

Sec. 2. [473.1425] WORKING CAPITAL FUND.

The metropolitan council or a metropolitan agency defined in section 473.121, subdivision 5a, to the extent allowed by other law or contract, may grant available money that has been appropriated for socially or economically disadvantaged business programs to a guaranty fund administered by a nonprofit organization that makes or guarantees working capital loans to businesses owned and operated by socially or economically disadvantaged persons as defined in Code of Federal Regulations, title 49, section 23.5. The purpose of loans made or guaranteed by the organization must be to provide short-term working capital to enable eligible businesses to be awarded contracts for goods and services or for construction related services from government agencies.

Sec. 3. EFFECTIVE DATE.

Sections 1 and 2 are effective the day following final enactment.

Presented to the governor May 30, 1989

Signed by the governor June 1, 1989, 11:45 p.m.

CHAPTER 321—H.F.No. 1194

An act relating to insurance; requiring obligors to issue an insurance identification card; requiring a driver or owner to produce proof of insurance; providing for administrative review; exempting certain vehicles; providing for the impoundment of registration plates; providing for a limited license in certain circumstances; defining terms; providing penalties; amending Minnesota Statutes 1988, sections 65B.67, subdivisions 2, 3, 3a, and 4; 168.041, subdivisions 4, 4a, and by adding a subdivision; 169.09, subdivision 14; and 171.30, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 65B and 169; repealing Minnesota Statutes 1988, section 65B.481.

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

Section 1. [65B.482] INSURANCE IDENTIFICATION CARDS.

Subdivision 1. ISSUANCE OF CARD. Every obligor transacting business in this state shall provide an insurance identification card for each vehicle covered at the time of initiating each policy of automobile insurance, as defined in section 65B.14, subdivision 2, and at the time of policy renewal. When an insured has five or more vehicles registered in this state, the obligor may use the designation "all owned vehicles" on each identification card in lieu of a specified description. The card must state:

(1) the insured's name;

(2) the policy number;

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(3) the policy dates of coverage;

(4) the make, model, and year of the vehicle being covered;

(5) the vehicle identification number or at least the last three digits of that number; and

(6) the name of the obligor providing coverage.

Subd. 2. NOTICE OF CRIMINAL PENALTIES. Every obligor transacting business in this state shall provide to the insured at the time of issuing an insurance identification card under subdivision 1 a plain-language summary of the criminal penalties imposed by section 65B.67, section 10, and section 12.

Sec. 2. Minnesota Statutes 1988, section 65B.67, subdivision 2, is amended to read:

Subd. 2. **VIOLATION BY OWNER.** Any owner of a motor vehicle or motorcycle with respect to which security is required under sections 65B.41 to 65B.71 who operates the motor vehicle or motorcycle or permits it to be operated upon a public highway, street or road in this state and who knows or has reason to know that the motor vehicle or motorcycle does not have security complying with the terms of section 65B.48, is guilty of a misdemeanor crime and shall be sentenced as provided in subdivision 4.

Sec. 3. Minnesota Statutes 1988, section 65B.67, subdivision 3, is amended to read:

Subd. 3. **VIOLATION BY DRIVER.** Any other person who operates a motor vehicle or motorcycle upon a public highway, street or road in this state who knows or has reason to know that the owner does not have security complying with the terms of section 65B.48 in full force and effect is guilty of a misdemeanor crime and shall be sentenced as provided in subdivision 4.

Sec. 4. Minnesota Statutes 1988, section 65B.67, subdivision 3a, is amended to read:

Subd. 3a. **FALSE STATEMENTS.** Any owner of a motor vehicle or motorcycle who falsely claims to have a plan of reparation security in effect at the time of registration of a motor vehicle or motorcycle pursuant to section 65B.48 is guilty of a misdemeanor crime and shall be sentenced as provided in subdivision 4.

Sec. 5. Minnesota Statutes 1988, section 65B.67, subdivision 4, is amended to read:

Subd. 4. **PENALTY.** Any operator of a motor vehicle or motorcycle (a) A person who is convicted under the terms of violates this section; is guilty of a misdemeanor; and shall be sentenced as provided in section 609.03, clause (3). Also A person who violates this section within ten years of the first of two prior convictions under this section, or a statute or ordinance from another state in

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conformity with this section, is guilty of a gross misdemeanor. The operator of a motor vehicle or motorcycle who violates subdivision 3 and who causes or contributes to causing a motor vehicle or motorcycle accident that results in the death of any person or in substantial bodily harm to any person, as defined in section 609.02, subdivision 7a, is guilty of a gross misdemeanor. The same prosecuting authority who is responsible for prosecuting misdemeanor violations of this section is responsible for prosecuting gross misdemeanor violations of this section.

(b) In addition to the criminal penalty, the operator's driver's license of an operator convicted under this section shall be revoked for not more than 12 months. If the operator is also an owner of the motor vehicle or motorcycle, the registration of the motor vehicle or motorcycle shall also be revoked for not more than 12 months. Before reinstatement of a driver's license or registration, the operator shall file with the commissioner of public safety the written certificate of an insurance carrier authorized to do business in this state stating that security has been provided by the operator as required by section 65B.48.

(c) The commissioner shall include a notice of the penalties contained in this section on all forms for registration of motor vehicles or motorcycles required to maintain a plan of reparation security.

Sec. 6. Minnesota Statutes 1988, section 168.041, is amended by adding a subdivision to read:

Subd. 1a. When an owner is convicted under section 169.791, the court shall require the registration plates of the motor vehicle or motorcycle involved in the violation owned by the person to be surrendered to the court for the longer of the following:

(1) the remainder of the period of revocation to be served under section 169.792; or

(2) until the owner obtains proof of insurance referred to in section 169.792, subdivision 10, satisfactory to the commissioner of public safety.

Sec. 7. Minnesota Statutes 1988, section 168.041, subdivision 4, is amended to read:

Subd. 4. If the court issues an impoundment order, the registration plates and certificates must be surrendered to the court either three days after the order is issued or on the date specified by the court, whichever date is later. The court shall forward surrendered registration certificates to the registrar of motor vehicles within seven days after their surrender. The court may destroy the surrendered registration plates. Except as provided in subdivision 1a, 4a, 5, 6, or 7, no new registration plates may be issued to the violator or owner until the driver's license of the violator has been reissued or reinstated. The court shall notify the commissioner of public safety within ten days after issuing an impoundment order.

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Sec. 8. Minnesota Statutes 1988, section 168.041, subdivision 4a, is amended to read:

Subd. 4a. **ADMINISTRATIVE REVIEW.** At any time during the effective period of an impoundment order, a person may request in writing a review of the impoundment order by the commissioner of public safety. Upon receiving a request, the commissioner or the commissioner's designee shall review the order, the evidence upon which the order was based, and any other material information brought to the attention of the commissioner, and determine whether sufficient cause exists to sustain the order. The commissioner shall report in writing the results of the review within 15 days of receiving the request. The review provided in this subdivision is not subject to the contested case provisions of the administrative procedure act in sections 14.01 to 14.70. As a result of this review, the commissioner may authorize the issuance at no cost of new registration plates and a registration certificate to the owner of the vehicle if the owner's driver's license or driving privileges were not revoked under section 169.121 or 169.123 and the owner was not a passenger in the vehicle at the time of the violation.

Review under this subdivision shall take place, if possible, at the same time as any administrative review of the person's license revocation under section 169.123, subdivision 5b or section 169.792, subdivision 8.

Sec. 9. Minnesota Statutes 1988, section 169.09, subdivision 14, is amended to read:

Subd. 14. **PENALTIES.** (a) The driver of any vehicle who violates subdivision 1 or 6 and who caused the accident is punishable as follows:

(1) if the accident results in the death of any person, the driver is guilty of a felony and may be sentenced to imprisonment for not more than ten years, or to payment of a fine of not more than \$20,000, or both;

(2) if the accident results in great bodily harm to any person, as defined in section 609.02, subdivision 8, the driver is guilty of a felony and may be sentenced to imprisonment for not more than five years, or to payment of a fine of not more than \$10,000, or both; or

(3) if the accident results in substantial bodily harm to any person, as defined in section 609.02, subdivision 7a, the driver is guilty of a felony and may be sentenced to imprisonment for not more than three years, or to payment of a fine of not more than \$5,000, or both.

(b) The driver of any vehicle who violates subdivision 1 or 6 and who did not cause the accident is punishable as follows:

(1) if the accident results in the death of any person, the driver is guilty of a felony and may be sentenced to imprisonment for not more than three years, or to payment of a fine of not more than \$5,000, or both;

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(2) if the accident results in great bodily harm to any person, as defined in section 609.02, subdivision 8, the driver is guilty of a felony and may be sentenced to imprisonment for not more than one year and one day, or to payment of a fine of not more than \$3,000, or both; or

(3) if the accident results in substantial bodily harm to any person, as defined in section 609.02, subdivision 7a, the driver may be sentenced to imprisonment for not more than one year, or to payment of a fine of not more than \$3,000, or both.

(c) The driver of any vehicle involved in an accident not resulting in substantial bodily harm or death who violates subdivision 1 or 6 may be sentenced to imprisonment for not more than one year, or to payment of a fine of not more than \$3,000, or both.

~~(d) Any person who violates subdivision 3, clause (b) is guilty of a petty misdemeanor.~~

~~(e) Any person who violates subdivision 2, 3, clause (a); 4, 5, 7, 8, 10, 11, or 12 is guilty of a misdemeanor.~~

The attorney in the jurisdiction in which the violation occurred who is responsible for prosecution of misdemeanor violations of this section shall also be responsible for prosecution of gross misdemeanor violations of this section.

Sec. 10. [169.791] CRIMINAL PENALTY FOR FAILURE TO PRODUCE PROOF OF INSURANCE.

Subdivision 1. TERMS. (a) For purposes of this section and sections 11 to 15, the following terms have the meanings given.

(b) "Commissioner" means the commissioner of public safety.

(c) "Insurance identification card" means a card issued by an obligor to an insured stating that security as required by section 65B.48 has been provided for the insured's vehicle.

(d) "Proof of insurance" means an insurance identification card, written statement, or insurance policy as defined by section 65B.14, subdivision 2.

(e) "Written statement" means a written statement by a licensed insurance agent in a form acceptable to the commissioner stating that security has been provided for the insured's vehicle and the dates of the coverage.

Subd. 2. REQUIREMENT FOR DRIVER WHETHER OR NOT THE OWNER. Every driver shall have in possession at all times when operating a motor vehicle and shall produce on demand of a peace officer proof of insurance in force at the time of the demand covering the vehicle being operated. If the driver is unable to produce the required proof of insurance upon the demand of a peace officer, the driver shall, within 14 days after the demand, produce proof of insurance stating that security had been provided for the vehicle that was

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being operated at the time of the demand, or the name and address of the owner to the place stated in the notice provided by the officer. The required proof of insurance may be sent by mail by the driver as long as it is received within 14 days. Except as provided in subdivision 3, any driver who fails to produce proof of insurance as required by this section within 14 days of the demand is guilty of a misdemeanor. The peace officer may mail the citation to the address given by the driver or to the address stated on the driver's license, and such service by mail is valid notwithstanding section 629.34. It is not a defense to service that a person failed to notify the department of public safety of a change of name or address as required under section 171.11. The citation may be sent after the 14-day period. A driver who is not the owner of the motor vehicle or motorcycle does not violate this section unless the driver knew or had reason to know that the owner did not have proof of insurance required by this section.

Subd. 3. REQUIREMENT FOR DRIVER WHO IS NOT THE OWNER. If the driver is not the owner of the vehicle, the driver shall, within 14 days of the officer's demand, provide the officer with proof of insurance or the name and address of the owner. Any driver under this subdivision who fails to provide proof of insurance or to inform the officer of the name and address of the owner within 14 days of the officer's demand is guilty of a misdemeanor.

Subd. 4. REQUIREMENT FOR OWNER WHO IS NOT THE DRIVER. The officer may send or provide a notice to the owner of the motor vehicle requiring the owner to produce proof of insurance for the vehicle that was being operated at the time of the demand. Notice by mail is presumed to be received five days after mailing and shall be sent to the owner's current address or the address listed on the owner's driver's license. Within 14 days after receipt of the notice, the owner shall produce the required proof of insurance to the place stated in the notice received by the owner. The required proof of insurance may be sent by mail by the owner as long as it is received within 14 days. Any owner who fails to produce proof of insurance within 14 days of an officer's request is guilty of a misdemeanor. It is an affirmative defense to a charge against the owner that the driver used the owner's vehicle without consent or misrepresented his or her insurance coverage to the owner. The peace officer may mail the citation to the owner's current address or address stated on the owner's driver's license. It is not a defense that a person failed to notify the department of public safety of a change of name or address as required under section 171.11. The citation may be sent after the 14-day period.

Subd. 5. EXEMPTIONS. Buses or other commercial vehicles operated by the metropolitan transit commission, commercial vehicles required to file proof of insurance pursuant to chapter 221 and school buses as defined in section 171.01, subdivision 21, are exempt from this section.

Subd. 6. PENALTY. Any violation of this section is a misdemeanor.

Sec. 11. [169.792] REVOCATION OF LICENSE FOR FAILURE TO PRODUCE PROOF OF INSURANCE.

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Subdivision 1. IMPLIED CONSENT. Any driver or owner of a motor vehicle consents, subject to the provisions of this section and section 169.791, to the requirement of having possession of proof of insurance, and to the revocation of the person's license if the driver or owner is unable to produce the required proof of insurance within 14 days of an officer's demand. Any driver of a motor vehicle who is not the owner of the motor vehicle consents, subject to the provisions of this section and section 169.791, to providing to the officer the name and address of the owner of the motor vehicle or motorcycle.

Subd. 2. REQUIREMENT FOR DRIVER WHETHER OR NOT THE OWNER. Except as provided in subdivision 3, every driver of a motor vehicle shall, within 14 days after the demand of a peace officer, produce proof of insurance in force for the vehicle that was being operated at the time of the demand, to the place stated in the notice provided by the officer. The required proof of insurance may be sent by the driver by mail as long as it is received within 14 days. A driver who is not the owner does not violate this section unless the driver knew or had reason to know that the owner did not have proof of insurance required by this section.

Subd. 3. REQUIREMENT FOR DRIVER WHO IS NOT THE OWNER. If the driver is not the owner of the vehicle, then the driver shall within 14 days of the officer's demand provide the officer with proof of insurance or the name and address of the owner.

Subd. 4. REQUIREMENT FOR OWNER WHO IS NOT THE DRIVER. The officer may send or provide a notice to the owner requiring the owner to produce proof of insurance in force at the time of the demand covering the motor vehicle being operated. The notice shall be sent to the owner's current address or the address listed on the owner's driver's license. Within 14 days after receipt of the notice, the owner shall produce the required proof of insurance to the place stated in the notice received by the owner. Notice by mail is presumed to be received within five days after mailing. It is not a defense that a person failed to notify the department of public safety of a change of name or address as required under section 171.11.

Subd. 5. NOTICE OF REVOCATION. When proof of insurance is demanded and none is in possession, the officer shall give the driver written notice as provided herein. If the driver is not the owner and does not produce the required proof of insurance within 14 days of the demand, the officer may send written notice to the owner of the vehicle. The department of public safety shall prescribe a form setting forth the written notice to be provided to the driver or owner. The notice shall specify the place to which the driver or owner must produce the proof of insurance. The notice shall also state:

(1) that Minnesota law requires every driver and owner to produce an insurance identification card, insurance policy, or written statement indicating that the vehicle had insurance at the time of an officer's demand within 14 days of the demand, provided, however, that a driver who does not own the vehicle shall provide the name and address of the owner;

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(2) that if the driver fails to produce the information within 14 days from the date of demand or if the owner fails to produce the information within 14 days of receipt of the notice from the peace officer, the commissioner of public safety shall revoke the person's driver's license or permit to drive, or nonresident operating privileges for a minimum of 30 days;

(3) that any person who displays or causes another to display an insurance identification card, insurance policy, or written statement, knowing that the insurance is not in force, is guilty of a misdemeanor; and

(4) that any person who alters or makes a fictitious identification card, insurance policy, or written statement, or knowingly displays an altered or fictitious identification card, insurance policy, or written statement, is guilty of a misdemeanor.

Subd. 6. REPORT TO THE COMMISSIONER OF PUBLIC SAFETY. If a driver fails to produce the required proof of insurance or name and address of the owner within 14 days of the demand, the officer shall report the failure to the commissioner and may send a written notice to the owner. If the owner fails to produce the required proof of insurance within 14 days of receipt of the notice, the officer shall report the failure to the commissioner.

Subd. 7. LICENSE REVOCATION. Upon receiving the notification under subdivision 6, the commissioner shall revoke the person's driver's license or permit to drive, or nonresident operating privileges. The revocation shall be effective beginning 14 days after the date of notification by the officer to the department of public safety. In order to be revoked, notice must have been given or mailed to the person, as provided in this section. The person's driver's license or permit to drive, or nonresident operating privileges, shall be revoked for the longer of: (i) 30 days, or (ii) until the driver or owner files proof of insurance with the department of public safety satisfactory to the commissioner of public safety.

Subd. 8. ADMINISTRATIVE AND JUDICIAL REVIEW. At any time during a period of revocation imposed under this section, a driver or owner may request in writing a review of the order of revocation by the commissioner. Upon receiving a request, the commissioner or the commissioner's designee shall review the order, the evidence upon which the order was based, and any other material information brought to the attention of the commissioner, and determine whether sufficient cause exists to sustain the order. Within 15 days of receiving the request, the commissioner shall send the results of the review in writing to the person requesting the review. The review provided in this subdivision is not subject to the contested case provisions of the administrative procedure act in sections 14.01 to 14.69.

The availability of administrative review for an order of revocation shall have no effect upon the availability of judicial review under section 171.19.

Subd. 9. NOTICE OF ACTION TO OTHER STATES. When it has been

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finally determined that a nonresident's operating privilege in this state has been revoked or denied, the commissioner of public safety shall give information in writing of the action taken to the official in charge of traffic control or public safety of the state of the person's residence and of any state in which the person has a license.

Subd. 10. TERMINATION OF REVOCATION PERIOD. Before reinstatement of a driver's license or permit to drive, or nonresident operating privileges, the driver or owner shall produce proof of insurance indicating that the driver or owner has insurance coverage satisfactory to the commissioner. The commissioner may require the insurance identification card provided to satisfy this subdivision be certified by the insurance carrier to be noncancelable for a period not to exceed 12 months. The commissioner of public safety may also require an insurance identification card to be filed with respect to any and all vehicles required to be insured under section 65B.48 and owned by any person whose driving privileges have been revoked as provided in this section before reinstating the person's driver's license.

Subd. 11. EXEMPTIONS. Buses or other commercial vehicles operated by the metropolitan transit commission, commercial vehicles required to file proof of insurance pursuant to chapter 221, and school buses as defined in section 171.01, subdivision 21, are exempt from this section.

Sec. 12. [169.793] UNLAWFUL ACTS.

Subdivision 1. ACTS. It shall be unlawful for any person:

(1) to issue, to display, or cause or permit to be displayed, or have in possession, an insurance identification card, policy, or written statement knowing or having reason to know that the insurance is not in force or is not in force as to the motor vehicle or motorcycle in question;

(2) to alter or make a fictitious insurance identification card, policy, or written statement; and

(3) to display an altered or fictitious insurance identification card, insurance policy, or written statement knowing or having reason to know that the proof has been altered or is fictitious.

Subd. 2. PENALTY. Any person who violates any of the provisions of subdivision 1 is guilty of a misdemeanor.

Sec. 13. [169.794] APPLICATION OF OTHER LAW.

The provisions of section 45.027 do not apply to license revocations under section 169.792.

Sec. 14. [169.795] RULES.

The commissioner of public safety shall adopt rules necessary to implement sections 6 to 15.

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Sec. 15. [169.796] VERIFICATION OF INSURANCE COVERAGE.

An insurance company shall release information to the department of public safety or the law enforcement authorities necessary to the verification of insurance coverage. An insurance company or its agent acting on its behalf, or an authorized person who releases the above information, whether oral or written, acting in good faith, is immune from any liability, civil or criminal, arising in connection with the release of the information.

Sec. 16. Minnesota Statutes 1988, section 171.30, subdivision 1, is amended to read:

Subdivision 1. **ISSUANCE.** In any case where a person's license has been suspended under section 171.18 or revoked under section 169.792, 169.121, 169.123, or 171.17, the commissioner may issue a limited license to the driver including under the following conditions:

(1) if the driver's livelihood or attendance at a chemical dependency treatment or counseling program depends upon the use of the driver's license;

(2) if the use of a driver's license by a homemaker is necessary to prevent the substantial disruption of the education, medical, or nutritional needs of the family of the homemaker; or

(3) if attendance at a post-secondary institution of education by an enrolled student of that institution depends upon the use of the driver's license.

The commissioner in issuing a limited license may impose such conditions and limitations as in the commissioner's judgment are necessary to the interests of the public safety and welfare including reexamination as to the driver's qualifications. The license may be limited to the operation of particular vehicles, to particular classes and times of operation and to particular conditions of traffic. The commissioner may require that an applicant for a limited license affirmatively demonstrate that use of public transportation or carpooling as an alternative to a limited license would be a significant hardship.

For purposes of this subdivision, "homemaker" refers to the person primarily performing the domestic tasks in a household of residents consisting of at least the person and the person's dependent child or other dependents.

The limited license issued by the commissioner shall clearly indicate the limitations imposed and the driver operating under the limited license shall have the license in possession at all times when operating as a driver.

In determining whether to issue a limited license, the commissioner shall consider the number and the seriousness of prior convictions and the entire driving record of the driver and shall consider the number of miles driven by the driver annually.

If the person's driver's license or permit to drive, or nonresident operating

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privileges, have been revoked, the commissioner may only issue a limited license to the person after the person has presented an insurance identification card, policy, or written statement indicating that the driver or owner has insurance coverage satisfactory to the commissioner of public safety. The commissioner of public safety may require the insurance identification card provided to satisfy this subdivision be certified by the insurance company to be noncancelable for a period not to exceed 12 months.

Sec. 17. **REPORT.**

The department of public safety, in consultation with the information policy office, shall study the feasibility of computer communication between insurance companies and the department, by which the department is informed of a driver whose insurance is canceled. The department shall report on its study to the legislature.

Sec. 18. **REPEALER.**

Minnesota Statutes 1988, section 65B.481, is repealed.

Presented to the governor May 26, 1989

Signed by the governor May 26, 1989, 5:56 p.m.

CHAPTER 322—H.F.No. 892

An act relating to public safety; requiring certain types of smoke detectors in new construction; authorizing more stringent local smoke detector requirements; creating the position of public fire safety educator; appropriating money; amending Minnesota Statutes 1988, section 299F.362, subdivisions 6, 7, 9, and by adding subdivisions.

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

Section 1. Minnesota Statutes 1988, section 299F.362, is amended by adding a subdivision to read:

Subd. 3a. NEW CONSTRUCTION; DWELLINGS. In construction of a new dwelling, each smoke detector must be attached to a centralized power source.

Sec. 2. Minnesota Statutes 1988, section 299F.362, subdivision 6, is amended to read:

Subd. 6. **PENALTIES.** (a) Any person who violates any provision of this section shall be subject to the same penalty ~~incurred~~ and the enforcement mechanism that is provided for violation of the uniform fire code, as specified in section 299F.011, subdivision 6.

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