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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETIETH SESSION

H. F. No. **4160**

03/22/2018 Authored by Torkelson
The bill was read for the first time and referred to the Committee on Transportation Finance

1.1 A bill for an act
1.2 relating to public safety; creating a fund in the state treasury; making technical
1.3 and conforming changes; amending Minnesota Statutes 2016, sections 168A.29,
1.4 subdivision 1; 299A.705; Minnesota Statutes 2017 Supplement, section 171.06,
1.5 subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 299A;
1.6 repealing Minnesota Statutes 2016, section 168.013, subdivision 21.

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

1.8 Section 1. Minnesota Statutes 2016, section 168A.29, subdivision 1, is amended to read:

1.9 Subdivision 1. **Amounts.** (a) The department must be paid the following fees:

1.10 (1) for filing an application for and the issuance of an original certificate of title, ~~the~~
1.11 ~~sum of:~~

1.12 ~~(i) until December 31, 2016, \$6.25 of which \$3.25 must be paid into the vehicle services~~
1.13 ~~operating account of the special revenue fund under section 299A.705, and from July 1,~~
1.14 ~~2012, to June 30, 2016, a surcharge of \$1 must be added to the fee and credited to the driver~~
1.15 ~~and vehicle services technology account; and~~

1.16 ~~(ii) on and after January 1, 2017, \$8.25 of which \$4.15 must be paid into the vehicle~~
1.17 ~~services operating account under section 299A.705;~~

1.18 (2) for each security interest when first noted upon a certificate of title, including the
1.19 concurrent notation of any assignment thereof and its subsequent release or satisfaction, the
1.20 sum of \$2, except that no fee is due for a security interest filed by a public authority under
1.21 section 168A.05, subdivision 8;

1.22 ~~(3) until December 31, 2016, for the transfer of the interest of an owner and the issuance~~
1.23 ~~of a new certificate of title, the sum of \$5.50 of which \$2.50 must be paid into the vehicle~~

2.1 ~~services operating account of the special revenue fund under section 299A.705, and from~~
 2.2 ~~July 1, 2012, to June 30, 2016, a surcharge of \$1 must be added to the fee and credited to~~
 2.3 ~~the driver and vehicle services technology account;~~

2.4 ~~(4)~~ (3) for each assignment of a security interest when first noted on a certificate of title,
 2.5 unless noted concurrently with the security interest, the sum of \$1; and

2.6 ~~(5)~~ (4) for issuing a duplicate certificate of title, the sum of \$7.25 of which \$3.25 must
 2.7 be paid into the vehicle services operating account of the special revenue fund under section
 2.8 299A.705; ~~from July 1, 2012, to June 30, 2016, a surcharge of \$1 must be added to the fee~~
 2.9 ~~and credited to the driver and vehicle services technology account.~~

2.10 (b) In addition to the fee required under paragraph (a), clause (1), the department must
 2.11 be paid \$3.50. The additional \$3.50 fee collected under this paragraph must be deposited
 2.12 in the special revenue fund and credited to the public safety motor vehicle account established
 2.13 in section 299A.70.

2.14 Sec. 2. Minnesota Statutes 2017 Supplement, section 171.06, subdivision 2, is amended
 2.15 to read:

2.16 Subd. 2. **Fees.** (a) The fees for a license and Minnesota identification card are as follows:

2.17 REAL ID Compliant or				
2.18 Noncompliant Classified				
2.19 Driver's License	D-\$17.25	C-\$21.25	B-\$28.25	A-\$36.25
2.20 REAL ID Compliant or				
2.21 Noncompliant Classified				
2.22 Under-21 D.L.	D-\$17.25	C-\$21.25	B-\$28.25	A-\$16.25
2.23 Enhanced Driver's License	D-\$32.25	C-\$36.25	B-\$43.25	A-\$51.25
2.24 REAL ID Compliant or				
2.25 Noncompliant Instruction				
2.26 Permit				\$5.25
2.27 Enhanced Instruction				
2.28 Permit				\$20.25
2.29 Commercial Learner's				
2.30 Permit				\$2.50
2.31 REAL ID Compliant or				
2.32 Noncompliant Provisional				
2.33 License				\$8.25
2.34 Enhanced Provisional				
2.35 License				\$23.25
2.36 Duplicate REAL ID				
2.37 Compliant or Noncompliant				
2.38 License or duplicate REAL				
2.39 ID Compliant or				\$6.75

3.1	Noncompliant identification	
3.2	card	
3.3	Enhanced Duplicate	
3.4	License or enhanced	
3.5	duplicate identification card	\$21.75
3.6	REAL ID Compliant or	
3.7	Noncompliant Minnesota	
3.8	identification card or REAL	
3.9	ID Compliant or	
3.10	Noncompliant Under-21	
3.11	Minnesota identification	
3.12	card, other than duplicate,	
3.13	except as otherwise	
3.14	provided in section 171.07,	
3.15	subdivisions 3 and 3a	\$11.25
3.16	Enhanced Minnesota	
3.17	identification card	\$26.25

3.18 ~~In addition to each fee required in this paragraph, the commissioner shall collect a surcharge~~
 3.19 ~~of: (1) \$1.75 until June 30, 2012; and (2) \$1.00 from July 1, 2012, to June 30, 2016.~~

3.20 ~~Surcharges collected under this paragraph must be credited to the driver and vehicle services~~
 3.21 ~~technology account in the special revenue fund under section 299A.705.~~

3.22 (b) Notwithstanding paragraph (a), an individual who holds a provisional license and
 3.23 has a driving record free of (1) convictions for a violation of section 169A.20, 169A.33,
 3.24 169A.35, sections 169A.50 to 169A.53, or section 171.177, (2) convictions for crash-related
 3.25 moving violations, and (3) convictions for moving violations that are not crash related, shall
 3.26 have a \$3.50 credit toward the fee for any classified under-21 driver's license. "Moving
 3.27 violation" has the meaning given it in section 171.04, subdivision 1.

3.28 (c) In addition to the driver's license fee required under paragraph (a), the commissioner
 3.29 shall collect an additional \$4 processing fee from each new applicant or individual renewing
 3.30 a license with a school bus endorsement to cover the costs for processing an applicant's
 3.31 initial and biennial physical examination certificate. The department shall not charge these
 3.32 applicants any other fee to receive or renew the endorsement.

3.33 (d) In addition to the fee required under paragraph (a), a driver's license agent may charge
 3.34 and retain a filing fee as provided under section 171.061, subdivision 4.

3.35 (e) In addition to the fee required under paragraph (a), the commissioner shall charge a
 3.36 filing fee at the same amount as a driver's license agent under section 171.061, subdivision
 3.37 4. Revenue collected under this paragraph must be deposited in the driver services operating
 3.38 account.

4.1 (f) An application for a Minnesota identification card, instruction permit, provisional
 4.2 license, or driver's license, including an application for renewal, must contain a provision
 4.3 that allows the applicant to add to the fee under paragraph (a), a \$2 donation for the purposes
 4.4 of public information and education on anatomical gifts under section 171.075.

4.5 Sec. 3. **[299A.704] DRIVER AND VEHICLE SERVICES FUND.**

4.6 A driver and vehicle services fund is established within the state treasury. The fund
 4.7 consists of accounts and money as specified by law, and any other money otherwise donated,
 4.8 allotted, appropriated, or legislated to the fund.

4.9 Sec. 4. Minnesota Statutes 2016, section 299A.705, is amended to read:

4.10 **299A.705 DRIVER AND VEHICLE SERVICES ACCOUNTS.**

4.11 Subdivision 1. **Vehicle services operating account.** (a) The vehicle services operating
 4.12 account is created in the ~~special revenue~~ driver and vehicle services fund, consisting of all
 4.13 money from the vehicle services fees specified in chapters 168, 168A, and 168D, and any
 4.14 other money otherwise donated, allotted, appropriated, or legislated to ~~this~~ the account.

4.15 (b) Funds appropriated ~~are available~~ from this account must be used by the commissioner
 4.16 of public safety to administer the vehicle services as specified in chapters 168, 168A, and
 4.17 168D, and section 169.345, including:

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

4.20 (2) collecting title and registration taxes and fees;

4.21 (3) transferring vehicle registration plates and titles;

4.22 (4) maintaining vehicle records;

4.23 (5) issuing disability certificates and plates;

4.24 (6) licensing vehicle dealers;

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

4.26 (8) inspecting vehicles when required by law.

4.27 Subd. 2. **Driver services operating account.** (a) The driver services operating account
 4.28 is created in the ~~special revenue~~ driver and vehicle services fund, consisting of all money
 4.29 collected under chapter 171 and any other money otherwise donated, allotted, appropriated,
 4.30 or legislated to the account.

5.1 (b) ~~Money in the~~ Funds appropriated from this account must be used by the commissioner
 5.2 of public safety to administer the driver services specified in chapters 169A and 171,
 5.3 including the activities associated with producing and mailing drivers' licenses and
 5.4 identification cards and notices relating to issuance, renewal, or withdrawal of driving and
 5.5 identification card privileges for any fiscal year or years and for the testing and examination
 5.6 of drivers.

5.7 Subd. 3. **Driver and vehicle services technology account.** (a) The driver and vehicle
 5.8 services technology account is created in the ~~special revenue~~ driver and vehicle services
 5.9 fund, consisting of the technology surcharge collected as specified in ~~chapters 168, 168A,~~
 5.10 ~~and 171; the filing fee revenue collected under section 168.33, subdivision 7; section 168.33~~
 5.11 and any other money otherwise donated, allotted, appropriated, or legislated to this account.

5.12 (b) Money in the account is annually appropriated to the commissioner of public safety
 5.13 to support the research, development, deployment, and maintenance of a driver and vehicle
 5.14 services information system.

5.15 (c) Following completion of the deposit of filing fee revenue into the driver and vehicle
 5.16 services technology account as provided under section 168.33, subdivision 7, the
 5.17 commissioner shall submit a notification to the chairs and ranking minority members of the
 5.18 legislative committees with jurisdiction over transportation policy and finance concerning
 5.19 driver and vehicle services information system implementation, which must include
 5.20 information on (1) total revenue deposited in the driver and vehicle services technology
 5.21 account, with a breakdown by sources of funds; (2) total project costs incurred, with a
 5.22 breakdown by key project components; and (3) an estimate of ongoing system maintenance
 5.23 costs.

5.24 Subd. 4. **Prohibited expenditures.** The commissioner is prohibited from expending
 5.25 money from driver and vehicle services accounts created in the ~~special revenue~~ driver and
 5.26 vehicle services fund for any purpose that is not specifically authorized in this section or in
 5.27 the chapters specified in this section.

5.28 Sec. 5. **REVISOR'S INSTRUCTION.**

5.29 The revisor of statutes shall change the term "special revenue fund" to "driver and vehicle
 5.30 services fund" wherever the term appears in Minnesota Statutes when referring to the
 5.31 accounts under Minnesota Statutes, section 299A.705.

6.1 Sec. 6. **REPEALER.**

6.2 Minnesota Statutes 2016, section 168.013, subdivision 21, is repealed.

6.3 Sec. 7. **EFFECTIVE DATE.**

6.4 Sections 1 to 6 are effective July 1, 2018.

APPENDIX
Repealed Minnesota Statutes: HF4160-0

168.013 VEHICLE REGISTRATION TAXES.

Subd. 21. **Technology surcharge.** For every vehicle registration renewal required under this chapter, the commissioner shall collect a surcharge of: (1) \$1.75 until June 30, 2012; and (2) \$1 from July 1, 2012, to June 30, 2016. Surcharges collected under this subdivision must be credited to the driver and vehicle services technology account in the special revenue fund under section 299A.705.