authorized emergency vehicle.

Sec. 35. Minnesota Statutes 2020, section 169.222, subdivision 4, is amended to read:

Subd. 4. **Riding rules.** (a) Every person operating a bicycle upon a roadway shall ride as close as practicable to the right-hand curb or edge of the roadway except under any of the following situations:

- (1) when overtaking and passing another vehicle proceeding in the same direction;
- (2) when preparing for a left turn at an intersection or into a private road or driveway;
- (3) when reasonably necessary to avoid conditions, including fixed or moving objects, vehicles, pedestrians, animals, surface hazards, or narrow width lanes, that make it unsafe to continue along the right-hand curb or edge; or
- (4) when operating on the shoulder of a roadway or in a bicycle lane.

(b) If a bicycle is traveling on a shoulder of a roadway, the bicycle shall travel in the same direction as adjacent vehicular traffic.

(c) Persons riding bicycles upon a roadway or shoulder shall not ride more than two abreast and shall not impede the normal and reasonable movement of traffic and, on a laned roadway, shall ride within a single lane.

(d) A person operating a bicycle upon a sidewalk, or across a roadway or shoulder on a crosswalk, shall yield the right-of-way to any pedestrian and shall give an audible signal when necessary before overtaking and passing any pedestrian. No person shall ride a bicycle upon a sidewalk within a business district unless permitted by local authorities. Local authorities may prohibit the operation of bicycles on any sidewalk or crosswalk under their jurisdiction.

(e) An individual operating a bicycle or other vehicle on a bikeway shall leave a safe distance when overtaking a bicycle or individual proceeding in the same direction on the bikeway, and shall maintain clearance until safely past the overtaken bicycle or individual.

(f) A person lawfully operating a bicycle on a sidewalk, or across a roadway or shoulder on a crosswalk, shall have all the rights and duties applicable to a pedestrian under the same circumstances.

~~(g) A person may operate an electric-assisted bicycle on the shoulder of a roadway, on a bikeway, or on a bicycle trail if not otherwise prohibited under section 85.015, subdivision 1d; 85.018, subdivision 2, paragraph (d); or 160.263, subdivision 2, paragraph (b), as applicable.~~

EFFECTIVE DATE. This section is effective August 1, 2021.

Sec. 36. Minnesota Statutes 2020, section 169.222, subdivision 6a, is amended to read:

Subd. 6a. **Operator age Electric-assisted bicycle; riding rules.** (a) A person may operate an electric-assisted bicycle in the same manner as provided for operation of other bicycles, including but not limited to operation on the shoulder of a roadway, a bicycle lane, and a bicycle route, and operation without the motor engaged on a bikeway or bicycle trail.

(b) A person may operate a class 1 or class 2 electric-assisted bicycle with the motor engaged on a bicycle path, bicycle trail, or shared use path unless prohibited under section 85.015, subdivision 1d; 85.018, subdivision 2, paragraph (d); or 160.263, subdivision 2, paragraph (b), as applicable.

(c) A person may operate a class 3 electric-assisted bicycle with the motor engaged on a bicycle path, bicycle trail, or shared use path unless the local authority or state agency having jurisdiction over the bicycle path or trail prohibits the operation.

(d) The local authority or state agency having jurisdiction over a trail that is designated as nonmotorized, and that has a natural surface tread made by clearing and grading the native soil with no added surfacing materials, may regulate the operation of an electric-assisted bicycle.

(e) No person under the age of 15 shall operate an electric-assisted bicycle.

EFFECTIVE DATE. This section is effective August 1, 2021.

86.1 Sec. 37. Minnesota Statutes 2020, section 169.222, is amended by adding a subdivision
86.2 to read:

86.3 Subd. 6b. **Electric-assisted bicycle; equipment.** (a) The manufacturer or distributor of
86.4 an electric-assisted bicycle must apply a label to the bicycle that is permanently affixed in
86.5 a prominent location. The label must contain the classification number, top assisted speed,
86.6 and motor wattage of the electric-assisted bicycle, and must be printed in a legible font with
86.7 at least 9-point type.

86.8 (b) A person must not modify an electric-assisted bicycle to change the motor-powered
86.9 speed capability or motor engagement unless the person replaces the label required in
86.10 paragraph (a) with revised information.

86.11 (c) An electric-assisted bicycle must operate in a manner so that the electric motor is
86.12 disengaged or ceases to function when the rider stops pedaling or when the brakes are
86.13 applied.

86.14 (d) A class 3 electric-assisted bicycle must be equipped with a speedometer that displays
86.15 the speed at which the bicycle is traveling in miles per hour.

86.16 **EFFECTIVE DATE.** Paragraph (a) is effective January 1, 2022. Paragraphs (b) to (d)
86.17 are effective August 1, 2021.

86.18 Sec. 38. Minnesota Statutes 2020, section 169.451, subdivision 3, is amended to read:

86.19 Subd. 3. ~~**Rules of commissioner**~~ **Inspection criteria.** (a) ~~The commissioner of public~~
86.20 ~~safety shall provide by rule for the issuance and display of distinctive inspection certificates.~~

86.21 ~~(b) The commissioner of public safety shall provide by rule a point system for evaluating~~
86.22 ~~the effect on safety operation of any variance from law detected during inspections conducted~~
86.23 ~~pursuant to subdivision 1.~~

86.24 (a) The Department of Public Safety shall inspect school buses in accordance with the
86.25 School Bus Inspection Manual as prescribed in section 169.4501, subdivision 3. Upon
86.26 completion of an inspection, a printed or electronic vehicle examination report must be
86.27 provided to the carrier or school district.

86.28 (b) A school bus displaying a defect as defined in the "School Bus Recommended
86.29 Out-of-Service Criteria" in the most recent edition of the "National School Transportation
86.30 Specification and Procedures" adopted by the National Congress on School Transportation
86.31 is deemed unsafe for student transportation. A rejection sticker shall be affixed to the lower
86.32 left corner of the windshield. The sticker shall be removed only upon authorization from a

87.1 member of the State Patrol who has determined that all defects have been corrected. Pending
87.2 reinspection and certification of the vehicle by a member of the State Patrol, a bus bearing
87.3 a rejection sticker may be used to transport students if the defects have been corrected and
87.4 the vehicle examination report is signed by the owner or a designee certifying that all defects
87.5 have been corrected. The signed report shall be carried in the first aid kit on the bus.

87.6 (c) A school bus that has had an inspection completed in which no out-of-service defects
87.7 were identified is deemed to have passed the inspection and an inspection certificate shall
87.8 be affixed to the lower left corner of the windshield. All defects identified must be repaired
87.9 within 14 days of the inspection. The person completing the repairs shall sign and date the
87.10 inspection report indicating the repairs were made. The inspection report must be retained
87.11 at the principle place of business of the carrier or school district for 12 months following
87.12 the inspection and must be available for review by a representative of the commissioner of
87.13 public safety.

87.14 (d) A defect discovered during an inspection that was identified during a previous
87.15 inspection but has not been corrected results in a failed inspection. A rejection sticker shall
87.16 be affixed to the lower left corner of the windshield.

87.17 Sec. 39. Minnesota Statutes 2020, section 169.522, subdivision 1, is amended to read:

87.18 Subdivision 1. **Displaying emblem; rules.** (a) All animal-drawn vehicles, motorized
87.19 golf carts when operated on designated roadways pursuant to section 169.045, implements
87.20 of husbandry, and other machinery, including all road construction machinery, which are
87.21 designed for operation at a speed of 30 miles per hour or less, must display a triangular
87.22 slow-moving vehicle emblem, except (1) when being used in actual construction and
87.23 maintenance work and traveling within the limits of a construction area marked in accordance
87.24 with the Manual on Uniform Traffic Control Devices, as set forth in section 169.06, or (2)
87.25 for a towed implement of husbandry that is empty and that is not self-propelled, in which
87.26 case it may be towed at lawful speeds greater than 30 miles per hour without removing the
87.27 slow-moving vehicle emblem. The emblem must consist of a fluorescent or illuminated
87.28 red-orange triangle with a dark red reflective border and be mounted so as to be visible from
87.29 a distance of not less than 600 feet to the rear. When a primary power unit towing an
87.30 implement of husbandry or other machinery displays a slow-moving vehicle emblem visible
87.31 from a distance of 600 feet to the rear, it is not necessary to display a similar emblem on
87.32 the secondary unit. All slow-moving vehicle emblems sold in this state must be so designed
87.33 that when properly mounted they are visible from a distance of not less than 600 feet to the
87.34 rear when directly in front of lawful lower beam of headlamps on a motor vehicle. The

commissioner of public safety shall adopt standards and specifications for the design and position of mounting the slow-moving vehicle emblem. Such standards and specifications must be adopted by rule in accordance with the Administrative Procedure Act.

(b) An alternate slow-moving vehicle emblem consisting of a dull black triangle with a white reflective border may be used after obtaining a permit from the commissioner under rules of the commissioner. A person with a permit to use an alternate slow-moving vehicle emblem must:

(1) carry in the vehicle a regular slow-moving vehicle emblem and display the emblem when operating a vehicle between sunset and sunrise, and at any other time when visibility is impaired by weather, smoke, fog, or other conditions; and

(2) permanently affix to the rear of the slow-moving vehicle at least 72 square inches of reflective tape that reflects the color red.

(c) In addition to the emblem requirement under this subdivision, an animal-drawn vehicle must comply with section 169.58, subdivision 6.

Sec. 40. Minnesota Statutes 2020, section 169.58, is amended by adding a subdivision to read:

Subd. 6. **Animal-drawn vehicles.** (a) An animal-drawn vehicle must be equipped with an identification lamp or lamps that indicate the vehicle's presence and are visible from a distance of at least 500 feet from both the front and the rear. The lighting requirement under this subdivision may be met using a lamp powered by energy generated from the vehicle's movement.

(b) This subdivision does not apply to an animal-drawn vehicle that: (1) operates exclusively between the hours of sunrise and sunset and never during periods of reduced visibility, inclement weather, or insufficient light; or (2) never operates on a public roadway.

Sec. 41. Minnesota Statutes 2020, section 169.864, subdivision 4, is amended to read:

Subd. 4. **Permit fee; appropriation.** Vehicle permits issued under subdivision 1, clause (1), must be annual permits. The fee is \$850 for each vehicle combination and must be deposited in the trunk highway fund. The fee for annual permits issued under subdivision 2 is \$300 for a 90,000-pound vehicle combination or \$500 for a 97,000-pound vehicle combination. The fee for annual permits issued under subdivision 2a is \$850. An amount sufficient to administer the permit program is appropriated from the ~~trunk highway~~ general fund to the commissioner for the costs of administering the permit program.

89.1 Sec. 42. Minnesota Statutes 2020, section 169.866, subdivision 3, is amended to read:

89.2 Subd. 3. **Permit fee; appropriation.** Vehicle permits issued under subdivision 1 must
89.3 be annual permits. The fee is \$850 for each vehicle, or a proportional amount as provided
89.4 in section 169.86, subdivision 5, and must be deposited in the trunk highway fund. An
89.5 amount sufficient to administer the permit program is appropriated from the ~~trunk highway~~
89.6 general fund to the commissioner for the costs of administering the permit program.

89.7 Sec. 43. Minnesota Statutes 2020, section 171.05, subdivision 2, is amended to read:

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

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

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

89.13 (ii) has completed:

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

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

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

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

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

89.30 ~~(3)~~ (2) has passed a test of the applicant's eyesight;

90.1 ~~(4)~~ (3) has passed a department-administered test of the applicant's knowledge of traffic
90.2 laws;

90.3 ~~(5)~~ (4) has completed the required application, which must be approved by (i) either
90.4 parent when both reside in the same household as the minor applicant or, if otherwise, then
90.5 (ii) the parent or spouse of the parent having custody or, in the event there is no court order
90.6 for custody, then (iii) the parent or spouse of the parent with whom the minor is living or,
90.7 if items (i) to (iii) do not apply, then (iv) the guardian having custody of the minor, (v) the
90.8 foster parent or the director of the transitional living program in which the child resides or,
90.9 in the event a person under the age of 18 has no living father, mother, or guardian, or is
90.10 married or otherwise legally emancipated, then (vi) the applicant's adult spouse, adult close
90.11 family member, or adult employer; provided, that the approval required by this clause
90.12 contains a verification of the age of the applicant and the identity of the parent, guardian,
90.13 adult spouse, adult close family member, or adult employer; and

90.14 ~~(6)~~ (5) has paid all fees required in section 171.06, subdivision 2.

90.15 (b) In addition, the applicant may submit a certification stating that a primary driving
90.16 supervisor has completed the supplemental parental curriculum under section 171.0701,
90.17 subdivision 1a, for the purposes of provisional license requirements under section 171.055,
90.18 subdivision 1, paragraph (a), clause (6). The certification must be completed by a driver
90.19 education instructor, as defined under section 171.0701, subdivision 1a.

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

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

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

90.29 Sec. 44. Minnesota Statutes 2020, section 171.06, subdivision 2a, is amended to read:

90.30 Subd. 2a. **Two-wheeled vehicle endorsement fee.** (a) In addition to the appropriate fee
90.31 under subdivision 2, the fee for any duplicate driver's license obtained for the purpose of
90.32 adding a two-wheeled vehicle endorsement on a driver's license is increased by \$18.50:

91.1 ~~(1) \$26.50 for each first such~~ an initial endorsement or a duplicate license obtained for
 91.2 the purpose of adding the endorsement; and

91.3 ~~\$13~~ (2) \$17 for each license renewal thereof with the endorsement.

91.4 (b) The additional fee must be paid into the state treasury and credited as follows:

91.5 ~~(1) \$11~~ \$19 of the additional fee for each first duplicate license under paragraph (a),
 91.6 clause (1), and \$7 \$11 of the additional fee for each renewal under paragraph (a), clause
 91.7 (2), must be credited to the motorcycle safety fund, which is hereby created; and

91.8 ~~(2) the remainder of the additional fee must be credited to the general fund.~~

91.9 ~~(b)~~ (c) All application forms prepared by the commissioner for two-wheeled vehicle
 91.10 endorsements must clearly state the amount of the total fee that is dedicated to the motorcycle
 91.11 safety fund.

91.12 **EFFECTIVE DATE.** This section is effective August 1, 2021, for driver's license
 91.13 application and issuance on or after that date.

91.14 Sec. 45. Minnesota Statutes 2020, section 171.06, subdivision 3, is amended to read:

91.15 Subd. 3. **Contents of application; other information.** (a) An application must:

91.16 (1) state the full name, date of birth, sex, and either (i) the residence address of the
 91.17 applicant, or (ii) designated address under section 5B.05;

91.18 (2) as may be required by the commissioner, contain a description of the applicant and
 91.19 any other facts pertaining to the applicant, the applicant's driving privileges, and the
 91.20 applicant's ability to operate a motor vehicle with safety;

91.21 (3) state:

91.22 (i) the applicant's Social Security number; or

91.23 (ii) if the applicant does not have a Social Security number and is applying for a
 91.24 Minnesota identification card, instruction permit, or class D provisional or driver's license,
 91.25 that the applicant certifies that the applicant is not eligible for a Social Security number;

91.26 (4) contain a notification to the applicant of the availability of a living will/health care
 91.27 directive designation on the license under section 171.07, subdivision 7; and

91.28 (5) include a method for the applicant to:

91.29 (i) request a veteran designation on the license under section 171.07, subdivision 15,
 91.30 and the driving record under section 171.12, subdivision 5a;

92.1 (ii) indicate a desire to make an anatomical gift under ~~paragraph (d)~~ subdivision 3b,
92.2 paragraph (e);

92.3 (iii) as applicable, designate document retention as provided under section 171.12,
92.4 subdivision 3c; and

92.5 (iv) indicate emergency contacts as provided under section 171.12, subdivision 5b.

92.6 (b) Applications must be accompanied by satisfactory evidence demonstrating:

92.7 (1) identity, date of birth, and any legal name change if applicable; and

92.8 (2) for driver's licenses and Minnesota identification cards that meet all requirements of
92.9 the REAL ID Act:

92.10 (i) principal residence address in Minnesota, including application for a change of address,
92.11 unless the applicant provides a designated address under section 5B.05;

92.12 (ii) Social Security number, or related documentation as applicable; and

92.13 (iii) lawful status, as defined in Code of Federal Regulations, title 6, section 37.3.

92.14 (c) An application for an enhanced driver's license or enhanced identification card must
92.15 be accompanied by:

92.16 (1) satisfactory evidence demonstrating the applicant's full legal name and United States
92.17 citizenship; and

92.18 (2) a photographic identity document.

92.19 Sec. 46. Minnesota Statutes 2020, section 171.061, subdivision 4, is amended to read:

92.20 Subd. 4. **Fee; equipment.** (a) The agent may charge and retain a filing fee of \$8 for each
92.21 application. Except as provided in paragraph (c), the fee shall cover all expenses involved
92.22 in receiving, accepting, or forwarding to the department the applications and fees required
92.23 under sections 171.02, subdivision 3; 171.06, subdivisions 2 and 2a; and 171.07, subdivisions
92.24 3 and 3a.

92.25 (b) The statutory fees and the filing fees imposed under paragraph (a) may be paid by
92.26 credit card or debit card. The driver's license agent may collect a convenience fee on the
92.27 statutory fees and filing fees not greater than the cost of processing a credit card or debit
92.28 card transaction. The convenience fee must be used to pay the cost of processing credit card
92.29 and debit card transactions. The commissioner shall adopt rules to administer this paragraph
92.30 using the exempt procedures of section 14.386, except that section 14.386, paragraph (b),
92.31 does not apply.

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

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

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

(f) For every transaction where an agent collects a fee pursuant to paragraph (a), the commissioner must transmit a payment of \$3 to the agent that collected the fee. The commissioner must make the payments required by this paragraph on a quarterly basis. Payments made to an agent employed by a county board must be paid into the county treasury and credited to the general revenue fund of the county. An amount sufficient to make the payments required by this paragraph is appropriated to the commissioner from the driver services operating account in the special revenue fund.

Sec. 47. Minnesota Statutes 2020, section 171.071, is amended by adding a subdivision to read:

Subd. 4. **Variance for homebound individuals.** (a) Notwithstanding section 171.07 or Minnesota Rules, part 7410.1810, the commissioner may grant a variance from the photograph requirements for a noncompliant identification card if (1) the individual is homebound as defined in paragraph (b); (2) the individual has submitted proof of homebound status; and (3) the department has a photograph of the applicant on file that was taken within the last four years or during the most recent renewal cycle or the applicant has submitted a photograph to the department that meets the requirements of section 171.07, Minnesota Rules, part 7410.1810, subpart 1, and other technical requirements established by the

94.1 commissioner such as background color and electronic file size to ensure the image can be
94.2 used on a credential and conforms with images taken by the department. Applicants granted
94.3 a photograph variance under this subdivision are not required to appear in person to have
94.4 a new photograph taken.

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

94.8 Sec. 48. Minnesota Statutes 2020, section 171.12, subdivision 7b, is amended to read:

94.9 Subd. 7b. **Data privacy; noncompliant license or identification card.** (a) With respect
94.10 to noncompliant licenses or identification cards, the commissioner is prohibited from:

94.11 (1) electronically disseminating outside the state data that is not disseminated as of May
94.12 19, 2017; or

94.13 (2) utilizing any electronic validation or verification system accessible from or maintained
94.14 outside the state that is not in use as of May 19, 2017.

94.15 (b) The limitations in paragraph (a) do not apply to the extent necessary to: (1) maintain
94.16 compliance with the driver's license compact under section 171.50 and applicable federal
94.17 law governing commercial driver's licenses; and (2) perform identity verification as part of
94.18 an application for a replacement Social Security card issued by the Social Security
94.19 Administration.

94.20 (c) For purposes of this subdivision, "outside the state" includes federal agencies, states
94.21 other than Minnesota, organizations operating under agreement among the states, and private
94.22 entities.

94.23 **EFFECTIVE DATE.** This section is effective February 1, 2022, or upon completion
94.24 of the necessary programming changes to the driver and vehicle services information system,
94.25 whichever is earlier.

94.26 Sec. 49. Minnesota Statutes 2020, section 171.13, subdivision 1, is amended to read:

94.27 Subdivision 1. **Examination subjects and locations; provisions for color blindness,**
94.28 **disabled veterans.** (a) Each applicant for a driver's license must pass the examination
94.29 required by this section before being issued a driver's license. Except as otherwise provided
94.30 in this section by sections 171.83 or 171.70 to 171.82, the commissioner shall examine each
94.31 applicant for a driver's license by such agency as the commissioner directs must conduct
94.32 the examination. This examination must include:

95.1 (1) a test of the applicant's eyesight;

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

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

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

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

95.16 (b) Notwithstanding paragraph (a), ~~no~~ the commissioner must not deny an application
95.17 for a driver's license may be denied an applicant based on the exclusive grounds that the
95.18 applicant's eyesight is deficient in color perception or that the applicant has been diagnosed
95.19 with diabetes mellitus. War veterans operating motor vehicles especially equipped for
95.20 disabled persons, if otherwise entitled to a license, must be granted such license.

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

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

95.28 **EFFECTIVE DATE.** The changes in paragraph (a) are effective August 1, 2021. The
95.29 changes in paragraph (b) are effective July 1, 2021.

95.30 Sec. 50. Minnesota Statutes 2020, section 171.13, subdivision 6, is amended to read:

95.31 Subd. 6. ~~Initial motorcycle~~ **Two-wheeled vehicle endorsement examination fee.** A
95.32 person applying for an initial ~~motorcycle~~ two-wheeled vehicle endorsement on a driver's

license shall pay at the place of examination ~~a total fee of \$21, which includes the~~ a \$2.50 examination fee and, an endorsement fee, but does not include the fee for a duplicate driver's license as prescribed in section 171.06, subdivision 2a, and the appropriate driver's license fee as prescribed in section 171.06, subdivision 2. ~~Of this amount, \$11 must be credited as provided in section 171.06, subdivision 2a, paragraph (a), clause (1), \$2.50 must be credited to the driver services operating account in the special revenue fund specified under section 299A.705, and the remainder must be credited to the general fund.~~

EFFECTIVE DATE. This section is effective August 1, 2021, for driver's license application and issuance on or after that date.

Sec. 51. Minnesota Statutes 2020, section 171.13, subdivision 7, is amended to read:

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

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

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

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

EFFECTIVE DATE. This section is effective July 1, 2020.

Sec. 52. Minnesota Statutes 2020, section 171.13, subdivision 9, is amended to read:

Subd. 9. **Online driver's license knowledge testing authorization.** (a) The commissioner must implement online knowledge testing as provided in this subdivision. The commissioner must not charge a fee to a driver education program or an authorized entity for access to the online knowledge testing system or for administering the online knowledge test. The commissioner must administer the fourth or subsequent knowledge test for a person.

(b) Upon written request from a driver education program licensed by the department, the commissioner must grant access to the department's web-based knowledge testing system to the driver education program. Once granted access to the online knowledge testing system,

97.1 a driver education program may administer the online knowledge test to a student of the
97.2 program.

97.3 (c) An entity other than a driver education program may apply to the commissioner for
97.4 authority to administer online knowledge tests. The commissioner may approve or disapprove
97.5 an application for administering the online knowledge tests under this paragraph. Upon
97.6 approving an application of an entity, the commissioner must grant access to the department's
97.7 web-based knowledge testing system to that authorized entity. Once granted access to the
97.8 online knowledge testing system, the authorized entity may administer the online knowledge
97.9 test.

97.10 (d) A driver education program or authorized entity:

97.11 (1) must provide all computers and equipment for persons that take the online knowledge
97.12 test;

97.13 (2) must provide appropriate proctors to monitor persons taking the online knowledge
97.14 test; and

97.15 (3) may charge a fee of no more than \$10 for administering the online knowledge test.

97.16 (e) For purposes of paragraph (d), clause (2), a proctor must be:

97.17 (1) an employee of the driver education program, authorized entity, or a state or local
97.18 government;

97.19 (2) a driver's license agent; or

97.20 (3) a classroom teacher, school administrator, or paraprofessional at a public or private
97.21 school, excluding a home school.

97.22 The proctor must be physically present at the location where the test is being administered.

97.23 A proctor must not be a relative of the person taking the test. For purposes of this paragraph,
97.24 a relative is a spouse, fiancée, fiancé, grandparent, parent, child, sibling, or legal guardian,
97.25 including adoptive, half, step, and in-law relationships.

97.26 **EFFECTIVE DATE.** This section is effective on the earlier of August 1, 2021, or the
97.27 day following the expiration of the peacetime emergency declared in Executive Order 20-01
97.28 and extended by subsequent executive orders.

98.1 Sec. 53. Minnesota Statutes 2020, section 171.27, is amended to read:

98.2 **171.27 EXPIRATION OF LICENSE EXPIRATION AND RENEWAL; MILITARY**
98.3 **EXCEPTION EXCEPTIONS.**

98.4 (a) Except as otherwise provided in this section, the expiration date for each driver's
98.5 license is the birthday of the driver in the fourth year following the date of issuance of the
98.6 license. The birthday of the driver shall be as indicated on the application for a driver's
98.7 license. A license may be renewed on or before expiration or within one year after expiration
98.8 upon application, payment of the required fee, and passing the examination required of all
98.9 drivers for renewal. Driving privileges shall be extended or renewed on or preceding the
98.10 expiration date of an existing driver's license unless the commissioner believes that the
98.11 licensee is no longer qualified as a driver.

98.12 (b) The expiration date for each under-21 license shall be the 21st birthday of the licensee.
98.13 Upon the licensee attaining the age of 21 and upon the application, payment of the required
98.14 fee, and passing the examination required of all drivers for renewal, a driver's license shall
98.15 be issued unless the commissioner determines that the licensee is no longer qualified as a
98.16 driver.

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

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

98.22 (e) ~~Any~~ A valid Minnesota driver's license issued to:

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

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

98.28 (3) the person's spouse; of a person in clause (1) or (2);

98.29 ~~shall continue~~ continues in full force and effect without requirement for renewal until the
98.30 date one year following the ~~service member's~~ person's separation or discharge from active
98.31 military or volunteer service, and until the license holder's birthday in the fourth full year
98.32 following the person's most recent license renewal or, in the case of a provisional license,
98.33 until the person's birthday in the third full year following the renewal.

99.1 Sec. 54. Minnesota Statutes 2020, section 171.29, subdivision 2, is amended to read:

99.2 Subd. 2. **Reinstatement fees and surcharges allocated and appropriated.** (a) An
99.3 individual whose driver's license has been revoked as provided in subdivision 1, except
99.4 under section 169A.52, 169A.54, 171.177, 609.2112, 609.2113, or 609.2114, or Minnesota
99.5 Statutes 2012, section 609.21, must pay a \$30 fee before the driver's license is reinstated.

99.6 (b) A person whose driver's license has been revoked as provided in subdivision 1 under
99.7 section 169A.52, 169A.54, 171.177, 609.2112, 609.2113, or 609.2114, or Minnesota Statutes
99.8 2012, section 609.21, must pay a \$250 fee plus a \$430 surcharge before the driver's license
99.9 is reinstated, except as provided in paragraph (f). The \$250 fee is to be credited as follows:

99.10 (1) Twenty percent must be credited to the driver services operating account in the
99.11 special revenue fund as specified in section 299A.705.

99.12 (2) Sixty-seven percent must be credited to the general fund.

99.13 (3) Eight percent must be credited to a separate account to be known as the Bureau of
99.14 Criminal Apprehension account. Money in this account is annually appropriated to the
99.15 commissioner of public safety and the appropriated amount must be apportioned 80 percent
99.16 for laboratory costs and 20 percent for carrying out the provisions of section 299C.065.

99.17 (4) Five percent must be credited to a separate account to be known as the vehicle
99.18 forfeiture account, which is created in the special revenue fund. The money in the account
99.19 is annually appropriated to the commissioner for costs of handling vehicle forfeitures.

99.20 (c) The revenue from \$50 of the surcharge must be credited to a separate account to be
99.21 known as the traumatic brain injury and spinal cord injury account. The revenue from \$50
99.22 of the surcharge on a reinstatement under paragraph (f) is credited from the first installment
99.23 payment to the traumatic brain injury and spinal cord injury account. The money in the
99.24 account is annually appropriated to the commissioner of health to be used as follows: 83
99.25 percent for contracts with a qualified community-based organization to provide information,
99.26 resources, and support to assist persons with traumatic brain injury and their families to
99.27 access services, and 17 percent to maintain the traumatic brain injury and spinal cord injury
99.28 registry created in section 144.662. For the purposes of this paragraph, a "qualified
99.29 community-based organization" is a private, not-for-profit organization of consumers of
99.30 traumatic brain injury services and their family members. The organization must be registered
99.31 with the United States Internal Revenue Service under section 501(c)(3) as a tax-exempt
99.32 organization and must have as its purposes:

100.1 (1) the promotion of public, family, survivor, and professional awareness of the incidence
100.2 and consequences of traumatic brain injury;

100.3 (2) the provision of a network of support for persons with traumatic brain injury, their
100.4 families, and friends;

100.5 (3) the development and support of programs and services to prevent traumatic brain
100.6 injury;

100.7 (4) the establishment of education programs for persons with traumatic brain injury; and

100.8 (5) the empowerment of persons with traumatic brain injury through participation in its
100.9 governance.

100.10 A patient's name, identifying information, or identifiable medical data must not be disclosed
100.11 to the organization without the informed voluntary written consent of the patient or patient's
100.12 guardian or, if the patient is a minor, of the parent or guardian of the patient.

100.13 (d) The remainder of the surcharge must be credited to a separate account to be known
100.14 as the remote electronic alcohol-monitoring program account. The commissioner shall
100.15 transfer the balance of this account to the commissioner of management and budget on a
100.16 monthly basis for deposit in the general fund.

100.17 (e) When these fees are collected by a licensing agent, appointed under section 171.061,
100.18 a handling charge is imposed in the amount specified under section 171.061, subdivision
100.19 4. The reinstatement fees and surcharge must be deposited in an approved depository as
100.20 directed under section 171.061, subdivision 4.

100.21 (f) A person whose driver's license has been revoked as provided in subdivision 1 under
100.22 section 169A.52, 169A.54, or 171.177 ~~and who the court certifies as being financially~~
100.23 ~~eligible for a public defender under section 611.17,~~ may choose to pay 50 percent and an
100.24 additional \$25 of the total amount of the surcharge and 50 percent of the fee required under
100.25 paragraph (b) to reinstate the person's driver's license, provided the person meets all other
100.26 requirements of reinstatement. If a person chooses to pay 50 percent of the total and an
100.27 additional \$25, the driver's license must expire after two years. The person must pay an
100.28 additional 50 percent less \$25 of the total to extend the license for an additional two years,
100.29 provided the person is otherwise still eligible for the license. After this final payment of the
100.30 surcharge and fee, the license may be renewed on a standard schedule, as provided under
100.31 section 171.27. A handling charge may be imposed for each installment payment. Revenue
100.32 from the handling charge is credited to the driver services operating account in the special
100.33 revenue fund and is appropriated to the commissioner.

101.1 (g) Any person making installment payments under paragraph (f), whose driver's license
101.2 subsequently expires, or is canceled, revoked, or suspended before payment of 100 percent
101.3 of the surcharge and fee, must pay the outstanding balance due for the initial reinstatement
101.4 before the driver's license is subsequently reinstated. Upon payment of the outstanding
101.5 balance due for the initial reinstatement, the person may pay any new surcharge and fee
101.6 imposed under paragraph (b) in installment payments as provided under paragraph (f).

101.7 Sec. 55. **[171.395] ONLINE DRIVER EDUCATION PROGRAM.**

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

101.12 (1) include a means for the student to measure performance outcomes;

101.13 (2) use a pool of rotating quiz questions;

101.14 (3) incorporate accountability features to ensure the identity of the student while engaged
101.15 in the course of online study;

101.16 (4) measure the amount of time that the student spends in the course;

101.17 (5) provide technical support to customers that is available 24 hours per day, seven days
101.18 per week;

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

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

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

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

101.27 (10) provide online interactive supplemental parental curriculum consistent with section
101.28 171.0701, subdivision 1a.

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

102.1 **Sec. 56. [171.70] DEFINITIONS.**

102.2 (a) For purposes of sections 171.70 to 171.82, the following terms have the meanings
102.3 given them.

102.4 (b) "Applicant" means an entity applying for approval to be a third-party testing program.

102.5 (c) "Entity" includes an individual, natural person, and a legal or corporate person,
102.6 however organized unless otherwise expressly described or limited.

102.7 (d) "Letter of approval" means the document issued by the commissioner to the third-party
102.8 testing program authorizing the program to administer road tests for class D drivers' licenses.

102.9 (e) "Road test" means the actual physical demonstration of the ability to exercise ordinary
102.10 and reasonable control in the operation of a motor vehicle as required by section 171.13,
102.11 subdivision 1, paragraph (a), clause (4).

102.12 (f) "Third-party tester" means an individual who is an employee of a third-party testing
102.13 program who has qualified for a third-party tester certificate issued by the commissioner
102.14 granting the individual authorization to conduct road tests for class D drivers' licenses.

102.15 (g) "Third-party tester certificate" means a certificate issued by the commissioner to the
102.16 third-party tester authorizing the third-party tester to administer road tests for class D drivers'
102.17 licenses on behalf of a specified third-party testing program.

102.18 (h) "Third-party testing program" means a program authorized by the commissioner to
102.19 administer to an individual the road test for class D drivers' licenses.

102.20 **EFFECTIVE DATE.** This section is effective August 1, 2021.

102.21 **Sec. 57. [171.71] THIRD-PARTY TESTER; AUTHORIZATION.**

102.22 The commissioner must allow a third-party tester that complies with the requirements
102.23 of sections 171.70 to 171.82 to conduct road tests for people applying for class D drivers'
102.24 licenses.

102.25 **EFFECTIVE DATE.** This section is effective August 1, 2021.

102.26 **Sec. 58. [171.72] PROGRAM APPLICATION; APPROVAL.**

102.27 Subdivision 1. **Application.** The applicant shall apply to the commissioner for approval
102.28 to be a third-party testing program authorized to administer road tests for class D drivers'
102.29 licenses. The applicant must submit the application to the commissioner and provide the
102.30 information in subdivision 2. A third-party testing program or a third-party tester employed

103.1 by the program must not conduct road tests until the program is approved by the
103.2 commissioner.

103.3 Subd. 2. **Application contents.** To apply for approval as a third-party testing program,
103.4 an applicant must complete an application containing the information specified in this
103.5 section:

103.6 (1) business name;

103.7 (2) business registration number if a business, or tax identification number if a
103.8 not-for-profit entity;

103.9 (3) address of the business's administrative office;

103.10 (4) telephone number and e-mail address of the administrative office;

103.11 (5) name of an authorized official responsible for the program and application, and the
103.12 official's title and telephone number;

103.13 (6) a map, drawing, or written description of the test route to be used for road tests;

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

103.16 (8) attestation that the applicant carries the required insurance, as described in chapter
103.17 65B, for all vehicles used for testing; and

103.18 (9) attestation by the authorized official that the information submitted is true and
103.19 accurate.

103.20 Subd. 3. **Location requirement.** To qualify as a third-party testing program, the applicant
103.21 must be located in the state and must maintain an administrative office in at least one
103.22 permanent, regularly occupied building with a permanent address.

103.23 Subd. 4. **Employment of certified tester.** The applicant must employ one or more
103.24 certified third-party testers who meet the qualifications in section 171.75.

103.25 Subd. 5. **Evaluation.** The commissioner shall evaluate the application submitted by the
103.26 third-party testing program applicant. If the application is satisfactory, the commissioner
103.27 must approve the application.

103.28 Subd. 6. **Limitation.** The commissioner is prohibited from imposing any criteria or
103.29 requirements that are not specified by this section.

103.30 Subd. 7. **Commissioner's letter of approval.** Upon approval of an application submitted
103.31 pursuant to this section, the commissioner shall issue a letter of approval to designate a

104.1 third-party testing program. The letter of approval constitutes an agreement between the
104.2 state and the third-party testing program administering road tests for a class D driver's
104.3 license. A letter of approval to operate a third-party testing program is not transferable.

104.4 **EFFECTIVE DATE.** This section is effective August 1, 2021.

104.5 Sec. 59. **[171.73] INDEMNIFICATION.**

104.6 An applicant shall agree to indemnify and hold harmless the state and all state officers,
104.7 employees, and agents of the state from and against all claims, losses, damages, costs, and
104.8 other proceedings made, sustained, brought, or prosecuted in any manner based on or
104.9 occasioned by or attributive to any injury, infringement, or damage rising from any act or
104.10 omission of the third-party testing program or the program's employees in the performance
104.11 of testing duties.

104.12 **EFFECTIVE DATE.** This section is effective August 1, 2021.

104.13 Sec. 60. **[171.74] USE OF CERTIFIED THIRD-PARTY TESTERS.**

104.14 The third-party testing program shall allow only individuals who have been certified by
104.15 the commissioner as third-party testers under sections 171.75 to 171.76 to administer road
104.16 tests. The program shall maintain, on file in the program's administrative office, a copy of
104.17 the valid certificate of each third-party tester employed by the program.

104.18 **EFFECTIVE DATE.** This section is effective August 1, 2021.

104.19 Sec. 61. **[171.75] THIRD-PARTY TESTER QUALIFICATIONS.**

104.20 Subdivision 1. **Generally.** To be certified as a third-party tester, an individual must make
104.21 application to, and be approved by, the commissioner as provided in this section. The
104.22 individual must:

104.23 (1) possess a valid driver's license;

104.24 (2) be 21 years of age or older;

104.25 (3) be a licensed driver in a United States state for the past three years;

104.26 (4) before the date of application, have maintained continuous valid driving privileges
104.27 for the past year;

104.28 (5) successfully pass a prequalifying tester examination;

104.29 (6) be an employee of a third-party testing program;

105.1 (7) successfully complete the test administration training required of state-employed
105.2 examiners; and

105.3 (8) have the class of driver's license and endorsements to operate the type of vehicles
105.4 for which the road tests are administered.

105.5 The examination and training required by clauses (5) and (7) must be identical for
105.6 state-employed examiners and third-party testers.

105.7 Subd. 2. **State employee.** A certified third-party tester must not be an employee of the
105.8 department.

105.9 Subd. 3. **Employment.** A certified third-party tester must have a certificate for each
105.10 third-party testing program that employs the tester. The tester must reapply and be approved
105.11 for a new certificate to conduct tests on behalf of a new third-party testing program. The
105.12 tester may be simultaneously employed by more than one program.

105.13 Subd. 4. **Maintaining certification.** To maintain certification as a third-party tester, an
105.14 individual must:

105.15 (1) conduct at least 12 road tests annually from the date of initial issuance of a third-party
105.16 tester certificate;

105.17 (2) be evaluated at least annually on the administration of tests and record keeping;

105.18 (3) attend annual in-service training, workshops, or seminars provided by the
105.19 commissioner, provided that the requirements are the same as testers employed by the
105.20 department;

105.21 (4) submit monthly testing reports in a format specified by the commissioner; and

105.22 (5) account for all records of examination issued by the commissioner to a third-party
105.23 tester and submit the record of examination immediately to the commissioner after completing
105.24 a road test.

105.25 Subd. 5. **Limitation.** The commissioner is prohibited from imposing any criteria or
105.26 requirements on third-party testing programs or third-party testers that are not specified by
105.27 this section.

105.28 **EFFECTIVE DATE.** This section is effective August 1, 2021.

105.29 Sec. 62. **[171.76] CERTIFICATES AND LETTER OF APPROVAL.**

105.30 Subdivision 1. **Tester certificates.** The commissioner shall issue a certificate to each
105.31 approved third-party tester of a third-party testing program. The third-party testing program

106.1 must keep a copy of the certificate of each third-party tester employed by the program on
106.2 file in the office of the program. A third-party tester's certificate is effective on the date of
106.3 issuance by the commissioner and expires four years after issuance. A third-party tester
106.4 may not conduct road tests without a valid third-party tester certificate. A certificate issued
106.5 to a third-party tester is not transferable.

106.6 Subd. 2. **Certificate renewal time frame.** A third-party tester must submit an application
106.7 for renewal of the tester's certificate to the commissioner no less than 30 days before the
106.8 date the previously issued certificate expires.

106.9 **EFFECTIVE DATE.** This section is effective August 1, 2021.

106.10 Sec. 63. **[171.77] TEST PROOF.**

106.11 The third-party testing program shall provide a record of examination, on a format
106.12 obtained from or approved by the commissioner, to an individual who has passed a road
106.13 test for a class D driver's license. The record of examination, which must be presented at
106.14 the time of application for a class D driver's license, must specify that the individual has
106.15 passed the required test or tests administered by the third-party testing program.

106.16 **EFFECTIVE DATE.** This section is effective August 1, 2021.

106.17 Sec. 64. **[171.78] AUDITS.**

106.18 Subdivision 1. **Random examinations, inspections, and audits.** A third-party testing
106.19 program shall agree to allow representatives of the commissioner, on behalf of the state, to
106.20 conduct random examinations, inspections, and audits of the testing operation without prior
106.21 notice.

106.22 Subd. 2. **On-site inspections.** A third-party testing program shall permit on-site
106.23 inspections by agents of the commissioner as necessary to determine compliance with
106.24 sections 171.70 to 171.82.

106.25 Subd. 3. **Examination of test administration.** On at least an annual basis, agents of the
106.26 commissioner who are state employees must be permitted to:

106.27 (1) take the tests actually administered by the third-party testing program as if the state
106.28 employees were test applicants;

106.29 (2) test a sample of drivers who were examined by the third-party testing program to
106.30 compare passing and failing results; or

106.31 (3) conduct a road test simultaneously with the third-party tester to compare test results.

107.1 Subd. 4. **Notice of test schedule.** Upon request, no less than 48 hours in advance, the
107.2 third-party testing program shall provide the commissioner with the schedule times and
107.3 dates that skill tests and road tests are to be given.

107.4 **EFFECTIVE DATE.** This section is effective August 1, 2021.

107.5 Sec. 65. **[171.79] TEST ADMINISTRATION.**

107.6 Subdivision 1. **Generally.** Road tests conducted by a third-party tester must meet the
107.7 requirements in Minnesota Rules, parts 7410.4800 to 7410.5380. The commissioner is
107.8 prohibited from imposing additional test administration criteria or requirements on third-party
107.9 testers.

107.10 Subd. 2. **Third-party tester restrictions.** A third-party tester shall not:

107.11 (1) delegate any portion of testing to another individual;

107.12 (2) be the spouse, fiancée, fiancé, grandparent, parent, child, sibling, or legal guardian,
107.13 including adoptive, half, step, and in-law relationships, of the person taking the test;

107.14 (3) test anyone with a physical disability who may need an individualized restriction
107.15 added to the person's driver's license; or

107.16 (4) test anyone who has not completed all coursework and training before administering
107.17 a road test.

107.18 **EFFECTIVE DATE.** This section is effective August 1, 2021.

107.19 Sec. 66. **[171.80] RECORD KEEPING; REPORTING REQUIREMENTS.**

107.20 Subdivision 1. **Records of administered tests.** An approved third-party testing program
107.21 shall maintain at the program's administrative offices, for a minimum of three years, the
107.22 tester's copy of the record of examination of any driver for whom the third-party testing
107.23 program conducts a test, whether or not the driver passes or fails the test. Each record of
107.24 examination must include:

107.25 (1) the full name of the driver;

107.26 (2) the date the driver took the test; and

107.27 (3) the name and certificate number of the third-party tester conducting the test.

107.28 Subd. 2. **Records of third-party testers.** The third-party testing program shall maintain,
107.29 at the program's administrative offices, a record of each third-party tester in the employ of
107.30 the third-party testing program at that location. Each record must include:

108.1 (1) a valid and complete tester certificate indicating the third-party tester has met all
108.2 qualifications;

108.3 (2) a copy of the third-party tester's current driving record, which must be updated
108.4 annually; and

108.5 (3) evidence that the third-party tester is an employee of the third-party testing program.

108.6 Subd. 3. **Record retention.** The third-party testing program shall retain all third-party
108.7 tester records for three years after a third-party tester leaves the employ of the third-party
108.8 testing program.

108.9 Subd. 4. **Reporting requirements.** The third-party testing program shall report the
108.10 number of road tests administered annually by all third-party testers employed by the
108.11 program. The report must be in writing or in an electronic format approved by the
108.12 commissioner and must be received by the commissioner within 45 days of the end of each
108.13 calendar year.

108.14 Subd. 5. **Data Practices Act.** All third-party testing programs and third-party testers are
108.15 subject to section 13.05, subdivision 11.

108.16 **EFFECTIVE DATE.** This section is effective August 1, 2021.

108.17 Sec. 67. **[171.81] NOTIFICATION REQUIREMENTS.**

108.18 Subdivision 1. **In general.** The third-party testing program shall ensure that the
108.19 commissioner is notified in writing or by electronic means:

108.20 (1) 30 days before any change in the third-party testing program's name or address;

108.21 (2) ten days before any change in the third-party tester employed by the third-party
108.22 testing program;

108.23 (3) within ten days of a change in a third-party tester's driving status;

108.24 (4) within ten days of the third-party testing program ceasing business operations in
108.25 Minnesota; or

108.26 (5) within ten days of a third-party tester:

108.27 (i) receiving notice from any state that the tester's driving privileges have been withdrawn;
108.28 or

108.29 (ii) failing to comply with the third-party testing program or third-party tester
108.30 requirements in sections 171.70 to 171.82.

Subd. 2. **Test route change.** Before changing a test route, a third-party testing program must submit a written request and obtain written approval from the commissioner for any proposed change in the road test route. The request may be submitted by facsimile or electronic mail.

Subd. 3. **Tester change.** A third-party tester shall notify the commissioner within ten days of leaving the employ of a third-party testing program.

EFFECTIVE DATE. This section is effective August 1, 2021.

Sec. 68. **[171.82] DENIAL, CANCELLATION, OR SUSPENSION OF PROGRAM OR TESTER; APPEAL.**

Subdivision 1. **Denial.** The commissioner may deny an application for a third-party testing program or tester certificate if the applicant does not qualify for approval or certification under sections 171.70 to 171.81. In addition, a misstatement or misrepresentation is grounds for denying a letter of approval or tester certificate.

Subd. 2. **Cancellation or suspension.** The commissioner may cancel the approval of a third-party testing program or third-party tester or may suspend a program or tester for:

(1) failure to comply with or satisfy any provision of sections 171.70 to 171.81;

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

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

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

Subd. 3. **Commissioner's discretion.** (a) The existence of grounds for cancellation or suspension under subdivision 2 is determined at the sole discretion of the commissioner. If the commissioner determines that grounds for cancellation or suspension exist for failure to comply with or satisfy any requirement in sections 171.70 to 171.81, the commissioner may immediately cancel or suspend the third-party testing program or third-party tester from administering any further tests.

(b) When an application to be a third-party testing program or third-party tester application is denied, or when individual program approval or a tester's certificate is canceled, a notice must be mailed to the subject indicating the reasons for the denial or cancellation and that the third-party testing program or third-party tester may appeal the decision as provided in subdivision 5.

110.1 Subd. 4. **Correction order.** If an audit by the commissioner identifies a situation that
110.2 needs correction but does not merit suspension or cancellation, the commissioner may issue
110.3 a correction order to a third-party tester or program for 30 days to correct a deficiency before
110.4 the program or tester becomes subject to suspension or cancellation. The notice must include
110.5 the basis for requiring the correction. The notice must notify the individual of the ability to
110.6 appeal the correction order as provided in subdivision 5. The third-party testing program
110.7 or third-party tester is permitted 30 days to correct the deficiency without having to reapply.

110.8 Subd. 5. **Notice of denial or cancellation; request for reconsideration and hearing.** (a)
110.9 Within 20 calendar days of receiving a notice of cancellation or denial issued pursuant to
110.10 subdivision 3 or correction order issued pursuant to subdivision 4, the third-party testing
110.11 program or third-party tester may submit a request for reconsideration in writing to the
110.12 commissioner. The commissioner shall review the request for reconsideration and issue a
110.13 decision within 30 days of receipt of the request. Upon receipt of the commissioner's decision,
110.14 the affected party may initiate a contested case proceeding under chapter 14.

110.15 (b) As an alternative to the process in paragraph (a), the affected party may initiate a
110.16 contested case proceeding within 20 calendar days of receiving a notice of cancellation or
110.17 denial issued pursuant to subdivision 3 or a correction order issued pursuant to subdivision
110.18 4.

110.19 (c) If a correction order issued pursuant to subdivision 4 is contested as provided in
110.20 paragraph (a) or (b), the commissioner must not enforce the correction order until a final
110.21 decision has been made following the contested case proceeding.

110.22 **EFFECTIVE DATE.** This section is effective August 1, 2021.

110.23 Sec. 69. **[171.83] THIRD-PARTY BEHIND-THE-WHEEL COMMERCIAL**
110.24 **DRIVER'S LICENSE EXAMINATIONS.**

110.25 Subdivision 1. **Definitions.** (a) For purposes of this section, the following definitions
110.26 have the meanings given.

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

110.29 (c) "Behind-the-wheel examination" means the actual physical demonstration of ability
110.30 to exercise ordinary and reasonable control in the operation of a motor vehicle as required
110.31 in section 171.13, subdivision 1, paragraph (a), clause (4).

111.1 (d) "Third-party tester" or "tester" means an individual who is an employee of a
111.2 third-party testing program and is authorized by the commissioner to conduct the
111.3 behind-the-wheel examination for a commercial driver's license.

111.4 (e) "Third-party testing program" or "program" means a program approved by the
111.5 commissioner to administer the behind-the-wheel examination conducted by a third-party
111.6 tester.

111.7 **Subd. 2. Third-party testing program; application.** (a) A third-party testing program
111.8 applicant must apply in the manner specified by the commissioner for approval to administer
111.9 the behind-the-wheel examination. A third-party testing program may administer the
111.10 behind-the-wheel examination under this section if the program is approved by the
111.11 commissioner.

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

111.13 (1) the business or entity name;

111.14 (2) a business registration number if a business or tax identification number if a nonprofit
111.15 entity;

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

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

111.20 (5) a map, drawing, or written description of each test route to be used for
111.21 behind-the-wheel examinations;

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

111.24 (7) the amount for fees that will be charged; and

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

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

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

112.1 (b) Upon approval of a third-party testing program application, the commissioner must
112.2 issue a letter of approval designating the third-party testing program. The letter of approval
112.3 constitutes an agreement between the state and the third-party testing program that authorizes
112.4 the program to administer the behind-the-wheel examination for a commercial driver's
112.5 license.

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

112.7 Subd. 5. **Third-party tester; authority.** (a) An individual may conduct the
112.8 behind-the-wheel examination for a commercial driver's license under this section if the
112.9 person:

112.10 (1) is a third-party tester;

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

112.12 (3) meets the requirements under Minnesota Rules, chapter 7410, and Code of Federal
112.13 Regulations, title 49, part 383.

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

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

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

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

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

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

112.29 (b) The commissioner must provide to each third-party tester all relevant information
112.30 on how to conduct the behind-the-wheel examination. At a minimum, the commissioner
112.31 must provide:

113.1 (1) the criteria on which applicants for a commercial driver's license must be tested
113.2 during the behind-the-wheel examination;

113.3 (2) the method of scoring and evaluating the applicant;

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

113.5 (4) the necessary documentation to conduct the examination.

113.6 Subd. 8. **Examinations.** (a) A third-party tester must conduct the commercial driver's
113.7 license behind-the-wheel examination in the manner and subject to the requirements of this
113.8 section; section 171.131; Minnesota Rules, chapter 7410; and Code of Federal Regulations,
113.9 title 49, part 383; and as prescribed by the commissioner.

113.10 (b) If the third-party tester also provides behind-the-wheel instruction for student drivers
113.11 or employees, the third-party tester must not use the same routes for training and conducting
113.12 the behind-the-wheel examination.

113.13 (c) A third-party tester is authorized to administer the behind-the-wheel examination of
113.14 a qualified person, regardless of how many times the individual has previously taken the
113.15 test.

113.16 (d) Upon passage of the behind-the-wheel examination, the third-party tester must provide
113.17 the person with certification of passage of the examination. The certification must be in a
113.18 form prescribed by the commissioner.

113.19 Subd. 9. **Prohibited examinations.** A third-party tester must not conduct a
113.20 behind-the-wheel examination of a person:

113.21 (1) to whom the third-party tester has provided skills training, as prohibited in Code of
113.22 Federal Regulations, title 49, part 383; or

113.23 (2) who is required to be examined by the commissioner under section 171.13, subdivision
113.24 3, and Minnesota Rules, parts 7410.2400 and 7410.2610.

113.25 Subd. 10. **Indemnification.** The department shall be held harmless for any claims, losses,
113.26 damages, costs, and other proceedings made, sustained, brought, or prosecuted in any manner
113.27 based on or occasioned by or attributive to any injury, infringement, or damage rising from
113.28 any act or omission of the third-party tester or the third-party testing program in the
113.29 performance of examination duties.

113.30 Subd. 11. **Application.** This section does not apply to the commissioner or employees
113.31 of the state that conduct the behind-the-wheel examination.

114.1 Subd. 12. **Oversight; investigations.** (a) The commissioner must monitor and audit the
114.2 behind-the-wheel examinations conducted by third-party testers.

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

114.8 Subd. 13. **Denial; cancellation; suspension.** (a) The commissioner may deny an
114.9 application for a third-party testing program or third-party tester if the applicant does not
114.10 qualify for approval or certification under section 171.83 or Minnesota Rules, parts 7410.6000
114.11 to 7410.6540. In addition, a misstatement or misrepresentation is grounds for denying a
114.12 letter of approval for a third-party program or a third-party tester certificate.

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

114.15 (1) failure to comply with or satisfy any provision of section 171.83 or Minnesota Rules,
114.16 parts 7410.6000 to 7410.6540;

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

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

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

114.22 Subd. 14. **Commissioner's discretion.** (a) The existence of grounds for cancellation or
114.23 suspension under subdivision 13 is determined at the sole discretion of the commissioner.
114.24 If the commissioner determines that grounds for cancellation or suspension exist for failure
114.25 to comply with or satisfy any requirement in section 171.83 or Minnesota Rules, parts
114.26 7410.6000 to 7410.6540, the commissioner may immediately cancel or suspend the
114.27 third-party testing program or third-party tester from administering any further tests.

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

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

Subd. 16. **Notice of denial or cancellation; request for reconsideration and hearing.** (a) Within 20 calendar days of receiving a notice of cancellation or denial issued pursuant to subdivision 14 or correction order issued pursuant to subdivision 15, the third-party testing program or third-party tester may submit a request for reconsideration in writing to the commissioner. The commissioner shall review the request for reconsideration and issue a decision within 30 days of receipt of the request. Upon receipt of the commissioner's decision, the affected party may request a contested case hearing under chapter 14.

(b) Within 20 calendar days of receiving a notice of cancellation or denial issued pursuant to subdivision 14 or a correction order issued pursuant to subdivision 15, the affected party may request a contested case hearing.

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

Subd. 17. **Rulemaking.** The commissioner must not adopt new rules or amend existing rules to implement the requirements of this section. Except where otherwise provided by this section, the commissioner shall apply applicable provisions from Minnesota Rules, parts 7410.6000 to 7410.6540, to third-party testing of commercial driver's licenses.

EFFECTIVE DATE. This section is effective July 1, 2021.

Sec. 70. Minnesota Statutes 2020, section 299D.03, subdivision 2a, is amended to read:

Subd. 2a. **Salary and benefits survey.** (a) By January 1 of 2021, ~~2023, 2027~~ 2024, 2027, and ~~2031~~ 2030, the legislative auditor must conduct a compensation and benefit survey of law enforcement officers in every police department:

(1) in a city with a population in excess of 25,000, located in a metropolitan county, as defined in section 473.121, subdivision 4, that is represented by a union certified by the Bureau of Mediation Services; or

(2) in a city of the first class.

116.1 The State Patrol must also be included in the survey.

116.2 (b) The legislative auditor must base the survey on compensation and benefits for the
116.3 past completed calendar year. The survey must be based on full-time equivalent employees.
116.4 The legislative auditor must calculate compensation using base salary, overtime wages, and
116.5 premium pay. Premium pay is payment that is received by a majority of employees and
116.6 includes but is not limited to education pay and longevity pay. The legislative auditor must
116.7 not include any payments made to officers or troopers for work performed for an entity
116.8 other than the agency that employs the officer or trooper, regardless of who makes the
116.9 payment. The legislative auditor must also include in the survey all benefits, including
116.10 insurance, retirement, and pension benefits. The legislative auditor must include contributions
116.11 from both the employee and employer when determining benefits.

116.12 (c) The legislative auditor must compile the survey results into a report. The report must
116.13 show each department separately. For each department, the survey must include:

116.14 (1) an explanation of the salary structure, and include minimum and maximum salaries
116.15 for each range or step; and

116.16 (2) an explanation of benefits offered, including the options that are offered and the
116.17 employee and employer contribution for each option.

116.18 Wherever possible, the report must be designed so that the data for each department is in
116.19 the same table or grid format to facilitate easy comparison.

116.20 (d) By January 15 of 2021, 2023, 2027, and 2031, the legislative auditor must transmit
116.21 the survey report to the chairs and ranking minority members of the house of representatives
116.22 and senate committees with jurisdiction over the State Patrol budget.

116.23 (e) It is the legislature's intent to use the information in this study to compare salaries
116.24 between the identified police departments and the State Patrol and to make appropriate
116.25 increases to patrol trooper salaries. For purposes of this paragraph, "patrol troopers" has the
116.26 meaning given in subdivision 2, paragraph (a).

116.27 Sec. 71. Minnesota Statutes 2020, section 325E.15, is amended to read:

116.28 **325E.15 TRANSFER OF MOTOR VEHICLE; MILEAGE DISCLOSURE.**

116.29 No person shall transfer a motor vehicle without disclosing ~~in writing~~ to the transferee
116.30 the true mileage registered on the odometer reading or that the actual mileage is unknown
116.31 if the odometer reading is known by the transferor to be different from the true mileage.
116.32 The regulations contained in Code of Federal Regulations, title 49, sections 580.1 to 580.17,

117.1 ~~as amended through October 1, 1998, implementing title IV of the Federal Motor Vehicle~~
117.2 ~~Information and Cost Savings Act~~ that implement odometer disclosure requirements and
117.3 prescribe the manner in which electronic or written disclosure must be made in this state
117.4 ~~and,~~ are adopted by reference. No transferor shall violate any regulations adopted under
117.5 this section or knowingly give a false statement to a transferee in making any disclosure
117.6 required by the regulations.

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

117.8 Sec. 72. **[345.16] STATE; UNCLAIMED PROPERTY; DISPOSITION; DUTY OF**
117.9 **STATE PATROL.**

117.10 Subdivision 1. **State Patrol seizure.** A State Patrol trooper may seize and retain any
117.11 personal property abandoned upon any public highway right-of-way, other public premises,
117.12 or other state-owned property.

117.13 Subd. 2. **Notice.** Notice by the State Patrol of lost or abandoned property in its possession
117.14 must be made to the rightful owner, if the owner is known, by certified mail. The rightful
117.15 owner may reclaim the property within 90 days of notice after paying any expenses incurred
117.16 by the agency for processing and retaining such property.

117.17 Subd. 3. **Disposal.** Unclaimed property may be sold at public sale, disposed of as state
117.18 surplus property, or destroyed based on the agency's judgment of the property's condition
117.19 and value.

117.20 Subd. 4. **Money.** All lost or abandoned money and the proceeds from the sale of other
117.21 abandoned or lost property retained by the State Patrol pursuant to this section must be
117.22 deposited into the general fund.

117.23 Sec. 73. **ADDITIONAL FUNDING FOR STATE PATROL FOR CIVIL UNREST**
117.24 **OR RIOTING.**

117.25 Any request to the legislature for additional State Patrol funding for trooper response to
117.26 civil unrest or rioting must include:

117.27 (1) a complete explanation of the need for additional troopers for the response; and

117.28 (2) an explanation of why the response was a higher priority than patrolling highways.

117.29 This section applies to the governor's proposed budget and to any request by the Department
117.30 of Public Safety. Additional funding includes funding from any source.

118.1 Sec. 74. ANIMAL-DRAWN VEHICLES; SAFETY MANUAL.

118.2 (a) The commissioner of public safety, in collaboration with the Department of
118.3 Transportation, State Patrol, traffic safety organizations, and other interested parties, must
118.4 develop and publish an animal-drawn vehicles safety manual. When developing the manual,
118.5 the commissioner must evaluate similar manuals already published by other states.

118.6 (b) At a minimum, the safety manual must discuss and provide specific guidance with
118.7 respect to:

118.8 (1) animal-drawn vehicle courtesy and conduct;

118.9 (2) relevant traffic regulations, including traffic signs, traffic signals, pavement markings,
118.10 driving rules, and equipment requirements;

118.11 (3) an overview of how other vehicles and motorists interact with animal-drawn vehicles
118.12 on the roadway;

118.13 (4) safety best practices;

118.14 (5) travel information; and

118.15 (6) any other information the commissioner deems necessary.

118.16 (c) The commissioner must publish the manual under this section on or before January
118.17 1, 2022.

118.18 (d) The manual under this section is not an administrative rule under Minnesota Statutes,
118.19 chapter 14, including section 14.386. The commissioner is exempt from provisions of that
118.20 chapter with respect to any activities taken under this section.

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

118.22 Sec. 75. DRIVER'S LICENSE SAME-DAY ISSUANCE PILOT PROJECT.

118.23 (a) The commissioner of public safety must conduct a same-day driver's license pilot
118.24 project as described in this section. The pilot project must be in the cities of Lakeville and
118.25 Moorhead and include any driver's license agent in either city that requests to participate
118.26 in the pilot project. This section applies to driver's license agents participating in the pilot
118.27 project.

118.28 (b) An applicant who submits a properly completed application for a noncompliant
118.29 driver's license, instruction permit, or identification card must be provided with the license
118.30 or card at the time of the application. The license or card must be processed and produced
118.31 at the site of the application. The applicant must not be required to go to another location

119.1 to receive the license or card. The applicant must not be provided with a temporary license
119.2 or card.

119.3 (c) The commissioner must provide the participating driver's license agents with any
119.4 necessary equipment to process and produce the driver's licenses and identification cards
119.5 on site.

119.6 (d) By January 1, 2023, the commissioner must submit a report on the pilot project to
119.7 the chairs and ranking minority members of the house of representatives and senate
119.8 committees with jurisdiction over transportation policy and finance. At a minimum, the
119.9 report must include the following:

119.10 (1) a description of the pilot project and the locations that participated in the pilot project;

119.11 (2) how many noncompliant driver's licenses, instruction permits, or identification cards
119.12 were processed during the pilot project;

119.13 (3) any information or feedback from the driver's license agents about the pilot project;
119.14 and

119.15 (4) a recommendation on whether the issuance of same-day noncompliant driver's
119.16 licenses, instruction permits, or identification cards should be expanded statewide.

119.17 Sec. 76. **IMPLEMENTATION.**

119.18 The commissioner of public safety must implement the requirements of Minnesota
119.19 Statutes, sections 171.70 to 171.82, with existing resources. The commissioner must not
119.20 hire additional staff to implement the requirements of Minnesota Statutes, sections 171.70
119.21 to 171.82, or to conduct audits as required by section 171.78.

119.22 **EFFECTIVE DATE.** This section is effective August 1, 2021.

119.23 Sec. 77. **PAYABLE OFFENSES; BEST PRACTICES.**

119.24 The Office of Traffic Safety, in consultation with the state court administrator's office
119.25 and the State Patrol, shall confer with law enforcement officers and prosecutors to determine
119.26 best practices for law enforcement agencies and prosecutorial offices to employ when
119.27 processing cases where a citation is issued to ensure that the citation does not inadvertently
119.28 fail to require a court appearance when one is warranted under the circumstances. The best
119.29 practices must address proper levels of review for these cases and encourage cooperation
119.30 between law enforcement agencies and prosecutorial offices. The office shall disseminate
119.31 the best practices upon completion.

120.1 Sec. 78. **SCHOOL BUS AND COMMERCIAL DRIVER'S LICENSE KNOWLEDGE**
120.2 **TEST AVAILABILITY.**

120.3 The commissioner of public safety must ensure adequate availability of time slots for
120.4 knowledge tests for commercial driver's licenses and school bus endorsements. These tests
120.5 must be readily available across the state. Where necessary to provide adequate time slots,
120.6 the commissioner must prioritized these tests above class D driver's license knowledge tests.

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

120.8 Sec. 79. **VEHICLE REGISTRATION SELF-SERVICE KIOSK REPORT.**

120.9 By December 1, 2022, the commissioner of public safety must submit to the legislative
120.10 committees with jurisdiction over transportation policy and finance a report on self-service
120.11 kiosks authorized in Minnesota Statutes, section 168.0135. At a minimum, the report must
120.12 include the following information:

120.13 (1) the number of completed transactions at self-service kiosks;

120.14 (2) the number of failed or canceled transactions at self-service kiosks; and

120.15 (3) the location of each self-service kiosk and the name of the business or entity that is
120.16 operating at that address; and

120.17 (4) any recommendations to the legislature to improve the use of self-service kiosks,
120.18 including proposed legislation.

120.19 Sec. 80. **REVISOR INSTRUCTION.**

120.20 The revisor of statutes must renumber the subdivisions in Minnesota Statutes, section
120.21 169.011, so that the terms appear in alphabetical order. The revisor must make necessary
120.22 cross-reference changes in Minnesota Statutes consistent with the renumbering.

120.23 Sec. 81. **REPEALER.**

120.24 (a) Minnesota Statutes 2020, sections 168.327, subdivision 5; and 169.09, subdivision
120.25 7, are repealed.

120.26 (b) Minnesota Rules, parts 7410.2610, subparts 1, 2, 3, 3a, 5a, 5b, and 6; 7411.0535;
120.27 7414.1490; 7470.0300; 7470.0400; 7470.0500; 7470.0600; and 7470.0700, are repealed.

120.28 Sec. 82. **EFFECTIVE DATE.**

120.29 Except where otherwise provided, this article is effective July 1, 2021.

ARTICLE 4**METROPOLITAN COUNCIL**

Section 1. Minnesota Statutes 2020, section 473.386, is amended by adding a subdivision to read:

Subd. 9. **Fares.** The council must establish fares for special transportation services in accordance with federal law. The council must use all fares collected for special transportation services exclusively for purposes related to special transportation services.

Sec. 2. Minnesota Statutes 2020, section 473.386, is amended by adding a subdivision to read:

Subd. 10. **Forecasted funding.** (a) For purposes of this subdivision, "biennium" and "fiscal year" have the meanings given in section 16A.011, subdivisions 6 and 14, respectively.

(b) In each February and November forecast of state revenues and expenditures under section 16A.103, the commissioner of management and budget must incorporate a state obligation from the general fund for the annual net costs to the council to implement the special transportation service under this section. Notwithstanding section 16A.11, subdivision 3, the appropriation base in each fiscal year of the upcoming biennium is as determined in this subdivision.

(c) The commissioner must determine net costs under paragraph (b) as:

(1) the amount necessary to:

(i) maintain service levels accounting for expected demand, including service area, hours of service, ride scheduling requirements, and fares per council policy;

(ii) maintain the general existing condition of the special transportation service bus fleet, including bus maintenance and replacement; and

(iii) meet the requirements of this section; plus

(2) the amount of forecast adjustments, as determined by the commissioner of management and budget in consultation with the council, necessary to match (i) actual special transportation service program costs in the prior fiscal year, and (ii) adjusted program costs forecasted for the second year of the current biennium, for a forecast prepared in the first year of the biennium; less.

(3) funds identified for the special transportation service from nonstate sources.

122.1 (d) In conjunction with each February and November forecast, the council must submit
122.2 a financial review of the special transportation service to the chairs and ranking minority
122.3 members of the legislative committees with jurisdiction over transportation policy and
122.4 finance and to the commissioner of management and budget. At a minimum, the financial
122.5 review must include:

122.6 (1) a summary of special transportation service sources of funds and expenditures for
122.7 the prior two fiscal years and each fiscal year of the forecast period, which must include:

122.8 (i) a breakout by expenditures categories; and

122.9 (ii) information that is sufficient to identify a conversion between state fiscal years and
122.10 the fiscal years of the council;

122.11 (2) details on cost assumptions used in the forecast;

122.12 (3) information on ridership and farebox recovery rates for the prior two fiscal years
122.13 and each fiscal year of the forecast period;

122.14 (4) identification of the amount of appropriations necessary for any forecast adjustments
122.15 as identified under paragraph (d); and

122.16 (5) information as prescribed by the commissioner.

122.17 **EFFECTIVE DATE; APPLICATION.** This section is effective July 1, 2021, and
122.18 applies beginning with the November 2022 forecast for each biennium beginning on or after
122.19 July 1, 2023. This section applies in the counties of Anoka, Carver, Dakota, Hennepin,
122.20 Ramsey, Scott, and Washington.

122.21 **Sec. 3. [473.4487] COUNTY RESPONSIBILITY FOR GUIDEWAY FUNDING.**

122.22 (a) Counties shall fund guideways, as defined in section 473.4485, subdivision 1,
122.23 including current and future guideways pursuant to the requirements in this section.

122.24 (b) A host county or counties must fund:

122.25 (1) planning, design, engineering, construction, pre-revenue operations, and other costs
122.26 associated with guideway development that exceed federal, state, local government, or other
122.27 funds dedicated to the guideway. This requirement pertains to all costs associated with
122.28 guideway development, including associated costs not eligible for federal funding;

122.29 (2) operating costs of guideway services determined by the service operator to be
122.30 necessary to meet reasonable standards for access, safety, and reliability and that exceed

123.1 fare revenues and federal, state, local government, or other funds dedicated to the guideway;
123.2 and

123.3 (3) capital maintenance, replacement, and modernization costs determined by the operator
123.4 of guideway services to be necessary to meet reasonable standards for access, safety,
123.5 reliability, and upkeep of the guideway and that exceed federal, state, local government, or
123.6 other funds dedicated to the guideway.

123.7 (c) For purposes of this section, "host county or counties" means those counties where
123.8 the guideway is located.

123.9 (d) The distribution of costs among host counties must be delineated through a
123.10 proportional methodology agreed to by the host counties.

123.11 **EFFECTIVE DATE; APPLICATION.** This section is effective July 1, 2021. This
123.12 section applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and
123.13 Washington.

123.14 Sec. 4. **[473.452] TRANSIT OPERATING RESERVES; REPORT.**

123.15 (a) By February 1 each year, each replacement service provider under section 473.388
123.16 must report to the council its projected total operating expenses for the current calendar
123.17 year and its projected operating reserve fund balance as of the previous December 31.

123.18 (b) By March 1 each year, the council must submit a report to the chairs and ranking
123.19 minority members of the legislative committees with jurisdiction over transportation policy
123.20 and finance. The report must include:

123.21 (1) the information from each provider received under paragraph (a); and

123.22 (2) the council's projected total operating expenses for the current calendar year and its
123.23 projected operating reserve fund balance as of the previous December 31.

123.24 **EFFECTIVE DATE.** This section is effective July 1, 2021. This section applies in the
123.25 counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

123.26 Sec. 5. **[476.4058] BUSWAY OPERATION.**

123.27 Money from a local governmental unit, as defined in section 473.121, subdivision 6,
123.28 must not be used to pay costs of operation or maintenance for a busway, as defined in section
123.29 473.4485, subdivision 1.

123.30 **EFFECTIVE DATE.** This section is effective July 1, 2021, and applies to busways
123.31 that begin revenue operations before January 1, 2023.

124.1 **Sec. 6. DISTRIBUTION OF FUNDS; METROPOLITAN COUNCIL.**

124.2 (a) The Metropolitan Council must distribute funds received from the Coronavirus
124.3 Response and Relief Supplemental Appropriations Act of 2021 (CRRSAA) and the American
124.4 Rescue Plan (ARP) to replacement services providers according to the urbanized area
124.5 formula as provided in United States Code, title 49, section 5307.

124.6 (b) The Metropolitan Council must distribute any future federal funds received pursuant
124.7 to a federal coronavirus relief act to replacement service providers according to the urbanized
124.8 area formula as provided in United States Code, title 49, section 5307.

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

124.10 **Sec. 7. FEDERAL FUNDS REPORTING REQUIREMENTS; REPLACEMENT**
124.11 **SERVICE PROVIDERS.**

124.12 (a) For purposes of this section, "federal funds" means any funding received by the
124.13 Metropolitan Council, and allocated to replacement service providers under Minnesota
124.14 Statutes, section 473.388, from the federal government pursuant to any federal law, rule,
124.15 grant, or loan relating to the infectious disease known as COVID-19. This includes but is
124.16 not limited to the Coronavirus Aid, Relief, and Economic Security (CARES) Act, Public
124.17 Law 116-136.

124.18 (b) Replacement service providers must report all expenditures of federal funds to the
124.19 chairs and ranking minority members of the legislative committees with jurisdiction over
124.20 transportation finance and policy by February 15, 2022, and annually thereafter until all
124.21 federal funds are expended. The report must include the total amount of each expenditure,
124.22 the purpose of each expenditure, and any additional information necessary to properly
124.23 document each expenditure.

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

124.25 **Sec. 8. TERMINATION OF NORTHSTAR COMMUTER RAIL SERVICE.**

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

124.28 (b) "Commissioner" means the commissioner of transportation.

124.29 (c) "Council" means the Metropolitan Council.

124.30 (d) "FTA" means the Federal Transit Administration.

125.1 (e) "Northstar" means the Northstar Commuter Rail line that provides rail passenger
125.2 service between downtown Minneapolis and Big Lake, including stops in Fridley, Coon
125.3 Rapids, Anoka, Ramsey, and Elk River.

125.4 Subd. 2. **Federal approval.** Within 30 days of the enactment of this section, the council
125.5 and the commissioner must request approval from the FTA to discontinue operations of the
125.6 NorthStar commuter rail. As part of the request, the council and commissioner must specify
125.7 that the state will not reimburse the FTA or any other federal agency for federal funds spent
125.8 on NorthStar. Within seven days of receiving a response to the request, the council and
125.9 commissioner must report to the chairs and ranking minority members of the legislative
125.10 committees with jurisdiction over transportation policy and finance on the outcome of the
125.11 request. The report must include a copy of the request submitted to the FTA and a copy of
125.12 the FTA's response. If the FTA grants the request, the report must include the plans for
125.13 terminating NorthStar services and how the council and commissioner will comply with
125.14 subdivisions 3 to 5 of this section.

125.15 Subd. 3. **Service terminated.** Upon receiving approval from the FTA, the council shall
125.16 immediately terminate all services related to Northstar, including stopping all passenger
125.17 service, closing all stations, and ending law enforcement services provided by the
125.18 Metropolitan Transit Police along the route.

125.19 Subd. 4. **Agreements terminated.** (a) Upon receiving approval from the FTA, the
125.20 commissioner and the council shall immediately terminate all memorandums of
125.21 understanding, joint powers agreements, contracts, or any other agreement entered into with
125.22 any public or private entity pursuant to Minnesota Statutes, sections 174.82 and 473.4057,
125.23 for the planning, development, construction, operation, or maintenance of Northstar.

125.24 (b) Upon receiving approval from the FTA and pursuant to Minnesota Statutes, section
125.25 473.4057, subdivision 5, the commissioner shall immediately terminate any lease, license,
125.26 assignment, right of access, or other agreement provided to the council to develop, operate,
125.27 and maintain Northstar.

125.28 Subd. 5. **Assets sold; disposition of proceeds.** (a) Upon receiving approval from the
125.29 FTA, the council shall immediately convey ownership in any real or personal property
125.30 related to Northstar that was previously owned and conveyed by the commissioner or
125.31 Department of Transportation under Minnesota Statutes, section 473.4075, subdivision 5,
125.32 back to the commissioner.

125.33 (b) Upon receiving approval from the FTA, the council and the commissioner shall
125.34 immediately sell or otherwise dispose of all assets related to Northstar, including but not

126.1 limited to equipment, supplies, materials, rolling stock, facilities, improvements, personal
126.2 property, and real property.

126.3 (c) All sales and disposition of real and personal property under this subdivision shall
126.4 be conducted pursuant to Minnesota Statutes, section 16B.2975.

126.5 Subd. 6. **Report to legislature.** If the FTA grants the request to terminate NorthStar
126.6 service as described in subdivision 2, the council and commissioner must report to the chairs
126.7 and ranking minority members of the legislative committees with jurisdiction over
126.8 transportation policy and finance by January 1, 2022, on how subdivisions 2 to 5 were
126.9 implemented.

126.10 Subd. 7. **Appropriation cancellation.** Any unspent funds remaining from the
126.11 appropriation under Laws 2019, First Special Session chapter 3, article 1, section 2,
126.12 subdivision 2, paragraph (b), shall immediately cancel to the general fund.

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

126.14 Sec. 9. **REPEALER.**

126.15 Minnesota Statutes 2020, sections 473.13, subdivision 1b; and 473.4051, subdivisions
126.16 2 and 3, are repealed.

126.17 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
126.18 final enactment. This section applies in the counties of Anoka, Carver, Dakota, Hennepin,
126.19 Ramsey, Scott, and Washington. "

126.20 Amend the title accordingly