A bill for an act

relating to transportation; appropriating money for transportation purposes;
modifying prior appropriations; authorizing the sale and issuance of bonds;
modifying various transportation, transit, driver, and vehicle policy provisions;
authorizing rulemaking; establishing task forces; requiring legislative reports;
amending Minnesota Statutes 2020, sections 3.9741, subdivision 5; 160.08,
subdivision 7; 161.088, subdivisions 1, 2, 4, by adding subdivisions; 161.115, by
adding a subdivision; 162.07, subdivision 2; 162.13, subdivision 2; 162.145,
subdivisions 2, 4; 168.002, by adding a subdivision; 168.013, subdivision 1m, by
adding subdivisions; 168.123, subdivision 2; 168.1235, subdivision 1; 168.1253,
subdivision 3; 168.27, subdivisions 11, 31; 168.327, subdivisions 2, 3, by adding
a subdivision; 168.33, subdivision 7; 168A.01, subdivision 17b, by adding a
subdivision; 168A.04, subdivisions 1, 4; 168A.05, subdivision 3; 168A.11,
subdivision 3; 168A.151, subdivision 1; 168A.152, subdivisions 1, 1a; 168B.045;
168B.07, subdivision 1; 169.011, by adding subdivisions; 169.09, by adding a
subdivision; 169.865, subdivision 1a; 171.01, by adding a subdivision; 171.02,
subdivision 3; 171.05, subdivision 2; 171.06, by adding a subdivision; 171.061,
subdivision 4; 171.07, subdivisions 4, 15; 171.0705, by adding a subdivision;
171.12, subdivision 1a; 171.13, subdivision 1a; 174.52,
subdivision 3; 297A.94; 297A.993, by adding a subdivision; 299A.705, subdivision
1, by adding a subdivision; 325F.662, subdivision 3; 325F.6641; 325F.6642;
325F.665, subdivision 14; 473.375, by adding subdivisions; 473.39, subdivision
7; 473.3993, subdivision 4; 473.3994, subdivision 1a; Minnesota Statutes 2021
Supplement, sections 161.088, subdivision 5; 162.145, subdivision 3; 168.327,
subdivision 1; 169.09, subdivision 13; 171.071, subdivision 4; 171.13, subdivisions
1, 7; 171.27, subdivisions 1, 2; 360.55, subdivision 9; 360.59, subdivision 10;
Laws 2019, First Special Session chapter 3, article 2, section 34, subdivision 8;
Laws 2021, First Special Session chapter 5, article 1, sections 2, subdivision 2; 3;
4, subdivisions 3, 4, 5; article 4, sections 131; 143; proposing coding for new law
in Minnesota Statutes, chapters 161; 168; 169; 171; 473; repealing Minnesota
Statutes 2020, sections 168.345, subdivision 1; 168A.01, subdivision 17a; 168B.15;
169.829, subdivision 2; 325F.6644; Laws 2000, chapter 479, article 2, section 1,
as amended; Minnesota Rules, parts 7410.6180; 7410.6420, subpart 3; 7410.6520,
subpart 3; 7411.0535; 8835.0350, subpart 2.
BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

ARTICLE 1

APPROPRIATIONS

Section 1. TRANSPORTATION APPROPRIATIONS.

The sums shown in the columns under "Appropriations" are added to the appropriations in Laws 2021, First Special Session chapter 5, article 1, and to the appropriations in article 2 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. The figures "2022" and "2023" used in this article mean that the addition to the appropriation listed under them is available for the fiscal year ending June 30, 2022, or June 30, 2023, respectively.

<table>
<thead>
<tr>
<th>APPROPRIATIONS</th>
<th>Available for the Year</th>
<th>Ending June 30</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2022</td>
<td>2023</td>
</tr>
</tbody>
</table>

Sec. 2. DEPARTMENT OF TRANSPORTATION

Subdivision 1. Total Appropriation

<table>
<thead>
<tr>
<th>Appropriations by Fund</th>
<th>2022</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>C.S.A.H.</td>
<td>-0-</td>
<td>64,521,000</td>
</tr>
<tr>
<td>M.S.A.S.</td>
<td>-0-</td>
<td>11,067,000</td>
</tr>
<tr>
<td>Trunk Highway</td>
<td>-0-</td>
<td>8,000,000</td>
</tr>
</tbody>
</table>

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

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

The commissioner must not spend appropriations from the trunk highway fund in this section for the Office of Transit and Active Transportation; Office of Aeronautics; passenger rail; tourist information centers;
parades, events, or sponsorship of events; or
public electric vehicle infrastructure.

Subd. 2. State Roads

(a) State Road Construction
(b) Corridors of Commerce

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

Subd. 3. Local Roads

(a) County State-Aid Highways
(b) Municipal State-Aid Streets

Sec. 3. Laws 2021, First Special Session chapter 5, article 1, section 2, subdivision 2, is amended to read:

Subd. 2. Multimodal Systems

(a) Aeronautics

(1) Airport Development and Assistance

Appropriations by Fund

<table>
<thead>
<tr>
<th>Fund</th>
<th>2022</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>5,600,000</td>
<td>-0-</td>
</tr>
<tr>
<td>Airports</td>
<td>18,598,000</td>
<td>18,598,000</td>
</tr>
</tbody>
</table>

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

$5,600,000 in fiscal year 2022 is from the general fund for a grant to the city of Karlstad for the acquisition of land, predesign, design, engineering, and construction of a primary airport runway.
Notwithstanding Minnesota Statutes, section 4.2A.28, subdivision 6, this appropriation is available for five years after the year of the appropriation. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

If the commissioner of transportation determines that a balance remains in the state airports fund following the appropriations made in this article and that the appropriations made are insufficient for advancing airport development and assistance projects, an amount necessary to advance the projects, not to exceed the balance in the state airports fund, is appropriated in each year to the commissioner and must be spent according to Minnesota Statutes, section 360.305, subdivision 4. Within two weeks of a determination under this contingent appropriation, the commissioner of transportation must notify the commissioner of management and budget and the chairs, ranking minority members, and staff of the legislative committees with jurisdiction over transportation finance concerning the funds appropriated. Funds appropriated under this contingent appropriation do not adjust the base for fiscal years 2024 and 2025.

(2) **Aviation Support Services**

<table>
<thead>
<tr>
<th>Appropriations by Fund</th>
<th>2022</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>1,650,000</td>
<td>1,650,000</td>
</tr>
<tr>
<td>Airports</td>
<td>6,682,000</td>
<td>6,690,000</td>
</tr>
</tbody>
</table>

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

(3) Civil Air Patrol

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

(b) Transit and Active Transportation

This appropriation is from the general fund.

$5,000,000 in fiscal year 2022 is for the active transportation program under Minnesota Statutes, section 174.38. This is a onetime appropriation and is available until June 30, 2025.

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

(c) Safe Routes to School

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

If the appropriation for either year is insufficient, the appropriation for the other year is available for it.
The base is $3,000,000 in fiscal year 2024 and $11,000,000 in fiscal year 2025.

(d) **Passenger Rail**

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

$10,000,000 in fiscal year 2022 is for final design and construction to provide for a second daily Amtrak train service between Minneapolis and St. Paul and Chicago. The commissioner may expend funds for program delivery and administration from this amount.

This is a onetime appropriation and is available until June 30, 2025.

(e) **Freight**

Appropriations by Fund

<table>
<thead>
<tr>
<th>Fund</th>
<th>2022</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>2,464,000</td>
<td>1,445,000</td>
</tr>
<tr>
<td>Trunk Highway</td>
<td>5,878,000</td>
<td>5,878,000</td>
</tr>
</tbody>
</table>

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

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

$350,000 in fiscal year 2022 and $287,000 in fiscal year 2023 are from the general fund for two additional rail safety inspectors in the state rail safety inspection program under Minnesota Statutes, section 219.015. In each year, the commissioner must not increase the total assessment amount under Minnesota Statutes, section 219.015, subdivision 2, from the most recent assessment amount.
Sec. 4. Laws 2021, First Special Session chapter 5, article 1, section 3, is amended to read:

Sec. 3. METROPOLITAN COUNCIL

Subdivision 1. Total Appropriation

\[
\begin{array}{ll}
\text{Total Appropriation} & \$147,070,000 \quad \text{\$78,630,000} \\
\end{array}
\]

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

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

Subd. 2. Transit System Operations

\[
\begin{array}{ll}
\text{Transit System Operations} & 90,654,000 \quad \text{\$22,654,000} \\
\end{array}
\]

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

$250,000 in fiscal year 2022 is for the zero-emission transit vehicle transition plan under Minnesota Statutes, section 473.3927.

$250,000 in fiscal year 2022 is for an analysis of transit service improvements in the marked Trunk Highway 55 corridor from Medina to downtown Minneapolis. At a minimum, the analysis must include options for highway bus rapid transit service. The council must ensure that the analysis is performed in a manner that does not conflict with requirements for federal transit or transitway grants. The council may provide a grant to a local unit of government to perform the analysis. This appropriation is not available until the council determines that at least an equal amount is committed from nonstate sources.

$57,500,000 in fiscal year 2022 is for arterial bus rapid transit projects, including but not limited to predesign, design, engineering,
environmental analysis and mitigation,
right-of-way acquisition, construction, and
acquisition of rolling stock. This is a onetime
appropriation and is available until June 30,
2025.

Subd. 3. **Metro Mobility**

This appropriation is for Metro Mobility under
Minnesota Statutes, section 473.386.

Sec. 5. Laws 2021, First Special Session chapter 5, article 1, section 4, subdivision 3, is
amended to read:

Subd. 3. **State Patrol**

(a) **Patrolling Highways**

<table>
<thead>
<tr>
<th>Appropriations by Fund</th>
<th>2022</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>37,000</td>
<td>37,000</td>
</tr>
<tr>
<td>H.U.T.D.</td>
<td>92,000</td>
<td>92,000</td>
</tr>
<tr>
<td>Trunk Highway</td>
<td>113,694,000</td>
<td>112,406,000</td>
</tr>
</tbody>
</table>

$3,524,000 in fiscal year 2022 and $2,822,000
in fiscal year 2023 are from the trunk highway
fund for the purchase, deployment, and
management of body-worn cameras.

$7,718,000 in fiscal year 2022 and $6,767,000
in fiscal year 2023 are from the trunk highway
fund for staff and equipment costs of
additional patrol troopers.

$365,000 in fiscal year 2023 is for increased
maintenance and other costs related to the
purchase of additional and replacement state
patrol aircraft.

(b) **Commercial Vehicle Enforcement**

<table>
<thead>
<tr>
<th></th>
<th>10,180,000</th>
<th>10,046,000</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
$494,000 in fiscal year 2022 and $360,000 in fiscal year 2023 are for the purchase, deployment, and management of body-worn cameras.

(c) Capitol Security

This appropriation is from the general fund.

$449,000 in fiscal year 2022 and $395,000 in fiscal year 2023 are for the purchase, deployment, and management of body-worn cameras.

$8,863,000 in fiscal year 2022 and $4,420,000 in fiscal year 2023 are for staff and equipment costs of additional troopers and nonsworn officers.

The commissioner must not:

(1) spend any money from the trunk highway fund for capitol security; or
(2) permanently transfer any state trooper from the patrolling highways activity to capitol security.

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

(1) to capitol security; or
(2) from capitol security.

(d) Vehicle Crimes Unit

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

(1) registration tax and motor vehicle sales tax liabilities from individuals and businesses that currently do not pay all taxes owed; and
(2) illegal or improper activity related to the
sale, transfer, titling, and registration of motor
vehicles.

$22,000 in fiscal year 2022 and $18,000 in
fiscal year 2023 are for the purchase,
deployment, and management of body-worn
cameras.

Sec. 6. Laws 2021, First Special Session chapter 5, article 1, section 4, subdivision 4, is
amended to read:

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

<table>
<thead>
<tr>
<th>Subd. 4</th>
<th>Driver and Vehicle Services</th>
<th>29,685,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>39,685,000</td>
<td>44,820,000</td>
<td>42,017,000</td>
</tr>
</tbody>
</table>

(a) **Driver Services**

This appropriation is from the driver services
operating account in the special revenue fund
under Minnesota Statutes, section 299A.705,
subdivision 2.

$2,598,000 in each year is for costs to reopen
all driver's license examination stations that
were closed in 2020 due to the COVID-19
pandemic. This amount is not available for the
public information center, general
administration, or operational support. This is
a onetime appropriation.

$2,229,000 in fiscal year 2022 and $155,000
in fiscal year 2023 are for costs of a pilot
project for same-day issuance of drivers'
licenses and state identification cards.

$500,000 is for the installation and
maintenance of security cameras at Driver and
Vehicle Services exam sites. This is a onetime
appropriation.

$1,250,000 is for reimbursement to deputy
registrars and driver's license agents for the
purchase and installation of security cameras at deputy registrar or driver's license agent office locations. Deputy registrars and driver's license agents may submit applications to the commissioner for reimbursement of funds spent to purchase and install security cameras. When approving applications, the commissioner must prioritize offices that do not currently have security cameras installed. This is a onetime appropriation. $45,000 is for costs related to applications for veteran designations on driver's licenses and identification cards. This is a onetime appropriation. $108,000 is for administration and oversight costs related to online driver's education under Minnesota Statutes, section 171.395. The base for this appropriation is $49,000 in each of fiscal years 2024 and 2025. $429,000 is for administration and oversight costs of the third-party road testing program for commercial driver's licenses under Minnesota Statutes, section 171.135. The base for this appropriation is $390,000 in each of fiscal years 2024 and 2025. The base is $36,398,000 $36,837,000 in each of fiscal years 2024 and 2025.

(b) Vehicle Services

<table>
<thead>
<tr>
<th>Appropriations by Fund</th>
<th>2022</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>H.U.T.D.</td>
<td>686,000</td>
<td>-0-</td>
</tr>
<tr>
<td>Special Revenue</td>
<td>36,732,000</td>
<td>31,334,000</td>
</tr>
</tbody>
</table>

Article 1 Sec. 6.
The special revenue fund appropriation is from the vehicle services operating account under Minnesota Statutes, section 299A.705, subdivision 1.

$200,000 in fiscal year 2022 is from the vehicle services operating account for the independent expert review of MnDRIVE under article 4, section 144, for expenses of the chair and the review team related to work completed pursuant to that section, including any contracts entered into. This is a onetime appropriation.

$250,000 in fiscal year 2022 is from the vehicle services operating account for programming costs related to the implementation of self-service kiosks for vehicle registration renewal. This is a onetime appropriation and is available in fiscal year 2023.

The base is $33,788,000 in each of fiscal years 2024 and 2025.

Sec. 7. Laws 2021, First Special Session chapter 5, article 1, section 4, subdivision 5, is amended to read:

Subd. 5. Traffic Safety

<table>
<thead>
<tr>
<th>2022</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>$7,983,000</td>
</tr>
<tr>
<td>Trunk Highway</td>
<td>494,000</td>
</tr>
</tbody>
</table>

$7,398,000 in fiscal year 2022 and $7,398,000 in fiscal year 2023 are from the general fund for grants to school districts, nonpublic schools, charter schools, and

Article 1 Sec. 7.
companies that provide school bus services, for the purchase and installation of school bus stop-signal arm camera systems. In awarding grants, the commissioner must prioritize: regular route type A, B, C, and D buses; newer buses; and buses that do not already have a stop-signal arm or forward-facing camera. Cameras purchased with grants awarded pursuant to this section must be used within the state. When implementing the grant program, the commissioner must require grant recipients to submit an estimate of the recipient's anticipated ongoing costs associated with the use of the cameras, including but not limited to costs for operating and maintaining the cameras, identifying violations, and methods for compiling video evidence of violations and providing the evidence to law enforcement. If the money in the account is sufficient to fund all requests, the commissioner must not require a local match. The commissioner may seek assistance from the commissioner of education in administering the grants. The base for this appropriation from the general fund is $8,000,000 in fiscal year 2024 and $0 in fiscal year 2025. This is a onetime appropriation and is available until June 30, 2025.

$110,000 in fiscal year 2022 and $94,000 in fiscal year 2023 are from the general fund for staff costs to administer grants for school bus stop-signal arm cameras. This is a onetime appropriation and is available until June 30, 2025.
The base for the general fund is $478,000 in each of fiscal years 2024 and 2025.

Sec. 8. **APPROPRIATION; COON RAPIDS; TRUNK HIGHWAY 610.**

$3,600,000 in fiscal year 2023 is appropriated from the trunk highway fund to the commissioner of transportation for one or more grants to the city of Coon Rapids or Anoka County for interchange improvements, including right-of-way acquisition and construction, at marked Trunk Highway 610 and County State-Aid Highway 1, East River Road, and the associated frontage roads, backage roads, connecting local streets, and any associated water and sanitary sewer infrastructure improvements if necessary or required for the construction of the interchange improvements. This appropriation is for the portion of the project that is eligible for use of trunk highway funds. This appropriation does not require a nonstate contribution. This is a onetime appropriation and is available until June 30, 2025.

Sec. 9. **APPROPRIATION; FREIGHT RAIL CAR STORAGE FACILITY.**

$750,000 in fiscal year 2023 is appropriated from the rail service improvement account in the special revenue fund under Minnesota Statutes, section 222.49, to the commissioner of transportation for a grant to the city of Lakeville for planning, preliminary engineering, and environmental analysis of a freight rail car storage facility in Lakeville. This is a onetime appropriation.

Sec. 10. **APPROPRIATION; INTERSTATE 35 AND DAKOTA COUNTY STATE-AID HIGHWAY 50 INTERCHANGE.**

$42,000,000 in fiscal year 2023 is appropriated from the trunk highway fund to the commissioner of transportation for predesign, design, engineering, and construction of the interchange at marked Interstate 35 and Dakota County State-Aid Highway 50 in Lakeville. This appropriation is for the portion of the project that is eligible for use of trunk highway funds. This appropriation does not require a nonstate contribution. This is a onetime appropriation and is available until June 30, 2025.

Sec. 11. **APPROPRIATION; INTERSTATE HIGHWAY 35 AND 400TH STREET INTERCHANGE, NORTH BRANCH.**

$1,500,000 in fiscal year 2023 is appropriated from the trunk highway fund to the commissioner of transportation for a grant to the city of North Branch for predesign, design, and right-of-way acquisition to construct an interchange at Interstate Highway 35 and 400th...
Street in the city of North Branch. This appropriation is for the portion of the project that is eligible for use of trunk highway funds. This is a onetime appropriation and is available until June 30, 2025.

Sec. 12. **APPROPRIATION; INTERSTATE 94 EXPANSION.**

$33,000,000 in fiscal year 2023 is appropriated from the trunk highway fund to the commissioner of transportation to construct a third travel lane in each direction of marked Interstate Highway 94 from the interchange with County State-Aid Highway 19 in the city of Albertville to the interchange with marked Trunk Highway 25 in the city of Monticello. This is a onetime appropriation and is available until June 30, 2025.

Sec. 13. **APPROPRIATION; OAKDALE NOISE BARRIER.**

$5,500,000 in fiscal year 2023 is appropriated from the general fund to the commissioner of transportation to design and construct a noise barrier on the east side of marked Interstate Highway 694 in Oakdale between the intersection with 15th Street North and the intersection with Stillwater Boulevard North. Where there are existing berms or other noise barriers on this segment of road, no additional noise barrier is required. This is a onetime appropriation.

Sec. 14. **APPROPRIATION; OFFICE OF TRAFFIC SAFETY.**

$19,000 in fiscal year 2023 is appropriated from the driver and vehicle services technology account in the special revenue fund to the commissioner of public safety for the cost of records access enhancements to the MNCrash information technology system. This is a onetime appropriation.

Sec. 15. **APPROPRIATION; STATE PATROL AIRCRAFT.**

(a) $38,000,000 is appropriated in fiscal year 2023 from the general fund to the commissioner of public safety to purchase three twin-engine helicopters for the State Patrol. This is a onetime appropriation and is available until June 30, 2024.

(b) $7,100,000 is appropriated in fiscal year 2023 from the general fund to the commissioner of public safety to purchase three airplanes for the State Patrol. This is a onetime appropriation and is available until June 30, 2024.

(c) The proceeds from the sale of an aircraft purchased under paragraph (a) or (b) must be credited to the general fund.
Sec. 16. Appropriation; Trunk Highway 23 Interchange.

(a) $500,000 in fiscal year 2023 is appropriated from the trunk highway fund to the commissioner of transportation to study options for the intersection of marked Trunk Highway 9 and marked Trunk Highway 23 in the city of New London. The study must determine if an underpass, overpass, or tunnel is the best option for improving the safety of the intersection. The study must not consider a J-turn as an option. This is a onetime appropriation.

(b) $29,100,000 in fiscal year 2023 is appropriated from the trunk highway fund to the commissioner of transportation to make safety improvements to the intersection of marked Trunk Highway 9 and marked Trunk Highway 23, including predesign, design, engineering, and construction of an underpass, overpass, or tunnel as determined by the study in paragraph (a). This appropriation must not be used for a J-turn at the intersection. This is a onetime appropriation and is available until June 30, 2025.

Sec. 17. Appropriation; Trunk Highway 50 Safety Improvements.

$10,000,000 in fiscal year 2023 is appropriated from the trunk highway fund to the commissioner of transportation for a grant to Dakota County for predesign, design, engineering, and construction of safety improvements on marked Trunk Highway 50 between U.S. Highway 52 and U.S. Highway 61. This project includes improvement and restoration of pavement structure, drainage improvements, culvert replacement, ensuring a traversable safety slope, and reconstructing the intersections with County State-Aid Highway 85 and Hogan Avenue for pedestrian safety and compliance with the Americans with Disabilities Act. This appropriation is for the portions of the project that are eligible for use of trunk highway funds. This appropriation does not require a nonstate contribution. This is a onetime appropriation and is available until June 30, 2025.

Sec. 18. Appropriation; U.S. Highway 52 Interchange at Dakota County State-Aid Highway 66.

$15,000,000 in fiscal year 2023 is appropriated from the trunk highway fund to the commissioner of transportation for predesign, design, engineering, and construction of an interchange in the vicinity of County State-Aid Highway 66 and County Road 62 at their intersections with U.S. Highway 52 in Vermillion Township. This appropriation is for the portion of the project that is eligible for use of trunk highway funds. This appropriation does not require a nonstate contribution. This is a onetime appropriation and is available until June 30, 2025.
Sec. 19. APPROPRIATION; TRUNK HIGHWAY 65 IMPROVEMENTS.

$15,000,000 in fiscal year 2023 is appropriated from the trunk highway fund to the
commissioner of transportation for one or more grants to the city of Blaine for the predesign,
right-of-way acquisition, design, engineering, and construction of intersection improvements
along Trunk Highway 65 at 99th Avenue Northeast and the associated frontage roads and
backup roads within the trunk highway system. This appropriation is for the portion of the
project that is eligible for use of trunk highway funds. This appropriation does not require
a nonstate contribution. This is a onetime appropriation and is available until June 30, 2025.

Sec. 20. APPROPRIATION; TRUNK HIGHWAY 73.

$43,000,000 in fiscal year 2023 is appropriated from the trunk highway fund to the
commissioner of transportation for engineering, right-of-way acquisition, and construction
to realign portions of marked Trunk Highway 73 south of the city of Cromwell. This is a
onetime appropriation and is available until June 30, 2025.

Sec. 21. APPROPRIATION; TRUNK HIGHWAY 74.

$488,000 in fiscal year 2023 is appropriated from the trunk highway fund to the
commissioner of transportation to use Otta seal to regrade 3.9 miles of marked Trunk
Highway 74 north of Elba to Winona County State-Aid Highway 30 in Winona County,
including design, engineering, construction, and acquisition of right-of-way. This is a onetime
appropriation and is available until June 30, 2025.

Sec. 22. APPROPRIATION; U.S. HIGHWAY 169 AND SCOTT COUNTY
STATE-AID HIGHWAY 9 INTERCHANGE.

$4,200,000 in fiscal year 2023 is appropriated from the trunk highway fund to the
commissioner of transportation for a grant to Scott County, the city of Jordan, or both to
design and construct trunk highway improvements associated with an interchange at U.S.
Highway 169, marked Trunk Highway 282, and Scott County State-Aid Highway 9, including
bicycle and pedestrian accommodations, bridge construction, and road construction. This
appropriation is for the portion of the project that is eligible for use of trunk highway funds.
This is a onetime appropriation and is available until June 30, 2025.
Sec. 23. APPROPRIATION; TRUNK HIGHWAY 610 AND INTERSTATE
HIGHWAY 94 INTERCHANGE.

$22,000,000 in fiscal year 2023 is appropriated from the trunk highway fund to the
commissioner of transportation to acquire right-of-way, design, engineer, and construct
roadway connections for the interchange at marked Trunk Highway 610 and marked Interstate
Highway 94 in Maple Grove. This appropriation does not require a nonstate match. This is
a onetime appropriation and is available until June 30, 2025.

Sec. 24. APPROPRIATION; WATER AND LIGHTING INFRASTRUCTURE;
MADISON LAKE.

$510,000 in fiscal year 2023 is appropriated from the trunk highway fund to the
commissioner of transportation to predesign, design, construct, furnish, and equip water
infrastructure and lighting along the Trunk Highway 60 corridor in the city of Madison
Lake. This appropriation does not require a nonstate match.

Sec. 25. ESTABLISHMENT OF BASE; STATE AND LOCAL ROADS.

(a) The base from the trunk highway fund for state road construction in the Department
of Transportation is $1,377,641,000 in fiscal year 2024 and $1,408,325,000 in fiscal year
2025.

(b) The base from the trunk highway fund for corridors of commerce in the Department
of Transportation is $87,500,000 in fiscal year 2024 and $115,000,000 in fiscal year 2025.

(c) The base from the county state-aid highway fund for county state-aid highways in
the Department of Transportation is $1,010,019,000 in fiscal year 2024 and $1,046,194,000
in fiscal year 2025.

(d) The base from the municipal state-aid street fund for municipal state-aid streets in
the Department of Transportation is $248,357,000 in fiscal year 2024 and $257,192,000 in
fiscal year 2025

ARTICLE 2
FEDERAL TRANSPORTATION FUNDING

Section 1. APPROPRIATIONS.

The sums shown in the column under "Appropriations" are added to the appropriations
in Laws 2021, First Special Session chapter 5, article 1, and to the appropriations in article
1 to the agencies and for the purposes specified in this article. The appropriations are from

Article 2 Section 1. 18
the trunk highway fund, or another named fund, and are available for the fiscal years indicated
for each purpose. The figures "2022" and "2023" used in this article mean that the addition
to the appropriations listed under them is available for the fiscal year ending June 30, 2022,
or June 30, 2023, respectively. Supplemental appropriations for the fiscal year ending June
30, 2022, are effective the day following final enactment.

<table>
<thead>
<tr>
<th>APPROPRIATIONS</th>
<th>Available for the Year</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Ending June 30</td>
</tr>
<tr>
<td></td>
<td>2022</td>
</tr>
<tr>
<td></td>
<td>2023</td>
</tr>
</tbody>
</table>

Sec. 2. DEPARTMENT OF TRANSPORTATION

Subdivision 1. Total Appropriation $265,262,000 $330,197,000

<table>
<thead>
<tr>
<th>Appropriations by Fund</th>
<th>2022</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>36,600,000</td>
<td>36,600,000</td>
</tr>
<tr>
<td>C.S.A.H.</td>
<td>24,896,000</td>
<td>42,418,000</td>
</tr>
<tr>
<td>M.S.A.S.</td>
<td>6,540,000</td>
<td>11,142,000</td>
</tr>
<tr>
<td>Trunk Highway</td>
<td>197,226,000</td>
<td>240,037,000</td>
</tr>
</tbody>
</table>

The appropriations in this section are to the commissioner of transportation for the match requirement for formula and discretionary grant programs enacted in the federal Infrastructure Investment and Jobs Act (IIJA).

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

The commissioner must not spend appropriations from the trunk highway fund in this section for the Office of Transit and Active Transportation; Office of Aeronautics; passenger rail; tourist information centers; parades, events, or sponsorship of events; or public electric vehicle infrastructure.

Subd. 2. State Roads

(a) Operations and Maintenance 4,000,000 7,475,000
The base is $375,581,000 in fiscal year 2024 and $376,398,000 in fiscal year 2025.

(b) State Road Construction

Subd. 3. Local Roads

(a) County State-Aid Highways

(b) Municipal State-Aid Streets

Subd. 4. Multimodal Match for Formula and Discretionary Programs Enacted in Federal IIJA

The appropriations in this subdivision are for multimodal match funding and discretionary funding related to the federal Infrastructure Investment and Jobs Act (IIJA).

From these amounts, the commissioner may make grants to local units of government for the match requirement for IIJA discretionary grant programs.

Any unspent portion of the appropriations remaining after match requirements are met for grant programs listed in this subdivision must be transferred to the highway user tax distribution fund.

These appropriations are available for three years after the year of the appropriation.

(a) Greater Minnesota Transit

This appropriation is from the general fund for the match requirement for Federal Transit Administration formula and discretionary transit grant programs under the IIJA. This appropriation must not be used for guideway projects, as defined in Minnesota Statutes, section 473.4485.

(b) Metropolitan Area Transit
$10,000,000 in each year is from the general fund for transfer to the Metropolitan Council for the match requirement for Federal Transit Administration formula and discretionary transit grant programs under the IIJA. The amount transferred to the Metropolitan Council must not be used for guideway projects, as defined in Minnesota Statutes, section 473.4485.

(c) Aeronautics

This appropriation is from the general fund for the match requirement for Federal Aviation Administration formula and discretionary grant programs under the IIJA.

(d) Other Multimodal Grant Programs

This appropriation is from the general fund and must not be used as match funding for grants under the following discretionary grant programs: the Federal-State Partnership for Intercity Passenger Rail Grant Program; the Restoration and Enhancement Grant Program; the Capital Investment Grants Program; Research, Development, Demonstration and Deployment Projects; the Pilot Program for Transit-Oriented Development Planning; the Electric or Low-Emitting Ferry Pilot Program; the Reconnecting Communities Pilot Program; and the Wildlife Crossings Pilot Program. This appropriation must not be used as match funding for guideway projects as defined in Minnesota Statutes, section 473.4485, or for passenger rail projects. The commissioner of transportation must immediately report to the chairs and ranking minority members of the legislative committees with jurisdiction over...
transportation finance when an application is submitted to the United States Department of Transportation for IIJA-related discretionary grant funding.

Sec. 3. ELECTRIC VEHICLE INFRASTRUCTURE PROGRAM REQUIREMENTS.

Subdivision 1. Match requirements. The required match funding for electric vehicle infrastructure formula or discretionary grant programs related to the federal Infrastructure Investment and Jobs Act (IIJA) must be committed only from nonstate sources.

Subd. 2. Rest areas. The commissioner of transportation must spend no more than 25 percent of federal funds from IIJA-related electric vehicle infrastructure formula or discretionary grant programs on projects located at rest areas.

Subd. 3. Regional balance. Projects funded through IIJA-related electric vehicle infrastructure formula or discretionary grant programs must be regionally balanced throughout the state as much as allowable under federal law.

Subd. 4. Alternative fuel corridors. By November 1, 2023, the commissioner of transportation must request that the United States Federal Highway Administration certify that the designated alternative fuel corridors for electric vehicles in Minnesota are fully built out as of that date.

Sec. 4. FEDERAL FUNDS REPORTING.

Subdivision 1. Federal document submission. Within 30 days of submission to a federal agency of a required report or plan under the federal Infrastructure Investment and Jobs Act, the commissioner of transportation or the chair of the Metropolitan Council must submit the report or plan to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation finance and policy.

Subd. 2. Report on use of federal funds. By February 1 and September 1 of each year, the commissioner of transportation and chair of the Metropolitan Council must report all expenditures made related to the Infrastructure Investment and Jobs Act to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation finance and policy. The report must include the total amount of each expenditure, the purpose of each expenditure, and any additional information the commissioner and chair determine is necessary to properly document each expenditure. The report must also include information on expenditures that are planned or anticipated before the submission of the next semiannual
report under this subdivision. The report requirement under this subdivision expires June
30, 2027.

Sec. 5. **HIGHWAY USER TAX DISTRIBUTION FUND; TRANSFER.**

The commissioner of revenue must transfer from the general fund to the highway user
tax distribution fund $6,373,667 monthly in fiscal year 2022 and $10,859,667 monthly in
fiscal year 2023. The commissioner must transfer from the general fund to the highway user
tax distribution fund $11,927,167 monthly in fiscal year 2024 and $13,083,000 monthly in
fiscal year 2025 and each fiscal year thereafter.

**EFFECTIVE DATE.** This section is effective retroactively from July 1, 2021.

Sec. 6. **RECONNECT RONDO PROJECT; PROHIBITION.**

Subdivision 1. **Definition.** For purposes of this section, "ReConnect Rondo project"
means the proposed land bridge or freeway cap over Interstate 94 between Chatsworth Street
and Grotto Street in the city of Saint Paul.

Subd. 2. **Commissioner of transportation.** The commissioner of transportation must
not expend any money for study, planning, preliminary engineering, final design, or
construction for the ReConnect Rondo project. This prohibition includes grants to other
entities, the expenditure of federal money, and any previous unexpended appropriations
made for this purpose.

Subd. 3. **Metropolitan Council.** The Metropolitan Council must not expend any money
for study, planning, preliminary engineering, final design, or construction for the ReConnect
Rondo project. This prohibition includes grants to other entities, the expenditure of federal
money, and any previous unexpended appropriations made for this purpose.

Sec. 7. **SOURCE OF FEDERAL MATCH FUNDING; INFRASTRUCTURE INVESTMENT AND JOBS ACT.**

The commissioner of transportation must not expend money for federal match funding
related to formula and discretionary grant programs under Public Law 117-58, otherwise
known as the federal Infrastructure Investment and Jobs Act, except pursuant to a direct
appropriation specifically for this purpose.
Sec. 8. SUSPENSION OF STATUTORY APPROPRIATION; INFRASTRUCTURE INVESTMENT AND JOBS ACT.

Notwithstanding Minnesota Statutes, sections 3.3005 and 4.07, federal funds received by the state of Minnesota from its allocations or grant awards administered by the United States Department of Transportation under Public Law 117-58 must not be spent except pursuant to a direct appropriation by law.

Sec. 9. EFFECTIVE DATE.

Except where otherwise specified, this article is effective the day following final enactment.

ARTICLE 3

BOND APPROPRIATIONS

Section 1. BOND APPROPRIATIONS.

The sums shown in the column under "Appropriations" are appropriated from the bond proceeds account in the trunk highway fund to the state agencies or officials indicated 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.

SUMMARY

| Department of Transportation       | $     299,349,000 |
| Department of Management and Budget | $     300,000 |
| TOTAL                              | $     299,649,000 |

Sec. 2. DEPARTMENT OF TRANSPORTATION

Subdivision 1. Total Appropriation $ 299,349,000

(a) This appropriation is to the commissioner of transportation for the purposes specified in this section.

(b) This appropriation is available in the amounts of:
(1) $149,349,000 in fiscal year 2024; and

(2) $150,000,000 in fiscal year 2025.

(c) The commissioner may use up to 17 percent of the amount for program delivery.

(d) The appropriation in this subdivision cancels as specified under Minnesota Statutes, section 16A.642, except that the commissioner of management and budget must count the start of authorization for issuance of state bonds as the first day of the fiscal year during which the bonds are available to be issued as specified under paragraph (b), and not as the date of enactment of this section.

Subd. 2. Oslo Area Flood Mitigation

(a) This appropriation is available in fiscal year 2024 for phase 1 of the Oslo area flood mitigation project as follows:

(1) $17,450,000 for reconstruction or replacement of the marked Trunk Highway 1 bridge over the Red River at Oslo and the border with North Dakota, which may include approach work on marked Trunk Highway 1;

and

(2) $2,550,000 for reconstruction or replacement of the marked Trunk Highway 317 bridge over the Red River in Marshall County at the border with North Dakota.

(b) The appropriation under this subdivision is available for predesign, design, preliminary and final engineering, environmental analysis, right-of-way acquisition, and construction, including demolition.
(c) The appropriation under this subdivision is for the Minnesota share of project costs and must only be used for acquisition, betterment, and improvement within Minnesota.

Subd. 3. Olmsted County; U.S. Highway 14 and County State-Aid Highway 44

This appropriation is available in fiscal year 2024 to acquire property and to conduct environmental analysis, predesign, design, engineer, acquire right-of-way, construct, furnish, and equip an interchange at marked U.S. Highway 14 and County State-Aid Highway 44, including the flyover at 7th Street NW, in Olmsted County and associated infrastructure and road work to accommodate the interchange.

Subd. 4. Marked Trunk Highway 95 Improvements

This appropriation is available in fiscal year 2024 for a grant to the city of Cambridge for land acquisition, demolition, predesign, design, engineering, and construction of improvements to marked Trunk Highway 95, including but not limited to expansion to a four-lane at-grade segment from approximately Fillmore Street to Birch Street in the city of Cambridge. This appropriation is for the portion of the project that is eligible for use of proceeds of trunk highway bonds.

Subd. 5. Becker Interchange Project

This appropriation is available in fiscal year 2024 to prepare final design, conduct site preparation work, and acquire right-of-way for an interchange to be constructed at marked U.S. Highway 10, marked Trunk Highway 25,
Sherburne County State-Aid Highway 8, and
Sherburne County Road 52 in the city of
Becker and Becker Township. This
appropriation is for expenses eligible to be
paid from trunk highway bond proceeds.

Subd. 6. **Trunk Highway 24 Intersection Improvements**

This appropriation is available in fiscal year
2024 for intersection improvements at marked
Trunk Highway 24 in the city of Annandale
and for a grant to the city of Annandale,
Corinna Township, or both for road
improvements on Hemlock Street from marked
Trunk Highway 24 to Wright County
State-Aid Highway 6 in the city of Annandale
and Corinna Township. This appropriation
may be used by the commissioner, city, or
township for acquisition of right-of-way,
design, engineering, and construction of
roadway improvements.

Subd. 7. **Sherburne County; Zimmerman Interchange**

This appropriation is available in fiscal year
2024 for property acquisition, engineering,
and construction of the trunk highway portions
of an interchange at marked U.S. Highway
169 and Sherburne County State-Aid Highway
4 in the city of Zimmerman.

Subd. 8. **Trunk Highway 23 Reconstruction**

This appropriation is available in fiscal year
2024 for predesign, design, engineering, and
reconstruction of marked Trunk Highway 23
from U.S. Highway 75 in the city of Pipestone
to 1.8 miles north of marked Trunk Highway
91 in the city of Russell.
Subd. 9. U.S. Highway 169 Safety Improvements

This appropriation is available in fiscal year 2025 for improvement and expansion of marked U.S. Highway 169 between Taconite and Pengilly. This appropriation may be used by the commissioner to conduct environmental analysis, planning, predesign, design, engineering, right-of-way acquisition, and construction of the roadway.

Sec. 3. BOND SALE EXPENSES

(a) 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.

(b) This appropriation is available in the amounts of:

1) $150,000 in fiscal year 2024; and

2) $150,000 in fiscal year 2025.

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 $299,649,000 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 4

DEPARTMENT OF PUBLIC SAFETY

Section 1. Minnesota Statutes 2020, section 3.9741, subdivision 5, is amended to read:

Subd. 5. State Data security; account; appropriation. (a) The data security account is created in the special revenue fund. Receipts credited to the account are appropriated to the legislative auditor for the purpose of oversight relating to security of data stored and transmitted by state systems.

(b) Subject to available funds appropriated under paragraph (a), the legislative auditor shall:

(1) review and audit the audit reports of subscribers and requesters submitted under section 168.327, subdivision 6, including producing findings and opinions;

(2) in collaboration with the commissioner and affected subscribers and requesters, recommend corrective action plans to remediate any deficiencies identified under clause (1); and

(3) review and audit driver records subscription services and bulk data practices of the Department of Public Safety, including identifying any deficiencies and making recommendations to the commissioner.

(c) The legislative auditor shall submit any reports, findings, and recommendations under this subdivision to the legislative commission on data practices.

Sec. 2. Minnesota Statutes 2020, section 168.013, subdivision 1m, is amended to read:

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

(b) If the gasoline excise tax imposed by section 296A.07, subdivision 3, clause (3), is increased or decreased, the surcharge under paragraph (a) must be increased or decreased, respectively, by a corresponding percentage. The commissioner must collect the adjusted surcharge amount under this paragraph on vehicle registrations occurring on or after the effective date of the gasoline excise tax adjustment.
Sec. 3. Minnesota Statutes 2020, section 168.013, is amended by adding a subdivision to read:

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

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

Sec. 4. Minnesota Statutes 2020, section 168.013, is amended by adding a subdivision to read:

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

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

Sec. 5. Minnesota Statutes 2020, section 168.013, is amended by adding a subdivision to read:

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

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

Sec. 6. Minnesota Statutes 2020, section 168.123, subdivision 2, is amended to read:
Subd. 2. Design. The commissioner of veterans affairs shall must design the emblem
for the veterans' special plates, subject to the approval of the commissioner, that satisfy the
following requirements:
(a) For a Vietnam veteran who served after July 1, 1961, and before July 1, 1978, in the
active military service in a branch of the armed forces of the United States or a nation or
society allied with the United States the special plates must bear the inscription "VIETNAM
VET."
(b) For a veteran stationed on the island of Oahu, Hawaii, or offshore, during the attack
on Pearl Harbor on December 7, 1941, the special plates must bear the inscription "PEARL
HARBOR SURVIVOR."
(c) For a veteran who served during World War II, the plates must bear the inscription
"WORLD WAR VET."
(d) For a veteran who served during the Korean Conflict, the special plates must bear
the inscription "KOREAN VET."
(e) For a combat wounded veteran who is a recipient of the Purple Heart medal, the
plates must bear the inscription "COMBAT WOUNDED VET" and have a facsimile or an
emblem of the official Purple Heart medal.
A member of the United States armed forces who is serving actively in the military and
who is a recipient of the Purple Heart medal is also eligible for this license plate. The
commissioner of public safety shall must ensure that information regarding the required
proof of eligibility for any applicant under this paragraph who has not yet been issued
military discharge papers is distributed to the public officials responsible for administering
this section.
(f) For a Persian Gulf War veteran, the plates must bear the inscription "GULF WAR
VET." For the purposes of this section, "Persian Gulf War veteran" means a person who
served on active duty after August 1, 1990, in a branch of the armed forces of the United
States or a nation or society allied with the United States or the United Nations during
Operation Desert Shield, Operation Desert Storm, or other military operation in the Persian
Gulf area combat zone as designated in United States Presidential Executive Order No.
(g) For a veteran who served in the Laos War after July 1, 1961, and before July 1, 1978, the special plates must bear the inscription "LAOS WAR VET."

(h) For a veteran who is the recipient of:

(1) the Iraq Campaign Medal, the special plates must be inscribed with a facsimile of that medal and must bear the inscription "IRAQ WAR VET" directly below the special plate number;

(2) the Afghanistan Campaign Medal, the special plates must be inscribed with a facsimile of that medal and must bear the inscription "AFGHAN WAR VET" directly below the special plate number;

(3) the Global War on Terrorism Expeditionary Medal, the special plates must be inscribed with a facsimile of that medal and must bear the inscription "GWOT VETERAN" directly below the special plate number; or

(4) the Armed Forces Expeditionary Medal, the special plates must bear an appropriate inscription that includes a facsimile of that medal.

(i) For a veteran who is the recipient of the Global War on Terrorism Service Medal, the special plates must be inscribed with a facsimile of that medal and must bear the inscription "GWOT VETERAN" directly below the special plate number. In addition, any member of the National Guard or other military reserves who has been ordered to federally funded state active service under United States Code, title 32, as defined in section 190.05, subdivision 5b, and who is the recipient of the Global War on Terrorism Service Medal, is eligible for the license plate described in this paragraph, irrespective of whether that person qualifies as a veteran under section 197.447.

(j) For a veteran who is the recipient of the Korean Defense Service Medal, the special plates must be inscribed with a facsimile of that medal and must bear the inscription "KOREAN DEFENSE SERVICE" directly below the special plate number.

(k) For a veteran who is a recipient of the Bronze Star medal, the plates must bear the inscription "BRONZE STAR VET" and have a facsimile or an emblem of the official Bronze Star medal.

(l) For a veteran who is a recipient of the Silver Star medal, the plates must bear the inscription "SILVER STAR VET" and have a facsimile or an emblem of the official Silver Star medal.
For a veteran who is the recipient of the Air Medal, the special plates must be inscribed with a facsimile of that medal and must bear the inscription "AIR MEDAL VETERAN" directly below the special plate number.

For a woman veteran, the plates must bear the inscription "WOMAN VETERAN" and have a facsimile or an emblem as designated by the commissioners of veterans affairs and public safety.

**EFFECTIVE DATE.** This section is effective January 1, 2023, and applies to Air Medal veteran special license plates issued on or after that date.

Sec. 7. Minnesota Statutes 2020, section 168.1235, subdivision 1, is amended to read:

Subdivision 1. **General requirements; fees.** (a) The commissioner shall issue a special plate emblem for each plate to an applicant who:

(1) is a member of a congressionally chartered veterans service organization and is a registered owner of a passenger automobile, pickup truck, van, or self-propelled recreational vehicle;

(2) pays the registration tax required by law;

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

(4) complies with this chapter and rules governing the registration of motor vehicles and licensing of drivers.

(b) The additional fee is payable at the time of initial application for the special plate emblem and when the plates must be replaced or renewed. An applicant must not be issued more than two sets of special plate emblems for motor vehicles listed in paragraph (a) and registered to the applicant.

(c) The applicant must present a valid card indicating membership in the American Legion or Veterans of Foreign Wars, or Disabled American Veterans.

Sec. 8. Minnesota Statutes 2020, section 168.1253, subdivision 3, is amended to read:

**Subd. 3. No fee.** The commissioner shall issue a set of Gold Star plates, or a single plate for a motorcycle, to an eligible person free of charge, and shall replace the plate or plates without charge if they become damaged. If the eligible person requests personalized Gold Star plates, the commissioner must not charge the fees listed in section 168.12, subdivision 2a.
Sec. 9. [168.1258] MINNESOTA VIKINGS FOUNDATION SPECIAL PLATES.

Subdivision 1. Issuance of plates. The commissioner must issue Minnesota Vikings Foundation special plates or a single motorcycle plate to an applicant who:

1. is a registered owner of a passenger automobile, noncommercial one-ton pickup truck, motorcycle, or recreational vehicle;
2. pays an additional fee in the amount specified for special plates under section 168.12, subdivision 5;
3. pays the registration tax as required under section 168.013;
4. pays the fees required under this chapter;
5. contributes a minimum of $30 annually to the Minnesota Vikings Foundation account;
6. complies with this chapter and rules governing registration of motor vehicles and licensing of drivers.

Subd. 2. Design. In consultation with the Minnesota Vikings Foundation, the commissioner must adopt a suitable plate design that includes the Minnesota Vikings Foundation's marks and colors.

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

1. qualified under subdivision 1, clause (1), to bear the special plates; and
2. registered to the same individual to whom the special plates were originally issued.

Subd. 4. Contributions; account; appropriation. Contributions collected under subdivision 1, clause (5), must be deposited in the Minnesota Vikings Foundation account, which is established in the special revenue fund. Money in the account is appropriated to the commissioner of public safety. This appropriation is first for the annual cost of administering the account funds, and the remaining funds are for distribution to the Minnesota Vikings Foundation to advance the well-being of youth through engaging health and education initiatives.

EFFECTIVE DATE. This section is effective January 1, 2023, for Minnesota Vikings Foundation special plates issued on or after that date.

Article 4 Sec. 9.
Sec. 10. [168.1259] MINNESOTA PROFESSIONAL SPORTS TEAM FOUNDATION PLATES.

Subdivision 1. Definition. For purposes of this section, "Minnesota professional sports team" means one of the following teams while its home stadium is located in Minnesota: Minnesota Vikings, Minnesota Timberwolves, Minnesota Lynx, Minnesota Wild, Minnesota Twins, or Minnesota United.

Subd. 2. General requirements and procedures. (a) The commissioner must issue Minnesota professional sports team foundation plates to an applicant who:

1. is a registered owner of a passenger automobile, noncommercial one-ton pickup truck, motorcycle, or recreational vehicle;
2. pays an additional fee in the amount specified for special plates under section 168.12, subdivision 5;
3. pays the registration tax required under section 168.013;
4. pays the fees required under this chapter;
5. contributes a minimum of $30 annually to the professional sports team foundations account; and
6. complies with this chapter and rules governing registration of motor vehicles and licensing of drivers.

(b) Minnesota professional sports team foundation plates may be personalized according to section 168.12, subdivision 2a.

Subd. 3. Design. At the request of a Minnesota professional sports team's foundation, the commissioner must, in consultation with the foundation, adopt a suitable plate design incorporating the foundation's marks and colors. The commissioner may design a single plate that incorporates the marks and colors of all foundations that have requested a plate.

Subd. 4. Plate transfers. On application to the commissioner and payment of a transfer fee of $5, special plates issued under this section may be transferred to another motor vehicle if the subsequent vehicle is:

1. qualified under subdivision 2, clause (1), to bear the special plates; and
2. registered to the same individual to whom the special plates were originally issued.

Subd. 5. Contribution and fees credited. Contributions collected under subdivision 2, clause (5), must be deposited in the Minnesota professional sports team foundations account.
which is established in the special revenue fund. Money in the account is appropriated to
the commissioner of public safety. This appropriation is first for the annual cost of
administering the account funds, and the remaining funds are for distribution to the
foundations in proportion to the total number of Minnesota professional sports team
foundation plates issued for that year. Proceeds from a plate that includes the marks and
colors of all foundations must be divided evenly between all foundations. The foundations
must only use the proceeds for philanthropic or charitable purposes.

EFFECTIVE DATE. This section is effective January 1, 2023, for Minnesota
professional sports team foundation special plates issued on or after that date.

Sec. 11. [168.1287] MINNESOTA MISSING AND MURDERED INDIGENOUS
RELATIVES SPECIAL LICENSE PLATES.

Subd. 1. Issuance of plates. The commissioner must issue Minnesota missing
and murdered Indigenous relatives special license plates or a single motorcycle plate to an
applicant who:

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

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

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

(4) pays the fees required under this chapter;

(5) contributes a minimum of $20 annually to the Minnesota missing and murdered
Indigenous relatives account; and

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

Subd. 2. Design. In consultation with the Office of Missing and Murdered Indigenous
Relatives, the commissioner must adopt a suitable plate design that includes a red handprint
to one side, a partial ribbon skirt toward the bottom corner, and reads "Missing and Murdered
Indigenous Relatives" or "MMIR."

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

(1) qualified under subdivision 1, clause (1), to bear the special plates; and
(2) registered to the same individual to whom the special plates were originally issued.

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

Subd. 5. **Contributions; account; appropriation.** Contributions collected under subdivision 1, clause (5), must be deposited in the Minnesota missing and murdered Indigenous relatives account, which is established in the special revenue fund. Money in the account is appropriated to the commissioner of public safety. This appropriation is first for the annual cost of administering the account funds, and the remaining funds are for distribution to the Office of Missing and Murdered Indigenous Relatives for investigation of unsolved cases and to establish a reward fund for information relating to missing and murdered Indigenous relatives.

**EFFECTIVE DATE.** This section is effective January 1, 2023, for Minnesota missing and murdered Indigenous relatives special plates issued on or after that date.

Sec. 12. Minnesota Statutes 2020, section 168.27, subdivision 11, is amended to read:

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

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

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

(d) In no more than 120 days following issuance of the temporary license, the dealer license must either be granted or denied.

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

(1) The license must be denied if within the previous ten years the applicant was enjoined due to a violation of section 325F.69 or convicted of violating section 325E.14, 325E.15, 325E.16, or 325F.69, or convicted under section 609.53 of receiving or selling stolen goods.
vehicles, or convicted of violating United States Code, title 15, sections 1981 to 1991; 49,
sections 32701 to 32711, or pleaded guilty, entered a plea of nolo contendere or no contest,
or has been found guilty in a court of competent jurisdiction of any charge of failure to pay
state or federal income or sales taxes or felony charge of forgery, embezzlement, obtaining
money under false pretenses, theft by swindle, extortion, conspiracy to defraud, or bribery;

(2) A license must be denied if the applicant has had a dealer license revoked within the
previous ten years; or

(3) if, at the time of inspection, the applicant is not in compliance with location
requirements or has intentionally misrepresented any information on the application that
would be grounds for suspension or revocation under subdivision 12.

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

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

Sec. 13. Minnesota Statutes 2020, section 168.27, subdivision 31, is amended to read:

Subd. 31. Documentary fee. (a) A motor vehicle dealer may not charge a documentary
fee or document administration fee in excess of the amounts provided under paragraph (b)
for services actually rendered to, for, or on behalf of the retail buyer or lessee to prepare,
handle, and process documents for the closing of a motor vehicle retail sale or lease of a
vehicle being registered in the state of Minnesota. The fee must be separately stated on the
sales agreement maintained under Minnesota Rules, part 7400.5200, and may be excluded
from the dealer's advertised price.

(b) For motor vehicle sales or leases made on or after July 1, 2022, through June
30, 2023, the maximum fee is $100 the lesser of $200 or an amount equal to ten percent
of the value of the sale or lease. For motor vehicle sales or leases made on or after July 1,
2023, through June 30, 2024, the maximum fee is $125 the lesser of $275 or an amount
equal to ten percent of the value of the sale or lease. For motor vehicle sales or leases made
on or after July 1, 2024, the maximum fee is the lesser of $350 or an amount equal to ten percent of the value of the sale or lease.

(c) "Documentary fee" and "document administration fee" do not include an optional electronic transfer fee as defined under section 53C.01, subdivision 14.

**EFFECTIVE DATE.** This section is effective for motor vehicle sales and leases made on or after July 1, 2022.

Sec. 14. Minnesota Statutes 2020, section 168A.11, subdivision 3, is amended to read:

Subd. 3. **Records.** Every dealer **shall must** maintain for three years at an established place of business a record in the form the department prescribes of every vehicle bought, sold, or exchanged, or received for sale or exchange, which **shall must** be open to inspection by a representative of the department or peace officer during reasonable business hours. The inspection hours as listed on the initial dealer license application or as noted on the dealer record. With respect to motor vehicles subject to the provisions of section 325E.15, the record **shall must** include either the true mileage as stated by the previous owner or the fact that the previous owner stated the actual cumulative mileage was unknown; the record also **shall must** include either the true mileage the dealer stated upon transferring the vehicle or the fact the dealer stated the mileage was unknown.

Sec. 15. Minnesota Statutes 2020, section 168B.045, is amended to read:

**168B.045 TOWED MOTOR VEHICLES.**

A person who tows and stores a motor vehicle at the request of a law enforcement officer **shall must** have a lien on the motor vehicle for the value of the **storage and towing and recovery of the vehicle and cargo, storage of the vehicle and cargo, and accident site cleanup and must have the right to retain possession of the motor vehicle and cargo, subject to the right to retrieve contents under section 168B.07, subdivision 3, until the lien is lawfully discharged. This section does not apply to tows of vehicles parked in violation of snow emergency regulations.

Sec. 16. Minnesota Statutes 2020, section 168B.07, subdivision 1, is amended to read:

Subdivision 1. **Payment of charges.** The owner or any lienholder of an impounded vehicle **shall must** have a right to reclaim such vehicle from the unit of government or impound lot operator taking it into custody upon payment of all charges for towing and storage charges, recovery of the vehicle and cargo, storage of the vehicle and cargo, and accident site cleanup resulting from taking the vehicle and cargo into custody within 15 or
40.1 45 days, as applicable under section 168B.051, subdivision 1, 1a, or 2, after the date of the
notice required by section 168B.06.

40.3 Sec. 17. Minnesota Statutes 2020, section 169.011, is amended by adding a subdivision
to read:

40.5 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.

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

40.9 Sec. 18. Minnesota Statutes 2020, section 169.011, is amended by adding a subdivision
to read:

40.11 Subd. 54c. Plug-in hybrid electric motorcycle. "Plug-in hybrid electric motorcycle"
means an electric motorcycle that:

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

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

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

40.18 Sec. 19. Minnesota Statutes 2020, section 171.05, subdivision 2, is amended to read:

40.19 Subd. 2. Person less than 18 years of age. (a) The department may issue an instruction
permit to an applicant who is 15, 16, or 17 years of age and who:

40.21 (1) has completed a course of driver education in another state, has a previously issued
valid license from another state, or:

40.23 (i) is enrolled in either: behind-the-wheel training in a driver education program; and

40.24 (ii) has completed:

40.25 (i) a public, private, or commercial (A) the classroom phase of instruction in a driver
education program that is approved by the commissioner of public safety and that includes
classroom and behind-the-wheel training; or

40.28 (B) 15 hours of classroom instruction in a driver education program that presents
classroom and behind-the-wheel instruction concurrently;

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(ii) an approved behind-the-wheel driver education program (C) home-classroom driver training, when the student is receiving full-time instruction in a home school within the meaning of sections 120A.22 and 120A.24, the student is working toward a homeschool diploma, the student is taking home-classroom driver training with classroom materials approved by the commissioner of public safety, and the student's parent has certified the student's homeschool home school and home-classroom driver training status on the form approved by the commissioner; or

(D) an online driver education program authorized by section 171.395;

(2) has completed the classroom phase of instruction in the driver education program or has completed 15 hours of classroom instruction in a program that presents classroom and behind-the-wheel instruction concurrently;

(3) has passed a test of the applicant's eyesight;

(4) has passed a department-administered test of the applicant's knowledge of traffic laws;

(5) has completed the required application, which must be approved by (i) either parent when both reside in the same household as the minor applicant or, if otherwise, then (ii) the parent or spouse of the parent having custody or, in the event there is no court order for custody, then (iii) the parent or spouse of the parent with whom the minor is living or, if items (i) to (iii) do not apply, then (iv) the guardian having custody of the minor, (v) the foster parent or the director of the transitional living program in which the child resides or, in the event a person under the age of 18 has no living father, mother, or guardian, or is married or otherwise legally emancipated, then (vi) the applicant's adult spouse, adult close family member, or adult employer; provided, that the approval required by this clause contains a verification of the age of the applicant and the identity of the parent, guardian, adult spouse, adult close family member, or adult employer; and

(6) has paid all fees required in section 171.06, subdivision 2.

(b) In addition, the applicant may submit a certification stating that a primary driving supervisor has completed the supplemental parental curriculum under section 171.0701, subdivision 1a, for the purposes of provisional license requirements under section 171.055, subdivision 1, paragraph (a), clause (6). The certification must be completed by a driver education instructor, as defined under section 171.0701, subdivision 1a.

(c) For the purposes of determining compliance with the certification of paragraph (a), clause (1), item (ii), subitem (C), the commissioner may request verification of a student's
homeschool status from the superintendent of the school district in which the student resides and the superintendent shall provide that verification.

(d) A driver education program under this subdivision includes a public, private, or commercial program, and must be approved by the commissioner.

(e) The instruction permit is valid for two years from the date of application and may be renewed upon payment of a fee equal to the fee for issuance of an instruction permit under section 171.06, subdivision 2.

Sec. 20. Minnesota Statutes 2020, section 171.07, subdivision 15, is amended to read:

Subd. 15. Veteran designation. (a) At the request of an eligible applicant and on payment of the required fee, the department shall issue, renew, or reissue to the applicant a driver's license or Minnesota identification card bearing a graphic or written designation of:

(1) Veteran; or

(2) Veteran 100% T&P.

(b) At the time of the initial application for the designation provided under this subdivision, the applicant must:

(1) be one of the following:

(i) a veteran, as defined in section 197.447; or

(ii) a retired member of the National Guard or a reserve component of the United States armed forces;

(2) have provided a certified copy of the veteran's discharge papers that confirms an honorable or general discharge under honorable conditions status or a military retiree identification card, Veteran Identification Card, or Veteran Health Identification Card; and

(3) if the applicant is seeking the disability designation under paragraph (a), clause (2), provide satisfactory evidence of a 100 percent total and permanent service-connected disability as determined by the United States Department of Veterans Affairs.

(c) The commissioner of public safety is required to issue driver's licenses and Minnesota identification cards with the veteran designation only after entering a new contract or in coordination with producing a new card design with modifications made as required by law.
EFFECTIVE DATE; APPLICATION. This section is effective August 1, 2022, and applies to applications submitted on or after that date.

Sec. 21. Minnesota Statutes 2021 Supplement, section 171.13, subdivision 1, is amended to read:

Subdivision 1. Examination subjects and locations; provisions for color blindness, disabled veterans. (a) An applicant for a driver's license must pass the examination required by this section before being issued a driver's license. Except as otherwise provided in this section 171.135, the commissioner shall examine each applicant for a driver's license by such agency as the commissioner directs must conduct the examination. This examination must include:

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

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

(3) a test of the applicant's knowledge of (i) traffic laws; (ii) the effects of alcohol and drugs on a driver's ability to operate a motor vehicle safely and legally, and of the legal penalties and financial consequences resulting from violations of laws prohibiting the operation of a motor vehicle while under the influence of alcohol or drugs; (iii) railroad grade crossing safety; (iv) slow-moving vehicle safety; (v) laws relating to pupil transportation safety, including the significance of school bus lights, signals, stop arm, and passing a school bus; (vi) traffic laws related to bicycles; and (vii) the circumstances and dangers of carbon monoxide poisoning;

(4) an actual demonstration of ability to exercise ordinary and reasonable control in the operation of a motor vehicle; and

(5) other physical and mental examinations as the commissioner finds necessary to determine the applicant's fitness to operate a motor vehicle safely upon the highways.

(b) Notwithstanding paragraph (a), the commissioner must not deny an application for a driver's license based on the exclusive grounds that the applicant's eyesight is deficient in color perception or that the applicant has been diagnosed with diabetes mellitus. War veterans operating motor vehicles especially equipped for disabled persons, if otherwise entitled to a license, must be granted such license.
(c) The commissioner shall make provision for giving the examinations under this subdivision either in the county where the applicant resides or at a place adjacent thereto reasonably convenient to the applicant.

(d) The commissioner shall ensure that an applicant is able to obtain an appointment for an examination to demonstrate ability under paragraph (a), clause (4), within 14 days of the applicant's request if, under the applicable statutes and rules of the commissioner, the applicant is eligible to take the examination.

Sec. 22. [171.135] THIRD-PARTY COMMERCIAL DRIVER'S LICENSE ROAD TESTS.

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

(b) "Applicant" means the individual or entity applying to be a third-party tester program or a third-party tester.

(c) "Road test" means the physical demonstration of ability to exercise ordinary and reasonable control in the operation of a motor vehicle as required in section 171.13, subdivision 1, paragraph (a), clause (4).

(d) "Third-party tester" or "tester" means an employee of a third-party testing program who is authorized by the commissioner to conduct the road test for a commercial driver's license.

(e) "Third-party testing program" or "program" means a program approved by the commissioner to administer the road test conducted by a third-party tester.

Subd. 2. Third-party testing program; application. (a) An applicant must apply in the manner specified by the commissioner for approval to administer the road test. A third-party testing program may administer the road test under this section if the program is approved by the commissioner.

(b) A program application to the commissioner must include:

(1) the business or entity name;

(2) a business registration number or a business or tax identification number if a nonprofit entity;

(3) mailing address, telephone number, and e-mail address of the administrative office;
(4) the name of an authorized official responsible for the program and application and the official's title and telephone number;

(5) a map, drawing, or written description of each test route to be used for road tests;

(6) the name, birth date, home address, and driver's license number of all individuals the applicant wants to employ as a certified third-party tester;

(7) the amount for fees, if any, that will be charged; and

(8) a surety bond, in the amount prescribed by the commissioner.

Subd. 3. Third-party testing program; office location. To qualify as a third-party testing program, the applicant must be located in Minnesota and must maintain an administrative office in at least one permanent, regularly occupied building with a permanent address.

Subd. 4. Third-party testing program; evaluation and approval. (a) The commissioner must evaluate each application submitted by a third-party testing program applicant. If the application is satisfactory, the commissioner must approve the application.

(b) Upon approval of a third-party testing program application, the commissioner must issue a letter of approval designating the third-party testing program. The letter of approval constitutes an agreement between the state and the third-party testing program that authorizes the program to administer the road test for a commercial driver's license.

(c) A letter of approval to operate a third-party testing program is not transferable.

Subd. 5. Third-party tester; authority. (a) An individual may conduct the road test for a commercial driver's license under this section if the person:

1) possesses a valid third-party tester certificate, as provided in subdivision 6; and

2) meets the requirements under Minnesota Rules, chapter 7410, and Code of Federal Regulations, title 49, part 380, section 605, and part 383.

(b) A third-party tester is subject to the same requirements as examiners employed by the state, including but not limited to background checks. The third-party tester must pay the cost for a required background check.

Subd. 6. Third-party tester; certificates. (a) The commissioner must issue a third-party tester certificate to an individual who satisfactorily completes the required training and is authorized as a third-party tester.
(b) A third-party tester certificate is effective on the date of issuance and expires four years after issuance. A third-party tester must submit an application for renewal of the certificate to the commissioner no less than 30 days before the date the previously issued certificate expires.

(c) The third-party testing program must keep a copy of the certificate of each third-party tester employed by the program on file in the administrative office of the program.

(d) A third-party tester certificate is not transferable.

Subd. 7. Training and information. (a) The commissioner must provide a training process that allows an individual to become authorized as a third-party tester.

(b) The commissioner must provide to each third-party tester all relevant information on how to conduct the road test. At a minimum, the commissioner must provide:

(1) the criteria on which applicants for a commercial driver's license must be tested during the road test;

(2) the method of scoring and evaluating the applicant for a commercial driver's license;

(3) the method and criteria for determining test routes; and

(4) the necessary documentation to conduct the road test.

Subd. 8. Road tests. (a) A third-party tester must conduct the commercial driver's license road test in the manner and subject to the requirements of this section; section 171.131; Minnesota Rules, chapter 7410; and Code of Federal Regulations, title 49, part 383.

(b) If the third-party tester also provides behind-the-wheel instruction for student drivers or employees, the third-party tester must not use the same routes for training and conducting the road test.

(c) Upon passage of the road test, the third-party tester must provide the person with certification of passage of the road test. The certification must be in a form prescribed by the commissioner.

Subd. 9. Prohibited road tests. (a) A third-party tester must not conduct a road test for a person who is required to be examined by the commissioner under section 171.13, subdivision 3, and Minnesota Rules, part 7410.2400.

(b) A third-party tester must not conduct a fourth or subsequent road test for a person.

Subd. 10. Immunity. The department must be held harmless for any claims, losses, damages, costs, and other proceedings made, sustained, brought, or prosecuted in any manner.
based on or occasioned by or attributive to any injury, infringement, or damage rising from any act or omission of the third-party tester or the third-party testing program in the performance of testing duties.

Subd. 11. **Application.** This section does not apply to employees of the state that conduct the road test.

Subd. 12. **Oversight; investigations.** (a) The commissioner must monitor and audit the road tests conducted by third-party testers. The commissioner reserves the right to cancel the delegation of third-party testing in its entirety or an individual program if a federal audit indicates that continuation of the general delegation or individual program will jeopardize the receipt of federal funds or the state's ability to issue commercial drivers' licenses.

(b) The commissioner must establish a process to investigate alleged violations of the law and complaints made against third-party testers or programs. The third-party tester or program must be given notice of an investigation and be allowed to participate in the investigation. The commissioner must provide the results of an audit or investigation to the third-party program and any third-party testers.

Subd. 13. **Denial; cancellation; suspension.** (a) The commissioner may deny an application for a third-party testing program or third-party tester if the applicant does not qualify for approval or certification under this section or Minnesota Rules, parts 7410.6000 to 7410.6540. In addition, a misstatement or misrepresentation is grounds for denying a letter of approval for a third-party program or a third-party tester certificate.

(b) The commissioner may cancel the approval of a third-party testing program or third-party tester or may suspend a program or tester for:

1. failure to comply with or satisfy any provision of this section or Minnesota Rules, parts 7410.6000 to 7410.6540;
2. falsification of any records or information relating to the third-party testing program;
3. performance in a manner that compromises the integrity of the third-party testing program. The commissioner must use the same standards of integrity for state-employed testers and third-party testers; or
4. the withdrawal of a third-party tester's driving privileges.

Subd. 14. **Commissioner's discretion.** (a) The existence of grounds for cancellation or suspension under subdivision 13 is determined at the sole discretion of the commissioner.

If the commissioner determines that grounds for cancellation or suspension exist for failure to comply with or satisfy any requirement in this section or Minnesota Rules, parts 7410.6000
to 7410.6540, the commissioner may immediately cancel or suspend the third-party testing
program or third-party tester from administering any further tests.

(b) When an application to be a third-party testing program or third-party tester
application is denied, or when individual program approval or a tester's certificate is canceled,
a notice must be mailed to the subject indicating the reasons for the denial or cancellation
and that the third-party testing program or third-party tester may appeal the decision as
provided in subdivision 16.

Subd. 15. Correction order. If an audit by the commissioner identifies a situation that
needs correction but does not merit suspension or cancellation, the commissioner may issue
a correction order to a third-party tester or program for 30 days to correct a deficiency before
the program or tester becomes subject to suspension or cancellation. The notice must include
the basis for requiring the correction. The notice must notify the individual of the ability to
appeal the correction order as provided in subdivision 16. The third-party testing program
or third-party tester is permitted 30 days to correct the deficiency without having to reapply.

Subd. 16. Notice of denial or cancellation; request for reconsideration and
hearing. (a) Within 20 calendar days of the mailing date of a notice of cancellation or denial
issued pursuant to subdivision 14 or correction order issued pursuant to subdivision 15, the
third-party testing program or third-party tester may submit a request for reconsideration
in writing to the commissioner. The commissioner must review the request for reconsideration
and issue a decision within 30 days of the mailing date of the request. The third-party testing
program or third-party tester may request a contested case hearing under chapter 14 within
20 days of receipt of the commissioner's decision.

(b) As an alternative to the process in paragraph (a), the third-party testing program or
third-party tester may initiate a contested case proceeding within 20 calendar days of the
mailing date of a notice of cancellation or denial issued pursuant to subdivision 14 or a
correction order issued pursuant to subdivision 15.

(c) If a correction order issued pursuant to subdivision 15 is appealed under paragraph
(a) or (b), the commissioner must not enforce the correction order until the appeal is complete.

Subd. 17. Rulemaking. (a) Except where otherwise provided by this section, the
commissioner must apply applicable provisions from Minnesota Rules, parts 7410.6000 to
7410.6540, to third-party testing of commercial drivers' licenses. The provisions in Minnesota
Rules, parts 7410.6160, 7410.6180, 7410.6280, 7410.6290, 7410.6520, subpart 2, and
7410.6540, do not apply to third-party testing for commercial drivers' licenses.
(b) To the extent that Minnesota Rules, parts 7410.6000 to 7410.6540, or other laws do not prescribe requirements on the following topics, the commissioner may adopt rules on these topics as they pertain to third-party testing programs and testers:

(1) criteria for approval of an application of a third-party testing program or tester;
(2) requirements for training to become a third-party testing program or tester;
(3) the method of scoring and evaluating an applicant for a commercial driver's license;
(4) the method and criteria for determining test routes;
(5) documentation necessary to conduct a road test;
(6) the manner of conducting a road test for a commercial driver's license; and
(7) a process to investigate alleged violations of law and complaints made against third-party testing programs and testers.

(c) The commissioner must not adopt rules that create standards for third-party testing programs and third-party testers to provide road tests for a commercial driver's license that are higher than standards required for the state or state employees who perform road tests for commercial drivers' licenses.

(d) If the commissioner does not adopt rules by June 1, 2024, rulemaking authority under this section is repealed. Rulemaking authority under this section is not continuing authority to amend or repeal rules. Notwithstanding section 14.125, any additional action on rules after adoption must be under specific statutory authority to take the additional action.

Sec. 23. [171.395] ONLINE DRIVER EDUCATION PROGRAM.

(a) A licensed driver education program may provide online driver education as provided in this section. The online driver education program must satisfy the requirements for classroom driver education as provided in section 171.0701, subdivision 1, and Minnesota Rules, chapter 7411. In addition, an online driver education program must:

(1) include a means for the student to measure performance outcomes;
(2) use a pool of rotating quiz questions;
(3) incorporate accountability features to ensure the identity of the student while engaged in the course of online study;
(4) measure the amount of time that the student spends in the course;
(5) provide technical support to customers that is available 24 hours per day, seven days per week;

(6) require a licensed Minnesota driver education instructor to monitor each student's progress and be available to answer questions in a timely manner, provided that the instructor is not required to monitor progress or answer questions in real time;

(7) store course content and student data on a secure server that is protected against data breaches and is regularly backed up;

(8) incorporate preventive measures in place to protect against the access of private information;

(9) include the ability to update course content uniformly throughout the state; and

(10) provide online interactive supplemental parental curriculum consistent with section 171.0701, subdivision 1a.

(b) Except as required by this section, the commissioner is prohibited from imposing requirements on online driver education programs that are not equally applicable to classroom driver education programs.

Sec. 24. Laws 2019, First Special Session chapter 3, article 2, section 34, subdivision 8, is amended to read:

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.

Sec. 25. Laws 2021, First Special Session chapter 5, article 4, section 131, is amended to read:

Sec. 131. SCHOOL BUS AGE EXEMPTION.

Notwithstanding Minnesota Statutes, section 169.454, subdivision 2, type III vehicles that are 12 years or older may remain in service until August 31, 2022, 2023, if the following conditions are met:
(1) the vehicle would otherwise be required to leave service between March 1, 2021, and June 30, 2023, because of the vehicle's age; and

(2) the vehicle passes all required state inspections.

Sec. 26. Laws 2021, First Special Session chapter 5, article 4, section 131, the effective date, is amended to read:

**EFFECTIVE DATE.** This section is effective the day following final enactment and expires on August 31, 2023.

Sec. 27. **REQUIRED RULEMAKING.**

(a) The commissioner of public safety must amend Minnesota Rules as follows:

(1) part 7410.6100, subpart 2, by striking item D;

(2) part 7410.6160, by striking "50" and inserting "30";

(3) part 7410.6420, subpart 6, item A, by striking "12" and inserting "10"; and

(4) part 7411.0630, subpart 6, by striking subitem (7) and renumbering the remaining subitems.

(b) The commissioner may use the good-cause exemption under Minnesota Statutes, section 14.388, subdivision 1, clause (3), to adopt rules under this section, and Minnesota Statutes, section 14.386, does not apply except as provided under Minnesota Statutes, section 14.388.

Sec. 28. **RULES.**

If the commissioner of public safety determines that any additional rules, beyond those authorized to be adopted under Minnesota Statutes, section 171.135, are required to implement this article, the commissioner must report to the chairs and ranking minority members of the committees in the senate and house of representatives with jurisdiction over transportation by January 15, 2023, describing topics on which additional rulemaking is required. The report must include draft legislation to authorize the necessary rulemaking.

Sec. 29. **REVISOR INSTRUCTION.**

The revisor of statutes must renumber the subdivisions in Minnesota Statutes, section 169.011. The revisor must make necessary cross-reference changes in Minnesota Statutes consistent with the renumbering.
Sec. 30. REPEALER.

Minnesota Rules, parts 7410.6180; 7410.6420, subpart 3; 7410.6520, subpart 3; and 7411.0535, are repealed.

ARTICLE 5
INDEPENDENT EXPERT REVIEW PROVISIONS

Section 1. Minnesota Statutes 2020, section 168.002, is amended by adding a subdivision to read:

Subd. 12a. Full-service provider. "Full-service provider" means a person who is appointed by the commissioner as both a deputy registrar under this chapter and a driver's license agent under chapter 171 who provides all driver services, excluding International Registration Plan and International Fuel Tax Agreement transactions. The commissioner is not a full-service provider.

Sec. 2. Minnesota Statutes 2021 Supplement, section 168.327, subdivision 1, is amended to read:

Subdivision 1. Records and fees. (a) Upon request by any person authorized in this section, the commissioner shall or full-service provider must furnish a certified copy of any driver's license record, instruction permit record, Minnesota identification card record, vehicle registration record, vehicle title record, or accident record.

(b) Except as provided in subdivisions 4, 5a, and 5b, and other than accident records governed under section 169.09, subdivision 13, the requester shall must pay a fee of $10 for each certified record specified in paragraph (a) or a fee of $9 for each record that is not certified.

(c) Except as provided in subdivisions 4, 5a, and 5b, in addition to the record fee in paragraph (b), the fee for a copy of the history of any vehicle title not in electronic format is $1 for each page of the historical record.

(d) Fees collected by the commissioner under paragraph (b) for driver's license, instruction permit, and Minnesota identification card records must be paid into the state treasury with 50 cents of each fee credited to the general fund. The remainder of the fees collected by the commissioner must be credited to the driver services operating account in the special revenue fund under section 299A.705. Of the fees collected by a full-service provider under paragraph (b) for driver's license, instruction permit, and Minnesota identification card records, the...
The provider must transmit 50 cents to the commissioner to be deposited into the general fund, and the provider must retain the remainder.

(e) Fees collected by the commissioner under paragraphs (b) and (c) for vehicle registration or title records must be paid into the state treasury with 50 cents of each fee credited to the general fund. The remainder of the fees collected by the commissioner must be credited to the vehicle services operating account in the special revenue fund specified in section 299A.705. Of the fees collected by a full-service provider under paragraphs (b) and (c) for vehicle registration or title records, the provider must transmit 50 cents of each fee to the commissioner to be deposited into the general fund, and the provider must retain the remainder.

(f) Except as provided in subdivisions 4, 5(a), and 5(b), the commissioner shall permit a person to inquire into a record by the person's own electronic means for a fee of $4.50 for each inquiry, except that no fee may be charged when the requester is the subject of the data. Of the fee collected by the commissioner:

(1) $2.70 must be deposited in the general fund;

(2) for driver's license, instruction permit, or Minnesota identification card records, the remainder must be deposited in the driver services operating account in the special revenue fund under section 299A.705; and

(3) for vehicle title or registration records, the remainder must be deposited in the vehicle services operating account in the special revenue fund under section 299A.705.

(g) Fees and the deposit of the fees for accident records and reports are governed by section 169.09, subdivision 13.

EFFECTIVE DATE. This section is effective January 1, 2023, and applies to requests for records made on or after that date.

Sec. 3. Minnesota Statutes 2020, section 168.327, subdivision 2, is amended to read:

Subd. 2. Requests for information; surcharge on fee. (a) Except as otherwise provided in subdivision 3, the commissioner shall or full-service provider must impose a surcharge of 50 cents on each fee charged by the commissioner or full-service provider under section 13.03, subdivision 3, for copies or electronic transmittals of public information about the registration of a vehicle or an applicant, or holder of a driver's license, instruction permit, or Minnesota identification card.
(b) The surcharge only applies to a fee imposed in response to a request made in person, by mail, or to a request for transmittal through a computer modem online. The surcharge does not apply to the request of an individual for information about that individual's driver's license, instruction permit, or Minnesota identification card or about vehicles registered or titled in the individual's name.

(c) The surcharges collected by the commissioner under this subdivision must be credited to the general fund. The surcharges collected by a full-service provider must be transmitted to the commissioner to be deposited into the general fund.

**EFFECTIVE DATE.** This section is effective January 1, 2023, and applies to requests for records made on or after that date.

Sec. 4. Minnesota Statutes 2020, section 168.327, subdivision 3, is amended to read:

Subd. 3. Exception to fee and surcharge. (a) Notwithstanding subdivision 2 or section 13.03, a fee or surcharge may not be imposed in response to a request for public information about the registration of a vehicle if the commissioner or full-service provider is satisfied that:

1) the requester seeks the information on behalf of a community-based, nonprofit organization designated by a local law enforcement agency to be a requester; and

2) the information is needed to identify suspected prostitution law violators, controlled substance law violators, or health code violators.

(b) The commissioner or full-service provider must not require a requester under paragraph (a) to make a minimum number of data requests or limit the requester to a maximum number of data requests.

**EFFECTIVE DATE.** This section is effective January 1, 2023, and applies to requests for records made on or after that date.

Sec. 5. Minnesota Statutes 2020, section 168.327, is amended by adding a subdivision to read:

Subd. 7. Monitoring and auditing. The commissioner must monitor and audit the furnishing of records by full-service providers under this section to ensure full-service providers are complying with this section, chapter 13, and United States Code, title 18, section 2721, et seq.

**EFFECTIVE DATE.** This section is effective January 1, 2023.
Subd. 7. **Filing fees; allocations.** (a) In addition to all other statutory fees and taxes, a filing fee of:

1. $7 is imposed on every vehicle registration renewal, excluding pro rate transactions; and
2. $11 is imposed on every other type of vehicle transaction, including motor carrier fuel licenses under sections 168D.05 and 168D.06, and pro rate transactions.

(b) Notwithstanding paragraph (a):

1. a filing fee may not be charged for a document returned for a refund or for a correction of an error made by the Department of Public Safety, a dealer, or a deputy registrar; and
2. no filing fee or other fee may be charged for the permanent surrender of a title for a vehicle.

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

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

(e) The fees collected under this subdivision by the department for **in-person transactions** must be allocated as follows:

1. of the fees collected under paragraph (a), clause (1):
   1. $5.50 must be deposited in the vehicle services operating account; and
   2. $1.50 must be deposited in the driver and vehicle services technology account; and
2. of the fees collected under paragraph (a), clause (2):
   1. $3.50 must be deposited in the general fund;
   2. $6.00 must be deposited in the vehicle services operating account; and
   3. $1.50 must be deposited in the driver and vehicle services technology account.
(f) The fees collected under this subdivision by the department for mail or online transactions must be allocated as follows:

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

(i) $2.75 must be deposited in the vehicle services operating account;

(ii) $0.75 must be deposited in the driver and vehicle services technology account; and

(iii) $3.50 must be deposited in the full-service provider account; and

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

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

(ii) $3.00 must be deposited in the vehicle services operating account;

(iii) $0.75 must be deposited in the driver and vehicle services technology account; and

(iv) $3.75 must be deposited in the full-service provider account.

(g) In addition to all other statutory fees and taxes, a $5.00 surcharge is imposed on every vehicle registration renewal, excluding pro rate transactions, that is submitted by mail. Of the $5.00 surcharge, $2.50 must be deposited in the vehicle services operating account and $2.50 must be deposited in the full-service provider account.

EFFECTIVE DATE. This section is effective October 1, 2022.

Sec. 7. Minnesota Statutes 2021 Supplement, section 169.09, subdivision 13, is amended to read:

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

(1) upon written request, the commissioner of public safety, a full-service provider as defined in section 171.01, subdivision 33a, or any law enforcement agency must disclose the report required under subdivision 8 to:

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

(ii) any other person injured in person, property, or means of support, or who incurs other pecuniary loss by virtue of the accident;
(iii) legal counsel of a person described in item (i) or (ii);
(iv) a representative of the insurer of any person described in item (i) or (ii); or
(v) a city or county attorney or an attorney representing the state in an implied consent
action who is charged with the prosecution of a traffic or criminal offense that is the result
of a traffic crash investigation conducted by law enforcement;

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

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

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

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

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

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

(c) Nothing in this subdivision prevents any individual who has made a report under
this section from providing information to any individuals involved in an accident or their
representatives or from testifying in any trial, civil or criminal, arising out of an accident,
as to facts within the individual's knowledge. It is intended by this subdivision to render
privileged the reports required, but it is not intended to prohibit proof of the facts to which
the reports relate.
(d) Disclosing any information contained in any accident report, except as provided in
this subdivision, section 13.82, subdivision 3 or 6, or other statutes, is a misdemeanor.

(e) The commissioner of public safety shall or full-service provider as defined in section
171.01, subdivision 33a, must charge authorized persons as described in paragraph (a) a $5
fee for a copy of an accident report. Ninety percent of the $5 fee collected by the
commissioner under this paragraph must be deposited in the special revenue fund and
credited to the driver services operating account established in section 299A.705 and ten
percent must be deposited in the general fund. Of the $5 fee collected by a full-service
provider, the provider must transmit 50 cents to the commissioner to be deposited into the
general fund, and the provider must retain the remainder. The commissioner may also furnish
an electronic copy of the database of accident records, which must not contain personal or
private data on an individual, to private agencies as provided in paragraph (g), for not less
than the cost of preparing the copies on a bulk basis as provided in section 13.03, subdivision
3.

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

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

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

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

(3) will be subject to the penalties and remedies under sections 13.08 and 13.09.
EFFECTIVE DATE. This section is effective January 1, 2023, and applies to requests for records made on or after that date.

Sec. 8. Minnesota Statutes 2020, section 169.09, is amended by adding a subdivision to read:

Subd. 20. Monitoring and auditing. The commissioner must monitor and audit the furnishing of records by full-service providers under this section to ensure full-service providers are complying with this section, chapter 13, and United States Code, title 18, section 2721, et seq.

EFFECTIVE DATE. This section is effective January 1, 2023.

Sec. 9. Minnesota Statutes 2020, section 171.01, is amended by adding a subdivision to read:

Subd. 33a. Full-service provider. "Full-service provider" has the meaning given in section 168.002, subdivision 12a.

Sec. 10. Minnesota Statutes 2020, section 171.02, subdivision 3, is amended to read:

Subd. 3. Motorized bicycle. (a) A motorized bicycle may not be operated on any public roadway by any person who does not possess a valid driver's license, unless the person has obtained a motorized bicycle operator's permit or motorized bicycle instruction permit from the commissioner of public safety. The operator's permit may be issued to any person who has attained the age of 15 years and who has passed the examination prescribed by the commissioner. The instruction permit may be issued to any person who has attained the age of 15 years and who has successfully completed an approved safety course and passed the written portion of the examination prescribed by the commissioner.

(b) This course must consist of, but is not limited to, a basic understanding of:

(1) motorized bicycles and their limitations;
(2) motorized bicycle laws and rules;
(3) safe operating practices and basic operating techniques;
(4) helmets and protective clothing;
(5) motorized bicycle traffic strategies; and
(6) effects of alcohol and drugs on motorized bicycle operators.
(c) The commissioner may adopt rules prescribing the content of the safety course, examination, and the information to be contained on the permits. A person operating a motorized bicycle under a motorized bicycle permit is subject to the restrictions imposed by section 169.974, subdivision 2, on operation of a motorcycle under a two-wheel instruction permit.

(d) The fees for motorized bicycle operator's permits are as follows:

1. Motorized bicycle operator's permit before age 21 and valid until age 21: $9.75
2. Renewal permit age 21 or older and valid for four eight years: $23.75
3. Duplicate of any renewal permit: $5.25
4. Written examination and instruction permit, valid for 30 days: $6.75

EFFECTIVE DATE. This section is effective October 1, 2022, and applies to new or renewal applications for drivers' licenses or identification cards submitted on or after that date.

Sec. 11. Minnesota Statutes 2020, section 171.06, is amended by adding a subdivision to read:

Subd. 8. Preapplication. The commissioner must establish a process for an applicant to complete an online preapplication for a driver's license or identification card. The preapplication must require the applicant to enter information required for an application for the desired type of driver's license or identification card. The preapplication process must generate a list of documents the applicant is required to submit in person at the time of the application. An applicant who submitted a preapplication is required to appear in person before the commissioner, a full-service provider, or a driver's license agent to submit a completed application for the driver's license or identification card. At the time an individual schedules an appointment to apply for a driver's license or identification card, the commissioner, full-service provider, or driver's license agent who is scheduling the appointment must provide to the applicant a link to the preapplication website.

Sec. 12. Minnesota Statutes 2020, section 171.061, subdivision 4, is amended to read:

Subd. 4. Fee; equipment. (a) The agent may charge and retain a filing fee of $8 for each application as follows:
(1) New application for a noncompliant, REAL ID compliant, or enhanced driver's license or identification card $ 24.00

(2) Renewal application for a noncompliant, REAL ID compliant, or enhanced driver's license or identification card $ 16.50

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

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

(c) The department must maintain the photo identification and vision examination equipment for all agents appointed as of January 1, 2000. Upon the retirement, resignation, death, or discontinuance of an existing agent, and if a new agent is appointed in an existing office pursuant to Minnesota Rules, chapter 7404, and notwithstanding the above or Minnesota Rules, part 7404.0400, the department shall provide and maintain photo identification equipment without additional cost to a newly appointed agent in that office if the office was provided the equipment by the department before January 1, 2000. All photo identification and vision examination equipment must be compatible with standards established by the department.

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

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

**EFFECTIVE DATE.** This section is effective October 1, 2022, and applies to applications made on or after that date.
Sec. 13. Minnesota Statutes 2020, section 171.07, subdivision 4, is amended to read:

Subd. 4. Identification card expiration. (a) Except as otherwise provided in this subdivision, the expiration date of a Minnesota identification card is the birthday of the applicant in the fourth eighth year following the date of issuance of the card.

(b) For an applicant age 65 or older:

(1) the expiration date of a Minnesota identification card is the birthday of the applicant in the eighth year following the date of issuance of the card; or

(2) a noncompliant identification card is valid for the lifetime of the applicant.

(c) For the purposes of paragraph (b), “Minnesota identification card” does not include an enhanced identification card issued to an applicant age 65 or older.

(d) The expiration date for an Under-21 identification card is the cardholder's 21st birthday. The commissioner shall issue an identification card to a holder of an Under-21 identification card who applies for the card, pays the required fee, and presents proof of identity and age, unless the commissioner determines that the applicant is not qualified for the identification card.

(e) Notwithstanding paragraphs (a) to (d) and (b), the expiration date for an identification card issued to a person with temporary lawful status is the last day of the person's legal stay in the United States, or one year after issuance if the last day of the person's legal stay is not identified.

EFFECTIVE DATE. This section is effective October 1, 2022, and applies to new or renewal applications for drivers' licenses or identification cards submitted on or after that date.

Sec. 14. Minnesota Statutes 2020, section 171.0705, is amended by adding a subdivision to read:

Subd. 11. Manual and study material availability. The commissioner must publish the driver's manual and study support materials for the written exam and skills exam. The study support materials must focus on the subjects and skills that are most commonly failed by exam takers. The commissioner must ensure that the driver's manual and study support materials are easily located and are available for no cost.
Sec. 15. Minnesota Statutes 2021 Supplement, section 171.071, subdivision 4, is amended to read:

Subd. 4. Variance for homebound individuals. (a) Notwithstanding section 171.07 or Minnesota Rules, part 7410.1810, the commissioner may grant a variance from the photograph requirements for a noncompliant identification card if: (1) the individual is homebound as defined in paragraph (b); (2) the individual has submitted proof of homebound status; and (3) the department has a photograph of the applicant on file that was taken within the last four eight years or during the most recent renewal cycle or the applicant has submitted a photograph to the department that meets the requirements of section 171.07, Minnesota Rules, part 7410.1810, subpart 1, and other technical requirements established by the commissioner, such as background color and electronic file size, to ensure the image can be used on a credential and conforms with images taken by the department. Applicants granted a photograph variance under this subdivision are not required to appear in person to have a new photograph taken.

(b) For purposes of this subdivision, "homebound" means the individual is unable to leave the individual's residence due to a medical, physical, or mental health condition or infirmity as documented in writing by a physician, case worker, or social worker.

EFFECTIVE DATE. This section is effective October 1, 2022, and applies to new or renewal applications for drivers' licenses or identification cards submitted on or after that date.

Sec. 16. Minnesota Statutes 2020, section 171.12, subdivision 1a, is amended to read:

Subd. 1a. Driver and vehicle services information system; security and auditing. (a) The commissioner must establish written procedures to ensure that only individuals authorized by law may enter, update, or access not public data collected, created, or maintained by the driver and vehicle services information system. An authorized individual's ability to enter, update, or access data in the system must correspond to the official duties or training level of the individual and to the statutory authorization granting access for that purpose. All queries and responses, and all actions in which data are entered, updated, accessed, shared, or disseminated, must be recorded in a data audit trail. If an authorized individual accesses data to resolve an issue and the access does not result in a completed transaction, the individual must include a notation on the record for the transaction explaining the business need for accessing the data. Data contained in the audit trail are public to the extent the data are not otherwise classified by law.
(b) If the commissioner must immediately and permanently revoke the authorization of any individual who willfully entered, updated, accessed, shared, or disseminated data in violation of state or federal law, the commissioner must impose disciplinary action. If an individual willfully gained access to data without authorization by law, the commissioner must forward the matter to the appropriate prosecuting authority for prosecution. The commissioner must not impose disciplinary action against an individual who properly accessed data to complete an authorized transaction or to resolve an issue that did not result in a completed authorized transaction.

(c) If the commissioner imposes disciplinary action, the commissioner must notify the individual in writing, of the action explain the reason for the action, and explain how to appeal the action. The commissioner must transmit the notification within five calendar days of the action.

(d) The commissioner must arrange for an independent biennial audit of the driver and vehicle services information system to determine whether data currently in the system are classified correctly, how the data are used, and to verify compliance with this subdivision. The results of the audit are public. No later than 30 days following completion of the audit, the commissioner must provide a report summarizing the audit results to the commissioner of administration; the chairs and ranking minority members of the committees of the house of representatives and the senate with jurisdiction over transportation policy and finance, public safety, and data practices; and the Legislative Commission on Data Practices and Personal Data Privacy. The report must be submitted as required under section 3.195, except that printed copies are not required.

(e) For purposes of this subdivision, "disciplinary action" means a formal or informal disciplinary measure, including but not limited to requiring corrective action or suspending or revoking the individual's access to the driver and vehicle information system.

EFFECTIVE DATE. This section is effective October 1, 2022. Paragraphs (b), (c), and (e) apply to audits of data use that are open on or after October 1, 2022.

Sec. 17. Minnesota Statutes 2021 Supplement, section 171.13, subdivision 1, is amended to read:

Subdivision 1. Examination subjects and locations; provisions for color blindness, disabled veterans. (a) Except as otherwise provided in this section, the commissioner shall must examine each applicant for a driver's license by such agency as the commissioner directs. This examination must include:
(1) a test of the applicant's eyesight, provided that this requirement is met by submission of a vision examination certificate under section 171.06, subdivision 7;

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

(3) a test of the applicant's knowledge of (i) traffic laws; (ii) the effects of alcohol and drugs on a driver's ability to operate a motor vehicle safely and legally, and of the legal penalties and financial consequences resulting from violations of laws prohibiting the operation of a motor vehicle while under the influence of alcohol or drugs; (iii) railroad grade crossing safety; (iv) slow-moving vehicle safety; (v) laws relating to pupil transportation safety, including the significance of school bus lights, signals, stop arm, and passing a school bus; (vi) traffic laws related to bicycles; and (vii) the circumstances and dangers of carbon monoxide poisoning;

(4) an actual demonstration of ability to exercise ordinary and reasonable control in the operation of a motor vehicle; and

(5) other physical and mental examinations as the commissioner finds necessary to determine the applicant's fitness to operate a motor vehicle safely upon the highways.

(b) Notwithstanding paragraph (a), the commissioner must not deny an application for a driver's license based on the exclusive grounds that the applicant's eyesight is deficient in color perception or that the applicant has been diagnosed with diabetes mellitus. War veterans operating motor vehicles especially equipped for disabled persons, if otherwise entitled to a license, must be granted such license.

(c) The commissioner shall make provision for giving the examinations under this subdivision either in the county where the applicant resides or at a place adjacent thereto reasonably convenient to the applicant.

(d) The commissioner shall ensure that an applicant is able to obtain an appointment for an examination to demonstrate ability under paragraph (a), clause (4), within 14 days of the applicant's request if, under the applicable statutes and rules of the commissioner, the applicant is eligible to take the examination.

(c) The commissioner must ensure there are 40 or more exam stations located so that an applicant may take an exam either in the county where the applicant resides or in an adjacent county at a reasonably convenient location. One or more exam stations must be located in each county with a population of 130,000 or more, as determined by the 2020 decennial census, that is located outside of the metropolitan area as defined in section...
473.121, subdivision 2. Each exam station must be open a minimum of one day per week.

The schedule for each exam station must be posted on the department's website.

(d) The commissioner must provide real-time information on the department's website about the availability and location of exam appointments, including the next available exam dates and times for each exam station. The website must also provide an option for a person to enter an address to review the date and time of the next available exam at each exam station sorted by distance from the address provided. The information must be easily accessible and must not require a person to sign in or provide any information, except an address, in order to see available exam dates.

**EFFECTIVE DATE.** This section is effective July 1, 2023, except that paragraph (d) is effective January 1, 2023.

Sec. 18. Minnesota Statutes 2020, section 171.13, subdivision 1a, is amended to read:

Subd. 1a. **Waiver when license issued by another jurisdiction.** (a) If the commissioner determines that an applicant 21 years of age or older possesses a valid driver's license issued by another state or jurisdiction that requires a comparable examination for obtaining a driver's license, the commissioner **may** waive the requirement that the applicant pass a written knowledge examination and demonstrate ability to exercise ordinary and reasonable control in the operation of a motor vehicle on determining that the applicant possesses a valid driver's license issued by a jurisdiction that requires a comparable demonstration for license issuance.

(b) If the commissioner determines that an applicant 21 years of age or older possesses a valid driver's license with a two-wheeled vehicle endorsement issued by another state or jurisdiction that requires a comparable examination for obtaining the endorsement, the commissioner must waive the requirements that the applicant for a two-wheeled vehicle endorsement pass a written knowledge examination and demonstrate the ability to exercise ordinary and reasonable control in the operation of a motor vehicle.

(c) For purposes of this subdivision, "jurisdiction" includes, but is not limited to, both the active and reserve components of any branch or unit of the United States armed forces, and "valid driver's license" includes any driver's license that is recognized by that branch or unit as currently being valid, or as having been valid at the time of the applicant's separation or discharge from the military within a period of time deemed reasonable and fair by the commissioner, up to and including one year past the date of the applicant's separation or discharge.
EFFECTIVE DATE. This section is effective August 1, 2022, and applies to applications made on or after that date.

Sec. 19. Minnesota Statutes 2021 Supplement, section 171.13, subdivision 7, is amended to read:

Subd. 7. Examination fees. (a) A fee of $10 must be paid by an individual to take a third and any subsequent knowledge test administered by the department if the individual has failed two previous consecutive knowledge tests on the subject.

(b) A fee of $20 must be paid by an individual to take a third and any subsequent skills or road test administered by the department if the individual has previously failed two consecutive skill or road tests in a specified class of motor vehicle.

(c) A fee of $20 must be paid by an individual who fails to appear for a scheduled skills or road test or who cancels a skills or road test within 24 hours of the appointment time.

(d) All fees received under this subdivision must be paid into the state treasury and credited to the driver services operating account in the special revenue fund specified under section 299A.705.

Sec. 20. Minnesota Statutes 2021 Supplement, section 171.27, subdivision 1, is amended to read:

Subdivision 1. Expiration. (a) Except as otherwise provided in this section, the expiration date for each driver's license is the birthday of the driver in the fourth year following the date of issuance of the license. The birthday of the driver must be as indicated on the application for a driver's license. A license may be renewed on or before expiration or within one year after expiration upon application, payment of the required fee, and passing the examination required of all drivers for renewal. Driving privileges must be extended or renewed on or preceding the expiration date of an existing driver's license unless the commissioner believes that the licensee is no longer qualified as a driver.

(b) The expiration date for each under-21 license must be the 21st birthday of the licensee. Upon the licensee attaining the age of 21 and upon the application, payment of the required fee, and passing the examination required of all drivers for renewal, a driver's license must be issued unless the commissioner determines that the licensee is no longer qualified as a driver.

(c) The expiration date for each provisional license is two years after the date of application for the provisional license.
(d) Notwithstanding paragraphs (a) to (c), the expiration date for a license issued to a person with temporary lawful status is the last day of the person's legal stay in the United States, or one year after issuance if the last day of the person's legal stay is not identified.

**EFFECTIVE DATE.** This section is effective October 1, 2022, and applies to new or renewal applications for drivers' licenses or identification cards submitted on or after that date.

Sec. 21. Minnesota Statutes 2021 Supplement, section 171.27, subdivision 2, is amended to read:

Subd. 2. **Extension of expiration.** (a) For purposes of this subdivision, "eligible individual" means:

1. a person then or subsequently serving outside Minnesota in active military service, as defined in section 190.05, subdivision 5, in any branch or unit of the armed forces of the United States;
2. a person then or subsequently serving outside Minnesota as a volunteer in the Peace Corps;
3. a person who is an employee of a federal department or agency and is assigned to foreign service outside of the United States; or
4. a person residing outside of Minnesota because the person is a spouse, domestic partner, or dependent under age 26 of a person in clause (1), (2), or (3).

(b) A valid Minnesota driver's license issued to an eligible individual continues in full force and effect without requirement for renewal until the date one year following the person's separation or discharge from active military or volunteer service, or following the conclusion of assignment to foreign service outside the United States, and until the license holder's birthday in the fourth or eighth full year following the person's most recent license renewal or, in the case of a provisional license, until the person's birthday in the third full year following the renewal.

**EFFECTIVE DATE.** This section is effective October 1, 2022, and applies to new or renewal applications for drivers' licenses or identification cards submitted on or after that date.
Sec. 22. [171.375] STUDENT PASS RATE.

(a) For each driver training school, the commissioner must determine the percentage of students from that school who pass the written exam or road test on the student's first attempt, second attempt, or third or subsequent attempt. The commissioner must publicly post the information collected under this section on the department's website. At a minimum, the commissioner must update this information on the department's website at least every six months. The information must be searchable by the name of a school or a location.

(b) By January 1 and July 1 of each year, each driver training school must provide to the commissioner a list of all students who completed coursework at the school during the previous six months.

Sec. 23. Minnesota Statutes 2020, section 299A.705, subdivision 1, is amended to read:

Subdivision 1. Vehicle services operating account. (a) The vehicle services operating account is created in the special revenue fund, consisting of all money from the vehicle services fees specified in chapters 168, 168A, and 168D, and any other money donated, allotted, transferred, or otherwise provided to the account.

(b) Funds appropriated from the account must be used by the commissioner of public safety to administer the vehicle services specified in chapters 168, 168A, and 168D, and section 169.345, including:

(1) designing, producing, issuing, and mailing vehicle registrations, plates, emblems, and titles;

(2) collecting title and registration taxes and fees;

(3) transferring vehicle registration plates and titles;

(4) maintaining vehicle records;

(5) issuing disability certificates and plates;

(6) licensing vehicle dealers;

(7) appointing, monitoring, and auditing deputy registrars; and

(8) inspecting vehicles when required by law.

(c) The following amounts are appropriated monthly from the account to the commissioner for the expense of fulfilling the renewal submissions from the previous calendar month:
(1) $1.43 per motor vehicle registration renewal submitted by mail where license plates are not issued;

(2) $11.84 per motor vehicle registration renewal submitted by mail where license plates are issued;

(3) $1.16 per motor vehicle registration renewal submitted online where license plates are not issued; and

(4) $11.28 per motor vehicle registration renewal submitted online where license plates are issued.

**EFFECTIVE DATE.** This section is effective July 1, 2022, and the first quarterly distribution shall be made on or before October 15, 2022.

Sec. 24. Minnesota Statutes 2020, section 299A.705, is amended by adding a subdivision to read:

Subd. 3a. **Full-service provider account.** (a) The full-service provider account is created in the special revenue fund, consisting of fees described in sections 168.33, subdivision 7, and 171.06, subdivision 2, and any other money donated, allotted, transferred, or otherwise provided to the account.

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

**EFFECTIVE DATE.** This section is effective October 1, 2022, and the first quarterly distribution shall be made on or before January 15, 2023.

Sec. 25. **REPORT; IMPLEMENTATION OF DRIVER AND VEHICLE SERVICES RECOMMENDATIONS.**

(a) The legislature encourages the commissioner of public safety, in conjunction with appropriate stakeholders, to implement the following recommendations included in independent expert review of driver and vehicle services issued January 12, 2022:

(1) revise the deputy registrar and driver's license agent contracts to encourage all deputy registrars and driver's license agents to become or remain full-service providers as defined in Minnesota Statutes, section 168.002, subdivision 12a;
(2) determine how best to utilize certified and impartial third parties for administration of knowledge and road tests;

(3) implement data and reporting practices to assist the commissioner in making decisions focused on the residents of the state;

(4) conduct a staffing review that balances staff quantity and quality, leverages technology automations and configurations, and establishes performance standards and targets that meet the needs of the state;

(5) identify performance and service standards and create a deputy registrar performance scorecard and a driver's license agent performance scorecard that monitors user performance to ensure a consistently positive experience for Minnesotans;

(6) provide a rapid response communication method for situations where deputy registrars or driver's license agents need immediate support;

(7) explore ways to speed up background checks of new employees at the division of driver and vehicle services offices and deputy registrar offices, including using a police department or county sheriff;

(8) promote the preapplication process and expand the use of preapplications to all possible, relevant areas;

(9) evaluate and make recommendations to the legislature on areas where it is appropriate to make preapplications mandatory;

(10) adjust policies and practices to automate as many approval transactions as possible;

(11) determine the proper user level field needed by transaction type and explore additional differentiated user levels in MnDRIVE;

(12) allow deputy registrars to have increased visibility to and influence on the MnDRIVE enhancement process;

(13) engage a learning consultant and create a content strategy and communications campaign to meet the needs of Minnesota residents, including a feedback loop for continuous improvement and evolution;

(14) provide additional training and clear guidance regarding permissible use of records and enable in-application notation of usage other than for paid transactions;

(15) consider what security measures are appropriate at each deputy registrar or driver's license agent location, including the possible need for a security officer or for cameras with recording capabilities;
(16) offer training in deescalation and negotiation techniques to all public-facing staff;

and

(17) examine the potential of allowing online applications for replacement class D drivers' licenses.

(b) By December 15, 2022, the commissioner must report to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation finance and policy on whether the recommendations in paragraph (a) and the recommendations included in the March 2021 legislative auditor's report on driver examination stations have been implemented, are in the process of being implemented, or will not be implemented.

(1) For each recommendation that has been implemented, the commissioner must:

(i) describe when and how the recommendation was implemented;

(ii) describe the outcome of implementing the recommendation; and

(iii) provide an estimated cost of implementing the recommendation.

(2) For each recommendation that is in the process of being implemented, the commissioner must:

(i) describe how the recommendation is being implemented;

(ii) provide the anticipated timeline for implementation; and

(iii) provide an estimated cost of implementing the recommendation.

(3) For each recommendation that will not be implemented, the commissioner must:

(i) provide a detailed explanation of why the recommendation will not be implemented;

(ii) provide an estimated cost to implement the recommendation;

(iii) provide an estimated timeline to implement the recommendation; and

(iv) describe any unmet needs that, if met, would allow the commissioner to implement the recommendation.

In addition, the commissioner must include recommendations on any further changes to statutes necessary or beneficial for implementing the recommendations.

(c) The report required by paragraph (b) must also include:

(1) the commissioner's plan for exam station locations, including how many exam stations will remain open and the locations of the exam stations; and
(2) whether any limited driver's license agents are unable to become full-service providers because of the restrictions in Minnesota Statutes, section 171.061, and Minnesota Rules, chapter 7404, and, if so, whether the commissioner would recommend any exceptions to allow the limited driver's license agent to participate in the fee-sharing provisions of this article.

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

Sec. 26. REPEALER.

Minnesota Statutes 2020, section 168.345, subdivision 1, is repealed.

Sec. 27. EFFECTIVE DATE.

Except where otherwise specified, this article is effective August 1, 2022.

ARTICLE 6

SALVAGE AND PRIOR SALVAGE TITLE BRANDS

Section 1. Minnesota Statutes 2020, section 168A.01, is amended by adding a subdivision to read:

Subd. 16b. Recovered intact vehicle. "Recovered intact vehicle" means a vehicle that was:

(1) verified by the vehicle insurer to be stolen and declared a total loss; and
(2) subsequently recovered with damage that is not in excess of 80 percent of its value immediately before it was stolen.

Sec. 2. Minnesota Statutes 2020, section 168A.01, subdivision 17b, is amended to read:

Subd. 17b. Salvage vehicle. (a) "Salvage vehicle" means a vehicle that has a salvage certificate of title (1) for which an insurance company has declared a total loss or paid a total loss claim, or (2) that has been involved in a collision or other event in which the cost of repairs exceeds 80 percent of the value of the vehicle immediately before the damage occurred.

(b) Salvage vehicle does not include a recovered intact vehicle.
Sec. 3. Minnesota Statutes 2020, section 168A.04, subdivision 1, is amended to read:

Subdivision 1. Contents. The application for the first certificate of title of a vehicle or manufactured home in this state, or for reissuance of a certificate of title for a manufactured home under section 168A.142, shall must be made by the owner to the department on the form prescribed by the department and shall must contain:

1. the first, middle, and last names, the dates of birth, and addresses of all owners who are natural persons, the full names and addresses of all other owners;

2. a description of the vehicle or manufactured home including, so far as the following data exists, its make, model, year, identifying number in the case of a vehicle or serial number in the case of a manufactured home, type of body, and whether new or used;

3. the date of purchase by applicant, the name and address of the person from whom the vehicle or manufactured home was acquired, the names and addresses of any secured parties in the order of their priority, and the dates of their respective security agreements;

4. with respect to motor vehicles subject to the provisions of section 325E.15, the true cumulative mileage registered on the odometer or that the actual mileage is unknown if the odometer reading is known by the owner to be different from the true mileage;

5. with respect to vehicles subject to section 325F.6641, whether the vehicle sustained damage by collision or other occurrence which exceeded 70 percent of the actual cash value that meets the disclosure requirements under section 325F.6641, subdivision 1; and

6. any further information the department reasonably requires to identify the vehicle or manufactured home and to enable it to determine whether the owner is entitled to a certificate of title, and the existence or nonexistence and priority of any security interest in the vehicle or manufactured home.

Sec. 4. Minnesota Statutes 2020, section 168A.04, subdivision 4, is amended to read:

Subd. 4. Vehicle last registered out of state. If the application refers to a vehicle last previously registered in another state or country, the application shall must contain or be accompanied by:

1. any certificate of title issued by the other state or country;

2. any other information and documents the department reasonably requires to establish the ownership of the vehicle and the existence or nonexistence and priority of any security interest in it;
(3) the certificate of a person authorized by the department that the identifying number of the vehicle has been inspected and found to conform to the description given in the application, or any other proof of the identity of the vehicle the department reasonably requires; and

(4) with respect to vehicles subject to section 325F.6641, whether the vehicle sustained damage by collision or other occurrence which exceeded 70 percent of actual cash value that meets the disclosure requirements under section 325F.6641, subdivision 1. Damage, for the purpose of this calculation, does not include the actual cost incurred to repair, replace, or reinstall inflatable safety restraints and other vehicle components that must be replaced due to the deployment of the inflatable safety restraints.

Sec. 5. Minnesota Statutes 2020, section 168A.05, subdivision 3, is amended to read:

Subd. 3. Content of certificate. (a) Each certificate of title issued by the department shall contain:

(1) the date issued;

(2) the first, middle, and last names and the dates of birth of all owners who are natural persons, and the full names of all other owners;

(3) the residence address of the owner listed first if that owner is a natural person or the address if that owner is not a natural person;

(4) the names of any secured parties, and the address of the first secured party, listed in the order of priority (i) as shown on the application, or (ii) if the application is based on a certificate of title, as shown on the certificate, or (iii) as otherwise determined by the department;

(5) any liens filed pursuant to a court order or by a public agency responsible for child support enforcement against the owner;

(6) the title number assigned to the vehicle;

(7) a description of the vehicle including, so far as the following data exists, its make, model, year, identifying number, type of body, whether new or used, and if a new vehicle, the date of the first sale of the vehicle for use;

(8) with respect to a motor vehicle subject to section 325E.15, (i) the true cumulative mileage registered on the odometer or (ii) that the actual mileage is unknown if the odometer reading is known by the owner to be different from the true mileage;

(9) if applicable, one or more of the following:
with respect to a vehicle subject to sections 325F.6641 and 325F.6642, the appropriate term brand "flood damaged," "rebuilt," "salvage," "prior salvage," or "reconstructed";

(10) (ii) with respect to a vehicle contaminated by methamphetamine production, if the registrar has received the certificate of title and notice described in section 152.0275, subdivision 2, paragraph (g), the term brand "hazardous waste contaminated vehicle"; and

(11) (iii) with respect to a vehicle subject to section 325F.665, the term brand "lemon law vehicle"; and

(12) (10) any other data the department prescribes.

(b) For a certificate of title on a vehicle that is a restored pioneer vehicle:

(1) the identifying number must be the valid identifying number as provided under section 168A.04, subdivision 5;

(2) the year of the vehicle must be the year of original vehicle manufacture and not the year of restoration; and

(3) the title must not bear a "reconstructed vehicle" brand.

Sec. 6. Minnesota Statutes 2020, section 168A.151, subdivision 1, is amended to read:

Subdivision 1. Salvage titles and prior salvage brands. (a) When an insurer, licensed to conduct business in Minnesota, acquires ownership of a late-model or high-value vehicle, excluding a recovered intact vehicle, through payment of damages, the insurer shall:

(1) for a late-model or high-value vehicle, immediately apply for a salvage certificate of title that bears a "salvage" brand or shall stamp the existing certificate of title with the legend "SALVAGE: salvage CERTIFICATE OF TITLE" in a manner prescribed by the department; or

(2) for a vehicle that is not subject to clause (1), immediately apply for a certificate of title that bears a "prior salvage" brand or stamp the existing certificate of title with "prior salvage" in a manner prescribed by the department.

(b) Within ten days of obtaining the title of a vehicle through payment of damages, an insurer must notify the department in a manner prescribed by the department.

(b) (c) Except as provided in section 168A.11, subdivision 1, a person shall:

immediately apply for a salvage certificate of title that bears a "salvage" brand if the person...
acquires a damaged late-model or high-value vehicle with an out-of-state title and the vehicle
that:

(1) is a vehicle that was acquired by an insurer through payment of damages;
(2) is a vehicle for which the will incur a cost of repairs that exceeds the value of the
damaged vehicle; or
(3) has an out-of-state salvage certificate of title as proof of ownership; or
(4) bears the brand "damaged," "repairable," "salvage," or any similar term on the
certificate of title.

(d) Except as provided in section 168A.11, subdivision 1, a person must immediately
apply for a certificate of title that bears a "prior salvage" brand if the person acquires a
damaged vehicle and:

(1) a "salvage" brand is not required under paragraph (c); and
(2) the vehicle:

(i) bears the brand "damaged," "repairable," "salvage," "rebuilt," "reconditioned," or
any similar term on the certificate of title; or
(ii) had a salvage certificate of title or brand issued at any time in the vehicle's history
by any other jurisdiction.

(e) A self-insured owner of a late-model or high-value vehicle that sustains damage
by collision or other occurrence which exceeds 80 percent of its actual cash value shall
must:

(1) for a late-model or high-value vehicle, immediately apply for a salvage certificate
of title, that bears a "salvage" brand; or
(2) for a vehicle that is not subject to clause (1), immediately apply for a certificate of
title that bears a "prior salvage" brand.

Sec. 7. Minnesota Statutes 2020, section 168A.152, subdivision 1, is amended to read:

Subdivision 1. Certificate of inspection. (a) A salvage certificate of title that bears a
"salvage" brand or stamp authorizes the holder to possess, transport, and transfer ownership
in a vehicle. A salvage certificate of title that bears a "salvage" brand or stamp does not
authorize the holder to register a vehicle. A certificate of title must not be issued for a vehicle
for which a salvage certificate of title has been issued unless
(b) For a late-model or high-value vehicle with a certificate of title that bears a "salvage brand or stamp, the commissioner must not issue a certificate of title that bears a "prior salvage" brand or stamp unless the application for title is accompanied by a certification of inspection in the form and content specified by the department accompanies the application for a certificate of title.

Sec. 8. Minnesota Statutes 2020, section 168A.152, subdivision 1a, is amended to read:

Subd. 1a. Duties of salvage vehicle purchaser. No salvage vehicle purchaser shall possess or retain a salvage vehicle which does not have a salvage certificate of title that bears a "salvage" or "prior salvage" brand or stamp. The salvage vehicle purchaser shall must display the salvage certificate of title upon the request of any appropriate public authority.

Sec. 9. Minnesota Statutes 2020, section 325F.662, subdivision 3, is amended to read:

Subd. 3. Exclusions. Notwithstanding the provisions of subdivision 2, a dealer is not required to provide an express warranty for a used motor vehicle:

(1) sold for a total cash sale price of less than $3,000, including the trade-in value of any vehicle traded in by the consumer, but excluding tax, license fees, registration fees, and finance charges;

(2) with an engine designed to use diesel fuel;

(3) with a gross weight, as defined in section 168.002, subdivision 13, in excess of 9,000 pounds;

(4) that has been custom-built or modified for show or for racing;

(5) that is eight years of age or older, as calculated from the first day in January of the designated model year of the vehicle;

(6) that has been produced by a manufacturer which has never manufactured more than 10,000 motor vehicles in any one year;

(7) that has 75,000 miles or more at time of sale;

(8) that has not been manufactured in compliance with applicable federal emission standards in force at the time of manufacture as provided by the Clean Air Act, United States Code, title 42, sections 7401 through 7642, and regulations adopted pursuant thereto, and safety standards as provided by the National Traffic and Motor Safety Act, United States Code, title 49, section 30101.
States Code, title 15, sections 1381 through 1431, and regulations adopted pursuant thereto; or

(9) that has been issued a salvage certificate of title that bears a "salvage" brand or stamp under section 168A.151.

Sec. 10. Minnesota Statutes 2020, section 325F.6641, is amended to read:

325F.6641 DISCLOSURE OF VEHICLE DAMAGE.

Subdivision 1. Prior damage disclosure. (a) If a late-model vehicle, as defined in section 168A.01, subdivision 8a, has sustained damage by collision or other occurrence which exceeds 80 percent of its actual cash value immediately prior to sustaining damage, the seller must disclose that fact to the buyer, if the seller has actual knowledge of the damage. The amount of damage is determined by the retail cost of repairing the vehicle based on a complete written retail repair estimate or invoice.

(b) The disclosure required under this subdivision must be made in writing on the application for title and registration or other transfer document, in a manner prescribed by the registrar of motor vehicles. The registrar shall revise the certificate of title form, including the assignment by seller (transferor) and reassignment by licensed dealer sections of the form, the separate application for title forms, and other transfer documents to accommodate this disclosure. If the seller is a motor vehicle dealer licensed pursuant to section 168.27, the disclosure required by this section must be made orally by the dealer to the prospective buyer in the course of the sales presentation.

(c) Upon transfer and application for title to a vehicle covered by this subdivision, the registrar shall record the term "rebuilt" on the first Minnesota certificate of title and all subsequent Minnesota certificates of title used for that vehicle.

Subd. 2. Form of Disclosure requirements. (a) If a motor vehicle dealer licensed under section 168.27 offers a vehicle for sale in the course of a sales presentation to any prospective buyer, the dealer must provide a written disclosure and, except for sales performed online, an oral disclosure of:

(1) prior vehicle damage as required under subdivision 1;

(2) the existence or requirement of any title brand under sections 168A.05, subdivision 3, 168A.151, 325F.6642, or 325F.665, subdivision 14, if the dealer has actual knowledge of the brand; and
(3) if a motor vehicle, which is part of a licensed motor vehicle dealer's inventory, has been submerged or flooded above the bottom dashboard while parked on the dealer's lot.

(b) If a person receives a flood disclosure as described in paragraph (a), clause (3), whether from a motor vehicle dealer or another seller, and subsequently offers that vehicle for sale, the person must provide the same disclosure to any prospective subsequent buyer.

(c) Written disclosure under this subdivision must be signed by the buyer and maintained in the motor vehicle dealer's sales file in the manner prescribed by the registrar of motor vehicles.

(d) The disclosure required in this section subdivision 1 must be made in substantially the following form: "To the best of my knowledge, this vehicle has ..... has not ..... sustained damage in excess of 80 percent actual cash value."

Sec. 11. Minnesota Statutes 2020, section 325F.6642, is amended to read:

325F.6642 TITLE BRANDING.

Subdivision 1. Flood damage. If the application for title and registration indicates that the vehicle has been classified as a total loss vehicle because of water or flood damage, or that the vehicle bears a "flood damaged" or similar brand, the registrar of motor vehicles shall must record the term brand "flood damaged" on the certificate of title and all subsequent certificates of title issued for that vehicle.

Subd. 2. Total loss Salvage vehicles. (a) Upon transfer and application for title to all total loss vehicles for which the "salvage" brand is required under section 168A.151, subdivision 1, the registrar of motor vehicles shall must (1) record the term brand "prior salvage" on the first Minnesota certificate of title, and (2) subject to section 168A.152, record the brand "prior salvage" on all subsequent Minnesota certificates of title issued for that vehicle.

(b) Notwithstanding paragraph (a), a "prior salvage" brand is not required for a recovered intact vehicle, as defined in section 168A.01, subdivision 16b.

Subd. 2a. Prior salvage. Upon application for title to all vehicles for which the "prior salvage" brand is required under section 168A.151, subdivision 1, the registrar of motor vehicles must record the brand "prior salvage" on the certificate of title and all subsequent certificates of title issued for that vehicle.

Subd. 2b. Certain damaged vehicles. Upon transfer and application for title to a vehicle that is subject to section 325F.6641, subdivision 1, the registrar of motor vehicles must (1)
81.1 record the brand "salvage" on the first certificate of title, and (2) subject to section 168A.152, record the brand "prior salvage" on all subsequent certificates of title issued for that vehicle.

81.3 Subd. 3. Out-of-state vehicles. (a) Upon transfer and application for title of all repaired vehicles with out-of-state titles that bear the term "damaged," "salvage," "rebuilt," "reconditioned," or any similar term, the registrar of motor vehicles shall record the term "prior salvage" on the first Minnesota certificate of title and all subsequent Minnesota certificates of title used for that vehicle.

81.6 (b) The registrar shall mark "prior salvage" on the first Minnesota certificate of title and all subsequent certificates of title issued for any vehicle which came into the state unrepaired and for which a salvage certificate of title was issued.

81.11 (c) For vehicles with out-of-state titles which bear the term "flood damaged," the registrar of motor vehicles shall record the term "flood damaged" on the first Minnesota certificate of title and all subsequent Minnesota certificates of title issued for that vehicle.

81.14 (d) the registrar shall mark "prior salvage" on the first Minnesota certificate of title and all subsequent certificates of title issued for any vehicle that had a salvage certificate of title issued at any time in the vehicle's history by any other jurisdiction.

81.21 Subd. 4. Reconstructed vehicles. For vehicles that are reconstructed within the meaning of section 168A.15, the registrar shall must record the term brand "reconstructed" on the certificate of title and all subsequent certificates of title.

81.24 Subd. 5. Manner of branding. The Each brand designation of "flood damaged," "rebuilt," "prior salvage," or "reconstructed" under this section or section 168A.05, subdivision 3, 168A.151, or 325F.665, subdivision 14, required on a certificate of title shall must be made by the registrar of motor vehicles in a clear and conspicuous manner, in a color format different from all other writing on the certificate of title.

81.27 Subd. 6. Total loss vehicle; definition. For the purposes of this section, "total loss vehicle" means a vehicle damaged by collision or other occurrence, for which a salvage certificate of title has been issued. Total loss vehicle does not include a stolen and recovered vehicle verified by the insurer who declared the vehicle to be a total loss vehicle unless there is more than minimal damage to the vehicle as determined by the registrar.

81.30 Subd. 7. Dealer disclosure. If a licensed motor vehicle dealer offers for sale a vehicle with a branded title, the dealer shall orally disclose the existence of the brand in the course of the sales presentation.
Subd. 8. Flood damage; dealer lots. If a motor vehicle, which is part of a licensed motor vehicle dealer’s inventory, has been submerged or flooded above the bottom of the dashboard while parked on the dealer’s lot, the dealer must disclose that fact in writing to any buyer and must orally disclose that fact in the course of a sales presentation to any prospective buyer. The buyer must also disclose the existence of the flood damage in writing to any subsequent buyer.

Sec. 12. Minnesota Statutes 2020, section 325F.665, subdivision 14, is amended to read:

Subd. 14. Title branding. (a) Upon transfer and application for title of all vehicles subject to this section, the registrar of motor vehicles shall record the term "lemon law vehicle" on the certificate of title and all subsequent certificates of title for that vehicle.

(b) For vehicles with out-of-state titles that bear the term "lemon law vehicle," or any similar term, the registrar of motor vehicles shall record the term "lemon law vehicle" on the first Minnesota certificate of title and all subsequent Minnesota certificates of title issued for that vehicle.

(c) The designation of "lemon law vehicle" on a certificate of title must be made by the registrar of motor vehicles in a clear and conspicuous manner, in a color different from all other writing on the certificate of title.

Sec. 13. REPEALER.

Minnesota Statutes 2020, sections 168A.01, subdivision 17a; and 325F.6644, are repealed.

Sec. 14. EFFECTIVE DATE.

This article is effective January 1, 2023.

ARTICLE 7

DEPARTMENT OF TRANSPORTATION

Section 1. Minnesota Statutes 2020, section 160.08, subdivision 7, is amended to read:

Subd. 7. No commercial establishment within right-of-way; exceptions. No commercial establishment, including but not limited to automotive service stations, for serving motor vehicle users shall be constructed or located within the right-of-way of, or on publicly owned or publicly leased land acquired or used for or in connection with, a controlled-access highway; except that:

(1) structures may be built within safety rest and travel information center areas;
(2) space within state-owned buildings in those areas may be leased for the purpose of providing information to travelers through advertising as provided in section 160.276;

(3) advertising signs may be erected within the right-of-way of interstate or controlled-access trunk highways by franchise agreements under section 160.80;

(4) vending machines may be placed in rest areas, travel information centers, or weigh stations constructed or located within trunk highway rights-of-way; and

(5) acknowledgment signs may be erected under sections 160.272 and 160.2735; and

(6) electric vehicle charging stations may be installed, operated, and maintained in safety rest areas, except where prohibited by federal law.

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

Sec. 2. Minnesota Statutes 2020, section 161.088, subdivision 1, is amended to read:

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

(1) "beyond the project limits" means any point that is located:

(i) outside of the project limits;

(ii) along the same trunk highway; and

(iii) within the same region of the state;

(2) "city" means a statutory or home rule charter city;

(3) "greater Minnesota area" means the counties that are not metropolitan counties;

(4) "metropolitan area" means Anoka, Carver, Chisago, Dakota, Hennepin, Ramsey, Scott, and Washington Counties;

(5) "program" means the corridors of commerce program established in this section; and

(6) "project limits" means the estimated construction limits of a project for trunk highway construction, reconstruction, or maintenance, that is a candidate for selection under the corridors of commerce program.

Sec. 3. Minnesota Statutes 2020, section 161.088, subdivision 2, is amended to read:

Subd. 2. **Program authority; funding.** (a) As provided in this section, the commissioner shall establish a corridors of commerce program for trunk highway construction,
reconstruction, and improvement, including maintenance operations, that improves commerce in the state.

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

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

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

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

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

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

Sec. 4. Minnesota Statutes 2020, section 161.088, subdivision 4, is amended to read:

Subd. 4. Project eligibility. (a) The eligibility requirements for projects that can be funded under the program are:

(1) consistency with the statewide multimodal transportation plan under section 174.03;

(2) location of the project on an interregional corridor, for a project located outside of the Department of Transportation metropolitan district;

(3) placement into at least one project classification under subdivision 3;

(4) project construction work will commence within three years, or a longer length of time as determined by the commissioner; and

(5) for each type of project classification under subdivision 3, a maximum allowable amount for the total project cost estimate, as determined by the commissioner with available data.

(b) A project whose construction is programmed in the state transportation improvement program is not eligible for funding under the program. This paragraph does not apply to a project that is programmed as result of selection under this section.
(c) A project may be, but is not required to be, identified in the 20-year state highway investment plan under section 174.03.

(d) For each project, the commissioner must consider all of the eligibility requirements under paragraph (a). The commissioner is prohibited from considering any eligibility requirement not specified under paragraph (a).

(e) A project in the greater Minnesota area with a total project cost of more than $10,000,000 is classified as a greater Minnesota large project. A project in the greater Minnesota area with a total project cost of $10,000,000 or less is classified as a greater Minnesota small project. All projects in the metropolitan area are classified as metropolitan projects, regardless of the total project cost.

Sec. 5. Minnesota Statutes 2021 Supplement, section 161.088, subdivision 5, is amended to read:

Subd. 5. Project selection process; criteria. (a) The commissioner must establish a process to identify, evaluate, and select projects under the program. The process must be consistent with the requirements of this subdivision and must not include any additional evaluation criteria.

(b) As part of the project selection process, the commissioner must annually accept recommendations on candidate projects from area transportation partnerships and other interested stakeholders in each Department of Transportation district counties in the metropolitan area as provided by this section. The commissioner must determine the eligibility for each candidate project identified under this paragraph that is submitted as provided in this section. For each eligible project, the commissioner must classify and evaluate the project for the program, using all of the criteria established under paragraph (d).

(c) Before proceeding to the evaluation required under paragraph (d), all project recommendations submitted for consideration must be screened as follows:

(1) for projects in the greater Minnesota area:

(i) the area transportation partnership for the area must review all project recommendations from its area;

(ii) each area transportation partnership must select up to three large projects and three small projects as defined in subdivision 4 to recommend for advancement to the evaluation process under paragraph (d). Each area transportation partnership may develop its own
process to determine which projects to recommend. An area transportation partnership must
not include the same segment of road in more than one project; and

(iii) only the projects recommended for evaluation may be developed by the department
and scored for selection under paragraph (d). All projects not recommended for evaluation
are disqualified from further consideration and must not be evaluated under paragraph (d);

(2) for projects located in the metropolitan area:

(i) projects located within a county in the metropolitan area must be reviewed by the
county board;

(ii) each county board must select up to two projects to recommend for advancement to
the evaluation process under paragraph (d). A board must not include the same segment of
road in more than one project. Each board may develop its own process to determine which
project to recommend; and

(iii) only the projects submitted by the county boards as provided in this paragraph may
be developed by the department and scored for selection under paragraph (d). All projects
not recommended for evaluation are disqualified from further consideration and must not
be evaluated under paragraph (d).

(e) (d) Projects must be evaluated using all of the following criteria:

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

(2) measurable impacts on commerce and economic competitiveness;

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

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

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

(4) improvements to traffic safety;

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

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

(7) support and consensus for the project among members of the surrounding community;
(8) the time and work needed before construction may begin on the project; and

(9) regional balance throughout the state; and

(10) written recommendations submitted as provided by subdivision 5a.

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

(e) The commissioner must select projects so that approximately 50 percent of the available funding must be used for projects in the metro area and the other 50 percent must be used for projects in the greater Minnesota area. Of funding for projects in the metropolitan area, at least 55 percent must be spent for projects in Anoka, Carver, Chisago, Dakota, Scott, and Washington Counties. Of the funding for projects in the greater Minnesota area, approximately 25 percent must be used for projects classified as greater Minnesota small projects as defined in subdivision 4. When selecting projects in the greater Minnesota area, the commissioner must select projects so that no district has more than one project more than any other district.

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

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

Sec. 6. Minnesota Statutes 2020, section 161.088, is amended by adding a subdivision to read:

Subd. 5a. Recommendations. After receiving all projects submitted pursuant to subdivision 5 but before making final selections, the commissioner must compile a list of all projects that were submitted and transmit the list to each legislator and to the governor. The list must include the location of each project and a brief description of the work to be done. Within 30 days of the date the project list is transmitted, each legislator and the governor may submit to the commissioner a written recommendation for one project on the list. The commissioner must award one additional point to a project for each written recommendation received for that project.
Sec. 7. Minnesota Statutes 2020, section 161.088, is amended by adding a subdivision to read:

Subd. 5b. **Project selection period.** Between October 1, 2022, and November 1, 2022, and every four years thereafter, area transportation partnerships and the metropolitan counties must submit projects to the commissioner of transportation as provided in subdivision 5. The commissioner must evaluate the projects and select projects by March 1 of the following year. To the greatest extent possible, the commissioner must select a sufficient number of projects to ensure that all funds allocated for the four-year period are encumbered or spent by the end of the period. If all selected projects are funded in the four-year time period and there were projects that were identified and not selected, the commissioner must select additional projects from the original project submissions. If all the projects that were submitted are funded, the commissioner may authorize an additional project selection period to select projects for the remainder of the period. Except as authorized by this subdivision, the project submission and selection process must only occur every four years.

Sec. 8. [161.0895] **HIGHWAY PURPOSE; REPORT.**

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

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

(c) For the purposes of this section, an appropriation for a nonhighway purpose is any appropriation not for construction, improvement, or maintenance of highways or for any purpose prohibited by section 161.20.
Sec. 9. Minnesota Statutes 2020, section 161.115, is amended by adding a subdivision to read:

Subd. 271. Route No. 340. Beginning at a point in or adjacent to Upper Sioux Agency State Park; thence extending in a general northwesterly direction to a point on Route No. 67 at or near Granite Falls.

Sec. 10. Minnesota Statutes 2020, section 162.07, subdivision 2, is amended to read:

Subd. 2. Money needs defined. For the purpose of this section, money needs of each county are defined as the estimated total annual costs of constructing, over a period of 25 years, the county state-aid highway system located and established by that county. Costs incidental to construction, or a specified portion thereof as set forth in the commissioner's rules may be included in determining money needs. To avoid variances in costs due to differences in construction policy, construction costs shall be estimated on the basis of the engineering standards developed cooperatively by the commissioner and the county engineers of the several counties.

Sec. 11. Minnesota Statutes 2020, section 162.13, subdivision 2, is amended to read:

Subd. 2. Money needs defined. For the purpose of this section money needs of each city having a population of 5,000 or more are defined as the estimated cost of constructing and maintaining over a period of 25 years the municipal state-aid street system located and established by such city. Right-of-way costs and drainage shall be included in money needs. Lighting costs and other costs incidental to construction and maintenance, or a specified portion of such costs, as set forth in the commissioner's rules, may be included in determining money needs. To avoid variances in costs due to differences in construction and maintenance policy, construction and maintenance costs shall be estimated on the basis of the engineering standards developed cooperatively by the commissioner and the engineers, or a committee thereof, of the cities.

Sec. 12. Minnesota Statutes 2020, section 162.145, subdivision 2, is amended to read:

Subd. 2. Small cities assistance account. A small cities assistance account is created in the special revenue fund. The account consists of funds as provided by law, and any other money donated, allotted, transferred, or otherwise provided to the account. Money in the account is annually appropriated to the commissioner of transportation and may only be expended as provided under this section.
Sec. 13. Minnesota Statutes 2021 Supplement, section 162.145, subdivision 3, is amended to read:

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

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

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

Sec. 14. Minnesota Statutes 2020, section 162.145, subdivision 4, is amended to read:

Subd. 4. Distribution formula. (a) In each fiscal year in which funds are available under this section, the commissioner shall allocate funds to eligible cities.

(b) The preliminary aid to each city is calculated as follows:

(1) five percent of funds allocated equally among all eligible cities;

(2) 35 percent of funds allocated proportionally based on each city's share of lane miles of municipal streets compared to total lane miles of municipal streets of all eligible cities;

(3) 35 percent of funds allocated proportionally based on each city's share of population compared to total population of all eligible cities; and

(4) 25 percent of funds allocated proportionally based on each city's share of state-aid adjustment factor compared to the sum of state-aid adjustment factors of all eligible cities.

(c) The final aid to each city is calculated as the lesser of:

(1) the preliminary aid to the city multiplied by an aid factor; or

(2) the maximum aid.

(d) The commissioner shall set the aid factor under paragraph (c), which must be the same for all eligible cities, so that the total funds allocated under this subdivision equals the total amount available for the fiscal year.
Sec. 15. [169.8296] WEIGHT LIMITS; TOWING AND RECOVERY VEHICLE.

Subdivision 1. Annual permit. The commissioner may issue permits to an applicant who pays a single $300 annual fee to cover all tow trucks and towing vehicles owned by the applicant and meets any other conditions prescribed by the commissioner. The permit authorizes the tow truck or towing vehicle, when towing a disabled or damaged vehicle to a place of repair or to a place of safekeeping, to exceed the length and weight limitations of this chapter.

Subd. 2. Certain weight limits not applicable when movement is urgent. Sections 169.823 to 169.828 do not apply to a tow truck or towing vehicle when towing a disabled or damaged vehicle, when the movement is urgent, and when the movement is for the purpose of removing the disabled vehicle from the roadway to a place of safekeeping or to a place of repair. A permit is not required for a vehicle operating under this subdivision.

Subd. 3. Seasonal load restrictions; exemption. (a) The seasonal load restrictions under section 169.87, subdivisions 1 and 2, do not apply to a towing or recovery vehicle that does not exceed a weight of 20,000 pounds per single axle and is being operated for the purpose of towing or recovering another vehicle that:

(1) is involved in a vehicle crash or is inoperable and is located within a public road right-of-way; or

(2) has entered a public body of water adjacent to the roadway.

(b) The exemption under this subdivision only applies when a request has been made by a federal, state, or local law enforcement agency for a tow truck or recovery vehicle to move a vehicle specified in paragraph (a).

(c) As used in this section, "recovery vehicle" means a vehicle equipped with a boom that is used to move or recover an inoperable vehicle. A recovery vehicle also includes a tow truck as defined in section 168B.011, subdivision 12a.

Sec. 16. Minnesota Statutes 2020, section 169.865, subdivision 1a, is amended to read:

Subd. 1a. Definition. For purposes of this section, "qualifying agricultural products" means:

(1) agricultural crops, including but not limited to corn, soybeans, oats, grain, and by-products of agricultural crops;

(2) livestock, including but not limited to cattle, hogs, and poultry;

(3) food crops, including but not limited to sugar beets, potatoes, carrots, and onions;
(4) fluid milk;
(5) seed and material used for or in livestock and poultry feed; and
(6) livestock manure; and
(7) raw or processed grass seed.

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

Sec. 17. Minnesota Statutes 2020, section 174.185, as amended by Laws 2021, First Special Session chapter 5, article 4, section 90, is amended to read:

174.185 PAVEMENT LIFE-CYCLE COST ANALYSIS.

Subdivision 1. Definitions. For the purposes of this section, the following definitions apply.

(a) "Life-cycle cost" is the sum of the cost of the initial pavement project and all anticipated costs for maintenance, repair, and resurfacing over the life of the pavement. Anticipated costs must be based on Minnesota's actual or reasonably projected maintenance, repair, and resurfacing schedules, and costs determined by the Department of Transportation district personnel based upon recently awarded local projects and experience with local material costs.

(b) "Minimum requirements" is a combination of pavement, base, and subbase materials that minimizes the total system cost to achieve the specified design performance requirements. Design performance requirements are based on design traffic volumes, reliability, standard deviation, pavement structural characteristics, and various material properties for structural design.

(c) "Pavement" is any material used for paved traffic lanes, typically asphalt or concrete, including the underlying materials inherent to each pavement alternative considered.

(d) "Rounded value" means a measurement that is rounded to the nearest half-inch increment.
(e) "Shoulder" is the portion of the roadway contiguous with the traveled way, outside of the edge of the pavement for accommodation of stopped vehicles, emergency use, and lateral support of base and surface courses.

(f) "Substantial plan development" is the point in time during the plan development process after which any further activities would preclude any of the feasible alternatives from being selected or constructed.

(g) "Superfluous materials" are materials that are in excess of rounded values and that are not necessary to meet the minimum requirements for a feasible alternative.

Subd. 2. Required analysis. (a) For each project in the reconditioning, resurfacing, and road repair funding categories any project with 15,000 or more square yards of paving, the commissioner shall perform a life-cycle cost analysis and shall document the lowest life-cycle costs and all alternatives considered. The commissioner shall document the chosen pavement strategy and, if the lowest life cycle is not selected, document the justification for the chosen strategy. A life-cycle cost analysis is required for projects to be constructed after July 1, 2011. For projects to be constructed prior to July 1, 2011, when feasible, the department will use its best efforts to perform life-cycle cost analyses, and document the chosen pavement strategy as provided by this section. The commissioner must perform the life-cycle cost analysis prior to substantial plan development.

(b) When conducting a life-cycle cost analysis, the commissioner must:

1. derive initial and future costs from Minnesota-based historical data of roadways with similar characteristics, including but not limited to similar geographical location, rural or urban classification, traffic volumes, construction practices, staging, and vehicle classification percentages;

2. determine the analysis period based on the longest design life of all feasible alternatives or 60 years, whichever is longer;

3. compensate for any life added or lost due to rounding if pavement thickness is rounded up or down;

4. ensure that each feasible alternative being considered in the analysis meets the minimum requirements for that alternative and must consider only the pavement, base, and subbase materials that are required to meet the minimum criteria for that alternative;

5. identify all feasible alternatives, including a full range of rehabilitation strategies for both rigid and flexible pavements, which must, at a minimum, include thin asphalt overlay Article 7 Sec. 17.
94.1 of less than four inches, thin concrete overlay of four inches to six inches, thick asphalt of
greater than or equal to four inches, and thick concrete options greater than six inches;
94.2 (6) include agency costs, including but not limited to initial pavement, future rehabilitation
and maintenance projects, overhead, design, contract administration, and routine maintenance;
94.3 (7) mobilization costs related to construction, maintenance, or rehabilitation;
94.4 (8) costs for traffic control to protect workers and the public during each construction,
maintenance, or rehabilitation activity in the analysis;
94.5 (9) add the annual excess fuel consumption costs, as calculated in subdivision 2a, as an
annual pavement cost;
94.6 (10) identify and use realistic timing of future maintenance and construction practices
using similar characteristics, including but not limited to similar geographical location, rural
or urban classification, traffic volumes, construction practices, staging, and vehicle
classification percentages;
94.7 (11) for each feasible alternative with residual service life at the end of the analysis
period, calculate the value of any residual service life and include it as a credit in the final
year of the analysis period;
94.8 (12) include an explanation of the methodology used to produce the cost estimate and
why that method was selected; and
94.9 (13) include an explanation of the timing selected of rehabilitation and maintenance and
why that timing was selected.
94.10 (c) The commissioner must not include the following in a life-cycle cost analysis:
94.11 (1) elements that are the same for all alternatives;
94.12 (2) life-cycle calculations for shoulder pavement, shoulder base, or shoulder subbase;
94.13 and
94.14 (3) any superfluous material that is included as part of the feasible alternative but is not
required to meet the minimum requirements of the feasible alternative, including any material
that may be included due to the designer's preference or recommendation in the department's
Pavement Design Manual. This clause does not preclude the commissioner from selecting
a pavement strategy that uses superfluous materials, but the superfluous materials must not
be a factor in making the selection.
94.15 Subd. 2a. Excess fuel consumption calculation. (a) For purposes of this subdivision,
the following terms have the meanings given:
(1) "diesel fuel price" means the Midwest nonhighway diesel fuel price effective for the
date the calculation is performed as provided by the United States Energy Information
Administration;

(2) "gasoline fuel price" means the Midwest regular gasoline price effective for the date
that calculation is performed as provided by the United States Energy Information
Administration;

(3) "heavy commercial annual average daily traffic (HCAADT)" means the heavy
commercial annual average daily traffic provided by the department's data and based on the
traffic forecasting and analysis system;

(4) "heavy-duty MPG" means the latest fleet average miles per gallon of heavy-duty,
short-wheelbase vehicles as provided by the United States Energy Information
Administration;

(5) "heavy-duty fuel savings factor" means the percentage of rigid pavement savings
anticipated for heavy commercial vehicles as provided by department research, state or
federal agencies, or relevant academic research projects;

(6) "light-duty fuel savings factor" is the percentage of rigid pavement savings anticipated
for passenger vehicles as provided by department research, state or federal agencies, or
relevant academic research projects;

(7) "light-duty MPG" means the latest fleet average for miles per gallon of light-duty,
short-wheelbase vehicles as provided by the United States Energy Information
Administration;

(8) "passenger annual average daily traffic (PAADT)" means the passenger annual
average daily traffic provided by the department's data and based on the traffic forecasting
and analysis system; and

(9) "project length" means the centerline miles for the project.

(b) The commissioner must determine the annual excess fuel consumption cost as
provided in this subdivision. The commissioner must use the same HCAADT or PAADT
for the duration of each analysis period.

(c) The passenger excess cost is equal to the product of PAADT, gasoline fuel price,
light-duty fuel savings factor, project length, and 365 divided by light-duty MPG.

(d) The heavy commercial excess cost is equal to the product of PAADT, gasoline fuel
price, heavy-duty fuel savings factor, project length, and 365 divided by heavy-duty MPG.
(e) The annual excess fuel consumption cost is the sum of passenger excess cost and heavy commercial excess cost.

Subd. 2b. **Public review and collaboration.** (a) Before finalizing a pavement selection, the commissioner must post a draft of the life-cycle cost analysis and the draft pavement selection on the department's Office of Materials and Road Research website for 21 days. During this period, the commissioner must allow industry association representatives to submit questions and comments. The commissioner must collaborate with the person who submitted the question or comment, where necessary, to ensure the commissioner fully understands the question or comment. The commissioner must respond to each comment or question in writing, which must include a description of any associated changes that will be made to the life-cycle cost analysis.

(b) After the public review period closes, the commissioner must make revisions to the life-cycle cost analysis in response to questions or comments received. If the commissioner revises the type of pavement from concrete to asphalt or from asphalt to concrete, the commissioner must post the revised life-cycle cost analysis for public review in accordance with paragraph (a).

Subd. 2c. **Selection.** (a) After the public review period required in subdivision 2b and any subsequent changes to the analysis, the commissioner must select the pavement strategy and prepare a document of justification. At a minimum, the document of justification must:

1. include all comments and questions received during the public review and the commissioner's responses to each;
2. explain why the pavement strategy was selected;
3. if the lowest life-cycle cost is not selected, justify why a strategy with a higher life-cycle cost was selected; and
4. identify any superfluous materials, quantify the superfluous materials' associated costs, and provide the rationale for the superfluous materials' inclusion.

(b) The commissioner must submit the analysis and document of justification to a licensed professional engineer for review. A life-cycle cost analysis is not considered final until it is certified and signed by a licensed professional engineer as provided by Minnesota Rules, part 1800.4200.

(c) For all projects that began construction on or after January 1, 2022, the commissioner must store all life-cycle cost analyses and documents of justification on the department's website in a manner that allows the public to easily access the documents.
(d) After completing the certification and signature requirements of paragraph (b) and the posting requirements of paragraph (c), the commissioner may advance the project to substantial plan development.

Subd. 3. Report. The commissioner must report annually to the chairs and ranking minority members of the senate and house of representatives committees with jurisdiction over transportation finance on the results of the analyses required in subdivision 2, the public review required by subdivision 2b, and the final selection and document of justification required by subdivision 2c.

EFFECTIVE DATE. This section is effective July 1, 2022, and applies to life-cycle cost analyses that are started on or after that date, except that subdivision 2b and any references to subdivision 2b are not effective until July 1, 2023.

Sec. 18. Minnesota Statutes 2020, section 174.52, subdivision 3, is amended to read:

Subd. 3. Advisory committee. (a) The commissioner must establish a local road improvement program advisory committee consisting of five members, including:

(1) one county commissioner;
(2) one county engineer;
(3) one city engineer;
(4) one city council member or city administrator representing a city with a population over 5,000; and
(5) one city council member or city administrator representing a city with a population under 5,000; and
(6) one town board member appointed by the Minnesota Association of Townships.

(b) The advisory committee must provide recommendations to the commissioner regarding expenditures from the accounts established in this section.

EFFECTIVE DATE. This section is effective the day following final enactment.
Sec. 19. Minnesota Statutes 2020, section 297A.94, is amended to read:

297A.94 DEPOSIT OF REVENUES.

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

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

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

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

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

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

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

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

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

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

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

(g) Starting after July 1, 2017, the commissioner shall deposit an amount of the
remittances monthly into the state treasury and credit them to the highway user tax
distribution fund as a portion of the estimated amount of taxes collected from the sale and
purchase of motor vehicle repair parts in that month. For the remittances between July 1,
2017, and June 30, 2019, the monthly deposit amount is $2,628,000. For remittances in
each subsequent fiscal year, the monthly deposit amount is $12,137,000. The commissioner
must deposit on a monthly basis the revenue derived from the tax rate imposed under section
297A.62, subdivision 1, on the sale and purchase of motor vehicle repair and replacement
parts into the state treasury and credit:

(1) 86 percent to the highway user tax distribution fund;

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

(3) seven percent to the town road account in the county state-aid highway fund
established under section 162.081.

Between July 1, 2022, and June 30, 2023, the monthly deposit amount is $26,655,000. In
each subsequent fiscal year, the commissioner must adjust the monthly deposit amount by
the percentage change in the total amount of sales tax revenue collected for all sales and
purchases between the two preceding fiscal years. The amount as adjusted must be rounded
to the nearest $1,000 amount. For purposes of this paragraph, "motor vehicle" has the
meaning given in section 297B.01, subdivision 11, and "motor vehicle repair and replacement
parts" includes (i) all parts, tires, accessories, and equipment incorporated into or affixed
to the motor vehicle as part of the motor vehicle maintenance and repair, and (ii) paint, oil,
and other fluids that remain on or in the motor vehicle as part of the motor vehicle
maintenance or repair. For purposes of this paragraph, "tire" means any tire of the type used
on highway vehicles, if wholly or partially made of rubber and if marked according to
federal regulations for highway use.

(h) 72.43 percent of the revenues, including interest and penalties, transmitted to the
commissioner under section 297A.65, must be deposited by the commissioner in the state
treasury as follows:
(1) 50 percent of the receipts must be deposited in the heritage enhancement account in the game and fish fund, and may be spent only on activities that improve, enhance, or protect fish and wildlife resources, including conservation, restoration, and enhancement of land, water, and other natural resources of the state;

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

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

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

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

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

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

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

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

(3) the remainder to the general fund.

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

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

EFFECTIVE DATE. This section is effective July 1, 2022.

Sec. 20. Minnesota Statutes 2021 Supplement, section 360.55, subdivision 9, is amended
to read:

Subd. 9. Small unmanned aircraft systems. (a) Any small unmanned aircraft system
in which the unmanned aircraft weighs less than 55 pounds at takeoff, including payload
and anything affixed to the aircraft, either, as defined in section 360.013, subdivision 57b:

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

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

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

(c) Owners must, at the time of registration, provide proof of insurability in a form
acceptable to the commissioner. Additionally, owners must maintain records and proof that
each flight was covered by an insurance policy with limits of not less than $300,000 per
occurrence for bodily injury or death to nonpassengers in any one accident. The insurance
must comply with section 60A.081, unless that section is inapplicable under section 60A.081,
subdivision 3.

Sec. 21. Minnesota Statutes 2021 Supplement, section 360.59, subdivision 10, is amended
to read:

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

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

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

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

(d) The requirements of this subdivision shall not apply to any aircraft built by the
original manufacturer prior to December 31, 1939, and owned and operated solely as a
collector's item, if the owner files an affidavit with the commissioner. The affidavit shall
state the owner's name and address, the name and address of the person from whom the
aircraft was purchased, the make, year, and model number of the aircraft, the federal aircraft
registration number, the manufacturer's identification number, and that the aircraft is owned
and operated solely as a collector's item and not for general transportation purposes.

(e) A small unmanned aircraft system that meets the requirements of section 360.55,
subdivision 9, is not subject to the requirements under paragraphs (a) and (b). Owners of
small unmanned aircraft systems that meet the requirements of section 360.55, subdivision
9, must, at the time of registration, provide proof of insurability in a form acceptable to the
Sec. 22. LEGISLATIVE ROUTE NO. 274 REMOVED.

(a) Minnesota Statutes, section 161.115, subdivision 205, is repealed effective the day after the commissioner of transportation receives a copy of the agreement between the commissioner and the governing body of Yellow Medicine County to transfer jurisdiction of Legislative Route No. 274 and notifies the revisor of statutes under paragraph (b).

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

Sec. 23. LEGISLATIVE ROUTE NO. 301 REMOVED.

(a) Minnesota Statutes, section 161.115, subdivision 232, is repealed effective the day after the commissioner of transportation receives a copy of the agreement between the commissioner and the governing body of the city of St. Cloud to transfer jurisdiction of Legislative Route No. 301 and notifies the revisor of statutes under paragraph (b).

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

Sec. 24. REPEALER.

(a) Minnesota Statutes 2020, sections 168B.15; and 169.829, subdivision 2, are repealed.

(b) Minnesota Rules, part 8835.0350, subpart 2, is repealed.

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

ARTICLE 8
METROPOLITAN COUNCIL

Section 1. Minnesota Statutes 2020, section 297A.993, is amended by adding a subdivision to read:

Subd. 2a. Guideway uses, reporting. By August 15 of each even-numbered year, a metropolitan area county that uses, or proposes to use, the proceeds of the transportation
sales taxes to fund the planning, construction, operation, or maintenance of guideways as
defined in section 473.4485, subdivision 1, must submit a report to the legislative committees
with jurisdiction over transportation policy and finance. At a minimum, the report must
include:

(1) actual transportation sales tax collections by the county over the previous five calendar
years;

(2) an estimation of the total sales tax revenues that will be collected by the county in
the current year and estimated collections for the next ten calendar years;

(3) for each of the previous five calendar years, the current calendar year, and for the
next ten calendar years:

(i) the amount of sales tax revenues expended or proposed to be expended for guideway
planning, construction, operation, or maintenance;

(ii) the total expenditures or proposed expenditures of sales tax revenues for nonguideway
uses; and

(iii) an estimated balance of unspent or undesignated county sales tax revenues.

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

Sec. 2. Minnesota Statutes 2020, section 473.375, is amended by adding a subdivision to
read:

Subd. 9b. Safe accessibility training. (a) The council must ensure that vehicle operators
who provide bus service receive training on assisting persons with disabilities and mobility
limitations to enter and leave the vehicle. The training must cover assistance in circumstances
where regular access to or from the vehicle is unsafe due to snow, ice, or other obstructions.
This subdivision applies to vehicle operators employed by the Metropolitan Council or by
a replacement service provider.

(b) The council must consult with the Transportation Accessibility Advisory Committee
on the training.

EFFECTIVE DATE; APPLICATION. This section is effective the day following
final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,
Scott, and Washington.
Sec. 3. Minnesota Statutes 2020, section 473.375, is amended by adding a subdivision to read:

Subd. 19. Statistics; reports. (a) The Metropolitan Council must post on the council's website a monthly report including ridership statistics for each guideway and busway in revenue operation. In each report, the council must also include the ridership projections made at the time of the full funding grant agreement for each guideway and busway. Within 60 days after the end of a month, the council must post the report for that month. The council must ensure that a report is available on the council's website for a minimum of five years after the report is posted.

(b) The council must post on the council's website a quarterly report including crime statistics for crimes occurring on a light rail transit vehicle, bus, commuter rail car, or at any transit platform, stop, or facility. The report must break down the data by type of crime. The council must ensure that a report is available on the council's website for a minimum of five years after the report is posted.

EFFECTIVE DATE; APPLICATION. This section is effective July 1, 2022, and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 4. Minnesota Statutes 2020, section 473.39, subdivision 7, is amended to read:

Subd. 7. Limitation on certain debt obligations. The council is prohibited from issuing certificates of participation for light rail transit guideways secured in whole or in part by (1) a pledge of motor vehicle sales tax revenue received under sections 16A.88 and 297B.09, or (2) a pledge of any earnings from the council’s investment of motor vehicle sales tax revenues.

EFFECTIVE DATE; APPLICATION. This section is effective July 1, 2022, and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 5. Minnesota Statutes 2020, section 473.3993, subdivision 4, is amended to read:

Subd. 4. Responsible authority. “Responsible authority” means either the Metropolitan Council or, the state of Minnesota acting through the commissioner of transportation, or a county board of a metropolitan county as designated by the governor under section 473.3994, subdivision 1a, for a particular light rail transit facility.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to projects that enter into full funding grant agreements on or after that date.
Sec. 6. Minnesota Statutes 2020, section 473.3994, subdivision 1a, is amended to read:

106.1 Subd. 1a. Designation of responsible authority. For each proposed light rail transit facility in the metropolitan area, the governor must designate either the Metropolitan Council or the state of Minnesota acting through the commissioner of transportation, or a county board of a metropolitan county as the entity responsible for planning, designing, acquiring, constructing, and equipping the facility. If a proposed light rail transit facility will be entirely located within a single metropolitan area county, the governor must designate the county board of that county as the entity responsible for planning, designing, acquiring, constructing, and equipping the facility. Notwithstanding such designation, the commissioner and, the council, and the county board may enter into one or more cooperative agreements with respect to the planning, designing, acquiring, constructing, or equipping of a particular light rail transit facility that provide for the parties to exercise their respective authorities in support of the project in a manner that best serves the project and the public.

106.14 EFFECTIVE DATE. This section is effective the day following final enactment and applies to projects that enter into full funding grant agreements on or after that date.

Sec. 7. [473.4486] MUNICIPAL APPROVAL OF GUIDEWAY PLANS.

106.17 Subdivision 1. Application. "Guideway" has the meaning given in section 473.4485, subdivision 1, paragraph (d), except that this section does not apply to light rail transit.

106.19 Subd. 2. Preliminary design plans; public hearing. Before final design plans are prepared for a guideway in the metropolitan area, the council must hold a public hearing on the physical design component of the preliminary design plans. The council must provide appropriate public notice of the hearing and publicity to ensure that affected parties have an opportunity to present their views at the hearing. The council must summarize the proceedings and testimony and maintain the record of a hearing held under this section, including any written statements submitted.

106.26 Subd. 3. Preliminary design plans; local approval. At least 30 days before the hearing under subdivision 2, the council must submit the physical design component of the preliminary design plans to the governing body of each statutory and home rule charter city, county, and town in which the route is proposed to be located. The city, county, or town must hold a public hearing. Within 45 days after the hearing under subdivision 2, the city, county, or town must review and approve or disapprove the plans for the route to be located in the city, county, or town. A local unit of government that disapproves the plans must describe specific amendments to the plans that, if adopted, would cause the local unit to withdraw its disapproval. Failure to approve or disapprove the plans in writing within 45
days after the hearing is deemed to be an approval unless an extension of time is agreed to
by the city, county, or town and the council.

Subd. 4. Preliminary design plans; council hearing. If the governing body of one or
more cities, counties, or towns disapproves the preliminary design plans within the period
allowed under subdivision 3, the council must hold a hearing on the plans, giving any
disapproving local governmental units and other persons an opportunity to present their
views on the plans. The council may conduct an independent study as it deems desirable
and may mediate and attempt to resolve disagreements about the plans. Within 60 days after
the hearing, the council must review the plans and must decide what amendments to the
plans, if any, must be made to accommodate the objections presented by the disapproving
local governmental units. Amendments to the plans as decided by the council must be made
before continuing the planning and designing process.

Subd. 5. Final design plans. (a) If the final design plans incorporate a substantial change
from the preliminary design plans with respect to location, length, or termini of routes;
general dimension, elevation, or alignment of routes and crossings; or shelters or stops,
before beginning construction, the council must submit the changed component of the final
design plans to the governing body of each statutory and home rule charter city, county,
and town in which the changed component is proposed to be located. Within 60 days after
the submission of the plans, the city, county, or town must review and approve or disapprove
the changed component located in the city, county, or town. A local unit of government that
disapproves the change must describe specific amendments to the plans that, if adopted,
would cause the local unit to withdraw its disapproval. Failure to approve or disapprove the
changed plans in writing within the time period is deemed to be an approval, unless an
extension is agreed to by the city, county, or town.

(b) If the governing body of one or more cities, counties, or towns disapproves the
changed plans within the period allowed under paragraph (a), the council must review the
final design plans under the same procedure and with the same effect as provided in
subdivision 4 for preliminary design plans.

Subd. 6. Revocation. A city, county, or town that has approved the plan as provided by
this section may revoke its approval of the plan at any point prior to the council securing
federal funding for the project. The city, county, or town must notify the council of the
revocation. Upon receipt of the notification, the council must review the final design plans
under the same procedure and with the same effect as provided in subdivision 4 for
preliminary design plans.
Subd. 7. Prohibition. The council must not apply for or request any federal funds for a guideway project until each city, county, or town in which the route is proposed to be located has approved of the plan as provided by this section.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to all current and future guideways excluding the Gold Line bus rapid transit project.

Sec. 8. [473.4487] GUIDEWAY COST-BENEFIT ANALYSIS.

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

(b) "Commissioner" means the commissioner of transportation.

(c) "Project options" means the proposed guideway and each alternative identified pursuant to subdivision 2, paragraph (b).

(d) "Responsible governmental unit" means the unit of government responsible for the environmental analysis of the project.

Subd. 2. Analysis required. (a) Prior to the selection of a locally preferred alternative, the responsible governmental unit must perform a cost-benefit analysis as described by this section. The responsible governmental unit must submit the analysis to the commissioner and the Metropolitan Council within 30 days of completing the analysis. The commissioner must post the final analysis on the Department of Transportation website. The chair of the Metropolitan Council must post the final analysis on the council's website. The commissioner and the chair must jointly submit a copy of the final report to the legislative auditor and to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation finance and policy.

(b) The responsible governmental unit must determine alternatives that would serve substantially the same area as the proposed guideway but would provide service in a different manner. At a minimum, the alternatives must include an arterial bus rapid transit line, a regular route bus service line, and a nontransit option that expands capacity of the road.

(c) At a minimum, the analysis must include the following information:

(1) for guideway and busway project options, the estimated ridership numbers;

(2) for the capacity expansion option, the number of additional vehicles accommodated by the expansion;

(3) for each project option, an estimate of the increase or decrease of the number of vehicles on the road;
(4) the amount of revenue derived from or attributable to each project option, including but not limited to fares, tax on gasoline, and motor vehicle sales tax;

(5) for each project option, the estimated ongoing maintenance costs, which entity will pay for the costs, and the percentage of the costs to be paid by each entity;

(6) for each project option, the estimated future capital costs, which entity will pay for the costs, and the percentage of the costs to be paid by each entity;

(7) the estimated economic benefit attributable to each project option, including but not limited to new or expanded housing units or businesses, increased freight movement, and reduction of supply chain issues;

(8) for each project option, the estimated timeline for construction, road closures, and detours and an estimate on how that timeline affects the surrounding areas;

(9) for each project option, an estimate of whether vehicle collisions will increase or decrease due to a change in the projected number of vehicles on the road;

(10) for each project option, an analysis of whether each project option could be altered or stopped once construction is started and the estimated costs related to alteration or stopping;

(11) for each project option, travel time along the route from end to end and for various points of interest in between, including time spent waiting for transit, changing modes of transportation, and other time spent directly related to travel but not inside of a vehicle;

(12) for busway and guideway project options, how travel time for vehicles would be affected by any estimated reduction in vehicle traffic; and

(13) for each project option, the estimated increase or decrease in carbon emissions or other environmental pollutants.

(d) The analysis must also determine how many miles of arterial bus rapid transit, regular route bus service, or congestion mitigation construction could be funded for the amount proposed to be spent on the guideway.

(e) A responsible governmental unit may request assistance from the commissioner or Metropolitan Council. The commissioner or Metropolitan Council must provide the requested assistance and may bill the responsible governmental unit for reasonable expenses incurred in providing the assistance.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to all guideways seeking state or federal funding on or after that date, except this
Section does not apply to the Gold Line bus rapid transit project. This section applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 9. [473.4488] County Responsibility for Guideway Funding.

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

(b) "Guideway" has the meaning given in section 473.4485, subdivision 1, paragraph (d).

(c) "Host county" means the county where the guideway is located.

Subd. 2. Host county responsibility. A host county is responsible for funding all aspects of guideways using nonstate sources. This includes but is not limited to costs for:

(1) planning, design, engineering, construction, prerevenue operations, and other costs associated with guideway development that exceed federal, state, local government, or other funds dedicated to the guideway. This requirement pertains to all costs associated with guideway development, including associated costs not eligible for federal funding;

(2) operating costs of guideway services determined by the service operator to be necessary to meet reasonable standards for access, safety, and reliability and that exceed fare revenues and federal, state, local government, or other funds dedicated to the guideway; and

(3) capital maintenance, replacement, and modernization costs determined by the operator of guideway services to be necessary to meet reasonable standards for access, safety, reliability, and upkeep of the guideway and that exceed federal, state, local government, or other funds dedicated to the guideway.

Subd. 3. Prohibition. (a) The state must not provide any funding for guideways or contribute in any manner to any costs related to guideways.

(b) The council must not impose any tax or fee to pay for any costs related to guideways, including any costs for which a host county is responsible pursuant to subdivision 2.

EFFECTIVE DATE; APPLICATION. This section is effective July 1, 2022, and applies to existing and future guideways in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington, except this section does not apply to the Gold Line bus rapid transit project.
Sec. 10. Laws 2021, First Special Session chapter 5, article 4, section 143, is amended to read:

Sec. 143. STUDY ON POST-COVID PANDEMIC PUBLIC TRANSPORTATION.

(a) From funds specified under Minnesota Statutes, section 161.53, paragraph (b), the commissioner of transportation must arrange and pay for a study by the Center for Transportation Studies at the University of Minnesota that examines public transportation after the COVID-19 pandemic is substantially curtailed in the United States. At a minimum, the study must:

(1) focus primarily on transit service for commuters in the metropolitan area, as defined in Minnesota Statutes, section 473.121, subdivision 2;

(2) specifically review Northstar Commuter Rail and commuter-oriented transit service by the Metropolitan Council and by the suburban transit providers; and

(3) provide analysis and projections on anticipated changes in:

(i) ridership;

(ii) demand for different modes and forms of active and public transportation;

(iii) transit service levels and features;

(iv) revenue and expenditures; and

(v) long-term impacts.

(b) By February October 1, 2023, the chair of the Metropolitan Council must provide a copy of the study to the members of the legislative committees with jurisdiction over transportation policy and finance.

EFFECTIVE DATE. This section is effective the day following final enactment. This section applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 11. GUIDEWAY COST-BENEFIT ANALYSIS; TRANSITION.

(a) This section applies to a guideway for which a locally preferred alternative has been selected prior to the effective date of this section but is not in revenue operation on the effective date of this section, except this section does not apply to the gold line bus rapid transit project.
(b) For each guideway subject to this section, the commissioner of transportation and
the Metropolitan Council must perform a cost-benefit analysis as required by Minnesota
Statutes, section 473.4487, subdivision 2, paragraphs (b), (c), and (d). Within 30 days of
completing a cost-benefit analysis required by this section, the commissioner must post the
final analysis on the Department of Transportation's website and the Metropolitan Council
must post the final analysis on the council's website. The commissioner and the council
must jointly submit a copy of the final report to the legislative auditor and to the chairs and
ranking minority members of legislative committees with jurisdiction over transportation
finance and policy.

EFFECTIVE DATE. This section is effective the day following final enactment and
applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 12. REQUEST TO TERMINATE NORTHSTAR COMMUTER RAIL
OPERATIONS.

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

(b) "Commissioner" means the commissioner of transportation.

(c) "Council" means the Metropolitan Council.

(d) "FTA" means the Federal Transit Administration.

(e) "Northstar" means the Northstar Commuter Rail line that provides rail passenger
service between downtown Minneapolis and Big Lake, including stops in Fridley, Coon
Rapids, Anoka, Ramsey, and Elk River.

Subd. 2. Federal approval. Within 30 days of the enactment of this section, the council
and the commissioner must request approval from the FTA to discontinue Northstar
operations. As part of the request, the council and commissioner must specify that the state
will not reimburse the FTA or any other federal agency for federal funds spent on Northstar.
Within seven days of receiving a response to the request, the council and commissioner
must report to the chairs and ranking minority members of the legislative committees with
jurisdiction over transportation policy and finance on the outcome of the request. The report
must include a copy of the request submitted to the FTA and a copy of the FTA's response.
If the FTA grants the request, the commissioner and council must submit to the chairs and
ranking minority members of the legislative committees with jurisdiction over transportation
policy and finance a proposed plan to terminate Northstar operations. The plan must be
submitted within 90 days after the FTA grants the request.
113.1 **EFFECTIVE DATE.** This section is effective the day following final enactment. This section applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

113.4 Sec. 13. **SUSPENSION OF GUIDEWAY ACTIVITIES.**

113.5 The Metropolitan Council must not take any action or spend any money for study, planning, preliminary engineering, final design, or construction for any proposed guideway. This does not apply to the Gold Line bus rapid transit project or the Green Line Extension light rail transit line, also known as the Southwest Light Rail project. This section expires when the Green Line Extension light rail transit line begins revenue operations.

113.10 **EFFECTIVE DATE.** This section is effective the day following final enactment. This section applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.
168.345 USE OF VEHICLE REGISTRATION INFORMATION.

Subdivision 1. Information by telephone. Information about vehicle registrations shall not be furnished on the telephone to any person except the personnel of law enforcement agencies and the personnel of governmental motor vehicle and registration offices.

168A.01 DEFINITIONS.

Subd. 17a. Salvage title. "Salvage title" means a certificate of title that is issued to a vehicle declared a repairable total loss vehicle under section 168A.151 and includes an existing certificate of title that has been stamped with the legend "salvage certificate of title" in accordance with section 168A.151.

168B.15 TOW TRUCK PERMIT.

The commissioner of transportation may issue permits to an applicant who pays a single $300 annual fee to cover all tow trucks and towing vehicles owned by the applicant and meets any other conditions prescribed by the commissioner. The permit authorizes the tow truck or towing vehicle, when towing a disabled or damaged vehicle to a place of repair or to a place of safekeeping, to exceed the length and weight limitations of chapter 169.

169.829 WEIGHT LIMITS NOT APPLICABLE TO CERTAIN VEHICLES.

Subd. 2. Tow truck. Sections 169.823 to 169.828 do not apply to a tow truck or towing vehicle when towing a disabled or damaged vehicle, when the movement is urgent, and when the movement is for the purpose of removing the disabled vehicle from the roadway to a place of safekeeping or to a place of repair.

325F.6644 APPLICATION.

Subdivision 1. Damage disclosure. Section 325F.6641 does not apply to commercial motor vehicles with a gross vehicle weight rating of 16,000 pounds or more or to motorcycles.

Subd. 2. Title branding. Section 325F.6642 does not apply to (1) commercial motor vehicles with a gross vehicle weight rating of 16,000 pounds or more or to motorcycles, other than reconstructed vehicles, as defined in section 168A.01, subdivision 16; and (2) restored pioneer vehicles, as defined in section 168A.01, subdivision 16a.
Sec. 41. [CORRECTION 27A.] Laws 2000, chapter 479, article 2, section 1, is amended to read:

Section 1. PROHIBITION AGAINST APPROPRIATIONS FROM TRUNK HIGHWAY FUND.

To ensure compliance with the Minnesota Constitution, article XIV, sections 2, 5, and 6, the commissioner of finance, agency directors, and legislative commission personnel may not include in the biennial budget for fiscal years 2002 and 2003, or in any budget thereafter, expenditures from the trunk highway fund for a nonhighway purpose as jointly determined by the commissioner of finance and the attorney general. For purposes of this section, an expenditure for a nonhighway purpose is any expenditure not for construction, improvement, or maintenance of highways. At the time of submission of the biennial budget proposal to the legislature, the commissioner of finance and the attorney general shall report to the senate and house of representatives transportation committees concerning any expenditure that is proposed to be appropriated from the trunk highway fund, if that expenditure is similar to those reduced or eliminated in sections 5 to 20. The report must explain the highway purpose of, and recommend a fund to be charged for, the proposed expenditure.
COMMERCIAL MOTOR VEHICLE TESTING PROGRAM.

A public, postsecondary educational institution or school as described in part 7410.6100 applying to be a third-party testing program for commercial motor vehicles shall offer a training course for commercial motor vehicle operation that consists of at least 180 hours of training.

THIRD-PARTY TESTER QUALIFICATIONS.

Subp. 3. Driver education instructor. Except for an instructor in a licensed or approved motorcycle driver education program, a third-party tester may not simultaneously be an instructor in a licensed or approved driver education program.

DENIAL, CANCELLATION, OR SUSPENSION OF PROGRAM OR TESTER CERTIFICATE.

Subp. 3. Commissioner's discretion. The existence of grounds for cancellation or suspension under subpart 2 is determined at the sole discretion of the commissioner. If the commissioner determines that grounds for cancellation or suspension exist for failure to comply with or satisfy any requirement in parts 7410.6000 to 7410.6520, the commissioner may immediately cancel or suspend the third-party testing program or third-party tester from administering any further tests.

ONLINE CLASSROOM INSTRUCTION; ADULT ONLY.

Classroom instruction via the Internet may be provided by a program to any student who is at least 18 years old.

A. The course of study must provide a means for the student to measure performance outcomes.

B. There must be a pool of rotating quiz questions.

C. The course must have accountability features to ensure the age and identity of the student taking the course.

D. Technical designs must have features that measure the amount of time a student spends on each section of the course.

E. Customer support access must be made available through a toll-free telephone number.

F. The course must have a secure server and be backed up by a second unit.

G. The program must have preventives in place to protect against the access of private information.

H. The course must have the ability to update course content uniformly throughout the state.

I. The course must have a location in Minnesota where program and student records are accessible.

FINANCIAL RECORDS.

Subp. 2. Reports. At the end of each month of operation, a recipient shall provide the department with a report summarizing cost allocations and operating statistics for the period. Reports must be completed on forms provided or approved by the department and must be submitted no later than the last day of the month following the reporting period. The recipient shall submit to the department the final report for the contract period no later than 90 days after the contract period ends.