

**SENATE**  
**STATE OF MINNESOTA**  
**NINETIETH SESSION**

**S.F. No. 2437**

(SENATE AUTHORS: OSMEK)

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OFFICIAL STATUS  
Introduction and first reading  
Referred to Judiciary and Public Safety Finance and Policy

1.1 A bill for an act  
1.2 relating to public safety; requiring administrative impoundment of license plates  
1.3 of a level III predatory offender; proposing coding for new law in Minnesota  
1.4 Statutes, chapter 168.

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

1.6 Section 1. **[168.045] ADMINISTRATIVE IMPOUNDMENT OF PLATES; LEVEL**  
1.7 **III PREDATORY OFFENDER.**

1.8 Subdivision 1. **Definitions.** (a) As used in this section, the following terms have the  
1.9 meanings given in this subdivision.

1.10 (b) "Family or household member" means:

1.11 (1) a parent, stepparent, or guardian;

1.12 (2) any of the following persons related by blood, marriage, or adoption: brother, sister,  
1.13 stepbrother, stepsister, first cousin, aunt, uncle, nephew, niece, grandparent,  
1.14 great-grandparent, great-uncle, or great-aunt; or

1.15 (3) persons residing together or persons who regularly associate and communicate with  
1.16 one another outside of a workplace setting.

1.17 (c) "Motor vehicle" means a self-propelled motor vehicle. Motor vehicle does not include  
1.18 a motorboat in operation or an off-road recreational vehicle.

1.19 (d) "Offender" means a level III predatory offender as defined in section 244.052.

2.1 Subd. 2. **Plate impoundment violation; impoundment order.** (a) The commissioner  
2.2 must issue a registration plate impoundment order when an offender is assigned to risk level  
2.3 III.

2.4 (b) The order must require the impoundment of the registration plates for the motor  
2.5 vehicle involved in the plate impoundment violation and all motor vehicles owned by,  
2.6 registered to, or leased in the name of the offender, including any motor vehicle registered  
2.7 jointly or leased in the name of the offender and another. The commissioner must not issue  
2.8 an impoundment order for the registration plates of a rental vehicle, as defined in section  
2.9 168.041, subdivision 10, or a vehicle registered in another state.

2.10 Subd. 3. **Notice of impoundment.** An impoundment order is effective when the  
2.11 commissioner or a peace officer acting on behalf of the commissioner notifies the offender  
2.12 or the registered owner of the motor vehicle of the intent to impound and an order of  
2.13 impoundment. The notice must advise the offender of the duties and obligations under  
2.14 subdivision 6 and of the right to obtain administrative and judicial review. The notice to  
2.15 the registered owner who is not the offender must include the procedure to obtain new  
2.16 registration plates under subdivision 8. If mailed, the notice and order of impoundment is  
2.17 deemed received three days after the notice is mailed to the last known address of the  
2.18 offender or registered owner.

2.19 Subd. 4. **Peace officer as agent for notice of impoundment.** A peace officer issuing a  
2.20 notice of intent to revoke and a revocation notice for a plate impoundment violation on  
2.21 behalf of the commissioner must also serve a notice of intent to impound and an order of  
2.22 impoundment. If the vehicle involved in the plate impoundment violation is accessible to  
2.23 the officer at the time the impoundment order is issued, the officer must seize the registration  
2.24 plates subject to the impoundment order. The officer must destroy all plates seized or  
2.25 impounded under this section. The officer must send to the commissioner copies of the  
2.26 notice of intent to impound, the order of impoundment, and a notice that the registration  
2.27 plates impounded and seized under this section have been destroyed.

2.28 Subd. 5. **Temporary permit.** If the motor vehicle is registered to the offender, the officer  
2.29 must issue a temporary vehicle permit that is valid for seven days at the time the officer  
2.30 issues the notices under subdivision 4. If the motor vehicle is registered in the name of  
2.31 another person, the officer must issue a temporary vehicle permit that is valid for 45 days  
2.32 at the time the notices are issued under subdivision 3. The permit must be in a form  
2.33 determined by the registrar and must be posted on the left side of the inside rear window  
2.34 of the vehicle whenever practicable. A permit is valid only for the vehicle for which the  
2.35 permit is issued.

3.1 Subd. 6. **Surrender of plates.** Within seven days after the impoundment notice is issued,  
3.2 a person who receives a notice of impoundment and impoundment order must surrender all  
3.3 registration plates subject to the impoundment order that were not seized by a peace officer  
3.4 under subdivision 4. Registration plates required to be surrendered under this subdivision  
3.5 must be surrendered to a Minnesota police department, sheriff, or the State Patrol, along  
3.6 with a copy of the impoundment order. A law enforcement agency receiving registration  
3.7 plates under this subdivision must destroy the plates and notify the commissioner that the  
3.8 plates have been destroyed. The notification to the commissioner must also include a copy  
3.9 of the impoundment order.

3.10 Subd. 7. **Vehicle not owned by offender.** An offender may file a sworn statement with  
3.11 the commissioner within seven days of the date an impoundment order is issued. The sworn  
3.12 statement must contain any material information relating to the impoundment order, including  
3.13 whether the vehicle has been sold or destroyed, and must provide the date, name, location,  
3.14 and address of the person or entity that purchased or destroyed the vehicle. The commissioner  
3.15 must rescind the impoundment order if the offender shows that the impoundment order was  
3.16 not properly issued.

3.17 Subd. 8. **Reissuance of registration plates.** (a) The commissioner must rescind the  
3.18 impoundment order of a person subject to an order under this section, other than the offender,  
3.19 if:

3.20 (1) the offender had a valid driver's license on the date of the plate impoundment violation  
3.21 and the person files with the commissioner an acceptable sworn statement containing the  
3.22 following information:

3.23 (i) the person is the registered owner of the vehicle from which the plates have been  
3.24 impounded under this section;

3.25 (ii) the person is the current owner and possessor of the vehicle used in the violation;

3.26 (iii) the date on which the offender obtained the vehicle from the registered owner;

3.27 (iv) the residence addresses of the registered owner and the offender on the date the  
3.28 offender obtained the vehicle from the registered owner;

3.29 (v) the person was not a passenger in the vehicle at the time of the plate impoundment  
3.30 violation; and

3.31 (vi) the person knows that the offender may not drive, operate, or be in physical control  
3.32 of a vehicle without a valid driver's license; or

4.1 (2) the offender did not have a valid driver's license on the date of the plate impoundment  
4.2 violation and the person made a report to law enforcement before the violation stating that  
4.3 the vehicle had been taken from the person's possession or was being used without  
4.4 permission.

4.5 (b) A person who has failed to make a report as provided in paragraph (a), clause (2),  
4.6 may be issued special registration plates under subdivision 13 for a period of one year from  
4.7 the effective date of the impoundment order. Following this period, the person may apply  
4.8 for regular registration plates.

4.9 (c) If the order is rescinded, the owner must receive new registration plates at no cost,  
4.10 if the plates were seized and destroyed.

4.11 Subd. 9. **Administrative review.** At any time during the effective period of an  
4.12 impoundment order, a person may request in writing a review of the impoundment order  
4.13 by the commissioner. On receiving a request, the commissioner or commissioner's designee  
4.14 must review the order, the evidence upon which the order was based, and any other material  
4.15 information brought to the attention of the commissioner, and determine whether sufficient  
4.16 cause exists to sustain the order. The commissioner must report in writing the results of the  
4.17 review within 15 days of receiving the request. The review provided under this subdivision  
4.18 is not subject to the contested case provisions of the Administrative Procedure Act, chapter  
4.19 14. As a result of the review, the commissioner may authorize the issuance of new registration  
4.20 plates at no cost to the registered owner of the vehicle if the registered owner's license or  
4.21 driving privileges were not revoked as a result of the plate impoundment violation.

4.22 Subd. 10. **Petition for judicial review.** (a) A person may petition the court for review  
4.23 within 30 days following receipt of a notice and order of impoundment under this section.  
4.24 The petition must include proof of service of a copy of the petition on the commissioner.  
4.25 The petition must include the petitioner's date of birth, driver's license number, and date of  
4.26 the plate impoundment violation, as well as the name of the offender and law enforcement  
4.27 agency that issued the plate impoundment order. The petition must state with specificity  
4.28 the grounds upon which the petitioner seeks rescission of the order for impoundment.

4.29 (b) The filing of the petition does not stay the impoundment order. The reviewing court  
4.30 may order a stay of the balance of the impoundment period if the hearing has not been  
4.31 conducted within 60 days after filing of the petition, upon terms the court deems proper.  
4.32 The court must order that the impoundment be rescinded or sustained, and forward the order  
4.33 to the commissioner. The court must file its order within 14 days following the hearing.

5.1 Subd. 11. **Rescission of revocation and dismissal or acquittal; new plates.** If the  
5.2 driver's license revocation that is the basis for an impoundment order is rescinded, the  
5.3 registrar of motor vehicles must issue new registration plates for the vehicle at no cost upon  
5.4 receiving an application that includes a copy of the order rescinding the driver's license  
5.5 revocation and either the order dismissing the charges or the judgment of acquittal.

5.6 Subd. 12. **Charge for reinstatement of plates in certain situations.** When the registrar  
5.7 of motor vehicles reinstates a person's registration plates after impoundment for reasons  
5.8 other than those described in subdivision 11, the registrar must charge the person \$50 per  
5.9 vehicle for which the registration plates are being reinstated.

5.10 Subd. 13. **Special registration plates.** (a) At any time during the effective period of an  
5.11 impoundment order, an offender or registered owner may apply to the commissioner for  
5.12 new registration plates. The commissioner may authorize the issuance of special plates if:

5.13 (1) the offender has a qualified licensed driver, whom the offender must identify;

5.14 (2) the offender or registered owner has a limited license issued under section 171.30;

5.15 (3) the registered owner is not the offender and the registered owner has a valid or limited  
5.16 driver's license;

5.17 (4) a member of the registered owner's household has a valid driver's license; or

5.18 (5) the offender has been reissued a valid driver's license.

5.19 (b) Special registration plates issued under this subdivision must bear a special series  
5.20 of numbers or letters so as to be readily identified by law enforcement officers.

5.21 (c) The commissioner is prohibited from issuing new registration plates for a vehicle  
5.22 subject to plate impoundment for a period of at least one year from the date of the  
5.23 impoundment order. In addition, if the owner is the offender, new registration plates must  
5.24 not be issued for the vehicle unless the person has been reissued a valid driver's license  
5.25 under chapter 171.

5.26 (d) An offender is prohibited from applying for new registration plates for a vehicle at  
5.27 any time before the person's driver's license is reinstated.

5.28 (e) The commissioner may issue the special plates on payment of a \$50 fee for each  
5.29 vehicle for which special plates are requested.

5.30 (f) Notwithstanding paragraphs (a) to (e), the commissioner must issue upon request  
5.31 new registration plates for a vehicle with impounded registration plates if:

5.32 (1) the impoundment order is rescinded;

6.1 (2) the vehicle is transferred in compliance with subdivision 14; or

6.2 (3) the vehicle is transferred to a Minnesota automobile dealer licensed under section  
6.3 168.27, a financial institution that has submitted a repossession affidavit, or a government  
6.4 agency.

6.5 Subd. 14. **Sale of vehicle subject to impoundment order.** (a) A registered owner is  
6.6 prohibited from selling or transferring a motor vehicle during the time its registration plates  
6.7 have been ordered impounded or during the time its registration plates bear a special series  
6.8 number, unless:

6.9 (1) the sale is for a valid consideration;

6.10 (2) the transferee and the registered owner are not family or household members;

6.11 (3) the transferee signs an acceptable sworn statement with the commissioner attesting:

6.12 (i) the transferee and offender are not family or household members; and

6.13 (ii) the transferee understands the vehicle is subject to an impoundment order; and

6.14 (4) all elements of section 168A.10 are satisfied.

6.15 (b) If the conditions of paragraph (a) are satisfied, the registrar may transfer the title to  
6.16 the new owner upon proper application and issue new registration plates for the vehicle.

6.17 Subd. 15. **Acquiring another vehicle.** If the offender applies to the commissioner for  
6.18 registration plates for any vehicle during the effective period of the plate impoundment, the  
6.19 commissioner is prohibited from issuing registration plates unless (1) the offender qualifies  
6.20 for special registration plates under subdivision 13, and (2) the plates issued are special  
6.21 plates described under subdivision 13.

6.22 Subd. 16. **Fees credited.** Fees collected from the sale or reinstatement of license plates  
6.23 under this section must be paid into the state treasury and credited as follows:

6.24 (1) one-half to the vehicle services operating account in the special revenue fund under  
6.25 section 299A.705; and

6.26 (2) one-half to the general fund.