

SENATE
STATE OF MINNESOTA
NINETY-FOURTH SESSION

S.F. No. 2082

(SENATE AUTHORS: DIBBLE and Johnson Stewart)		
DATE	D-PG	OFFICIAL STATUS
03/03/2025	613	Introduction and first reading Referred to Transportation
04/22/2025	2556a	Comm report: To pass as amended and re-refer to Finance
04/28/2025		Comm report: To pass as amended Second reading

1.1A bill for an act

1.2relating to transportation; establishing a budget for transportation; appropriating

1.3money for transportation purposes, including Department of Transportation,

1.4Department of Public Safety, and Metropolitan Council activities; modifying

1.5various transportation policy provisions relating to drivers' licenses, traffic safety,

1.6speed limits, the Advisory Council on Traffic Safety, cost participation policy

1.7development, commercial drivers' instructional permits, autonomous mower

1.8research, electronic aircraft attestation, pedestrian citations, work zone safety

1.9incorporated into driver's education and driver's examination, reintegration drivers'

1.10licenses, resilient pavement and asset sustainability programming, courtesy use of

1.11dealer plates and extension of expiration for certain temporary license plates,

1.12driver's license agents and deputy registrars, and various project development and

1.13design policies for the Department of Transportation State Aid for Local

1.14Transportation Office; delaying the effective date of when a motorcycle may lane

1.15filter and removing the authorization to split lanes; modifying various transportation

1.16finance policy provisions; increasing the surcharge for all-electric vehicles and

1.17instituting a surcharge for plug-in hybrid vehicles, all-electric motorcycles, and

1.18plug-in hybrid electric vehicles; requiring rulemaking; repealing state-aid design

1.19standards and certain provisions related to state-aid design variances; requiring

1.20reports; amending Minnesota Statutes 2024, sections 4.076, subdivisions 4, 5;

1.2116A.88, subdivision 1a; 160.165; 161.045; 161.088, subdivision 2; 161.115,

1.22subdivision 177; 161.14, by adding a subdivision; 162.02, subdivision 3a, by

1.23adding subdivisions; 162.09, subdivision 3a, by adding subdivisions; 162.155;

1.24168.013, subdivision 1m, by adding subdivisions; 168.091; 168.27, subdivision

1.2516; 168.33, subdivision 7; 168A.10, by adding a subdivision; 168A.11, subdivision

1.261; 169.011, subdivision 36, by adding subdivisions; 169.06, subdivisions 5, 6;

1.27169.09, subdivision 8; 169.14, by adding subdivisions; 169.21, subdivision 3;

1.28169.71, subdivision 4a; 171.01, by adding a subdivision; 171.05, subdivision 1;

1.29171.0605, subdivision 2, by adding a subdivision; 171.061, subdivision 4; 171.0701,

1.30by adding a subdivision; 171.0705, by adding a subdivision; 171.071, subdivision

1.312; 171.13, subdivisions 1, 7; 171.17, subdivision 1; 171.301, subdivisions 5, 6;

1.32171.306, subdivision 8; 174.03, by adding subdivisions; 174.53; 174.634,

1.33subdivision 2; 174.75, subdivisions 2, 2a; 297A.94; 299A.55, subdivisions 2, 4;

1.34360.511, by adding subdivisions; 360.55, subdivisions 4, 4a, 8, 9, by adding a

1.35subdivision; 473.129, by adding a subdivision; 473.13, subdivisions 1, 6; 473.142;

1.36473.1425; 473.386, subdivision 10; 473.408, by adding a subdivision; 473.412,

1.37subdivision 3; 473.4465, by adding a subdivision; Laws 2020, Fifth Special Session

1.38chapter 3, article 1, section 16, subdivision 34; Laws 2021, First Special Session

chapter 5, article 1, section 2, subdivision 2, as amended; Laws 2021, First Special Session chapter 14, article 11, section 45; Laws 2023, chapter 60, article 10, section 9; Laws 2023, chapter 68, article 1, sections 2, subdivisions 2, 3; 4, subdivision 5; article 2, section 2, subdivision 9, as amended; article 4, section 109; Laws 2024, chapter 127, article 1, sections 2, subdivision 3; 4, subdivision 3; article 3, section 61; proposing coding for new law in Minnesota Statutes, chapters 137; 160; 161; 162; 171; 174; repealing Minnesota Statutes 2024, section 473.452; Laws 2019, First Special Session chapter 3, article 2, section 34, as amended; Minnesota Rules, parts 8820.2500; 8820.3300, subparts 1, 1a, 3, 4; 8820.3400; 8820.9926, subpart 1; 8820.9936; 8820.9946; 8820.9956; 8820.9995.

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

ARTICLE 1
APPROPRIATIONS

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 fiscal year 2027 under "Appropriations by Fund" show the base within the meaning of Minnesota Statutes, section 16A.11, subdivision 3, by fund. The figures "2026" and "2027" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2026, or June 30, 2027, respectively. "Each year" is each of fiscal years 2026 and 2027. "The biennium" is fiscal years 2026 and 2027. "C.S.A.H." is the county state-aid highway fund. "M.S.A.S." is the municipal state-aid street fund. "H.U.T.D." is the highway user tax distribution fund. "Staff" means those employees who are identified in any of the following roles for the legislative committees: committee administrator, committee legislative assistant, caucus research, fiscal analysis, counsel, or nonpartisan research.

<u>APPROPRIATIONS</u>	
<u>Available for the Year</u>	
<u>Ending June 30</u>	
<u>2026</u>	<u>2027</u>

Sec. 2. DEPARTMENT OF
TRANSPORTATION

Subdivision 1. <u>Total Appropriation</u>	\$	<u>4,931,001,000</u>	\$	<u>4,035,169,000</u>
<u>Appropriations by Fund</u>				
		<u>2026</u>		<u>2027</u>
<u>General</u>		<u>40,018,000</u>		<u>39,718,000</u>

3.1	<u>Airports</u>	<u>32,218,000</u>	<u>29,218,000</u>
3.2	<u>C.S.A.H.</u>	<u>1,110,688,000</u>	<u>1,142,263,000</u>
3.3	<u>M.S.A.S.</u>	<u>281,906,000</u>	<u>288,221,000</u>
3.4	<u>Trunk Highway</u>	<u>3,466,171,000</u>	<u>2,535,749,000</u>

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

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

3.10 Subd. 2. **Multimodal Systems**

3.11 (a) **Aeronautics**

3.12 (1) **Airport Development and Assistance** 24,348,000 21,348,000

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

3.17 \$150,000 in fiscal year 2026 is for a grant to
 3.18 the city of McGregor to relocate the automated
 3.19 weather station at the McGregor Isedor
 3.20 Iverson Airport.

3.21 Notwithstanding Minnesota Statutes, section
 3.22 16A.28, subdivision 6, this appropriation is
 3.23 available for five years after the year of the
 3.24 appropriation. If the appropriation for either
 3.25 year is insufficient, the appropriation for the
 3.26 other year is available for it.

3.27 If the commissioner of transportation
 3.28 determines that a balance remains in the state
 3.29 airports fund following the appropriations
 3.30 made in this article and that the appropriations
 3.31 made are insufficient for advancing airport
 3.32 development and assistance projects, an
 3.33 amount necessary to advance the projects, not
 3.34 to exceed the balance in the state airports fund,

4.1 is appropriated in each year to the
4.2 commissioner and must be spent according to
4.3 Minnesota Statutes, section 360.305,
4.4 subdivision 4. Within two weeks of a
4.5 determination under this contingent
4.6 appropriation, the commissioner of
4.7 transportation must notify the commissioner
4.8 of management and budget and the chairs,
4.9 ranking minority members, and staff of the
4.10 legislative committees with jurisdiction over
4.11 transportation finance concerning the funds
4.12 appropriated. Funds appropriated under this
4.13 contingent appropriation do not adjust the base
4.14 for fiscal years 2028 and 2029.

4.15	<u>(2) Aviation Support Services</u>	<u>9,533,000</u>	<u>9,683,000</u>
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4.16	<u>Appropriations by Fund</u>		
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4.17	<u>General</u>	<u>1,843,000</u>	<u>1,993,000</u>
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4.18	<u>Airports</u>	<u>7,690,000</u>	<u>7,690,000</u>
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4.19	<u>(3) Civil Air Patrol</u>	<u>180,000</u>	<u>180,000</u>
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4.20 This appropriation is from the state airports
4.21 fund for the Civil Air Patrol.

4.22	<u>(b) Transit and Active Transportation</u>	<u>18,376,000</u>	<u>18,376,000</u>
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4.23 This appropriation is from the general fund.
4.24 The base is \$22,114,000 in fiscal year 2028
4.25 and \$22,113,000 in fiscal year 2029.

4.26	<u>(c) Safe Routes to School</u>	<u>1,500,000</u>	<u>1,500,000</u>
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4.27 This appropriation is from the general fund
4.28 for the safe routes to school program under
4.29 Minnesota Statutes, section 174.40.

4.30 If the appropriation for either year is
4.31 insufficient, the appropriation for the other
4.32 year is available for it.

4.33	<u>(d) Passenger Rail</u>	<u>5,943,000</u>	<u>5,743,000</u>
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5.1 This appropriation is from the general fund
 5.2 for passenger rail activities under Minnesota
 5.3 Statutes, sections 174.632 to 174.636.

5.4 \$200,000 in fiscal year 2026 is for a federal
 5.5 match for a service development plan for the
 5.6 Big Sky North Coast passenger rail corridor.

5.7 **(e) Freight** 9,215,000 9,284,000

5.8 Appropriations by Fund

5.9 General 2,403,000 2,403,000

5.10 Trunk Highway 6,812,000 6,881,000

5.11 Subd. 3. State Roads

5.12 **(a) Operations and Maintenance** 441,305,000 449,274,000

5.13 The base is \$455,274,000 in each of fiscal
 5.14 years 2028 and 2029.

5.15 **(b) Program Planning and Delivery**

5.16 **(1) Planning and Research** 37,156,000 37,244,000

5.17 The commissioner may use any balance
 5.18 remaining in this appropriation for program
 5.19 delivery under clause (2).

5.20 \$150,000 in fiscal year 2026 is to conduct
 5.21 autonomous mowing research and to purchase
 5.22 an autonomous mower suitable for commercial
 5.23 mowing operations. The mower must be
 5.24 purchased from a company based in
 5.25 Minnesota.

5.26 \$134,000 in fiscal year 2026 and \$135,000 in
 5.27 fiscal year 2027 are available for
 5.28 administrative costs of the targeted group
 5.29 business program.

5.30 \$300,000 in each year is available for grants
 5.31 to metropolitan planning organizations outside
 5.32 the seven-county metropolitan area.

6.1 \$900,000 in each year is available for grants
6.2 for transportation studies outside the
6.3 metropolitan area to identify critical concerns,
6.4 problems, and issues. These grants are
6.5 available: (i) to regional development
6.6 commissions; (ii) in regions where no regional
6.7 development commission is functioning, to
6.8 joint powers boards established under
6.9 agreement of two or more political
6.10 subdivisions in the region to exercise the
6.11 planning functions of a regional development
6.12 commission; and (iii) in regions where no
6.13 regional development commission or joint
6.14 powers board is functioning, to the Department
6.15 of Transportation district office for that region.

6.16	<u>(2) Program Delivery</u>	<u>287,588,000</u>	<u>288,701,000</u>
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6.17	<u>Appropriations by Fund</u>		
6.18	<u>General</u>	<u>2,000,000</u>	<u>2,000,000</u>
6.19	<u>Trunk Highway</u>	<u>285,588,000</u>	<u>286,701,000</u>

6.20 This appropriation includes use of consultants
6.21 to support development and management of
6.22 projects.

6.23 \$1,003,000 in fiscal year 2026 and \$1,005,000
6.24 in fiscal year 2027 are available from the trunk
6.25 highway fund for management of
6.26 contaminated and regulated material on
6.27 property owned by the Department of
6.28 Transportation, including mitigation of
6.29 property conveyances, facility acquisition or
6.30 expansion, chemical release at maintenance
6.31 facilities, and spills on the trunk highway
6.32 system where there is no known responsible
6.33 party. If the appropriation for either year is
6.34 insufficient, the appropriation for the other
6.35 year is available for it.

7.1 \$2,000,000 in fiscal year 2026 is for project
 7.2 readiness development activities for a
 7.3 construction project that is geographically
 7.4 eligible for project selection under Minnesota
 7.5 Statutes, section 161.088, subdivision 4a,
 7.6 paragraph (a), clause (1).

7.7 \$5,000,000 in each of fiscal years 2026 and
 7.8 2027 is for the resilient pavement program
 7.9 under Minnesota Statutes, section 174.205.
 7.10 This is a onetime appropriation.

7.11	<u>(c) State Road Construction</u>	<u>2,227,557,000</u>	<u>1,262,157,000</u>
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7.12 This appropriation is for the actual
 7.13 construction, reconstruction, and improvement
 7.14 of trunk highways, including design-build
 7.15 contracts, internal department costs associated
 7.16 with delivering the construction program,
 7.17 consultant usage to support these activities,
 7.18 and the cost of actual payments to landowners
 7.19 for lands acquired for highway rights-of-way,
 7.20 payment to lessees, interest subsidies, and
 7.21 relocation expenses.

7.22 This appropriation includes federal highway
 7.23 aid. The commissioner of transportation must
 7.24 notify the chairs, ranking minority members,
 7.25 and staff of the legislative committees with
 7.26 jurisdiction over transportation finance of any
 7.27 significant events that cause the estimates of
 7.28 federal aid to change.

7.29 \$650,000,000 in fiscal year 2026 is for the
 7.30 John A. Blatnik Bridge between Duluth,
 7.31 Minnesota, and Superior, Wisconsin. The
 7.32 commissioner may use up to 17 percent of the
 7.33 amount for program delivery. This is a

8.1 onetime appropriation and is available until
 8.2 June 30, 2033.

8.3 The commissioner may expend up to one-half
 8.4 of one percent of the federal appropriations
 8.5 under this paragraph as grants to opportunity
 8.6 industrialization centers and other nonprofit
 8.7 job training centers for job training programs
 8.8 related to highway construction.

8.9 The commissioner may transfer up to
 8.10 \$15,000,000 in each year to the transportation
 8.11 revolving loan fund.

8.12 The commissioner may receive money
 8.13 covering other shares of the cost of partnership
 8.14 projects. These receipts are appropriated to
 8.15 the commissioner for these projects.

8.16 The base is \$1,281,546,000 in each of fiscal
 8.17 years 2028 and 2029.

8.18	<u>(d) Corridors of Commerce</u>	<u>30,000,000</u>	<u>30,000,000</u>
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8.19 This appropriation is for the corridors of
 8.20 commerce program under Minnesota Statutes,
 8.21 section 161.088. The commissioner may use
 8.22 up to 17 percent of the amount in each year
 8.23 for program delivery.

8.24	<u>(e) Highway Debt Service</u>	<u>300,061,000</u>	<u>322,048,000</u>
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8.25 \$297,061,000 in fiscal year 2026 and
 8.26 \$319,048,000 in fiscal year 2027 are for
 8.27 transfer to the state bond fund. If this
 8.28 appropriation is insufficient to make all
 8.29 transfers required in the year for which it is
 8.30 made, the commissioner of management and
 8.31 budget must transfer the deficiency amount
 8.32 as provided under Minnesota Statutes, section
 8.33 16A.641, and notify the chairs, ranking

9.1 minority members, and staff of the legislative
 9.2 committees with jurisdiction over
 9.3 transportation finance and the chairs of the
 9.4 senate Finance Committee and the house of
 9.5 representatives Ways and Means Committee
 9.6 of the amount of the deficiency. Any excess
 9.7 appropriation cancels to the trunk highway
 9.8 fund.

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

9.10 Appropriations by Fund

9.11 General 3,000 3,000

9.12 Trunk Highway 7,049,000 7,118,000

9.13 \$3,000 in each year is from the general fund
 9.14 to equip and operate the Roosevelt signal
 9.15 tower for Lake of the Woods weather
 9.16 broadcasting.

9.17 **Subd. 4. Local Roads**

9.18 **(a) County State-Aid Highways** 1,110,688,000 1,142,263,000

9.19 This appropriation is from the county state-aid
 9.20 highway fund under Minnesota Statutes,
 9.21 sections 161.081, 174.49, and 297A.815,
 9.22 subdivision 3, and chapter 162, and is
 9.23 available until June 30, 2035.

9.24 If the commissioner of transportation
 9.25 determines that a balance remains in the
 9.26 county state-aid highway fund following the
 9.27 appropriations and transfers made in this
 9.28 paragraph and that the appropriations made
 9.29 are insufficient for advancing county state-aid
 9.30 highway projects, an amount necessary to
 9.31 advance the projects, not to exceed the balance
 9.32 in the county state-aid highway fund, is
 9.33 appropriated in each year to the commissioner.
 9.34 Within two weeks of a determination under

10.1 this contingent appropriation, the
 10.2 commissioner of transportation must notify
 10.3 the commissioner of management and budget
 10.4 and the chairs, ranking minority members, and
 10.5 staff of the legislative committees with
 10.6 jurisdiction over transportation finance
 10.7 concerning funds appropriated. The governor
 10.8 must identify in the next budget submission
 10.9 to the legislature under Minnesota Statutes,
 10.10 section 16A.11, any amount that is
 10.11 appropriated under this paragraph.

10.12	<u>(b) Municipal State-Aid Streets</u>	<u>281,906,000</u>	<u>288,221,000</u>
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10.13 This appropriation is from the municipal
 10.14 state-aid street fund under Minnesota Statutes,
 10.15 chapter 162, and is available until June 30,
 10.16 2035.

10.17 If the commissioner of transportation
 10.18 determines that a balance remains in the
 10.19 municipal state-aid street fund following the
 10.20 appropriations and transfers made in this
 10.21 paragraph and that the appropriations made
 10.22 are insufficient for advancing municipal
 10.23 state-aid street projects, an amount necessary
 10.24 to advance the projects, not to exceed the
 10.25 balance in the municipal state-aid street fund,
 10.26 is appropriated in each year to the
 10.27 commissioner. Within two weeks of a
 10.28 determination under this contingent
 10.29 appropriation, the commissioner of
 10.30 transportation must notify the commissioner
 10.31 of management and budget and the chairs,
 10.32 ranking minority members, and staff of the
 10.33 legislative committees with jurisdiction over
 10.34 transportation finance concerning funds
 10.35 appropriated. The governor must identify in

11.1 the next budget submission to the legislature
 11.2 under Minnesota Statutes, section 16A.11, any
 11.3 amount that is appropriated under this
 11.4 paragraph.

11.5 **(c) Other Local Roads** 1,750,000 1,500,000

11.6 This appropriation is from the general fund.

11.7 **(1) Local Transportation Disaster Support**

11.8 \$1,000,000 in each of fiscal years 2026 and
 11.9 2027 is to provide a cost-share for federal
 11.10 assistance from the Federal Highway
 11.11 Administration for the emergency relief
 11.12 program under United States Code, title 23,
 11.13 section 125. If the appropriation for either year
 11.14 is insufficient, the appropriation for the other
 11.15 year is available for it.

11.16 **(2) Traffic Calming Infrastructure**
 11.17 **Improvements**

11.18 \$500,000 in each of fiscal years 2026 and
 11.19 2027 is for grants to cities of the first class for
 11.20 traffic calming infrastructure improvements,
 11.21 including horizontal and vertical deflection
 11.22 elements, intersection improvements, paint,
 11.23 curb bump-outs, bollards, raised crosswalks,
 11.24 or other improvements to improve traffic
 11.25 safety in the right-of-way. Improvements made
 11.26 on nonmunicipal state-aid streets do not need
 11.27 to meet municipal state-aid streets standards.
 11.28 These are onetime appropriations.
 11.29 Notwithstanding Minnesota Statutes, section
 11.30 16B.98, subdivision 14, the commissioner
 11.31 must not use any amount of this appropriation
 11.32 for administrative costs. The commissioner
 11.33 must distribute the grant aid as follows:

12.1 (i) 50 percent of the funds proportionally based
12.2 on each city's share of population, according
12.3 to the last federal decennial census, compared
12.4 to the total population of all cities of the first
12.5 class; and

12.6 (ii) 50 percent of the funds proportionally
12.7 based on each city's share of money needs, as
12.8 determined under Minnesota Statutes, section
12.9 162.13, subdivision 2, compared to the total
12.10 money needs of all cities of the first class.

12.11 **(3) Empowering Small Minnesota Communities**

12.12 \$250,000 in fiscal year 2026 is for transfer to
12.13 the Board of Regents of the University of
12.14 Minnesota for the empowering small
12.15 Minnesota communities program under
12.16 Minnesota Statutes, section 137.345.

12.17 **Subd. 5. Agency Management**

12.18 **(a) Agency Services** 91,533,000 95,124,000

12.19 Appropriations by Fund

12.20 General 6,200,000 6,200,000

12.21 Trunk Highway 85,333,000 88,924,000

12.22 **(b) Buildings** 44,710,000 44,802,000

12.23 Any money appropriated to the commissioner
12.24 of transportation for building construction for
12.25 any fiscal year before fiscal year 2026 is
12.26 available to the commissioner during the
12.27 biennium to the extent that the commissioner
12.28 spends the money on the building construction
12.29 projects for which the money was originally
12.30 encumbered during the fiscal year for which
12.31 it was appropriated. If the appropriation for
12.32 either year is insufficient, the appropriation
12.33 for the other year is available for it.

- 13.1 **(c) Tort Claims** 600,000 600,000
- 13.2 If the appropriation for either year is
- 13.3 insufficient, the appropriation for the other
- 13.4 year is available for it.
- 13.5 **Subd. 6. Transfers; General Authority**
- 13.6 (a) With the approval of the commissioner of
- 13.7 management and budget, the commissioner
- 13.8 of transportation may transfer unencumbered
- 13.9 balances among the appropriations from the
- 13.10 trunk highway fund and the state airports fund
- 13.11 made in this section. Transfers under this
- 13.12 paragraph must not be made: (1) between
- 13.13 funds; (2) from the appropriations for state
- 13.14 road construction or debt service; or (3) from
- 13.15 the appropriations for operations and
- 13.16 maintenance or program delivery, except for
- 13.17 a transfer to state road construction or debt
- 13.18 service.
- 13.19 (b) The commissioner of transportation must
- 13.20 immediately report transfers under paragraph
- 13.21 (a) to the chairs, ranking minority members,
- 13.22 and staff of the legislative committees with
- 13.23 jurisdiction over transportation finance. The
- 13.24 authority for the commissioner of
- 13.25 transportation to make transfers under
- 13.26 Minnesota Statutes, section 16A.285, is
- 13.27 superseded by the authority and requirements
- 13.28 under this subdivision.
- 13.29 **Subd. 7. Transfers; Flexible Highway Account**
- 13.30 The commissioner of transportation must
- 13.31 transfer from the flexible highway account in
- 13.32 the county state-aid highway fund:
- 13.33 (1) \$21,800,000 in fiscal year 2026 to the
- 13.34 trunk highway fund;

- 14.1 (2) \$22,230,000 in fiscal year 2026 to the
14.2 municipal turnback account in the municipal
14.3 state-aid street fund; and
- 14.4 (3) the remainder in each year to the county
14.5 turnback account in the county state-aid
14.6 highway fund.
- 14.7 The money transferred under clause (1) is
14.8 appropriated from the trunk highway fund for
14.9 highway turnback purposes as provided under
14.10 Minnesota Statutes, section 161.081,
14.11 subdivision 3.
- 14.12 **Subd. 8. Contingent Appropriations**
- 14.13 The commissioner of transportation, with the
14.14 approval of the governor and the written
14.15 approval of at least five members of a group
14.16 consisting of the members of the Legislative
14.17 Advisory Commission under Minnesota
14.18 Statutes, section 3.30, and the ranking minority
14.19 members of the legislative committees with
14.20 jurisdiction over transportation finance, may
14.21 transfer all or part of the unappropriated
14.22 balance in the trunk highway fund to an
14.23 appropriation: (1) for trunk highway design,
14.24 construction, or inspection in order to take
14.25 advantage of an unanticipated receipt of
14.26 income to the trunk highway fund or to take
14.27 advantage of federal advanced construction
14.28 funding; (2) for trunk highway maintenance
14.29 in order to meet an emergency; or (3) to pay
14.30 tort or environmental claims. Nothing in this
14.31 subdivision authorizes the commissioner to
14.32 increase the use of federal advanced
14.33 construction funding beyond amounts
14.34 specifically authorized. Any transfer as a result
14.35 of the use of federal advanced construction

15.1 funding must include an analysis of the effects
15.2 on the long-term trunk highway fund balance.
15.3 The amount transferred is appropriated for the
15.4 purpose of the account to which it is
15.5 transferred.

15.6 Sec. 3. **METROPOLITAN COUNCIL**

15.7 Subdivision 1. **Total Appropriation** \$ **128,734,000** \$ **134,567,000**

15.8 The appropriations in this section are from the
15.9 general fund to the Metropolitan Council.

15.10 Subd. 2. **Transit System Operations** 16,227,000 16,227,000

15.11 This appropriation is for transit system
15.12 operations under Minnesota Statutes, sections
15.13 473.371 to 473.449.

15.14 Subd. 3. **Special Transportation Service** 112,507,000 118,340,000

15.15 This appropriation is for special transportation
15.16 service under Minnesota Statutes, section
15.17 473.386, including Metro Mobility and Metro
15.18 Move.

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

15.20 Subdivision 1. **Total Appropriation** \$ **316,228,000** \$ **299,658,000**

15.21 Appropriations by Fund

15.22		<u>2026</u>	<u>2027</u>
15.23	<u>General</u>	<u>37,529,000</u>	<u>37,563,000</u>
15.24	<u>H.U.T.D.</u>	<u>1,382,000</u>	<u>1,395,000</u>
15.25	<u>Special Revenue</u>	<u>80,976,000</u>	<u>80,443,000</u>
15.26	<u>Trunk Highway</u>	<u>196,341,000</u>	<u>180,257,000</u>

15.27 The appropriations in this section are to the
15.28 commissioner of public safety.

15.29 The amounts that may be spent for each
15.30 purpose are specified in the following
15.31 subdivisions. The commissioner must spend
15.32 appropriations from the trunk highway fund
15.33 in subdivision 3 only for State Patrol purposes.

16.1 Subd. 2. Administration and Related Services

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

16.4	<u>(b) Public Safety Support</u>	<u>11,429,000</u>	<u>11,473,000</u>
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16.5 Appropriations by Fund

16.6	<u>General</u>	<u>6,001,000</u>	<u>6,001,000</u>	
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16.7	<u>Trunk Highway</u>	<u>5,428,000</u>	<u>5,472,000</u>	
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16.8	<u>(c) Public Safety Officer Survivor Benefits</u>	<u>1,640,000</u>	<u>1,640,000</u>
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16.9 This appropriation is from the general fund16.10 for payment of public safety officer survivor16.11 benefits under Minnesota Statutes, section16.12 299A.44. If the appropriation for either year16.13 is insufficient, the appropriation for the other16.14 year is available for it.

16.15	<u>(d) Public Safety Officer Reimbursements</u>	<u>1,367,000</u>	<u>1,367,000</u>
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16.16 This appropriation is from the general fund16.17 for transfer to the public safety officer's benefit16.18 account. This appropriation is available for16.19 reimbursements under Minnesota Statutes,16.20 section 299A.465.

16.21	<u>(e) Soft Body Armor Reimbursements</u>	<u>745,000</u>	<u>745,000</u>
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16.22 This appropriation is from the general fund16.23 for soft body armor reimbursements under16.24 Minnesota Statutes, section 299A.38.

16.25	<u>(f) Technology and Support Services</u>	<u>7,130,000</u>	<u>7,130,000</u>
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16.26 Appropriations by Fund

16.27	<u>General</u>	<u>1,743,000</u>	<u>1,743,000</u>	
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16.28	<u>Trunk Highway</u>	<u>5,387,000</u>	<u>5,387,000</u>	
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16.29 Subd. 3. State Patrol

16.30	<u>(a) Patrolling Highways</u>	<u>165,434,000</u>	<u>149,300,000</u>
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16.31 Appropriations by Fund

16.32	<u>General</u>	<u>37,000</u>	<u>37,000</u>	
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17.1 H.U.T.D. 92,000 92,000
 17.2 Trunk Highway 165,305,000 149,171,000
 17.3 \$1,045,000 in each year is from the trunk
 17.4 highway fund for recruitment and hiring
 17.5 initiatives. The base for this purpose is
 17.6 \$10,365,000 in fiscal year 2028, \$10,365,000
 17.7 in fiscal year 2029, and \$1,672,000 in each
 17.8 subsequent fiscal year. The amounts in fiscal
 17.9 years 2028 and 2029 include funding to
 17.10 conduct an additional annual trooper academy.
 17.11 \$14,935,000 in fiscal year 2026 is from the
 17.12 trunk highway fund to purchase and equip a
 17.13 helicopter. This appropriation is available until
 17.14 June 30, 2027.
 17.15 \$2,996,000 in fiscal year 2026 is from the
 17.16 trunk highway fund to purchase a Cirrus
 17.17 single-engine airplane as a replacement for
 17.18 the current Cessna 182 aircraft. This
 17.19 appropriation is available until June 30, 2027.
 17.20 \$490,000 in fiscal year 2026 and \$340,000 in
 17.21 fiscal year 2027 are from the trunk highway
 17.22 fund for maintenance staff and aviation
 17.23 supervisory staff.
 17.24 The base from the trunk highway fund is
 17.25 \$158,491,000 in each of fiscal years 2028 and
 17.26 2029.
 17.27 **(b) Commercial Vehicle Enforcement**
 17.28 **(c) Capitol Security**
 17.29 This appropriation is from the general fund.
 17.30 The commissioner must not:
 17.31 (1) spend any money from the trunk highway
 17.32 fund for capitol security; or

18,861,000

18,861,000

19,243,000

19,243,000

18.1 (2) permanently transfer any state trooper from
18.2 the patrolling highways activity to capitol
18.3 security.

18.4 The commissioner must not transfer any
18.5 money appropriated to the commissioner under
18.6 this section:

18.7 (1) to capitol security; or

18.8 (2) from capitol security.

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

18.10 This appropriation is from the highway user
18.11 tax distribution fund to investigate:

18.12 (1) registration tax and motor vehicle sales tax
18.13 liabilities from individuals and businesses that
18.14 currently do not pay all taxes owed; and

18.15 (2) illegal or improper activity related to the
18.16 sale, transfer, titling, and registration of motor
18.17 vehicles.

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

18.19 **(a) Driver Services** 47,665,000 47,132,000

18.20 This appropriation is from the driver and
18.21 vehicle services operating account under
18.22 Minnesota Statutes, section 299A.705.

18.23 \$317,000 in fiscal year 2026 is for rulemaking
18.24 costs for the ignition interlock device program
18.25 under Minnesota Statutes, section 171.306.

18.26 \$218,000 in fiscal year 2026 is for costs of
18.27 adding work zone safety information into the
18.28 driver's manual and written examination and
18.29 related rulemaking.

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

19.1 This appropriation is from the driver and
 19.2 vehicle services operating account under
 19.3 Minnesota Statutes, section 299A.705.

19.4 \$2,189,000 in each year is for payments to
 19.5 deputy registrars under Minnesota Statutes,
 19.6 section 168.33, subdivision 7, and to driver's
 19.7 license agents under Minnesota Statutes,
 19.8 section 171.061, subdivision 4.

19.9 <u>Subd. 5. Traffic Safety</u>	<u>6,355,000</u>	<u>6,361,000</u>
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19.10 Appropriations by Fund

19.11 <u>General</u>	<u>4,995,000</u>	<u>4,995,000</u>
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19.12 <u>Trunk Highway</u>	<u>1,360,000</u>	<u>1,366,000</u>
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19.13 \$1,500,000 in each year is from the general
 19.14 fund for operations and traffic safety projects,
 19.15 grants, and activities of the Advisory Council
 19.16 on Traffic Safety under Minnesota Statutes,
 19.17 section 4.076.

19.18 The following amounts are for the staff and
 19.19 operating costs related to a Traffic Safety Data
 19.20 Analytics Center: (1) \$813,000 in each year
 19.21 from the general fund; and (2) \$187,000 in
 19.22 each year from the trunk highway fund.

19.23 \$2,001,000 in each year is for the drug
 19.24 evaluation and classification program for drug
 19.25 recognition evaluator training; phlebotomists;
 19.26 drug recognition training for peace officers,
 19.27 as defined in Minnesota Statutes, section
 19.28 626.84, subdivision 1, paragraph (c); required
 19.29 continuing education training for drug
 19.30 recognition experts; program administration;
 19.31 grants to local law enforcement divisions; and
 19.32 grants to eligible employers for drug
 19.33 evaluation and classification training costs of
 19.34 their staff. The commissioner must make

20.1 reasonable efforts to reflect the geographic
20.2 diversity of the state in making expenditures.
20.3 Any balance in the first year does not cancel
20.4 but is available in the second year.

20.5	<u>Subd. 6. Pipeline Safety</u>	<u>2,003,000</u>	<u>2,003,000</u>
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20.6	<u>Appropriations by Fund</u>		
20.7	<u>General</u>	<u>560,000</u>	<u>560,000</u>
20.8	<u>Special Revenue</u>	<u>1,443,000</u>	<u>1,443,000</u>

20.9 The appropriation from the special revenue
20.10 fund is from the pipeline safety account under
20.11 Minnesota Statutes, section 299J.18.

20.12 Sec. 5. APPROPRIATION CANCELLATIONS; DEPARTMENT OF
20.13 TRANSPORTATION.

20.14 (a) \$185,655,000 of the appropriation in fiscal year 2024 from the general fund for the
20.15 Northern Lights Express intercity passenger rail project under Laws 2023, chapter 68, article
20.16 1, section 2, subdivision 2, paragraph (d), is canceled to the general fund.

20.17 (b) \$3,130,000 of the appropriation in fiscal year 2023 from the general fund for rail
20.18 corridor service analysis under Laws 2023, chapter 68, article 1, section 10, is canceled to
20.19 the general fund.

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

20.21 Sec. 6. TRANSFERS.

20.22 (a) \$8,155,000 in fiscal year 2026 and \$8,284,000 in fiscal year 2027 are transferred
20.23 from the general fund to the active transportation account under Minnesota Statutes, section
20.24 174.38. For fiscal years 2028 to 2031, the commissioner of management and budget must
20.25 include a transfer of \$8,284,000 each year from the general fund to the active transportation
20.26 account, when preparing each forecast through the February 2027 forecast, under Minnesota
20.27 Statutes, section 16A.103.

20.28 (b) \$400,000 in fiscal year 2026 is transferred from the general fund to the local
20.29 government road funding gap assistance account under Minnesota Statutes, section 162.175.

21.1 Sec. 7. Laws 2020, Fifth Special Session chapter 3, article 1, section 16, subdivision 34,
 21.2 is amended to read:

21.3 Subd. 34. **Chisago County; U.S. Highway 8**
 21.4 **Reconstruction** 8,000,000

21.5 (a) For a grant to Chisago County to
 21.6 predesign, design, engineer, and construct a
 21.7 reconstruction of marked U.S. Highway 8
 21.8 from Karmel Avenue in Chisago City to
 21.9 Interstate 35 and pedestrian and bike trails
 21.10 along and crossings of this portion of U.S.
 21.11 Highway 8. This reconstruction may include
 21.12 expanding segments of U.S. Highway 8 to
 21.13 four lanes, constructing or reconstructing
 21.14 frontage roads and backage roads, and
 21.15 realigning local roads to consolidate, remove,
 21.16 and relocate access onto and off of U.S.
 21.17 Highway 8. This appropriation is for the
 21.18 portion of the project that is eligible for use
 21.19 of proceeds of general obligation bonds. ~~This~~
 21.20 ~~appropriation is available until the project is~~
 21.21 ~~completed or abandoned~~ Notwithstanding
 21.22 Minnesota Statutes, section 16A.642, the bond
 21.23 sale authorization and appropriation of bond
 21.24 proceeds for the project in this subdivision are
 21.25 available until December 31, 2029.

21.26 (b) Amounts planned by the Department of
 21.27 Transportation for the resurfacing of U.S.
 21.28 Highway 8, as reflected in MnDOT's Metro
 21.29 District Ten-Year Capital Highway Investment
 21.30 Study 2020-2029, shall instead be applied to
 21.31 the reconstruction of U.S. Highway 8 to
 21.32 supplement appropriations for that purpose
 21.33 from any fund in this section.

22.1 Sec. 8. Laws 2021, First Special Session chapter 5, article 1, section 2, subdivision 2, as
22.2 amended by Laws 2024, chapter 127, article 1, section 10, is amended to read:

22.3 Subd. 2. **Multimodal Systems**

22.4 **(a) Aeronautics**

22.5	(1) Airport Development and Assistance	24,198,000	18,598,000
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22.6	Appropriations by Fund		
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22.7		2022	2023
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22.8	General	5,600,000	-0-
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22.9	Airports	18,598,000	18,598,000
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22.10 This appropriation is from the state airports
22.11 fund and must be spent according to
22.12 Minnesota Statutes, section 360.305,
22.13 subdivision 4.

22.14 \$5,600,000 in fiscal year 2022 is from the
22.15 general fund for a grant to the city of Karlstad
22.16 for the acquisition of land, predesign, design,
22.17 engineering, and construction of a primary
22.18 airport runway. This appropriation is for Phase
22.19 1 of the project.

22.20 Notwithstanding Minnesota Statutes, section
22.21 16A.28, subdivision 6, this appropriation is
22.22 available for five years after the year of the
22.23 appropriation. If the appropriation for either
22.24 year is insufficient, the appropriation for the
22.25 other year is available for it.

22.26 If the commissioner of transportation
22.27 determines that a balance remains in the state
22.28 airports fund following the appropriations
22.29 made in this article and that the appropriations
22.30 made are insufficient for advancing airport
22.31 development and assistance projects, an
22.32 amount necessary to advance the projects, not
22.33 to exceed the balance in the state airports fund,
22.34 is appropriated in each year to the

23.1 commissioner and must be spent according to
23.2 Minnesota Statutes, section 360.305,
23.3 subdivision 4. Within two weeks of a
23.4 determination under this contingent
23.5 appropriation, the commissioner of
23.6 transportation must notify the commissioner
23.7 of management and budget and the chairs,
23.8 ranking minority members, and staff of the
23.9 legislative committees with jurisdiction over
23.10 transportation finance concerning the funds
23.11 appropriated. Funds appropriated under this
23.12 contingent appropriation do not adjust the base
23.13 for fiscal years 2024 and 2025.

23.14

(2) Aviation Support Services

8,332,000

8,340,000

23.15	Appropriations by Fund		
23.16		2022	2023
23.17	General	1,650,000	1,650,000
23.18	Airports	6,682,000	6,690,000

23.19 \$28,000 in fiscal year 2022 and \$36,000 in
23.20 fiscal year 2023 are from the state airports
23.21 fund for costs related to regulating unmanned
23.22 aircraft systems.

23.23

(3) Civil Air Patrol

80,000

80,000

23.24 This appropriation is from the state airports
23.25 fund for the Civil Air Patrol.

23.26

(b) Transit and Active Transportation

23,501,000

18,201,000

23.27 This appropriation is from the general fund.
23.28 \$5,000,000 in fiscal year 2022 is for the active
23.29 transportation program under Minnesota
23.30 Statutes, section 174.38. This is a onetime
23.31 appropriation and is available until June 30,
23.32 2025.

24.1 \$300,000 in fiscal year 2022 is for a grant to
 24.2 the 494 Corridor Commission. The
 24.3 commissioner must not retain any portion of
 24.4 the funds appropriated under this section. The
 24.5 commissioner must make grant payments in
 24.6 full by December 31, 2021. Funds under this
 24.7 grant are for programming and service
 24.8 expansion to assist companies and commuters
 24.9 in telecommuting efforts and promotion of
 24.10 best practices. A grant recipient must provide
 24.11 telework resources, assistance, information,
 24.12 and related activities on a statewide basis. This
 24.13 is a onetime appropriation.

24.14 **(c) Safe Routes to School**

5,500,000

500,000

24.15 This appropriation is from the general fund
 24.16 for the safe routes to school program under
 24.17 Minnesota Statutes, section 174.40.

24.18 If the appropriation for either year is
 24.19 insufficient, the appropriation for the other
 24.20 year is available for it.

24.21 **(d) Passenger Rail**

10,500,000

500,000

24.22 This appropriation is from the general fund
 24.23 for passenger rail activities under Minnesota
 24.24 Statutes, sections 174.632 to 174.636.

24.25 \$10,000,000 in fiscal year 2022 is for final
 24.26 design and construction to provide for a
 24.27 second daily Amtrak train service between
 24.28 Minneapolis and St. Paul and Chicago. The
 24.29 commissioner may expend funds for program
 24.30 delivery and administration from this amount.
 24.31 This is a onetime appropriation and is
 24.32 available until June 30, ~~2025~~ 2028.

24.33 **(e) Freight**

8,342,000

7,323,000

25.1 Appropriations by Fund

25.2		2022	2023
25.3	General	2,464,000	1,445,000
25.4	Trunk Highway	5,878,000	5,878,000

25.5 \$1,000,000 in fiscal year 2022 is from the
25.6 general fund for procurement costs of a
25.7 statewide freight network optimization tool.

25.8 This is a onetime appropriation and is
25.9 available until June 30, 2023.

25.10 \$350,000 in fiscal year 2022 and \$287,000 in
25.11 fiscal year 2023 are from the general fund for
25.12 two additional rail safety inspectors in the state
25.13 rail safety inspection program under
25.14 Minnesota Statutes, section 219.015. In each
25.15 year, the commissioner must not increase the
25.16 total assessment amount under Minnesota
25.17 Statutes, section 219.015, subdivision 2, from
25.18 the most recent assessment amount.

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

25.20 Sec. 9. Laws 2021, First Special Session chapter 14, article 11, section 45, is amended to
25.21 read:

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

25.23 \$6,200,000 in fiscal year 2022 is appropriated from the general fund to the commissioner
25.24 of transportation for project development of a land bridge freeway lid over marked Interstate
25.25 Highway 94 in a portion of the segment from Lexington Avenue to Rice Street in St. Paul.
25.26 This amount is available to match federal funds and for project planning and development,
25.27 including area planning, community and land use planning, economic development planning,
25.28 design, and project management and analysis. From this amount, the commissioner may
25.29 make grants to Reconnect Rondo to perform any eligible project development activities.
25.30 This is a onetime appropriation and is available until June 30, ~~2025~~ 2026.

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

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

26.2 **Sec. 9. DEPARTMENT OF**
26.3 **TRANSPORTATION**

\$ 310,000 \$ -0-

26.4 \$310,000 the first year is for awarding grants
26.5 to assist manufacturers to obtain
26.6 environmental product declarations for certain
26.7 construction materials used to build roads and
26.8 other transportation infrastructure under
26.9 Minnesota Statutes, section 16B.312. Of this
26.10 amount, up to \$10,000 is for the reasonable
26.11 costs of the department to administer that
26.12 section. This appropriation is available until
26.13 June 30, 2027.

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

26.15 Subd. 2. **Multimodal Systems**26.16 (a) **Aeronautics**

26.17	(1) Airport Development and Assistance	69,598,000	18,598,000
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26.18 Appropriations by Fund

	2024	2025
26.19		

26.20	General	36,000,000	-0-
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26.21	Airports	33,598,000	18,598,000
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26.22 The appropriation from the state airports fund
26.23 must be spent according to Minnesota Statutes,
26.24 section 360.305, subdivision 4.

26.25 \$36,000,000 in fiscal year 2024 is from the
26.26 general fund for matches to federal aid and
26.27 state investments related to airport
26.28 infrastructure projects. This is a onetime
26.29 appropriation and is available until June 30,
26.30 2027.

26.31 \$15,000,000 in fiscal year 2024 is from the
26.32 state airports fund for system maintenance of

27.1 critical airport safety systems, equipment, and

27.2 essential airfield technology.

27.3 Notwithstanding Minnesota Statutes, section

27.4 16A.28, subdivision 6, the appropriation from

27.5 the state airports fund is available for five

27.6 years after the year of the appropriation. If the

27.7 appropriation for either year is insufficient,

27.8 the appropriation for the other year is available

27.9 for it.

27.10 If the commissioner of transportation

27.11 determines that a balance remains in the state

27.12 airports fund following the appropriations

27.13 made in this article and that the appropriations

27.14 made are insufficient for advancing airport

27.15 development and assistance projects, an

27.16 amount necessary to advance the projects, not

27.17 to exceed the balance in the state airports fund,

27.18 is appropriated in each year to the

27.19 commissioner and must be spent according to

27.20 Minnesota Statutes, section 360.305,

27.21 subdivision 4. Within two weeks of a

27.22 determination under this contingent

27.23 appropriation, the commissioner of

27.24 transportation must notify the commissioner

27.25 of management and budget and the chairs,

27.26 ranking minority members, and staff of the

27.27 legislative committees with jurisdiction over

27.28 transportation finance concerning the funds

27.29 appropriated. Funds appropriated under this

27.30 contingent appropriation do not adjust the base

27.31 for fiscal years 2026 and 2027.

27.32 (2) **Aviation Support Services**15,397,0008,431,000

27.33	Appropriations by Fund		
27.34		2024	2025

	SF2082	REVISOR	KRB	S2082-1	1st Engrossment
28.1	General	8,707,000	1,741,000		
28.2	Airports	6,690,000	6,690,000		
28.3	\$7,000,000 in fiscal year 2024 is from the				
28.4	general fund to purchase two utility aircraft				
28.5	for the Department of Transportation.				
28.6	(3) Civil Air Patrol			80,000	80,000
28.7	This appropriation is from the state airports				
28.8	fund for the Civil Air Patrol.				
28.9	(b) Transit and Active Transportation			58,478,000	18,374,000
28.10	This appropriation is from the general fund.				
28.11	\$200,000 in fiscal year 2024 and \$50,000 in				
28.12	fiscal year 2025 are for a grant to the city of				
28.13	Rochester to implement demand response				
28.14	transit service using electric transit vehicles.				
28.15	The money is available for mobile software				
28.16	application development; vehicles and				
28.17	equipment, including accessible vehicles;				
28.18	associated charging infrastructure; and capital				
28.19	and operating costs.				
28.20	\$40,000,000 in fiscal year 2024 is for matches				
28.21	to federal aid and state investments related to				
28.22	transit and active transportation projects. This				
28.23	is a onetime appropriation and is available				
28.24	until June 30, 2027.				
28.25	(c) Safe Routes to School			15,297,000	10,500,000
28.26	This appropriation is from the general fund				
28.27	for the safe routes to school program under				
28.28	Minnesota Statutes, section 174.40.				
28.29	If the appropriation for either year is				
28.30	insufficient, the appropriation for the other				
28.31	year is available for it. The appropriations in				
28.32	each year are available until June 30, 2027.				

29.1

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

29.2

in each of fiscal years 2026 and 2027.

29.3

(d) Passenger Rail

197,521,000

4,226,000

29.4

This appropriation is from the general fund

29.5

for passenger rail activities under Minnesota

29.6

Statutes, sections 174.632 to 174.636.

29.7

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

29.8

improvements and betterments for the

29.9

Minneapolis-Duluth Northern Lights Express

29.10

intercity passenger rail project, including

29.11

preliminary engineering, design, engineering,

29.12

environmental analysis and mitigation,

29.13

acquisition of land and right-of-way,

29.14

equipment and rolling stock, and construction.

29.15

From this appropriation, the amount necessary

29.16

is for: (1) Coon Rapids station improvements

29.17

to establish a joint station that provides for

29.18

Amtrak train service on the Empire Builder

29.19

line between Chicago and Seattle; and (2)

29.20

acquisition of equipment and rolling stock for

29.21

purposes of participation in the Midwest fleet

29.22

pool to provide for service on Northern Lights

29.23

Express and expanded Amtrak train service

29.24

between Minneapolis and St. Paul and

29.25

Chicago. The commissioner of transportation

29.26

must not approve additional stops or stations

29.27

beyond those included in the Federal Railroad

29.28

Administration's January 2018 Finding of No

29.29

Significant Impact and Section 4(f)

29.30

Determination if the commissioner determines

29.31

that the resulting speed reduction would

29.32

negatively impact total ridership. This

29.33

appropriation is onetime and is available until

29.34

June 30, 2028.

30.1 \$1,833,000 in fiscal year 2024 and \$3,238,000
30.2 in fiscal year 2025 are for a match to federal
30.3 aid for capital and operating costs for
30.4 expanded Amtrak train service between
30.5 Minneapolis and St. Paul and Chicago. These
30.6 amounts are available until June 30, 2028.

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

30.9	(e) Freight	14,650,000	9,066,000
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30.10	Appropriations by Fund		
30.11		2024	2025
30.12	General	8,283,000	2,400,000
30.13	Trunk Highway	6,367,000	6,666,000

30.14 \$5,000,000 in fiscal year 2024 is from the
30.15 general fund for matching federal aid grants
30.16 for improvements, engineering, and
30.17 administrative costs for the Stone Arch Bridge
30.18 in Minneapolis. This is a onetime
30.19 appropriation and is available until June 30,
30.20 2027.

30.21 \$1,000,000 in each year is from the general
30.22 fund for staff, operating costs, and
30.23 maintenance related to weight and safety
30.24 enforcement systems.

30.25 \$974,000 in fiscal year 2024 is from the
30.26 general fund for procurement costs of a
30.27 statewide freight network optimization tool
30.28 under Laws 2021, First Special Session
30.29 chapter 5, article 4, section 133. This is a
30.30 onetime appropriation and is available until
30.31 June 30, 2025.

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

31.1 Sec. 12. Laws 2023, chapter 68, article 1, section 2, subdivision 3, is amended to read:

31.2 **Subd. 3. State Roads**

31.3 (a) Operations and Maintenance	414,220,000	425,341,000
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31.4 Appropriations by Fund

31.5 2024	2025
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31.6 General	2,000,000	-0-
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31.7 Trunk Highway	412,220,000	425,341,000
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31.8 \$1,000,000 in fiscal year 2024 is from the
31.9 general fund for the highways for habitat
31.10 program under Minnesota Statutes, section
31.11 160.2325. This amount is available until June
31.12 30, 2027.

31.13 \$248,000 in each year is from the trunk
31.14 highway fund for living snow fence
31.15 implementation and maintenance activities.

31.16 \$1,000,000 in fiscal year 2024 is from the
31.17 general fund for safe road zones under
31.18 Minnesota Statutes, section 169.065, including
31.19 development and delivery of public awareness
31.20 and education campaigns about safe road
31.21 zones.

31.22 **(b) Program Planning and Delivery**

31.23 (1) Planning and Research	32,679,000	33,465,000
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31.24 The commissioner may use any balance
31.25 remaining in this appropriation for program
31.26 delivery under clause (2).

31.27 \$130,000 in each year is available for
31.28 administrative costs of the targeted group
31.29 business program.

31.30 \$266,000 in each year is available for grants
31.31 to metropolitan planning organizations outside
31.32 the seven-county metropolitan area.

32.1 \$900,000 in each year is available for grants
32.2 for transportation studies outside the
32.3 metropolitan area to identify critical concerns,
32.4 problems, and issues. These grants are
32.5 available: (i) to regional development
32.6 commissions; (ii) in regions where no regional
32.7 development commission is functioning, to
32.8 joint powers boards established under
32.9 agreement of two or more political
32.10 subdivisions in the region to exercise the
32.11 planning functions of a regional development
32.12 commission; and (iii) in regions where no
32.13 regional development commission or joint
32.14 powers board is functioning, to the Department
32.15 of Transportation district office for that region.

32.16

(2) Program Delivery

274,451,000

273,985,000

32.17	Appropriations by Fund		
32.18		2024	2025
32.19	General	2,250,000	2,000,000
32.20	Trunk Highway	272,201,000	271,985,000

32.21 This appropriation includes use of consultants
32.22 to support development and management of
32.23 projects.

32.24 \$10,000,000 in fiscal year 2024 is from the
32.25 trunk highway fund for roadway design and
32.26 related improvements that reduce speeds and
32.27 eliminate intersection interactions on rural
32.28 high-risk roadways. The commissioner must
32.29 identify roadways based on crash information
32.30 and in consultation with the Advisory Council
32.31 on Traffic Safety under Minnesota Statutes,
32.32 section 4.076, and local traffic safety partners.
32.33 This is a onetime appropriation and is
32.34 available until June 30, 2026.

33.1 \$2,000,000 in each year is from the general
33.2 fund for implementation of climate-related
33.3 programs as provided under the federal
33.4 Infrastructure Investment and Jobs Act, Public
33.5 Law 117-58.

33.6 \$1,193,000 in fiscal year 2024 is from the
33.7 trunk highway fund for costs related to the
33.8 property conveyance to the Upper Sioux
33.9 Community of state-owned land within the
33.10 boundaries of Upper Sioux Agency State Park,
33.11 including fee purchase, property purchase,
33.12 appraisals, and road and bridge demolition
33.13 and related engineering. This amount is
33.14 available until June 30, 2027.

33.15 \$250,000 in fiscal year 2024 is from the
33.16 general fund for costs related to the Clean
33.17 Transportation Fuel Standard Working Group
33.18 established under article 4, section 124.

33.19 \$1,000,000 in each year is available from the
33.20 trunk highway fund for management of
33.21 contaminated and regulated material on
33.22 property owned by the Department of
33.23 Transportation, including mitigation of
33.24 property conveyances, facility acquisition or
33.25 expansion, chemical release at maintenance
33.26 facilities, and spills on the trunk highway
33.27 system where there is no known responsible
33.28 party. If the appropriation for either year is
33.29 insufficient, the appropriation for the other
33.30 year is available for it.

33.31	(c) State Road Construction	1,207,013,000	1,174,045,000
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33.32	Appropriations by Fund		
33.33		2024	2025
33.34	General	1,800,000	-0-
33.35	Trunk Highway	1,205,213,000	1,174,045,000

34.1 This appropriation is for the actual
34.2 construction, reconstruction, and improvement
34.3 of trunk highways, including design-build
34.4 contracts, internal department costs associated
34.5 with delivering the construction program,
34.6 consultant usage to support these activities,
34.7 and the cost of actual payments to landowners
34.8 for lands acquired for highway rights-of-way,
34.9 payment to lessees, interest subsidies, and
34.10 relocation expenses.

34.11 This appropriation includes federal highway
34.12 aid. The commissioner of transportation must
34.13 notify the chairs, ranking minority members,
34.14 and staff of the legislative committees with
34.15 jurisdiction over transportation finance of any
34.16 significant events that cause the estimates of
34.17 federal aid to change.

34.18 \$1,500,000 in fiscal year 2024 is from the
34.19 general fund for living snow fence
34.20 implementation, including: acquiring and
34.21 planting trees, shrubs, native grasses, and
34.22 wildflowers that are climate adaptive to
34.23 Minnesota; improvements; contracts;
34.24 easements; rental agreements; and program
34.25 delivery.

34.26 \$300,000 in fiscal year 2024 is from the
34.27 general fund for additions and modifications
34.28 to work zone design or layout to reduce
34.29 vehicle speeds in a work zone. This
34.30 appropriation is available following a
34.31 determination by the commissioner that the
34.32 initial work zone design or layout
34.33 insufficiently provides for reduced vehicle
34.34 speeds.

35.1 The commissioner may expend up to one-half
 35.2 of one percent of the federal appropriations
 35.3 under this paragraph as grants to opportunity
 35.4 industrialization centers and other nonprofit
 35.5 job training centers for job training programs
 35.6 related to highway construction.

35.7 The commissioner may transfer up to
 35.8 \$15,000,000 in each year to the transportation
 35.9 revolving loan fund.

35.10 The commissioner may receive money
 35.11 covering other shares of the cost of partnership
 35.12 projects. These receipts are appropriated to
 35.13 the commissioner for these projects.

35.14 The base from the trunk highway fund is
 35.15 \$1,161,813,000 in each of fiscal years 2026
 35.16 and 2027.

35.17	(d) Corridors of Commerce	25,000,000	25,000,000
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35.18 This appropriation is for the corridors of
 35.19 commerce program under Minnesota Statutes,
 35.20 section 161.088. The commissioner may use
 35.21 up to 17 percent of the amount in each year
 35.22 for program delivery.

35.23	(e) Highway Debt Service	268,336,000	291,394,000
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35.24 \$265,336,000 in fiscal year 2024 and
 35.25 \$288,394,000 in fiscal year 2025 are for
 35.26 transfer to the state bond fund. If this
 35.27 appropriation is insufficient to make all
 35.28 transfers required in the year for which it is
 35.29 made, the commissioner of management and
 35.30 budget must transfer the deficiency amount
 35.31 as provided under Minnesota Statutes, section
 35.32 16A.641, and notify the chairs, ranking
 35.33 minority members, and staff of the legislative
 35.34 committees with jurisdiction over

36.1 transportation finance and the chairs of the
36.2 senate Finance Committee and the house of
36.3 representatives Ways and Means Committee
36.4 of the amount of the deficiency. Any excess
36.5 appropriation cancels to the trunk highway
36.6 fund.

36.7

(f) **Statewide Radio Communications**

8,653,000

6,907,000

36.8	Appropriations by Fund		
36.9		2024	2025
36.10	General	2,003,000	3,000
36.11	Trunk Highway	6,650,000	6,904,000

36.12 \$3,000 in each year is from the general fund
36.13 to equip and operate the Roosevelt signal
36.14 tower for Lake of the Woods weather
36.15 broadcasting.

36.16 \$2,000,000 in fiscal year 2024 is from the
36.17 general fund for Allied Radio Matrix for
36.18 Emergency Response (ARMER) tower
36.19 building improvements and replacement.

36.20

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

36.21 Sec. 13. Laws 2023, chapter 68, article 1, section 4, subdivision 5, is amended to read:

36.22

Subd. 5. **Traffic Safety**

9,504,000

4,249,000

36.23	Appropriations by Fund		
36.24		2024	2025
36.25	General	8,803,000	3,494,000
36.26	Trunk Highway	701,000	755,000

36.27 \$1,000,000 in fiscal year 2024 is from the
36.28 general fund for grants to local units of
36.29 government to perform additional traffic safety
36.30 enforcement activities in safe road zones under
36.31 Minnesota Statutes, section 169.065. In
36.32 allocating funds, the commissioner must

37.1 account for other sources of funding for
37.2 increased traffic enforcement.

37.3 \$2,000,000 in fiscal year 2024 is from the
37.4 general fund for grants to local units of
37.5 government to increase traffic safety
37.6 enforcement activities, including training,
37.7 equipment, overtime, and related costs for
37.8 peace officers to perform duties that are
37.9 specifically related to traffic management and
37.10 traffic safety.

37.11 \$2,000,000 in fiscal year 2024 is from the
37.12 general fund for grants to law enforcement
37.13 agencies to undertake targeted speed reduction
37.14 efforts on rural high-risk roadways identified
37.15 by the commissioner based on crash
37.16 information and consultation with the
37.17 Advisory Council on Traffic Safety under
37.18 Minnesota Statutes, section 4.076, and local
37.19 traffic safety partners.

37.20 \$50,000 in fiscal year 2024 is from the general
37.21 fund for an education and awareness campaign
37.22 on motor vehicles passing school buses,
37.23 designed to: (1) help reduce occurrences of
37.24 motor vehicles unlawfully passing school
37.25 buses; and (2) inform drivers about the safety
37.26 of pupils boarding and unloading from school
37.27 buses, including laws requiring a motor
37.28 vehicle to stop when a school bus has extended
37.29 the stop-signal arm and is flashing red lights
37.30 and penalties for violations. The commissioner
37.31 must identify best practices, review effective
37.32 communication methods to educate drivers,
37.33 and consider multiple forms of media to
37.34 convey the information.

38.1 \$100,000 in fiscal year 2024 is from the
38.2 general fund for a public awareness campaign
38.3 to promote understanding and compliance with
38.4 laws regarding the passing of parked
38.5 authorized vehicles.

38.6 \$350,000 in fiscal year 2024 is from the
38.7 general fund for grants to local units of
38.8 government for safe ride programs that
38.9 provide safe transportation options for patrons
38.10 of hospitality and entertainment businesses
38.11 within a community.

38.12 \$250,000 in fiscal year 2024 is from the
38.13 general fund for the traffic safety violations
38.14 disposition analysis under article 4, section
38.15 109.

38.16 \$2,000,000 in each year is from the general
38.17 fund for operations and traffic safety projects,
38.18 grants, and activities of the Advisory Council
38.19 on Traffic Safety under Minnesota Statutes,
38.20 section 4.076. These amounts are available
38.21 until June 30, 2027.

38.22 \$98,000 in each year is from the general fund
38.23 to coordinate a statewide traffic safety equity
38.24 program, including staff costs.

38.25 The following amounts are for the staff and
38.26 operating costs related to a Traffic Safety Data
38.27 Analytics Center: (1) \$407,000 in fiscal year
38.28 2024 and \$813,000 in fiscal year 2025 from
38.29 the general fund; and (2) \$140,000 in each
38.30 year is from the trunk highway fund. The base
38.31 from the trunk highway fund is \$187,000 in
38.32 each of fiscal years 2026 and 2027.

39.1 Sec. 14. Laws 2023, chapter 68, article 2, section 2, subdivision 9, as amended by Laws
39.2 2024, chapter 104, article 1, section 105, is amended to read:

39.3 Subd. 9. **U.S. Highway 8; Chisago County** 42,000,000

39.4 This appropriation is for predesign, design,
39.5 engineering, and reconstruction of marked
39.6 U.S. Highway 8 from Karmel Avenue in
39.7 Chisago City to marked Interstate Highway
39.8 35, including pedestrian and bike trails along
39.9 and crossings of this segment of marked U.S.
39.10 Highway 8. The reconstruction project may
39.11 include expanding segments of marked U.S.
39.12 Highway 8 to four lanes, constructing or
39.13 reconstructing frontage roads and backage
39.14 roads, and realigning local roads to
39.15 consolidate, remove, and relocate access onto
39.16 and off of U.S. Highway 8. This appropriation
39.17 is for the portion of the project that is eligible
39.18 for use of proceeds of trunk highway bonds.
39.19 Notwithstanding Minnesota Statutes, section
39.20 16A.642, the bond sale authorization and
39.21 appropriation of bond sale proceeds for this
39.22 project are available until December 31, 2029.

39.23 Sec. 15. Laws 2024, chapter 127, article 1, section 2, subdivision 3, is amended to read:

39.24 Subd. 3. **State Roads**

39.25 (a) **Operations and Maintenance** -0- 2,405,000

39.26 \$300,000 in fiscal year 2025 is for rumble
39.27 strips under Minnesota Statutes, section
39.28 161.1258.

39.29 \$1,000,000 in fiscal year 2025 is for
39.30 landscaping improvements located within
39.31 trunk highway rights-of-way ~~under the~~
39.32 ~~Department of Transportation's community~~

40.1

roadside-landscape-partnership-program, with

40.2

prioritization of tree planting as feasible.

40.3

\$1,000,000 is from the general fund for the

40.4

traffic safety camera pilot program under

40.5

Minnesota Statutes, section 169.147, and the

40.6

evaluation and legislative report under article

40.7

3, sections 116 and 117. With the approval of

40.8

the commissioner of transportation, any

40.9

portion of this appropriation is available to the

40.10

commissioner of public safety. This is a

40.11

onetime appropriation and is available until

40.12

June 30, 2029.

40.13

\$105,000 in fiscal year 2025 is for the cost of

40.14

staff time to coordinate with the Public

40.15

Utilities Commission relating to placement of

40.16

high voltage transmission lines along trunk

40.17

highways.

40.18

(b) Program Planning and Delivery

-0-

5,800,000

40.19

\$3,000,000 in fiscal year 2025 is for

40.20

implementation and development of statewide

40.21

and regional travel demand modeling related

40.22

to the requirements under Minnesota Statutes,

40.23

section 161.178. This is a onetime

40.24

appropriation and is available until June 30,

40.25

2026.

40.26

\$800,000 in fiscal year 2025 is for one or more

40.27

grants to metropolitan planning organizations

40.28

outside the metropolitan area, as defined in

40.29

Minnesota Statutes, section 473.121,

40.30

subdivision 2, for modeling activities related

40.31

to the requirements under Minnesota Statutes,

40.32

section 161.178. Notwithstanding Minnesota

40.33

Statutes, section 16B.98, subdivision 14, the

40.34

commissioner must not use any amount of this

41.1 appropriation for administrative costs. This is
 41.2 a onetime appropriation and is available until
 41.3 June 30, 2026.

41.4 \$2,000,000 in fiscal year 2025 is to complete
 41.5 environmental documentation and for
 41.6 preliminary engineering and design for the
 41.7 reconstruction of marked Trunk Highway 55
 41.8 from Hennepin County State-Aid Highway
 41.9 19, north of the city of Loretto to Hennepin
 41.10 County Road 118 near the city of Medina.
 41.11 This is a onetime appropriation and is
 41.12 available until June 30, 2027.

41.13	(c) State Road Construction	-0-	10,900,000
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41.14 \$8,900,000 in fiscal year 2025 is for the
 41.15 acquisition, environmental analysis, predesign,
 41.16 design, engineering, construction,
 41.17 reconstruction, and improvement of trunk
 41.18 highway bridges, including design-build
 41.19 contracts, program delivery, consultant usage
 41.20 to support these activities, and the cost of
 41.21 payments to landowners for lands acquired
 41.22 for highway rights-of-way. Projects under this
 41.23 appropriation must follow eligible investment
 41.24 priorities identified in the Minnesota state
 41.25 highway investment plan under Minnesota
 41.26 Statutes, section 174.03, subdivision 1c. The
 41.27 commissioner may use up to 17 percent of this
 41.28 appropriation for program delivery. This is a
 41.29 onetime appropriation and is available until
 41.30 June 30, 2028.

41.31 \$1,000,000 in fiscal year 2025 is for predesign
 41.32 and design of intersection safety improvements
 41.33 along marked Trunk Highway 65 from the
 41.34 interchange with marked U.S. Highway 10 to

42.1	99th Avenue Northeast in the city of Blaine.		
42.2	This is a onetime appropriation.		
42.3	\$1,000,000 in fiscal year 2025 is to design and		
42.4	construct trunk highway improvements		
42.5	associated with an interchange at U.S.		
42.6	Highway 169, marked Trunk Highway 282,		
42.7	and Scott County State-Aid Highway 9 in the		
42.8	city of Jordan, including accommodations for		
42.9	bicycles and pedestrians and for bridge and		
42.10	road construction. This is a onetime		
42.11	appropriation and is available until June 30,		
42.12	2027.		
42.13	(d) Highway Debt Service	-0-	468,000
42.14	This appropriation is for transfer to the state		
42.15	bond fund. If this appropriation is insufficient		
42.16	to make all transfers required in the year for		
42.17	which it is made, the commissioner of		
42.18	management and budget must transfer the		
42.19	deficiency amount as provided under		
42.20	Minnesota Statutes, section 16A.641, and		
42.21	notify the chairs and ranking minority		
42.22	members of the legislative committees with		
42.23	jurisdiction over transportation finance and		
42.24	the chairs of the senate Finance Committee		
42.25	and the house of representatives Ways and		
42.26	Means Committee of the amount of the		
42.27	deficiency. Any excess appropriation cancels		
42.28	to the trunk highway fund.		
42.29	<u>EFFECTIVE DATE.</u> This section is effective the day following final enactment.		
42.30	Sec. 16. Laws 2024, chapter 127, article 1, section 4, subdivision 3, is amended to read:		
42.31	Subd. 3. Traffic Safety	-0-	1,400,000
42.32	Notwithstanding Minnesota Statutes, section		
42.33	299A.705, regarding the use of funds from		

43.1 this account, \$1,200,000 in fiscal year 2025
43.2 is from the driver and vehicle services
43.3 operating account in the special revenue fund
43.4 for the Lights On grant program under
43.5 Minnesota Statutes, section 169.515. The
43.6 commissioner must contract with the Lights
43.7 On! microgrant program to administer and
43.8 operate the grant program. Notwithstanding
43.9 Minnesota Statutes, section 16B.98,
43.10 subdivision 14, the commissioner may use up
43.11 to two percent of this appropriation for
43.12 administrative costs. This is a onetime
43.13 appropriation and is available until June 30,
43.14 2026.

43.15 \$200,000 in fiscal year 2025 is from the
43.16 motorcycle safety account in the special
43.17 revenue fund for the public education
43.18 campaign on motorcycle operation under
43.19 article 3, section 122. This is a onetime
43.20 appropriation and is available until June 30,
43.21 2027.

43.22 Sec. 17. ALLOCATION; METROPOLITAN COUNCIL; WASHINGTON AVENUE
43.23 PEDESTRIAN BRIDGE.

43.24 (a) Of the revenue collected under Minnesota Statutes, section 297A.9915, and allocated
43.25 to the Metropolitan Council under Minnesota Statutes, section 473.4465, subdivision 2,
43.26 paragraph (a), clause (1), the Metropolitan Council must provide a grant of \$9,000,000 in
43.27 fiscal year 2026 to the Board of Regents of the University of Minnesota to be spent in
43.28 accordance with Minnesota Statutes, section 135A.046. This section is notwithstanding the
43.29 provisions of Minnesota Statutes, section 473.4465, subdivision 3.

43.30 (b) This grant must be used to design and construct pedestrian enclosure and suicide
43.31 deterrent barriers on the Washington Avenue Pedestrian Bridge on the Twin Cities campus,
43.32 including temporary barrier improvements and permanent barriers. The board must consult
43.33 with persons affected by suicide at this bridge, suicide prevention organizations, and experts
43.34 in the field of suicide prevention in designing the project.

44.1 (c) Any amount allocated under this section and not used by June 30, 2027, cancels to
44.2 the Metropolitan Council for its original purpose.

44.3 Sec. 18. **ALLOCATION; METROPOLITAN COUNCIL; TRANSPORTATION**
44.4 **MANAGEMENT ORGANIZATIONS.**

44.5 (a) Of the revenue collected under Minnesota Statutes, section 297A.9915, and allocated
44.6 to the Metropolitan Council under Minnesota Statutes, section 473.4465, subdivision 2,
44.7 paragraph (a), clause (2), the Metropolitan Council must provide grants that total \$1,406,000
44.8 in fiscal year 2026 to transportation management organizations in the metropolitan area.
44.9 This section is notwithstanding the provisions of Minnesota Statutes, section 473.4465,
44.10 subdivision 3.

44.11 (b) The grants must be allocated as follows:

44.12 (1) \$600,000 to the I-494 Corridor Commission;

44.13 (2) \$600,000 to the St. Paul transportation management organization; and

44.14 (3) \$206,000 to the downtown Minneapolis transportation management organization.

44.15 Sec. 19. **MICROTRANSIT SERVICE.**

44.16 From sales tax revenue, as defined in Minnesota Statutes, section 473.4465, subdivision
44.17 1, the Metropolitan Council must provide financial assistance to replacement service
44.18 providers under Minnesota Statutes, section 473.388, for improvements related to demand
44.19 response transit service. The council must make grants in fiscal year 2026 as follows:

44.20 (1) \$2,300,000 to Minnesota Valley Transit Authority for vehicle costs;

44.21 (2) \$3,500,000 to Minnesota Valley Transit Authority for infrastructure and other capital
44.22 costs;

44.23 (3) \$3,000,000 to SouthWest Transit for vehicle costs, infrastructure, and other capital
44.24 costs; and

44.25 (4) \$200,000 to Maple Grove Transit for vehicle costs.

44.26 **APPLICATION.** This section applies in the counties of Anoka, Carver, Dakota,
44.27 Hennepin, Ramsey, Scott, and Washington.

45.1

45.2

ARTICLE 2

TRUNK HIGHWAY BONDS

45.3

Section 1. **BOND APPROPRIATIONS.**

45.4

45.5

45.6

45.7

45.8

45.9

45.10

45.11

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

45.12

SUMMARY

45.13

45.14

45.15

<u>Department of Transportation</u>	<u>\$</u>	<u>100,000,000</u>
<u>Department of Management and Budget</u>	<u>\$</u>	<u>100,000</u>
<u>TOTAL</u>	<u>\$</u>	<u>100,100,000</u>

45.16

APPROPRIATIONS

45.17

Sec. 2. **STATE ROAD CONSTRUCTION**

\$

100,000,000

45.18

45.19

45.20

45.21

45.22

45.23

45.24

45.25

45.26

This appropriation is to the commissioner of transportation for construction, reconstruction, and improvement of trunk highways, including design-build contracts, internal department costs associated with delivering the construction program, and consultant usage to support these activities. The commissioner may use up to 17 percent of the amount for program delivery.

45.27

Sec. 3. **BOND SALE EXPENSES**

\$

100,000

45.28

45.29

45.30

45.31

45.32

This appropriation is to the commissioner of management and budget for bond sale expenses under Minnesota Statutes, sections 16A.641, subdivision 8, and 167.50, subdivision 4.

45.33

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

To provide the money appropriated in this article from the bond proceeds account in the trunk highway fund, the commissioner of management and budget shall sell and issue bonds of the state in an amount up to \$100,100,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 167.50 to 167.52, and by the Minnesota Constitution, article XIV, section 11, at the times and in the amounts requested by the commissioner of transportation. The proceeds of the bonds, except accrued interest and any premium received from the sale of the bonds, must be deposited in the bond proceeds account in the trunk highway fund.

ARTICLE 3

TRANSPORTATION FINANCE POLICY

Section 1. Minnesota Statutes 2024, section 4.076, subdivision 4, is amended to read:

Subd. 4. **Duties.** The advisory council must:

(1) advise the governor and heads of state departments and agencies on policies, programs, and services affecting traffic safety;

(2) advise the appropriate representatives of state departments on the activities of the Toward Zero Deaths program, including but not limited to educating the public about traffic safety;

(3) encourage state departments and other agencies to conduct needed research in the field of traffic safety;

(4) review recommendations of the subcommittees and working groups;

(5) review and comment on ~~all grants dealing with traffic safety and on the development and implementation of state and local traffic safety plans; and~~

(6) advise the commissioner of public safety on grant agreements for projects under subdivision 5, paragraph (g); and

(7) make recommendations on safe road zone safety measures under section 169.065.

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

Sec. 2. Minnesota Statutes 2024, section 4.076, subdivision 5, is amended to read:

Subd. 5. **Administration.** (a) The Office of Traffic Safety in the Department of Public Safety, in cooperation with the Departments of Transportation and Health, must serve as the host agency for the advisory council and must manage the administrative and operational

47.1 aspects of the advisory council's activities. The commissioner of public safety must perform
47.2 financial management on behalf of the council.

47.3 (b) The advisory council must meet no less than four times per year, or more frequently
47.4 as determined by the chair, a vice chair, or a majority of the council members. The advisory
47.5 council is subject to chapter 13D. The advisory council may host an annual state traffic
47.6 safety conference.

47.7 (c) The chair must regularly report to the respective commissioners on the activities of
47.8 the advisory council and on the state of traffic safety in Minnesota.

47.9 (d) The terms, compensation, and appointment of members are governed by section
47.10 15.059.

47.11 (e) The advisory council may appoint subcommittees and working groups. Subcommittees
47.12 must consist of council members. Working groups may include nonmembers. Nonmembers
47.13 on working groups must be compensated pursuant to section 15.059, subdivision 3, only
47.14 for expenses incurred for working group activities.

47.15 (f) The commissioner of public safety may enter into contracts and interagency
47.16 agreements for data, expertise, and research projects to inform the advisory council.

47.17 (g) The commissioner of public safety may enter into grant agreements for projects that
47.18 reduce serious and fatal injury crashes. Priority for grant awards must be given to local
47.19 traffic safety coalitions. Local units of government, nonprofit organizations, law enforcement
47.20 agencies, and educational institutions are also eligible for grant awards.

47.21 (h) For purposes of paragraph (g), "projects that reduce serious and fatal injury crashes"
47.22 include but are not limited to the following activities:

47.23 (1) improvements to rural high-risk roads;

47.24 (2) traffic safety training for law enforcement;

47.25 (3) safe and sober rides home programming;

47.26 (4) the study of motorcycle operation under the circumstances specified in section
47.27 169.974, subdivision 5, paragraph (g);

47.28 (5) work zone safety and work zone redesign activities; and

47.29 (6) safe road zones.

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

Sec. 3. Minnesota Statutes 2024, section 16A.88, subdivision 1a, is amended to read:

Subd. 1a. **Greater Minnesota transit account.** The greater Minnesota transit account is established within the transit assistance fund in the state treasury. Money in the account is annually appropriated to the commissioner of transportation for assistance to transit systems outside the metropolitan area under section 174.24. The commissioner may use up to two percent of the available revenues in the account in each fiscal year for administration of the transit program. The commissioner ~~shall~~ must use the account for transit operations as provided in section 174.24 and related program administration. The commissioner may maintain a reserved balance in the account of no more than five percent of the total annual transit assistance fund balance forward from the previous fiscal year.

Sec. 4. **[137.345] EMPOWERING SMALL MINNESOTA COMMUNITIES PROGRAM.**

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

(b) "Program" means the empowering small Minnesota communities program established by the Board of Regents of the University of Minnesota.

(c) "Small community" means either a local unit of government having a population of fewer than 15,000 or a collaboration between more than one local unit of government each having a population of fewer than 15,000.

Subd. 2. **Program assistance.** (a) An empowering small Minnesota communities program is established to create small community partnerships on infrastructure project analysis and development and provide support and assistance for small communities. Funds appropriated to the program must be used as specified in subdivision 3.

(b) Support and assistance under the program must be prioritized for a small community that is a political subdivision or federally recognized Tribal government. Prioritization must be based on insufficient capacity to undertake project development and apply for state or federal infrastructure grants.

Subd. 3. **Uses.** (a) Program activities under the program include:

(1) project partnership activities in the Regional Sustainable Development Partnerships, the Center for Transportation Studies, the Minnesota Design Center, the Humphrey School of Public Affairs, the Center for Urban and Regional Affairs, or other related entities; and

(2) support and assistance to small communities including:

(i) methods to incorporate consideration of sustainability, resiliency, and adaptation to the impacts of climate change; and

(ii) identification and cross-sector analysis of any potential associated projects and efficiencies through coordinated investments in other infrastructure or assets.

(b) An agreement with a small community may provide for infrastructure project analysis and development activities including but not limited to planning, scoping, analysis, predesign, and design.

Subd. 4. **Program information.** The Board of Regents must maintain information about the program on a website that includes but is not limited to the following:

(1) a review of the program and implementation;

(2) a summary of projects under the program;

(3) financial information that identifies sources and uses of funds; and

(4) direction on applications for partnership assistance.

Sec. 5. Minnesota Statutes 2024, section 160.165, is amended to read:

160.165 MITIGATING TRANSPORTATION PROJECT IMPACTS ON BUSINESS.

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

(b) "Business impairment" has the meaning given in section 160.167, subdivision 1.

~~(1)~~ (c) "Project" means construction work to maintain, construct, reconstruct, or improve a street or highway or for a rail transit project;

~~(2)~~ (d) "Substantial business impacts" means business impairment of road access, parking, or visibility for one or more business establishments as a result of a project, for a minimum period of at least one month; ~~and~~

~~(3)~~ (e) "Transportation authority" means the commissioner, as to trunk highways; the county board, as to county state-aid highways and county highways; the town board, as to town roads; statutory or home rule charter cities, as to city streets; the Metropolitan Council, for rail transit projects located entirely within the metropolitan area as defined in section 473.121, subdivision 2; and the commissioner, for all other rail transit projects.

Subd. 2. **Business liaison.** (a) Before beginning construction work on a project, a transportation authority ~~shall~~ must identify whether the project is anticipated to include

50.1 substantial business impacts. For such projects, the transportation authority ~~shall~~ must
50.2 designate an individual to serve as business liaison between the transportation authority and
50.3 affected businesses.

50.4 (b) The business liaison ~~shall~~ must consult with affected businesses before and during
50.5 construction to investigate and recommend means of mitigating project impacts to businesses.
50.6 The mitigation considered must include signage. The business liaison ~~shall~~ must provide
50.7 information to the identified businesses before and during construction, concerning project
50.8 duration and timetables, lane and road closures, detours, access impacts, customer parking
50.9 impacts, visibility, noise, dust, vibration, and public participation opportunities.

50.10 (c) The business liaison must inform affected businesses about potential opportunities
50.11 for small business technical and financial assistance, including those available through the
50.12 Department of Employment and Economic Development, the Small Business Administration,
50.13 and area community development financial institutions. When requested, the business liaison
50.14 must assist affected businesses to access and apply for appropriate assistance programs.

50.15 Subd. 4. **Construction communication plan.** (a) A transportation authority must
50.16 implement a construction communication plan for each project in which a business liaison
50.17 is required under subdivision 2. The transportation authority must develop the plan in
50.18 consultation with the business liaison during project development.

50.19 (b) At a minimum, the communication plan must include:

50.20 (1) identification of methods to distribute project information;

50.21 (2) procedures to distribute construction-related notices to affected businesses, tenants,
50.22 and other property owners;

50.23 (3) development of information on the project, including but not limited to the information
50.24 specified under subdivision 2, paragraph (b); small business and technical assistance
50.25 opportunities under subdivision 2, paragraph (c); and, as appropriate, potential financial
50.26 assistance under the local business construction impacts assistance program under section
50.27 160.167; and

50.28 (4) a schedule and milestones for issuance of project updates, including but not limited
50.29 to immediately prior to commencement of construction work and following any change in
50.30 the scheduled date of substantial completion of the project.

50.31 **EFFECTIVE DATE.** This section is effective the day following final enactment and
50.32 applies to projects in which construction first commences on or after November 1, 2025.

51.1 Sec. 6. **[160.167] LOCAL BUSINESS CONSTRUCTION IMPACTS ASSISTANCE**
51.2 **PROGRAM.**

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

51.5 (b) "Business entity" includes but is not limited to an individual, partnership, corporation,
51.6 joint venture, association, or cooperative.

51.7 (c) "Business impairment" means impairment to a business establishment or nonprofit
51.8 organization of at least one of the following:

51.9 (1) access to a retail location from:

51.10 (i) a project that is on a road that abuts the location and includes partial or full closure
51.11 of the road within 1,000 feet of the location; or

51.12 (ii) more than one simultaneous project on a road that abuts the location in which a
51.13 portion of each project (A) is within two miles of the location, and (B) includes partial or
51.14 full closure of the road; or

51.15 (2) visibility of the primary identifying signage or entrance.

51.16 (d) "Covered project" means a project to maintain, construct, reconstruct, or improve a
51.17 trunk highway within a statutory or home rule charter city, a county state-aid highway, a
51.18 municipal state-aid street, a transitway, or a combination.

51.19 (e) "Extensive business impacts" means business impairment as a result of a covered
51.20 project for a period of at least 60 days.

51.21 (f) "Program" means the local business construction impacts assistance program
51.22 established in this section.

51.23 (g) "Transportation authority" means either:

51.24 (1) the commissioner of transportation for a trunk highway within a statutory or home
51.25 rule charter city, a county state-aid highway, a municipal state-aid street, or a combination;
51.26 or

51.27 (2) the Metropolitan Council for a transitway located entirely within the metropolitan
51.28 area as defined in section 473.121, subdivision 2.

51.29 Subd. 2. Program established. The commissioner must establish a program for financial
51.30 assistance to eligible entities adversely impacted by street, highway, or transitway
51.31 construction activity on covered projects.

Subd. 3. **Administration.** The commissioner must establish program requirements, including application procedures that minimize applicant burdens, eligibility criteria for recipients, qualifications for determining business impairment, program allocation amounts from project costs, the distribution amount and formula used to determine the distribution amount, and procedures for distribution of financial assistance. The commissioner must implement the program to provide financial assistance payments in a timely manner that are, to the extent practicable, before or during the time period of the extensive business impacts.

EFFECTIVE DATE. This section is effective the day following final enactment, and applies to projects in which construction first commences on or after October 1, 2025.

Sec. 7. Minnesota Statutes 2024, section 161.045, is amended to read:

**161.045 HIGHWAY USER TAX DISTRIBUTION FUND APPROPRIATIONS;
TRUNK HIGHWAY FUND APPROPRIATIONS.**

Subdivision 1. ~~Definition~~ **Definitions.** (a) For purposes of this section, the following terms have the meanings given.

(b) "Commissioner" means any commissioner of a state agency that either proposes to spend or spends funds out of the highway user tax distribution fund or the trunk highway fund.

(c) "Highway purposes" includes but is not limited to:

(1) construction, improvement, maintenance, and operations of a highway;

(2) multimodal infrastructure within a highway right-of-way related to any of the following: (i) transit; (ii) active transportation; and (iii) reduction of greenhouse gas emissions; and

(3) activities directly related to, or necessary to administer or support, the purposes specified in clauses (1) and (2).

(d) "Trunk highway purposes" includes but is not limited to highway purposes for the trunk highway system.

Subd. 2. **General expenditure requirements.** A commissioner may expend highway user tax distribution funds only for highway purposes and may expend trunk highway funds only for trunk highway purposes.

Subd. 3. **Limitations on spending.** (a) A commissioner must not pay for any of the following with funds from the highway user tax distribution fund or the trunk highway fund:

- 53.1 (1) Bureau of Criminal Apprehension laboratory;
- 53.2 (2) Explore Minnesota Tourism kiosks;
- 53.3 ~~(3) Minnesota Safety Council;~~
- 53.4 ~~(4) driver education programs;~~
- 53.5 ~~(5)~~ (3) Office of Emergency Medical Services;
- 53.6 ~~(6)~~ (4) Mississippi River Parkway Commission;
- 53.7 ~~(7)~~ (5) payments to the Department of Information Technology Services in excess of
- 53.8 actual costs incurred for trunk highway purposes;
- 53.9 ~~(8)~~ (6) personnel costs incurred on behalf of the governor's office;
- 53.10 ~~(9)~~ (7) the Office of Aeronautics within the Department of Transportation;
- 53.11 ~~(10) the Office of Transit and Active Transportation within the Department of~~
- 53.12 ~~Transportation;~~
- 53.13 ~~(11) the Office of Passenger Rail;~~
- 53.14 ~~(12)~~ (8) purchase and maintenance of soft body armor under section 299A.38;
- 53.15 ~~(13)~~ (9) tourist information centers;
- 53.16 ~~(14)~~ (10) parades, events, or sponsorships of events;
- 53.17 ~~(15) the installation, construction, expansion, or maintenance of public electric vehicle~~
- 53.18 ~~infrastructure;~~
- 53.19 ~~(16)~~ (11) the statewide notification center for excavation services pursuant to chapter
- 53.20 216D; and
- 53.21 ~~(17)~~ (12) manufacturing license plates.
- 53.22 (b) The prohibition in paragraph (a) includes all expenses for the named entity or program,
- 53.23 including but not limited to payroll, purchased services, supplies, repairs, and equipment.
- 53.24 This prohibition on spending applies to any successor entities or programs that are
- 53.25 substantially similar to the entity or program named in this subdivision.

53.26 Sec. 8. Minnesota Statutes 2024, section 161.088, subdivision 2, is amended to read:

53.27 Subd. 2. **Program authority; funding.** (a) As provided in this section, the commissioner

53.28 must establish a corridors of commerce program for trunk highway construction,

54.1 reconstruction, and improvement, including maintenance operations, that improves commerce
54.2 in the state.

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

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

54.6 (2) reallocated efficiency savings from section 174.53, paragraph (b);

54.7 (3) at the discretion of the commissioner, made for the budget activities in the state roads
54.8 program of operations and maintenance, program planning and delivery, or state road
54.9 construction; and

54.10 ~~(3)~~ (4) made for the corridor investment management strategy program, unless specified
54.11 otherwise.

54.12 (c) The commissioner must include in the program the cost participation policy for local
54.13 units of government.

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

54.16 **EFFECTIVE DATE.** This section is effective July 1, 2025, and applies to funds
54.17 reallocated on or after that date.

54.18 Sec. 9. Minnesota Statutes 2024, section 161.115, subdivision 177, is amended to read:

54.19 Subd. 177. **Route No. 246.** Beginning at a point in or adjacent to Nerstrand; thence
54.20 extending in a general northerly direction to a point westerly of Dennison; thence continuing
54.21 in a general northwesterly direction to a point ~~on Route No. 1 at or~~ near 110th Street East
54.22 near Northfield.

54.23 **EFFECTIVE DATE.** This section is effective the day after the commissioner of
54.24 transportation notifies the revisor of statutes electronically or in writing of the effective
54.25 date.

54.26 Sec. 10. Minnesota Statutes 2024, section 161.14, is amended by adding a subdivision to
54.27 read:

54.28 Subd. 108. **Officer Jason B. Meyer Memorial Highway.** The segment of marked U.S.
54.29 Highway 63 from the intersection with marked Trunk Highway 16 to the southerly city
54.30 limit of Racine is designated as "Officer Jason B. Meyer Memorial Highway." Subject to

55.1 section 161.139, the commissioner must adopt a suitable design to mark this highway and
55.2 erect appropriate signs.

55.3 Sec. 11. **[161.1611] PURPOSE AND NEED STATEMENT CONTEXTUAL**
55.4 **DEVELOPMENT REQUIREMENTS; SCOPING PROCESS REQUIRED.**

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

55.7 (1) "planning worksheet scoping guide" means a checklist of considerations developed
55.8 by the commissioner to consider with stakeholders for determining a project's scope in the
55.9 scoping document;

55.10 (2) "project" means the scoping, assessment, study, or other analysis activity designed
55.11 to identify or provide for development of a trunk highway project;

55.12 (3) "purpose and need" is a statement by the department to explain why a proposed
55.13 action is being undertaken and its objectives by:

55.14 (i) identifying the need as a transportation problem or deficiency; and

55.15 (ii) identifying the purpose as a broad statement of the intended transportation result and
55.16 other related objectives to be achieved by a proposed transportation improvement; and

55.17 (4) "scoping document" means a document that identifies a statement of what will be
55.18 built as part of the project.

55.19 Subd. 2. **Application.** (a) The requirements in this section apply to a project that:

55.20 (1) involves construction, reconstruction, bridge replacement, increases or reductions
55.21 in highway traffic capacity, alteration of access, or acquisitions of permanent right-of-way;
55.22 or

55.23 (2) requires an environmental impact statement under chapter 116D for the project.

55.24 (b) Except for a project under paragraph (a), clause (1), the requirements in this section
55.25 do not apply to reconditioning, resurfacing, milling, overlays, preventive maintenance, other
55.26 routine roadway maintenance activities or projects, and associated set-asides.

55.27 Subd. 3. **Purpose and need.** (a) A purpose and need statement developed for a project
55.28 must not identify a specific improvement as the need to avoid premature determination of
55.29 investment approaches available for the project. Purpose and need statements must consider
55.30 all possible approaches for a project and address the safety and access of all users of the
55.31 transportation system.

(b) The commissioner must ensure that a purpose and need statement for a project can assess whether the need for a project is substantial enough to warrant investment inclusion in the state transportation improvement program, including relaxing expectations around the use of level-of-service metrics as the primary need for a project's development.

(c) The commissioner must incorporate multidisciplinary review processes under section 174.742 into the development of a context-specific purpose and need statement.

Subd. 4. Scope; required before inclusion. (a) The commissioner must require the use of a context-specific scoping document to identify the needs for a project before the project's inclusion in the state highway investment program. The scope document must conform with any adopted guidance by the commissioner and must:

(1) include a checklist of interested stakeholders to engage in the planning, design, and development of projects;

(2) recognize the degrees of variability and complexity across different project types; and

(3) require a context and modal accommodation analysis to:

(i) determine what modes of transportation are appropriate for the project corridor;

(ii) structure and document discussions around tradeoffs during early project development;

(iii) establish a suggested baseline for which modes should be prioritized based on the roadway type and land use context; and

(iv) provide a series of factors and questions to consider that would raise or lower the priority of each mode.

(b) Before finalization of any scoping document or draft scoping document for a project, the commissioner must require a coordination field visit and walking audit of the project corridor. To implement the requirements of this paragraph, the commissioner must develop guidance on coordinated field visits to:

(1) begin the initial engagement process with stakeholders for projects;

(2) provide guidance on what staff should identify in observing current conditions for all modes of travel and the surrounding land use; and

(3) coordinate across different jurisdictions to ensure collaboration and field visits at similar times in the project timeline.

57.1 Subd. 5. **Implementation.** The commissioner must implement the requirements of this
57.2 section in a manner that does not conflict with the requirements under chapter 116D and
57.3 the National Environmental Policy Act under United States Code, title 42, section 4331, et
57.4 seq.

57.5 **EFFECTIVE DATE.** Subdivisions 1, 2, 3, and 5 are effective March 1, 2027, for
57.6 projects on or after that date. Subdivision 4 is effective July 1, 2025, for projects scoped on
57.7 or after that date.

57.8 Sec. 12. Minnesota Statutes 2024, section 162.02, is amended by adding a subdivision to
57.9 read:

57.10 Subd. 1a. **State-aid standards.** Design and engineering standards for all new construction,
57.11 reconstruction, rehabilitation, or resurfacing county state-aid projects approved by the
57.12 state-aid engineer are determined and set by the most recent edition of the Facility Design
57.13 Guide or successor document established by the commissioner.

57.14 **EFFECTIVE DATE.** This section is effective July 1, 2025, for county state-aid roadway
57.15 projects on or after that date.

57.16 Sec. 13. Minnesota Statutes 2024, section 162.02, subdivision 3a, is amended to read:

57.17 Subd. 3a. **Variances from rules and engineering standards.** (a) The commissioner
57.18 may grant variances from the rules and from the engineering standards developed pursuant
57.19 to section 162.021 or 162.07, subdivision 2. A political subdivision in which a county
57.20 state-aid highway is located or is proposed to be located may submit a written request to
57.21 the commissioner for a variance for that highway. The commissioner ~~shall~~ must comply
57.22 with section 174.75, subdivision 5, in evaluating a variance request related to a complete
57.23 streets project.

57.24 (b) The commissioner may grant or deny the variance within 30 days of receiving the
57.25 variance request. If the variance is denied, the political subdivision may request, within 30
57.26 days of receiving notice of denial, and ~~shall~~ must be granted a contested case hearing. The
57.27 commissioner must use the criteria set forth in subdivision 3c to evaluate the variance
57.28 request.

57.29 (c) If the commissioner denies a variance, the commissioner must notify the chairs and
57.30 ranking minority members of the legislative committees with jurisdiction over transportation
57.31 and provide justification for denying the variance within 30 days of notifying the political
57.32 subdivision of the denial. The justification must include the commissioner's reasoning for

58.1 the denial, the recommendation of the advisory committee on variances, and the reasoning
58.2 used by the committee to approve or deny the variance.

58.3 ~~(e)~~ (d) For purposes of this subdivision, "political subdivision" includes (1) an agency
58.4 of a political subdivision which has jurisdiction over parks, and (2) a regional park authority.

58.5 (e) The commissioner must give special consideration to proposed modifications for:

58.6 (1) narrowing lanes from 11 feet to ten feet for roadways in an urban or suburban context;

58.7 (2) designs allowed by current Department of Transportation trunk highway standards
58.8 for roadways of similar context;

58.9 (3) a proposed design intended to increase the safety of nonmotorized transportation to
58.10 and from a school;

58.11 (4) any design element in a project funded by the safe routes to school program, except
58.12 where specifically prohibited in the current Department of Transportation Facility Design
58.13 Guide; or

58.14 (5) a variance request that specifically states the proposed design modification is based
58.15 on the following alternative design manuals:

58.16 (i) the American Association of State Highway and Transportation Officials' (AASHTO)
58.17 A Policy on Geometric Design Highways and Streets or other AASHTO design guides
58.18 formally recognized by the Federal Highway Administration;

58.19 (ii) the Institute of Transportation Engineers' Designing Walkable Urban Thoroughfares:
58.20 A Context Sensitive Approach and Implementing Context Sensitive Design Handbook;

58.21 (iii) the National Association of City Transportation Officials' (NACTO) Urban Street
58.22 Design Guide and other NACTO design guides formally recognized by the Federal Highway
58.23 Administration;

58.24 (iv) the Global Designing Cities Initiative's (GDCI) Global Street Design Guide and
58.25 Designing Streets for Kids supplement; or

58.26 (v) any other design guide recognized or approved by the Federal Highway
58.27 Administration in United States Code, title 23, section 109(o)(B).

58.28 (f) Paragraph (e) does not apply to a natural preservation route established under section
58.29 162.021.

58.30 **EFFECTIVE DATE.** This section is effective July 1, 2025, for county state-aid roadway
58.31 projects on or after that date.

59.1 Sec. 14. Minnesota Statutes 2024, section 162.02, is amended by adding a subdivision to
59.2 read:

59.3 Subd. 3c. **Variance format.** To submit a formal request for a variance from applicable
59.4 design standards under subdivision 1a, a political subdivision must submit a written request
59.5 to the commissioner. The written request must be in the form of an adopted resolution. The
59.6 request must:

59.7 (1) identify the project by location and termini;

59.8 (2) cite the specific part or standard for which the variance is requested from county
59.9 state-aid design rules;

59.10 (3) describe the proposed modification and include technical information about the
59.11 design, including:

59.12 (i) an index map; and

59.13 (ii) a typical section with an inplace section and a proposed section;

59.14 (4) describe the economic, social, safety, and environmental impacts that may result
59.15 from the requested variance;

59.16 (5) identify the project's effectiveness in eliminating an existing and projected deficiency
59.17 in the transportation system, including identifying and citing whether the existing roadway's
59.18 design meets a recognized or approved Federal Highway Administration design guide
59.19 standard for a similar road context;

59.20 (6) identify effects on adjacent lands;

59.21 (7) identify the number of persons affected; and

59.22 (8) identify relevant safety considerations as they apply to:

59.23 (i) pedestrians;

59.24 (ii) bicyclists;

59.25 (iii) vulnerable road users;

59.26 (iv) the motoring public; and

59.27 (v) fire, police, and emergency service providers.

59.28 **EFFECTIVE DATE.** This section is effective July 1, 2025, for county state-aid roadway
59.29 projects on or after that date.

Sec. 15. Minnesota Statutes 2024, section 162.09, is amended by adding a subdivision to read:

Subd. 1a. **State-aid standards.** Design and engineering standards for all new construction, reconstruction, rehabilitation, or resurfacing municipal state-aid projects approved by the state-aid engineer are determined and set by the most recent edition of the Facility Design Guide or successor document established by the commissioner.

EFFECTIVE DATE. This section is effective July 1, 2025, for municipal state-aid roadway projects on or after that date.

Sec. 16. Minnesota Statutes 2024, section 162.09, subdivision 3a, is amended to read:

Subd. 3a. **Variances from rules and engineering standards.** (a) The commissioner may grant variances from the rules and from the engineering standards developed pursuant to section 162.13, subdivision 2. A political subdivision in which a municipal state-aid street is located or is proposed to be located may submit a written request to the commissioner for a variance for that street. The commissioner ~~shall~~ must comply with section 174.75, subdivision 5, in evaluating a variance request related to a complete streets project.

(b) The commissioner may grant or deny the variance within 30 days of receiving the variance request. If the variance is denied, the political subdivision may request, within 30 days of receiving notice of denial, and ~~shall~~ must be granted a contested case hearing. The commissioner must use the criteria set forth in subdivision 3b to evaluate the variance request.

(c) If the commissioner denies a variance, the commissioner must notify the chairs and ranking minority members of the legislative committees with jurisdiction over transportation and provide justification for denying the variance within 30 days of notifying the political subdivision of the denial. The justification must include the commissioner's reasoning for the denial, the recommendation of the advisory committee on variances, and the reasoning used by the committee to approve or deny the variance.

~~(e)~~ (d) For purposes of this subdivision, "political subdivision" includes (1) an agency of a political subdivision which has jurisdiction over parks, and (2) a regional park authority.

(e) The commissioner must give special consideration to proposed modifications for:

(1) narrowing lanes from 11 feet to ten feet for roadways in an urban or suburban context;

(2) designs allowed by current Department of Transportation trunk highway standards for roadways of similar context;

61.1 (3) a proposed design intended to increase the safety of nonmotorized transportation to
61.2 and from a school;

61.3 (4) any design element in a project funded by the safe routes to school program, except
61.4 where specifically prohibited in the current Department of Transportation Facility Design
61.5 Guide; or

61.6 (5) a variance request that specifically states the proposed design modification is based
61.7 on the following alternative design manuals:

61.8 (i) the American Association of State Highway and Transportation Officials' (AASHTO)
61.9 A Policy on Geometric Design Highways and Streets or other AASHTO design guides
61.10 formally recognized by the Federal Highway Administration;

61.11 (ii) the Institute of Transportation Engineers' Designing Walkable Urban Thoroughfares:
61.12 A Context Sensitive Approach and Implementing Context Sensitive Design Handbook;

61.13 (iii) the National Association of City Transportation Officials' (NACTO) Urban Street
61.14 Design Guide and other NACTO design guides formally recognized by the Federal Highway
61.15 Administration;

61.16 (iv) the Global Designing Cities Initiative's (GDCI) Global Street Design Guide and
61.17 Designing Streets for Kids supplement; or

61.18 (v) any other design guide recognized or approved by the Federal Highway
61.19 Administration in United States Code, title 23, section 109(o)(B).

61.20 **EFFECTIVE DATE.** This section is effective July 1, 2025, for municipal state-aid
61.21 roadway projects on or after that date.

61.22 Sec. 17. Minnesota Statutes 2024, section 162.09, is amended by adding a subdivision to
61.23 read:

61.24 Subd. 3b. **Variance format.** To submit a formal request for a variance from municipal
61.25 state-aid design rules, a political subdivision must submit a written request to the
61.26 commissioner. The written request must be in the form of an adopted resolution. The request
61.27 must:

61.28 (1) identify the project by location and termini;

61.29 (2) cite the specific part or standard for which the variance is requested from municipal
61.30 state-aid design rules;

62.1 (3) describe the proposed modification and include technical information about the
62.2 design, including:

62.3 (i) an index map; and

62.4 (ii) a typical section with an inplace section and a proposed section;

62.5 (4) describe the economic, social, safety, and environmental impacts that may result
62.6 from the requested variance;

62.7 (5) identify the effectiveness of the project in eliminating an existing and projected
62.8 deficiency in the transportation system, including identifying and citing whether the existing
62.9 roadway's design meets a recognized or approved Federal Highway Administration design
62.10 guide standard for a similar road context;

62.11 (6) identify effects on adjacent lands;

62.12 (7) identify the number of persons affected; and

62.13 (8) identify relevant safety considerations as they apply to:

62.14 (i) pedestrians;

62.15 (ii) bicyclists;

62.16 (iii) vulnerable road users;

62.17 (iv) the motoring public; and

62.18 (v) fire, police, and emergency service providers.

62.19 **EFFECTIVE DATE.** This section is effective July 1, 2025, for municipal state-aid
62.20 roadway projects on or after that date.

62.21 Sec. 18. **[162.095] ADVISORY COMMITTEE ON DESIGN VARIANCES.**

62.22 Subdivision 1. **Establishment.** An advisory committee on design variances is established
62.23 to investigate and determine a recommendation for each variance submitted under sections
62.24 162.02, subdivision 3a, and 162.09, subdivision 3a.

62.25 Subd. 2. **Membership.** (a) The advisory committee on design variances called by the
62.26 commissioner under subdivision 3 must consist of the following members:

62.27 (1) not more than two county highway engineers, only one of whom may be from a
62.28 county containing a city of the first class;

62.29 (2) not more than two city engineers, only one of whom may be from a city of the first
62.30 class;

63.1 (3) not more than two county officials, only one of whom may be from a county
63.2 containing a city of the first class;

63.3 (4) not more than two officials of an urban municipality, only one of whom may be from
63.4 a city of the first class;

63.5 (5) not more than two representatives of the Office of Transit and Active Transportation
63.6 in the Department of Transportation, one of whom must be an engineer; and

63.7 (6) one representative from the State Aid for Local Transportation Office in the
63.8 Department of Transportation with experience in project design and the safety factors
63.9 specified in sections 162.02, subdivision 3c, and 162.09, subdivision 3b.

63.10 (b) No elected or appointed official that represents a political subdivision may serve on
63.11 the committee.

63.12 (c) The committee must have at least one member but not more than 12 members from
63.13 a metropolitan area as defined in section 473.121, subdivision 2, as well as cities with a
63.14 population over 50,000 according to the most recent federal census.

63.15 Subd. 3. **Operating procedure; open meeting law.** (a) The advisory committee must
63.16 meet at the call of the commissioner, at which time the committee must be instructed as to
63.17 the committee's responsibilities by a designee of the commissioner. The members of the
63.18 advisory committee must elect a chair from the members of the group at the initial meeting
63.19 and may set bylaws and procedures to investigate the requested variance.

63.20 (b) An advisory committee organized under this section is subject to the Minnesota Open
63.21 Meeting Law under chapter 13D.

63.22 Subd. 4. **Factors considered.** The advisory committee must make a recommendation
63.23 for a variance based on criteria set forth in sections 162.02, subdivision 3c, and 162.09,
63.24 subdivision 3b. The advisory committee must give special consideration to safety if the
63.25 proposed project design is intended to increase the safety of nonmotorized transportation
63.26 to and from a school.

63.27 Subd. 5. **Recommendation.** After considering all data pertinent to the requested variance,
63.28 the advisory committee must recommend to the commissioner approval or denial of the
63.29 request. If the committee denies the variance, the committee must provide specific reasoning
63.30 for the denial and identify the design standard used to evaluate the denial.

63.31 Subd. 6. **Administration.** Upon request of the advisory committee, the commissioner
63.32 must provide meeting space, technical support, and administrative services for the group.

64.1 Subd. 7. **Legislative report.** By January 15 of each even-numbered year, the
64.2 commissioner of transportation must submit a report to the chairs and ranking minority
64.3 members of the legislative committees with jurisdiction over transportation policy and
64.4 finance. The report must summarize the activities of any advisory committee on variances
64.5 from the prior two years, identify each committee's analysis and findings for each variance
64.6 approved or denied, identify whether the commissioner and an advisory committee came
64.7 to a different decision on a requested variance and identify the reasons for the difference,
64.8 and provide recommendations on improvements to the advisory committee process.

64.9 **EFFECTIVE DATE.** This section is effective July 1, 2025, for state-aid design variances
64.10 sought on or after that date.

64.11 Sec. 19. Minnesota Statutes 2024, section 162.155, is amended to read:

64.12 **162.155 RULEMAKING.**

64.13 ~~(a) The commissioner shall adopt rules setting forth the criteria to be considered by the~~
64.14 ~~commissioner in evaluating requests for variances under sections 162.02, subdivision 3a~~
64.15 ~~and 162.09, subdivision 3a. The rules must include, but are not limited to, economic,~~
64.16 ~~engineering and safety guidelines.~~

64.17 ~~(b)~~ (a) The commissioner shall adopt rules establishing the engineering standards for
64.18 cost estimation under sections 162.07, subdivision 2, and 162.13, subdivision 2.

64.19 ~~(c)~~ (b) The rules adopted by the commissioner under this section, and sections 162.02;
64.20 162.07, subdivision 2; 162.09; and 162.13, subdivision 2, are exempt from the rulemaking
64.21 provisions of chapter 14. The rules are subject to section 14.386, except that, notwithstanding
64.22 paragraph (b) of that section, the rules continue in effect until repealed or superseded by
64.23 other law or rule.

64.24 Sec. 20. **[162.175] LOCAL GOVERNMENT ROAD FUNDING GAP ASSISTANCE.**

64.25 Subdivision 1. **Local government road funding gap assistance account.** A local
64.26 government road funding gap assistance account is created in the special revenue fund. The
64.27 account consists of money donated, allotted, transferred, or otherwise provided to the
64.28 account. Money in the account is annually appropriated to the commissioner of transportation
64.29 and may only be expended as provided under this section. Notwithstanding section 16B.98,
64.30 subdivision 14, the commissioner must not use any amount of this appropriation for
64.31 administrative costs.

65.1 Subd. 2. **Distribution.** (a) The commissioner must annually distribute, transfer, or grant
65.2 the available money in the local government road funding gap assistance account equally
65.3 among all eligible recipients. Money distributed under this section is available only for
65.4 design, engineering, construction, reconstruction, and maintenance of roads solely under
65.5 the jurisdiction of the recipient.

65.6 (b) For purposes of this section, "eligible recipient" or "recipient" means a political
65.7 subdivision that:

65.8 (1) has a directly elected governing board;

65.9 (2) maintains sole jurisdiction over a roadway system;

65.10 (3) does not receive direct dedicated funding under section 162.07, 162.13, 162.145,
65.11 162.146, 297A.815, or 297A.9915; and

65.12 (4) either:

65.13 (i) has a population greater than 10,000 according to the last two federal decennial
65.14 censuses; or

65.15 (ii) is contained within a city of the first class.

65.16 Sec. 21. Minnesota Statutes 2024, section 168.013, subdivision 1m, is amended to read:

65.17 Subd. 1m. **Electric vehicle.** ~~In addition to the tax under subdivision 1a~~ (a) Subject to
65.18 paragraph (b), a surcharge of ~~\$75~~ \$200 is imposed for an all-electric vehicle, as defined in
65.19 section 169.011, subdivision 1a. The surcharge is in addition to the tax under subdivision
65.20 1a.

65.21 (b) By October 1 annually, the commissioner must calculate and publish an adjusted
65.22 surcharge under this subdivision, which applies to taxes payable for a registration period
65.23 starting on or after the following January 1. Each adjusted surcharge must:

65.24 (1) equal:

65.25 (i) the surcharge under paragraph (a) as previously adjusted under this paragraph;
65.26 multiplied by

65.27 (ii) one plus the percentage increase, if any, in the gasoline excise tax rate under section
65.28 296A.07, subdivision 3, as determined from the rate in effect at the time of calculation
65.29 compared to the rate to be imposed on the following January 1; and

65.30 (2) be rounded to the nearest whole dollar.

66.1 (c) Notwithstanding subdivision 8, revenue from the fee imposed under this subdivision
66.2 must be deposited in the highway user tax distribution fund.

66.3 **EFFECTIVE DATE.** This section is effective August 1, 2025, for surcharges imposed
66.4 on or after that date.

66.5 Sec. 22. Minnesota Statutes 2024, section 168.013, is amended by adding a subdivision
66.6 to read:

66.7 Subd. 1n. **Plug-in hybrid electric vehicle.** (a) Subject to paragraph (b), a surcharge of
66.8 \$100 is imposed for a plug-in hybrid electric vehicle as defined in section 169.011,
66.9 subdivision 54a. The surcharge is in addition to the tax under subdivision 1a.

66.10 (b) By October 1 annually, the commissioner must calculate and publish an adjusted
66.11 surcharge under this subdivision, which applies to taxes payable for a registration period
66.12 starting on or after the following January 1. Each adjusted surcharge must:

66.13 (1) equal:

66.14 (i) the surcharge under paragraph (a) as previously adjusted under this paragraph;
66.15 multiplied by

66.16 (ii) one plus the percentage increase, if any, in the gasoline excise tax rate under section
66.17 296A.07, subdivision 3, as determined from the rate in effect at the time of calculation
66.18 compared to the rate to be imposed on the following January 1; and

66.19 (2) be rounded to the nearest whole dollar.

66.20 (c) Notwithstanding subdivision 8, revenue from the surcharge imposed under this
66.21 subdivision must be deposited in the highway user tax distribution fund.

66.22 **EFFECTIVE DATE.** This section is effective August 1, 2025, for surcharges imposed
66.23 on or after that date.

66.24 Sec. 23. Minnesota Statutes 2024, section 168.013, is amended by adding a subdivision
66.25 to read:

66.26 Subd. 1o. **All-electric motorcycle.** (a) Subject to paragraph (b), a surcharge of \$40 is
66.27 imposed for an all-electric motorcycle as defined in section 169.011, subdivision 1b. The
66.28 surcharge is in addition to the tax under subdivision 1b.

66.29 (b) By October 1 annually, the commissioner must calculate and publish an adjusted
66.30 surcharge under this subdivision, which applies to taxes payable for a registration period
66.31 starting on or after the following January 1. Each adjusted surcharge must:

67.1 (1) equal:

67.2 (i) the surcharge under paragraph (a) as previously adjusted under this paragraph;
67.3 multiplied by

67.4 (ii) one plus the percentage increase, if any, in the gasoline excise tax rate under section
67.5 296A.07, subdivision 3, as determined from the rate in effect at the time of calculation
67.6 compared to the rate to be imposed on the following January 1; and

67.7 (2) be rounded to the nearest whole dollar.

67.8 (c) Notwithstanding subdivision 8, revenue from the surcharge imposed under this
67.9 subdivision must be deposited in the highway user tax distribution fund.

67.10 **EFFECTIVE DATE.** This section is effective August 1, 2025, for surcharges imposed
67.11 on or after that date.

67.12 Sec. 24. Minnesota Statutes 2024, section 168.013, is amended by adding a subdivision
67.13 to read:

67.14 Subd. 1p. **Plug-in hybrid electric motorcycle.** (a) Subject to paragraph (b), a surcharge
67.15 of \$20 is imposed for a plug-in hybrid electric motorcycle as defined in section 169.011,
67.16 subdivision 54c. The surcharge is in addition to the tax under subdivision 1b.

67.17 (b) By October 1 annually, the commissioner must calculate and publish an adjusted
67.18 surcharge under this subdivision, which applies to taxes payable for a registration period
67.19 starting on or after the following January 1. Each adjusted surcharge must:

67.20 (1) equal:

67.21 (i) the surcharge under paragraph (a) as previously adjusted under this paragraph;
67.22 multiplied by

67.23 (ii) one plus the percentage increase, if any, in the gasoline excise tax rate under section
67.24 296A.07, subdivision 3, as determined from the rate in effect at the time of calculation
67.25 compared to the rate to be imposed on the following January 1; and

67.26 (2) be rounded to the nearest whole dollar.

67.27 (c) Notwithstanding subdivision 8, revenue from the surcharge imposed under this
67.28 subdivision must be deposited in the highway user tax distribution fund.

67.29 **EFFECTIVE DATE.** This section is effective August 1, 2025, for surcharges imposed
67.30 on or after that date.

68.1 Sec. 25. Minnesota Statutes 2024, section 168.091, is amended to read:

68.2 **168.091 ~~31-DAY~~ 60-DAY TEMPORARY VEHICLE PERMIT.**

68.3 Subdivision 1. **Nonresident buyer.** (a) Upon payment of a fee of \$1, the commissioner
68.4 may issue a permit to a nonresident purchasing a vehicle in this state for the sole purpose
68.5 of allowing the vehicle to be removed from this state.

68.6 (b) The permit is in lieu of any other registration or taxation for use of the highways and
68.7 is valid for a period of ~~31~~ 60 days from the date of sale, trade, or gift.

68.8 (c) The permit must be available in an electronic format as determined by the
68.9 commissioner.

68.10 (d) If the sale, gift, or trade information is electronically transmitted to the commissioner
68.11 by a dealer or deputy registrar of motor vehicles, the \$1 fee is waived.

68.12 (e) The permit must be affixed to the rear of the vehicle where it is plainly visible. Each
68.13 permit is valid only for the vehicle for which the permit was issued.

68.14 Subd. 2. **Dealer.** The registrar may issue permits to licensed dealers upon payment of
68.15 the proper fee for each permit.

68.16 Subd. 3. **Proceeds to highway user fund.** All payments received for such permits shall
68.17 be paid into the state treasury and credited to the highway user tax distribution fund.

68.18 **EFFECTIVE DATE.** This section is effective October 1, 2025, for permits issued on
68.19 or after that date.

68.20 Sec. 26. Minnesota Statutes 2024, section 168.27, subdivision 16, is amended to read:

68.21 Subd. 16. **Dealer plates: distinguishing number, fee, tax, use.** (a) The registrar shall
68.22 issue to every motor vehicle dealer, upon a request from the motor vehicle dealer licensed
68.23 as provided in subdivision 2 or 3, one or more plates displaying a general distinguishing
68.24 number. This subdivision does not apply to a scrap metal processor, a used vehicle parts
68.25 dealer, or a vehicle salvage pool. The fee for each of the first four plates is \$75 per registration
68.26 year, of which \$60 must be paid to the registrar and the remaining \$15 is payable as sales
68.27 tax on motor vehicles under section 297B.035. For each additional plate, the dealer shall
68.28 pay the registrar a fee of \$25 and a sales tax on motor vehicles of \$15 per registration year.
68.29 The registrar shall deposit the tax in the state treasury to be credited as provided in section
68.30 297B.09. Replacement plates are subject to the fees in section 168.12. Motor vehicles, new
68.31 or used, owned by the motor vehicle dealership and bearing the number plate, except vehicles
68.32 leased to the user who is not an employee of the dealer during the term of the lease, held

69.1 for hire, or used by the dealer as a tow truck, service truck, or parts vehicle, may be driven
69.2 upon the streets and highways of this state:

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

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

69.7 (3) for use as a courtesy vehicle provided to a customer of the dealership while the
69.8 customer's vehicle is being repaired;

69.9 (4) for demonstration purposes by any prospective buyer for a period of ~~48 hours or in~~
69.10 ~~the case of a truck, truck-tractor, or semitrailer, for a period of seven~~ 14 days; or

69.11 ~~(4)~~ (5) in a promotional event that lasts no longer than four days in which at least three
69.12 motor vehicles are involved.

69.13 (b) A new or used motor vehicle sold by the motor vehicle dealer and bearing the motor
69.14 vehicle dealer's number plate may be driven upon the public streets and highways for a
69.15 period of 72 hours by the buyer for either of the following purposes: (1) removing the vehicle
69.16 from this state for registration in another state, or (2) permitting the buyer to use the motor
69.17 vehicle before the buyer receives number plates pursuant to registration. Use of a motor
69.18 vehicle by the buyer under clause (2) before the buyer receives number plates pursuant to
69.19 registration constitutes a use of the public streets or highways for the purpose of the time
69.20 requirements for registration of motor vehicles.

69.21 (c) All vehicles displaying a dealer plate issued under this subdivision must carry written
69.22 documentation within the vehicle that includes:

69.23 (1) a valid driver's license;

69.24 (2) proof of insurance;

69.25 (3) the reason for use; and

69.26 (4) if the vehicle is for use as a courtesy vehicle under paragraph (a), clause (3), a courtesy
69.27 vehicle user agreement that includes a list of authorized drivers for the vehicle and their
69.28 driver's license numbers and the start and end dates of use.

69.29 (d) For purposes of paragraph (a), a "courtesy vehicle" means a passenger-class motor
69.30 vehicle that a motor vehicle dealer temporarily provides at no or minimal cost to customers
69.31 for customer service or mobility purposes while the customer's vehicle is serviced, repaired,

70.1 or maintained. A courtesy vehicle with a dealer plate meeting the requirements of paragraph
70.2 (a) is not subject to the 72-hour restriction specified in paragraph (b).

70.3 **EFFECTIVE DATE.** This section is effective July 1, 2025.

70.4 Sec. 27. Minnesota Statutes 2024, section 168.33, subdivision 7, is amended to read:

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

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

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

70.10 (b) Notwithstanding paragraph (a):

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

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

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

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

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

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

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

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

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

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

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

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

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

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

71.12 (1) \$2 for paying an account balance;

71.13 (2) \$4 for the following transactions:

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

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

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

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

71.20 (v) marking a vehicle as junked;

71.21 (3) \$8 for the following transactions:

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

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

71.24 (iii) providing a duplicate title;

71.25 (iv) issuing International Fuel Tax Agreement decals;

71.26 (v) managing an International Fuel Tax Agreement license; and

71.27 (vi) administrative review requests; and

71.28 (4) the amount of the fee established under paragraph (a), clause (2), for the following
71.29 transactions:

71.30 (i) vehicle renewal for veterans with a total service-connected disability;

- 72.1 (ii) plate change for veterans with a total service-connected disability;
- 72.2 (iii) correcting or changing title and vehicle details;
- 72.3 (iv) issuing a new disability parking certificate;
- 72.4 (v) new title and registration for veterans with a total service-connected disability;
- 72.5 (vi) transferring title and registration for veterans with a total service-connected disability;
- 72.6 and
- 72.7 (vii) replacing plates, stickers, or registration cards.
- 72.8 (h) The following transactions for which no filing fee is collected are not eligible for
- 72.9 payment of any kind:
- 72.10 (1) collection of another fee type, including but not limited to a record request fee or a
- 72.11 fast track fee;
- 72.12 (2) voluntary waiver of a fee by the deputy registrar; and
- 72.13 (3) ancillary to a transaction for which a filing fee may be imposed.
- 72.14 (i) If the amount appropriated for payments under paragraph (g) is insufficient, the
- 72.15 commissioner must prorate the payments.
- 72.16 **EFFECTIVE DATE.** This section is effective August 1, 2025.

72.17 Sec. 28. Minnesota Statutes 2024, section 168A.10, is amended by adding a subdivision

72.18 to read:

72.19 Subd. 7. **Removal of license plates.** If an owner transfers interest in a vehicle other than

72.20 by the creation of a security interest or as defined in section 297B.01, subdivision 16,

72.21 paragraph (c), clauses (1) to (5), the owner must remove the existing license plates from

72.22 the vehicle, and the purchaser must, at the time of transfer, obtain new plates for the vehicle

72.23 and pay the fees specified in section 168.12, subdivision 5, paragraph (b).

72.24 **EFFECTIVE DATE.** This section is effective January 1, 2026, for vehicles transferred

72.25 on or after that date.

72.26 Sec. 29. Minnesota Statutes 2024, section 168A.11, subdivision 1, is amended to read:

72.27 Subdivision 1. **Requirements upon subsequent transfer; service fee.** (a) A dealer who

72.28 buys a vehicle and holds it for resale need not apply for a certificate of title. Upon transferring

72.29 the vehicle to another person, other than by the creation of a security interest, the dealer

72.30 must promptly execute the assignment and warranty of title by a dealer, showing the names

and addresses of the transferee and of any secured party holding a security interest created or reserved at the time of the resale, and the date of the security agreement in the spaces provided on the certificate of title or secure reassignment.

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

(c) With respect to motor vehicles subject to the provisions of section 325E.15, the dealer must also, in the space provided on the certificate of title or secure reassignment, state the true cumulative mileage registered on the odometer or that the exact mileage is unknown if the odometer reading is known by the transferor to be different from the true mileage.

(d) The transferee must complete the application for title section on the certificate of title or separate title application form prescribed by the commissioner. The dealer must mail or deliver the certificate to the commissioner or deputy registrar with the transferee's application for a new certificate and appropriate taxes and fees, within the period specified under section 168A.10, subdivision 2.

(e) With respect to vehicles sold to buyers who will remove the vehicle from this state, the dealer must remove any license plates from the vehicle, issue a ~~31-day~~ 60-day temporary permit pursuant to section 168.091, and notify the commissioner within 48 hours of the sale that the vehicle has been removed from this state. The notification must be made in an electronic format prescribed by the commissioner. The dealer may contract with a deputy registrar for the notification of sale to an out-of-state buyer. The deputy registrar may charge a fee of \$7 per transaction to provide this service.

EFFECTIVE DATE. This section is effective October 1, 2025, for permits issued on or after that date.

Sec. 30. Minnesota Statutes 2024, section 169.011, is amended by adding a subdivision to read:

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

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

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

74.1 Sec. 31. Minnesota Statutes 2024, section 169.011, subdivision 36, is amended to read:

74.2 Subd. 36. **Intersection.** ~~(a)~~ "Intersection" means the area embraced within the
74.3 prolongation or connection of the lateral curb lines or, if none, then the lateral boundary
74.4 lines of the roadways of two highways which join one another at, or approximately at, right
74.5 angles or the area within which vehicles traveling upon different highways joining at any
74.6 other angle may come in conflict.

74.7 ~~(b) Where a highway includes two roadways 30 feet or more apart, then every crossing~~
74.8 ~~of each roadway of such divided highway by an intersecting highway shall be regarded as~~
74.9 ~~a separate intersection. In the event such intersecting highway also includes two roadways~~
74.10 ~~30 feet or more apart, then every crossing of two roadways of such highways shall be~~
74.11 ~~regarded as a separate intersection.~~

74.12 Sec. 32. Minnesota Statutes 2024, section 169.011, is amended by adding a subdivision
74.13 to read:

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

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

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

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

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

74.22 Sec. 33. Minnesota Statutes 2024, section 169.06, subdivision 5, is amended to read:

74.23 Subd. 5. **Traffic-control signal.** (a) Whenever traffic is controlled by traffic-control
74.24 signals exhibiting different colored lights, or colored lighted arrows, successively one at a
74.25 time or in combination, only the colors Green, Red, and Yellow ~~shall~~ are permitted to be
74.26 used, except for special pedestrian signals carrying a word or legend symbol. The
74.27 traffic-control signal lights or colored lighted arrows indicate and apply to drivers of vehicles
74.28 and pedestrians as follows:

74.29 (1) Green indication:

74.30 (i) Vehicular traffic facing a circular green signal may proceed straight through or turn
74.31 right or left unless a sign prohibits either turn. But vehicular traffic, including vehicles

75.1 turning right or left, ~~shall~~ must yield the right-of-way to other vehicles and to pedestrians
75.2 lawfully within the intersection or adjacent crosswalk at the time this signal is exhibited.
75.3 Vehicular traffic turning left or making a U-turn to the left ~~shall~~ must yield the right-of-way
75.4 to other vehicles approaching from the opposite direction so closely as to constitute an
75.5 immediate hazard.

75.6 (ii) Vehicular traffic facing a green arrow signal, shown alone or in combination with
75.7 another indication, may cautiously enter the intersection only to make the movement indicated
75.8 by the arrow, or other movement as permitted by other indications shown at the same time.
75.9 Vehicular traffic ~~shall~~ must yield the right-of-way to pedestrians lawfully within an adjacent
75.10 crosswalk and to other traffic lawfully using the intersection.

75.11 (iii) Unless otherwise directed by a pedestrian-control signal as provided in subdivision
75.12 6, pedestrians facing any green signal, except when the sole green signal is a turn arrow,
75.13 may proceed across the roadway within any marked or unmarked crosswalk. Every driver
75.14 of a vehicle ~~shall~~ must yield the right-of-way to such pedestrian, except that the pedestrian
75.15 ~~shall~~ must yield the right-of-way to vehicles lawfully within the intersection at the time that
75.16 the green signal indication is first shown.

75.17 (2) Steady yellow indication:

75.18 (i) Vehicular traffic facing a steady circular yellow or yellow arrow signal is thereby
75.19 warned that the related green movement or flashing yellow movement is being terminated
75.20 or that a red indication will be exhibited immediately thereafter when vehicular traffic must
75.21 not enter the intersection, except for the continued movement allowed by any green arrow
75.22 indication simultaneously exhibited.

75.23 (ii) Pedestrians facing a circular yellow signal, unless otherwise directed by a
75.24 pedestrian-control signal as provided in subdivision 6, are thereby advised that there is
75.25 insufficient time to cross the roadway before a red indication is shown and ~~no~~ a pedestrian
75.26 ~~shall~~ must not then start to cross the roadway.

75.27 (3) Steady red indication:

75.28 (i) Vehicular traffic facing a circular red signal alone must stop at a clearly marked stop
75.29 line but, if none, before entering the crosswalk on the near side of the intersection or, if
75.30 none, then before entering the intersection and ~~shall~~ must remain standing until a green
75.31 indication is shown, except as follows:

75.32 (A) the driver of a vehicle stopped as close as practicable at the entrance to the crosswalk
75.33 on the near side of the intersection or, if none, then at the entrance to the intersection in

obedience to a red or stop signal, and with the intention of making a right turn may make the right turn, after stopping, unless an official sign has been erected prohibiting such movement, but ~~shall~~ must yield the right-of-way to pedestrians and other traffic lawfully proceeding as directed by the signal at that intersection; or

(B) the driver of a vehicle on a one-way street intersecting another one-way street on which traffic moves to the left ~~shall~~ must stop in obedience to a red or stop signal and may then make a left turn into the one-way street, unless an official sign has been erected prohibiting the movement, but ~~shall~~ must yield the right-of-way to pedestrians and other traffic lawfully proceeding as directed by the signal at that intersection.

(ii) Unless otherwise directed by a pedestrian-control signal as provided in subdivision 6, pedestrians facing a steady red signal alone ~~shall~~ must not enter the roadway.

(iii) Vehicular traffic facing a steady red arrow signal, with the intention of making a movement indicated by the arrow, must stop at a clearly marked stop line but, if none, before entering the crosswalk on the near side of the intersection or, if none, then before entering the intersection and must remain standing until a permissive signal indication permitting the movement indicated by the red arrow is displayed, except as follows: when an official sign has been erected permitting a turn on a red arrow signal, the vehicular traffic facing a red arrow signal indication is permitted to enter the intersection to turn right, or to turn left from a one-way street into a one-way street on which traffic moves to the left, after stopping, but must yield the right-of-way to pedestrians and other traffic lawfully proceeding as directed by the signal at that intersection.

(b) In the event an official traffic-control signal is erected and maintained at a place other than an intersection, the provisions of this section are applicable except those which can have no application. Any stop required must be made at a sign or marking on the pavement indicating where the stop must be made, but in the absence of any such sign or marking the stop must be made at the signal.

(c) When a traffic-control signal indication or indications placed to control a certain movement or lane are so identified by placing a sign near the indication or indications, no other traffic-control signal indication or indications within the intersection controls vehicular traffic for that movement or lane.

(d) A peace officer is prohibited from stopping, detaining, or issuing a citation to a pedestrian for a violation of paragraph (a), clause (2), item (ii), or (3), item (ii), unless:

(1) the officer lawfully stops or detains the pedestrian for an unrelated violation or offense; or

(2) at the time of the violation, a vehicle is approaching in a manner that constitutes a hazard of collision between the vehicle and the pedestrian.

EFFECTIVE DATE. This section is effective August 1, 2025, and applies to violations committed on or after that date.

Sec. 34. Minnesota Statutes 2024, section 169.06, subdivision 6, is amended to read:

Subd. 6. Pedestrian control signal. (a) Whenever special pedestrian-control signals exhibiting the words "Walk" or "Don't Walk" or symbols of a "walking person" or "upraised hand" are in place, the signals or symbols indicate as follows:

(1) A steady "Walk" signal or the symbol of a "walking person" indicates that a pedestrian facing either of these signals may proceed across the roadway in the direction of the signal, possibly in conflict with turning vehicles. Every driver of a vehicle ~~shall~~ must yield the right-of-way to such pedestrian except that the pedestrian ~~shall~~ must yield the right-of-way to vehicles lawfully within the intersection at the time that either signal indication is first shown.

(2) A "Don't Walk" signal or the symbol of an "upraised hand," flashing or steady, indicates that a pedestrian ~~shall~~ must not start to cross the roadway in the direction of either signal, but any pedestrian who has partially crossed on the "Walk" or "walking person" signal indication ~~shall~~ must proceed to a sidewalk or safety island while the signal is showing.

(b) A pedestrian crossing a roadway in conformity with this section is lawfully within the intersection and, when in a crosswalk, is lawfully within the crosswalk.

(c) A peace officer is prohibited from stopping, detaining, or issuing a citation to a pedestrian for a violation of paragraph (a), clause (2), unless:

(1) the officer lawfully stops or detains the pedestrian for an unrelated violation or offense; or

(2) at the time of the violation, a vehicle is approaching in a manner that constitutes a hazard of collision between the vehicle and the pedestrian.

EFFECTIVE DATE. This section is effective August 1, 2025, and applies to violations committed on or after that date.

Sec. 35. Minnesota Statutes 2024, section 169.09, subdivision 8, is amended to read:

Subd. 8. Officer to report accident to commissioner. (a) A peace officer who investigates in the regular course of duty an accident that is required to be reported under

this section must submit an electronic or written report of the accident to the commissioner of public safety within ten days after the date of the accident. Within two business days after identification of a fatality that resulted from an accident, the reporting agency must notify the commissioner of the basic circumstances of the accident. A report or notification under this subdivision must be in the format as prescribed in subdivision 9.

(b) Accidents on streets, highways, roadways, sidewalks, shoulders, shared use paths, or any other portion of a public right-of-way must be reported under the requirements of this section if the accident results in:

(1) a fatality;

(2) bodily injury ~~to a person who, because of the injury, immediately receives medical treatment away from or at the scene of the accident;~~

(3) one or more of the motor vehicles incurring disabling damage that requires a vehicle to be transported away from the scene of the accident by tow truck or other vehicle; or

(4) damage to fixtures, infrastructure, or any other property alongside or on a highway.

(c) An accident involving a school bus, as defined in section 169.011, subdivision 71, must be reported under the requirements of this section and section 169.4511.

(d) An accident involving a commercial motor vehicle, as defined in section 169.781, subdivision 1, paragraph (a), must be reported under the requirements of this section and section 169.783.

(e) Accidents occurring on public lands or trail systems that result in the circumstances specified in paragraph (b) must be reported under the requirements of this section.

Sec. 36. Minnesota Statutes 2024, section 169.14, is amended by adding a subdivision to read:

Subd. 5k. Speed limit on Steele County State-Aid Highway 12 in the city of Medford. (a) Notwithstanding any provision to the contrary in this section, the speed limit on Steele County State-Aid Highway 12 is:

(1) 45 miles per hour between 6th Street Southeast in the city of Medford and Steele County State-Aid Highway 1; and

(2) 30 miles per hour between 5th Street Southeast and 6th Street Southeast in the city of Medford.

79.1 (b) The county engineer must erect appropriate signs displaying the speed limits specified
79.2 in this subdivision.

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

79.4 Sec. 37. Minnesota Statutes 2024, section 169.14, is amended by adding a subdivision to
79.5 read:

79.6 Subd. 51. **Beltrami County State-Aid Highway 20.** Notwithstanding any provision to
79.7 the contrary in this section, the speed limit on Beltrami County State-Aid Highway 20 is
79.8 30 miles per hour from the intersection with Beltrami County State-Aid Highway 21 to the
79.9 entrance to Lake Bemidji State Park. The county engineer must erect appropriate signs
79.10 displaying the speed limit.

79.11 **EFFECTIVE DATE.** This section is effective the day following final enactment. The
79.12 new speed limit is effective when the required signs are erected.

79.13 Sec. 38. Minnesota Statutes 2024, section 169.21, subdivision 3, is amended to read:

79.14 Subd. 3. **Crossing between intersections.** (a) Every pedestrian crossing a roadway at
79.15 any point other than within a marked crosswalk or at an intersection with no marked
79.16 crosswalk ~~shall~~ must yield the right-of-way to all vehicles upon the roadway.

79.17 (b) Any pedestrian crossing a roadway at a point where a pedestrian tunnel or overhead
79.18 pedestrian crossing has been provided ~~shall~~ must yield the right-of-way to all vehicles upon
79.19 the roadway.

79.20 (c) Between adjacent intersections at which traffic-control signals are in operation
79.21 pedestrians ~~shall~~ must not cross at any place except in a marked crosswalk.

79.22 (d) Notwithstanding the other provisions of this section, every driver of a vehicle ~~shall~~
79.23 must (1) exercise due care to avoid colliding with any bicycle or pedestrian upon any
79.24 roadway, and (2) give an audible signal when necessary and exercise proper precaution
79.25 upon observing any child or any obviously confused or incapacitated person upon a roadway.

79.26 (e) A peace officer is prohibited from stopping, detaining, or issuing a citation to a
79.27 pedestrian for a violation of paragraph (c), unless:

79.28 (1) the officer lawfully stops or detains the pedestrian for an unrelated violation or
79.29 offense; or

79.30 (2) at the time of the violation, a vehicle is approaching in a manner that constitutes a
79.31 hazard of collision between the vehicle and the pedestrian.

80.1 **EFFECTIVE DATE.** This section is effective August 1, 2025, and applies to violations
80.2 committed on or after that date.

80.3 Sec. 39. Minnesota Statutes 2024, section 169.71, subdivision 4a, is amended to read:

80.4 Subd. 4a. **Glazing material; exceptions.** (a) Subdivision 4 does not apply to glazing
80.5 materials that:

80.6 (1) have not been modified since the original installation, nor to original replacement
80.7 windows and windshields, that were originally installed or replaced in conformity with
80.8 Federal Motor Vehicle Safety Standard 205;

80.9 (2) are required to satisfy prescription or medical needs, provided:

80.10 (i) the vehicle's driver or a passenger possesses a prescription or a physician's statement
80.11 of medical need;

80.12 (ii) the prescription specifically states whether the medical need is a temporary or
80.13 permanent condition;

80.14 (iii) the prescription or statement specifically states the minimum percentage that light
80.15 transmittance may be reduced to satisfy the prescription or medical needs of the patient;
80.16 and

80.17 ~~(iii)~~ (iv) the prescription or statement contains an expiration date provided by the
80.18 physician, which must be no more than two years after the date the prescription or statement
80.19 was issued, unless an indication is made by the physician that the driver's condition is
80.20 permanent and no expiration date is appropriate; or

80.21 (3) are applied to:

80.22 (i) the rear windows of a pickup truck as defined in section 168.002, subdivision 26;

80.23 (ii) the rear windows or the side windows on either side behind the driver's seat of a van
80.24 as defined in section 168.002, subdivision 40;

80.25 (iii) the side and rear windows of a vehicle used to transport human remains by a funeral
80.26 establishment holding a license under section 149A.50;

80.27 (iv) the side and rear windows of a limousine as defined in section 168.002, subdivision
80.28 15; or

80.29 (v) the rear and side windows of a police vehicle.

81.1 (b) For the purposes of paragraph (a), clause (2), a driver of a vehicle may rely on a
81.2 prescription or physician's statement of medical need issued to a person not present in the
81.3 vehicle if:

81.4 (1) the prescription or physician's statement of medical need is issued to (i) the driver's
81.5 parent, child, grandparent, grandchild, sibling, or spouse, or (ii) a person for whom the
81.6 driver is a personal care attendant;

81.7 (2) the prescription or physician's statement of medical need specifies the make, model,
81.8 and license plate of one or two vehicles that will have tinted windows; and

81.9 (3) the driver is in possession of the prescription or physician's statement of medical
81.10 need.

81.11 **EFFECTIVE DATE.** This section is effective July 1, 2025, and applies to prescriptions
81.12 issued on or after that date.

81.13 Sec. 40. Minnesota Statutes 2024, section 171.01, is amended by adding a subdivision to
81.14 read:

81.15 Subd. 52. **Work zone.** "Work zone" has the meaning given in section 169.011,
81.16 subdivision 95.

81.17 Sec. 41. Minnesota Statutes 2024, section 171.05, subdivision 1, is amended to read:

81.18 Subdivision 1. **Person 18 or more years of age.** (a) Any person who is 18 or more years
81.19 of age and who, except for a lack of instruction in operating a motor vehicle, would otherwise
81.20 be qualified to obtain a class D driver's license under this chapter, may apply for an
81.21 instruction permit, and the department ~~shall~~ must issue the permit. The instruction permit
81.22 entitles the applicant to drive a motor vehicle for which a class D license is valid upon the
81.23 highways for a period of two years if the permit holder:

81.24 (1) has the permit in immediate possession; and

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

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

82.1 the record of examination taken for the higher class license must be carried by the driver
82.2 while using the lower class license as an instruction permit.

82.3 Sec. 42. Minnesota Statutes 2024, section 171.0605, subdivision 2, is amended to read:

82.4 Subd. 2. **Evidence; identity; date of birth.** (a) Only the following is satisfactory evidence
82.5 of an applicant's identity and date of birth under section 171.06, subdivision 3, paragraph
82.6 (b):

82.7 (1) a driver's license or identification card that:

82.8 (i) complies with all requirements of the REAL ID Act;

82.9 (ii) is not designated as temporary or limited term; and

82.10 (iii) is current or has been expired for five years or less;

82.11 (2) a valid, unexpired United States passport, including a passport booklet or passport
82.12 card, issued by the United States Department of State;

82.13 (3) a certified copy of a birth certificate issued by a government bureau of vital statistics
82.14 or equivalent agency in the applicant's state of birth, which must bear the raised or authorized
82.15 seal of the issuing government entity;

82.16 (4) a consular report of birth abroad, certification of report of birth, or certification of
82.17 birth abroad, issued by the United States Department of State, Form FS-240, Form DS-1350,
82.18 or Form FS-545;

82.19 (5) a valid, unexpired permanent resident card issued by the United States Department
82.20 of Homeland Security or the former Immigration and Naturalization Service of the United
82.21 States Department of Justice, Form I-551. If the Form I-551 validity period has been
82.22 automatically extended by the United States Department of Homeland Security, it is deemed
82.23 unexpired, regardless of the expiration date listed;

82.24 (6) a foreign passport with an unexpired temporary I-551 stamp or a temporary I-551
82.25 printed notation on a machine-readable immigrant visa with a United States Department of
82.26 Homeland Security admission stamp within the validity period;

82.27 (7) a United States Department of Homeland Security Form I-94 or Form I-94A with a
82.28 photograph and an unexpired temporary I-551 stamp;

82.29 (8) a United States Department of State Form DS-232 with a United States Department
82.30 of Homeland Security admission stamp and validity period;

83.1 (9) a certificate of naturalization issued by the United States Department of Homeland
83.2 Security, Form N-550 or Form N-570;

83.3 (10) a certificate of citizenship issued by the United States Department of Homeland
83.4 Security, Form N-560 or Form N-561;

83.5 (11) an unexpired employment authorization document issued by the United States
83.6 Department of Homeland Security, Form I-766 or Form I-688B. If the Form I-766 validity
83.7 period has been automatically extended by the United States Department of Homeland
83.8 Security, it is deemed unexpired, regardless of the expiration date listed;

83.9 (12) a valid, unexpired passport issued by a foreign country and a valid, unexpired United
83.10 States visa accompanied by documentation of the applicant's most recent lawful admittance
83.11 into the United States; or

83.12 (13) a document as designated by the United States Department of Homeland Security
83.13 under Code of Federal Regulations, title 6, part 37.11 (c)(1)(x);

83.14 ~~(14) a copy of the applicant's certificate of marriage certified by the issuing government~~
83.15 ~~jurisdiction;~~

83.16 ~~(15) a certified copy of a court order that specifies the applicant's name change; or~~

83.17 ~~(16) a certified copy of a divorce decree or dissolution of marriage that specifies the~~
83.18 ~~applicant's name change, issued by a court.~~

83.19 (b) A document under paragraph (a) must be legible and unaltered.

83.20 Sec. 43. Minnesota Statutes 2024, section 171.0605, is amended by adding a subdivision
83.21 to read:

83.22 Subd. 7. **Evidence of name change.** The following is satisfactory evidence of an
83.23 applicant's name change:

83.24 (1) a copy of the applicant's certificate of marriage certified by the issuing government
83.25 jurisdiction;

83.26 (2) a certified copy of a court order that specifies the applicant's name change; or

83.27 (3) a certified copy of a court-issued divorce decree or dissolution of marriage that
83.28 specifies the applicant's name change.

84.1 Sec. 44. Minnesota Statutes 2024, section 171.061, subdivision 4, is amended to read:

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

84.4 (1) New application for a noncompliant, REAL ID-compliant, or \$ 16.00
84.5 enhanced driver's license or identification card

84.6 (2) Renewal application for a noncompliant, REAL ID-compliant, or \$ 11.00
84.7 enhanced driver's license or identification card

84.8 Except as provided in paragraph (c), the fee must cover all expenses involved in receiving,
84.9 accepting, or forwarding to the department the applications and fees required under sections
84.10 171.02, subdivision 3; 171.06, subdivisions 2 and 2a; and 171.07, subdivisions 3 and 3a.

84.11 (b) The statutory fees and the filing fees imposed under paragraph (a) may be paid by
84.12 credit card or debit card. The driver's license agent may collect a convenience fee on the
84.13 statutory fees and filing fees not greater than the cost of processing a credit card or debit
84.14 card transaction. The convenience fee must be used to pay the cost of processing credit card
84.15 and debit card transactions. The commissioner must adopt rules to administer this paragraph
84.16 using the exempt procedures of section 14.386, except that section 14.386, paragraph (b),
84.17 does not apply.

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

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

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

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

84.31 (1) \$2 for paying an account balance;

84.32 (2) \$4 for the following transactions:

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

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

85.5 (3) \$8 for the following transactions:

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

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

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

85.10 (i) addition of court order review;

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

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

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

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

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

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

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

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

85.24 Sec. 45. Minnesota Statutes 2024, section 171.0701, is amended by adding a subdivision
85.25 to read:

85.26 Subd. 1c. **Driver education; work zone safety.** The commissioner must adopt rules for
85.27 persons enrolled in driver education programs offered at public schools, private schools,
85.28 and commercial driver training schools to require inclusion of a section on work zone and
85.29 road construction worker safety in the course of instruction. The instruction must include
85.30 information on:

(1) safe speeds in work zones, including speeds when workers are present;

(2) the specific duties of a driver when encountering, entering, traveling through, and exiting a work zone;

(3) the dangers of distracted driving through work zones;

(4) the legal markings of a work zone, including flagging, traffic control devices, barrels, lights, or other signage that indicate the segment of street or highway under construction, reconstruction, or maintenance; and

(5) safely merging into travel lanes when a lane is closed due to construction, reconstruction, or maintenance.

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

Sec. 46. Minnesota Statutes 2024, section 171.0705, is amended by adding a subdivision to read:

Subd. 2a. Driver's manual; work zone safety. The commissioner must include in each edition of the driver's manual published by the department a section relating to work zone safety and road construction worker safety that, at a minimum, includes:

(1) traffic laws related to work zone safety, including work zone speed limits and the surcharge imposed for a person convicted of speeding in a work zone;

(2) commonly used work zone markings and traffic control devices;

(3) traffic laws related to distracted driving, with an emphasis on the dangers of distracted driving in work zones; and

(4) lane merger benefits and best practices, including information on motorists safely merging from two lanes into a single lane of traffic when a lane is closed due to construction, reconstruction, or maintenance.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to the next published edition of the driver's manual published on or after that date.

Sec. 47. Minnesota Statutes 2024, section 171.071, subdivision 2, is amended to read:

Subd. 2. Certain head wear permitted. If an accident involving a head injury, serious illness, or treatment of the illness has resulted in hair loss or the need to maintain continuous coverage of the head or scalp with a medical covering by an applicant for a driver's license or identification card, the commissioner ~~shall~~ must permit the applicant to wear a hat or

87.1 similar head wear or the covering in the photograph or electronically produced image. The
87.2 hat, medically required covering, or head wear must be of an appropriate size and type to
87.3 allow identification of the holder of the license or card and must not obscure the holder's
87.4 face.

87.5 **EFFECTIVE DATE.** This section is effective the day following final enactment and
87.6 applies to images produced on or after that date.

87.7 Sec. 48. Minnesota Statutes 2024, section 171.13, subdivision 1, is amended to read:

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

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

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

87.16 (3) a test of the applicant's knowledge of (i) traffic laws; (ii) the effects of alcohol and
87.17 drugs on a driver's ability to operate a motor vehicle safely and legally, and of the legal
87.18 penalties and financial consequences resulting from violations of laws prohibiting the
87.19 operation of a motor vehicle while under the influence of alcohol or drugs; (iii) railroad
87.20 grade crossing safety; (iv) slow-moving vehicle safety; (v) laws relating to pupil
87.21 transportation safety, including the significance of school bus lights, signals, stop arm, and
87.22 passing a school bus; (vi) traffic laws related to bicycles; ~~and~~ (vii) the circumstances and
87.23 dangers of carbon monoxide poisoning; and (viii) work zone and road construction worker
87.24 safety, including work zone speed limits, work zone markings, vehicle operation requirements
87.25 in work zones, and the dangers of distracted driving in work zones;

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

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

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

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

88.3 (c) The commissioner must ensure that an applicant may take an exam either in the
88.4 county where the applicant resides or in an adjacent county at a reasonably convenient
88.5 location. The schedule for each exam station must be posted on the department's website.

88.6 (d) Subject to the requirements of paragraph (e), the commissioner must make class D
88.7 road skills examination appointments available six months in advance, with at least 50
88.8 percent of projected appointments available to book three months in advance, at least 75
88.9 percent of projected appointments available to book two months in advance, and 100 percent
88.10 of projected appointments available to book one month in advance.

88.11 (e) The commissioner must ensure only qualifying applicants may book a class D road
88.12 skills examination appointment earlier than one month in advance. For purposes of this
88.13 paragraph, a qualifying applicant means:

88.14 (1) an applicant who resides in the same county in which an exam station is located; or

88.15 (2) an applicant who resides in an adjacent county in which an exam station is located.

88.16 (f) The commissioner shall ensure that an applicant is able to obtain an appointment for
88.17 an examination to demonstrate ability under paragraph (a), clause (4), within 14 days of the
88.18 applicant's request if, under the applicable statutes and rules of the commissioner, the
88.19 applicant is eligible to take the examination.

88.20 ~~(e)~~ (g) The commissioner must provide real-time information on the department's website
88.21 about the availability and location of exam appointments. The website must show the next
88.22 available exam dates and times for each exam station. The website must also provide an
88.23 option for a person to enter an address to see the date and time of the next available exam
88.24 at each exam station sorted by distance from the address provided.

88.25 **EFFECTIVE DATE.** Paragraphs (d) and (e) are effective August 1, 2025, for
88.26 examinations made on or after that date. Paragraph (a), clause (3), item (viii), is effective
88.27 January 1, 2027, and applies to examinations administered on or after that date.

88.28 Sec. 49. Minnesota Statutes 2024, section 171.13, subdivision 7, is amended to read:

88.29 Subd. 7. **Examination fees.** (a) A fee of \$10 must be paid by an individual to take a
88.30 third and any subsequent knowledge test administered by the department if the individual
88.31 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~~ \$50 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 less than~~ within less than 24 hours ~~of before~~ the appointment time. A fee of \$20 must be paid by an individual who cancels a scheduled skills or road test between 24 hours and 72 hours before the appointment time.

(d) All fees received under this subdivision must be paid into the state treasury and credited to the driver and vehicle services operating account under section 299A.705.

EFFECTIVE DATE. This section is effective August 1, 2025, and applies to examinations on or after that date.

Sec. 50. Minnesota Statutes 2024, section 171.17, subdivision 1, is amended to read:

Subdivision 1. **Offenses.** (a) The department shall immediately revoke the license of a driver upon receiving a record of the driver's conviction of:

(1) manslaughter resulting from the operation of a motor vehicle ~~or~~ under section 609.20 or 609.205;

(2) criminal vehicular homicide or injury under section 609.2112, 609.2113, or 609.2114, or Minnesota Statutes 2012, section 609.21;

~~(2)~~ (3) a violation of section 169A.20 or 609.487;

~~(3)~~ (4) a felony in the commission of which a motor vehicle was used;

~~(4)~~ (5) failure to stop and disclose identity and render aid, as required under section 169.09, in the event of a motor vehicle accident, resulting in the death or personal injury of another;

~~(5)~~ (6) perjury or the making of a false affidavit or statement to the department under any law relating to the application, ownership, or operation of a motor vehicle, including on the certification required under section 171.05, subdivision 2, paragraph (a), clause (1), item (ii), subitem (C), to issue an instruction permit to a homeschool student;

~~(6)~~ (7) except as this section otherwise provides, three charges of violating within a period of 12 months any of the provisions of chapter 169 or of the rules or municipal ordinances enacted in conformance with chapter 169, for which the accused may be punished upon conviction by imprisonment;

90.1 ~~(7)~~ (8) two or more violations, within five years, of the misdemeanor offense described
90.2 in section 169.444, subdivision 2, paragraph (a);

90.3 ~~(8)~~ (9) the gross misdemeanor offense described in section 169.444, subdivision 2,
90.4 paragraph (b);

90.5 ~~(9)~~ (10) an offense in another state that, if committed in this state, would be grounds for
90.6 revoking the driver's license; or

90.7 ~~(10)~~ (11) a violation of an applicable speed limit by a person driving in excess of 100
90.8 miles per hour. The person's license must be revoked for six months for a violation of this
90.9 clause, or for a longer minimum period of time applicable under section 169A.53, 169A.54,
90.10 or 171.174.

90.11 (b) The department shall immediately revoke the school bus endorsement of a driver
90.12 upon receiving a record of the driver's conviction of the misdemeanor offense described in
90.13 section 169.443, subdivision 7.

90.14 Sec. 51. Minnesota Statutes 2024, section 171.301, subdivision 5, is amended to read:

90.15 Subd. 5. **Expiration.** A reintegration driver's license expires ~~15~~ 24 months from the date
90.16 of issuance of the license. A reintegration driver's license may not be renewed.

90.17 **EFFECTIVE DATE.** This section is effective the day following final enactment and
90.18 applies to reintegration licenses issued on or after that date.

90.19 Sec. 52. Minnesota Statutes 2024, section 171.301, subdivision 6, is amended to read:

90.20 Subd. 6. **Issuance of regular driver's license.** (a) Notwithstanding any statute or rule
90.21 to the contrary, the commissioner must issue a REAL ID-compliant or noncompliant license
90.22 to a person who possesses a reintegration driver's license if:

90.23 (1) the person has possessed the reintegration driver's license for at least one full year;

90.24 (2) the reintegration driver's license has not been canceled under subdivision 4 and has
90.25 not been expired for more than 90 days from the date under subdivision 5;

90.26 (3) the person meets the application requirements under section 171.06, including payment
90.27 of the applicable fees, surcharge, and filing fee under sections 171.06, subdivisions 2 and
90.28 2a, and 171.061, subdivision 4; and

90.29 (4) issuance of the license does not conflict with the requirements of the nonresident
90.30 violator compact.

(b) The commissioner must forgive any outstanding balance due on a reinstatement fee or surcharge under sections 171.20, subdivision 4, and 171.29, subdivision 2, for a person who is eligible and applies for a license under paragraph (a).

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

Sec. 53. Minnesota Statutes 2024, section 171.306, subdivision 8, is amended to read:

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

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

Sec. 54. **[171.397] FLEXIBLE INSTRUCTION PERMITTED.**

A student may receive a combination of online driver's education instruction under section 171.396, teleconference driver's education instruction under section 171.395, and classroom instruction if:

(1) the instruction is from a single licensed or authorized driver's education provider;

(2) the curriculum content is identical between the online, teleconference, and in-person settings; and

(3) the driver's education provider is authorized by the commissioner to provide students at least two methods of classroom instruction under the requirements of this chapter and Minnesota Rules, chapter 7411, or successor rules.

EFFECTIVE DATE. This section is effective August 1, 2025, for driver's education instruction commenced on or after that date.

Sec. 55. Minnesota Statutes 2024, section 174.03, is amended by adding a subdivision to read:

Subd. 1e. **Outcome analysis of plan required.** Upon subsequent revisions of the 20-year Minnesota state highway investment plan, the commissioner must analyze all trunk highway projects included in the statewide multimodal transportation plan based on:

(1) the year a project was added to the statewide multimodal transportation plan;

(2) an explanation of the project purpose and need and development documentation requirements under section 161.1611;

92.1 (3) a timeline that provides any key milestones of the project;

92.2 (4) project purposes relative to objectives in the statewide multimodal transportation
92.3 plan and investment priority areas established in the Minnesota state highway investment
92.4 plan;

92.5 (5) identified links between project implementation processes, including environmental
92.6 impact studies, programming, funding, and construction and the priorities identified in the
92.7 statewide multimodal transportation plan;

92.8 (6) identification of the scoping process for the project's inclusion in the statewide
92.9 multimodal transportation plan to determine whether the project was prioritized based on
92.10 the current condition or output of the roadway rather than expected outcomes or other
92.11 practical-based selection criteria; and

92.12 (7) an explanation of the multidisciplinary project development efforts required by
92.13 section 174.742.

92.14 Sec. 56. Minnesota Statutes 2024, section 174.03, is amended by adding a subdivision to
92.15 read:

92.16 Subd. 13. **Asset sustainability ratio targets.** (a) The commissioner must calculate and
92.17 report the asset sustainability ratio (ASR) for pavements for each fiscal year. The ASR must
92.18 be based on criteria developed by the commissioner and found in the Pavement Design
92.19 Manual. The ASR is calculated as:

92.20 (1) total mile years added; divided by

92.21 (2) total system mileage.

92.22 (b) The department must meet the following pavement system targets for ASR:

92.23 (1) not less than 0.65 by 2027;

92.24 (2) not less than 0.75 by 2029; and

92.25 (3) not less than 0.85 by 2031 and thereafter.

92.26 (c) The commissioner must report ASR results from projects constructed by the
92.27 department for each year and include the results in the annual transportation system
92.28 performance report under subdivision 12, paragraph (d).

93.1 Sec. 57. **[174.205] RESILIENT PAVEMENT PROGRAM.**

93.2 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have
93.3 the meanings given.

93.4 (b) "Baseline project" means a trunk highway project without revision to pavement
93.5 design life.

93.6 (c) "Commissioner" means the commissioner of transportation.

93.7 (d) "Modified project" means a project that is revised or under a revision analysis to
93.8 contain a modified pavement design life using funds provided under the program.

93.9 (e) "Pavement cost" means the estimated total cost of pavement items for the project,
93.10 including anticipated maintenance, rehabilitation, and resurfacing over a 50-year design
93.11 life.

93.12 (f) "Program" means the resilient pavement program under this section.

93.13 Subd. 2. **Program established.** Subject to available funds, the commissioner must
93.14 establish a resilient pavement program to provide supplemental funding for revisions to
93.15 pavement design of trunk highway projects on the basis of long-term cost effectiveness.

93.16 Subd. 3. **Administration.** (a) In implementing the program, the commissioner must:

93.17 (1) establish procedures for identification, analysis, and selection of projects that receive
93.18 funding and are accordingly revised in the pavement design; and

93.19 (2) specify a pavement design life of at least 50 years for modified projects.

93.20 (b) The commissioner must determine the pavement design life period using the current
93.21 pavement design models and methodologies recognized by the department models used by
93.22 the department for pavement design.

93.23 Subd. 4. **Project eligibility; cost effectiveness.** (a) To be eligible for funds under the
93.24 program, a project must:

93.25 (1) be for trunk highway construction, reconstruction, rehabilitation, maintenance, or
93.26 improvement;

93.27 (2) be included in a prior or current state transportation improvement program or capital
93.28 highway investment plan with a proposed design life of less than or equal to 20 years;

93.29 (3) be a modified project with a pavement design life as specified under subdivision 3,
93.30 paragraph (a), clause (2); and

94.1 (4) have a cost-effectiveness ratio, as calculated under paragraph (b), that equals or is
94.2 greater than 1.

94.3 (b) The cost-effectiveness ratio is calculated as:

94.4 (1) the pavement cost of the baseline project, divided by the pavement design life of the
94.5 baseline project; divided by

94.6 (2) the pavement cost of the modified project, divided by the modified pavement design
94.7 life.

94.8 (c) All infrastructure projects funded by the program must incorporate research findings
94.9 and best practices as developed and validated by the National Road Research Alliance and
94.10 its partners.

94.11 Subd. 5. Use of funds. (a) For a project selected under the program, the commissioner
94.12 may expend program funds for up to 110 percent of the difference in anticipated pavement
94.13 costs between the modified project and the baseline project.

94.14 (b) The commissioner may expend up to one-third of the funds on projects located wholly
94.15 or substantially inside the Department of Transportation metropolitan district, as calculated
94.16 using total funds under the program over (1) the current fiscal year, and (2) the latest prior
94.17 two years in which funds are allocated.

94.18 (c) The commissioner must not expend funds under the program for program delivery.

94.19 Subd. 6. Public information. The commissioner must publish information regarding
94.20 the program on the department's website. The information must include:

94.21 (1) a description of program implementation;

94.22 (2) identification of projects analyzed and selected under the program; and

94.23 (3) for each project selected, an overview that includes a brief project description, the
94.24 pavement design changes, and information on expenditures from program funds.

94.25 Sec. 58. Minnesota Statutes 2024, section 174.53, is amended to read:

94.26 **174.53 DEPARTMENT OF TRANSPORTATION EFFICIENCIES.**

94.27 (a) Beginning in fiscal years 2018 and 2019, the commissioner of transportation must
94.28 implement efficiencies equal to at least 15 percent of the appropriations made annually to
94.29 the commissioner from the trunk highway fund that are above base appropriations for fiscal
94.30 years 2018 and 2019.

95.1 (b) The efficiency savings resulting from the requirements in paragraph (a) ~~are~~ must be
95.2 used for the construction, maintenance, or rehabilitation of trunk highways, ~~including roads~~
95.3 ~~and bridges~~ under the corridors of commerce program under section 161.088.

95.4 Sec. 59. Minnesota Statutes 2024, section 174.634, subdivision 2, is amended to read:

95.5 Subd. 2. **Passenger rail account; transfers; appropriation.** (a) A passenger rail account
95.6 is established in the special revenue fund. The account consists of funds as provided in this
95.7 subdivision and any other money donated, allotted, transferred, collected, or otherwise
95.8 provided to the account.

95.9 (b) By July 15 annually beginning in calendar year ~~2027~~ 2029, the commissioner of
95.10 revenue must transfer an amount from the general fund to the passenger rail account that
95.11 equals 50 percent of the portion of the state general tax under section 275.025 levied on
95.12 railroad operating property, as defined under section 273.13, subdivision 24, in the prior
95.13 calendar year.

95.14 (c) Money in the account is annually appropriated to the commissioner of transportation
95.15 for the operating and capital maintenance costs of intercity passenger rail, which may include
95.16 but are not limited to planning, designing, developing, constructing, equipping, administering,
95.17 operating, promoting, maintaining, and improving passenger rail service within the state,
95.18 after accounting for operating revenue, federal funds, and other sources.

95.19 (d) By November 1 each year, the commissioner must report on the passenger rail account
95.20 to the chairs and ranking minority members of the legislative committees with jurisdiction
95.21 over transportation policy and finance. The report must, at a minimum, include:

95.22 (1) the actual revenue and expenditures in each of the previous two fiscal years;

95.23 (2) the budgeted and forecasted revenue and expenditures in the current fiscal year and
95.24 each fiscal year within the state forecast period;

95.25 (3) the plan for collection of fees and revenue, as defined and authorized under
95.26 subdivision 3, in the current fiscal year and each fiscal year within the state forecast period;
95.27 and

95.28 (4) the uses of expenditures or planned expenditures in each fiscal year included under
95.29 clauses (1) and (2).

Sec. 60. **[174.742] MULTIDISCIPLINARY PROJECT DEVELOPMENT**

REQUIRED.

(a) For purposes of this section, "eligible project" has the meaning given for a capacity expansion project in section 161.178, subdivision 1.

(b) The commissioner must require the use of interdisciplinary planning and decision-making methods and staff for eligible projects. Staff must form a core project team for eligible projects with diverse and multimodal expertise across social science disciplines to staff a project from planning to final construction. The core project team must:

(1) integrate field visits and walking audits into training, design, development, and review of eligible projects;

(2) include a planner who has experience and familiarity with the project's area or corridor to bring context in all phases of project delivery;

(3) serve as co-reviewers, where applicable, in project purpose and need contextual development requirements under section 161.1611, planning, design, and budgeting decisions;

(4) assess project decisions against statewide multimodal transportation plan priorities; and

(5) analyze projects and project decisions based on alternative transportation metrics to determine community mobility needs for all users, including but not limited to:

(i) economic development and equity outcomes;

(ii) transportation insecurity performance metrics;

(iii) access to essential services and jobs;

(iv) transportation affordability;

(v) access for historically underserved communities;

(vi) environmental justice concerns; and

(vii) public health impacts.

EFFECTIVE DATE. This section is effective March 1, 2027.

Sec. 61. Minnesota Statutes 2024, section 174.75, subdivision 2, is amended to read:

Subd. 2. **Implementation.** (a) The commissioner must implement a revised complete streets policy after consultation with stakeholders, state and regional agencies, local

97.1 governments, and road authorities. The commissioner, after such consultation, must address
97.2 relevant protocols, guidance, standards, requirements, and training.

97.3 (b) The complete streets policy must include but is not limited to:

97.4 (1) integration of related principles of context-sensitive solutions;

97.5 (2) integration throughout the project development process;

97.6 (3) integration of multidisciplinary project development resources under section 174.742;

97.7 (4) integration of purpose and need context development strategies under section
97.8 161.1611;

97.9 (5) methods to evaluate inclusion of active transportation facilities in a project, which
97.10 may include but are not limited to sidewalks, crosswalk markings, pedestrian accessibility,
97.11 and bikeways; and

97.12 ~~(4)~~ (6) consideration of consultation with other road authorities regarding existing and
97.13 planned active transportation network connections.

97.14 **EFFECTIVE DATE.** This section is effective March 1, 2027.

97.15 Sec. 62. Minnesota Statutes 2024, section 174.75, subdivision 2a, is amended to read:

97.16 Subd. 2a. **Implementation guidance.** The commissioner must maintain guidance that
97.17 accompanies the complete streets policy under this section. The guidance must include
97.18 sections on:

97.19 (1) an analysis framework that provides for:

97.20 (i) identification of characteristics of a project and the required purpose and need context
97.21 development strategies;

97.22 (ii) highway system categorization based on context, including population density, land
97.23 use, density and scale of surrounding development, volume of highway use, and the nature
97.24 and extent of active transportation; and

97.25 (iii) relative emphasis for different road system users in each of the categories under
97.26 item (ii) in a manner that supports safety and mobility of vulnerable road users, motorcyclists
97.27 or other operators of two- or three-wheeled vehicles, and public transit users; and

97.28 (2) an analysis of speed limit reductions and associated roadway design modifications
97.29 to support safety and mobility in active transportation.

97.30 **EFFECTIVE DATE.** This section is effective March 1, 2027.

98.1 Sec. 63. Minnesota Statutes 2024, section 297A.94, is amended to read:

98.2 **297A.94 DEPOSIT OF REVENUES.**

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

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

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

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

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

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

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

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

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

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

98.31 (f) Beginning with sales taxes remitted after July 1, 2017, in conjunction with the deposit
98.32 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) The commissioner must deposit the revenues derived from the taxes imposed under section 297A.62, subdivision 1, on the sale and purchase of motor vehicle repair and replacement parts in the state treasury and credit:

(1) ~~43.5 percent in each fiscal year~~ a percentage to the highway user tax distribution fund as follows:

(i) 43.5 percent in each of fiscal years 2024 to 2027;

(ii) 36.5 percent in fiscal year 2028;

(iii) 29.5 percent in fiscal year 2029; and

(iv) 43.5 percent in fiscal year 2030 and thereafter;

(2) a percentage to the transportation advancement account under section 174.49 as follows:

(i) 3.5 percent in fiscal year 2024;

(ii) 4.5 percent in fiscal year 2025;

(iii) 5.5 percent in fiscal year 2026;

(iv) 7.5 percent in fiscal year 2027;

(v) 14.5 percent in fiscal year 2028;

(vi) 21.5 percent in fiscal year 2029;

(vii) 28.5 percent in fiscal year 2030;

(viii) 36.5 percent in fiscal year 2031;

(ix) 44.5 percent in fiscal year 2032; and

(x) 56.5 percent in fiscal year 2033 and thereafter; and

(3) the remainder in each fiscal year 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

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

100.5 (h) 81.56 percent of the revenues, including interest and penalties, transmitted to the
100.6 commissioner under section 297A.65, must be deposited by the commissioner in the state
100.7 treasury as follows:

100.8 (1) 47.5 percent of the receipts must be deposited in the heritage enhancement account
100.9 in the game and fish fund, and may be spent only on activities that improve, enhance, or
100.10 protect fish and wildlife resources, including conservation, restoration, and enhancement
100.11 of land, water, and other natural resources of the state;

100.12 (2) 22.5 percent of the receipts must be deposited in the natural resources fund, and may
100.13 be spent only for state parks and trails;

100.14 (3) 22.5 percent of the receipts must be deposited in the natural resources fund, and may
100.15 be spent only on metropolitan park and trail grants;

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

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

100.21 (6) 2.5 percent of the receipts must be deposited in the pollinator account established in
100.22 section 103B.101, subdivision 19.

100.23 (i) 1.5 percent of the revenues, including interest and penalties, transmitted to the
100.24 commissioner under section 297A.65 must be deposited in a regional parks and trails account
100.25 in the natural resources fund and may only be spent for parks and trails of regional
100.26 significance outside of the seven-county metropolitan area under section 85.535, based on
100.27 recommendations from the Greater Minnesota Regional Parks and Trails Commission under
100.28 section 85.536.

100.29 (j) 1.5 percent of the revenues, including interest and penalties, transmitted to the
100.30 commissioner under section 297A.65 must be deposited in an outdoor recreational
100.31 opportunities for underserved communities account in the natural resources fund and may
100.32 only be spent on projects and activities that connect diverse and underserved Minnesotans

101.1 through expanding cultural environmental experiences, exploration of their environment,
101.2 and outdoor recreational activities.

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

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

101.16 (1) 25 percent to the volunteer fire assistance grant account established under section
101.17 88.068;

101.18 (2) 25 percent to the fire safety account established under section 297I.06, subdivision
101.19 3; and

101.20 (3) the remainder to the general fund.

101.21 For purposes of this paragraph, the percentage of total sales and use tax revenue derived
101.22 from the sale of items regulated under section 624.20, subdivision 1, that are allowed to be
101.23 sold to persons 18 years old or older and are not prohibited from use by the general public
101.24 under section 624.21, is a set percentage of the total sales and use tax revenues collected in
101.25 the state, with the percentage determined under Laws 2017, First Special Session chapter
101.26 1, article 3, section 39.

101.27 (m) The revenues deposited under paragraphs (a) to (l) do not include the revenues,
101.28 including interest and penalties, generated by the sales tax imposed under section 297A.62,
101.29 subdivision 1a, which must be deposited as provided under the Minnesota Constitution,
101.30 article XI, section 15.

Sec. 64. Minnesota Statutes 2024, section 299A.55, subdivision 2, is amended to read:

Subd. 2. **Railroad and pipeline safety account.** (a) A railroad and pipeline safety account is created in the special revenue fund. The account consists of funds collected under subdivision 4 and funds donated, allotted, transferred, or otherwise provided to the account.

~~(b) \$560,000 is annually appropriated from the railroad and pipeline safety account to the commissioner of the Pollution Control Agency for environmental protection activities related to railroad discharge preparedness under chapter 115E.~~

~~(c) \$750,000 in fiscal year 2024 and \$1,500,000 in each subsequent fiscal year are transferred from the railroad and pipeline safety account to the grade crossing safety account under section 219.1651.~~

~~(d) Following the appropriation in paragraph (b) and the transfer in paragraph (c), the remaining money in the account is annually appropriated to the commissioner of public safety for the purposes specified in subdivision 3.~~

~~(e)~~ (b) By January 15, 2026, the commissioner of public safety must submit a report on the railroad and pipeline safety account to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation policy and finance. The report must list detailed revenues to and expenditures from the account for the previous two fiscal years and must include information on the purpose of each expenditure.

~~(f)~~ (c) If the balance of the account at the end of a fiscal biennium is greater than \$2,000,000, the amount above \$2,000,000 must be transferred to the grade crossing safety account under section 219.1651.

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

Sec. 65. Minnesota Statutes 2024, section 299A.55, subdivision 4, is amended to read:

Subd. 4. **Assessments.** (a) The commissioner of public safety must annually assess ~~\$4,000,000~~ \$3,418,000 to railroad and pipeline companies based on the formula specified in paragraph (b). ~~The commissioner must deposit funds collected under this subdivision in the railroad and pipeline safety account under subdivision 2.~~

(b) ~~The assessment for each railroad is 70 percent of the total annual assessment amount, divided in equal proportion between among applicable rail carriers based on route miles operated in Minnesota. The assessment for each pipeline company is 30 percent of the total annual assessment amount~~ Of the amount collected annually under this paragraph:

103.1 (1) \$560,000 is deposited in the railroad and pipeline safety account and appropriated
103.2 to the commissioner of the Pollution Control Agency for environmental protection activities
103.3 related to railroad discharge preparedness under chapter 115E;

103.4 (2) \$1,500,000 is deposited in the grade crossing safety account under section 219.1651;
103.5 and

103.6 (3) the remainder is deposited in the railroad and pipeline safety account and appropriated
103.7 to the commissioner of public safety for the purposes specified in subdivision 3.

103.8 (b) The commissioner of public safety must annually assess \$582,000 to pipeline
103.9 companies, divided in equal proportion ~~between~~ among companies based on the yearly
103.10 aggregate gallons of oil and other hazardous substances transported by pipeline in Minnesota.
103.11 Money collected under this paragraph is deposited in the railroad and pipeline safety account
103.12 and appropriated to the commissioner of public safety for the purposes specified in
103.13 subdivision 3.

103.14 (c) In addition to the ~~amount~~ amounts identified in ~~paragraph~~ paragraphs (a) and (b),
103.15 the commissioner must assess the rail carrier or pipeline company involved in an incident
103.16 compelling a significant response for all postincident review and analysis costs under
103.17 subdivision 5 incurred by the state and local units of government. This paragraph applies
103.18 regardless of whether an assessment is imposed under paragraph (a) ~~or (b)~~ in a fiscal year.

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

103.20 Sec. 66. Minnesota Statutes 2024, section 360.511, is amended by adding a subdivision
103.21 to read:

103.22 Subd. 22a. **Coordinated unmanned aircraft system fleet event for entertainment**
103.23 **purposes.** "Coordinated unmanned aircraft system fleet event for entertainment purposes"
103.24 means a one-day event involving a group of unmanned aircraft systems flying together as
103.25 a unified and coordinated entity to accomplish a shared entertainment objective, including
103.26 but not limited to choreographed flight patterns, synchronized lighting, and music for visual
103.27 displays.

103.28 Sec. 67. Minnesota Statutes 2024, section 360.511, is amended by adding a subdivision
103.29 to read:

103.30 Subd. 23a. **Electronic attestation.** "Electronic attestation" means a statement of fact or
103.31 confirmation, submitted by the owner in digital form, regarding the ownership and status

104.1 of an aircraft and its compliance with applicable regulations. For purposes of this subdivision,
104.2 "aircraft" includes unmanned aircraft systems.

104.3 Sec. 68. Minnesota Statutes 2024, section 360.55, subdivision 4, is amended to read:

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

104.5 (1) "antique aircraft" means an aircraft constructed by the original manufacturer, or its
104.6 licensee, on or before December 31, 1945, with the exception of certain pre-World War II
104.7 aircraft models that had only a small postwar production, such as Beechcraft Staggerwing,
104.8 Fairchild 24, and Monocoupe; and

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

104.12 (b) If an antique or classic aircraft is owned and operated solely as a collector's item, its
104.13 owner ~~may~~ must list it for taxation and registration ~~as follows~~ and execute an electronic
104.14 attestation or sworn affidavit stating: A sworn affidavit must be executed stating

104.15 (1) the name and address of the owner;;

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

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

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

104.21 The electronic attestation or sworn affidavit must be filed with submitted to the commissioner
104.22 along with a fee of \$25.

104.23 (c) Upon satisfaction that the electronic attestation or sworn affidavit is true and correct,
104.24 the commissioner ~~shall~~ must issue ~~to the applicant~~ a registration certificate to the applicant.
104.25 The registration certificate is valid without renewal as long as the owner operates the aircraft
104.26 solely as a collector's item.

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

104.30 (e) Upon the sale of an antique or classic aircraft, the new owner must list the aircraft
104.31 for taxation and registration in accordance with this subdivision, including the payment of

105.1 a \$5 fee to transfer the registration to the new owner, ~~or the other provisions of~~ under sections
105.2 360.511 to 360.67, whichever is applicable.

105.3 Sec. 69. Minnesota Statutes 2024, section 360.55, subdivision 4a, is amended to read:

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

105.8 (1) the name and address of the owner;₂

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

105.10 (3) the aircraft's make, year, model number, federal aircraft registration number, and
105.11 manufacturer's identification number;₂ and

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

105.14 The electronic attestation or sworn affidavit must be ~~filed with~~ submitted to the commissioner
105.15 along with an annual \$25 fee.

105.16 (b) ~~On being satisfied~~ Upon satisfaction that the electronic attestation or sworn affidavit
105.17 is true and correct, the commissioner ~~shall~~ must issue ~~to the applicant~~ a registration certificate
105.18 to the applicant.

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

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

105.25 Sec. 70. Minnesota Statutes 2024, section 360.55, subdivision 8, is amended to read:

105.26 Subd. 8. **Agricultural aircraft.** Aircraft registered with the Federal Aviation
105.27 Administration as restricted category aircraft used for agricultural purposes must be listed
105.28 for taxation and registration ~~upon filing by the owner a sworn affidavit with.~~ The owner
105.29 must execute and submit an annual electronic attestation or sworn affidavit to the
105.30 commissioner. The electronic attestation or sworn affidavit must state:

105.31 (1) the name and address of the owner;

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

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

106.4 (4) that the aircraft is owned and operated solely for agricultural operations and purposes.

106.5 The owner ~~shall file the~~ must submit an electronic attestation or a sworn affidavit to the
106.6 commissioner and pay an annual fee established under sections 360.511 to 360.67, which
106.7 must not exceed \$500. ~~Should~~ If the aircraft ~~be~~ is operated other than for agricultural
106.8 purposes, the owner ~~shall~~ must list the aircraft for taxation and registration under sections
106.9 360.511 to 360.67. If the aircraft is sold, the new owner ~~shall~~ must list the aircraft for taxation
106.10 and registration under this subdivision or under sections 360.511 to 360.67, as applicable.

106.11 Sec. 71. Minnesota Statutes 2024, section 360.55, subdivision 9, is amended to read:

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

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

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

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

106.20 Sec. 72. Minnesota Statutes 2024, section 360.55, is amended by adding a subdivision to
106.21 read:

106.22 Subd. 10. **Coordinated unmanned aircraft system fleets.** (a) An operator planning to
106.23 conduct a coordinated unmanned aircraft system fleet event for entertainment purposes, as
106.24 defined in section 360.511, subdivision 22a, must register the fleet at least 15 days before
106.25 the event.

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

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

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

106.29 (3) the number of unmanned aircraft systems to be used;

106.30 (4) proof of liability insurance for the unmanned aircraft systems;

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

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

107.3 (c) A daily registration fee of \$2 per unmanned aircraft system used in the fleet applies
107.4 to fleets registered under this subdivision. This fee is in lieu of the registration fee in
107.5 subdivision 9. Fleets registered under this subdivision are exempt from the aircraft registration
107.6 tax under sections 360.511 to 360.67.

107.7 Sec. 73. Minnesota Statutes 2024, section 473.129, is amended by adding a subdivision
107.8 to read:

107.9 Subd. 13. **Direct negotiation.** Notwithstanding section 471.345, if the estimated total
107.10 contractual obligation of the council for a directly negotiated contract or contracts for
107.11 construction work or maintenance work on any single project does not exceed the amount
107.12 in section 161.32, subdivision 2, the council may enter into a contract by direct negotiation
107.13 by obtaining two or more quotations for the work without advertising for bids or otherwise
107.14 complying with the requirements of competitive bidding.

107.15 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
107.16 final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,
107.17 Scott, and Washington.

107.18 Sec. 74. Minnesota Statutes 2024, section 473.13, subdivision 1, is amended to read:

107.19 Subdivision 1. **Budget.** (a) On or before December 20 of each year, the council shall
107.20 adopt a final budget covering its anticipated receipts and disbursements for the ensuing year
107.21 and shall decide upon the total amount necessary to be raised from ad valorem tax levies
107.22 to meet its budget. The budget shall state in detail the expenditures for each program to be
107.23 undertaken, including the expenses for salaries, consultant services, overhead, travel, printing,
107.24 and other items. The budget shall state in detail the capital expenditures of the council for
107.25 the budget year, based on a five-year capital program adopted by the council and transmitted
107.26 to the legislature. After adoption of the budget and no later than five working days after
107.27 December 20, the council shall certify to the auditor of each metropolitan county the share
107.28 of the tax to be levied within that county, which must be an amount bearing the same
107.29 proportion to the total levy agreed on by the council as the net tax capacity of the county
107.30 bears to the net tax capacity of the metropolitan area. The maximum amount of any levy
107.31 made for the purpose of this chapter may not exceed the limits set by the statute authorizing
107.32 the levy.

~~(b) Each even-numbered year the council shall prepare for its transit programs a financial plan for the succeeding three calendar years, in half-year segments. The financial plan must contain schedules of user charges and any changes in user charges planned or anticipated by the council during the period of the plan. The financial plan must contain a proposed request for state financial assistance for the succeeding biennium.~~

~~(e)~~ (b) In addition, the budget must show for each year:

(1) the estimated operating revenues from all sources including funds on hand at the beginning of the year, and estimated expenditures for costs of operation, administration, maintenance, and debt service;

(2) capital improvement funds estimated to be on hand at the beginning of the year and estimated to be received during the year from all sources and estimated cost of capital improvements to be paid out or expended during the year, all in such detail and form as the council may prescribe; and

(3) the estimated source and use of pass-through funds.

EFFECTIVE DATE; APPLICATION. This section is effective the day following final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, and Scott.

Sec. 75. Minnesota Statutes 2024, section 473.13, subdivision 6, is amended to read:

Subd. 6. **Transportation financial review.** (a) Annually by January 15, the council must submit a financial review that details revenue and expenditures for the transportation components under the council's budget, as specified in paragraph (c). A financial review submitted under this paragraph must provide the information using state fiscal years.

(b) Annually by the earlier of the accounting close of a budget year or August 15, the council must submit a financial review update that provides the following for the most recent completed budget year: actual revenues; expenditures; transfers; reserves; balances; and a comparison between the budgeted and actual amounts. A financial review update under this paragraph must include the information specified in paragraph (d).

(c) At a minimum, a financial review must identify:

(1) the actual revenues, expenditures, transfers, reserves, and balances in each of the previous four years;

(2) budgeted and forecasted revenues, expenditures, transfers, reserves, and balances in the current year and each year within the state forecast period;

(3) for the most recent completed year, a comparison between the budgeted and actual amounts under clause (1); and

(4) for the most recent completed year, fund balances for each replacement service provider under section 473.388. By December 15 each year, each replacement service provider under section 473.388 must report to the council the provider's projected total operating expenditures and projected operating reserve fund balance as of the previous December 31.

(d) The information under paragraph (c), clauses (1) to (3), must include:

(1) a breakdown by each transportation funding source identified by the council, including but not limited to legislative appropriations; federal funds; fare collections; property tax; and sales tax, including sales tax used for active transportation under section 473.4465, subdivision 2, paragraph (a), clause (1);

(2) a breakdown by each transportation operating budget category established by the council, including but not limited to bus, light rail transit, commuter rail, planning, special transportation service under section 473.386, and assistance to replacement service providers under section 473.388; and

(3) data for operations, capital maintenance, and transit capital.

(e) A financial review under paragraph (a) or (b) must provide information or a methodology sufficient to establish a conversion between state fiscal years and budget years, summarize reserve policies, identify the methodology for cost allocation, and describe revenue assumptions and variables affecting the assumptions.

(f) The council must submit each financial review to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over transportation policy and finance and to the commissioner of management and budget.

EFFECTIVE DATE; APPLICATION. This section is effective the day following final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, and Scott.

Sec. 76. Minnesota Statutes 2024, section 473.142, is amended to read:

473.142 SMALL BUSINESSES.

(a) The Metropolitan Council and agencies specified in section 473.143, subdivision 1, may award ~~up to a six percent preference in the amount bid~~ up to the percentage under section 16C.16, subdivision 6, paragraph (a), for specified goods or services to small targeted

110.1 group businesses and veteran-owned small businesses designated under section 16C.16.
110.2 The council and each agency specified in section 473.143, subdivision 1, may award a
110.3 preference up to the percentage under section 161.321, subdivision 2, paragraph (a), in the
110.4 amount bid for specified construction work to small targeted group businesses and
110.5 veteran-owned small businesses designated under section 16C.16.

110.6 (b) The council and each agency specified in section 473.143, subdivision 1, may
110.7 designate a ~~purchase of~~ contract for construction, goods, or services for award only to small
110.8 targeted group businesses designated under section 16C.16 if the council or agency
110.9 determines that at least three small targeted group businesses are likely to ~~bid~~ respond to a
110.10 solicitation. The council and each agency specified in section 473.143, subdivision 1, may
110.11 designate a ~~purchase of~~ contract for construction, goods, or services for award only to
110.12 veteran-owned small businesses designated under section 16C.16 if the council or agency
110.13 determines that at least three veteran-owned small businesses are likely to ~~bid~~ respond to a
110.14 solicitation.

110.15 (c) The council and each agency specified in section 473.143, subdivision 1, as a condition
110.16 of awarding a ~~construction contract~~ or approving a contract for ~~consultant, professional, or~~
110.17 ~~technical services~~, may set goals that require the prime contractor to subcontract a portion
110.18 of the contract to small targeted group businesses and veteran-owned small businesses
110.19 designated under section 16C.16. The council or agency must establish a procedure for
110.20 granting waivers from the subcontracting requirement when qualified small targeted group
110.21 businesses and veteran-owned small businesses are not reasonably available. The council
110.22 or agency may establish financial incentives for prime contractors who exceed the goals
110.23 for use of subcontractors and financial penalties for prime contractors who fail to meet goals
110.24 under this paragraph. The subcontracting requirements of this paragraph do not apply to
110.25 prime contractors who are small targeted group businesses and veteran-owned small
110.26 businesses. At least 75 percent of the value of the subcontracts awarded to small targeted
110.27 group businesses under this paragraph must be performed by the business to which the
110.28 subcontract is awarded or by another small targeted group business. At least 75 percent of
110.29 the value of the subcontracts awarded to veteran-owned small businesses under this paragraph
110.30 must be performed by the business to which the subcontract is awarded or another
110.31 veteran-owned small business.

110.32 (d) The council and each agency listed in section 473.143, subdivision 1, ~~are encouraged~~
110.33 ~~to purchase from~~ may award a contract for construction, goods, or services directly to small
110.34 targeted group businesses ~~and~~ or veteran-owned small businesses designated under section
110.35 16C.16 ~~when making purchases that are not subject to competitive bidding procedures, up~~

111.1 to a total contract award value, including extension options, of the amount specified in
111.2 section 16C.16, subdivision 6, paragraph (b), without completing a competitive solicitation
111.3 process.

111.4 (e) The council and each agency may adopt rules to implement this section.

111.5 (f) Each council or agency contract must require the prime contractor to pay any
111.6 subcontractor within ten days of the prime contractor's receipt of payment from the council
111.7 or agency for undisputed services provided by the subcontractor. The contract must require
111.8 the prime contractor to pay interest of 1-1/2 percent per month or any part of a month to
111.9 the subcontractor on any undisputed amount not paid on time to the subcontractor. The
111.10 minimum monthly interest penalty payment for an unpaid balance of \$100 or more is \$10.
111.11 For an unpaid balance of less than \$100, the prime contractor shall pay the actual penalty
111.12 due to the subcontractor. A subcontractor who prevails in a civil action to collect interest
111.13 penalties from a prime contractor must be awarded its costs and disbursements, including
111.14 attorney fees, incurred in bringing the action.

111.15 (g) This section does not apply to procurement financed in whole or in part with federal
111.16 funds if the procurement is subject to federal disadvantaged, minority, or women business
111.17 enterprise regulations. The council and each agency shall report to the commissioner of
111.18 administration on compliance with this section. The information must be reported at the
111.19 time and in the manner requested by the commissioner.

111.20 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
111.21 final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,
111.22 Scott, and Washington.

111.23 Sec. 77. Minnesota Statutes 2024, section 473.1425, is amended to read:

111.24 **473.1425 WORKING CAPITAL FUND.**

111.25 The Metropolitan Council or a metropolitan agency defined in section 473.121,
111.26 subdivision 5a, to the extent allowed by other law or contract, may grant available money
111.27 that has been appropriated for socially or economically disadvantaged business programs
111.28 to a guaranty fund administered by a nonprofit organization that makes or guarantees working
111.29 capital loans to businesses owned and operated by a socially or and economically
111.30 disadvantaged persons individual as defined in Code of Federal Regulations, title 49, section
111.31 23.5 26.5. The purpose of loans made or guaranteed by the organization must be to provide
111.32 short-term working capital to enable eligible businesses to be awarded participate in contracts
111.33 for goods and services or for construction related services from government agencies.

112.1 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
112.2 final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,
112.3 Scott, and Washington.

112.4 Sec. 78. Minnesota Statutes 2024, section 473.386, subdivision 10, is amended to read:

112.5 Subd. 10. **Forecasted funding.** (a) For purposes of this subdivision, "biennium" and
112.6 "fiscal year" have the meanings given in section 16A.011, subdivisions 6 and 14, respectively.

112.7 (b) In each February and November forecast of state revenues and expenditures under
112.8 section 16A.103, the commissioner of management and budget must incorporate a state
112.9 obligation from the general fund for the annual net costs to the council to implement the
112.10 special transportation service under this section. Notwithstanding section 16A.11, subdivision
112.11 3, the appropriation base in each fiscal year of the upcoming biennium is as determined in
112.12 this subdivision.

112.13 (c) The commissioner must determine net costs under paragraph (b) as:

112.14 (1) the amount necessary to:

112.15 (i) maintain service levels accounting for expected demand, including service area, hours
112.16 of service, ride scheduling requirements, and fares per council policy;

112.17 (ii) maintain the general existing condition of the special transportation service bus fleet,
112.18 including bus maintenance and replacement; and

112.19 (iii) meet the requirements of this section; plus

112.20 (2) the amount of forecast adjustments, as determined by the commissioner of
112.21 management and budget in consultation with the council, necessary to match (i) actual
112.22 special transportation service program costs in the prior fiscal year, and (ii) adjusted program
112.23 costs forecasted for the second year of the current biennium, for a forecast prepared in the
112.24 first year of the biennium; less

112.25 (3) funds identified for the special transportation service from nonstate sources.

112.26 (d) In conjunction with each February and November forecast, the council must submit
112.27 a financial review of the special transportation service to the chairs and ranking minority
112.28 members of the legislative committees with jurisdiction over transportation policy and
112.29 finance and to the commissioner of management and budget. At a minimum, the financial
112.30 review must include:

112.31 (1) a summary of special transportation service sources of funds and expenditures for
112.32 ~~the prior two fiscal years and~~ each fiscal year of the forecast period, which must include:

- 113.1 (i) a breakout by expenditures categories; and
- 113.2 (ii) information that is sufficient to identify a conversion between state fiscal years and
- 113.3 the fiscal years of the council;
- 113.4 (2) details on cost assumptions used in the forecast;
- 113.5 (3) information on ridership and farebox recovery rates for the prior two fiscal years
- 113.6 and each fiscal year of the forecast period;
- 113.7 (4) identification of the amount of appropriations necessary for any forecast adjustments
- 113.8 as identified under paragraph (c), clause (2); and
- 113.9 (5) information as prescribed by the commissioner.

113.10 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following

113.11 final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,

113.12 and Scott.

113.13 Sec. 79. Minnesota Statutes 2024, section 473.408, is amended by adding a subdivision

113.14 to read:

113.15 **Subd. 11. Transit service for certified disabled riders.** (a) The council must provide

113.16 regular route transit, as defined in section 473.385, subdivision 1, free of charge to an

113.17 individual who is:

113.18 (1) certified as disabled under the Americans with Disabilities Act requirements of the

113.19 Federal Transit Administration; or

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

113.21 (b) The requirements under this subdivision apply to operators of regular route transit

113.22 receiving financial assistance under section 473.388 or operating under section 473.405,

113.23 subdivision 12.

113.24 **EFFECTIVE DATE; APPLICATION.** This section is effective July 1, 2025, and

113.25 applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

113.26 Sec. 80. Minnesota Statutes 2024, section 473.412, subdivision 3, is amended to read:

113.27 **Subd. 3. Report required; cleaning standards and expenditures.** ~~(a) By October 1,~~

113.28 ~~2024, and every year thereafter,~~ Annually by February 15, the Metropolitan Council must

113.29 report to the chairs and ranking minority members of the legislative committees with

113.30 jurisdiction over transit policy and finance on transit cleanliness and the ridership experience.

(b) The report under paragraph (a) must provide information on the council's cleanliness standards required under subdivision 2, including whether the council adopted new cleanliness standards or revisions to current cleanliness standards. A report prepared under this subdivision must include information gathered from the required public feedback on cleanliness and rider experience required in subdivision 2, paragraph (b). The council must consider and recommend revisions to cleanliness standards based on the collection of public feedback and must summarize feedback received by the council in the report.

(c) A report submitted under this subdivision must include:

(1) the total expenditures for cleaning and repairing transit stations and transit vehicles;

(2) the frequency, type, and location of repairs;

(3) whether specific transit stations needed a higher proportion of cleaning or repairs and detail the council's strategy to resolve identified and persistent concerns at those locations;

(4) recommendations to address workforce challenges for the implementation and maintenance of cleanliness and repair standards adopted by the council, including whether the council maintained agreements with third-party services for cleaning and repair; and

(5) whether the council has adopted preventative measures against vandalism or graffiti; and.

~~(6) any recommendations for additions to the transit rider code of conduct under section 473.4065 or the transit rider investment program under section 473.4075.~~

EFFECTIVE DATE; APPLICATION. This section is effective the day following final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, and Scott.

Sec. 81. Minnesota Statutes 2024, section 473.4465, is amended by adding a subdivision to read:

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

115.1 Sec. 82. Laws 2023, chapter 68, article 4, section 109, is amended to read:

115.2 Sec. 109. **TRAFFIC SAFETY VIOLATIONS DISPOSITION ANALYSIS.**

115.3 (a) The commissioner of public safety must enter into an agreement with the Center for
115.4 Transportation Studies at the University of Minnesota to conduct an evaluation of the
115.5 disposition in recent years of citations for speeding, impairment, distraction, and seatbelt
115.6 violations. The evaluation under the agreement must include but is not limited to analysis
115.7 of:

115.8 (1) rates of citations issued compared to rates of citations contested in court and the
115.9 outcomes of the cases;

115.10 (2) amounts of fines imposed compared to counts and amounts of fine payments; and

115.11 (3) any related changes in patterns of traffic enforcement from 2017 to 2022.

115.12 (b) The agreement must require the Center for Transportation Studies to submit an
115.13 interim progress report by July 1, 2024, and a final report by ~~July 1, 2025~~ January 15, 2026,
115.14 to the commissioner and the chairs and ranking minority members of the legislative
115.15 committees with jurisdiction over transportation policy and finance and public safety.

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

115.17 Sec. 83. Laws 2024, chapter 127, article 3, section 61, is amended to read:

115.18 Sec. 61. Minnesota Statutes 2022, section 169.974, subdivision 5, is amended to read:

115.19 Subd. 5. **Driving rules.** (a) An operator of a motorcycle must ride only upon a permanent
115.20 and regular seat which is attached to the vehicle for that purpose. No other person may ride
115.21 on a motorcycle, except that passengers may ride (1) upon a permanent and regular operator's
115.22 seat if designed for two persons, (2) upon additional seats attached to or in the vehicle, or
115.23 (3) in a sidecar attached to the vehicle. The operator of a motorcycle is prohibited from
115.24 carrying passengers in a number in excess of the designed capacity of the motorcycle or
115.25 sidecar attached to it. A passenger is prohibited from being carried in a position that interferes
115.26 with the safe operation of the motorcycle or the view of the operator.

115.27 (b) No person may ride upon a motorcycle as a passenger unless the person can reach
115.28 the footrests or floorboards with both feet.

115.29 (c) Except for passengers of sidecars, drivers and passengers of three-wheeled
115.30 motorcycles, and persons in an autocycle, no person may operate or ride upon a motorcycle

116.1 except while sitting astride the seat, facing forward, with one leg on either side of the
116.2 motorcycle.

116.3 (d) No person may operate a motorcycle while carrying animals, packages, bundles, or
116.4 other cargo that prevent the person from keeping both hands on the handlebars.

116.5 (e) Motorcycles may, with the consent of both drivers, be operated not more than two
116.6 abreast in a single traffic lane if the vehicles fit safely within the designated space of the
116.7 lane.

116.8 (f) Except under the conditions specified in paragraph (g), no person may operate a
116.9 motorcycle:

116.10 (1) between lanes of moving or stationary vehicles headed in the same direction of travel;

116.11 (2) abreast of moving or stationary vehicles within the same traffic lane; or

116.12 (3) to overtake or pass another vehicle within the same traffic lane.

116.13 (g) A person may operate a motorcycle ~~and overtake and pass another vehicle in~~ between
116.14 lanes of stationary vehicles headed in the same direction of travel and, within the same
116.15 traffic lane of a stationary vehicle, or on the shoulder of a highway abreast of stationary
116.16 traffic headed in the same direction of travel if the motorcycle is operated:

116.17 ~~(1) at not more than 25 miles per hour; and~~

116.18 ~~(2) no more than 15 miles per hour over the speed of traffic in the relevant traffic lanes.~~

116.19 For purposes of this paragraph, "traffic lane" does not include:

116.20 (1) the approach, drive-through, or exit of a roundabout;

116.21 (2) a work zone where only a single travel lane is available for use; or

116.22 (3) a school zone established under section 169.14, subdivision 5a.

116.23 (h) Motor vehicles including motorcycles are entitled to the full use of a traffic lane and
116.24 no motor vehicle may be driven or operated in a manner so as to deprive a motorcycle of
116.25 the full use of a traffic lane.

116.26 (i) A person operating a motorcycle upon a roadway must be granted the rights and is
116.27 subject to the duties applicable to a motor vehicle as provided by law, except as to those
116.28 provisions which by their nature can have no application.

116.29 (j) Paragraphs (e) and (f) of this subdivision do not apply to police officers in the
116.30 performance of their official duties.

117.1 (k) No person may operate a motorcycle on a street or highway unless the headlight or
117.2 headlights are lighted at all times the motorcycle is so operated.

117.3 (l) A person parking a motorcycle on the roadway of a street or highway must:

117.4 (1) if parking in a marked parking space, park the motorcycle completely within the
117.5 marked space; and

117.6 (2) park the motorcycle in such a way that the front of the motorcycle is pointed or
117.7 angled toward the nearest lane of traffic to the extent practicable and necessary to allow the
117.8 operator to (i) view any traffic in both directions of the street or highway without having
117.9 to move the motorcycle into a lane of traffic and without losing balance or control of the
117.10 motorcycle, and (ii) ride the motorcycle forward and directly into a lane of traffic when the
117.11 lane is sufficiently clear of traffic.

117.12 Sec. 84. Laws 2024, chapter 127, article 3, section 61, the effective date, is amended to
117.13 read:

117.14 **EFFECTIVE DATE.** This section is effective July 1, ~~2025~~ 2026.

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

117.16 Sec. 85. **ADDITIONAL FULL-SERVICE PROVIDER FOR CIRCLE PINES.**

117.17 Notwithstanding Minnesota Statutes, sections 168.33 and 171.061, and rules adopted
117.18 by the commissioner of public safety limiting sites for the office of deputy registrar or
117.19 driver's license agent based on either the distance to an existing deputy registrar or driver's
117.20 license agent office or the annual volume of transactions processed by any deputy registrar
117.21 or driver's license agent before or after the proposed appointment, the commissioner of
117.22 public safety must appoint the deputy registrar of motor vehicles currently at 9201 Lexington
117.23 Avenue North in the city of Circle Pines as a driver's license agent to operate as a full-service
117.24 office. The addition of a driver's license agent establishes the location as a full-service office
117.25 with full authority to function as a registration and motor vehicle tax collection and driver's
117.26 license bureau. All other provisions regarding the appointment and operation of a deputy
117.27 registrar of motor vehicles and driver's license agent under Minnesota Statutes, sections
117.28 168.33 and 171.061, and Minnesota Rules, chapters 7404 and 7406, apply to the office.

117.29 Sec. 86. **AUTONOMOUS MOWERS RESEARCH AND DEVELOPMENT.**

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

118.1 (b) "Autonomous mower" means a robotic or automated device designed, programmed,
118.2 and operated to cut grass or vegetation with predefined routes to minimize the need for
118.3 manual assistance or intervention.

118.4 (c) "Commissioner" means the commissioner of transportation.

118.5 (d) "Department" means the Minnesota Department of Transportation.

118.6 Subd. 2. **Research and development authorized.** (a) The commissioner must conduct
118.7 research on the use of automation and robotics for mowing and vegetation management at
118.8 property owned by the department. The research must examine the use of autonomous
118.9 mower technology at the following locations:

118.10 (1) rest areas;

118.11 (2) highway rights-of-way, including ditches, shoulders, or other varied or sloped terrain;
118.12 or

118.13 (3) other roadside or public-facing property owned by the department.

118.14 (b) The research must examine the use of autonomous mowing technology for mowing
118.15 or vegetation management by other states or government entities. The research conducted
118.16 under this section must analyze different configurations and types of autonomous mowers,
118.17 including mowers that require different levels of human intervention, to research for future
118.18 statewide deployment at rest areas, at or along the trunk highway system, or on other property
118.19 owned by the department.

118.20 (c) The commissioner must research the current and potential commercial availability
118.21 of autonomous mowing products used by public or private entities for applications that
118.22 include but are not limited to rest area mowing, highway right-of-way ditch mowing,
118.23 vegetation management, or other applications related to property or roadside maintenance.

118.24 (d) The commissioner must include research on Minnesota-based companies engaged
118.25 in autonomous mower technology. If the commissioner elects to purchase autonomous
118.26 mower technology for research under this section, the commissioner must purchase the
118.27 technology from a Minnesota-based company.

118.28 (e) The research must analyze whether an autonomous mower can operate safely in
118.29 varied terrain, including ditches, and navigate obstacles such as culvert ends, guardrails,
118.30 signposts, other barriers, and unexpected debris that may be found on or alongside a highway
118.31 right-of-way. The research must examine the potential impact of autonomous mowing
118.32 technology on worker safety and maintenance staffing needs.

(f) The commissioner must propose an autonomous mower pilot project to further study and examine the challenges to implementing autonomous mower technology into roadside vegetation management activities. The proposed pilot project must include the proposed location for the pilot project, the autonomous mower activities examined, and the anticipated timeline for implementation of the proposed pilot project.

Subd. 3. **Report.** By February 15, 2027, the commissioner must submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation finance and policy on the results of the autonomous mower research authorized in subdivision 2. The report must include:

(1) information and analysis of other governmental agencies or private entities using autonomous mowing operations;

(2) the commissioner's detailed plan for conducting a pilot project with autonomous mowing technology, once available, at rest areas; at or alongside trunk highway rights-of-way, including ditches, shoulders, and other terrain; and at other properties owned by the department;

(3) the timeline and funding needed to conduct an autonomous mowing pilot project established in subdivision 2, paragraph (f);

(4) a cost-benefit analysis of whether autonomous mowing technology can yield productivity or efficiency gains in maintenance of department property compared to traditional methods of mowing;

(5) an analysis of whether the operation of autonomous mowing technology by the department would yield improvements compared to traditional mowing methods in worker safety, congestion, environmental impact outcomes, cost savings, maintenance scheduling, or any other factor deemed relevant by the commissioner; and

(6) an analysis of the costs and any other short-term or long-term challenges posed by the pilot project or the future operation of autonomous mowing technology on property owned by the department.

Sec. 87. DEPARTMENT OF TRANSPORTATION; COST PARTICIPATION
POLICY UPDATE REQUIRED.

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

(1) "commissioner" means the commissioner of transportation;

(2) "cost participation policy" is the policy between the Department of Transportation and local units of government to determine the potential expenditure of trunk highway funds on elements of cooperative construction projects and maintenance responsibilities between the department and local units of government; and

(3) "department" means the Department of Transportation.

Subd. 2. **Policy update.** By March 1, 2026, the commissioner, in consultation with representatives of local units of government, must update and adopt the department's cost participation policy. The updated policy must identify the circumstances where local units of government will not be responsible for any trunk highway fund eligible construction project costs to deliver the project scope the department deems necessary. The policy may consider a local unit of government's ability to pay as a factor in determining the amount of local contribution, if any.

Subd. 3. **Report.** By February 1, 2026, the commissioner must submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation finance and policy. The report must:

(1) contain the department's draft cost participation policy;

(2) identify the local units of government consulted in developing the updated cost participation policy;

(3) identify and analyze all cost participation options explored by the commissioner and local units of government in determining the cost participation policy adopted by the commissioner; and

(4) propose legislation to enable the department to cover the cost of relocating utilities owned by local units of government with remaining service life when necessitated by a trunk highway construction project led by the department.

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

Sec. 88. **DEPARTMENT OF TRANSPORTATION; PROJECT COMMITTEE PROCESS; POLICY ADVISORY COMMITTEE.**

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

(b) "Commissioner" means the commissioner of transportation.

(c) "Department" means the Department of Transportation.

121.1 (d) "Policy advisory committee" means an established and organized committee consisting
121.2 of elected and appointed officials for the following projects:

121.3 (1) the rethinking I-94 project in the cities of Minneapolis and St. Paul;

121.4 (2) Trunk Highway 252 and Interstate 94 in the cities of Brooklyn Park, Brooklyn Center,
121.5 and Minneapolis; and

121.6 (3) Trunk Highway 55-Olson Memorial Highway in the city of Minneapolis.

121.7 (e) "Project website" means a website maintained by the department for the project for
121.8 a policy advisory committee specified under paragraph (d).

121.9 (f) "Scoping decision document" means the formal documents required by the Minnesota
121.10 Environmental Quality Board rules for a state environmental impact statement required
121.11 under Minnesota Statutes, chapter 116D.

121.12 Subd. 2. **Policy advisory committee; purpose.** The department must provide elected
121.13 and appointed members of policy advisory committees the ability to provide input on all
121.14 policy and funding decisions relevant to their project and the technical information used by
121.15 the department for a scoping decision document. Input under this section includes but is
121.16 not limited to:

121.17 (1) reviewing current public engagement efforts by the department for the project;

121.18 (2) identifying historically underserved communities for further engagement by the
121.19 department;

121.20 (3) reviewing whether a proposed project design achieves the community's needs for all
121.21 modes of travel, land use considerations, and other community-identified implications for
121.22 the corridor;

121.23 (4) reviewing and offering comment on all designs presented by the commissioner;

121.24 (5) adopting a resolution to recommend the commissioner establish a
121.25 community-recommended alternative design process; and

121.26 (6) adopting a resolution to request additional public meetings for public comment and
121.27 feedback;

121.28 (i) before the commissioner proceeds with the selection of a project design or preferred
121.29 alternative or makes any revision to a project design or preferred alternative; or

122.1 (ii) in historically underserved communities in the impacted project area if the advisory
122.2 committee determines by resolution that previous engagement efforts by the department
122.3 were insufficient.

122.4 Subd. 3. **Policy advisory committee; bylaws.** The commissioner must draft and propose
122.5 to a policy advisory committee, for the committee's approval, bylaws and procedures to
122.6 implement the requirements of subdivision 2. Adopted bylaws must include:

122.7 (1) the establishment of a regular meeting schedule, with a minimum of 30 days of public
122.8 notice between meetings;

122.9 (2) a process by which policy advisory committee members can introduce resolutions
122.10 to be voted on by the advisory committee to take formal positions, introduce and approve
122.11 new bylaws to govern the operation of the policy advisory committee, and make requests
122.12 of the department for the project; and

122.13 (3) the establishment of procedures for organizing and holding public meetings under
122.14 the requirements of subdivision 4.

122.15 Subd. 4. **Policy advisory committee; public meetings; information required; Open**
122.16 **Meeting Law.** (a) A policy advisory committee must include a robust and meaningful
122.17 process for public participation and community engagement by the impacted community
122.18 in project development. The commissioner must conduct, in coordination with the policy
122.19 advisory committee, in-person public hearings at different locations and times with
122.20 historically underserved communities in the impacted project area. Meetings must:

122.21 (1) be held with a minimum of 30 days of public notice and notice to elected officials,
122.22 with the notice specifying the date, time, and location of the meeting;

122.23 (2) include a published meeting agenda and post the agenda publicly on the department's
122.24 website;

122.25 (3) mandate at least 15 minutes of a public comment period for members of the public
122.26 to testify, provide context, and offer input on the project and development of a preferred
122.27 alternative;

122.28 (4) offer the opportunity for written comment in advance of the hearing which must be
122.29 reviewed and included in meeting records; and

122.30 (5) require the department to respond to public comments submitted in advance and
122.31 explain whether and how the input will be used to influence future project decisions.

(b) The commissioner must clearly organize and provide all meeting recordings, meeting information or slides, and any other material from a public meeting on the department's project website no more than two weeks after the meeting is held.

(c) The commissioner must ensure that the department regularly maintains the project website at a reasonable interval with project documents, data analysis to determine purpose and need, worksheets to determine context and modal needs, traffic modeling, design and land use considerations, and any other relevant material to inform policy advisory committee members and the general public. A policy advisory committee may adopt a resolution to request:

(1) additional project information from the commissioner; or

(2) further explanation and analysis from the commissioner on information produced to a policy advisory committee.

(d) A policy advisory committee is subject to the Minnesota Open Meeting Law under Minnesota Statutes, chapter 13D.

Subd. 5. **Policy advisory committee; legislative report.** Beginning February 15, 2026, and each year thereafter, the commissioner must submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation policy and finance. The report must detail the activities of policy advisory committees during the prior calendar year. The report must also provide a detailed summary of public feedback and comment on projects specified in subdivision 1, paragraph (d), as well as any resolutions adopted by the policy advisory committee and the response of the department to the resolution's contents.

Sec. 89. RULEMAKING; LOSS OF VOLUNTARY CONTROL PROVISIONS MODIFICATION.

(a) By July 1, 2026, the commissioner of public safety must amend Minnesota Rules, part 7410.2500, subpart 5, by adding an item F, to no longer require an annual physician's statement from a driver if:

(1) a single nonepileptic seizure was responsible for the driver's loss of consciousness or voluntary control;

(2) the driver has been free from episodes of loss of consciousness or voluntary control for five years from the date of the incident under clause (1);

124.1 (3) the driver has not been prescribed or taking any antiseizure medication for five years
124.2 from the date of the incident under clause (1); and

124.3 (4) a physician has indicated that no further review of the driver's condition is necessary
124.4 due to the driver being in good health and the risk of reoccurrence for the condition
124.5 responsible for causing a loss of consciousness or voluntary control is minimal.

124.6 (b) By July 1, 2026, the commissioner of public safety must amend Minnesota Rules,
124.7 part 7410.2500, subpart 5, by adding an item G, to no longer require an annual physician's
124.8 statement from a driver if:

124.9 (1) the driver has been free from episodes of loss of consciousness or voluntary control
124.10 for ten years;

124.11 (2) the driver has not been prescribed or taking any antiseizure medication for ten years;
124.12 and

124.13 (3) a physician has indicated that no further review of the driver's condition is necessary
124.14 due to the driver being in good health and the risk of reoccurrence for the condition
124.15 responsible for causing a loss of consciousness or voluntary control is minimal.

124.16 (c) A review by a physician under Minnesota Rules, part 7410.2500, subpart 5, item F
124.17 or G, does not apply to a driver who is required to hold a valid medical examiner's certificate
124.18 under Code of Federal Regulations, title 49, section 391.43, and does not constitute a
124.19 determination of that driver's physical qualifications as required under Code of Federal
124.20 Regulations, title 49, section 391.41.

124.21 (d) The commissioner may use the good cause exemption under Minnesota Statutes,
124.22 section 14.388, subdivision 1, clause (3), to adopt rules under this section. Minnesota
124.23 Statutes, section 14.386, does not apply except as provided under Minnesota Statutes, section
124.24 14.388.

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

124.26 Sec. 90. **STUDY; ACCESSIBLE ON-DEMAND RIDES OPERATED BY STATE**
124.27 **TRANSPORTATION NETWORK COMPANY; SURCHARGE-FUNDED GRANTS**
124.28 **FOR WHEELCHAIR-ACCESSIBLE VEHICLES.**

124.29 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have
124.30 the meanings given.

125.1 (b) "Accessible vehicles" means a vehicle equipped with a ramp or lift capable of
125.2 transporting eligible riders and is subject to the requirements of Minnesota Statutes, sections
125.3 299A.11 to 299A.17.

125.4 (c) "Commissioner" means the commissioner of transportation.

125.5 (d) "Digital network," "prearranged ride," "transportation network company,"
125.6 "transportation network company driver," and "transportation network company rider" have
125.7 the meanings given in Minnesota Statutes, section 65B.472, subdivision 1.

125.8 (e) "Eligible rider" means an individual who requires the use of a wheelchair, nonfolding
125.9 motorized wheelchair, mobility scooter, or other mobility device.

125.10 (f) "State-operated TNC" means a publicly operated entity that uses a digital network
125.11 similar to a transportation network company to connect eligible riders with accessible
125.12 vehicles that provides prearranged rides.

125.13 (g) "Study" means the wheelchair-accessible vehicle transportation network study
125.14 required under this section.

125.15 Subd. 2. **Study and legislative report required.** (a) The commissioner must conduct
125.16 a comprehensive study on:

125.17 (1) requiring transportation network companies that operate in Minnesota to make
125.18 vehicles wheelchair accessible via a per-ride surcharge to fund grants for:

125.19 (i) the purchase of accessible vehicles by taxicab companies and transportation network
125.20 company drivers;

125.21 (ii) the modification of existing vehicles into accessible vehicles for riders with disabilities
125.22 or who require the use of a mobility device;

125.23 (iii) maintenance expenses for equipment; or

125.24 (iv) per-ride reimbursement to drivers after providing rides to riders with accessibility
125.25 challenges or who require the use of a mobility device; and

125.26 (2) the creation and management of a state-operated TNC for riders with disabilities or
125.27 who require the use of an accessible vehicle, which must include a feasibility study to assess
125.28 the demand for the service, the potential market for the service, and financial viability of
125.29 creating and maintaining the service.

125.30 (b) The study required under paragraph (a), clause (1), must:

- 126.1 (1) evaluate existing accessibility features and services provided by private transportation
126.2 network companies;
- 126.3 (2) assess the feasibility of incorporating a per-ride surcharge to fund transportation
126.4 accessibility initiatives;
- 126.5 (3) compare the proposed per-ride surcharge with the provision in Minnesota Statutes,
126.6 section 181C.03, paragraph (a), clause (2);
- 126.7 (4) make recommendations on a potential nondiscrimination policy to be adopted by a
126.8 transportation network company to ensure services provided by drivers using the digital
126.9 network are offered in a nondiscriminatory manner; and
- 126.10 (5) propose legislation to administer grants using funds collected from a per-ride
126.11 surcharge and identify potential uses of grant funds under the requirements of paragraph
126.12 (a), clause (1).
- 126.13 (c) The study required under paragraph (a), clause (2), must:
- 126.14 (1) evaluate the operational, technical, financial, and legal feasibility of establishing a
126.15 state-operated TNC solely for use by people seeking rides in accessible vehicles;
- 126.16 (2) conduct a comprehensive analysis of current transportation network providers in
126.17 Minnesota, with a focus on the provider's operations and technological infrastructure;
- 126.18 (3) develop appropriate regulations and define essential operational standards, driver
126.19 qualifications, vehicle requirements, insurance coverage, and other procedures to ensure
126.20 safety, reliability, and quality of service;
- 126.21 (4) analyze how a state-operated TNC can ensure a sufficient number of accessible
126.22 vehicles, in-app accessibility options, driver training on disability awareness, and other
126.23 measures to promote inclusivity and nondiscrimination;
- 126.24 (5) analyze the compatibility of a state-operated TNC with existing special transportation
126.25 service providers; Metro Transit and Metro Mobility; demand response transit service
126.26 offerings by replacement service providers under Minnesota Statutes, section 473.388; or
126.27 any other public transit provider offering on-demand ride hailing service for first- and
126.28 last-mile connections in Minnesota, Wisconsin, Iowa, South Dakota, or North Dakota;
- 126.29 (6) analyze whether drivers and vehicles providing rides on a state-operated TNC should
126.30 be regulated under the same operating standards and requirements for special transportation
126.31 services as provided in Minnesota Statutes, section 174.30;

- 127.1 (7) identify best practices and innovative solutions to ensure that the state-operated TNC
127.2 is fully accessible to individuals with disabilities;
- 127.3 (8) outline a phased implementation plan, including timelines, key milestones, and
127.4 responsible entities for administering a state-operated TNC;
- 127.5 (9) propose policies and regulations for drivers on the state-operated TNC, including:
- 127.6 (i) whether drivers will have specified hours for rides solely on the state-operated TNC
127.7 network or may alternate across transportation network platforms;
- 127.8 (ii) the employment classification of drivers on the state-operated TNC, including whether
127.9 drivers are eligible for state employee benefits, the selection or hiring of drivers through
127.10 the open appointment process, and any other identified employment concern;
- 127.11 (iii) whether the state will own or lease accessible vehicles, and if not, the responsible
127.12 paying entity for gas, maintenance, storage, and insurance;
- 127.13 (iv) whether the state will be responsible for vehicle maintenance costs if the vehicle is
127.14 used by a driver to provide rides on a private transportation network company;
- 127.15 (v) training standards and certification requirements for assisting people with disabilities,
127.16 including continuing education and training requirements; and
- 127.17 (vi) standards for employment, including background checks of drivers, the inspection
127.18 of vehicles, verification of insurance, or any other requirements of a taxicab driver or a
127.19 transportation network driver under either city or state law;
- 127.20 (10) determine whether the state could develop the required digital network to host the
127.21 state-operated TNC or whether a contract with a third-party would be appropriate to build
127.22 and maintain the digital infrastructure necessary to operate the TNC; and
- 127.23 (11) highlight key user-friendly features for a state-operated TNC for both passengers
127.24 and drivers and develop a plan to promote the availability and accessibility of the
127.25 state-operated TNC among individuals with disabilities and their caregivers.
- 127.26 (d) The commissioner may conduct the study in coordination with other efforts at the
127.27 department to review and analyze special transportation services provided by the Metropolitan
127.28 Council. The commissioner must issue a preliminary report on the study upon submission
127.29 of the report required in Laws 2024, chapter 127, article 3, section 125, to the chairs and
127.30 ranking minority members of the legislative committees with jurisdiction over transportation
127.31 finance and policy.

128.1 (e) Upon request by the commissioner, a transportation network company operating in
128.2 Minnesota must provide sufficient information to assist in the preparation of the report.
128.3 Information submitted by a transportation network company to the commissioner must
128.4 include:

128.5 (1) the estimated time of arrival for wheelchair-accessible vehicles in Minnesota;

128.6 (2) the total number of wheelchair-accessible vehicles requested;

128.7 (3) the total number of rides fulfilled in wheelchair-accessible vehicles;

128.8 (4) the total number of wheelchair-accessible rides that were denied;

128.9 (5) the total number of requested wheelchair-accessible rides that were referred to a third
128.10 party; and

128.11 (6) programs and best practices the transportation network company has implemented
128.12 to improve the accessibility of service to individuals with disabilities.

128.13 Subd. 3. **Stakeholders.** (a) In developing the report and proposed legislation, the
128.14 commissioner must consult interested stakeholders to evaluate current accessibility challenges
128.15 and constraints for transportation network company riders who use a wheelchair or otherwise
128.16 require specialized equipment or service for their prearranged ride.

128.17 (b) Stakeholders under paragraph (a) must include, but are not limited to:

128.18 (1) the Minnesota Council on Disability;

128.19 (2) a driver advocacy organization representing transportation network drivers;

128.20 (3) providers of nonemergency medical transportation and special transportation services
128.21 in Minnesota;

128.22 (4) the State Patrol;

128.23 (5) transportation network companies operating in Minnesota;

128.24 (6) an organization with expertise in transportation and mobility planning or accessible
128.25 transportation design;

128.26 (7) technology accessibility organizations to ensure a proposed state-operated TNC is
128.27 designed and operated with all relevant accessibility features;

128.28 (8) the Department of Human Services;

128.29 (9) persons with disabilities and parents and caregivers of people with disabilities; and

128.30 (10) senior citizens or recipients of Social Security disability benefits.

129.1 (c) The commissioner must also establish a public notification and comment process on
129.2 the department's website on the study required in subdivision 2, paragraph (b). The public
129.3 notification process must attempt to raise public awareness of the potential development of
129.4 a state-operated transportation network company among individuals with disabilities and
129.5 solicit feedback from the public on technical and service considerations.

129.6 Subd. 4. **Report.** By August 15, 2026, the commissioner must submit a final report on
129.7 the study to the chairs and ranking minority members of the legislative committees having
129.8 jurisdiction over transportation finance and policy. The report must include an identified
129.9 amount of funds necessary for initial design and development of the state-operated TNC
129.10 by the department.

129.11 Subd. 5. **Expiration.** This section expires upon the submission of the report required in
129.12 subdivision 4 or June 30, 2027, whichever is earlier.

129.13 Sec. 91. **REVISOR INSTRUCTION.**

129.14 The revisor of statutes must renumber the subdivisions in Minnesota Statutes, section
129.15 169.011, so that the definitions appear in alphabetical order. The revisor must make necessary
129.16 cross-reference changes in Minnesota Statutes consistent with the renumbering.

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

129.18 Sec. 92. **REPEALER.**

129.19 (a) Minnesota Statutes 2024, section 473.452, is repealed.

129.20 (b) Laws 2019, First Special Session chapter 3, article 2, section 34, as amended by
129.21 Laws 2020, chapter 100, section 22, is repealed.

129.22 (c) Minnesota Rules, parts 8820.2500; 8820.3300, subparts 1, 1a, 3, and 4; 8820.3400;
129.23 8820.9926, subpart 1; 8820.9936; 8820.9946; 8820.9956; and 8820.9995, are repealed.

129.24 **EFFECTIVE DATE.** Paragraph (c) is effective July 1, 2025, for new state-aid roadway
129.25 projects designed, constructed, reconstructed, rehabilitated, or resurfaced on or after that
129.26 date.

APPENDIX
Article locations for S2082-1

ARTICLE 1 APPROPRIATIONS..... Page.Ln 2.12

ARTICLE 2 TRUNK HIGHWAY BONDS..... Page.Ln 45.1

ARTICLE 3 TRANSPORTATION FINANCE POLICY..... Page.Ln 46.9

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473.452 TRANSIT OPERATING RESERVES; REPORT.

(a) By December 15 each year, each replacement service provider under section 473.388 must report to the council its projected total operating expenses for the current state fiscal year and its projected operating reserve fund balance as of the previous July 31.

(b) By January 15 each year, the council must submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation policy and finance. The report must include:

(1) the information from each provider received under paragraph (a); and

(2) the council's projected total operating expenses for the current state fiscal year and its projected operating reserve fund balance as of the previous July 31.

Laws 2019, First Special Session chapter 3, article 2, section 34, as amended by Laws 2020, chapter 100, section 22

Sec. 34. **DRIVER AND VEHICLE SYSTEMS OVERSIGHT COMMITTEE.**

Subdivision 1. **Definitions.** The definitions in section 33 apply to this section.

Subd. 2. **Driver and Vehicle Systems Oversight Committee established.** (a) The Driver and Vehicle Systems Oversight Committee is established and consists of the following members:

(1) the chair of the senate Finance Committee, or a senator appointed by the chair of the senate Finance Committee;

(2) the chair and ranking minority member of the senate committee with jurisdiction over transportation finance;

(3) the chair of the house of representatives Ways and Means Committee, or a member of the house of representatives appointed by the chair of the house of representatives Ways and Means Committee; and

(4) the chair and ranking minority member of the house of representatives committee with jurisdiction over transportation finance.

(b) The chair of the Blue Ribbon Council on Information Technology, or the chair's designee, must serve on the committee as a nonvoting member. If the council expires or is dissolved, the chair of the council at the time of expiration or dissolution, or the chair's designee, must continue to serve on the committee as a nonvoting member until the committee expires as provided by subdivision 8.

Subd. 3. **Dissolution of MNLARS Steering Committee.** The MNLARS Steering Committee is dissolved and is replaced by the Oversight Committee.

Subd. 4. **Duties.** (a) The Oversight Committee must:

(1) review progress reports received pursuant to subdivision 5 and reports from the information technology auditor;

(2) oversee the implementation of the VTRS;

(3) oversee the decommissioning of MNLARS, including the funds and staff resources spent on the decommissioning;

(4) oversee the driver's license system; and

(5) on an annual basis, review the fee and surcharge increases required by this article, and make a recommendation to the legislature on whether the fee and surcharge increases are set of appropriate amounts.

(b) The Oversight Committee may contract with, hire, or otherwise consult with any individual to assist the committee with its duties.

Subd. 5. **Progress reports.** (a) Between 20 and 30 days before the start of each quarter, the commissioners of public safety and MN.IT must submit a report to the Oversight Committee and the information technology auditor on the following:

(1) the status of MNLARS, including a summary of work performed to maintain MNLARS and any work performed to decommission MNLARS;

(2) the status of the implementation of VTRS;

(3) a detailed explanation of any funds expended related to MNLARS and the purposes of the expenditures, the number of staff working on MNLARS, and a description of the work performed;

(4) a list of all requested customizations to VTRS, the purpose for the customization, the cost of the customization, and whether the commissioner approved the customization; and

(5) the status of the driver's license system.

(b) Between 20 and 30 days before the start of each quarter, the vendor must submit a report to the Oversight Committee regarding the progress on the implementation of the VTRS.

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(c) Between 20 and 30 days before the start of each quarter, the Minnesota Deputy Registrars Association, the Minnesota Deputy Registrar Business Owners Association, the Minnesota Automobile Dealers Association, and any other stakeholders are each encouraged to submit a report to the Oversight Committee regarding MNLARS, VTRS, or the driver's license system.

Subd. 6. **Meetings.** (a) The chairs of the legislative committees with jurisdiction over transportation finance serve as cochairs of the Oversight Committee.

(b) The Oversight Committee must meet at least once each quarter.

(c) The Oversight Committee is subject to Minnesota Statutes, section 3.055, except that a member may vote by submitting a written statement indicating how the member votes on a motion. The written statement must be treated in the same manner as the votes of the members present at the meeting. The written statement must be submitted to all members prior to the start of the meeting at which the vote will take place.

Subd. 7. **Administration.** The Legislative Coordinating Commission must provide meeting space and administrative support for the Oversight Committee.

Subd. 8. **Expiration.** The Oversight Committee expires six months after full implementation of VTRS. After full implementation but prior to the expiration of the Oversight Committee, the Oversight Committee must complete a report that, at a minimum, summarizes the activities of the Oversight Committee and makes recommendations to the legislature on proposed changes to state driver and vehicle laws. The Oversight Committee must submit the report to the legislative auditor. For purposes of this subdivision, "full implementation" means all packaged software solution components are implemented and functioning and all MNLARS and legacy components are decommissioned.

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

8820.2500 MINIMUM STATE-AID STANDARDS.

Subpart 1. **Applicability of standards.** The standards in this part apply to all new construction, reconstruction, rehabilitation, or resurfacing projects approved by the state-aid engineer on and after November 13, 1995, except as noted or otherwise provided for in law.

Subp. 1a. **Geometric design standards.** The standards in part 8820.9920 apply to rural design undivided roadways, new or reconstruction.

The standards in part 8820.9936 apply to urban design roadways, new or reconstruction.

The requirements in parts 8820.9926 and 8820.9946 apply to reconditioning projects.

The vertical clearances for underpasses in part 8820.9956 apply.

The standards in parts 8820.9981 and 8820.9986 apply to designated forest highways within national forests and state park access roads within state parks and to designated natural preservation routes.

The standards in part 8820.9995 apply to bicycle paths.

Subp. 2. **Specifications.** Specifications for construction must be the latest approved Minnesota Department of Transportation specifications, except as modified by special provisions which set forth conditions or requirements for work or materials not covered by the approved specifications, or which set forth conditions or requirements to meet exigencies of construction peculiar to the approved project.

Subp. 3. **Right-of-way.** The minimum widths of right-of-way for state-aid routes must be at least 60 feet within cities and 66 feet in rural areas, except that the right-of-way may be less for routes that are within a city, that were constructed before November 13, 1995, and that can be reconstructed to new construction standards within the previously existing right-of-way. Before construction, the governing body shall acquire control of the additional widths of right-of-way as may be necessary to properly maintain the ditch section, drainage structures, and the clear zone. Permanent easements for highway purposes are considered to be right-of-way for the purposes of this subpart.

Subp. 4. **Parking provisions.** The criteria in part 8820.9961 must be used in establishing diagonal parking. The criteria in parts 8820.9936 and 8820.9946 must be used where parallel parking is used.

8820.3300 VARIANCE.

Subpart 1. **Written requests.** A formal request by a political subdivision for a variance from this chapter must:

- A. be submitted to the commissioner in writing in the form of a resolution;
- B. identify the project by location and termini; and
- C. cite the specific part or standard for which the variance is requested and describe the modification proposed.

Subp. 1a. **Additional information.** Additional information needed:

- A. index map;
- B. typical section:
 - (1) inplace section;
 - (2) proposed section;
- C. reasons for the request;
- D. the economic, social, safety, and environmental impacts which may result from the requested variance;

E. effectiveness of the project in eliminating an existing and projected deficiency in the transportation system;

F. effect on adjacent lands;

G. number of persons affected; and

H. safety considerations as they apply to:

(1) pedestrians;

(2) bicyclists;

(3) motoring public; and

(4) fire, police, and emergency units.

Subp. 3. **Decision.** The commissioner shall base the decision on the criteria in part 8820.3400, subpart 3 and shall notify the political subdivision in writing of the decision. The commissioner may require a resolution by the recipient of the variance that indemnifies, saves, and holds harmless the state and its agents and employees of and from claims, demands, actions, or causes of action arising out of or by reason of the granting of the variance. The recipient of the variance shall further agree to defend at its sole cost and expense any action or proceeding begun for asserting any claim of whatever character arising as a result of the granting of the variance.

Subp. 4. **Contested case hearing.** Any variance objected to in writing or denied by the commissioner is subject to a contested case hearing as required by law.

8820.3400 ADVISORY COMMITTEE ON VARIANCES.

Subpart 1. **Appointment.** The commissioner may appoint a committee to serve as required to investigate and determine a recommendation for each variance. No elected or appointed official that represents a political subdivision requesting a variance may serve on the committee.

Subp. 2. **Membership.** The committee shall consist of any five of the following persons: not more than two county highway engineers, only one of whom may be from a county containing a city of the first class; not more than two city engineers, only one of whom may be from a city of the first class; not more than two county officials, only one of whom may be from a county containing a city of the first class; and not more than two officials of an urban municipality, only one of whom may be from a city of the first class. The committee must have at least two elected officials as members. The committee shall have at least one member but not more than four members from a metropolitan area, as defined in Minnesota Statutes, section 473.121, subdivision 2, as well as cities with a population of over 50,000 according to the most recent census.

Subp. 3. **Operating procedure; factors considered.** The committee shall meet on call from the commissioner at which time they must be instructed as to their responsibilities by a designee of the commissioner, shall elect a chairperson, and shall establish their own procedure to investigate the requested variance.

The committee shall consider the:

A. economic, social, safety, and environmental impacts which may result from the requested variance;

B. effectiveness of the project in eliminating an existing and projected deficiency in the transportation system;

C. effect on adjacent lands;

D. number of persons affected;

E. effect on future maintenance;

F. safety considerations as they apply to pedestrians, bicyclists, motoring public, and fire, police, and emergency units; and

G. effect that the rule and standards may have in imposing an undue burden on a political subdivision.

Subp. 4. **Recommendation.** The committee after considering all data pertinent to the requested variance shall recommend to the commissioner approval or disapproval of the request.

8820.9926 MINIMUM DESIGN STANDARDS: RURAL AND SUBURBAN UNDIVIDED; RECONDITIONING PROJECTS.

Subpart 1. **Minimum reconditioning standards.** Reconditioning projects for rural or suburban undivided roadways must meet or exceed the minimum dimensions indicated in the following design chart. See part 8820.0200, subpart 30, for the description of activities allowed.

Existing ADT	Statutory or Regulatory Posted Speed	Lane Width (Paved)	Combined Lane (Paved) and Shoulder Width
1-749	45 mph or less	10 feet	11 feet
1-749	50 mph or over	10 feet	12 feet
750 and over	45 mph or less	10 feet	12 feet
750 and over	50 mph and over	11 feet	14 feet

When the road authority has determined that the roadway will be specifically designed to include on-road bicycle facilities, and only if the roadway surface is paved, the appropriate design criteria in the current MnDOT Bikeway Facility Design Manual are recommended for design purposes.

Engineering judgment should be used to choose a lane-width, on-road bicycle facility, or shoulder width dimension other than the widths indicated in the chart. Factors to consider include safety, speed, population/land use, benefit/cost analysis, traffic mix, peak hourly traffic, farm equipment, environmental impacts, terrain limitations, bicycle traffic, pedestrian traffic, on-street parking, intersection and driveway spacing, rights-of-way constraints, vehicle turn lane configuration, sight distance, sight lines, bus routes, other nonmotorized uses, functional classification, or other factors. Dimensions less than those indicated in the chart require a variance in accordance with parts 8820.3300 and 8820.3400.

Widths of bridges to remain in place must equal roadway pavement width. Bridges narrower than these widths may remain in place provided that the bridge does not qualify for federal-aid bridge funds. Bridges to remain must have a load rating factor of at least 0.75 using the AASHTO Manual for Bridge Evaluation, LRFR (load and resistance factor rating) for inventory level.

Any highway that was previously built to state-aid or state standards, that was granted a variance to standards in effect at the time of construction or reconstruction, or that is a trunk highway turnback, may be reconditioned.

The proposed structural design strength must accommodate a minimum of seven tons per axle.

8820.9936 MINIMUM DESIGN STANDARDS, URBAN; NEW OR RECONSTRUCTION PROJECTS.

New or reconstruction projects for urban roadways without a designated on-road bicycle facility must meet or exceed the minimum dimensions indicated in the following design chart.

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Projected Traffic Volume	Design Speed	Lane Width (a)	Curb Reaction Distance (c)	Parking Lane Width (e)
	mph	feet	feet	feet
ADT < 10,000	30-45	(b) 10-11	1-2 (d)	7-8
	50 or over	11-12	2	8-10
ADT ≥ 10,000	30-35	(b) 10-11	1-2 (d)	7-10
	40-45	11-12	1-4	7-10
	50 or over	11-12	2-4	Not allowed

Engineering judgment may be used to choose a lane-width dimension other than the widths indicated in the chart for roadways. Factors to consider include safety, speed, population/land use, benefit/cost analysis, traffic mix, peak hourly traffic, farm equipment, environmental impacts, terrain limitations, bicycle traffic, pedestrian traffic, other nonmotorized uses, functional classification, or other factors. Widths less than those indicated in the chart require a variance in accordance with parts 8820.3300 and 8820.3400.

- (a) Twelve feet should be considered in industrial areas. One-way turn lanes must be at least ten feet wide, except 11 feet is required if the design speed is 50 mph or higher.
- (b) Ten feet may be considered where truck or bus volumes are relatively low, rights-of-way are constrained, and design speeds are 35 mph or less. Eleven feet minimum is required on four-lane, undivided facilities.
- (c) Curb reaction must be provided only where parking is not provided.
- (d) The state-aid engineer may approve a zero-foot curb reaction distance where the cross-section is constrained, appropriate curb types are used, and drainage collection is adequate. The curb must be constructed without a gutter or monolithically with the adjacent traveled way.
- (e) The roadway ADT and the vehicle mix must be considered when determining parking lane width. In commercial or industrial areas, the minimum parking lane width is eight feet.

One-way streets must have at least two through-traffic lanes.

When a median is included in the design of the two-way roadway, a one-foot minimum curb reaction distance to the median is required on either side of the median. Minimum median width is four feet.

Urban design roadways must be a minimum nine tons structural axle load design.

Roadways not on the state-aid system are not subject to the minimum structural design strength requirements.

The minimum curb-to-curb width of a new bridge must be the required street width, but in no case less than required per Minnesota Statutes, section 165.04. HL-93 loading in the AASHTO LRFD (load and resistance factor design) Specifications is required for new or reconstructed bridges. Rehabilitated bridges must have a load rating factor of at least 0.9 using the AASHTO Manual for Bridge Evaluation, LRFR (load and resistance factor rating) for inventory level. Where the new bridge approach roadway includes elements for the accommodation of pedestrians or bicycles, the new bridge width must also provide for pedestrians or bicycles unless pedestrians or bicycles are otherwise accommodated.

For ADT less than 150, the widths of bridges to remain must be at least the sum of the lanes. For ADT greater than or equal to 150, the widths of bridges to remain must be at least the sum of the lanes plus half the sum of the shoulders, parking lane, and curb reaction

distance. Bridges to remain must have a load rating factor of at least 0.75 using the AASHTO Manual for Bridge Evaluation, LRFR (load and resistance factor rating) for inventory level.

Clearance of 1.5 feet from the face of the curb to fixed objects must be provided when the design speed is 40 to 45 mph. A ten-foot clear zone measured from the driving lane must be provided when the design speed is 50 mph or higher.

Unless four lanes are provided, an engineering traffic study is required for traffic volumes greater than 15,000 projected ADT to determine lane configuration and lane use.

8820.9946 MINIMUM DESIGN STANDARDS, URBAN; RECONDITIONING PROJECTS.

Subpart 1. **Two-way streets.** In the following design chart, total width is from face-to-face of curbs.

Reconditioning projects for two-way urban roadways must meet or exceed the minimum dimensions indicated in the chart.

Number of Through Lanes and Present Traffic Volume	Total Width with No Parking	Total Width with Parking on One Side	Total Width with Parking on Both Sides	Proposed Structural Design Strength
	(feet)	(feet)	(feet)	(tons)
2-Lane with ADT < 10,000	22	28	34	(b) 9
4-Lane with ADT < 10,000	44	51	58	(b) 9
2-Lane with ADT ≥ 10,000 (a)	22	28	34	9
4-Lane with ADT ≥ 10,000	44	51	58	9
6-Lane	66	(c)	(c)	9

Engineering judgment may be used to choose a lane-width or shoulder-width dimension other than the widths indicated in the chart for roadways. Factors to consider include safety, speed, population/land use, benefit/cost analysis, traffic mix, peak hourly traffic, farm equipment, environmental impacts, terrain limitations, bicycle traffic, pedestrian traffic, other nonmotorized uses, functional classification, or other factors. Widths less than those indicated in the chart require a variance in accordance with parts 8820.3300 and 8820.3400.

- (a) Permissible for present traffic volumes less than 15,000 ADT.
- (b) When ADT is less than 5,000, seven tons is allowable.
- (c) No parking is allowed.

When a median is included in the design of the two-way roadway, a one-foot reaction distance to the median is required on either side of the median. Minimum median width is four feet.

For ADT less than 150, the widths of bridges to remain must be at least the sum of the lanes. For ADT greater than or equal to 150, the widths of bridges to remain must be at least the sum of the lanes plus half the sum of the shoulders, parking lane, and curb reaction distance. Bridges to remain must have a load rating factor of at least 0.75 using the AASHTO Manual for Bridge Evaluation, LRFR (load and resistance factor rating) for inventory level.

Subp. 2. **One-way streets.** In the following design chart, total width is from face-to-face of curbs.

Reconditioning projects for one-way urban roadways must meet or exceed the minimum dimensions indicated in the chart.

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Number of Through Lanes	Present ADT	Total Width with No Parking (feet)	Total Width with Parking on One Side (feet)	Total Width with Parking on Both Sides (feet)	Proposed Structural Design Strength (tons)
2-Lane	< 5,000	21	29	37	7
	5,000-10,000	23	31	39	9
	10,000-15,000	23	31	39	9
	≥ 15,000	24	32	40	9
3-Lane	All	34	42	50	9

For ADT less than 150, the widths of bridges to remain must be at least the sum of the lanes. For ADT greater than or equal to 150, the widths of bridges to remain must be at least the sum of the lanes plus half the sum of the shoulders, parking lane, and curb reaction distance. Bridges to remain must have a load rating factor of at least 0.75 using the AASHTO Manual for Bridge Evaluation, LRFR (load and resistance factor rating) for inventory level.

Subp. 3. **Exception.** Any street that was previously built to state-aid or state standards, or that was granted a variance to standards in effect at the time of construction or reconstruction, or that is a trunk highway turnback, but does not meet current standards, may be reconditioned regardless of subparts 1 and 2.

8820.9956 MINIMUM VERTICAL CLEARANCES FOR UNDERPASSES.

Underpass projects must meet or exceed the minimum dimensions indicated in the following design chart.

	Rural-Suburban Design, Vertical Clearance (feet-inches)	Urban Design, Vertical Clearance (feet-inches)
Highway under Roadway Bridge	16-4	14-6
Highway under Railroad Bridge	16-4	14-6
Highway under Pedestrian Bridge	17-4	15-6 (a)
Highway under Sign Structure	17-4	15-6 (a)
Railroad under Roadway Bridge (b)	22-0	22-0

(a) For replacement of skyway structures, the minimum clearance over traveled way is the existing structure clear height.

(b) Variances to the required minimum may be granted by the commissioner of transportation. That approval eliminates the need for a state-aid variance.

8820.9995 MINIMUM OFF-ROAD AND SHARED USE PATH STANDARDS.

For Off-Road Shared Use Path Design, the following shall apply:	
Minimum Surface Width (two-way)	8 ft (a)
Shoulder/Clear Zone	2 ft (b) (c)
Inslope	Maximum 1:2 (rise:run)

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Design Speed	20 mph (d)
Vertical Clearance over lane and shoulder	10 ft nominal (8 ft nominal if passage of emergency or maintenance vehicles is not required) (e)

(a) Ten feet is desired for a shared use path. Five feet is required for a one-way shared use path.

(b) For vehicular roadway bridges or underpasses accommodating an off-road bicycle path or shared use path, the total width (minimum surface width plus shoulder/clear zone) is eight feet minimum, with ten feet being desirable. However, whenever practicable, the shoulder/clear zone of an off-road bike or shared use path should be carried across or under a vehicular bridge. When the clear zone of an off-road bike or shared use path cannot practicably be carried across or under the bridge, a lead-in guardrail must be provided, unless the surface width of the approach path is narrowed at a maximum 1:50 taper while providing the minimum travel lane and shoulder/clear zone widths through the structure.

For a separate off-road bicycle path or shared use path, the shoulder/clear zone must be carried across bridge or underpass structures. Minimum structure clear width must be 12 feet. When the surface width plus shoulder/clear zone width of the approaching off-road bike or shared use path is greater than the proposed clear width of the structure, then a lead-in bicycle safety railing is required, unless the surface width of the approach path is narrowed at a maximum 1:50 taper while providing the minimum travel lane and shoulder/clear zone widths through the structure.

(c) Clear zone is measured from the edge of the travel lane.

(d) Use a 30 mph design speed for grades longer than 500 feet and greater than four percent, from the uphill point where the grade equals four percent to 500 feet beyond the downhill point where the grade becomes less than four percent. The maximum allowable grade is 8.3 percent.

(e) When an off-road bicycle or shared use path continues through a box culvert structure, up to three inches of bituminous surfacing may be used through the structure. The minimum vertical clearance for box culvert structures is nine feet, nine inches, or seven feet, nine inches if passage of emergency or maintenance vehicles is not necessary.